

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>		5. MINERAL LEASE NO.: <b>ML-48398</b>	6. SURFACE: <b>State of Utah</b>
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>N/A</b>	
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: <b>N/A</b>	
2. NAME OF OPERATOR: <b>Tidewater Oil &amp; Gas, LLC</b>		9. WELL NAME and NUMBER: <b>Tidewater State 3-24-2219</b>	
3. ADDRESS OF OPERATOR: <b>110 16th Street, Suite 405, Denver, CO 80202</b>		PHONE NUMBER: <b>303-468-0656</b>	10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>603304X 4308554Y 38.921696 -109.808361</b> 719' FSL and 1790' FWL AT PROPOSED PRODUCING ZONE: <b>SE SW</b>		11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: <b>Section 3, T22S - R19E</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>Approximately 29.8 miles east of Green River, UT.</b>		12. COUNTY: <b>Grand</b>	13. STATE: <b>UT</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>719'</b>	16. NUMBER OF ACRES IN LEASE: <b>2182.83</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40 acres; SE SW</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): <b>None</b>	19. PROPOSED DEPTH: <b>3,600'</b>	20. BOND DESCRIPTION: <b>Nationwide Bond No. NM-2037</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4789' GL</b>	22. APPROXIMATE DATE WORK WILL START: <b>1/7/2010</b>	23. ESTIMATED DURATION: <b>7 Days</b>	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8", J55, 24#	3,600'	135 sx Rockies LT, 2.08 ft3/sk, 12.8 lbm/gal + 200 sx Premium, 1.17 ft3/sk, 15.8 lbm/gal
7-7/8"	5-1/2", K55, 15.5#	3,600'	280 sx Rockies LT, 2.08 ft3/sk, 12.8 lbm/gal

25. **ATTACHMENTS CONFIDENTIAL-TIGHT HOLE**

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

AGENT: **Permitco Inc., P.O. Box 99, Eastlake, CO 80614** AGENT'S PHONE NO.: **303/857-9999**

NAME (PLEASE PRINT) **Venessa Langmacher** TITLE **Agent for Tidewater Oil & Gas, LLC**

SIGNATURE *Venessa Langmacher* DATE **December 3, 2009**

(This space for State use only)

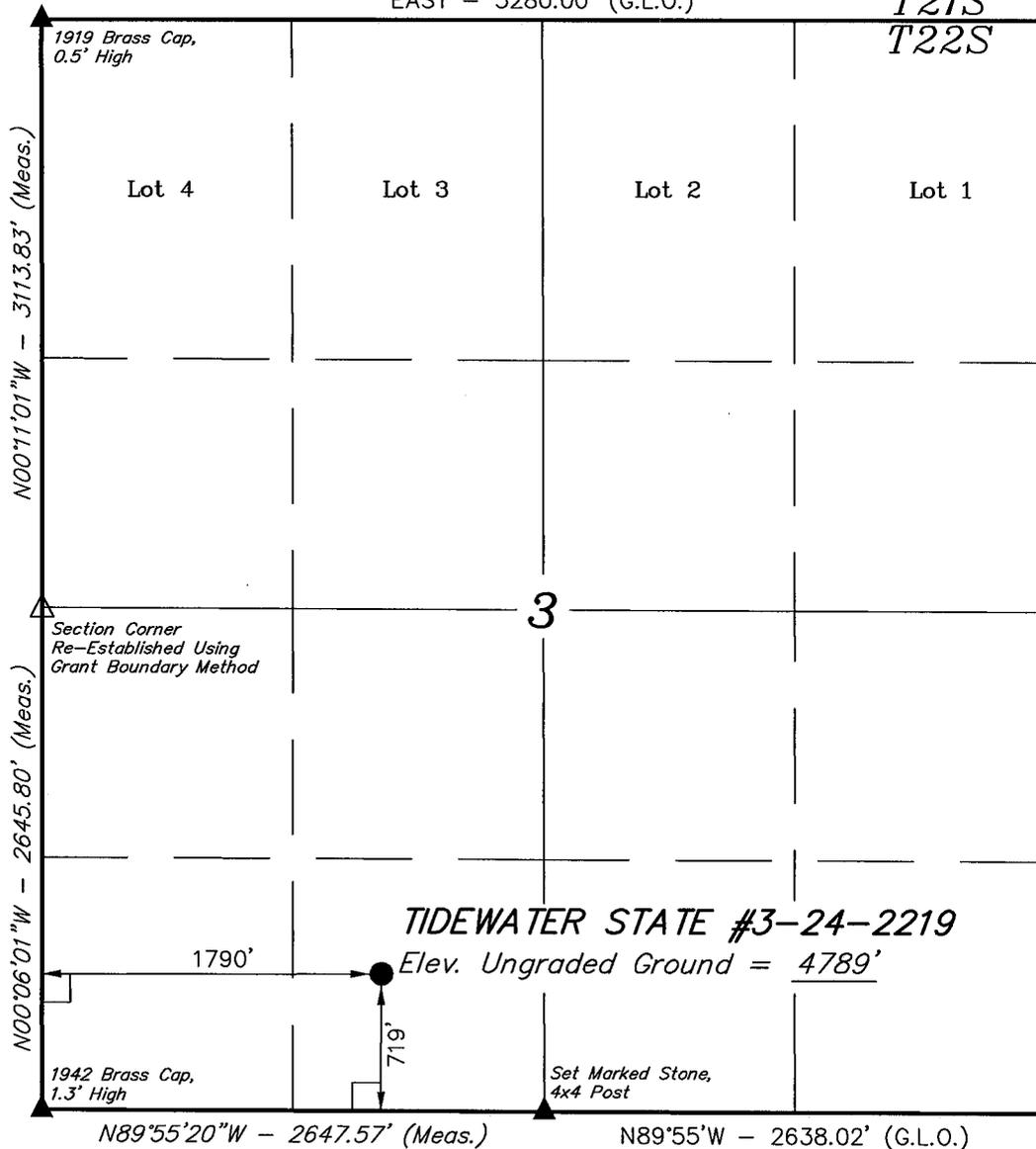
API NUMBER ASSIGNED: **43-019-311625** APPROVAL: \_\_\_\_\_

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**DEC 07 2009**  
**DIV. OF OIL, GAS & MINING**

# T22S, R19E, S.L.B.&M.

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

T21S  
T22S



N00°11'01"W - 3113.83' (Meas.)

N00°06'01"W - 2645.80' (Meas.)

S00°03'E - 5755.86' (G.L.O.)

1919 Brass Cap,  
0.5' High

Section Corner  
Re-Established Using  
Grant Boundary Method

1942 Brass Cap,  
1.3' High

3

**TIDEWATER STATE #3-24-2219**  
Elev. Ungraded Ground = 4789'

Set Marked Stone,  
4x4 Post

N89°55'20"W - 2647.57' (Meas.)

N89°55'W - 2638.02' (G.L.O.)

**LEGEND:**

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED (Not Set on Ground)

(AUTONOMOUS NAD 83)  
 LATITUDE = 38°55'17.52" (38.921533)  
 LONGITUDE = 109°48'32.94" (109.809150)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 38°55'17.62" (38.921561)  
 LONGITUDE = 109°48'30.49" (109.808469)

## TIDEWATER OIL & GAS, LLC

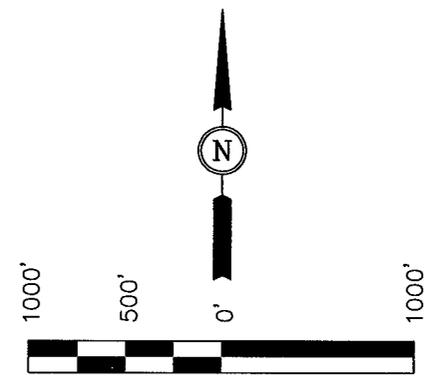
Well location, TIDEWATER STATE #3-24-2219, located as shown in the SE 1/4 SW 1/4 of Section 3, T22S, R19E, S.L.B.&M., Grand County, Utah.

BASIS OF BEARINGS

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

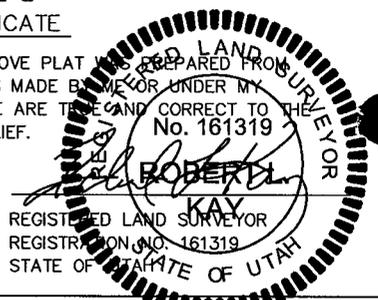
BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHWEST CORNER OF SECTION 14, T22S, R19E, S.L.B.&M. TAKEN FROM THE CRESCENT JUNCTION QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4692 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.



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

SCALE 1" = 1000'	DATE SURVEYED: 11-19-09	DATE DRAWN: 11-23-09
PARTY D.R. L.M. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE TIDEWATER OIL & GAS, LLC	

**CONFIDENTIAL TIGHT-HOLE**

**Tidewater State #3-24-2219**  
**719' FSL and 1790' FWL**  
**SE SW Section 3, T22S - R19E**  
**Grand County, Utah**

**Prepared For:**

**Tidewater Oil & Gas, LLC**

**By:**

**PERMITCO INC.**  
**PO Box 99**  
**Eastlake, CO 80614**  
**303/857-9999**

**Copies Sent To:**

- 3 - Utah Division of Oil, Gas & Mining - SLC, UT**
- 1 - Utah Division of Oil, Gas & Mining - Price, UT**
- 2 - Tidewater Oil & Gas, LLC - Denver, CO**



\*The proposed wellsite is located on State Surface/State Minerals.

**1. Estimated Tops/Geologic Markers**

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>	<i>Subsea</i>
Ferron SS	Surface	4,800'
Dakota Sandstone	390'	4,410'
Moab Member of Curtis Formation	1,280'	3,520
Slick Rock Member of Entrada Sandstone	1,390'	3,410
Carmel	1,660'	3,140
Navajo	1,820'	2,980
Kayenta	2,440'	2,360
Wingate	2,720'	2,080
Chinle	3,200'	1,600
TD	3,600'	1,200'

**2. Estimated Depths and Names of Anticipated Water, Oil, Gas or Other Minerals Bearing Formations.**

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Gas	Wingate	2,720'



Application for Permit to Drill  
 Tidewater Oil & Gas, LLC  
**Tidewater State #3-24-2219**  
 719' FSL and 1790' FWL  
 SE SW Section 3, T22S - R19E  
 Grand County, Utah

**CONFIDENTIAL TIGHT-HOLE**

Lease No. ML-48398

**DRILLING PROGRAM**

Page 2

**3. Well Control Equipment & Testing Procedures**

Gasco Production Company's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" 3M x 9" 3M DSA and 9" 3M BOPE consisting of 2 pipe rams and an annular preventer

Tidewater will comply will all requirements pertaining to well control as listed in the Rule R649-3-7 of the Utah Division of Oil, Gas & Mining.

**4. Casing Program**

The proposed casing program will be as follows:

<i>Purpose</i>	<i>Depth</i>	<i>Hole Size</i>	<i>O.D.</i>	<i>Weight</i>	<i>Grade</i>	<i>Type</i>	<i>New/Used</i>
Surface	0'-360'	12-1/4"	8-5/8"	24#	J55	STC	New
Production	0'-3,600'	7-7/8"	5-1/2"	15.5#	K55	LTC	New

Casing design subject to revision based on geologic conditions encountered.

**5. Cement Program**

<i>Surface</i>	<i>Type and Amount</i>
TOC @ Surface	<b>Lead:</b> 135 sx Rockies LT, 0.125 lbm/sk Poly-E-Flake, 12.8 lbm/gal, 2.08 ft3/sk. <b>Tail:</b> 200 sx Premium Cement (94 lbm/sk) + 2% Calcium Chloride, 15.8 lbm/sk, 1.17 ft3/sk.
<i>Production</i>	<i>Type and Amount</i>
TOC @ Surface	<b>Stage 1:</b> 140 sx Rockies LT, 0.125 lbm/sk Poly-E-Flake, 12.8 lbm/gal, 2.08 ft3/sk. <b>Stage 2:</b> 140 sx Rockies LT, 0.125 lbm/sk Poly-E-Flake, 12.8 lbm/gal, 2.08 ft3/sk.



**6. Drilling Fluids**

The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>	<i>PH</i>
0 - 300'	FW Spud Mud	8.4-9.1	28-32	N/C	9
300' - 2,500'	Fresh Water	8.8-9.5	28-38	N/C	9
2,500' - 3,600'	LSND	8.8-9.5	28-38	<10 ml/30min	9

**7. Testing, Logging and Coring**

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated.
- b. The logging program will consist of a CNL/FDC/GR/CAL to be run from 3,600' to 300' with a GR to surface.
- c. No cores are anticipated.

**8. Anticipated Pressures and H<sub>2</sub>S**

- a. No H<sub>2</sub>S is expected. The maximum anticipated bottom hole pressure is 1561 psi. The maximum bottom hole temperature is 125° Fahrenheit.

**9. Water Source**

- a. Tidewater plans on using Dalbo, Inc. to acquire and haul fresh water for drilling and completion operations. The water source will be city water from the town of Mack, Colorado. Dalbo's customer number is R018 and their assigned water filling station is Station #5.

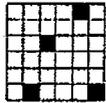


**10. Other Information**

- a. Drilling is planned to commence on January 7, 2010.
- b. It is anticipated that the drilling of this well will take approximately 7 days.
- c. Lining of the reserve pit will be done if deemed necessary by the Utah Division of Oil, Gas and Mining.
- d. At the end of drilling operations the location will be reclaimed and re-seeded as requested by the State of Utah.
- e. Surface Ownership

State of Utah





State of Utah  
School and Institutional  
Trust Lands Administration

675 East 500 South #500  
Salt Lake City, UT 84102-2818  
Telephone No. (801)538-5100  
Fax No. (801)355-0922  
Web site: trustlands.utah.gov

Date: 10/22/2009

**DESIGNATION OF OPERATOR**

The undersigned is, on the records of the School and Institutional Trust Lands Administration, holder of lease, ML 48398

And hereby designates:

Operator Name: Tidewater Oil & Gas Company LLC  
Address: 110 16th Street, Suite 405  
City: Denver  
State: Colorado Zip Code: 80202

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Administration or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

Township	Range	Section	Legal Description	Acres
22 South	19 East	2,3,11	All	2,034.21
		4	Lots 1,2,SWNE	148.62
<b>Total Acres:</b>				<b>2,182.83</b>

Operator agrees to comply with all lease provisions, statutes, rules, and regulations, whether federal, state, or local, in its operations on the subject lease.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Trust Lands Administration or his representative.

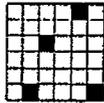
The lessee agrees promptly to notify the Trust Lands Administration of any change in the designated operator.

Lessee Name: Cabot Oil & Gas Corporation  
Address: Five Penn Center West  
Suite 401  
City: Pittsburgh  
State: PA Zip Code: 15276

Signature of Lessee: [Signature] <sup>PWT</sup> Date: 10/26/09  
Jeffrey L. Keim - Regional Land Manager  
Signature of Operator: [Signature] Date: 10/27/2009  
Manager

Form 2179 Revised 07/2008

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The lessee agrees promptly to notify the Trust Lands Administration of any change in the designated operator.

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Suite 401  
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State: PA Zip Code: 15276

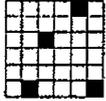
Signature of Lessee:  <sup>PWT</sup>  
Jeffrey L. Keim - Regional Land Manager

Date: 10/22/09

Signature of Operator:

Date: 10/27/2009

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School and Institutional  
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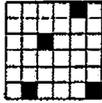
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Signature of Lessee:  <sup>PWT</sup> Date: 10/26/09  
Jeffrey L. Keim Regional Land Manager

Signature of Operator:  Date: 10/27/2009

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Jeffrey L. Keith Regional Land Manager

Signature of Operator: [Signature] Date: 10/27/2009

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**TIDEWATER OIL & GAS, LLC**  
**TIDEWATER STATE #3-24-2219**  
 LOCATED IN GRAND COUNTY, UTAH  
 SECTION 3, T22S, R19E, S.L.B.&M.

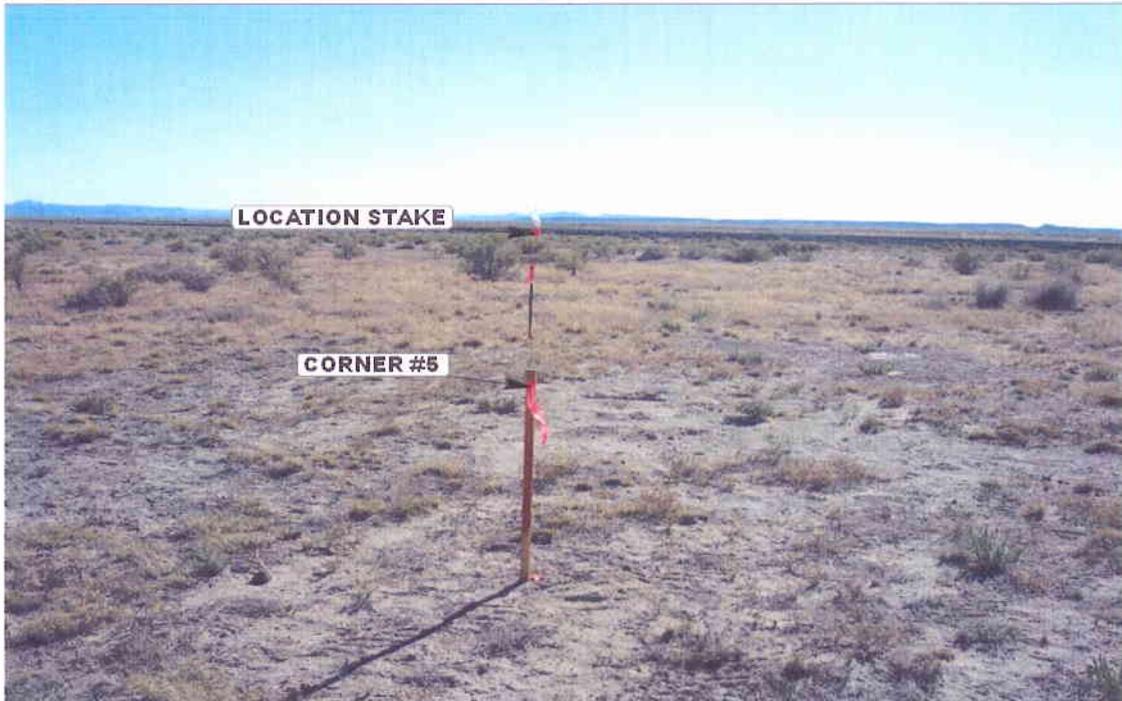


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

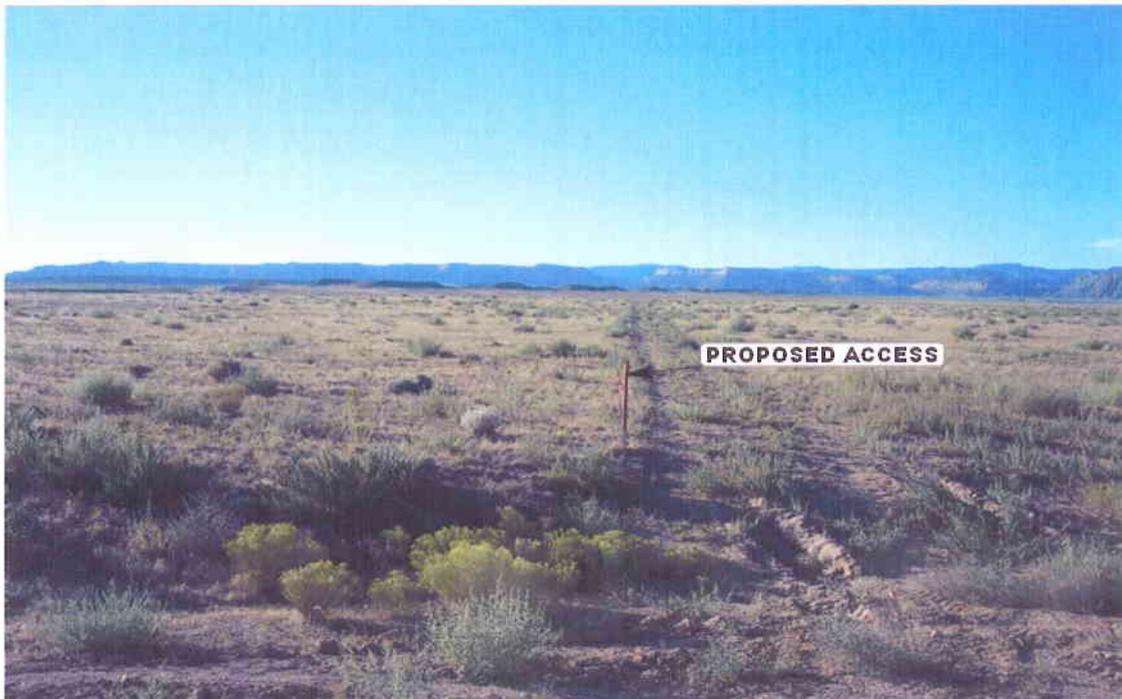


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



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

**LOCATION PHOTOS**

<b>12</b>	<b>01</b>	<b>09</b>
MONTH	DAY	YEAR

PHOTO

TAKEN BY: M.A.

