

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: UTU 17245-A	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Running Foxes Petroleum, Inc.				9. WELL NAME and NUMBER: Cisco 27-3-1	
3. ADDRESS OF OPERATOR: 7060-B S. Tucson Way CITY Centennial STATE CO ZIP 80112			PHONE NUMBER: (720) 889-0510	10. FIELD AND POOL, OR WILDCAT: Greater Cisco	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 500' fnl & 1980' fwl NE NW AT PROPOSED PRODUCING ZONE: Same as above				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 20S 23E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 13 miles to the Northwest of the town of Cisco, Utah				12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 500 ft.		16. NUMBER OF ACRES IN LEASE: 640 Acres		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 Acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 357 ft.		19. PROPOSED DEPTH: 2,800		20. BOND DESCRIPTION: UTB 000207	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4867 ft. GL		22. APPROXIMATE DATE WORK WILL START: 10/18/2007		23. ESTIMATED DURATION: 21 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
	See Attached A thru G		

**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 checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Kent Keppel TITLE Landman

SIGNATURE *Kent Keppel* DATE 10-16-2007

(This space for State use only)

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

**RECEIVED**

**OCT 18 2007**

API NUMBER ASSIGNED: 43019-31565

APPROVAL:

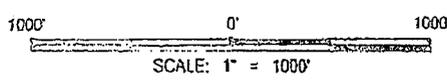
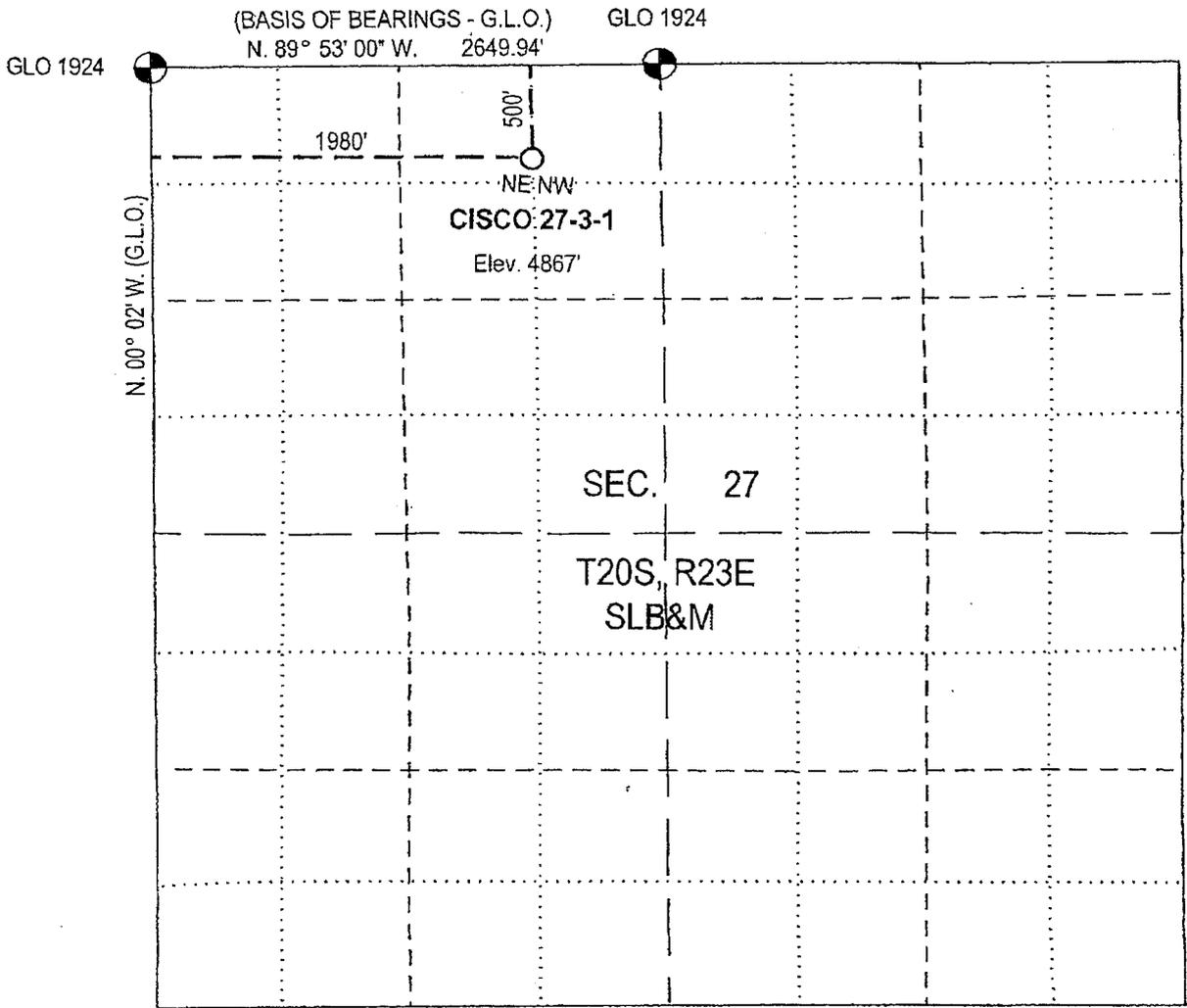
Date: 10-22-07

**DIV. OF OIL, GAS & MINING**

**Federal Approval of this  
Action is Necessary**

(See Instructions on Reverse Side)

G

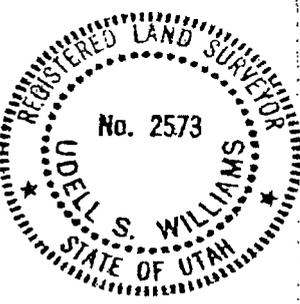


Lat. 39° 02' 37" N.  
 Long. 109° 21' 19" W.

**CISCO 27-3-1**

Located 500 feet FNL and 1980 feet FWL of Section 27, T20S, R23E, SLB&M.  
 Grand County, Utah

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, CO 80112



**SURVEYOR'S CERTIFICATE**

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

*Udell S. Williams*  
 Utah PLS No. 2573



**UDELL S. WILLIAMS**  
 Professional Land Surveyor  
 449 E. Scenic Dr. (970) 254-0157  
 Grand Junction, Colorado 81503-1569  
 Surveying Western Colorado & Eastern Utah Since 1953

PLAT OF  
**PROPOSED LOCATION**  
**CISCO 27-3-1**  
 NENW SECTION 27  
 T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 08/01/2007  
 DRAWN BY: USW DATE: 08/02/2007

**Running Foxes Petroleum, Inc.**  
**7060B S. Tucson Way**  
**Centennial, Colorado 80112**  
**Managing Member: Greg Simonds (970) 361-6311**  
**Consulting Geologist: Neil D. Sharp (303) 910-6751**

### Cisco 27-3-1 Drilling Plan

500' fnl, 1980' fwl (NE NW) Sec. 27 Twp. 20S Rge. 23E, SLM, Grand County, Utah

Location access (Refer to Attachment C & F): From Exit 214 I-70 (wb), proceed north on Book Cliffs Road (paved) for 200 feet, turn left toward west on Danish Flat county road and proceed northwesterly for .3 mile. Take first right toward the north onto graded dirt road (County Road 182) and proceed northwest for about 5.25 miles. Take left hand turn (County Road 268) and follow road southeasterly for about 2.3 miles. Turn left and go east for about .3 mile to access road on your right to the Cisco 27-3-1. Turn onto this road and continue south to the proposed well site. Exit 214 is 49 miles northeast of Moab, UT via US 191, UT 128 and county road through Cisco, UT, 64 miles from Moab via US 191 and I-70, 47 miles west of Grand Junction, CO via I-70 and 153 miles from Vernal, UT via US 40 through Rangely, CO on CO 64, over Douglas Pass on CO 139 to Loma, CO and I-70.

