

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER Paradox Basin #3		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT WILDCAT		
4. TYPE OF WELL Oil Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>				5. UNIT or COMMUNITIZATION AGREEMENT NAME GOLDEN EAGLE 70		
6. NAME OF OPERATOR GOLDEN EAGLE EXPLORATION, LLC				7. OPERATOR PHONE 435 259-2333		
8. ADDRESS OF OPERATOR P.O. Box 1346, Moab, UT, 84532				9. OPERATOR E-MAIL kellyshumway@frontiernet.net		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-47365		11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1023 FSL 1754 FEL	SWSE	16	23.0 S	23.0 E	S
Top of Uppermost Producing Zone	100 FNL 199 FEL	NENE	16	23.0 S	23.0 E	S
At Total Depth	100 FNL 199 FEL	NENE	16	23.0 S	23.0 E	S
21. COUNTY GRAND		22. DISTANCE TO NEAREST LEASE LINE (Feet) 1023		23. NUMBER OF ACRES IN DRILLING UNIT 40		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 37		26. PROPOSED DEPTH MD: 11648 TVD: 10500		
27. ELEVATION - GROUND LEVEL 5044		28. BOND NUMBER 394312610667		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 01-1156 (t36087) and 01-1154 (t36086)		

ATTACHMENTS

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

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Don Hamilton	TITLE Permitting Agent (Buys & Associates, Inc)	PHONE 435 719-2018
SIGNATURE	DATE 10/12/2009	EMAIL starpoint@etv.net
API NUMBER ASSIGNED 43019500030000	APPROVAL  Permit Manager	

Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	14.75	10.75	0	4200		
Pipe	Grade	Length	Weight			
	Grade K-55 Buttress	4200	45.5			

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Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	9.875	5.5	0	11648		
Pipe	Grade	Length	Weight			
	Grade P-110 LT&C	11648	17.0			

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YELLOW CAT PROSPECT

PARADOX BASIN NO. 3

GRAND COUNTY, UTAH

DRILLING OPERATIONS PLAN

FOR THE UTAH DOGM

APD PERMIT

October 13, 2009 r4

Corrected November 17, 2009

GOLDEN EAGLE EXPLORATION, LLC

PARADOX BASIN No. 3

GENERAL WELL INFORMATION

Prospect: Yellow Cat Prospect

Well Name: **Paradox Basin No. 3**

Actual Surface Location: SWSE Sec 16-T23S -R23E
1023' FSL & 1754' FEL of Sec 16
Lat. 38° 47' 58.359" N; Long. 109° 22' 38.971" W
N: 6738638.07; E: 2245225.96
Grand County, Utah
State Surface
Mineral Lease No. ML47365
API No.

Proposed B. H. Location: NENE Sec 16-T23S -R23E
100' FNL & 199' FEL of Sec 16
Lat. 38° 48' 38.841" N; Long. 109° 22' 19.299" W
N: 6742792.65; E: 2246785.79
Grand County, Utah

Proposed Depth: **11,648' MD / 10,500' TVD**

Well Type: Directional – Build to 30° & Hold

Target Sand: Ismay @ 9895

G.L. Elevation: 5044' (graded)

Contractor / Rig: Drilling Rig To Be Determined - Assume Unit 234

Security Status: Tight Hole

Special Considerations: Reserve Pit

Directions to Location: **From Moab town center go 30 miles North on Hwy 191 to I-70. Turn East and go 13 miles east on I-70 to Exit 193 (old Hwy 6). Turn South and follow dirt road 23 miles to location.**

Rules & Regulations: The well will be drilled in accordance with the rules and regulations of the UTAH DNR, Division of Oil, Gas and Mining (DOGM) Rule R649-3 as per the well permit. *Also the Bureau Of Land Management (BLM), 43 CFR 3160, "Onshore Oil and Gas Order No. 2, Drilling Operations on Federal and Indian Oil and Gas Leases" will apply when applicable and will be used as a guideline.*

Company Address: **GOLDEN EAGLE EXPLORATION, LLC.
1300 S. Hwy 191
P.O. Box 1346
Moab, Utah 84532
(435) 259-2333**

Note: The 23 mile access road and well site is located is an extremely environmentally sensitive area and all efforts should be focused on maintaining the integrity of the area. The access road route will be clearly marked and the majority of the road is wide enough to allow trucks to pass safely, therefore drive with caution. Do not exit the road into the adjacent area or at the various intersections at any time. A reserve pit will be utilized to discharge water base mud & cuttings during drilling operation from spud to TD. (If while drilling the hole conditions deteriorate and torque and drag become excessive then **oil base mud may be considered**. If oil base mud is used the DOGM would be notified then all access to the reserve pit would be sealed and the operation converted to a Zero Discharge operation). A copy of the approved UTAH DOGM Permit To Drill will be maintained on location during all drilling operations and will be available to all contractors to ensure compliance.

GOLDEN EAGLE EXPLORATION, LLC
PARADOX BASIN No. 3
DRILLING PROCEDURE

SAFETY:

- 1.0 Conduct a ***Pre-Spud Meeting with all personnel*** on the location and discuss:
- 2.0 The driller will hold a ***general safety meeting each tour*** with the rig crews and service company personnel to discuss safety concerns during the forthcoming rig operations.
- 3.0 The Drilling Supervisor will conduct a ***pre-job safety meeting*** with the rig crews, toolpushers and service company's personnel prior to conducting hazardous operations such as: running casing, electric logging, etc. Operational matters, safety concerns and responsibilities of each individual should be addressed during the meeting.
- 4.0 "Well Control Drill" will be performed at least once per week and recorded on the IADC and the Daily Reports.

5.0 The Utah Oil and Gas Conservation General Rules
R649. Natural Resources; Oil, Gas and Mining; Oil and Gas.
(Partial List – refer to complete document)

R649-3-5. Identification.

- 1. Every drilling and producible well shall be identified by a sign posted on the derrick or in a conspicuous place near the well.
- 3. Each sign shall show the number or name of the well, the name of the owner or operator, the lease name, and the location of the well by quarter section, township, and range.

R649-3-6. Drilling Operations

- 2.1 The spudding in of a well shall be reported to the division within 24 hours.
- 2.3. The operator shall notify the division 24 hours in advance of all testing to be performed on the blowout preventer equipment on a well.
- 2.5. The operator shall notify the division 24 hours in advance of all casing tests performed in accordance with R649-3-13.
- 2.6. The operator shall report to the division all fresh water sand encountered during drilling.....The report shall be noted on the driller's log, IADC report and shall be filed with Form 8, Well Completion.....

R649-3-7. Well Control

- 3. Upon installation, all ram type BOPE and related equipment, including casing, shall be tested to the lesser of the full manufacturer's working pressure rating of the equipment, 70% of the minimum internal yield pressure of any casing subject to test, or one psi/ft of the last casing string depth. Annular type BOPE are to be tested in conformance with the manufacturer's published recommendations. The operator shall maintain records.....
- 4. In addition to the initial pressure tests, ram and annular type preventers shall be checked for physical operation each trip. All BOPE components, with the exception of an annular type blowout preventer, shall be tested monthly to the lesser of 50% of the manufacturer's rated pressure of the BOPE, the maximum anticipated pressure to be contained at the surface, one psi/ft of the last casing string depth, or 70% of the minimum internal yield pressure of any casing subject to test.
- 6. All tests of BOPE shall be noted on the driller's log, IADC report book, or equivalent and shall be available for examination.....

General:

All casing pressure tests shall be maintained for 30 minutes.
All BOP component pressure tests shall be maintained for 10 minutes each.

A. PRE-RIG ACTIVITY and MOBILIZATION

- 1.0 Drill the conductor hole, mouse hole and cellar as follows:
 - a) drill 100' of 30" conductor hole, run 20" x 0.25" wall conductor pipe and grout cement w/ 11 cy of cement;
 - b) drill 80' of 20" mouse hole and run 80' of 14" light wall pipe; and
 - c) dig 8" X 8" cellar and install a cellar ring
- 2.0 Mobilize Unit Drilling Company's Rig 234 to location.
- 3.0 When Rig Up commences mobilize AirComp air compressors, boosters and mist pumps.
- 4.0 Notify Utah DOGM of intent to spud. Install a well identification sign.
- 5.0 N/U bell nipple, 20" rotating head and 8" blooie line.

B. SURFACE HOLE (0' - 4200' MD / 4040' TVD)

- 1.0 Pick up 14 3/4" hammer bit, 10 3/4" M-132 air hammer with crows foot in place, 3 – 9 1/2 DC's, 9 – 8" DC's, 6 - 6 1/2" DC's, 5" HWDP BHA and jars. Drill a vertical hole to KOP at 2000' to using air and/or air mist as required.
- 2.0 Pick up a 14 3/4" bit directional assembly with Mud Motor, MWD, 8" DC, HWDP & Jars. Kick well off at 2000', as per directional program. Build angle 2.0°/100' to 29.84° and an azimuth of 21.94° to End of Build at 3492' MD / 3425' TVD. POOH.
- 4.0 Run 10 3/4" 45.5# K55 BTC casing to 4200'. Casing to be equipped with down jet float shoe, float collar one joint up, six (6) centralizers (10' above float shoe, 10' above float collar & next 4 collars). Multi stage cementing tool type 7778 MC positioned at ±1800' from surface with centralizers above & below.
- 5.0 Cement 10 3/4" casing using 2 stage method as per cement program. Use a total of 3590 cf of cement slurry as per attached cement program.

Stage 1: Use sufficient cement to circulate cement from the casing shoe to the stage collar at 1800' (Theoretical volume plus 50% excess).

Drop stage tool type 7778 MC opening device, pressure casing to 900 psi to open sleeve and lock in place. Break circulation and circulate slowly until Stage 1 cement has taken its initial set.

Stage 2: Use sufficient cement to circulate cement from the stage tool at 1800' to the surface (Theoretical volume plus 50% excess). Prepare to top out with 200 sacks using 1" tubing. Repeat top job as necessary until cement stays in place. WOC 8 hours before slacking off.

- 6.0 Install 10 3/4" SOW X 11" 5M casing head. Test to 1000 psi (50% of collapse).
- Notify the Utah DOGM prior to Pressure Testing Casing.
- 7.0 Install Contractor's **11" 3 ram 5M BOP (DR & SR), 11" 5M annular BOP and 11" 3M/5M Rotating Head (A-PR-BR-PR- RH)**. Test rams, choke manifold, Kelly/Top Drive, and valves to 250 psi low and 5000 psi high, maintain pressure for 10 minutes. Test annular to 250 psi low and 2500 psi high, maintain pressure for 10 minutes. Close blind rams and test 10 3/4" casing to 1500 psi for 30 minutes (record barrels pumped vs casing pressure in 1/2 bbl increments) while recording on chart and documenting on IADC report.

C. 9 7/8" Production Hole (4200' MD – 11648' MDTD / 10500' TVD TD)

- 1.0 Pickup 9 7/8" bit and slick BHA with 8" DC's & 6 – 6 1/2" DC's and 5" HWDP with jars, install retrievable wear bushing.
- 1.1 RIH to TOC, allow minimum of 12 hours W.O.C. prior to drilling out.
- 1.2 Drill out cement to top of stage collar and test casing to 1500 psi for 30 minutes. Drill out stage collar and clean out cement to float collar and retest casing to 1500 psi (record barrels pumped vs casing pressure in 1/2 bbl increments). Drill out float collar and shoe plus 10' new hole. Circulate & condition mud.
- 1.3 Test 10 3/4" shoe an FIT = 10 ppg EMW while recording on chart and documenting on IADC. Report results to Houston Office. POOH.
- 1.4 Mud Loggers to be operational after setting 10 3/4" surface casing at 6000'.

- 2.0 Pick up 9 7/8" bit and directional BHA bottom hole assembly with Mud Motor, MWD, 7" DC, HWDP & Jars, TIH. Continue drilling a 9 7/8" directional hole maintaining to 29.84° and an azimuth of 21.94° hole to 11648' MDTD / 10500' TVDTD. Air drill and/or air mist until water volumes become excessive (expected to occur at +/- 6500') and at that time mud up as per program.
 - 2.1 Maximum anticipated MW is 9.6 ppg.
 - 2.2 Loss of circulation may occur at any time or at any point in the open hole and has occurred in the general area and returns should be monitored very closely. The PB #1 well encountered loss circulation at 8991' and the PB #2 well lost circulation at 8195'. A pre-treatment plan and procedure will be addressed in the mud program.
 - 2.3 Test BOP's every 14 days.
 - 2.6 Have Mud Logger operational at 6000'.
 - 2.7 No abnormal pressure will be encountered.
 - 2.8 At casing point the mud weight is expected to be 9.0 – 9.1 ppg.
 - 2.9 See below for table of estimated formation tops.
- 3.0 At TD Circulate and condition mud and short trip for logs. POOH strapping drill pipe and counting stands.
- 4.0 Log well as per the Logging Program with Schlumberger as follows:

Run #1 - PEX-HRLA P-Express w/ HRLA;
Run #2 – BHC Sonic Delta T BHC

Make conditioning trips between log runs as necessary.
- 5.0 If well is productive prepare to run 5 1/2" production casing and continue with step #7 below.

NOTE: Prior to actual cement jobs, all cement is to have a pilot test run, using onsite mix water and cement to determine final composition to be used.
- 6.0 If the well is to be plugged the Utah DOGM will be notified and a procedure will be developed and forwarded to the rig.

- 7.0. Make up a clean out BHA and trip in hole to total depth. Circulate and condition mud, spot 5 ppb glass beads in open hole and pull out of hole.
- 8.0 Change out upper rams to 5 1/2" and test bonnet seals to 250/3000 psi while recording on chart for 15 minutes.
- 9.0. Rig up casing running tools. Have 5 1/2" LTC casing swage x 2" pressure tested valve on rig floor and function tested – record on IADC and morning report.
- 10.0 Run 5 1/2" 17# P-110 LTC casing as program to total depth of 11648' as follows: Centralize casing as follows:
 - 10.1 Davis Lynch bow spring - 1 above float shoe, 1 around next collar, 1 above float collar, and 1 each around next five (5) collars (total of 8).
 - 10.2 **Centralize pay sands behind 5 1/2" casing as follows:**
Davis –Lynch semi-rigid bow spring - 2 per joint from 80' below, through and 80' above any prospective pay zones.
- 11.0 Break circulation 1 joint off bottom and tag bottom while circulating. Continue circulating a minimum of 1-1/2 casing volumes with rig pump. However, circulation is to continue until all the trip gas is removed and the background gas has decreased to normal and the mud and mud properties are in accordance with mud program's specifications. Reciprocate casing 15 – 20 feet, if possible.
- 12.0 Cement 5 1/2" casing using the 2 plug method as per the attached cement program.
- 13.0 WOC 8 hours with the annular closed before ND to set slips. Monitor annular pressure and for indications of annular gas migration.
- 14.0 Nipple down, pick up 11" BOP stack and set 5 1/2" casing slips with +/25 K tension. Install 11" 5K x 7 1/6" 5K tubing spool with dry hole tree.
- 12.0 Release rig.

D. ANTICIPATED FORMATION TOPS & POTENTIAL PAY ZONES

Paradox Basin #3 & Paradox Basin #1 Formation Tops				
		PB #1	PB #3	
		Mud Log TVD Tops	Estimated TVD Tops	
		GLE:	GLE:	
Jurassic	Navajo	350	350	
Triassic	Chinle	775	775	
	Moenkopi	950	946	
	Cutler	1550	1545	
Penn	Honaker Trail	7478	7464	
	Paradox	9040	9020	
	Ismay *	9814	9803	gas
	Hovenweep	9989	9980	
	L Ismay	10006	9993	
	Gothic Shale	10205	10200	
	Desert Creek	10279	10274	

- A. Mud Logger: The mud logger will be operational at 6000' and will remain on the hole until TD.
- B. There are no known potential sources of H₂S.
- C. The offset wells:

The Paradox Basin #1 spudded May 23, 2006 and drilled to a TD of 16471. At the equivalent depth of 10500' TVD the mud weight was 8.7 - 8.8 ppg.

The Paradox Basin #2 spudded February 13, 2009 and drilled to a TD of 14216' MD / 14160' TVD. At the equivalent depth of 10500' TVD the mud weight was 8.6 - 8.8 ppg.

A formation pore pressure can be conservatively estimated at 8.50 ppg (pore pressure gradient of 0.442 psi/ft). Extrapolating this gradient downward to 10500' TVD, the **anticipated bottom hole pressure** is **4641** psi. Using a conservative gas gradient to surface of 0.1 psi/ft, the **maximum anticipated surface pressure** would be **3591** psi

E. BOP PROGRAM & CASING PRESSURE TEST

Casing Size in	<i>BOP Description</i>	BOP Test Pres., psi Low / High	Wellhead Size & Pres Rating	Csg Test Pres., psi
20"	20" 200 psi Diverter	NA	NA	NA
10 3/4"	11" 5M DR + SR BOP (PR,BR,PR)	250 /5000	10 3/4" SOW x 11" 5M	1500
	11" 5M Annular	250 / 2500		
	11" 3M/5M Rotating Head			

The drilling of the surface hole will not utilize a bop stack – a 200 psi diverter system will be utilized.

Production hole will be drilled with the Contractors 5000 psi rated BOP stack and choke manifold

Ram type preventers and associated equipment shall be tested to stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53 with a minimum pressure rating of 5000 psi. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

- Annular BOP -- 2500 psi
- Ram type BOP -- 5000 psi
- Kill line valves -- 5000 psi
- Choke line valves and choke manifold valves -- 5000 psi
- Chokes -- 5000 psi
- Casing, casinghead & weld -- 1500 psi
- Upper kelly cock and safety valve -- 5000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The DOGM in Price, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP & diagram.

F. MUD PROGRAM SUMMARY**Casing Program**

Type	Bit Size - in	Casing Size - in	MD/TVD - ft
Conductor	Preset	20"	100'
Surface	14-3/4"	10 3/4"	4200' MD / 4040' TVD
Production	9 7/8"	5 1/2"	11648' MD / 10500' TVD

DRILLING FLUIDS SCHEDULE

	Air/Mist Surface Hole TVD	Air/Mist Production hole TVD	LSND Production hole TVD
Hole Size (in)	14 3/4"	9 7/8"	9 7/8"
Interval - TVD (ft)	0- 4040	4040 - 6000	6000 - 10500
Casing OD (in)	20" Cond	10 3/4	
Density (ppg)	As Low As Possible	As Low As Possible	8.5 – 9.0
Funnel Viscosity	40 - 60	40 - 60	40 - 60
Plastic viscosity	ALAP	ALAP	10 - 20
Yield Point	10 - 15	10 -15	15 - 20
Fluid Loss	NA	NA	10 -20
Gel Strength	NA	NA	8 - 14
pH	NA	NA	9 -10
LGS (%/vol)	NA	NA	≤6
MBT (ppb)	NA	NA	≤12.5

G. CASING PROGRAM SUMMARY

Surface Casing: 10.750" casing set at ±4100' MD/4040' TVD in 14.750" hole with 8.6 – 9.0 ppg FWM

Interval MD, ft	Length ft	Wt ppf	Grade	Conn	Col psi	IY psi	Jt St Kips	ID in	Drift in	DF Col	DF Burst	DF ten
0-4200	4200	45.5	K55	BTC	2090	3580	717	9.950	9.875	2.24	1.3	2.97

Production Casing: 5.50" casing set at 11648' MD/ 10500' TVD in 9,875" hole with 9.0-9.6 ppg FWM

Interval MD, ft	Length ft	Wt ppf	Grade	Conn	Col psi	IY psi	Jt St Kips	ID in	Drift in	DF Col	DF Burst	DF ten
0-11648	11648	17#	P-110	LT&C	7480	10640	445	4.892	4.767	3.47	2.04	1.93

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

- All casing to be new & inspected.

H. WELLHEAD:

- A. Casing Head: Cameron 10 3/4" SOW x 11" 5M casing head.
- B. Tubing Head: Cameron 11" 5M x 7 1/16" 5M tubing spool.

I. CEMENT PROGRAM:

- A. Surface Casing – The 10 3/4" 45.5 ppf K-55 BTC casing will be set at 4200' MD / 4040' TVD in a 14 3/4" hole. A Multi stage cementing tool will be positioned at approximately 1800'. Cement the 10 3/4" casing using 2 stage method as per cement program. Circulate cement to the surface using a total of 3590 cf of cement slurry which includes 50% excess of calculated open hole annular volume.

Stage 1 Lead: ±464 sacks (1313 cf) of Premium Lite plus additives mixed at 11.6 ppg, 2.83 ft³/sk.

Stage 1 Tail: ±400 sacks (716 cf) of Premium Lite plus additives mixed at 13.5 ppg, 1.79 ft³/sk.

Stage 2 Lead: ±489 sacks (1384 cf) of Premium Lite Weight plus additives mixed at 11.6 ppg, 2.83 ft³/sk.

Stage 2 Tail: ±100 sacks (179 cf) of Premium Lite plus additives mixed at 13.5 ppg, 1.79 ft³/sk.

B. Production Casing – The 5 ½" 17 ppf P-110 LTC casing will be set at **11648'** MD / 10500' TVD in a 9 7/8 hole. A single stage cement job will be conducted as per cement program. Circulate cement to 7432' using a total of 2094 cf of cement slurry which includes 25% excess of calculated open hole annular volume.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess.

Lead: ±188 sacks (545 cf) of 25:75 Poz plus additives mixed at 11.6 ppg, 2.90 ft³/sk.

Tail: ±622 sacks (1549 cf) of Premium Lite High Srength plus additives mixed at 12.5 ppg, 2.49 ft³/sk.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string. The production casing is designed for the top of cement to be at 7432'.

A. 10 3/4" 45.5 ppf K-55 BTC Surface Casing Cementing Program						
Hole Size		14 3/4"			Calc TOC Stage 2 - ft	Surf
Csg Size		10 3/4"			Calc FILL Stage 2 - ft	1800'
Shoe MD		4200'			% Excess OH	50%
Shoe TVD		4040'			Calc Slurry – cf (stage 1 + 2)	3590
DV Stage Tool		1800'			Est BHT 'F	
Calc TOC Stage 1 - ft		1800'			No. of Stages	2
Calc FILL Stage 1 - ft		2400'				
Stage No.	Fluid	Vol cu ft	Slurry Yield cf/sx	Number sacks	Slurry Weight ppg	Amt of Mix Water gps
1	Lead Slurry	1313	2.83	464	11.6	16.52
		Premium Lite Plus + 2% bwoc CaCl + 0.25 #/sk Cello Flake + 0.5 gal/100 sk FP-13L + 10 #/sk CSE-2 + 0.05 #/sk Static Free + 158.4% Fresh Water				
	Tail Slurry	716	1.79	400	13.5	8.73
		Premium Lite Plus + 0.05 #/sk Static Free + 2% bwoc CaCl + 0.25 #/sk Cello Flake + 0.5 gal/100 sk FP-13L + 83.6% Fresh Water				
2	Lead Slurry	1384	2.83	489	11.6	16.52
		Premium Lite Plus + 0.05 #/sk Static Free + 2% bwoc CaCl + 0.25 #/sk Cello Flake + 0.5 gal/100 sk FP-13L + 10 #/sk CSE-2 + 158.4% Fresh Water				
	Tail Slurry	179	1.79	100	13.5	8.73
		Premium Lite Plus + 0.05 #/sk Static Free + 2% bwoc CaCl + 0.1 #/sk Cello Flake + 0.5 gal/100 sk FP-13L + 10 #/sk CSE-2 + 83.7% Fresh Water				

GOLDEN EAGLE EXPLORATION, LLC
 Paradox Basin #3
 Grand Co., Utah
 Proposed Well Bore Schematic

Actual Surf Loc: Sec 16 - T23S - R23E
 SWSE Sec 16-T23S -R23E
 1023' FSL & 1754' FEL of Sec 16
 Grand Co., Utah

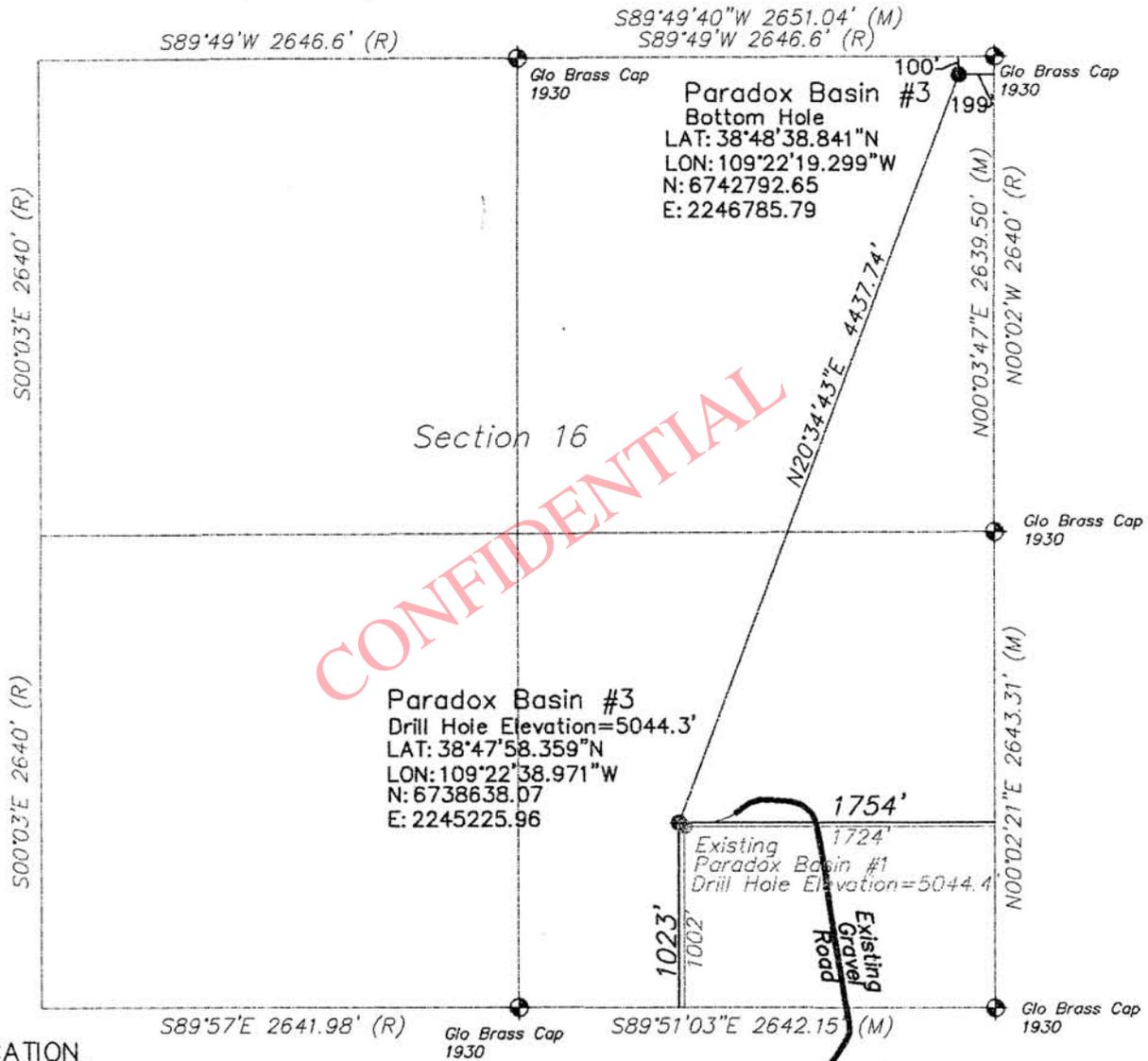
Rig: TBD
 Actual TD: 11648' MD / 10500' TVD
 GL Elev: 5044
 Dir Well: Yes - Build to 30° & Hold

Prop BHL: Sec 16 - T23S - R23E
 NENE Sec 16-T23S -R23E
 100' FNL & 199' FEL of Sec 16

BHT °F	Hole Size in	RKB MD	MW FG
		100	20" x 0.250" Cond Pipe, Grout Cemented To Surface
			Stage Collar @ ±1800' TBD
	Drill 14 3/4" Hole	4040	10 3/4" 45.5 ppg K-55 BTC csg
			MW = Air Foam / FWM
	Drill 9 7/8" hole	10500	5 1/2" 17 ppg P-110 LTC
			MW = 9.00 - 9.60 WBM

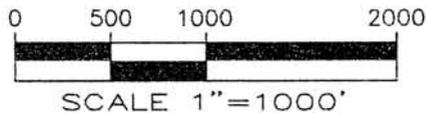
CONFIDENTIAL

SECTION 16, T23S, R23E, SLB&M, GRAND COUNTY, UTAH



WELL LOCATION

1. This Well Location Plat was prepared for Golden Eagle Exploration to show the location Paradox Basin #3, located 1023 feet North and 1754 feet West of the Southeast corner of Section 16, T23S, R23E, SLB&M, Grand County, Utah, based on the location of the South Quarter corner, the Southeast corner, and the East Quarter corner of said Section 16.
2. Latitude and Longitude are based on NAD 83.
3. Elevations are based on NAVD 88
4. Well ties are measured at 90° from the referenced Section Line.
5. Improvements: Existing Well Head and Appurtenances.
6. Surface Use: Pad Site, brush, and scrub oak.
7. All information based on GPS observation.
8. Proposed Bottom Hole location provided by Golden Eagle Exploration.



SURVEYOR'S STATEMENT

I, Merritt P. Dismant, a Professional Land Surveyor in the State of Utah do hereby certify that this survey was made under my direct supervision and that this Plat represents said Survey.

Merritt P. Dismant
 No. 166642
 10-1-09
 Merritt P. Dismant Utah PLS 166642

LEGEND

- = SECTION CORNERS LOCATED
- = PROPOSED WELL HEAD

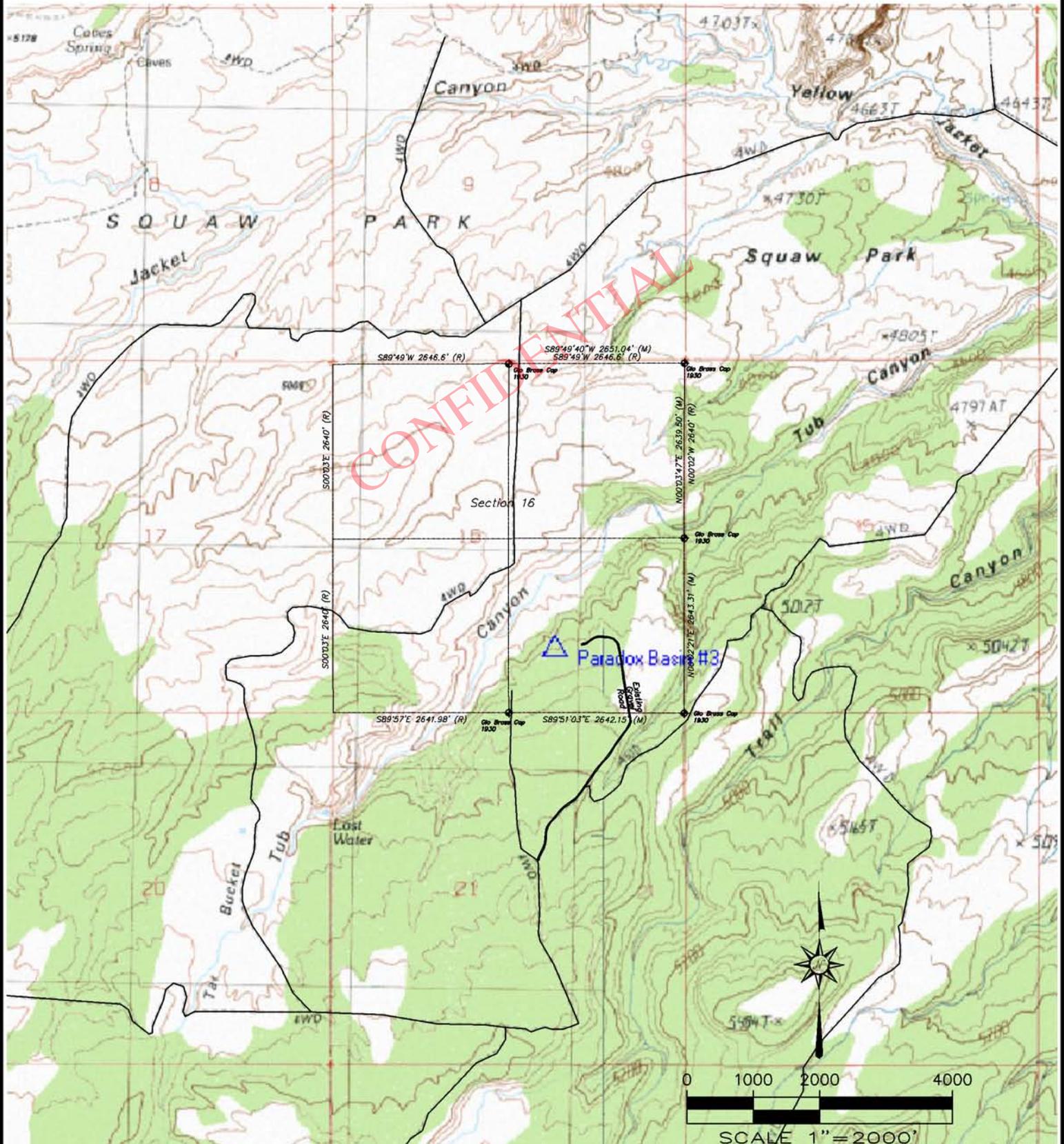
HIGH DESERT SURVEYING, LLC

1673 Highway 50 Unit C
 GRAND JUNCTION, CO. 81503
 TELE: (970) 254-8649, FAX: (970) 241-0451

Well Plat - Plat 1
PARADOX BASIN #3
Golden Eagle Exploration

SURVEY BY: jcf/tj	Survey Date: 09-21-09	Job No. 09-103
DRAWN BY: rsk	Draft Date: 09-23-09	PLAT 1

SECTION 16, T23S, R23E, SLB&M, GRAND COUNTY, UTAH



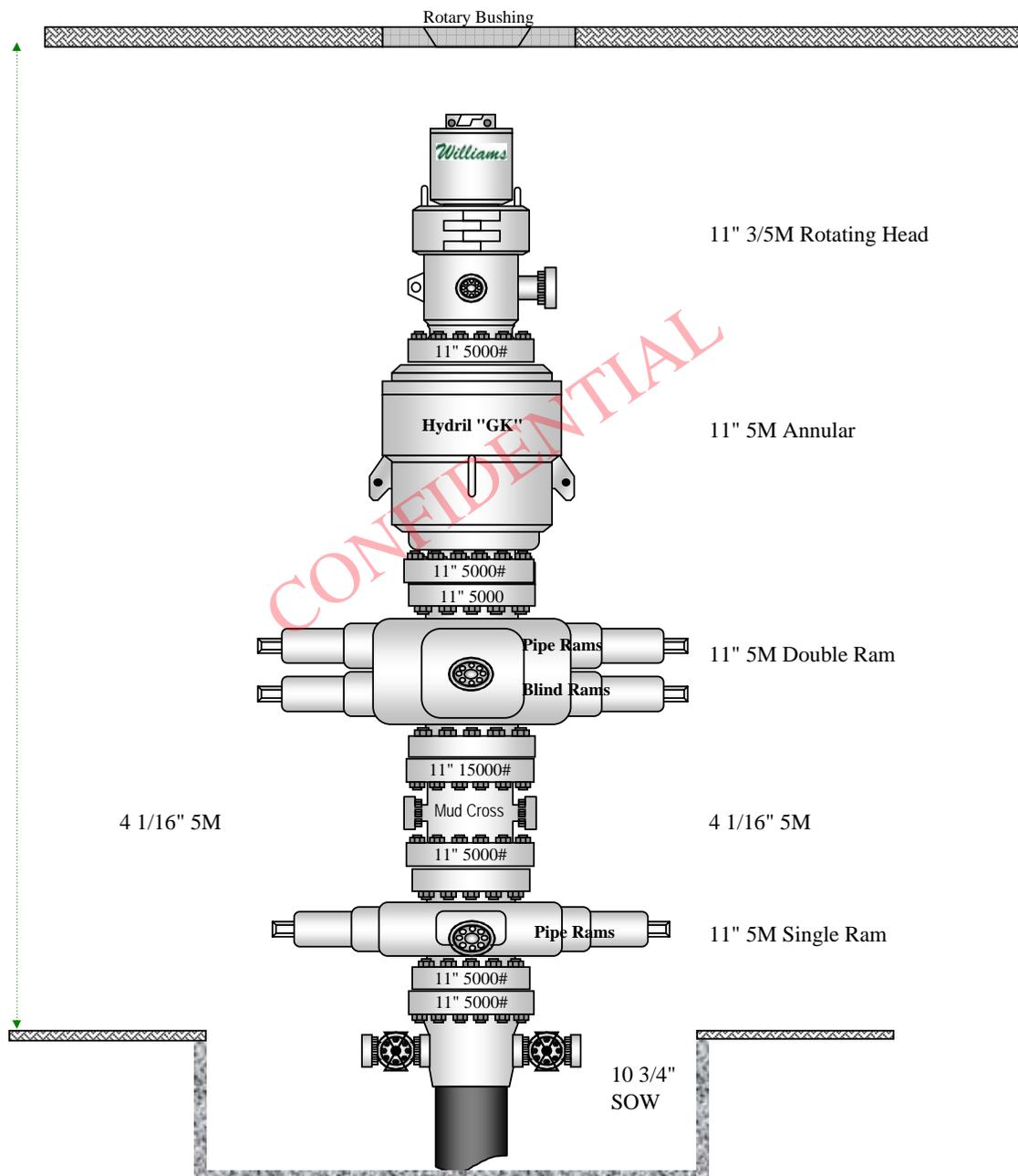
Quadrangles Used: 1:24,000 - Cisco SW, Utah

HIGH DESERT SURVEYING, LLC

1673 Highway 50 Unit C
GRAND JUNCTION, CO. 81503
TELE: (970) 254-8649, FAX: (970) 241-0451

Topography & Access - Plat 5 PARADOX BASIN #3 Golden Eagle Exploration

SURVEY BY: jcf/tj	Survey Date: 09-21-09	Job No. 09-103
DRAWN BY: rsk	Draft Date: 09-23-09	PLAT 5



GENERIC 11" BOP SCHEMATIC



2580 Creekview Road
Moab, Utah 84532
435/719-2018

October 12, 2009

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Directional Drilling R-649-3-11 - Golden Eagle Exploration, LLC

Paradox Basin #3

Surface Location: 1,023' FSL & 1,754' FEL, SW/4 SE/4,
Target Location: 100' FNL & 199' FEL, NE/4 NE/4
Section 16, T23S, R23E, SLB&M, Grand County, Utah

Dear Ms. Mason:

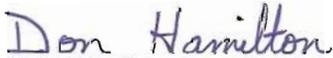
Pursuant to the filing of Golden Eagle Exploration, LLC's (Golden Eagle's) Application for Permit to Drill regarding the above referenced well, Buys & Associates, Inc. hereby submits this letter in accordance with Oil and Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- The well is located in an area that is presently under general state spacing.
- Golden Eagle is permitting the referenced well as a directional well in its current location to minimize surface disturbance. Locating the well at this surface location will utilize an existing access road and pad.
- Furthermore, Golden Eagle certifies that they are the sole working interest owner within 460' of the surface and target location and all points along the intended well bore path.

Please accept this letter as Golden Eagle's written request for confidential treatment of all information contained in and pertaining to this pending application.

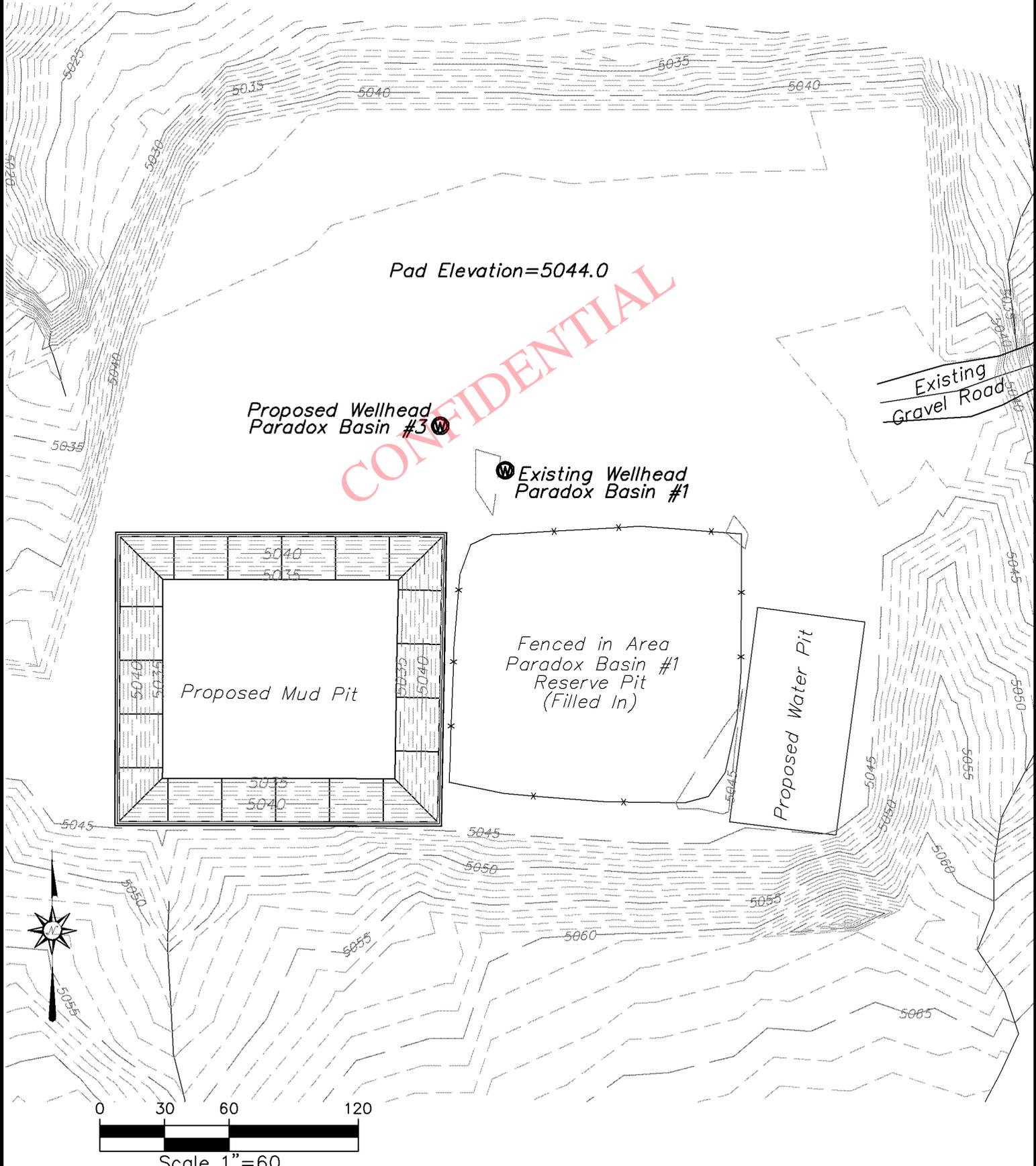
Thank you very much for your timely consideration of this application. Please feel free to contact Stan Jones of Golden Eagle at 281-616-0471 or myself should you have any questions or need additional information.