DRAWN BY: Z.L.

REVISED: 00-00-00

- Since 1964 -

TIDEWATER OIL & GAS, LLC

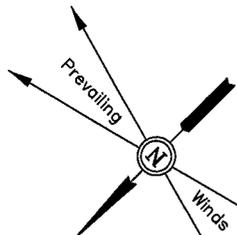
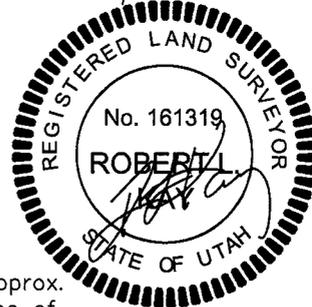
LOCATION LAYOUT FOR

TIDEWATER STATE #3-24-2219

SECTION 3, T22S, R19E, S.L.B.&M.

719' FSL 1790' FWL

FIGURE #1



SCALE: 1" = 50'  
DATE: 11-23-09  
DRAWN BY: C.H.

Proposed Access Road

Approx. Toe of Fill Slope

F-3.6'  
El. 83.6'

NOTE:

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

FLARE PIT

El. 91.1'  
C-13.9'  
(Btm. Pit)

Reserve Pit Backfill & Spoils Stockpile

El. 91.0'  
C-13.8'  
(Btm. Pit)

RESERVE PITS (10' Deep)

Total Pit Capacity W/2' of Freeboard = 2,670 Bbls. ±  
Total Pit Volume = 810 Cu. Yds

C-1.1'  
El. 88.3'

F-1.2'  
El. 86.0'

C-1.8'  
El. 89.0'

C-1.4'  
El. 88.6'

C-1.9'  
El. 89.1'

C-2.4'  
El. 89.6'

C-2.4'  
El. 89.6'

C-4.8'  
El. 92.0'

F-0.8'  
El. 86.4'

C-0.2'  
El. 87.4'

Approx. Top of Cut Slope

Elev. Ungraded Ground At Loc. Stake = 4788.6'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4787.2'

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

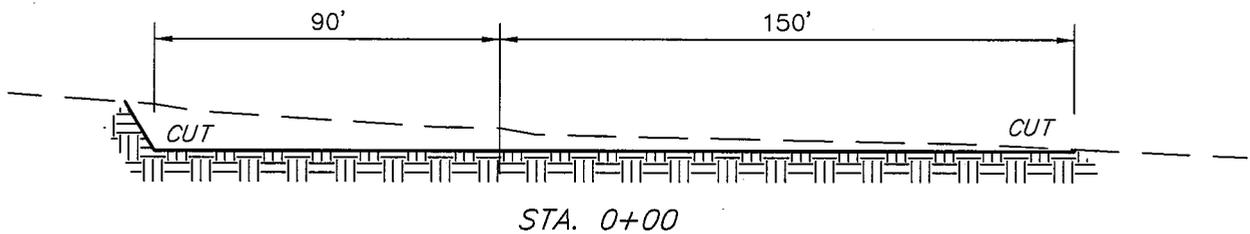
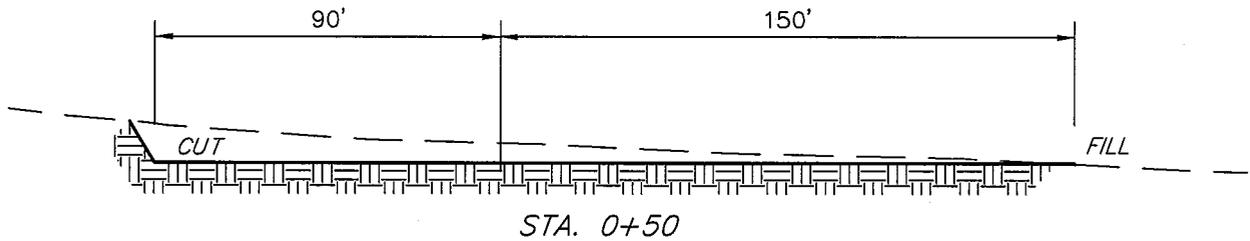
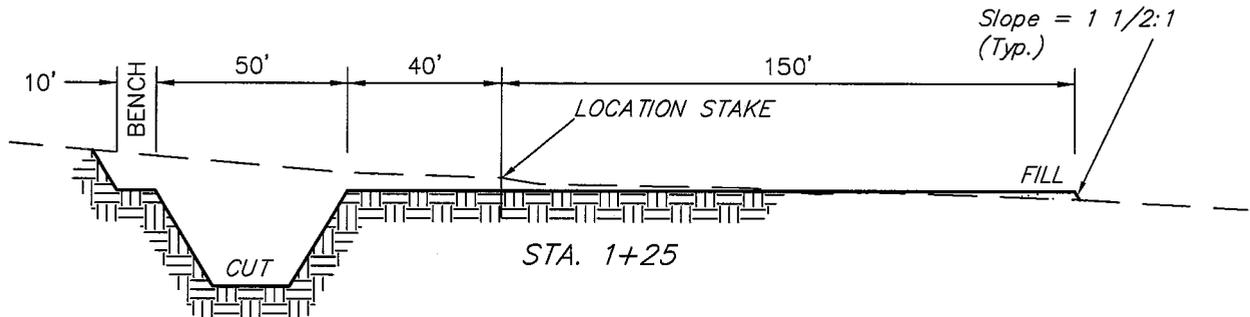
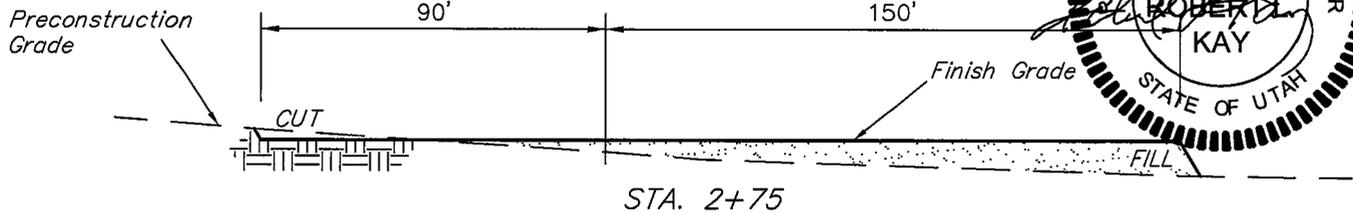
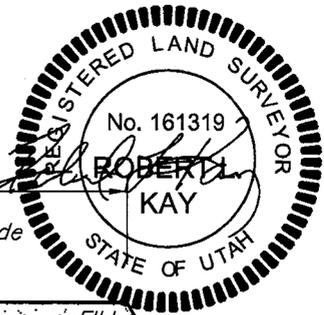
TIDEWATER OIL & GAS, LLC

FIGURE #2

TYPICAL CROSS SECTION FOR  
TIDEWATER STATE #3-24-2219  
SECTION 3, T22S, R19E, S.L.B.&M.  
719' FSL 1790' FWL

1" = 20'  
X-Section Scale  
1" = 50'

DATE: 11-23-09  
DRAWN BY: C.H.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES  
WELL SITE DISTURBANCE = ± 1.624 ACRES  
ACCESS ROAD DISTURBANCE = ± 5.818 ACRES  
PIPELINE DISTURBANCE = ± 5.863 ACRES  
TOTAL = ± 13.305 ACRES

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,330 Cu. Yds.  
Remaining Location = 2,560 Cu. Yds.  
TOTAL CUT = 3,890 CU.YDS.  
FILL = 2,150 CU.YDS.

EXCESS MATERIAL = 1,740 Cu. Yds.  
Topsoil & Pit Backfill (1/2 Pit Vol.) = 1,740 Cu. Yds.  
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

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

TIDEWATER OIL & GAS, LLC

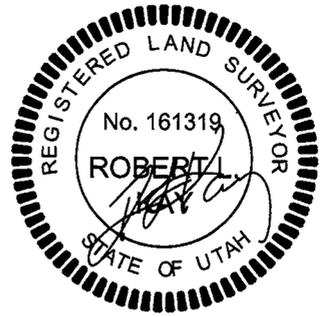
FIGURE #3

TYPICAL RIG LAYOUT FOR

TIDEWATER STATE #3-24-2219

SECTION 3, T22S, R19E, S.L.B.&M.

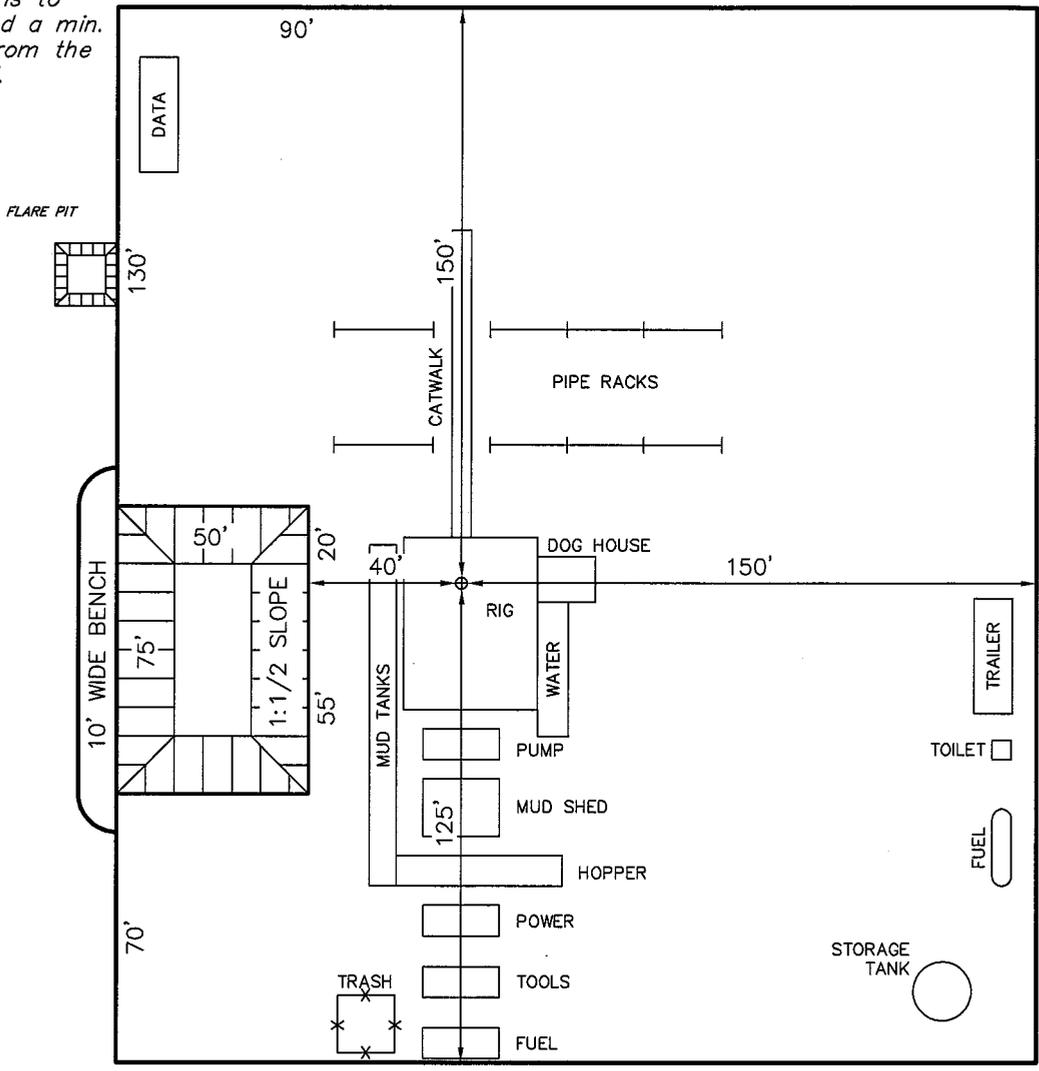
719' FSL 1790' FWL



SCALE: 1" = 50'  
 DATE: 11-23-09  
 DRAWN BY: C.H.

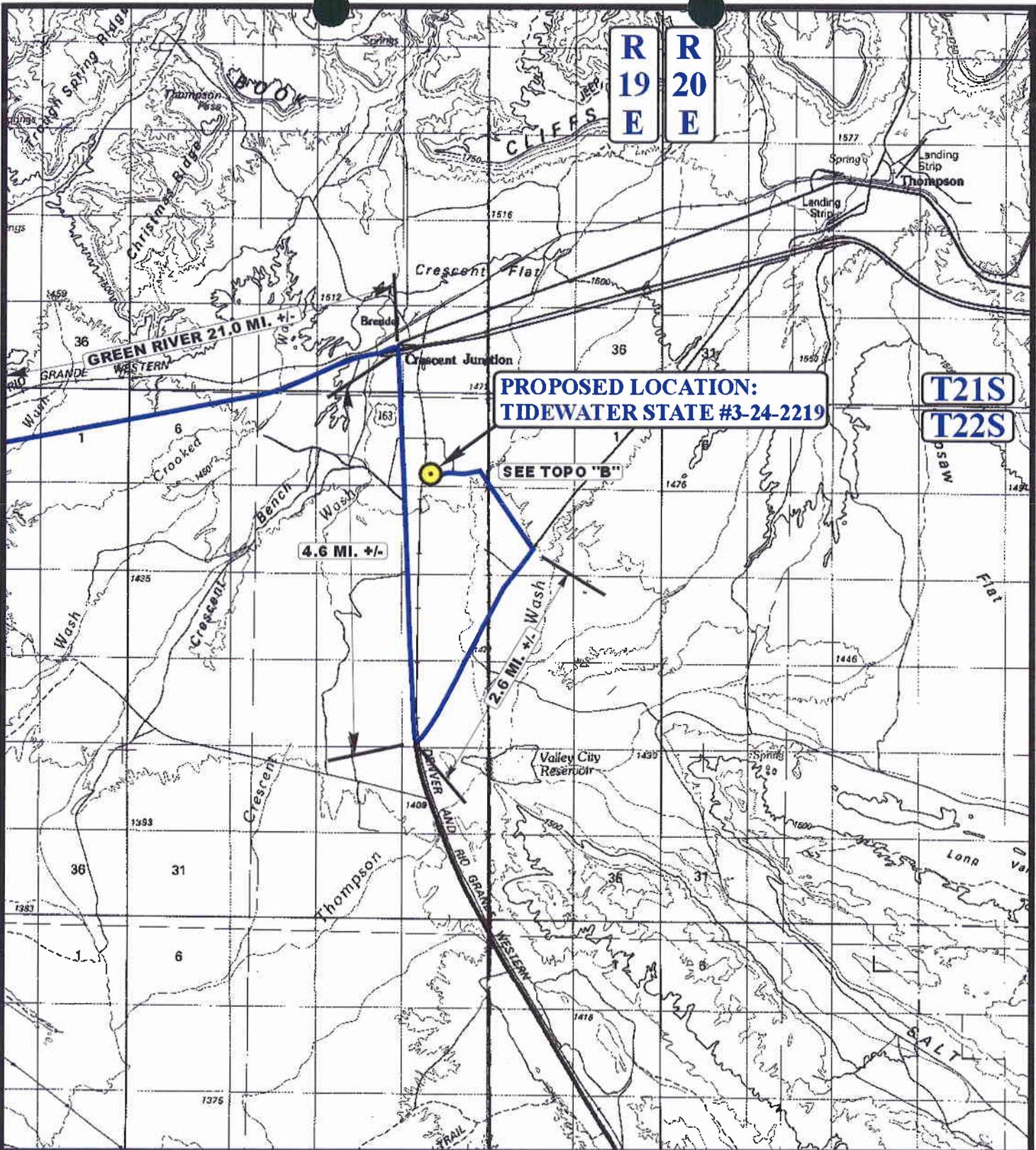
**NOTE:**

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



RESERVE PITS  
 (10' Deep)

Total Pit Capacity  
 W/2' of Freeboard  
 = 2,670 Bbls.±  
 Total Pit Volume  
 = 810 Cu. Yds



R  
19  
E

R  
20  
E

**PROPOSED LOCATION:  
TIDEWATER STATE #3-24-2219**

T21S  
T22S

SEE TOPO "B"