Projected tops:	Mancos Shale	Surface	(Elevation GL 4867')
	Dakota Fm marker	1844'	Oil & natural gas (possible water)
	Cedar Mountain Fm	1944'	Natural Gas (possible water)
	Morrison Fm		
	Brushy Basin Mbr	2059'	Oil and Natural Gas
	Salt Wash Mbr	2332'	Natural Gas
	Entrada Fm	2694'	Oil and Natural Gas
	TD	2800'	

#### Construction program:

- ☀ Air, mist and/or foam circulation using 5-7% KCl water injection below Dakota
- ☀ Minimum 2000 psi rated BOP with 500 psi rated diverter and 100' min. 4" blooie line to pit
- ☀ 11" hole to 120' below GL elevation to set 8 5/8" 23 ppf, J-55 (or better) surface casing with Class A cement circulated back to surface. Estimate 50 sacks (2.2 cubic yards) with slurry yield of 1.18 cubic feet per sack including 25% excess.
- ☀ 6 1/2" hole to 2800' below KB to set 4.5" 10.5 ppf, J-55 (or better) long string and cement with Class A slurry from TD to 1800'. Estimate 121 sacks (5.3 cubic yards) with slurry yield of 1.18 cubic feet per sack including 25% excess.
- ☀ Run 2 3/8" tubing for completion testing

Operations will be conducted during daylight hours only, except upon reaching TD, running the long string, and cementing.

A casing decision will be made based upon drilling shows and open-hole logs.

Well will be killed with 5-7% KCl water or KCl/gel/polymer mud to run long string.

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

October, 2007

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

Company Running Foxes Petroleum Well No. Cisco 27-3-1

Location: Sec. 27, T. 20S, R. 23E, Lease No. UTU 17245-A

On-Site Inspection Date 2007

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

**A. DRILLING PROGRAM**

1. Surface Formation and Estimated Formation Tops: Mancos Shale surface, Dakota Formation marker 1747', Cedar Mountain Formation 1847', Brushy Basin Member of Morrison Formation 1902', Salt Wash Member of Morrison Formation 2235', Entrada Formation 2597'.
2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered:  

<u>Depth/Formation</u>	
Expected Oil Zones:	1747'/Dakota, 1902'/Brushy Basin, 2597'/Entrada
Expected Gas Zones:	1747'/Dakota, 1847'/Cedar Mtn, 2235'/Salt Wash
Expected Water Zones:	Layers in any pre-Mancos formation can be saline aquifers
Expected Mineral Zones:	1747'/Dakota (possible thin coal beds)

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

3. Pressure Control Equipment -include schematics of the BOP and choke manifold, and describe testing procedures: Double ram (pipe and blind) BOP with minimum working pressure rating of 2000 psi equipped with accumulator for remote operation and rotating head/diverter with minimum working pressure rating of 500 psi. BOP will be tested for ten minutes holding 1000 psi prior to drilling through surface casing shoe. See schematic diagram of typical equipment depicted by APD Attachment B

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2 as allowed under the Greater Cisco Area variance dated May 14, 2003. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no

more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log.

4. Casing Program and Auxiliary Equipment -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): 120' new 8 5/8" J-55 ST&C 23 ppf (or better) surface casing. 2800' reconditioned 4.5" J-55 LT&C 10.5 ppf (or better) long string casing.

5. Cement -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: Surface casing will be cemented to surface with an estimated 50 sacks (including 25% excess) of 15.6 ppg Class A slurry that yields 1.18 cubic feet per sack. The long string will be cemented from TD to 1800' with 121 sacks (including 25% excess) of 15.6 ppg Class A slurry yielding 1.18 cubic feet per sack. Cello-flake will be added to control fluid loss.

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

6. Mud Program and Circulating Medium -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Circulating medium will be compressed air with 4-6% KCl water solution injected into the air stream to form mist to stabilize the hole and control dust. Foaming agents will be used as needed to maintain circulation. Excessive fluid flows will be controlled by mixing KCl/gel/polymer mud as needed and the materials will be held on standby in Grand Junction, Colorado for such purposes. 100 bbls of water will be on the location for use as kill fluid. The blooie line will be constructed of 4" minimum diameter pipe that is at minimum 100' in length. The igniter will be a diesel fuel smudge pot.

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

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

7. Coring, Logging and Testing Program: No coring tests are planned, but open hole logging is planned.

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

8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards -include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal temperature conditions or occurrences of hydrogen sulfide are known to exist in the Greater Cisco Field. Zones of lost circulation are not expected, and are unlikely to be recognized with the circulation system being used. The pressure gradient is normal to subnormal. Formation pressure through the depths and formations to be penetrated at this location will be no greater than 750 psi.

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

## B. THIRTEEN POINT SURFACE USE PLAN

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

### 1. Existing Roads:

- a. Proposed route to location is depicted by APD Attachment C.
- b. Location of well is 8.1 (+/-) Northwest of Exit 214, see Attachment A & C.
- c. The Grand County Road Department will be made aware of the use of county roads required by this proposal.
- d. Plans for improvement and/or maintenance of existing roads: Will water roads if conditions warrant for control of fugitive dust or clear mud during wet conditions.

### 2. Planned Access Roads:

- a. Location (centerline): Well pad lies 357 ft. to the Northwest of the Cisco 3 well site.
- b. Length of new access to be constructed: 125 ft. (+/-) from above access road to the Cisco 3 ; to the proposed site.
- c. No improvements needed on the county roads and Running Foxes Petroleum will maintain lease roads on an as-needed basis.
- d. Maximum total disturbed width: New roads to be constructed approximately 16 ft. wide for drilling. For production, the roads will be constructed, upgraded, and maintained with a width of 25 ft. or less.
- e. Maximum travel surface width: 14 to 18 feet.
- f. Maximum grades: Less than 6%
- g. Turnouts: Road intersections and well pads would be utilized for turnouts.
- h. Surface materials: Native soils. If the roads will be used by tanker trucks during wet, winter conditions, the road will be surfaced with rock materials.
- i. Drainage (crowning, ditching, culverts, etc): No drainage control will be provided during drilling. During production, water turnouts and/or roadside ditches will be utilized for drainage and erosion control.
- j. Cattleguards: None.
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: N/A.
- l. Other: In order to protect water shed values and minimize erosion Running Foxes Petroleum will commit to the following provisions during drilling operations

and well pad construction during winter drilling months. When roads are to be constructed during winter drilling months Running Foxes Petroleum will construct access roads to the well pad comprised of 2" to 3" deep road base by a width of 14'. The road base used will be that acquired from the BLM borrow pit in S29 T20S R24E. This road will then be maintained year round by Running Foxes Petroleum.

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

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the BLM.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells -on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: APD Attachment C depicts the locations of wells near the location. Within a one mile radius there are 0 producing oil and/or gas wells. There are no water, injection or disposal wells operating in that area and there are no drilling wells.
4. Location of Production Facilities:
  - a. On-site facilities: If production of oil and gas is established, the on-site facilities will include wellhead, 3-phase separator, production storage tank, water evaporation pit and gas meter with enclosure. See APD Attachment E for the layout of the on-site facilities.
  - b. Off-site facilities: None.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, non-reflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation.

Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Shades that match native soils in the area.

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

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

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

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

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Commercial sources such as Ute Water in Mack, Colorado or the Thompson Special Service District in Thompson, Utah.

A temporary water use permit for this operation could be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303 but will not be necessary.

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

6. Source of Construction Material:

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

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

7. Methods of Handling Waste Disposal:

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

The blooie and reserve pits will be constructed in Mancos Shale, a bentonite-rich aquitard.

The blooie pit will be located at least 100' from the wellhead, and the pit walls will be sloped at no greater than 1 to 1.

The blooie pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. 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. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

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

8. Ancillary Facilities: Portable toilet.
9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See APD Attachment F.

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

Access to the well pad will be from the North as depicted by APD Attachments F.

The blooie line will be located at a 30 degree angle to the drilling rig, arranged in a straight path with its outlet at least 100 feet from the well head where a diesel smudge pot will serve as an automatic igniter. See APD Attachment F.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, water will be injected into the compressed air stream used for the well circulation system and the blooie line effluent will be directed toward a high earth bank at the opposite end of the pit.

