



P.O. Box 164
Wellington, Utah 84542
435/637-4075 435/637-4073 Fax

February 1, 2005

Rich McClure
Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, Utah 84532

RE: Application for Permit to Drill—Elk Production Company, LLC
Federal #25-5, 643' FSL, 1,922' FWL, SE/4 SW/4
Section 25, T20S, R21E, SLB&M, Grand County, Utah

Dear Rich:

On behalf of Elk Production Company, LLC (Elk Production), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Drilling Plan;

Exhibit "D" - Surface Use Plan;

Exhibit "E" - Typical BOP and Choke Manifold diagrams.

Please accept this letter as Elk Production's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Tom Young of Elk Production at 303-296-4505 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Elk Production Company, LLC

cc: Diana Whitney, Division of Oil, Gas and Mining
Tom Young, Elk Production Company, LLC

RECEIVED
FEB 03 2005
DIV. OF OIL, GAS & MINING

FILE COPY

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
UTU-02139-A

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

7. UNIT AGREEMENT NAME
Greater Cisco Dome Unit

8. FARM OR LEASE NAME, WELL NO.
Federal #25-5

9. API WELL NO.
43-019-31444

10. FIELD AND POOL, OR WILDCAT
Cisco Dome

11. SEC., T., R., M., OR BLK.
Section 25,
T20S, R21E, SLB&M

12. COUNTY OR PARISH
Grand

13. STATE
Utah

1. TYPE OF WORK
DRILL DEEPEN

2. NAME OF OPERATOR
Elk Production Company, LLC

3. ADDRESS AND TELEPHONE NO.
1401-17th Street, Suite 700, Denver, Colorado 80202 303-296-4505

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 625692X 643' FSL, 1,922' FWL SE/4 SW/4 39.032050
At proposed prod. zone 4321128Y -109.547866

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
13.19 miles northwest of Cisco, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
643'

16. NO. OF ACRES IN LEASE
160 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL
160 acres

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
+/- 1,200'

19. PROPOSED DEPTH
2,800'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5,021' GR

22. APPROX. DATE WORK WILL START*
As soon as approved

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-1/2"	7" H-40 ST&C	17#	250'	100 sx Halliburton Type 5 with additives—see attached Drilling Plan
6-1/2"	4-1/2" K-55 LT&C	10.5#	2,800'	160 sx 50/50 Class "G" Poz with additives—see attached Drilling Plan

Bond Information:

Bond coverage is provided by US Specialty Insurance Company, Bond #B 000971

Other Information:

Drilling Plan and Surface Use Plan are attached.
Elk Production Company, LLC requests that this complete application for permit to drill be held confidential.

Federal Approval of this
Action is Necessary

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FEB 03 2005

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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Elk Production Company, LLC DATE February 1, 2005

(This space for Federal or State office use)

PERMIT NO. 43-019-31444 APPROVAL DATE _____

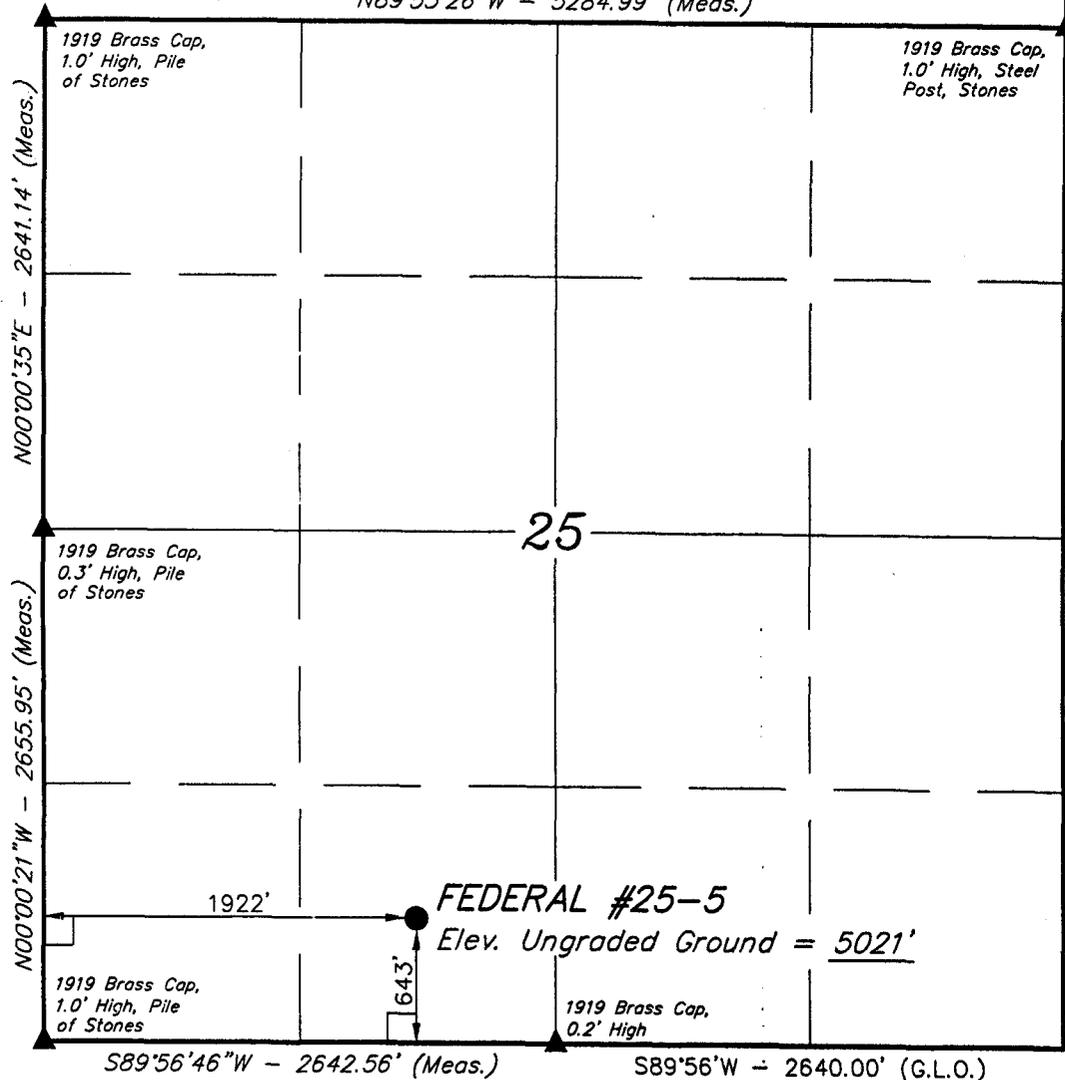
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III DATE 02-07-05

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

T20S, R21E, S.L.B.&M.



R
21
E

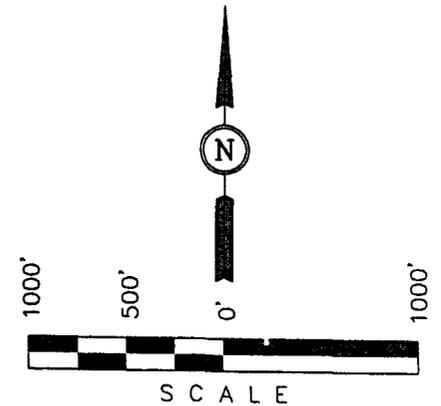
R
22
E

ELK PRODUCTION, LLC

Well location, FEDERAL #25-5, located as shown in the SE 1/4 SW 1/4 of Section 25, T20S, R21E, S.L.B.&M. Grand County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 24, T20S, R21E, S.L.B.&M. TAKEN FROM THE CALF CANYON, QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5084 FEET.



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.

Robert J. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
LATITUDE = 39°01'55.15" (39.031986)
LONGITUDE = 109°32'54.39" (109.548442)
(AUTONOMOUS NAD 27)
LATITUDE = 39°01'55.24" (39.032011)
LONGITUDE = 109°32'51.95" (109.547764)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UNTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-20-04	DATE DRAWN: 01-13-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

DRILLING PLAN

Elk Production Company LLC
Federal #25-5
SESW of Section 25, T-20-S, R-21-E
Grand County, UT

1,2,3 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth</u>
Mancos Shale	Surface
Greenhorn	1926'
Graneros	1951'
Dakota	1981'*
Cedar Mountain	2040'*
Morrison-Brushy Basin	2125'*
Morrison Salt Wash	2353'*
Summerville	2487'
Curtis Entrada	2557'**

PROSPECTIVE PAY* oil and gas

** POSSIBLE OIL OR WATER

4 Casing Program

<u>HOLE SIZE</u>	<u>SETTING DEPTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
9-1/2	surface	250'	7"	17#	H40	ST&C Recond.
6-1/4	surface	2800'	4-1/2"	10.5#	K55	LT&C New

5 Cementing Program

7" Surface Casing approximately 100 sx Halliburton Type 5 containing 2% gel and 3% salt. Mixed at 14.8 ppg (yield – 1.37 ft³/sx) To be circulated to surface with 100% excess

4-1/2" Prod. Csg. approximately 160 sx 50/50 Class "G" Poz cement containing 2% gel, .3% Halad 322, .6% Halad 23, .3% Versaset, and .2% Super CBL. To be mixed at 14.2 ppg (yield – 1.33 ft³/sx). Estimated TOC 1500'.

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 250'	NA/Air drilled			
250' – 2800'	NA/Air drilled			

Sufficient KC1 brine water to contain "kick" will be available at wellsite.

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7 BOP and Pressure Containment Data

Depth Intervals

Surf. – 250'
250' – TD

BOP Equipment

No pressure control required
10" 2000# Ram Type double BOP
8" 2000# Rotating Head

Drilling spool to accommodate choke and kill lines.
Anticipated bottom hole pressure to be less than 1000 PSI

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 2000#
ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
OF ONSHORE ORDER NO. 2

THE BLM AND THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
WILL BE NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Lower Kelly cock will be installed while drilling
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

9 Testing, Logging and Core Programs

Cores None anticipated
Testing None anticipated
Sampling 30' samples; surface casing to TD
Surveys Run every 1000' and on trips
Logging Resistivity, neutron density, temperature, gamma ray, and caliper from TD to surface casing

10 Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated

11 Drilling Schedule

Spud As soon as permits can be obtained
Duration 4 - 5 days drilling time
 4 days completion time

HAZARDOUS MATERIAL DECLARATION

Federal #25-5

Elk Production Company, LLC guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

Elk Production Company, LLC guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.



Following is a summary of Cement Slurries developed in the Piceance Basin by the Casper and Vernal Labs. These slurries were developed as a result of the depletion of the Type III Cement typically used in the basin. The slurries were also developed with costs to Williams in mind while meeting the slurry specifications that Williams and the state require. More lab tests have been completed in this process but this report was put together to summarize the chosen slurries for Williams Production RMT. Please refer to the listed lab reports for additional slurries if this information is desired.

More testing is underway to continue to optimize the slurries for both cost and performance. As these results become available they will be shared with Williams for discussion purposes and to determine if a switch in slurry design is warranted.

Surface Pipe Slurries

Lead – Using Ashgrove Type V

SLURRY COMPOSITION #12 (from Lab Report HES C04-0414)

Modified Mid-Con II

Ashgrove Type V #/sk 94.00

CalSeal	% bwc	2.00
EX-1	% bwc	2.00
Salt	% bww	4.92
Versaset	% bwc	0.30

Lab Tap Water	gal/sk	13.77
Slurry Weight	#/gal	12.30
Slurry Volume	ft3/sk	2.38

THICKENING TIME TEST

Initial Viscosity:	Bc
Final Temperature:	80 F
Final Pressure:	1200 psi
Time to Temperature:	0:17
Time to 70 Bc:	4:41

FREE WATER TEST

0.23% at no angle at 80 F
 No settling observed

UCA COMPRESSIVE STRENGTH TEST

Pressure:	800 psi
Temperature:	95 F

396 psi in 12 hours
 724 psi in 24 hours
 943 psi in 48 hours
 1057 psi in 72 hours

Set Time 50 psi	5:28
WOC Time 500 psi	14:32
Time to 800 psi	29:15

Discounted, Delivered, Cost per Barrel \$53.30

Discounted, Delivered, Cost per Barrel Type III HLC \$43.18

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.



Tail – Using Ashgrove Type V

SLURRY COMPOSITION #4 (from Lab Report HES C04-0414)

Modified Mid-Con II		
Ashgrove Type V	#/sk	94.00
CalSeal	% bwc	2.00
EX-1	% bwc	2.00
Salt	% bwc	6.00
Versaset	% bwc	0.30
Lab Tap Water	gal/sk	11.86
Slurry Weight	#/gal	12.78
Slurry Volume	ft3/sk	2.13

THICKENING TIME TEST

Initial Viscosity:	10 Bc
Final Temperature:	80 F
Final Pressure:	1200 psi
Time to Temperature:	0:17
Time to 70 Bc:	5:25

FREE WATER TEST

0.0% at no angle at 80 F
No settling observed

UCA COMPRESSIVE STRENGTH TEST #1

Start Date:	8 Oct 04
Pressure:	800 psi
Temperature:	95 F

525 psi in 12 hours
914 psi in 24 hours
1210 psi in 48 hours
1362 psi in 72 hours

Set Time 50 psi	5:06
WOC Time 500 psi	11:32
Time to 800 psi	19:22

UCA COMPRESSIVE STRENGTH TEST #2

Start Date:	29 Oct 04
Pressure:	800 psi
Temperature:	95 F

534 psi in 12 hours
914 psi in 24 hours
1212 psi in 48 hours
psi in 72 hours

Set Time 50 psi	4:58
WOC Time 500 psi	11:22
Time to 800 psi	19:14

Discounted, Delivered, Cost per Barrel \$59.62
Discounted, Delivered, Cost per Barrel Type III \$63.94

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Tail – Using Ashgrove Type V. To be used when a heavy weight tail slurry is desired for surface pipes.

SLURRY COMPOSITION #11 (from Lab Report HES C04-04i4)

Ashgrove Type V	#/sk	94.00
Gel	% bwc	2.00
Salt	% bww	3.00

Lab Tap Water	gal/sk	6.53
Slurry Weight	#/gal	14.80
Slurry Volume	ft ³ /sk	1.37

FREE WATER TEST

0.3% at no angle at 80 F
No settling observed

RHEOLOGY TESTS

RPM	surf.
600	124
300	94
200	90
100	86

UCA COMPRESSIVE STRENGTH TEST

Pressure: 800 psi
Temperature: 95 F

1167 psi in 12 hours
1726 psi in 18 hours

Set Time 50 psi 3:48
WOC Time 500 psi 7:06
Time to 800 psi 8:57

Discounted, Delivered, Cost per Barrel \$68.77

Discounted, Delivered, Cost per Barrel Type III \$63.94



Long String Slurries

Lead Cement – Using Ashgrove Type V

SLURRY COMPOSITION #1-4 (from Lab Report HES C04-04161)

LEAD

HLC	#/sk	85.78
Halad 322	% bwc	0.60
Versaset	% bwc	0.20
FWCA	% bwc	0.10
HR-5	(see below)	

Lab Tap Water	gal/sk	9.70
Slurry Weight	#/gal	12.70
Slurry Volume	ft3/sk	1.82

THICKENING TIME TEST

Final Temperature:	140 F
Final Pressure:	4500 psi
Time to Temperature:	0:39

<u>HR-5</u>	<u>Visc.</u>	<u>Time to 70 Bc</u>
0.30	14 Bc	6:00+
0.10	7 Bc	4:15

FLUID LOSS TEST

368 cc/30 minutes at 140 F

FREE WATER TEST

0.36% at no angle at 140 F

RHEOLOGY TEST w/ 0.1% HR-5

<u>RPM</u>	<u>surf.</u>	<u>110 F</u>	<u>140 F</u>
600	66	44	34
300	36	22	18
200	24	14	12
100	14	8	6

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	206 F

842 psi in 12 hours
 1093 psi in 24 hours
 1178 psi in 48 hours
 1200 psi in 60 hours

Set Time 50 psi	5:28
WOC Time 500 psi	9:00

Discounted, Delivered, Cost per Barrel

\$61.97

Discounted, Delivered, Cost per Barrel Dakota G 50/50 Poz Lead

\$63.94

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Tail Cement – Using Mountain Class G

Tail #1 – To be used when short transition times are desired and the Mud Weight is > 11 ppg

SLURRY COMPOSITION #2-7 (from Lab Report HES C04-04161)

TAIL #1

50-50 Poz	#/sk	82.25
Gel	% bwc	2.00
Halad 322	% bwc	0.30
Halad 23	% bwc	0.60
Versaset	% bwc	0.30
Super CBL	% bwc	0.20
HR-5	% bwc	0.10

Lab Tap Water	gal/sk	5.42
Slurry Weight	#/gal	14.20
Slurry Volume	ft3/sk	1.23

THICKENING TIME TEST

Initial Viscosity	18 Bc
Final Temperature:	140 F
Final Pressure:	4500 psi
Time to Temperature:	0:39
Time to 70 Bc:	3:18

FLUID LOSS TEST

92 cc/30 minutes at 140 F

FREE WATER TEST

Trace at no angle at 140 F
No settling observed

RHEOLOGY TEST

<u>RPM</u>	<u>surf.</u>	<u>140 F</u>
600	221	121
300	135	72
200	96	50
100	54	28

MARSH FUNNEL TEST

250 ml in 38 seconds

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	206 F

Transition Time

15 minutes

1228 psi in 12 hours
1767 psi in 24 hours
1887 psi in 48 hours

Set Time	50 psi	9:00	Discounted, Delivered, Cost per Barrel	\$107.09
WOC Time	500 psi	10:10	Discounted, Delivered, Cost per Barrel Dakota G	\$105.79

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Tail #2 – To be used when short bonding times are not requested, e.g. the first well of a two well Pad.

SLURRY COMPOSITION #2-8 (from Lab Report HES C04-04161)

TAIL #2

50-50 Poz	#/sk	82.25
Gel	% bwc	2.00
CalSeal	#/sk	5.00
Comp. Silica.	#/sk	3.00
Halad 322	% bwc	0.70

Lab Tap Water	gal/sk	5.88
Slurry Weight	#/gal	14.20
Slurry Volume	ft3/sk	1.33

THICKENING TIME TEST

Initial Viscosity	10 Bc
Final Temperature:	140 F
Final Pressure:	4500 psi
Time to Temperature:	0:39
Time to 70 Bc:	3:26

FLUID LOSS TEST

355 cc/30 minutes at 140 F

FREE WATER TEST

Trace at no angle at 140 F
No settling observed

RHEOLOGY TEST

RPM	surf.	110 F	140 F
600	60	64	66
300	30	34	40
200	20	24	28
100	12	13	16

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	206 F

1757 psi in 12 hours
2012 psi in 24 hours
2089 psi in 48 hours

Set Time	50 psi	3:50
WOC Time	500 psi	5:48

Discounted, Delivered, Cost per Barrel \$91.79

Discounted, Delivered, Cost per Barrel Dakota G \$91.79

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Tail #3 – Tail #1 with 8 lb/sack Gilsonite; were using this on Trail Ridge only

****This slurry is still being tested and will be updated as results become available.**

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Tail #4 – To be used in Place of Tail #1 when short transition times are desired and the Mud Weight is ≤ 11 ppg.

SLURRY COMPOSITION

(from Lab Report Williams C04-0442)

TAIL

50-50 Poz	#/sk	82.25
(Prem MT G/JB Flyash)		
Gel	% bwc	2.00
Gilsonite	#/sk	5.00
Comp. Silica.	#/sk	3.00
Halad 322	% bwc	0.30
Halad 23	% bwc	0.60
Versaset	% bwc	0.30
Super CBL	% bwc	0.20
HR-5	% bwc	0.10

Lab Tap Water	gal/sk	6.37
Slurry Weight	#/gal	13.50
Slurry Volume	ft ³ /sk	1.45

THICKENING TIME TEST

Initial Viscosity:	22 Bc
Final Temperature:	146 F
Final Pressure:	4500 psi
Time to Temperature:	0:39
Time to 70 Bc:	3:08

FLUID LOSS TEST

108 cc/30 minutes at 146 F

FREE WATER TEST

Trace at no angle at 146 F

RHEOLOGY TEST

RPM	surf.	146 F
600	264	74
300	104	52
200	70	36
100	38	20

MARSH FUNNEL TEST

29 seconds for 250 ml

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	212 F

1393 psi in 12 hours
1605 psi in 24 hours
1696 psi in 48 hours

Set Time	50 psi	5:52
WOC Time	500 psi	7:00

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SURFACE USE PLAN

Elk Production Company LLC
Federal #25-5
SESW of Section 25, T-20-S, R-21-E
Grand County, UT

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

The onsite inspection for the referenced well was conducted on Wednesday, October 13, 2004.

1. Existing Roads:

- a. The proposed well site is located approximately 13.19 miles northwest of Cisco, Utah.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Greater Cisco Dome Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located on-lease and within in the Greater Cisco Dome Unit boundary.

2. Planned Access Roads:

- a. From the P & A'd #3-36 access road an access is proposed trending northwest approximately 10' to the proposed well site. The access consists of entirely new disturbance that crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.
- c. BLM approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 10' long and adequate site distance exists in all directions.
- f. No culverts or low-water crossings are anticipated at this time. Adequate drainage structures will be incorporated into the remainder of the road.
- g. No surfacing material will come from federal or Indian lands.

- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Topo C of Exhibit B has a map reflecting existing wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Olive Black to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northeast side of the well site and traverse 3,400' northeast to the existing pipeline corridor that services the existing #25-1.

- i. The gas pipeline will be a 4" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 3,400' is associated with this well.
- j. Elk Production Company, LLC intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Elk Production Company, LLC intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. Since this well will be air drilled the use of water for drilling is not anticipated.
- b. Water for drilling and completion operations, if necessary, will be trucked over approved access roads from Thompson, Utah. The water will be obtained through a direction purchase agreement with a private owner.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located inboard of the location and along the northeast side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be constructed of native material and will not be lined. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling,

testing, or completion of the well.

- h. Trash will 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. The contents of the trash container will be hauled off periodically to the approved Emery County Landfill near Green River, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed. This contents will be transported by truck from the tank to an approved disposal facility for disposal.
- k. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- l. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Green River Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the southeast.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 150' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.

- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.
- b. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.

12. Other Information:

- a. Senco-Phenix Archaeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Senco-Phenix Archaeological Consultants.

b. Our understanding of the results of the onsite inspection are:

- a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
- b. No raptor habitat is know to exist within 1 mile of the proposed wellsite.
- c. No additional surface use agreements are necessary for the construction of this wellsite
- d. No drainage crossings that require additional State or Federal approval are being crossed.

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative	Tom Young	1-303-339-1920
Agent for Elk Production Company, LLC	Don Hamilton	1-435-637-4075

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 exists; 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 Elk Production Company, 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 Elk Production's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 2-1-05

ELK PRODUCTION, LLC
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.

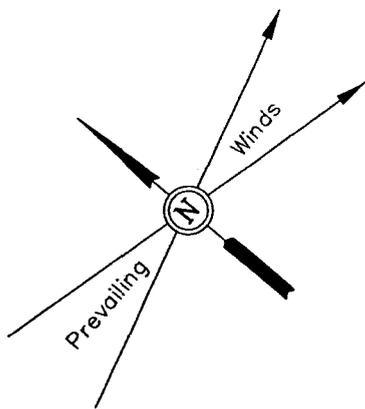
PROCEED IN AN EASTERLY DIRECTION FROM GREEN RIVER, UTAH ALONG INTERSTATE-70 APPROXIMATELY 43.2 MILES TO THE WHITE HOUSE EXIT; EXIT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 12.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 10' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM GREEN RIVER, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.75 MILES.

ELK PRODUCTION, LLC

FIGURE #1

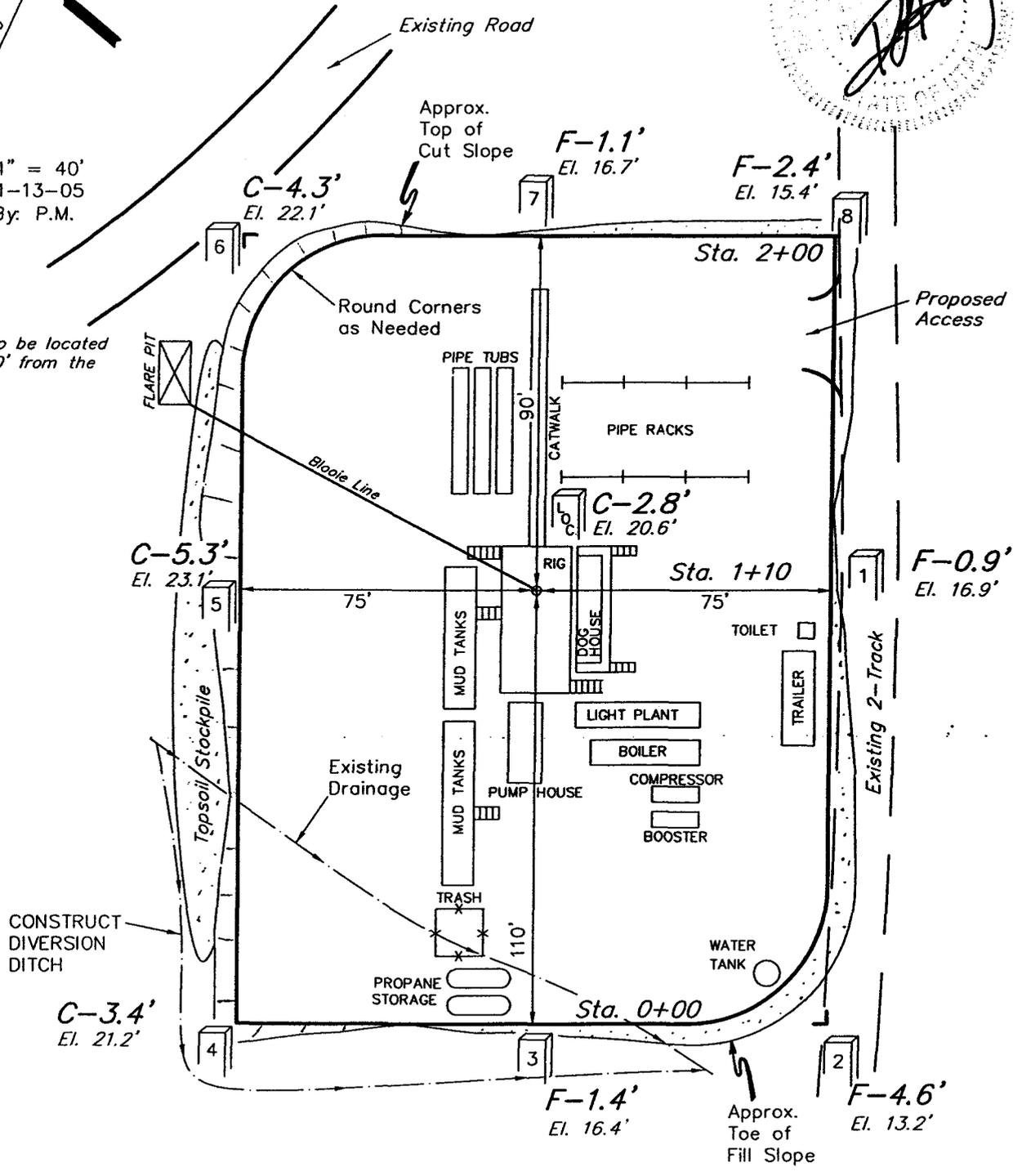
LOCATION LAYOUT FOR
 FEDERAL #25-5
 SECTION 25, T20S, R21E, S.L.B.&M.
 643' FSL 1922' FWL



SCALE: 1" = 40'
 DATE: 01-13-05
 Drawn By: P.M.



NOTE:
 Flare Pit is to be located
 a min. of 100' from the
 Well Head.



NOTES:

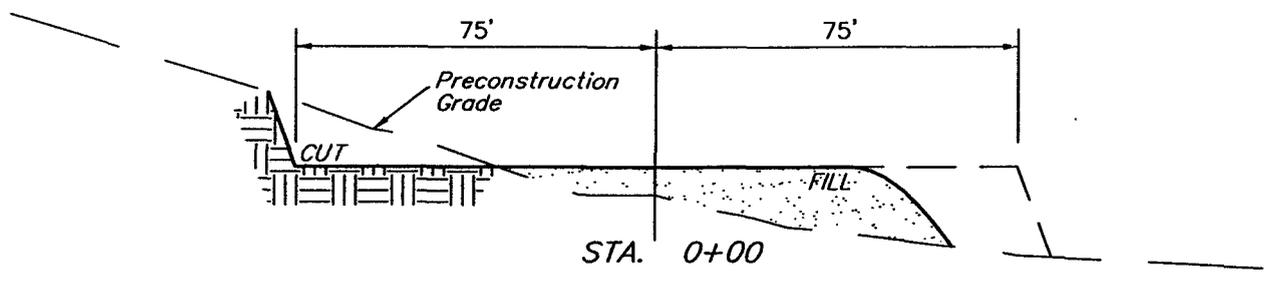
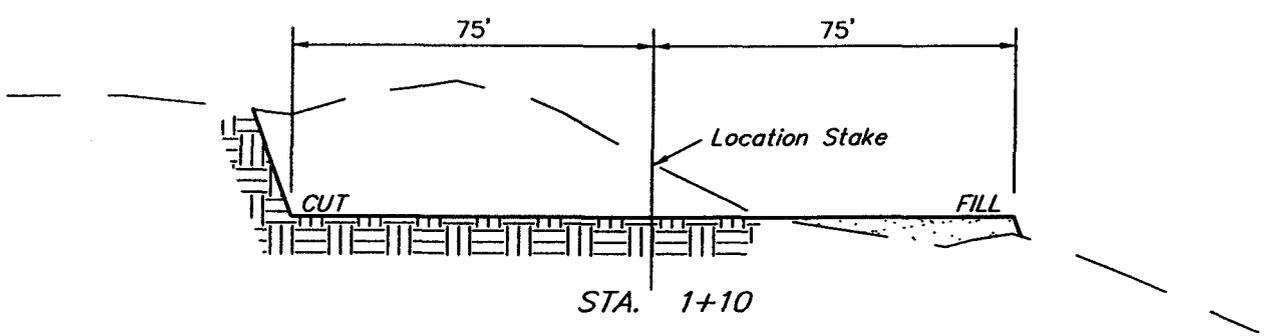
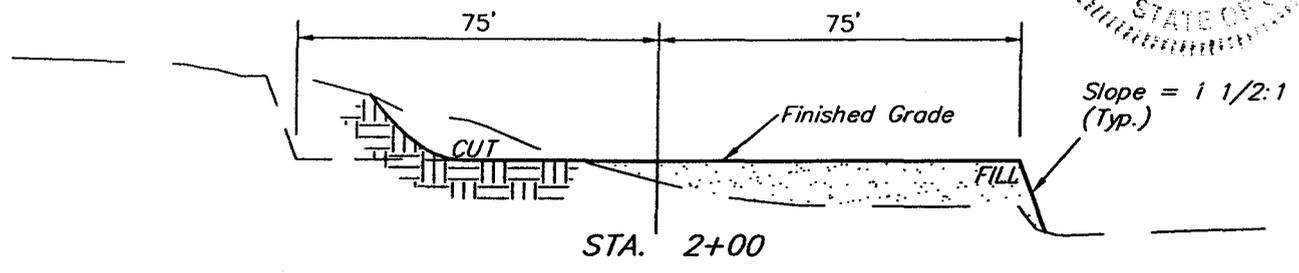
Elev. Ungraded Ground At Loc. Stake = 5020.6'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5017.8'

ELK PRODUCTION, LLC
TYPICAL CROSS SECTIONS FOR
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

FIGURE #2

X-Section Scale
 1" = 40'

DATE: 01-13-05
 Drawn By: P.M.



*** NOTE:**
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 620 Cu. Yds.
Remaining Location	= 1,360 Cu. Yds.
TOTAL CUT	= 1,980 CU.YDS.
FILL	= 1,360 CU.YDS.

EXCESS MATERIAL	= 620 Cu. Yds.
Topsoil	= 620 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

ELK PRODUCTION, LLC
FEDERAL #25-5
LOCATED IN GRAND COUNTY, UTAH
SECTION 25, T20S, R21E, S.L.B.&M.

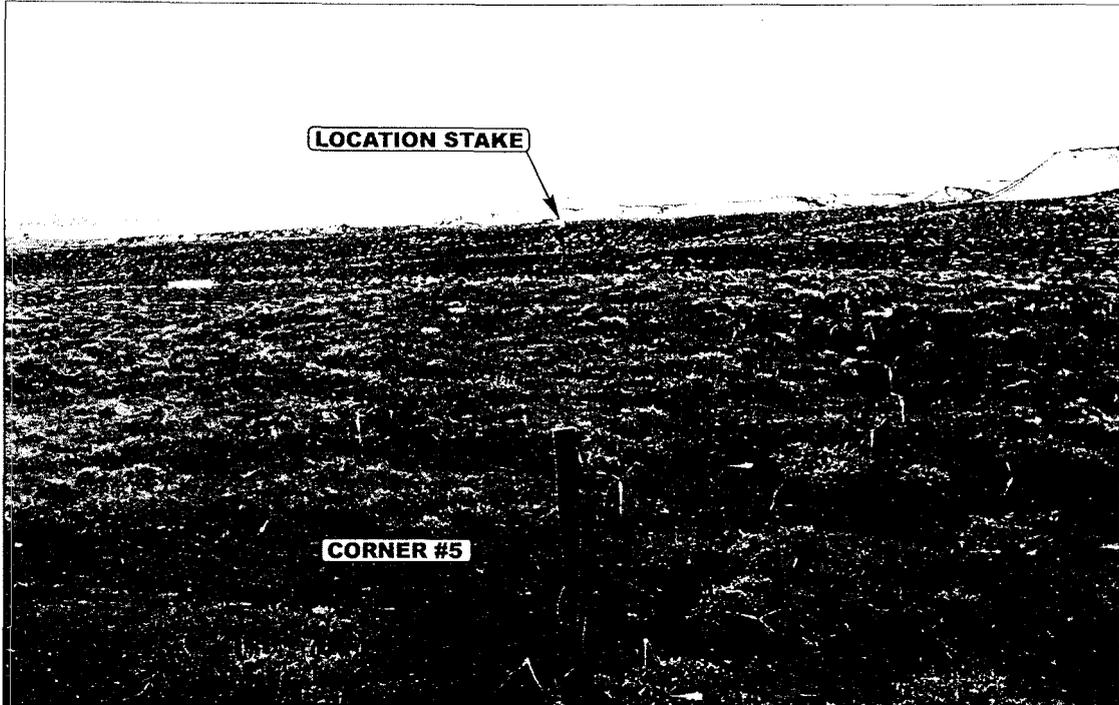


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

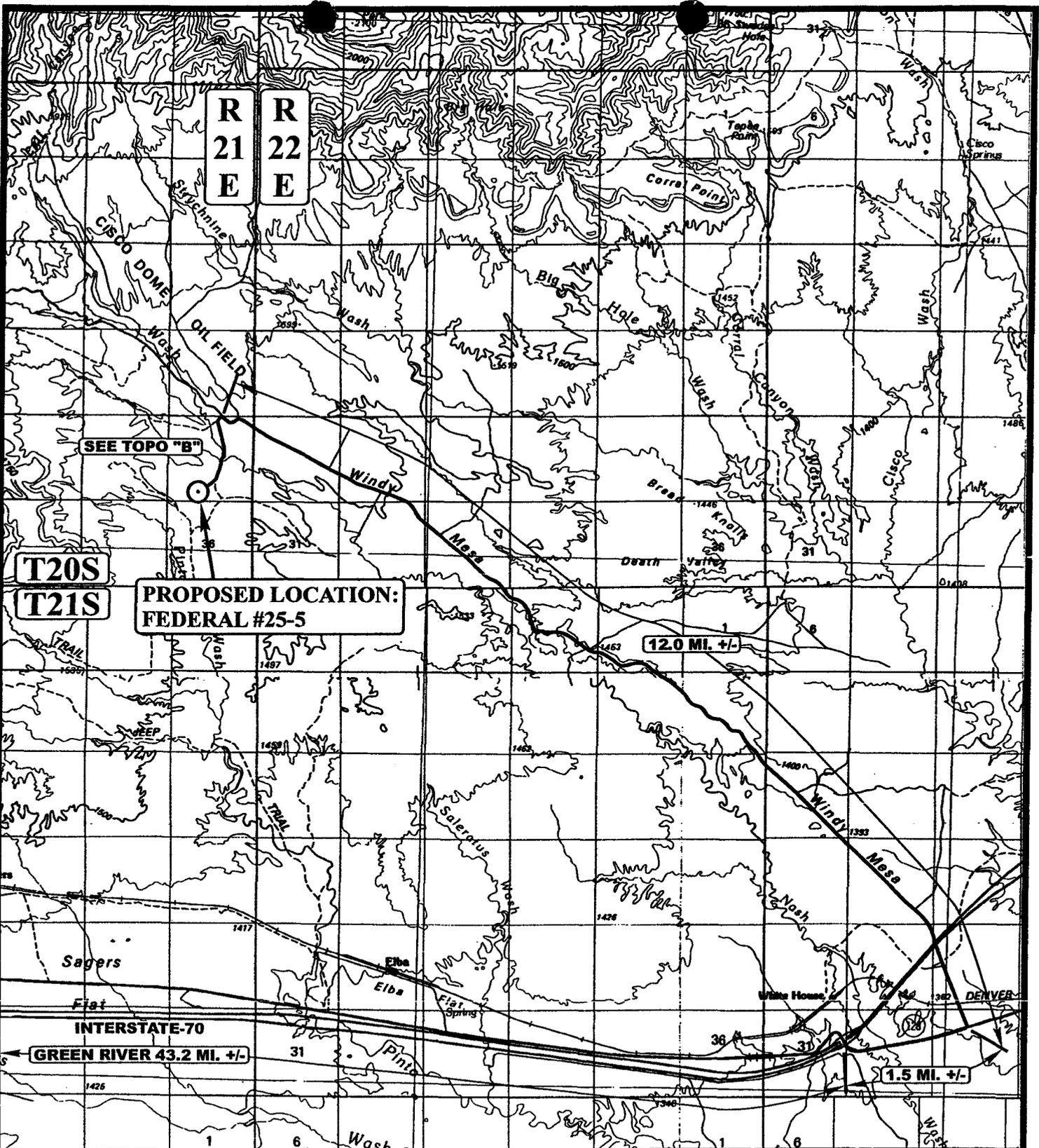
CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			12	22	04	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: G.O.	DRAWN BY: P.M.	REVISED: 00-00-00				



LEGEND:

⊙ PROPOSED LOCATION



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



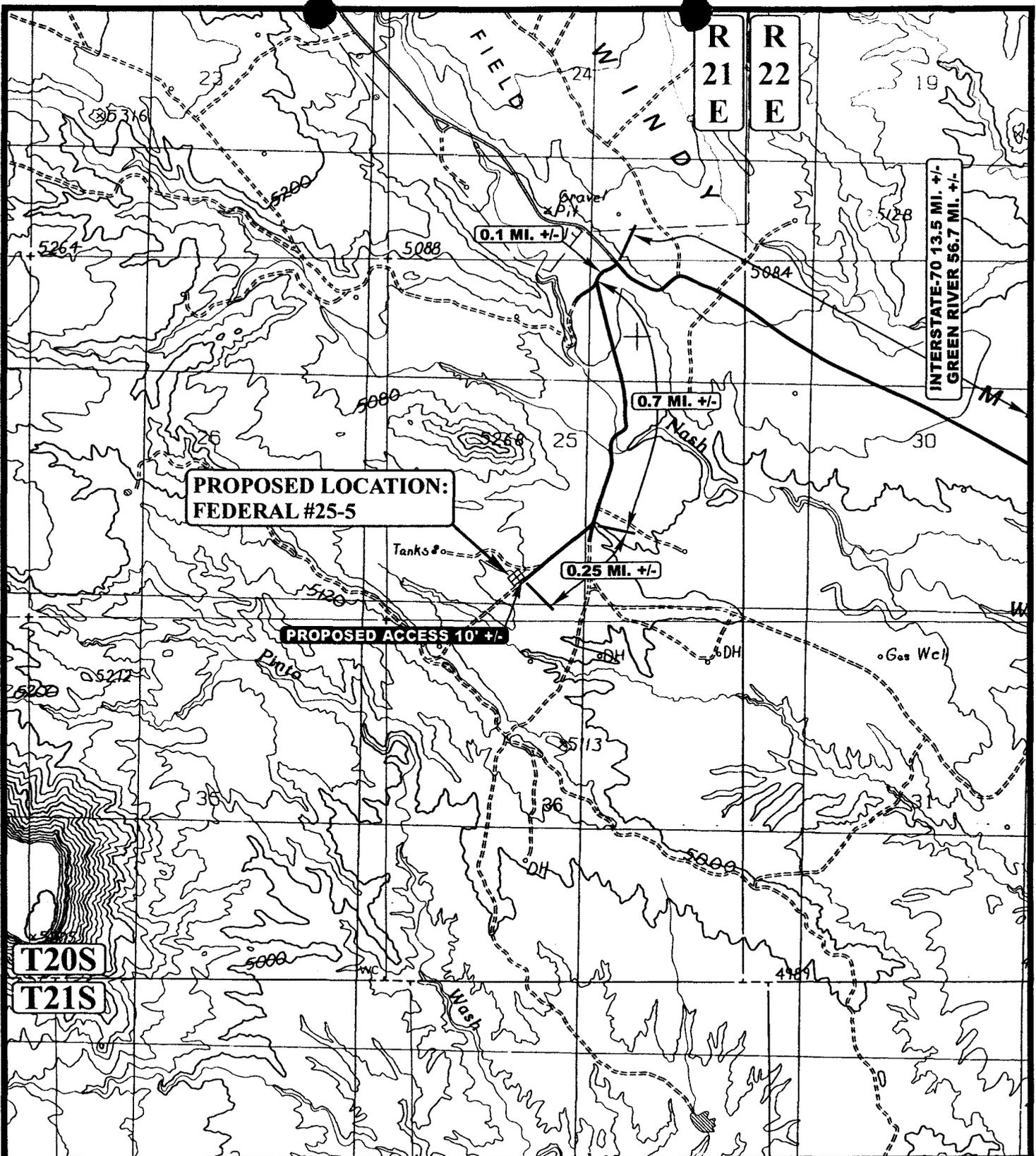
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12	22	04
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: P.M. | REVISED: 00-00-00





**PROPOSED LOCATION:
FEDERAL #25-5**

PROPOSED ACCESS 10' +/-

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

ELK PRODUCTION, LLC

**FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

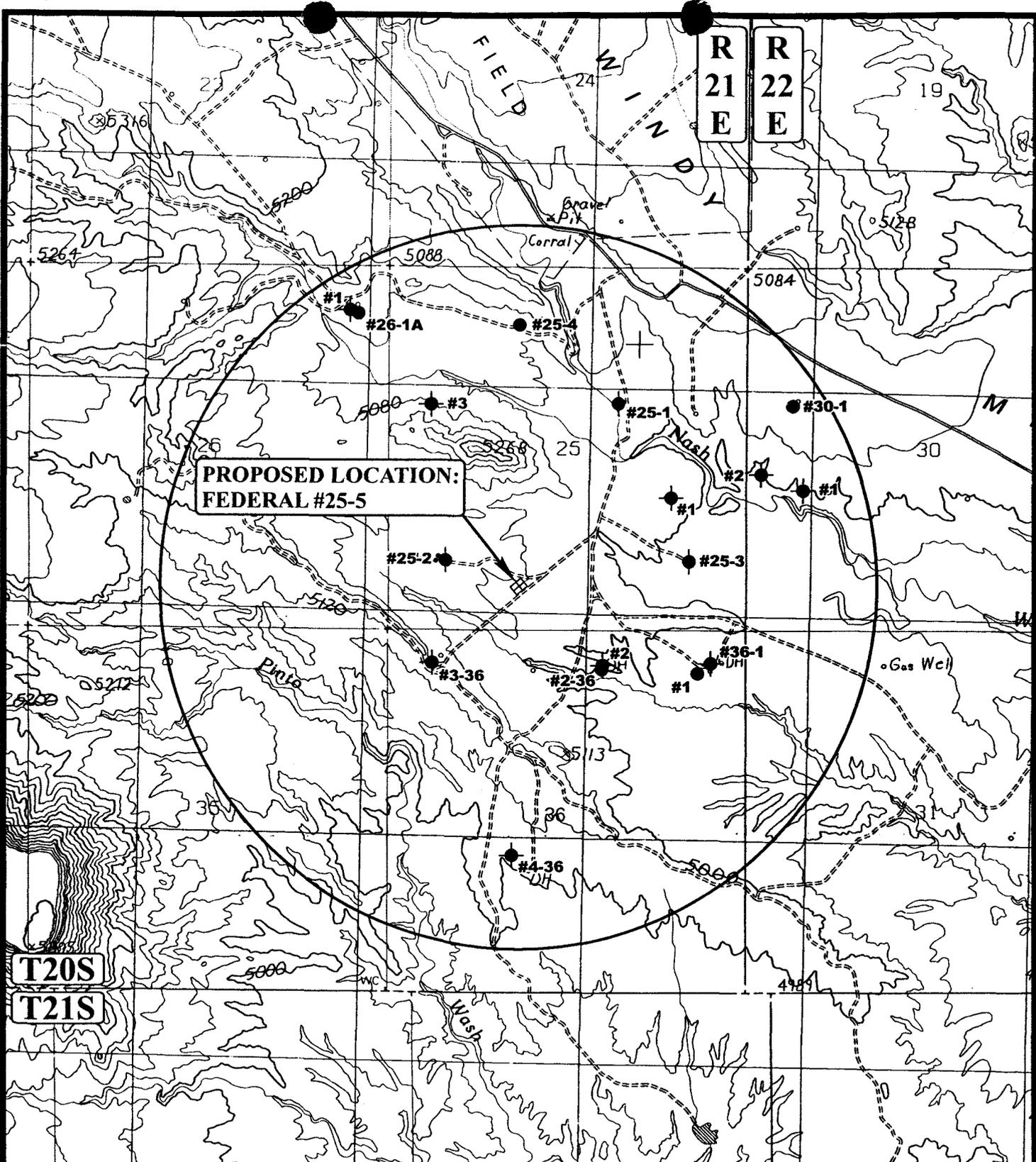


**TOPOGRAPHIC
MAP**

12 22 04
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:
FEDERAL #25-5**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