Sincerely,


Don Hamilton
Agent for Golden Eagle

cc: Stan Jones, Golden Eagle Exploration, LLC

SECTION 16, T23S, R23E, SLB&M, GRAND COUNTY, UTAH



CONFIDENTIAL

HIGH DESERT SURVEYING, LLC

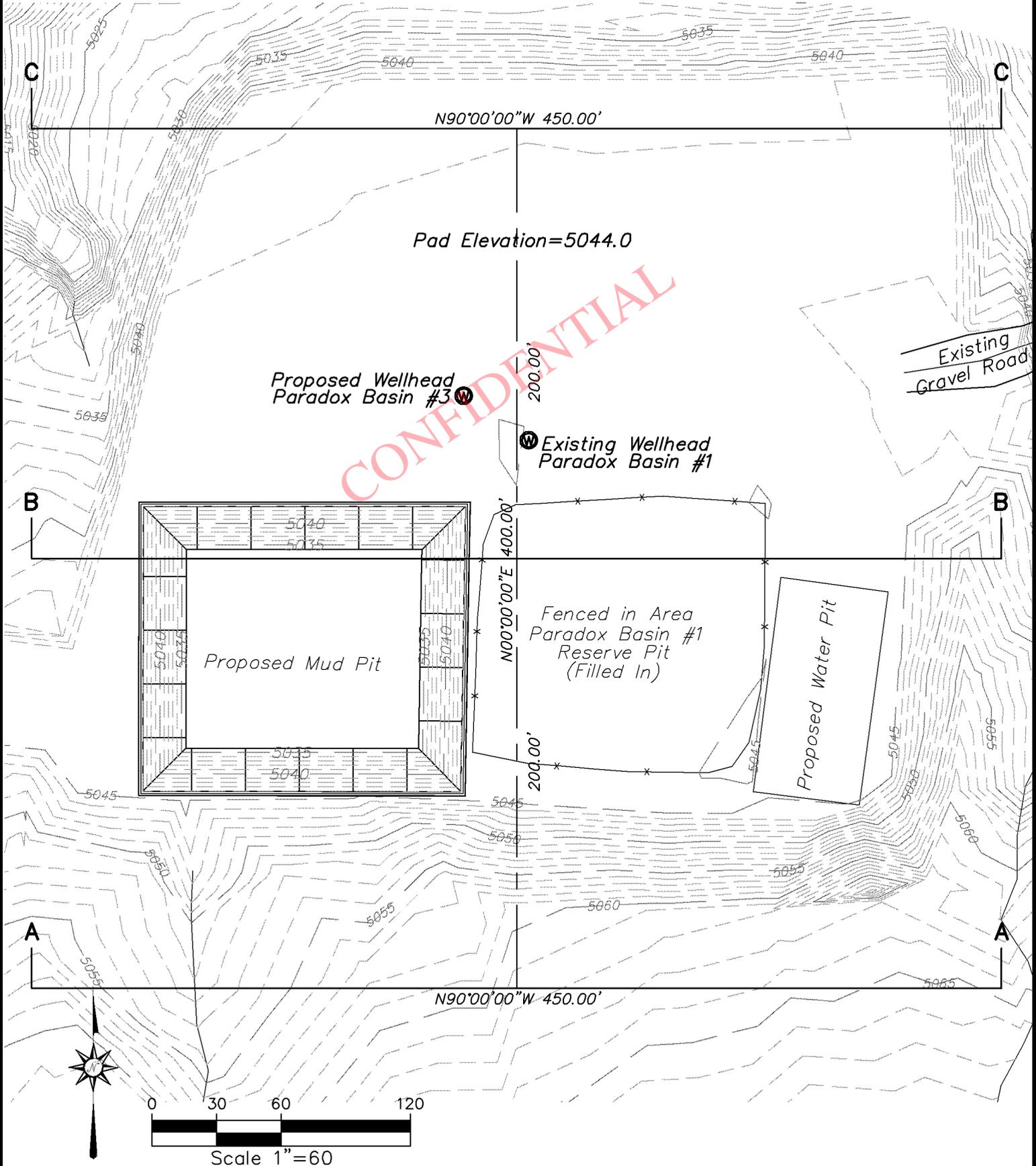
1673 Highway 50 Unit C
GRAND JUNCTION, CO. 81503

TELE: (970) 254-8649, FAX: (970) 241-0451

Pad & Pit Layout – Plat 2
PARADOX BASIN #3
Golden Eagle Exploration

SURVEY BY: jcf/tj	Survey Date: 09-21-09	Job No. 09-103
DRAWN BY: rsk	Draft Date: 09-23-09	PLAT 2

SECTION 16, T23S, R23E, SLB&M, GRAND COUNTY, UTAH



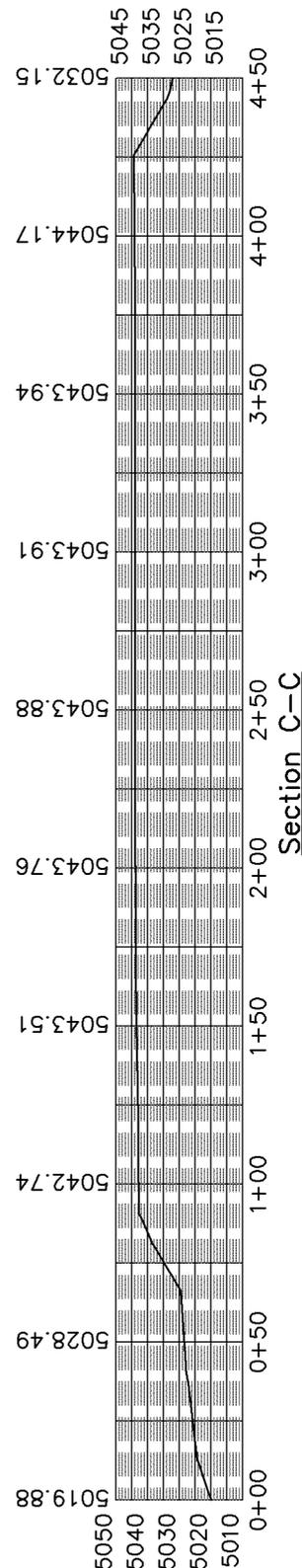
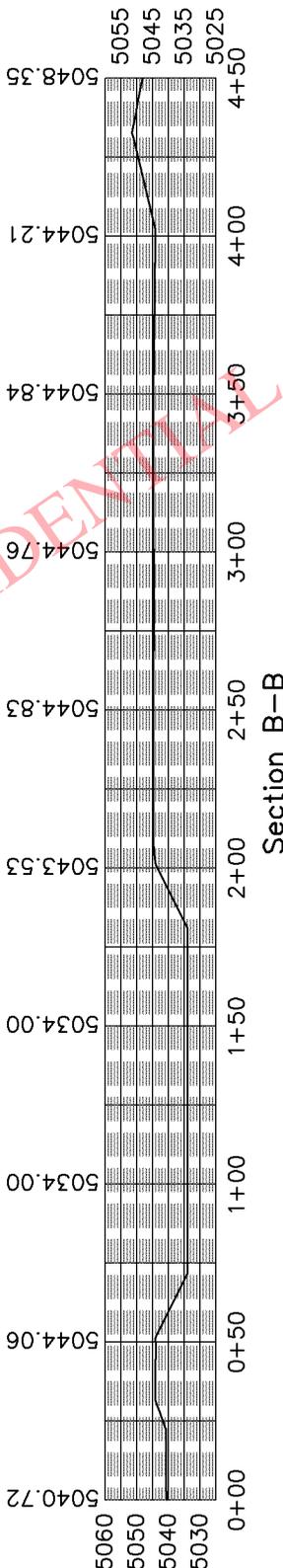
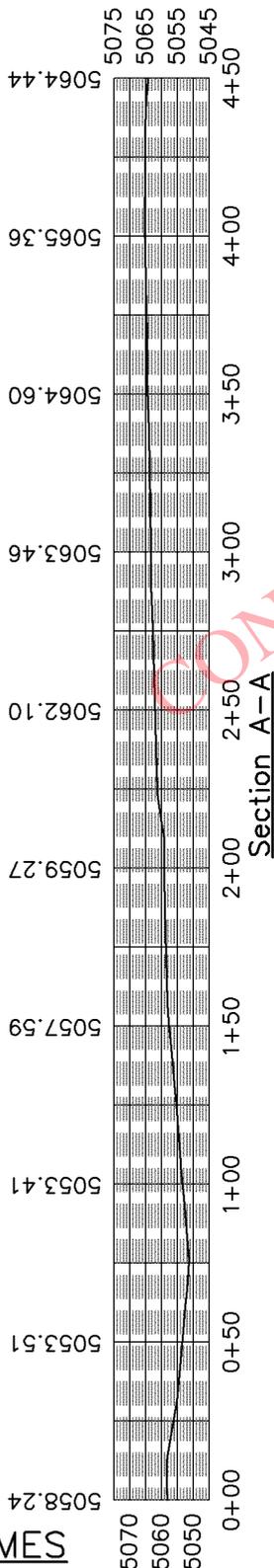
HIGH DESERT SURVEYING, LLC

1673 Highway 50 Unit C
 GRAND JUNCTION, CO. 81503
 TELE: (970) 254-8649, FAX: (970) 241-0451

Cut Pad Layout – Plat 3 PARADOX BASIN #3 Golden Eagle Exploration

SURVEY BY: jcf/tj	Survey Date: 09-21-09	Job No. 09-103
DRAWN BY: rsk	Draft Date: 09-23-09	PLAT 3

SECTION 16, T23S, R23E, SLB&M, GRAND COUNTY, UTAH



CONFIDENTIAL

ESTIMATED VOLUMES

Ungraded Elevation: 5044.0	
Finished Elevation: 5044.0	
PIT CUT:	5,795 C.Y.
2' FREE BOARD ON RESERVE PIT	

SCALE:
 HORZ. 1" = 60'
 VERT. 1" = 60'

HIGH DESERT SURVEYING, LLC

1673 Highway 50 Unit C
 GRAND JUNCTION, CO. 81503
 TELE: (970) 254-8649, FAX: (970) 241-0451

CROSS SECTIONS – Plat 4 PARADOX BASIN #3 Golden Eagle Exploration

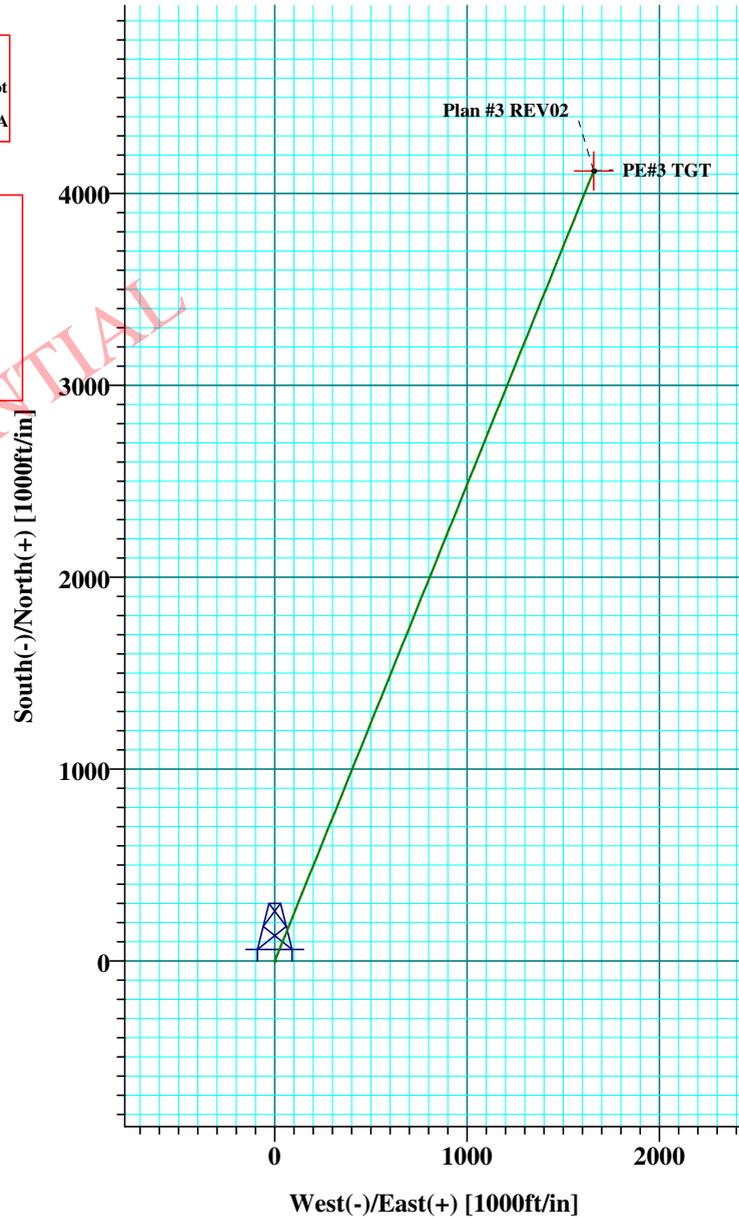
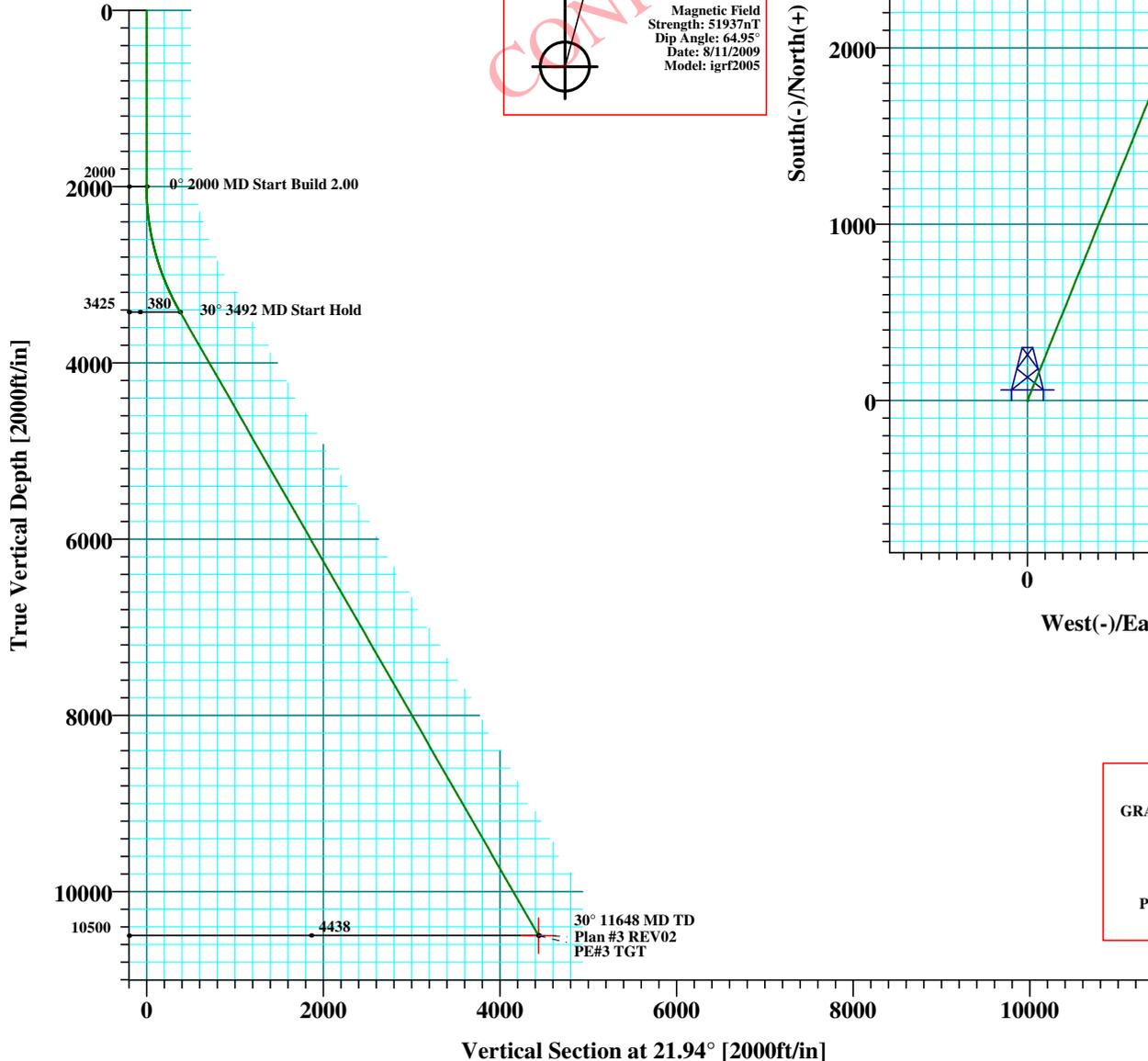
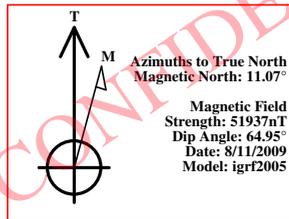
SURVEY BY: jcf/tj	Survey Date: 09-21-09	Job No. 09-103
DRAWN BY: rsk	Draft Date: 09-23-09	PLAT 4



WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
PARDOX BASIN #3	0.00	0.00	6738638.07	2245225.96	38°47'58.024N	109°22'40.304W	N/A

WELLPATH DETAILS			
OH PB#3			
Rig:	SITE 0.00ft		
Ref. Datum:	SITE 0.00ft		
V.Section Angle	Origin +N/-S	Origin +E/-W	Starting From TVD
21.94°	0.00	0.00	10500.00

FIELD DETAILS	
GRAND COUNTY, UT	
Geodetic System:	US State Plane Coordinate System 1983
Ellipsoid:	GRS 1980
Zone:	Utah, Central Zone
Magnetic Model:	igrf2005
System Datum:	Mean Sea Level
Local North:	True North



SITE DETAILS	
GRAND COUNTY, UT SEC 16-T23S-R23E	
Site Centre Northing:	6738638.07
Site Centre Easting:	2245225.96
Water Depth:	0.00
Positional Uncertainty:	0.00
Convergence:	1.36

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	21.94	0.00	0.00	0.00	0.00	0.00	0.00	
2	2000.00	0.00	21.94	2000.00	0.00	0.00	0.00	0.00	0.00	
3	3491.92	29.84	21.94	3425.39	352.28	141.89	2.00	21.94	379.78	
4	11647.73	29.84	21.94	10500.00	4116.41	1657.95	0.00	0.00	4437.74	PE#3 TGT

Plan: Plan #3 REV02 (PARDOX BASIN #3/OH PB#3)	
Created By: Chad Dubois	Date: 11/17/2009
Checked: _____	Date: _____
Reviewed: _____	Date: _____
Approved: _____	Date: _____



LEAM Drilling Systems, Inc.

LEAM PLANNING REPORT WITH (X&Y)



Company: GOLDEN EAGLE EXPLORATION	Date: 11/17/2009	Time: 22:52:19	Page: 1
Field: GRAND COUNTY, UT	Co-ordinate(NE) Reference: Well: PARDOX BASIN #3, True North		
Site: GRAND COUNTY, UT SEC 16-T23S-R23E	Vertical (TVD) Reference: SITE 0.0		
Well: PARDOX BASIN #3	Section (VS) Reference: Well (0.00N,0.00E,21.94Azi)		
Wellpath: OH PB#3	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Survey:	Start Date:
Company:	Engineer:
Tool:	Tied-to:

Field: GRAND COUNTY, UT

Map System: US State Plane Coordinate System 1983	Map Zone: Utah, Central Zone
Geo Datum: GRS 1980	Coordinate System: Well Centre
Sys Datum: Mean Sea Level	Geomagnetic Model: igrf2005

Site: GRAND COUNTY, UT SEC 16-T23S-R23E

Site Position:	Northing: 6738638.07 ft	Latitude: 38 47 58.024 N	
From: Map	Easting: 2245225.96 ft	Longitude: 109 22 40.304 W	
Position Uncertainty: 0.00 ft		North Reference: True	
Ground Level: 0.00 ft		Grid Convergence: 1.36 deg	

Well: PARDOX BASIN #3 **Slot Name:**

Well Position: +N/-S 0.00 ft	Northing: 6738638.07 ft	Latitude: 38 47 58.024 N	
+E/-W 0.00 ft	Easting: 2245225.96 ft	Longitude: 109 22 40.304 W	
Position Uncertainty: 0.00 ft			

Wellpath: OH PB#3

Current Datum: SITE	Height 0.00 ft	Drilled From: Surface	
Magnetic Data: 8/11/2009		Tie-on Depth: 0.00 ft	
Field Strength: 51937 nT		Above System Datum: Mean Sea Level	
Vertical Section: Depth From (TVD)	+N/-S	Declination: 11.07 deg	
ft	ft	Mag Dip Angle: 64.95 deg	
		+E/-W	Direction
		ft	bearing
10500.00	0.00	0.00	21.94

Targets

Name	Description Dip. Dir.	TVD	+N/-S	+E/-W	Map Northing	Map Easting	<--- Latitude --->		<--- Longitude --->	
							Deg	Min Sec	Deg	Min Sec

Plan Section Information

MD ft	Incl deg	Azim bearing	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	21.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	0.00	21.94	2000.00	0.00	0.00	0.00	0.00	0.00	0.00	
3491.92	29.84	21.94	3425.39	352.28	141.89	2.00	2.00	0.00	21.94	
11647.73	29.84	21.94	10500.00	4116.41	1657.95	0.00	0.00	0.00	0.00	PE#3 TGT

Survey Program for Definitive Wellpath

Date: 8/11/2009	Validated: No	Version: 0	
Actual From ft	To ft	Survey	Toolcode
			Tool Name



LEAM Drilling Systems, Inc.

LEAM PLANNING REPORT WITH (X&Y)



Company: GOLDEN EAGLE EXPLORATION	Date: 11/17/2009	Time: 22:52:19	Page: 2
Field: GRAND COUNTY, UT	Co-ordinate(N/E) Reference: Well: PARDOX BASIN #3, True North		
Site: GRAND COUNTY, UT SEC 16-T23S-R23E	Vertical (TVD) Reference: SITE 0.0		
Well: PARDOX BASIN #3	Section (VS) Reference: Well (0.00N,0.00E,21.94Azi)		
Wellpath: OH PB#3	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Survey

MD ft	Incl deg	Azim bearing	TVD ft	N/S ft	E/W ft	VS ft	Build deg/100ft	Turn deg/100ft	DLS deg/100ft	MapN ft	MapE ft
0.00	0.00	21.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
100.00	0.00	21.94	100.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
200.00	0.00	21.94	200.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
300.00	0.00	21.94	300.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
400.00	0.00	21.94	400.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
500.00	0.00	21.94	500.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
600.00	0.00	21.94	600.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
700.00	0.00	21.94	700.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
800.00	0.00	21.94	800.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
900.00	0.00	21.94	900.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1000.00	0.00	21.94	1000.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1100.00	0.00	21.94	1100.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1200.00	0.00	21.94	1200.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1300.00	0.00	21.94	1300.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1400.00	0.00	21.94	1400.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1500.00	0.00	21.94	1500.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1600.00	0.00	21.94	1600.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1700.00	0.00	21.94	1700.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1800.00	0.00	21.94	1800.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
1900.00	0.00	21.94	1900.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
2000.00	0.00	21.94	2000.00	0.00	0.00	0.00	0.00	0.00	0.00	6738638.07	2245225.96
2100.00	2.00	21.94	2099.98	1.62	0.65	1.75	2.00	0.00	2.00	6738639.70	2245226.57
2200.00	4.00	21.94	2199.84	6.47	2.61	6.98	2.00	0.00	2.00	6738644.60	2245228.41
2300.00	6.00	21.94	2299.45	14.56	5.86	15.69	2.00	0.00	2.00	6738652.76	2245231.48
2400.00	8.00	21.94	2398.70	25.86	10.42	27.88	2.00	0.00	2.00	6738664.17	2245235.76
2500.00	10.00	21.94	2497.47	40.37	16.26	43.52	2.00	0.00	2.00	6738678.82	2245241.26
2600.00	12.00	21.94	2595.62	58.07	23.39	62.60	2.00	0.00	2.00	6738696.68	2245247.96
2700.00	14.00	21.94	2693.06	78.93	31.79	85.10	2.00	0.00	2.00	6738717.74	2245255.87
2800.00	16.00	21.94	2789.64	102.94	41.46	110.98	2.00	0.00	2.00	6738741.97	2245264.97
2900.00	18.00	21.94	2885.27	130.06	52.38	140.21	2.00	0.00	2.00	6738769.34	2245275.24
3000.00	20.00	21.94	2979.82	160.26	64.55	172.77	2.00	0.00	2.00	6738799.81	2245286.69
3100.00	22.00	21.94	3073.17	193.50	77.93	208.60	2.00	0.00	2.00	6738833.36	2245299.28
3200.00	24.00	21.94	3165.21	229.74	92.53	247.67	2.00	0.00	2.00	6738869.94	2245313.02
3300.00	26.00	21.94	3255.84	268.94	108.32	289.93	2.00	0.00	2.00	6738909.50	2245327.87
3400.00	28.00	21.94	3344.94	311.05	125.28	335.33	2.00	0.00	2.00	6738952.00	2245343.83
3491.92	29.84	21.94	3425.39	352.28	141.89	379.78	2.00	0.00	2.00	6738993.62	2245359.45
3500.00	29.84	21.94	3432.40	356.01	143.39	383.80	0.00	0.00	0.00	6738997.38	2245360.86
3600.00	29.84	21.94	3519.14	402.16	161.98	433.55	0.00	0.00	0.00	6739043.96	2245378.35
3700.00	29.84	21.94	3605.89	448.31	180.57	483.31	0.00	0.00	0.00	6739090.54	2245395.84
3800.00	29.84	21.94	3692.63	494.47	199.15	533.07	0.00	0.00	0.00	6739137.12	2245413.33
3900.00	29.84	21.94	3779.37	540.62	217.74	582.82	0.00	0.00	0.00	6739183.70	2245430.82
4000.00	29.84	21.94	3866.12	586.77	236.33	632.58	0.00	0.00	0.00	6739230.28	2245448.31
4100.00	29.84	21.94	3952.86	632.92	254.92	682.33	0.00	0.00	0.00	6739276.86	2245465.79
4200.00	29.84	21.94	4039.60	679.08	273.51	732.09	0.00	0.00	0.00	6739323.44	2245483.28
4300.00	29.84	21.94	4126.35	725.23	292.10	781.84	0.00	0.00	0.00	6739370.03	2245500.77
4400.00	29.84	21.94	4213.09	771.38	310.69	831.60	0.00	0.00	0.00	6739416.61	2245518.26
4500.00	29.84	21.94	4299.83	817.53	329.28	881.35	0.00	0.00	0.00	6739463.19	2245535.75
4600.00	29.84	21.94	4386.58	863.69	347.87	931.11	0.00	0.00	0.00	6739509.77	2245553.24
4700.00	29.84	21.94	4473.32	909.84	366.45	980.87	0.00	0.00	0.00	6739556.35	2245570.73
4800.00	29.84	21.94	4560.06	955.99	385.04	1030.62	0.00	0.00	0.00	6739602.93	2245588.21
4900.00	29.84	21.94	4646.80	1002.15	403.63	1080.38	0.00	0.00	0.00	6739649.51	2245605.70
5000.00	29.84	21.94	4733.55	1048.30	422.22	1130.13	0.00	0.00	0.00	6739696.09	2245623.19
5100.00	29.84	21.94	4820.29	1094.45	440.81	1179.89	0.00	0.00	0.00	6739742.67	2245640.68



LEAM Drilling Systems, Inc.

LEAM PLANNING REPORT WITH (X&Y)



Company: GOLDEN EAGLE EXPLORATION	Date: 11/17/2009	Time: 22:52:19	Page: 3
Field: GRAND COUNTY, UT	Co-ordinate(NE) Reference: Well: PARDOX BASIN #3, True North		
Site: GRAND COUNTY, UT SEC 16-T23S-R23E	Vertical (TVD) Reference: SITE 0.0		
Well: PARDOX BASIN #3	Section (VS) Reference: Well (0.00N,0.00E,21.94Azi)		
Wellpath: OH PB#3	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Survey

MD ft	Incl deg	Azim bearing	TVD ft	N/S ft	E/W ft	VS ft	Build deg/100ft	Turn deg/100ft	DLS deg/100ft	MapN ft	MapE ft
5200.00	29.84	21.94	4907.03	1140.60	459.40	1229.64	0.00	0.00	0.00	6739789.25	2245658.17
5300.00	29.84	21.94	4993.78	1186.76	477.99	1279.40	0.00	0.00	0.00	6739835.83	2245675.66
5400.00	29.84	21.94	5080.52	1232.91	496.58	1329.15	0.00	0.00	0.00	6739882.41	2245693.15
5500.00	29.84	21.94	5167.26	1279.06	515.16	1378.91	0.00	0.00	0.00	6739928.99	2245710.64
5600.00	29.84	21.94	5254.01	1325.21	533.75	1428.67	0.00	0.00	0.00	6739975.57	2245728.12
5700.00	29.84	21.94	5340.75	1371.37	552.34	1478.42	0.00	0.00	0.00	6740022.16	2245745.61
5800.00	29.84	21.94	5427.49	1417.52	570.93	1528.18	0.00	0.00	0.00	6740068.74	2245763.10
5900.00	29.84	21.94	5514.24	1463.67	589.52	1577.93	0.00	0.00	0.00	6740115.32	2245780.59
6000.00	29.84	21.94	5600.98	1509.83	608.11	1627.69	0.00	0.00	0.00	6740161.90	2245798.08
6100.00	29.84	21.94	5687.72	1555.98	626.70	1677.44	0.00	0.00	0.00	6740208.48	2245815.57
6200.00	29.84	21.94	5774.47	1602.13	645.29	1727.20	0.00	0.00	0.00	6740255.06	2245833.06
6300.00	29.84	21.94	5861.21	1648.28	663.87	1776.96	0.00	0.00	0.00	6740301.64	2245850.54
6400.00	29.84	21.94	5947.95	1694.44	682.46	1826.71	0.00	0.00	0.00	6740348.22	2245868.03
6500.00	29.84	21.94	6034.70	1740.59	701.05	1876.47	0.00	0.00	0.00	6740394.80	2245885.52
6600.00	29.84	21.94	6121.44	1786.74	719.64	1926.22	0.00	0.00	0.00	6740441.38	2245903.01
6700.00	29.84	21.94	6208.18	1832.89	738.23	1975.98	0.00	0.00	0.00	6740487.96	2245920.50
6800.00	29.84	21.94	6294.93	1879.05	756.82	2025.73	0.00	0.00	0.00	6740534.54	2245937.99
6900.00	29.84	21.94	6381.67	1925.20	775.41	2075.49	0.00	0.00	0.00	6740581.12	2245955.48
7000.00	29.84	21.94	6468.41	1971.35	794.00	2125.24	0.00	0.00	0.00	6740627.70	2245972.96
7100.00	29.84	21.94	6555.16	2017.51	812.59	2175.00	0.00	0.00	0.00	6740674.29	2245990.45
7200.00	29.84	21.94	6641.90	2063.66	831.17	2224.76	0.00	0.00	0.00	6740720.87	2246007.94
7300.00	29.84	21.94	6728.64	2109.81	849.76	2274.51	0.00	0.00	0.00	6740767.45	2246025.43
7400.00	29.84	21.94	6815.39	2155.96	868.35	2324.27	0.00	0.00	0.00	6740814.03	2246042.92
7500.00	29.84	21.94	6902.13	2202.12	886.94	2374.02	0.00	0.00	0.00	6740860.61	2246060.41
7600.00	29.84	21.94	6988.87	2248.27	905.53	2423.78	0.00	0.00	0.00	6740907.19	2246077.90
7700.00	29.84	21.94	7075.61	2294.42	924.12	2473.53	0.00	0.00	0.00	6740953.77	2246095.39
7800.00	29.84	21.94	7162.36	2340.57	942.71	2523.29	0.00	0.00	0.00	6741000.35	2246112.87
7900.00	29.84	21.94	7249.10	2386.73	961.30	2573.04	0.00	0.00	0.00	6741046.93	2246130.36
8000.00	29.84	21.94	7335.84	2432.88	979.88	2622.80	0.00	0.00	0.00	6741093.51	2246147.85
8100.00	29.84	21.94	7422.59	2479.03	998.47	2672.56	0.00	0.00	0.00	6741140.09	2246165.34
8200.00	29.84	21.94	7509.33	2525.19	1017.06	2722.31	0.00	0.00	0.00	6741186.67	2246182.83
8300.00	29.84	21.94	7596.07	2571.34	1035.65	2772.07	0.00	0.00	0.00	6741233.25	2246200.32
8400.00	29.84	21.94	7682.82	2617.49	1054.24	2821.82	0.00	0.00	0.00	6741279.83	2246217.81
8500.00	29.84	21.94	7769.56	2663.64	1072.83	2871.58	0.00	0.00	0.00	6741326.42	2246235.29
8600.00	29.84	21.94	7856.30	2709.80	1091.42	2921.33	0.00	0.00	0.00	6741373.00	2246252.78
8700.00	29.84	21.94	7943.05	2755.95	1110.01	2971.09	0.00	0.00	0.00	6741419.58	2246270.27
8800.00	29.84	21.94	8029.79	2802.10	1128.59	3020.84	0.00	0.00	0.00	6741466.16	2246287.76
8900.00	29.84	21.94	8116.53	2848.25	1147.18	3070.60	0.00	0.00	0.00	6741512.74	2246305.25
9000.00	29.84	21.94	8203.28	2894.41	1165.77	3120.36	0.00	0.00	0.00	6741559.32	2246322.74
9100.00	29.84	21.94	8290.02	2940.56	1184.36	3170.11	0.00	0.00	0.00	6741605.90	2246340.23
9200.00	29.84	21.94	8376.76	2986.71	1202.95	3219.87	0.00	0.00	0.00	6741652.48	2246357.72
9300.00	29.84	21.94	8463.51	3032.87	1221.54	3269.62	0.00	0.00	0.00	6741699.06	2246375.20
9400.00	29.84	21.94	8550.25	3079.02	1240.13	3319.38	0.00	0.00	0.00	6741745.64	2246392.69
9500.00	29.84	21.94	8636.99	3125.17	1258.72	3369.13	0.00	0.00	0.00	6741792.22	2246410.18
9600.00	29.84	21.94	8723.74	3171.32	1277.31	3418.89	0.00	0.00	0.00	6741838.80	2246427.67
9700.00	29.84	21.94	8810.48	3217.48	1295.89	3468.64	0.00	0.00	0.00	6741885.38	2246445.16
9800.00	29.84	21.94	8897.22	3263.63	1314.48	3518.40	0.00	0.00	0.00	6741931.97	2246462.65
9900.00	29.84	21.94	8983.97	3309.78	1333.07	3568.16	0.00	0.00	0.00	6741978.55	2246480.14
10000.00	29.84	21.94	9070.71	3355.93	1351.66	3617.91	0.00	0.00	0.00	6742025.13	2246497.62
10100.00	29.84	21.94	9157.45	3402.09	1370.25	3667.67	0.00	0.00	0.00	6742071.71	2246515.11
10200.00	29.84	21.94	9244.19	3448.24	1388.84	3717.42	0.00	0.00	0.00	6742118.29	2246532.60
10300.00	29.84	21.94	9330.94	3494.39	1407.43	3767.18	0.00	0.00	0.00	6742164.87	2246550.09



LEAM Drilling Systems, Inc.

LEAM PLANNING REPORT WITH (X&Y)



Company: GOLDEN EAGLE EXPLORATION	Date: 11/17/2009	Time: 22:52:19	Page: 4
Field: GRAND COUNTY, UT	Co-ordinate(NE) Reference: Well: PARDOX BASIN #3, True North		
Site: GRAND COUNTY, UT SEC 16-T23S-R23E	Vertical (TVD) Reference: SITE 0.0		
Well: PARDOX BASIN #3	Section (VS) Reference: Well (0.00N,0.00E,21.94Azi)		
Wellpath: OH PB#3	Survey Calculation Method: Minimum Curvature	Db: Sybase	

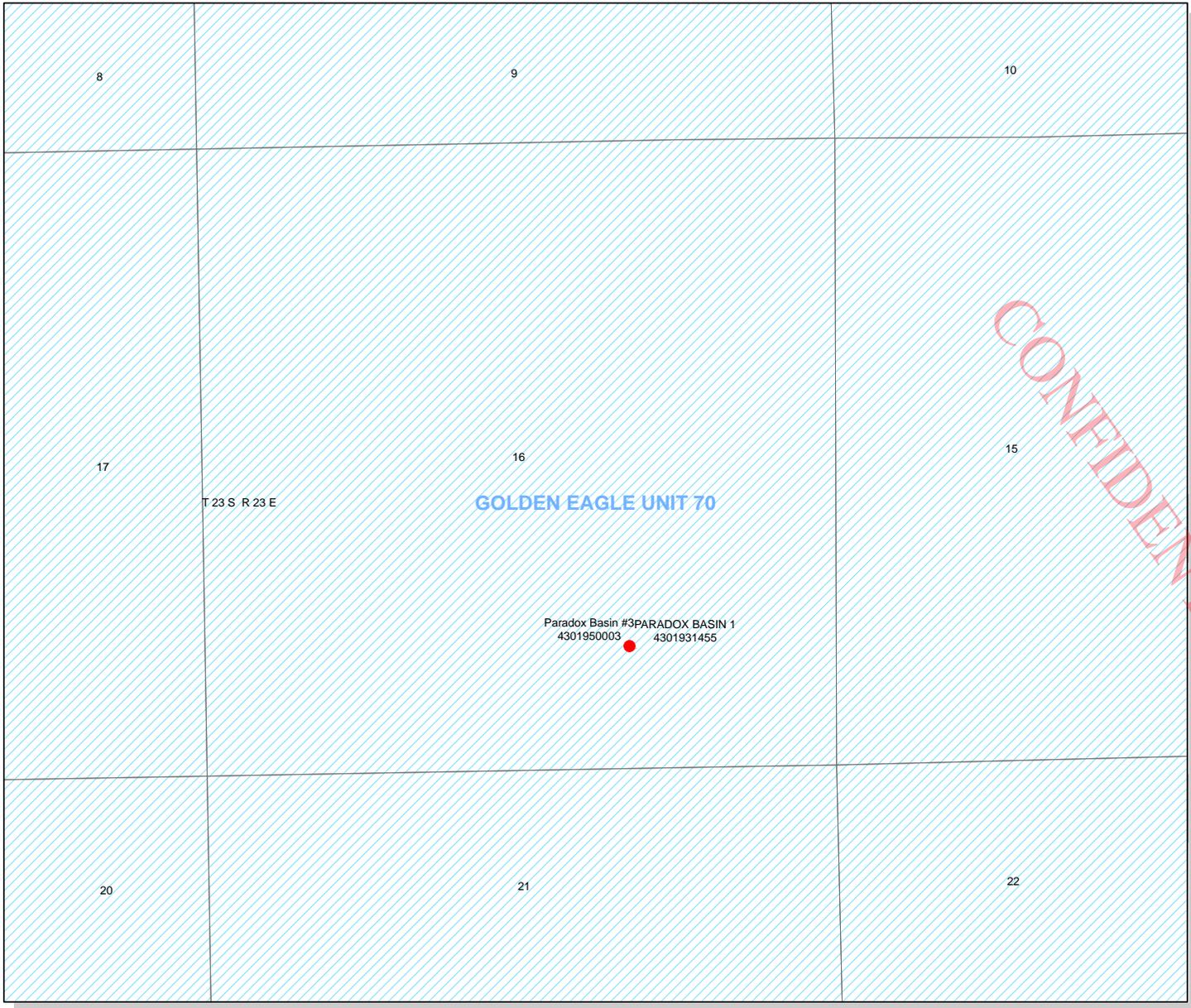
Survey

MD ft	Incl deg	Azim bearing	TVD ft	N/S ft	E/W ft	VS ft	Build deg/100ft	Turn deg/100ft	DLS deg/100ft	MapN ft	MapE ft
10400.00	29.84	21.94	9417.68	3540.55	1426.02	3816.93	0.00	0.00	0.00	6742211.45	2246567.58
10500.00	29.84	21.94	9504.42	3586.70	1444.60	3866.69	0.00	0.00	0.00	6742258.03	2246585.07
10600.00	29.84	21.94	9591.17	3632.85	1463.19	3916.44	0.00	0.00	0.00	6742304.61	2246602.56
10700.00	29.84	21.94	9677.91	3679.00	1481.78	3966.20	0.00	0.00	0.00	6742351.19	2246620.05
10800.00	29.84	21.94	9764.65	3725.16	1500.37	4015.96	0.00	0.00	0.00	6742397.77	2246637.53
10900.00	29.84	21.94	9851.40	3771.31	1518.96	4065.71	0.00	0.00	0.00	6742444.35	2246655.02
11000.00	29.84	21.94	9938.14	3817.46	1537.55	4115.47	0.00	0.00	0.00	6742490.93	2246672.51
11100.00	29.84	21.94	10024.88	3863.61	1556.14	4165.22	0.00	0.00	0.00	6742537.51	2246690.00
11200.00	29.84	21.94	10111.63	3909.77	1574.73	4214.98	0.00	0.00	0.00	6742584.10	2246707.49
11300.00	29.84	21.94	10198.37	3955.92	1593.31	4264.73	0.00	0.00	0.00	6742630.68	2246724.98
11400.00	29.84	21.94	10285.11	4002.07	1611.90	4314.49	0.00	0.00	0.00	6742677.26	2246742.47
11500.00	29.84	21.94	10371.86	4048.23	1630.49	4364.24	0.00	0.00	0.00	6742723.84	2246759.95
11600.00	29.84	21.94	10458.60	4094.38	1649.08	4414.00	0.00	0.00	0.00	6742770.42	2246777.44
11647.73	29.84	21.94	10500.00	4116.41	1657.95	4437.75	0.00	0.00	0.00	6742792.65	2246785.79

API Number: 4301950003
Well Name: Paradox Basin #3
Township 23.0 S Range 23.0 E Section 16
Meridian: SLBM
Operator: GOLDEN EAGLE EXPLORATION,

Map Prepared:
Map Produced by Diana Mason

- ✂ GAS INJECTION
 - GAS STORAGE
 - ✕ LOCATION ABANDONED
 - ⊕ NEW LOCATION
 - ◇ PLUGGED & ABANDONED
 - ✱ PRODUCING GAS
 - PRODUCING OIL
 - ◇ SHUT-IN GAS
 - ✚ SHUT-IN OIL
 - ✕ TEMP. ABANDONED
 - TEST WELL
 - ▲ WATER INJECTION
 - ◆ WATER SUPPLY
 - ♣ WATER DISPOSAL
- Units
 - Spacing Index
 - ACTIVE FIELD
 - COMBINED FIELD



CONFIDENTIAL



1:10,441

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 19, 2009

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Golden Eagle 70
Unit, Grand County, Utah.