10. Plans for Restoration of the Surface:

The top two inches of topsoil material will be removed from the location and stockpiled separately on the margins of the location. See APD Attachment F.

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

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

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

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

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

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

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

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

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

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

The following seed mixture will be used: Indian Ricegrass 4 pounds per acre, Fourwing Saltbush 2 pounds per acre and Shadscale 2 pounds per acre.

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

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

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

Additional requirements: N/A.

11. Surface and Mineral Ownership: The surface and minerals are Federally owned.
12. Other Information:
  - a. Archeological Concerns: Inventory will not be made of any resources in the disturbed area of the well site and upgraded road.

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.

## Operator's Representative and Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; 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 Running Foxes Petroleum, Inc. and its contractors and sub-contractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statement.

Bond coverage is being provided under BLM bond no. UTB-000207.

Executed this 16<sup>th</sup> day of October 2007

Name : Kent Keppel

Position Title : Landman

Address : 7060-B South Tucson Way  
Centennial, CO 80112

Telephone : 720-889-0510

Signature                     *Kent Keppel*

Dan 435-820-0238 Water  
High Desert Excavation

Attn: Greg Simmons

**NOTICE OF ASSESSMENT  
OF  
GREEN RIVER CANAL CO., - GREEN RIVER, UTAH**

Notice is hereby given that at a meeting of the board of directors held on  
October 09, 2005, an assessment of \$12.00 per share was levied on the capital and/or  
secondary stock of the corporation payable at the office of the undersigned  
Secretary at Green River, Utah on or before:

**NOVEMBER 30, 2005**

pd 11/1/05  
# 2373  
\$62.00

At said meeting, pursuant to Article XV, of the Articles of Incorporation of  
the Company, there was levied a minimum service charge of \$50.00 against each  
stockholder for the year 2005.

Any stock upon which assessment and/or service charge may remain unpaid on  
**NOVEMBER 30, 2005**, will be delinquent and advertised for sale at public auction  
and unless payment is made before will be sold on **December 31, 2005** to pay said  
delinquencies together with the cost of advertising and expense of sale.

J. A. Scott  
Secretary  
Green River, Utah

Total Shares	1
Stock Assessment	\$ 12.00
Service Charge	\$ 50.00
<b>TOTAL DUE</b>	<b>\$ 62.00</b>

Board of Directors Green River Canal Company:

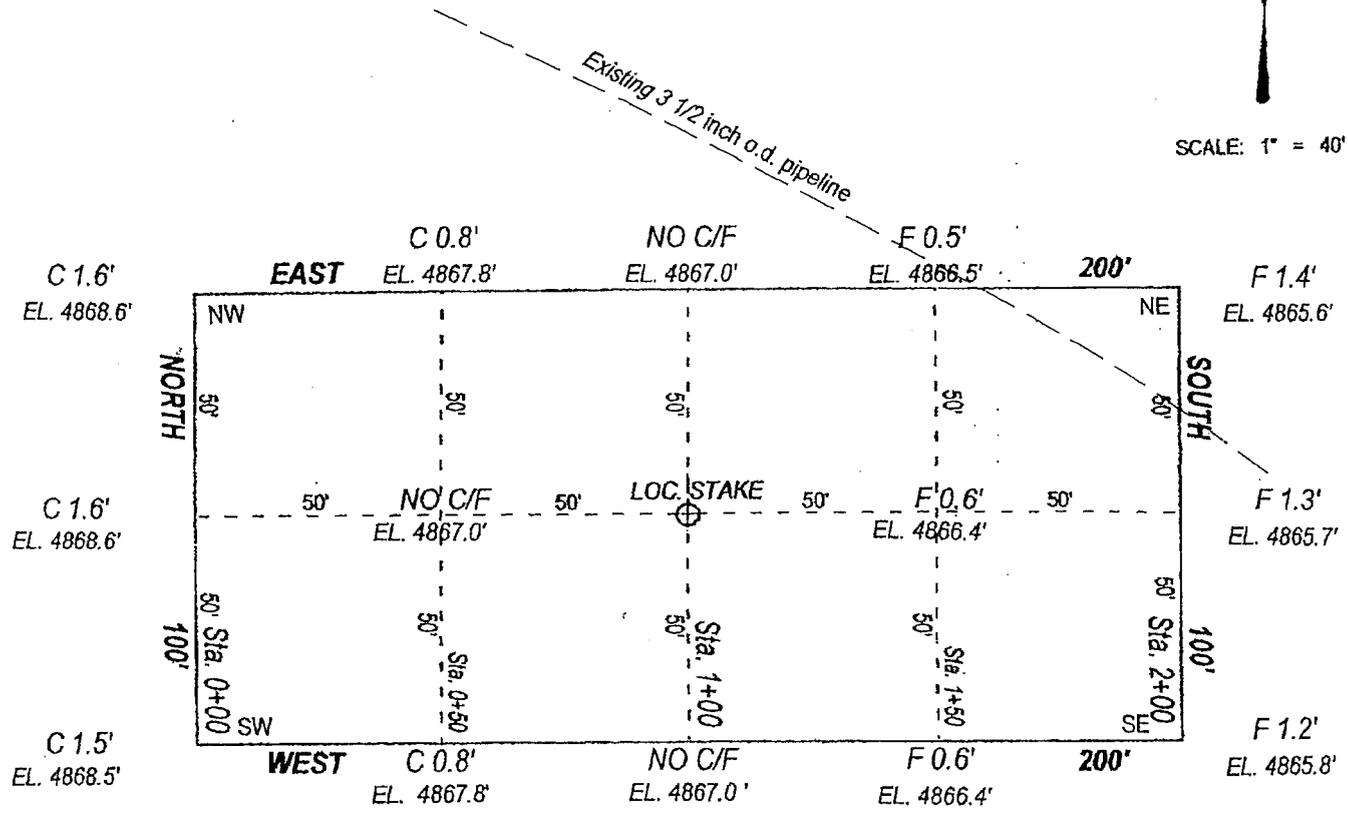
- Glenn Baxter
- Von Bowerman
- Edward Hansen
- Dean King
- Tim Vetere

**DUE NO LATER THAN NOV 30**

G

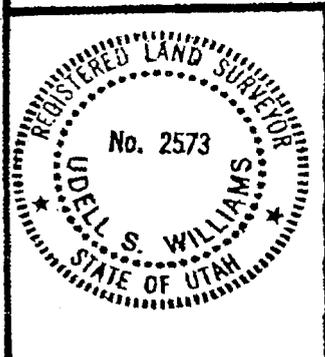


SCALE: 1" = 40'



FINISHED GRADE ELEV. AT LOC. STAKE = 4867.0'

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, Colorado 80112



**SURVEYOR'S CERTIFICATE**

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

*Udell S. Williams*  
Utah PLS No. 2573



**UDELL S. WILLIAMS**  
Professional Land Surveyor  
449 E. Scenic Dr. (970) 254-0157  
Grand Junction, Colorado 81503-1569  
Surveying Western Colorado & Eastern Utah Since 1953