ELK PRODUCTION, LLC

**FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL**



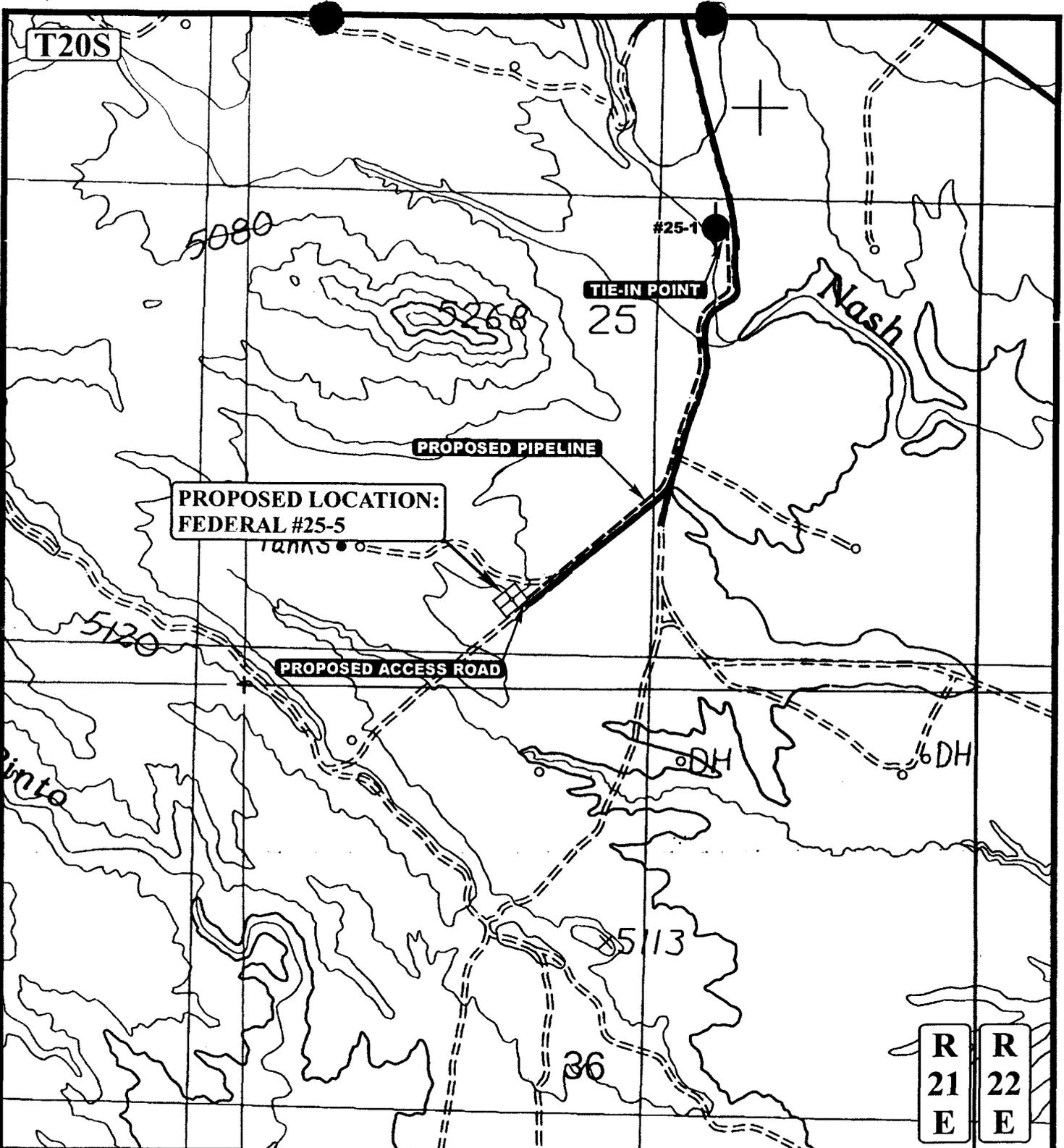
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

12	22	04
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 3,400' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

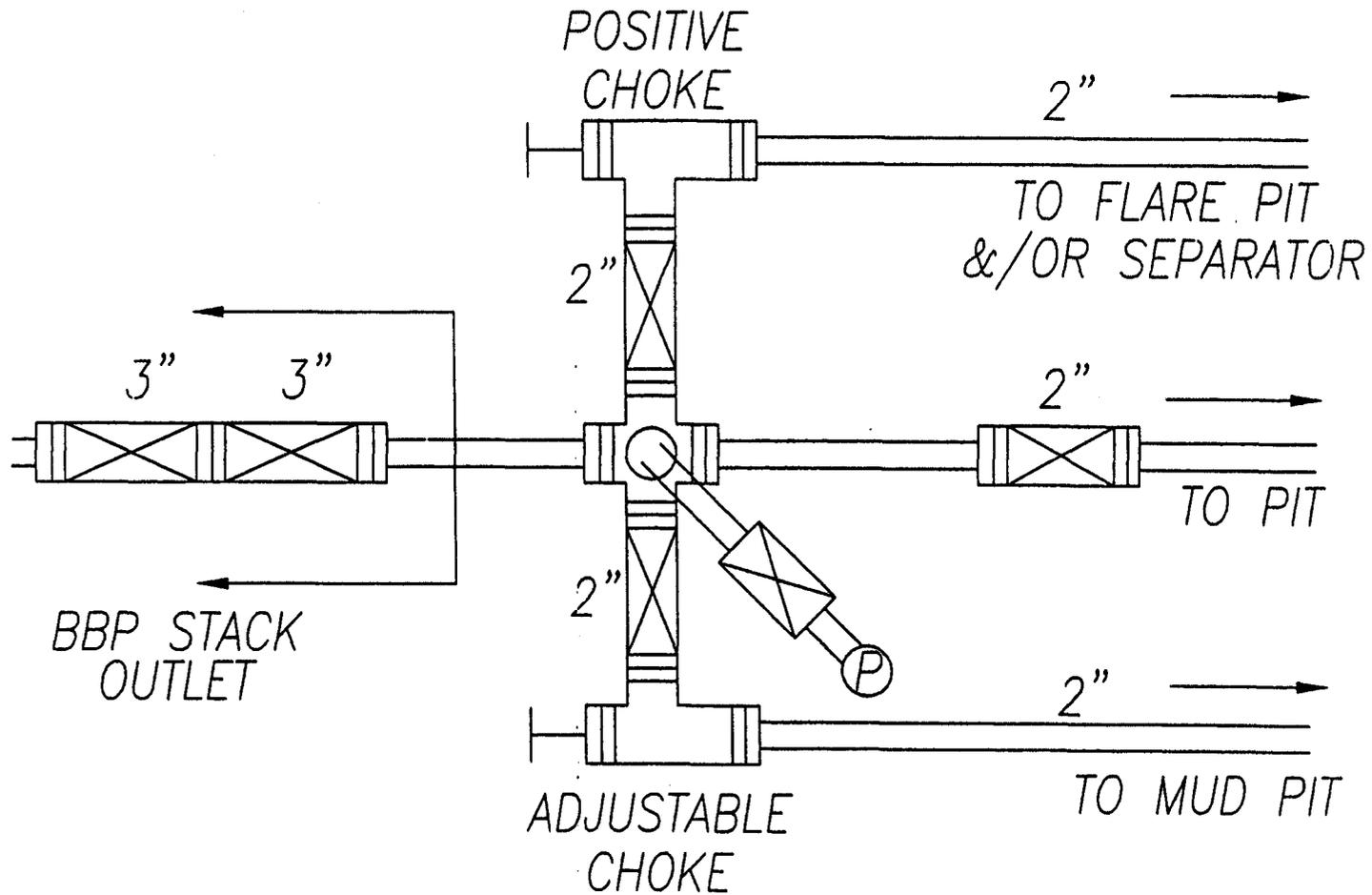


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 12 22 04
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

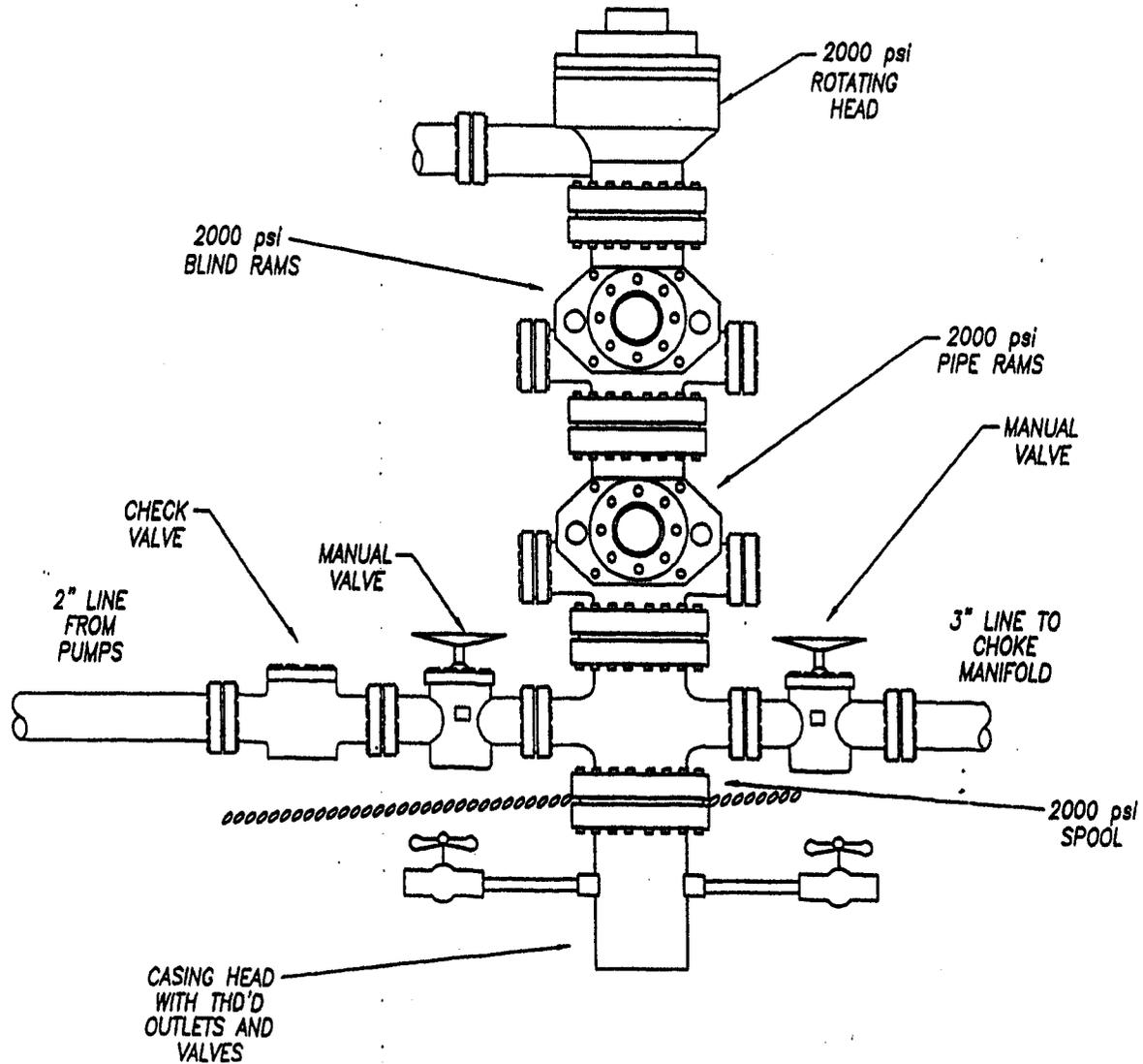
D
TOPO

CHOKE MANIFOLD



BOP Equipment

2000psi WP



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/03/2005

API NO. ASSIGNED: 43-019-31444

WELL NAME: FEDERAL 25-5
OPERATOR: ELK PRODUCTION LLC (N2650)
CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

SESW 25 200S 210E
SURFACE: 0643 FSL 1922 FWL
BOTTOM: 0643 FSL 1922 FWL
GRAND
GREATER CISCO (205)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-02139-A
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: ENRD
COALBED METHANE WELL? NO

LATITUDE: 39.03205
LONGITUDE: -109.5479

RECEIVED AND/OR REVIEWED:

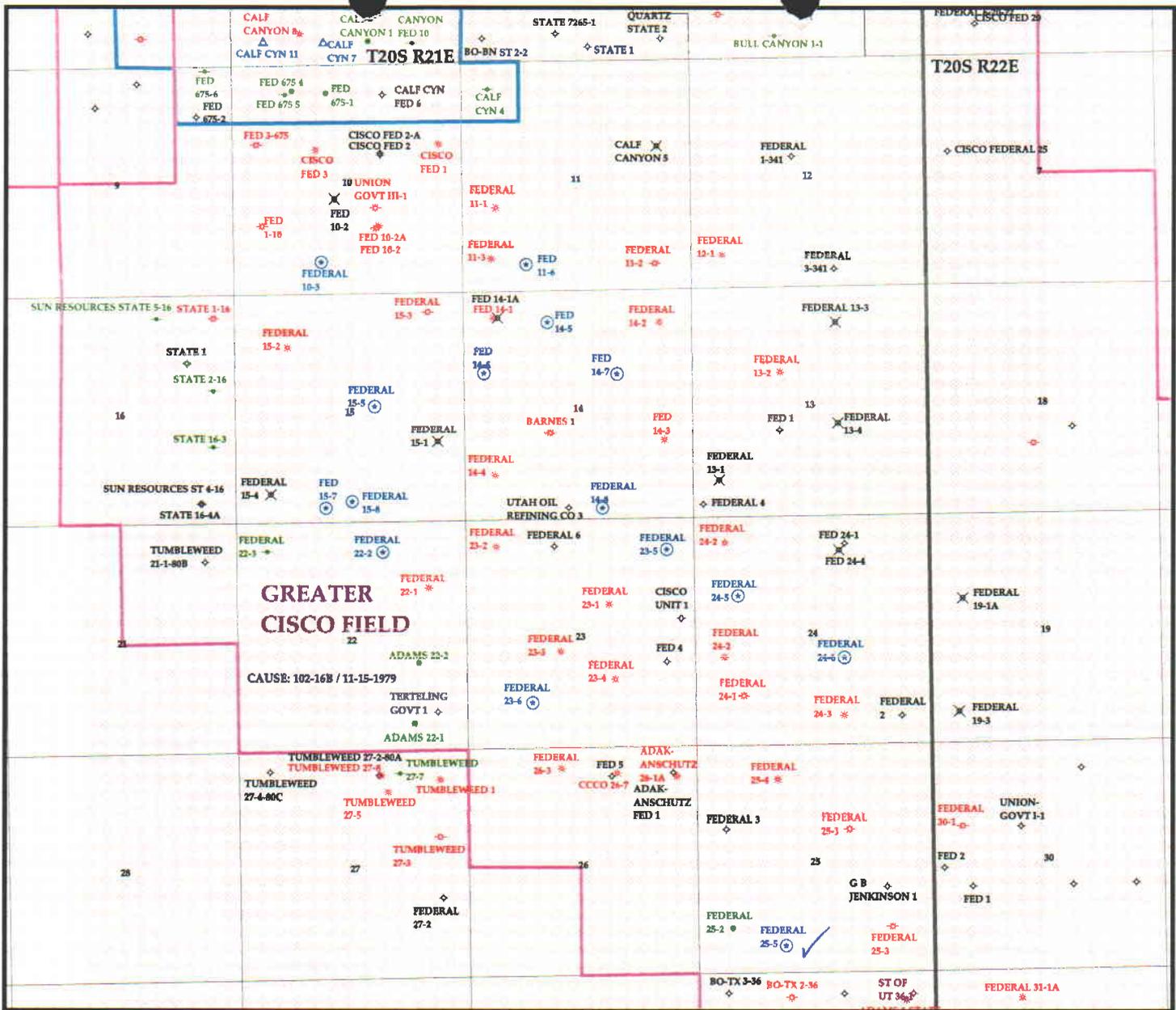
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. B 000971)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. AIR DRILLE)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

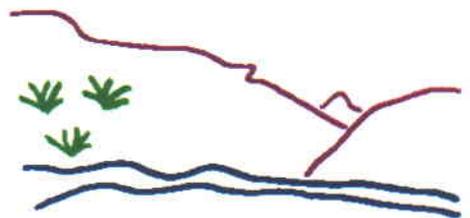
- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 102-16B
Eff Date: 11-15-1979
Siting: See Cause Order
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal approval



Wells	Units.shp	Fields.shp
◊ 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	
★ SHUT-IN OIL	◻ PP OIL	
✕ TEMP. ABANDONED	◻ SECONDARY	
◊ TEST WELL	◻ TERMINATED	
▲ WATER INJECTION		
◆ WATER SUPPLY		
♣ WATER DISPOSAL		



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 4-FEBRUARY-2005

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 7, 2005

Elk Production Company, LLC
1401-17th Street, Suite 700
Denver, CO 80202

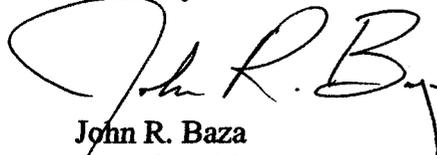
Re: Federal 25-5 Well, 643' FSL, 1922' FWL, SE SW, Sec. 25, T. 20 South,
R. 21 East, Grand County, Utah

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.

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 43-019-31444.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

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

Operator: Elk Production Company, LLC
Well Name & Number Federal 25-5
API Number: 43-019-31444
Lease: UTU-02139-A

Location: SE SW Sec. 25 T. 20 South R. 21 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.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. UTU-02139-A		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A		
SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			7. UNIT AGREEMENT NAME Greater Cisco Dome Unit		
2. NAME OF OPERATOR Elk Production Company, LLC			8. FARM OR LEASE NAME, WELL NO. Federal #25-5		
3. ADDRESS AND TELEPHONE NO. 1401-17th Street, Suite 700, Denver, Colorado 80202 303-296-4505			9. API WELL NO. 4301931444		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 643' FSL, 1,922' FWL SE/4 SW/4			10. FIELD AND POOL, OR WILDCAT Cisco Dome		
At proposed prod. zone			11. SEC., T., R., M., OR BLK. Section 25, T20S, R21E, SLB&M		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.19 miles northwest of Cisco, Utah			12. COUNTY OR PARISH Grand		13. STATE Utah
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 643'		16. NO. OF ACRES IN LEASE		17. NO. OF ACRES ASSIGNED TO THIS WELL 160 acres	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. +/- 1,200'		19. PROPOSED DEPTH 2,800'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,021' GR			22. APPROX. DATE WORK WILL START* As soon as approved		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-1/2"	7" H-40 ST&C	17#	250'	100 sx Halliburton Type 5 with additives - see attached Drilling Plan
6-1/2"	4-1/2" K-55 LT&C	10.5#	2,800'	160 sx 50/50 Class "G" Poz with additives - see attached Drilling Plan

Bond Information:

Bond coverage is provided by US Specialty Insurance Company, Bond #B-000971

UTB000135

Other Information:

Drilling Plan and Surface Use Plan are attached.

Elk Production Company, LLC requests that this complete application for permit to drill be held confidential.

RECEIVED
 FIELD OFFICE
 FEB - 1 P 1:01 PM
 DEPT OF THE INTERIOR
 BUREAU OF LAND MGMT

RECEIVED
JUN 08 2005
 DIV. OF OIL, GAS & MINING
ORIGINAL
CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Elk Production Company, LLC DATE February 1, 2005

(This space for Federal or State office use)
PERMIT NO. _____ APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY 151 A. Lynn Jackson TITLE Assistant Field Manager, DATE JUN 3 2005
Division of Resources

***See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

CONDITIONS OF APPROVAL ATTACHED

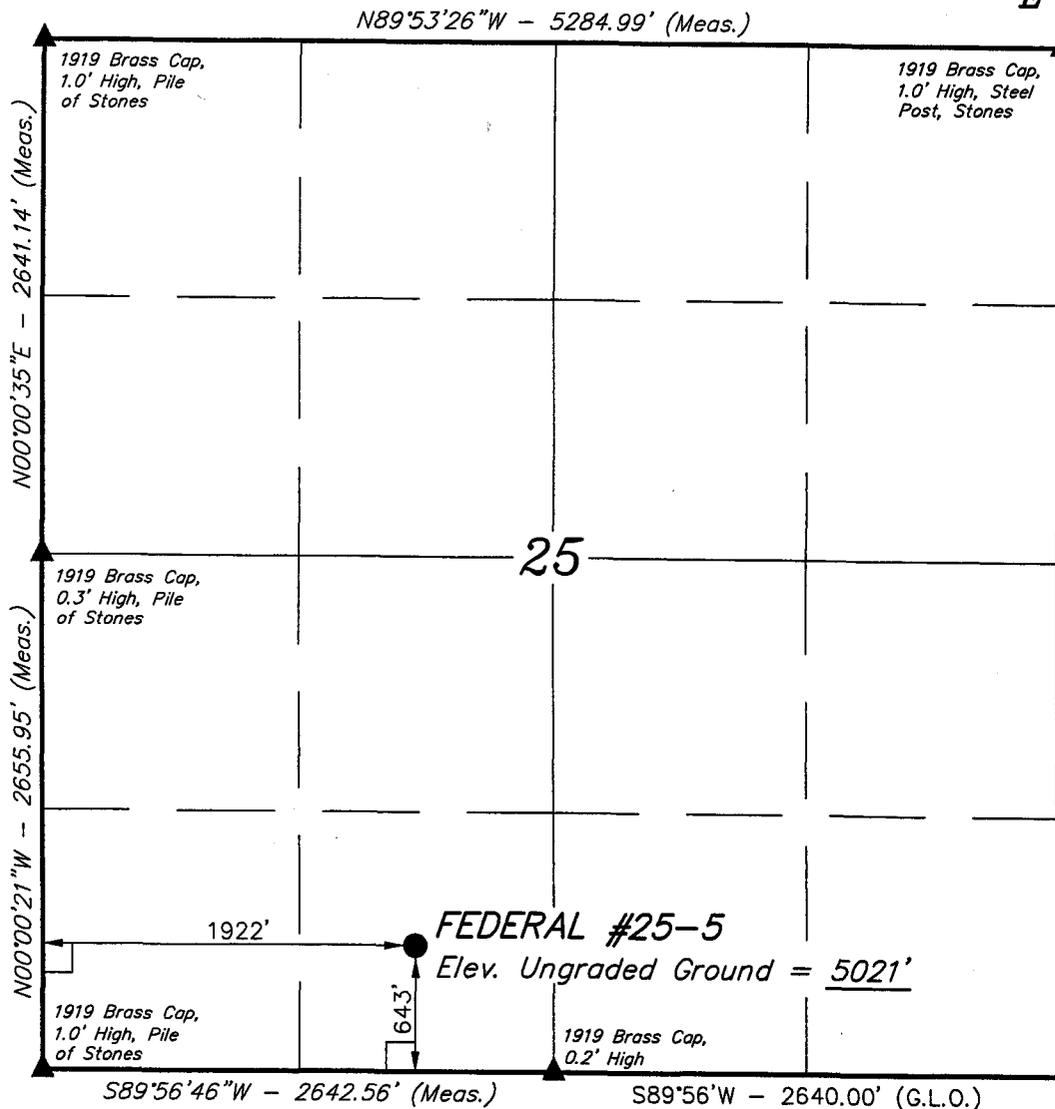
T20S, R21E, S.L.B.&M.

R
21
E

R
22
E

ELK PRODUCTION, LLC

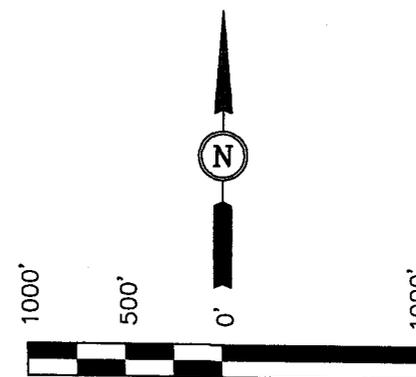
Well location, FEDERAL #25-5, located as shown in the SE 1/4 SW 1/4 of Section 25, T20S, R21E, S.L.B.&M. Grand County, Utah.



NORTH - 5280.00' (G.L.O.)

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 24, T20S, R21E, S.L.B.&M. TAKEN FROM THE CALF CANYON, QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5084 FEET.



SCALE

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.

Robert J. Gray
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
 LATITUDE = 39°01'55.15" (39.031986)
 LONGITUDE = 109°32'54.39" (109.548442)
 (AUTONOMOUS NAD 27)
 LATITUDE = 39°01'55.24" (39.032011)
 LONGITUDE = 109°32'51.95" (109.547764)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-20-04	DATE DRAWN: 01-13-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

Elk Production Company, LLC
Well No. 25-5
Lease U-02139-A
SE/SW Section 25, T20S, R21E
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 Elk Production Company, 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 **UTB000135** (Principal – Elk Production Company, 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 2M BOPE is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbing activities.
3. 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

B. SURFACE USE PLAN

1. In order to protect watershed values, no road/well pad construction or drilling operations will be authorized between November 1 and April 30. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
2. In order to protect nesting raptors, Elk Production has committed to completing a raptor survey with the Utah Division of Wildlife Resources. No road/well pad construction or drilling operations will be authorized within 0.5 mile of raptor nesting sites between March 1 and August 31 (or January 1 to August 31 for golden eagles). The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
3. 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.
4. 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.
5. If water is produced from the well, an application in conformance with Onshore Oil and Gas Order No. 7 will be submitted. The specifications for the pits or tanks used for the storage of produced water will be determined from the information in the application.
6. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Notify the Moab Field Office at least 48-hours prior to commencing construction of location.

Spud- Notify the Moab Field Office 24-hours prior to spudding. Submit written notification of spud (Sundry Notice, Form 3160-5) to the 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 that describe the progress and status of the well shall be submitted to the Moab Field Office on a weekly basis. This report may be in any format customarily used by the operator.

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

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

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

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

Cultural Resources- If cultural resources are discovered during construction, immediately notify the Moab Field Office, and work that might disturb the cultural resources shall cease.

First Production- A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office.

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

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a *Well Completion or Recompletion Report and Log* (Form 3160-4) shall be submitted to the Moab Field Office within thirty-days after completion of the well. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the 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 Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered to be shut-in until the gas can be captured or until approval to continue the venting/flaring pursuant to NTL-4A is granted. Compensation shall be due for gas that is vented/flared without approval.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the 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 Moab Field Office for off-lease measurement, off-lease storage and/or commingling of production prior to the sales measurement point. The term "commingling" describes both the combining of production from different geologic zones and/or combining production from different leases or agreement areas.

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

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

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 constructing the location (McClure);

1 day prior to spudding (Johnson);

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

3 hours prior to testing BOPE (Johnson)

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

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

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



June 20, 2005

Mr. Eric Jones
Bureau of Land Management
Moab Field Office
82 East Dogwood Ave.
Moab, Utah 84532

**RE: Change of Plans to APD
Change BOP Equipment
Federal 14-5, 14-6, 14-7, 14-8, 22-2, 23-6, 25-5
Greater Cisco Field, Grand County, Utah**

Dear Mr. Jones:

Please find attached three copies of "Sundry Notices" for each of the subject proposed drilling locations. Elk seeks permission to change the BOP equipment from 10" 2000# Ram-Type Double BOP to a 10" 3000# Annular-Type BOP.

Should you have any questions, please contact Tom Young at (303) 296-4505.

Regards,

Karin Kuhn
Engineering Technician

Attachments

cc: Dustin Doucet, DOGM, Box 145801, Salt Lake City, UT 84114-5801

RECEIVED
JUN 23 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-02139-A
2. Name of Operator Elk Production LLC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		8. Well Name and No. Federal #25-5
		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

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

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

With this Sundry Notice, Elk Production LLC requests permission to change the BOP equipment from using a 10" 2000# Ram-Type Double BOP to a 10" 3000# Annular-Type BOP. Plan to test BOP to 1500 psi, twice the possible shut-in pressure amount.

COPY SENT TO OPERATOR
Date: 6/24/05
Initials: CKD

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**

Signature *Karin Kuhn* Date **06/20/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Date _____
High Division of Oil, Gas and Mining
Office _____ Date _____
Federal Approval Of This Action Is Necessary

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 for any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

JUN 23 2005

BUREAU OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Elk Production Company, LLC

3. Address and Telephone No.

1401-17th Street, Suite 700, Denver, Colorado 80202 303-339-1920

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

643' FSL, 1,922' FWL SE/4 SW/4, Section 25, T20S, R21E, SLB&M

5. Lease Designation and Serial No.

UTU-02139-A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal #25-5

9. API Well No.

43-019-31444

10. Field and Pool, or Exploratory Area

Cisco Dome

11. County or Parish, State

Grand, Utah

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

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Change of Name
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Pipeline tie-in change

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The pipeline tie-in point for the Federal 15-5 has been relocated to tie to the main pipeline in the area rather than the 25-1 wellsite pipeline. Cultural clearance for the change is pending by Senco-Phenix Archaeological Consultants.

Attached please find an updated Topo D that reflects the tie-in point change and additional portion of pipe.

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

FILE COPY

14. I hereby certify that the foregoing is true and correct

Signed Don Hamilton Don Hamilton Title Agent for Elk Production Company, LLC Date July 6, 2005

RECEIVED

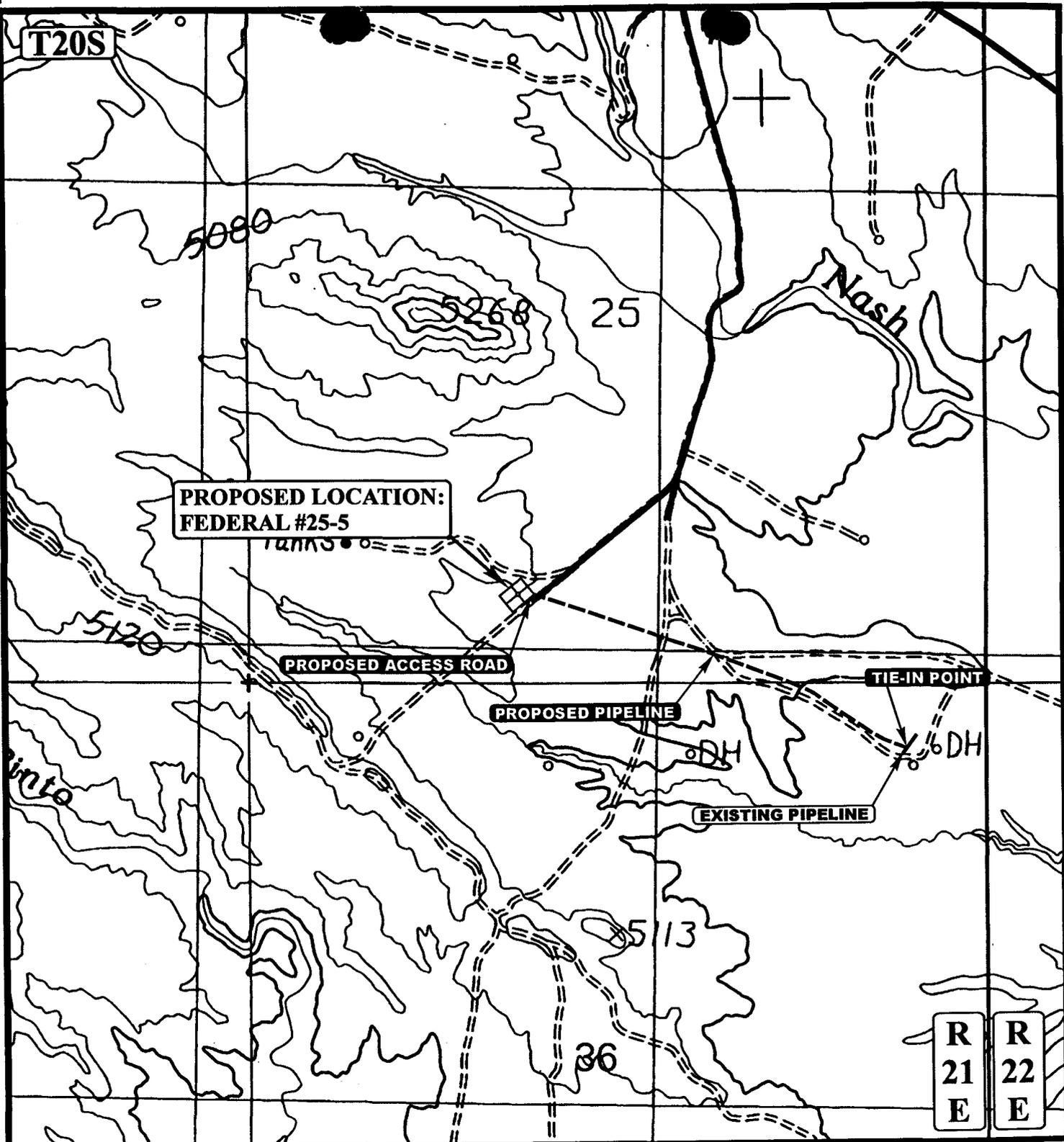
(This space for Federal or State office use)

JUL 12 2005

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

DIV. OF OIL, GAS & MINING



**PROPOSED LOCATION:
FEDERAL #25-5**

PROPOSED ACCESS ROAD

PROPOSED PIPELINE

TIE-IN POINT

EXISTING PIPELINE

R 21 E **R 22 E**

APPROXIMATE TOTAL PIPELINE DISTANCE = 2967' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



ELK PRODUCTION, LLC

**FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL**



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 12 22 04
MAP MONTH DAY YEAR
SCALE: 1" = 1000' DRAWN BY: P.M. REV: 06-21-05 C.H.

D
TOPO

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ELK RESOURCES LLC

Well Name: FEDERAL 25-5

Api No: 43-019-31444 Lease Type: FEDERAL

Section 25 Township 20S Range 21E County GRAND

Drilling Contractor BEAMAN DRILLING RIG # 2

SPUDDED:

Date 07/25/05

Time _____

How DRY

Drilling will Commence: _____

Reported by SID LAWRENCE

Telephone # 1-702-809-9919

Date 07/26/05 Signed CHD

ENTITY ACTION FORM

Operator: Elk Production LLC
Address: 1401 17th Street, Suite 700
city Denver
state CO zip 80202

Operator Account Number: N 2650

Phone Number: (303) 296-4505

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931444	Federal 25-5		SESW	25	20S	21E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14849	7/26/2005		7/28/05		
Comments: <u>ENRD</u>							CONFIDENTIAL

Well 2

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

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							RECEIVED JUL 2 / 2005

DIV. OF OIL, GAS & MINING

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)

Karin Kuhry

Name (Please Print)

Signature

Engineering Technician

Title

7/27/2005

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-02139-A
2. Name of Operator Elk Production LLC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		8. Well Name and No. Federal #25-5
		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

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

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

The subject well was spudded on July 26, 2005. The Beeman Rig #28 surface rig was moved in & rigged up. A 12 3/4" hole was drilled to 20' and 12 1/4" conductor pipe was set @ 20'. The hole was drilled to 245'. Currently it is planned to set 8 5/8" surface casing and cement the surface casing in place.

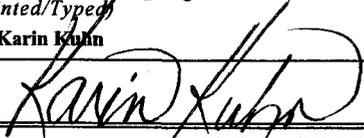
14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Karin Kuhn

Title Engineering Technician

Signature



Date

07/27/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Office

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.

RECEIVED

(Instructions on page 2)

JUL 29 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

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

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

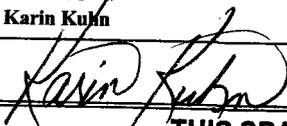
Attached are operation reports f/ 8/3-5/2005. Drid f/ 245'-1984'. Ran 5 1/2" production csg & cmt'd w/ 150 sx Ready-Mix. The rig was released and moved to the Federal 15-7.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Karin Kuhn

Title **Engineering Technician**

Signature



Date

08/08/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

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

(Instructions on page 2)

RECEIVED

AUG 11 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

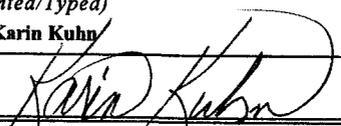
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 08-15-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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There are has been no activity on the subject well since 8/5/05. Currently the well is shut in waiting on a completion rig.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**

Signature  Date **08/15/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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(Instructions on page 2)

RECEIVED

AUG 18 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other **CONFIDENTIAL**

2. Name of Operator **Elk Production LLC**

3a. Address **1401 17th. Street, Suite 700, Denver Colorado, 80202** 3b. Phone No. (include area code) **303 296 4505**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

7. If Unit or CA/Agreement, Name and/or No.
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8. Well Name and No.
Federal #25-5

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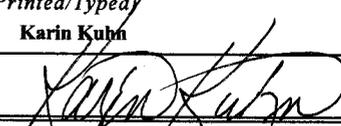
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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 08-22-05	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

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There are has been no activity on the subject well since 8/5/05. Currently the well is shut in waiting on a completion rig.

cc: DOGM

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**
 Signature  Date **08/22/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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(Instructions on page 2)

AUG 24 2005

DIV. OF OIL, GAS & MINING

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
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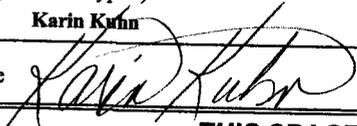
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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 08-29-05
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There are has been no activity on the subject well since 8/5/05. Currently the well is shut in waiting on a completion rig.

cc: DOGM

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) **Karin Kuhn**
 Title **Engineering Technician**
 Signature 
 Date **08/29/2005**

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(Instructions on page 2)

RECEIVED
AUG 30 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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 Oil Well Gas Well Other

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Elk Production LLC

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4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

CONFIDENTIAL

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

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Greater Cisco

11. County or Parish, State
Grand County, Utah

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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 9-6-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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Attached is a copy of an operations report for 9/2/05.

Performed work on the subject well to prepare for moving in a completion rig. Expect to resume operations on 9/6/05 to begin completion operations.

RECEIVED
SEP 12 2005
 DIV. OF OIL, GAS & MINING

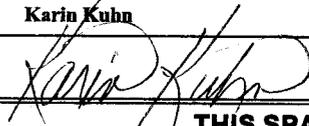
cc: DOGM

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

Karin Kuhn

Title **Engineering Technician**

Signature



Date **09/06/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Title _____

Date _____

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(Instructions on page 2)



www.pason.com
16100 Table Mountain Parkway Ste 100 • Golden • CO • 80403
720-880-2000 • FAX: 720-880-0016

September 12, 2005

CONFIDENTIAL

Oil & Gas Supervisor
Utah Division Of Oil, Gas, & Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

**RE: ELK RESOURCES, INC.
FEDERAL 25-5
SEC. 25, T20S, R21E
GRAND COUNTY, UT**

API # 43-019-31444

To Whom It May Concern,

Enclosed is the final computer colored log for the above referenced well.

We appreciate the opportunity to be of service to you and look forward to working with you again in the near future.

If you have any questions regarding the enclosed data, please contact us.

Sincerely,

Bill Nagel
Geology Manager
Pason Systems USA
BN/alb

Encl: 2 Final Computer Colored Logs.

Cc: Rick Kopp, Elk Resources, Inc., Denver, CO.

RECEIVED

SEP 15 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Elk Production LLC

3a. Address
 1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
 303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
 UTU-02139-A

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

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

8. Well Name and No.
 Federal #25-5

9. API Well No.
 43019314440000

10. Field and Pool, or Exploratory Area
 Greater Cisco

11. County or Parish, State
 Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 9-12-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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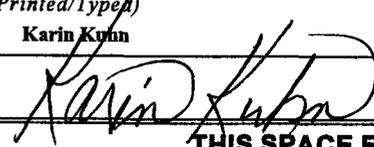
Attached is a copy of operation reports from 9/7/05-9/10/05 for the subject well.

Moved in and rigged up completion unit. Began drilling open hole. Drilled out cmt to 1998'. Drilled new hole to 2398'. Installed 1/4"choke and tested well for 1 hour (883 MCFPD, 600 psig on 1/4" chk). Removed 1/4" chk and bled well down and put all gas to blow line. POOH w/ bit to 1981'. LD 13 jts 2 7/8" tbg. Prep to kill well and land tbg. Expect to resume operations on 9-12-05.

cc: DOGM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Type) Karin Kuhn Title Engineering Technician

Signature  Date 09/12/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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(Instructions on page 2)

RECEIVED
SEP 15 2005
 DIV. OF OIL, GAS & MINING

FINAL COMPLETION DATE:

Daily Completion & Workover Reports

AFE NO. 0	WELL NAME & NO. FEDERAL #25-5				DATE 9/10/2005	
API NO. 4301931444	Field: Cisco Dome	County: Grand	State: Utah	Report No. 5	T.D. 2398'	
PBTD	Perforations O.A. OH 1980'-2398	Packer Depth	Formation Salt wash	Tubing Depth & Size 2-7/8	Frac Date NA	TL / TLR / TLTR
CURRENT OPERATION: Prep to kill well and land tubing.						
Hours	Operations in Sequence					
1	07:00-08:00 Arrived on location and BOP's were leaking with slight flare to pit. Checked accumulator pressure and pressure on rams did not seal ram. Functioned rams and rams sealed. Start up compressors and rig.					
1/2	08:00-08:30 Break circulation with air, move pipe and pipe free, wash 25' to bottom @ 2275' no fill.					
4	08:30-12:30 Drilling from 2275' to 2398'. Had show in of Salt wash @ 2350' of 2600 units and 4400 units on connection Well stopped dusting @ 2375' no show of water at blow line and no pressure increase @ compressor. Drilling parameters 10M#s BW @ 115 RPM. Pumping 1150 SCFPM of air @ 160 psig. No increase or decrease in pressure when drilling into flow.					
1	12:30-13:30 Install 1/4" choke nipple in 2" line to pit off tubing head and shut BOP. Test well on 1/4" choke for 1 hr. Flow pressure increase from 25 psig to 300 psig in 10 mins, 400 psig in 15 mins, 525 psig in 25 mins and 600 psig in 60 mins and stable. Final flow rate on 1/4" choke @ 600 psig = 883 MCFPD.					
1/2	13:30-14:00 Remove 1/4" choke and bled well down to 25 psig and with vacuum on blow line open pipe rams and put all gas to blow line.					
1/2	14:00-14:30 Blow hole with 1150 SCFPM of air for 30 min (no show of water to surface.)					
1	14:30-15:30 POOH with bit to 1981'. Lay down 13 jts of 2-7/8" tubing. SWION. PREP TO KILL WELL THIS A.M. AND LAND TUBING.					
TOPS:						
	Dakota	1970' (no shows)				
	Ceder Mountain	2035' (small shows to 40 units)				
	Morrison B.B.	2125' (no shows)				
	Salt Wash	2350' (2600 units CG 4400 units)				
Submitted By:				Daily Cost 18,640	Total Comp 58,325	Cum Cost 154,886

FLOW TESTING							SWAB TESTING						
TIME	MCFD	BO	BW	CHK	FTP	CP	COMMENT	RUNS	F.L.	S.Depth	BO	BW	CHL.

RECEIVED
SEP 15 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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OMB No. 1004-0137
Expires: March 31, 2007

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CONFIDENTIAL

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Grand County, Utah

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

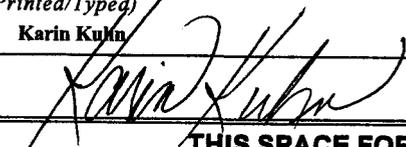
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporary Abandon	as of 9-19-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Attached is a copy of operation reports for 9/11/05 and 9/13/05 for the subject well.

Installed production equipment and put well on production on 9/18/05.

cc: DOGM

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**
 Signature  Date **09/19/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____
 Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

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

(Instructions on page 2)

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SEP 22 2005

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-02139-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT or CA AGREEMENT NAME
NA

8. WELL NAME and NUMBER:
Federal 25-5

9. API NUMBER:
4301931444

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SESW 25 20S 21E

12. COUNTY
Grand

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER

2. NAME OF OPERATOR:
ELK PRODUCTION LLC

3. ADDRESS OF OPERATOR:
1401 17th. St., #700 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 296-4505

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 643' FSL, 1922' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 643' FSL, 1922' FWL
AT TOTAL DEPTH: 643' FSL, 1922' FWL

CONFIDENTIAL

14. DATE SPUDDED: 7/26/2005

15. DATE T.D. REACHED: 9/10/2005

16. DATE COMPLETED: 9/13/2005

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5021' GR,

18. TOTAL DEPTH: MD 2,398 TVD

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
4

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
None MUD LOG

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 3/4"	12.25	--	0	20		Bag 20	4	Surf-CIR	0
11"	8 5/8 J55	24#	0	236		Type I 150	28	Surf-CIR	0
7 7/8"	5 1/2 J55	15.5#	0	1,981		Type I 150	28	1100'-Calc	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	1,981							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Dakota	2,002	2,055			1,980 2,398	OH		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B) CedarMtn	2,055	2,153						Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C) Morrison	2,153	2,353						Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D) Saltwash	2,353	2,398						Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
1980-2398	Open Hole Completion

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:

Producing

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OCT 24 2005

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 9/10/2005		TEST DATE: 9/10/2005		HOURS TESTED: 1		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 37	WATER - BBL: 0	PROD. METHOD: Flowing
CHOKE SIZE: 1/4"	TBG. PRESS.	CSG. PRESS. 600	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 883	WATER - BBL: 0	INTERVAL STATUS: All	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED: 9/17/2005		TEST DATE: 9/19/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 584	WATER - BBL: 0	PROD. METHOD: Flowing
CHOKE SIZE: 14/64"	TBG. PRESS.	CSG. PRESS. 400	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 584	WATER - BBL: 0	INTERVAL STATUS: All	

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Greenhorn	1,926
				Graneros	1,977
				Dakota	2,002
				Cedar Mountain	2,055
				Morrison-BrushyBasin	2,153
				Morrison Saltwash	2,353

35. ADDITIONAL REMARKS (include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Karin Kuhn TITLE Engineering Technician
 SIGNATURE *Karin Kuhn* DATE 10/20/2005

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940



April 23, 2007

VIA OVERNIGHT MAIL

Diana Mason
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

**RE: Application for Permit to Drill – Deepen Existing Well
Federal 25-5
43-019-31444
SESW Section 25-20S-21E
Grand County, UT**

Dear Diana:

Enclosed is our Application to Deepen the subject well. In 2005, this well was drilled to a depth of 2391'. Elk wishes to deepen this well to 4200'.

Survey plats, location map with access corridors, and layouts of the proposed well site;
Drilling Plan;
Typical BOP and Choke Manifold diagrams;
Surface Use Plan

Should you require any additional information, please contact me or Tom Young at (303) 296-4505.

Sincerely,

Karin Kuhn
Sr. Engineering Technician

Enclosures

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APR 24 2007

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: UTU-02139-A	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> <i>43-019-31444</i>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: NA	
2. NAME OF OPERATOR: Elk Production, LLC				9. WELL NAME and NUMBER: Federal 25-5	
3. ADDRESS OF OPERATOR: 1401 17th Street, #700 CITY Denver STATE CO ZIP 80202			PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Greater Cisco <i>705</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 643' FSL, 1922' FWL <i>625692X 4321128Y</i> AT PROPOSED PRODUCING ZONE: 643' FSL, 1922' FWL <i>39.03205D -109.547864</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 25 20S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 13.19 miles northwest of Cisco, UT				12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 643'		16. NUMBER OF ACRES IN LEASE:		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) +/- 1200'		19. PROPOSED DEPTH: 4,200		20. BOND DESCRIPTION: B000969	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5021' GR		22. APPROXIMATE DATE WORK WILL START: 5/1/2007		23. ESTIMATED DURATION: 5 days	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11	8 5/8" J55 24#	236	Existing
7 7/8"	5 1/2" J55 15.5#	1,981	Existing
5 1/4"	4 1/2" J55 10.5	4,200	See Drlg Plan

25. ATTACHMENTS

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

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

NAME (PLEASE PRINT) Karin Kuhn TITLE Sr. Engineering Technician

SIGNATURE *Karin Kuhn* DATE 4/23/2007

(This space for State use only)

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

APPROVAL: *[Signature]* DATE: 05-07-07

By: *[Signature]* DIV. OF OIL, GAS & MINING

API NUMBER ASSIGNED: 43-019-31444

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APR 24 2007**

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

(See Instructions on Reverse Side)

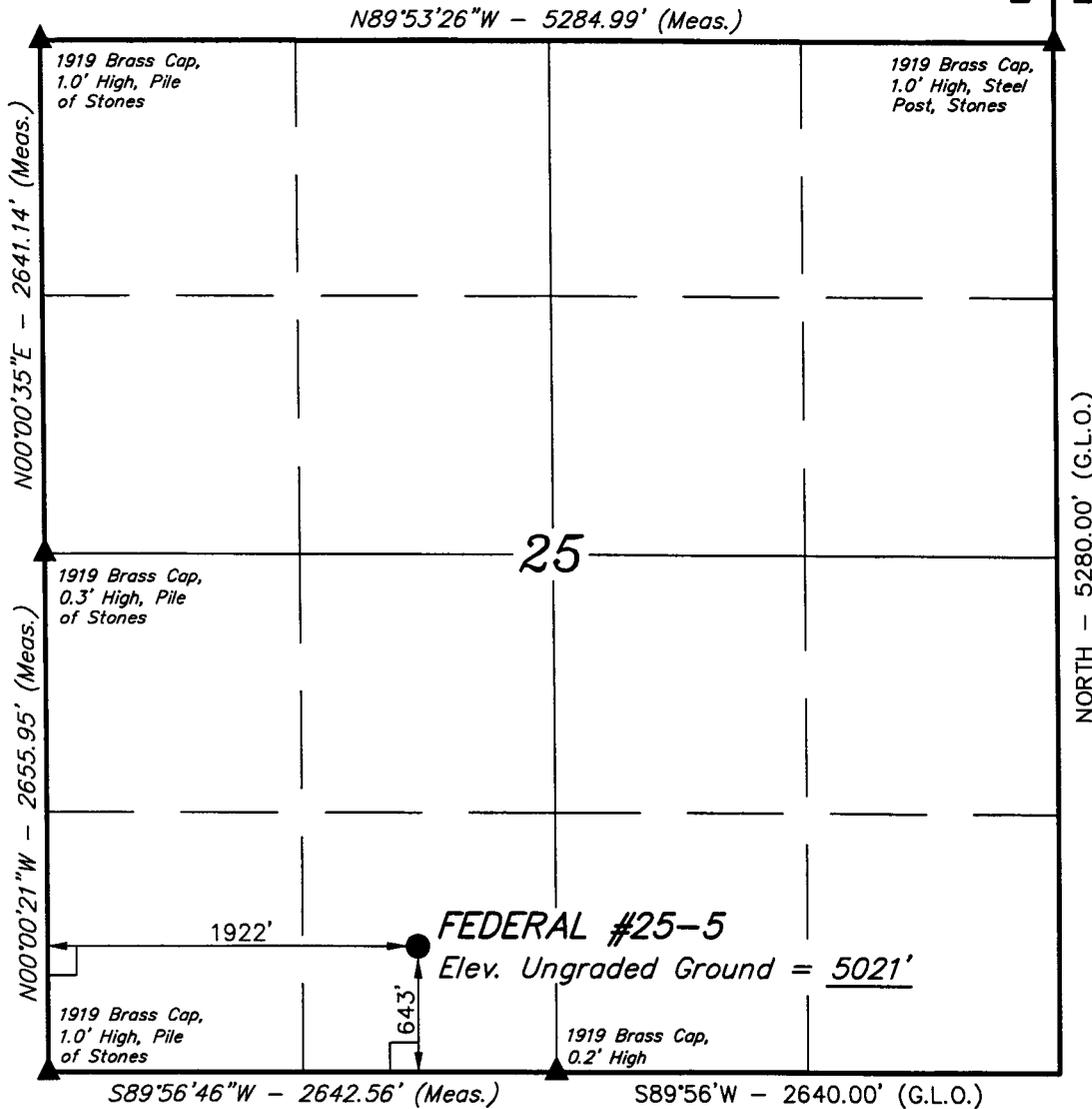
T20S, R21E, S.L.B.&M.