CONFIDENTIAL

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2009 within the Golden Eagle 70 Unit, Grand County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ DESERT CREEK)		
43-019-50003	Paradox Basin #3	Sec 16 T23S R23E 1023 FSL 1754 FEL
	BHL	Sec 16 T23S R23E 0100 FNL 0199 FEL

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File - Golden Eagle 70
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-19-09

Well Name	GOLDEN EAGLE EXPLORATION, LLC Paradox Basin #3 43019500030000		
String	Surf	Prod	
Casing Size(")	10.750	5.500	
Setting Depth (TVD)	4040	10500	
Previous Shoe Setting Depth (TVD)	0	4040	
Max Mud Weight (ppg)	9.0	9.6	
BOPE Proposed (psi)	1000	5000	
Casing Internal Yield (psi)	3580	10640	
Operators Max Anticipated Pressure (psi)	4641	8.5	

Calculations	Surf String	10.750	"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$	1891	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	1406	NO rotating head
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	1002	NO PB #1 drilled to 6500' w/air/foam - no pressure
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	1002	NO
Required Casing/BOPE Test Pressure=		2506	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

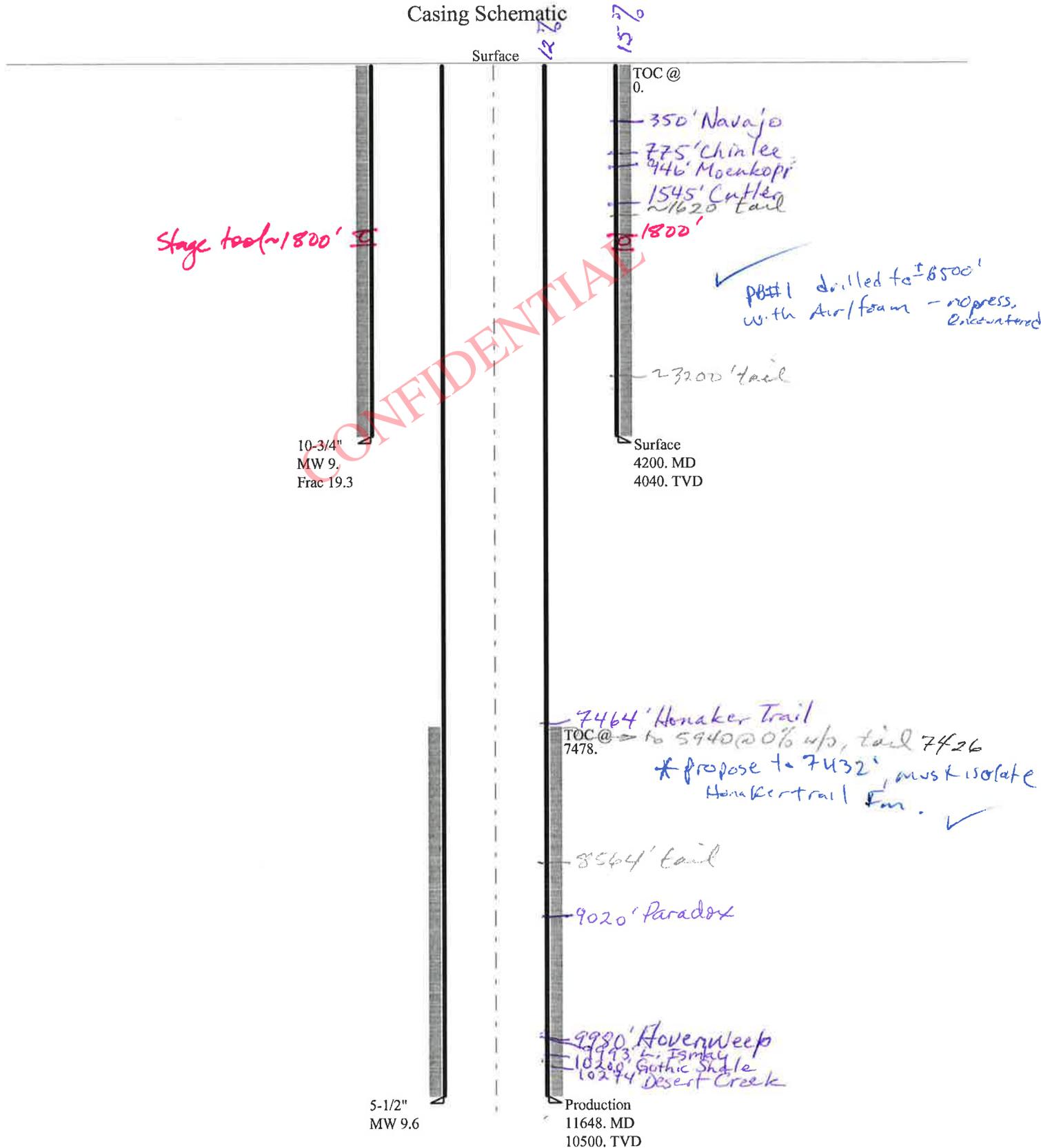
Calculations	Prod String	5.500	"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$	5242	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	3982	YES
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	2932	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	3821	YES OK
Required Casing/BOPE Test Pressure=		5000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		3580	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$		NO
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	$.052 * \text{Setting Depth} * \text{MW} =$		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$		NO
MASP (Gas/Mud) (psi)	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43019500030000 Paradox Basin #3

Casing Schematic



Well name:	43019500030000 Paradox Basin #3		
Operator:	GOLDEN EAGLE EXPLORATION, LLC		
String type:	Surface	Project ID:	43-019-50003
Location:	GRAND	COUNTY	

Design parameters:

Collapse

Mud weight: 9.000 ppg
Internal fluid density: 2.330 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 131 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,926 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,815 psi

Annular backup: 2.33 ppg

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 3,578 ft

Directional Info - Build & Hold

Kick-off point 2000 ft
Departure at shoe: 732 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 29.84 °

Re subsequent strings:

Next setting depth: 10,500 ft
Next mud weight: 9,600 ppg
Next setting BHP: 5,236 psi
Fracture mud wt: 19,250 ppg
Fracture depth: 4,040 ft
Injection pressure: 4,040 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)	Est. Cost (\$)
1	4200	10.75	45.50	J-55	ST&C	4040	4200	9.825	40998
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	1400	2090	1.493	3326	3580	1.08	183.8	493	2.68 J

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

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

Date: December 3, 2009
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 4040 ft, a mud weight of 9 ppg. An internal gradient of .121 psi/ft was used for collapse from TD to
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:	43019500030000 Paradox Basin #3		
Operator:	GOLDEN EAGLE EXPLORATION, LLC		
String type:	Surface	Project ID:	43-019-50003
Location:	GRAND COUNTY		

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 131 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,926 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,815 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 3,578 ft

Directional Info - Build & Hold

Kick-off point 2000 ft
Departure at shoe: 732 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 29.84 °

Re subsequent strings:

Next setting depth: 10,500 ft
Next mud weight: 9.600 ppg
Next setting BHP: 5,236 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 4,040 ft
Injection pressure: 4,040 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)	Est. Cost (\$)
1	4200	10.75	45.50	K-55	Buttress	4040	4200	9.875	50783
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	1889	2090	1.107	3815	3580	0.94	183.8	715.3	3.89 B

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

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

Date: December 3, 2009
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 4040 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:	43019500030000 Paradox Basin #3		
Operator:	GOLDEN EAGLE EXPLORATION, LLC		
String type:	Production	Project ID:	43-019-50003
Location:	GRAND	COUNTY	

Design parameters:

Collapse

Mud weight: 9.600 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: 74 °F
 Bottom hole temperature: 221 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 7,478 ft

Burst

Max anticipated surface pressure: 2,926 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 5,236 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: 1.60 (B)

Tension is based on air weight.
 Neutral point: 9,886 ft

Directional Info - Build & Hold

Kick-off point 2000 ft
 Departure at shoe: 4438 ft
 Maximum dogleg: 2 °/100ft
 Inclination at shoe: 29.84 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	11648	5.5	17.00	P-110	LT&C	10500	11648	4.767	76723
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	5236	7480	1.428	5236	10640	2.03	178.5	445	2.49 J

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

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

Date: December 3, 2009
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 10500 ft, a mud weight of 9.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

From: Ed Bonner
To: Mason, Diana
Date: 12/16/2009 8:02 AM
Subject: Well Clearance

CC: Davis, Jim; Hill, Brad; Jarvis, Dan

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

Golden Eagle Exploration, LLC
Paradox Basin #3 (API 43 019 50003)

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

CONFIDENTIAL

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator GOLDEN EAGLE EXPLORATION, LLC
Well Name Paradox Basin #3
API Number 43019500030000 **APD No** 2097 **Field/Unit** WILDCAT
Location: 1/4,1/4 SWSE **Sec** 16 **Tw** 23.0S **Rng** 23.0E 1023 FSL 1754 FEL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOG M), Don Hamilton-Buys and Associates, Stan-----Golden Eagle Exploration, -----High Desert Survey.

Regional/Local Setting & Topography

Proposed location is roughly 21 miles southeast of the town of Thompson Springs, Grand County Utah. On a regional setting the well site is located in the transition zone between the regions generally referred to as the Cisco Desert and the Canyonlands Regions of the Colorado Plateau. Topography in these areas is generally a series of mesa's falling off into steep canyons comprising of alternating layers of sandstone, shale and clays. The climate within this region is arid, and the vegetation is generally sparse at the lower elevations. Annual precipitation at the well site is 8-10" zone, and vegetation would be described as blackbrush and pinyon/juniper woodlands. Topography immediately adjacent to the well is alternating series of sandy deposits sandstone ledges. Water drainage is to the east entering the Colorado River within five miles. There were no perennial streams or springs observed in close proximity to the location. Drainages in the immediate area are ephemeral in nature, being dry throughout much of the year, but containing flows during intense rain events. Proposed drilling program is designed to use the well pad and ROW for the existing Paradox Basin #1.

Surface Use Plan

Current Surface Use
Existing Well Pad

New Road Miles	Well Pad	Src Const Material	Surface Formation
0	Width Length		ENTNA

Ancillary Facilities

Spoils pile from the construction of reserve pit will be used to build an additional 10' of well pad starting at the southwest corner and extending 120'

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

None, existing well pad.

Soil Type and Characteristics

Red sands and sandy clays

Erosion Issues Y

Soils erosive once initially disturbed, no mitigation recommended.

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potential Observed?** N **Cultural Survey Run?** N **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)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Oil Base Mud Fluid	15	
Drill Cuttings	Salt or Detrimental	10	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	55	1 Sensitivity Level

Characteristics / Requirements

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 20 **Pit Underlayment Required?** Y

Other Observations / Comments

Project is proposed on the existing well pad of the Paradox Basin #1. Former reserve pit area is currently fenced and is not planned for use in drilling proposed well. Limited disturbance is anticipated on BLM ROW and well pad construction.

Due to proximity to Arches National Park and recent awareness of mineral exploration in the area it is reasonable to expect scrutiny of drilling operations for proposed project. Operator instructed to monitor drilling operations and ROW activity closely. Problems should be addressed immediately to prevent additional scrutiny of future operations.

Bart Kettle
Evaluator

10/27/2009
Date / Time

Application for Permit to Drill Statement of Basis

12/21/2009

Utah Division of Oil, Gas and Mining

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APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2097	43019500030000	LOCKED	OW	S	No
Operator	GOLDEN EAGLE EXPLORATION, LLC		Surface Owner-APD		
Well Name	Paradox Basin #3		Unit	GOLDEN EAGLE 70	
Field	WILDCAT		Type of Work	DRILL	
Location	SWSE 16 23S 23E S 1023 FSL 1754 FEL		GPS Coord (UTM)	640958E	4295578N

Geologic Statement of Basis

Although significant volumes of high quality ground water are unlikely to be encountered in the sediments at this location, small but locally important quality water resources are likely to be encountered in permeable Mesozoic and upper Paleozoic sandstones in this area. Within a mile or two of the proposed location springs arise from the Moab Tongue of the Curtis Formation and from the base of the Navajo Sandstone. A very permeable soil is likely to be developed on Holocene eolian sand sheets and mixed, sandy, eolian and alluvial sediments overlying the Jurassic-age Navajo Sandstone, which outcrops around the location. The operator proposes to set surface casing deeply into the Permian-age Cutler Formation. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated. The operator proposes to use native muds weighing between 8.4 and 8.9 lb./gal., which I interpret to mean a fresh water mud system, although such is never specifically stated. No underground water rights have been filed on any area within a mile of the proposed well site.

Chris Kierst
APD Evaluator

1/24/2006
Date / Time

Surface Statement of Basis

Bart Kettle-Division of Oil, Gas and Mining (DOGGM), Don Hamilton-Buys and Associates, Stan-----Golden Eagle Exploration, -----High Desert Survey.

Project is proposed on the existing well pad of the Paradox Basin #1. Former reserve pit area is currently fenced and is not planned for use in drilling proposed well. Limited disturbance is anticipated on BLM ROW and well pad construction.

A 20 mil liner should be installed and maintained in working order at all times until reserve pit has been reclaimed. Reserve pit shall be fenced until reclaimed.

While permitting the Paradox Basin #1 well DOGM received the following comments: National Park Service concerned that lighting from the derrick could create visual impacts to Arches National Park at night. Dark skies are considered one of the resources of Arches National Park.

Recent awareness of mineral exploration in the area it is reasonable to expect scrutiny of drilling operations for proposed project. Operator instructed to monitor drilling operations and ROW activity closely. Problems should be addressed immediately to prevent additional scrutiny of future operations.

Southern Utah Wilderness Alliance (SUWA) concerned that lighting of rig derrick will adversely impact visual resources of Arches National Park and surrounding areas. In addition SUWA concerned noise pollution from the drilling rig may impact park resources. SUWA questioned who would be responsible for monitoring of noise created from drilling operations. SUWA expressed concerned shallow ground water quality and quantity could be altered by drilling of well. SUWA noted in their opinion proper T&E survey's had not been conducted for Mexican Spotted Owl. Region is considered a class III airway, SUWA commented that the combination of

Application for Permit to Drill

Statement of Basis

12/21/2009

Utah Division of Oil, Gas and Mining

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wells, drilling rigs and the traffic associated with them may impact the air quality of the region. SUWA questioned bonding on well, if bond placed on well was enough to plug well if required. SUWA concerned about affects venting of natural gas. If natural gas is to be sold, they are interested in the placement and plans for a pipeline. SUWA concerned about Right of way surface disturbance and it's affects of wildlife, erosion and view shed.

Bart Kettle
Onsite Evaluator

10/27/2009
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A double synthetic liner each with a minimum thickness of 20 mils and an appropriate thickness of felt sub-liner to cushion the liners shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

CONFIDENTIAL

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/12/2009

API NO. ASSIGNED: 43019500030000

WELL NAME: Paradox Basin #3

OPERATOR: GOLDEN EAGLE EXPLORATION, LLC (N3045)

PHONE NUMBER: 435 719-2018

CONTACT: Don Hamilton

PROPOSED LOCATION: SWSE 16 230S 230E

Permit Tech Review:

SURFACE: 1023 FSL 1754 FEL

Engineering Review:

BOTTOM: 0100 FNL 0199 FEL

Geology Review:

COUNTY: GRAND

LATITUDE: 38.79956

LONGITUDE: -109.37682

UTM SURF EASTINGS: 640958.00

NORTHINGS: 4295578.00

FIELD NAME: WILDCAT

LEASE TYPE: 3 - State

LEASE NUMBER: ML-47365

PROPOSED PRODUCING FORMATION(S): DESERT CREEK

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

LOCATION AND SITING:

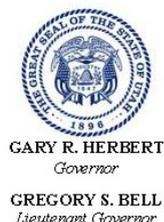
- PLAT**
- Bond:** STATE/FEE - 394312610667
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** 01-1156 (t36087) and 01-1154 (t36086)
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

- R649-2-3.**
- Unit:** GOLDEN EAGLE 70
- R649-3-2. General**
- R649-3-3. Exception**
- Drilling Unit**
- Board Cause No:** R649-3-11
- Effective Date:**
- Siting:**
- R649-3-11. Directional Drill**

Commingleing Approved

Comments: Presite Completed

Stipulations:
1 - Exception Location - bhill
5 - Statement of Basis - bhill
12 - Cement Volume (3) - hmacdonald
15 - Directional - dmason
23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Paradox Basin #3
API Well Number: 43019500030000
Lease Number: ML-47365
Surface Owner: STATE
Approval Date: 12/21/2009

Issued to:

GOLDEN EAGLE EXPLORATION, LLC , P.O. Box 1346, Moab, UT 84532

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-11. The expected producing formation or pool is the DESERT CREEK Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

Exception Location:

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

General:

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

Conditions of Approval:

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.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Cement volume for the 5 1/2 production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 7432' MD as indicated in the submitted drilling plan.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:

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

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

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

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

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

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

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 5th 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

Approved By:

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt", written in a cursive style.

For Gil Hunt
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
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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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
--	---

1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Paradox Basin #3
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2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	9. API NUMBER: 43019500030000
--	---

3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	PHONE NUMBER: 435 259-2333 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	COUNTY: GRAND STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

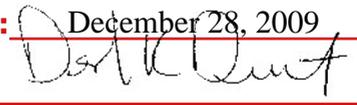
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/15/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

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

Golden Eagle Exploration, LLC submits this request to change the previously approved drilling plan to include an additional string of casing and cement and modify the previously approved casing and cement program.

Approved by the Utah Division of Oil, Gas and Mining

Date: December 28, 2009

By: 

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 12/22/2009

YELLOW CAT PROSPECT

PARADOX BASIN NO. 3

GRAND COUNTY, UTAH

DRILLING OPERATIONS PLAN

UTAH DOGM APD PERMIT

December 18, 2009

This program should be considered a guide to follow as long as actual well conditions will allow. When actual well conditions deviate from pre-drill predictions, then the Golden Eagle Exploration, LLC Drilling Superintendent/Supervisors will make appropriate deviations to ensure the safest and most efficient operations are conducted. When deviations are made, the Chief Geologist shall be notified as soon as possible

Prepared By & Date

Stan Jones
Drilling Superintendent

Approved By & Date

Rick de Boer
ChiefGeologist

GOLDEN EAGLE EXPLORATION, LLC

PARADOX BASIN No. 3

GENERAL WELL INFORMATION

Prospect: Yellow Cat Prospect

Well Name: **Paradox Basin No. 3**

Actual Surface Location: SWSE Sec 16-T23S -R23E
1023' FSL & 1754' FEL of Sec 16
Lat. 38° 47' 58.359" N; Long. 109° 22' 38.971" W
N: 6738661.02; E: 2245326.16
Grand County, Utah
State Surface
Mineral Lease No. ML47365
API No.

Proposed B. H. Location: NENE Sec 16-T23S -R23E
100' FNL & 199' FEL of Sec 16
Lat. 38° 48' 38.841" N; Long. 109° 22' 19.299" W
N: 6742792.65; E: 2246785.79
Grand County, Utah

Proposed Depth: **11,648' MD / 10,500' TVD**

Well Type: Directional – Build to 30° & Hold

Target Sand: Ismay @ 9895

G.L. Elevation: *5044' (graded)*

Contractor / Rig: Unit Drilling Company Rig 234

Security Status: Tight Hole

Special Considerations: Reserve Pit

Directions to Location: **From Moab town center go 30 miles North on Hwy 191 to I-70. Turn East and go 13 miles east on I-70 to Exit 193 (old Hwy 6). Turn South and follow dirt road 23 miles to location.**

Rules & Regulations: The well will be drilled in accordance with the rules and regulations of the UTAH DNR, Division of Oil, Gas and Mining (DOGGM) Rule R649-3 as per the well permit. *Also the Bureau Of Land Management (BLM), 43 CFR 3160, "Onshore Oil and Gas Order No. 2, Drilling Operations on Federal and Indian Oil and Gas Leases" will apply when applicable and will be used as a guideline.*

Company Address: **GOLDEN EAGLE EXPLORATION, LLC.
1300 S. Hwy 191
P.O. Box 1346
Moab, Utah 84532
(435) 259-2333**

Note: The 23 mile access road and well site is located in an extremely environmentally sensitive area and all efforts should be focused on maintaining the integrity of the area. The access road route will be clearly marked and the majority of the road is wide enough to allow trucks to pass safely, therefore drive with caution. Do not exit the road into the adjacent area or at the various intersections at any time.

A reserve pit will be utilized to discharge water base mud & cuttings during drilling operation from spud to TD. (If while drilling the hole conditions deteriorate and torque and drag become excessive then ***oil base mud may be considered***. If oil base mud is used the DOGM would be notified then all access to the reserve pit would be sealed and the operation converted to a Zero Discharge Operation. A copy of the approved UTAH DOGM Permit To Drill will be maintained on location during all drilling operations and will be available to all contractors to ensure compliance.

GOLDEN EAGLE EXPLORATION, LLC

PARADOX BASIN No. 3

DRILLING PROCEDURE

SAFETY:

- 1.0 Conduct a *Pre-Spud Meeting with all personnel* on the location and discuss:
 - a) the Operator's / Contractor's safety and health policies;
 - b) the Utah DOGM Rule 649-3 and the BLM Rule *43 CFR 3160*.
 - c) the proposed drilling program.
- 2.0 The driller will hold a *general safety meeting each tour* with the rig crews and service company personnel to discuss safety concerns during the forthcoming rig operations.
- 3.0 The Drilling Supervisor will conduct a *pre-job safety meeting* with the rig crews, toolpushers and service company's personnel prior to conducting hazardous operations such as: running casing, electric logging, etc. Operational matters, safety concerns and responsibilities of each individual should be addressed during the meeting.
- 4.0 "Well Control Drill" will be performed at least once per week and recorded on the IADC and the Daily Reports.
- 5.0 The Utah Oil and Gas Conservation General Rules R649. Natural Resources; Oil, Gas and Mining; Oil and Gas. (Partial List – refer to complete document)

R649-3-5. Identification.

1. Every drilling and producible well shall be identified by a sign posted on the derrick or in a conspicuous place near the well.
3. Each sign shall show the number or name of the well, the name of the owner or operator, the lease name, and the location of the well by quarter section, township, and range.

R649-3-6. Drilling Operations

- 2.1 The spudding in of a well shall be reported to the division within 24 hours.
- 2.3. The operator shall notify the division 24 hours in advance of all testing to be performed on the blowout preventer equipment on a well.
- 2.5. The operator shall notify the division 24 hours in advance of all casing tests performed in accordance with R649-3-13.
- 2.6. The operator shall report to the division all fresh water sand encountered during drilling.....The report shall be noted on the driller's log, IADC report and shall be filed with Form 8, Well Completion.....

R649-3-7. Well Control

3. Upon installation, all ram type BOPE and related equipment, including casing, shall be tested to the lesser of the full manufacturer's working pressure rating of the equipment, 70% of the minimum internal yield pressure of any casing subject to test, or one psi/ft of the last casing string depth. Annular type BOPE are to be tested in conformance with the manufacturer's published recommendations. The operator shall maintain records.....
4. In addition to the initial pressure tests, ram and annular type preventers shall be checked for physical operation each trip. All BOPE components, with the exception of an annular type blowout preventer, shall be tested monthly to the lesser of 50% of the manufacturer's rated pressure of the BOPE, the maximum anticipated pressure to be contained at the surface, one psi/ft of the last casing string depth, or 70% of the minimum internal yield pressure of any casing subject to test.
6. All tests of BOPE shall be noted on the driller's log, IADC report book, or equivalent and shall be available for examination.....

General:

All casing pressure tests shall be maintained for 30 minutes.
All BOP component pressure tests shall be maintained for 10 minutes each.

A. PRE-RIG ACTIVITY and MOBILIZATION

- 1.0 Drill the structural hole, mouse hole and cellar as follows:
 - a) drill 100' of 30" structural casing hole, run 20" x 0.25" wall structural pipe and grout cement w/ 11 cy of cement;
 - b) drill 80' of 20" mouse hole and run 80' of 14" light wall pipe; and
 - c) dig 8" X 8" cellar and install a cellar ring
- 2.0 Mobilize Unit Drilling Company's Rig 234 to location.
- 3.0 When Rig Up commences mobilize AirComp air compressors, boosters and mist pumps.
- 4.0 Notify Utah DOGM of intent to spud. Install a well identification sign.
- 5.0 N/U bell nipple, 20" rotating head and 8" blooie line.

B. CONDUCTOR HOLE (0' - 1000' MD / 1000' TVD)

- 1.0 N/U 20" Series 1352 slip on bowl, 20" series 1345-TBC adapter with Series 1300 Rotating Assembly and 8" blooie line.
- 2.0 Pick up 17 1/2" hammer bit, 10 3/4" MACH-132 air hammer with crows foot in place, 9 – 8" DC's, 6 - 6 1/2" DC's, 5" HWDP BHA and jars. Drill a vertical hole to 1000' using air and/or air mist as required. *Run TOTCO inclination survey at base of Structural pipe, at 300', 500', 800' and TD. Air compressors capable of delivering 3600 scfm to 900 psi. Wash out drive pipe to shoe using low rotary to prevent DP damage. Circulate & condition hole making short trip to shoe. POOH, to run Conductor Casing.*

NOTE:

- *Prior to actual cement jobs, all cement is to have a pilot test run, using onsite mix water and cement to determine final composition to be used.*
 - *All indications of useable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.*
 - Notify the Utah DOGM prior to Pressure Testing Casing.
- 3.0 Run 13 3/8" 54.5# J-55 BTC casing to 1000'. Casing to be equipped with guide shoe, one (1) joint casing, float collar and six (6) centralizers (10' above float shoe, 10' above float collar & next 4 collars). Thread lock float shoe, float collar and 1 joint above.
- 4.0 Cement 13 3/8" casing in one (1) stage as per cement program. Use a total of 1239 cf of cement slurry as per attached cement program.

Stage 1: Use sufficient cement to circulate cement from the casing shoe at 1000' to the surface. (Theoretical volume plus 75% OH excess). Drop top plug and displace to float collar, bump plug with 1000 psi, do not over-displace.

Prepare to top out with 200 sacks using 1" tubing. Repeat top job as necessary until cement stays in place. WOC 8 hours before slacking off.

C. SURFACE HOLE (800' - 4200' MD / 4040' TVD)

- 1.0 Cut off 13 3/8" conductor casing and N/U 16" Series 1319 slip on bowl (no adapter required), Series 1300 Rotating Assembly and 8" blooie line.
- 1.0 Pick up 12 1/4" hammer bit, 10 3/4" MACH-132 air hammer with crows foot in place, 9 – 8" DC's, 6 - 6 1/2" DC's, 5" HWDP BHA and jars. Drill a vertical hole to KOP at 2000' to using air and/or air mist as required. Drop gyro multi shot survey and POOH to pick up directional assembly. *Wash out structural casing to shoe using low rotary to prevent DP damage to pipe. Run TOTCO inclination survey every 500'.* Air compressors capable of delivering 3600 scfm to 900 psi.
- 2.0 Pick up a 12 1/4" PDC bit directional assembly with Mud Motor, MWD, 8" DC, HWDP & Jars. Kick well off at 2000', as per directional program. Build angle 2.0°/100' to 29.84° and an azimuth of 21.94° to End of Build at 3492' MD / 3425' TVD. Maintain angle and direction to 4200' MD / 4040' TVD (surface casing depth). Air drill and/or air mist a 12 1/4" hole until water volumes become excessive and at that time mud up as per program. Circulate & condition hole making short trip to shoe. POOH.

NOTE: The well plan is designed to set the surface casing through the build section. Please see attached directional plan.

2.1 Short trip the lesser of every 24 hours or ever 1000' or as dictated by hole conditions.

- *Prior to actual cement jobs, all cement is to have a pilot test run, using onsite mix water and cement to determine final composition to be used.*
- *All indications of useable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.*

4.0 Run 9 5/8" 40.0# K55 BTC casing to 4200'. Casing to be equipped with down jet float shoe, one (1) joint of casing, float collar, six (6) centralizers (10' above float shoe, 10' above float collar & next 4 collars). Multi stage cementing tool type 7778 MC positioned at ±1800' from surface with centralizers above & below. Thread lock float shoe, float collar and 1 joint above. Have 9 5/8" BTC X 2" LP swage & valve on location and tested prior to running casing.

5.0 Cement 9 5/8" casing using 2 stage method as per cement program. Use a total of 2134 cf of cement slurry. (Theoretical volume plus 75% OH excess) as per attached cement program.

Stage 1: Use sufficient cement to circulate cement from the casing shoe to the stage collar at 1800' (Theoretical volume plus 75% OH excess). Drop top plug and displace to float collar, bump plug with 1500 psi, do not over-displace;

Drop stage tool type 7778 MC opening devise, wait on devise to fall, pressure casing to 900 psi to open sleeve and lock in place. Break circulation and circulate slowly for ±6 hours until Stage 1 cement has taken its initial set.

Stage 2: Use sufficient cement to circulate cement from the stage tool at 1800' to the surface (Theoretical volume plus 75% OH excess). Prepare to top out with 200 sacks using 1" tubing. Repeat top job as necessary until cement stays in place. WOC 8 hours before slacking off.

6.0 Install 9 5/8" SOW X 11" 5M casing head. Test to 1300 psi (50% of collapse).

- Notify the Utah DOGM prior to Pressure Testing Casing.

7.0 Install Contractor's **13 5/8" 3 ram 10M BOP (DR & SR), 13 5/8" 5M annular BOP and 11" 3M/5M Rotating Head (A-PR-BR-PR- Diverter-RH)**. Test rams, choke manifold, Kelly/Top Drive, and valves to 250 psi low and 5000 psi high, maintain pressure for 10 minutes. Test annular to 250 psi low and 2500 psi high, maintain pressure for 10 minutes. Close blind rams and test 9 5/8" casing to 1500 psi for 30 minutes (record barrels pumped vs casing pressure in ½ bbl increments) while recording on chart and documenting on IADC report.

7.1 Install pit level and flow show recorders while NU.

7.2 Install ditch magnets in possum belly. Monitor and report weight of metal cutting daily.

7.53 Mud Loggers to be operational at 6000'

D. 8 3/4" Production Hole (4200' MD – 11648' MDTD / 10500' TVD TD)

1.0 Pickup 8 3/4" bit and slick BHA with 8" DC's & 6 – 6 ½" DC's and 5" HWDP with jars, install retrievable wear bushing.

1.1 RIH to TOC, allow minimum of 12 hours W.O.C. prior to drilling out.

1.2 Drill out cement to top of stage collar and test casing to 1500 psi for 30 minutes. Drill out stage collar and clean out cement to float collar and retest casing to 1500 psi (record barrels pumped vs casing pressure in ½ bbl increments). Drill out float collar and shoe plus 10' new hole. Circulate & condition mud.

1.3 Test 10 3/4" shoe an FIT = 10 ppg EMW while recording on chart and documenting on IADC. Report results to Houston Office. POOH.

1.4 Mud Loggers to be operational at 6000'.

2.0 Pick up 8 3/4" bit and directional BHA bottom hole assembly with Mud Motor, MWD, 6 1/2" DC, HWDP & Jars, TIH. Continue drilling a 8 3/4" directional hole maintaining to 29.84° and an azimuth of 21.94° hole to 11648 MDTD / 10500 TVD TD. Air drill and/or air mist until water volumes become excessive (expected to occur at +/- 6500') and at that time mud up as per program. Various combinations of either conventional tooth/insert bits/PDC bits with mud motors will be utilized to achieve the maximum penetration rates possible at the most economical cost.

2.1 Short trip the lesser of every 24 hours or ever 1000' or as dictated by hole conditions.

2.2 Maintain mud properties and increase MW as the pore pressure and/or the mud program dictate. Maximum anticipated MW is 9.6 ppg.

2.3 Loss of circulation may occur at any time or at any point in the open hole and has occurred in the general area and returns should be monitored very closely. The PB #1 well encountered loss circulation

at 8991' and the PB #2 well lost circulation at 8195'. A pre-treatment plan and procedure will be addressed in the mud program.

- 2.4 Test BOP's every 14 days.
- 2.5 Install two (2) ditch magnets in possum belly. Monitor and report weight of metal cutting daily. Discuss use drill pipe rubbers with Houston Office.
- 2.6 Have Mud Logger operational at 6000'.
- 2.7 No abnormal pressure will be encountered.
- 2.8 At casing point the mud weight is expected to be 9.0 – 9.1 ppg.
- 2.9 See below for table of estimated formation tops.

NOTE: Prior to actual cement jobs, all cement is to have a pilot test run, using onsite mix water and cement to determine final composition to be used.

- 3.0 At TD Circulate and condition mud and short trip for logs. POOH strapping drill pipe and counting stands.
- 4.0 Log well as per the Logging Program with Schlumberger as follows:

Run #1 - PEX-HRLA P-Express w/ HRLA;
Run #2 - BHC Sonic Delta T BHC
Run #3 - CMR (Combinable Magnetic Resonance)

Make conditioning trips between log runs as necessary.

- 5.0 If well is productive prepare to run 5 1/2" production casing and continue with step #7 below.

NOTE: Prior to actual cement jobs, all cement is to have a pilot test run, using onsite mix water and cement to determine final composition to be used.

- 6.0 If the well is to be plugged the Utah DOGM will be notified and a procedure will be developed and forwarded to the rig.
- 7.0. Make up a clean out BHA and trip in hole to total depth. Circulate and condition mud, spot 5 ppb glass beads in open hole and pull out of hole.
- 8.0 Change out upper rams to 5 1/2" and test bonnet seals to 250/3000 psi while recording on chart for 15 minutes.
- 9.0. Rig up casing running tools including and "Top Fill Tool" and (optional "Torque Turn" monitoring equipment). Have Davis 5 1/2" 17# P-110 LTC Stage cementing tool available if needed. Have 5 1/2" LTC casing swage x 2" pressure tested valve on rig floor and function tested – record on IADC and morning report.

- 10.0 Run 5 1/2" 17# P-110 LTC casing as program to total depth of 11648' as follows:

Double valve down jet float shoe	
2 joints 5 1/2" 17# P-110 LTC casing	±80'
Float shoe	
5 1/2" 17# P-110 LTC casing	±'

Use 2 joints for the shoe makeup with a double valve down jet float shoe and float collar unless otherwise described in the procedure. Pump through the float equipment using the swage. Float equipment and connections between should be thread locked. Fill the casing using the "Top Fill Tool" with drilling mud while running to ensure complete fill up.

- 11.0 Centralize casing as follows:

11.1 Davis Lynch bow spring - 1 above float shoe, 1 around next collar, 1 above float collar, and 1 each around next five (5) collars (total of 8).

11.2 **Centralize pay sands behind 5 1/2" casing as follows:**

Davis -Lynch semi-rigid bow spring - 2 per joint from 80' below, through and 80' above any prospective pay zones.

- 12.0 Break circulation 1 joint off bottom and tag bottom while circulating. Continue circulating a minimum of 1-1/2 casing volumes with rig pump. However, circulation is to continue until all the trip gas is removed and the background gas has decreased to normal and the mud and mud properties are in accordance with mud program's specifications. Reciprocate casing 15 – 20 feet, if possible.
- 13.0 Have cement lines rigged up and pressure tested to 3500 psi while circulating with the rig pumps. Cement 5 1/2" casing using the 2 plug method. Use a total of approximately 1332 cf of cement slurry as per attached cement program which was calculated on 4200 feet of annular fill plus 25% excess above theoretical hole size. Final cement volumes will be based on actual wellbore conditions and actual caliper log.
- 13.1 Displace cement, using the cement unit, at the maximum rate within pressure limitations. Slow pump rate to bump plug. Bump plug and pressure up an additional 1000 psi for 5 minutes. Do not over displace by more than one half capacity of shoe joints. Release pressure and check float equipment. Re-pressure if float equipment does not hold.
- 14.0 WOC 8 hours with the annular closed before ND to set slips. Monitor annular pressure and for indications of annular gas migration.

15.0 Nipple down, pick up BOP stack and set 5 1/2" casing slips with +/25 K tension. Install 11" 5K x 7 1/6" 5K tubing spool with dry hole tree.

16.0 Release rig.

D. ANTICIPATED FORMATION TOPS & POTENTIAL PAY ZONES

Paradox Basin #3 & Paradox Basin #1 Formation Tops				
		PB #1	PB #3	
		Proposed (KB)	BLM Permitted	
		Mud Log TVD Tops	Estimated TVD Tops	
		GLE:	GLE:	
Jurassic	Navajo	350	350	
Triassic	Chinle	775	775	
	Moenkopi	950	946	
	Cutler	1550	1545	
Penn	Honaker Trail	7478	7464	
	Paradox	9040	9020	
	Ismay *	9814	9803	<i>gas</i>
	Hovenweep	9989	9980	
	L Ismay	10006	9993	
	Gothic Shale	10205	10200	
	Desert Creek	10279	10274	

A. Mud Logger: The mud logger will be operational at 6000' and will remain on the hole until TD.

B. There are no known potential sources of H₂S.

C. The offset wells:

The paradox Basin #1 spudded May 23, 2006 and drilled to a TD of 16471. At the equivalent depth of 10500' TVD the mud weight was 8.7 - 8.8 ppg.

The Paradox Basin #2 spudded February 13, 2009 and drilled to a TD of 14216' MD / 14160' TVD. At the equivalent depth of 10500' TVD the mud weight was 8.6 - 8.8 ppg.

A formation pore pressure can be conservatively estimated at 8.50 ppg (pore pressure gradient of 0.442 psi/ft). Extrapolating this gradient downward to 10500' TVD, the **anticipated bottom hole pressure** is **4641** psi. Using a conservative gas gradient to surface of 0.1 psi/ft, the **maximum anticipated surface pressure** would be **3591** psi

E. BOP PROGRAM & CASING PRESSURE TEST

Casing Size in	<i>BOP Description</i>	BOP Test Pres., psi Low / High	Wellhead Size & Pres Rating	Csg Test Pres., psi
20"	20" 200 psi Diverter	NA	NA	NA
13 3/8"	16" 200 psi Diverter	NA	NA	NA
9 5/8"	13 5/8" 10M (DR + SR) BOP (PR, BR, PR)	250 / 5000	9 5/8" SOW x 11" 5M	1500
	13 5/8" 5M Annular	250 / 2500		
	11" 3M/5M Rotating Head			

The drilling of the surface hole will not utilize a bop stack – a 200 psi diverter system will be utilized.

Production hole will be drilled with the Contractors 5000 psi rated BOP stack and choke manifold

Ram type preventers and associated equipment shall be tested to stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53 with a minimum pressure rating of 5000 psi. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

- Annular BOP -- 2500 psi
- Ram type BOP -- 5000 psi
- Kill line valves -- 5000 psi
- Choke line valves and choke manifold valves -- 5000 psi
- Chokes -- 5000 psi
- Casing, casinghead & weld -- 1500 psi
- Upper kelly cock and safety valve -- 5000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The DOGM in Price, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

See attached BOP diagram

F. MUD PROGRAM SUMMARY

Casing Program

Type	Bit Size - in	Casing Size - in	MD/TVD - ft
Structural	Preset	20"	100'
Conductor	17 1/2"	13 3/8"	1000' MD/TVD
Surface	14-3/4"	10 3/4"	4200' MD / 4040' TVD
Production	9 7/8"	5 1/2"	11648' MD / 10500' TVD

DRILLING FLUIDS SCHEDULE

	Air/Mist Conductor & Surface Hole TVD	Air/Mist Production hole TVD	LSND Production hole TVD
Hole Size (in)	17 1/2 & 12 1/4"	8 3/4"	8 3/4"
Interval - TVD (ft)	0- 4040	4040 - 6000	6000 - 10500
Casing OD (in)	20" Cond & 13 3/8"	9 5/8"	
Density (ppg)	As Low As Possible	As Low As Possible	8.5 – 9.0
Funnel Viscosity	40 - 60	40 - 60	40 - 60
Plastic viscosity	ALAP	ALAP	10 - 20
Yield Point	10 - 15	10 -15	15 - 20
Fluid Loss	NA	NA	10 -20
Gel Strength	NA	NA	8 - 14
pH	NA	NA	9 -10
LGS (%/vol)	NA	NA	≤6
MBT (ppb)	NA	NA	≤12.5

G. CASING PROGRAM SUMMARY (see detailed attachment)

Conductor Casing: 13 3/8" casing set at ±1000' MD/TVD in 17 1/2" hole, Air drilled

Interval MD, ft	Length ft	Wt ppf	Grade	Conn	Col psi	IY psi	Jt St Kips	ID in	Drift in	DF Burst	DF Col	DF Ten
0-1000	1000	54.5	J55	BTC	1130	2730	853	12.615	12.459	6.50	2.53	9.34

Surface Casing: 9 5/8" casing set at ±4200' MD/4040' TVD in 12 1/4" hole with Air drilled/ Aireated FWM

Interval MD, ft	Length ft	Wt ppf	Grade	Conn	Col psi	IY psi	Jt St Kips	ID in	Drift in	DF Burst	DF Col	DF Ten
0-4200	4200	40.0	K55	BTC	2090	3580	717	9.950	9.875	1.30	2.24	2.97

Production Casing: 5.50" casing set at 11648' MD/ 10500' TVD in 8 3/4" hole with 9.0-9.6 ppg FWM

Interval MD, ft	Length ft	Wt ppf	Grade	Conn	Col psi	IY psi	Jt St Kips	ID in	Drift in	DF Burst	DF Col	DF Ten
0-11648	11648	17#	P110	LT&C	7480	10640	445	4.892	4.767	2.04	3.47	1.93

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

H. WELLHEAD:

- A. Casing Head: Cameron 9 5/8" SOW x 11" 5M casing head.
- B. Tubing Head: Cameron 11" 5M x 7 1/16" 5M tubing spool.

I. CEMENT PROGRAM:

A. **Conductor Casing** – The 13 3/8" 54.50 ppf J-55 BTC casing will be set at 1000'. A single stage cement job will be conducted as per cement program. Circulate cement to surface' using a total of 1395 cf of cement slurry which includes 100% excess of calculated open hole annular volume.

Lead: 461 sacks (1082 cf) of VERSACEM plus additives mixed at 12.3 ppg & 2.35 ft³/sk.

Tail: 150 sacks (313 cf) of VERSACEM plus additives mixed at 12.8 ppg & 2.08 ft³/sk.

B. **Surface Casing** – The 9 5/8" 40 ppf K-55 BTC casing will be set at 4200' MD / 4040' TVD in a 12 1/4" hole. A Multi stage cementing tool will be positioned at approximately 1800'. Cement the 9 5/8" casing using 2 stage method as per cement program. Circulate cement to the surface using a total of 1884 cf of cement slurry which includes 50% excess of calculated open hole annular volume.

Stage 1 Lead: 274 sacks (910 cf) of EXTENDACEM plus additives mixed at 11.0 ppg & 3.32 ft³/sk.

Stage 1 Tail: 119 sacks (235 cf) of VERSACEM plus additives mixed at 12.80 ppg & 1.98 ft³/sk.

Stage 2 Lead: ±180 sacks (598 cf) of EXTENDACEM plus additives mixed at 11.0 ppg & 3.32 ft³/sk.

Stage 2 Tail: ±71 sacks (141 cf) of VERSACEM plus additives mixed at 12.80 ppg & 1.98 ft³/sk.

C. **Production Casing** – The 5 1/2" 17 ppf P-110 LTC casing will be set at 11648' MD / 10500' TVD in a 8 3/4" hole. A single stage cement job will be conducted as per cement program. Circulate cement to 7448' using a total of 1331 cf of cement slurry which includes 25% excess of calculated open hole annular volume.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess.

Tail: 686 sacks (1331 cf) of 50/50 Poz plus additives mixed at 13.0 ppg & 1.94 ft³/sk.