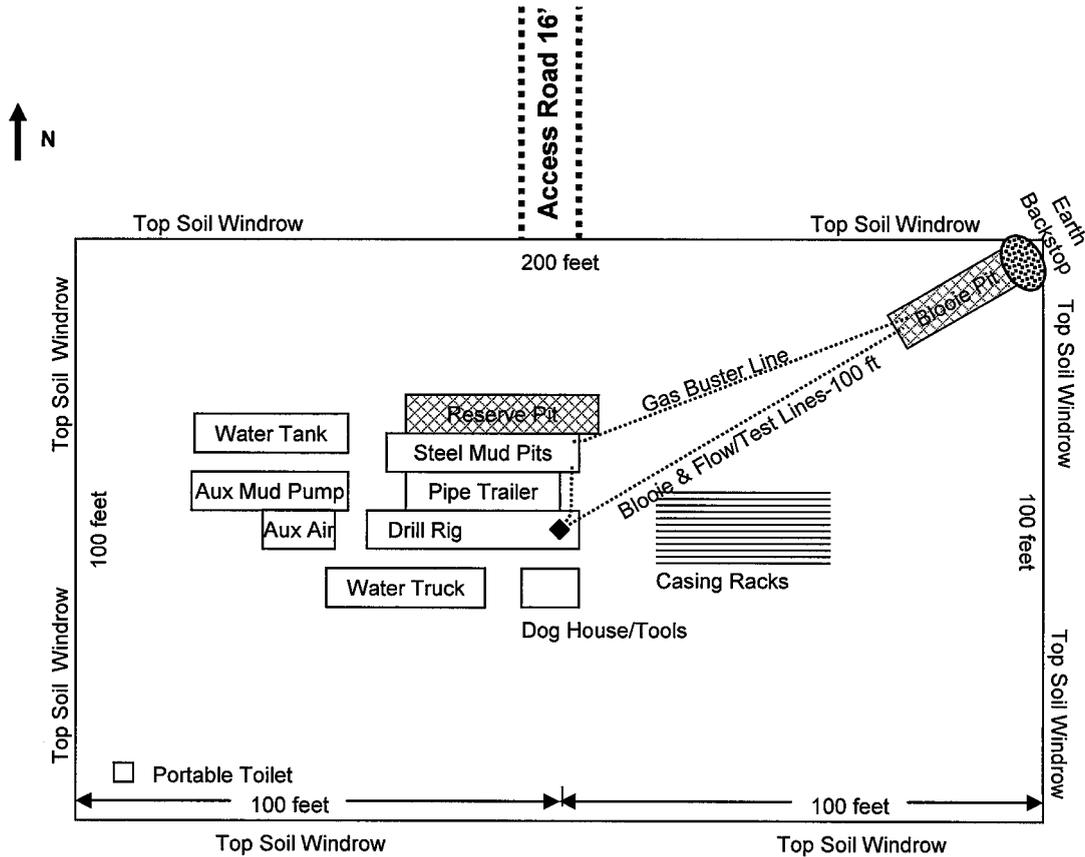
**TYPICAL CROSS-SECTIONS FOR**

CISCO 27-3-1  
NENW SECTION 27  
T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 08/01/2007  
DRAWN BY: USW DATE: 08/02/2007

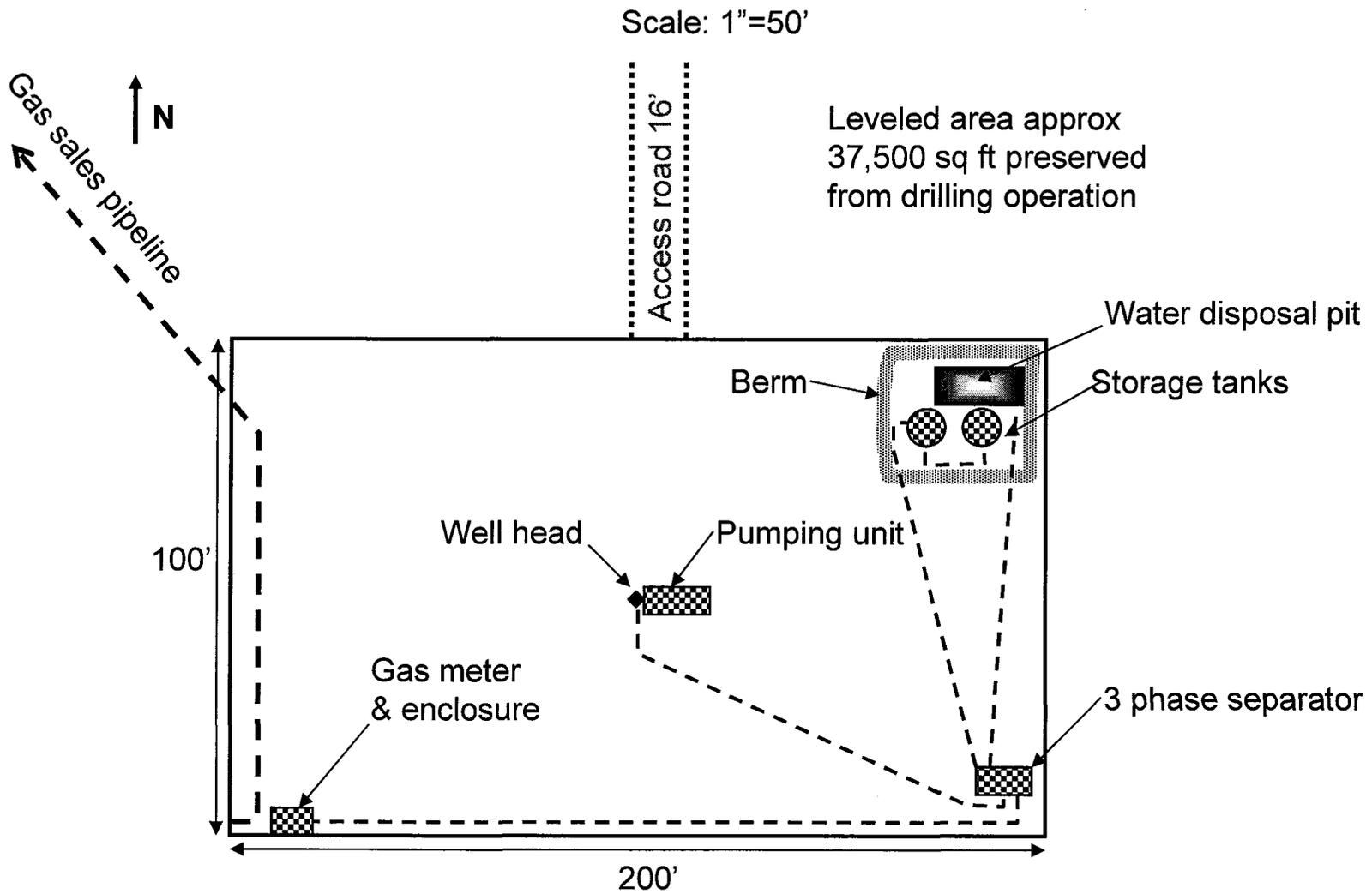
# Drilling Operation Pad & Equipment Layout