4.6 MI. +/-

2.6 MI. +/- Wash

**LEGEND:**

 PROPOSED LOCATION

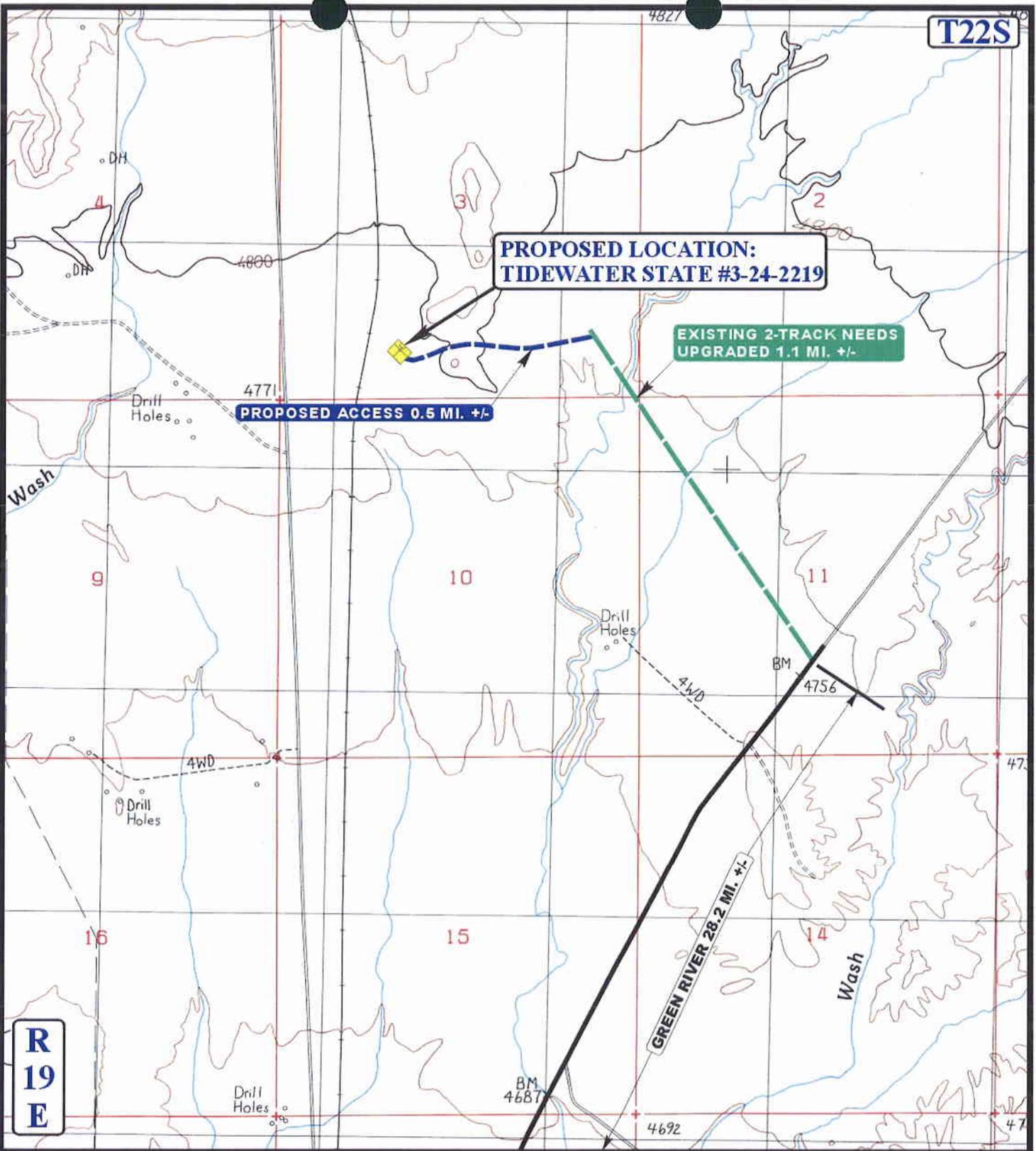
**TIDEWATER OIL & GAS, LLC**

**TIDEWATER STATE #3-24-2219  
SECTION 3, T22S, R19E, S.L.B.&M.  
719' FSL 1790' FWL**

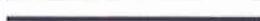


**UEIS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP** 12 01 09  
MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 00-00-00 **TOPO**



**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED

**TIDEWATER OIL & GAS, LLC**

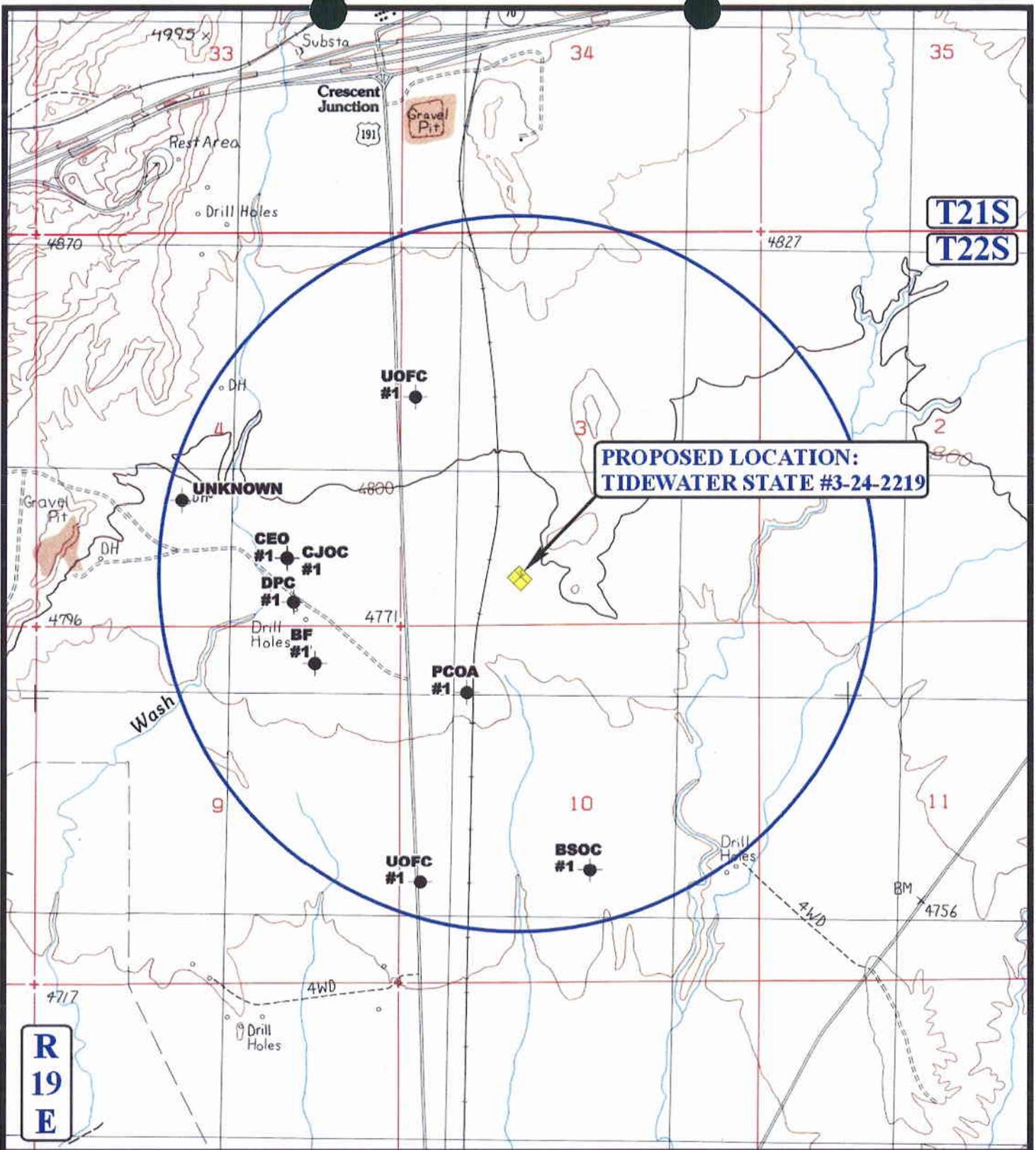
**TIDEWATER STATE #3-24-2219  
SECTION 3, T22S, R19E, S.L.B.&M.  
719' FSL 1790' FWL**

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



**TOPOGRAPHIC** 12 01 09  
**MAP** MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00

**B**  
**TOPO**



**PROPOSED LOCATION:  
TIDEWATER STATE #3-24-2219**

**LEGEND:**

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

**TIDEWATER OIL & GAS, LLC**

**TIDEWATER STATE #3-24-2219  
SECTION 3, T22S, R19E, S.L.B.&M.  
719' FSL 1790' FWL**



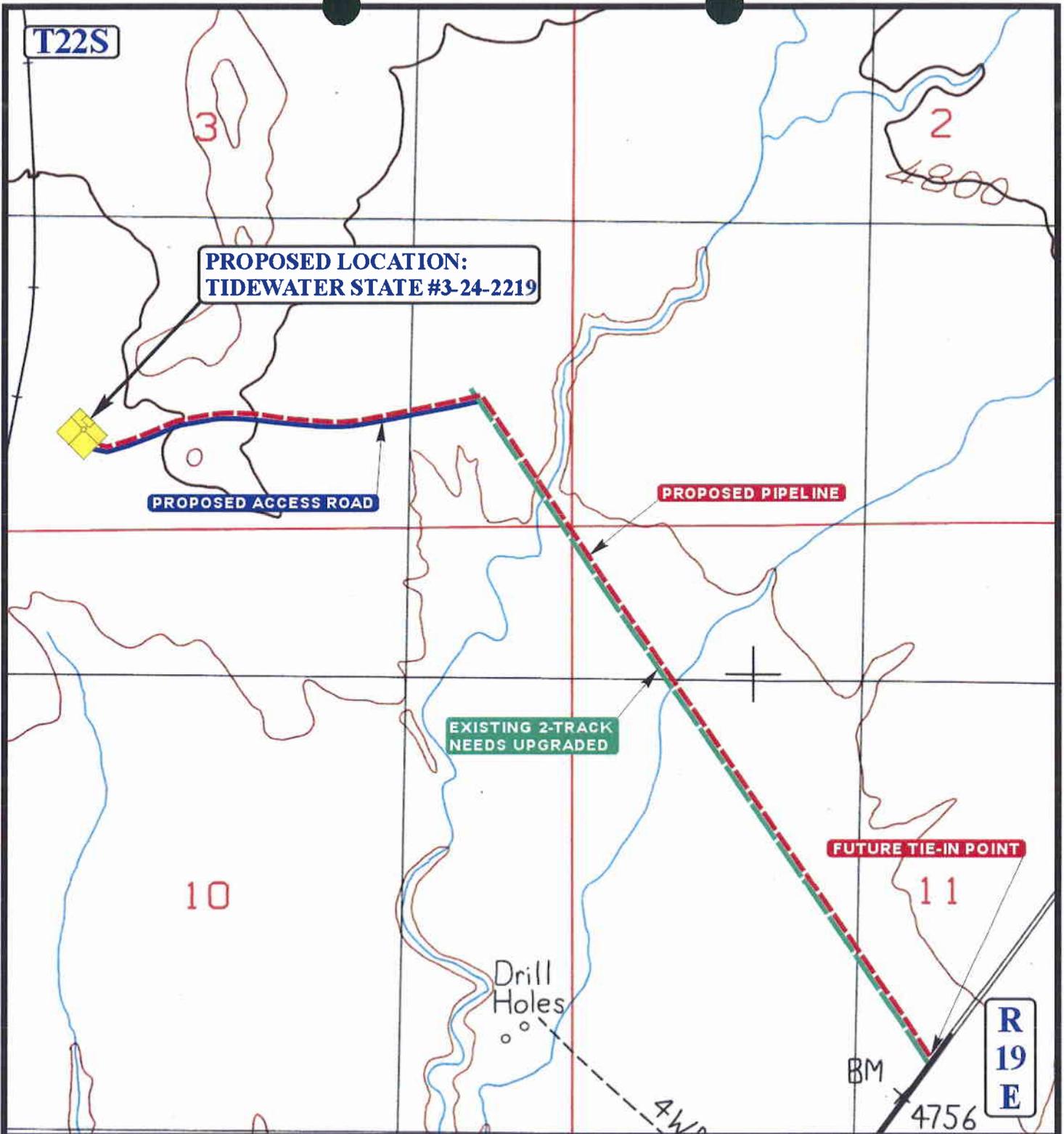
**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** 12 01 09  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 8,513' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- - - - - PROPOSED PIPELINE
- - - - - EXISTING 2-TRACK NEEDS UPGRADED

**TIDEWATER OIL & GAS, LLC**

**TIDEWATER STATE #3-24-2219  
SECTION 3, T22S, R19E, S.L.B.&M.  
719' FSL 1790' FWL**



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

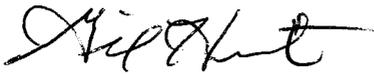


**TOPOGRAPHIC MAP** 12 01 09  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 00-00-00



**STATE ACTIONS**  
**Resource Development Coordinating Committee**  
**Public Lands Policy Coordination Office**  
**5110 State Office Building**  
**SLC, UT 84114**  
**Phone No. 801-537-9230**

<b>1. State Agency</b> Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	<b>2. Approximate date project will start:</b>  Upon Approval or December 24, 2009
<b>3. Title of proposed action:</b> Application for Permit to Drill	
<b>4. Description of Project:</b>  Tidewater Oil & Gas, LLC proposes to drill the Tidewater State 3-24-2219 well (wildcat) on State lease ML-48398, Grand County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
<b>5. Location and detailed map of land affected (site location map required, electronic GIS map preferred)</b> (include UTM coordinates where possible) (indicate county) 719' FSL 1790' FWL, SE/4 SW/4, Section 3, Township 22 South, Range 19 East, Grand County, Utah	
<b>6. Possible significant impacts likely to occur:</b> Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
<b>7. Identify local government affected</b> a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
<b>8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable:</b> a. Has the representative and senator been contacted? N/A	
<b>9. Areawide clearinghouse(s) receiving state action:</b> (to be sent out by agency in block 1) Southeastern Utah Association of Government	
<b>10. For further information, contact:</b>   <b>Diana Mason</b> <b>Phone:</b> (801) 538-5312	<b>11. Signature and title of authorized officer</b>   Gil Hunt, Associate Director <b>Date:</b> December 10, 2009

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

FORM 3

AMENDED REPORT   
(highlight changes)

**APPLICATION FOR PERMIT TO DRILL**

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO.: <b>ML-48398</b>	6. SURFACE: <b>State of Utah</b>
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"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>	
2. NAME OF OPERATOR: <b>Tidewater Oil &amp; Gas, LLC</b>		8. UNIT or CA AGREEMENT NAME: <b>N/A</b>	
3. ADDRESS OF OPERATOR: <b>110 16th Street, Suite 405, Denver, CO 80202</b>		PHONE NUMBER: <b>303-468-0656</b>	9. WELL NAME and NUMBER: <b>Tidewater State 3-24-2219</b>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>603304 X 4308554 Y 38.921696 -109.808361</b> AT PROPOSED PRODUCING ZONE: <b>719' FSL and 1790' FWL SE SW</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>Approximately 29.8 miles east of Green River, UT.</b>		12. COUNTY: <b>Grand</b>	13. STATE: <b>UT</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>719'</b>	16. NUMBER OF ACRES IN LEASE: <b>2182.83</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40 acres; SE SW</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): <b>None</b>	19. PROPOSED DEPTH: <b>3,600'</b>	20. BOND DESCRIPTION: <b>Nationwide Bond No. NM-2037</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4789' GL</b>	22. APPROXIMATE DATE WORK WILL START: <b>1/7/2010</b>	23. ESTIMATED DURATION: <b>7 Days</b>	

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8", J55, 24#	360'	135 sx Rockies LT, 2.08 ft3/sk, 12.8 lbm/gal + 200 sx Premium, 1.17 ft3/sk, 15.8 lbm/gal
7-7/8"	5-1/2", K55, 15.5#	3,600'	280 sx Rockies LT, 2.08 ft3/sk, 12.8 lbm/gal

**ATTACHMENTS CONFIDENTIAL-TIGHT HOLE**

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 |

AGENT: **Permitco Inc., P.O. Box 99, Eastlake, CO 80614**

AGENT'S PHONE NO.: **303/857-9999**

NAME (PLEASE PRINT) **Venessa Langmacher**

TITLE **Agent for Tidewater Oil & Gas, LLC**

SIGNATURE *Venessa Langmacher*

DATE **December 3, 2009**

(This space for State use only)

API NUMBER ASSIGNED: **43-019-311625**

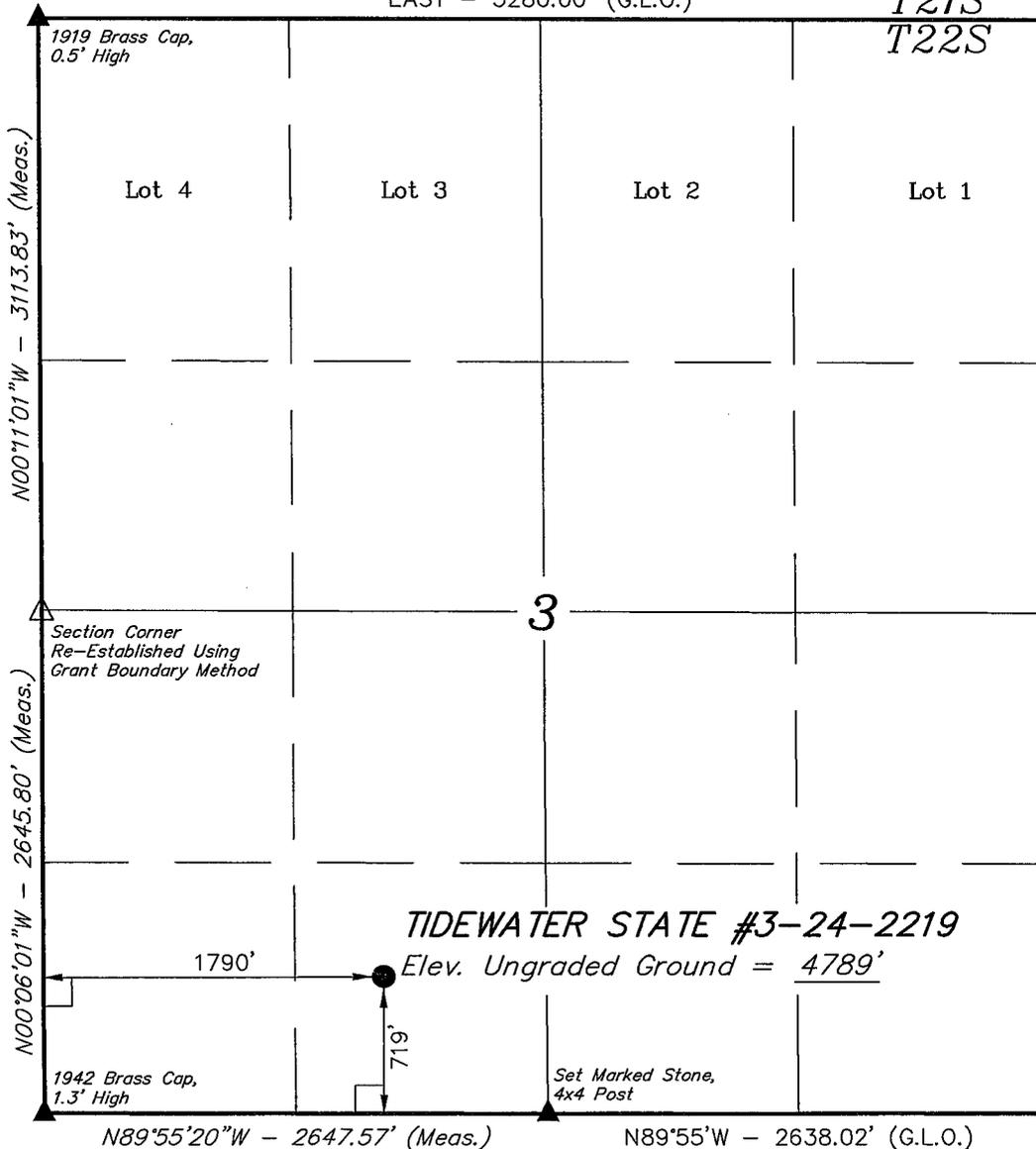
APPROVAL:

**RECEIVED  
DEC 07 2009**

# T22S, R19E, S.L.B.&M.

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

T21S  
T22S



N00°11'01"W - 3113.83' (Meas.)

N00°06'01"W - 2645.80' (Meas.)

S00°03'E - 5755.86' (G.L.O.)

N89°55'20"W - 2647.57' (Meas.)

N89°55'W - 2638.02' (G.L.O.)

### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED (Not Set on Ground)

(AUTONOMOUS NAD 83)  
 LATITUDE = 38°55'17.52" (38.921533)  
 LONGITUDE = 109°48'32.94" (109.809150)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 38°55'17.62" (38.921561)  
 LONGITUDE = 109°48'30.49" (109.808469)

## TIDEWATER OIL & GAS, LLC

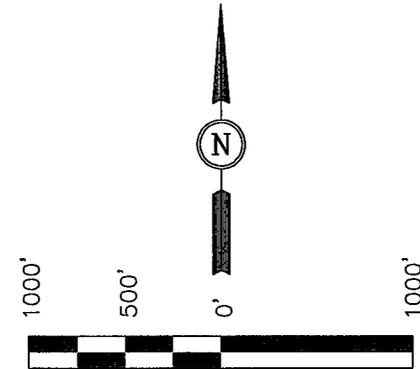
Well location, TIDEWATER STATE #3-24-2219, located as shown in the SE 1/4 SW 1/4 of Section 3, T22S, R19E, S.L.B.&M., Grand County, Utah.

### BASIS OF BEARINGS

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

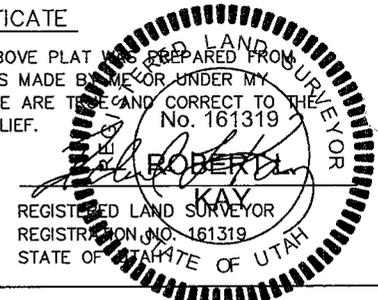
### BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHWEST CORNER OF SECTION 14, T22S, R19E, S.L.B.&M. TAKEN FROM THE CRESCENT JUNCTION QUADRANGLE, UTAH, GRAND COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4692 FEET.



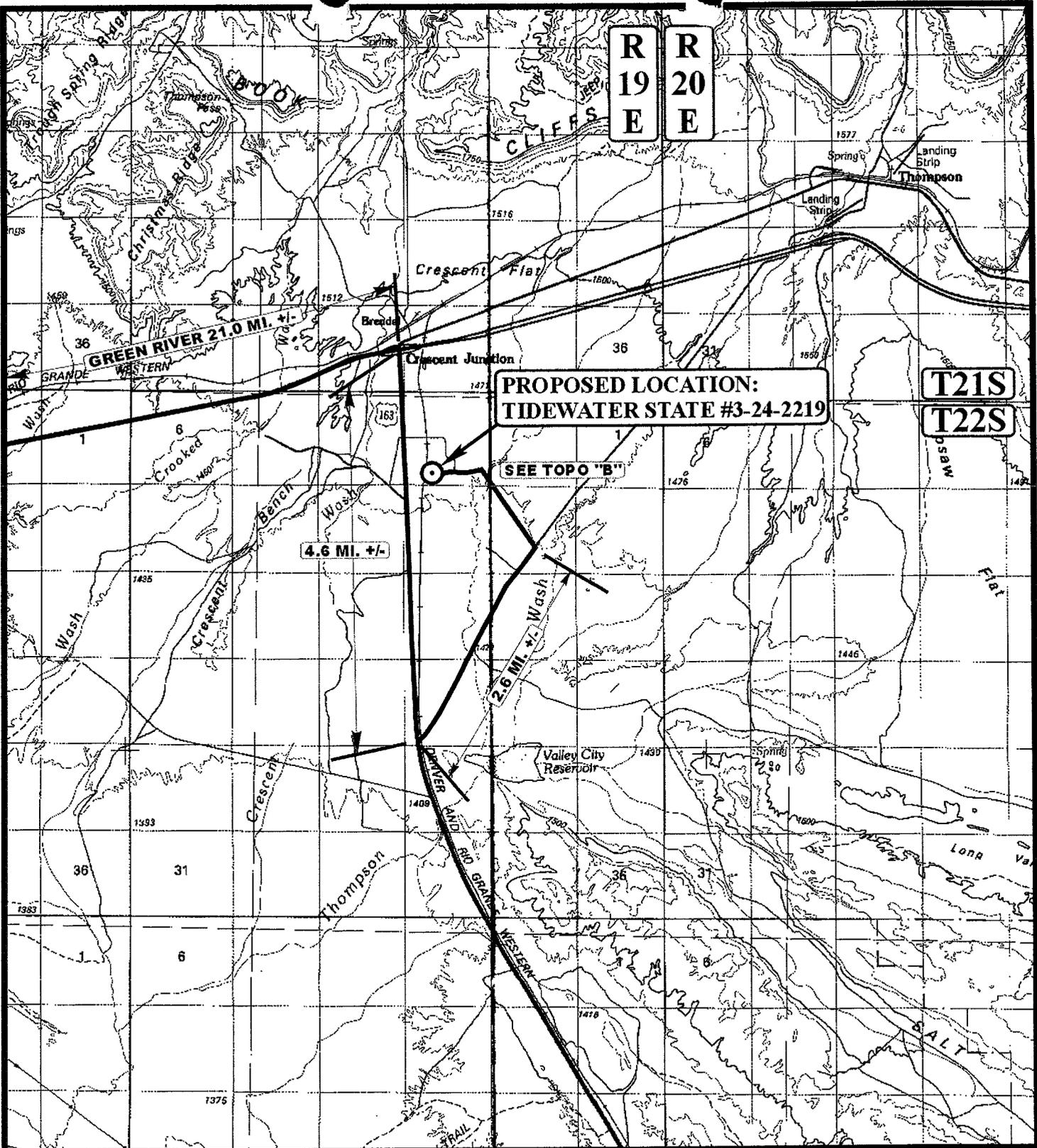
### SCALE CERTIFICATE

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.



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

SCALE 1" = 1000'	DATE SURVEYED: 11-19-09	DATE DRAWN: 11-23-09
PARTY D.R. L.M. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE TIDEWATER OIL & GAS, LLC	



R  
19  
E

R  
20  
E

T21S

T22S

PROPOSED LOCATION:  
TIDEWATER STATE #3-24-2219

SEE TOPO "B"

4.6 MI. +/-

2.6 MI. +/- Wash

**LEGEND:**

⊙ PROPOSED LOCATION

**TIDEWATER OIL & GAS, LLC**

TIDEWATER STATE #3-24-2219  
SECTION 3, T22S, R19E, S.L.B.&M.  
719' FSL 1790' FWL



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



TOPOGRAPHIC  
MAP

12	01	09
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/07/2009

API NO. ASSIGNED: 43-019-31625
--------------------------------

WELL NAME: TIDEWATER ST 3-24-2219  
 OPERATOR: TIDEWATER OIL & GAS ( N3000 )  
 CONTACT: VENESSA LANGMACHER

PHONE NUMBER: 303-468-0656

PROPOSED LOCATION:

SESW 03 220S 190E  
 SURFACE: 0719 FSL 1790 FWL  
 BOTTOM: 0719 FSL 1790 FWL  
 COUNTY: GRAND  
 LATITUDE: 38.92170 LONGITUDE: -109.80836  
 UTM SURF EASTINGS: 603304 NORTHINGS: 4308554  
 FIELD NAME: WILDCAT ( 1 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	1/20/10
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-48398  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: CHIN  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 394312610378 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. MUNICIPAL )
- RDCC Review (Y/N)  
(Date: 12/25/2009 )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

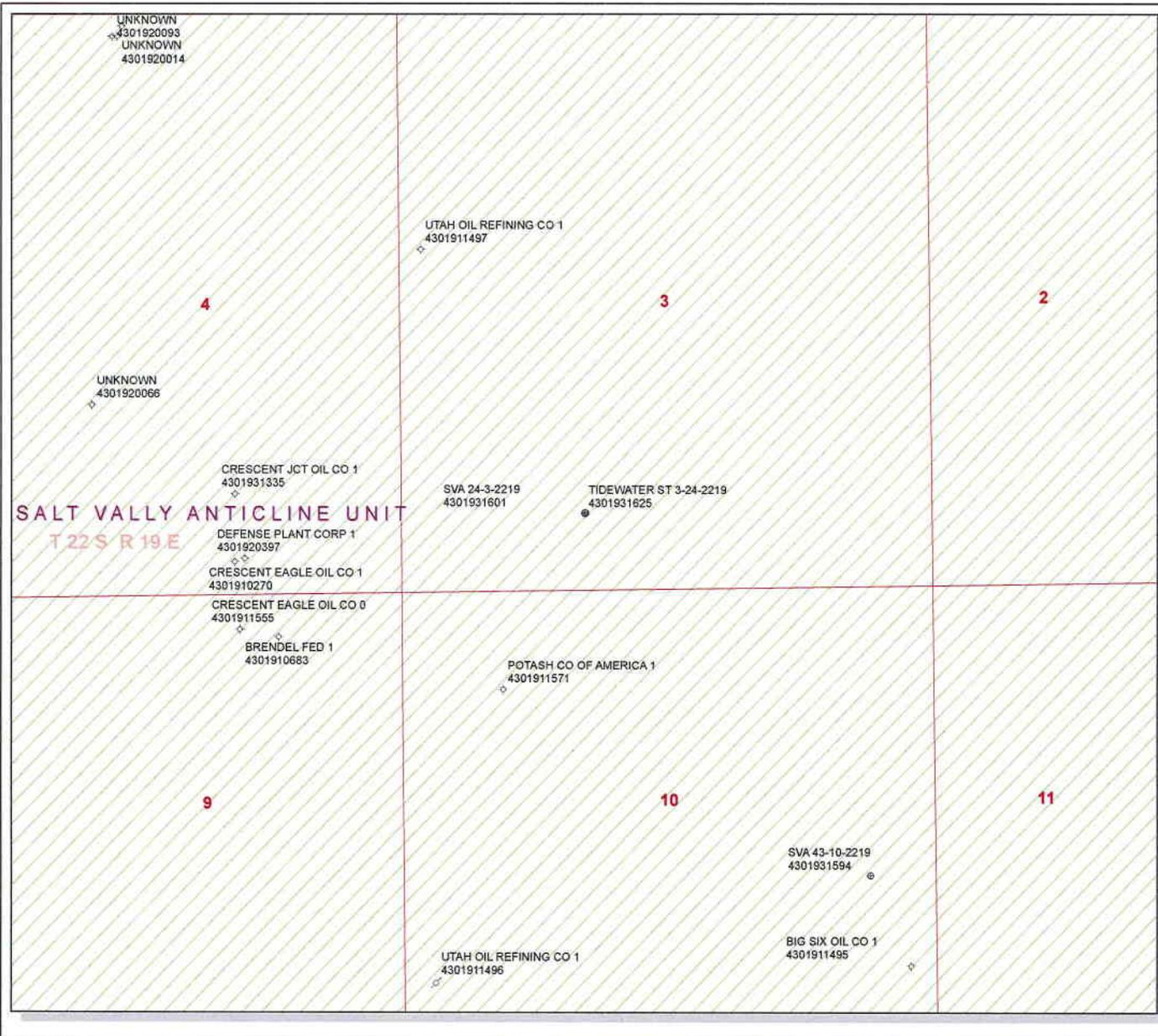
- R649-2-3. *Uncommitted*
- Unit: SALT VALLEY ANTICLINE
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

COMMENTS:

*Needs Permit (12-22-09)*

STIPULATIONS:

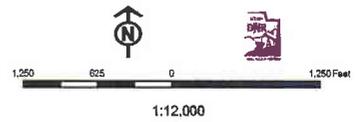
- 1- Spacing Stip*
- 2- STATEMENT OF BASIS*



**API Number: 4301931625**  
**Well Name: TIDEWATER ST 3-24-2219**  
**Township 22.0 S Range 19.0 E Section 03**  
**Meridian: SLBM**  
 Operator: TIDEWATER OIL & GAS COMPANY, LLC

Map Prepared:  
 Map Produced by Diana Mason

<b>Units</b>	<b>Wells Query</b>
STATUS	STATUS
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GRV - Gas Injection
HP PP OIL	CS - Gas Storage
HP SECONDARY	LA - Location Abandoned
PO OIL	LCC - New Location
PP GAS	OPS - Operation Suspend
PP GEOTHERM	PA - Plugged Abandoned
PP OIL	POW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
<b>Fields</b>	RET - Returned APD
STATUS	SOV - Shut-in Gas Well
Unknown	SOV - Shut-in Oil Well
ABANDONED	TA - Temp Abandoned
ACTIVE	TW - Test Well
COMBINED	WOW - Water Debris
INACTIVE	WVW - Water Injection Well
STORAGE	WVW - Water Injection Well
TERMINATED	WVW - Water Injection Well
Sections	WVW - Water Injection Well
Township	WVW - Water Injection Well



# Application for Permit to Drill

## Statement of Basis

1/12/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
2251	43-019-31625-00-00		GW	S	No
<b>Operator</b>	TIDEWATER OIL & GAS COMPANY, LLC		<b>Surface Owner-APD</b>		
<b>Well Name</b>	TIDEWATER ST 3-24-2219	<b>Unit</b>	SALT VALLEY ANTICLINE		
<b>Field</b>	WILDCAT	<b>Type of Work</b>			
<b>Location</b>	SESW 3 22S 19E S 719 FSL 1790 FWL	GPS Coord (UTM) 603304E 4308554N			

### Geologic Statement of Basis

Significant volumes of high quality ground water are unlikely to be encountered in the bedrock at this location. A poorly permeable soil is likely to be developed on the Ferron Sandstone Member of the Mancos Shale. It is uncertain what quality water is likely to be encountered in permeable Mesozoic and upper Paleozoic sandstones found below the Mancos Shale. These are prognosticated to be rather close to the surface - the uppermost at about 500' TD. It is possible that some of the connate waters could be of high quality because of recharge on the Salt Valley Anticline, which is about two to three miles south, although most likely they are saline as documented in the area of the old Crescent Junction Oil Field. The area is significantly faulted. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated. Three SITLA underground water rights are filed inside the one mile search radius to the northwest in adjacent Section 4. The specified depths of the wells in the area (4) is about 1500' to 2500' deep. It is possible that the specified wells included within the water rights were never drilled.

Chris Kierst  
APD Evaluator

1/12/2010  
Date / Time

### Surface Statement of Basis

Presite evaluation completed December 22, 2009. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Ed Bonner-Trust Lands Administration (SITLA), Nicole Nielson-Division of Wildlife Resources (DWR) and Walt Lowery-Tidewater Oil and Gas LLC. Invited and choosing not to attend: Liz Thomas-Southern Utah Wilderness Alliance (SUWA), Bill Jackson-Grand County Roads.

Per DWR proposed project area is located within antelope fawning grounds. One small group of antelope were observed at the time of presite evaluation. DWR is recommending drilling operations not occur between April 15-June 15. A single Ferruginous Hawk nest is located over a mile north of the proposed project site. Burrowing Owls have been observed in proximity to the proposed project site. Whitetail prairie dog mounds were observed within the project area.

Several intermittent wash crossings were observed along proposed access road. Per standards found in SITLA's Standards for Construction of Oil & Gas Roads on Utah Trust Lands "for intermittent drainages, low water crossings are preferred to culverts. As such, wash crossings shall be low water crossings with the discharge portions of crossings rip rapped with rock sufficient in size to dissipate energy flows of a ten year storm event.

Soils observed along the access road will require frequent fresh water applications to prevent break up of road surface and powdering of soils in periods of hot dry conditions. In the event drilling activities are planned during the spring break up period from February 15-April 15 it is recommended that a 2% crown be built according to road Standards for the Exploration Phase for Utah Trust Lands.

Drilling activities will be visible from both I-70 and US 191, as such it is reasonable to expect scrutiny from the general public. Operations should be maintained in a workmen like manner to prevent unnecessary negative perception towards oil and gas exploration.

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# Application for Permit to Drill

## Statement of Basis

1/12/2010

Utah Division of Oil, Gas and Mining

Page 2

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Bart Kettle  
Onsite Evaluator

12/22/2009  
Date / Time

### Conditions of Approval / Application for Permit to Drill

<b>Category</b>	<b>Condition</b>
Pits	A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Access road shall be built per requirements found in Standards for Construction of Oil & Gas Roads on Utah Trust Lands

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

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**Operator** TIDEWATER OIL & GAS COMPANY, LLC  
**Well Name** TIDEWATER ST 3-24-2219  
**API Number** 43-019-31625-0      **APD No** 2251      **Field/Unit** WILDCAT  
**Location:** 1/4,1/4 SESW      **Sec** 3      **Tw** 22S      **Rng** 19E      719 FSL 1790 FWL  
**GPS Coord (UTM)**      **Surface Owner**

### Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGGM), Ed Bonner-Trust Lands Administration (SITLA), Nicole Nielson-Division of Wildlife Resources (DWR) and Walt Lowery-Tidewater Oil and Gas LLC

### Regional/Local Setting & Topography

Proposed project site is located roughly 5 miles southwest of the town of Thompson Springs, in Grand County Utah. Annual precipitation is 6-8", vegetation is sparse at the project site, but would be described as salt scrub rangelands. Topography immediately adjacent to the project site is gently rolling clay flats. Drainage is to the south entering the Green River within 20 miles. No perennial water was observed in close proximity to the proposed project site. Drainages in the immediate area are ephemeral in nature, being dry throughout a majority of the year. On a regional setting the project is located in the Cisco Desert at the base of the Bookcliffs, a region known for it's harsh growing conditions due to low precipitation, and poorly developed salty soils. I-70, Hwy 191, east bound Crescent Junction rest area, DOE uranium tailings transfer site and Union Pacific train tracks are all located in close proximity to the proposed project.

### Surface Use Plan

#### **Current Surface Use**

Grazing  
Wildlfe Habitat

#### **New Road**

<b>Miles</b>	<b>Well Pad</b>	<b>Src Const Material</b>	<b>Surface Formation</b>
1.7	<b>Width</b> 250 <b>Length</b> 275		MNCS

#### **Ancillary Facilities**

### Waste Management Plan Adequate?

### Environmental Parameters

**Affected Floodplains and/or Wetland** N

#### **Flora / Fauna**

Flora  
Grass: Curly galleta, Indian Rice grass  
Forbs: Globe mallow, desert plantain, halogeton, Russian thistle  
Shrubs: Spiny hopsage, black greasewood, Mormon tea, broom snakeweed, four wing salt brush.

#### **Soil Type and Characteristics**

Light brown Sandy Loam

#### **Erosion Issues** Y

Soils prone to accelerated erosion form overland water flows

#### **Sedimentation Issues** N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Reseeding following construction should be sufficient to stabilize site.