Cement Program Summary

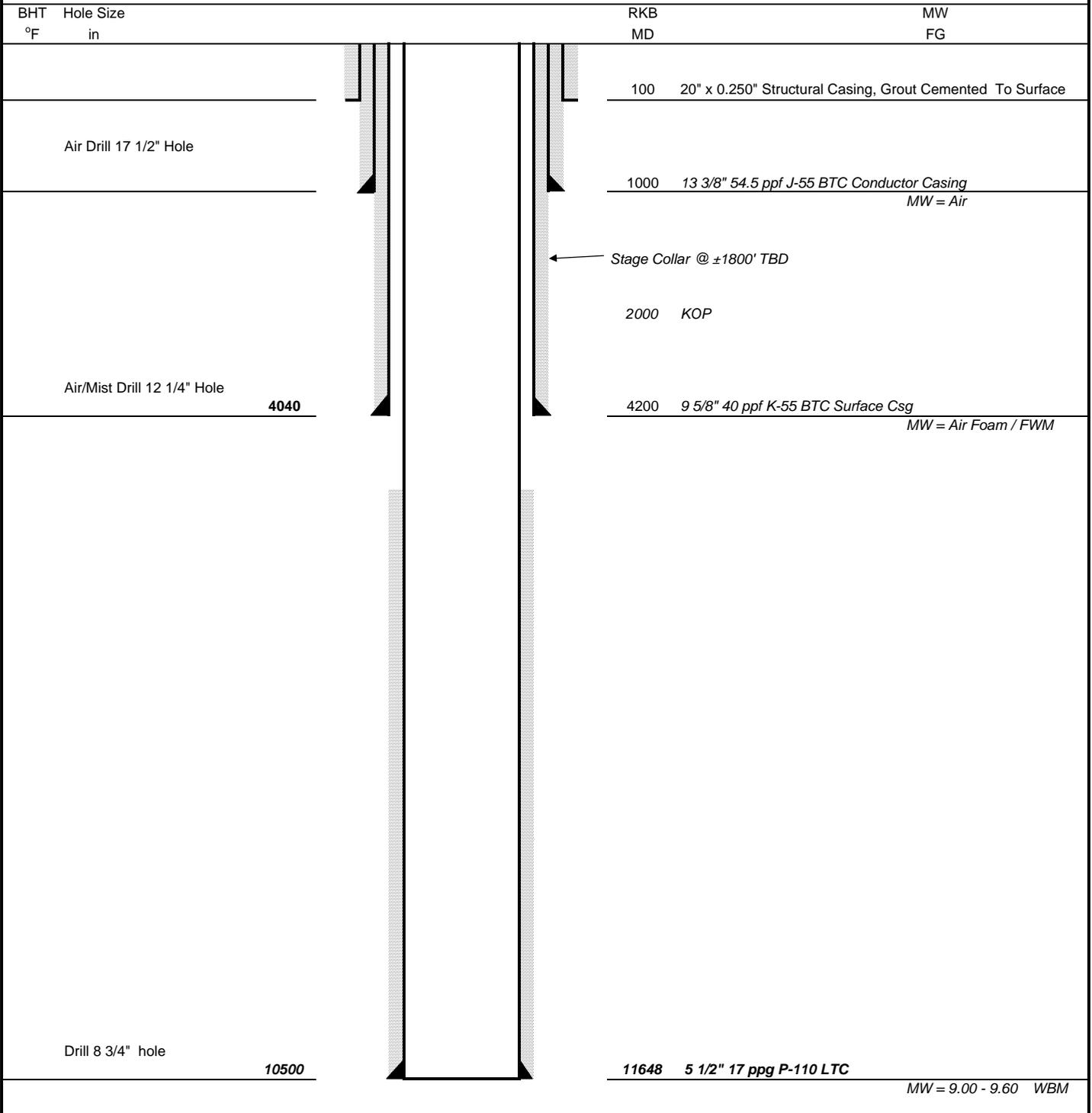
RKB – GL	20'			
20"x 1/4" Structural Pipe	100'			
	Conductor	Surface	Production	
Hole Size, in	17 ½	12 ¼	8 ¾	
Casing Size	13 3/8"	9 5/8"	5 1/2"	
Csg - Weight, Grade	54.50 ppf J-55	40 ppf J-55	17 ppf P-110	
From – To, MD ft	0 - 1000	0 - 4200	0 - 11648	
MD Footage	1000	4200	11648	
TVD @ Csg Shoe	1000	4040	10500	
DV Tool @ MD ft	NA	1800	NA	
Number of Stages	1	2	1	
	Stage 1	Stage 1	Stage 2	Stage 1
Theo Top Cement Fill	Surf	1800	Surf	7448
Calc Excess (%OH)	100	50	50	25
Calc Cu. Ft. Slurry	1395	1145	739	1331
Spacer				
Type	Water	Water	Water	Tuned Spacer III
Density, ppg	8.33	8.33	8.33	11.0
Volume, bbls	20	20		40
Lead Slurry				
Class	VERSACEM	EXTENDACEM	EXTENDACEM	NA
Density, ppg	12.30	11.00	11.00	NA
Yield, cfps	2.35	3.32	3.32	NA
Mixing Fluid, gps	13.42	21.06	21.06	NA
Calculated Fill, ft	800	1900	1484	NA
Sacks	461	274	180	NA
Cu. Ft. Slurry	1082	910	598	NA
Tail Slurry				
Class	VERSACEM	VERSACEM	VERSACEM	50/50 Poz Prem
Density, ppg	12.80	12.80	12.80	13.00
Yield, cfps	2.08	1.98	1.98	1.94
Mixing Fluid, gps	11.46	10.71	10.71	9.72
Calculated Fill, ft	300	500	300	4200
Sacks	150	119	71	686
Cu. Ft. Slurry	313	235	141	1331
Tot CF per Stage	1395	1145	739	1331
Tot CF per Casing Size	1395	1884		1331
<i>NOTE: Pilot tests will be run on all cement jobs prior to pumping, use actual cement & mix water</i>				

GOLDEN EAGLE EXPLORATION, LLC
 Paradox Basin #3
 Grand Co., Utah
 Proposed Wellbore Schematic

Actual Surf Loc: Sec 16 - T23S - R23E
 SWSE Sec 16-T23S -R23E
 1023' FSL & 1754' FEL of Sec 16
 Grand Co., Utah

Rig: Unit 234
 Actual TD: 11648' MD / 10500' TVD
 GL Elev: 5044
 Dir Well: Yes - Build to 30° & Hold.
 (K/O @ 2000', BUR 2°/100'
 to 30° & hold to TD)

Prop BHL: Sec 16 - T23S - R23E
 NENE Sec 16-T23S -R23E
 100' FNL & 199' FEL of Sec 16



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
---	---

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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
--	---

1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Paradox Basin #3
------------------------------------	---

2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	9. API NUMBER: 43019500030000
--	---

3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	PHONE NUMBER: 435 259-2333 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
---	--	---

4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	COUNTY: GRAND STATE: UTAH
---	--

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 1/7/2010	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

Dry Spud for the Paradox Basin #3 was accomplished on January, 7, 2010 at 08:00 by Pete Martin Drilling.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY**
 January 07, 2010

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 1/7/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. API NUMBER: 43019500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
11.		COUNTY: GRAND
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		STATE: UTAH
TYPE OF SUBMISSION	TYPE OF ACTION	
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<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/11/2010	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 1-9-2010		
----- CONFIDENTIAL - TIGHT HOLE -----		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 1/11/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 January 11, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 1-8-2010 through 1-9-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 1/8/10** Pete Martin Drilling arrived on location at 07:00 hrs Jan 7, picked up tools and started drilling the 30" conductor hole at 09:00, they quit at 17:30, made 43'.
The reserve pit is coming along, I think Joshes mid week estimate on having the liner in is good, he started hauling water to the fresh water pit today.
Mountain West will start moving the camp in on the 14th, Unit will move their camp on the 17th.
- 1/9/10** Drilled from 8:00 to 17:30 and made 40' on Jan 8, total depth 83', hope to TD it tomorrow and drill the cellar, if we do we will run the 20" and cement it on Sunday.
The reserve pit lacks a couple days work before we can install the liner.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. API NUMBER: 43019500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
11.		COUNTY: GRAND
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		STATE: UTAH
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<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/18/2010	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 1-16-2010		
----- CONFIDENTIAL - TIGHT HOLE -----		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 1/18/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 January 19, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 1-10-2010 through 1-16-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 1/10/10** They started up at 07:00 hr 1/9/10 and finished the 30" conductor hole at 12:30, TD 100'. They rigged up and started digging the cellar, made +/- 1' and bent the arm extension that has the cutters on it at 14:00, they have a welder coming tonight to repair the arm, hope to get cellar done tomorrow, plan for now is run conductor and cement Monday. Ksue did not work on the reserve pit today. Received the co-man trailer and office today.
- 1/11/10** Pete Martin had a welder fix arm last night but they broke it again this morning, they got a new tool this afternoon and drilled the cellar to 6', will finish it in the morning then run the 20' conductor and cement it.
- 1/12/10** Drilled cellar to 8' x 8' cellar and set 8' x 96" OD corrugated cellar ring. Ran 20" x 1/4" wall conductor casing to 100 feet and grout cemented with 11 cubic yards of cement (cement at surface in cellar). Started drilling 20" OD mouse hole and expect to finish drilling 80' mouse hole today.
- 1/13/10** Finished drilling 20" mouse hole to 80'. Ran 14" OD light wall pipe to 80'. Released Pete Martin's rig & moved off location. Will line reserve pit on Jan 14. Expect to finish filling fresh water pit on Jan 18.
- 1/14/10** Prep to Line reserve pit & start moving in camp facilities
- 1/15/10** Lining reserve pit & start moving in camp facilities. Dean Cook & David Pace on location this AM.
- 1/16/10** Finished leveling location for substructure & trailers. Set all camp trailers. Phone will be connected today. Water pit about 90% full. Expect to start moving in Unit Drilling Camp today.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/25/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 1-23-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 1/25/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 January 25, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 1-17-2010 through 1-23-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 1/17/10** Camp 75% rigged up, we will set in the Unit rig camp today and finish hooking up the rest of the camp. Sound and Cellular hooked up the phone and fax. Unit 234 rig equipment will start mobilizing on 1/18/10.
- 1/18/10** Received Unit Rig 234 houses and rigged up same, the camp is 100% in place. Expect first rotary tools to arrive this AM. Will start sending daily morning report on Jan. 19, 2010.
- 1/19/10** Current Activity: Moving in and rigging up Unit Rig #234. First Rotary Tools on Location 08:00 hrs Jan 19, 2010.
- 1/20/10** Current Activity: Continue moving in and rigging up Unit Rig #234.
- 1/21/10** Current Activity: Continue moving in and rigging up Unit Rig #234. 35% rigged up.
- 1/22/10** Current Activity: Continue moving in and rigging up Unit Rig #234. 45% rigged up.
- 1/23/10** Current Activity: Continue rigging up Unit Rig #234. 55% rigged up.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/31/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 1-30-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 1/31/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 01, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 1-24-2010 through 1-30-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 1/24/10** **Current Activity:** Continue rigging up Unit Rig #234. 75% rigged up.
- 1/25/10** **Current Activity:** Continue rigging up Unit Rig #234. 90% rigged up.
- 1/26/10** **Current Activity:** Picking Up 8" Drill Collars and preparing to spud Well
24 Hr summary: Finished Rigging up. Daywork commenced at 18:00 hrs 1/25/10. Installed & secured Air Comp Hard Line & Blooie Line.
- 1/27/10** **Current Activity:** Drilling Ahead @ 315'
24 Hour Summary: Started picking up BHA to spud, Dropped Sledge Hammer in hole, Waited on Fishing Magnet, Retrieved fish, Pick BHA and spudded well at 18:30 hrs 1/26/10. Drilling ahead.
- 1/28/10** **Current Activity:** Drilling @ 850'
24 Hour Summary: Drilling with 17 1/2" air hammer & surveying.
- 1/29/10** **Current Activity:** Rigging up to cement 13 3/8" casing
24 Hour Summary: Air Hammer drld to 1029. Cond trip & POOH. Ran 13 3/8" 54.50# J55 BTC csg to 1029. RU Halib to cement csg.
- 1/30/10** **24 Hour Summary:** Set & Cemented 13 3/8" casing at 1028'. NU 20" Rotating Head. PU 12 1/4" Hammer Bit & Air Hammer assembly and TIH. Displacing 13 3/8" casing with air.

RECEIVED January 31, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
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3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/8/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 2-6-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 2/8/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 09, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 1-31-2010 through 2-6-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 1/31/10** **24 Hour Summary:** Unload hole with air. Drill float, shoe track and shoe to 1028', drill from 1028 to KOP @ 2002. Drop Gyro & POOH. PU Directional tools.
- 2/1/10** **24 Hour Summary:** P/U 12 1/4" directional assembly, drill and slide from 2002' to 2210' building angle @ 2° /100'. Last survey at 2139 MD, 5.80 deg Inc & 27.2 deg Az
- 2/2/10** **24 Hour Summary:** Drill and slide from 2210' to 2444' building angle @ 2°/100' drilling with aerated mud. Last survey 7.5 deg @ 2360.
- 2/3/10** **24 Hour Summary:** Drill and slide from 2444' to 2703' building angle @ 2°/100', drilling with mud. Last survey 11.8 deg @ 2618.
- 2/4/10** **24 Hour Summary:** Drill and slide from 2703' to 3,127' building angle @ 2°/100', drilling with mud, Last Survey 20.8 deg @ 3062.
- 2/5/10** **24 Hour Summary:** Directional drilling 3,127' to 3,301' while circulating with water at 480 gpm, lost total returns. Pumped 100 bbl LCM sweep and attempted to re-establish returns with aerated mud with no results. Mix & pump 100 bbl LCM pill #2 and spotted same on bottom. POOH to shoe at 1028 to let loss zone heal.
- 2/6/10** **24 Hour Summary:** Waited on loss zone to heal. Pump 3rd 100 bbl LCM pill the Motor plugged. POOH L/D same. P/U slick assembly and stage in hole circ every 500' f/ 500 - 3300, pumping air & unloading water. POOH. PU 12 1/4" PDC directional assembly w/ motor & MWD, TIH. Prep to resume air drilling.

RECEIVED February 08, 2010

ENTITY ACTION FORM

Operator: Golden Eagle Exploration, LLC Operator Account Number: N 3045
 Address: P.O. Box 1346
city Moab
state UT zip 84532 Phone Number: (435) 259-2333

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4301950003	Paradox Basin #3	SWSE	16	23S	23E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	17488	1/7/2010		2/18/10	
Comments: The well was dry spud on January 7, 2009 at 08:00 utilizing Pete Martin Drilling. CONFIDENTIAL DSCP BHL = NENE						

Well 2

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

Well 3

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

ACTION CODES:

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

Don Hamilton

Name (Please Print)

Signature

Agent for Golden Eagle

Title

1/7/2010

Date

RECEIVED
FEB 11 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/16/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 2-13-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 2/16/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 16, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-7-2010 through 2-13-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/7/10** **24 Hour Summary:** Repaired air mist pump & thawed out frozen air line. Drilled from 3301' to 3407' with intermittent returns, at 3407' string plugged off, attempted to unplug string with no results. POOH and found mud motor & floats plugged with LCM. Wait on replacement motor.
- 2/8/10** **24 Hour Summary:** PU Bit #4 & directional assembly, TIH to & tag undergauge hole at 3350. Reamed out undergauge hole from 3350 to 3,407', Drill and slide F/ 3,407' to 3,484', AVG ROP = 11 FPH, Drilling and sliding F/ 3,484' to 3583, AVG ROP = 16.5
- 2/9/10** **24 Hour Summary:** Drilling & Sliding f/3583 - 4000. Returns are intermittent while either pumping 100% water or an air/water mix.
- 2/10/10** **24 Hour Summary:** Drilling and sliding F/ 4,000' to 4190' TD. CBU, short trip & CBU. POOH to run 9 5/8" csg.
- 2/11/10** **24 Hour Summary:** Fin POOH & LD BHA. RU & Ran 9 5/8" 40 ppf J-55 BTC to 4190'. Circ & RU Halliburton to cement.
- 2/12/10** **24 Hour Summary:** Rig up Halliburton and test lines. Pump first stage of cmt. Bumped plug. Floats held. WOC 6.5 hrs while circ thru stage collar with no returns. Pump second stage cmt. Bumped plug, no returns. Floats held. WOC 4 hrs & rig up top job. Pumped 75 sks cmt with no returns. Wait on Cement. Mix and pumping 2nd top job. Primary Cement job as follows:
Stage 1 Lead: 510 sxs, mix at 11.0 ppg, 3.32 cfps for a total of 1693 cf;
Stage 1 Tail: 170 sxs, mix at 12.8 ppg, 1.98 cfps for a total of 337 cf.
Stage 2 Lead: 105 sxs, mix at 11.0 ppg, 3.32 cfps for a total of 348 cf;
Stage 2 Tail: 110 sxs, mix at 12.8 ppg, 1.98 cfps for a total of 218 cf
- 2/13/10** **24 Hour Summary:** TOP OUT SUMMARY: T/out #1 - 75 sxs Reg Cmt thru 1" @ 140', no returns; T/out #2 - 75 sxs Reg Cmt thru 1" @ 140', no returns; Pmp 10 sxs sawdust down annulus while WOC; T/out #3 - 75 sxs Reg Cmt thru 1" @ 140', no returns; T/out #4 - 20 sxs Reg Cmt thru 1" @ 140', F/L plugged, circ out; T/out #5 - 59 sxs Reg Cmt thru 1" @ 140', cmt circ to surf. WOC. Slack off 9 5/8 casing & prep to cut off 9 5/8" & nipple up.

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CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 2/22/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 23, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-14-2010 through 2-20-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/14/10** **24 Hour Summary:** Cut off 13 3/8" & 9 5/8" casings. Install 9 5/8" SOW x 11" 5K CIW casing head and pressure test to 1,300 psi for 30 Minutes - OK. Nipple up 13 5/8" BOP's and pressure test BOP's. Found internal leak in lower single BOP - evaluating repair options.
- 2/15/10** **24 Hr summary:** Attempt to test body of the lower pipe rams still leaking. Inside manual valve BOP failed, HCR failed, valve on the choke line failed. Removing bad valves while waiting on replacement valves. Replaced packing on lower pipe ram unit. Installed new HCR and manual valve. Begin testing BOPs. Test plug leaking. Pulling test plug to replace rubbers. Resumed testing BOP's.
- 2/16/10** **24 Hr summary:** Test BOP's. Attempt to test choke manifold. Several valves failed test. Tested 9 5/8" casing to 1500 psi. Removed washed out gate valves from choke house. Prep remaining valves while waiting for new valves and parts to arrive on location.
- 2/17/10** **24 Hr summary:** Installed new and rebuilt valves in choke manifold. Test BOP blind rams and choke manifold, 250 low / 5000 high. PU 8 3/4" bit & BHA and TIH to drill out float equipment.
- 2/18/10** **24 Hr summary:** Pres test Super Choke. Change Swivel packing. Drill out DV Tool at 939'. Trip in the hole to 3300'. Dropped rotary bushing lock pin down in hole. POOH slowly with indications that pin was riding on top of bit, had 2-3M O/P at stage collar, continue POOH, no pin was recovered. PU 8" magnet & TIH to TOC @ 4135. Washed over fish. POOH and recovered Rotary Bushing Locking Pin. PU 8 3/4" bit & slick BHA, TIH at report time.
- 2/19/10** **24 Hr summary:** TIH to TOC above float collar. Circulate bottoms up. Rig up and test casing. Drill out float equip, cement and 5' new formation from 4190 - 4195. CBU. Perform FIT on shoe @ 4038 TVD with 8.40 ppg FWM = 9.5 ppg EMW. POOH. PU 8 3/4" PDC bit & directional assay incl mud motor & mwd. Prep to drill ahead at report time.
- 2/20/10** **24 Hr summary:** Directional drilling & sliding f/4195 - 4686. Pumping 800/850 cfm air & 125 gpm WBM.

RECEIVED February 22, 2010

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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/27/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 2-27-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/2/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 02, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-21-2010 through 2-27-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/21/10** **24 Hr summary:** Directional drilling & sliding F/4686' - 5061'. Pumping 850/900 cfm air & 125/150 gpm.
Note: After Report Time– well started making salt water, plant to shut off air & drill with water
- 2/22/10** **24 Hr summary:** Directional Drilling with aerated mud F/5,061' – T/5067' and well started making salt water (mud weight inc f/ 8.6 ppg to 9.3 ppg & Cl inc f/ 22000 to 94000 ppm). Continue dir drilling w/ intermittent returns using various ratios of air/water in an attempt to reduce the amount of salt water influx. Drld to 5120 & MWD failed. POOH & change out MWD & motor. TIH & drill ahead as before f/ 5120 - 5126.
- 2/23/10** **24 Hr summary:** Directional Drilling with aerated mud F/5126' - 5350' w/ intermittent returns using various ratios of air/water in an attempt to reduce the amount of salt water influx.
- 2/24/10** **24 Hr summary:** Directional Drilling with aerated mud F/5350' - 5494' w/ intermittent returns using various ratios of air/water in an attempt to maximize ROP reduce the amount of salt water influx. POOH, changed PDC bit & TBIH.
- 2/25/10** **24 Hr summary:** Directional Drilling with aerated mud F/5,494' to 5,814' w/ intermittent returns. Rotate and slide as needed, surveying each connection.
- 2/26/10** **24 Hr summary:** Drilled from 5,814 to 5,832, while unloading water from hole, POOH lay down Directional BHA, Picked RRBit # 5 and Near Bit Stab, and TIH to 2100'. Rig is down due to crack in brake drum. Building ±1000 bbls WBM while waiting on welder. Welder arrived on Location @ 04:00 hrs and is currently repairing crack while continuing to mix WBM for displacement.
- 2/27/10** **24 Hr summary:** Finished repairing brake drum, TIH to 5604'. Washed and reamed under gauge hole 5604 to 5632. Pumped two LCM pills & established circulation. Mix pit of prehydrated gel, circulate & condition while adding salt gel & premix to active system. Prep to POOH & PU directional assembly.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/8/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 3-6-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/8/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 08, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-28-2010 through 3-6-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/28/10** **24 Hr summary:** Finish mixing 300 bbls prehydrated gel. POOH with bit. Pick up PDC bit & directional tools. TIH to 5,712', W&R 5712- 5732. Directional drill 5732 - 6045
- 3/1/10** **24 Hr summary:** Directional drilling 6045 to 6569.
- 3/2/10** **24 Hr summary:** Directional Drilling 6569 to 6680, pumping LCM sweeps at connections. Short trip 6680 - 5800. Continue directional drilling 6680 - 7020.
- 3/3/10** **24 Hr summary:** Directional drilling from 7020 to 7115, lost total returns, pumped sweeps and dropped pump rate f/ 350 -300 gpm, regained circulation, pumped additional 100 bbl LCM pill and increased pump rate, continued directional drilling from 7115 to 7394.
- 3/4/10** **24 Hr summary:** Directional drilling 7394 to 7525, CIRC B/U, Spot 100 bbl LCM pill on bottom, pump slug, POOH to change BHA.
- 3/5/10** **24 Hr summary:** Directional drilling 7525 to 7875
- 3/6/10** **24 Hr summary:** Directional drilling 7875 to 8105

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SIGNATURE N/A	DATE 3/15/2010	

Accepted by the
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 March 15, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 3-7-2010 through 3-13-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 3/7/10** **24 Hr summary:** Directional drilling 8105 to 8145, short trip from 8145 to 7200, (Had pulls to 130K, constant drag of 100K) for first seven stands. TBIH with 70/90K drag. Drill and slide with motor from 8145 to 8,172, CBU, Pump slug, POOH, P/U 8 3/4" Hole Opener assembly & TIH to shoe. Start washing & reaming at the shoe, at report time W&R @ 5100.
- 3/8/10** **24 Hr summary:** Continue reaming with 8¾ Hole Opening assembly from 5100 to 8154, P/U wt 260K to 275k, pumps off (Drilling assembly P/U was 330K), Pumped high vis sweep and circ hole clean, POOH to BHA, Slip and cut drill line, Rig up CSI to inspect BHA, Continue POOH inspecting each connection in BHA. L/D Hole opener assembly & prep to P/U directional assembly.
- 3/9/10** **24 Hr summary:** Finish picking up Directional Assembly , Orient and test motor, Pick up Bit #10 & change out drilling jars, TIH, No abnormal drag. Drill and slide with motor from 8172 to 8430.
- 3/10/10** **24 Hr summary:** Drill and slide from 8430 to 8626, Made 6 stand short trip, no abnormal drag, no fill on bottom, Drill and slide from 8626 - 8743.
- 3/11/10** **24 Hr summary:** Drilling and sliding with motor from 8743 to 9063
- 3/12/10** **24 Hr summary:** Drilling and sliding with motor from 9,063' to 9191'. Service rig. Drilling and sliding with motor from 9,191' to 9,416'.
- 3/13/10** **24 Hr summary:** Drilling and sliding with motor from 9416 to 9528. Short trip - no excess drag. Directional drilling 9528 to 9662.

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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
		COUNTY: GRAND
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/9/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Rig 234 Released at 06:00 hours April 8, 2010. Attached please find the drilling reports ending 4-9-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 4/9/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 12, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 4-4-2010 through 4-9-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 4/4/10** **24 Hr summary:** Fin POOH with E-Line & R/D Schl. P/U 8 3/4" hole opener assy & TIH, C&C mud while unloading 5 1/2" csg. B/U 3320 units gas, mud cut 8.70 ppg to 8.50 ppg. POOH & R/U to run 5 1/2" casing.
- 4/5/10** **24 Hr summary:** Finish running 5 1/2" 17 ppf P-110 LTC caing to 11847. CBU, max gas 1376 units gas. Halib cemented with 500 sxs 75/25 poz lead (11.5 ppg, 2.30 cfps) and 500 sxs 50/59 poz tail (13.5 pg, 1.72 cfps). Cmt truck disp w/ 274 bbl 8.7 ppg mud, plug did not bump. Job complete @ 05:30 hrs 5 April 2010. WOC.
- 4/6/10** **24 Hr summary:** Fin WOC for 8 hrs while R/D misc rental equip. P/U stack & set Csg slips 25K over string weight. Made final cut on 5.5" Csg, Set BOP's down, change rams, N/D stack, N/U tubing head & test same. L/D HWDP & DP.
- 4/7/10** **24 Hr summary:** Laying down drill pipe & cleaning mud tanks
- 4/8/10** **24 Hr summary:** Finished laying down drill pipe. Demobilizing rental tools. Cleaning mud tanks for rig release.
- 4/9/10** **24 Hr summary:** After further inspection of the mud tanks, Unit agreed to call **Rig 234 Released at 06:00 hours April 8, 2010**. Final report until completion operations commence.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/1/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 5-1-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 5/3/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 04, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 4-25-2010 through 5-1-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 4/25/10** Continue TIH w/ 4 3/4" cement mill P/U 2 7/8 work string to top of cement at 11439. Break circulation and pressure test casing to 3500 psi. Drill rubber pump down plug and cement from 11439 to 11563. Circ hole clean, pull 6 joints and secure well for night. (daylight only).
- 4/26/10** Drill cement f/ 11563 - 11596 and mill quit drilling. POOH & found mill packed w/ cement. PU 4 3/4 tooth bit & TBIH to 10826. Secure well SDON. (daylight only).
- 4/27/10** Fin TIH w/ 4 3/4" tooth bit and drill out cement from 11596 to float collar @ 11804. Circ out cement. POOH to 6100 & SDON. (daylight only).
- 4/28/10** Fin POOH w/4 3/4" tooth bit, PU open ended 5 1/2" casing scraper, RIH to 11804. displaced 8.7 ppg FWM with 8.33 ppg FW, circ clean and POOH. Remove stripper head & secure well & SDON. (daylight only).
- 4/29/10** Schlumberger ran CBL/VDL/Gamma Ray/CCL from E-Line TD @ 11847 to TOC +/- 6700. Rel Schl. PU OE 5 1/2 casing scraper & start running 2 7/8 work string back in hole to 2600'. Secure well & SDON. (daylight only).
- 4/30/10** Fin RIH w/ OE casing scraper to 11804. R/U Halib & displace 8.33 ppg FW with 8.50 ppg 5% KCl completion fluid. POOH laying down 2 7/8 work string. Install 5 1/8 10M Cameron Frac Tree, press test mandrel seals to 5000 psi. R/D Test Equip. (daylight only).
- 5/1/10** Schlumberger selectively perforated Ismay formation from 11674 to 11790. Halliburton performed DFIT Job was complete at 1630 hrs 30 April 2010. Well SI to monitor pressure for 72 hours. SIP this AM 1202 psi.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/6/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 5-6-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 5/10/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 12, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 5-2-2010 through 5-6-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 5/2/10** Well Shut In. Monitoring SIP with Halliburton EMR Quartz Gauges, SIP this AM 1038 psi.
- 5/3/10** Well Shut In. Monitoring SIP with Halliburton EMR Quartz Gauges, SIP this AM 958 psi.
- 5/4/10** Final 72 hr SIP @ 16:30 hrs May 2, 2010, was 932 psi. R/D Halib gauges. Open well to test tank at 1715 hrs on 36/64 ck & pressure bled off to 0 psi immediately with a very small steam of water flow, TSTM. Left well open all night and flow has increased to ARO 5 BWPH, recovered 50LW, lack 223 BLW in casing to rec.
- 5/5/10** Flowed well to test tank for 12 hrs, rec 16 BLW, Total load recovered 70 bbl, lack 207 BLW to recover. Last 3 hrs no recovery. Shut well in at 18:00 hrs May 4, 2010. SIP this AM 570 psi
- 5/6/10** **Suspend Operations at 06:00 hrs May 6, 2010, to wait on Halliburton Frac Equip, Scheduled for May 14, 2010**

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/27/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 2-27-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/2/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 02, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-21-2010 through 2-27-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/21/10** **24 Hr summary:** Directional drilling & sliding F/4686' - 5061'. Pumping 850/900 cfm air & 125/150 gpm.
Note: After Report Time– well started making salt water, plant to shut off air & drill with water
- 2/22/10** **24 Hr summary:** Directional Drilling with aerated mud F/5,061' – T/5067' and well started making salt water (mud weight inc f/ 8.6 ppg to 9.3 ppg & Cl inc f/ 22000 to 94000 ppm). Continue dir drilling w/ intermittent returns using various ratios of air/water in an attempt to reduce the amount of salt water influx. Drld to 5120 & MWD failed. POOH & change out MWD & motor. TIH & drill ahead as before f/ 5120 - 5126.
- 2/23/10** **24 Hr summary:** Directional Drilling with aerated mud F/5126' - 5350' w/ intermittent returns using various ratios of air/water in an attempt to reduce the amount of salt water influx.
- 2/24/10** **24 Hr summary:** Directional Drilling with aerated mud F/5350' - 5494' w/ intermittent returns using various ratios of air/water in an attempt to maximize ROP reduce the amount of salt water influx. POOH, changed PDC bit & TBIH.
- 2/25/10** **24 Hr summary:** Directional Drilling with aerated mud F/5,494' to 5,814' w/ intermittent returns. Rotate and slide as needed, surveying each connection.
- 2/26/10** **24 Hr summary:** Drilled from 5,814 to 5,832, while unloading water from hole, POOH lay down Directional BHA, Picked RRBit # 5 and Near Bit Stab, and TIH to 2100'. Rig is down due to crack in brake drum. Building ±1000 bbls WBM while waiting on welder. Welder arrived on Location @ 04:00 hrs and is currently repairing crack while continuing to mix WBM for displacement.
- 2/27/10** **24 Hr summary:** Finished repairing brake drum, TIH to 5604'. Washed and reamed under gauge hole 5604 to 5632. Pumped two LCM pills & established circulation. Mix pit of prehydrated gel, circulate & condition while adding salt gel & premix to active system. Prep to POOH & PU directional assembly.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
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11.		COUNTY: GRAND
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<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/8/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 3-6-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/8/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 08, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-28-2010 through 3-6-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/28/10** **24 Hr summary:** Finish mixing 300 bbls prehydrated gel. POOH with bit. Pick up PDC bit & directional tools. TIH to 5,712', W&R 5712- 5732. Directional drill 5732 - 6045
- 3/1/10** **24 Hr summary:** Directional drilling 6045 to 6569.
- 3/2/10** **24 Hr summary:** Directional Drilling 6569 to 6680, pumping LCM sweeps at connections. Short trip 6680 - 5800. Continue directional drilling 6680 - 7020.
- 3/3/10** **24 Hr summary:** Directional drilling from 7020 to 7115, lost total returns, pumped sweeps and dropped pump rate f/ 350 -300 gpm, regained circulation, pumped additional 100 bbl LCM pill and increased pump rate, continued directional drilling from 7115 to 7394.
- 3/4/10** **24 Hr summary:** Directional drilling 7394 to 7525, CIRC B/U, Spot 100 bbl LCM pill on bottom, pump slug, POOH to change BHA.
- 3/5/10** **24 Hr summary:** Directional drilling 7525 to 7875
- 3/6/10** **24 Hr summary:** Directional drilling 7875 to 8105

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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/15/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 3-13-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/15/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 15, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 3-7-2010 through 3-13-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 3/7/10** **24 Hr summary:** Directional drilling 8105 to 8145, short trip from 8145 to 7200, (Had pulls to 130K, constant drag of 100K) for first seven stands. TBIH with 70/90K drag. Drill and slide with motor from 8145 to 8,172, CBU, Pump slug, POOH, P/U 8 3/4" Hole Opener assembly & TIH to shoe. Start washing & reaming at the shoe, at report time W&R @ 5100.
- 3/8/10** **24 Hr summary:** Continue reaming with 8¾ Hole Opening assembly from 5100 to 8154, P/U wt 260K to 275k, pumps off (Drilling assembly P/U was 330K), Pumped high vis sweep and circ hole clean, POOH to BHA, Slip and cut drill line, Rig up CSI to inspect BHA, Continue POOH inspecting each connection in BHA. L/D Hole opener assembly & prep to P/U directional assembly.
- 3/9/10** **24 Hr summary:** Finish picking up Directional Assembly , Orient and test motor, Pick up Bit #10 & change out drilling jars, TIH, No abnormal drag. Drill and slide with motor from 8172 to 8430.
- 3/10/10** **24 Hr summary:** Drill and slide from 8430 to 8626, Made 6 stand short trip, no abnormal drag, no fill on bottom, Drill and slide from 8626 - 8743.
- 3/11/10** **24 Hr summary:** Drilling and sliding with motor from 8743 to 9063
- 3/12/10** **24 Hr summary:** Drilling and sliding with motor from 9,063' to 9191'. Service rig. Drilling and sliding with motor from 9,191' to 9,416'.
- 3/13/10** **24 Hr summary:** Drilling and sliding with motor from 9416 to 9528. Short trip - no excess drag. Directional drilling 9528 to 9662.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/20/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 3-20-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/22/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 22, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 3-14-2010 through 3-20-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 3/14/10** **24 Hr summary:** Repair top drive. Directional drilling 9662 - 9869
- 3/15/10** **24 Hr summary:** Drill and slide from 9,869' to 9,885'. Circulate. Short trip. Drill and slide 9,885' to 9,897'. Repair top drive. Trip out of hole. Lay down bit and motor assy. Picked up 8 3/4" hole opener assy. Tripping in hole at 2635'.
- 3/16/10** **24 Hr summary:** Trip in the hole F/ 2,635' - 7,871' with Hole Opener. Ream F/ 7,871' - 9,897'. Circulate. Pump slug. Trip out hole from 9.897'. Lay down hole opener assy. Pulled wear bushing. Testing BOPs.
- 3/17/10** **24 Hr summary:** Finish B.O.P. test. Picked up new BHA incl additional HWDP & 5" X-95 DP. Slip and cut drill line. Trip in hole from shoe to 9,897'. Drill and slide from 9,897' to 9,940'.
- 3/18/10** **24 Hr summary:** Directional Drilling 9,940' to 10,183'
- 3/19/10** **24 Hr summary:** Directional Drilling 10,183' - 10,356', EM MWD failed – no signal. POOH to change out MWD.
- 3/20/10** **24 Hr summary:** Lay down mud motor, EM MWD & stabilizers. Pick up new motor, stabilizers, (pulse), MWD and ubho sub. Trip in the hole T/10,326'. Wash and Ream F/10,326' - T/10,356'. Directional Drilling F/10,356' - T/10,512'.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/27/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 3-27-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/29/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 29, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 3-21-2010 through 3-27-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 3/21/10** **24 Hr summary:** Directional Drilling F/10,512' - 10,677'.
- 3/22/10** **24 Hr summary:** Directional Drilling F/10,677' - T/10,680', motor stalling. Circulate bottoms up. Trip out of the hole. Lay down bit, motor and stab. Pick up new PDC bit #11, motor, top and bottom stab. Trip in hole with new BHA. Directional drill from 10,680' to 10,749'.
- 3/23/10** **24 Hr summary:** Directional Drilling 10,749' - 11,041'.
- 3/24/10** **24 Hr summary:** Directional Drilling 11,041' to 11,120'. Repair top drive. Directional drilling f/ 11,120' to 11,127'. Check flow. Circulate and increase weight from 8.5 ppg to 8.6 ppg. Directional drilling f/ 11,127' to 11,194' and mud weight 8.6 ppg to 8.7 ppg.
- 3/25/10** **24 Hr summary:** Circ and Back Ream out of Hole from 11,194' to 9,245'. Pumped 100 bbls LCM pill. Continue POOH. P/U 8.75" hole opener assy & TIH to shoe. Pumped 50 bbl LCM pill. Slip and cut drill line. TIH from shoe to 7,978'. Reaming with 8.75" hole opener.
- 3/26/10** **24 Hr summary:** Reaming with 8.75" HO assy f/ 7978 to 11,194', max gas 1453 units, max mud cut f/ 8.7 ppg t/ 8.4 ppg, circ hi/vis pill around, shut down pumps and work pipe to simulate a short trip, spot 80 bbls of LCM pill in open hole, check flow, pump slug, POOH
- 3/27/10** **24 Hr summary:** Fin POOH with H/O assy, found hard face on string stabilizer had broken up leaving pieces of steel in the hole, Service rig, monitor well and W/O on fishing tools. P/U and RIH with mill assy & 2 junk baskets, TIH. Mill on junk, max trip gas 1832 units, mud cut f/ 8.7 to 8.4 ppg on B/U, Final gas 46 units. Spot LCM pill in open hole, POOH.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
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		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
3. ADDRESS OF OPERATOR: P.O. Box 1346, Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		8. WELL NAME and NUMBER: Paradox Basin #3
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. API NUMBER: 43019500030000
		9. FIELD and POOL or WILDCAT: WILDCAT
		COUNTY: GRAND
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
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<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/30/2010		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER: Final Directional Survey
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the final directional survey dated		
03-10-2010----- HOLE ----- CONFIDENTIAL - TIGHT		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/30/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 30, 2010

Golden Eagle Exploration

**Grand County, UT
Section 16, T23S, R23E
Paradox Basin #3
Wellbore #1**

Survey: Final Survey Report 03/30/2010

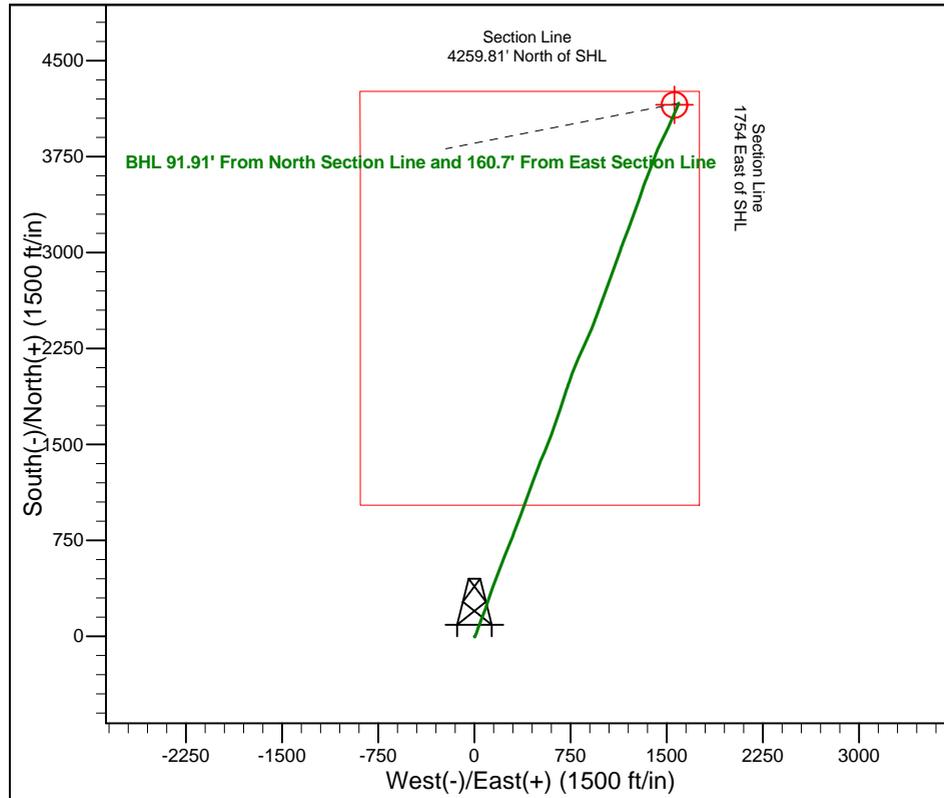
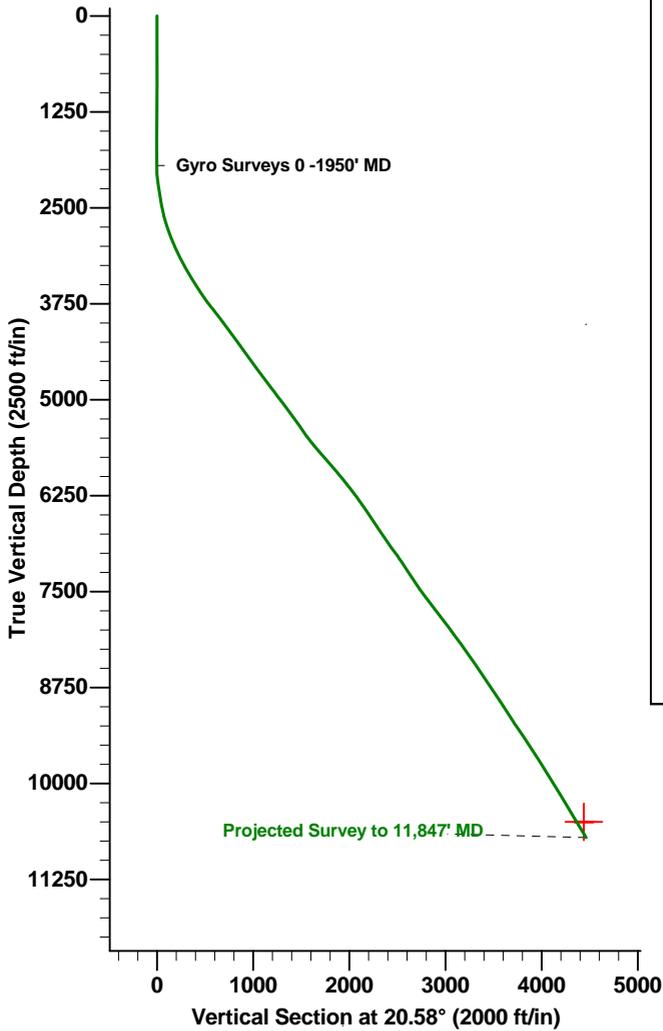
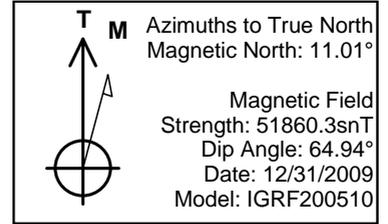
Standard Survey Report

30 March, 2010

Golden Eagle Exploration
Paradox Basin #3
Grand County, UT
Wellbore #1



PROJECT DETAILS: Grand County, UT
Geodetic System: US State Plane 1983 Datum: North American Datum 1983 Ellipsoid: GRS 1980 Zone: Utah Central Zone
System Datum: Mean Sea Level



SECTION DETAILS

No plan data is available

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration	Local Co-ordinate Reference: Well Paradox Basin #3
Project: Grand County, UT	TVD Reference: WEll @ 5064.0ft (Unit 234)
Site: Section 16, T23S, R23E	MD Reference: WEll @ 5064.0ft (Unit 234)
Well: Paradox Basin #3	North Reference: True
Wellbore: Wellbore #1	Survey Calculation Method: Minimum Curvature
Design: Wellbore #1	Database: EDM 2003.16 Single User Db

Project Grand County, UT	
Map System: US State Plane 1983	System Datum: Mean Sea Level
Geo Datum: North American Datum 1983	
Map Zone: Utah Central Zone	

Site Section 16, T23S, R23E		
Site Position:	Northing: 6,738,661.02ft	Latitude: 38° 47' 58.359 N
From: Lat/Long	Easting: 2,245,326.16ft	Longitude: 109° 22' 38.971 W
Position Uncertainty: 0.0 ft	Slot Radius: "	Grid Convergence: 1.36 °

Well Paradox Basin #3			
Well Position	+N/-S 0.0 ft	Northing: 6,738,661.02 ft	Latitude: 38° 47' 58.359 N
	+E/-W 0.0 ft	Easting: 2,245,326.16 ft	Longitude: 109° 22' 38.971 W
Position Uncertainty	0.0 ft	Wellhead Elevation: 5,064.0 ft	Ground Level: 5,044.0 ft

Wellbore Wellbore #1					
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/09	11.01	64.94	51,860

Design Wellbore #1					
Audit Notes:					
Version: 1.0	Phase: ACTUAL	Tie On Depth: 0.0			
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)	
	0.0	0.0	0.0	20.58	

Survey Program		Date 03/30/10		
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
100.0	1,950.0	Gyro Survey (Wellbore #1)		

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00
100.0	0.05	162.44	100.0	0.0	0.0	0.0	0.05	0.05	0.00	0.00
200.0	0.11	313.22	200.0	0.0	0.0	0.0	0.16	0.06	150.78	
300.0	0.08	179.32	300.0	0.0	-0.1	-0.1	0.18	-0.03	-133.90	
400.0	0.09	221.92	400.0	-0.1	-0.2	-0.2	0.06	0.01	42.60	
500.0	0.12	321.62	500.0	-0.1	-0.3	-0.2	0.16	0.03	99.70	
600.0	0.09	313.44	600.0	0.0	-0.4	-0.1	0.03	-0.03	-8.18	
800.0	0.06	156.11	800.0	0.0	-0.5	-0.1	0.07	-0.01	-78.66	
900.0	0.16	131.82	900.0	-0.1	-0.4	-0.2	0.11	0.10	-24.29	
1,000.0	0.48	140.65	1,000.0	-0.5	0.0	-0.5	0.32	0.32	8.83	
1,100.0	0.44	155.25	1,100.0	-1.2	0.4	-1.0	0.12	-0.04	14.60	
1,200.0	0.45	153.39	1,200.0	-1.9	0.8	-1.5	0.02	0.01	-1.86	
1,300.0	0.40	151.92	1,300.0	-2.6	1.1	-2.0	0.05	-0.05	-1.47	