## Propetroco, Inc. Number 1 Rig or Equivalent Mobile Drilling Rig



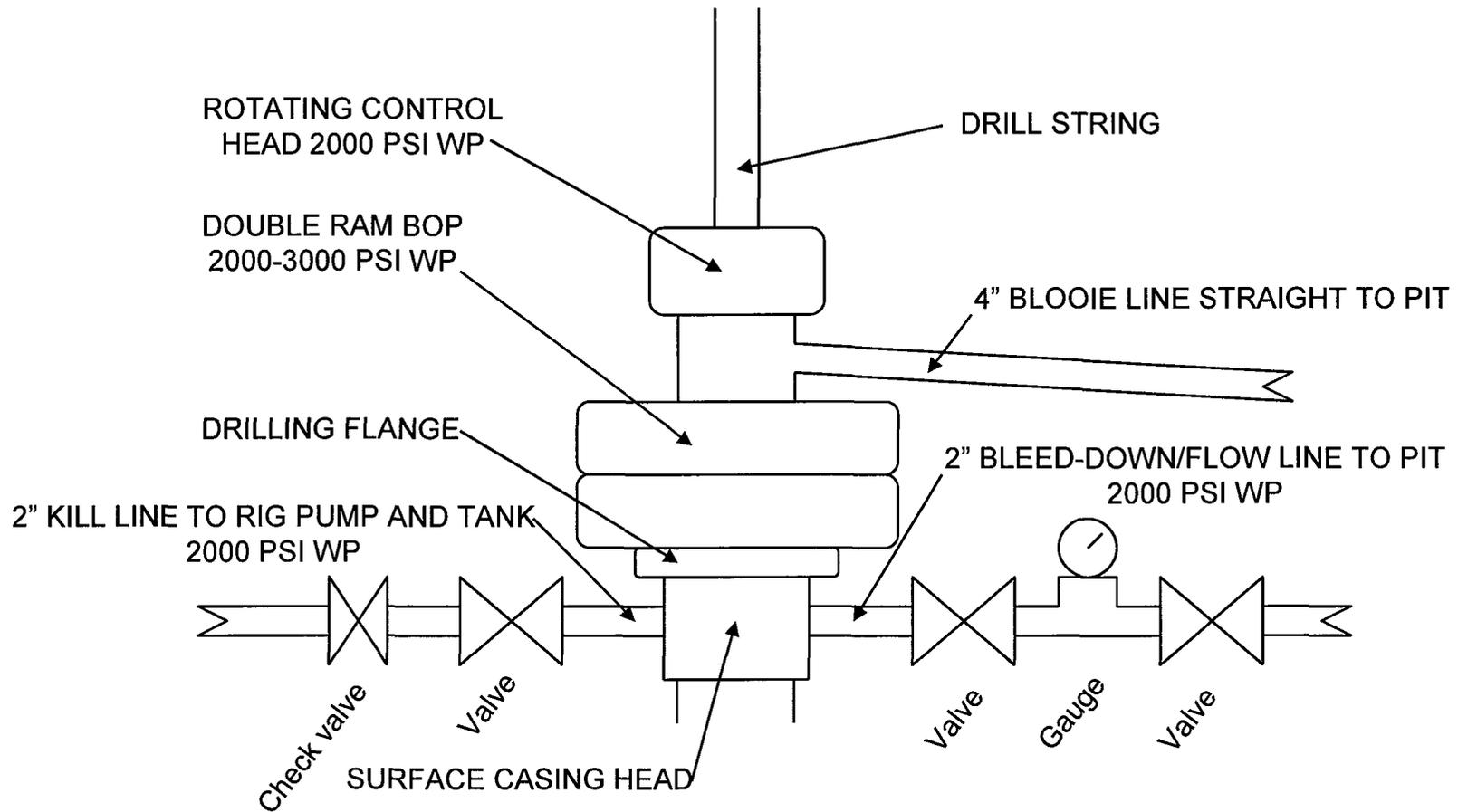
- ◆ Well Head Scale: 1 inch=50 feet Gross possible disturbed area 170 x 270 feet
- Access roads typically 16 feet to 18 feet wide with maximum disturbed width 25 feet

# Equipment Layout for Three Phase Production

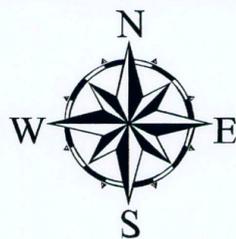


# Pressure control system for Greater Cisco Field Operations

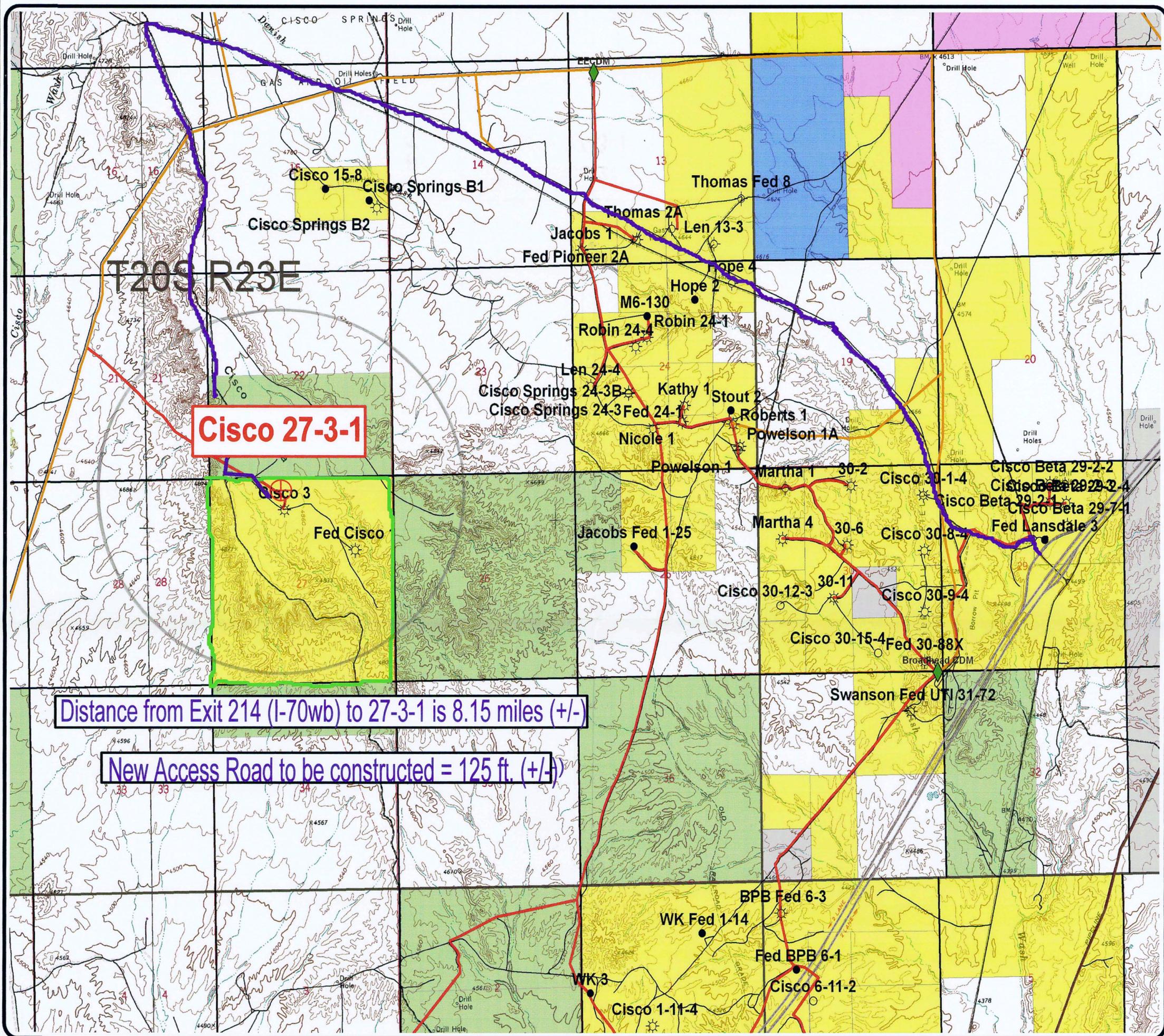
In compliance with Greater Cisco Area variance from Onshore O&G Order No. 2 dated May 14, 2003  
Not drawn to scale



**Running Foxes Petroleum  
Cisco Springs Project  
Grand County, Utah  
Attachment C**



**Cisco 27-3-1  
S27 T20S R23E  
500' fnl & 1980' fwl, NENW  
Elevation: 4867 ft. GL**



**Cisco 27-3-1**

Distance from Exit 214 (I-70wb) to 27-3-1 is 8.15 miles (+/-)

