

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 Tidewater State 15-21-2219				
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 checked="" type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						5. UNIT or COMMUNITIZATION AGREEMENT NAME CRESCENT				
6. NAME OF OPERATOR TIDEWATER OIL & GAS COMPANY, LLC						7. OPERATOR PHONE 303 468-0656 201				
8. ADDRESS OF OPERATOR 110 16th St Ste 1220, Denver, CO, 80202						9. OPERATOR E-MAIL jjones@tidewater-oil.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML49091			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 checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN		
LOCATION AT SURFACE		962 FNL 1737 FWL		NENW	15	22.0 S	19.0 E	S		
Top of Uppermost Producing Zone		962 FNL 1737 FWL		NENW	15	22.0 S	19.0 E	S		
At Total Depth		962 FNL 1737 FWL		NENW	15	22.0 S	19.0 E	S		
21. COUNTY GRAND			22. DISTANCE TO NEAREST LEASE LINE (Feet) 926			23. NUMBER OF ACRES IN DRILLING UNIT 40				
25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 2484			26. PROPOSED DEPTH MD: 3200 TVD: 3200			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Thompson Springs				
27. ELEVATION - GROUND LEVEL 4701			28. BOND NUMBER 394312680801							
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	20	16	0 - 40	65.0	H-40 ST&C	8.3	Class G	63	1.0	15.0
SURF	12.25	8.625	0 - 350	24.0	J-55 ST&C	8.5	Rockies Lite	150	2.08	12.8
PROD	7.875	5.5	0 - 3200	15.5	K-55 LT&C	9.2	Rockies Lite	340	2.08	12.8
							No Used	0	0.0	0.0
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 type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Walter Lowry				TITLE Engineer			PHONE 303 884-5505			
SIGNATURE				DATE 05/10/2012			EMAIL wlowry@tidewater-oil.com			
API NUMBER ASSIGNED 43019500210000				APPROVAL  Permit Manager						

Tidewater Oil & Gas Company LLC
Tidewater State 15-21-2219
962' FNL & 1737' FWL NENW Section 15-T22S-R19E
Grand County, Utah
Lease # ML 49091

DRILLING PLAN

1. **Estimated Tops of Geological Markers:**

Formation	Depth (K.B.)
Morrison Brushy Basin Member	Surface
Salt Wash	770'
Moab Member of Curtis Formation	1080'
Entrada	1190'
Carmel	1420'
Navajo	1639'
Kayenta	2062'
Wingate	2523'
Chinle	2773'

2. **Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:**

Formation	Depth (K.B.)	Substance
Salt Wash	770'	Oil/Gas/Water
Moab Tongue	1080'	Oil/Gas/Water
Entrada	1190'	Oil/Gas/Water
Carmel	1420'	Oil/Gas/Water
Navajo	1639'	Oil/Gas/Water
Kayenta	2062'	Oil/Gas/Water
Wingate	2523'	Oil/Gas/Water
Chinle	2773'	Oil/Gas/Water
	Estimated TD	3000'
	Permit TD	3200'

3. **Pressure Control Equipment:**

- A. Type: 11" 3M double gate hydraulic BOP with 11" 3M annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram.
- B. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- C. Pressure Rating: 3,000 psi BOPE.
- D. Kelly will be equipped with upper and lower Kelly valves.
- E. Testing Procedure:

Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer (Pipe Rams and Blind Rams)

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. Proposed Casing & Cementing Program:**A. Casing Program: All New**

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	16" O.D.	65.0#	H40	Welded	40' (BGL)
12-1/4"	8-5/8" O.D.	24.0#	J55	ST&C	0 – 350' (KB) est.
7-7/8"	5-1/2"	15.5#	K55	LT&C	0 – 3200' (KB) est.

The surface casing will have guide shoe, 1 joint, and float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and then place bowspring centralizers on every other collar to surface. Thread lock guide shoe and bottom of float collar.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse (psi)/SF	Burst (psi)/SF	Tension (Mlbs)/SF
40' (GL)	16" OD	NA	NA	NA
350' (KB)	8-5/8", 24#/ft, J55, STC	1370/ 8.75(a)	2950/ 2.06(b)	244M/ 29.0(c)
2325' (KB)	5-1/2", 15.5#/ft, K55, LTC	4040/ 2.43 (d)	4810/ 3.14 (e)	239M/ 4.82 (f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in air
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in air

PROPOSED CEMENTING PROGRAM**Surface Casing (if well will circulate)-Cemented to surface**

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead/Tail	350	Howco Rockies LT cement + 0.25 pps Poly-E-Flake	150	100%	12.8	2.08

A cement top job will be performed if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂.+ 0.25 pps celloflake. Volume as required.