Crescent Directional Drilling

Survey Report

Company:	Golden Eagle Exploration	Local Co-ordinate Reference:	Well Paradox Basin #3
Project:	Grand County, UT	TVD Reference:	WEll @ 5064.0ft (Unit 234)
Site:	Section 16, T23S, R23E	MD Reference:	WEll @ 5064.0ft (Unit 234)
Well:	Paradox Basin #3	North Reference:	True
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 2003.16 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
1,400.0	0.11	141.40	1,400.0	-3.0	1.3	-2.3	0.29	-0.29	-10.52	
1,500.0	0.16	173.47	1,500.0	-3.2	1.4	-2.5	0.09	0.05	32.07	
1,600.0	0.24	183.12	1,600.0	-3.5	1.4	-2.8	0.09	0.08	9.65	
1,700.0	0.27	161.02	1,700.0	-3.9	1.5	-3.2	0.10	0.03	-22.10	
1,800.0	0.12	139.92	1,800.0	-4.2	1.6	-3.4	0.16	-0.15	-21.10	
1,900.0	0.21	174.19	1,900.0	-4.5	1.7	-3.6	0.13	0.09	34.27	
1,950.0	0.29	152.13	1,950.0	-4.7	1.8	-3.8	0.25	0.16	-44.12	
Gyro Surveys 0 -1950' MD										
2,013.0	1.30	27.50	2,013.0	-4.2	2.2	-3.2	2.36	1.60	-197.83	
2,076.0	3.90	25.10	2,075.9	-1.6	3.4	-0.3	4.13	4.13	-3.81	
2,107.0	5.01	28.15	2,106.8	0.5	4.5	2.1	3.66	3.58	9.84	
2,139.0	5.80	27.20	2,138.7	3.2	5.9	5.1	2.48	2.47	-2.97	
2,170.0	6.20	26.70	2,169.5	6.1	7.4	8.3	1.30	1.29	-1.61	
2,202.0	6.40	26.60	2,201.3	9.2	9.0	11.8	0.63	0.62	-0.31	
2,234.0	6.70	24.80	2,233.1	12.5	10.5	15.4	1.14	0.94	-5.62	
2,265.0	7.00	22.90	2,263.9	15.9	12.0	19.1	1.21	0.97	-6.13	
2,297.0	7.10	22.10	2,295.6	19.5	13.5	23.0	0.44	0.31	-2.50	
2,328.0	7.30	20.80	2,326.4	23.1	15.0	26.9	0.83	0.65	-4.19	
2,360.0	7.50	18.30	2,358.1	27.0	16.3	31.0	1.18	0.62	-7.81	
2,391.0	7.70	17.90	2,388.9	30.9	17.6	35.1	0.67	0.65	-1.29	
2,428.0	8.10	16.40	2,425.5	35.8	19.1	40.2	1.22	1.08	-4.05	
2,460.0	8.60	16.90	2,457.2	40.2	20.4	44.8	1.58	1.56	1.56	
2,492.0	9.20	17.50	2,488.8	44.9	21.9	49.8	1.90	1.87	1.87	
2,524.0	9.40	17.50	2,520.4	49.9	23.5	54.9	0.62	0.62	0.00	
2,555.0	10.20	18.70	2,550.9	54.9	25.1	60.2	2.66	2.58	3.87	
2,587.0	10.90	19.30	2,582.4	60.4	27.0	66.1	2.21	2.19	1.87	
2,618.0	11.80	19.90	2,612.8	66.2	29.1	72.2	2.93	2.90	1.94	
2,650.0	12.40	20.15	2,644.0	72.5	31.4	78.9	1.88	1.87	0.78	
2,682.0	13.00	20.24	2,675.3	79.1	33.8	85.9	1.88	1.87	0.28	
2,713.0	13.50	20.02	2,705.4	85.7	36.2	93.0	1.62	1.61	-0.71	
2,745.0	14.20	20.00	2,736.5	92.9	38.9	100.7	2.19	2.19	-0.06	
2,777.0	14.60	20.40	2,767.5	100.4	41.6	108.6	1.29	1.25	1.25	
2,809.0	15.40	20.40	2,798.4	108.2	44.5	116.9	2.50	2.50	0.00	
2,841.0	15.80	20.70	2,829.2	116.2	47.5	125.5	1.28	1.25	0.94	
2,872.0	16.60	20.90	2,859.0	124.3	50.6	134.2	2.59	2.58	0.65	
2,904.0	17.10	20.90	2,889.6	133.0	53.9	143.4	1.56	1.56	0.00	
2,936.0	17.90	21.20	2,920.1	142.0	57.3	153.1	2.52	2.50	0.94	
2,967.0	18.60	21.20	2,949.6	151.0	60.9	162.8	2.26	2.26	0.00	
2,999.0	19.50	21.00	2,979.8	160.8	64.6	173.2	2.82	2.81	-0.62	
3,030.0	20.00	21.00	3,009.0	170.5	68.4	183.7	1.61	1.61	0.00	
3,062.0	20.80	20.90	3,039.0	181.0	72.4	194.8	2.50	2.50	-0.31	
3,094.0	21.20	20.90	3,068.9	191.7	76.4	206.3	1.25	1.25	0.00	
3,126.0	21.80	20.90	3,098.7	202.6	80.6	218.0	1.87	1.87	0.00	
3,157.0	22.10	20.80	3,127.4	213.5	84.8	229.6	0.98	0.97	-0.32	
3,187.0	22.60	19.90	3,155.1	224.1	88.7	241.0	2.02	1.67	-3.00	
3,219.0	23.00	18.90	3,184.6	235.8	92.8	253.4	1.74	1.25	-3.12	
3,249.0	23.30	18.40	3,212.2	247.0	96.6	265.2	1.20	1.00	-1.67	
3,281.0	23.80	17.80	3,241.6	259.2	100.6	278.0	1.73	1.56	-1.87	
3,313.0	24.10	18.40	3,270.8	271.5	104.6	291.0	1.21	0.94	1.87	
3,345.0	24.00	18.30	3,300.0	283.9	108.7	304.0	0.34	-0.31	-0.31	
3,379.0	24.10	18.30	3,331.1	297.1	113.1	317.8	0.29	0.29	0.00	
3,409.0	24.10	19.30	3,358.5	308.6	117.0	330.1	1.36	0.00	3.33	
3,441.0	24.70	19.50	3,387.6	321.1	121.4	343.3	1.89	1.87	0.62	
3,472.0	25.20	19.70	3,415.7	333.4	125.8	356.4	1.64	1.61	0.65	

Crescent Directional Drilling

Survey Report

Company:	Golden Eagle Exploration	Local Co-ordinate Reference:	Well Paradox Basin #3
Project:	Grand County, UT	TVD Reference:	WEll @ 5064.0ft (Unit 234)
Site:	Section 16, T23S, R23E	MD Reference:	WEll @ 5064.0ft (Unit 234)
Well:	Paradox Basin #3	North Reference:	True
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 2003.16 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
3,503.0	25.60	18.80	3,443.7	346.0	130.2	369.7	1.79	1.29	-2.90	
3,533.0	25.90	19.60	3,470.7	358.3	134.5	382.7	1.53	1.00	2.67	
3,563.0	26.90	19.20	3,497.6	370.9	138.9	396.0	3.39	3.33	-1.33	
3,596.0	27.40	19.90	3,527.0	385.1	143.9	411.1	1.80	1.52	2.12	
3,627.0	27.60	20.00	3,554.5	398.5	148.8	425.4	0.66	0.65	0.32	
3,657.0	28.20	19.80	3,581.0	411.7	153.6	439.4	2.02	2.00	-0.67	
3,689.0	28.90	19.50	3,609.1	426.1	158.7	454.7	2.23	2.19	-0.94	
3,719.0	29.00	19.60	3,635.3	439.8	163.6	469.3	0.37	0.33	0.33	
3,748.0	28.60	18.80	3,660.8	453.0	168.2	483.2	1.92	-1.38	-2.76	
3,781.0	29.60	19.00	3,689.6	468.2	173.4	499.3	3.04	3.03	0.61	
3,810.0	30.30	19.90	3,714.7	481.8	178.2	513.7	2.87	2.41	3.10	
3,842.0	31.30	20.50	3,742.2	497.2	183.9	530.1	3.27	3.12	1.87	
3,872.0	31.80	21.50	3,767.8	511.9	189.5	545.8	2.41	1.67	3.33	
3,904.0	31.90	21.70	3,795.0	527.6	195.7	562.7	0.45	0.31	0.62	
3,935.0	31.90	22.10	3,821.3	542.8	201.8	579.1	0.68	0.00	1.29	
3,967.0	31.60	21.60	3,848.5	558.4	208.1	595.9	1.25	-0.94	-1.56	
3,997.0	31.60	21.30	3,874.0	573.0	213.8	611.6	0.52	0.00	-1.00	
4,028.0	31.30	21.90	3,900.5	588.1	219.8	627.8	1.40	-0.97	1.94	
4,058.0	31.20	22.20	3,926.1	602.5	225.6	643.4	0.62	-0.33	1.00	
4,088.0	31.50	22.00	3,951.7	617.0	231.5	659.0	1.06	1.00	-0.67	
4,123.0	31.20	22.20	3,981.6	633.8	238.4	677.2	0.91	-0.86	0.57	
4,155.0	31.50	22.00	4,009.0	649.3	244.6	693.8	0.99	0.94	-0.62	
4,187.0	31.60	22.20	4,036.2	664.8	250.9	710.5	0.45	0.31	0.62	
4,217.0	30.90	22.70	4,061.9	679.1	256.9	726.1	2.49	-2.33	1.67	
4,248.0	30.60	22.60	4,088.5	693.8	263.0	741.9	0.98	-0.97	-0.32	
4,279.0	30.50	22.10	4,115.2	708.3	269.0	757.7	0.88	-0.32	-1.61	
4,311.0	30.10	21.60	4,142.9	723.3	275.0	773.8	1.48	-1.25	-1.56	
4,341.0	29.80	21.70	4,168.8	737.3	280.5	788.8	1.01	-1.00	0.33	
4,371.0	30.50	21.60	4,194.8	751.3	286.1	803.9	2.34	2.33	-0.33	
4,400.0	31.10	21.30	4,219.7	765.1	291.5	818.7	2.14	2.07	-1.03	
4,435.0	30.90	21.00	4,249.7	781.9	298.0	836.7	0.72	-0.57	-0.86	
4,466.0	30.50	21.00	4,276.4	796.7	303.7	852.6	1.29	-1.29	0.00	
4,496.0	30.40	20.60	4,302.2	810.9	309.1	867.8	0.75	-0.33	-1.33	
4,528.0	29.80	20.60	4,329.9	825.9	314.7	883.8	1.87	-1.87	0.00	
4,559.0	29.50	20.80	4,356.8	840.2	320.1	899.2	1.02	-0.97	0.65	
4,589.0	29.70	20.90	4,382.9	854.1	325.4	914.0	0.69	0.67	0.33	
4,619.0	30.00	20.90	4,408.9	868.0	330.7	928.9	1.00	1.00	0.00	
4,651.0	29.70	20.90	4,436.7	882.9	336.4	944.8	0.94	-0.94	0.00	
4,683.0	29.40	20.90	4,464.5	897.7	342.0	960.6	0.94	-0.94	0.00	
4,715.0	30.00	20.20	4,492.3	912.5	347.6	976.5	2.17	1.87	-2.19	
4,746.0	30.30	20.50	4,519.1	927.1	353.0	992.0	1.08	0.97	0.97	
4,778.0	29.80	19.80	4,546.8	942.2	358.5	1,008.1	1.91	-1.56	-2.19	
4,810.0	29.40	19.90	4,574.7	957.0	363.9	1,023.9	1.26	-1.25	0.31	
4,840.0	29.70	19.10	4,600.8	971.0	368.8	1,038.7	1.65	1.00	-2.67	
4,872.0	29.90	19.60	4,628.5	986.0	374.1	1,054.6	1.00	0.62	1.56	
4,902.0	30.40	19.80	4,654.5	1,000.2	379.2	1,069.6	1.70	1.67	0.67	
4,934.0	31.00	19.90	4,682.0	1,015.5	384.7	1,086.0	1.88	1.87	0.31	
4,963.0	31.70	20.50	4,706.8	1,029.7	390.0	1,101.0	2.64	2.41	2.07	
4,995.0	31.80	20.20	4,734.0	1,045.5	395.8	1,117.9	0.58	0.31	-0.94	
5,025.0	31.50	20.10	4,759.5	1,060.3	401.2	1,133.6	1.02	-1.00	-0.33	
5,088.0	31.00	19.30	4,813.4	1,091.0	412.3	1,166.3	1.03	-0.79	-1.27	
5,120.0	31.00	20.00	4,840.8	1,106.5	417.8	1,182.8	1.13	0.00	2.19	
5,152.0	31.70	19.80	4,868.1	1,122.2	423.5	1,199.4	2.21	2.19	-0.62	
5,183.0	31.70	20.70	4,894.5	1,137.5	429.1	1,215.7	1.53	0.00	2.90	

Crescent Directional Drilling

Survey Report

Company:	Golden Eagle Exploration	Local Co-ordinate Reference:	Well Paradox Basin #3
Project:	Grand County, UT	TVD Reference:	WEll @ 5064.0ft (Unit 234)
Site:	Section 16, T23S, R23E	MD Reference:	WEll @ 5064.0ft (Unit 234)
Well:	Paradox Basin #3	North Reference:	True
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 2003.16 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
5,214.0	31.50	20.30	4,920.9	1,152.7	434.8	1,232.0	0.93	-0.65	-1.29	
5,246.0	31.40	20.70	4,948.2	1,168.3	440.6	1,248.7	0.72	-0.31	1.25	
5,309.0	30.90	20.10	5,002.1	1,198.9	452.0	1,281.2	0.93	-0.79	-0.95	
5,341.0	30.50	20.10	5,029.6	1,214.2	457.6	1,297.6	1.25	-1.25	0.00	
5,373.0	30.20	20.40	5,057.2	1,229.4	463.2	1,313.8	1.05	-0.94	0.94	
5,405.0	30.70	20.30	5,084.8	1,244.6	468.8	1,330.0	1.57	1.56	-0.31	
5,436.0	31.00	20.30	5,111.4	1,259.5	474.4	1,345.9	0.97	0.97	0.00	
5,469.0	31.50	21.10	5,139.7	1,275.5	480.4	1,363.0	1.97	1.52	2.42	
5,499.0	31.60	20.70	5,165.2	1,290.2	486.0	1,378.7	0.77	0.33	-1.33	
5,531.0	30.70	20.00	5,192.6	1,305.7	491.8	1,395.2	3.03	-2.81	-2.19	
5,561.0	30.40	19.90	5,218.4	1,320.0	497.0	1,410.5	1.01	-1.00	-0.33	
5,593.0	30.10	20.20	5,246.1	1,335.2	502.5	1,426.6	1.05	-0.94	0.94	
5,625.0	29.90	21.10	5,273.8	1,350.1	508.1	1,442.6	1.54	-0.62	2.81	
5,657.0	29.50	21.50	5,301.6	1,364.9	513.9	1,458.5	1.40	-1.25	1.25	
5,689.0	28.70	22.00	5,329.6	1,379.4	519.7	1,474.0	2.61	-2.50	1.56	
5,719.0	28.90	22.60	5,355.8	1,392.7	525.2	1,488.5	1.17	0.67	2.00	
5,751.0	29.20	23.20	5,383.8	1,407.1	531.2	1,504.0	1.31	0.94	1.87	
5,815.0	28.60	24.00	5,439.8	1,435.4	543.6	1,534.9	1.12	-0.94	1.25	
5,847.0	29.60	22.90	5,467.8	1,449.7	549.8	1,550.4	3.54	3.12	-3.44	
5,878.0	31.10	23.50	5,494.6	1,464.1	555.9	1,566.1	4.94	4.84	1.94	
5,908.0	32.30	24.00	5,520.1	1,478.5	562.3	1,581.8	4.09	4.00	1.67	
5,939.0	32.40	24.00	5,546.3	1,493.7	569.0	1,598.4	0.32	0.32	0.00	
5,971.0	32.80	22.60	5,573.2	1,509.5	575.9	1,615.6	2.67	1.25	-4.37	
6,002.0	33.40	20.40	5,599.2	1,525.2	582.1	1,632.5	4.33	1.94	-7.10	
6,033.0	34.00	19.80	5,625.0	1,541.4	588.0	1,649.7	2.21	1.94	-1.94	
6,065.0	34.00	18.50	5,651.5	1,558.3	593.8	1,667.6	2.27	0.00	-4.06	
6,098.0	34.20	18.40	5,678.8	1,575.8	599.7	1,686.1	0.63	0.61	-0.30	
6,129.0	34.30	19.40	5,704.5	1,592.4	605.3	1,703.5	1.84	0.32	3.23	
6,161.0	34.60	19.20	5,730.9	1,609.4	611.3	1,721.6	1.00	0.94	-0.62	
6,193.0	35.00	19.60	5,757.1	1,626.7	617.4	1,739.9	1.44	1.25	1.25	
6,225.0	35.50	19.30	5,783.3	1,644.1	623.5	1,758.3	1.65	1.56	-0.94	
6,257.0	35.60	19.50	5,809.3	1,661.6	629.7	1,776.9	0.48	0.31	0.62	
6,289.0	35.00	19.00	5,835.4	1,679.1	635.8	1,795.4	2.08	-1.87	-1.56	
6,320.0	34.50	18.80	5,860.9	1,695.8	641.5	1,813.1	1.65	-1.61	-0.65	
6,351.0	34.70	19.10	5,886.4	1,712.5	647.3	1,830.7	0.85	0.65	0.97	
6,384.0	34.70	19.00	5,913.5	1,730.2	653.4	1,849.5	0.17	0.00	-0.30	
6,413.0	34.10	18.90	5,937.5	1,745.7	658.7	1,865.8	2.08	-2.07	-0.34	
6,432.0	33.71	18.70	5,953.2	1,755.7	662.1	1,876.4	2.13	-2.05	-1.05	
6,477.0	33.27	18.74	5,990.8	1,779.3	670.1	1,901.3	0.98	-0.98	0.09	
6,507.0	32.50	17.40	6,016.0	1,794.7	675.2	1,917.5	3.53	-2.57	-4.47	
6,540.0	32.10	17.60	6,043.9	1,811.6	680.5	1,935.1	1.25	-1.21	0.61	
6,570.0	32.10	17.40	6,069.3	1,826.8	685.2	1,951.1	0.35	0.00	-0.67	
6,602.0	32.10	17.90	6,096.4	1,843.0	690.4	1,968.0	0.83	0.00	1.56	
6,634.0	32.10	18.30	6,123.5	1,859.1	695.7	1,985.0	0.66	0.00	1.25	
6,664.0	32.50	17.80	6,148.8	1,874.4	700.7	2,001.0	1.60	1.33	-1.67	
6,696.0	32.10	17.80	6,175.9	1,890.6	705.9	2,018.1	1.25	-1.25	0.00	
6,728.0	31.80	18.20	6,203.0	1,906.8	711.1	2,035.0	1.15	-0.94	1.25	
6,760.0	30.80	18.70	6,230.4	1,922.5	716.4	2,051.6	3.23	-3.12	1.56	
6,790.0	30.40	19.10	6,256.2	1,937.0	721.3	2,066.9	1.50	-1.33	1.33	
6,822.0	30.40	19.00	6,283.8	1,952.3	726.6	2,083.1	0.16	0.00	-0.31	
6,854.0	29.90	19.30	6,311.5	1,967.5	731.9	2,099.2	1.63	-1.56	0.94	
6,884.0	30.00	19.20	6,337.5	1,981.6	736.8	2,114.1	0.37	0.33	-0.33	
6,914.0	29.80	18.90	6,363.5	1,995.7	741.7	2,129.1	0.83	-0.67	-1.00	
6,946.0	29.80	19.60	6,391.2	2,010.7	746.9	2,145.0	1.09	0.00	2.19	
6,978.0	28.80	19.50	6,419.2	2,025.5	752.2	2,160.6	3.13	-3.12	-0.31	

Crescent Directional Drilling

Survey Report

Company:	Golden Eagle Exploration	Local Co-ordinate Reference:	Well Paradox Basin #3
Project:	Grand County, UT	TVD Reference:	WEll @ 5064.0ft (Unit 234)
Site:	Section 16, T23S, R23E	MD Reference:	WEll @ 5064.0ft (Unit 234)
Well:	Paradox Basin #3	North Reference:	True
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 2003.16 Single User Db

Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,008.0	28.40	19.60	6,445.5	2,039.0	757.0	2,175.0	1.34	-1.33	0.33
7,038.0	28.00	19.50	6,471.9	2,052.4	761.7	2,189.2	1.34	-1.33	-0.33
7,070.0	28.70	20.50	6,500.1	2,066.7	766.9	2,204.4	2.64	2.19	3.12
7,102.0	28.30	20.60	6,528.2	2,081.0	772.3	2,219.6	1.26	-1.25	0.31
7,133.0	27.80	20.10	6,555.6	2,094.6	777.4	2,234.2	1.78	-1.61	-1.61
7,163.0	28.10	20.40	6,582.1	2,107.8	782.2	2,248.3	1.10	1.00	1.00
7,197.0	28.30	21.80	6,612.0	2,122.8	788.0	2,264.3	2.03	0.59	4.12
7,228.0	28.10	22.00	6,639.4	2,136.4	793.5	2,279.0	0.71	-0.65	0.65
7,260.0	28.00	22.20	6,667.6	2,150.4	799.1	2,294.0	0.43	-0.31	0.62
7,292.0	27.60	23.30	6,695.9	2,164.1	804.9	2,308.9	2.03	-1.25	3.44
7,324.0	27.20	24.20	6,724.3	2,177.6	810.8	2,323.6	1.80	-1.25	2.81
7,354.0	28.00	25.40	6,750.9	2,190.2	816.7	2,337.5	3.25	2.67	4.00
7,385.0	28.40	26.40	6,778.2	2,203.4	823.1	2,352.1	2.00	1.29	3.23
7,417.0	28.50	26.80	6,806.4	2,217.0	829.9	2,367.3	0.67	0.31	1.25
7,448.0	29.00	26.80	6,833.5	2,230.3	836.6	2,382.1	1.61	1.61	0.00
7,472.0	29.10	26.70	6,854.5	2,240.7	841.9	2,393.7	0.46	0.42	-0.42
7,501.0	30.10	24.40	6,879.7	2,253.7	848.0	2,407.9	5.22	3.45	-7.93
7,535.0	30.40	23.20	6,909.1	2,269.3	854.9	2,425.0	1.98	0.88	-3.53
7,567.0	30.40	23.30	6,936.7	2,284.2	861.3	2,441.2	0.16	0.00	0.31
7,598.0	30.50	23.30	6,963.4	2,298.6	867.5	2,456.9	0.32	0.32	0.00
7,629.0	30.20	23.60	6,990.2	2,313.0	873.8	2,472.5	1.08	-0.97	0.97
7,660.0	30.00	23.40	7,017.0	2,327.3	880.0	2,488.1	0.72	-0.65	-0.65
7,692.0	29.70	23.50	7,044.8	2,341.9	886.3	2,504.0	0.95	-0.94	0.31
7,724.0	29.20	23.70	7,072.6	2,356.3	892.6	2,519.7	1.59	-1.56	0.62
7,754.0	28.80	23.80	7,098.9	2,369.6	898.5	2,534.2	1.34	-1.33	0.33
7,786.0	28.70	22.90	7,126.9	2,383.7	904.6	2,549.6	1.39	-0.31	-2.81
7,879.0	27.30	21.80	7,209.0	2,424.1	921.2	2,593.2	1.60	-1.51	-1.18
7,911.0	26.70	21.90	7,237.5	2,437.6	926.6	2,607.7	1.88	-1.87	0.31
7,946.0	26.80	21.50	7,268.8	2,452.2	932.4	2,623.5	0.59	0.29	-1.14
7,974.0	26.70	21.20	7,293.8	2,464.0	937.0	2,636.1	0.60	-0.36	-1.07
8,006.0	27.10	20.30	7,322.3	2,477.5	942.1	2,650.6	1.78	1.25	-2.81
8,038.0	27.70	20.10	7,350.7	2,491.3	947.2	2,665.3	1.90	1.87	-0.62
8,068.0	28.80	19.80	7,377.2	2,504.7	952.1	2,679.5	3.70	3.67	-1.00
8,099.0	29.70	20.20	7,404.2	2,518.9	957.2	2,694.6	2.97	2.90	1.29
8,131.0	30.30	19.80	7,431.9	2,533.9	962.7	2,710.6	1.98	1.87	-1.25
8,163.0	30.50	19.80	7,459.5	2,549.2	968.2	2,726.8	0.62	0.62	0.00
8,193.0	30.20	19.50	7,485.4	2,563.5	973.3	2,742.0	1.12	-1.00	-1.00
8,224.0	29.70	19.40	7,512.3	2,578.1	978.5	2,757.5	1.62	-1.61	-0.32
8,256.0	29.10	19.20	7,540.2	2,592.9	983.6	2,773.2	1.90	-1.87	-0.62
8,287.0	29.80	20.20	7,567.2	2,607.2	988.8	2,788.4	2.76	2.26	3.23
8,319.0	31.50	21.00	7,594.7	2,622.5	994.5	2,804.7	5.46	5.31	2.50
8,350.0	32.10	21.50	7,621.0	2,637.7	1,000.4	2,821.1	2.11	1.94	1.61
8,382.0	31.80	21.10	7,648.2	2,653.5	1,006.6	2,838.0	1.15	-0.94	-1.25
8,414.0	31.30	21.30	7,675.4	2,669.1	1,012.7	2,854.7	1.60	-1.56	0.62
8,444.0	31.20	21.10	7,701.1	2,683.6	1,018.3	2,870.3	0.48	-0.33	-0.67
8,475.0	31.70	20.70	7,727.5	2,698.7	1,024.0	2,886.5	1.75	1.61	-1.29
8,507.0	31.80	20.30	7,754.8	2,714.5	1,029.9	2,903.3	0.73	0.31	-1.25
8,538.0	31.50	20.00	7,781.1	2,729.8	1,035.6	2,919.6	1.09	-0.97	-0.97
8,570.0	31.30	19.90	7,808.5	2,745.4	1,041.2	2,936.2	0.65	-0.62	-0.31
8,602.0	31.40	19.50	7,835.8	2,761.1	1,046.9	2,952.9	0.72	0.31	-1.25
8,634.0	31.10	19.20	7,863.1	2,776.8	1,052.4	2,969.5	1.06	-0.94	-0.94
8,666.0	30.60	19.10	7,890.6	2,792.3	1,057.7	2,985.9	1.57	-1.56	-0.31
8,698.0	31.20	19.20	7,918.1	2,807.8	1,063.1	3,002.3	1.88	1.87	0.31
8,729.0	31.00	19.20	7,944.6	2,822.9	1,068.4	3,018.3	0.65	-0.65	0.00

Crescent Directional Drilling

Survey Report

Company:	Golden Eagle Exploration	Local Co-ordinate Reference:	Well Paradox Basin #3
Project:	Grand County, UT	TVD Reference:	WEII @ 5064.0ft (Unit 234)
Site:	Section 16, T23S, R23E	MD Reference:	WEII @ 5064.0ft (Unit 234)
Well:	Paradox Basin #3	North Reference:	True
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 2003.16 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
8,760.0	30.70	19.10	7,971.2	2,837.9	1,073.6	3,034.2	0.98	-0.97	-0.32	
8,793.0	30.40	19.00	7,999.6	2,853.8	1,079.1	3,051.0	0.92	-0.91	-0.30	
8,825.0	30.20	18.60	8,027.3	2,869.1	1,084.3	3,067.1	0.89	-0.62	-1.25	
8,857.0	30.30	18.30	8,054.9	2,884.4	1,089.4	3,083.2	0.57	0.31	-0.94	
8,888.0	30.10	18.40	8,081.7	2,899.2	1,094.3	3,098.8	0.67	-0.65	0.32	
8,919.0	30.80	19.00	8,108.4	2,914.1	1,099.3	3,114.5	2.46	2.26	1.94	
8,951.0	30.90	19.80	8,135.9	2,929.5	1,104.8	3,130.9	1.32	0.31	2.50	
8,983.0	30.70	20.00	8,163.4	2,944.9	1,110.4	3,147.3	0.70	-0.62	0.62	
9,015.0	30.40	20.20	8,191.0	2,960.2	1,116.0	3,163.6	0.99	-0.94	0.62	
9,045.0	30.20	20.20	8,216.9	2,974.4	1,121.2	3,178.7	0.67	-0.67	0.00	
9,077.0	29.90	20.20	8,244.6	2,989.5	1,126.7	3,194.7	0.94	-0.94	0.00	
9,108.0	29.40	20.20	8,271.5	3,003.8	1,132.0	3,210.1	1.61	-1.61	0.00	
9,139.0	29.20	20.20	8,298.5	3,018.1	1,137.2	3,225.2	0.65	-0.65	0.00	
9,170.0	28.10	20.30	8,325.7	3,032.0	1,142.4	3,240.1	3.55	-3.55	0.32	
9,201.0	29.00	20.50	8,353.0	3,045.9	1,147.6	3,254.9	2.92	2.90	0.65	
9,231.0	29.40	20.50	8,379.2	3,059.6	1,152.7	3,269.6	1.33	1.33	0.00	
9,263.0	28.90	20.50	8,407.1	3,074.2	1,158.1	3,285.1	1.56	-1.56	0.00	
9,294.0	28.40	20.70	8,434.3	3,088.1	1,163.4	3,300.0	1.64	-1.61	0.65	
9,326.0	28.10	20.70	8,462.5	3,102.3	1,168.7	3,315.1	0.94	-0.94	0.00	
9,357.0	28.50	20.90	8,489.8	3,116.0	1,173.9	3,329.8	1.33	1.29	0.65	
9,389.0	28.70	21.00	8,517.9	3,130.4	1,179.4	3,345.2	0.64	0.62	0.31	
9,421.0	28.20	21.30	8,546.0	3,144.6	1,184.9	3,360.4	1.63	-1.56	0.94	
9,452.0	28.70	20.70	8,573.3	3,158.4	1,190.2	3,375.2	1.86	1.61	-1.94	
9,484.0	28.70	20.60	8,601.3	3,172.7	1,195.6	3,390.5	0.15	0.00	-0.31	
9,516.0	28.80	20.60	8,629.4	3,187.1	1,201.0	3,405.9	0.31	0.31	0.00	
9,546.0	29.00	20.50	8,655.7	3,200.7	1,206.1	3,420.4	0.69	0.67	-0.33	
9,576.0	28.70	20.70	8,681.9	3,214.3	1,211.2	3,434.9	1.05	-1.00	0.67	
9,608.0	28.10	20.80	8,710.1	3,228.5	1,216.6	3,450.1	1.88	-1.87	0.31	
9,640.0	27.70	20.90	8,738.4	3,242.5	1,221.9	3,465.1	1.26	-1.25	0.31	
9,672.0	28.30	20.30	8,766.6	3,256.6	1,227.2	3,480.1	2.07	1.87	-1.87	
9,703.0	29.20	20.20	8,793.8	3,270.5	1,232.4	3,495.0	2.91	2.90	-0.32	
9,735.0	29.20	20.20	8,821.7	3,285.2	1,237.8	3,510.6	0.00	0.00	0.00	
9,767.0	28.80	20.60	8,849.7	3,299.7	1,243.2	3,526.2	1.39	-1.25	1.25	
9,798.0	28.00	21.00	8,877.0	3,313.5	1,248.4	3,540.9	2.65	-2.58	1.29	
9,830.0	27.10	21.30	8,905.4	3,327.3	1,253.8	3,555.7	2.85	-2.81	0.94	
9,843.0	27.00	20.80	8,916.9	3,332.8	1,255.9	3,561.6	1.91	-0.77	-3.85	
9,874.0	26.50	20.30	8,944.6	3,345.9	1,260.8	3,575.6	1.77	-1.61	-1.61	
9,905.0	26.40	20.00	8,972.4	3,358.9	1,265.5	3,589.4	0.54	-0.32	-0.97	
9,937.0	26.10	19.00	9,001.1	3,372.2	1,270.3	3,603.5	1.67	-0.94	-3.12	
9,967.0	26.00	18.40	9,028.0	3,384.7	1,274.5	3,616.7	0.94	-0.33	-2.00	
9,998.0	27.10	17.10	9,055.8	3,397.9	1,278.7	3,630.5	4.01	3.55	-4.19	
10,030.0	26.90	17.50	9,084.3	3,411.8	1,283.0	3,645.0	0.84	-0.62	1.25	
10,061.0	27.10	16.70	9,111.9	3,425.2	1,287.2	3,659.1	1.34	0.65	-2.58	
10,093.0	28.00	17.20	9,140.3	3,439.4	1,291.5	3,673.9	2.90	2.81	1.56	
10,124.0	27.70	18.30	9,167.7	3,453.2	1,295.9	3,688.3	1.92	-0.97	3.55	
10,156.0	27.90	18.90	9,196.0	3,467.3	1,300.7	3,703.2	1.07	0.62	1.87	
10,188.0	28.20	19.50	9,224.2	3,481.5	1,305.6	3,718.3	1.29	0.94	1.87	
10,219.0	28.20	19.50	9,251.5	3,495.3	1,310.5	3,732.9	0.00	0.00	0.00	
10,249.0	28.80	19.40	9,277.9	3,508.8	1,315.3	3,747.2	2.01	2.00	-0.33	
10,302.0	28.90	20.70	9,324.3	3,532.8	1,324.0	3,772.8	1.20	0.19	2.45	
10,335.0	28.80	20.00	9,353.2	3,547.8	1,329.6	3,788.7	1.07	-0.30	-2.12	
10,367.0	28.40	20.90	9,381.3	3,562.1	1,334.9	3,804.0	1.84	-1.25	2.81	
10,399.0	28.50	21.20	9,409.5	3,576.4	1,340.4	3,819.3	0.55	0.31	0.94	
10,431.0	29.30	21.90	9,437.5	3,590.7	1,346.1	3,834.7	2.71	2.50	2.19	

Crescent Directional Drilling

Survey Report

Company:	Golden Eagle Exploration	Local Co-ordinate Reference:	Well Paradox Basin #3
Project:	Grand County, UT	TVD Reference:	WEll @ 5064.0ft (Unit 234)
Site:	Section 16, T23S, R23E	MD Reference:	WEll @ 5064.0ft (Unit 234)
Well:	Paradox Basin #3	North Reference:	True
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 2003.16 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
10,462.0	29.10	22.80	9,464.5	3,604.7	1,351.8	3,849.9	1.56	-0.65	2.90	
10,494.0	28.70	22.30	9,492.6	3,619.0	1,357.8	3,865.3	1.46	-1.25	-1.56	
10,526.0	28.00	22.10	9,520.7	3,633.1	1,363.5	3,880.5	2.21	-2.19	-0.62	
10,557.0	27.20	21.00	9,548.2	3,646.4	1,368.8	3,894.9	3.06	-2.58	-3.55	
10,589.0	27.00	21.20	9,576.7	3,660.0	1,374.0	3,909.4	0.69	-0.62	0.62	
10,621.0	26.70	19.10	9,605.2	3,673.6	1,379.0	3,923.9	3.11	-0.94	-6.56	
10,653.0	26.30	18.40	9,633.9	3,687.1	1,383.6	3,938.2	1.59	-1.25	-2.19	
10,684.0	26.10	18.20	9,661.7	3,700.1	1,387.9	3,951.8	0.71	-0.65	-0.65	
10,715.0	26.60	18.70	9,689.5	3,713.2	1,392.2	3,965.6	1.76	1.61	1.61	
10,747.0	27.00	20.30	9,718.0	3,726.8	1,397.1	3,980.0	2.58	1.25	5.00	
10,779.0	26.60	20.50	9,746.6	3,740.3	1,402.1	3,994.4	1.28	-1.25	0.62	
10,810.0	26.30	20.50	9,774.3	3,753.2	1,406.9	4,008.3	0.97	-0.97	0.00	
10,841.0	26.30	21.90	9,802.1	3,766.0	1,411.9	4,022.0	2.00	0.00	4.52	
10,872.0	26.60	22.10	9,829.9	3,778.8	1,417.1	4,035.8	1.01	0.97	0.65	
10,903.0	26.60	22.80	9,857.6	3,791.7	1,422.4	4,049.7	1.01	0.00	2.26	
10,934.0	27.10	23.50	9,885.3	3,804.5	1,427.9	4,063.7	1.91	1.61	2.26	
10,965.0	26.90	24.70	9,912.9	3,817.4	1,433.6	4,077.7	1.87	-0.65	3.87	
10,996.0	26.70	26.30	9,940.6	3,830.0	1,439.6	4,091.6	2.41	-0.65	5.16	
11,027.0	27.10	26.00	9,968.2	3,842.6	1,445.8	4,105.6	1.36	1.29	-0.97	
11,059.0	27.00	25.30	9,996.7	3,855.7	1,452.1	4,120.1	1.04	-0.31	-2.19	
11,090.0	26.60	25.60	10,024.4	3,868.3	1,458.1	4,134.0	1.36	-1.29	0.97	
11,122.0	25.80	26.50	10,053.1	3,881.0	1,464.3	4,148.1	2.79	-2.50	2.81	
11,153.0	25.60	27.40	10,081.0	3,893.0	1,470.4	4,161.4	1.41	-0.65	2.90	
11,185.0	25.40	26.70	10,109.9	3,905.3	1,476.7	4,175.1	1.13	-0.62	-2.19	
11,217.0	25.80	25.40	10,138.8	3,917.7	1,482.8	4,188.9	2.15	1.25	-4.06	
11,248.0	25.60	24.70	10,166.7	3,929.9	1,488.4	4,202.3	1.17	-0.65	-2.26	
11,280.0	25.50	24.50	10,195.6	3,942.4	1,494.2	4,216.0	0.41	-0.31	-0.62	
11,311.0	25.50	25.20	10,223.5	3,954.5	1,499.8	4,229.4	0.97	0.00	2.26	
11,372.0	25.30	25.10	10,278.6	3,978.2	1,510.9	4,255.4	0.34	-0.33	-0.16	
11,404.0	25.50	24.90	10,307.6	3,990.6	1,516.7	4,269.1	0.68	0.62	-0.62	
11,468.0	25.60	23.70	10,365.3	4,015.8	1,528.1	4,296.7	0.82	0.16	-1.87	
11,531.0	25.90	23.50	10,422.0	4,040.9	1,539.0	4,324.0	0.50	0.48	-0.32	
11,589.0	26.10	23.10	10,474.2	4,064.2	1,549.1	4,349.4	0.46	0.34	-0.69	
11,625.0	26.00	23.10	10,506.5	4,078.8	1,555.3	4,365.2	0.28	-0.28	0.00	
11,656.0	26.00	23.10	10,534.4	4,091.3	1,560.6	4,378.8	0.00	0.00	0.00	
11,771.0	25.80	23.10	10,637.8	4,137.5	1,580.3	4,429.0	0.17	-0.17	0.00	
11,847.0	25.80	23.10	10,706.2	4,167.9	1,593.3	4,462.0	0.00	0.00	0.00	
Projected Survey to TD										

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration	Local Co-ordinate Reference: Well Paradox Basin #3
Project: Grand County, UT	TVD Reference: WEll @ 5064.0ft (Unit 234)
Site: Section 16, T23S, R23E	MD Reference: WEll @ 5064.0ft (Unit 234)
Well: Paradox Basin #3	North Reference: True
Wellbore: Wellbore #1	Survey Calculation Method: Minimum Curvature
Design: Wellbore #1	Database: EDM 2003.16 Single User Db

Targets									
Target Name									
- hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- Shape	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
PB#3	0.00	0.00	10,505.0	4,154.5	1,559.8	6,742,851.38	2,246,786.99	38° 48' 39.421 N	109° 22' 19.266 W
- survey misses by 69.7ft at 11655.0ft MD (10533.4 TVD, 4090.9 N, 1560.5 E)									
- Rectangle (sides W0.0 H0.0 D0.0)									

Survey Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
1,950.0	1,950.0	-4.7	1.8	Gyro Surveys 0 -1950' MD
11,847.0	10,706.2	4,167.9	1,593.3	Projected Survey to TD

Checked By: _____ Approved By: _____ Date: _____

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
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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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
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1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Paradox Basin #3
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2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	9. API NUMBER: 43019500030000
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3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	PHONE NUMBER: 435 259-2333 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	COUNTY: GRAND STATE: UTAH
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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 Approximate date work will start: 3/26/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

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

Golden Eagle Exploration, LLC is currently drilling at approximately 11,300' and respectfully submits this request to increase TD to 12,000'. The request is necessary since the mud log is currently not correlating with the anticipated formation tops and we are expecting TD within the Desert Creek deeper than the permitted 11,648' MD / 10,500' TVD. Casing and cement will be increased as necessary depending on the exact TD to insure that the top of casing and cement will remain as permitted. No significant change in bottom hole pressure anticipated.

Approved by the Utah Division of Oil, Gas and Mining

Date: March 29, 2010

By: *Don Hamilton*

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 3/24/2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43019500030000

Casing design factors adequate for proposed casing to new setting depth.

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

Date: March 29, 2010
By: *Dan K. Quist*

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
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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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
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1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Paradox Basin #3
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2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	9. API NUMBER: 43019500030000
--	---

3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	PHONE NUMBER: 435 259-2333 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	COUNTY: GRAND STATE: UTAH
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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 Approximate date work will start: 4/2/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

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

Attached please find an updated cement program for the long string on the Paradox Basin #3

Approved by the Utah Division of Oil, Gas and Mining

Date: April 01, 2010

By: *Don Hamilton*

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 4/1/2010	

Golden Eagle Exploration, Inc.

Paradox Basin #3

Grand County, Utah

PROPOSED CEMENT PROGRAM – Revised April 1, 2010.:

- A. Production Casing – The 5 ½" 17 ppf P-110 LTC casing will be set at 11847' MD / 10706' TVD in a 8 ¾" hole. A single stage cement job will be conducted as per cement program. Circulate cement to 7448' using a total of 1394 cf of cement slurry which includes 25% excess of calculated open hole annular volume.

Lead: ±310 sacks (713 cf) of 25:75 Poz Premium plus additives mixed at 11.5 ppg, 2.30 ft³/sk yield.

Tail: ±400 sacks (688 cf) of 50:50 Poz Premium plus additives mixed at 13.5 ppg, 1.72 ft³/sk.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string. The production casing is designed for the top of cement to be at 7448' (approximately 347 feet above sample top of Honaker Trail.

Golden Eagle Exploration, LLC
Paradox Basin #3
Grand Co., UT

Rig =
RKB - GL =

Cement Volume Calculations

Cement Requirements:

Surface Casing - Circulate Cement to Surface

Intermediate Casing - Cement 1000' Above Zones To Be Isolated or TBD

Liner - Cement To Top Of Liner

Prior to actual cement jobs, all cement is to have a pilot test run using the mix water and cement on board to determine the final composition to be used.