R
21
E

R
22
E

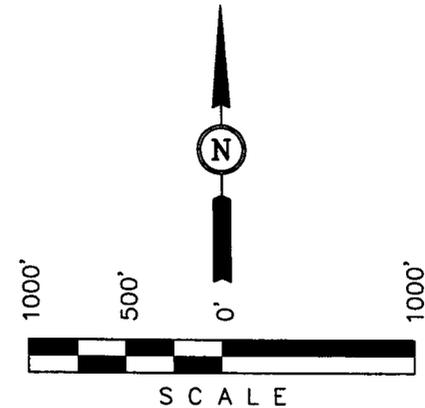
ELK PRODUCTION, LLC

Well location, FEDERAL #25-5, located as shown in the SE 1/4 SW 1/4 of Section 25, T20S, R21E, S.L.B.&M. Grand County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 24, T20S, R21E, S.L.B.&M. TAKEN FROM THE CALF CANYON, QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5084 FEET.



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.

Robert H. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 76119
 STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
 LATITUDE = 39°01'55.15" (39.031986)
 LONGITUDE = 109°32'54.39" (109.548442)
 (AUTONOMOUS NAD 27)
 LATITUDE = 39°01'55.24" (39.032011)
 LONGITUDE = 109°32'51.95" (109.547764)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-20-04	DATE DRAWN: 01-13-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

DRILLING PLAN

Elk Production, LLC
 Federal #25-5
 SESW Section 25, T-20-S, R-21-E
 Grand County, UT

1,2,3 **Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals**

<u>Formation</u>	<u>Depth</u>
Mancos Shale	Surface
Greenhorn	1926'
Graneros	1977'
Dakota	2022'*
Cedar Mountain	2055'*
Morrison-Brushy Basin	2153'*
Morrison Salt Wash	2353'*
Entrada	2690'**
Navajo	3180'
Kayenta	3330'*
Wingate	3415'*
Chinle	3770'

PROSPECTIVE PAY* oil and gas
 ** POSSIBLE OIL OR WATER

4 Casing Program

<u>HOLE SIZE</u>	<u>SETTING DEPTH</u>		<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
	<u>from</u>	<u>to</u>					
11"	surface	236'	8 5/8"	24#	J55	ST&C	New-Existing
7 7/8"	surface	1981'	5 1/2"	15.5#	J55	LT&C	New-Existing
5 1/4"	surface	4200'	4 1/2"	10.5#	J55	FJ	New

5 Cementing Program

8 5/8" Surf. Casing 150 sx Type I, Ready Mix. Mixed at 14.5 ppg (yield – 1.20 ft³/sx), 28 bbls slurry - Existing

5 1/2" Intermediate Csg 150 sx Type I, Ready Mix. Mixed at 14.5 ppg (yield – 1.20 ft³/sx), 28 bbls slurry. TOC @ surface – Existing

4 1/2" Prod. Csg Approximately 100 sx Type I cmt, mixed at 13.5 ppg (yield – 1.29 ft³/sx), estimate 23 bbls slurry.

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 250'	NA/Air drilled			
250' - 2398'	NA/Air drilled			
2398' - 4200'	Air		Air or Aerated KCl brine	

Sufficient KCl brine water to contain "kick" will be available at wellsite.

7 BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
Surf. - 250'	No pressure control required
250' - 2398'	10" 2000# Ram Type double BOP 8" 2000# Rotating Head
2398'-TD	6" 2000# Ram-Type double BOP 6" 2000# Rotating Head

Drilling spool to accommodate choke and kill lines.
 Anticipated bottom-hole pressure to be less than 2000 PSI

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 2000#
 ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
 OF ONSHORE ORDER NO. 2

THE BLM AND THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
 WILL BE NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Lower Kelly cock will be installed while drilling
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

9 Testing, Logging and Core Programs

Cores	None anticipated
Testing	None anticipated
Sampling	30' samples; surface casing to TD
Surveys	Run every 1000' and on trips
Logging	Resistivity, neutron density, temperature, gamma ray, and caliper from TD to surface casing

10 Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated

11 Drilling Schedule

Spud	As soon as permits can be obtained
Duration	4 - 5 days drilling time 4 days completion time

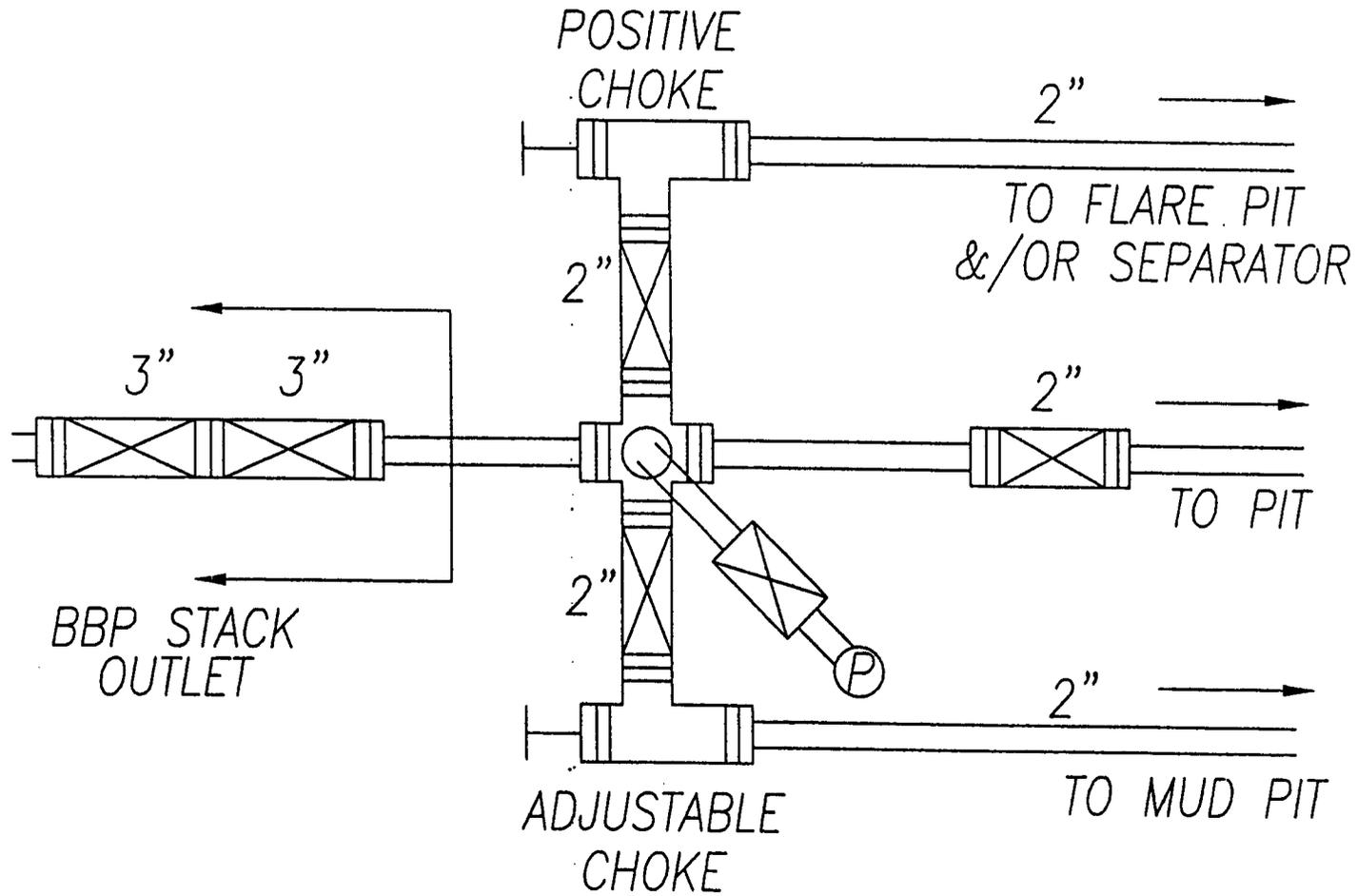
HAZARDOUS MATERIAL DECLARATION

Federal #25-5

Elk Production, LLC guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

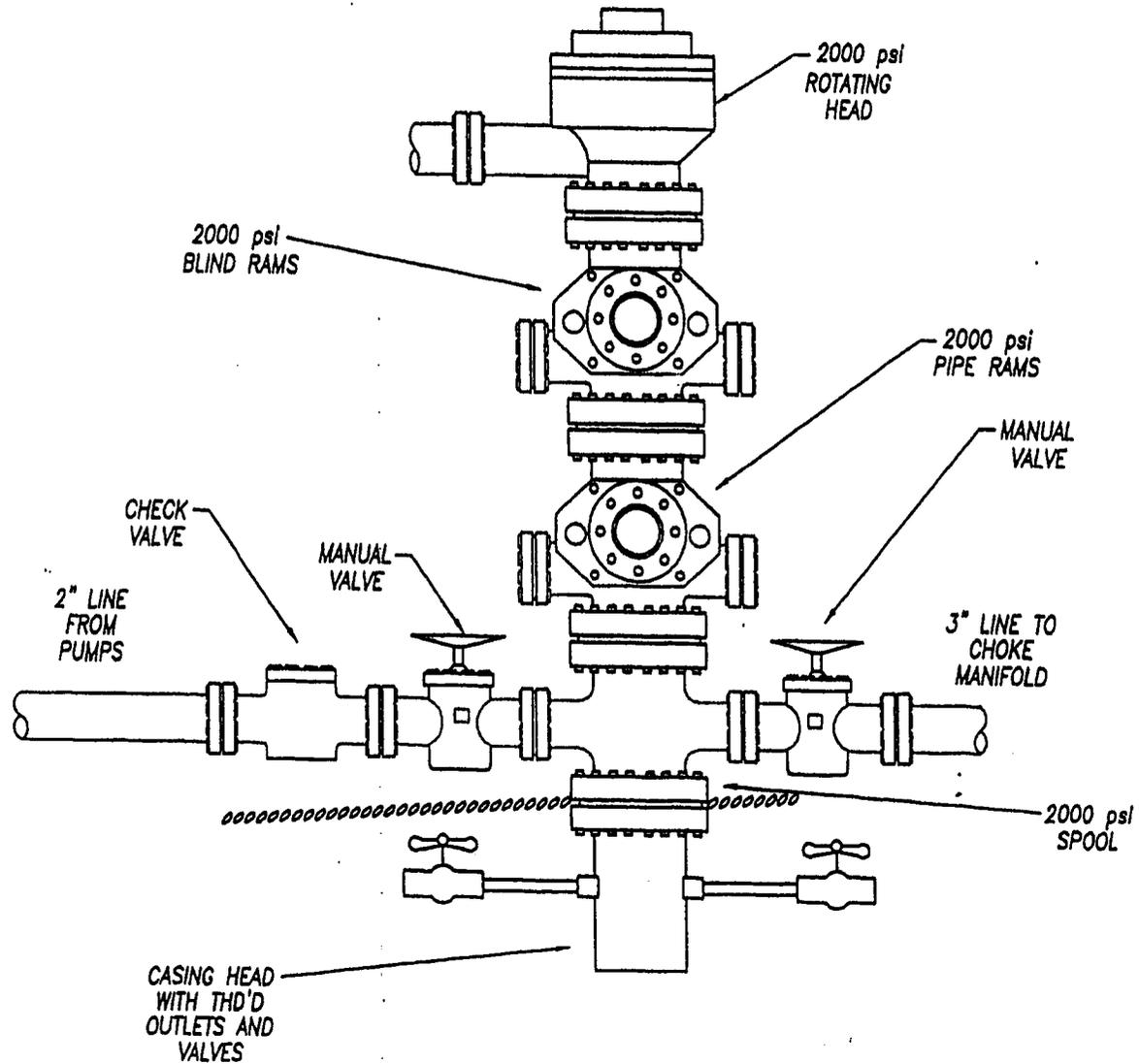
Elk Production, LLC guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.

CHOKE MANIFOLD



BOP Equipment

2000psi WP



SURFACE USE PLAN

Elk Production Company LLC
Federal #25-5
SESW of Section 25, T-20-S, R-21-E
Grand County, UT

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

The onsite inspection for the referenced well was conducted on Wednesday, October 13, 2004.

1. Existing Roads:

- a. The proposed well site is located approximately 13.19 miles northwest of Cisco, Utah.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Greater Cisco Dome Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located on-lease and within in the Greater Cisco Dome Unit boundary.

2. Planned Access Roads:

- a. From the P & A'd #3-36 access road an access is proposed trending northwest approximately 10' to the proposed well site. The access consists of entirely new disturbance that crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.
- c. BLM approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 10' long and adequate site distance exists in all directions.
- f. No culverts or low-water crossings are anticipated at this time. Adequate drainage structures will be incorporated into the remainder of the road.
- g. No surfacing material will come from federal or Indian lands.

- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Topo C of Exhibit B has a map reflecting existing wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Olive Black to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northeast side of the well site and traverse 3,400' northeast to the existing pipeline corridor that services the existing #25-1.

- i. The gas pipeline will be a 4" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 3,400' is associated with this well.
- j. Elk Production Company, LLC intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Elk Production Company, LLC intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. Since this well will be air drilled the use of water for drilling is not anticipated.
- b. Water for drilling and completion operations, if necessary, will be trucked over approved access roads from Thompson, Utah. The water will be obtained through a direction purchase agreement with a private owner.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located inboard of the location and along the northeast side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be constructed of native material and will not be lined. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling,

testing, or completion of the well.

- h. Trash will 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. The contents of the trash container will be hauled off periodically to the approved Emery County Landfill near Green River, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed. This contents will be transported by truck from the tank to an approved disposal facility for disposal.
- k. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- l. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Green River Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the southeast.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 150' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.

- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.
- b. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.

12. Other Information:

- a. Senco-Phenix Archaeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Senco-Phenix Archaeological Consultants.

Operator's Representative and Certification:

I hereby certify that I, or person 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 the plan are, to the best of my knowledge, true and correct; and that the work associated with operations herein will be performed by _____, (construction contractor has not been determined) and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Name and Title

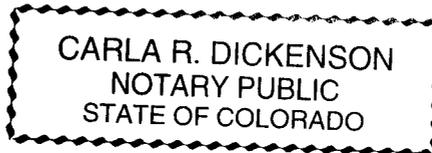
Tom C. Young
Tom C. Young, VP Southern Operations & Midstream

STATE OF COLORADO
COUNTY OF DENVER

Subscribed and sworn to before me this 23rd day of April, 2007.

Carla R. Dickenson

Notary Public



My commission Expires: _____

My Commission Expires 09/07/2009

**ELK PRODUCTION, LLC
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.**

PROCEED IN AN EASTERLY DIRECTION FROM GREEN RIVER, UTAH ALONG INTERSTATE-70 APPROXIMATELY 43.2 MILES TO THE WHITE HOUSE EXIT; EXIT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 12.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 10' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM GREEN RIVER, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.75 MILES.

ELK PRODUCTION, LLC

FEDERAL #25-5

LOCATED IN GRAND COUNTY, UTAH
SECTION 25, T20S, R21E, S.L.B.&M.

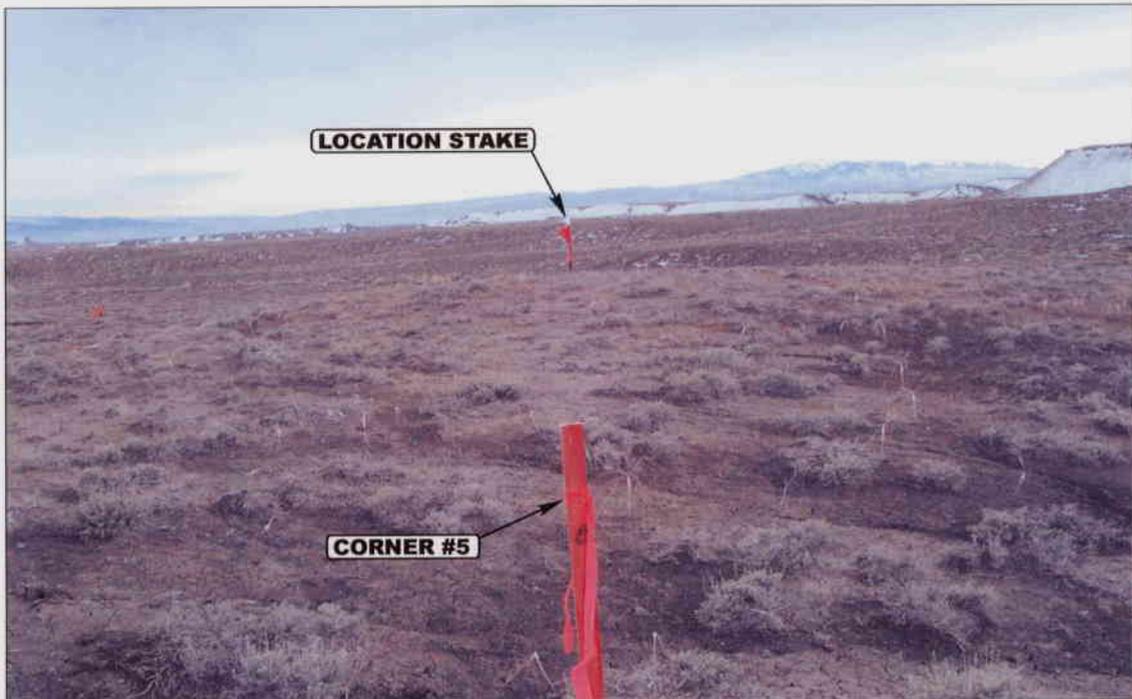


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 22 04
MONTH DAY YEAR

PHOTO

TAKEN BY: G.O.

DRAWN BY: P.M.

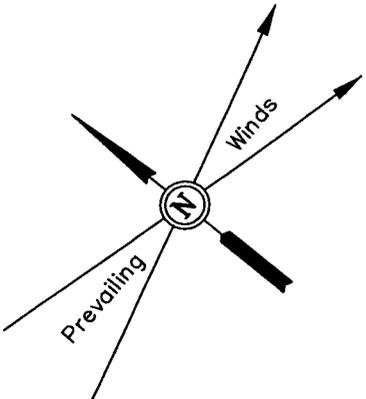
REVISED: 00-00-00

ELK PRODUCTION, LLC

LOCATION LAYOUT FOR

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

FIGURE #1

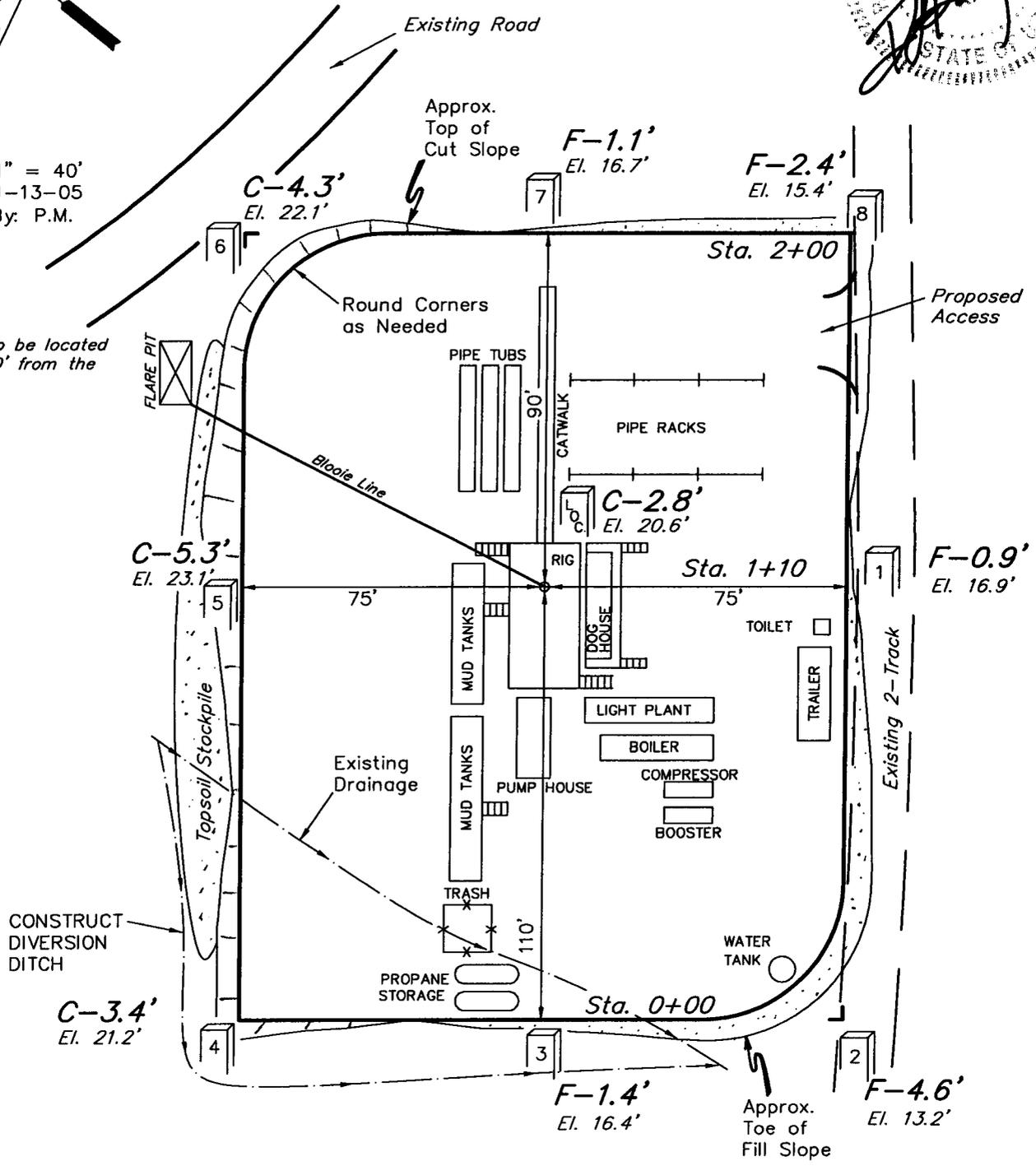


SCALE: 1" = 40'
DATE: 01-13-05
Drawn By: P.M.



NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5020.6'
FINISHED GRADE ELEV. AT LOC. STAKE = 5017.8'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

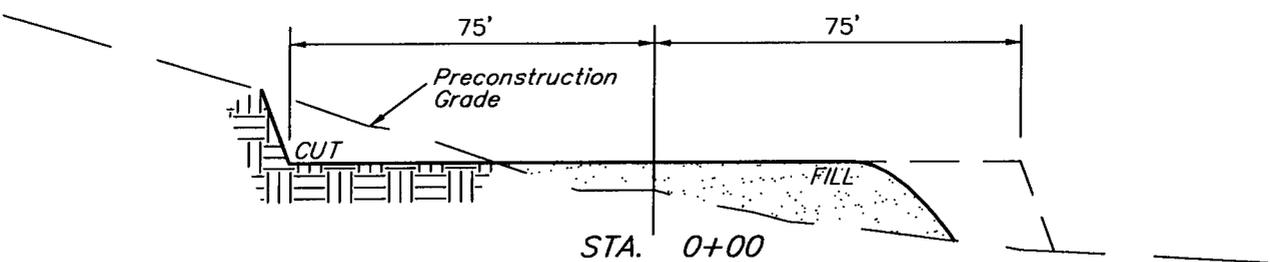
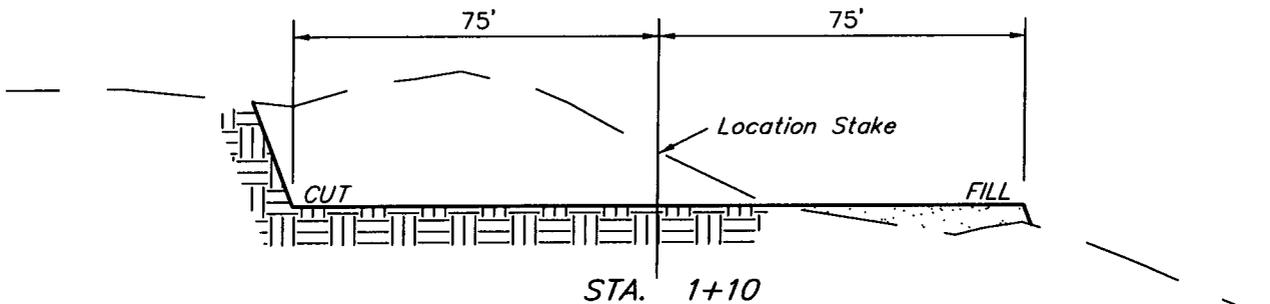
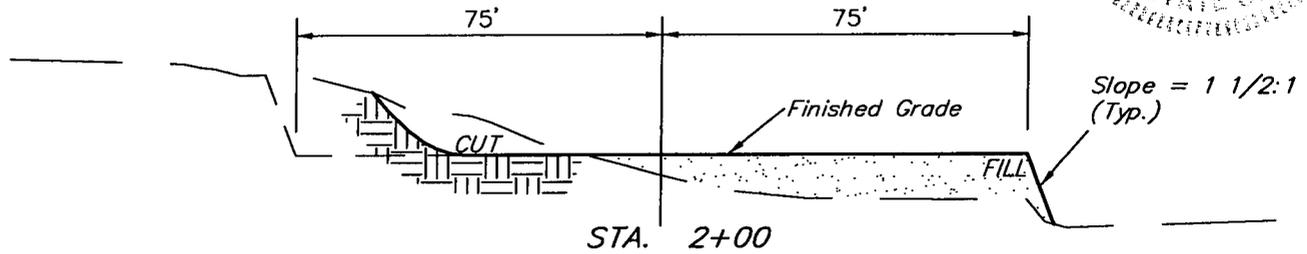
ELK PRODUCTION, LLC
TYPICAL CROSS SECTIONS FOR
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

| **FIGURE #2** |

1" = 10'
 X-Section
 Scale
 1" = 40'



DATE: 01-13-05
 Drawn By: P.M.



* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

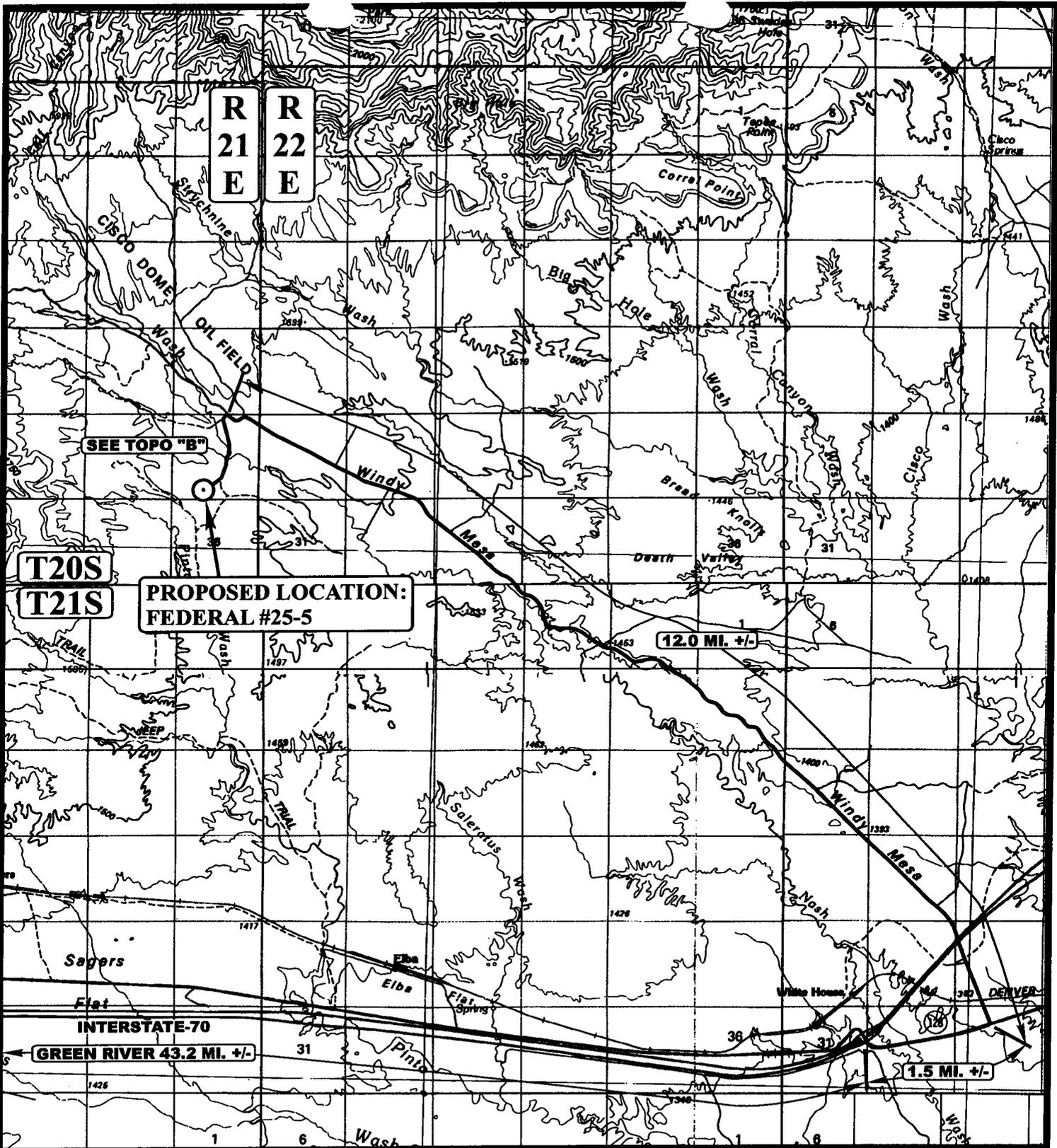
APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	620 Cu. Yds.
Remaining Location	=	1360 Cu. Yds.
TOTAL CUT	=	1,980 CU.YDS.
FILL	=	1,360 CU.YDS.

EXCESS MATERIAL	=	620 Cu. Yds.
Topsoil	=	620 Cu. Yds.

EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.
--	---	------------

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



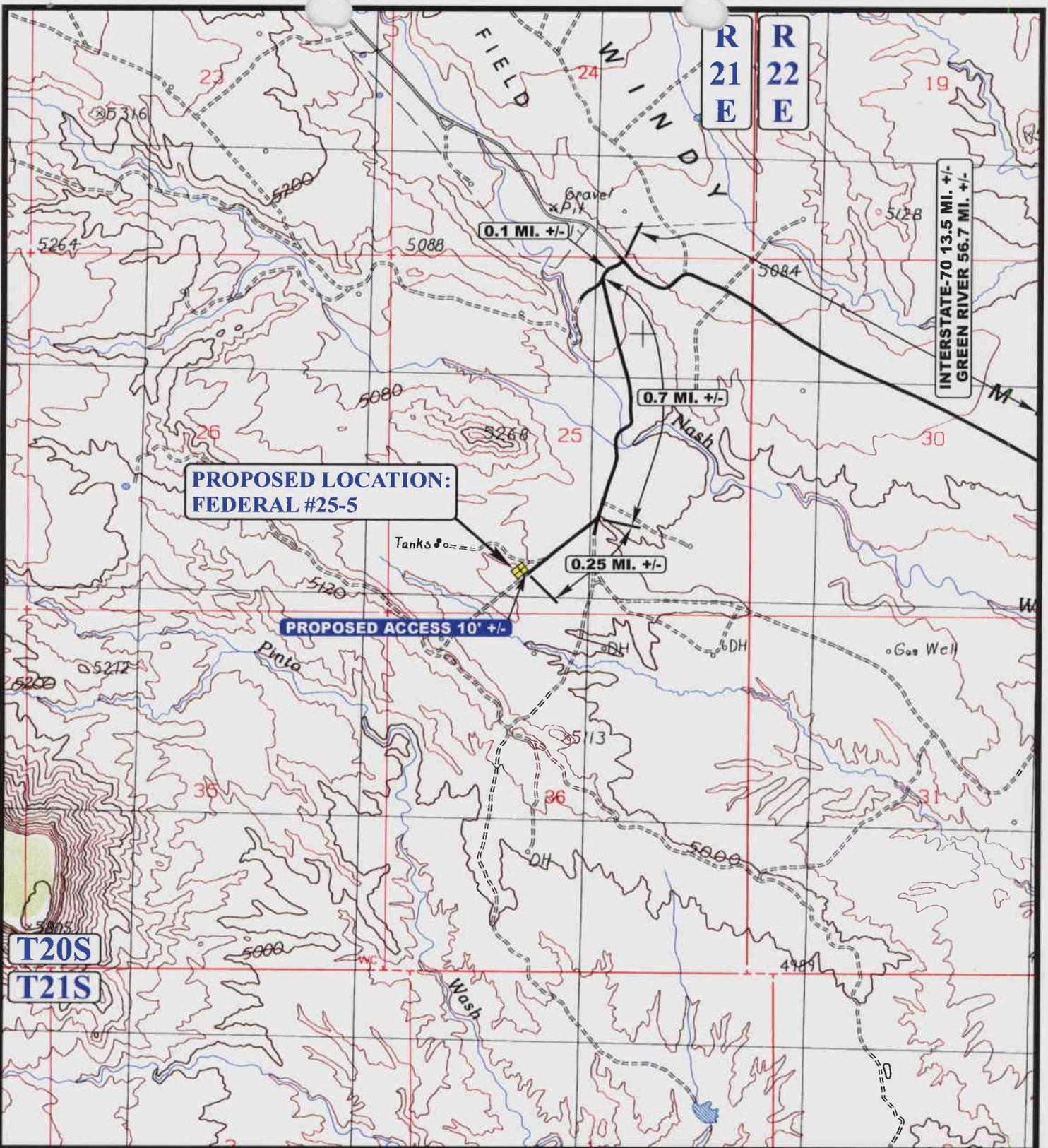
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
M A P

12	22	04
MONTH	DAY	YEAR



SCALE: 1:100,000 | DRAWN BY: P.M. | REVISED: 00-00-00



**PROPOSED LOCATION:
FEDERAL #25-5**

PROPOSED ACCESS 10' +/-

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

ELK PRODUCTION, LLC

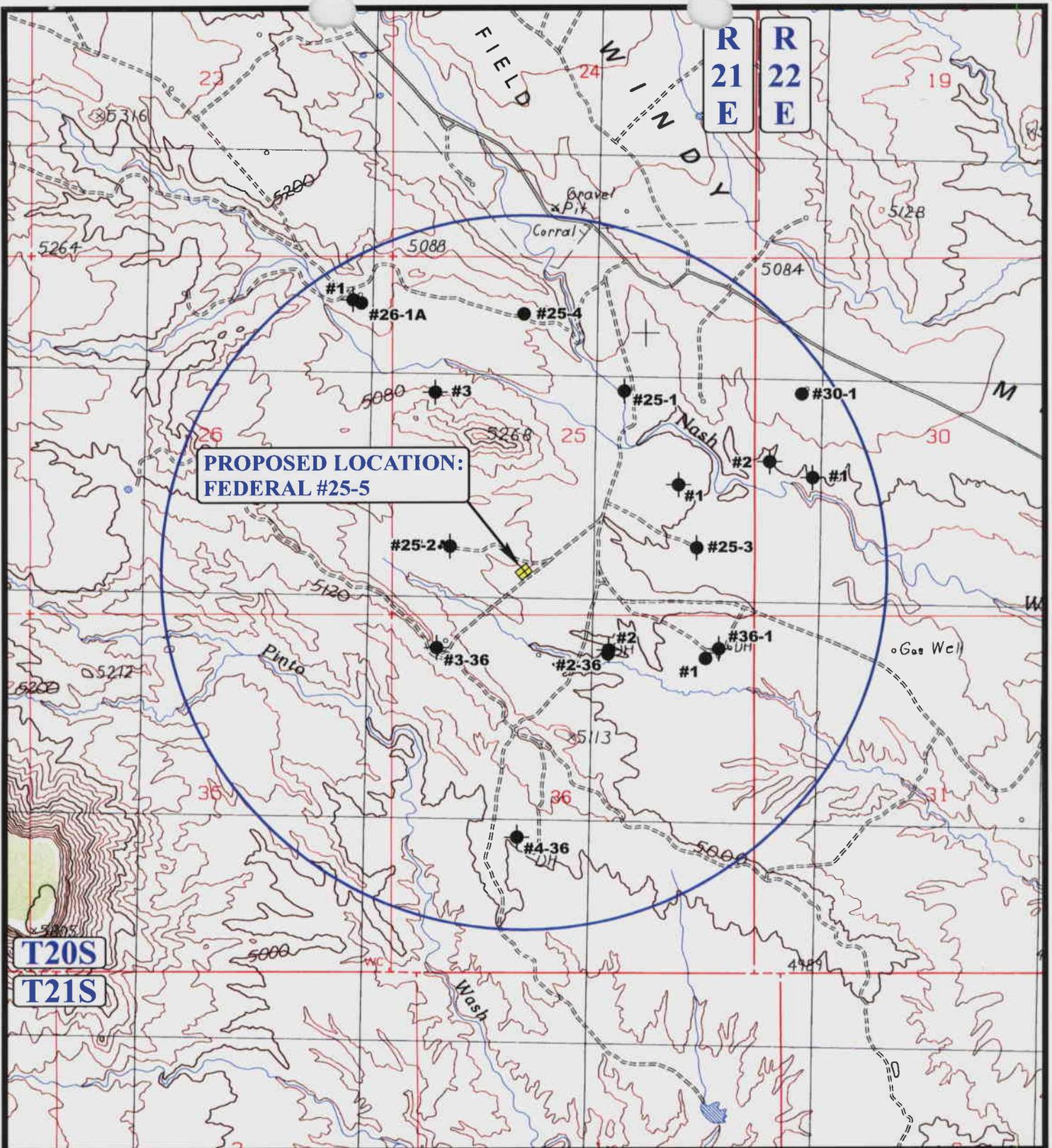
**FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL**

UEIS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 12 22 04
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:
FEDERAL #25-5**

LEGEND:

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ∅ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

ELK PRODUCTION, LLC

**FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



**TOPOGRAPHIC
MAP**

12 22 04
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/24/2007

API NO. ASSIGNED: 43-019-31444

WELL NAME: FEDERAL 25-5

OPERATOR: ELK PRODUCTION LLC (N2650)

PHONE NUMBER: 303-296-4505

CONTACT: KARIN KUHN

PROPOSED LOCATION:

SESW 25 200S 210E
 SURFACE: 0643 FSL 1922 FWL
 BOTTOM: 0643 FSL 1922 FWL
 COUNTY: GRAND
 LATITUDE: 39.03205 LONGITUDE: -109.5479
 UTM SURF EASTINGS: 625692 NORTHINGS: 4321128
 FIELD NAME: GREATER CISCO (205)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-02139-A
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WINGT
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. B000969)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. AIR DRILLE)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 102-16B
Eff Date: 9-26-1979
Siting: 500' fr Property lease units & 200' fr 441/4 unit
400' fr low & 320' fr low
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-6 days Approval

T20S R21E

T20S R22E

GREATER CISCO FIELD

CAUSE: 102-16B / 9-26-1979

FEDERAL 25-4
✱

FEDERAL 3
✱
FEDERAL 25-5
FEDERAL 25-5

FEDERAL 25-22
⊙

FEDERAL 25-1
✱

25

FEDERAL 25-6

G B JENKINSON 1
✱

FEDERAL 25-6

FEDERAL 25-2
✱

FEDERAL 25-3
✱

FEDERAL 25-7
⊙

FEDERAL 25-5
FEDERAL 25-5

BO-TX 3-36
✱

BO-TX 2-36
✱

ST OF UT 2 CABEEN
✱

ST OF UT 36-1
ADAMS 1 STATE
✱

OPERATOR: ELK PRODUCTION CO (N2650)

SEC: 25 T.20S R. 21E

FIELD: GREATER CISCO (205)

COUNTY: GRAND

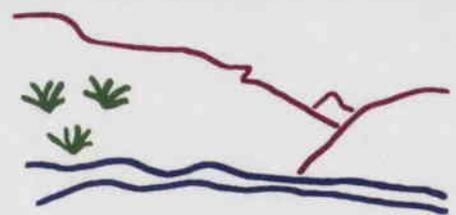
CAUSE: 102-16B / 11-15-1979

Field Status	
■	ABANDONED
■	ACTIVE
■	COMBINED
■	INACTIVE
■	PROPOSED
■	STORAGE
■	TERMINATED

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

Wells Status

- ✱ GAS INJECTION
- ✱ GAS STORAGE
- ✱ LOCATION ABANDONED
- ⊙ NEW LOCATION
- ✱ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ✱ SHUT-IN GAS
- SHUT-IN OIL
- ✱ TEMP. ABANDONED
- TEST WELL
- ⊙ WATER INJECTION
- ⊙ WATER SUPPLY
- ⊙ WATER DISPOSAL
- ⊙ DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
DATE: 7-MAY-2007



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 7, 2007

Elk Production, LLC
1401 17th Street, #700
Denver, CO 80202

Re: Federal 25-5 Well, 643' FSL, 1922' FWL, SE SW, Sec. 25, T. 20 South,
R. 21 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.

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 43-019-31444.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Elk Production, LLC
Well Name & Number Federal 25-5
API Number: 43-019-31444
Lease: UTU-02139-A

Location: SE SW **Sec.** 25 **T.** 20 South **R.** 21 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 with 24 hours of spudding the well.

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

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

- Contact Dustin Doucet at (801) 538-5281 office
(801) 733-0983 home

3. Reporting Requirements

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-02139-A
2. Name of Operator Elk Production LLC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		8. Well Name and No. Federal #25-5
		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Use 3 1/2" Csg instead of 4 1/2"
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Elk plans to deepen the subject well to 4200'. Upon reaching TD, a string of 3 1/2", 9.3#, P-110 casing will be run inside of the 5 1/2" casing string from surface to 4200' instead of 4 1/2", which was submitted in our drilling plan. The 3 1/2" casing will be cemented with approximately 100 sx Type I cement. Actual cement volumes will be based on caliper + 20% to bring cement 300' into the 5 1/2" casing set @ 1981'.

COPY SENT TO
DATE: 6-19-07
INITIALS: RM

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Karin Kuhn Title Sr. Engineering Technician

Signature *Karin Kuhn* Date 06/11/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Accepted by the _____
Utah Division of Oil, Gas and Mining
Date: 6/15/07
Federal Approval of This Action Is Necessary

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

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.

By: *[Signature]*

(Instructions on page 2)

JUN 12 2007

DIV. OF OIL, GAS & MINING

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.		5. Lease Serial No. UTU-02139-A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Elk Production LLC		7. If Unit or CA/Agreement, Name and/or No. N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	8. Well Name and No. Federal #25-5
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 6/19/2007
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Operations began on 6/14/07 to deepen the subject well. MIRU Lobo Rig #1. Went in hole and wash from 2006' to 2075'. Hole began to slough. Washed and reamed @ 2075' for several hours; hole continued to slough. Unable to go deeper than 2075'. Suspended operations on 6/16/07. Elk plans to evaluate the well and will report our plans for this well.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 06/26/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Title	Date
	Office	

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

(Instructions on page 2)

RECEIVED

JUN 29 2007

DIV. OF OIL, GAS & ...

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.		5. Lease Serial No. UTU-02139-A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Elk Production LLC		7. If Unit or CA/Agreement, Name and/or No. N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	8. Well Name and No. Federal #25-5
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		9. API Well No. 4301931444
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

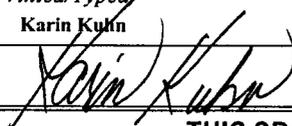
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Operations Update as of 9/6/2007

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

Operations resumed on 8/11/07 to deepen the subject well. MIRU Hayes Rig #1. Clean out old well bore and drill new hole from 2075' to 2690' TD. Reached TD on 8/22/07. Set 3 1/2", 9.3#, P-110 @ 2693'. Cmt w/ 75 sx 50/50 Poz, 2% gel, 2% Super FL-200. Log well w/ Schlumberger Reservoir Saturation Tool w/ CCL to 2640' (PBD). Estimated TOC @ 1500'. Perf well f/ 2575' - 2584', 3 SPF, 120° phasing. Acidize perms f/ 2575'-2584' w/ 500 gals 15% HCl @ 2611'. SWI. Drop 25 balls. Swab well. Run 2 1/6" tbg to 2611'. Waiting on pumping unit.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 09/20/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____	

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

(Instructions on page 2)

RECEIVED

SEP 24 2007

DIV. OF OIL, GAS & MINING

Elk Production LLC Field Activity Report

CISCO

FEDERAL 25-5 (DEEPENED TO ENTRAD

ENTRADA	20S 21E 25 SESW	8RSC	43019314440000
---------	-----------------	------	----------------

SYNOPSIS: 8/11-9/6/07: Operations resumed on 8/11/07 to deepen the subject well. MIRU Hayes Rig #1. Clean out old well bore and drill new hole from 2075' to 2690' TD. Reached TD on 8/22/07. Set 3 1/2", 9.3#, P-110 @ 2693'. Cmt w/ 75 sx 50/50 Poz, 2% gel, 2% Super FL-200. Log well w/ Schlumberger Reservoir Saturation Tool w/ CCL to 2640' (PBSD). Estimated TOC @ 1500'. Perf well f/ 2575' - 2584', 3 SPF, 120° phasing. Acidize perms f/ 2575'-2584' w/ 500 gals 15% HCl @ 2611'. SWI. Drop 25 balls. Swab well. Run 2 1/6" tbg to 2611'. Waiting on pumping unit..

6/14-16/07: MIRU Lobo Rig #1. Attempt to deepen well. Hole was sloughing; could not get deeper than 2075'. Suspend operations.

9/18/05: POP @ 572 MCFD.

9/12: Kill well w/ 15 bbls wtr & strip hanger into wellhead. Install well cap on tbg head. Secure well. RD & MOCU. Well shut in; WO pipeline.

9/5/05, MIRUCU. Drl open hole to 2398'.

8/4 - 8/8: Drl to 1984'. Run 44 jts 5 1/2" production & set @ 1984'. Cmt 5 1/2" csg w/ 150 sx Ready-Mix

7/26/05: Spud.