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

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score    15    2    Sensitivity Level

Characteristics / Requirements

Closed Loop Mud Required N    Liner Required? Y    Liner Thickness 12    Pit Underlayment Required? N

Other Observations / Comments

Bart Kettle  
Evaluator

12/22/2009  
Date / Time



Search all of Utah.gov »

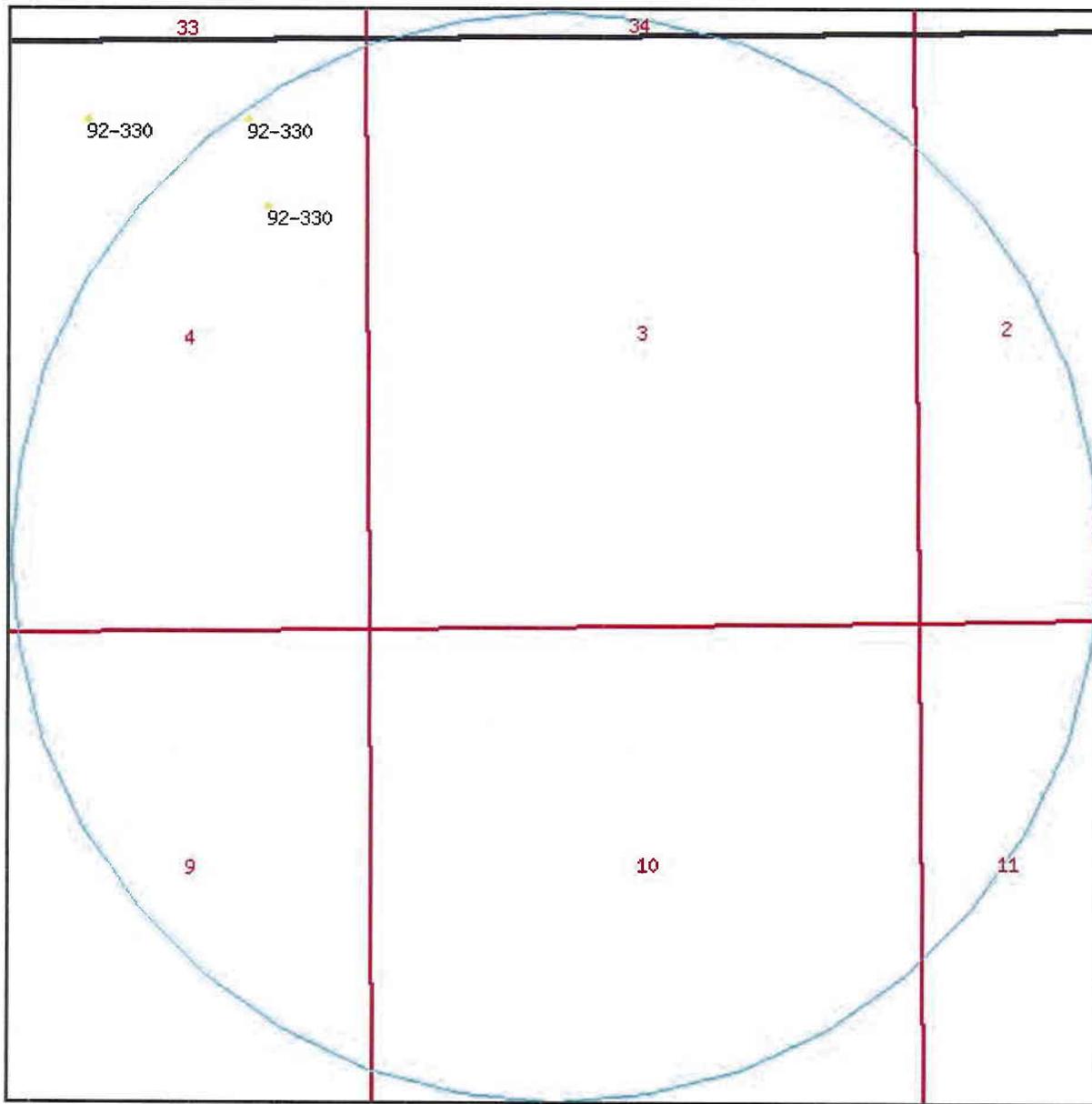
# Utah Division of Water Rights



## Output Listing

Version: 2009.05.06.00      Rundate: 01/12/2010 11:42 AM

Radius search of 5280 feet from a point N719 E1790 from the SW corner, section 03, Township 22S, Range 19E, SL b&m  
Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all



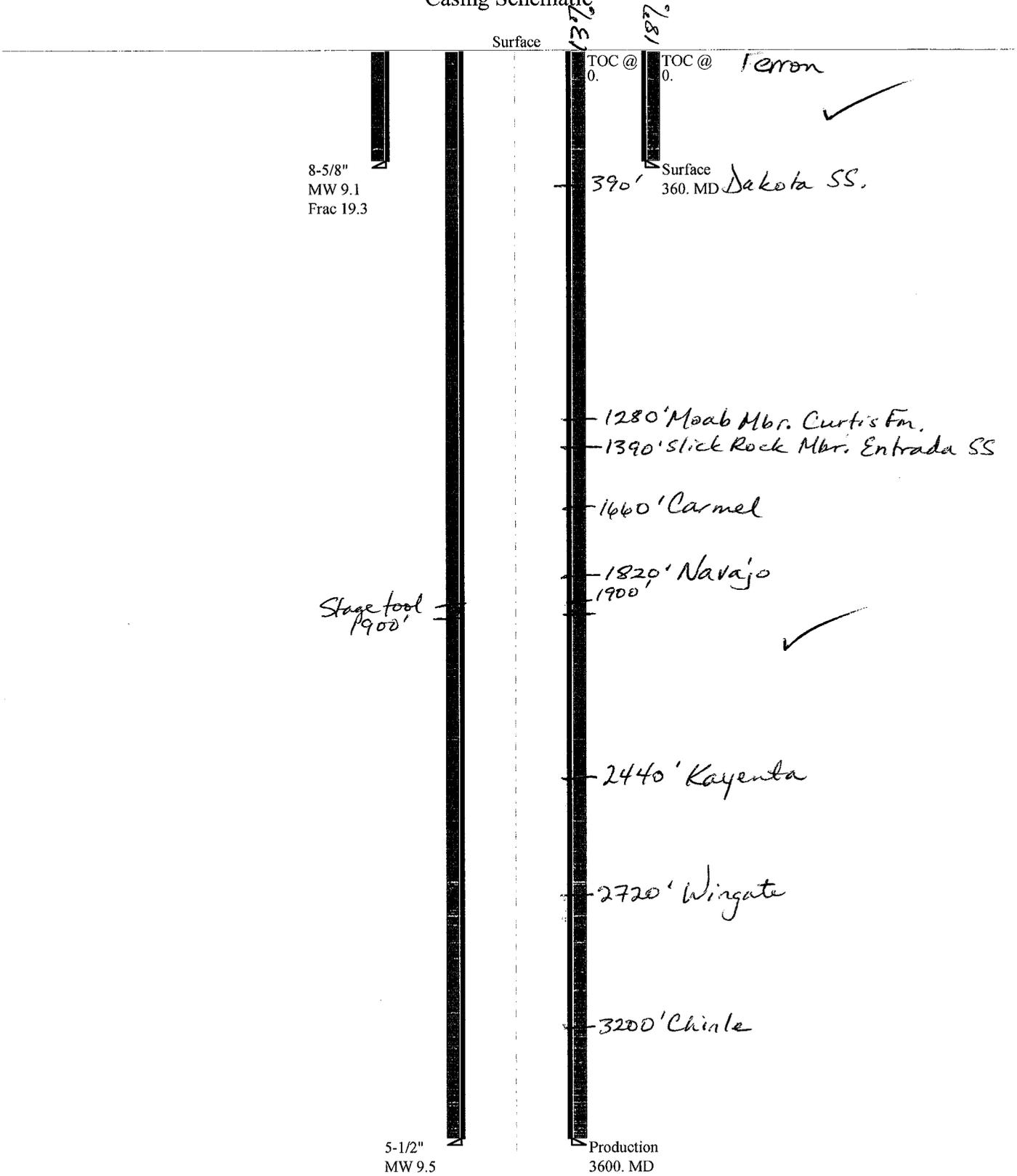
**Water Rights**

<b>WR Number</b>	<b>Diversion Type/Location</b>	<b>Well Log</b>	<b>Status</b>	<b>Priority</b>	<b>Uses</b>	<b>CFS</b>	<b>ACFT</b>	<b>Owner Name</b>
<u>92-330</u>	Underground S800 W2700 NE 04 22S 19E SL		U	19841016	DOX	11.200	8100.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR
<u>92-330</u>	Underground S800 W1150 NE 04 22S 19E SL		U	19841016	DOX	11.200	8100.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR
<u>92-330</u>	Underground S1650 W950 NE 04 22S 19E SL		U	19841016	DOX	11.200	8100.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR

Utah Division of Water Rights | 1594 West North Temple Suite 220, P.O. Box 146300, Salt Lake City, Utah 84114-6300 | 801-538-7240  
[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

4301931625000 Tidewater ST 3-24-2219

Casing Schematic



8-5/8"  
MW 9.1  
Frac 19.3

Stage tool  
1900'

5-1/2"  
MW 9.5

Surface

TOC @  
0.

TOC @  
0.

Iron ✓

390' Surface 360. MD Dakota SS. ✓

1280' Moab Mbr. Curtis Fm.

1390' slick Rock Mbr. Entrada SS

1460' Carmel

1820' Navajo  
1900' ✓

2440' Kayenta

2720' Wingate

3200' Chinle

Production  
3600. MD

1372'  
1872'

Well name:	<b>4301931625000 Tidewater ST 3-24-2219</b>	
Operator:	<b>Tidewater Oil &amp; Gas, LLC</b>	
String type:	Surface	Project ID: 43-019-31625-0000
Location:	Grand County	

**Design parameters:**

**Collapse**

Mud weight: 9.100 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 70 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 120 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 317 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 360 psi

No backup mud specified.

**Tension:**

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

Tension is based on air weight.  
Neutral point: 311 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 3,600 ft  
Next mud weight: 9.500 ppg  
Next setting BHP: 1,777 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 360 ft  
Injection pressure: 360 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	360	8.625	24.00	J-55	ST&C	360	360	7.972	128.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	170	1370	8.050	360	2950	8.19	9	244	28.24 J

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

Phone: 810-538-5357

Date: January 19, 2010  
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 360 ft, a mud weight of 9.1 ppg. The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:	<b>4301931625000 Tidewater ST 3-24-2219</b>		
Operator:	<b>Tidewater Oil &amp; Gas, LLC</b>		
String type:	Production	Project ID:	43-019-31625-0000
Location:	Grand County		

**Design parameters:**

**Collapse**

Mud weight: 9.500 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 115 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 368 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 985 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 1,777 psi

No backup mud specified.

**Tension:**

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

Tension is based on air weight.  
 Neutral point: 3,082 ft

**Non-directional string.**

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3600	5.5	15.50	K-55	LT&C	3600	3600	4.825	481.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1777	4040	2.274	1777	4810	2.71	56	239	4.28 J

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

Phone: 810-538-5357

Date: January 19, 2010  
 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Collapse is based on a vertical depth of 3600 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes.  
 Burst strength is not adjusted for tension.

**BOPE REVIEW**

**Tidewater ST 3-24-2219**

**43-019-31625-0000**

**INPUT**

Well Name

Tidewater ST 3-24-2219		43-019-31625-0000	
String 1	String 2		
Casing Size (")	8 5/8	5 1/2	
Setting Depth (TVD)	360	3600	
Previous Shoe Setting Depth (TVD)	40	360	
Max Mud Weight (ppg)	9.1	9.5	✓
BOPE Proposed (psi)	0	3000	
Casing Internal Yield (psi)	2950	4810	
Operators Max Anticipated Pressure (psi)	1561	8.3 ppg	3.9

**Calculations**

		String 1	8 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =		170	
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =		127	NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =		91	NO
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =		100	NO <i>Reasonable depth</i>
Required Casing/BOPE Test Pressure			360	psi
*Max Pressure Allowed @ Previous Casing Shoe =			40	psi *Assumes 1psi/ft frac gradient

**Calculations**

		String 2	5 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =		1778	
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =		1346	YES
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =		986	YES <i>OK</i>
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =		1066	NO <i>Reasonable</i>
Required Casing/BOPE Test Pressure			3000	psi
*Max Pressure Allowed @ Previous Casing Shoe =			360	psi *Assumes 1psi/ft frac gradient

# SOUTHEASTERN UTAH ASSOCIATION OF LOCAL GOVERNMENTS

Joe Piccolo  
CHAIRMAN

William D. Howell  
EXECUTIVE DIRECTOR



375 SOUTH CARBON AVE.  
P.O. DRAWER 1106  
PRICE, UTAH 84501  
(435) 637-5444  
FAX (435) 637-5448

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DIV. OF OIL, GAS & MINING

## AREA WIDE CLEARINGHOUSE REVIEW

Federal Action \_\_\_\_\_ State Action \_\_\_\_\_ Approved (x) Yes ( ) No  
Other (indicate) \_\_\_\_\_

### Applicant or State Agency Name/Address:

Oil, Gas & Mining  
1594 West North Temple #1210  
SLC, UT 84114

Name Diana Mason  
Phone 801-538-5312

Title/Project Description: Application for Permit to Drill - Tidewater State 3-24-2219 well  
(wildcat) on State Lease ML-48398, Grand County, near Crescent Jct.

- No Comment
- See comment below

Comments: Project was approved by Councilman Gene Ciarus via e-mail dated December 12, 2009.

Louise Bergbill  
SEUALG

12/14/09  
DATE

**From:** Ed Bonner  
**To:** Mason, Diana  
**CC:** Davis, Jim; Hill, Brad; Jarvis, Dan  
**Date:** 1/14/2010 3:00 PM  
**Subject:** Well Clearance

The following well has been given cultural resources and paleontological resources clearance by the Trust Lands Administration:

Tidewater Oil & Gas Company, LLC  
Tidewater State 3-24-2219 (API 43 019 31625)

If you have any questions regarding this matter please give me a call.

# TIDEWATER OIL & GAS COMPANY LLC

110 16<sup>th</sup> Street, Suite 405

Denver, Colorado 80202

(303) 468-0656

January 18, 2010

SENT VIA EMAIL to [hmacdonald@utah.gov](mailto:hmacdonald@utah.gov)

Helen MacDonald  
Utah Division of Oil, Gas and Mining  
1594 W. North Temple, Suite 1210  
Salt lake City, Utah 84114

Re: Amended APD for Tidewater State 3-24-2219

Helen:

Pursuant to your request, attached is an amended APD and supporting documentation. The following information has either been amended or added per your request:

- a 3M BOPE and choke manifold diagram;
- inclusion of 40' of 14" conductor casing set at 40' BGL;
- Revised surface casing cement. Mix and pump 150 sx (2.08 cf/sx) mixed @ 12.8 ppg Rockies LT cement + 0.125 #/sx celloflake. 100% excess, cement designed to return to surface. Perform top job w/ Premium cement + 2% CaCl<sub>2</sub> @ 15.8 ppg, if necessary;
- Revised production casing cement. DV tool to be placed at 1900'. Mix all blends 50% excess over caliper volume, cement designed to return to surface. 1st Stage: Pump 225 sx Rockies LT Cement (2.08 cf/sx) + 0.125 #/sx celloflake mixed @ 12.8 ppg. Displace w/ FW. Open Stage Tool. 2nd Stage: Pump 20 bbl FW spacer. Pump 240 sx Rockies LT Cement (2.08 cf/sx) + 0.125 #/sx celloflake mixed @ 12.8 ppg. Displace w/ FW; and,
- a Proposed Wellbore Construction Diagram depicting all critical operations expected in the drilling operation.

In addition to the above, it is Tidewater's intention to drill the surface hole utilizing a diverter system attached to the conductor casing.

Helen, it dawned on me this weekend that contrary to our discussion last Thursday afternoon, you were probably off today for the Martin Luther King holiday. Hopefully the attached information is sufficient to facilitate a quick approval by you, as we are up against a lease expiration deadline and there is reportedly very bad weather moving in this week. Please call me immediately at 303-884-5505 if you have any questions or further requests. I spoke with Ed Bonner of the State Trust Lands last week, and he indicated he was going to call Diana and give her his approval.

Thank you very much for your attention to this matter, it is greatly appreciated.

Sincerely,



Walter Lowry  
Engineer

Cc: Dustin Doucet via email

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**JAN 18 2010**

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

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: ML-48398	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Tidewater Oil & Gas, LLC			9. WELL NAME and NUMBER: Tidewater 3-24-2219	
3. ADDRESS OF OPERATOR: 110 16th St, Suite 405 CITY Denver STATE CO ZIP 80202			PHONE NUMBER: (303) 468-0656	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: SESW 719' FSL and 1790' FWL AT PROPOSED PRODUCING ZONE: SESW 719' FSL and 1790' FWL			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 3 22S 19E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 29.8 miles east of Green River, UT			12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 719'		16. NUMBER OF ACRES IN LEASE: 2182.83		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 acres
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) None		19. PROPOSED DEPTH: 3,600		20. BOND DESCRIPTION Single well: 394312610378
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4789' ungraded		22. APPROXIMATE DATE WORK WILL START: 1/7/2010		23. ESTIMATED DURATION: 7 days

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
20"	14" 0.25" w.t	40	Conductor grout mix
12-1/4"	8-5/8" J55 24#	360	Rockies LT + 1/4#/sx 150 sx 2.08 cf/sx 12.8 ppg
7-7/8"	5-1/2" K55 15.5#	3,600	1st Stage: Pump 22# DV Tool at 1900. See well bore schematic

**ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Walter Lowry TITLE Engineer  
SIGNATURE [Signature] DATE 1/14/2010

(This space for State use only)

API NUMBER ASSIGNED 43-019-31625

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

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(11/2001)

(See Instructions on Reverse Side) Date: 01-20-10 DIV. OF OIL, GAS & MINING

By: [Signature]

**Tidewater State 3-24-2219**  
Proposed Wellbore Schematic

Well: Tidewater State 3-24-2219  
Well Type: Vertical  
Surface Location: 719' FSL, 1790' FWL, Sec.3, T22S, R19E  
Latitude / Longitude: Lat: 38.921533, Long: -109.809150 (NAD 83)  
Bottom Hole Location: 719' FSL, 1790' FWL, Sec.3, T22S, R19E  
Permitted TD: 3600'  
Author-Version-Date: WDL - Rev 0 - 01-15-10

AFE Number: TBD  
Field: Wildcat  
API Well Number: xx-xxx-xxxx  
Elevation (ft): 4787.2' graded  
KB to GL (ft): ~10'  
Objectives: Drill & evaluate Wingate Formation