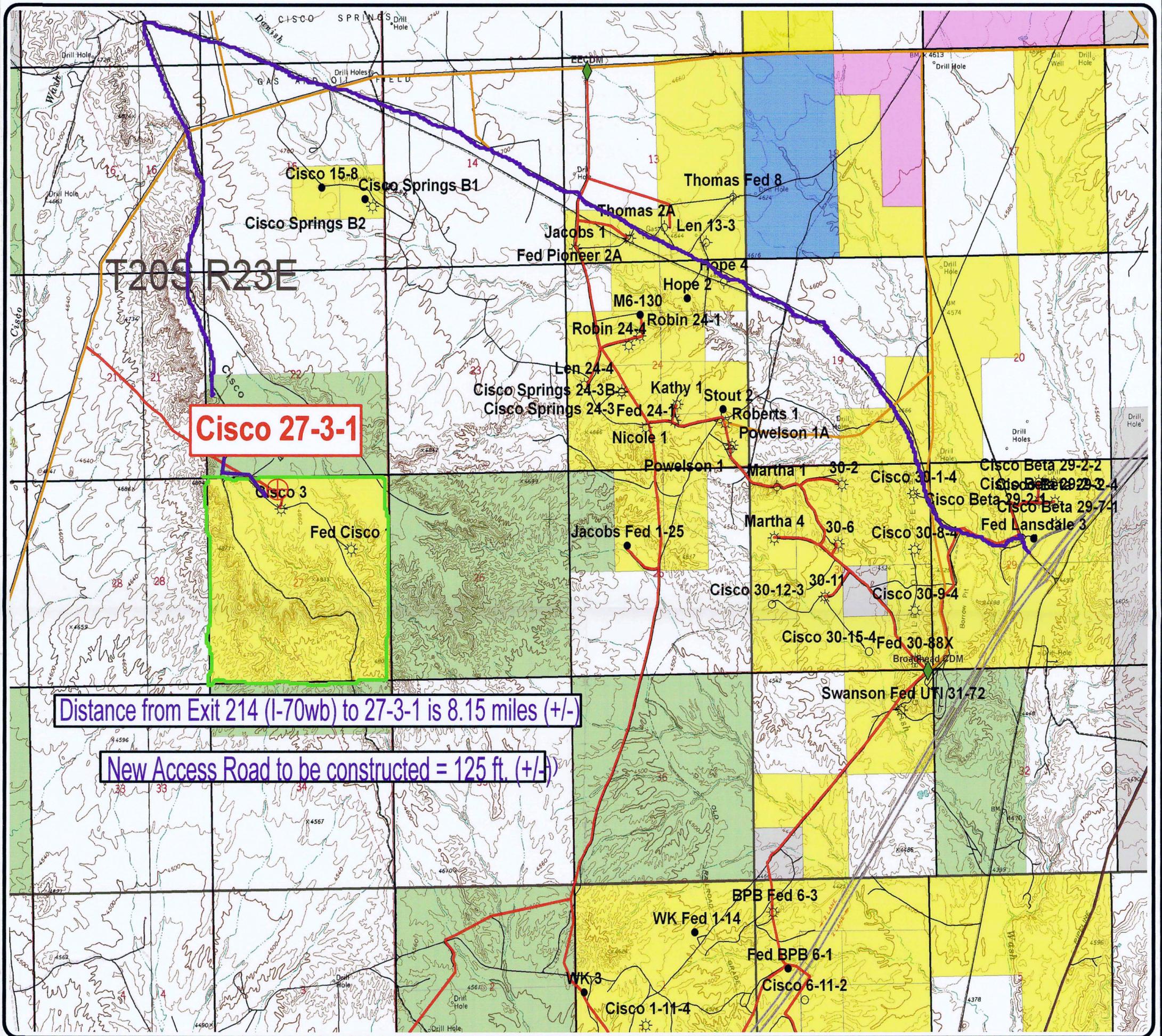
New Access Road to be constructed = 125 ft. (+/-)

BLM Lease Boundary (UTU 17245-A)		Proposed Well: Cisco 27-3-1		Running Foxes Pipeline	
	Running Foxes BLM Lease	Route to Cisco 27-3-1		County Roads	

**Running Foxes Petroleum  
Cisco Springs Project  
Grand County, Utah  
Attachment D**



**Cisco 27-3-1  
S27 T20S R23E  
500' fwl & 1980' fwl, NENW  
Elevation: 4867 ft. GL**



BLM Lease Boundary (UTU 17245-A) — Proposed Well: Cisco 27-3-1 ⊕ Running Foxes Pipeline —  
 Running Foxes BLM Lease — Route to Cisco 27-3-1 --- County Roads

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/18/2007

API NO. ASSIGNED: 43-019-31565

WELL NAME: CISCO 27-3-1  
 OPERATOR: RUNNING FOXES ( N2195 )  
 CONTACT: KENT KEPPEL

PHONE NUMBER: 720-889-0510

PROPOSED LOCATION:

NENW 27 200S 230E  
 SURFACE: 0500 FNL 1980 FWL  
 BOTTOM: 0500 FNL 1980 FWL  
 COUNTY: GRAND  
 LATITUDE: 39.04361 LONGITUDE: -109.3617  
 UTM SURF EASTINGS: 641787 NORTHINGS: 4322685  
 FIELD NAME: GREATER CISCO ( 205 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU 17245-A  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: ENRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. UTB 000207 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. UTE )
- 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: 102-14(B)  
Eff Date: 11-15-1974  
Siting: 500' fr property lease line & 200' fr 14/14 line.  
400' fr line 1320' fr CW
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1-Dean Campbell*  
 2- THIS WELL CAN NOT BE COMPLETED IN  
 THE DAKOTA INTERVAL AS SEEN IN  
 THE CISCO #3 WELL (43-019-30404).



OPERATOR: RUNNING FOXES PETRO (N2195)

SEC: 27 T.20S R. 23E

FIELD: GREATER CISCO (205)

COUNTY: GRAND

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

**Wells Status**

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

**Field Status**

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED



OIL, GAS & MINING



PREPARED BY: DIANA MASON  
DATE: 19-OCTOBER-2007



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

**Division of Oil Gas and Mining**

JOHN R. BAZA  
Division Director

October 22, 2007

Running Foxes Petroleum, Inc.  
7090-B S. Tucson Way  
Centennial, CO 80112

Re: Cisco 27-3-1 Well, 500' FNL, 1980' FWL, NE NW, Sec. 27, T. 20 South, R. 23 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 43-019-31565.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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



**Operator:** Running Foxes Petroleum, Inc.

**Well Name & Number** Cisco 27-3-1

**API Number:** 43-019-31565

**Lease:** UTU 17245-A

**Location:** NE NW                      **Sec.** 27                      **T.** 20 South                      **R.** 23 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.

5. This well cannot be completed in the Dakota interval as seen in the Cisco #3 well.  
(43-019-30404)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED  
MOAB FIELD OFFICE  
FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2004  
2007 OCT 12 AM 8:08

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-17245A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Running Foxes Petroleum, Inc.		7. If Unit or CA Agreement, Name and No.
3a. Address 7060B South Tucson Way Centennial, CO 80112	3b. Phone No. (include area code) 720-889-0510	8. Lease Name and Well No. Cisco 27-3-1
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 500' fnl & 1980' fw1 NE NW At proposed prod. zone Same as above		9. API Well No. 4301931565
14. Distance in miles and direction from nearest town or post office* 13 miles Northwest of Cisco, Utah		10. Field and Pool, or Exploratory Greater Cisco
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 500 ft.		11. Sec., T. R. M. or Blk. and Survey or Area S27 T20S R23E
16. No. of acres in lease 640 Acres		12. County or Parish Grand
17. Spacing Unit dedicated to this well 40 Acres		13. State UT
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 357 ft.		20. BLM/BIA Bond No. on file UTB 000207
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4867 ft. GL		22. Approximate date work will start* 10-18-2007
		23. Estimated duration 21 days
24. Attachments A thru G		

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

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

25. Signature <i>Kent Keppel</i>	Name (Printed/Typed) Kent Keppel	Date 10-16-2007
Title Landman		

Approved by (Signature) /s/ A. Lynn Jackson	Name (Printed/Typed) /s/ A. Lynn Jackson	Date 8/5/08
Title Assistant Field Manager, Division of Resources		Office Division of Resources Moab Field Office

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

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)