Production Casing - Cemented TD to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
5-1/2"	Lead	2900	Howco Rockies LT + 0.25 pps celloflake	340	40% over caliper	12.8	2.08

Cement volumes for the 5-1/2" Production Casing will be calculated to provide a top of cement to 50' inside surface casing shoe. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole and adding 40% excess. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' - 40' (KB)	Air/ Air Mist	No cntrl	28	Water
40'-350' (KB)	8.4-8.6	No cntrl	28-36	FW Gel/Lime
350'-3200' (KB)	8.4-9.2	8 - 10 ml	32-42	Gel/Polymer Fresh Water Base

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. **Evaluation Program:**

Tests: As required.

Coring: No cores are currently planned.

Samples: Two (2) sets of cleaned, dried, labeled formation samples will be taken not less than every 20' from the top of the base of surface casing (~350' RKB) to Total Depth.

Logging

- Quad Combo (CNL/FDC/DIL/BHC Sonic/GR/CAL) f/ 3200' to 350'
- Cement Bond Log / Gamma Ray from 3200' TD to 350'

Mudlogging: A mudlogger will be onsite analyzing formation cuttings, monitoring gas, and preparing a mudlog from 350' to TD.

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

Maximum anticipated bottom hole pressure equals approximately 1497 psi (calculated at 0.468 psi/ft of hole) and maximum anticipated surface pressure equals approximately 601 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

9. Anticipated Starting Dates:

- Anticipated Commencement Date- August 1, 2012
- Drilling Days- Approximately 7 days
- Completion Days - Approximately 5 days
- Anticipate location construction within 30 days of permit issue.

9. Variances:

A location exception letter is attached which requests an exception from the statewide spacing orders which require a well in a non-spaced are to be drilled within a 400' x 400' square drilling window inside each quarter-quarter. Due to geologic considerations as identified from thorough interpretation of the 3D seismic survey, combined with surface constraints associated with State Highway 191 and an active railroad line between Crescent junction and Moab, UT, Tidewater is significantly restricted in its ability to locate the subject well within a legal drilling window. Tidewater is the lease holder for each adjacent ¼ ¼ in every direction from the proposed well.

10. Other:

Single Shot inclination surveys will be dropped on every bit trip and/or run on slick line not less than every 500' of hole drilled, and a survey will be dropped at TD.

Range 19 East

Township 22 South

(N89°56'W - 5278.68')

S89°56'37"W - 5294.15'

962.18'

**Tidewater State
15-21-2219**
ELEV. 4700.8'

1736.52'

UTM-83
N 4306619
E 603246

UTM-27
N 4306415
E 603308

15

S89°54'29"W - 5289.84'

(S89°59'W - 5281.32')

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

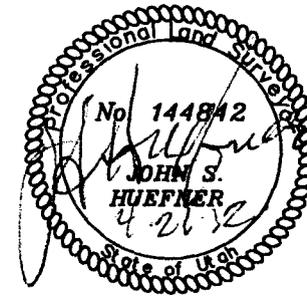
Basis of Elevation of 4961' being at the Northwest Section Corner of Section 33, Township 21 South, Range 19 East, Salt Lake Base and Meridian, as shown on the Crescent Junction Quadrangle 7.5 minute series map.

Description of Location:

Proposed Drill Hole located in the NE/4 NW/4 of Section 15, T22S, R19E, S.L.B.&M., being South 962.18' from the North Line and East 1736.52' from the West Line of Section 15, T22S, R19E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, John S. Huefner, a Professional Land Surveyor, holding Certificate No. 144842 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



Legend

- Drill Hole Location
- ⊙ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder.