Geology Logs	BOP Testing Requirements	Casing and Cement	Depth (ft, MD)	Hole Size	Bit	Run	Directional and Mud Data
<b>Surface is the Ferron Formation</b>			<b>8.825" 3M SOW</b>	40' of 16" 0.25" w.t. conductor in 20" hole with 6' diameter x 4' deep cellar			
		<p align="center"><b>Cmt to surface for surface casing</b></p> <div style="border: 1px solid black; padding: 5px;"> <p><b>Surface Casing Cement:</b> Pump 10 bbl water spacer. Pump 150 sx (2.08 cf/sx) mixed @ 12.8 ppg Rockies LT cement + 0.125 #/sx Poly-E-Flake. 100% excess, cement designed to return to surface. Perform top job w/ Premium cement + 2% CaCl2 @ 15.8 ppg, if necessary.</p> </div> <p align="center"><b>Test casing to 1500 psi / 10 min prior to drill out.</b></p> <p align="center">8 5/8", 24#, J55, STC</p>	360' MD/TVD	12 1/4" Hole	Bit #1 12.25" Use retip air bit if drilled with air.		<p align="center"><b>Preferred Procedure:</b> Preset surface casing with small rig (e.g., Pro-Petro) utilizing air/mist to eliminate lost circulation concerns.</p> <p align="center">Drop Inclination survey prior to POOH to run casing.</p>
<b>Dakota Sandstone @ 390' TVD</b>		<p align="center"><b>RU 3M BOP stack per UDOGM requirements w/ double rams and annular preventer.</b></p>		7-7/8" Hole	Bit #2		(No Formation Integrity Test required)
<b>Moab Member of Curtis Fmt @ 1280' TVD</b>		<p align="center"><b>Test Rams/choke to:</b> 250 psi / 10 min</p>					<p align="center"><b>Drilling Fluids for Production Hole:</b> Gel/Polymer Water Base Mud. Mud up with prehydrated gel/polymer (PHPA) mud in fresh water. Run HI-Viscosity gel sweeps every 200 300 ft. and/or for tight hole. Utilize Fed Pac-R for FL control and Fed Rheosmart for rheology control</p> <p align="center">Drop survey tool on TFNB.</p> <p align="center"><b>RECEIVED</b></p> <p align="center"><b>JAN 18 2010</b></p> <p align="center"><b>DIV. OF OIL, GAS &amp; MINING</b></p> <p align="center">Drop survey tool on TOOH for logs.</p>
<b>Entrada Slick Rock @ 1390' TVD</b>		<p align="center"><b>Test Annular to:</b> 3000 psi / 10 min</p>					
<b>Carmel @ 1660' TVD</b>		<p align="center"><b>Test Annular to:</b> 1500 psi / 10 min</p>		Stage Collar @ 1900'			
<b>Navajo @ 1820' TVD</b>		<div style="border: 1px solid black; padding: 5px;"> <p><b>Longstring Cement:</b> Pump 20 bbl FW spacer. Mix all blends 50% excess over caliper volume, cement designed to return to surface. <b>1st Stage:</b> Pump 225 sx Rockies LT Cement (2.08 cf/sx) + 0.125 #/sx Poly-E-Flake mixed @ 12.8 ppg. Displace w/ FW. Open Stage Tool. <b>2nd Stage:</b> Pump 20 bbl FW spacer. Pump 240 sx Rockies LT Cement + 0.125 #/sx Poly-E-Flake mixed @ 12.8 ppg. Displace w/ FW</p> </div>					
<b>Kayenta @ 2440' TVD</b>							
<b>Wingate @ 2720' TVD</b>							
<b>Chinle @ 3200' TVD</b>					Bit #3		
<b>TD 3600' MD/TVD</b>		5-1/2", 15.5#, K55, LTC (0'-3600')	3600' MD/TVD				

APPROVALS

Prepared By:  January 11, 2010  
Date

Approved By: \_\_\_\_\_ Date

Tidewater State # 3-24-2219  
719' FSL, 1790' FWL  
SESW Sec 3, T22S - R19E  
Grand County, Utah

iii. 3M system:

- Annular preventers \*
- Double ram with blind rams and pipe rams \*
- Drilling spool, or blowout preventer with 2 side outlets (choke side shall be 3-inch minimum diameter, kill side shall be at least 2-inch diameter) \*
- Kill-line (2 inch minimum)
- A minimum of 2 choke line valves (2 inch minimum) \*
- 3 inch diameter choke line
- 2 kill-line valves, one of which shall be a check valve (2 inch minimum) \*
- 2 chokes (refer to diagram in Attachment 1)
- Pressure gauge on choke manifold
- Upper kelly cock valve with handle available
- Safety valve and subs to fit all drill string connections in use
- All BOPE connections subjected to well pressure shall be flanged, welded, or clamped \*
- Fill-up line above the uppermost preventer.

Violation: Minor (all items unless marked by asterisk).

Corrective Action: Install the equipment as specified.

Normal Abatement Period: 24 hours.

\* Violation: Major.

Corrective Action: Install the equipment as specified.

Normal Abatement Period: Prompt correction required.

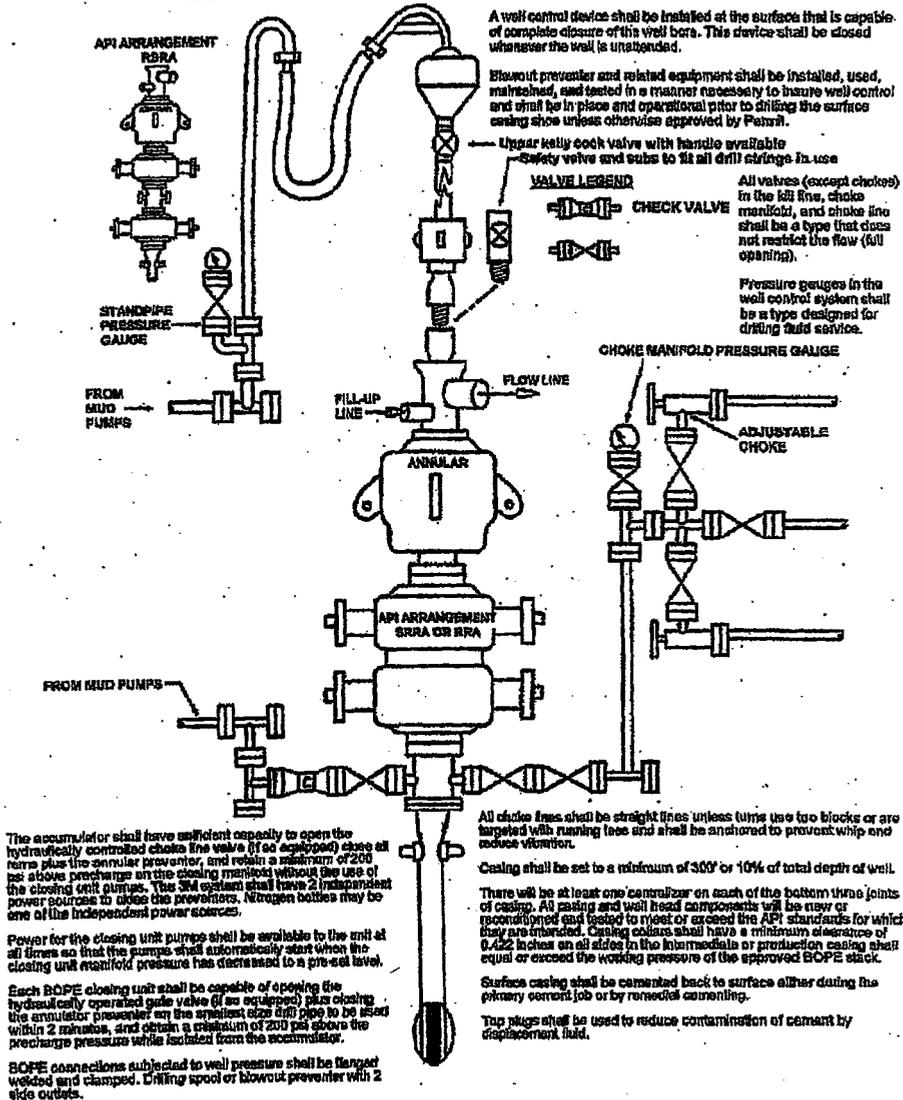
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DIV. OF OIL, GAS & MINING

Tidewater State # 3-24-2219  
 719' FSL, 1790' FWL  
 SESW Sec 3, T22S - R19E  
 Grand County, Utah

**Minimum Standards for Well Control Equipment 6880 to 10,000' API 5B RRA or RSRA**



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JAN 18 2010

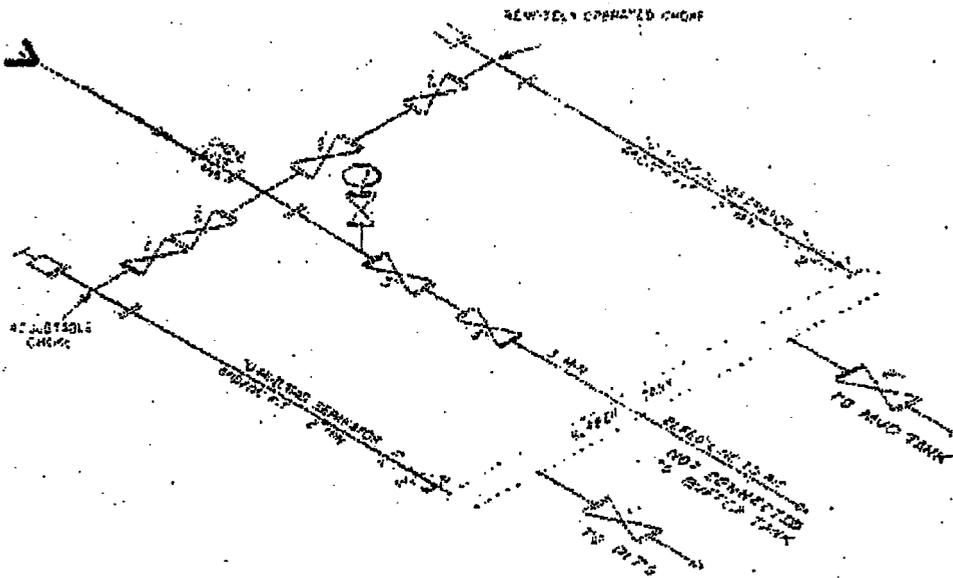
DIV. OF OIL, GAS & MINING

Tidewater State # 3-24-2219  
719' FSL, 1790' FWL  
SESW Sec 3, T22S - R19E  
Grand County, Utah

Surface casing set and cemented to <sup>360'</sup>500' will isolate and protect any potential fresh water zones encountered. Any other water or hydrocarbon bearing zones below <sup>360'</sup>500' will be isolated with casing and cement when the well is cased.

**7 - Pressure Control Equipment**

Well will utilize a 3000 psi BOP. The BOP will have a pipe rams, blind rams and a hydril. A rotating head will be utilized while drilling with air. All BOPs will be tested to 3000 psi when the equipment is installed and if the integrity of the pressure control system is compromised during drilling operations.



3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

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JAN 18 2010

DIV. OF OIL, GAS & MINING



GARY R. HERBERT  
Governor

GREG BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 20, 2010

Tidewater Oil & Gas, LLC  
110 16th St., Ste 405  
Denver, CO 80202

Re: Tidewater 3-24-2219 Well, 719' FSL, 1790' FWL, SESW, Sec. 3, T. 22 South, R. 19 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 43-019-31625.

Sincerely,

Gil Hunt  
Associate Director

js  
Enclosures

cc: Grand County Assessor  
SITLA  
BLM - Moab



**5) Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
  - Monthly Status Report (Form 9) – due by 5<sup>th</sup> day of the following calendar month
  - Requests to Change Plans (Form 9) – due prior to implementation
  - Written Notice of Emergency Changes (Form 9) – due within 5 days
  - Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
  - Report of Water Encountered (Form 7) – due within 30 days after completion
  - Well Completion Report (Form 8) – due within 30 days after completion or plugging
- 6) Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 7) Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 8) The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. The operator will be required to comply with any applicable recommendations resulting from this review.
- 9) This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: TIDEWATER OIL & GAS COMPANY, LLC

Well Name: TIDEWATER ST 3-24-2219

Api No: 43-019-31625 Lease Type: STATE

Section 03 Township 22S Range 19E County GRAND

Drilling Contractor LEON ROSS DRLG RIG # BUCKET

**SPUDDED:**

Date 01/27/2010

Time \_\_\_\_\_

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by BILLY HATFIELD

Telephone # (435) 749-2734

Date 01/27//2010 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: Tidewater Oil & Gas Company LLC Operator Account Number: N 3000  
 Address: 110 - 16th St Ste # 405  
city Denver  
state CO zip 80202 Phone Number: (303) 468-0656

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-019-31625	Tidewater ST 3-24-2219		SESW	3	22S	19E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17506	1/26/2010		2/18/10		
Comments: CHIN							<b>CONFIDENTIAL</b>

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 FEB 10 2010							

**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)

DIV. OF OIL, GAS & MINING

Walter Lowry

Name (Please Print)

Signature

Agent

Title

2/10/2010

Date

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

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 [ ] GAS WELL [X] OTHER [ ]
2. NAME OF OPERATOR: Tidewater Oil & Gas, LLC
3. ADDRESS OF OPERATOR: 110 16th St., Suite 405 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 468-0656
4. LOCATION OF WELL FOOTAGES AT SURFACE: SESW 719' FSL and 1790' FWL COUNTY: Grand QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 3 22S 19E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTION
[X] NOTICE OF INTENT (Submit in Duplicate) [ ] ACIDIZE [ ] DEEPEN [ ] REPERFORATE CURRENT FORMATION
Approximate date work will start: [ ] ALTER CASING [ ] FRACTURE TREAT [ ] SIDETRACK TO REPAIR WELL
[ ] SUBSEQUENT REPORT (Submit Original Form Only) [ ] CASING REPAIR [ ] NEW CONSTRUCTION [ ] TEMPORARILY ABANDON
Date of work completion: [ ] CHANGE TO PREVIOUS PLANS [ ] OPERATOR CHANGE [ ] TUBING REPAIR
[ ] CHANGE TUBING [ ] PLUG AND ABANDON [ ] VENT OR FLARE
[ ] CHANGE WELL NAME [ ] PLUG BACK [ ] WATER DISPOSAL
[ ] CHANGE WELL STATUS [ ] PRODUCTION (START/RESUME) [ ] WATER SHUT-OFF
[ ] COMMINGLE PRODUCING FORMATIONS [ ] RECLAMATION OF WELL SITE [ ] OTHER: BOP Test & drill out of surf csg w/ new rig
[ ] CONVERT WELL TYPE [ ] RECOMPLETE - DIFFERENT FORMATION

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Tidewater Oil & Gas, LLC is moving in CapStar (Elenburg Exploration) Rig #12 to drill the production hole on the referenced well. Conductor pipe (14") has been preset to a depth of 60' BGL, and 8-5/8" 24# J55 STC surface casing has been preset to a depth of 400' BGL and cemented to surface. Tidewater anticipates having CapStar Rig #12 rigged up by 9 am on 02/15/10, and will be testing the BOPE at that time.
Pursuant to discussions with Dustin Doucet of the UDOGM, Tidewater has received verbal approval to test the blind and pipe rams to 2000 psi (approximately 70% of the rated burst pressure of the surface casing), and will be testing the rams against the surface casing prior to drill out of same. The annular preventer will be tested to 1500 psi.
Walter Lowry with Tidewater left a voice mail for Dan Jarvis of the UDOGM at (801) 538-5338 at approximately 11:50 am MST on 02/11/10 for 24-hour notification of BOPE testing (BOPE testing anticipated for 9:00 am MST on 02/15/10).
Walter Lowry with Tidewater left a voice mail for Carol Daniels of the UDOGM at (801) 538-5284 at approximately 11:58 am MST on 02/11/10 for 24-hour notification of moving in CapStar (Elenburg Exploration) Rig #12 to drill the referenced well out from under the preset surface casing to a permitted depth of 3600'. Such drill out is anticipated for 12:00 noon MST on 02/15/10.
COPY SENT TO OPERATOR
Date: 3.1.2010

NAME (PLEASE PRINT) Walter Lowry TITLE Engineer Initials: KS
SIGNATURE [Signature] DATE 2/11/2010

(This space for State use only) APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 2/25/10
BY: [Signature] See Instructions on Reverse Side

RECEIVED
FEB 16 2010
DIV. OF OIL, GAS & MINING

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48398
		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: NA
		8. WELL NAME and NUMBER: Tidewater State 3-24-2219
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		9. API NUMBER: 4301931625
2. NAME OF OPERATOR: Tidewater Oil & Gas Company, LLC		10. FIELD AND POOL, OR WILDCAT: Wildcat
3. ADDRESS OF OPERATOR: 110 16th St., Suite 405 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 468-0656
4. LOCATION OF WELL FOOTAGES AT SURFACE: 719' FSL and 1790 FWL COUNTY: Grand		STATE: UTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 3 22S 19E		

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>2/20/2010</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 checked="" 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 checked="" 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.

Tidewater requests that the following information be held confidential.

Tidewater reached TD on this well at 3050' (original permit depth 3600'). After evaluating openhole logs, Tidewater decided to plug the lower 2/3's of the well and run casing on the upper third. Pursuant to verbal approval to P&A the lower portion of the well given by Dustin Doucet at 1818 hours on 02/20/2010, Tidewater set the following cement plugs using Howco Plugset Mountain G cement mixed at 15.8 ppg with a yield of 1.15 cf/sx: Plug #1: 148 sx from 2400'- 2785' to cover 123' over the top of the Wingate formation to 27' below the top of the Chinle formation. Plug #2: 77 sx from 1540'-1740' to cover 100' above and below the top of the Navajo formation at 1639'. Plug #3: 75 sx from 1150'-1345' to cover 40' above the top of the Entrada formation and to serve as a firm bottom for production casing to be set at +/- 1100' (this plug was added by Tidewater after receiving approval from Mr. Doucet for the 1st 2 plugs). Refer to the attached Actual P&A Schematic for details of the P&A operation.

In addition, Tidewater intends to run its 5-1/2" 15.5# K55 LTC production casing to a depth of +/- 1100' in order to attempt completions on shallow hydrocarbon shows found in the Brushy Canyon and Salt Wash formations.

**COPY SENT TO OPERATOR**

Date: 3.15.2010  
Initials: KS

NAME (PLEASE PRINT) <u>Walter Lowry</u>	TITLE <u>Operations Engineer</u>
SIGNATURE 	DATE <u>2/21/2010</u>

(This space for State use only)

**APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**

DATE: 3/11/10

BY: D. Stiller (See Instructions on Reverse Side)

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**MAR 01 2010**  
**DIV. OF OIL, GAS & MINING**

# Tidewater State 3-24-2219

## Final "As-Built" Wellbore Construction Diagram Actual Formation Tops, P&A Plugs, and Production Casing Cement

Well: Tidewater State 3-24-2219  
 Well Type: Vertical  
 Surface Location: 719' FSL, 1790' FWL, Sec.3, T22S, R19E  
 Latitude / Longitude: Lat: 38.921533, Long: -109.809150 (NAD 83)  
 Bottom Hole Location: 719' FSL, 1790' FWL, Sec.3, T22S, R19E  
 Permitted TD: 3600' Actual TD: 3050' PBDT: 1150'  
 Author-Version-Date: WDL - Rev 1 02-20-10

Rig: CapStar (Elenburg) Rig #12  
 Field: Wildcat  
 API Well Number: 43-019-31625  
 Elevation (ft): 4787.2' graded  
 KB to GL (ft): 11'  
 Objectives: P&A bottom 1/2 of hole & run casing to 1110'

Geology Logs	BOP Testing Requirements	Casing and Cement	Depth (ft, MD)	Hole Size	Bit Run	Directional and Mud Data
Surface is the Ferron Formation			<b>8.625" 3M SOW</b>	60' of 14" 0.25" w.t. conductor in 20" hole with 6' diameter x 4' deep cellar		
Surface Casing Cemented to Surface				12 1/4" Hole	Bit #1 12.25" Use retip air bit if drilled with air.	Preset surface casing with small rig (e.g., Pro-Petro) utilizing air/mist to eliminate lost circulation concerns.
Brushy Basin @ 390'			403' MD/TVD			
8 5/8" 24# J55 STC (0-403')						
Production String Cement: Cement 5-1/2" production casing with 177 sx Howco Rockles LT mixed at 12.8 ppg with a yield of 2.08 cf/sx. Use 50% excess over average caliper of 9" hole size in openhole. Return 8 bbls cement to surface. Bump plug at 1806 hrs with 500 psi over late pumping pressure. Floats held.						
Salt Wash @ 770'				7-7/8" Hole	Bit #2 STC M519	
Moab Mbr of Curtis Fmt @ 1080'			FC @ 1071'			
5-1/2" 15.5# K55 LTC (0'-1110' RKB)						
Entrada @ 1190'						<u>Deviation Record</u> 458'- 4.25 deg 741'- 4.0 deg 1235'- 3.5 deg 1520'- 3.5 deg 1770'- 2.75 deg 2083'- 7.0 deg 2271'- 6.0 deg 2454'- 6.0 deg 2706'- 5.5 deg 2994'- 8.0 deg
Carmel @ 1420'			9.4 ppg 37 vis FW mud			
Navajo @ 1639'			9.4 ppg 37 vis FW mud			
Kayenta @ 2062'			9.4 ppg 37 vis FW mud			
Wingate @ 2523'			9.4 ppg 37 vis FW mud			
Chinle @ 2773'			9.4 ppg 37 vis FW mud			
Shinarump @ 2868'			9.4 ppg 37 vis FW mud			
Moenkopi @ 2911'			9.4 ppg 37 vis FW mud			
TD 3050'			3050' MD			

### APPROVALS

Prepared By:  February 22, 2010  
 Date

Approved By: \_\_\_\_\_  
 Date

## TIDEWATER OIL & GAS COMPANY, LLC

### DAILY DRILLING REPORT

Report Date: 01/22/10

Report Time: 0700 hrs

Operator: TIDEWATER OIL & GAS COMPANY, LLC

State: ML48398

Field: Wildcat

Well Name: Tidewater State 3-24-2219

API 43-019-31546

Lease: 719 FSL, 1790 FWL  
Location: Sec 3, T22S, R19E

Contractor: S&S Garage

Type: Vertical Elev 4787.2' graded

Grand County, Utah

Rig #: \_\_\_\_\_ Target: Wingate

Current Operation:	Start Date:	Operating Days:	Current Depth:	24 Hour Footage:	Hole Condition:	Hole Problems:
Building road and location			NA	0	NA	NA

**Summary:** Began building access road and location. Install low water crossing at Thompson Wash. Prepare to level location tomorrow. Anticipate completion of road, location, and reserve pit by Saturday afternoon. S&S Garage out of Green River, Utah was the successful bidder for location construction. Their bid is a lump sum bid of \$31,500 not including the pit liner. Billy Hatfield out of Green River is supervising the location construction. We have ordered a 500 bbl frac tank, an 8-5/8" SOW X 11" 3M bradenhead, 360' of 8-5/8" casing, and a portable light plant to be delivered Monday. The conductor casing will be set Sunday. The surface casing rig will road on Monday and drill surface hole on Tuesday. The surface casing should be cemented by Wednesday afternoon.