RECEIVED April 01, 2010

RECEIVED April 01, 2010

5 1/2" 17# Production Casing @ 11847' MD / 10706' TVD, 9 5/8" x 40# Surface Casing @ 4190' MD / 4038' TVD						
Description	in	9 5/8 Surf Csg	Open Hole	5 1/2" csg	5 1/2" x 9 5/8" Csg	5 1/2" x 8 3/4" OH
Surf Casing ID	8.835	Int Cap	Int Cap	Int Cap	Ann Cap	Ann Cap
Hole Size	8.750	<i>bpf</i>	<i>bpf</i>	<i>bpf</i>	<i>bpf</i>	<i>bpf</i>
Production Casing OD	5.500	0.0758	0.0744	0.0232	0.0464	0.0450
Production Casing ID	4.892	<i>cfpf</i>	<i>cfpf</i>	<i>cfpf</i>	<i>cfpf</i>	<i>cfpf</i>
		0.4257	0.4176	0.1305	0.2608	0.2526
Cmt Cover	Cement Interval			Vol, cf	Cum Vol, cf	
Single Stage	from	to	footage			
5 1/2" x 8 3/4" OH	7448	11,847	4,399	1111.19	1111.19	
Plus xx% OH	25%			277.80	1388.98	
5 1/2" Csg Shoe			40	5.22	1394.20	
			Total	1394.20		
Cmt Cover	Cement Interval			Vol, cf	Cum Vol, cf	
Stage #1	from	to	footage			
5 1/2" x 8 3/4" OH	7448	9690	2,242	566.33	566.33	Lead @ 2.30 cfps
5 1/2" x 8 3/4" OH	9,690	11,847	2,157	544.86	1111.19	Tail @ 1.72 cfps
Plus xx% OH	25%			277.80	1388.98	
5 1/2" csg shoe			40	5.22	1394.20	
Total Stage #1						
Total Job (Stage 1+2)			TOT CF	1394.20		
OH From, MD ft	OH To, MD ft	Tot OH Ftg, ft	Drill Bit Size, in	Theo OH Cap, bp	Theo OH Vol, bbls	Theo OH Vol, cf
		Actual OH Vol From Log, cf	OH Size From Log Vol, in		Theo Hole Size vs Act Log Size, % Inc	

Original Permit cmt wt = 13.0 ppg

MD		TVD		TVD ft	HP psi
from	to	from	to		
7448	11648	6857	10500	3643	
	from surf	6857	8.70	0.052	3102
	to 6857	3643	13.00	0.052	2463
	from 6857 to 10500				
				Tot HP	5565 psi
				EMW	10.19 ppg

MD		TVD		TVD ft	HP psi
from	to	from	to		
7448	11847	6833	10706	3873	
7448	9690	6833	8783	1950	
9690	11847	8783	10706	1923	
				3873	
	from surf to 6833	6833	8.70	0.052	3091
	from 6833 to 8783	1950	11.50	0.052	1166
	from 8783 to 10706	1923	13.50	0.052	1350
				Tot HP	5607 psi
				EMW	10.07 ppg

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. API NUMBER: 43019500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR./QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
11.		COUNTY: GRAND
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		STATE: UTAH
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	OTHER:
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/3/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 4-3-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 4/5/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 05, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 3-28-2010 through 4-3-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 3/28/10** **24 Hr summary:** Finish POOH w/ mill/junk basket assy, L/D BHA, P/U & RIH w/directional drilling assy, CBU, drill & slide.
- 3/29/10** **24 Hr summary:** Directional drilling 11,222' to 11,658', pump sweep around, spot LCM in open hole @ rpt time. Prep for short trip.
- 3/30/10** **24 Hr summary:** Short trip f/ 11,658 - 10,000, CBU, trip gas 415 units max. Directional drill f/ 11,658 - 11,780, gas inc to 3098 units & mud cut f/ 8.7 8.5 ppg. Circ out gas. Directional drill 11780 - 11836.
- 3/31/10** **24 Hr summary:** Directional drill 11,836' - 11,847' MD TD, 10758'TVD TD. Pump hi/vis sweep, spot 80 bbl LCM pill in open hole. POOH f/ 11,847' - 9,475', hole not taking correct fill. TBIH to 11,847', Pump sweep & CBU, max gas 1343 units, max mud cut 8.6 ppg. POOH 5 stds, pipe pulling wet and not taking fluid, TIH back to bottom. CCM, Max gas 370 units. Pump & pull out of hole to 7000', hole took proper displacement, TBIH to bottom, Circ sweep around max gas 1672 units. Start POOH.
- 4/1/10** **24 Hr summary:** Finish POOH with directional assembly, L/D BHA. R/U lubricator. R/U SLB E-line tools and equip. Run 1 - ran PEX-HRLA & BHC Sonic t/ 11,847' MD / 11,854'. Run 2 - running CMR Plus-AT @ rpt time.
- 4/2/10** **24 Hr summary:** Schl ran CMR Plus-AT log. L/D tools and R/D E-line equip, P/U hole opener assy, TIH t/ t/8000' and start washing & reaming to bottom. At report time W&R @ 9600.
- 4/3/10** **24 Hr summary:** Wash and ream f/ 9600' - 11847', CBU had 2535 units gas with mud cut 8.7 to 8.5 ppg. POOH, L/D hole opener, R/U E-line equip and Schlumberger FMI log over 2 - 1000' intervals from 11847 - 10847 and 10100 - 9100. POOH w/ E-line.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	OTHER:
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/9/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Rig 234 Released at 06:00 hours April 8, 2010. Attached please find the drilling reports ending 4-9-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 4/9/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 12, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 4-4-2010 through 4-9-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 4/4/10** **24 Hr summary:** Fin POOH with E-Line & R/D Schl. P/U 8 3/4" hole opener assy & TIH, C&C mud while unloading 5 1/2" csg. B/U 3320 units gas, mud cut 8.70 ppg to 8.50 ppg. POOH & R/U to run 5 1/2" casing.
- 4/5/10** **24 Hr summary:** Finish running 5 1/2" 17 ppf P-110 LTC caing to 11847. CBU, max gas 1376 units gas. Halib cemented with 500 sxs 75/25 poz lead (11.5 ppg, 2.30 cfps) and 500 sxs 50/59 poz tail (13.5 pg, 1.72 cfps). Cmt truck disp w/ 274 bbl 8.7 ppg mud, plug did not bump. Job complete @ 05:30 hrs 5 April 2010. WOC.
- 4/6/10** **24 Hr summary:** Fin WOC for 8 hrs while R/D misc rental equip. P/U stack & set Csg slips 25K over string weight. Made final cut on 5.5" Csg, Set BOP's down, change rams, N/D stack, N/U tubing head & test same. L/D HWDP & DP.
- 4/7/10** **24 Hr summary:** Laying down drill pipe & cleaning mud tanks
- 4/8/10** **24 Hr summary:** Finished laying down drill pipe. Demobilizing rental tools. Cleaning mud tanks for rig release.
- 4/9/10** **24 Hr summary:** After further inspection of the mud tanks, Unit agreed to call **Rig 234 Released at 06:00 hours April 8, 2010**. Final report until completion operations commence.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
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<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/24/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 4-24-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 4/27/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 27, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 4-23-2010 through 4-24-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 4/23/10** Moved in Monument Well Service Completion Rig & equipment including 7 1/16" DR BOP's, 2 7/8 work string, mud pumps & pits. Raise derrick & spot equipment, SDON. (daylight only).
- 4/24/10** Install & test 7 1/6" DR BOP & Annular. P/U 4 3/4" cement mill & RIH picking up 2 7/8" work string. Have 169 joint picked up approx 5168' (daylight only).

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/1/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 5-1-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 5/3/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 04, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 4-25-2010 through 5-1-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 4/25/10** Continue TIH w/ 4 3/4" cement mill P/U 2 7/8 work string to top of cement at 11439. Break circulation and pressure test casing to 3500 psi. Drill rubber pump down plug and cement from 11439 to 11563. Circ hole clean, pull 6 joints and secure well for night. (daylight only).
- 4/26/10** Drill cement f/ 11563 - 11596 and mill quit drilling. POOH & found mill packed w/ cement. PU 4 3/4 tooth bit & TBIH to 10826. Secure well SDON. (daylight only).
- 4/27/10** Fin TIH w/ 4 3/4" tooth bit and drill out cement from 11596 to float collar @ 11804. Circ out cement. POOH to 6100 & SDON. (daylight only).
- 4/28/10** Fin POOH w/4 3/4" tooth bit, PU open ended 5 1/2" casing scraper, RIH to 11804. displaced 8.7 ppg FWM with 8.33 ppg FW, circ clean and POOH. Remove stripper head & secure well & SDON. (daylight only).
- 4/29/10** Schlumberger ran CBL/VDL/Gamma Ray/CCL from E-Line TD @ 11847 to TOC +/- 6700. Rel Schl. PU OE 5 1/2 casing scraper & start running 2 7/8 work string back in hole to 2600'. Secure well & SDON. (daylight only).
- 4/30/10** Fin RIH w/ OE casing scraper to 11804. R/U Halib & displace 8.33 ppg FW with 8.50 ppg 5% KCl completion fluid. POOH laying down 2 7/8 work string. Install 5 1/8 10M Cameron Frac Tree, press test mandrel seals to 5000 psi. R/D Test Equip. (daylight only).
- 5/1/10** Schlumberger selectively perforated Ismay formation from 11674 to 11790. Halliburton performed DFIT Job was complete at 1630 hrs 30 April 2010. Well SI to monitor pressure for 72 hours. SIP this AM 1202 psi.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. API NUMBER: 43019500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
11.		COUNTY: GRAND
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		STATE: UTAH
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	OTHER:
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/24/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 5-22-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 5/24/2010	

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 24, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 5-17-2010 through 5-22-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 5/17/10** R/U Halib frac equip and service lines to PB#3, test all surface lines to 8000 psi. W/O daylight to commence frac.
- 5/18/10** Halib frac Ismay perf from 11674 - 11790 as follows. Initial Breakdown @ 17 bpm with 3544 psi; Average rate 35 bpm with 4575 psi; Final rate before Screen Out 37.5 – 38 bpm with 5500 psi; Maximum rate at screen out 37.5 – 38 bpm with 7950 psi; Bleed off 4 times and re-pressured in attempt to establish injection; Final pressure before bleed off 7700 psi; Bleed well off immediately to 0 psi. Left well open all night and flowed back 11 bbls. Note well screened out when 3 ppg proppant entered perforations. Mobilizing equipment to clean out casing.
- 5/19/10** Monitoring well , flowing back small amount of frac fluid to pit, recovered approx 41 bbl last 24 hrs. Waiting on Coil tubing unit scheduled to arrive late this afternoon. Note The Shut in pressure on the PB#1 well at 15:00 hrs May 19. 2010 was 2550 psi.
- 5/20/10** Monitoring well pressures and amount flowed back. Waiting on Coil tubing unit to arrive at rig, ETA late PM today. Note The Shut in pressure on the PB#1 well at 15:00 hrs May 20, 2010 was 2580 psi.
- 5/21/10** Monitoring well. Shut well in at 15:00 hrs May 20, 2010, to wait on Coil Tubing Unit. Since Frac Screen Out the well has flowed back 128 bbls load water. SIP at 18:00 hrs May 20, 2010, was 550 psi. Repaired frac tree valves & left well SI.
- 5/22/10** Monitor Well Pressures While Waiting on Coil Tubing. PB#3 SIP = 670 psi. PB#1 SIP 2600 psi.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		8. WELL NAME and NUMBER: Paradox Basin #3
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. API NUMBER: 43019500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		COUNTY: GRAND
		STATE: UTAH
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/24/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 5-22-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 5/24/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 24, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 5-17-2010 through 5-22-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 5/17/10** R/U Halib frac equip and service lines to PB#3, test all surface lines to 8000 psi. W/O daylight to commence frac.
- 5/18/10** Halib frac Ismay perf from 11674 - 11790 as follows. Initial Breakdown @ 17 bpm with 3544 psi; Average rate 35 bpm with 4575 psi; Final rate before Screen Out 37.5 – 38 bpm with 5500 psi; Maximum rate at screen out 37.5 – 38 bpm with 7950 psi; Bleed off 4 times and re-pressured in attempt to establish injection; Final pressure before bleed off 7700 psi; Bleed well off immediately to 0 psi. Left well open all night and flowed back 11 bbls. Note well screened out when 3 ppg proppant entered perforations. Mobilizing equipment to clean out casing.
- 5/19/10** Monitoring well , flowing back small amount of frac fluid to pit, recovered approx 41 bbl last 24 hrs. Waiting on Coil tubing unit scheduled to arrive late this afternoon. Note The Shut in pressure on the PB#1 well at 15:00 hrs May 19. 2010 was 2550 psi.
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- 5/21/10** Monitoring well. Shut well in at 15:00 hrs May 20, 2010, to wait on Coil Tubing Unit. Since Frac Screen Out the well has flowed back 128 bbls load water. SIP at 18:00 hrs May 20, 2010, was 550 psi. Repaired frac tree valves & left well SI.
- 5/22/10** Monitor Well Pressures While Waiting on Coil Tubing. PB#3 SIP = 670 psi. PB#1 SIP 2600 psi.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL Oil Well	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:	7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	8. WELL NAME and NUMBER: Paradox Basin #3
	9. API NUMBER: 43019500030000
	9. FIELD and POOL or WILDCAT: WILDCAT
	COUNTY: GRAND
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/28/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Attached please find the completion reports ending 5-28-2010

CONFIDENTIAL - TIGHT HOLE

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 5/31/2010

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**
June 01, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 5-23-2010 through 5-29-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 5/23/10** Monitor Well Pressures While Waiting on Coil Tubing. ETA Halliburton 1 3/4" Coil Tubing Unit is Tuesday, May 25, 2010. PB#3 SIP = 680 psi. PB#1 SIP 2600 psi.
- 5/24/10** Monitor Well Pressures While Waiting on Coil Tubing. ETA Halliburton 1 3/4" Coil Tubing Unit is Tuesday, May 25, 2010. PB#3 SIP = 680 psi. PB#1 SIP 2600 psi.
- 5/25/10** Monitor Well Pressures While Waiting on Coil Tubing. Halliburton informed us that they have another Utah DOT inspection on the CTU that can't be completed until Tuesday, May 25. This will delay the arrival 1 more day unit until Wednesday, May 26. PB#3 SIP = 685 psi. PB#1 SIP 2660 psi.
- 5/26/10** Monitor Well Pressures While Waiting on Coil Tubing. Halliburton CTU arrived after report time at 07:00 hrs this AM. PB#3 SIP = 685 psi. PB#1 SIP 2690 psi.
- 5/27/10** RU Halib 1 3/4" CTU, TIH w/ wash nozzle, tag sand at 7812. Wash out sand to 11813 CTM & circ clean. Disp water in casing with N2. POOH with CT & Rig down. Open well to test separator at 04:30 hrs & flowing back frac fluid at 06:00 hrs ARO 20 bph with small flare.
- 5/28/10** Recovered 308 BLW while cleaning out with CT. R/D CTU. Flow well for 6 hrs on 28/64" ck, FTP dec f/ 175 - 80 psi, flow rate dec from 0.955 to 0.243 mmcfpd. Rig up CTU & GBIH, tag sand at 11414, stuck CT & work free. POOH & R/D CTU. Further clean out will require a larger CTU. Flowed well to test sep & recovered another 30 BLW. **Suspend operations on PB#3 and shut well in.** Move test equip to PB #1. SIP this AM: PB#3 1190 psi; PB#1 2700 psi.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/12/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 6-12-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 6/15/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 15, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 6-6-2010 through 6-12-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 6/6/10** Monitoring SI pressure. Open well on a 20/64" ck w/ 2307 psi ARO 1.039 mmcfpd. Flowed 2 hrs & pres dec to 80 psi and ARO 0.072 mmcfpd. Chg ck to 12/64, rate & pres dec to 0.060 mmcfpd w/ 67 psi. No water recovered at surface. Shut well in at 10:00 hrs. SIP this AM 1177 psi.
- 6/7/10** Monitoring SI pressure. SIP this AM 1239 psi. Prep To run BHP.
- 6/8/10** Monitoring SI pressure. RU Halib SLU & Ran BHP & fluid gradient. BHP = 4910 psi @ 11800 MD/ 10664 TVD 8.85 ppg equiv, BHT 192 deg F, Fluid level +/-3700 feet from surf. Gross Perf Interval MD – 11674 MD to 11790 MD. Gross Perf Interval TVD - 10551 TVD to 10655 TVD.
- 6/9/10** Open well (w/SIP of 1250 psi) @ 11:30 hrs 6/8/10 & pres bled to 0 psi. At 15:30 hrs well started flowing water, at 16:30 hrs had gas to surface. Continued flow testing well until 04:42 hrs 6/9/10.flowed on 64/64 & 48/64 ck, rate dec f/ 1.370 to a low of 0.355 and final rate of 0.519 MMcfpd, FP dec f/ 240 psi max to a final of 50 psi, recovered 180 BLW at varying rates with no water last hour. Shut well in to buily up pressure. Final weight of water recovered was 10 ppg. SIP this AM 480 psi
- 6/10/10** SIP @ 1400 hrs 6/9/10 was 1360 psi. RU Tefteller SLU & ran 1.750" Gauge Ring, tag bottom @ 11786 WLKBM. Ran tandem Electronic Memory Gauges to 11720 WLKBM. Secure well for 72 hour SIBHP. SIP this AM 1275
- 6/11/10** Well shut in conducting 72 hour SIBHP with tandem Electronic Memory Gauges. SIP this AM 1540 psi.
- 6/12/10** Well shut in conducting 72 hour SIBHP with tandem Electronic Memory Gauges. SIP this AM 1600 psi. Gauges will be pulled this afternoon

<p>STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING</p>	<p>FORM 9</p>
<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>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.</p>	<p>5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365</p>
<p>1. TYPE OF WELL Oil Well</p>	<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</p>
<p>2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC</p>	<p>7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70</p>
<p>3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532</p>	<p>8. WELL NAME and NUMBER: Paradox Basin #3</p>
<p>PHONE NUMBER: 435 259-2333 Ext</p>	<p>9. API NUMBER: 43019500030000</p>
<p>4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S</p>	<p>9. FIELD and POOL or WILDCAT: WILDCAT</p>
	<p>COUNTY: GRAND</p>
	<p>STATE: UTAH</p>

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 Approximate date work will start: 6/24/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

See attached procedure

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

Date: June 22, 2010
By: 

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 6/18/2010	

Golden Eagle Exploration, LLC
Paradox Basin #3
Grand County, Utah
REVISED COMPLETION PROCEDURE – June 17, 2010

UTAH DOGM REGULATOR REQUIREMENTS

- *R649-3-6-2.3. The operator shall notify the DOGM 24 hours in advance of all testing to be performed on the blowout preventer equipment on a well.*
- *R649-3-6-2.5. The operator shall notify the DOGM 24 hours in advance of all casing tests performed in accordance with R649-3-13.*
- *All BOP component pressure tests shall be maintained for 10 minutes each.*
- *All casing pressure tests shall be maintained for 30 minutes.*

CURRENT WELL STATUS AS OF 17 JUNE 2010

The Ismay formation has been perforated as seen below.
The Gross Perf Interval MD – 11674 MD to 11790 MD.
The Gross Perf Interval TVD - 10551 TVD to 10655 TVD.

- 1) 11,674' to 11,678' , 4' @ 4 spf;
- 2) 11,692' to 11,694' , 2' @ 4 spf;
- 3) 11,756' to 11,758' , 2' @ 4 spf;
- 4) 11,784' to 11,790' , 6' @ 4 spf.

Halliburton performed a gel water frac which prematurely screened out leaving the casing full of sand laden proppant. The casing was cleaned successfully (on the 2nd attempt) using 2" coil tubing & gelled water. After cleaning out the fluid in the casing was displaced with nitrogen. Attempt to flow test indicated the well would produce however, the well loaded up with water and died.

R/U Halib SLU & Ran BHP & fluid gradient. BHP = 4910 psi @ 11800 MD/ 10664 TVD
8.85 ppg equiv, BHT 192 deg F, Fluid level +/-3700 feet from surf.

Tefteller was rigged up and ran a 72 hr SIBHP survey. BHP was 4777 psi @ 11700 MD/
10574 TVD. The fluid level was @ 5065 MD/ 4794 TVD.

The decision was made to proceed with the completion and run 2 3/8" production tubing and then swab/Jet the remaining load water.

The SIP on June 16, 2010, was 2040 psi

PROCEDURE

1. RU Monument Well Service Co. completion rig.
2. RU Superior E-line. Install E-line lubricator on top of 5 1/8" 10M CIW Frac tree. Pressure test lubricator to 2100 psi.

3. Run #1 - CCL/Gamma Gun (blank) to check for sand fill (BHP run found sand @ 11745).
Run #2 - 5 1/2" 17 # Gauge Ring/Junk Basket/CCL/GR on E-line.
Run #3 - PU Halliburton 5 1/2" BWS packer assembly with "KNOCK OUT PLUG" in place. Set 5 1/2" packer with the bottom of the tail assembly at 11624 MD (50 feet above top perforation at 11674). The production packer assembly is described as follows:
5 1/2" 14-20# BWS Perma-Series Packer;
Seal bore Extension;
crossover;
6'x 2 3/8" 4.7# L/N-80 pup joint;
"X" nipple, 1.875" ID;
6'x 2 3/8 4.7# L/N-80 pup joint;
"XN" nipple.1.792" ID;
6'x 2 3/8 4.7# L/N-80 pup joint; and
Knock Out Plug/2.000" ID Wireline Re-Entry Guide

POOH with Eline.
4. Slowly bleed the pressure off the casing and the frac tree and fill the casing (from the top) with 10 ppg salt water that was produced while flowing the well.
5. Pressure test casing and BWS packer assembly to 750 psi.
6. Install 7 1/16" x 5M double ram BOP (**with 2 3/8" pipe rams- blind rams in top & pipe rams in bottom**) and 7 1/16" 5M x 5 1/8" 10M xover spool on top of 5 1/8" 10M Frac tree. Body test BOP's & blind rams to 250/3500 psi. Hold all pressure test for 10 minutes each and record on chart.
7. PU 5 1/2" Halliburton RTTS (storm packer) Packer and RIH with PU 2200 feet of 2 3/8" 4.7 ppf L-80 EUE tubing, 5 1/2" Halliburton RTTS (storm packer) with 2 joints 2 3/8" tubing on top. Set packer at 60' feet below well head (min required wt of tubing below packer is 10,000 lbs). Pressure test packer casing annulus to 1000 psi. POOH w/ landing string.
8. Remove 7 1/16" BOP's & CIW 5 1/8" 10M Frac Tree.
9. Install 7 1/16" x 5M double ram BOP and Annular/Stripper head. Set test plug and pressure test BOPE to 250 psi low and 3500 psi high, hold all pressure test for 10 minutes each and record on chart. (Note: Keep valves on tubing spool open while testing BOP's).
10. PU storm packer retrieving tool & RIH with 2 3/8" tubing. Engage, release & recover storm packer (observe well for indications of gas below packer).
11. Pick up seal assembly and run in hole on 2 3/8" 4.7# L-80 EUE tubing. Note: Drift all 2 3/8" tubing, pup joints and nipples while picking up tubing. Sting into production packer assembly & space out to land tubing with 6000# tension.
12. R/U (Co to be Determined) Slick Line Unit and run gauge ring inside tubing.

13. PU and displace annulus with 8.7 ppg KCl water treated packer fluid
14. Land tubing with 6,000# tension and install CIW Back Pressure Valve.
15. Remove BOP's.
16. Install tree & pressure test to 5000 psi. Remove CIW BPV.
17. R/U Slick Line Unit and run gauge ring inside tubing to packer.
18. R/U Halliburton pump truck and pump out "Knock Out Plug".
19. Release completion rig.
20. Flow test well as instructed.

Attachments:

Golden Eagle's proposed wellbore schematic

Halliburton's proposed wellbore schematic is being prepared

Directional Information

BHP's from Halliburton & Tefteller

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> OTHER:
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/19/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 6-19-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 6/20/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 21, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 6-13-2010 through 6-19-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 6/13/10** RU Schl E-Line & tag sand fill @ 11745, ran Spinner Survey across perforations 11674 - 11678 & 11692 - 11694. RD Schl. Flowed well to unload water for 5 hrs. Shut well in at 20:00 hrs June v13, 2010. SIP this AM is 1810 psi.
- 6/14/10** Monitor SIP & Wait on Comp Rig. SIP this AM 2000 psi.
- 6/15/10** Monitor SIP & Wait on Comp Rig. SIP this AM 2040 psi.
- 6/16/10** Monitor SIP & Wait on Comp Rig. SIP this AM 2040 psi.
- 6/17/10** Monitor SIP & Wait on Comp Rig. SIP this AM 2040 psi.
- 6/18/10** MIRU Monument Well Service rig over PB #3. SDFN. SIP this AM 2150 psi. Prep to NU BOP.
- 6/19/10** RU Black warrior E-Line, RIH w/ CCL/Gamma Gun (blank) & could not get below 667' after several attempts to flow out obstruction and/or work E-Line tools through obstruction. R/D E-line & SDON. SIP this AM 1750 psi. Prep to R/U 1 3/4" Coil tubing unit to wash out (Hydrate) obstruction.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/26/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 6-26-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 6/28/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 28, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 6-20-2010 through 6-26-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 6/20/10** RU Halib Coil Tubing Unit, RIH w/ 4 3/4" bit & @ 2 7/8" motor to 7000', no excess drag at 600 - 700', pmp sweep @ 7000'. (Note - pumped 193 B water w/ no returns at surface). POOH & RD CTU. RU Superior E-Line and made: Run 1 with CCL/Gamma Gun (blank), to 11790 WLM = 11768 KBM; and Run #2 with Gauge Ring/Junk Basket/CCL/Gamma to 11650 KBM. POOH. Prep to PU Production Packer assy. CP this AM 190 psi.
- 6/21/10** RU Superior E-Line and RIH, Correlate on depth & Set 5 1/2" Halib Perma-Series Packer wit seal assy at 11591; 2 3/8" x 1.995" ID "X" nip @ 11609; 2 3/8" x 1.792" ID XN Nip @ 11616; and 2 3/8" x 2" ID Pump Off Sub/Re-Entry guide @ 11624. R/D E- line. Set & test 7 1/16" DR BOP on top of Frac Tree. PU 84 jts 2 3/8" tubing & Halib RTTS Storm packer, set pkr @ 75', pres test pkr to 500 psi. SDON. Prep to remove Frac Tree.
- 6/22/10** ND 7 1/16" BOP, Remove 5 1/8" 10M Frac Tree. NU & test 7 1/16" DR BOP. PU & recover storm packer assembly. PU Halliburton seal assembly & RIH on 367 joints tubing. Latch into BWS packer & pressure test seals and annulus to 1000 psi - OK. Secure well & SDON.
- 6/23/10** Observed SITP = 560 psi and SICP = 310 psi. Monitored SIP's while rigging up to bleed off pressure thru test equipment and Halliburton to circulate well. Displaced casing with 9.4 ppg KCl water to stabilize well. Prep to POOH & replace damaged seal assembly.
- 6/24/10** Observed SITP = 560 psi and SICP = 310 psi. Monitored SIP's while rigging up to bleed off pressure thru test equipment and Halliburton to circulate well. Displaced casing with 9.4 ppg KCl water to stabilize well. Prep to POOH & replace damaged seal assembly.
- 6/25/10** POOH and found BWS Packer Mandrel was stuck on Seal Assembly. Left all external pieces of BWS packer in the hole and all tubing pup joints, X & XN nipples. All equipment should have fallen down the hole to the top of the sand fill @ 11769 KBMD and the top of the junk should be at 11733. RIH with 2 3/8" x 5 1/2" Halliburton PLS packer assy 365 joints 4.7# L-80 EUE 8rd tubing. Ste pkr at 11540 and re-entry guide at 11563. Ran 1.842" Gauge Ring to XN nipple. Installed 2 3/8" 5M CIW production tree. Pressure testing tree.

6/26/10

Pulled Coil into Lubricator And Shut well in @ 07:30 hrs June 26, 2010:
Initial Shut in Tbg Pressure = 540 psi. After 5 min's SITP = 700 psi. at
08:30 hrs After 1 hr S/I = 1,280 psi, at 09:30 hrs SITP = 1400 psi, at 10:30
hrs SITP = 1600 psi, well started flowing at 11:00 hrs.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
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		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
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<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/3/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 7-3-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 7/5/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 07, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 6-27-2010 through 7-3-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 6/27/10** Pulled Coil into Lubricator And Shut well in @ 07:30 hrs June 26, 2010: Initial Shut in Tbg Pressure = 540 psi. After 5 min's SITP = 700 psi. at 08:30 hrs After 1 hr S/I = 1,280 psi. at 09:30 hrs SITP = 1400 psi. at 10:30 hrs SITP = 1600 psi. well started flowing at 11:00 hrs
- 6/28/10** Flowed well to test fpr 6 hrs. Shut well in to build pressure for 18 hours. SITP this AM 2125 psi. See attached Pure Energy Flow Test Report for gas rates & pressures.
- 6/29/10** 42 hour SITP = 2425 psi. Open well to test equip at 06:00 hrs this AM..
- 6/30/10** Flow tested well for 22 hrs & SI 2 hours while conducting slick line operations to run tandem BHP gauges. Ran gauges to 11500 SLM = 11475 KBM = 10373 TVD. Shut well in at 06:00 hrs this AM to record 72 hr shut in BHP.
- 7/1/10** Well shut in for 24 hrs while conducting 72 hour SIBHP with tandem Electronic Memory Gauges. S/I surface pressure this AM 2200 psi.
- 7/2/10** Well shut in for 48 hrs while conducting 72 hour SIBHP with tandem Electronic Memory Gauges. S/I surface pressure this AM 2490 psi.
- 7/3/10** Well shut in for 72 hrs while conducting 72 hour SIBHP with tandem Electronic Memory Gauges. S/I surface pressure this AM 2660 psi. Prep to open well for 6 hour flow & then pull BHP gauges.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532 435 259-2333 Ext PHONE NUMBER:		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND STATE: UTAH
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<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/10/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 7-10-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 7/11/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 14, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 7-4-2010 through 7-10-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 7/4/10** Flowed well 8 hrs after conducting 72 hr SI. Shut well in 1 hour while pulling BHP gauges. Continue to flow well for 5 hours & shut well in. Start flow testing well on alternating 12 hour shut in & 12 hour flow cycles. S/I surface pressure this AM 1900 psi.
- 7/5/10** Continue flow testing well on alternating 12 hour shut in & 12 hour flow cycles. S/I surface pressure this AM 1850 psi.
- 7/6/10** Continue flow testing well on alternating 12 hour shut in & 12 hour flow cycles. S/I surface pressure this AM 1825 psi.
- 7/7/10** Con't monitoring SI pressure, after 12 hours pressure increased to 1900 psi. Open well at 0800 hrs on 18/64" ck, initial flow rate of 1.735 Mmscfd, after 5 hours pressure leveled off around 420 psi with ARO 0.600 MMscfd, total of 13 bbls of water flowed. Obtained gas and water samples for lab analysis. Shut in well at 1300 hrs July 6, 2010. S/I surface pressure this AM 2000 psi.
- 7/8/10** Con't monitoring S/I pressure, after 20 hours S/I pressure i to 2075 psi. Open well at 09:00 hrs on 18/64" ck, with 2075 psi, initial flow rate of 1.178 MMscfd on an 18/64" choke, after 12 hours pressure leveled off around 490 psi and a rate around 0.450 Mmscfd, unable to record water due to test separator volume must first before it will dump to test tank, vessel volume of 47 bbls. Shut in well at 2100 hrs , monitoring pressure, 9 hour S/I pressure at 0600 hrs 1710 psi
- 7/9/10** Con't monitoring S/I pressure, after 12 hours S/I pressure increased to 1810 psi. Open well at 09:00 hrs on 18/64" ck, with 1810 psi, initial flow rate of 1.247 MMscfd after 12 hours pressure leveled off around 300 psi and a rate around 0.500 MMscfd. Separator full @ 09:30 hrs & started dumping water to test tank. Average water rate for previous 24 hrs of flow at 3.45 bwph. Shut in well at 2100 hrs, monitoring pressure, 9 hour S/I pressure at 0600 hrs 1700 psi.
- 7/10/10** Con't monitoring S/I pressure, after 12 hours S/I pressure increased to 1800 psi. Open well at 09:00 hrs on 18/64" ck, with 1800 psi, initial flow rate of 1.218 MMscfd after 3 hours pressure leveled off around 410 psi and a rate around 0.730 MMscfd w/ 2 bwph. RU Tefeller & ran tandem BHP gauges & hung off in "XN" nip for 10 day BHP build up ple @

11552' MD (10441' TVD), RD SLU. Open well for 8 hr flow, final FTP
280 psi at 0.500 MMcfd. Shut well in for 10 day BHP build up @ 00:00
hrs 7/10/10 .

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FBL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER:
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/17/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the completion reports ending 7-17-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 7/18/2010

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 20, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 7-11-2010 through 7-17-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 7/11/10** Removed 2" CIW BPV on 7/9/10. Moved in & RU Pure Test Equipment on 7/10/10. SITP 350 psi. Open well & pressure immediately bled down to 0 psi. Monitored well for 5.50 hrs, well dead, no gas or water flowing from well. Shut well in and begin R/D & released Pure Energy Test Equipment.
- 7/12/10** Day 2 of 10 day SI BHP build up. Monitoring surface pressure, 2500 psi at report time. Demobed Pure test equipment.
- 7/13/10** Day 3 of 10 day SI BHP build up. Monitoring surface pressure, 2800 psi at report time.
- 7/14/10** Day 4 of 10 day SI BHP build up. Monitoring surface pressure, 3000 psi at report time.
- 7/15/10** Day 5 of 10 day SI BHP build up. Monitoring surface pressure, 3300 psi at report time.
- 7/16/10** Day 6 of 10 day SI BHP build up. Monitoring surface pressure, 3450 psi at report time.
- 7/17/10** Day 7 of 10 day SI BHP build up. Monitoring surface pressure, 3490 psi at report time.

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

AMENDED REPORT (highlight changes)

CONFIDENTIAL

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

2. NAME OF OPERATOR: Golden Eagle Exploration, LLC

3. ADDRESS OF OPERATOR: P.O. Box 1346 CITY Moab STATE UT ZIP 84532 PHONE NUMBER: (435) 259-2333

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1023' FSL & 1754' FEL, SW/4 SE/4
AT TOP PRODUCING INTERVAL REPORTED BELOW: 100' FNL & 199' FEL, NE/4 NE/4, *Per HSM Review*
AT TOTAL DEPTH: ⁹²100' FNL & ¹⁰¹199' FEL, NE/4 NE/4,

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365

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

7. UNIT or CA AGREEMENT NAME: Golden Eagle 70

8. WELL NAME and NUMBER: Paradox Basin #3

9. API NUMBER: 4301950003

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 16 23S 23E S

12. COUNTY: Grand 13. STATE: UTAH

14. DATE SPURRED: 1/26/2010 15. DATE T.D. REACHED: 3/31/2010 16. DATE COMPLETED: 4/28/2010 ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): 5044 GR

18. TOTAL DEPTH: MD 11,847 TVD 10,706 19. PLUG BACK T.D.: MD 11,804 TVD 10,608.5 20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL GR, CAL, VDL, CN, HD, A, LD.

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
30	20 weld	1/4 wall	0	100		RdyMix 351	62	0	0
17.5	13 3/8 J55	54	0	1,028		Halib 900	357	0	0
12.250	9 5/8 K55	40	0	4,190		Halib 680	361	0	0
					939	Halib 519	164	0	
8.75	5 1/2 P110	17	0	11,847		Halib 1,075	381	7448	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	11,563	11,540						

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) Ismay	11,235		11,154		11,674 11,790	0.34	56	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
11674 - 11790	pumped 32,900 lbs CERAMIC - 20/40 proppant into formation

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

30. WELL STATUS: Shut-In

RECEIVED
JUL 19 2010

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE: 7/10/2010		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF: 500	WATER – BBL:	PROD. METHOD:
CHOKE SIZE: 18/64	TBG. PRESS. 290	CSG. PRESS. 0	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)
Honaker Trail	7,795				
Paradox	10,951				
Ismay	11,235				

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Golden Eagle Exploration, LLC
 SIGNATURE Don Hamilton DATE 7/13/2010

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)).

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

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

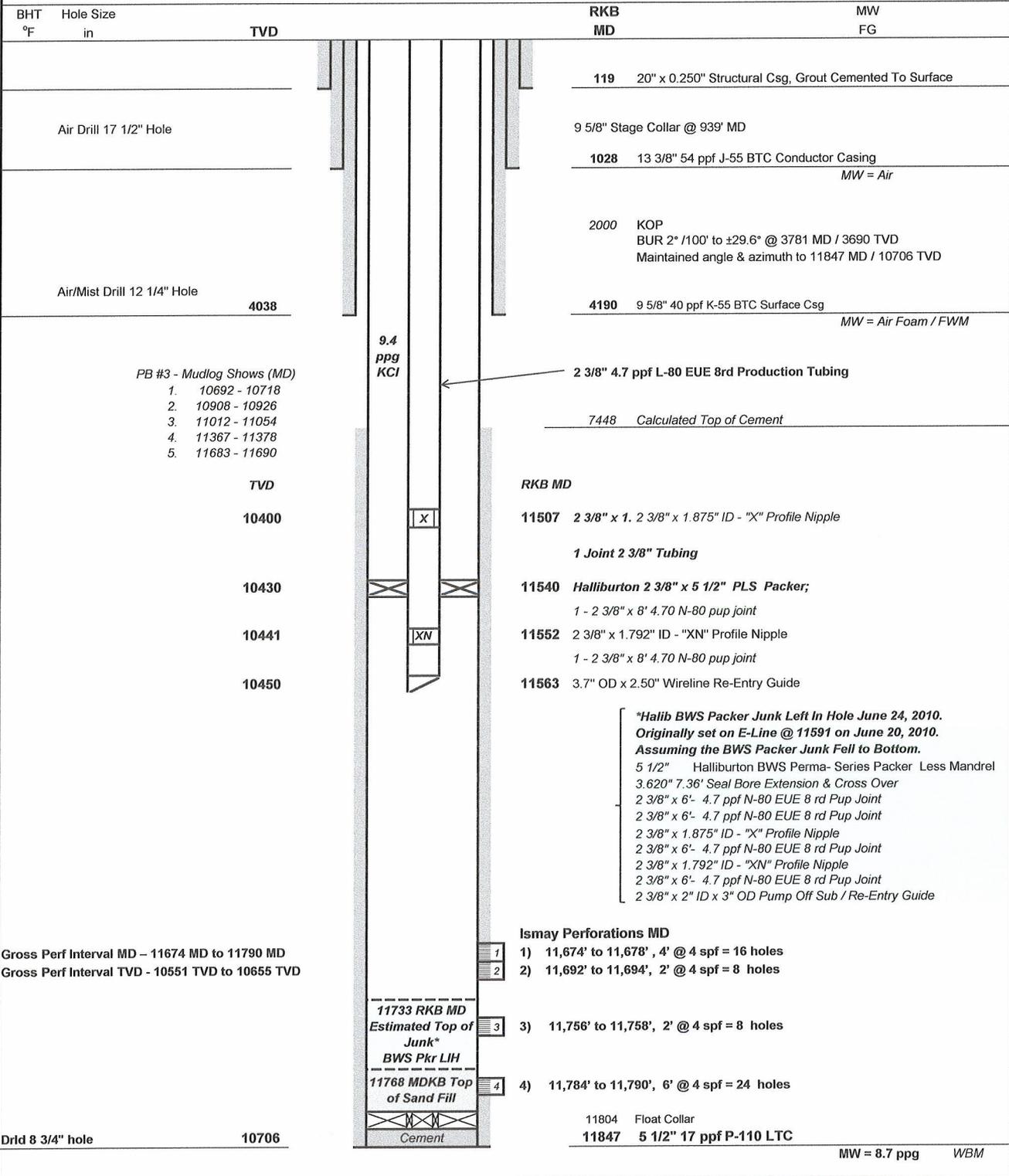
GOLDEN EAGLE EXPLORATION, LLC
Paradox Basin #3
Grand Co., Utah
Wellbore Schematic - June 25, 2010

Actual Surf Loc: Sec 16 - T23S - R23E
SWSE Sec 16-T23S -R23E
1023' FSL & 1754' FEL of Sec 16
Grand Co., Utah

Rig: Unit 234 / Monument Comp Rig
Actual TD: 11847' MD / 10706' TVD
GL Elev: 5044
Dir Well: Yes

Actual BHL: Sec 16 - T23S - R23E
NENE Sec 16-T23S -R23E
91.91' FNL & 160.7' FEL of Sec 16
4167.9' N & 1593.3' E of Surface Location

At 11847' MDTD/ 10706' TVD TD:
Inclination 25.87°, Azimuth 23.10°, Vertical Section 4462.0'.
Bottom Hole Closure is 4462.06' @ 20.92° From Surface



Hi Stan, (June 4, 2010)

We spud both the PB#2 and #3 near the base of the Entrada. We were already through the Glen Canyon group which includes the Navajo, Kayenta, and Wingate by 660'. Those formations are way too close to the surface for injection and actually crop out nearer to the river. Your best bet would be to inject somewhere in the Cutler. I don't have TVD depths for the upper part of the hole (Chinle, Moenkopi, Cutler) but assume the hole was fairly straight at that point. I can't differentiate the top of the Glen Canyon group from the base of the Entrada as they are all sands and were logged behind casing.

Here are the E-log tops for the PB#2 and PB#3 as best as I can call them; The PB#2 e-log tops were from Don Rasmussen's picks but they match the lithology sample tops pretty well.

	MD PB2	MD PB3	TVD
Entrada	surface	surface	
Glen Canyon (Navajo, Kayenta, Wingate)	unknown	unknown	unknown
Chinle	664'	594	594?
Moenkopi	956	882	882?
Cutler	1410	1256	1256?
Honaker Trail	8076	7795	7131
Paradox	10096	10502	9496
Ismay	10374	10698	9674
Hovenweep	10474	10992	9938
L Ismay	10500	11018	9964
Gothic	10700	11200	10130
Desert Creek	10838	11370	10277
Chimney Rock	11036	11592	10475
Akah	13408	11810	10672

Let me know if you need anything else. I'm still needing the distribution list and number of logs to print.