Daily Detail:

6/14/2007 Move in & RU Lobo Rig #1.

6/15/2007 PU BHA & 56 jts 2 7/8" tbg. PU power swivel & wash from 2006' to 2075'. Hole started sluffing 1/4 to 1/2" rock, wash & ream @ 2075'. Hole sluffing w/ high tbg torque & flow line plugging up.

6/18/2007 6-15-2007: Continue to wash & ream hole. Attempting to clean out to bottom with air mist, made no progress. Hole confined to sluff w/ maximum depth reached 2075'. POOH, LD drilling assembly. RD & move off drilling equip. FINAL REPORT

8/13/2007 Report for August 11th. Move Hayes Rig #1 from Federal #25-2 and rig up with pits and mud pump for deepening operation. NU and test BOPE to 2000#. PU 4 3/4" bit, six DCs, and RIH on 2-7/8" N80 tubing to 829'. SDFWE.

8/14/2007 HU pmp, tank & mud lines. Install rotating head & build flow line. Fill hole w/ 40 bbls fresh wtr, good returns. PU 2 7/8" tbg, bit @ 1287'. SDFN.

8/16/2007 Finished PU 2 7/8" tbg. Install rotating rubber & PU power swivel. Circ & build vis to 42. W&R f/ 2084'-2093'; bridge @ 2050'. Took gas kick & work stuck pipe. Circ hole cln, recover rocks & scale. W&R f/ 2080'-2112', heavy rocks over shaker. Drl to 2135', circ hole cln. TOOH to 1950' SDFN.

8/17/2007 TD: 2,250'. Drilling in Morrison. TOH for PDC bit.

8/20/2007 TD: 2538' (made 288'). It appears that well bore sidetracked f/ original hole btwn 2075'-2175' as supported by consistent ROP below well's original TD. Based on expectation of the top of Entrada fm at a similar depth to that in the offset Federal 25-2 well, TD is expected within 75' of the present depth.

8/21/2007 TD: 2667' (made 129'), TIH to 2100, tag fill, PU power swivel W&R to 2160, finish TIH. No fill. Drilling from 2537' to 2667'. TOOH to 1950'. SWI, SDFN.

8/22/2007 TD: 2682' (made 15'). RIH & tag fill @ 2074'. RU power swivel & wash to 2139'. RIH w/o pmp to 2667'. Drlg f/ 2667'-2682'. C&C hole. RD power swivel. LD drl string & DCs. Chg out pipe rams to 3 1/2". PU 4 3/4" used bit, float sub, 1 - 3 1/2" float jt, float collar. TIH w/ 61 jts 3 1/2", P110, 11# tbg to 1960'. SDFN

8/23/2007 TD: 2690' (made 8'). RIH to 2022'. W&R f/ 2022'-2682'. Drl to 2690'. Set 84 jts 3 1/2" P-110, 11# csg @ 2692.67'. C&C hole to cmt. RU Superior & pmp 20 bbls fresh wtr flush, 6 bbls 30 sx 11 lbs lead, 75 sx 2% gel, 2% super fl-200, 50/50 POZ, 14.3 density, 1.25 yield, 5.5 wtr returns. Did not bump plug. RIH w/ sand line, tagged plug @ 2654'. ND flow lines & BOPs. Set slips w/ 20k.

8/24/2007 TD: 2690' (made 0'). RU & run w/ logs, loggers TD-2640'. Clean mud tank, put away tool w/ logging.

8/28/2007 RU & swab dn csg to 2000', Rec 18 bbls wtr. RDMO, move to Federal 15-5.

8/30/2007 MI Mesa WL to perf Entrad fm. Run Schlumberger Reservoir Saturation Tool w/ CCL. Perf 3 SPF, 120 deg phasing f/ 2575'-2584'. Ran section of CCL to confirm depth. From Mesa's measurements; it appeared log zeroed @ GL. While running/pulling gun, fluid level appeared to be around 2000'. No blow following well being perf'd. Several ounce pressure build up noted later in day. RD Mesa. Will move completion rig on well when finished on Fed 15-5.

9/4/2007 MIRU, change out pipe rams, take off frac vlv, NU BOPs. PU 87 jts 2 1/6" tbg & take to location, SWI, SDFN. RU 3 1/2" swab equip, FL @ 1600' on first run SEC run. FL @ 1750, Rec 12 BBLs 6-BBLS oil & 6 BBLs wtr. RU 2 1/6" tools & TIH w/ tbg, 81 jts tagged @ 2642, LD 1 jt, EOT @ 2579'. SWI, SDFW.

Elk Production LLC Field Activity Report

CISCO

FEDERAL 25-5 (DEEPENED TO ENTRAD)

9/5/2007 Pour new rope socket f/ 2 1/6" & PU swab tools. Made 5 swab runs, rec 6 bbls 50% oil, IFL 1500', FFL 2400' & WO CalFrac to RU. Pmpd 100 gals 15% HCl & displace w/ 28 bbls 2% KCl wtr to cln up tbg & perms. Pmpd 11.9 bbls 15% HCl to end of tbg @ 2611'. SWI. Drop 25 balls & dsplace acid 11.9 bbls 15% HCl @ 2 bbls/min bbls/min, broke @ 3094', displaced w/ 13.1 bbls 2% KCl wtr, avg pressure 1900# ball action was not good. SI. Pressure 1900; 5 min - 850; 10 min - 700; 15 min - 400 psi. RU & Swab well, FL @ surf. Mde 12 runs, rec 14 bbls total, 5 BO. FFI 2583. Left opn to tank. SDFN.

9/6/2007 RU swab, RIH, FL @ 900' made 4 runs FL dn to 2100', SWE f/ 1 hr. RD floor, land tbg @ 2611'. ND bop's, NU tree rig, swab up FL @ 1600'. Make 4 more swab runs IFL 2200'. Total fluid Rec-7.2 bbls 95% oil. SWI. RD & move to Federal 25-2.

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

FORM 6

ENTITY ACTION FORM

Operator: Elk Production LLC
Address: 1401 17th Street, Suite 700
city Denver
state CO zip 80202

Operator Account Number: N 2650

Phone Number: (303) 296-4505

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931444	Federal 25-5		SESW	25	20S	21E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
E	14849	14849	6/14/2007		10/31/2007		
Comments: Deepened well; recompleted to Entrada 2575'-2584'.							

Well 2

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

Well 3

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

ACTION CODES:

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

RECEIVED

NOV 02 2007

DIV. OF OIL, GAS & MINING

Karin Kuhn
Name (Please Print)
Karin Kuhn
Signature
Sr. Engineering Technician
Title
11/1/2007
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-02139-A

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv.,
Other: _____

6. If Indian, Allottee or Tribe Name
NA

7. Unit or CA Agreement Name and No.
NA

2. Name of Operator
Elk Production, LLC

8. Lease Name and Well No.
Federal 25-5

3. Address 1401 17th Street, Suite 700
Denver, CO 80202

3a. Phone No. (include area code)
(303) 296-4505

9. AFI Well No.
4301931444

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 643' FSL, 1922' FWL

At top prod. interval reported below 643' FSL, 1922' FWL

At total depth 643' FSL, 1922' FWL

10. Field and Pool or Exploratory
Greater Cisco

11. Sec., T., R., M., on Block and
Survey or Area SESW 25 20S 21E SLB&M

12. County or Parish Grand
13. State UT

14. Date Spudded
06/14/2007

15. Date T.D. Reached
08/22/2007

16. Date Completed 10/31/2007
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5021' GL, 5030' KB

18. Total Depth: MD 2690'
TVD

19. Plug Back T.D.: MD 2640'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Reservoir Saturation Tool/GR/CCL

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
11"	8 5/8", J55	24#	0	236'		150, Type I	28	Surf, Cir	0
7 7/8"	5 1/2", J55	15.5#	0	1981'		150, Type I	28	1100', Cal	0
4 3/4"	3 1/2", P110	9.3#	0	2692.67'		75, 50/50 Poz	16.7	1500', Cal	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 1/6"	2611'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Entrada	2575	2584	2575' - 2584'		27	Open
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
2575'-2584'	500 gals 15% HCl, 25 balls

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/31/07	11/1/07	24	→	25	0	2			Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA	SI	NA	→	25	0	2		Producing	

28a. Production - Interval B

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

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

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NOV 13 2007
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Greenhorn	1857
				Graneros	1938
				Dakota	1965
				Cedar Mountain	2047
				Morrison	2191
				Saltwash	2302
				Summerville	2511
				Entrada	2575

32. Additional remarks (include plugging procedure):

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

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

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

Name (please print) Karin Kuhn Title Sr. Engineering Technician
 Signature *Karin Kuhn* Date 11/08/2007

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-02139A

6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.
NA

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Federal 25-5

2. Name of Operator
Elk Production, LLC

9. API Well No.
4301931444

3a. Address
1401 17th Street, Suite 700
Denver, CO 80202

3b. Phone No. (include area code)
303-296-4505

10. Field and Pool or Exploratory Area
Greater Cisco/Entrada

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL, 1922' FWL
SESW Section 25-T20S-R21E

11. Country or Parish, State
Grand County, UT

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

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

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

Elk plans to reperforate existing perforations from 2575'-2584' and stimulate this perforated interval with a propellant cartridge. Also, Elk plans to add three new intervals, perfrom 2552'-2554', 2458'-2460', and 2391'-2395'. These intervals will also be stimulated with a propellant cartridge.

COPY SENT TO OPERATOR

Date: 4-4-2008

Initials: ES

RECEIVED
MAR 25 2008

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 03/24/2008

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Title Accepted by the Utah Division of Oil, Gas and Mining	Date <u>3/31/08</u>
Office Oil, Gas and Mining	Federal Approval Of This Action Is Necessary

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

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

(Instructions on page 2)

By:
* Cause 102-16(b)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-02139-A

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv.,
Other: Recomplete

6. If Indian, Allottee or Tribe Name
NA

7. Unit or CA Agreement Name and No.
NA

2. Name of Operator
Elk Production, LLC

8. Lease Name and Well No.
Federal 25-5

3. Address 1401 17th Street, Suite 700
Denver, CO 80202

3a. Phone No. (include area code)
(303) 296-4505

9. API Well No.
4301931444

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 643' FSL, 1922' FWL

10. Field and Pool or Exploratory
Greater Cisco/Mrsn/Summerville/Entrada

11. Sec., T., R., M., on Block and
Survey or Area SESW 25 20S 21E SLB&M

12. County or Parish
Grand County

13. State
UT

At top prod. interval reported below 643' FSL, 1922' FWL

At total depth 643' FSL, 1922' FWL

14. Date Spudded
04/24/2008

15. Date T.D. Reached
NA

16. Date Completed 05/08/2008
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5021' GL, 5030' KB

18. Total Depth: MD 2690'
TVD

19. Plug Back T.D.: MD 2640'
TVD

20. Depth Bridge Plug Set:
MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Reservoir Saturation Tool/GR/CCL

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
11"	8 5/8", J55	24#	0	236'		150, Type I	28	Surf, Cir	0
7 7/8"	5 1/2", J55	15.5#	0	1981'		150, Type I	28	1100', Cal	0
4 3/4"	3 1/2", P110	9.3#	0	2692.67'		75, 50/50 Poz	16.7	1500', Cal	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 1/6"	2585'							

25. Producing Intervals

Formation	Top	Bottom	Perforation Interval	Size	No. Holes	Perf. Status
A) Morrison-Saltwash	2302	2511	2391-2460		26	Open
B) Summerville	2511	2575	2552-2554		9	Open
C) Entrada	2575	2690	2577-2581		17	Open
D)			2575'-2584'			Previously Open

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

Depth Interval	Amount and Type of Material
2391'-2395'	Jet Propellant Charge
2577'-2581'	Jet Propellant Charge

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
5/8/08		24	→	8.7	0	0			Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA	SI NA		→	8.7	0	0		Producing All Intervals	

28a. Production - Interval B

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

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

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28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

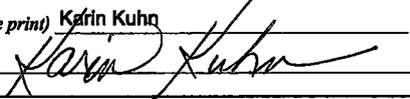
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Greenhorn Graneros	1857 1938
				Dakota Cedar Mountain	1885 2047
				Morrison Saltwash	2191 2302
				Summerville Entrada	2511 2575

32. Additional remarks (include plugging procedure):

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

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

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

Name (please print) Karin Kuhn Title Sr. Engineering Technician
 Signature  Date 05/12/2008

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-02139A

6. If Indian, Allottee or Tribe Name

NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Federal 25-5

9. API Well No.
4301931444

10. Field and Pool or Exploratory Area
Greater Cisco/Entrada

11. Country or Parish, State
Grand County, UT

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Elk Production, LLC

3a. Address
1401 17th Street, Suite 700
Denver, CO 80202

3b. Phone No. (include area code)
303-296-4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643 FSL, 1822 FWL
SESW Section 25-T20S-R21E

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

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

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

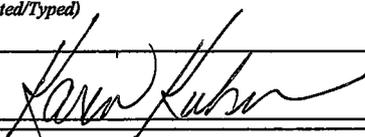
Work began on 4/24/08 to reperforate the existing Entrada zone and add additional intervals to the subject well. The well was reperforated from 2577'-2581' (17 shots). The well was perforated from 2552'-2554' (9 shots), 2458'-2460' (9 shots) and from 2391'-2395' (17 shots). A jet gun propellant charge was shot @ 2577'-2581' and @ 2391'-2395'. Tubing, rods and pump were run in the hole and the well was returned to production on 5/8/2008, making approximately 8.7 BOPD.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Karin Kuhn

Title Sr. Engineering Technician

Signature



Date 05/12/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Office

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

(Instructions on page 2)

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MAY 14 2008

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

8/1/2011

FROM: (Old Operator): N2650-Elk Production, LLC 1401 17th Street, Suite 700 Denver, CO 80202 Phone: 1 (303) 296-4505	TO: (New Operator): N3785-SEP - Cisco Dome LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001
---	--

WELL NAME		CA No.	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 54 WELLS										

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/6/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/6/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/18/2011
- Is the new operator registered in the State of Utah: Business Number: 7934251-0160
- (R649-9-2)Waste Management Plan has been received on: Requested 9/21/2011
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/20/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/20/2011
- Bond information entered in RBDMS on: 9/6/2011
- Fee/State wells attached to bond in RBDMS on: 9/21/2011
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000465
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 1481053, 1481056 and 1481054
- The **FORMER** operator has requested a release of liability from their bond on: not yet

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: See attached list
2. NAME OF OPERATOR: SEP - CISCO DOME, LLC		9. API NUMBER:
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd., Ste 210 CITY Salt Lake City STATE UT ZIP 84106		PHONE NUMBER: (435) 940-9001
4. LOCATION OF WELL FOOTAGES AT SURFACE:		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY: Grand County STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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>Change of Operator</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.

Previous Operator: Elk Production, LLC 1401 7th Street, Suite 700 Denver, Colorado 80202 303-296-4505	New Operator: SEP - CISCO DOME, LLC 1245 Brickyard Rd., Ste. 210 Salt Lake City, UT 435-940-9001
--	---

Utah DOGM Bond # *Thunderbird 2: 1481053-1481056; State 32-1; 1481054*
BLM Bond # *4TB000465*

effective 8/1/2011

SEP - CISCO DOME, LLC representative:

Name (Please Print): <u>David Lillywhite</u>	Title: <u>President</u>
Signature:	Date: <u>7/28/11</u>

NAME (PLEASE PRINT) <u>John Whisler</u>	TITLE <u>Chief Executive Officer</u>
SIGNATURE	DATE <u>7/28/11</u>

(This space for State use only)

APPROVED 9/13/2011

 Earlene Russell
 Division of Oil, Gas and Mining (See Instructions on Reverse Side)
 Earlene Russell, Engineering Technician

RECEIVED
SEP 06 2011
 DIV. OF OIL, GAS & MINING

ELK PRODUCTION, LLC (N2650) to SEP-Cisco Dome, LLC (N3785)
effective 8/1/2011

well name	sec	twp	rng	api	entity	well	stat
THUNDERBIRD 1	32	200S	240E	4301930058	10339	OW	P
FEDERAL 19-3	19	200S	220E	4301930302	8201	GW	TA
FEDERAL 31-1A	31	200S	220E	4301930308	8204	GW	P
STATE 32-1	32	200S	220E	4301930347	8206	GW	P
FEDERAL 13-1	13	200S	210E	4301930348	8146	GW	TA
FEDERAL 23-1	23	200S	210E	4301930355	11393	GW	P
FEDERAL 25-1	25	200S	210E	4301930359	11394	GW	S
CALF CANYON 5	11	200S	210E	4301930393	2490	OW	TA
FEDERAL 30-1	30	200S	220E	4301930429	8203	GW	S
FEDERAL 14-1	14	200S	210E	4301930430	8169	GW	P
FEDERAL 24-3	24	200S	210E	4301930432	11395	GW	S
FEDERAL 14-1A	14	200S	210E	4301930436	8150	GW	TA
FEDERAL 1-10	10	200S	210E	4301930484	8141	GW	S
FEDERAL 11-1	11	200S	210E	4301930485	8142	GW	P
FEDERAL 14-2	14	200S	210E	4301930487	8151	GW	S
FEDERAL 14-3	14	200S	210E	4301930488	8152	GW	S
FEDERAL 24-2	24	200S	210E	4301930530	8159	GW	S
FEDERAL 25-3	25	200S	210E	4301930575	8170	GW	S
FEDERAL 15-1	15	200S	210E	4301930585	11391	GW	TA
FEDERAL 23-2	23	200S	210E	4301930586	8140	GW	P
FEDERAL 25-2	25	200S	210E	4301930587	11392	OW	S
FEDERAL 23-3	23	200S	210E	4301930588	8157	GW	S
FEDERAL 22-1	22	200S	210E	4301930625	8156	GW	P
FEDERAL 15-2	15	200S	210E	4301930636	8154	GW	S
FEDERAL 15-3	15	200S	210E	4301930637	8155	GW	S
FEDERAL 13-2	13	200S	210E	4301930673	8147	GW	S
FEDERAL 25-4	25	200S	210E	4301930743	8181	GW	S
FEDERAL 23-4	23	200S	210E	4301930760	8158	GW	P
FEDERAL 18-1	18	200S	220E	4301930875	8200	GW	S
FEDERAL 14-4	14	200S	210E	4301930878	8153	GW	S
FEDERAL 12-1	12	200S	210E	4301930881	8145	GW	S
FEDERAL 11-2	11	200S	210E	4301930882	8143	GW	S
FEDERAL 13-3	13	200S	210E	4301930883	8148	GW	TA
FEDERAL 11-3	11	200S	210E	4301930884	8144	GW	S
FEDERAL 13-4	13	200S	210E	4301930885	8149	GW	TA
FEDERAL 15-4	15	200S	210E	4301930887	10140	GW	TA
FEDERAL 19-1A	19	200S	220E	4301930896	8201	GW	TA
FEDERAL 24-4	24	200S	210E	4301930900	8208	GW	TA
FED 3-675	10	200S	210E	4301931094	303	GW	S
FEDERAL 10-2	10	200S	210E	4301931210	8207	GW	TA
FEDERAL 14-6	14	200S	210E	4301931421	14803	GW	P
FEDERAL 14-7	14	200S	210E	4301931422	14780	GW	P
FEDERAL 24-6	24	200S	210E	4301931423	14779	GW	S
FEDERAL 23-6	23	200S	210E	4301931424	14848	GW	S
FEDERAL 15-8	15	200S	210E	4301931434	15006	GW	P
FEDERAL 15-7	15	200S	210E	4301931435	14868	GW	S
FEDERAL 14-5	14	200S	210E	4301931436	14805	GW	P
FEDERAL 11-6	11	200S	210E	4301931437	14869	GW	P
FEDERAL 14-8	14	200S	210E	4301931439	14804	GW	P
FEDERAL 22-2	22	200S	210E	4301931440	14847	GW	S
FEDERAL 15-5	15	200S	210E	4301931441	14952	GW	S
FEDERAL 23-5	23	200S	210E	4301931442	15007	GW	P
FEDERAL 24-5	24	200S	210E	4301931443	14960	GW	P
FEDERAL 25-5	25	200S	210E	4301931444	14849	GW	S

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 1. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

9/1/2011

FROM: (Old Operator): N3785-SEP - Cisco Dome LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001	TO: (New Operator): N3805-SEP - Cisco Dome II LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001
---	--

CA No. Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
FEDERAL 25-1	25	200S	210E	4301930359	11394	Federal	GW	S
FEDERAL 25-2	25	200S	210E	4301930587	11392	Federal	OW	S
FEDERAL 25-4	25	200S	210E	4301930743	8181	Federal	GW	S
FEDERAL 25-5	25	200S	210E	4301931444	14849	Federal	GW	S
CALF CANYON 5	11	200S	210E	4301930393	2490	Federal	OW	TA

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/15/2011
- Is the new operator registered in the State of Utah: Business Number: 7934251-0160
- (R649-9-2) Waste Management Plan has been received on: Requested 9/21/2011
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 9/27/2011 BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 10/20/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/20/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000466
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number
- The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS: These wells were not in the Calf Canyon Unit and were missed in the change 9/20/11,

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:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: see attached list
2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC		9. API NUMBER: attached
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106		10. FIELD AND POOL, OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: see attached		COUNTY: Grand County
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>9/15/2011</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Previous Operator:
SEP - CISCO DOME, LLC
1245 BRICKYARD RD, STE 210
SALT LAKE CITY, UT 84106
435-940-9001

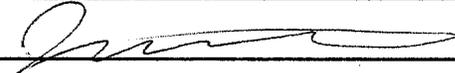
New Operator:
SEP - CISCO DOME II, LLC
1245 BRICKYARD RD, STE 210
SALT LAKE CITY, UT 84106
435-940-9001

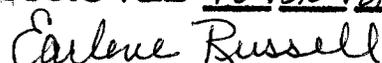
BLM Bond #: UTB-000465

BLM Bond #: UTB-000466


x
David Knudson,
Land Manager
15 Sept. 2011


x
David Knudson,
Land Manager
15 Sept. 2011

NAME (PLEASE PRINT) <u>Jeremy Schwendiman</u>	TITLE <u>Landman</u>
SIGNATURE 	DATE <u>8/10/2011</u>

(This space for State use only)
APPROVED 10/20/2011

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

RECEIVED
SEP 15 2011
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

5. Lease Serial No. **UTU-02135-1**
RECEIVED
MOAB FIELD OFFICE

6. If Indian, Allottee or Tribe Name
2011 AUG 18 AM 9:59

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator SEP - CISCO DOME II, LLC		8. Well Name and No. Federal 25-5
3a. Address	3b. Phone No. (include area code)	9. API Well No. 4301931444
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) T20S-R21E Sec 25- SESW		10. Field and Pool, or Exploratory Area
		11. County or Parish, State Grand County, Utah

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

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

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

Change of Operator

Previous Operator:
SEP - CISCO DOME, LLC
1245 Brickyard Rd., Ste. 210
Salk Lake City, Utah 84106
435-940-9001

New Operator:
SEP - CISCO DOME II, LLC
1245 Brickyard Rd., Ste. 210
Salk Lake City, Utah 84106
435-940-9001

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SEP 27 2011

DIV. OF OIL, GAS & MINING

Please be advised that SEP-CISCO DOME II, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond No. UTB000466.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DAVID LILLYWHITE

Title **PRESIDENT**

Signature

Date **8-9-2011**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

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

Division of Resources
Moab Field Office

Date **9/19/11**

Office

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

(Instructions on page 2)

cc: udogm

Conditions Attached

SEP-Cisco Dome II, LLC
Lease UTU02139A
Wells 25-1, 25-2, 25-4, 25-5
Section 25, T20S, R21E
Grand County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of these applications 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 SEP-Cisco Dome II, LLC is considered to be the operator of the above wells effective September 1, 2011, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells is provided by UTB000466 (Principal – SEP-Cisco Dome II, LLC) 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.



P.O. Box 164
Wellington, Utah 84542
435/637-4075 435/637-4073 Fax

February 1, 2005

Rich McClure
Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, Utah 84532

RE: Application for Permit to Drill—Elk Production Company, LLC
Federal #25-5, 643' FSL, 1,922' FWL, SE/4 SW/4
Section 25, T20S, R21E, SLB&M, Grand County, Utah

Dear Rich:

On behalf of Elk Production Company, LLC (Elk Production), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Drilling Plan;

Exhibit "D" - Surface Use Plan;

Exhibit "E" - Typical BOP and Choke Manifold diagrams.

Please accept this letter as Elk Production's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Tom Young of Elk Production at 303-296-4505 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Elk Production Company, LLC

cc: Diana Whitney, Division of Oil, Gas and Mining
Tom Young, Elk Production Company, LLC

RECEIVED
FEB 03 2005
DIV. OF OIL, GAS & MINING

FILE COPY

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

5. LEASE DESIGNATION AND SERIAL NO.
UTU-02139-A

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

7. UNIT AGREEMENT NAME
Greater Cisco Dome Unit

8. FARM OR LEASE NAME, WELL NO.
Federal #25-5

9. API WELL NO.
43-019-31444

10. FIELD AND POOL, OR WILDCAT
Cisco Dome

11. SEC., T., R., M., OR BLK.
Section 25,
T20S, R21E, SLB&M

12. COUNTY OR PARISH
Grand

13. STATE
Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
13.19 miles northwest of Cisco, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
643'

16. NO. OF ACRES IN LEASE
160 acres

17. NO. OF ACRES ASSIGNED TO THIS WELL
160 acres

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
+/- 1,200'

19. PROPOSED DEPTH
2,800'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
5,021' GR

22. APPROX. DATE WORK WILL START*
As soon as approved

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-1/2"	7" H-40 ST&C	17#	250'	100 sx Halliburton Type 5 with additives—see attached Drilling Plan
6-1/2"	4-1/2" K-55 LT&C	10.5#	2,800'	160 sx 50/50 Class "G" Poz with additives—see attached Drilling Plan

Bond Information:

Bond coverage is provided by US Specialty Insurance Company, Bond #B 000971

Other Information:

Drilling Plan and Surface Use Plan are attached.
Elk Production Company, LLC requests that this complete application for permit to drill be held confidential.

Federal Approval of this
Action is Necessary

RECEIVED

FEB 03 2005 CONFIDENTIAL

DIV. OF OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Elk Production Company, LLC DATE February 1, 2005

(This space for Federal or State office use)

PERMIT NO. 43-019-31444 APPROVAL DATE _____

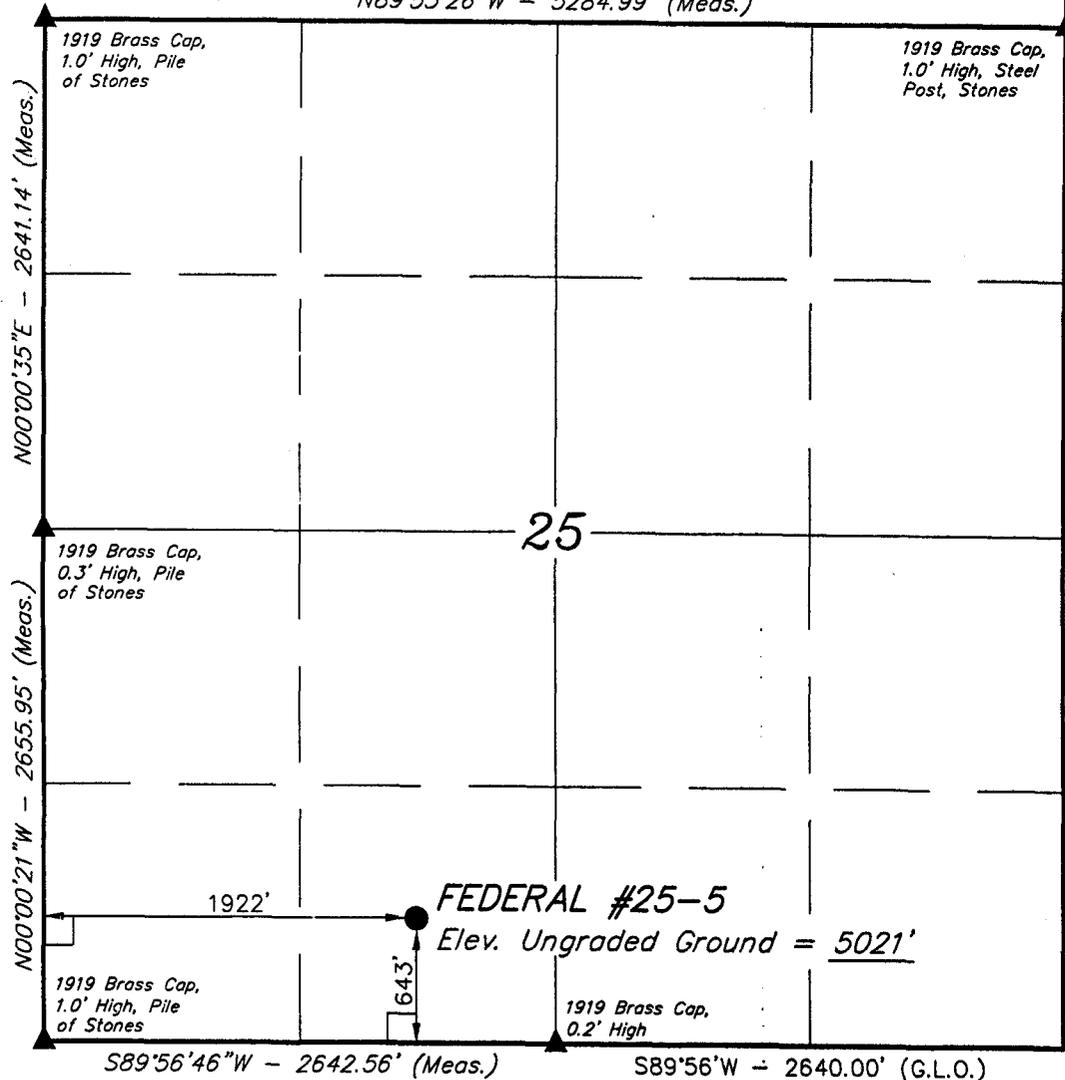
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III DATE 02-07-05

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

T20S, R21E, S.L.B.&M.



R
21
E

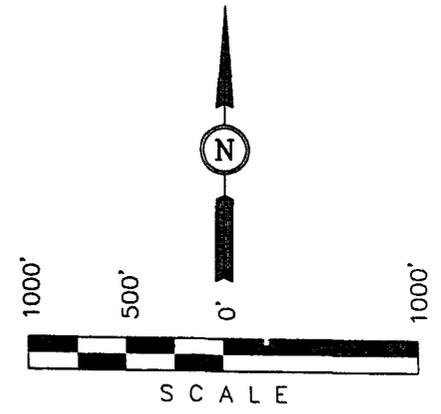
R
22
E

ELK PRODUCTION, LLC

Well location, FEDERAL #25-5, located as shown in the SE 1/4 SW 1/4 of Section 25, T20S, R21E, S.L.B.&M. Grand County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 24, T20S, R21E, S.L.B.&M. TAKEN FROM THE CALF CANYON, QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5084 FEET.



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.

Robert J. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
LATITUDE = 39°01'55.15" (39.031986)
LONGITUDE = 109°32'54.39" (109.548442)
(AUTONOMOUS NAD 27)
LATITUDE = 39°01'55.24" (39.032011)
LONGITUDE = 109°32'51.95" (109.547764)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UNTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-20-04	DATE DRAWN: 01-13-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

DRILLING PLAN

Elk Production Company LLC
Federal #25-5
SESW of Section 25, T-20-S, R-21-E
Grand County, UT

1,2,3 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth</u>
Mancos Shale	Surface
Greenhorn	1926'
Graneros	1951'
Dakota	1981'*
Cedar Mountain	2040'*
Morrison-Brushy Basin	2125'*
Morrison Salt Wash	2353'*
Summerville	2487'
Curtis Entrada	2557'**

PROSPECTIVE PAY* oil and gas

** POSSIBLE OIL OR WATER

4 Casing Program

<u>HOLE</u>	<u>SETTING DEPTH</u>		<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
<u>SIZE</u>	<u>from</u>	<u>to</u>					
9-1/2	surface	250'	7"	17#	H40	ST&C	Recond.
6-1/4	surface	2800'	4-1/2"	10.5#	K55	LT&C	New

5 Cementing Program

7" Surface Casing approximately 100 sx Halliburton Type 5 containing 2% gel and 3% salt. Mixed at 14.8 ppg (yield – 1.37 ft³/sx) To be circulated to surface with 100% excess

4-1/2" Prod. Csg. approximately 160 sx 50/50 Class "G" Poz cement containing 2% gel, .3% Halad 322, .6% Halad 23, .3% Versaset, and .2% Super CBL. To be mixed at 14.2 ppg (yield – 1.33 ft³/sx). Estimated TOC 1500'.

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 250'	NA/Air drilled			
250' – 2800'	NA/Air drilled			

Sufficient KC1 brine water to contain "kick" will be available at wellsite.

CONFIDENTIAL

7 BOP and Pressure Containment Data

Depth Intervals

Surf. – 250'
250' – TD

BOP Equipment

No pressure control required
10" 2000# Ram Type double BOP
8" 2000# Rotating Head

Drilling spool to accommodate choke and kill lines.
Anticipated bottom hole pressure to be less than 1000 PSI

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 2000#
ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
OF ONSHORE ORDER NO. 2

THE BLM AND THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
WILL BE NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Lower Kelly cock will be installed while drilling
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

9 Testing, Logging and Core Programs

Cores None anticipated
Testing None anticipated
Sampling 30' samples; surface casing to TD
Surveys Run every 1000' and on trips
Logging Resistivity, neutron density, temperature, gamma ray, and caliper from TD to surface casing

10 Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated

11 Drilling Schedule

Spud As soon as permits can be obtained
Duration 4 - 5 days drilling time
 4 days completion time

HAZARDOUS MATERIAL DECLARATION

Federal #25-5

Elk Production Company, LLC guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

Elk Production Company, LLC guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.



Following is a summary of Cement Slurries developed in the Piceance Basin by the Casper and Vernal Labs. These slurries were developed as a result of the depletion of the Type III Cement typically used in the basin. The slurries were also developed with costs to Williams in mind while meeting the slurry specifications that Williams and the state require. More lab tests have been completed in this process but this report was put together to summarize the chosen slurries for Williams Production RMT. Please refer to the listed lab reports for additional slurries if this information is desired.

More testing is underway to continue to optimize the slurries for both cost and performance. As these results become available they will be shared with Williams for discussion purposes and to determine if a switch in slurry design is warranted.

Surface Pipe Slurries

Lead – Using Ashgrove Type V

SLURRY COMPOSITION #12 (from Lab Report HES C04-0414)

Modified Mid-Con II

Ashgrove Type V #/sk 94.00

CalSeal	% bwc	2.00
EX-1	% bwc	2.00
Salt	% bww	4.92
Versaset	% bwc	0.30

Lab Tap Water	gal/sk	13.77
Slurry Weight	#/gal	12.30
Slurry Volume	ft3/sk	2.38

THICKENING TIME TEST

Initial Viscosity:	Bc
Final Temperature:	80 F
Final Pressure:	1200 psi
Time to Temperature:	0:17
Time to 70 Bc:	4:41

FREE WATER TEST

0.23% at no angle at 80 F
 No settling observed

UCA COMPRESSIVE STRENGTH TEST

Pressure:	800 psi
Temperature:	95 F

396 psi in 12 hours
 724 psi in 24 hours
 943 psi in 48 hours
 1057 psi in 72 hours

Set Time 50 psi	5:28
WOC Time 500 psi	14:32
Time to 800 psi	29:15

Discounted, Delivered, Cost per Barrel \$53.30

Discounted, Delivered, Cost per Barrel Type III HLC \$43.18

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.



Tail – Using Ashgrove Type V

SLURRY COMPOSITION #4 (from Lab Report HES C04-0414)

Modified Mid-Con II		
Ashgrove Type V	#/sk	94.00
CalSeal	% bwc	2.00
EX-1	% bwc	2.00
Salt	% bwc	6.00
Versaset	% bwc	0.30
Lab Tap Water	gal/sk	11.86
Slurry Weight	#/gal	12.78
Slurry Volume	ft3/sk	2.13

THICKENING TIME TEST

Initial Viscosity:	10 Bc
Final Temperature:	80 F
Final Pressure:	1200 psi
Time to Temperature:	0:17
Time to 70 Bc:	5:25

FREE WATER TEST

0.0% at no angle at 80 F
No settling observed

UCA COMPRESSIVE STRENGTH TEST #1

Start Date:	8 Oct 04
Pressure:	800 psi
Temperature:	95 F

525 psi in 12 hours
914 psi in 24 hours
1210 psi in 48 hours
1362 psi in 72 hours

Set Time 50 psi	5:06
WOC Time 500 psi	11:32
Time to 800 psi	19:22

UCA COMPRESSIVE STRENGTH TEST #2

Start Date:	29 Oct 04
Pressure:	800 psi
Temperature:	95 F

534 psi in 12 hours
914 psi in 24 hours
1212 psi in 48 hours
psi in 72 hours

Set Time 50 psi	4:58
WOC Time 500 psi	11:22
Time to 800 psi	19:14

Discounted, Delivered, Cost per Barrel \$59.62
Discounted, Delivered, Cost per Barrel Type III \$63.94

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.



Tail – Using Ashgrove Type V. To be used when a heavy weight tail slurry is desired for surface pipes.

SLURRY COMPOSITION #11 (from Lab Report HES C04-04i4)

Ashgrove Type V	#/sk	94.00
Gel	% bwc	2.00
Salt	% bww	3.00
Lab Tap Water	gal/sk	6.53
Slurry Weight	#/gal	14.80
Slurry Volume	ft ³ /sk	1.37

FREE WATER TEST

0.3% at no angle at 80 F
No settling observed

RHEOLOGY TESTS

RPM	surf.
600	124
300	94
200	90
100	86

UCA COMPRESSIVE STRENGTH TEST

Pressure: 800 psi
Temperature: 95 F

1167 psi in 12 hours
1726 psi in 18 hours

Set Time 50 psi 3:48
WOC Time 500 psi 7:06
Time to 800 psi 8:57

Discounted, Delivered, Cost per Barrel \$68.77

Discounted, Delivered, Cost per Barrel Type III \$63.94

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.



Long String Slurries

Lead Cement – Using Ashgrove Type V

SLURRY COMPOSITION #1-4 (from Lab Report HES C04-04161)

LEAD

HLC	#/sk	85.78
Halad 322	% bwc	0.60
Versaset	% bwc	0.20
FWCA	% bwc	0.10
HR-5	(see below)	

Lab Tap Water	gal/sk	9.70
Slurry Weight	#/gal	12.70
Slurry Volume	ft3/sk	1.82

THICKENING TIME TEST

Final Temperature:	140 F
Final Pressure:	4500 psi
Time to Temperature:	0:39

<u>HR-5</u>	<u>Visc.</u>	<u>Time to 70 Bc</u>
0.30	14 Bc	6:00+
0.10	7 Bc	4:15

FLUID LOSS TEST

368 cc/30 minutes at 140 F

FREE WATER TEST

0.36% at no angle at 140 F

RHEOLOGY TEST w/ 0.1% HR-5

<u>RPM</u>	<u>surf.</u>	<u>110 F</u>	<u>140 F</u>
600	66	44	34
300	36	22	18
200	24	14	12
100	14	8	6

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	206 F

842 psi in 12 hours
 1093 psi in 24 hours
 1178 psi in 48 hours
 1200 psi in 60 hours

Set Time 50 psi	5:28
WOC Time 500 psi	9:00

Discounted, Delivered, Cost per Barrel

\$61.97

Discounted, Delivered, Cost per Barrel Dakota G 50/50 Poz Lead

\$63.94

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.

HALLIBURTON

Tail Cement – Using Mountain Class G

Tail #1 – To be used when short transition times are desired and the Mud Weight is > 11 ppg

SLURRY COMPOSITION #2-7 (from Lab Report HES C04-04161)

TAIL #1

50-50 Poz	#/sk	82.25
Gel	% bwc	2.00
Halad 322	% bwc	0.30
Halad 23	% bwc	0.60
Versaset	% bwc	0.30
Super CBL	% bwc	0.20
HR-5	% bwc	0.10

Lab Tap Water	gal/sk	5.42
Slurry Weight	#/gal	14.20
Slurry Volume	ft3/sk	1.23

THICKENING TIME TEST

Initial Viscosity	18 Bc
Final Temperature:	140 F
Final Pressure:	4500 psi
Time to Temperature:	0:39
Time to 70 Bc:	3:18

FLUID LOSS TEST

92 cc/30 minutes at 140 F

FREE WATER TEST

Trace at no angle at 140 F
No settling observed

RHEOLOGY TEST

<u>RPM</u>	<u>surf.</u>	<u>140 F</u>
600	221	121
300	135	72
200	96	50
100	54	28

MARSH FUNNEL TEST

250 ml in 38 seconds

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	206 F

Transition Time

15 minutes

1228 psi in 12 hours
1767 psi in 24 hours
1887 psi in 48 hours

Set Time	50 psi	9:00	Discounted, Delivered, Cost per Barrel	\$107.09
WOC Time	500 psi	10:10	Discounted, Delivered, Cost per Barrel Dakota G	\$105.79

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.



Tail #2 – To be used when short bonding times are not requested, e.g. the first well of a two well Pad.

SLURRY COMPOSITION #2-8 (from Lab Report HES C04-04161)

TAIL #2

50-50 Poz	#/sk	82.25
Gel	% bwc	2.00
CalSeal	#/sk	5.00
Comp. Silica.	#/sk	3.00
Halad 322	% bwc	0.70

Lab Tap Water	gal/sk	5.88
Slurry Weight	#/gal	14.20
Slurry Volume	ft3/sk	1.33

THICKENING TIME TEST

Initial Viscosity	10 Bc
Final Temperature:	140 F
Final Pressure:	4500 psi
Time to Temperature:	0:39
Time to 70 Bc:	3:26

FLUID LOSS TEST

355 cc/30 minutes at 140 F

FREE WATER TEST

Trace at no angle at 140 F
No settling observed

RHEOLOGY TEST

RPM	surf.	110 F	140 F
600	60	64	66
300	30	34	40
200	20	24	28
100	12	13	16

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	206 F

1757 psi in 12 hours
2012 psi in 24 hours
2089 psi in 48 hours

Set Time 50 psi	3:50
WOC Time 500 psi	5:48

Discounted, Delivered, Cost per Barrel \$91.79

Discounted, Delivered, Cost per Barrel Dakota G \$91.79

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Tail #3 – Tail #1 with 8 lb/sack Gilsonite; were using this on Trail Ridge only

****This slurry is still being tested and will be updated as results become available.**

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.



Tail #4 – To be used in Place of Tail #1 when short transition times are desired and the Mud Weight is ≤ 11 ppg.

SLURRY COMPOSITION

(from Lab Report Williams C04-0442)

TAIL

50-50 Poz	#/sk	82.25
(Prem MT G/JB Flyash)		
Gel	% bwc	2.00
Gilsonite	#/sk	5.00
Comp. Silica.	#/sk	3.00
Halad 322	% bwc	0.30
Halad 23	% bwc	0.60
Versaset	% bwc	0.30
Super CBL	% bwc	0.20
HR-5	% bwc	0.10

Lab Tap Water	gal/sk	6.37
Slurry Weight	#/gal	13.50
Slurry Volume	ft ³ /sk	1.45

THICKENING TIME TEST

Initial Viscosity:	22 Bc
Final Temperature:	146 F
Final Pressure:	4500 psi
Time to Temperature:	0:39
Time to 70 Bc:	3:08

FLUID LOSS TEST

108 cc/30 minutes at 146 F

FREE WATER TEST

Trace at no angle at 146 F

RHEOLOGY TEST

RPM	surf.	146 F
600	264	74
300	104	52
200	70	36
100	38	20

MARSH FUNNEL TEST

29 seconds for 250 ml

UCA COMPRESSIVE STRENGTH TEST

Pressure:	3000 psi
Temperature:	212 F

1393 psi in 12 hours
1605 psi in 24 hours
1696 psi in 48 hours

Set Time	50 psi	5:52
WOC Time	500 psi	7:00

This report is based on sound engineering practices, but because of variable well conditions and other information which must be relied upon, Halliburton makes no warranty, express or implied, as to the accuracy of the data or of any calculations or opinions expressed herein. You agree that Halliburton shall not be liable for any loss or damage whether due to negligence or otherwise arising out of or in connection with such data, calculation or opinions.

SURFACE USE PLAN

Elk Production Company LLC
Federal #25-5
SESW of Section 25, T-20-S, R-21-E
Grand County, UT

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

The onsite inspection for the referenced well was conducted on Wednesday, October 13, 2004.

1. Existing Roads:

- a. The proposed well site is located approximately 13.19 miles northwest of Cisco, Utah.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Greater Cisco Dome Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located on-lease and within in the Greater Cisco Dome Unit boundary.

2. Planned Access Roads:

- a. From the P & A'd #3-36 access road an access is proposed trending northwest approximately 10' to the proposed well site. The access consists of entirely new disturbance that crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.
- c. BLM approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 10' long and adequate site distance exists in all directions.
- f. No culverts or low-water crossings are anticipated at this time. Adequate drainage structures will be incorporated into the remainder of the road.
- g. No surfacing material will come from federal or Indian lands.

- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Topo C of Exhibit B has a map reflecting existing wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Olive Black to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northeast side of the well site and traverse 3,400' northeast to the existing pipeline corridor that services the existing #25-1.

- i. The gas pipeline will be a 4" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 3,400' is associated with this well.
- j. Elk Production Company, LLC intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Elk Production Company, LLC intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. Since this well will be air drilled the use of water for drilling is not anticipated.
- b. Water for drilling and completion operations, if necessary, will be trucked over approved access roads from Thompson, Utah. The water will be obtained through a direction purchase agreement with a private owner.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located inboard of the location and along the northeast side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be constructed of native material and will not be lined. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling,

testing, or completion of the well.

- h. Trash will 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. The contents of the trash container will be hauled off periodically to the approved Emery County Landfill near Green River, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed. This contents will be transported by truck from the tank to an approved disposal facility for disposal.
- k. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- l. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Green River Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the southeast.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 150' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.

- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.
- b. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.

12. Other Information:

- a. Senco-Phenix Archaeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Senco-Phenix Archaeological Consultants.

b. Our understanding of the results of the onsite inspection are:

- a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
- b. No raptor habitat is know to exist within 1 mile of the proposed wellsite.
- c. No additional surface use agreements are necessary for the construction of this wellsite
- d. No drainage crossings that require additional State or Federal approval are being crossed.

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative	Tom Young	1-303-339-1920
Agent for Elk Production Company, LLC	Don Hamilton	1-435-637-4075

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 exists; 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 Elk Production Company, 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 Elk Production's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 2-1-05

ELK PRODUCTION, LLC
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.

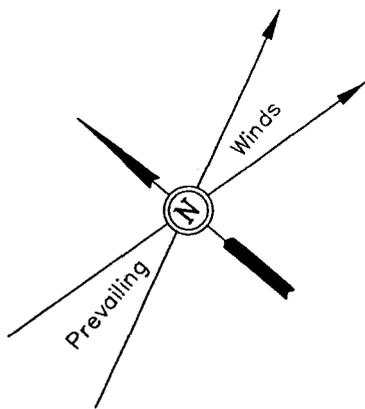
PROCEED IN AN EASTERLY DIRECTION FROM GREEN RIVER, UTAH ALONG INTERSTATE-70 APPROXIMATELY 43.2 MILES TO THE WHITE HOUSE EXIT; EXIT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 12.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 10' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM GREEN RIVER, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.75 MILES.