Walt Lowry (Company Man): 303-884-5505 Billy Hatfield (Field Supervisor): 435-749-2734

Cum Cost: **\$31,750**

Mud Properties:	Depth:	Weight:	Viscosity:	Gel Streng	Water Loss:	Filter Cake:	pH:	Chlorides PPM:	Calcium PPM:	Solids %:	Sand %:		
Mud Pump:	Number:	Mnfcn:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	Number:	Mnfcn:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	
Drilling Parameters:	Depth Interval:	Weight on Bit:	RPM:	Torque:	Pump Press(PSI):	SPM:	Average Drill Rate:	Ave. FPM. DP.:	Ave. FPM. DC.:	FPS.:	Hydr. Hp.:		
Bit Record:	No./Size	Mnfcn:	Type:	IADC	Serial #:	Jets (# / 32nds):	Depth In (ft):	Depth Out (ft):	Footage:	FPH:	Rotating Hours:		Condition:
											Bit:	Cum.	
Surveys:	Depth: (ft.)	Degrees:	Azimuth	Depth: (ft.)	Degrees	Azimuth	Depth: (ft.)	Degrees:	Azimuth	TVD	Build Assy		

To Time:	Hours:	<b>OPERATIONS</b>	COST:	Today:	Cum.:
			Rig:		
			Mud:		
			Chemicals/ Water/ Air:		
			Bit/ Rmr:		
			Rentals:		
			Geologist & Mudlogger:		
			Supr:	250	250
			Fuel/ Lube:		
			Logs:		
			Wellhead, Tbg & Csg		
			Cmt & Cmtg:		
			Back Off		
			Mob/Dmob		
			Directional		
			Trucking:		
			Fishing		
			Road/Location	31,500	31,500
			Toilet & Water Trucks		
<b>Total</b>	<b>0</b>		<b>Total:</b>	<b>31,750</b>	<b>31,750</b>

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Mud Gas Units:	BG:	Conn.:	Trip:	Gas Chromatograph					Formation %:			Shows:
				C1	C2	C3	C4	C5	Shale:	Sand:	Chalk:	
Hours:	DRLG:	Trip:	Rig Serv:	Clean Pit	Ream/ Wash:	Circ:	Log/ Csg Run:	Other:	Downtime		Totals:	
Today:									Repair:	Other:	Footage:	Daywork:
Cum.:												0

# TIDEWATER OIL & GAS COMPANY, LLC

CONFIDENTIAL

## DAILY DRILLING REPORT

Report Date: 01/23/10

Report Time: 0700 hrs

Operator: **TIDEWATER OIL & GAS COMPANY, LLC**

State: ML48398

Field: Wildcat

Well Name: Tidewater State 3-24-2219

API 43-019-<sup>3168</sup>31546

Lease: 719 FSL, 1790 FWL

Contractor: S&S Garage

Type: Vertical

Elev: 4787.2' graded

Location: Sec 3, T22S, R19E

Rig #: \_\_\_\_\_

Target: Wingate

Grand County, Utah

Current Operation:	Start Date:	Operating Days:	Current Depth:	24 Hour Footage:	Hole Condition:	Hole Problems:
Digging reserve pit.			NA	0	NA	NA

**Summary:** Finish building access road and location. Digging reserve pit this morning. Pete Martin Drilling will be on location at noon today to set the conductor casing. The surface casing rig will road on Monday and drill surface hole on Tuesday. The surface casing should be cemented by Wednesday afternoon.

Walt Lowry (Company Man): 303-884-5505 Billy Hatfield (Field Supervisor): 435-749-2734

Cum Cost: \$32,000

Mud Properties:															
Mud	Depth:	Weight:	Viscosity:	Gel Strength:		Water Loss:	Filter Cake:	pH:	Chlorides PPM:	Calcium PPM:	Solids %:	Sand %:			
Mud Pump:	Number:	Mnfcn:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	Number:	Mnfcn:	Model:	Stroke ("):	Liner ("):	Rod Size ("):			
Drilling Parameters:															
Drilling	Depth Interval:	Weight on Bit:	RPM:	Torque:		Pump Press(PSI):	SPM:	Average Drill Rate:	Ave. FPM. DP.:	Ave. FPM. DC.:	FPS.:	Hydr. Hp.:			
Bit Record:	No./Size	Mnfcn:	Type:	IADC	Serial #:	Jets (# / 32nds):	Depth In (ft):	Depth Out (ft):	Footage:	FPH:	Rotating Hours:		Condition:		
											Bit:	Cum.			
Surveys:															
Depth: (ft.)			Degrees: Azimuth			Depth: (ft.)			Degrees: Azimuth			TVD	Build Assy		
To Time: Hours: OPERATIONS															
										COST:		Today:	Cum.:		
										Rig:					
										Mud:					
										Chemicals/ Water/ Air:					
										Bit/ Rmr:					
										Rentals:					
										Geologist & Mudlogger:					
										Supr:		250	500		
										Fuel/ Lube:					
										Logs:					
										Wellhead, Tbg & Csg					
										Cmt & Cmtg:					
										Back Off					
										Mob/Dmob					
										Directional					
										Trucking:					
										Fishing					
										Road/Location			31,500		
										Toilet & Water Trucks					
Total										0		Total:		250	32,000
Mud Gas Units:															
BG:	Conn.:	Trip:	Gas Chromatograph					Formation %:			Shows:				
			C1	C2	C3	C4	C5	Shale:	Sand:	Chalk:					
Hours:															
DRLG:	Trip:	Rig Serv:	Clean Pit	Ream/ Wash:	Circ:	Log/ Csg Run:	Other:	Downtime		Totals:					
								Repair:	Other:	Footage:	Daywork:				
Today:												0			
Cum.:															

RECEIVED

MAR 01 2010

DIV. OF OIL, GAS & MINING







# TIDEWATER OIL & GAS COMPANY, LLC

CONFIDENTIAL

## DAILY DRILLING REPORT

Report Date: 01/27/10

Report Time: 0700 hrs

Operator: **TIDEWATER OIL & GAS COMPANY, LLC**

State: ML48398

Field: Wildcat

Well Name: Tidewater State 3-24-2219

API 43-019-31546 <sup>3/625</sup>

Lease: 719 FSL, 1790 FWL

Contractor: Leon Ross Drilling

Type: Vertical

Elev 4787.2' graded

Location: Sec 3, T22S, R19E

Rig #: Target: Wingate

Grand County, Utah

Current Operation:	Start Date:	Operating Days/ Days From Spud:	Current Depth:	24 Hour Footage:	Hole Condition:	Hole Problems:
Drilling 12.25" surface hole		6/1	210	150	Good	Hit water @ 170'

**Summary:** Finish fencing reserve pit (\$800). Rig up Leon Ross Drilling to drill surface hole. Spud well at 1330 hours 01/26/10. Bart Kettle with UDOGM on location to witness spud, and was highly complimentary of location layout and quality. Drill 12.25" hole with air from 60' to 170', hit water at approximately 30 gpm. Drill from 170' - 210' with air mist/foam. SDFN.

Walt Lowry (Company Man): 303-884-5505 Billy Hatfield (Field Supervisor): 435-749-2734

Cum Cost: \$51,724

Mud Properties:	Depth:	Weight:	Viscosity:	Gel Strength:	Water Loss:	Filter Cake:	pH:	Chlorides PPM:	Calcium PPM:	Solids %:	Sand %:			
		AIR												
Mud Pump:	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):		
	AIR													
Drilling Parameters:	Depth Interval:	Weight on Bit:	RPM:	Torque:	Pump Press(PSI):	SPM:	Average Drill Rate:	Ave. FPM DP.:	Ave. FPM DC.:	FPS.:	Hydr. Hp.:			
Bit Record:	No./Size	Mnfctr:	Type:	IADC	Serial #:	Jets (# / 32nds):	Depth In (ft):	Depth Out (ft):	Footage:	FPH:	Rotating Hours:	Condition:		
											Bit: Cum.			
Surveys:	Depth: (ft.)	Degrees:	Azimuth	Depth: (ft)	Degrees	Azimuth	Depth: (ft.)	Degrees:	Azimuth	TVD	Build Assembly			
To Time:	Hours:	OPERATIONS										COST:	Today:	Cum.:
1200-1330	1.50	MIRU Leon Ross Drilling to drill surface hole.										Rig:		10,960
1330-1500	1.50	Drill 12.25" surface hole from 60' to 156' with air.										Mud:		
1500-1600	1.00	Work on broke down compressor.										Chemicals/ Water/ Air:		1,440
1600-1830	2.50	Drill 12.25" surf hole f/ 156' to 170' w/ air. Hit 30 gpm water @ 170'. Drill 170'-210' w/ air/mist.										Bit/ Rmr:		
1830-1900	1.00	Secure well. SDFN.										Rentals:	200	510
		Bart Kettle w/ UDOGM on location to witness spud.										Mudlogger:		
												Supr:	250	1,500
												Fuel/ Lube:		
												Logs:		
												Wellhead, Tbg & Csg		1,439
												Cmt & Cmtg:		
												Back Off		
												Mob/Dmob		
												Directional		
												Trucking:		1,675
												Fishing		
												Road/Location	800	34,200
												Toilet & Water Trucks		
<b>Total</b>	<b>7.5</b>											<b>Total:</b>	<b>1,250</b>	<b>51,724</b>
Mud Gas Units:	BG:	Conn.:	Trip:	Gas Chromatograph					Formation %:			Shows:		
				C1	C2	C3	C4	C5	Shale:	Sand:	Chalk:			
Hours:	DRLG:	Trip:	Rig Serv:	Clean Pit	Ream/ Wash:	Circ:	Log/ Csg Run:	Other:	Downtime		Totals:			
									Repair:	Other:	Footage:	Daywork:		
Today:												0		
Cum.:														

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DIV. OF OIL, GAS & MINING



# TIDEWATER OIL & GAS COMPANY, LLC

CONFIDENTIAL

## DAILY DRILLING REPORT

Report Date: 01/29/10

Report Time: 0700 hrs

Operator: **TIDEWATER OIL & GAS COMPANY, LLC**

State: ML48398

Lease: Field: Wildcat

Well Name: Tidewater State 3-24-2219

3/625  
API 43-019-31546

Location: 719 FSL, 1790 FWL

Contractor: Leon Ross Drilling

Type:

Vertical

Elev 4787.2' graded

Sec 3, T22S, R19E

Rig #:

Target:

Wingate

Grand County, Utah

Current Operation:	Spud Date:	Operating Days/ Days From Spud:	Current Depth:	24 Hour Footage:	Hole Condition:	Hole Problems:
Install bradenhead	01/26/10	8/3	410		Excellent	

**Summary:** Dig cellar and install cellar ring. Cut off conductor and 8-5/8" surface casing. Install bradenhead.

**Walt Lowry (Company Man): 303-884-5505 Billy Hatfield (Field Supervisor): 435-749-2734**

Cum Cost: \$92,859

Mud Properties:	Depth:	Weight:	Viscosity:	Gel Strength:	Water Loss:	Filter Cake:	pH:	Chlorides PPM:	Calcium PPM:	Solids %:	Sand %:	
Mud Pump:	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):
Drilling Parameters:	Depth Interval:	Weight on Bit:	RPM:	Torque:	Pump Press(PSI):	SPM:	Average Drill Rate:	Ave. FPM. DP.:	Ave. FPM. DC.:	FPS:	Hydr. Hp.:	
Bit Record:	No./Size	Mnfctr:	Type:	IADC	Serial #:	Jets (#/32nds):	Depth In (ft):	Depth Out (ft):	Footage:	FPH:	Rotating Hours:	Condition:
											Bit:	Cum.

Surveys:	Depth: (ft.)	Degrees:	Azimuth	Depth: (ft.)	Degrees	Azimuth	Depth: (ft.)	Degrees:	Azimuth	TVD	Build Assy
----------	--------------	----------	---------	--------------	---------	---------	--------------	----------	---------	-----	------------

To Time:	Hours:	OPERATIONS	COST:	Today:	Cum.:
			Rig:		28,210
			Mud:		
			Chemicals/ Water/ Air:		1,800
			Bit/ Rmr:		
			Rentals:		710
			Mudlogger:		
			Supr:	250	2,000
			Fuel/ Lube:		
			Logs:		
			Wellhead, Tbg & Csg		9,679
			Cmt & Cmtg:		14,585

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DIV. OF OIL, GAS & MINING

Total	0											Total:	250	92,859
Mud Gas Units:	BG:	Conn.:	Trip:	Gas Chromatograph					Formation %:			Shows:		
				C1	C2	C3	C4	C5	Shale:	Sand:	Chalk:			
Hours:	DRLG:	Trip:	Rig Serv:	Clean Pit	Ream/ Wash:	Circ:	Log/ Csg Run:	Other:	Downtime		Totals:			
Today:									Repair:	Other:	Footage:	Daywork:		
Cum.:												0		







# TIDEWATER OIL & GAS COMPANY, LLC

CONFIDENTIAL

## DAILY DRILLING REPORT

Report Date: 02/19/10  
Report Time: 0700 hrs

Operator: **TIDEWATER OIL & GAS COMPANY, LLC**

State: ML48398      Field: Wildcat  
Lease: 719 FSL, 1790 FWL

Well Name: Tidewater State 3-24-2219

31625  
API 43-019-31546  
Elev 4787.2' graded

Location: 719 FSL, 1790 FWL  
Sec 3, T22S, R19E  
Grand County, Utah

Contractor: CapStar      Type: Vertical  
Rig #: Rig #12      Target: Wingate

Current Operation:	Spud Date:	Operating Days/ Days From Spud:	Current Depth:	24 Hour Footage:	Hole Condition:	Hole Problems:
Drilling 7-7/8" hole	01/26/10	12/7	2790	429	Good	Deviation control

**Summary:** Drill f/ 2361'-2517'. Survey @ 2454'- 6.0 deg deg. Drill f/ 2517'-2770'. Survey @ 2706'- 5.5 deg. Drill f/ 2770'-2790'. WEATHER: Cold and snowing.

Walt Lowry (Company Man): 303-884-5505

Cum Cost: \$230,943

Mud Properties:	Depth:	Weight:	Viscosity:	Gel Strength:	Water Loss:	Filter Cake:	pH:	Chlorides PPM:	Calcium PPM:	Solids %:	Sand %:		
	2790	9.4	37	2/3/5	8	1/32	9.7	2300	88	8.0	TR		
Mud Pump:	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	
	1	Ideco	T-500	8	6 1/2								
Drilling Parameters:	Depth Interval:	Weight on Bit:	RPM:	Torque:	Pump Press(PSI):	SPM:	Average Drill Rate:	Ave. FPM. DP.:	Ave. FPM. DC.:	FPS.:	Hydr. Hp.:		
	2361-2790	8-10K	140	2450	900	118	18.7	187	345		23		
Bit Record:	No./Size	Mnfctr:	Type:	IADC	Serial #:	Jets (# / 32nds):	Depth In (ft):	Depth Out (ft):	Footage:	FPH:	Rotating Hours:		Condition:
	2: 7-7/8"	STC	M519		JX7672	7/14	403		429	18.7	Bit: 23	Cum: 72.5	
Surveys:	Depth: (ft.)	Degrees:	Azimuth	Depth: (ft)	Degrees	Azimuth	Depth: (ft.)	Degrees:	Azimuth	TVD	Build Assy		
	2454	6.00		2706	5.50								
To Time:	Hours:	OPERATIONS									COST:	Today:	Cum.:
0700-1530	8.50	Drill 7-7/8" hole f/ 2361'-2517' (18.4 fph avg)									Rig:	11,880	73,007
1530-1600	0.50	Circulate & survey at 2454'- 6.0 deg.									Mud:	1,231	11,811
1600-0500	13.00	Drill 7-7/8" hole f/ 2517'-2770' (19.5 fph avg)									Chemicals/ Water/ Air:	1,100	5,015
0500-0530	0.50	Circulate & survey at 2706'- 5.5 deg									Bit/ Rmr:		8,500
0530-0700	1.50	Drill 7-7/8" hole f/ 2770'-2790' (13.3 fph avg)									Rentals:	3,000	12,610
											Mudlogger:	1,095	5,875
		BHA: PDC Bit, mud motor, 10- 6.5"x2.25" DCs, 4-1/2" DP									Supr:		2,000
											Fuel/ Lube:	2,211	8,231
											Logs:		
											Wellhead, Tbg & Csg		13,294
											Cmt & Cmtg:		14,585
											Back Off		
											Mob/Dmob		39,740
		Fuel used: 844 gallons									Directional		
											Trucking:		2,075
											Fishing		
											Road/Location		34,200
											Toilet & Water Trucks		
<b>Total</b>	<b>24</b>	<b>DIV. OF OIL, GAS &amp; MINING</b>									<b>Total:</b>	<b>20,517</b>	<b>230,943</b>
Mud Gas Units:	BG:	Conn.:	Trip:	Gas Chromatograph					Formation %:			Shows:	
	10-30	59		C1	C2	C3	C4	C5	Shale:	Sand:	Chalk:		
Hours:	DRLG:	Trip:	Rig Serv:	Survey	Rig Repair	Ream/Circ:	Circ:	Log/ Csg Run:	Other:	Downtime		Totals:	
										Repair:	Other:	Footage:	Daywork:
Today:													
Cum.:													

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# TIDEWATER OIL & GAS COMPANY, LLC

CONFIDENTIAL

## DAILY DRILLING REPORT

Report Date: 02/22/10

Report Time: 0700 hrs

Operator: **TIDEWATER OIL & GAS COMPANY, LLC**

State: ML48398

Lease: \_\_\_\_\_ Field: Wildcat

Well Name: Tidewater State 3-24-2219

API 43-019-31546 <sup>31625</sup>

Location: 719 FSL, 1790 FWL

Contractor: CapStar

Type: \_\_\_\_\_

Vertical

Elev 4787.2' graded

Sec 3, T22S, R19E

Rig #: Rig #12

Target: \_\_\_\_\_

Wingate

Grand County, Utah

Current Operation:	Spud Date:	Operating Days/ Days From Spud:	Current Depth:	24 Hour Footage:	Hole Condition:	Hole Problems:
Rig Release 2401 hrs	01/26/10	15/10	1150	0	Good	

**Summary:** Set 3 balanced P&A plugs over bottom portion of hole (Plug #1 f/ 2400'-2785'; Plug #2 f/ 1540'-1740'; Plug #3 f/ 1150'-1330'). CCM and WO casing delivery. Truck stuck on lease road. Unload, clean, strap and drift casing. Run 30 jts 5-1/2" 15.5# K55 LTC production casing to 1110' RKB. FC @ 1071.6'. RU Halliburton and cement production casing with 177 sx Rockies LT mixed at 12.8 ppg w/ a yield of 1.15 cf/sx. Return 8 bbls cement to surface. Bump plug at 1806 hrs. Floats held. ND BOPE. Set slips with casing in full tension. Cut off casing. NU wellhead protection bonnet. Clean rig tanks. **Release rig at 2401 hrs 02/22/2010.** Will stop all rentals effective 0800 hrs 02/22/2010. WEATHER: Snowed 3-5" then melted. Location very muddy. Used grader to pull equipment in to and out of location. See attached "Final As-Built Wellbore Construction Diagram" for detailed information on P&A plug placement and 5-1/2" production casing cement job.