Best Regards,
Mike Barber
Summit Mudlogging Services
Phone: 435-657-0586
Cell: 435-640-1382
www.summitmudlog.com

Golden Eagle Exploration

**Grand County, UT
Section 16, T23S, R23E
Paradox Basin #3
Wellbore #1**

Survey: Final Survey Report 03/30/2010

Standard Survey Report

30 March, 2010

**Golden Eagle Exploration
Paradox Basin #3
Grand County, UT
Wellbore #1**

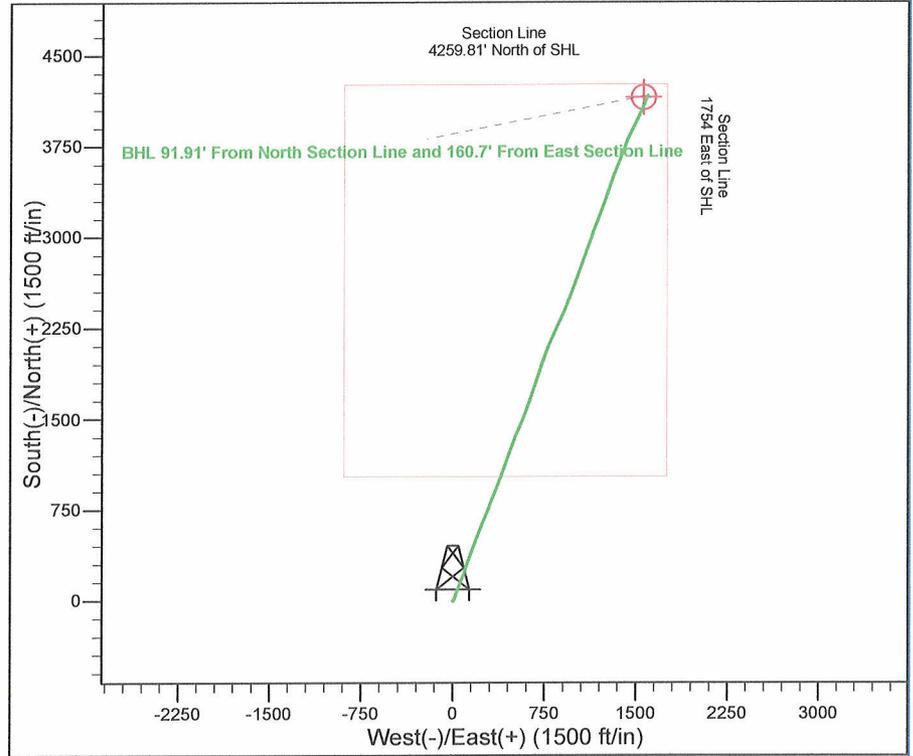
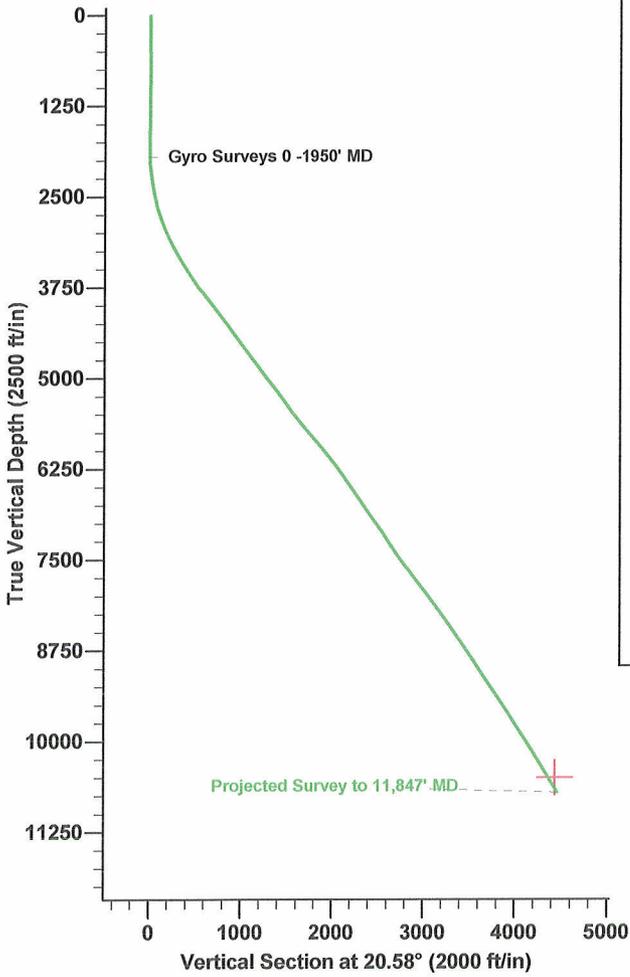


PROJECT DETAILS: Grand County, UT
Geodetic System: US State Plane 1983 Datum: North American Datum 1983 Ellipsoid: GRS 1980 Zone: Utah Central Zone System Datum: Mean Sea Level



Azimuths to True North
Magnetic North: 11.01°

Magnetic Field
Strength: 51860.3snT
Dip Angle: 64.94°
Date: 12/31/2009
Model: IGRF200510



SECTION DETAILS

No plan data is available

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEIL @ 5064.0ft (Unit 234)
MD Reference: WEIL @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Project	Grand County, UT		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Central Zone		

Site	Section 16, T23S, R23E				
Site Position:		Northing:	6,738,661.02 ft	Latitude:	38° 47' 58.359 N
From:	Lat/Long	Easting:	2,245,326.16 ft	Longitude:	109° 22' 38.971 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	1.36 °

Well	Paradox Basin #3					
Well Position	+N/-S	0.0 ft	Northing:	6,738,661.02 ft	Latitude:	38° 47' 58.359 N
	+E/-W	0.0 ft	Easting:	2,245,326.16 ft	Longitude:	109° 22' 38.971 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	5,064.0 ft	Ground Level:	5,044.0 ft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/09	11.01	64.94	51,860

Design	Wellbore #1				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)	
	0.0	0.0	0.0	20.58	

Survey Program	Date 03/30/10				
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description	
100.0	1,950.0	Gyro Survey (Wellbore #1)			

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.05	162.44	100.0	0.0	0.0	0.0	0.05	0.05	0.00
200.0	0.11	313.22	200.0	0.0	0.0	0.0	0.16	0.06	150.78
300.0	0.08	179.32	300.0	0.0	-0.1	-0.1	0.18	-0.03	-133.90
400.0	0.09	221.92	400.0	-0.1	-0.2	-0.2	0.06	0.01	42.60
500.0	0.12	321.62	500.0	-0.1	-0.3	-0.2	0.16	0.03	99.70
600.0	0.09	313.44	600.0	0.0	-0.4	-0.1	0.03	-0.03	-8.18
800.0	0.06	156.11	800.0	0.0	-0.5	-0.1	0.07	-0.01	-78.66
900.0	0.16	131.82	900.0	-0.1	-0.4	-0.2	0.11	0.10	-24.29
1,000.0	0.48	140.65	1,000.0	-0.5	0.0	-0.5	0.32	0.32	8.83
1,100.0	0.44	155.25	1,100.0	-1.2	0.4	-1.0	0.12	-0.04	14.60
1,200.0	0.45	153.39	1,200.0	-1.9	0.8	-1.5	0.02	0.01	-1.86
1,300.0	0.40	151.92	1,300.0	-2.6	1.1	-2.0	0.05	-0.05	-1.47

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEll @ 5064.0ft (Unit 234)
MD Reference: WEll @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
1,400.0	0.11	141.40	1,400.0	-3.0	1.3	-2.3	0.29	-0.29	-10.52
1,500.0	0.16	173.47	1,500.0	-3.2	1.4	-2.5	0.09	0.05	32.07
1,600.0	0.24	183.12	1,600.0	-3.5	1.4	-2.8	0.09	0.08	9.65
1,700.0	0.27	161.02	1,700.0	-3.9	1.5	-3.2	0.10	0.03	-22.10
1,800.0	0.12	139.92	1,800.0	-4.2	1.6	-3.4	0.16	-0.15	-21.10
1,900.0	0.21	174.19	1,900.0	-4.5	1.7	-3.6	0.13	0.09	34.27
1,950.0	0.29	152.13	1,950.0	-4.7	1.8	-3.8	0.25	0.16	-44.12
Gyro Surveys 0 -1950' MD									
2,013.0	1.30	27.50	2,013.0	-4.2	2.2	-3.2	2.36	1.60	-197.83
2,076.0	3.90	25.10	2,075.9	-1.6	3.4	-0.3	4.13	4.13	-3.81
2,107.0	5.01	28.15	2,106.8	0.5	4.5	2.1	3.66	3.58	9.84
2,139.0	5.80	27.20	2,138.7	3.2	5.9	5.1	2.48	2.47	-2.97
2,170.0	6.20	26.70	2,169.5	6.1	7.4	8.3	1.30	1.29	-1.61
2,202.0	6.40	26.60	2,201.3	9.2	9.0	11.8	0.63	0.62	-0.31
2,234.0	6.70	24.80	2,233.1	12.5	10.5	15.4	1.14	0.94	-5.62
2,265.0	7.00	22.90	2,263.9	15.9	12.0	19.1	1.21	0.97	-6.13
2,297.0	7.10	22.10	2,295.6	19.5	13.5	23.0	0.44	0.31	-2.50
2,328.0	7.30	20.80	2,326.4	23.1	15.0	26.9	0.83	0.65	-4.19
2,360.0	7.50	18.30	2,358.1	27.0	16.3	31.0	1.18	0.62	-7.81
2,391.0	7.70	17.90	2,388.9	30.9	17.6	35.1	0.67	0.65	-1.29
2,428.0	8.10	16.40	2,425.5	35.8	19.1	40.2	1.22	1.08	-4.05
2,460.0	8.60	16.90	2,457.2	40.2	20.4	44.8	1.58	1.56	1.56
2,492.0	9.20	17.50	2,488.8	44.9	21.9	49.8	1.90	1.87	1.87
2,524.0	9.40	17.50	2,520.4	49.9	23.5	54.9	0.62	0.62	0.00
2,555.0	10.20	18.70	2,550.9	54.9	25.1	60.2	2.66	2.58	3.87
2,587.0	10.90	19.30	2,582.4	60.4	27.0	66.1	2.21	2.19	1.87
2,618.0	11.80	19.90	2,612.8	66.2	29.1	72.2	2.93	2.90	1.94
2,650.0	12.40	20.15	2,644.0	72.5	31.4	78.9	1.88	1.87	0.78
2,682.0	13.00	20.24	2,675.3	79.1	33.8	85.9	1.88	1.87	0.28
2,713.0	13.50	20.02	2,705.4	85.7	36.2	93.0	1.62	1.61	-0.71
2,745.0	14.20	20.00	2,736.5	92.9	38.9	100.7	2.19	2.19	-0.06
2,777.0	14.60	20.40	2,767.5	100.4	41.6	108.6	1.29	1.25	1.25
2,809.0	15.40	20.40	2,798.4	108.2	44.5	116.9	2.50	2.50	0.00
2,841.0	15.80	20.70	2,829.2	116.2	47.5	125.5	1.28	1.25	0.94
2,872.0	16.60	20.90	2,859.0	124.3	50.6	134.2	2.59	2.58	0.65
2,904.0	17.10	20.90	2,889.6	133.0	53.9	143.4	1.56	1.56	0.00
2,936.0	17.90	21.20	2,920.1	142.0	57.3	153.1	2.52	2.50	0.94
2,967.0	18.60	21.20	2,949.6	151.0	60.9	162.8	2.26	2.26	0.00
2,999.0	19.50	21.00	2,979.8	160.8	64.6	173.2	2.82	2.81	-0.62
3,030.0	20.00	21.00	3,009.0	170.5	68.4	183.7	1.61	1.61	0.00
3,062.0	20.80	20.90	3,039.0	181.0	72.4	194.8	2.50	2.50	-0.31
3,094.0	21.20	20.90	3,068.9	191.7	76.4	206.3	1.25	1.25	0.00
3,126.0	21.80	20.90	3,098.7	202.6	80.6	218.0	1.87	1.87	0.00
3,157.0	22.10	20.80	3,127.4	213.5	84.8	229.6	0.98	0.97	-0.32
3,187.0	22.60	19.90	3,155.1	224.1	88.7	241.0	2.02	1.67	-3.00
3,219.0	23.00	18.90	3,184.6	235.8	92.8	253.4	1.74	1.25	-3.12
3,249.0	23.30	18.40	3,212.2	247.0	96.6	265.2	1.20	1.00	-1.67
3,281.0	23.80	17.80	3,241.6	259.2	100.6	278.0	1.73	1.56	-1.87
3,313.0	24.10	18.40	3,270.8	271.5	104.6	291.0	1.21	0.94	1.87
3,345.0	24.00	18.30	3,300.0	283.9	108.7	304.0	0.34	-0.31	-0.31
3,379.0	24.10	18.30	3,331.1	297.1	113.1	317.8	0.29	0.29	0.00
3,409.0	24.10	19.30	3,358.5	308.6	117.0	330.1	1.36	0.00	3.33
3,441.0	24.70	19.50	3,387.6	321.1	121.4	343.3	1.89	1.87	0.62
3,472.0	25.20	19.70	3,415.7	333.4	125.8	356.4	1.64	1.61	0.65

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEll @ 5064.0ft (Unit 234)
MD Reference: WEll @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,503.0	25.60	18.80	3,443.7	346.0	130.2	369.7	1.79	1.29	-2.90
3,533.0	25.90	19.60	3,470.7	358.3	134.5	382.7	1.53	1.00	2.67
3,563.0	26.90	19.20	3,497.6	370.9	138.9	396.0	3.39	3.33	-1.33
3,596.0	27.40	19.90	3,527.0	385.1	143.9	411.1	1.80	1.52	2.12
3,627.0	27.60	20.00	3,554.5	398.5	148.8	425.4	0.66	0.65	0.32
3,657.0	28.20	19.80	3,581.0	411.7	153.6	439.4	2.02	2.00	-0.67
3,689.0	28.90	19.50	3,609.1	426.1	158.7	454.7	2.23	2.19	-0.94
3,719.0	29.00	19.60	3,635.3	439.8	163.6	469.3	0.37	0.33	0.33
3,748.0	28.60	18.80	3,660.8	453.0	168.2	483.2	1.92	-1.38	-2.76
3,781.0	29.60	19.00	3,689.6	468.2	173.4	499.3	3.04	3.03	0.61
3,810.0	30.30	19.90	3,714.7	481.8	178.2	513.7	2.87	2.41	3.10
3,842.0	31.30	20.50	3,742.2	497.2	183.9	530.1	3.27	3.12	1.87
3,872.0	31.80	21.50	3,767.8	511.9	189.5	545.8	2.41	1.67	3.33
3,904.0	31.90	21.70	3,795.0	527.6	195.7	562.7	0.45	0.31	0.62
3,935.0	31.90	22.10	3,821.3	542.8	201.8	579.1	0.68	0.00	1.29
3,967.0	31.60	21.60	3,848.5	558.4	208.1	595.9	1.25	-0.94	-1.56
3,997.0	31.60	21.30	3,874.0	573.0	213.8	611.6	0.52	0.00	-1.00
4,028.0	31.30	21.90	3,900.5	588.1	219.8	627.8	1.40	-0.97	1.94
4,058.0	31.20	22.20	3,926.1	602.5	225.6	643.4	0.62	-0.33	1.00
4,088.0	31.50	22.00	3,951.7	617.0	231.5	659.0	1.06	1.00	-0.67
4,123.0	31.20	22.20	3,981.6	633.8	238.4	677.2	0.91	-0.86	0.57
4,155.0	31.50	22.00	4,009.0	649.3	244.6	693.8	0.99	0.94	-0.62
4,187.0	31.60	22.20	4,036.2	664.8	250.9	710.5	0.45	0.31	0.62
4,217.0	30.90	22.70	4,061.9	679.1	256.9	726.1	2.49	-2.33	1.67
4,248.0	30.60	22.60	4,088.5	693.8	263.0	741.9	0.98	-0.97	-0.32
4,279.0	30.50	22.10	4,115.2	708.3	269.0	757.7	0.88	-0.32	-1.61
4,311.0	30.10	21.60	4,142.9	723.3	275.0	773.8	1.48	-1.25	-1.56
4,341.0	29.80	21.70	4,168.8	737.3	280.5	788.8	1.01	-1.00	0.33
4,371.0	30.50	21.60	4,194.8	751.3	286.1	803.9	2.34	2.33	-0.33
4,400.0	31.10	21.30	4,219.7	765.1	291.5	818.7	2.14	2.07	-1.03
4,435.0	30.90	21.00	4,249.7	781.9	298.0	836.7	0.72	-0.57	-0.86
4,466.0	30.50	21.00	4,276.4	796.7	303.7	852.6	1.29	-1.29	0.00
4,496.0	30.40	20.60	4,302.2	810.9	309.1	867.8	0.75	-0.33	-1.33
4,528.0	29.80	20.60	4,329.9	825.9	314.7	883.8	1.87	-1.87	0.00
4,559.0	29.50	20.80	4,356.8	840.2	320.1	899.2	1.02	-0.97	0.65
4,589.0	29.70	20.90	4,382.9	854.1	325.4	914.0	0.69	0.67	0.33
4,619.0	30.00	20.90	4,408.9	868.0	330.7	928.9	1.00	1.00	0.00
4,651.0	29.70	20.90	4,436.7	882.9	336.4	944.8	0.94	-0.94	0.00
4,683.0	29.40	20.90	4,464.5	897.7	342.0	960.6	0.94	-0.94	0.00
4,715.0	30.00	20.20	4,492.3	912.5	347.6	976.5	2.17	1.87	-2.19
4,746.0	30.30	20.50	4,519.1	927.1	353.0	992.0	1.08	0.97	0.97
4,778.0	29.80	19.80	4,546.8	942.2	358.5	1,008.1	1.91	-1.56	-2.19
4,810.0	29.40	19.90	4,574.7	957.0	363.9	1,023.9	1.26	-1.25	0.31
4,840.0	29.70	19.10	4,600.8	971.0	368.8	1,038.7	1.65	1.00	-2.67
4,872.0	29.90	19.60	4,628.5	986.0	374.1	1,054.6	1.00	0.62	1.56
4,902.0	30.40	19.80	4,654.5	1,000.2	379.2	1,069.6	1.70	1.67	0.67
4,934.0	31.00	19.90	4,682.0	1,015.5	384.7	1,086.0	1.88	1.87	0.31
4,963.0	31.70	20.50	4,706.8	1,029.7	390.0	1,101.0	2.64	2.41	2.07
4,995.0	31.80	20.20	4,734.0	1,045.5	395.8	1,117.9	0.58	0.31	-0.94
5,025.0	31.50	20.10	4,759.5	1,060.3	401.2	1,133.6	1.02	-1.00	-0.33
5,088.0	31.00	19.30	4,813.4	1,091.0	412.3	1,166.3	1.03	-0.79	-1.27
5,120.0	31.00	20.00	4,840.8	1,106.5	417.8	1,182.8	1.13	0.00	2.19
5,152.0	31.70	19.80	4,868.1	1,122.2	423.5	1,199.4	2.21	2.19	-0.62
5,183.0	31.70	20.70	4,894.5	1,137.5	429.1	1,215.7	1.53	0.00	2.90

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEll @ 5064.0ft (Unit 234)
MD Reference: WEll @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,214.0	31.50	20.30	4,920.9	1,152.7	434.8	1,232.0	0.93	-0.65	-1.29
5,246.0	31.40	20.70	4,948.2	1,168.3	440.6	1,248.7	0.72	-0.31	1.25
5,309.0	30.90	20.10	5,002.1	1,198.9	452.0	1,281.2	0.93	-0.79	-0.95
5,341.0	30.50	20.10	5,029.6	1,214.2	457.6	1,297.6	1.25	-1.25	0.00
5,373.0	30.20	20.40	5,057.2	1,229.4	463.2	1,313.8	1.05	-0.94	0.94
5,405.0	30.70	20.30	5,084.8	1,244.6	468.8	1,330.0	1.57	1.56	-0.31
5,436.0	31.00	20.30	5,111.4	1,259.5	474.4	1,345.9	0.97	0.97	0.00
5,469.0	31.50	21.10	5,139.7	1,275.5	480.4	1,363.0	1.97	1.52	2.42
5,499.0	31.60	20.70	5,165.2	1,290.2	486.0	1,378.7	0.77	0.33	-1.33
5,531.0	30.70	20.00	5,192.6	1,305.7	491.8	1,395.2	3.03	-2.81	-2.19
5,561.0	30.40	19.90	5,218.4	1,320.0	497.0	1,410.5	1.01	-1.00	-0.33
5,593.0	30.10	20.20	5,246.1	1,335.2	502.5	1,426.6	1.05	-0.94	0.94
5,625.0	29.90	21.10	5,273.8	1,350.1	508.1	1,442.6	1.54	-0.62	2.81
5,657.0	29.50	21.50	5,301.6	1,364.9	513.9	1,458.5	1.40	-1.25	1.25
5,689.0	28.70	22.00	5,329.6	1,379.4	519.7	1,474.0	2.61	-2.50	1.56
5,719.0	28.90	22.60	5,355.8	1,392.7	525.2	1,488.5	1.17	0.67	2.00
5,751.0	29.20	23.20	5,383.8	1,407.1	531.2	1,504.0	1.31	0.94	1.87
5,815.0	28.60	24.00	5,439.8	1,435.4	543.6	1,534.9	1.12	-0.94	1.25
5,847.0	29.60	22.90	5,467.8	1,449.7	549.8	1,550.4	3.54	3.12	-3.44
5,878.0	31.10	23.50	5,494.6	1,464.1	555.9	1,566.1	4.94	4.84	1.94
5,908.0	32.30	24.00	5,520.1	1,478.5	562.3	1,581.8	4.09	4.00	1.67
5,939.0	32.40	24.00	5,546.3	1,493.7	569.0	1,598.4	0.32	0.32	0.00
5,971.0	32.80	22.60	5,573.2	1,509.5	575.9	1,615.6	2.67	1.25	-4.37
6,002.0	33.40	20.40	5,599.2	1,525.2	582.1	1,632.5	4.33	1.94	-7.10
6,033.0	34.00	19.80	5,625.0	1,541.4	588.0	1,649.7	2.21	1.94	-1.94
6,065.0	34.00	18.50	5,651.5	1,558.3	593.8	1,667.6	2.27	0.00	-4.06
6,098.0	34.20	18.40	5,678.8	1,575.8	599.7	1,686.1	0.63	0.61	-0.30
6,129.0	34.30	19.40	5,704.5	1,592.4	605.3	1,703.5	1.84	0.32	3.23
6,161.0	34.60	19.20	5,730.9	1,609.4	611.3	1,721.6	1.00	0.94	-0.62
6,193.0	35.00	19.60	5,757.1	1,626.7	617.4	1,739.9	1.44	1.25	1.25
6,225.0	35.50	19.30	5,783.3	1,644.1	623.5	1,758.3	1.65	1.56	-0.94
6,257.0	35.60	19.50	5,809.3	1,661.6	629.7	1,776.9	0.48	0.31	0.62
6,289.0	35.00	19.00	5,835.4	1,679.1	635.8	1,795.4	2.08	-1.87	-1.56
6,320.0	34.50	18.80	5,860.9	1,695.8	641.5	1,813.1	1.65	-1.61	-0.65
6,351.0	34.70	19.10	5,886.4	1,712.5	647.3	1,830.7	0.85	0.65	0.97
6,384.0	34.70	19.00	5,913.5	1,730.2	653.4	1,849.5	0.17	0.00	-0.30
6,413.0	34.10	18.90	5,937.5	1,745.7	658.7	1,865.8	2.08	-2.07	-0.34
6,432.0	33.71	18.70	5,953.2	1,755.7	662.1	1,876.4	2.13	-2.05	-1.05
6,477.0	33.27	18.74	5,990.8	1,779.3	670.1	1,901.3	0.98	-0.98	0.09
6,507.0	32.50	17.40	6,016.0	1,794.7	675.2	1,917.5	3.53	-2.57	-4.47
6,540.0	32.10	17.60	6,043.9	1,811.6	680.5	1,935.1	1.25	-1.21	0.61
6,570.0	32.10	17.40	6,069.3	1,826.8	685.2	1,951.1	0.35	0.00	-0.67
6,602.0	32.10	17.90	6,096.4	1,843.0	690.4	1,968.0	0.83	0.00	1.56
6,634.0	32.10	18.30	6,123.5	1,859.1	695.7	1,985.0	0.66	0.00	1.25
6,664.0	32.50	17.80	6,148.8	1,874.4	700.7	2,001.0	1.60	1.33	-1.67
6,696.0	32.10	17.80	6,175.9	1,890.6	705.9	2,018.1	1.25	-1.25	0.00
6,728.0	31.80	18.20	6,203.0	1,906.8	711.1	2,035.0	1.15	-0.94	1.25
6,760.0	30.80	18.70	6,230.4	1,922.5	716.4	2,051.6	3.23	-3.12	1.56
6,790.0	30.40	19.10	6,256.2	1,937.0	721.3	2,066.9	1.50	-1.33	1.33
6,822.0	30.40	19.00	6,283.8	1,952.3	726.6	2,083.1	0.16	0.00	-0.31
6,854.0	29.90	19.30	6,311.5	1,967.5	731.9	2,099.2	1.63	-1.56	0.94
6,884.0	30.00	19.20	6,337.5	1,981.6	736.8	2,114.1	0.37	0.33	-0.33
6,914.0	29.80	18.90	6,363.5	1,995.7	741.7	2,129.1	0.83	-0.67	-1.00
6,946.0	29.80	19.60	6,391.2	2,010.7	746.9	2,145.0	1.09	0.00	2.19
6,978.0	28.80	19.50	6,419.2	2,025.5	752.2	2,160.6	3.13	-3.12	-0.31

Crescent Directional Drilling

Survey Report

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Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEll @ 5064.0ft (Unit 234)
MD Reference: WEll @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,008.0	28.40	19.60	6,445.5	2,039.0	757.0	2,175.0	1.34	-1.33	0.33
7,038.0	28.00	19.50	6,471.9	2,052.4	761.7	2,189.2	1.34	-1.33	-0.33
7,070.0	28.70	20.50	6,500.1	2,066.7	766.9	2,204.4	2.64	2.19	3.12
7,102.0	28.30	20.60	6,528.2	2,081.0	772.3	2,219.6	1.26	-1.25	0.31
7,133.0	27.80	20.10	6,555.6	2,094.6	777.4	2,234.2	1.78	-1.61	-1.61
7,163.0	28.10	20.40	6,582.1	2,107.8	782.2	2,248.3	1.10	1.00	1.00
7,197.0	28.30	21.80	6,612.0	2,122.8	788.0	2,264.3	2.03	0.59	4.12
7,228.0	28.10	22.00	6,639.4	2,136.4	793.5	2,279.0	0.71	-0.65	0.65
7,260.0	28.00	22.20	6,667.6	2,150.4	799.1	2,294.0	0.43	-0.31	0.62
7,292.0	27.60	23.30	6,695.9	2,164.1	804.9	2,308.9	2.03	-1.25	3.44
7,324.0	27.20	24.20	6,724.3	2,177.6	810.8	2,323.6	1.80	-1.25	2.81
7,354.0	28.00	25.40	6,750.9	2,190.2	816.7	2,337.5	3.25	2.67	4.00
7,385.0	28.40	26.40	6,778.2	2,203.4	823.1	2,352.1	2.00	1.29	3.23
7,417.0	28.50	26.80	6,806.4	2,217.0	829.9	2,367.3	0.67	0.31	1.25
7,448.0	29.00	26.80	6,833.5	2,230.3	836.6	2,382.1	1.61	1.61	0.00
7,472.0	29.10	26.70	6,854.5	2,240.7	841.9	2,393.7	0.46	0.42	-0.42
7,501.0	30.10	24.40	6,879.7	2,253.7	848.0	2,407.9	5.22	3.45	-7.93
7,535.0	30.40	23.20	6,909.1	2,269.3	854.9	2,425.0	1.98	0.88	-3.53
7,567.0	30.40	23.30	6,936.7	2,284.2	861.3	2,441.2	0.16	0.00	0.31
7,598.0	30.50	23.30	6,963.4	2,298.6	867.5	2,456.9	0.32	0.32	0.00
7,629.0	30.20	23.60	6,990.2	2,313.0	873.8	2,472.5	1.08	-0.97	0.97
7,660.0	30.00	23.40	7,017.0	2,327.3	880.0	2,488.1	0.72	-0.65	-0.65
7,692.0	29.70	23.50	7,044.8	2,341.9	886.3	2,504.0	0.95	-0.94	0.31
7,724.0	29.20	23.70	7,072.6	2,356.3	892.6	2,519.7	1.59	-1.56	0.62
7,754.0	28.80	23.80	7,098.9	2,369.6	898.5	2,534.2	1.34	-1.33	0.33
7,786.0	28.70	22.90	7,126.9	2,383.7	904.6	2,549.6	1.39	-0.31	-2.81
7,879.0	27.30	21.80	7,209.0	2,424.1	921.2	2,593.2	1.60	-1.51	-1.18
7,911.0	26.70	21.90	7,237.5	2,437.6	926.6	2,607.7	1.88	-1.87	0.31
7,946.0	26.80	21.50	7,268.8	2,452.2	932.4	2,623.5	0.59	0.29	-1.14
7,974.0	26.70	21.20	7,293.8	2,464.0	937.0	2,636.1	0.60	-0.36	-1.07
8,006.0	27.10	20.30	7,322.3	2,477.5	942.1	2,650.6	1.78	1.25	-2.81
8,038.0	27.70	20.10	7,350.7	2,491.3	947.2	2,665.3	1.90	1.87	-0.62
8,068.0	28.80	19.80	7,377.2	2,504.7	952.1	2,679.5	3.70	3.67	-1.00
8,099.0	29.70	20.20	7,404.2	2,518.9	957.2	2,694.6	2.97	2.90	1.29
8,131.0	30.30	19.80	7,431.9	2,533.9	962.7	2,710.6	1.98	1.87	-1.25
8,163.0	30.50	19.80	7,459.5	2,549.2	968.2	2,726.8	0.62	0.62	0.00
8,193.0	30.20	19.50	7,485.4	2,563.5	973.3	2,742.0	1.12	-1.00	-1.00
8,224.0	29.70	19.40	7,512.3	2,578.1	978.5	2,757.5	1.62	-1.61	-0.32
8,256.0	29.10	19.20	7,540.2	2,592.9	983.6	2,773.2	1.90	-1.87	-0.62
8,287.0	29.80	20.20	7,567.2	2,607.2	988.8	2,788.4	2.76	2.26	3.23
8,319.0	31.50	21.00	7,594.7	2,622.5	994.5	2,804.7	5.46	5.31	2.50
8,350.0	32.10	21.50	7,621.0	2,637.7	1,000.4	2,821.1	2.11	1.94	1.61
8,382.0	31.80	21.10	7,648.2	2,653.5	1,006.6	2,838.0	1.15	-0.94	-1.25
8,414.0	31.30	21.30	7,675.4	2,669.1	1,012.7	2,854.7	1.60	-1.56	0.62
8,444.0	31.20	21.10	7,701.1	2,683.6	1,018.3	2,870.3	0.48	-0.33	-0.67
8,475.0	31.70	20.70	7,727.5	2,698.7	1,024.0	2,886.5	1.75	1.61	-1.29
8,507.0	31.80	20.30	7,754.8	2,714.5	1,029.9	2,903.3	0.73	0.31	-1.25
8,538.0	31.50	20.00	7,781.1	2,729.8	1,035.6	2,919.6	1.09	-0.97	-0.97
8,570.0	31.30	19.90	7,808.5	2,745.4	1,041.2	2,936.2	0.65	-0.62	-0.31
8,602.0	31.40	19.50	7,835.8	2,761.1	1,046.9	2,952.9	0.72	0.31	-1.25
8,634.0	31.10	19.20	7,863.1	2,776.8	1,052.4	2,969.5	1.06	-0.94	-0.94
8,666.0	30.60	19.10	7,890.6	2,792.3	1,057.7	2,985.9	1.57	-1.56	-0.31
8,698.0	31.20	19.20	7,918.1	2,807.8	1,063.1	3,002.3	1.88	1.87	0.31
8,729.0	31.00	19.20	7,944.6	2,822.9	1,068.4	3,018.3	0.65	-0.65	0.00

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEIL @ 5064.0ft (Unit 234)
MD Reference: WEIL @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,760.0	30.70	19.10	7,971.2	2,837.9	1,073.6	3,034.2	0.98	-0.97	-0.32
8,793.0	30.40	19.00	7,999.6	2,853.8	1,079.1	3,051.0	0.92	-0.91	-0.30
8,825.0	30.20	18.60	8,027.3	2,869.1	1,084.3	3,067.1	0.89	-0.62	-1.25
8,857.0	30.30	18.30	8,054.9	2,884.4	1,089.4	3,083.2	0.57	0.31	-0.94
8,888.0	30.10	18.40	8,081.7	2,899.2	1,094.3	3,098.8	0.67	-0.65	0.32
8,919.0	30.80	19.00	8,108.4	2,914.1	1,099.3	3,114.5	2.46	2.26	1.94
8,951.0	30.90	19.80	8,135.9	2,929.5	1,104.8	3,130.9	1.32	0.31	2.50
8,983.0	30.70	20.00	8,163.4	2,944.9	1,110.4	3,147.3	0.70	-0.62	0.62
9,015.0	30.40	20.20	8,191.0	2,960.2	1,116.0	3,163.6	0.99	-0.94	0.62
9,045.0	30.20	20.20	8,216.9	2,974.4	1,121.2	3,178.7	0.67	-0.67	0.00
9,077.0	29.90	20.20	8,244.6	2,989.5	1,126.7	3,194.7	0.94	-0.94	0.00
9,108.0	29.40	20.20	8,271.5	3,003.8	1,132.0	3,210.1	1.61	-1.61	0.00
9,139.0	29.20	20.20	8,298.5	3,018.1	1,137.2	3,225.2	0.65	-0.65	0.00
9,170.0	28.10	20.30	8,325.7	3,032.0	1,142.4	3,240.1	3.55	-3.55	0.32
9,201.0	29.00	20.50	8,353.0	3,045.9	1,147.6	3,254.9	2.92	2.90	0.65
9,231.0	29.40	20.50	8,379.2	3,059.6	1,152.7	3,269.6	1.33	1.33	0.00
9,263.0	28.90	20.50	8,407.1	3,074.2	1,158.1	3,285.1	1.56	-1.56	0.00
9,294.0	28.40	20.70	8,434.3	3,088.1	1,163.4	3,300.0	1.64	-1.61	0.65
9,326.0	28.10	20.70	8,462.5	3,102.3	1,168.7	3,315.1	0.94	-0.94	0.00
9,357.0	28.50	20.90	8,489.8	3,116.0	1,173.9	3,329.8	1.33	1.29	0.65
9,389.0	28.70	21.00	8,517.9	3,130.4	1,179.4	3,345.2	0.64	0.62	0.31
9,421.0	28.20	21.30	8,546.0	3,144.6	1,184.9	3,360.4	1.63	-1.56	0.94
9,452.0	28.70	20.70	8,573.3	3,158.4	1,190.2	3,375.2	1.86	1.61	-1.94
9,484.0	28.70	20.60	8,601.3	3,172.7	1,195.6	3,390.5	0.15	0.00	-0.31
9,516.0	28.80	20.60	8,629.4	3,187.1	1,201.0	3,405.9	0.31	0.31	0.00
9,546.0	29.00	20.50	8,655.7	3,200.7	1,206.1	3,420.4	0.69	0.67	-0.33
9,576.0	28.70	20.70	8,681.9	3,214.3	1,211.2	3,434.9	1.05	-1.00	0.67
9,608.0	28.10	20.80	8,710.1	3,228.5	1,216.6	3,450.1	1.88	-1.87	0.31
9,640.0	27.70	20.90	8,738.4	3,242.5	1,221.9	3,465.1	1.26	-1.25	0.31
9,672.0	28.30	20.30	8,766.6	3,256.6	1,227.2	3,480.1	2.07	1.87	-1.87
9,703.0	29.20	20.20	8,793.8	3,270.5	1,232.4	3,495.0	2.91	2.90	-0.32
9,735.0	29.20	20.20	8,821.7	3,285.2	1,237.8	3,510.6	0.00	0.00	0.00
9,767.0	28.80	20.60	8,849.7	3,299.7	1,243.2	3,526.2	1.39	-1.25	1.25
9,798.0	28.00	21.00	8,877.0	3,313.5	1,248.4	3,540.9	2.65	-2.58	1.29
9,830.0	27.10	21.30	8,905.4	3,327.3	1,253.8	3,555.7	2.85	-2.81	0.94
9,843.0	27.00	20.80	8,916.9	3,332.8	1,255.9	3,561.6	1.91	-0.77	-3.85
9,874.0	26.50	20.30	8,944.6	3,345.9	1,260.8	3,575.6	1.77	-1.61	-1.61
9,905.0	26.40	20.00	8,972.4	3,358.9	1,265.5	3,589.4	0.54	-0.32	-0.97
9,937.0	26.10	19.00	9,001.1	3,372.2	1,270.3	3,603.5	1.67	-0.94	-3.12
9,967.0	26.00	18.40	9,028.0	3,384.7	1,274.5	3,616.7	0.94	-0.33	-2.00
9,998.0	27.10	17.10	9,055.8	3,397.9	1,278.7	3,630.5	4.01	3.55	-4.19
10,030.0	26.90	17.50	9,084.3	3,411.8	1,283.0	3,645.0	0.84	-0.62	1.25
10,061.0	27.10	16.70	9,111.9	3,425.2	1,287.2	3,659.1	1.34	0.65	-2.58
10,093.0	28.00	17.20	9,140.3	3,439.4	1,291.5	3,673.9	2.90	2.81	1.56
10,124.0	27.70	18.30	9,167.7	3,453.2	1,295.9	3,688.3	1.92	-0.97	3.55
10,156.0	27.90	18.90	9,196.0	3,467.3	1,300.7	3,703.2	1.07	0.62	1.87
10,188.0	28.20	19.50	9,224.2	3,481.5	1,305.6	3,718.3	1.29	0.94	1.87
10,219.0	28.20	19.50	9,251.5	3,495.3	1,310.5	3,732.9	0.00	0.00	0.00
10,249.0	28.80	19.40	9,277.9	3,508.8	1,315.3	3,747.2	2.01	2.00	-0.33
10,302.0	28.90	20.70	9,324.3	3,532.8	1,324.0	3,772.8	1.20	0.19	2.45
10,335.0	28.80	20.00	9,353.2	3,547.8	1,329.6	3,788.7	1.07	-0.30	-2.12
10,367.0	28.40	20.90	9,381.3	3,562.1	1,334.9	3,804.0	1.84	-1.25	2.81
10,399.0	28.50	21.20	9,409.5	3,576.4	1,340.4	3,819.3	0.55	0.31	0.94
10,431.0	29.30	21.90	9,437.5	3,590.7	1,346.1	3,834.7	2.71	2.50	2.19

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEll @ 5064.0ft (Unit 234)
MD Reference: WEll @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
10,462.0	29.10	22.80	9,464.5	3,604.7	1,351.8	3,849.9	1.56	-0.65	2.90
10,494.0	28.70	22.30	9,492.6	3,619.0	1,357.8	3,865.3	1.46	-1.25	-1.56
10,526.0	28.00	22.10	9,520.7	3,633.1	1,363.5	3,880.5	2.21	-2.19	-0.62
10,557.0	27.20	21.00	9,548.2	3,646.4	1,368.8	3,894.9	3.06	-2.58	-3.55
10,589.0	27.00	21.20	9,576.7	3,660.0	1,374.0	3,909.4	0.69	-0.62	0.62
10,621.0	26.70	19.10	9,605.2	3,673.6	1,379.0	3,923.9	3.11	-0.94	-6.56
10,653.0	26.30	18.40	9,633.9	3,687.1	1,383.6	3,938.2	1.59	-1.25	-2.19
10,684.0	26.10	18.20	9,661.7	3,700.1	1,387.9	3,951.8	0.71	-0.65	-0.65
10,715.0	26.60	18.70	9,689.5	3,713.2	1,392.2	3,965.6	1.76	1.61	1.61
10,747.0	27.00	20.30	9,718.0	3,726.8	1,397.1	3,980.0	2.58	1.25	5.00
10,779.0	26.60	20.50	9,746.6	3,740.3	1,402.1	3,994.4	1.28	-1.25	0.62
10,810.0	26.30	20.50	9,774.3	3,753.2	1,406.9	4,008.3	0.97	-0.97	0.00
10,841.0	26.30	21.90	9,802.1	3,766.0	1,411.9	4,022.0	2.00	0.00	4.52
10,872.0	26.60	22.10	9,829.9	3,778.8	1,417.1	4,035.8	1.01	0.97	0.65
10,903.0	26.60	22.80	9,857.6	3,791.7	1,422.4	4,049.7	1.01	0.00	2.26
10,934.0	27.10	23.50	9,885.3	3,804.5	1,427.9	4,063.7	1.91	1.61	2.26
10,965.0	26.90	24.70	9,912.9	3,817.4	1,433.6	4,077.7	1.87	-0.65	3.87
10,996.0	26.70	26.30	9,940.6	3,830.0	1,439.6	4,091.6	2.41	-0.65	5.16
11,027.0	27.10	26.00	9,968.2	3,842.6	1,445.8	4,105.6	1.36	1.29	-0.97
11,059.0	27.00	25.30	9,996.7	3,855.7	1,452.1	4,120.1	1.04	-0.31	-2.19
11,090.0	26.60	25.60	10,024.4	3,868.3	1,458.1	4,134.0	1.36	-1.29	0.97
11,122.0	25.80	26.50	10,053.1	3,881.0	1,464.3	4,148.1	2.79	-2.50	2.81
11,153.0	25.60	27.40	10,081.0	3,893.0	1,470.4	4,161.4	1.41	-0.65	2.90
11,185.0	25.40	26.70	10,109.9	3,905.3	1,476.7	4,175.1	1.13	-0.62	-2.19
11,217.0	25.80	25.40	10,138.8	3,917.7	1,482.8	4,188.9	2.15	1.25	-4.06
11,248.0	25.60	24.70	10,166.7	3,929.9	1,488.4	4,202.3	1.17	-0.65	-2.26
11,280.0	25.50	24.50	10,195.6	3,942.4	1,494.2	4,216.0	0.41	-0.31	-0.62
11,311.0	25.50	25.20	10,223.5	3,954.5	1,499.8	4,229.4	0.97	0.00	2.26
11,372.0	25.30	25.10	10,278.6	3,978.2	1,510.9	4,255.4	0.34	-0.33	-0.16
11,404.0	25.50	24.90	10,307.6	3,990.6	1,516.7	4,269.1	0.68	0.62	-0.62
11,468.0	25.60	23.70	10,365.3	4,015.8	1,528.1	4,296.7	0.82	0.16	-1.87
11,531.0	25.90	23.50	10,422.0	4,040.9	1,539.0	4,324.0	0.50	0.48	-0.32
11,589.0	26.10	23.10	10,474.2	4,064.2	1,549.1	4,349.4	0.46	0.34	-0.69
11,625.0	26.00	23.10	10,506.5	4,078.8	1,555.3	4,365.2	0.28	-0.28	0.00
11,656.0	26.00	23.10	10,534.4	4,091.3	1,560.6	4,378.8	0.00	0.00	0.00
11,771.0	25.80	23.10	10,637.8	4,137.5	1,580.3	4,429.0	0.17	-0.17	0.00
11,847.0	25.80	23.10	10,706.2	4,167.9	1,593.3	4,462.0	0.00	0.00	0.00

Projected Survey to TD

Crescent Directional Drilling

Survey Report

Company: Golden Eagle Exploration
Project: Grand County, UT
Site: Section 16, T23S, R23E
Well: Paradox Basin #3
Wellbore: Wellbore #1
Design: Wellbore #1

Local Co-ordinate Reference: Well Paradox Basin #3
TVD Reference: WEll @ 5064.0ft (Unit 234)
MD Reference: WEll @ 5064.0ft (Unit 234)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Targets

Target Name

- hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- Shape	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
PB#3	0.00	0.00	10,505.0	4,154.5	1,559.8	6,742,851.38	2,246,786.99	38° 48' 39.421 N	109° 22' 19.266 W
- survey misses by 69.7ft at 11655.0ft MD (10533.4 TVD, 4090.9 N, 1560.5 E)									
- Rectangle (sides W0.0 H0.0 D0.0)									

Survey Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
1,950.0	1,950.0	-4.7	1.8	Gyro Surveys 0 -1950' MD
11,847.0	10,706.2	4,167.9	1,593.3	Projected Survey to TD

Checked By: _____ Approved By: _____ Date: _____

GOLDEN EAGLE EXPLORATION, LLC.

CASING / LINER CEMENTING REPORT

Lease: Paradox Basin #3 Field Yellow Cat - Grand Co., UT Date 13-Feb-10

Total Depth 4190 MD 4,038 TVD Hole Size 12.25 MW 8.6 ppg This Casing Size 9 5/8

RKB to GL 20' WD NA Prev. Casing Size 13 3/8" Set at 1028' MD, 1028' TVD

Log of casing string, each item being listed in same order as run into well

No. of Jts	Size - Item - Make - Description	Wt, ppf	Grade	Threads	Cond	Length, ft
1	9 5/8" Float Shoe - Davis - Lynch	40.00		BTC	NEW	1.83
1	9 5/8" jt csg	40.00	K55	BTC	NEW	45.10
1	9 5/8" Float Collar - Davis - Lynch	40.00		BTC	NEW	2.02
71	9 5/8" jts csg	40.00	K55	BTC	NEW	3,199.42
1	DV Tool - Davis-Lynch	40.00		BTC	NEW	2.60
21	9 5/8" jts csg	40.00	K55	BTC	NEW	946.82
Total Amount of Casing & Accessories Run (Incl Float Eq. Lin Hgr, Liner Top Pkr, DV, etc.)						4,197.79
Less Landing & Cut off Joints						30.20
Total Amount of Casing & Accessories Left In Hole						4,166.59

Accessory & Depth	MD ft	TVD ft	Plus Rotary Table To Last Casing Head Flange / GL, ft
FLOAT SHOE	4190	4038	23.20
FLOAT COLLAR	4141	4000	
DV TOOL	939	939	
Top of Liner Packer			
Casing Setting, MD ft			4,190.00
Casing Setting Depth, TVD ft			4,038.00

No. of Centralizers: 12 Make / Type: Davis-Lynch/bow Placement: 10' above shoe, 10' above float collar
1 on next 4 couplings, 3 below DV tool, 3 above DV tool / 3 Cement Baskets, 1 below DV Tool, 2 above DV Tool

No. of Scratchers: _____ Make / Type: _____ Placement: _____

FIRST STAGE

CEMENTING REPORT:

Service Co.: Halliburton No. of Pump Trucks 2

Details of Cement Job:

Pre-Flush: _____ No. of Barrels & Type: 20 bbl H2O Weight, ppg: _____

Lead Cement: _____ No. of Sacks: 510 Slurry Volume, cfs: 301 / 3.32 Slurry Weight, ppg: 11

Additives: 510 sk EXTENDACEM™ SYSTEM (4529981)

Tail Cement: _____ No. of Sacks: 170 Slurry Volume, cfs: 60 / 1.98 Slurry Weight, ppg: 12.8

Additives: 170 sk VERSACEM™ SYSTEM (452010)

Time Start Mixing 8:32 Start Displacement: 9:32 Time & Date Plug Down: 2/11/2010 10:27

Plug Bumped With, psi 765.00 Did Float Held yes Was Casing Reciprocated no

Circulation: Before Mixing NO RETURNS
 While Mixing NO RETURNS
 During Displacement NO RETURNS

Top Out: 2 STAGE (DV - TOOL)

Well Head Equip Description: Cameron 11" x 5k

CASING RECORD INVENTORY

	No. Joints	Description - Size - Wt - Gr - Thd	Threads On, ft	Threads Off, ft
Joints Delivered To Location	96	9 5/8" - 40# - K55 - BTC		4326.70
Joints Left In Well	93.00	9 5/8" - 40# - K55 - BTC		4191.34
New Joints To Be Returned	2.00	9 5/8" - 40# - K55 - BTC		90.26
Used Jts To Be Returned	1.00	9 5/8" - 40# - K55 - BTC		45.10
C/Off Pieces	1.00	9 5/8" - 40# - K55 - BTC		30.20

CASING / LINER CEMENTING REPORT - Page 2 of 2

Lease: Paradox Basin #3 Field Yellow Cat - Grand Co., UT Date 13-Feb-10
 Total Depth 4190 MD 4,038 TVD Hole Size 12.25 MW 8.6 ppg This Casing Size 9 5/8
 RKB to GL 20' WD _____ Prev. Casing Size 13 3/8" Set at 1028' MD, 1028' TVD

SECOND STAGE

CEMENTING REPORT:

Service Co.: Halliburton No. of Pump Trucks 2

Details of Cement Job:

Pre-Flush 2: No. of Barrels & Type: 10 bbl H2O - 30 bbl Superflush 20 bbl H2O Weight, ppg: 8.34

Lead Cement: No. of Sacks: 105 Slurry Volume, cfs: 62 / 3.32 Slurry Weight, ppg: 11

Additives: 105 sk EXTENDACEM™ SYSTEM (452981)

Tail Cement: No. of Sacks: 110 Slurry Volume, cfs: 38 / 1.98 Slurry Weight, ppg: 12.8

Additives: 110 sk VERSACEM™ SYSTEM (452010)

Time Start Mixing 17:35 Start Displacement: 17:54 Time & Date Plug Down: 2/11/2010 18:11

Plug Bumped With, psi 2000 Did Float Held yes Was Casing Reciprocated no

Circulation: Before Mixing NO RETURNS
 While Mixing NO RETURNS
 During Displacement NO RETURNS

Top Out: 2 STAGE (DV - TOOL) (Top Job Summary Attached)

TOP OUT

Top out summary:
T/out #1 - 75 sxs Reg Cmt thru 1" @ 140', no returns;
T/out #2 - 75 sxs Reg Cmt thru 1" @ 140', no returns;
Pmp 10 sxs sawdust down annulus while WOC;
T/out #3 - 75 sxs Reg Cmt thru 1" @ 140', no returns;
T/out #4 - 20 sxs Reg Cmt thru 1" @ 140', F/L plugged, circ out;
T/out #5 - 59 sxs Reg Cmt thru 1" @ 140', cmt circ to surf.