ELK PRODUCTION, LLC

FIGURE #1

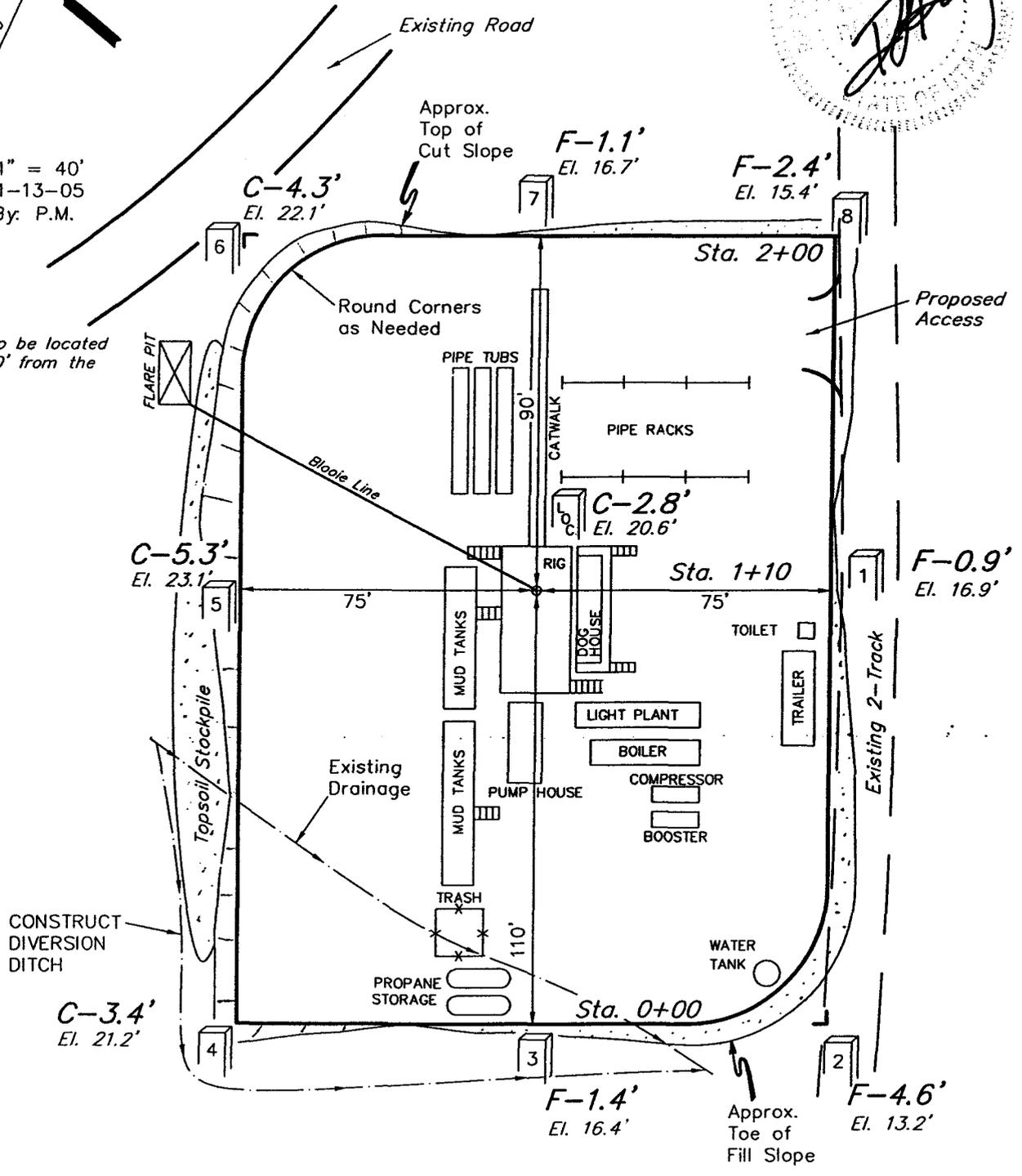
LOCATION LAYOUT FOR
 FEDERAL #25-5
 SECTION 25, T20S, R21E, S.L.B.&M.
 643' FSL 1922' FWL



SCALE: 1" = 40'
 DATE: 01-13-05
 Drawn By: P.M.



NOTE:
 Flare Pit is to be located
 a min. of 100' from the
 Well Head.



NOTES:

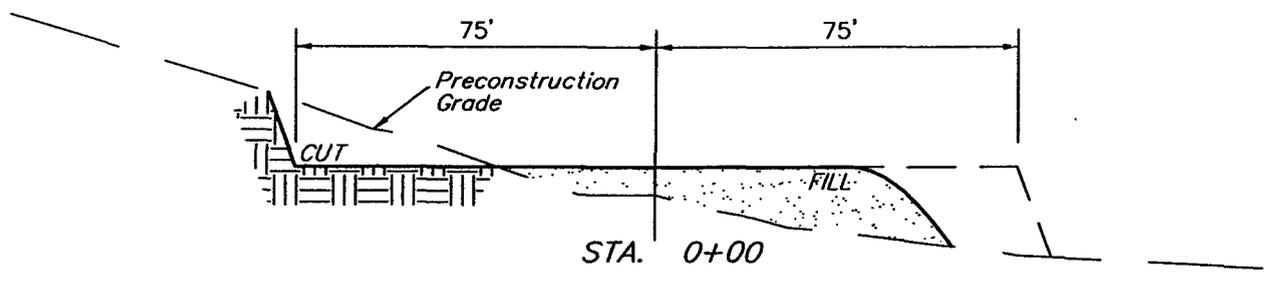
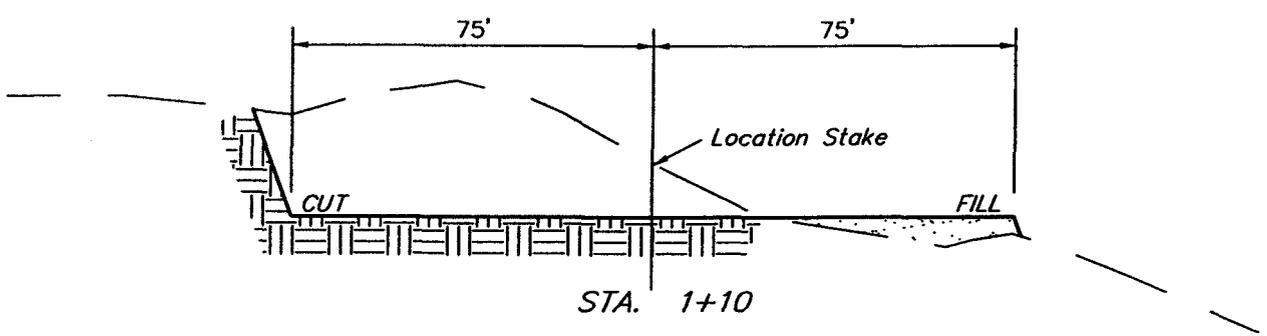
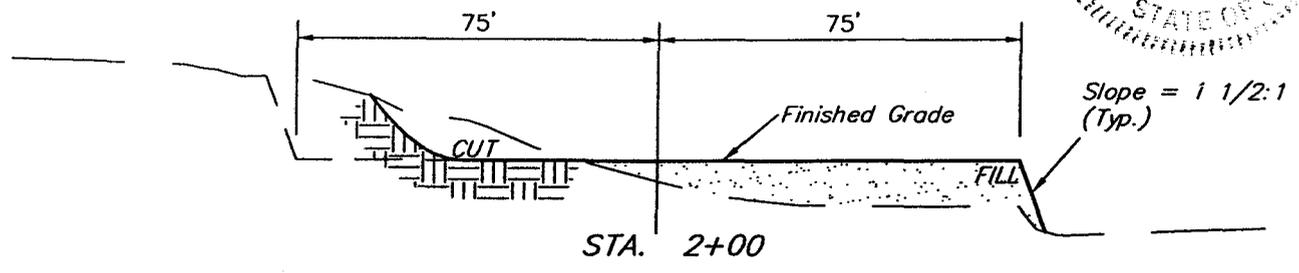
Elev. Ungraded Ground At Loc. Stake = 5020.6'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5017.8'

ELK PRODUCTION, LLC
TYPICAL CROSS SECTIONS FOR
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

/ **FIGURE #2** /

1" = 10'
 X-Section
 Scale
 1" = 40'

DATE: 01-13-05
 Drawn By: P.M.



*** NOTE:**
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 620 Cu. Yds.
Remaining Location	= 1,360 Cu. Yds.
TOTAL CUT	= 1,980 CU.YDS.
FILL	= 1,360 CU.YDS.

EXCESS MATERIAL	= 620 Cu. Yds.
Topsoil	= 620 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

ELK PRODUCTION, LLC

FEDERAL #25-5

LOCATED IN GRAND COUNTY, UTAH

SECTION 25, T20S, R21E, S.L.B.&M.

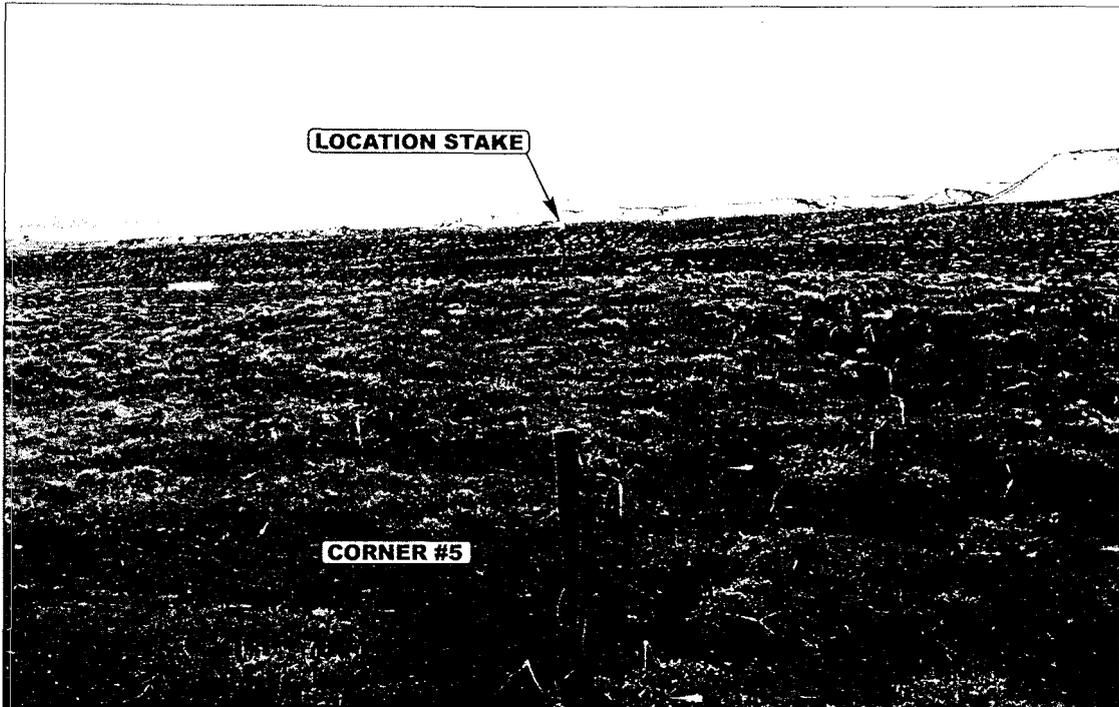


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

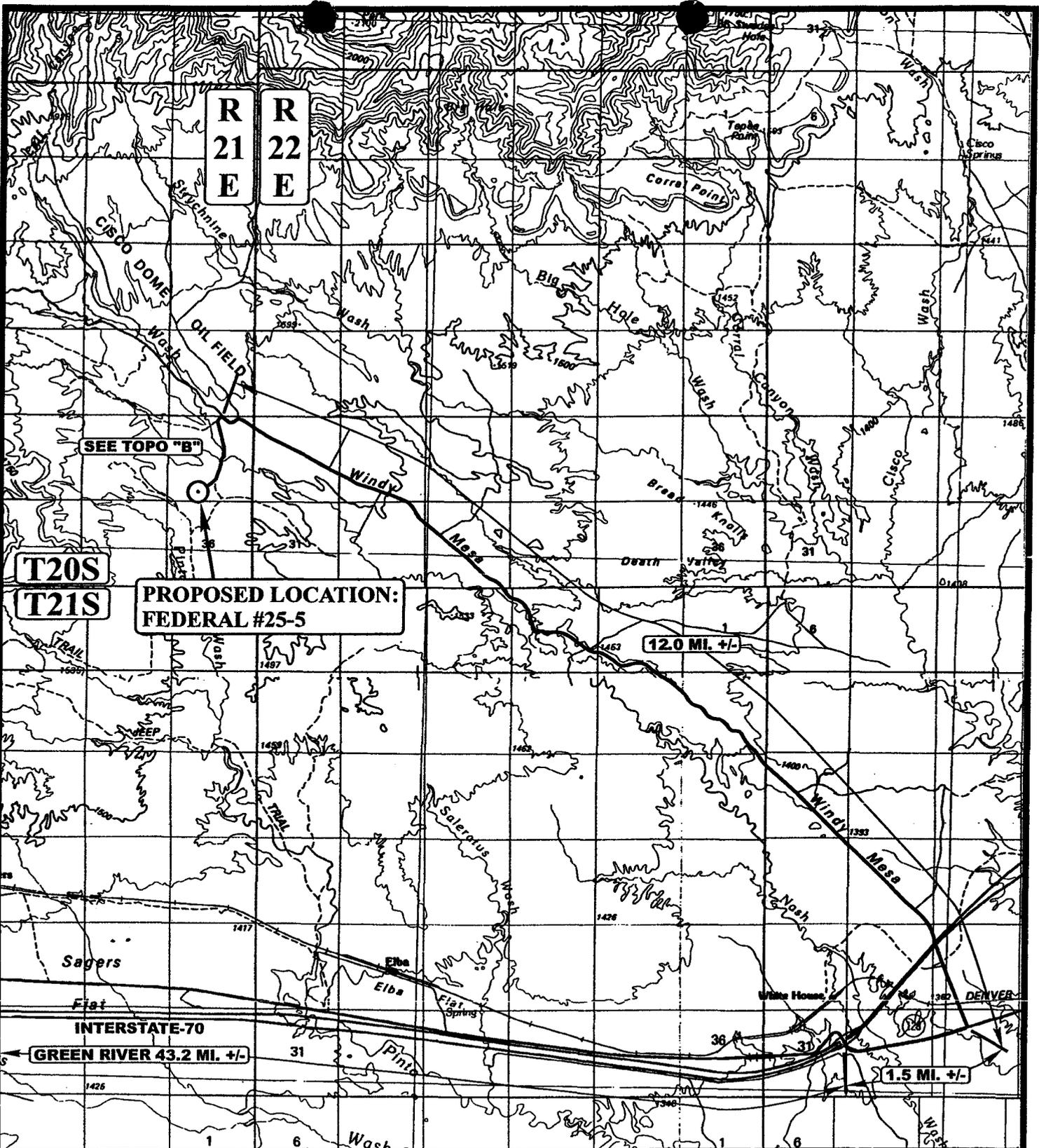
CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	12	22	04	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: G.O.	DRAWN BY: P.M.		REVISED: 00-00-00	



LEGEND:

⊙ PROPOSED LOCATION



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



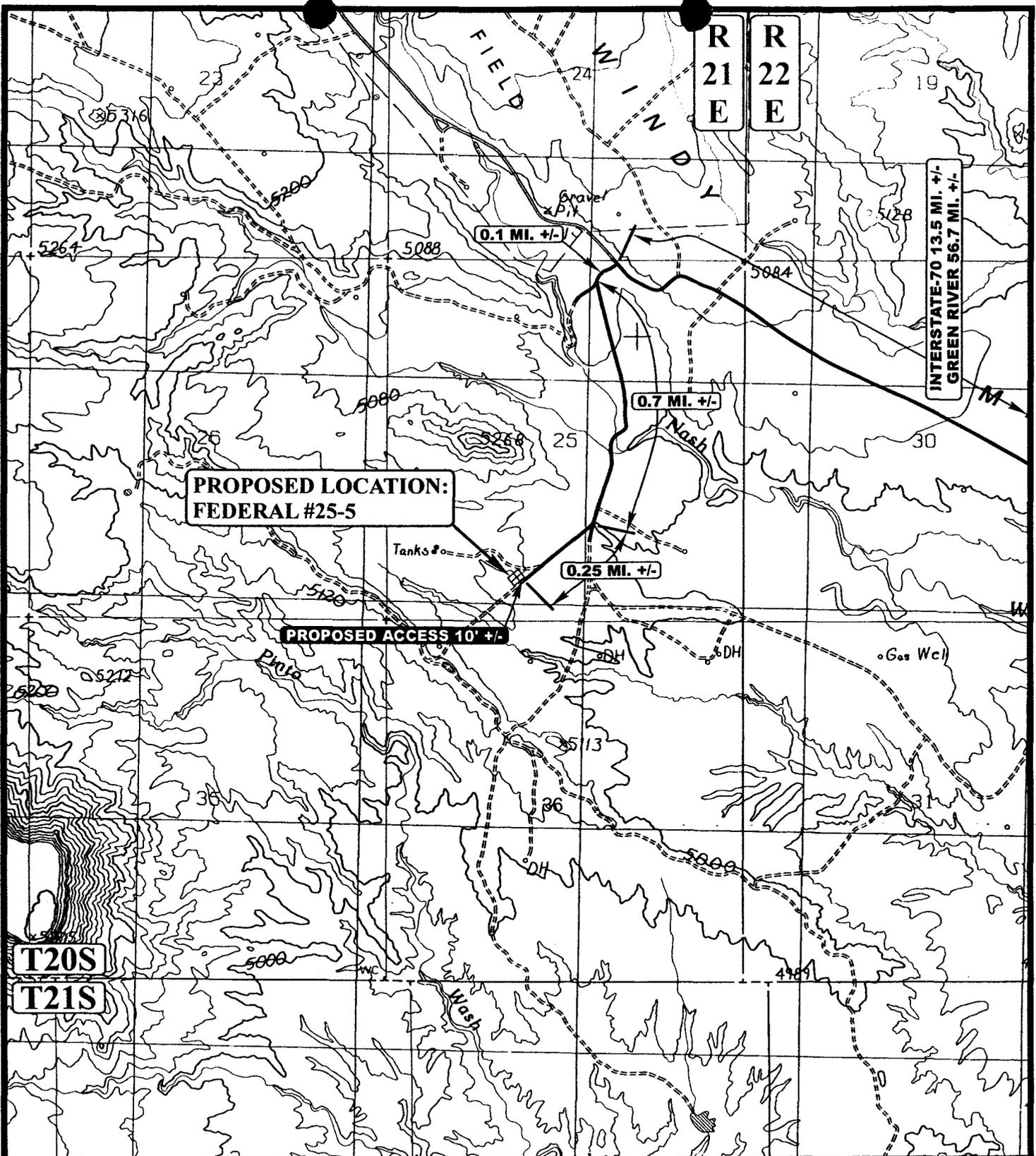
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12	22	04
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: P.M. | REVISED: 00-00-00





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



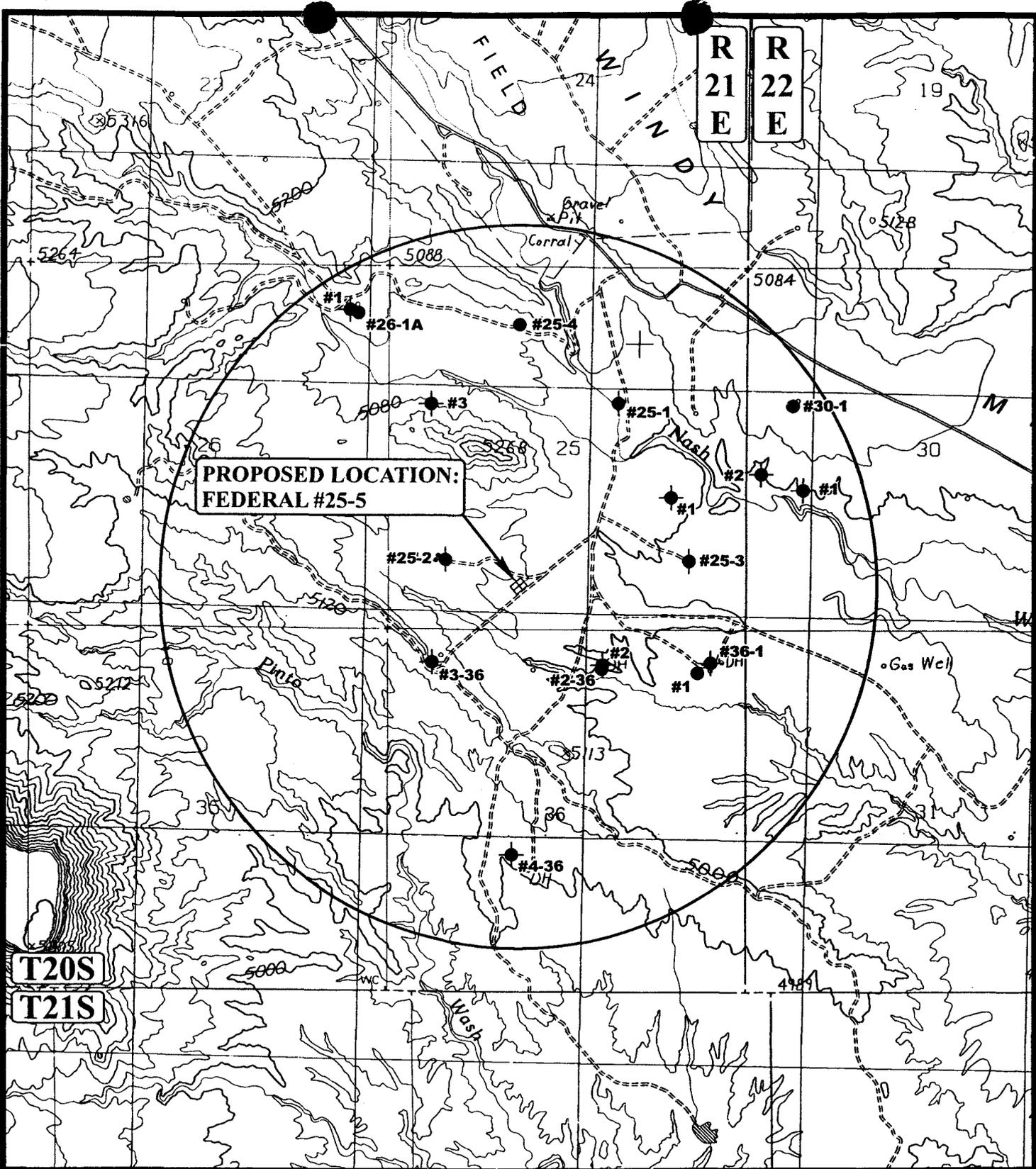
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 22 04
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:
FEDERAL #25-5**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

ELK PRODUCTION, LLC

**FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL**

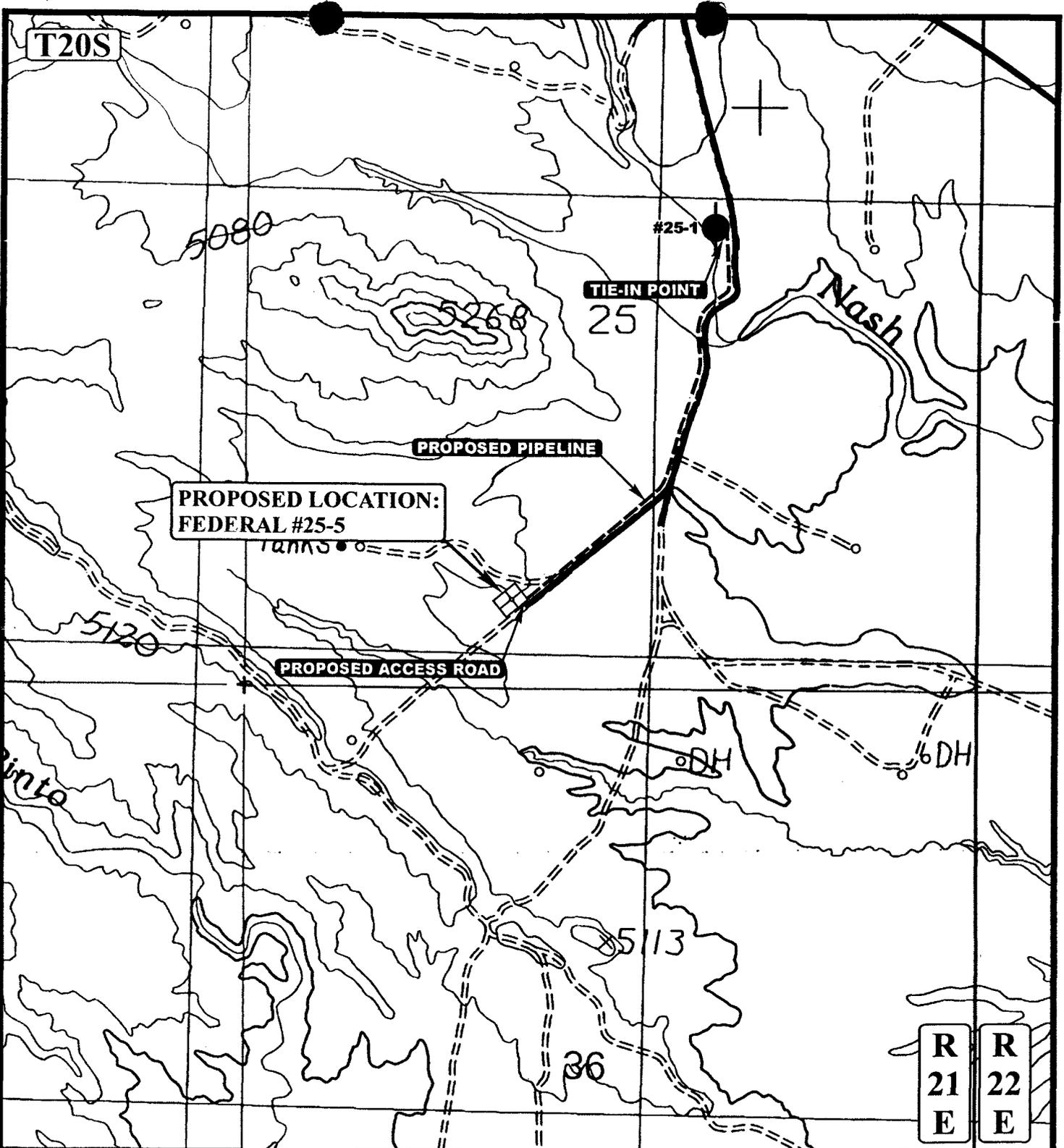


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP
12 22 04
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 3,400' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

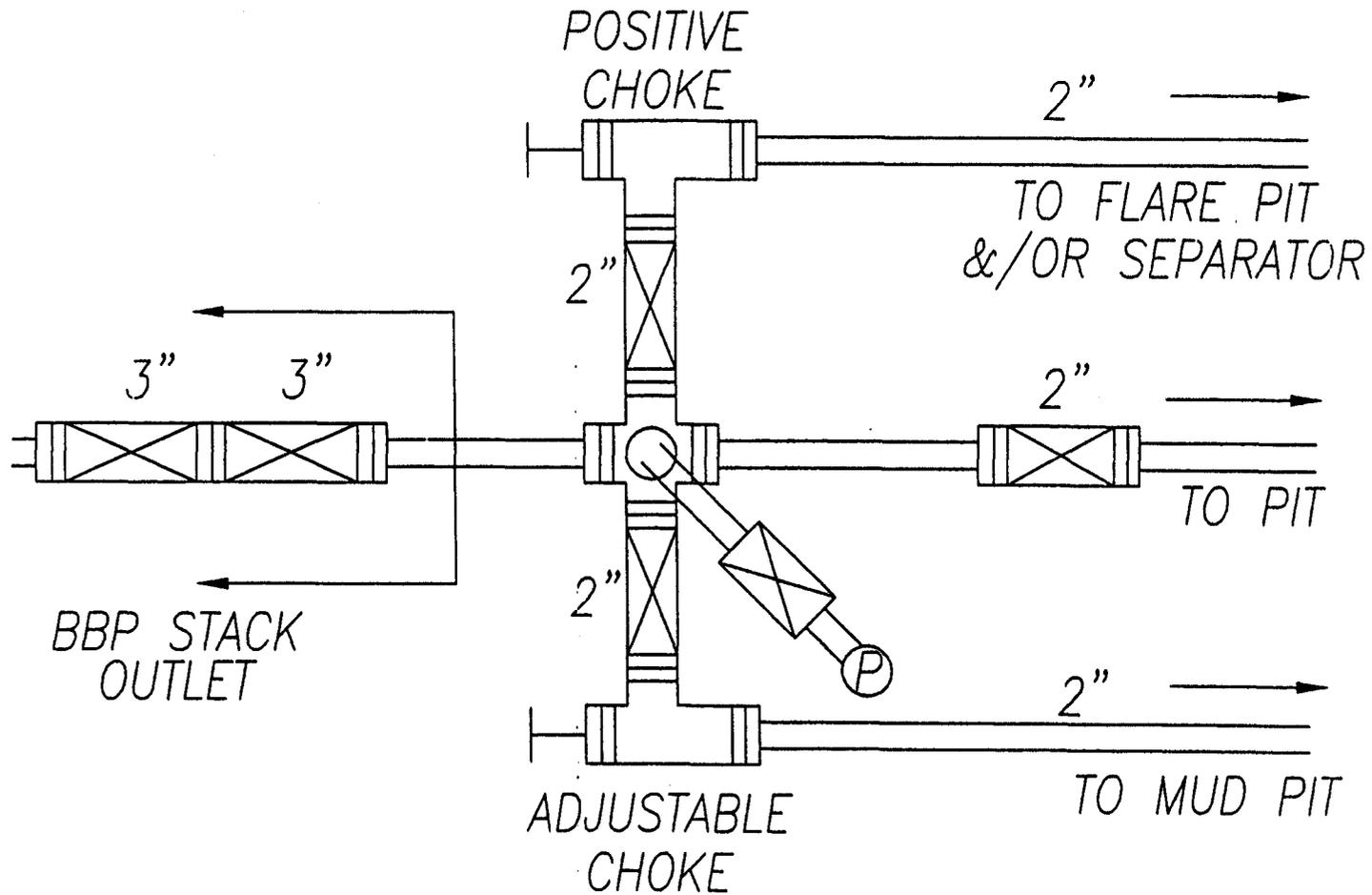


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 12 22 04
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

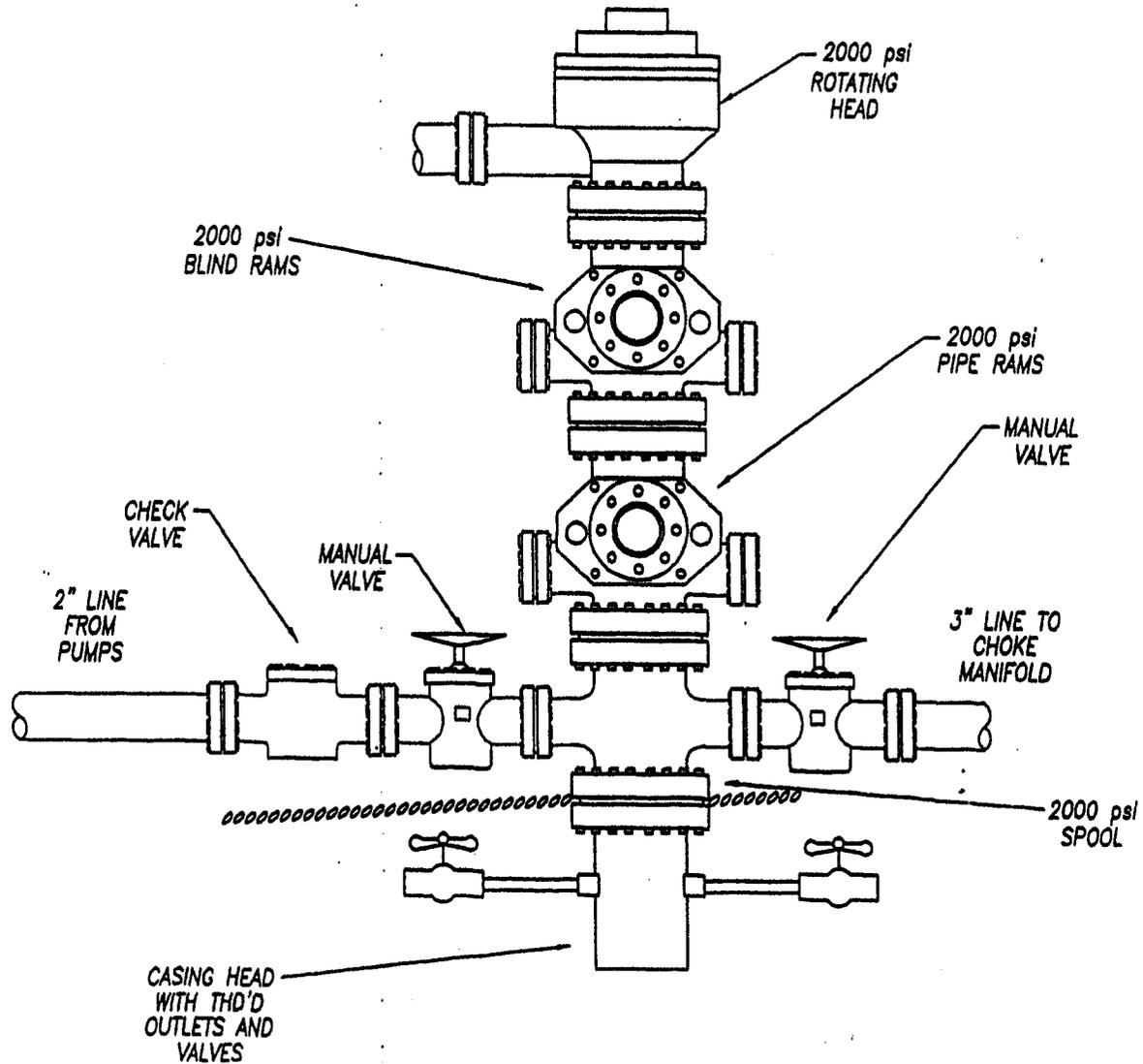
D
TOPO

CHOKE MANIFOLD



BOP Equipment

2000psi WP



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/03/2005

API NO. ASSIGNED: 43-019-31444

WELL NAME: FEDERAL 25-5
OPERATOR: ELK PRODUCTION LLC (N2650)
CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

SESW 25 200S 210E
SURFACE: 0643 FSL 1922 FWL
BOTTOM: 0643 FSL 1922 FWL
GRAND
GREATER CISCO (205)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-02139-A
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: ENRD
COALBED METHANE WELL? NO

LATITUDE: 39.03205
LONGITUDE: -109.5479

RECEIVED AND/OR REVIEWED:

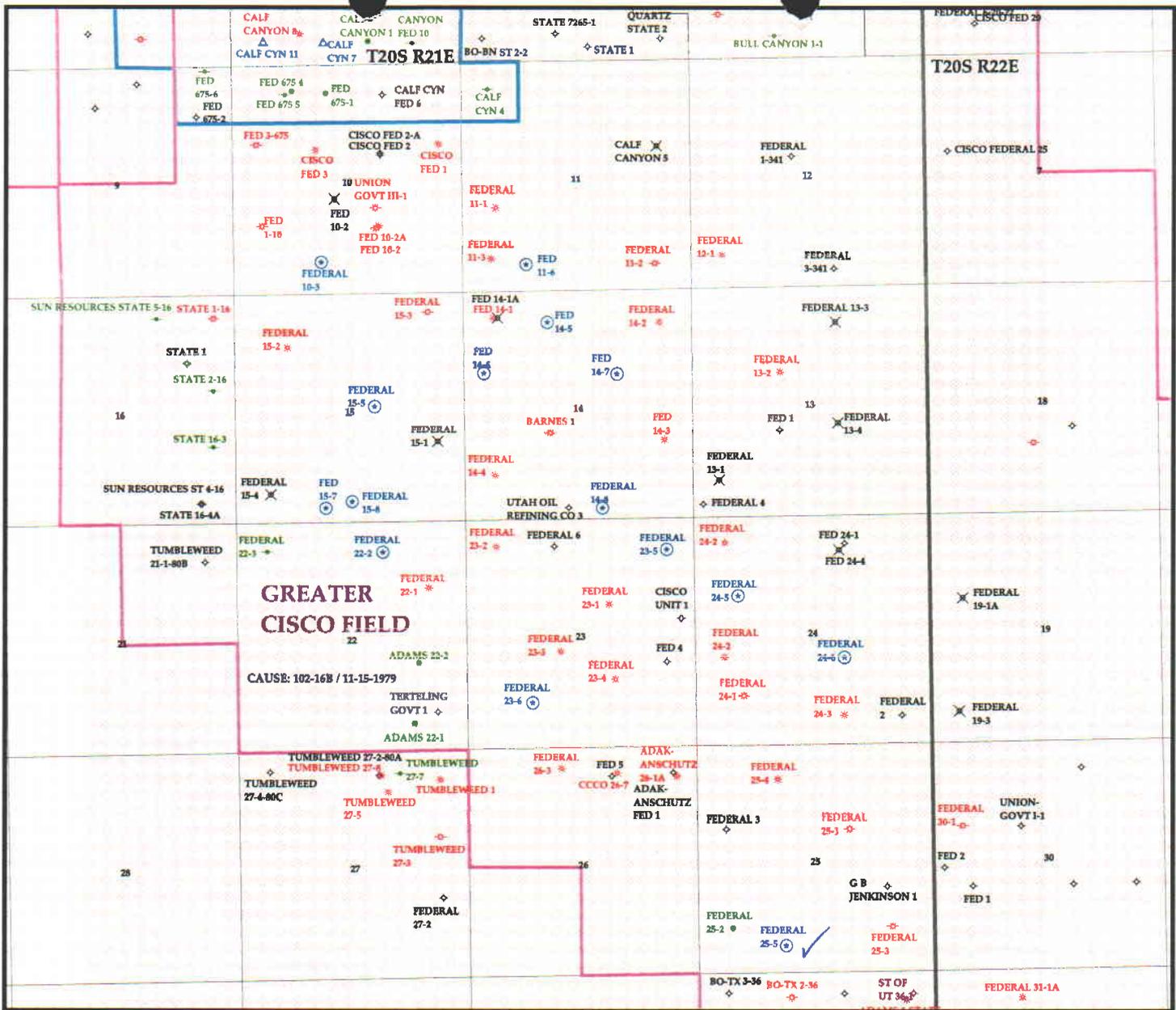
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. B 000971)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. AIR DRILLE)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

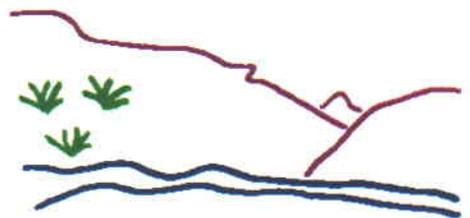
- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 102-16B
Eff Date: 11-15-1979
Siting: See Cause Order
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal approval



Wells	Units.shp	Fields.shp
◊ 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	
★ SHUT-IN OIL	◻ PP OIL	
✕ TEMP. ABANDONED	◻ SECONDARY	
◊ TEST WELL	◻ TERMINATED	
▲ WATER INJECTION		
◆ WATER SUPPLY		
♣ WATER DISPOSAL		



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 4-FEBRUARY-2005

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 7, 2005

Elk Production Company, LLC
1401-17th Street, Suite 700
Denver, CO 80202

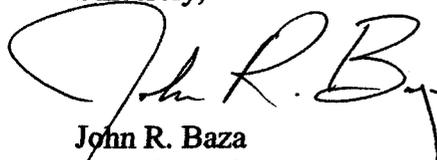
Re: Federal 25-5 Well, 643' FSL, 1922' FWL, SE SW, Sec. 25, T. 20 South,
R. 21 East, Grand County, Utah

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.

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 43-019-31444.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

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

Operator: Elk Production Company, LLC
Well Name & Number Federal 25-5
API Number: 43-019-31444
Lease: UTU-02139-A

Location: SE SW Sec. 25 T. 20 South R. 21 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.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. UTU-02139-A		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A		
SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			7. UNIT AGREEMENT NAME Greater Cisco Dome Unit		
2. NAME OF OPERATOR Elk Production Company, LLC			8. FARM OR LEASE NAME, WELL NO. Federal #25-5		
3. ADDRESS AND TELEPHONE NO. 1401-17th Street, Suite 700, Denver, Colorado 80202 303-296-4505			9. API WELL NO. 4301931444		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 643' FSL, 1,922' FWL SE/4 SW/4			10. FIELD AND POOL, OR WILDCAT Cisco Dome		
At proposed prod. zone			11. SEC., T., R., M., OR BLK. Section 25, T20S, R21E, SLB&M		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.19 miles northwest of Cisco, Utah			12. COUNTY OR PARISH Grand		13. STATE Utah
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 643'		16. NO. OF ACRES IN LEASE		17. NO. OF ACRES ASSIGNED TO THIS WELL 160 acres	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. +/- 1,200'		19. PROPOSED DEPTH 2,800'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,021' GR			22. APPROX. DATE WORK WILL START* As soon as approved		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-1/2"	7" H-40 ST&C	17#	250'	100 sx Halliburton Type 5 with additives - see attached Drilling Plan
6-1/2"	4-1/2" K-55 LT&C	10.5#	2,800'	160 sx 50/50 Class "G" Poz with additives - see attached Drilling Plan

Bond Information:

Bond coverage is provided by US Specialty Insurance Company, Bond #B-000971

UTB000135

Other Information:

Drilling Plan and Surface Use Plan are attached.

Elk Production Company, LLC requests that this complete application for permit to drill be held confidential.

RECEIVED
 FIELD OFFICE
 FEB - 1 P 1:01
 DEPT OF THE INTERIOR
 BUREAU OF LAND MGMT

RECEIVED
JUN 08 2005
 DIV. OF OIL, GAS & MINING
ORIGINAL
CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Elk Production Company, LLC DATE February 1, 2005

(This space for Federal or State office use)
PERMIT NO. _____ APPROVAL DATE _____

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

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY 151 A. Lynn Jackson TITLE Assistant Field Manager, DATE JUN 3 2005
Division of Resources

***See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

CONDITIONS OF APPROVAL ATTACHED

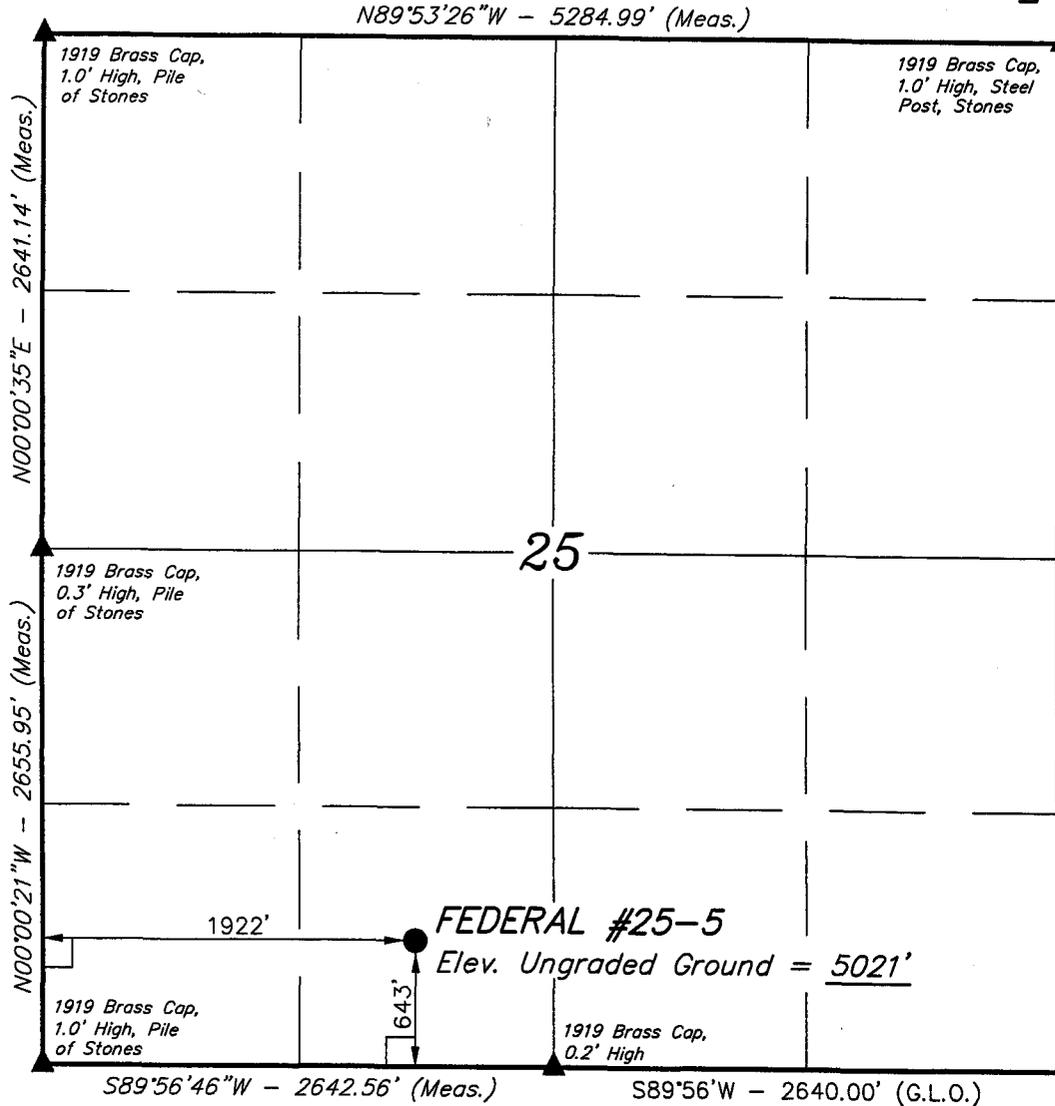
T20S, R21E, S.L.B.&M.

R
21
E

R
22
E

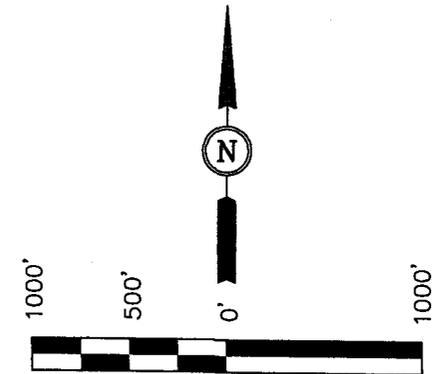
ELK PRODUCTION, LLC

Well location, FEDERAL #25-5, located as shown in the SE 1/4 SW 1/4 of Section 25, T20S, R21E, S.L.B.&M. Grand County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 24, T20S, R21E, S.L.B.&M. TAKEN FROM THE CALF CANYON, QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5084 FEET.



SCALE

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.

Robert J. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
LATITUDE = 39°01'55.15" (39.031986)
LONGITUDE = 109°32'54.39" (109.548442)
(AUTONOMOUS NAD 27)
LATITUDE = 39°01'55.24" (39.032011)
LONGITUDE = 109°32'51.95" (109.547764)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-20-04	DATE DRAWN: 01-13-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

Elk Production Company, LLC
Well No. 25-5
Lease U-02139-A
SE/SW Section 25, T20S, R21E
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 Elk Production Company, 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 **UTB000135** (Principal – Elk Production Company, 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 2M BOPE is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbing activities.
3. 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

B. SURFACE USE PLAN

1. In order to protect watershed values, no road/well pad construction or drilling operations will be authorized between November 1 and April 30. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
2. In order to protect nesting raptors, Elk Production has committed to completing a raptor survey with the Utah Division of Wildlife Resources. No road/well pad construction or drilling operations will be authorized within 0.5 mile of raptor nesting sites between March 1 and August 31 (or January 1 to August 31 for golden eagles). The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
3. 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.
4. 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.
5. If water is produced from the well, an application in conformance with Onshore Oil and Gas Order No. 7 will be submitted. The specifications for the pits or tanks used for the storage of produced water will be determined from the information in the application.
6. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Notify the Moab Field Office at least 48-hours prior to commencing construction of location.

Spud- Notify the Moab Field Office 24-hours prior to spudding. Submit written notification of spud (Sundry Notice, Form 3160-5) to the 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 that describe the progress and status of the well shall be submitted to the Moab Field Office on a weekly basis. This report may be in any format customarily used by the operator.

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

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

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

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

Cultural Resources- If cultural resources are discovered during construction, immediately notify the Moab Field Office, and work that might disturb the cultural resources shall cease.

First Production- A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office.