Walt Lowry (Company Man): 303-884-5505

Cum Cost: \$318,083

Mud Properties:	Depth:	Weight:	Viscosity:	Gel Strength:	Water Loss:	Filter Cake:	pH:	Chlorides PPM:	Calcium PPM:	Solids %:	Sand %:		
	1050 PBTD	9.5	37	2/3/5	8	1/32	11	2300	88	8.0	TR		
Mud Pump:	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	Number:	Mnfctr:	Model:	Stroke ("):	Liner ("):	Rod Size ("):	
	1	Ideco	T-500	8	6 1/2								
Drilling Parameters:	Depth Interval:	Weight on Bit:	RPM:	Torque:	Pump Press(PSI):	SPM:	Average Drill Rate:	Ave. FPM. DP.:	Ave. FPM. DC.:	FPS.:	Hydr. Hp.:		
Bit Record:	No./Size	Mnfctr:	Type:	IADC	Serial #:	Jets (# / 32nds):	Depth In (ft):	Depth Out (ft):	Footage:	FPH:	Rotating Hours:		Condition:
	2: 7-7/8"	STC	M519		JX7672	7/14	403		260	13	Bit: 20	Cum. 92.5	
	2647		28.6										
Surveys:	Depth: (ft.)	Degrees:	Azimuth	Depth: (ft.)	Degrees	Azimuth	Depth: (ft.)	Degrees:	Azimuth	TVD	Build Assy		

To Time:	Hours:	OPERATIONS								COST:			
										Today:	Cum.:		
0700-1400	7.00	Finish RU Halliburton. Set plug #1 f/ 2400'-2785'. Set plug #2 f/ 1540'-1740'. Set plug #3 f/ 1150'-1330'. All plugs set using Howco Plugset Mountain G cmt mixed at 15.8 ppg w/ a yield of 1.15 cf/sx. See attached "Final As-Built Wellbore Construction Diagram" for details.								Rig:	1,578	98,345	
										Mud:	450	15,321	
										Chemicals/ Water/ Air:		5,715	
1400-1500	1.00	TOOH. WO casing delivery. Truck stuck on lease road.								Bit/ Rmr:		8,500	
1500-1530	0.50	Unload, clean, drift and strap 5-1/2" production casing.								Rentals:	1,200	17,210	
1530-1700	1.50	Run 30 jts 5-1/2" 15.5# K55 LTC prod csg to 1110' RKB. Run FS, shoe jt, FC, and 10 bow spring centralizers on middle of shoe jt and every other jt. FC @ 1071.6'.								Mudlogger:	1,100	9,165	
										Supr:		2,000	
1700-1830	1.50	RU Halliburton. Cmt prod csg w/ 177 sx Rockies LT mixed at 12.8 ppg w/ yield of 2.08 cf/sx. Good returns throughout job. Circ 8 bbls cmt to surface. Bump plug at 1806 hrs w/ 500 psi over late pumping pressure. Floats held.								Fuel/ Lube:	196	11,870	
										Logs:		8,076	
										Wellhead, Tbg & Csg		13,294	
1830-2100	2.50	ND BOPE. Set csg slips in full tension. Make rough cut on csg. NU wellhead protection bonnet.								Cmt & Cmtg:	21,887	36,472	
2100-2400	3.00	LD dutchman. Clean rig tanks. Stack excess casing (3 jts) on location. Release rig @ 2400 hrs.								Back Off			
		<b>Completion Costs:</b>								Mob/Dmob	15,000	54,740	
		5-1/2" prod csg- \$11,000		Rentals- \$700		Truck csg- \$550		<b>TOTAL: \$43,664</b>		Directional			
		Prod Csg Cmt- \$19,500		Water- \$425		Location- \$1000				Trucking:	550	3,175	
		Cameron slip assembly- \$1050		Rig- \$6837		Trucking rental equip- \$1750				Fishing			
				Fuel- \$852						Road/Location		34,200	
		Fuel used: 400 gallons								Toilet & Water Trucks			
<b>Total</b>	<b>17</b>									<b>Total:</b>	<b>41,961</b>	<b>318,083</b>	
Mud Gas Units:	BG:	Conn.:	Trip:	Gas Chromatograph					Formation %:			Shows:	
				C1	C2	C3	C4	C5	Shale:	Sand:	Chalk:		
Hours:	DRLG:	Trip:	Rig Serv:	Survey	Rig Repair	Ream/Circ:	Circ:	Log/ Csg Run:	Other:	Downtime		Totals:	
										Repair:	Other:	Footage:	Daywork:
Today:													
Cum.:													

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DIV. OF OIL, GAS & MINING

# CONFIDENTIAL

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML 48398</b>
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>NA</b>
7. UNIT or CA AGREEMENT NAME: <b>NA</b>
8. WELL NAME and NUMBER: <b>24</b> <b>Tidewater State 3-22-2219</b>
9. API NUMBER: <b>4301931625</b>
10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>

### 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     GAS WELL     OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
**Tidewater Oil & Gas Company LLC**

3. ADDRESS OF OPERATOR:  
**110 16th St. Suite 405    CITY Denver    STATE CO    ZIP 80202    PHONE NUMBER: (303) 468-0656**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **719'FSL and 1790' FWL**    COUNTY: **Grand**  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SESW 3 22S 19E U**    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>3/9/2010</u>	<input checked="" type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Attempt completion in zones uphole</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.

After plugging the lower portion of this wellbore, Tidewater has identified 4 Salt Wash zones of interest. Following is a breakdown of the net thickness of each Salt Wash Zone to be evaluated and completed:

Zone	Depth	Net Thickness
Salt Wash D	870'-886'	16'
Salt Wash C	836'-848'	12'
Salt Wash B*	786'-816'	30'
Salt Wash A*	768'-778'	10'

COPY SENT TO OPERATOR

Date: 4.1.2010

Initials: KS

\*To be perforated and evaluated together.

Tidewater has perforated the Salt Wash D @ 870'-886' and swab tested the zone. No commercial quantities of hydrocarbons were evident. a CIBP was set at 861' to isolate the zone. The Salt Wash C was then perforated from 836'-848'. A 1250 gallon 15% HCl acid breakdown was performed and the zone was swab tested. Tidewater intends to set a CIBP above the C zone and perf the A & B zones together. Depending of fluid deliverability, Tidewater may elect to treat the Salt Wash A & B zones with 15% HCl plus additives. Tidewater will seek to commingle the Salt wash A, B, and C zones if commercial quantities of hydrocarbons can be established.

NAME (PLEASE PRINT) Walter Lowry    TITLE Engineer  
SIGNATURE \_\_\_\_\_    DATE 3/12/2010

(This space for State use only)

Accepted by the  
Division of  
Oil, Gas and Mining

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MAR 17 2010

DIV. OF OIL, GAS & MINING

(5/2000)

(See Instructions on Reverse Side)

Date: 3/30/10  
By: [Signature]  
\* work already completed

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48398

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. UNIT or CA AGREEMENT NAME:
N/A

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

1. TYPE OF WELL
OIL WELL [ ] GAS WELL [ ] OTHER Plug and Abandon

8. WELL NAME and NUMBER:
Tidewater State 3-24-2219

2. NAME OF OPERATOR:
Tidewater Oil & Gas Company, LLC

9. API NUMBER:
4301931625

3. ADDRESS OF OPERATOR:
110 16th St., Suite 405 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 468-0656

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 719' FSL & 1790' FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 3 22S 19E

COUNTY: Grand
STATE: UTAH

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

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for NOTICE OF INTENT, SUBSEQUENT REPORT, and various actions like ACIDIZE, ALTER CASING, etc.

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

Pursuant to discussions with Dustin Doucet on Friday, March 19, 2010 at 0700 hrs MDT, verbal approval was received to P&A this well. Following is a description of the actual P&A operations:

- 1. TIH & retrieve RBP at 733' leaving Salt Wash A/B perms f/ 784'-796' & 768'-778', and Brushy Canyon perms f/ 386'-406' exposed.
2. P&A well from 825' to surface by running open-ended tubing to 821' and circulating well clean with 60 bbls of 4% KCl water, then pumping 120 sx 50/50 POZ cement...
3. POOH w/ tbg to 125'. Mix and pump an additional 30 sx of Class G neat mixed at 15.8 ppg with yield of 1.08 cf/sx.
4. Cut off wellhead. Cut off 14" conductor casing and 8-5/8" surface casing 3' BGL.
5. Weld cap over casing strings and install dryhole marker.
6. Pull cellar ring and fill-in cellar. Blade and level location. Finish fencing 4th side of reserve pit. Prepare reclamation procedure pursuant to directions from UDOGM.

Well was P&A'd at 1600 hrs on 03/19/2010.

COPY SENT TO OPERATOR

Date: 4.1.2010

Initials: KS

NAME (PLEASE PRINT) Walter Lowry

TITLE Engineer

SIGNATURE [Handwritten Signature]

DATE 3/22/2010

(This space for State use only)

RECEIVED
MAR 23 2010

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 3/24/10
BY: [Handwritten Signature]

Submit WCA, Form 8

# Tidewater State 3-24-2219

## Final "As-Built" Wellbore Construction & **PLUG & ABANDONMENT** Diagram

Actual Formation Tops, P&A Plugs, and Production Casing Cement

Well: Tidewater State 3-24-2219

Well Type: Vertical

Surface Location: 719' FSL, 1790' FWL, Sec.3, T22S, R19E

Latitude / Longitude: Lat: 38.921533, Long: -109.809150 (NAD 83)

Bottom Hole Location: 719' FSL, 1790' FWL, Sec.3, T22S, R19E

Permitted TD: 3600' Actual TD: 3050' PBTD: 1150'

Author-Version-Date: WDL - Rev 3 03-22-10

Rig: CapStar (Elenburg) Rig #12

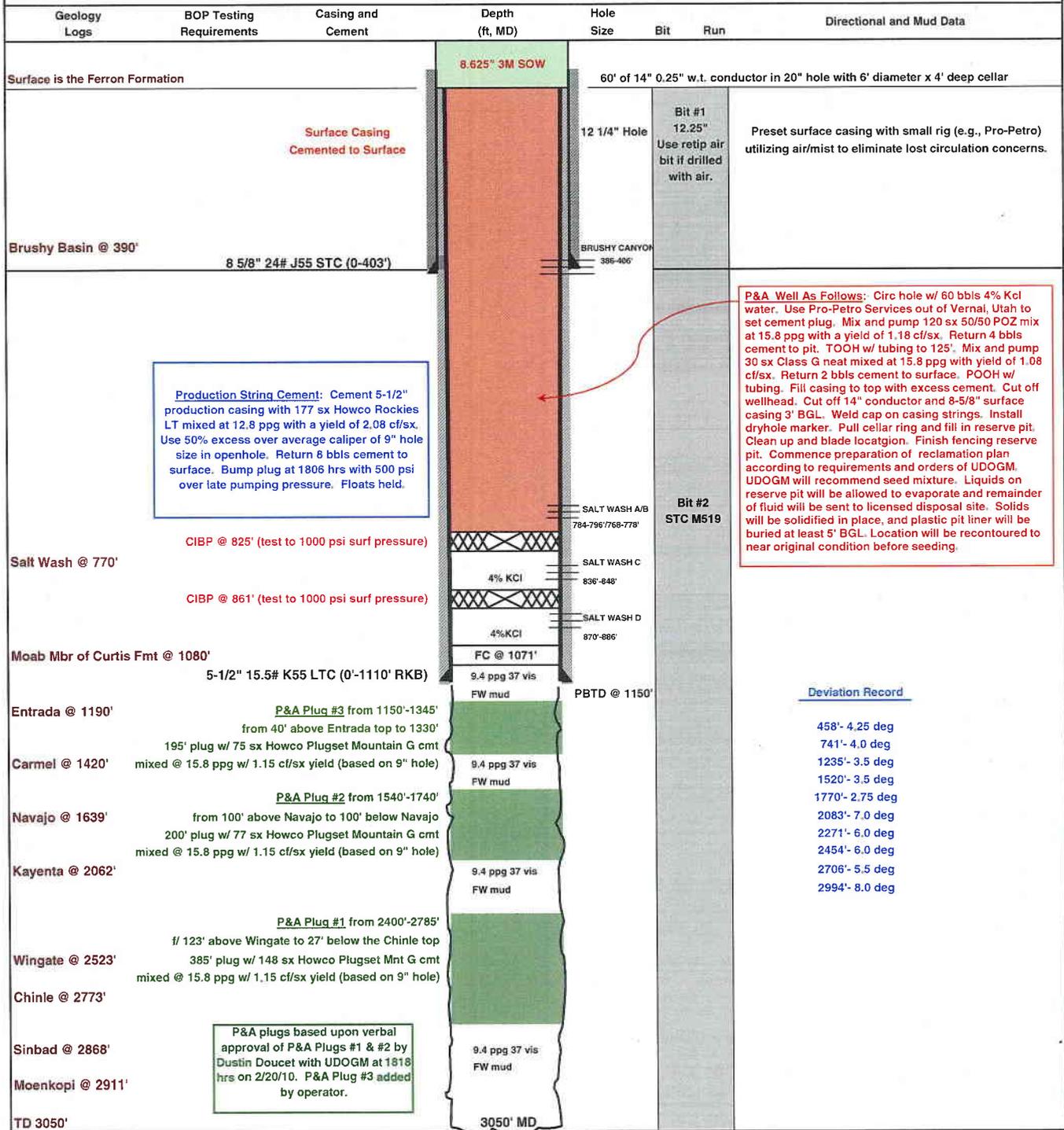
Field: Wildcat

API Well Number: 43-019-31625

Elevation (ft): 4787.2' graded

KB to GL (ft): 11'

Objectives: P&A bottom 1/2 of hole & run casing to 1110'



### APPROVALS

Prepared By: March 22, 2010  
Date: \_\_\_\_\_

Approved By: \_\_\_\_\_  
Date: \_\_\_\_\_

**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

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48398	
b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER P&A		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR: Tidewater Oil & Gas Company, LLC		7. UNIT or CA AGREEMENT NAME N/A	
3. ADDRESS OF OPERATOR: 110 16th Street, Suite 401 CITY: Denver STATE CO ZIP 80202		8. WELL NAME and NUMBER: Tidewater State 3-24-2219	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 719' FSL & 1790' FWL  AT TOP PRODUCING INTERVAL REPORTED BELOW: 719' FSL & 1790' FWL  AT TOTAL DEPTH: 719' FSL & 1790' FWL		9. API NUMBER: 4301931625	
14. DATE SPUNDED: 1/26/2010		10. FIELD AND POOL, OR WILDCAT WILDCAT	
15. DATE T.D. REACHED: 2/20/2010		11. QTR/GTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 3 22S 19E	
16. DATE COMPLETED: 3/21/2010		12. COUNTY GRAND	
ABANDONED <input checked="" type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>		13. STATE UTAH	
18. TOTAL DEPTH: MD 3,050 TVD 3,050		17. ELEVATIONS (OF, RKB, RT, GL): 4787.2' graded GL	
19. PLUG BACK T.D.: MD 1,150 TVD 1,150		21. DEPTH BRIDGE MD 861 PLUG SET: TVD 861	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) <input checked="" type="checkbox"/> CNL <input checked="" type="checkbox"/> FDC <input checked="" type="checkbox"/> DIL <input checked="" type="checkbox"/> BHC <input checked="" type="checkbox"/> GR <input checked="" type="checkbox"/> CAL <input checked="" type="checkbox"/> CBL		23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (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
20	14 H40	0.25" wt	0	60		Constr 20		0 (CIR)	0
12.25	8.625 J55	24	0	400		Rocking 145	13	0 (CIR)	0
7.875	5.5 K55	15.5	0	1,110		Rocking 177	15	0 (CIR)	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)

26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A)					870	886	0.42	48	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					836	848	0.42	36	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)					768	796	0.42	66	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(D)					386	406	0.42	60	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
836-848	950 gals HCl acid, 50 gals Musol, 250 gals Xylene

29. ENCLOSED ATTACHMENTS:				30. WELL STATUS:	
<input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS	<input type="checkbox"/> GEOLOGIC REPORT	<input type="checkbox"/> DST REPORT	<input type="checkbox"/> DIRECTIONAL SURVEY	P&A	
<input checked="" type="checkbox"/> SUNDRY NOTICE FOR PLUGS SET AND CEMENT VERIFICATION	<input type="checkbox"/> CORE ANALYSIS	<input type="checkbox"/> OTHER: _____			

RECEIVED

JUL 14 2010

(CONTINUED ON BACK)

(5/2000)

31. INITIAL PRODUCTION

INTERVAL A (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 B (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 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.)

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.

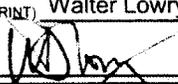
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Brushy Basin	386	406	Formation water	Brushy Canyon	386
Salt Wash	770	870	Formation water	Salt Wash	770
				Moab/Curtis	1,080
				Entrada	1,190
				Carmel	1,420
				Navajo	1,639
				Kayenta	2,062
				Wingate	2,523
				Chinle	2,773
				Moenkopi	2,911

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached "Final Wellbore Construction & Plug & Abandonment Diagram"

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

NAME (PLEASE PRINT) Walter Lowry TITLE Engineer  
 SIGNATURE  DATE 7/14/2010

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)).

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