CONDITIONS OF APPROVAL ATTACHED

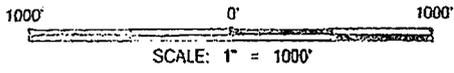
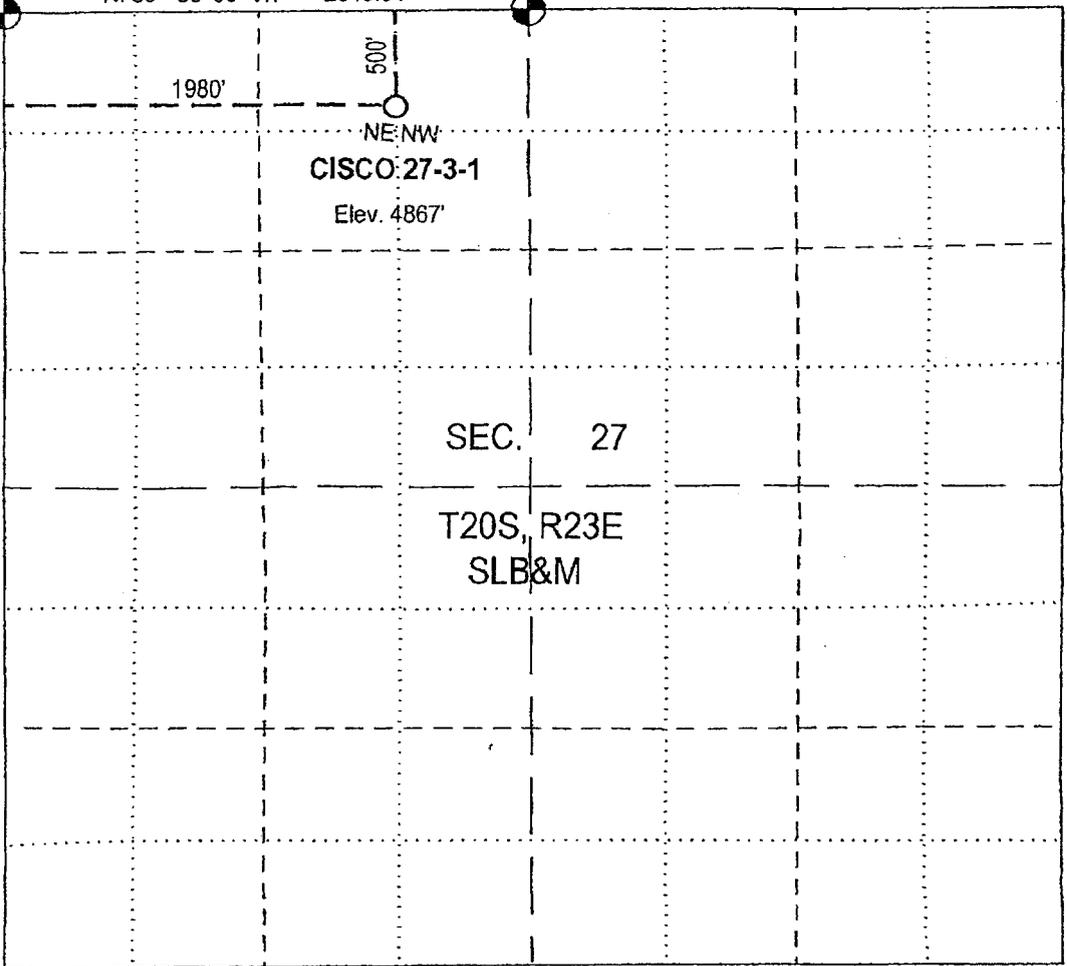
RECEIVED  
AUG 11 2008  
DIV. OF OIL, GAS & MINING

G

(BASIS OF BEARINGS - G.L.O.) GLO 1924  
N. 89° 53' 00" W. 2649.94'

GLO 1924

N. 00° 02' W. (G.L.O.)

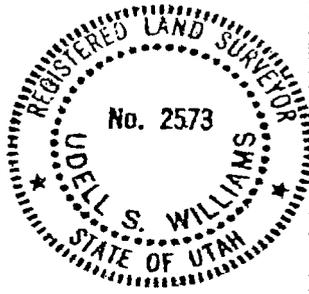


Lat. 39° 02' 37" N.  
Long. 109° 21' 19" W.

**CISCO 27-3-1**

Located 500 feet FNL and 1980 feet FWL of Section 27, T20S, R23E, SLB&M.  
Grand County, Utah

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, CO 80112



**SURVEYOR'S CERTIFICATE**

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

*Udell S. Williams*  
 Utah PLS No. 2573



**UDELL S. WILLIAMS**  
 Professional Land Surveyor  
 449 E. Scenic Dr. (970) 254-0157  
 Grand Junction, Colorado 81503-1569  
 Surveying Western Colorado & Eastern Utah Since 1953

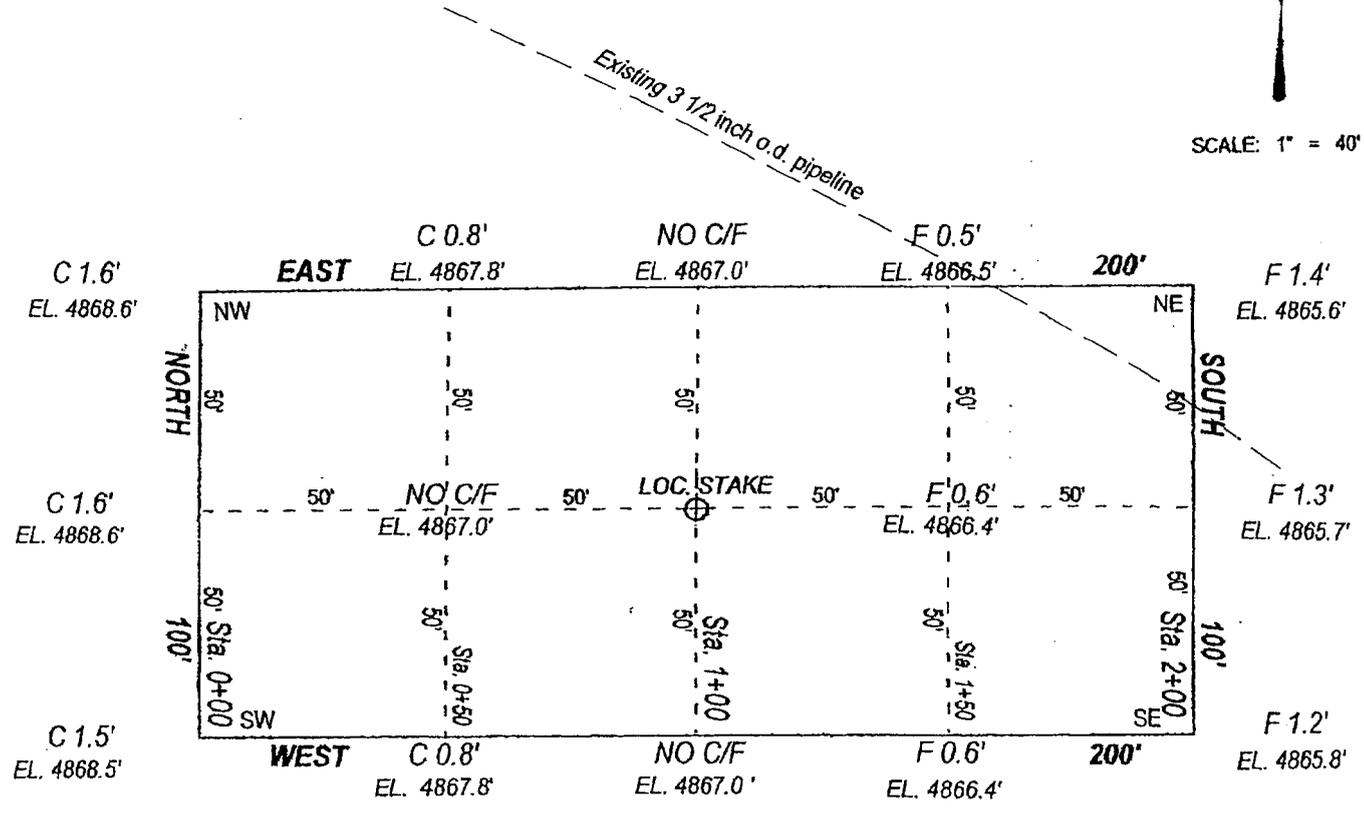
PLAT OF  
 PROPOSED LOCATION  
**CISCO 27-3-1**  
 NENW SECTION 27  
 T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 08/01/2007  
 DRAWN BY: USW DATE: 08/02/2007