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

Well Completion Report- Whether the well is completed as a dry hole or as a producer, a *Well Completion or Recompletion Report and Log* (Form 3160-4) shall be submitted to the Moab Field Office within thirty-days after completion of the well. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the 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 Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered to be shut-in until the gas can be captured or until approval to continue the venting/flaring pursuant to NTL-4A is granted. Compensation shall be due for gas that is vented/flared without approval.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the 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 Moab Field Office for off-lease measurement, off-lease storage and/or commingling of production prior to the sales measurement point. The term "commingling" describes both the combining of production from different geologic zones and/or combining production from different leases or agreement areas.

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

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

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 constructing the location (McClure);

1 day prior to spudding (Johnson);

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

3 hours prior to testing BOPE (Johnson)

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

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

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



June 20, 2005

Mr. Eric Jones
Bureau of Land Management
Moab Field Office
82 East Dogwood Ave.
Moab, Utah 84532

**RE: Change of Plans to APD
Change BOP Equipment
Federal 14-5, 14-6, 14-7, 14-8, 22-2, 23-6, 25-5
Greater Cisco Field, Grand County, Utah**

Dear Mr. Jones:

Please find attached three copies of "Sundry Notices" for each of the subject proposed drilling locations. Elk seeks permission to change the BOP equipment from 10" 2000# Ram-Type Double BOP to a 10" 3000# Annular-Type BOP.

Should you have any questions, please contact Tom Young at (303) 296-4505.

Regards,

Karin Kuhn
Engineering Technician

Attachments

cc: Dustin Doucet, DOGM, Box 145801, Salt Lake City, UT 84114-5801

RECEIVED
JUN 23 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-02139-A
2. Name of Operator Elk Production LLC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		8. Well Name and No. Federal #25-5
		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

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

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

With this Sundry Notice, Elk Production LLC requests permission to change the BOP equipment from using a 10" 2000# Ram-Type Double BOP to a 10" 3000# Annular-Type BOP. Plan to test BOP to 1500 psi, twice the possible shut-in pressure amount.

COPY SENT TO OPERATOR
Date: 6/24/05
Initials: CKD

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**

Signature *Karin Kuhn* Date **06/20/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Date _____
High Division of Oil, Gas and Mining
Office _____ Date _____
Federal Approval Of This Action Is Necessary

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 for any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

JUN 23 2005

BUREAU OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

2. Name of Operator

Elk Production Company, LLC

3. Address and Telephone No.

1401-17th Street, Suite 700, Denver, Colorado 80202 303-339-1920

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

643' FSL, 1,922' FWL SE/4 SW/4, Section 25, T20S, R21E, SLB&M

5. Lease Designation and Serial No.

UTU-02139-A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Federal #25-5

9. API Well No.

43-019-31444

10. Field and Pool, or Exploratory Area

Cisco Dome

11. County or Parish, State

Grand, Utah

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- | | |
|--|--|
| <input type="checkbox"/> Change of Name | <input type="checkbox"/> Change of Plans |
| <input type="checkbox"/> Recompletion | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Plugging Back | <input type="checkbox"/> Non-Routine Fracturing |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Altering Casing | <input type="checkbox"/> Conversion to Injection |
| <input checked="" type="checkbox"/> Pipeline tie-in change | <input type="checkbox"/> Dispose Water |

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The pipeline tie-in point for the Federal 15-5 has been relocated to tie to the main pipeline in the area rather than the 25-1 wellsite pipeline. Cultural clearance for the change is pending by Senco-Phenix Archaeological Consultants.

Attached please find an updated Topo D that reflects the tie-in point change and additional portion of pipe.

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

FILE COPY

14. I hereby certify that the foregoing is true and correct

Signed Don Hamilton Don Hamilton Title Agent for Elk Production Company, LLC Date July 6, 2005

RECEIVED

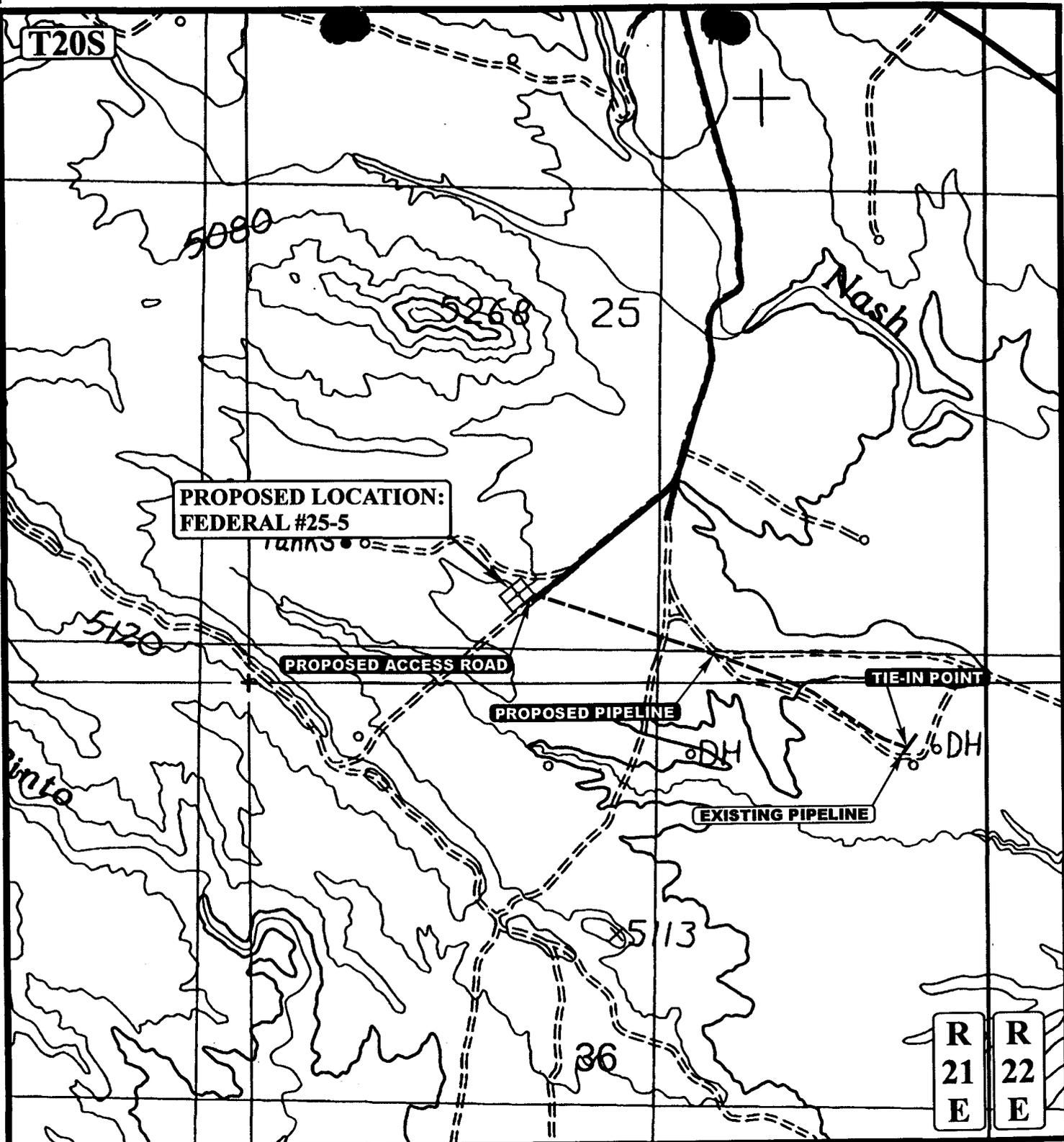
(This space for Federal or State office use)

JUL 12 2005

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

DIV. OF OIL, GAS & MINING



APPROXIMATE TOTAL PIPELINE DISTANCE = 2967' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP

12	22	04
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REV: 06-21-05 C.H.

D
TOPO

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ELK RESOURCES LLC

Well Name: FEDERAL 25-5

Api No: 43-019-31444 Lease Type: FEDERAL

Section 25 Township 20S Range 21E County GRAND

Drilling Contractor BEAMAN DRILLING RIG # 2

SPUDDED:

Date 07/25/05

Time _____

How DRY

Drilling will Commence: _____

Reported by SID LAWRENCE

Telephone # 1-702-809-9919

Date 07/26/05 Signed CHD

ENTITY ACTION FORM

Operator: Elk Production LLC
Address: 1401 17th Street, Suite 700
city Denver
state CO zip 80202

Operator Account Number: N 2650

Phone Number: (303) 296-4505

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931444	Federal 25-5		SESW	25	20S	21E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14849	7/26/2005		7/28/05		
Comments: <u>ENRD</u>							CONFIDENTIAL

Well 2

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

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							RECEIVED JUL 2 / 2005

DIV. OF OIL, GAS & MINING

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)

Karin Kuhry

Name (Please Print)

Signature

Engineering Technician

Title

7/27/2005

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-02139-A
2. Name of Operator Elk Production LLC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		8. Well Name and No. Federal #25-5
		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

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

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

The subject well was spudded on July 26, 2005. The Beeman Rig #28 surface rig was moved in & rigged up. A 12 3/4" hole was drilled to 20' and 12 1/4" conductor pipe was set @ 20'. The hole was drilled to 245'. Currently it is planned to set 8 5/8" surface casing and cement the surface casing in place.

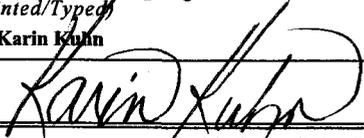
14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Karin Kuhn

Title Engineering Technician

Signature



Date

07/27/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Office

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.

RECEIVED

(Instructions on page 2)

JUL 29 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Spud Well</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

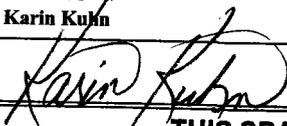
Attached are operation reports f/ 8/3-5/2005. Drid f/ 245'-1984'. Ran 5 1/2" production csg & cmt'd w/ 150 sx Ready-Mix. The rig was released and moved to the Federal 15-7.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)
Karin Kuhn

Title **Engineering Technician**

Signature



Date

08/08/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

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(Instructions on page 2)

RECEIVED

AUG 11 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

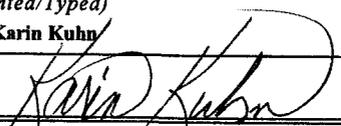
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 08-15-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

There are has been no activity on the subject well since 8/5/05. Currently the well is shut in waiting on a completion rig.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**

Signature  Date **08/15/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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(Instructions on page 2)

RECEIVED

AUG 18 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Elk Production LLC

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 08-22-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

There are has been no activity on the subject well since 8/5/05. Currently the well is shut in waiting on a completion rig.

cc: DOGM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Karin Kuhn	Title Engineering Technician
Signature 	Date 08/22/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

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 or to attempt to do so in any matter within its jurisdiction.

(Instructions on page 2)

AUG 24 2005

DIV. OF OIL, GAS & MINING
 DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **Elk Production LLC**

3a. Address **1401 17th. Street, Suite 700, Denver Colorado, 80202**
 3b. Phone No. (include area code) **303 296 4505**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

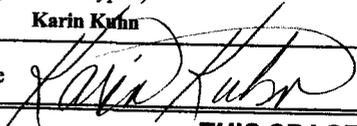
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 08-29-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

There has been no activity on the subject well since 8/5/05. Currently the well is shut in waiting on a completion rig.

cc: DOGM

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**
 Signature  Date **08/29/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____
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(Instructions on page 2)

RECEIVED

AUG 30 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Elk Production LLC

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

CONFIDENTIAL

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 9-6-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Attached is a copy of an operations report for 9/2/05.

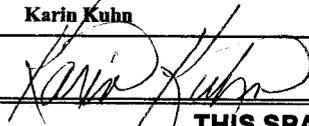
Performed work on the subject well to prepare for moving in a completion rig. Expect to resume operations on 9/6/05 to begin completion operations.

RECEIVED
SEP 12 2005
 DIV. OF OIL, GAS & MINING

cc: DOGM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**

Signature  Date **09/06/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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(Instructions on page 2)



www.pason.com
16100 Table Mountain Parkway Ste 100 • Golden • CO • 80403
720-880-2000 • FAX: 720-880-0016

September 12, 2005

CONFIDENTIAL

Oil & Gas Supervisor
Utah Division Of Oil, Gas, & Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

**RE: ELK RESOURCES, INC.
FEDERAL 25-5
SEC. 25, T20S, R21E
GRAND COUNTY, UT**

API # 43-019-31444

To Whom It May Concern,

Enclosed is the final computer colored log for the above referenced well.

We appreciate the opportunity to be of service to you and look forward to working with you again in the near future.

If you have any questions regarding the enclosed data, please contact us.

Sincerely,

Bill Nagel
Geology Manager
Pason Systems USA
BN/alb

Encl: 2 Final Computer Colored Logs.

Cc: Rick Kopp, Elk Resources, Inc., Denver, CO.

RECEIVED

SEP 15 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Elk Production LLC

3a. Address
 1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
 303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
 UTU-02139-A

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

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

8. Well Name and No.
 Federal #25-5

9. API Well No.
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10. Field and Pool, or Exploratory Area
 Greater Cisco

11. County or Parish, State
 Grand County, Utah

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<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 9-12-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

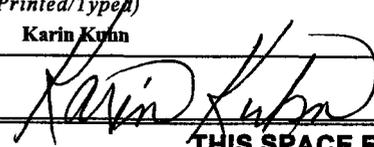
Attached is a copy of operation reports from 9/7/05-9/10/05 for the subject well.

Moved in and rigged up completion unit. Began drilling open hole. Drilled out cmt to 1998'. Drilled new hole to 2398'. Installed 1/4"choke and tested well for 1 hour (883 MCFPD, 600 psig on 1/4" chk). Removed 1/4" chk and bled well down and put all gas to blow line. POOH w/ bit to 1981'. LD 13 jts 2 7/8" tbg. Prep to kill well and land tbg. Expect to resume operations on 9-12-05.

cc: DOGM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Type) Karin Kuhn Title Engineering Technician

Signature  Date 09/12/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

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

(Instructions on page 2)

RECEIVED
SEP 15 2005
 DIV. OF OIL, GAS & MINING

FINAL COMPLETION DATE:

Daily Completion & Workover Reports

AFE NO. 0	WELL NAME & NO. FEDERAL #25-5				DATE 9/10/2005	
API NO. 4301931444	Field: Cisco Dome	County: Grand	State: Utah	Report No. 5	T.D. 2398'	
PBTD	Perforations O.A. OH 1980'-2398	Packer Depth	Formation Salt wash	Tubing Depth & Size 2-7/8	Frac Date NA	TL / TLR / TLTR
CURRENT OPERATION: Prep to kill well and land tubing.						
Hours	Operations in Sequence					
1	07:00-08:00 Arrived on location and BOP's were leaking with slight flare to pit. Checked accumulator pressure and pressure on rams did not seal ram. Functioned rams and rams sealed. Start up compressors and rig.					
1/2	08:00-08:30 Break circulation with air, move pipe and pipe free, wash 25' to bottom @ 2275' no fill.					
4	08:30-12:30 Drilling from 2275' to 2398'. Had show in of Salt wash @ 2350' of 2600 units and 4400 units on connection Well stopped dusting @ 2375' no show of water at blow line and no pressure increase @ compressor. Drilling parameters 10M#s BW @ 115 RPM. Pumping 1150 SCFPM of air @ 160 psig. No increase or decrease in pressure when drilling into flow.					
1	12:30-13:30 Install 1/4" choke nipple in 2" line to pit off tubing head and shut BOP. Test well on 1/4" choke for 1 hr. Flow pressure increase from 25 psig to 300 psig in 10 mins, 400 psig in 15 mins, 525 psig in 25 mins and 600 psig in 60 mins and stable. Final flow rate on 1/4" choke @ 600 psig = 883 MCFPD.					
1/2	13:30-14:00 Remove 1/4" choke and bled well down to 25 psig and with vacuum on blow line open pipe rams and put all gas to blow line.					
1/2	14:00-14:30 Blow hole with 1150 SCFPM of air for 30 min (no show of water to surface.)					
1	14:30-15:30 POOH with bit to 1981'. Lay down 13 jts of 2-7/8" tubing. SWION. PREP TO KILL WELL THIS A.M. AND LAND TUBING.					
TOPS:						
	Dakota	1970' (no shows)				
	Ceder Mountain	2035' (small shows to 40 units)				
	Morrison B.B.	2125' (no shows)				
	Salt Wash	2350' (2600 units CG 4400 units)				
Submitted By:				Daily Cost 18,640	Total Comp 58,325	Cum Cost 154,886

FLOW TESTING							SWAB TESTING						
TIME	MCFD	BO	BW	CHK	FTP	CP	COMMENT	RUNS	F.L.	S.Depth	BO	BW	CHL.

RECEIVED
SEP 15 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator **Elk Production LLC**

3a. Address
1401 17th. Street, Suite 700, Denver Colorado, 80202

3b. Phone No. (include area code)
303 296 4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL & 1922' FWL, SESW Section 25, T20S, R21E

5. Lease Serial No.
UTU-02139-A

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

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

8. Well Name and No.
Federal #25-5

9. API Well No.
43019314440000

10. Field and Pool, or Exploratory Area
Greater Cisco

11. County or Parish, State
Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporary Abandon	as of 9-19-05
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

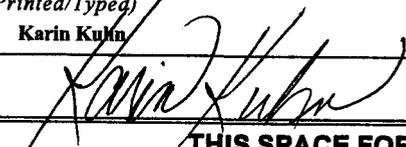
Attached is a copy of operation reports for 9/11/05 and 9/13/05 for the subject well.

Installed production equipment and put well on production on 9/18/05.

cc: DOGM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) **Karin Kuhn** Title **Engineering Technician**

Signature  Date **09/19/2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Office _____

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

(Instructions on page 2)

RECEIVED

SEP 22 2005

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-02139-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT or CA AGREEMENT NAME
NA

8. WELL NAME and NUMBER:
Federal 25-5

9. API NUMBER:
4301931444

10. FIELD AND POOL, OR WILDCAT
Greater Cisco

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SESW 25 20S 21E

12. COUNTY
Grand

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER

2. NAME OF OPERATOR:
ELK PRODUCTION LLC

3. ADDRESS OF OPERATOR:
1401 17th. St., #700 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 296-4505

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 643' FSL, 1922' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 643' FSL, 1922' FWL
AT TOTAL DEPTH: 643' FSL, 1922' FWL

CONFIDENTIAL

14. DATE SPUDDED: 7/26/2005

15. DATE T.D. REACHED: 9/10/2005

16. DATE COMPLETED: 9/13/2005

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5021' GR,

18. TOTAL DEPTH: MD 2,398 TVD

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
4

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
None MUD LOG

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 3/4"	12.25	--	0	20		Bag 20	4	Surf-CIR	0
11"	8 5/8 J55	24#	0	236		Type I 150	28	Surf-CIR	0
7 7/8"	5 1/2 J55	15.5#	0	1,981		Type I 150	28	1100'-Calc	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	1,981							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Dakota	2,002	2,055			1,980 2,398	OH		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B) CedarMtn	2,055	2,153						Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C) Morrison	2,153	2,353						Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D) Saltwash	2,353	2,398						Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
1980-2398	Open Hole Completion

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:

Producing

RECEIVED

OCT 24 2005

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 9/10/2005		TEST DATE: 9/10/2005		HOURS TESTED: 1		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 37	WATER - BBL: 0	PROD. METHOD: Flowing
CHOKE SIZE: 1/4"	TBG. PRESS.	CSG. PRESS. 600	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 883	WATER - BBL: 0	INTERVAL STATUS: All	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED: 9/17/2005		TEST DATE: 9/19/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 584	WATER - BBL: 0	PROD. METHOD: Flowing
CHOKE SIZE: 14/64"	TBG. PRESS.	CSG. PRESS. 400	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 584	WATER - BBL: 0	INTERVAL STATUS: All	

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Greenhorn	1,926
				Graneros	1,977
				Dakota	2,002
				Cedar Mountain	2,055
				Morrison-BrushyBasin	2,153
				Morrison Saltwash	2,353

35. ADDITIONAL REMARKS (include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Karin Kuhn TITLE Engineering Technician
 SIGNATURE *Karin Kuhn* DATE 10/20/2005

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940



April 23, 2007

VIA OVERNIGHT MAIL

Diana Mason
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

**RE: Application for Permit to Drill – Deepen Existing Well
Federal 25-5
43-019-31444
SESW Section 25-20S-21E
Grand County, UT**

Dear Diana:

Enclosed is our Application to Deepen the subject well. In 2005, this well was drilled to a depth of 2391'. Elk wishes to deepen this well to 4200'.

Survey plats, location map with access corridors, and layouts of the proposed well site;
Drilling Plan;
Typical BOP and Choke Manifold diagrams;
Surface Use Plan

Should you require any additional information, please contact me or Tom Young at (303) 296-4505.

Sincerely,

Karin Kuhn
Sr. Engineering Technician

Enclosures

RECEIVED

APR 24 2007

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: UTU-02139-A	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> <i>43-019-31444</i>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: NA	
2. NAME OF OPERATOR: Elk Production, LLC				9. WELL NAME and NUMBER: Federal 25-5	
3. ADDRESS OF OPERATOR: 1401 17th Street, #700 CITY Denver STATE CO ZIP 80202			PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Greater Cisco <i>705</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 643' FSL, 1922' FWL <i>625692X 4321128Y</i> AT PROPOSED PRODUCING ZONE: 643' FSL, 1922' FWL <i>39.03205D -109.547864</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 25 20S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 13.19 miles northwest of Cisco, UT				12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 643'		16. NUMBER OF ACRES IN LEASE:		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) +/- 1200'		19. PROPOSED DEPTH: 4,200		20. BOND DESCRIPTION: B000969	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5021' GR		22. APPROXIMATE DATE WORK WILL START: 5/1/2007		23. ESTIMATED DURATION: 5 days	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11	8 5/8" J55 24#	236	Existing
7 7/8"	5 1/2" J55 15.5#	1,981	Existing
5 1/4"	4 1/2" J55 10.5	4,200	See Drlg Plan

25. ATTACHMENTS

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

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

NAME (PLEASE PRINT) Karin Kuhn TITLE Sr. Engineering Technician

SIGNATURE *Karin Kuhn* DATE 4/23/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31444

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

**RECEIVED
APR 24 2007**

APPROVAL
Date: 05-07-07
By: *[Signature]*

**Federal Approval of this
Action is Necessary**

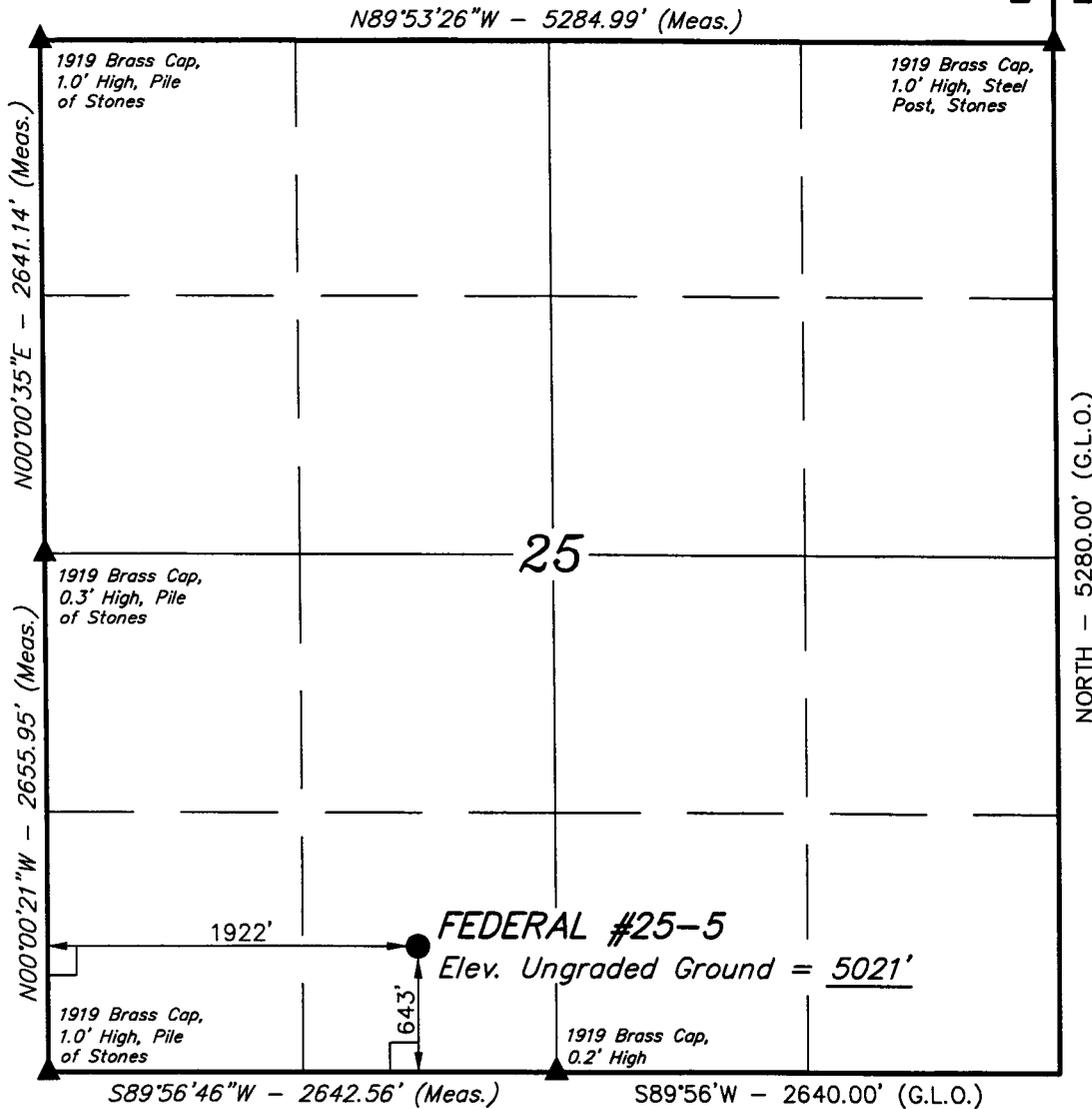
T20S, R21E, S.L.B.&M.

R
21
E

R
22
E

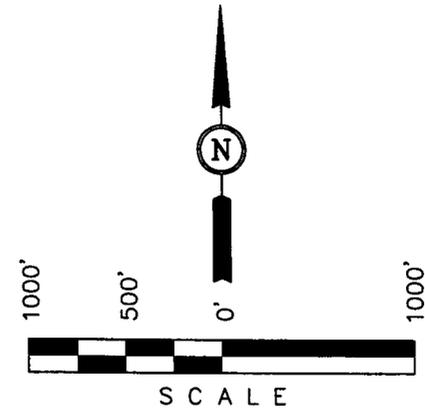
ELK PRODUCTION, LLC

Well location, FEDERAL #25-5, located as shown in the SE 1/4 SW 1/4 of Section 25, T20S, R21E, S.L.B.&M. Grand County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 24, T20S, R21E, S.L.B.&M. TAKEN FROM THE CALF CANYON, QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5084 FEET.



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.

Robert H. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 76119
 STATE OF UTAH

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
 LATITUDE = 39°01'55.15" (39.031986)
 LONGITUDE = 109°32'54.39" (109.548442)
 (AUTONOMOUS NAD 27)
 LATITUDE = 39°01'55.24" (39.032011)
 LONGITUDE = 109°32'51.95" (109.547764)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-20-04	DATE DRAWN: 01-13-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK PRODUCTION, LLC	

DRILLING PLAN

Elk Production, LLC
 Federal #25-5
 SESW Section 25, T-20-S, R-21-E
 Grand County, UT

1,2,3 **Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals**

<u>Formation</u>	<u>Depth</u>
Mancos Shale	Surface
Greenhorn	1926'
Graneros	1977'
Dakota	2022'*
Cedar Mountain	2055'*
Morrison-Brushy Basin	2153'*
Morrison Salt Wash	2353'*
Entrada	2690'**
Navajo	3180'
Kayenta	3330'*
Wingate	3415'*
Chinle	3770'

PROSPECTIVE PAY* oil and gas
 ** POSSIBLE OIL OR WATER

4 Casing Program

<u>HOLE SIZE</u>	<u>SETTING DEPTH</u>		<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
	<u>from</u>	<u>to</u>					
11"	surface	236'	8 5/8"	24#	J55	ST&C	New-Existing
7 7/8"	surface	1981'	5 1/2"	15.5#	J55	LT&C	New-Existing
5 1/4"	surface	4200'	4 1/2"	10.5#	J55	FJ	New

5 Cementing Program

8 5/8" Surf. Casing 150 sx Type I, Ready Mix. Mixed at 14.5 ppg (yield – 1.20 ft³/sx), 28 bbls slurry - Existing

5 1/2" Intermediate Csg 150 sx Type I, Ready Mix. Mixed at 14.5 ppg (yield – 1.20 ft³/sx), 28 bbls slurry. TOC @ surface – Existing

4 1/2" Prod. Csg Approximately 100 sx Type I cmt, mixed at 13.5 ppg (yield – 1.29 ft³/sx), estimate 23 bbls slurry.

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 250'	NA/Air drilled			
250' - 2398'	NA/Air drilled			
2398' - 4200'	Air		Air or Aerated KCl brine	

Sufficient KCl brine water to contain "kick" will be available at wellsite.

7 BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
Surf. - 250'	No pressure control required
250' - 2398'	10" 2000# Ram Type double BOP 8" 2000# Rotating Head
2398'-TD	6" 2000# Ram-Type double BOP 6" 2000# Rotating Head

Drilling spool to accommodate choke and kill lines.
 Anticipated bottom-hole pressure to be less than 2000 PSI

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 2000#
 ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
 OF ONSHORE ORDER NO. 2

THE BLM AND THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
 WILL BE NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Lower Kelly cock will be installed while drilling
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

9 Testing, Logging and Core Programs

Cores	None anticipated
Testing	None anticipated
Sampling	30' samples; surface casing to TD
Surveys	Run every 1000' and on trips
Logging	Resistivity, neutron density, temperature, gamma ray, and caliper from TD to surface casing

10 Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated

11 Drilling Schedule

Spud	As soon as permits can be obtained
Duration	4 - 5 days drilling time 4 days completion time

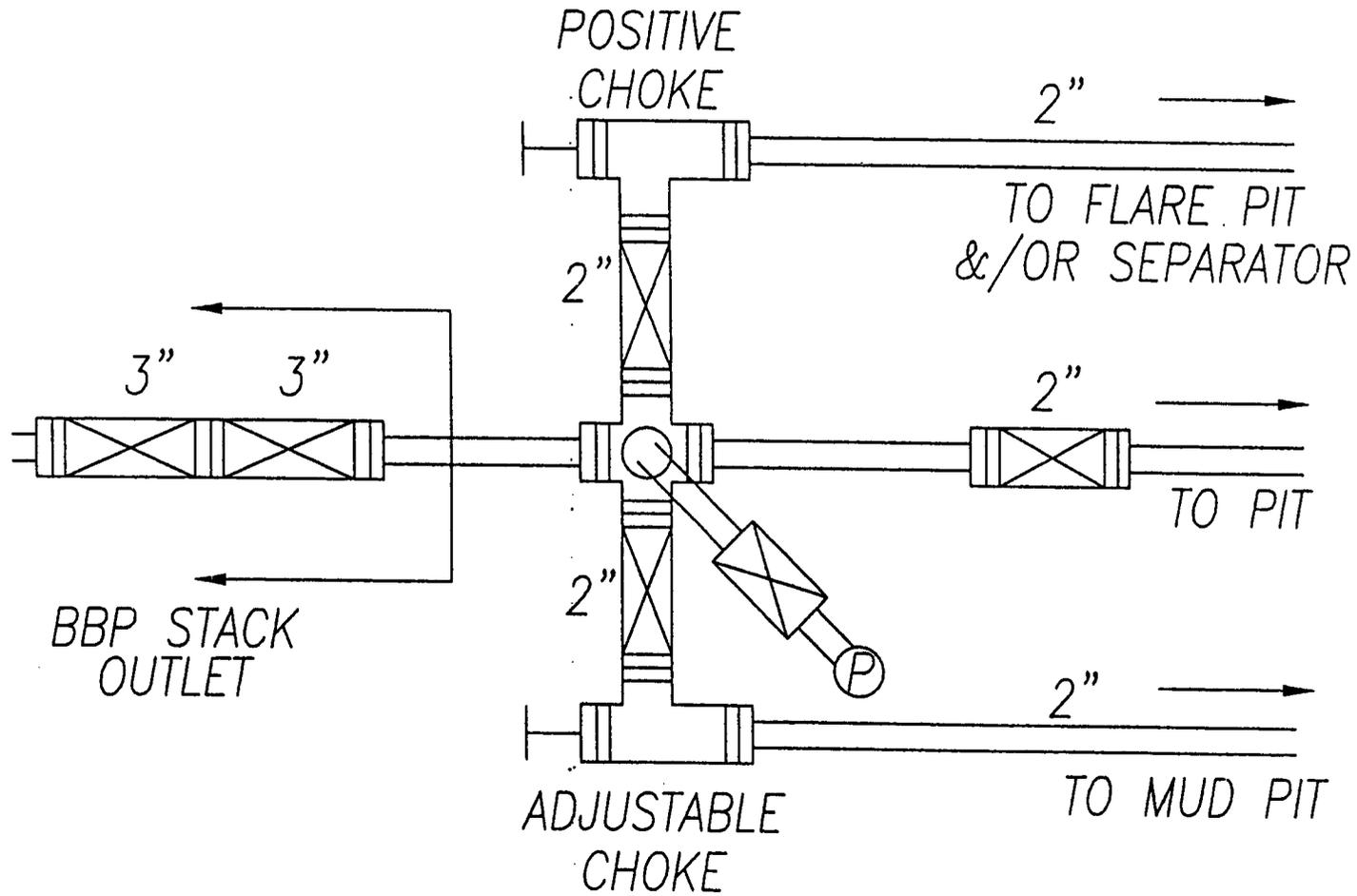
HAZARDOUS MATERIAL DECLARATION

Federal #25-5

Elk Production, LLC guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

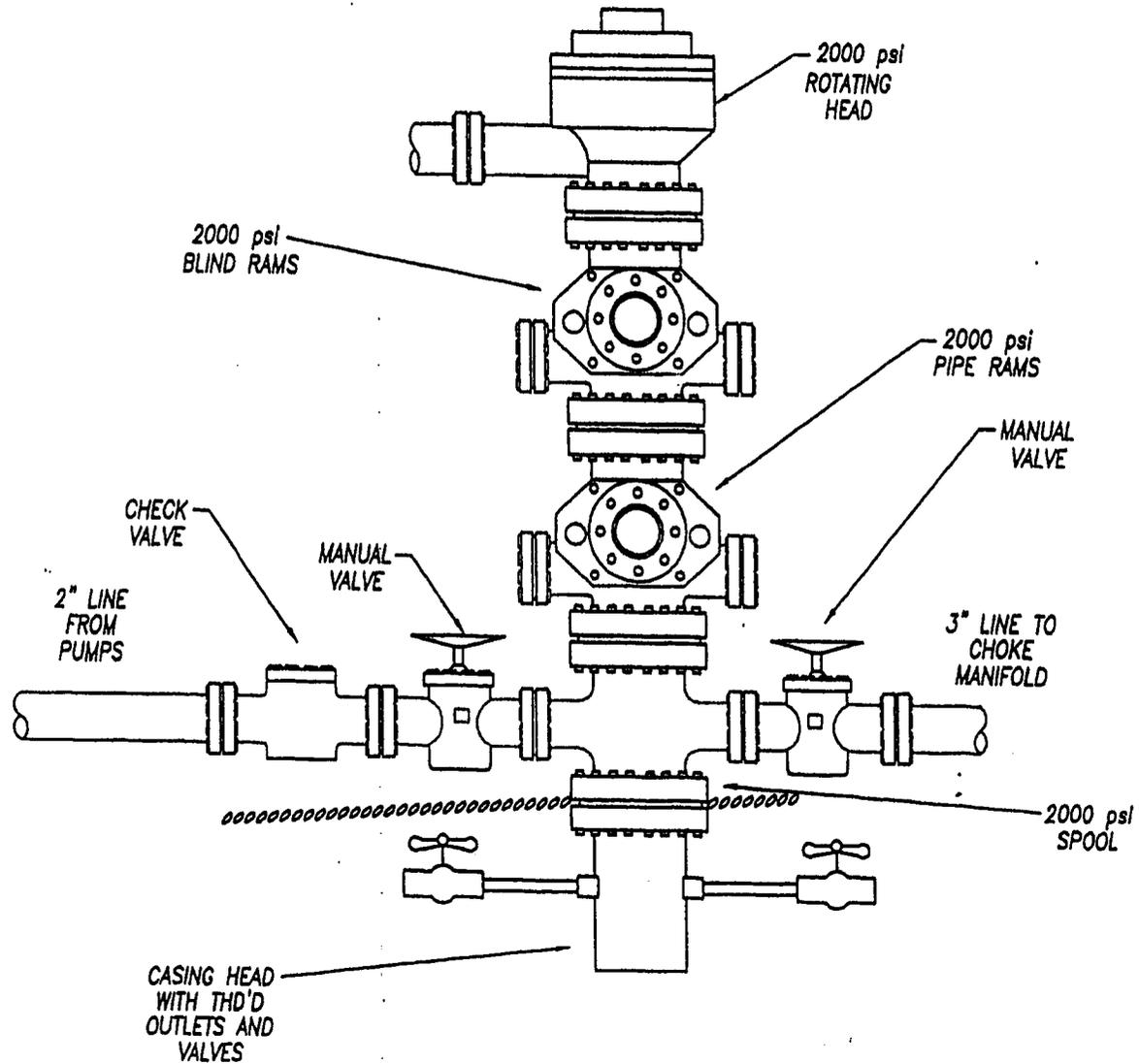
Elk Production, LLC guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.

CHOKE MANIFOLD



BOP Equipment

2000psi WP



SURFACE USE PLAN

Elk Production Company LLC
Federal #25-5
SESW of Section 25, T-20-S, R-21-E
Grand County, UT

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

The onsite inspection for the referenced well was conducted on Wednesday, October 13, 2004.

1. Existing Roads:

- a. The proposed well site is located approximately 13.19 miles northwest of Cisco, Utah.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Greater Cisco Dome Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located on-lease and within in the Greater Cisco Dome Unit boundary.

2. Planned Access Roads:

- a. From the P & A'd #3-36 access road an access is proposed trending northwest approximately 10' to the proposed well site. The access consists of entirely new disturbance that crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.
- c. BLM approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 10' long and adequate site distance exists in all directions.
- f. No culverts or low-water crossings are anticipated at this time. Adequate drainage structures will be incorporated into the remainder of the road.
- g. No surfacing material will come from federal or Indian lands.

- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Topo C of Exhibit B has a map reflecting existing wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Olive Black to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northeast side of the well site and traverse 3,400' northeast to the existing pipeline corridor that services the existing #25-1.

- i. The gas pipeline will be a 4" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 3,400' is associated with this well.
- j. Elk Production Company, LLC intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Elk Production Company, LLC intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. Since this well will be air drilled the use of water for drilling is not anticipated.
- b. Water for drilling and completion operations, if necessary, will be trucked over approved access roads from Thompson, Utah. The water will be obtained through a direction purchase agreement with a private owner.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located inboard of the location and along the northeast side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be constructed of native material and will not be lined. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling,

testing, or completion of the well.

- h. Trash will 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. The contents of the trash container will be hauled off periodically to the approved Emery County Landfill near Green River, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed. This contents will be transported by truck from the tank to an approved disposal facility for disposal.
- k. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- l. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Green River Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the southeast.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 150' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.

- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.
- b. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2127.

12. Other Information:

- a. Senco-Phenix Archaeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Senco-Phenix Archaeological Consultants.

Operator's Representative and Certification:

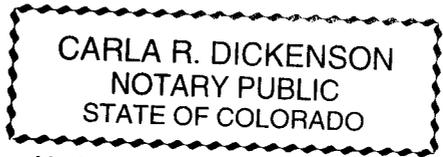
I hereby certify that I, or person under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations herein will be performed by _____, (construction contractor has not been determined) and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Name and Title *Tom C. Young*
Tom C. Young, VP Southern Operations & Midstream

STATE OF COLORADO
COUNTY OF DENVER

Subscribed and sworn to before me this 23rd day of April, 2007.

 Carla R. Dickenson
Notary Public



My commission Expires: _____
My Commission Expires 09/07/2009

**ELK PRODUCTION, LLC
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.**

PROCEED IN AN EASTERLY DIRECTION FROM GREEN RIVER, UTAH ALONG INTERSTATE-70 APPROXIMATELY 43.2 MILES TO THE WHITE HOUSE EXIT; EXIT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 12.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 10' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM GREEN RIVER, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.75 MILES.

ELK PRODUCTION, LLC

FEDERAL #25-5

LOCATED IN GRAND COUNTY, UTAH
SECTION 25, T20S, R21E, S.L.B.&M.

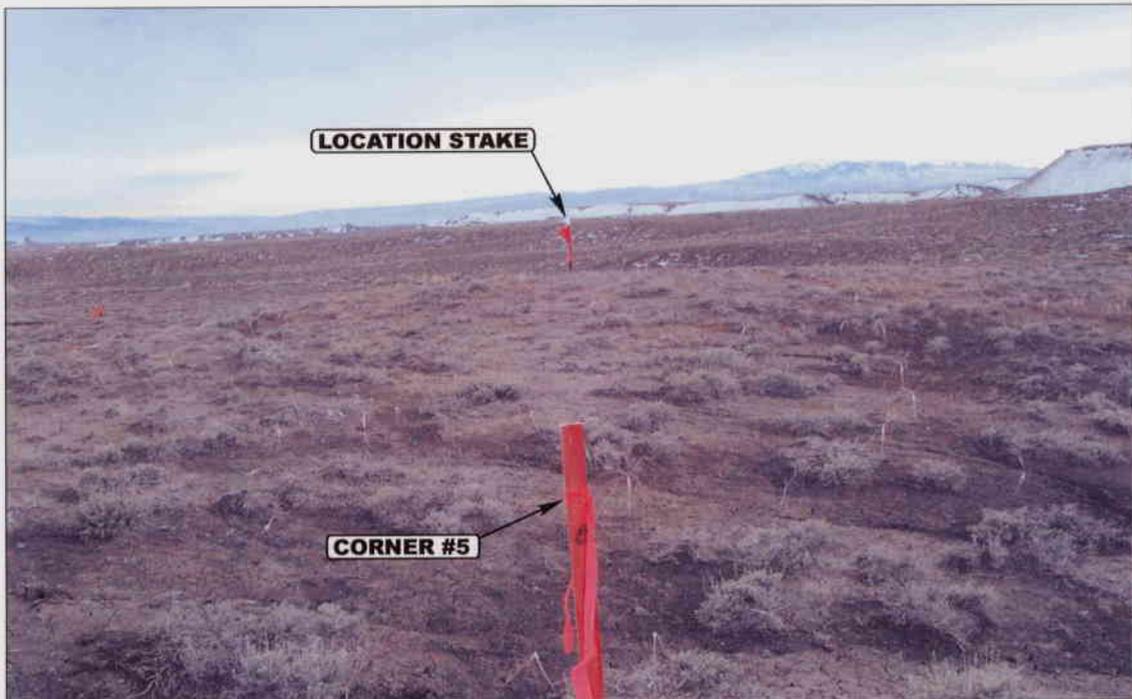


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

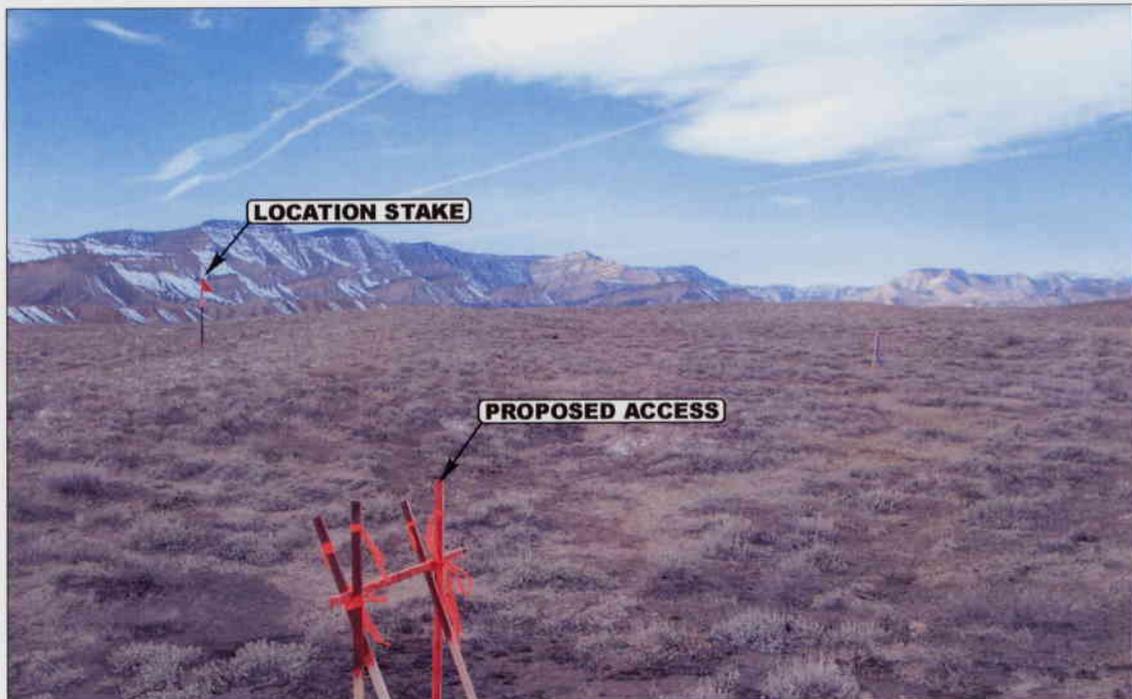


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 22 04
MONTH DAY YEAR

PHOTO

TAKEN BY: G.O.

DRAWN BY: P.M.