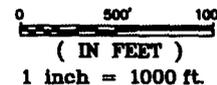
NAD 83/WGS 84

NAD 27

LAT / LONG	
38°54'08.623"N	38.90240°N
109°48'33.548"W	109.80932°W

LAT / LONG	
38°54'08.722"N	38.90242°N
109°48'31.100"W	109.80864°W

GRAPHIC SCALE



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528

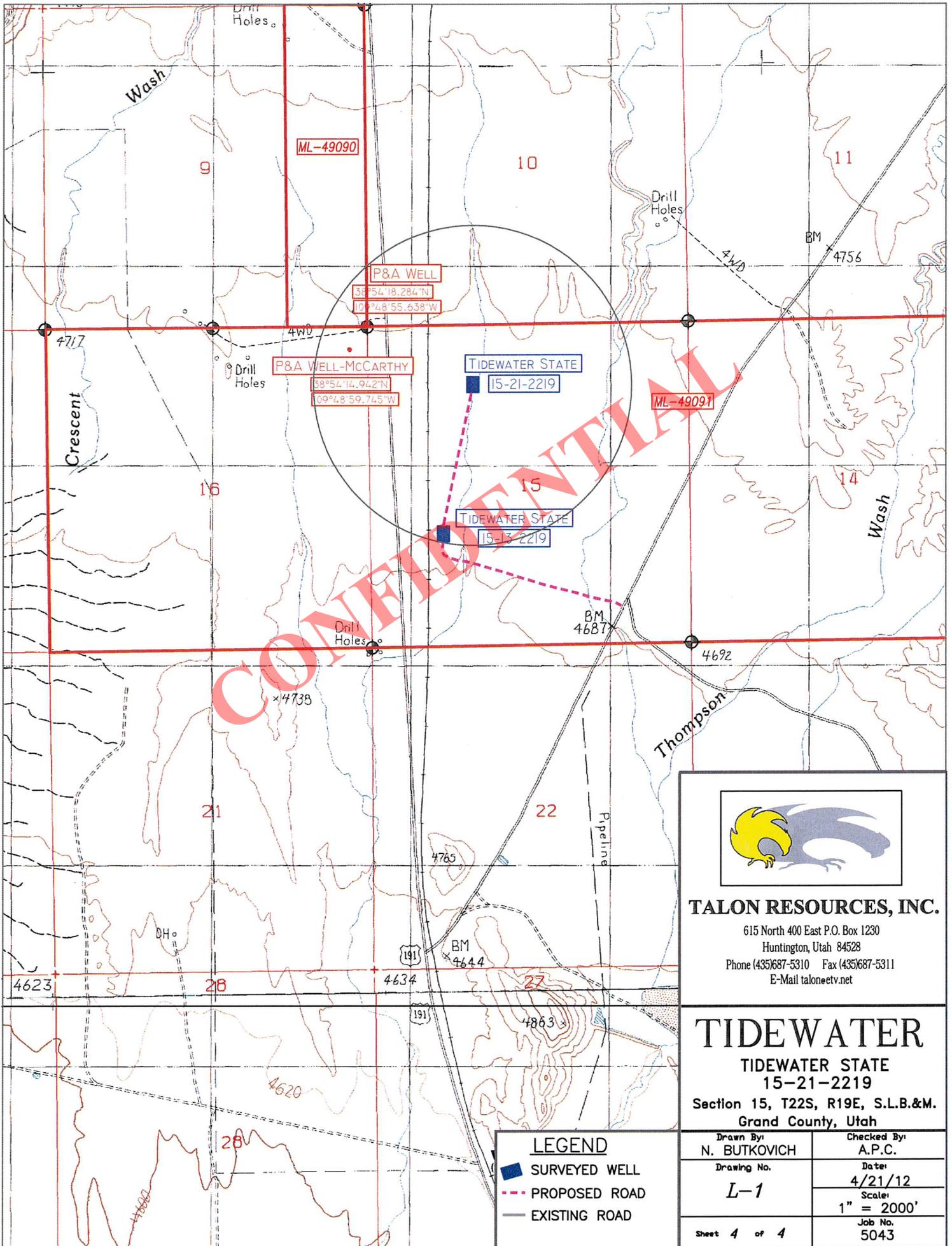
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon@etv.net

TIDEWATER

TIDEWATER STATE
15-21-2219

Section 15, T22S, R19E, S.L.B.&M.
Grand County, Utah

Drawn By: N. BUTKOVICH	Checked By: A.P.C./J.S.H.
Drawing No. A-1	Date: 4/21/12
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 5043 14



TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail taloneetv.net

TIDEWATER

TIDEWATER STATE
 15-21-2219
 Section 15, T22S, R19E, S.L.B.&M.
 Grand County, Utah

LEGEND	
	SURVEYED WELL
	PROPOSED ROAD
	EXISTING ROAD

Drawn By: N. BUTKOVICH	Checked By: A.P.C.
Drawing No. L-1	Date: 4/21/12
	Scale: 1" = 2000'
Sheet 4 of 4	Job No. 5043

11" 3000 psi
Rotating Head

11" 3000 psi
Annular

11" 3000 psi
Double Rams

2" 3,000# psi
Kill-Line

2" min. 3000 psi
Choke-Line

11" 3,000#

11" 3,000#

9-5/8"

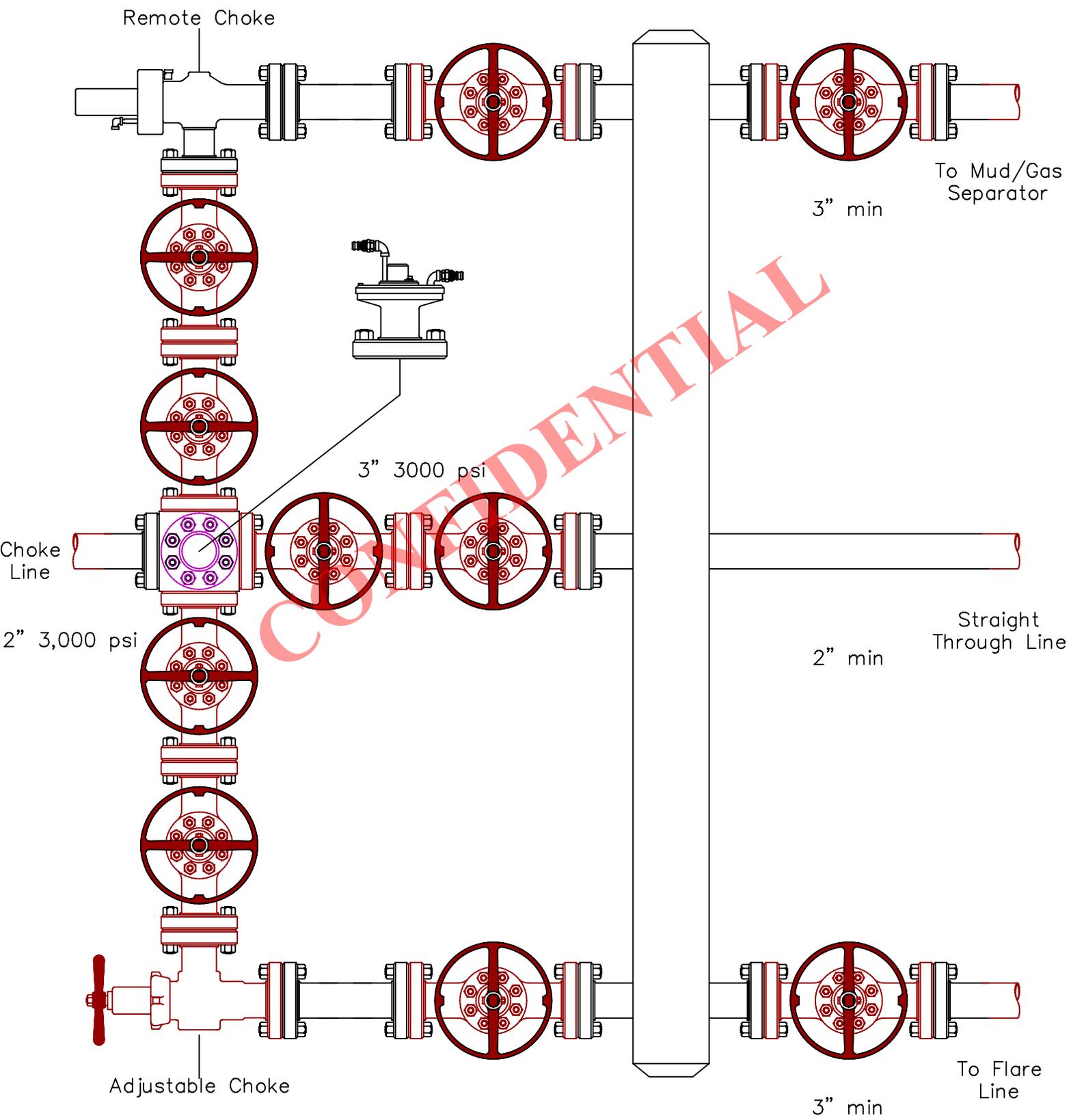
BOPE Diagram
3000 psi WP



Class 2

Name: Jeanette	Date: 8-29-07	Working Pressure: 3,000# #	10 J-2746-7
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RECEIVED May 10, 2012