COMMENTS

Tubing / Packer Report

OCS: Paradox Basin #3 Field Yellow Cat Date 28-Jun-10

Total Depth 11,847 MD, 10,706 TVD Hole Size 8 3/4 9.4 ppg This Tubing Size 2 3/8

Datum (RKB to GL) 20.00 Previous Casing Size 5 1/2 Set at 11,847 10,706 TVD

Log of casing string, each item being listed in same order as run into well

No. of Jts	Size - Item - Make - Description	Wt, ppf	Grade	Threads	Cond	Length, ft
	Wireline Re-entry Guide					0.43
	X-over, 2 3/8" x 2 7/8"					0.73
	8' pup joint	4.70	L-80	EUE	Used	8.04
	XN Profile Nipple					1.40
	8' pup joint	4.70	L-80	EUE	Used	8.09
	5.5" PLS Packer					3.99
1	2 3/8" 4.7#, L-80 EUE Tubing	4.70	L-80	EUE	New	31.73
	X Profile Nipple					1.29
364	2 3/8" 4.7#, L-80 EUE Tubing	4.70	L-80	EUE	New	11,522.32

Total Amount of Tubing & Accessories Run (Incl Float Eq, Lin Hgr, Liner Top Pkr, DV, etc.): **11,578.02**

Less Landing & Cut off Joints:

Total Amount of Tubing & Accessories Left In Hole: **11,578.02**

Plus RKB To Last Casing Head Flange / GL, ft: **-15.02**

Accessory & Depth	MD ft	TVD ft
XN Profile Nipple	11,522.19	10421
5.5" PLS Packer	11,540.11	10423
X Profile Nipple	11,507.09	10419

Tubing Setting, MD ft: 11,563.00

Tubing Setting Depth, TVD ft: 10,450.00

No. of Centralizers: _____ Make / Type: _____ Placement: _____

No. of Scratchers: _____ Make / Type: _____ Placement: _____

CEMENTING REPORT: Service Co.: _____ No. of Pump Trucks _____

Details of Cement Job:

Pre-Flush: _____ No. of Barrels & Type: _____ Weight, ppg: _____

Lead Cement: _____ No. of Sacks: _____ Slurry Yield, cfps: _____ Slurry Weight, ppg: _____

Additives: _____

Tail Cement # 1: _____ No. of Sacks: _____ Slurry Yield, cfps: _____ Slurry Weight, ppg: _____

Additives: _____

Tail Cement # 2: _____ No. of Sacks: _____ Slurry Yield, cfps: _____ Slurry Weight, ppg: _____

Additives: _____

Time Start Mixing _____ Start Displacement: _____ Time & Date Plug Down: _____

Plug Bumped With, psi _____ Did Float Hold _____ Was Casing Reciprocated _____

Circulation: Before Mixing _____

While Mixing _____

During Displacement _____

Top Out: _____

Well Head Equip Description: _____

TUBING RECORD INVENTORY

	No. Joints	Description - Size - Wt - Gr - Thd	Threads On, ft	Threads Off, ft
Joints Delivered To Location	386	2 3/8" 4.7#, L-80 EUE Tubing		12187.63
Joints Left In Well	365	2 3/8" 4.7#, L-80 EUE Tubing		11522.32
New Joints To Be Returned	21	2 3/8" 4.7#, L-80 EUE Tubing		665.31
		NOTE: Sent to KSUE Yard.		
Used Jts To Be Returned				

CASING & TUBING TALLY SHEET

Column No. 1		Column No. 2		Column No. 3		Column No. 4		Column No. 5		Column No. 6	
Jt. No.	Feet										
1	31.73	51	31.73	101	31.69	151	31.70	201	31.71	251	31.57
2	31.72	52	31.73	102	31.68	152	31.68	202	31.74	252	31.70
3	31.74	53	31.75	103	31.69	153	31.74	203	31.66	253	31.68
4	31.73	54	30.73	104	31.70	154	31.68	204	31.75	254	31.69
5	31.70	55	31.73	105	31.73	155	31.04	205	31.68	255	31.68
6	31.72	56	30.74	106	31.65	156	30.70	206	31.71	256	31.69
7	31.72	57	31.72	107	31.71	157	31.71	207	31.75	257	31.73
8	31.70	58	31.65	108	31.71	158	30.68	208	31.73	258	31.69
9	31.70	59	29.70	109	31.68	159	30.69	209	31.75	259	31.73
10	31.10	60	31.71	110	31.69	160	31.74	210	31.72	260	28.80
subtot	316.56	subtot	313.19	subtot	316.93	subtot	313.36	subtot	317.20	subtot	313.96
11	30.76	61	31.72	111	31.68	161	31.70	211	31.71	261	30.10
12	31.68	62	31.70	112	31.72	162	31.65	212	31.67	262	31.69
13	30.73	63	31.70	113	31.71	163	30.76	213	31.70	263	31.66
14	31.80	64	31.71	114	31.71	164	31.63	214	30.80	264	31.73
15	30.72	65	31.74	115	31.72	165	31.68	215	31.69	265	30.78
16	31.73	66	30.73	116	31.71	166	31.65	216	31.77	266	31.67
17	31.68	67	31.71	117	31.70	167	31.72	217	31.71	267	31.71
18	31.71	68	31.73	118	30.70	168	31.67	218	31.67	268	31.68
19	31.74	69	30.73	119	31.70	169	31.68	219	31.70	269	31.68
20	31.74	70	31.66	120	31.73	170	31.72	220	31.75	270	30.63
subtot	314.29	subtot	315.13	subtot	316.08	subtot	315.86	subtot	316.17	subtot	313.33
21	31.73	71	31.68	121	30.73	171	31.68	221	30.72	271	31.68
22	31.74	72	31.72	122	31.70	172	31.71	222	31.66	272	31.65
23	31.70	73	31.69	123	31.72	173	31.71	223	31.74	273	31.74
24	30.70	74	31.72	124	31.68	174	30.70	224	31.68	274	30.65
25	30.16	75	31.68	125	31.68	175	31.72	225	31.73	275	31.66
26	31.69	76	31.66	126	31.72	176	31.68	226	31.75	276	31.69
27	31.74	77	31.67	127	31.72	177	31.70	227	31.71	277	31.73
28	31.72	78	31.70	128	31.69	178	31.04	228	31.66	278	31.67
29	31.72	79	31.72	129	31.66	179	31.69	229	31.70	279	31.65
30	31.73	80	31.65	130	31.73	180	31.73	230	31.76	280	31.68
subtot	314.63	subtot	316.89	subtot	316.03	subtot	315.36	subtot	316.11	subtot	315.80
31	31.70	81	31.68	131	30.72	181	30.70	231	31.73	281	31.68
32	31.71	82	31.73	132	31.70	182	31.70	232	31.71	282	31.74
33	31.68	83	31.70	133	31.74	183	31.70	233	31.68	283	31.72
34	31.73	84	31.70	134	31.70	184	31.72	234	31.69	284	31.65
35	31.74	85	31.73	135	31.68	185	31.71	235	31.73	285	31.67
36	31.74	86	31.75	136	31.67	186	31.68	236	31.69	286	31.73
37	31.70	87	31.65	137	31.06	187	31.70	237	31.74	287	31.74
38	31.78	88	31.75	138	31.73	188	31.72	238	31.68	288	31.71
39	31.72	89	31.72	139	31.70	189	31.76	239	31.74	289	31.72
40	31.75	90	31.06	140	31.70	190	31.74	240	31.71	290	31.64
subtot	317.25	subtot	316.47	subtot	315.40	subtot	316.13	subtot	317.10	subtot	317.00
41	31.75	91	31.69	141	31.68	191	31.68	241	31.71	291	30.66
42	31.68	92	31.68	142	31.66	192	31.69	242	31.71	292	31.68
43	30.70	93	31.72	143	31.72	193	31.68	243	31.73	293	31.68
44	31.69	94	31.75	144	31.72	194	31.10	244	31.08	294	31.64
45	31.71	95	31.71	145	31.72	195	31.71	245	30.70	295	31.64
46	31.75	96	31.73	146	31.68	196	31.74	246	31.74	296	31.67
47	31.70	97	31.72	147	31.68	197	31.70	247	31.70	297	31.74
48	31.72	98	31.72	148	29.72	198	31.73	248	30.08	298	31.67
49	31.70	99	31.70	149	31.71	199	31.70	249	31.71	299	31.65
50	31.66	100	31.69	150	31.70	200	30.71	250	31.69	300	31.75
subtot	316.06	subtot	317.11	subtot	314.99	subtot	315.44	subtot	313.85	subtot	315.78
Column Total	1,578.79	Column Total	1,578.79	Column Total	1,579.43	Column Total	1,576.15	Column Total	1,580.43	Column Total	1,575.87

Well Name & No.:	Col No	Size OD	Description: Weight ppf, Grade, Thread	Col Tot
PB #3	1	2 3/8	4.7# L-80, EUE Tubing	1,578.79
Date: #####	2	2 3/8	4.7# L-80, EUE Tubing	1,578.79
	3	2 3/8	4.7# L-80, EUE Tubing	1,579.43
Tallied By:	4	2 3/8	4.7# L-80, EUE Tubing	1,576.15
	5	2 3/8	4.7# L-80, EUE Tubing	1,580.43
	6	2 3/8	4.7# L-80, EUE Tubing	1,575.87
Grand Total				9,469.46

CASING & TUBING TALLY SHEET

Column No. 1		Column No. 2		Column No. 3		Column No. 4		Column No. 5		Column No. 6	
Jt. No.	Feet	Jt. No.	Feet	Jt. No.	Feet	Jt. No.	Feet	Jt. No.	Feet	Jt. No.	Feet
1	31.72	51	30.69	101		151		201			251
2	31.71	52	31.72	102		152		202			252
3	31.65	53	31.69	103		153		203			253
4	31.71	54	31.65	104		154		204			254
5	31.73	55	31.69	105		155		205			255
6	31.68	56	31.69	106		156		206			256
7	31.72	57	31.69	107		157		207			257
8	31.66	58	31.70	108		158		208			258
9	31.66	59	31.66	109		159		209			259
10	31.69	60	31.70	110		160		210			260
subtot	316.93	subtot	315.88	subtot	0.00	subtot	0.00	subtot	0.00	subtot	0.00
11	31.75	61	31.69	111		161		211			261
12	31.70	62	31.71	112		162		212			262
13	30.70	63	31.69	113		163		213			263
14	31.78	64	31.72	114		164		214			264
15	31.74	65	31.65	115		165		215			265
16	31.64	66	31.72	116		166		216			266
17	31.67	67	31.73	117		167		217			267
18	31.74	68	31.67	118		168		218			268
19	31.72	69	31.70	119		169		219			269
20	31.68	70	31.68	120		170		220			270
subtot	316.12	subtot	316.96	subtot	0.00	subtot	0.00	subtot	0.00	subtot	0.00
21	31.67	71	31.70	121		171		221			271
22	31.64	72	31.61	122		172		222			272
23	31.72	73	31.65	123		173		223			273
24	31.72	74	31.70	124		174		224			274
25	31.64	75	31.75	125		175		225			275
26	31.74	76	31.71	126		176		226			276
27	30.39	77	31.70	127		177		227			277
28	31.69	78	31.66	128		178		228			278
29	31.70	79	31.68	129		179		229			279
30	31.72	80	31.64	130		180		230			280
subtot	315.63	subtot	316.80	subtot	0.00	subtot	0.00	subtot	0.00	subtot	0.00
31	30.69	81	31.65	131		181		231			281
32	30.72	82	31.66	132		182		232			282
33	31.68	83	31.66	133		183		233			283
34	31.70	84	31.69	134		184		234			284
35	31.68	85	31.65	135		185		235			285
36	31.75	86	31.68	136		186		236			286
37	31.72	87		137		187		237			287
38	31.67	88		138		188		238			288
39	31.71	89		139		189		239			289
40	31.67	90		140		190		240			290
subtot	314.99	subtot	189.99	subtot	0.00	subtot	0.00	subtot	0.00	subtot	0.00
41	31.71	91		141		191		241			291
42	31.70	92		142		192		242			292
43	31.68	93		143		193		243			293
44	31.71	94		144		194		244			294
45	29.68	95		145		195		245			295
46	31.68	96		146		196		246			296
47	31.68	97		147		197		247			297
48	31.71	98		148		198		248			298
49	31.69	99		149		199		249			299
50	31.61	100		150		200		250			300
subtot	314.85	subtot	0.00	subtot	0.00	subtot	0.00	subtot	0.00	subtot	0.00
Column Total	1,578.52	Column Total	1,139.63	Column Total	0.00						

Well Name & No.:	Col No	Size OD	Description: Weight ppf, Grade, Thread	Col Tot
PB #3	1	2 3/8	4.7# L-80, EUE Tubing	1,578.52
Date: #####	2	2 3/8	4.7# L-80, EUE Tubing	1,139.63
Tallied By:	3			0.00
	4			0.00
	5			0.00
	6			0.00
Grand Total				2,718.15

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL Oil Well	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47363
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
PHONE NUMBER: 435 259-2333 Ext	8. WELL NAME and NUMBER: Paradox Basin #3
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FSL	9. API NUMBER: 43019500030000
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: WILDCAT
	COUNTY: GRAND
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/21/2010	<input type="checkbox"/> DEEPEN
	<input type="checkbox"/> OPERATOR CHANGE
	<input type="checkbox"/> PRODUCTION START OR RESUME
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> WATER SHUTOFF
	<input type="checkbox"/> WILDCAT WELL DETERMINATION
	<input type="checkbox"/> ALTER CASING
	<input type="checkbox"/> CHANGE TUBING
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS
	<input type="checkbox"/> FRACTURE TREAT
	<input type="checkbox"/> PLUG AND ABANDON
	<input type="checkbox"/> RECLAMATION OF WELL SITE
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> SI TA STATUS EXTENSION
	<input type="checkbox"/> OTHER
	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Attached please find the completion reports ending 7-21-2010

CONFIDENTIAL - TIGHT HOLE

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 7/26/2010

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**
July 27, 2010

GOLDEN EAGLE EXPLORATION, LLC
DAILY COMPLETION REPORT 7-18-2010 through 7-21-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 7/18/10** Day 8 of 10 day SI BHP build up. Monitoring surface pressure, 3525 psi at report time.
- 7/19/10** Day 9 of 10 day SI BHP build up. Monitoring surface pressure, 3550 psi at report time.
- 7/20/10** Day 10 day SI BHP build up. SITP this AM is 3575 psi. The Paradox Basin #3 well is shut in with the BHP gauges in place until August 3, 2010. Tefteller will return on August 3, 2010, and pull the gauges. The master valves on all three wells (PB1, PB2 & PB3) will be closed today and each secured with a chain & lock. All equipment & trailers will be released and off the PB#3 location by July 21, 2010. Operations suspended until August 3, 2010.
- 7/21/10** Day 11 of SI BHP build up. SITP this AM is 3600 psi. Wait on vendors to P/U rental equipment. **Final Report until BHP gauges retrieved on Aug 3, 2010.**

RECEIVED July 26, 2010

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

FORM 6

ENTITY ACTION FORM

Operator: Golden Eagle Exploration, LLC Operator Account Number: N 3045
 Address: P.O. Box 1346
city Moab
state UT zip 84532 Phone Number: (435) 259-2333

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301950003	Paradox Basin #3		SWSE	16	23S	23E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17488	1/26/2010		2/18/2010		
Comments: The well was rotary spud on January 26, 2010 at 18:30 hours utilizing Unit Rig #234. (dry spud on January 7, 2010 at 08:00 utilizing Pete Martin Drilling) BHL: NENE (ISMAY completion)							

ISMAY

CONFIDENTIAL

7/29/10

Well 2

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

Well 3

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

ACTION CODES:

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

Don Hamilton

Name (Please Print)

Don Hamilton

Signature

Agent for Golden Eagle

1/26/2010

Title

Date

RECEIVED

JUL 29 2010

DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREGORY S. 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

March 15, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 8132

Mr. Gary Nydegger
Golden Eagle Exploration LLC
1616 17th Street
Denver, CO 80202

43 019 50003
Paradox Basin 3
23S 23E 16

Subject: Second Notice of Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Nydegger:

As of January 2011, Golden Eagle Exploration LLC (Golden Eagle) has two (2) State Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3).

On March 3, 2009, the Division notified Golden Eagle by certified mail that the Paradox Basin 1 well was in non-compliance SI/TA status. Golden Eagle was then given 30 days to respond with necessary information per R649-3-36. To date this well has not been shown as producing since December 2008 where it was reported at 30 mcf for 8 days. Last significant production reported was in August 2007. This well remains shut in as listed in Division records. The Division feels more than sufficient time has passed to address this matter. Please submit information showing good cause for SI/TA along with required integrity information within 30 days of this notice or further actions will be initiated.

This is also a **First Notice** for the Paradox Basin #3 well. Division records show this well as having reached TD on March 31, 2010. Please reference below for actions to bring said wells into compliance.

Page 2
Golden Eagle Exploration LLC
March 2, 2011

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

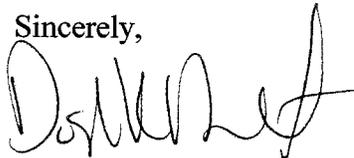
Please note that the Divisions preferred method for showing well integrity is by MIT.

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	PARADOX BASIN 1	43-019-31455	ML-47365	2 Years 5 Months
→ 2	PARADOX BASIN #3	43-019-50003	ML-47365	1 Year

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: Paradox Basin #3
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC		9. API NUMBER: 43019500030000
3. ADDRESS OF OPERATOR: P.O. Box 1346, Moab, UT, 84532		9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:		OTHER: <input style="width: 50px;" type="text"/>
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/22/2010		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached please find the drilling reports ending 02-22-2010		
CONFIDENTIAL - TIGHT HOLE		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A		DATE 4/14/2011

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

GOLDEN EAGLE EXPLORATION, LLC
DAILY DRILLING REPORT 2-14-2010 through 2-20-2010
Paradox Basin #3

CONFIDENTIAL -- TIGHT HOLE

- 2/14/10** **24 Hour Summary:** Cut off 13 3/8" & 9 5/8" casings. Install 9 5/8" SOW x 11" 5K CIW casing head and pressure test to 1,300 psi for 30 Minutes - OK. Nipple up 13 5/8" BOP's and pressure test BOP's. Found internal leak in lower single BOP - evaluating repair options.
- 2/15/10** **24 Hr summary:** Attempt to test body of the lower pipe rams still leaking. Inside manual valve BOP failed, HCR failed, valve on the choke line failed. Removing bad valves while waiting on replacement valves. Replaced packing on lower pipe ram unit. Installed new HCR and manual valve. Begin testing BOPs. Test plug leaking. Pulling test plug to replace rubbers. Resumed testing BOP's.
- 2/16/10** **24 Hr summary:** Test BOP's. Attempt to test choke manifold. Several valves failed test. Tested 9 5/8" casing to 1500 psi. Removed washed out gate valves from choke house. Prep remaining valves while waiting for new valves and parts to arrive on location.
- 2/17/10** **24 Hr summary:** Installed new and rebuilt valves in choke manifold. Test BOP blind rams and choke manifold, 250 low / 5000 high. PU 8 3/4" bit & BHA and TIH to drill out float equipment.
- 2/18/10** **24 Hr summary:** Pres test Super Choke. Change Swivel packing. Drill out DV Tool at 939'. Trip in the hole to 3300'. Dropped rotary bushing lock pin down in hole. POOH slowly with indications that pin was riding on top of bit, had 2-3M O/P at stage collar, continue POOH, no pin was recovered. PU 8" magnet & TIH to TOC @ 4135. Washed over fish. POOH and recovered Rotary Bushing Locking Pin. PU 8 3/4" bit & slick BHA, TIH at report time.
- 2/19/10** **24 Hr summary:** TIH to TOC above float collar. Circulate bottoms up. Rig up and test casing. Drill out float equip, cement and 5' new formation from 4190 - 4195. CBU. Perform FIT on shoe @ 4038 TVD with 8.40 ppg FWM = 9.5 ppg EMW. POOH. PU 8 3/4" PDC bit & directional assy incl mud motor & mwd. Prep to drill ahead at report time.
- 2/20/10** **24 Hr summary:** Directional drilling & sliding f/4195 - 4686. Pumping 800/850 cfm air & 125 gpm WBM.



GARY R. HERBERT
Governor

GREGORY S. 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

April 11, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 9887

Mr. Steve Sullivan
Golden Eagle Exploration LLC
1125 17th Street Ste 2200
Denver, CO 80202

43 019 50003
Paradox Basin 3
23S 23E 16

Subject: Second Notice of Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Sullivan:

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On March 3, 2009, the Division notified Golden Eagle by certified mail that the Paradox Basin 1 well was in non-compliance SI/TA status. Golden Eagle was then given 30 days to respond with necessary information per R649-3-36. To date this well has not been shown as producing since December 2008 where it was reported at 30 mcf for 8 days. Last significant production reported was in August 2007. This well remains shut in as listed in Division records. The Division feels more than sufficient time has passed to address this matter. Please submit information showing good cause for SI/TA along with required integrity information within 30 days of this notice or further actions will be initiated.

This is also a **First Notice** for the Paradox Basin #3 well. Division records show this well as having reached TD on March 31, 2010. Please reference below for actions to bring said wells into compliance.

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2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
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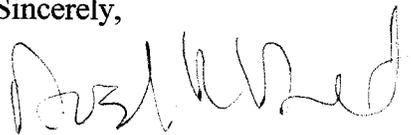
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1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
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Sincerely,

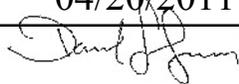


Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
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2	PARADOX BASIN #3	43-019-50003	ML-47365	1 Year

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Paradox Basin #3	
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	9. API NUMBER: 43019500030000	
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	PHONE NUMBER: 435 259-2333 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S		COUNTY: GRAND
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/14/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Pit Reclamation"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
Golden Eagle Exploration, LLC completed the backfill and reclamation of the Paradox Basin #3 reserve pit and water pit on 04/14/2011 as requested. The pits area has been fenced to prevent entry onto the closed pits, excessive grazing and minimize the incidental disturbance for a period of two years.		
		Accepted by the Utah Division of Oil, Gas and Mining
		Date: <u>04/20/2011</u>
		By: <u></u>
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 4/15/2011	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Paradox Basin #3	
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	9. API NUMBER: 43019500030000	
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	PHONE NUMBER: 435 259-2333 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	COUNTY: GRAND	
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/3/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input checked="" type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text"/>		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. (see attached SI TA extension request)		
REQUEST DENIED Utah Division of Oil, Gas and Mining Date: 08/16/2011 By: <u>Dark K. Quist</u>		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 5/4/2011	

Please Review Attached Reasons for Denial

RECEIVED May. 04, 2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43019500030000

Did not provide an explanation or supporting data showing that the well has integrity.

Golden Eagle Exploration, LLC submits that the Paradox Basin #3 well is in compliance with regard to SI/TA regulations as the well has been in SI/TA status for less than 12 consecutive months.

- **Paradox Basin #3 well on BLM records was completed on 08.03.2010. Paradox Basin #3 was subsequently opened up and re-tested between 04.08.2011- 04.09.2011 with cumulative 0.835 MMscf gas produced.**

We nevertheless respectfully request permission to extend the SI/TA status for the Paradox Basin #3 for an additional one year period. The well bore remain capable of production but lacks a production pipeline across federal surface and therefore are not able to be brought into commercial production at this time. A federal gas pipeline right-of-way amendment has been previously submitted to the BLM – Moab Field Office and was to be authorized under a Determination of NEPA Adequacy (DNA). The DNA decision was protested by the Southeastern Utah Wilderness Alliance and an Environmental Assessment has been initiated with an additional one year approval delay likely. We remain optimistic that our federal gas pipeline will be authorized in the near future so that the pipeline and production equipment can be installed and sales initiated. Attached please find the referenced well bore diagram with supporting information to demonstrate integrity of the well bore. We appreciate your ongoing support while we traverse the many time consuming federal hurdles on our project.

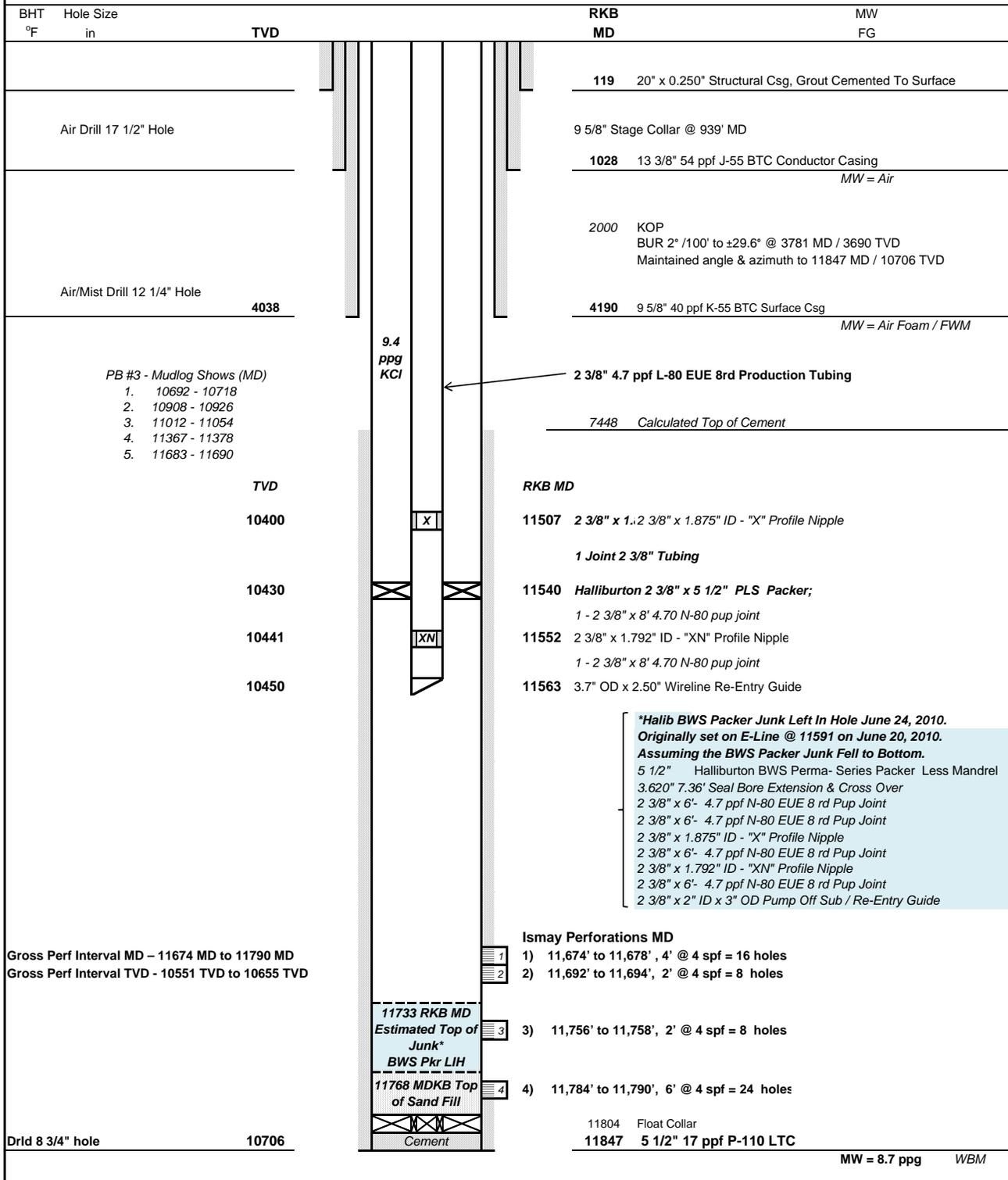
GOLDEN EAGLE EXPLORATION, LLC
Paradox Basin #3
Grand Co., Utah
Wellbore Schematic - June 25, 2010

Actual Surf Loc: Sec 16 - T23S - R23E
SWSE Sec 16-T23S -R23E
1023' FSL & 1754' FEL of Sec 16
Grand Co., Utah

Rig: Unit 234 / Monument Comp Rig
Actual TD: 11847' MD / 10706' TVD
GL Elev: 5044
Dir Well: Yes

Actual BHL: Sec 16 - T23S - R23E
NENE Sec 16-T23S -R23E
91.91' FNL & 160.7' FEL of Sec 16
4167.9' N & 1593.3' E of Surface Location

At 11847' MDTD/ 10706' TVD TD:
Inclination 25.87°, Azimuth 23.10°, Vertical Section 4462.0'.
Bottom Hole Closure is 4462.06' @ 20.92° From Surface



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/7/2011	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input checked="" type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
Golden Eagle Exploration, LLC respectfully submits this request to convert the well type from Oil Well to Gas Well.		
<p style="color: red; font-weight: bold;">Approved by the Utah Division of Oil, Gas and Mining</p> <p style="color: red; font-weight: bold;">Date: <u>10/06/2011</u></p> <p style="color: red; font-weight: bold;">By: <u><i>Dark K. Quist</i></u></p>		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Buys & Associates, Inc)
SIGNATURE N/A	DATE 9/6/2011	



GARY R. HERBERT
Governor

GREGORY S. 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

April 19, 2012

CERTIFIED MAIL NO.: 7011 0110 0001 3568 1977

Mr. Steve Sullivan
Golden Eagle Exploration LLC
1616 17th Street
Denver, CO 80202

43 019 50003
Paradox Basin #3
23S 23E 16

Subject: Second Notice of Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Sullivan:

As of January 2012, Golden Eagle Exploration LLC (Golden Eagle) has two (2) State Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3).

In 2009 the Division notified Golden Eagle that the Paradox Basin 1 well was in non-compliance status. This well has not been shown as producing since December 2008 where it was reported at 30 mcf for 8 days. Last significant production reported was in August 2007. This is a reissuance of a **Second Notice** for this well.

The Paradox Basin #3 well had a First Notice sent out on March 16, 2011. Division records show this well as having reached TD on March 31, 2010. Recently a request was approved on October 6, 2011, to change this well from an oil well to a gas well.

On May 4, 2011, Golden Eagle sent in sundries, for both wells, requesting one year SI/TA extension. On August 16, 2011, the Division denied both extension requests due to Golden Eagle not providing an explanation or supporting data showing the wells having integrity.

The Division feels more than sufficient time has passed to address these matters. Please submit information showing good cause for SI/TA along with required integrity information within 30 days of this notice or further actions will be initiated.

Please reference below for actions to bring said wells into compliance.



Page 2.
Golden Eagle Exploration LLC
April 19, 2012

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

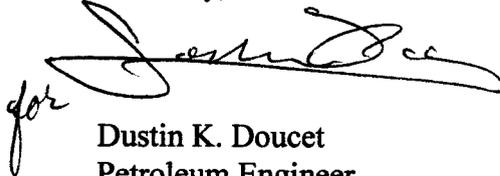
Please note that the Divisions preferred method for showing well integrity is by MIT.

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,


for

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	PARADOX BASIN 1	43-019-31455	ML-47365	3 Years 5 Months
→ 2	PARADOX BASIN #3	43-019-50003	ML-47365	1 Year 7 Months



GARY R. HERBERT
Governor

GREGORY S. 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

May 3, 2012

CERTIFIED MAIL NO.: 7011 0110 0001 3568 2011

Mr. Don Hamilton
Golden Eagle Exploration LLC
P.O. Box 1204
Moab, UT 84532

43 019 50003
Paradox Basin #3
23S 23E 16

Subject: Second Notice of Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Mr. Sullivan:

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Page 2
Golden Eagle Exploration LLC
May 3, 2012

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

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3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

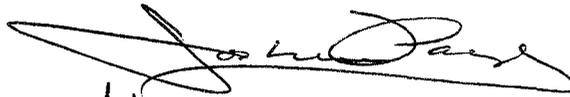
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2. Copy of recent casing pressure test, and
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4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,


for
Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	PARADOX BASIN 1	43-019-31455	ML-47365	3 Years 5 Months
→ 2	PARADOX BASIN #3	43-019-50003	ML-47365	1 Year 7 Months

UTAH DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining
Oil and Gas Program
1594 West North Temple, Suite 1210, Box 145801
Salt Lake City, UT 84114-5801
(801) 538-5340 Phone
(801) 359-3940 Fax

Immediate Action: For the wells subject to this notice, Golden Eagle shall fulfill full cost bonding. Golden Eagle shall also submit plans to plug and abandon, or all required information as stated in R649-3-36 for the wells contained in this Notice.

*** Fines may be levied up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A 40-6-11, part 4**

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining. Failure to comply with this notice will result in the Division pursuing further actions against said operator. Further actions may include initiation of agency actions and requests for bond forfeiture and civil penalties.

Compliance Deadline: April 30, 2015

Date of Service Mailing: March 24, 2015 Certified Mail No.: 7011 2970 0001 8828 1108



Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
LaVonne Garrison, SITLA

1/2013

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
1. TYPE OF WELL Oil Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70 II
3. ADDRESS OF OPERATOR: P.O. Box 1346 , Moab, UT, 84532	8. WELL NAME and NUMBER: PARADOX BASIN #3
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1023 FSL 1754 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 23.0S Range: 23.0E Meridian: S	9. API NUMBER: 43019500030000
9. FIELD and POOL or WILDCAT: WILDCAT	COUNTY: GRAND
9. API NUMBER: 43019500030000	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 Approximate date work will start: 6/20/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Casing Test Procedure"/>

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

Golden Eagle Exploration, LLC respectfully submits the attached casing test procedure with well bore diagram for completion of a casing test prior to June 30, 2015 as required by Rule R649-3-36. Following the casing test Golden Eagle Exploration, LLC will submit the results of the test and a request to either extend the current SI/TA status, complete an MIT, produce or plug the referenced well. the referenced well.

Approved by the
 June 16, 2015
 Oil, Gas and Mining

Date: _____

By: Don Hamilton

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Star Point Enterprises, Inc.)
SIGNATURE N/A	DATE 4/30/2015	

**GOLDEN EAGLE EXPLORATION
PARADOX BASIN #3
CASING INTEGRITY TEST PROCEDURE
2 June 2015**

PROCEDURE: SAFETY FIRST AND ALWAYS.

Notify Utah Division of Oil, Gas and Mining 24 hrs before scheduled test.

This is a test of the integrity of the 5-1/2" x 17 ppf casing in the wellbore. The 2-3/8" tubing packer is set in the 5-1/2" csg at 11,540'. There are perms 11,674'-11,678', 11,692'-11,694'. There is junk in the hole below 11,733'. There are several open perms below the top of this junk. The tubing is open to all the perms in the well. A wellbore diagram is attached to this procedure.

- 1. Tie onto wellhead to prepare for pumping into the 2-3/8" tbg x 5-1/2" csg annulus.**
- 2. Fill the annulus with water if necessary. This water should be treated with oxygen scavenger and scale/corrosion inhibitor.**
- 3. Open the 5-1/2" x 9-5/8" annulus valve if no pressure on this annulus. This will be a monitor point for a 5-1/2" csg leak.**
- 4. Install gauge on tubing. There will be pressure on the tubing from the formation. This will be a monitor point for a possible packer leak. There will be a pressure rise on this tubing gauge as pressure is applied in the tbg/csg annulus if the packer is holding and if the casing is not leaking. If the casing and packer are not leaking, the volume of fluid pumped should not be over 1-3 bbls, provided annulus is full. If the packer is leaking, larger amounts of fluid will likely go down the wellbore and into the perms. Tubing pressure gauge will fluctuate if fluid is bypassing the packer element and going into the formation.**
- 5. If no downhole leaks are experienced, pressure test the casing to 1000 psi for 30 minutes. Record this test on a chart recorder, clearly identifying the start/stop time of the test and the pressures encountered. Enter well name, date on the chart.**
- 6. If the test is successful, secure the well against possible tampering or vandalism by shutting in the well and both chaining and locking the valves shut or by removing the valve handles. Make arrangements to displace the top 10' of water in the annular spaces with diesel fuel before the onset of cold weather.**

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47365
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2. NAME OF OPERATOR: GOLDEN EAGLE EXPLORATION, LLC	7. UNIT or CA AGREEMENT NAME: GOLDEN EAGLE 70 II
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9. FIELD and POOL or WILDCAT: WILDCAT	COUNTY: GRAND
9. PHONE NUMBER: 435 259-2333 Ext	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 Approximate date work will start: 7/28/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Well head repair and casing"/>

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

Golden Eagle Exploration, LLC respectfully requests approval to complete necessary well head repairs, casing integrity procedure and initial monitoring procedure to fulfill the requirements of Rule R649-3-36 and submits the attached information. Following the integrity procedure Golden Eagle Exploration, LLC will submit the results, begin a monitoring procedure and request to extend the current SI/TA status pending federal authorization for a pipeline corridor.

Approved by the
July 28, 2015
Oil, Gas and Mining

Date: _____

By: Don Hamilton

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Permitting Agent (Star Point Enterprises, Inc.)
SIGNATURE N/A	DATE 7/21/2015	

GOLDEN EAGLE EXPLORATION
Paradox Basin #3
SWSE Sec 16-T23S-R23E
Grand County, Utah

Wellsite and well equipment modifications to facilitate monthly monitoring of shut-in wells.

Paradox Basin #3

1. Excavate cellar to allow access to all wellhead valves.
2. Service wellhead valves. Monitor and record tubing pressure and all annular pressures.
3. Secure wellhead valves (chain & lock) to prevent tampering and vandalism.
4. Maintain wellhead fence in good order.

Apply additional operational steps as necessary to facilitate safe monitoring operations and provide for secure equipment installation.

GOLDEN EAGLE EXPLORATION

Paradox Basin #3

SWSE Sec 16-T23S-R23E

Grand County, Utah

SI/TA Status; Well Status Monitoring; Casing Integrity Verification

Shut-In/Temporarily Abandoned Narrative:

Golden Eagle Exploration, LLC respectfully requests further extension of the existing SI/TA status for the Paradox Basin #3 well bore. Extended SI/TA status is requested for an additional one year period. The well bore remains capable of production but lacks a production pipeline across federal surface and therefore is not capable of commercial production at this time. A federal gas pipeline right-of-way amendment has been previously submitted to the BLM – Moab Field Office and was to be authorized under a Determination of NEPA Adequacy (DNA). The DNA decision was protested by the Southeastern Utah Wilderness Alliance and an Environmental Assessment has been initiated with an additional one year approval delay likely. We remain optimistic that our gas pipeline right-of-way across federal lands will be authorized in the future so that the pipeline and production equipment can be installed and sales initiated. Attached please find the referenced well bore diagram with supporting information to demonstrate integrity of the well bore. We appreciate your ongoing support while we traverse the many time consuming federal hurdles on our project.

Well Status Monitoring:

We propose to monitor the well on a monthly schedule and report the information to the Utah Division of Oil, Gas and Mining on a quarterly report basis. Said report will include the following:

1. Shut in 2-3/8" tubing pressure.
2. Shut-in 2-3/8" tubing / 5-1/2" production casing annulus pressure.
3. Shut-in 5-1/2" production casing / intermediate casing annulus pressure.
4. Shut-in intermediate casing/surface casing annulus pressure.
5. Remarks noting on any items or issues concerning the well status.

Access road, location, well cellar and wellhead will be maintained in orderly condition to allow inspection and scheduled monitoring operations. Wellhead valves will be secured with chain & lock to prevent tampering and vandalism.

Scheduled monitoring will commence immediately after the wellhead components and cellar access have been modified and will be monitored and recorded every month thereafter. Any change in the pressure readings or other indications that would indicate a change downhole, i.e., a loss of casing integrity, will be cause for immediate notification of Utah Division of Oil, Gas and Mining. Plans for addressing corrective measures will immediately be prepared as

quickly as the anomaly is discovered.

As noted in Step 5, "Remarks", of the above Monitoring Data Points, any issue which deviates from the expected norm of the data will be noted. This will assist in the careful tracking of any subtle changes that may be occurring downhole.

Casing Integrity Verification; Initial Indications:

Surface monitoring of the 2-3/8" tubing pressure and the 2-3/8" tubing / 5-1/2" production casing indicated a failed production packer seal element. Based on the contained pressure of 2200 psi in the 5-1/2" production casing plus the presence of 4226' of cement above the topmost perforation (11,674'), the initial observation indicates that the production casing exhibits pressure integrity in spite of the failed packer element. Access to the 5-1/2" production casing / 9-5/8" intermediate casing valve was not available on 20 June 2015 due to the accumulation of blow sand and water in the well cellar. Remedial operations to remove the debris in the cellar are planned and will allow scheduled monitoring of this annulus and the other annular sections of the wellbore.

Shut-in well pressures were monitored on 20 June 2015:

1. SI tubing pressure: 2900 psi.
2. SI tubing/production casing annulus pressure: 2200 psi. Casing is cemented with 4226' of cement from the top perforation to the top of the cement in the 8-3/4" wellbore.

Initial investigations indicate that the production casing has pressure integrity. This can be further supported once the well cellar is refurbished to allow access to all of the annular section valves.

GOLDEN EAGLE EXPLORATION, LLC
 Paradox Basin #3
 Grand Co., Utah
 Wellbore Schematic - June 25, 2010

Actual Surf Loc: Sec 16 - T23S - R23E
 SWSE Sec 16-T23S -R23E
 1023' FSL & 1754' FEL of Sec 16
 Grand Co., Utah

Rig: Unit 234 / Monument Comp Rig
 Actual TD: 11847' MD / 10706' TVD
 GL Elev: 5044
 Dir Well: Yes

Actual BHL: Sec 16 - T23S - R23E
 NENE Sec 16-T23S -R23E
 91.91' FNL & 160.7' FEL of Sec 16
 4167.9' N & 1593.3' E of Surface Location

At 11847' MDTD/ 10706' TVDTD:
 Inclination 25.87°, Azimuth 23.10°, Vertical Section 4462.0'.
 Bottom Hole Closure is 4462.06' @ 20.92° From Surface