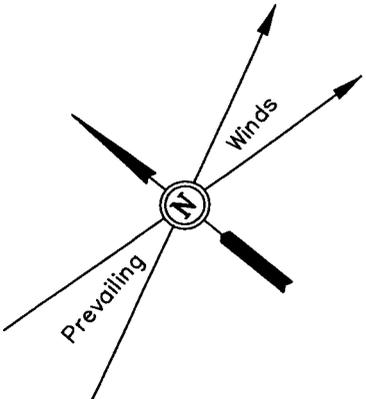
REVISED: 00-00-00

ELK PRODUCTION, LLC

LOCATION LAYOUT FOR

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

FIGURE #1

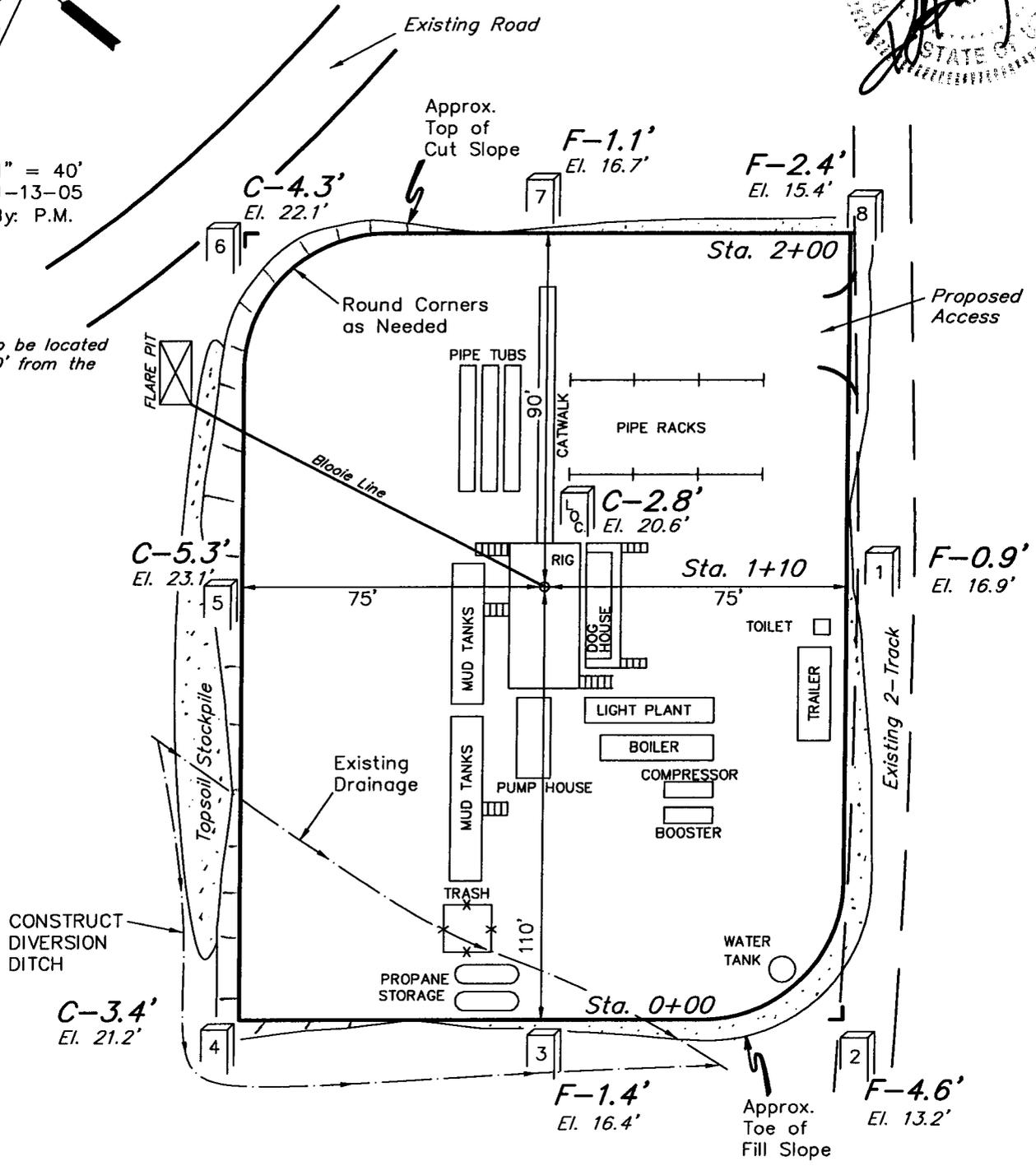


SCALE: 1" = 40'
DATE: 01-13-05
Drawn By: P.M.



NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

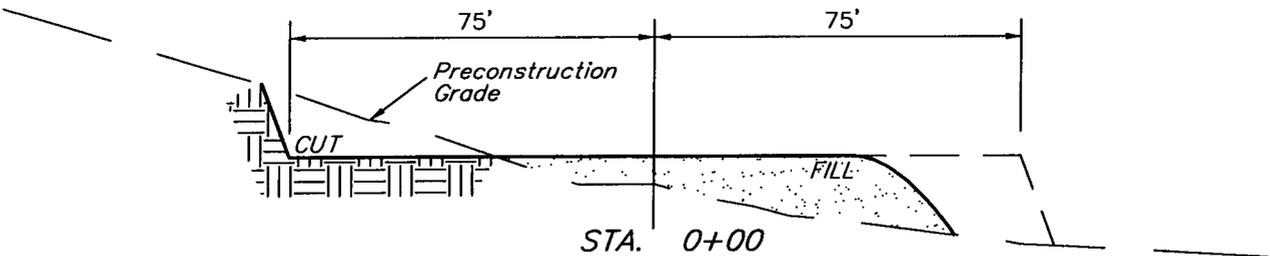
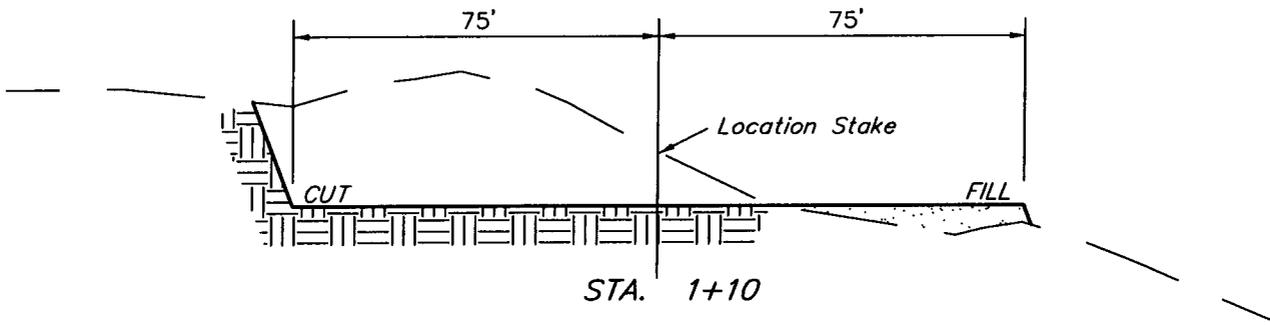
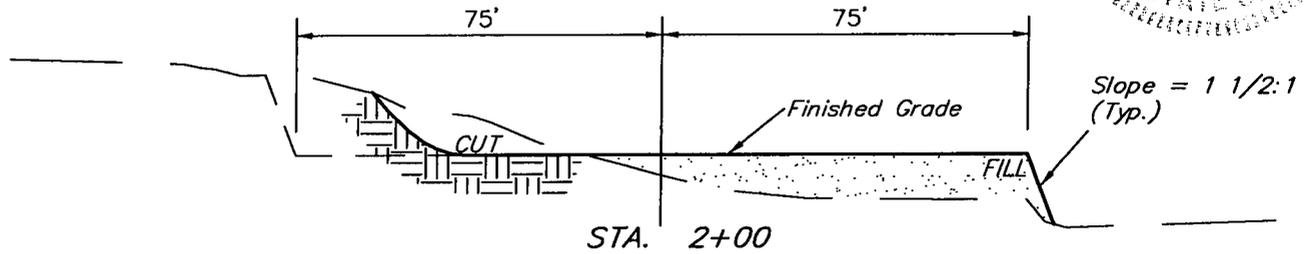
Elev. Ungraded Ground At Loc. Stake = 5020.6'
FINISHED GRADE ELEV. AT LOC. STAKE = 5017.8'

ELK PRODUCTION, LLC
TYPICAL CROSS SECTIONS FOR
FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

FIGURE #2

1" = 10'
 X-Section
 Scale
 1" = 40'

DATE: 01-13-05
 Drawn By: P.M.



* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

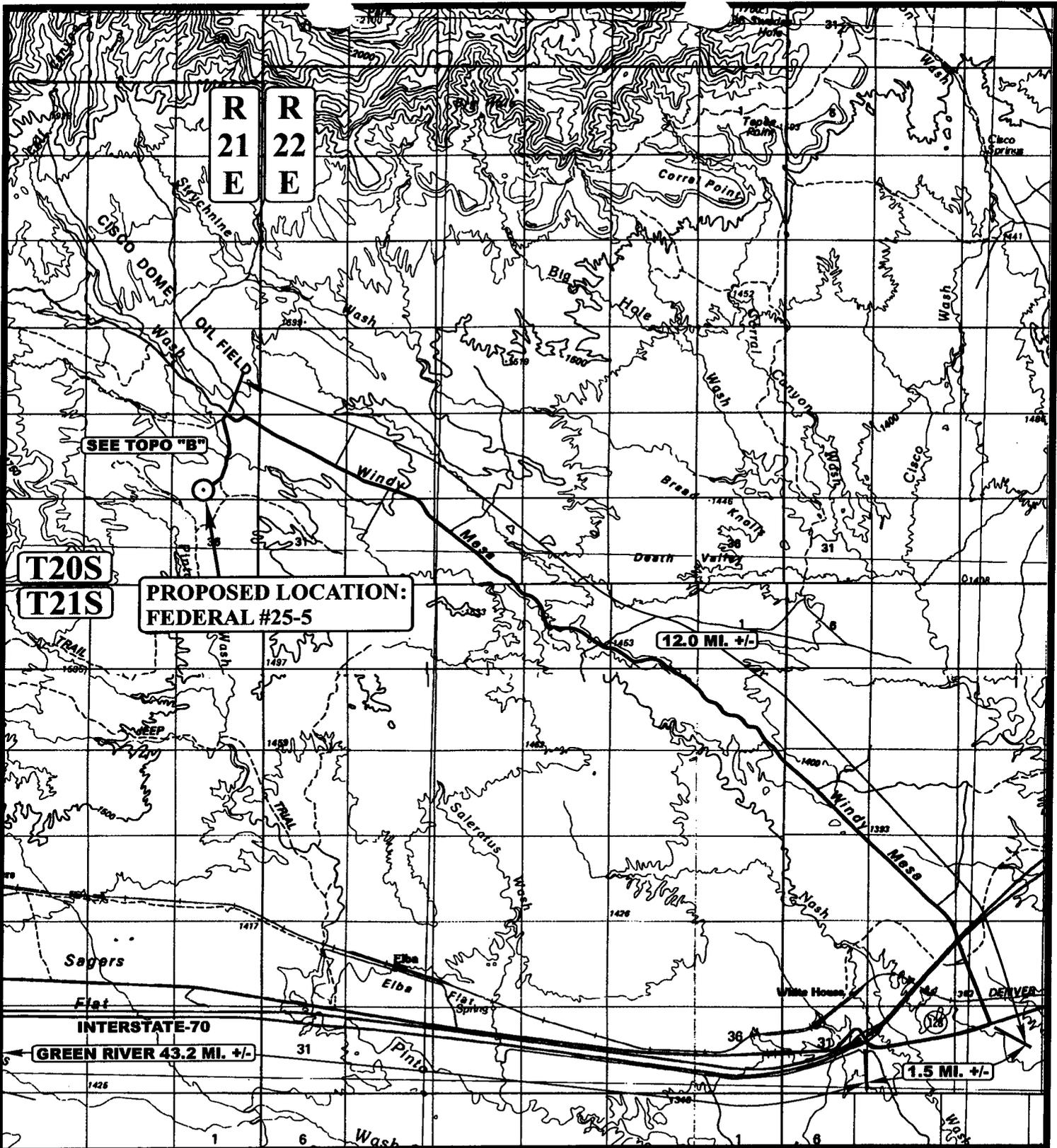
APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	620 Cu. Yds.
Remaining Location	=	1360 Cu. Yds.
TOTAL CUT	=	1,980 CU.YDS.
FILL	=	1,360 CU.YDS.

EXCESS MATERIAL	=	620 Cu. Yds.
Topsoil	=	620 Cu. Yds.

EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.
--	---	------------

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

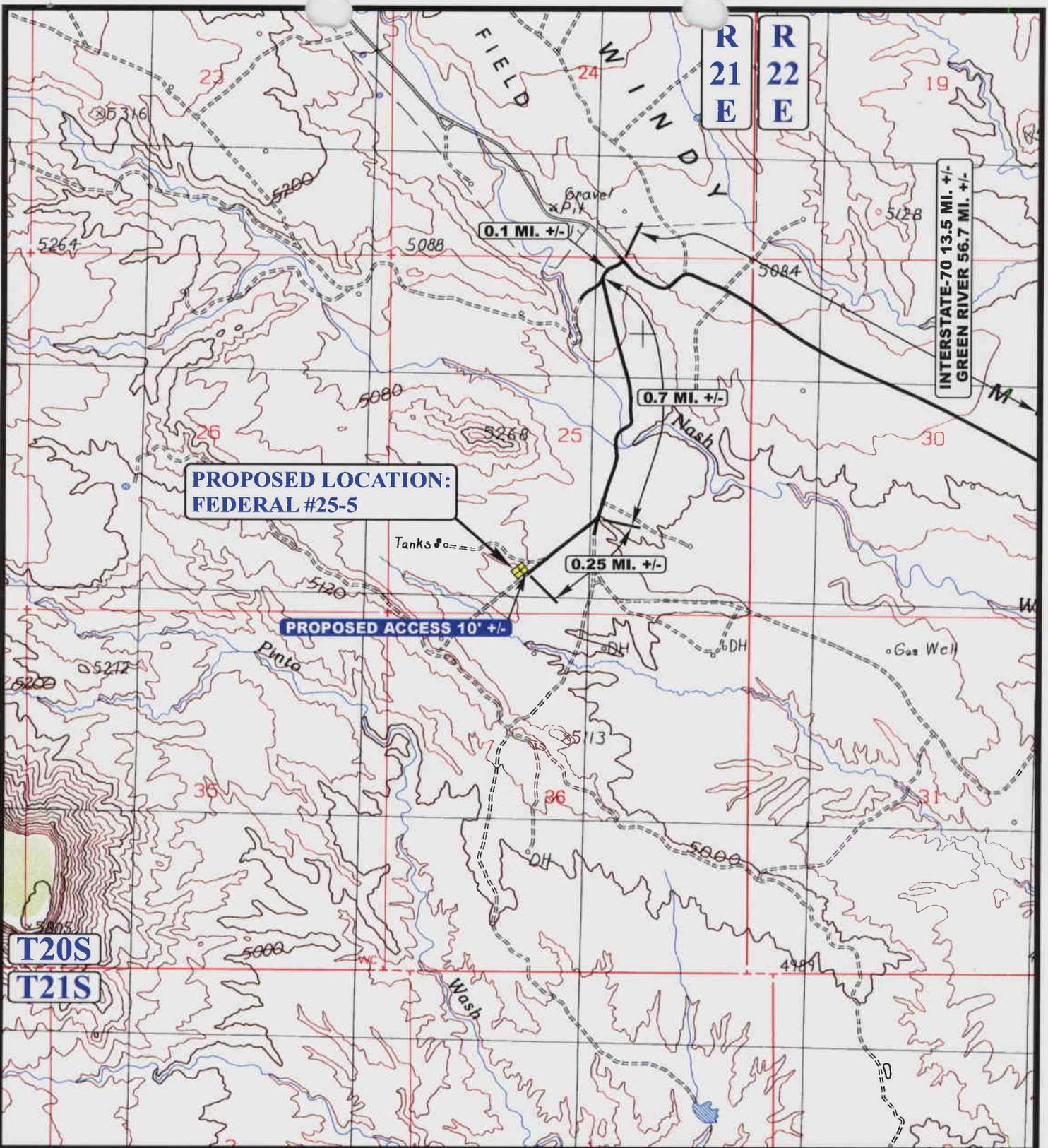


TOPOGRAPHIC
MAP

12	22	04
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: P.M. | REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL



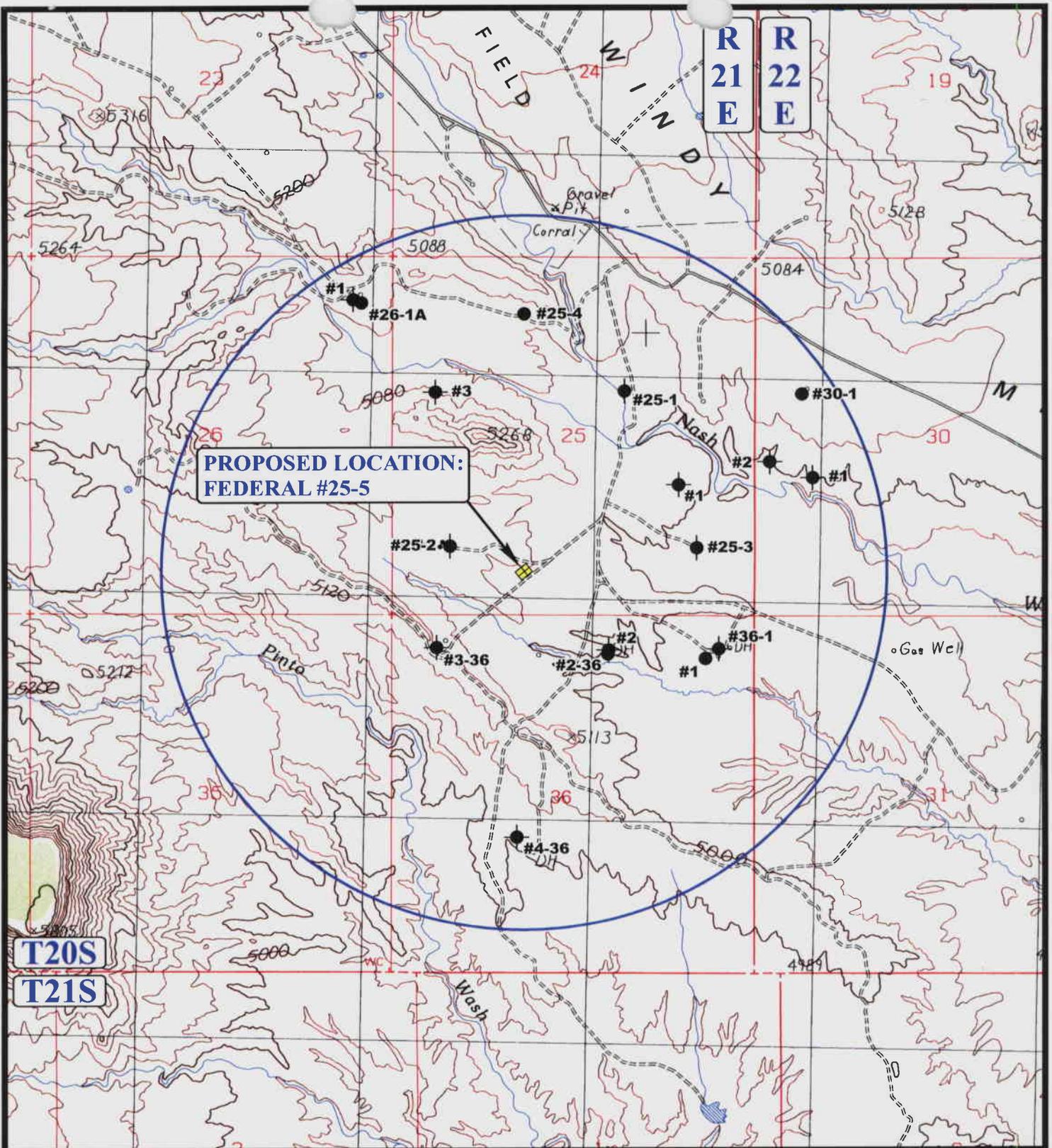
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 12 22 04
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:
FEDERAL #25-5**

LEGEND:

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ∅ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

UEIS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



ELK PRODUCTION, LLC

FEDERAL #25-5
SECTION 25, T20S, R21E, S.L.B.&M.
643' FSL 1922' FWL

TOPOGRAPHIC MAP 12 22 04
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/24/2007

API NO. ASSIGNED: 43-019-31444

WELL NAME: FEDERAL 25-5

OPERATOR: ELK PRODUCTION LLC (N2650)

PHONE NUMBER: 303-296-4505

CONTACT: KARIN KUHN

PROPOSED LOCATION:

SESW 25 200S 210E

SURFACE: 0643 FSL 1922 FWL

BOTTOM: 0643 FSL 1922 FWL

COUNTY: GRAND

LATITUDE: 39.03205 LONGITUDE: -109.5479

UTM SURF EASTINGS: 625692 NORTHINGS: 4321128

FIELD NAME: GREATER CISCO (205)

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-02139-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WINGT

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. B000969)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. AIR DRILLE)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 102-16B
Eff Date: 9-26-1979
Siting: 500' fr Property lease units & 200' fr 441/4 unit
400' fr low & 320' from
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-6 days Approval

T20S R21E

T20S R22E

GREATER CISCO FIELD

CAUSE: 102-16B / 9-26-1979

FEDERAL 25-4

FEDERAL 3
FEDERAL 25-5
FEDERAL 25-5

FEDERAL 25-22

FEDERAL 25-1

25

FEDERAL 25-6

G B JENKINSON 1

FEDERAL 25-6

FEDERAL 25-2

FEDERAL 25-3

FEDERAL 25-7

FEDERAL 25-5
FEDERAL 25-5

BO-TX 3-36

BO-TX 2-36

ST OF UT 2 CABEEN

ST OF UT 36-1

ADAMS 1 STATE

OPERATOR: ELK PRODUCTION CO (N2650)

SEC: 25 T.20S R. 21E

FIELD: GREATER CISCO (205)

COUNTY: GRAND

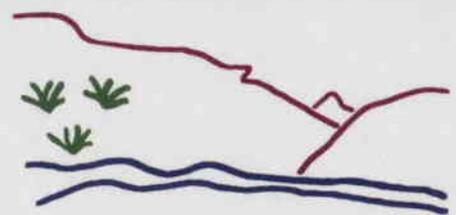
CAUSE: 102-16B / 11-15-1979

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
DATE: 7-MAY-2007



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 7, 2007

Elk Production, LLC
1401 17th Street, #700
Denver, CO 80202

Re: Federal 25-5 Well, 643' FSL, 1922' FWL, SE SW, Sec. 25, T. 20 South,
R. 21 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.

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 43-019-31444.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Elk Production, LLC
Well Name & Number Federal 25-5
API Number: 43-019-31444
Lease: UTU-02139-A

Location: SE SW **Sec.** 25 **T.** 20 South **R.** 21 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 with 24 hours of spudding the well.

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

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

- Contact Dustin Doucet at (801) 538-5281 office
(801) 733-0983 home

3. Reporting Requirements

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-02139-A
2. Name of Operator Elk Production LLC		6. If Indian, Allottee or Tribe Name N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		8. Well Name and No. Federal #25-5
		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Use 3 1/2" Csg instead of 4 1/2"
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Elk plans to deepen the subject well to 4200'. Upon reaching TD, a string of 3 1/2", 9.3#, P-110 casing will be run inside of the 5 1/2" casing string from surface to 4200' instead of 4 1/2", which was submitted in our drilling plan. The 3 1/2" casing will be cemented with approximately 100 sx Type I cement. Actual cement volumes will be based on caliper + 20% to bring cement 300' into the 5 1/2" casing set @ 1981'.

COPY SENT TO
DATE: 6-19-07
INITIALS: RM

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Karin Kuhn Title Sr. Engineering Technician

Signature *Karin Kuhn* Date 06/11/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Accepted by the Utah Division of Oil, Gas and Mining Office _____ Date 6/15/07 Federal Approval of This Action Is Necessary

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

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.

By: *[Signature]* **RECEIVED**

(Instructions on page 2)

JUN 12 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.		5. Lease Serial No. UTU-02139-A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Elk Production LLC		7. If Unit or CA/Agreement, Name and/or No. N/A
3a. Address 1401 17th. Street, Suite 700, Denver Colorado, 80202	3b. Phone No. (include area code) 303 296 4505	8. Well Name and No. Federal #25-5
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 643' FSL & 1922' FWL, SESW Section 25, T20S, R21E		9. API Well No. 43019314440000
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Operations Update
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	as of 6/19/2007
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

Operations began on 6/14/07 to deepen the subject well. MIRU Lobo Rig #1. Went in hole and wash from 2006' to 2075'. Hole began to slough. Washed and reamed @ 2075' for several hours; hole continued to slough. Unable to go deeper than 2075'. Suspended operations on 6/16/07. Elk plans to evaluate the well and will report our plans for this well.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 06/26/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Title	Date
	Office	

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(Instructions on page 2)

RECEIVED

JUN 29 2007

DIV. OF OIL, GAS & ...

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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		9. API Well No. 4301931444
		10. Field and Pool, or Exploratory Area Greater Cisco
		11. County or Parish, State Grand County, Utah

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Operations Update as of 9/6/2007

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

Operations resumed on 8/11/07 to deepen the subject well. MIRU Hayes Rig #1. Clean out old well bore and drill new hole from 2075' to 2690' TD. Reached TD on 8/22/07. Set 3 1/2", 9.3#, P-110 @ 2693'. Cmt w/ 75 sx 50/50 Poz, 2% gel, 2% Super FL-200. Log well w/ Schlumberger Reservoir Saturation Tool w/ CCL to 2640' (PBD). Estimated TOC @ 1500'. Perf well f/ 2575' - 2584', 3 SPF, 120" phasing. Acidize perms f/ 2575'-2584' w/ 500 gals 15% HCl @ 2611'. SWI. Drop 25 balls. Swab well. Run 2 1/6" tbg to 2611'. Waiting on pumping unit.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 09/20/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

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(Instructions on page 2)

RECEIVED

SEP 24 2007

DIV. OF OIL, GAS & MINING

Elk Production LLC Field Activity Report

CISCO

FEDERAL 25-5 (DEEPEMED TO ENTRAD

ENTRADA	20S 21E 25 SESW	8RSC	43019314440000
---------	-----------------	------	----------------

SYNOPSIS: 8/11-9/6/07: Operations resumed on 8/11/07 to deepen the subject well. MIRU Hayes Rig #1. Clean out old well bore and drill new hole from 2075' to 2690' TD. Reached TD on 8/22/07. Set 3 1/2", 9.3#, P-110 @ 2693'. Cmt w/ 75 sx 50/50 Poz, 2% gel, 2% Super FL-200. Log well w/ Schlumberger Reservoir Saturation Tool w/ CCL to 2640' (PBSD). Estimated TOC @ 1500'. Perf well f/ 2575' - 2584', 3 SPF, 120° phasing. Acidize perms f/ 2575'-2584' w/ 500 gals 15% HCl @ 2611'. SWI. Drop 25 balls. Swab well. Run 2 1/6" tbg to 2611'. Waiting on pumping unit..

6/14-16/07: MIRU Lobo Rig #1. Attempt to deepen well. Hole was sloughing; could not get deeper than 2075'. Suspend operations.

9/18/05: POP @ 572 MCFD.

9/12: Kill well w/ 15 bbls wtr & strip hanger into wellhead. Install well cap on tbg head. Secure well. RD & MOCU. Well shut in; WO pipeline.

9/5/05, MIRUCU. Drl open hole to 2398'.

8/4 - 8/8: Drl to 1984'. Run 44 jts 5 1/2" production & set @ 1984'. Cmt 5 1/2" csg w/ 150 sx Ready-Mix

7/26/05: Spud.

Daily Detail:

6/14/2007 Move in & RU Lobo Rig #1.

6/15/2007 PU BHA & 56 jts 2 7/8" tbg. PU power swivel & wash from 2006' to 2075'. Hole started sluffing 1/4 to 1/2" rock, wash & ream @ 2075'. Hole sluffing w/ high tbg torque & flow line plugging up.

6/18/2007 6-15-2007: Continue to wash & ream hole. Attempting to clean out to bottom with air mist, made no progress. Hole confined to sluff w/ maximum depth reached 2075'. POOH, LD drilling assembly. RD & move off drilling equip. FINAL REPORT

8/13/2007 Report for August 11th. Move Hayes Rig #1 from Federal #25-2 and rig up with pits and mud pump for deepening operation. NU and test BOPE to 2000#. PU 4 3/4" bit, six DCs, and RIH on 2-7/8" N80 tubing to 829'. SDFWE.

8/14/2007 HU pmp, tank & mud lines. Install rotating head & build flow line. Fill hole w/ 40 bbls fresh wtr, good returns. PU 2 7/8" tbg, bit @ 1287'. SDFN.

8/16/2007 Finished PU 2 7/8" tbg. Install rotating rubber & PU power swivel. Circ & build vis to 42. W&R f/ 2084'-2093'; bridge @ 2050'. Took gas kick & work stuck pipe. Circ hole cln, recover rocks & scale. W&R f/ 2080'-2112', heavy rocks over shaker. Drl to 2135', circ hole cln. TOOH to 1950' SDFN.

8/17/2007 TD: 2,250'. Drilling in Morrison. TOH for PDC bit.

8/20/2007 TD: 2538' (made 288'). It appears that well bore sidetracked f/ original hole btwn 2075'-2175' as supported by consistent ROP below well's original TD. Based on expectation of the top of Entrada fm at a similar depth to that in the offset Federal 25-2 well, TD is expected within 75' of the present depth.

8/21/2007 TD: 2667' (made 129'), TIH to 2100, tag fill, PU power swivel W&R to 2160, finish TIH. No fill. Drilling from 2537' to 2667'. TOOH to 1950'. SWI, SDFN.

8/22/2007 TD: 2682' (made 15'). RIH & tag fill @ 2074'. RU power swivel & wash to 2139'. RIH w/o pmp to 2667'. Drlg f/ 2667'-2682'. C&C hole. RD power swivel. LD drl string & DCs. Chg out pipe rams to 3 1/2". PU 4 3/4" used bit, float sub, 1 - 3 1/2" float jt, float collar. TIH w/ 61 jts 3 1/2", P110, 11# tbg to 1960'. SDFN

8/23/2007 TD: 2690' (made 8'). RIH to 2022'. W&R f/ 2022'-2682'. Drl to 2690'. Set 84 jts 3 1/2" P-110, 11# csg @ 2692.67'. C&C hole to cmt. RU Superior & pmp 20 bbls fresh wtr flush, 6 bbls 30 sx 11 lbs lead, 75 sx 2% gel, 2% super fl-200, 50/50 POZ, 14.3 density, 1.25 yield, 5.5 wtr returns. Did not bump plug. RIH w/ sand line, tagged plug @ 2654'. ND flow lines & BOPs. Set slips w/ 20k.

8/24/2007 TD: 2690' (made 0'). RU & run w/ logs, loggers TD-2640'. Clean mud tank, put away tool w/ logging.

8/28/2007 RU & swab dn csg to 2000', Rec 18 bbls wtr. RDMO, move to Federal 15-5.

8/30/2007 MI Mesa WL to perf Entrad fm. Run Schlumberger Reservoir Saturation Tool w/ CCL. Perf 3 SPF, 120 deg phasing f/ 2575'-2584'. Ran section of CCL to confirm depth. From Mesa's measurements; it appeared log zeroed @ GL. While running/pulling gun, fluid level appeared to be around 2000'. No blow following well being perf'd. Several ounce pressure build up noted later in day. RD Mesa. Will move completion rig on well when finished on Fed 15-5.

9/4/2007 MIRU, change out pipe rams, take off frac vlv, NU BOPs. PU 87 jts 2 1/6" tbg & take to location, SWI, SDFN. RU 3 1/2" swab equip, FL @ 1600' on first run SEC run. FL @ 1750, Rec 12 BBLs 6-BBLS oil & 6 BBLs wtr. RU 2 1/6" tools & TIH w/ tbg, 81 jts tagged @ 2642, LD 1 jt, EOT @ 2579'. SWI, SDFW.

Elk Production LLC Field Activity Report

CISCO

FEDERAL 25-5 (DEEPEMED TO ENTRAD)

9/5/2007 Pour new rope socket f/ 2 1/6" & PU swab tools. Made 5 swab runs, rec 6 bbls 50% oil, IFL 1500', FFL 2400' & WO CalFrac to RU. Pmpd 100 gals 15% HCl & displace w/ 28 bbls 2% KCl wtr to cln up tbg & perms. Pmpd 11.9 bbls 15% HCl to end of tbg @ 2611'. SWI. Drop 25 balls & dsplace acid 11.9 bbls 15% HCl @ 2 bbls/min bbls/min, broke @ 3094', displaced w/ 13.1 bbls 2% KCl wtr, avg pressure 1900# ball action was not good. SI. Pressure 1900; 5 min - 850; 10 min - 700; 15 min - 400 psi. RU & Swab well, FL @ surf. Mde 12 runs, rec 14 bbls total, 5 BO. FFI 2583. Left opn to tank. SDFN.

9/6/2007 RU swab, RIH, FL @ 900' made 4 runs FL dn to 2100', SWE f/ 1 hr. RD floor, land tbg @ 2611'. ND bop's, NU tree rig, swab up FL @ 1600'. Make 4 more swab runs IFL 2200'. Total fluid Rec-7.2 bbls 95% oil. SWI. RD & move to Federal 25-2.

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

FORM 6

ENTITY ACTION FORM

Operator: Elk Production LLC
Address: 1401 17th Street, Suite 700
city Denver
state CO zip 80202

Operator Account Number: N 2650

Phone Number: (303) 296-4505

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931444	Federal 25-5		SESW	25	20S	21E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
E	14849	14849	6/14/2007		10/31/2007		
Comments: <u>Deepened well; recompleted to Entrada 2575'-2584'.</u>							

Well 2

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

Well 3

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

ACTION CODES:

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

RECEIVED

NOV 02 2007

DIV. OF OIL, GAS & MINING

Karin Kuhn
Name (Please Print)
Karin Kuhn
Signature
Sr. Engineering Technician
Title
11/1/2007
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-02139-A

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv.,
Other: _____

6. If Indian, Allottee or Tribe Name
NA

7. Unit or CA Agreement Name and No.
NA

2. Name of Operator
Elk Production, LLC

8. Lease Name and Well No.
Federal 25-5

3. Address 1401 17th Street, Suite 700
Denver, CO 80202

3a. Phone No. (include area code)
(303) 296-4505

9. AFI Well No.
4301931444

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

10. Field and Pool or Exploratory
Greater Cisco

11. Sec., T., R., M., on Block and
Survey or Area SESW 25 20S 21E SLB&M

12. County or Parish
Grand

13. State
UT

At surface 643' FSL, 1922' FWL

At top prod. interval reported below 643' FSL, 1922' FWL

At total depth 643' FSL, 1922' FWL

14. Date Spudded 06/14/2007

15. Date T.D. Reached 08/22/2007

16. Date Completed 10/31/2007
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5021' GL, 5030' KB

18. Total Depth: MD 2690'
TVD

19. Plug Back T.D.: MD 2640'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Reservoir Saturation Tool/GR/CCL

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cemen- ter Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
11"	8 5/8", J55	24#	0	236'		150, Type I	28	Surf, Cir	0
7 7/8"	5 1/2", J55	15.5#	0	1981'		150, Type I	28	1100', Cal	0
4 3/4"	3 1/2", P110	9.3#	0	2692.67'		75, 50/50 Poz	16.7	1500', Cal	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 1/6"	2611'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Entrada	2575	2584	2575' - 2584'		27	Open
B)						
C)						
D)						

26. Perforation Record

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

Depth Interval	Amount and Type of Material
2575'-2584'	500 gals 15% HCl, 25 balls

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/31/07	11/1/07	24	→	25	0	2			Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA	SI		→	25	0	2		Producing	

28a. Production - Interval B

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

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

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NOV 13 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Greenhorn	1857
				Graneros	1938
				Dakota	1965
				Cedar Mountain	2047
				Morrison	2191
				Saltwash	2302
				Summerville	2511
				Entrada	2575

32. Additional remarks (include plugging procedure):

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

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

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

Name (please print) Karin Kuhn Title Sr. Engineering Technician
 Signature *Karin Kuhn* Date 11/08/2007

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-02139A
6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.
NA

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Federal 25-5

2. Name of Operator
Elk Production, LLC

9. API Well No.
4301931444

3a. Address
1401 17th Street, Suite 700
Denver, CO 80202

3b. Phone No. (include area code)
303-296-4505

10. Field and Pool or Exploratory Area
Greater Cisco/Entrada

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL, 1922' FWL
SESW Section 25-T20S-R21E

11. Country or Parish, State
Grand County, UT

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

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

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

Elk plans to reperforate existing perforations from 2575'-2584' and stimulate this perforated interval with a propellant cartridge. Also, Elk plans to add three new intervals, perfrom 2552'-2554', 2458'-2460', and 2391'-2395'. These intervals will also be stimulated with a propellant cartridge.

COPY SENT TO OPERATOR

Date: 4-4-2008

Initials: ES

RECEIVED
MAR 25 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed) Karin Kuhn	Title Sr. Engineering Technician
Signature 	Date 03/24/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Title Accepted by the Utah Division of Oil, Gas and Mining	Date 3/31/08	Date Federal Approval Of This Action Is Necessary
---	-----------------	---

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

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

(Instructions on page 2)

By:
* Cause 102-16(b)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-02139-A

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv.,
Other: Recomplete

6. If Indian, Allottee or Tribe Name
NA

7. Unit or CA Agreement Name and No.
NA

2. Name of Operator
Elk Production, LLC

8. Lease Name and Well No.
Federal 25-5

3. Address 1401 17th Street, Suite 700
Denver, CO 80202

3a. Phone No. (include area code)
(303) 296-4505

9. API Well No.
4301931444

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 643' FSL, 1922' FWL

10. Field and Pool or Exploratory
Greater Cisco/Mrsn/Summerville/Entrada

11. Sec., T., R., M., on Block and
Survey or Area SESW 25 20S 21E SLB&M

12. County or Parish
Grand County

13. State
UT

At top prod. interval reported below 643' FSL, 1922' FWL

At total depth 643' FSL, 1922' FWL

14. Date Spudded
04/24/2008

15. Date T.D. Reached
NA

16. Date Completed 05/08/2008
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5021' GL, 5030' KB

18. Total Depth: MD 2690'
TVD

19. Plug Back T.D.: MD 2640'
TVD

20. Depth Bridge Plug Set:
MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Reservoir Saturation Tool/GR/CCL

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
11"	8 5/8", J55	24#	0	236'		150, Type I	28	Surf, Cir	0
7 7/8"	5 1/2", J55	15.5#	0	1981'		150, Type I	28	1100', Cal	0
4 3/4"	3 1/2", P110	9.3#	0	2692.67'		75, 50/50 Poz	16.7	1500', Cal	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 1/6"	2585'							

25. Producing Intervals

Formation	Top	Bottom	Perforation Interval	Size	No. Holes	Perf. Status
A) Morrison-Saltwash	2302	2511	2391-2460		26	Open
B) Summerville	2511	2575	2552-2554		9	Open
C) Entrada	2575	2690	2577-2581		17	Open
D)			2575'-2584'			Previously Open

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

Depth Interval	Amount and Type of Material
2391'-2395'	Jet Propellant Charge
2577'-2581'	Jet Propellant Charge

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
5/8/08		24	→	8.7	0	0			Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA	SI NA		→	8.7	0	0		Producing All Intervals	

28a. Production - Interval B

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

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

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MAY 14 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

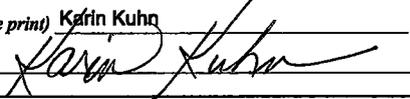
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Greenhorn Graneros	1857 1938
				Dakota Cedar Mountain	1885 2047
				Morrison Saltwash	2191 2302
				Summerville Entrada	2511 2575

32. Additional remarks (include plugging procedure):

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

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

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

Name (please print) Karin Kuhn Title Sr. Engineering Technician
 Signature  Date 05/12/2008

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-02139A

6. If Indian, Allottee or Tribe Name

NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Federal 25-5

9. API Well No.
4301931444

10. Field and Pool or Exploratory Area
Greater Cisco/Entrada

11. Country or Parish, State
Grand County, UT

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Elk Production, LLC

3a. Address
1401 17th Street, Suite 700
Denver, CO 80202

3b. Phone No. (include area code)
303-296-4505

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
643' FSL, 1822' FWL
SESW Section 25-T20S-R21E

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

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

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

Work began on 4/24/08 to reperforate the existing Entrada zone and add additional intervals to the subject well. The well was reperforated from 2577'-2581' (17 shots). The well was perforated from 2552'-2554' (9 shots), 2458'-2460' (9 shots) and from 2391'-2395' (17 shots). A jet gun propellant charge was shot @ 2577'-2581' and @ 2391'-2395'. Tubing, rods and pump were run in the hole and the well was returned to production on 5/8/2008, making approximately 8.7 BOPD.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Karin Kuhn

Title Sr. Engineering Technician

Signature



Date 05/12/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Office

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

(Instructions on page 2)

RECEIVED

MAY 14 2008

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

8/1/2011

FROM: (Old Operator): N2650-Elk Production, LLC 1401 17th Street, Suite 700 Denver, CO 80202 Phone: 1 (303) 296-4505	TO: (New Operator): N3785-SEP - Cisco Dome LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001
---	--

CA No.		Unit:						
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 54 WELLS								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/6/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/6/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/18/2011
- Is the new operator registered in the State of Utah: Business Number: 7934251-0160
- (R649-9-2)Waste Management Plan has been received on: Requested 9/21/2011
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/20/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/20/2011
- Bond information entered in RBDMS on: 9/6/2011
- Fee/State wells attached to bond in RBDMS on: 9/21/2011
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000465
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 1481053, 1481056 and 1481054
- The **FORMER** operator has requested a release of liability from their bond on: not yet

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: See attached list
2. NAME OF OPERATOR: SEP - CISCO DOME, LLC		9. API NUMBER:
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd., Ste 210 CITY Salt Lake City STATE UT ZIP 84106		10. FIELD AND POOL, OR WILDCAT:
		PHONE NUMBER: (435) 940-9001

4. LOCATION OF WELL

FOOTAGES AT SURFACE: _____ COUNTY: **Grand County**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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>Change of Operator</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.

Previous Operator: Elk Production, LLC 1401 7th Street, Suite 700 Denver, Colorado 80202 303-296-4505	New Operator: SEP - CISCO DOME, LLC 1245 Brickyard Rd., Ste. 210 Salt Lake City, UT 435-940-9001
--	---

Utah DOGM Bond # *Thunderbird 2: 1481053-1481056; State 32-1; 1481054*
BLM Bond # *4TB000465*

effective 8/1/2011

SEP - CISCO DOME, LLC representative:

Name (Please Print): *David Lillywhite*

Title: **President**

Signature _____

Date *7/28/11*

NAME (PLEASE PRINT) John Whisler	TITLE Chief Executive Officer
SIGNATURE <i>John Whisler</i>	DATE <i>7/28/11</i>

(This space for State use only)

APPROVED *9/13/2011*
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

RECEIVED
SEP 06 2011
DIV. OF OIL, GAS & MINING

ELK PRODUCTION, LLC (N2650) to SEP-Cisco Dome, LLC (N3785)
effective 8/1/2011

well name	sec	twp	rng	api	entity	well	stat
THUNDERBIRD 1	32	200S	240E	4301930058	10339	OW	P
FEDERAL 19-3	19	200S	220E	4301930302	8201	GW	TA
FEDERAL 31-1A	31	200S	220E	4301930308	8204	GW	P
STATE 32-1	32	200S	220E	4301930347	8206	GW	P
FEDERAL 13-1	13	200S	210E	4301930348	8146	GW	TA
FEDERAL 23-1	23	200S	210E	4301930355	11393	GW	P
FEDERAL 25-1	25	200S	210E	4301930359	11394	GW	S
CALF CANYON 5	11	200S	210E	4301930393	2490	OW	TA
FEDERAL 30-1	30	200S	220E	4301930429	8203	GW	S
FEDERAL 14-1	14	200S	210E	4301930430	8169	GW	P
FEDERAL 24-3	24	200S	210E	4301930432	11395	GW	S
FEDERAL 14-1A	14	200S	210E	4301930436	8150	GW	TA
FEDERAL 1-10	10	200S	210E	4301930484	8141	GW	S
FEDERAL 11-1	11	200S	210E	4301930485	8142	GW	P
FEDERAL 14-2	14	200S	210E	4301930487	8151	GW	S
FEDERAL 14-3	14	200S	210E	4301930488	8152	GW	S
FEDERAL 24-2	24	200S	210E	4301930530	8159	GW	S
FEDERAL 25-3	25	200S	210E	4301930575	8170	GW	S
FEDERAL 15-1	15	200S	210E	4301930585	11391	GW	TA
FEDERAL 23-2	23	200S	210E	4301930586	8140	GW	P
FEDERAL 25-2	25	200S	210E	4301930587	11392	OW	S
FEDERAL 23-3	23	200S	210E	4301930588	8157	GW	S
FEDERAL 22-1	22	200S	210E	4301930625	8156	GW	P
FEDERAL 15-2	15	200S	210E	4301930636	8154	GW	S
FEDERAL 15-3	15	200S	210E	4301930637	8155	GW	S
FEDERAL 13-2	13	200S	210E	4301930673	8147	GW	S
FEDERAL 25-4	25	200S	210E	4301930743	8181	GW	S
FEDERAL 23-4	23	200S	210E	4301930760	8158	GW	P
FEDERAL 18-1	18	200S	220E	4301930875	8200	GW	S
FEDERAL 14-4	14	200S	210E	4301930878	8153	GW	S
FEDERAL 12-1	12	200S	210E	4301930881	8145	GW	S
FEDERAL 11-2	11	200S	210E	4301930882	8143	GW	S
FEDERAL 13-3	13	200S	210E	4301930883	8148	GW	TA
FEDERAL 11-3	11	200S	210E	4301930884	8144	GW	S
FEDERAL 13-4	13	200S	210E	4301930885	8149	GW	TA
FEDERAL 15-4	15	200S	210E	4301930887	10140	GW	TA
FEDERAL 19-1A	19	200S	220E	4301930896	8201	GW	TA
FEDERAL 24-4	24	200S	210E	4301930900	8208	GW	TA
FED 3-675	10	200S	210E	4301931094	303	GW	S
FEDERAL 10-2	10	200S	210E	4301931210	8207	GW	TA
FEDERAL 14-6	14	200S	210E	4301931421	14803	GW	P
FEDERAL 14-7	14	200S	210E	4301931422	14780	GW	P
FEDERAL 24-6	24	200S	210E	4301931423	14779	GW	S
FEDERAL 23-6	23	200S	210E	4301931424	14848	GW	S
FEDERAL 15-8	15	200S	210E	4301931434	15006	GW	P
FEDERAL 15-7	15	200S	210E	4301931435	14868	GW	S
FEDERAL 14-5	14	200S	210E	4301931436	14805	GW	P
FEDERAL 11-6	11	200S	210E	4301931437	14869	GW	P
FEDERAL 14-8	14	200S	210E	4301931439	14804	GW	P
FEDERAL 22-2	22	200S	210E	4301931440	14847	GW	S
FEDERAL 15-5	15	200S	210E	4301931441	14952	GW	S
FEDERAL 23-5	23	200S	210E	4301931442	15007	GW	P
FEDERAL 24-5	24	200S	210E	4301931443	14960	GW	P
FEDERAL 25-5	25	200S	210E	4301931444	14849	GW	S

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 1. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

9/1/2011

FROM: (Old Operator): N3785-SEP - Cisco Dome LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001	TO: (New Operator): N3805-SEP - Cisco Dome II LLC 1245 Brickyard Rd, Suite 210 Salt Lake City, UT 84106 Phone: 1 (435) 940-9001
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
FEDERAL 25-1	25	200S	210E	4301930359	11394	Federal	GW	S
FEDERAL 25-2	25	200S	210E	4301930587	11392	Federal	OW	S
FEDERAL 25-4	25	200S	210E	4301930743	8181	Federal	GW	S
FEDERAL 25-5	25	200S	210E	4301931444	14849	Federal	GW	S
CALF CANYON 5	11	200S	210E	4301930393	2490	Federal	OW	TA

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/15/2011
- Is the new operator registered in the State of Utah: Business Number: 7934251-0160
- (R649-9-2) Waste Management Plan has been received on: Requested 9/21/2011
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 9/27/2011 BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 10/20/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/20/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000466
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number
- The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS: These wells were not in the Calf Canyon Unit and were missed in the change 9/20/11,

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:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: see attached list
2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC		9. API NUMBER: attached
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106		10. FIELD AND POOL, OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: see attached		COUNTY: Grand County
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>9/15/2011</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Previous Operator:
SEP - CISCO DOME, LLC
1245 BRICKYARD RD, STE 210
SALT LAKE CITY, UT 84106
435-940-9001

New Operator:
SEP - CISCO DOME II, LLC
1245 BRICKYARD RD, STE 210
SALT LAKE CITY, UT 84106
435-940-9001

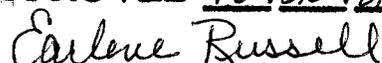
BLM Bond #: UTB-000465

BLM Bond #: UTB-000466


x
David Knudson,
Land Manager
15 Sept. 2011


x
David Knudson,
Land Manager
15 Sept. 2011

NAME (PLEASE PRINT) <u>Jeremy Schwendiman</u>	TITLE <u>Landman</u>
SIGNATURE 	DATE <u>8/10/2011</u>

(This space for State use only)
APPROVED 10/20/2011

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

RECEIVED
SEP 15 2011
DIV. OF OIL, GAS & MINING

SEP - CISCO DOME II, LLC WELLS		
Well Name	API #	
FED 25-1	4301930359	* changed 10/20/11
CALF CANYON 5	4301930393	* changed 10/20/11
FED 25-2	4301930587	* changed 10/20/11
FED 25-4	4301930743	* changed 10/20/11
FED 25-5	4301931444	* changed 10/20/11
CALF CANYON 1	4301930298	Changed 9/20/11
FED 675-1	4301930376	Changed 9/20/11
CALF CANYON 4	4301930392	Changed 9/20/11
CALF CANYON 7	4301931168	Changed 9/20/11
FED 675-4	4301931187	Changed 9/20/11
CALF CANYON 8	4301931197	Changed 9/20/11
FED 675-5	4301931199	Changed 9/20/11
CALF CANYON FED 10	4301931203	Changed 9/20/11
FED 675-6	4301931208	Changed 9/20/11
CALF CANYON 11	4301931209	Changed 9/20/11

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

5. Lease Serial No. **UTU-02135-1**
RECEIVED
MOAB FIELD OFFICE

6. If Indian, Allottee or Tribe Name
2011 AUG 18 AM 9:59

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No.
2. Name of Operator SEP - CISCO DOME II, LLC		8. Well Name and No. Federal 25-5
3a. Address	3b. Phone No. (include area code)	9. API Well No. 4301931444
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) T20S-R21E Sec 25- SESW		10. Field and Pool, or Exploratory Area
		11. County or Parish, State Grand County, Utah

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

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

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

Change of Operator

Previous Operator:
SEP - CISCO DOME, LLC
1245 Brickyard Rd., Ste. 210
Salk Lake City, Utah 84106
435-940-9001

New Operator:
SEP - CISCO DOME II, LLC
1245 Brickyard Rd., Ste. 210
Salk Lake City, Utah 84106
435-940-9001

RECEIVED
SEP 27 2011

DIV. OF OIL, GAS & MINING

Please be advised that SEP-CISCO DOME II, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond No. UTB000466.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

DAVID LILLYWHITE

Title **PRESIDENT**

Signature

Date **8-9-2011**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

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

Division of Resources
Moab Field Office

Date **9/19/11**

Office

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

(Instructions on page 2)

cc: udogm

Conditions Attached

SEP-Cisco Dome II, LLC
Lease UTU02139A
Wells 25-1, 25-2, 25-4, 25-5
Section 25, T20S, R21E
Grand County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of these applications 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 SEP-Cisco Dome II, LLC is considered to be the operator of the above wells effective September 1, 2011, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells is provided by UTB000466 (Principal – SEP-Cisco Dome II, LLC) 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.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

9/1/2013

FROM: (Old Operator):
 N3805- SEP-CISCO DOME II, LLC
 1245 BRICKYARD RD STE 210
 SALT LAKE CITY UT 84106

TO: (New Operator):
 N3785- SEP-CISCO DOME, LLC
 1245 BRICKYARD RD STE 210
 SALT LAKE CITY UT 84106

Phone: 1 (435) 940-9001

Phone: 1 (435) 940-9001

CA No.