G

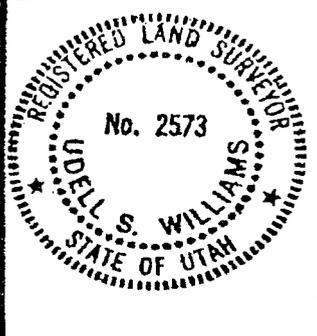


SCALE: 1" = 40'



FINISHED GRADE ELEV. AT LOC. STAKE = 4867.0'

Prepared for: RUNNING FOXES PETROLEUM INC., 7060B S. Tucson Way, Centennial, Colorado 80112



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*Udell S. Williams*  
Utah PLS No. 2573



**UDELL S. WILLIAMS**  
Professional Land Surveyor  
449 E. Scenic Dr. (970) 254-0157  
Grand Junction, Colorado 81503-1569  
Surveying Western Colorado & Eastern Utah Since 1953

**TYPICAL CROSS-SECTIONS FOR**

CISCO 27-3-1  
NENW SECTION 27  
T20S, R23E, SLB&M

SURVEYED BY: USW DATE: 08/01/2007  
DRAWN BY: USW DATE: 08/02/2007

**Running Foxes Petroleum, Inc.**  
**Well No. Cisco Alpha 27-3-1**  
Lease UTU17245A  
NE/NW Section 27, T20S, R23E  
Grand County, Utah

**A COMPLETE COPY OF THIS APPROVED PERMIT and Conditions of Approval shall be maintained on location during all construction and drilling operations, 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 Running Foxes Petroleum, Inc. 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 BLM bond no. **UTB000207** (Principal – Running Foxes Petroleum, Inc.) 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 two years 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. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

## A. DRILLING PROGRAM

1. The proposed 2M BOPE with a modified choke manifold (bleed line) is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2. Testing the BOP to a pressure of 1500 psi is adequate.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOG M) is required before conducting any surface disturbing activities.
3. Drilling reports, which describe the activities of each day, shall be submitted to the BLM Moab Field Office on a weekly, or more frequent, basis. In addition to a daily summary of activities, drilling reports shall include the drilling fluid weight, details of casing and cement, water flows, lost circulation zones and any other information that would contribute to the understanding of drilling conditions.
4. Reconditioned casing must be tested and verified to have wall thickness of at least 87.5% of the nominal thickness of new casing.
5. The requirements for air drilling, found in Onshore Oil and Gas Order No. 2, part III, E (Special Drilling Operations), shall be followed.
6. The cement height behind the production casing shall be designed to reach a minimum of 100 feet above the top of the Dakota Sandstone to ensure adequate isolation of that hydrocarbon bearing zone.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

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

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

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

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

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

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, work that might disturb the resources is to stop, and the Moab Field Office is to be notified.

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

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

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the 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 shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- 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 (either down-hole or at the surface).

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

A "Subsequent Report of Abandonment" (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 Jack Johnson (435-259-2129) of the BLM Moab Field Office for the following:

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

1 day prior to spud;

50 feet prior to reaching the surface casing setting depth;

3 hours prior to testing BOPs.

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

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

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-17245A</b>
2. NAME OF OPERATOR: <b>RUNNING FOXES PETROLEUM, INC.</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 7060-B South Tucson Way CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 500' FNL & 1980' FWL NE NW COUNTY: GRAND QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 20S 23E 6 STATE: UTAH		8. WELL NAME and NUMBER: <b>CISCO 27-3-1</b>
		9. API NUMBER: <b>43-019-31565</b>
		10. FIELD AND POOL, OR WILDCAT: <b>Greater Cisco</b>

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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Permit Extension</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.

Running Foxes Petroleum, Inc. received an effective approval date from the BLM on this permit on August 6, 2008. Running Foxes Petroleum, Inc. would like to request from the State of Utah an extension on this location to August 6, 2010. This joint expiration date is convenient for all for tracking and monitoring. Please call me at the above number for any questions pertaining to this sundry.

*on 12/10/08 sent Kent an email letting him know that we do not issue more than a year ext. on sundry notices.  
DM.*

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

Date: 12-11-08  
By: [Signature]

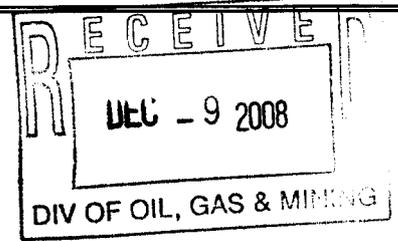
*EXTENDED TO  
10-22-09*

NAME (PLEASE PRINT) <u>Kent Keppel</u>	TITLE <u>Landman</u>
SIGNATURE <u>[Signature]</u>	DATE <u>12/9/2008</u>

(This space for State use only)

**COPY SENT TO OPERATOR**  
Date: 12-11-2008  
Initials: KS

(See Instructions on Reverse Side)



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

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

**API:** 43-019-31565  
**Well Name:** CISCO 27-3-1  
**Location:** 500'FNL & 1980'FWL NENW S27 T20S R23E  
**Company Permit Issued to:** Running Foxes Petroleum, Inc.  
**Date Original Permit Issued:** 10/22/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

Font Fygel  
Signature

12/9/2008  
Date

Title: Landman

Representing: Running Foxes Petroleum, Inc.

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 17245A
2. NAME OF OPERATOR: Running Foxes Petroleum		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 7060 B South Tucson Way CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 500' fml & 1980' fwl		8. WELL NAME and NUMBER: Cisco 27-3-1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 20S 23E		9. API NUMBER: 4301931565
COUNTY: Grand		10. FIELD AND POOL, OR WILDCAT: Greater Cisco
STATE: UTAH		

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

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

Running Foxes Petroleum requests the renewal of its original permit to drill for the aforementioned well in Grand County, Utah. A year extension from the renewal date is desired. It there are any questions or inquiries, please contact Running Foxes Petroleum via the information provided.

attached: Permit Extension Validation Form

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

**COPY SENT TO OPERATOR**

Date: 10.19.2009

Initials: KS

Date: 10-14-09

By: [Signature]

NAME (PLEASE PRINT) <u>Neil D. Sharp</u>	TITLE <u>Geologist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/9/2009</u>

(This space for State use only)

**RECEIVED**  
**OCT 13 2009**

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

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

**API:** 43-019-31565  
**Well Name:** Cisco 27-3-1  
**Location:** 500' fnl & 1980' fwl; NE NW; S27 T20S R23E  
**Company Permit Issued to:** Running Foxes Petroleum  
**Date Original Permit Issued:** 10/22/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

  
Signature

10/9/2009  
Date

Title: Geologist

Representing: Running Foxes Petroleum

**RECEIVED**  
OCT 13 2009  
DIV. OF OIL, GAS & MINING



**RUNNING FOXES PETROLEUM INC.**

RFP Cover Letter:

RE: Information sent to the State of Utah-DOG M via FedEx on October 9, 2009.

\*This information is requested to be confidential for up to one year.

**Reports:**

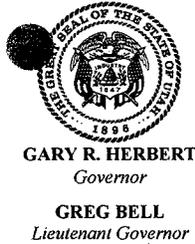
Form 9 & Permit Extension Validation Form for Cisco 27-3-1 & Cisco 10-13-2

nds...

**RECEIVED**

**OCT 13 2009**

**DIV. OF OIL, GAS & MINING**



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

January 19, 2011

Running Foxes Petroleum  
7060 B South Tucson Way  
Centennial, CO 80112

Re: APD Rescinded – Cisco 27-3-1, Sec. 27, T.20S, R.23E  
Grand County, Utah API No. 43-019-31565

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 22, 2007. On December 9, 2008 and October 14, 2009 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 19, 2011.

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

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

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Moab