Unit:

N/A

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
FEDERAL 25-1	25	200S	210E	4301930359	11394	Federal	GW	S
FEDERAL 25-2	25	200S	210E	4301930587	11392	Federal	OW	S
FEDERAL 25-3	25	200S	210E	4301930575	8170	Federal	GW	S
FEDERAL 25-4	25	200S	210E	4301930743	8181	Federal	GW	S
FEDERAL 25-5	25	200S	210E	4301931444	14849	Federal	GW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/9/2013
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/9/2013
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/18/2013
- Is the new operator registered in the State of Utah: _____ Business Number: 7934251-0160
- (R649-9-2) Waste Management Plan has been received on: Yes
- Inspections of LA PA state/fee well sites complete on: N/A
- Reports current for Production/Disposition & Sundries on: 9/17/2013
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA N/A
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/18/2013
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/18/2013
- Bond information entered in RBDMS on: N/A
- Fee/State wells attached to bond in RBDMS on: N/A
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000465
- Indian well(s) covered by Bond Number: N/A
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139A
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Federal 25-1	
2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC		9. API NUMBER: 4301930359
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106	PHONE NUMBER: (435) 940-9001	10. FIELD AND POOL, OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1971' FNL, 1917' FWL		COUNTY: Grand County
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 25 20S 21E S		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>8/28/2013</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

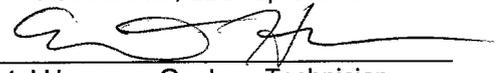
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

SEP - Cisco Dome II, LLC requests authorization of the following operator change:

Previous Operator: SEP - Cisco Dome II, LLC 1245 Brickyard Rd, ste 210 Salt Lake City, UT 84106 435-940-9001 <i>N3865</i>	New Operator: SEP - Cisco Dome, LLC 1245 Brickyard Rd, ste 210 Salt Lake City, UT 84106 435-940-9001 <i>N3785</i>
---	---

Please be advised that SEP - Cisco Dome, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond #: UTB 000465. Effective 1 September 2013.

SEP - Cisco Dome, LLC representative

X  Date: 08/28/2013

Crystal Hammer, Geology Technician

NAME (PLEASE PRINT) <u>Crystal Hammer</u>	TITLE <u>Geology Technician</u>
SIGNATURE <u></u>	DATE <u>8/28/2013</u>

(This space for State use only)

APPROVED

SEP 18 2013

DIV. OF OIL, GAS & MINING

by *Rachael Medina*

RECEIVED

SEP 09 2013

DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139A
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: Federal 25-2
2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC			9. API NUMBER: 4301930587
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106		PHONE NUMBER: (435) 940-9001	10. FIELD AND POOL OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: 994' FSL, 808' FWL			COUNTY: Grand County
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 25 20S 21E S			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: 8/28/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

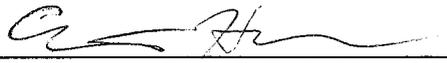
SEP - Cisco Dome II, LLC requests authorization of the following operator change:

Previous Operator:
SEP - Cisco Dome II, LLC
1245 Brickyard Rd, ste 210
Salt Lake City, UT 84106
435-940-9001

New Operator:
SEP - Cisco Dome, LLC
1245 Brickyard Rd, ste 210
Salt Lake City, UT 84106
435-940-9001

Please be advised that SEP - Cisco Dome, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond #: UTB 000465. Effective 1 September 2013.

SEP - Cisco Dome, LLC representative

X 
Crystal Hammer, Geology Technician

Date: 08/28/2013

NAME (PLEASE PRINT) <u>Crystal Hammer</u>	TITLE <u>Geology Technician</u>
SIGNATURE <u></u>	DATE <u>8/28/2013</u>

(This space for State use only)

APPROVED

SEP 18 2013

DIV. OIL GAS & MINING

Raehele Medina

RECEIVED

SEP 09 2013

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139A
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Federal 25-3	
2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC		9. API NUMBER: 4301930575
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106	PHONE NUMBER: (435) 940-9001	10. FIELD AND POOL, OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1041 FSL, 931' FEL		COUNTY: Grand County
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 25 20S 21E S		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: 8/28/2013	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

SEP - Cisco Dome II, LLC requests authorization of the following operator change:

Previous Operator:
SEP - Cisco Dome II, LLC
1245 Brickyard Rd, ste 210
Salt Lake City, UT 84106
435-940-9001

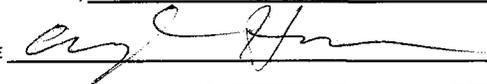
New Operator:
SEP - Cisco Dome, LLC
1245 Brickyard Rd, ste 210
Salt Lake City, UT 84106
435-940-9001

Please be advised that SEP - Cisco Dome, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond #: UTB 000465. Effective 1 September 2013.

SEP - Cisco Dome, LLC representative

X 
Crystal Hammer, Geology Technician

Date: 08/28/2013

NAME (PLEASE PRINT) <u>Crystal Hammer</u>	TITLE <u>Geology Technician</u>
SIGNATURE <u></u>	DATE <u>8/28/2013</u>

(This space for State use only)

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SEP 18 2013

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SEP 09 2013

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02139A
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
7. UNIT or CA AGREEMENT NAME:

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Federal 25-4
2. NAME OF OPERATOR: SEP - CISCO DOME II, LLC	9. API NUMBER: 4301930743
3. ADDRESS OF OPERATOR: 1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106	PHONE NUMBER: (435) 940-9001
4. LOCATION OF WELL FOOTAGES AT SURFACE: 826 FNL, 1814' FWL	10. FIELD AND POOL, OR WILDCAT: Greater Cisco
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 25 20S 21E S	COUNTY: Grand County
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>8/28/2013</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

SEP - Cisco Dome II, LLC requests authorization of the following operator change:

Previous Operator: SEP - Cisco Dome II, LLC 1245 Brickyard Rd, ste 210 Salt Lake City, UT 84106 435-940-9001	New Operator: SEP - Cisco Dome, LLC 1245 Brickyard Rd, ste 210 Salt Lake City, UT 84106 435-940-9001
---	---

Please be advised that SEP - Cisco Dome, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond #: UTB 000465. Effective 1 September 2013.

SEP - Cisco Dome, LLC representative

X  Date: 08/28/2013
Crystal Hammer, Geology Technician

NAME (PLEASE PRINT) <u>Crystal Hammer</u>	TITLE <u>Geology Technician</u>
SIGNATURE <u></u>	DATE <u>8/28/2013</u>

(This space for State use only)

APPROVED
SEP 18 2013
DIV. OIL GAS & MINING
BY: Rachel Medina

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SEP 09 2013

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-02139A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
NA

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Federal 25-5

2. NAME OF OPERATOR:
SEP - CISCO DOME II, LLC

9. API NUMBER:
4301931444

3. ADDRESS OF OPERATOR:
1245 Brickyard Rd, Ste 210 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER:
(435) 940-9001

10. FIELD AND POOL, OR WILDCAT:
Greater Cisco

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **643 FSL, 1922' FWL** COUNTY: **Grand County**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SESW 25 20S 21E S** STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>8/28/2013</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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SEP - Cisco Dome II, LLC requests authorization of the following operator change:

Previous Operator: SEP - Cisco Dome II, LLC 1245 Brickyard Rd, ste 210 Salt Lake City, UT 84106 435-940-9001	New Operator: SEP - Cisco Dome, LLC 1245 Brickyard Rd, ste 210 Salt Lake City, UT 84106 435-940-9001
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Please be advised that SEP - Cisco Dome, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond #: UTB 000465. Effective 1 September 2013.

SEP - Cisco Dome, LLC representative

X *Crystal Hammer*
Crystal Hammer, Geology Technician

Date: 08/28/2013

NAME (PLEASE PRINT) Crystal Hammer TITLE Geology Technician
SIGNATURE *Crystal Hammer* DATE 8/28/2013

(This space for State use only) **APPROVED**

SEP 18 2013

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Effective Date: 9/1/2014

FORMER OPERATOR:	NEW OPERATOR:
SEP CISCO DOME, LLC N3785 10447 SOUTH JORDAN GATEWAY SOUTH JORDAN UT 84095 801-657-5780	ROSE PETROLEUM (UTAH), LLC N4095 383 INVERNESS PARKWAY SUITE 330 ENGLEWOOD CO 80112 720-390-3860
CA Number(s):	Unit(s):

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

OPERATOR CHANGES DOCUMENTATION:

1. Sundry or legal documentation was received from the **FORMER** operator on: 1/26/2015
2. Sundry or legal documentation was received from the **NEW** operator on: 1/26/2015
3. New operator Division of Corporations Business Number: 9009626-0161

REVIEW:

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
3. Reports current for Production/Disposition & Sundries: 1/23/2015
4. OPS/SI/TA well(s) reviewed for full cost bonding: N/A
5. UIC5 on all disposal/injection/storage well(s) approved on: N/A
6. Surface Facility(s) included in operator change: NONE
7. Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 1001696855
2. Indian well(s) covered by Bond Number: N/A
3. State/fee well(s) covered by Bond Number(s): N/A

DATA ENTRY:

1. Well(s) update in the **OGIS** on: 1/27/2015
2. Entity Number(s) updated in **OGIS** on: 1/27/2015
3. Unit(s) operator number update in **OGIS** on: N/A
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: N/A
6. Surface Facilities update in **RBDMS** on: N/A

LEASE INTEREST OWNER NOTIFICATION:

1. The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

SEP Cisco Dome, LLC N3785
to Rose Petroleum (Utah), LLC N4095
Effective 9/1/2014

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
UNION GOVT II-1	24	200S	210E	4301915107	680	Federal	State	GW	P
FEDERAL 31-1A	31	200S	220E	4301930308	8204	Federal	Federal	GW	P
FEDERAL 23-1	23	200S	210E	4301930355	11393	Federal	Federal	GW	P
FEDERAL 14-1	14	200S	210E	4301930430	8169	Federal	Federal	GW	P
FEDERAL 11-1	11	200S	210E	4301930485	8142	Federal	Federal	GW	P
FEDERAL 23-2	23	200S	210E	4301930586	8140	Federal	Federal	GW	P
FEDERAL 14-4	14	200S	210E	4301930878	8153	Federal	Federal	GW	P
FEDERAL 11-3	11	200S	210E	4301930884	8144	Federal	Federal	GW	P
FEDERAL 14-6	14	200S	210E	4301931421	14803	Federal	Federal	GW	P
FEDERAL 14-7	14	200S	210E	4301931422	14780	Federal	Federal	GW	P
FEDERAL 15-8	15	200S	210E	4301931434	15006	Federal	Federal	GW	P
FEDERAL 11-6	11	200S	210E	4301931437	14869	Federal	Federal	GW	P
FEDERAL 14-8	14	200S	210E	4301931439	14804	Federal	Federal	GW	P
FEDERAL 22-2	22	200S	210E	4301931440	14847	Federal	Federal	GW	P
FEDERAL 24-5	24	200S	210E	4301931443	14960	Federal	Federal	GW	P
FEDERAL 13-1	13	200S	210E	4301930348	8146	Federal	Federal	GW	S
FEDERAL 25-1	25	200S	210E	4301930359	11394	Federal	State	GW	S
FEDERAL 30-1	30	200S	220E	4301930429	8203	Federal	Federal	GW	S
FEDERAL 24-3	24	200S	210E	4301930432	11395	Federal	Federal	GW	S
FEDERAL 14-2	14	200S	210E	4301930487	8151	Federal	Federal	GW	S
FEDERAL 14-3	14	200S	210E	4301930488	8152	Federal	Federal	GW	S
FEDERAL 24-2	24	200S	210E	4301930530	8159	Federal	Federal	GW	S
FEDERAL 25-3	25	200S	210E	4301930575	8170	Federal	Federal	GW	S
FEDERAL 25-2	25	200S	210E	4301930587	11392	Federal	Federal	OW	S
FEDERAL 23-3	23	200S	210E	4301930588	8157	Federal	Federal	GW	S
FEDERAL 22-1	22	200S	210E	4301930625	8156	Federal	Federal	GW	S
FEDERAL 15-2	15	200S	210E	4301930636	8154	Federal	Federal	GW	S
FEDERAL 15-3	15	200S	210E	4301930637	8155	Federal	Federal	GW	S
FEDERAL 13-2	13	200S	210E	4301930673	8147	Federal	Federal	GW	S
FEDERAL 25-4	25	200S	210E	4301930743	8181	Federal	State	GW	S
FEDERAL 23-4	23	200S	210E	4301930760	8158	Federal	Federal	GW	S
FEDERAL 12-1	12	200S	210E	4301930881	8145	Federal	Federal	GW	S
FEDERAL 11-2	11	200S	210E	4301930882	8143	Federal	Federal	GW	S
FEDERAL 24-1	24	200S	210E	4301931010	11189	Federal	Federal	GW	S
FEDERAL 10-2A	10	200S	210E	4301931400	14043	Federal	Federal	GW	S
FEDERAL 24-6	24	200S	210E	4301931423	14779	Federal	Federal	GW	S
FEDERAL 23-6	23	200S	210E	4301931424	14848	Federal	Federal	GW	S
FEDERAL 15-7	15	200S	210E	4301931435	14868	Federal	Federal	GW	S
FEDERAL 14-5	14	200S	210E	4301931436	14805	Federal	Federal	GW	S
FEDERAL 15-5	15	200S	210E	4301931441	14952	Federal	Federal	GW	S
FEDERAL 23-5	23	200S	210E	4301931442	15007	Federal	Federal	GW	S
FEDERAL 25-5	25	200S	210E	4301931444	14849	Federal	Federal	GW	S
FEDERAL 19-3	19	200S	220E	4301930302	8201	Federal	Federal	GW	TA
FEDERAL 14-1A	14	200S	210E	4301930436	8150	Federal	Federal	GW	TA
FEDERAL 15-1	15	200S	210E	4301930585	11391	Federal	Federal	GW	TA
FEDERAL 13-4	13	200S	210E	4301930885	8149	Federal	Federal	GW	TA
FEDERAL 19-1A	19	200S	220E	4301930896	8201	Federal	Federal	GW	TA
FEDERAL 24-4	24	200S	210E	4301930900	8208	Federal	Federal	GW	TA
FEDERAL 10-2	10	200S	210E	4301931210	8207	Federal	Federal	GW	TA

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 depths, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: ROSE PETROLEUM (UTAH) LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 383 INVERNESS PARKWAY CITY ENGLEWOOD STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE _____ COUNTY: GRAND QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN. STATE UTAH		8. WELL NAME and NUMBER: SEE ATTACHED LIST
PHONE NUMBER: (720) 390-3860		9. API NUMBER: SEE LIST
		10. FIELD AND POOL, OR WILDCAT: GREATER CISCO

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

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

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

CHANGE OF OPERATOR- Effective as of September 1, 2014

PREVIOUS OPERATOR:

SEP - CISCO DOME N3785
10447 SOUTH JORDAN GATEWAY
SOUTH JORDAN, UT 84095
(801) 657-5780

NEW OPERATOR:

ROSE PETROLEUM (UTAH), LLC DIV. OF OIL, GAS & MINING
383 INVERNESS PARKWAY, SUITE 330
ENGLEWOOD, CO 80112
(720) 390-3860 N4095

RECEIVED

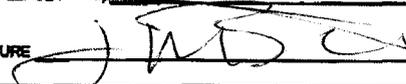
JAN 26 2015

Name: ~~Doris D. White~~ Larry R. Williams
Title: Resident Land Manager & Corporate Counsel

Be advised that Rose Petroleum (Utah), LLC is responsible under the terms and conditions of the related lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond No. 1001696855.

NAME (PLEASE PRINT) John M. Blair

TITLE CEO

SIGNATURE 

DATE 1-23-15

(This space for State use only)

APPROVED

JAN 27 2015

DIV. OIL GAS & MINING

BY: Rachel Medina

WELLS

API NUMBER	WELL NAME	LOCATION
43-019-31210-00-00	FEDERAL 10-2	20S-21E, SEC 10:NESW, GRAND CO., UT
43-019-31400-00-00	FEDERAL 10-2A	20S-21E, SEC 10:NWSE, GRAND CO., UT
43-019-30485-00-00	FEDERAL 11-1	20S-21E, SEC 11:NWSW, GRAND CO., UT
43-019-30882-00-00	FEDERAL 11-2	20S-21E, SEC 11:SESE, GRAND CO., UT
43-019-30884-00-00	FEDERAL 11-3	20S-21E, SEC 11:SWSW, GRAND CO., UT
43-019-31437-00-00	FEDERAL 11-6	20S-21E, SEC 11:SESW, GRAND CO., UT
43-019-30881-00-00	FEDERAL 12-1	20S-21E, SEC 12:SWSW, GRAND CO., UT
43-019-30348-00-00	FEDERAL 13-1	20S-21E, SEC 13:SWSW, GRAND CO., UT
43-019-30673-00-00	FEDERAL 13-2	20S-21E, SEC 13:SESW, GRAND CO., UT
43-019-30885-00-00	FEDERAL 13-4	20S-21E, SEC 13:NWSE, GRAND CO., UT
43-019-30430-00-00	FEDERAL 14-1	20S-21E, SEC 14:NWNW, GRAND CO., UT
43-019-30436-00-00	FEDERAL 14-1A	20S-21E, SEC 14:NWNW, GRAND CO., UT
43-019-30487-00-00	FEDERAL 14-2	20S-21E, SEC 14:NENE, GRAND CO., UT
43-019-30488-00-00	FEDERAL 14-3	20S-21E, SEC 14:NESE, GRAND CO., UT
43-019-30878-00-00	FEDERAL 14-4	20S-21E, SEC 14:SWSW, GRAND CO., UT
43-019-31436-00-00	FEDERAL 14-5	20S-21E, SEC 14:NENW, GRAND CO., UT
43-019-31421-00-00	FEDERAL 14-6	20S-21E, SEC 14:SWNW, GRAND CO., UT
43-019-31422-00-00	FEDERAL 14-7	20S-21E, SEC 14:SWNE, GRAND CO., UT
43-019-31439-00-00	FEDERAL 14-8	20S-21E, SEC 14:SWSE, GRAND CO., UT
43-019-30585-00-00	FEDERAL 15-1	20S-21E, SEC 15:NESE, GRAND CO., UT
43-019-30636-00-00	FEDERAL 15-2	20S-21E, SEC 15:NWNW, GRAND CO., UT
43-019-30637-00-00	FEDERAL 15-3	20S-21E, SEC 15:NENE, GRAND CO., UT
43-019-31441-00-00	FEDERAL 15-5	20S-21E, SEC 15:NWSE, GRAND CO., UT
43-019-31435-00-00	FEDERAL 15-7	20S-21E, SEC 15:SESW, GRAND CO., UT
43-019-31434-00-00	FEDERAL 15-8	20S-21E, SEC 15:SWSE, GRAND CO., UT
43-019-30898-00-00	FEDERAL 19-1A	20S-21E, SEC 19:SWNW, GRAND CO., UT
43-019-30302-00-00	FEDERAL 19-3	20S-21E, SEC 19:SWSW, GRAND CO., UT
43-019-30625-00-00	FEDERAL 22-1	20S-21E, SEC 22:SENE, GRAND CO., UT

WELLS

API NUMBER	WELL NAME	LOCATION
43-019-31440-00-00	FEDERAL 22-2	20S-21E, SEC 22:NWNE, GRAND CO., UT
43-019-30355-00-00	FEDERAL 23-1	20S-21E, SEC 23:SWNE, GRAND CO., UT
43-019-30588-00-00	FEDERAL 23-2	20S-21E, SEC 23:NWNW, GRAND CO., UT
43-019-30588-00-00	FEDERAL 23-3	20S-21E, SEC 23:SESW, GRAND CO., UT
43-019-30760-00-00	FEDERAL 23-4	20S-21E, SEC 23:NWSE, GRAND CO., UT
43-019-31442-00-00	FEDERAL 23-5	20S-21E, SEC 23:NENE, GRAND CO., UT
43-019-31424-00-00	FEDERAL 23-6	20S-21E, SEC 23:SESW, GRAND CO., UT
43-019-31010-00-00	FEDERAL 24-1	20S-21E, SEC 24:SWSW, GRAND CO., UT
43-019-30530-00-00	FEDERAL 24-2	20S-21E, SEC 24:NWNW, GRAND CO., UT
43-019-30432-00-00	FEDERAL 24-3	20S-21E, SEC 24:SWSE, GRAND CO., UT
43-019-30900-00-00	FEDERAL 24-4	20S-21E, SEC 24:NWNE, GRAND CO., UT
43-019-31443-00-00	FEDERAL 24-5	20S-21E, SEC 24:SWNW, GRAND CO., UT
43-019-31423-00-00	FEDERAL 24-6	20S-21E, SEC 24:NWSE, GRAND CO., UT
43-019-30359-00-00	FEDERAL 25-1	20S-21E, SEC 25:SWNE, GRAND CO., UT
43-019-30587-00-00	FEDERAL 25-2	20S-21E, SEC 25:SWSW, GRAND CO., UT
43-019-30575-00-00	FEDERAL 25-3	20S-21E, SEC 25:SESE, GRAND CO., UT
43-019-30743-00-00	FEDERAL 25-4	20S-21E, SEC 25:NENW, GRAND CO., UT
43-019-31444-00-00	FEDERAL 25-5	20S-21E, SEC 25:SESW, GRAND CO., UT
43-019-30429-00-00	FEDERAL 30-1	20S-22E, SEC 30:SWNW, GRAND CO., UT
43-019-30308-00-00	FEDERAL 31-1A	20S-22E, SEC 31:NENW, GRAND CO., UT
43-019-15107-00-00	UNION GOVT II-1	20S-21E, SEC 24:NWSW, GRAND CO., UT

Division of Oil, Gas and Mining
 Operator Change/Name Change Worksheet-for State use only

Effective Date: 7/1/2016

FORMER OPERATOR: Rose Petroleum (Utah), LLC N4095 383 Inverness Parkway, Suite 330 Englewood, CO 80112	NEW OPERATOR: Rockies Standard Oil Company, LLC N3735 1411 East 840 North Orem, UT 84097
CA Number(s):	Unit(s): Gunnison Valley

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

OPERATOR CHANGES DOCUMENTATION:

- Sundry or legal documentation was received from the **FORMER** operator on: 7/27/2016
- Sundry or legal documentation was received from the **NEW** operator on: 7/27/2016
- New operator Division of Corporations Business Number: 7698560-0161

REVIEW:

- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
- Receipt of Acceptance of Drilling Procedures for APD on: N/A
- Reports current for Production/Disposition & Sundries: 9/14/2016
- OPS/SI/TA well(s) reviewed for full cost bonding: 8/24/2016
- UIC5 on all disposal/injection/storage well(s) approved on: N/A
- Surface Facility(s) included in operator change: N/A
- Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

- Federal well(s) covered by Bond Number: 1001696855
- Indian well(s) covered by Bond Number: 1001696855
- State/fee well(s) covered by Bond Number(s): 1001696885a,b,c,d,e

DATA ENTRY:

- Well(s) update in the **OGIS** on: 9/14/2016
- Entity Number(s) updated in **OGIS** on: 9/14/2016
- Unit(s) operator number update in **OGIS** on: 9/14/2016
- Surface Facilities update in **OGIS** on: N/A
- State/Fee well(s) attached to bond(s) in **RBDMS** on: 9/14/2016
- Surface Facilities update in **RBDMS** on: N/A

COMMENTS:

From Rose Petroleum (Utah), LLC
 To Rockies Standard Oil Company, LLC
 Effective July 1, 2016

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral	Surface	Type	Status	Unit
THUNDERBIRD 1	32	200S	240E	4301930058	10339	State	State	OW	P	
CPSKY PHLPS FEE 8-1	8	200S	240E	4301915100	2800	Fee	Fee	GW	S	
UNION GOVT II-1	24	200S	210E	4301915107	680	Federal	State	GW	S	
FEDERAL 19-3	19	200S	220E	4301930302	8201	Federal	Federal	GW	S	
FEDERAL 31-1A	31	200S	220E	4301930308	8204	Federal	Federal	GW	S	
STATE 32-1	32	200S	220E	4301930347	8206	State	State	GW	S	
FEDERAL 13-1	13	200S	210E	4301930348	8146	Federal	Federal	GW	S	
FEDERAL 23-1	23	200S	210E	4301930355	11393	Federal	Federal	GW	S	
FEDERAL 25-1	25	200S	210E	4301930359	11394	Federal	State	GW	S	
FEDERAL 30-1	30	200S	220E	4301930429	8203	Federal	Federal	GW	S	
FEDERAL 14-1	14	200S	210E	4301930430	8169	Federal	Federal	GW	S	
FEDERAL 24-3	24	200S	210E	4301930432	11395	Federal	Federal	GW	S	
FEDERAL 14-1A	14	200S	210E	4301930436	8150	Federal	Federal	GW	S	
FEDERAL 11-1	11	200S	210E	4301930485	8142	Federal	Federal	GW	S	
FEDERAL 14-2	14	200S	210E	4301930487	8151	Federal	Federal	GW	S	
FEDERAL 14-3	14	200S	210E	4301930488	8152	Federal	Federal	GW	S	
FEDERAL 24-2	24	200S	210E	4301930530	8159	Federal	Federal	GW	S	
FEDERAL 25-3	25	200S	210E	4301930575	8170	Federal	Federal	GW	S	
FEDERAL 15-1	15	200S	210E	4301930585	11391	Federal	Federal	GW	S	
FEDERAL 23-2	23	200S	210E	4301930586	8140	Federal	Federal	GW	S	
FEDERAL 25-2	25	200S	210E	4301930587	11392	Federal	Federal	OW	S	
FEDERAL 23-3	23	200S	210E	4301930588	8157	Federal	Federal	GW	S	
FEDERAL 22-1	22	200S	210E	4301930625	8156	Federal	Federal	GW	S	
FEDERAL 15-2	15	200S	210E	4301930636	8154	Federal	Federal	GW	S	
FEDERAL 15-3	15	200S	210E	4301930637	8155	Federal	Federal	GW	S	
FEDERAL 13-2	13	200S	210E	4301930673	8147	Federal	Federal	GW	S	
FEDERAL 25-4	25	200S	210E	4301930743	8181	Federal	State	GW	S	
FEDERAL 23-4	23	200S	210E	4301930760	8158	Federal	Federal	GW	S	
FEDERAL 14-4	14	200S	210E	4301930878	8153	Federal	Federal	GW	S	
FEDERAL 12-1	12	200S	210E	4301930881	8145	Federal	Federal	GW	S	
FEDERAL 11-2	11	200S	210E	4301930882	8143	Federal	Federal	GW	S	
FEDERAL 11-3	11	200S	210E	4301930884	8144	Federal	Federal	GW	S	
FEDERAL 13-4	13	200S	210E	4301930885	8149	Federal	Federal	GW	S	
FEDERAL 19-1A	19	200S	220E	4301930896	8201	Federal	Federal	GW	S	
FEDERAL 24-4	24	200S	210E	4301930900	8208	Federal	Federal	GW	S	
FEDERAL 24-1	24	200S	210E	4301931010	11189	Federal	Federal	GW	S	
FEDERAL 10-2	10	200S	210E	4301931210	8207	Federal	Federal	GW	S	
FEDERAL 10-2A	10	200S	210E	4301931400	14043	Federal	Federal	GW	S	
FEDERAL 14-6	14	200S	210E	4301931421	14803	Federal	Federal	GW	S	
FEDERAL 14-7	14	200S	210E	4301931422	14780	Federal	Federal	GW	S	
FEDERAL 24-6	24	200S	210E	4301931423	14779	Federal	Federal	GW	S	
FEDERAL 23-6	23	200S	210E	4301931424	14848	Federal	Federal	GW	S	
FEDERAL 15-8	15	200S	210E	4301931434	15006	Federal	Federal	GW	S	
FEDERAL 15-7	15	200S	210E	4301931435	14868	Federal	Federal	GW	S	
FEDERAL 14-5	14	200S	210E	4301931436	14805	Federal	Federal	GW	S	
FEDERAL 11-6	11	200S	210E	4301931437	14869	Federal	Federal	GW	S	
FEDERAL 14-8	14	200S	210E	4301931439	14804	Federal	Federal	GW	S	
FEDERAL 22-2	22	200S	210E	4301931440	14847	Federal	Federal	GW	S	
FEDERAL 15-5	15	200S	210E	4301931441	14952	Federal	Federal	GW	S	
FEDERAL 23-5	23	200S	210E	4301931442	15007	Federal	Federal	GW	S	
FEDERAL 24-5	24	200S	210E	4301931443	14960	Federal	Federal	GW	S	
FEDERAL 25-5	25	200S	210E	4301931444	14849	Federal	Federal	GW	S	
STATE 16-42	16	220S	170E	4301931605	17278	State	State	GW	S	GUNNISON VALLEY
State 1-34	34	210S	230E	4301950067	19876	State	State	OW	S	

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: SEE ATTACHED LIST
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: SEE ATTACHED LIST	
2. NAME OF OPERATOR: Rockies Standard Oil Company, LLC		9. API NUMBER: SEE LIST	
3. ADDRESS OF OPERATOR: 1411 E 840 N CITY Orem STATE UT ZIP 84097		PHONE NUMBER: (801) 224-4771	10. FIELD AND POOL, OR WILDCAT: Greater Cisco
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED LIST			COUNTY: Grand County
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:			STATE: UTAH

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

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

CHANGE OF OPERATOR

PREVIOUS OPERATOR:
Rose Petroleum (Utah), LLC
383 Inverness Parkway, Ste 330
Englewood, CO 80112
(303) 814-0388

Jy Wilson

NEW OPERATOR:
Rockies Standard Oil Company, LLC
1411 East 840 North
Orem, UT 84097
(801) 224-4771

Be advised that Rockies Standard Oil Company, LLC is responsible under the terms and conditions of the related leases for the operations conducted upon the leased lands. Bond coverage is covered by Bond No. 1001696855.A

NAME (PLEASE PRINT) <u>Kimball Hodges</u>	TITLE <u>Manager</u>
SIGNATURE	DATE <u>7/20/16</u>

(This space for State use only)

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JUL 27 2016

SEP 14 2016

(See Instructions on Reverse Side)

DIV. OIL GAS & MINING
BY: Rachel Medina

DIV. OF OIL, GAS & MINING

WELLS

API NUMBER	WELL NAME	LOCATION
43-019-31210-00-00	FEDERAL 10-2	20S-21E, SEC 10:NESW, GRAND CO., UT
43-019-31400-00-00	FEDERAL 10-2A	20S-21E, SEC 10:NWSE, GRAND CO., UT
43-019-30485-00-00	FEDERAL 11-1	20S-21E, SEC 11:NWSW, GRAND CO., UT
43-019-30882-00-00	FEDERAL 11-2	20S-21E, SEC 11:SESE, GRAND CO., UT
43-019-30884-00-00	FEDERAL 11-3	20S-21E, SEC 11:SWSW, GRAND CO., UT
43-019-31437-00-00	FEDERAL 11-6	20S-21E, SEC 11:SESW, GRAND CO., UT
43-019-30881-00-00	FEDERAL 12-1	20S-21E, SEC 12:SWSW, GRAND CO., UT
43-019-30348-00-00	FEDERAL 13-1	20S-21E, SEC 13:SWSW, GRAND CO., UT
43-019-30673-00-00	FEDERAL 13-2	20S-21E, SEC 13:SESW, GRAND CO., UT
43-019-30885-00-00	FEDERAL 13-4	20S-21E, SEC 13:NWSE, GRAND CO., UT
43-019-30430-00-00	FEDERAL 14-1	20S-21E, SEC 14:NWNW, GRAND CO., UT
43-019-30436-00-00	FEDERAL 14-1A	20S-21E, SEC 14:NWNW, GRAND CO., UT
43-019-30487-00-00	FEDERAL 14-2	20S-21E, SEC 14:NENE, GRAND CO., UT
43-019-30488-00-00	FEDERAL 14-3	20S-21E, SEC 14:NESE, GRAND CO., UT
43-019-30878-00-00	FEDERAL 14-4	20S-21E, SEC 14:SWSW, GRAND CO., UT
43-019-31436-00-00	FEDERAL 14-5	20S-21E, SEC 14:NENW, GRAND CO., UT
43-019-31421-00-00	FEDERAL 14-6	20S-21E, SEC 14:SWNW, GRAND CO., UT
43-019-31422-00-00	FEDERAL 14-7	20S-21E, SEC 14:SWNE, GRAND CO., UT
43-019-31439-00-00	FEDERAL 14-8	20S-21E, SEC 14:SWSE, GRAND CO., UT
43-019-30585-00-00	FEDERAL 15-1	20S-21E, SEC 15:NESE, GRAND CO., UT
43-019-30636-00-00	FEDERAL 15-2	20S-21E, SEC 15:NWNW, GRAND CO., UT
43-019-30637-00-00	FEDERAL 15-3	20S-21E, SEC 15:NENE, GRAND CO., UT
43-019-31441-00-00	FEDERAL 15-5	20S-21E, SEC 15:NWSE, GRAND CO., UT
43-019-31435-00-00	FEDERAL 15-7	20S-21E, SEC 15:SESW, GRAND CO., UT
43-019-31434-00-00	FEDERAL 15-8	20S-21E, SEC 15:SWSE, GRAND CO., UT
43-019-30896-00-00	FEDERAL 19-1A	20S-21E, SEC 19:SWNW, GRAND CO., UT
43-019-30302-00-00	FEDERAL 19-3	20S-21E, SEC 19:SWSW, GRAND CO., UT
43-019-30625-00-00	FEDERAL 22-1	20S-21E, SEC 22:SENE, GRAND CO., UT

WELLS

API NUMBER	WELL NAME	LOCATION
43-019-31440-00-00	FEDERAL 22-2	20S-21E, SEC 22:NWNE, GRAND CO., UT
43-019-30355-00-00	FEDERAL 23-1	20S-21E, SEC 23:SWNE, GRAND CO., UT
43-019-30586-00-00	FEDERAL 23-2	20S-21E, SEC 23:NWNW, GRAND CO., UT
43-019-30588-00-00	FEDERAL 23-3	20S-21E, SEC 23:SESW, GRAND CO., UT
43-019-30760-00-00	FEDERAL 23-4	20S-21E, SEC 23:NWSE, GRAND CO., UT
43-019-31442-00-00	FEDERAL 23-5	20S-21E, SEC 23:NENE, GRAND CO., UT
43-019-31424-00-00	FEDERAL 23-6	20S-21E, SEC 23:SESW, GRAND CO., UT
43-019-31010-00-00	FEDERAL 24-1	20S-21E, SEC 24:SWSW, GRAND CO., UT
43-019-30530-00-00	FEDERAL 24-2	20S-21E, SEC 24:NWNW, GRAND CO., UT
43-019-30432-00-00	FEDERAL 24-3	20S-21E, SEC 24:SWSE, GRAND CO., UT
43-019-30900-00-00	FEDERAL 24-4	20S-21E, SEC 24:NWNE, GRAND CO., UT
43-019-31443-00-00	FEDERAL 24-5	20S-21E, SEC 24:SWNW, GRAND CO., UT
43-019-31423-00-00	FEDERAL 24-6	20S-21E, SEC 24:NWSE, GRAND CO., UT
43-019-30359-00-00	FEDERAL 25-1	20S-21E, SEC 25:SWNE, GRAND CO., UT
43-019-30587-00-00	FEDERAL 25-2	20S-21E, SEC 25:SWSW, GRAND CO., UT
43-019-30575-00-00	FEDERAL 25-3	20S-21E, SEC 25:SESE, GRAND CO., UT
43-019-30743-00-00	FEDERAL 25-4	20S-21E, SEC 25:NENW, GRAND CO., UT
43-019-31444-00-00	FEDERAL 25-5	20S-21E, SEC 25:SESW, GRAND CO., UT
43-019-30429-00-00	FEDERAL 30-1	20S-22E, SEC 30:SWNW, GRAND CO., UT
43-019-30308-00-00	FEDERAL 31-1A	20S-22E, SEC 31:NENW, GRAND CO., UT
43-019-15107-00-00	UNION GOVT II-1	20S-21E, SEC 24:NWSW, GRAND CO., UT

WELLS

API NUMBER	WELL NAME	LOCATION
43-019-15100-00-00	CPSKY PHLPS FEE 8-1	20S-24E, SEC 08:NWNW, GRAND CO., UT
43-019-30347-00-00	STATE 32-1	20S-22E, SEC 32:SEW, GRAND CO., UT
43-019-30058-00-00	THUNDERBIRD 1	20S-24E, SEC 32:NWNW, GRAND CO., UT

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 48144
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Gunnison Valley Unit
2. NAME OF OPERATOR: Rockies Standard Oil Company, LLC		8. WELL NAME and NUMBER: State 16-42
3. ADDRESS OF OPERATOR: 1411 E 840 N <small>CITY</small> Orem <small>STATE</small> UT <small>ZIP</small> 84097	PHONE NUMBER: (801) 224-4771	9. API NUMBER: 4301931605
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2108' FNL, 0559' FEL		10. FIELD AND POOL, OR WILDCAT: Wildcat
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 16 22S 17E S		COUNTY: Grand County
		STATE: UTAH

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

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

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

PREVIOUS OPERATOR:
Rose Petroleum (Utah), LLC
383 Inverness Parkway, Ste 330
Englewood, CO 80112
(303) 814-0388
J. Watson

NEW OPERATOR:
Rockies Standard Oil Company, LLC
1411 East 840 North
Orem, UT 84097
(801) 224-4771

Be advised that Rockies Standard Oil Company, LLC is responsible under the terms and conditions of the related lease for the operations conducted upon the leased lands. Bond coverage is covered by Bond No. 1001696855.A

NAME (PLEASE PRINT) <u>Kimball Hodges</u>	TITLE <u>Manager</u>
SIGNATURE <i>[Signature]</i>	DATE <u>7/20/16</u>

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APPROVED

SEP 14 2016

DIV OIL GAS & MINING
(See Instructions on Reverse Side)
Rachel Medina

(5/2000)

RECEIVED

JUL 27 2016

DIVISION OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML 49496
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Rockies Standard Oil Company, LLC			8. WELL NAME and NUMBER: State 1-34
3. ADDRESS OF OPERATOR: 1411 E 840 N CITY Orem STATE UT ZIP 84097		PHONE NUMBER: (801) 224-4771	9. API NUMBER: 4301950067
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0521' FNL, 0712' FEL COUNTY: Grand County QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 34 21S 23E S STATE: UTAH			10. FIELD AND POOL, OR WILDCAT: Greater Cisco

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

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

CHANGE OF OPERATOR

PREVIOUS OPERATOR:
Rose Petroleum (Utah), LLC
383 Inverness Parkway, Ste 330
Englewood, CO 80112
(303) 814-0388



NEW OPERATOR:
Rockies Standard Oil Company, LLC
1411 East 840 North
Orem, UT 84097
(801) 224-4771



Be advised that Rockies Standard Oil Company, LLC is responsible under the terms and conditions of the related lease for the operations conducted upon the leased lands. Bond coverage is covered by Bond No. 1001696855.A

NAME (PLEASE PRINT) <u>Kimball Hodges</u>	TITLE <u>Manager</u>
SIGNATURE 	DATE <u>7/20/16</u>

(This space for State use only)

APPROVED

SEP 14 2016

(See Instructions on Reverse Side)

DIV OIL GAS & MINING
BY: Derek Medina

RECEIVED
JUL 27 2016

DIV. OF OIL, GAS & MINING

ASSIGNMENT AND BILL OF SALE OF BONDS

THIS ASSIGNMENT AND BILL OF SALE (this "Assignment") executed by **ROSE PETROLEUM (UTAH) LLC**, a Delaware limited liability company (hereinafter called "Assignor"), with an office at 383 Inverness Parkway, Suite 330, Englewood, CO 80112, to **ROCKIES STANDARD OIL COMPANY, LLC**, a Delaware limited liability company (hereinafter called "Assignee"), with an office at 1411 East 840 North, Orem, Utah, 84097, dated effective April 1, 2016 (said day being hereinafter called the "Effective Time").

All capitalized terms not defined herein shall have the meanings ascribed to them in that certain Purchase and Sale Agreement dated March 13, 2014, executed by and between Assignor and Assignee and/or that certain Side Agreement to Purchase and Sale Agreement between Assignor and Assignee dated effective April 1, 2016.

ARTICLE I **Assignment of Bonds**

Assignor, for Ten and No/100 Dollars (\$10.00) and other good and valuable consideration in hand paid by Assignee, the receipt and sufficiency of which consideration are hereby acknowledged and confessed, by these presents does hereby ASSIGN, TRANSFER, SET OVER, RELEASE and DELIVER unto Assignee ALL (100.0%) of Assignor's right, title, and interest in and to the following described bonds and/or bonding instruments:

- (a) State of Utah School and Institutional Trust Lands Administration Bond # 5605 in the amount of \$15,000.00;
- (b) Utah Division of Oil Gas and Mining statewide blanket bond #1001696855 in the amount of \$120,000.00; and
- (c) United States Department of the Interior Bureau of Land Management bond #UTB000645 in the amount of \$280,000.00;

as well as, without limitation, any and all proceeds and/or refunds of the same. All of the bonds and/or bonding instruments (a) through (c) above are hereinafter collectively called the "Bonds".

TO HAVE AND TO HOLD the Bonds unto Assignee, its respective successors and assigns forever, subject, however, to the matters set forth herein. The Bonds are assigned by Assignor and accepted by Assignee expressly subject to the terms and conditions of that Side Agreement to Purchase and Sale Agreement dated effective April 1, 2016 executed by and between Assignor and Assignee.

ARTICLE III
Miscellaneous

Section 3.1 Further Assurances. Assignor covenants and agrees to execute and deliver to Assignee all such other and additional instruments and other documents and will do all such other acts and things as may be necessary more fully to assure to Assignee or its successors or assigns, all of the respective rights and interests herein and hereby assigned or intended to be assigned, including without limitation, executing separate assignments of individual bonds or bonding instruments, which are included in the Bonds and which are necessary to facilitate the recognition of Assignee's ownership of the Bonds.

Section 3.2 Successors and Assigns. All of the provisions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of Assignor and Assignee. All references herein to either Assignor or Assignee shall include their respective successors and assigns.

Section 3.3 Counterparts. This Assignment is being executed in several original counterparts, no fewer than four (4), all of which are identical, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one and the same assignment.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed on the dates of their respective acknowledgments set forth below, to be effective, however, as of the Effective Time.

Assignor

ROSE Petroleum (UTAH) LLC

By: _____

Ty Watson, its President

Assignee

ROCKIES STANDARD OIL COMPANY, LLC

By: _____

Name: KIMBAU HODGES

Title: Manager of Petro Fuego, LLC; Petro Fuego, LLC as Manager of Rockies Standard Oil Company, LLC.



Rachel Medina <rachelmedina@utah.gov>

Bonding

1 message

Rachel Medina <rachelmedina@utah.gov>
To: Kimball Hodges <khodges@rockiesstandard.com>

Wed, Aug 24, 2016 at 3:37 PM

Hi Kimball,

We will be able to move forward with moving the statewide blanket bond from Rose to individual bonds with Rockies. Below is the break down of what Dustin is going to require for each well.

CPSKY PHLPS FEE 8-1 \$15,000

Thunderbird 1 \$1,500

State 32-1 \$15,000.00

State 16-42 \$30,000

State 1-34 \$30,000.00-Once you have final inspection on this well you can submit a letter requesting a bond release on the funds.

Bring a total of \$91,500.00. What I need from Rockies now is a Form 4B.2 on each well. The bond number is going to be the check number (1001696885), then if you could add an alpha character to the end (e.g 1001696885a, 1001696885b) this help to keep the records clear in our system.

Rockies currently has two cash bonds with the Division, but as a precaution if you could also submit a current IRS W-9 form for the bank that holds our bonds that would be greatly appreciated.

Also, to have a clear account, if you would submit a letter with the above forms stating that you're using the blanket bond as individual bond. Follow that up with a request to release the remaining \$28,500 that per the submitted agreement needs to be sent to Rockies Standard and the address we should mail the check to.

To answer Brad's question the two years audited financials would need to be reviewed by an independent certified public accountant.

If you have any question please let me know. In regards to this matter...because I am handling multiple task that take me away from my desk recently, if you try to call or email me and I'm not available you may call my cell phone [REDACTED]

Thanks!

—
Rachel Medina
Division of Oil, Gas & Mining
Bonding Technician
801-538-5260



1411 East 840 North, Orem, Utah 84097

RECEIVED
AUG 31 2016
DIV. OF OIL, GAS & MINING

August 30, 2016

To: Utah Department of Oil, Gas, and Mining – Department of Natural Resources
ATTN: Rachel Medina
1594 W North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Moving Rose Blanket Bond to Rockies Individual Bonds 1001696885a, 1001696885b, 1001696885c, 1001696885d, and 1001696885e and Releasing Balance to Rockies

Enclosed is a completed Form 4B.2 for each of five wells recently acquired from Rose Petroleum (Utah), LLC (“Rose”) for which Rockies Standard Oil Company, LLC (“RSOC”) will assume operations. Rose assigned its blanket DOGM bond (1001696855) to Rockies, but Rockies requests that Rose’s statewide bond instead be used to bond these wells on an individual basis rather than blanket.

Rockies further requests that the balance of the Rose blanket bond (such balance in the amount of \$28,500.00) be released to Rockies at:

Rockies Standard Oil Company, LLC
Attn: Operations
1411 East 840 North
Orem, UT 84097

Your help and prompt attention to this matter is greatly appreciated.

Sincerely,

Kimball Hodges
Manager of PetroFuego, LLC
Manager for Rockies Standard Oil Company, LLC