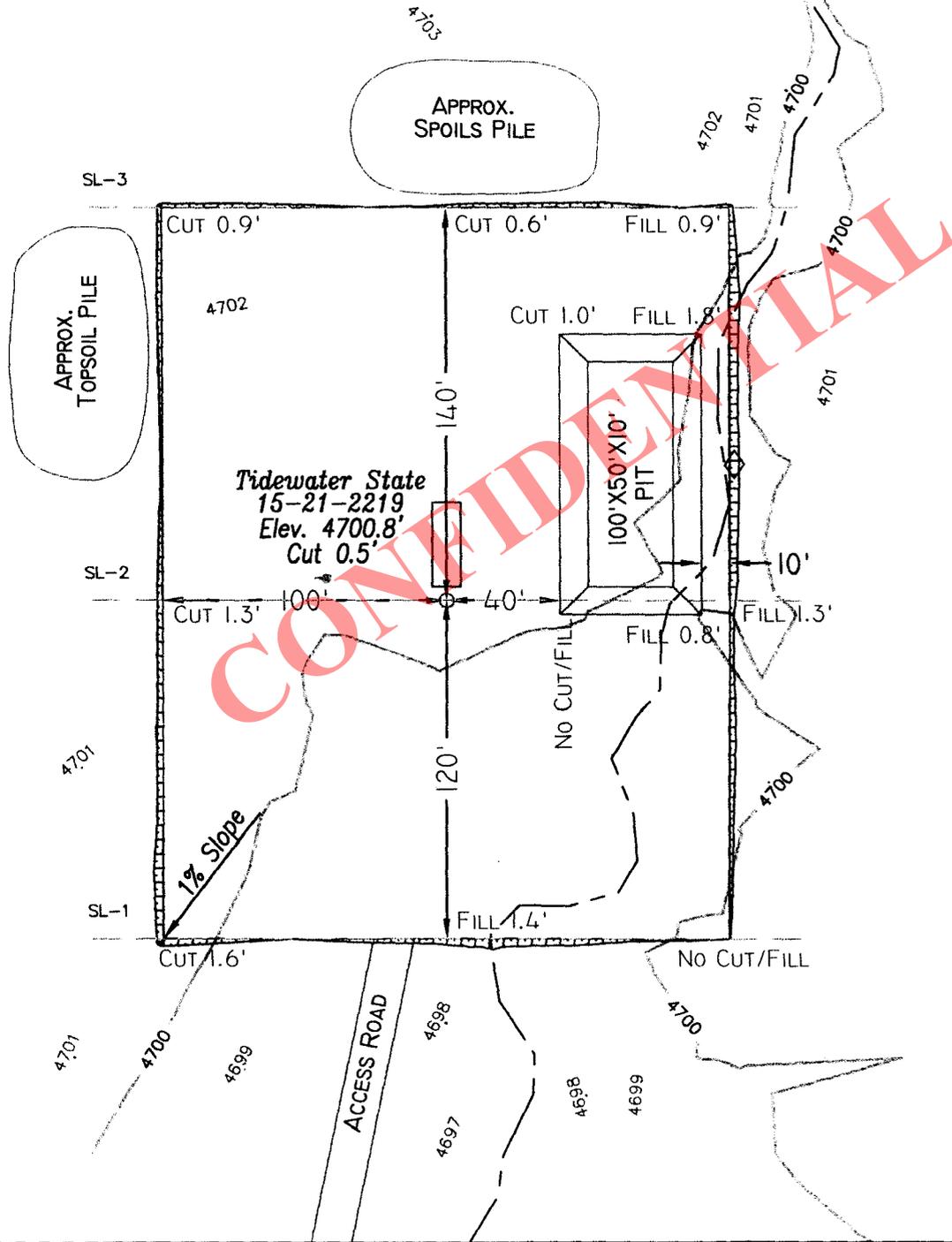


Choke Manifold (Typical) Class 2



Name: Jeanette	Date: 8-29-07	Working Pressure: 3,000 #	May 10, 2012
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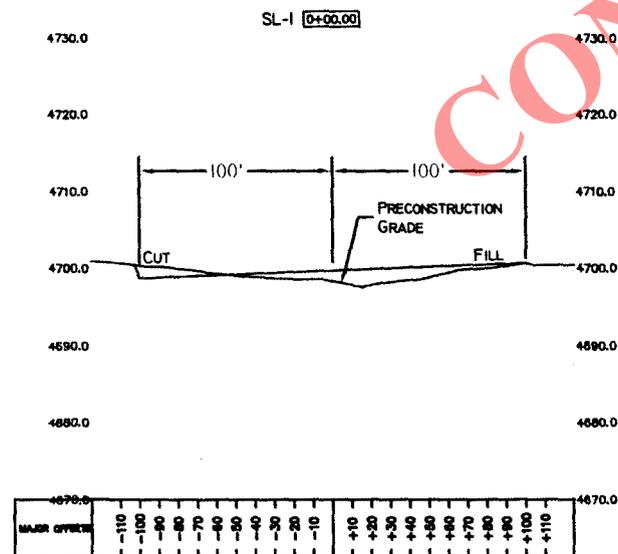
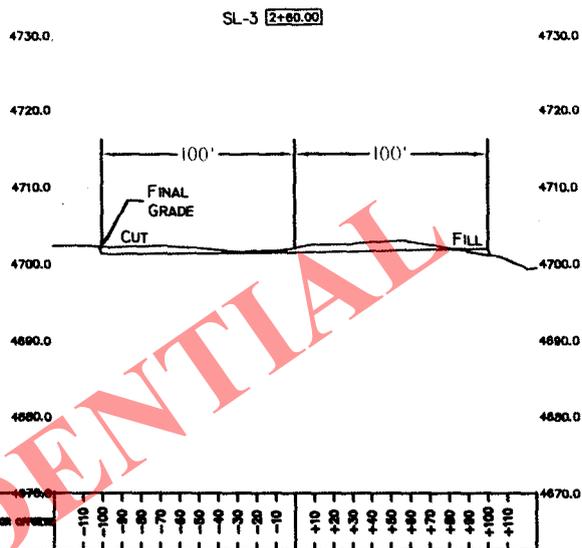
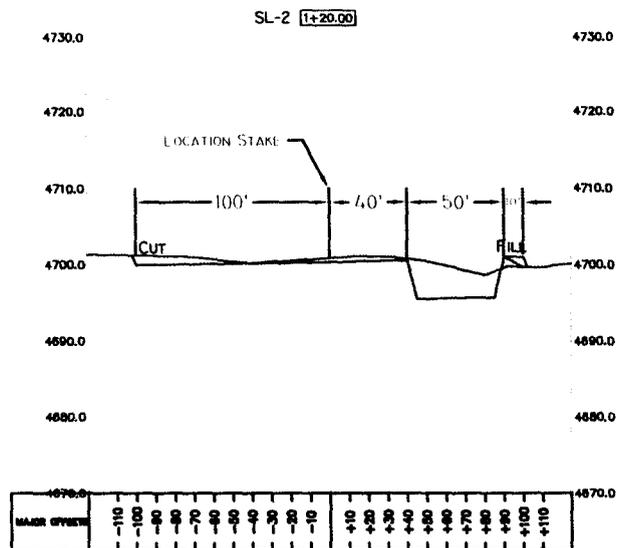
ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 4700.8'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 4700.3'



TALON RESOURCES, INC.
 615 North 400 East P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon-etv.net

TIDEWATER
 LOCATION LAYOUT
 Section 15, T22S, R19E, S.L.B.&M.
 TIDEWATER STATE
 15-21-2219

Drawn By: N. BUTKOVICH	Checked By: A.P.C.
Drawing No. A-2	Date: 4/21/12
	Scale: 1" = 60'
Sheet 2 of 4	Job No. 5043



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

SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1

APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 1,050 CU. YDS.
TOTAL CUT (INCLUDING PIT) = 1,985 CU. YDS.
TOTAL FILL = 755 CU. YDS.



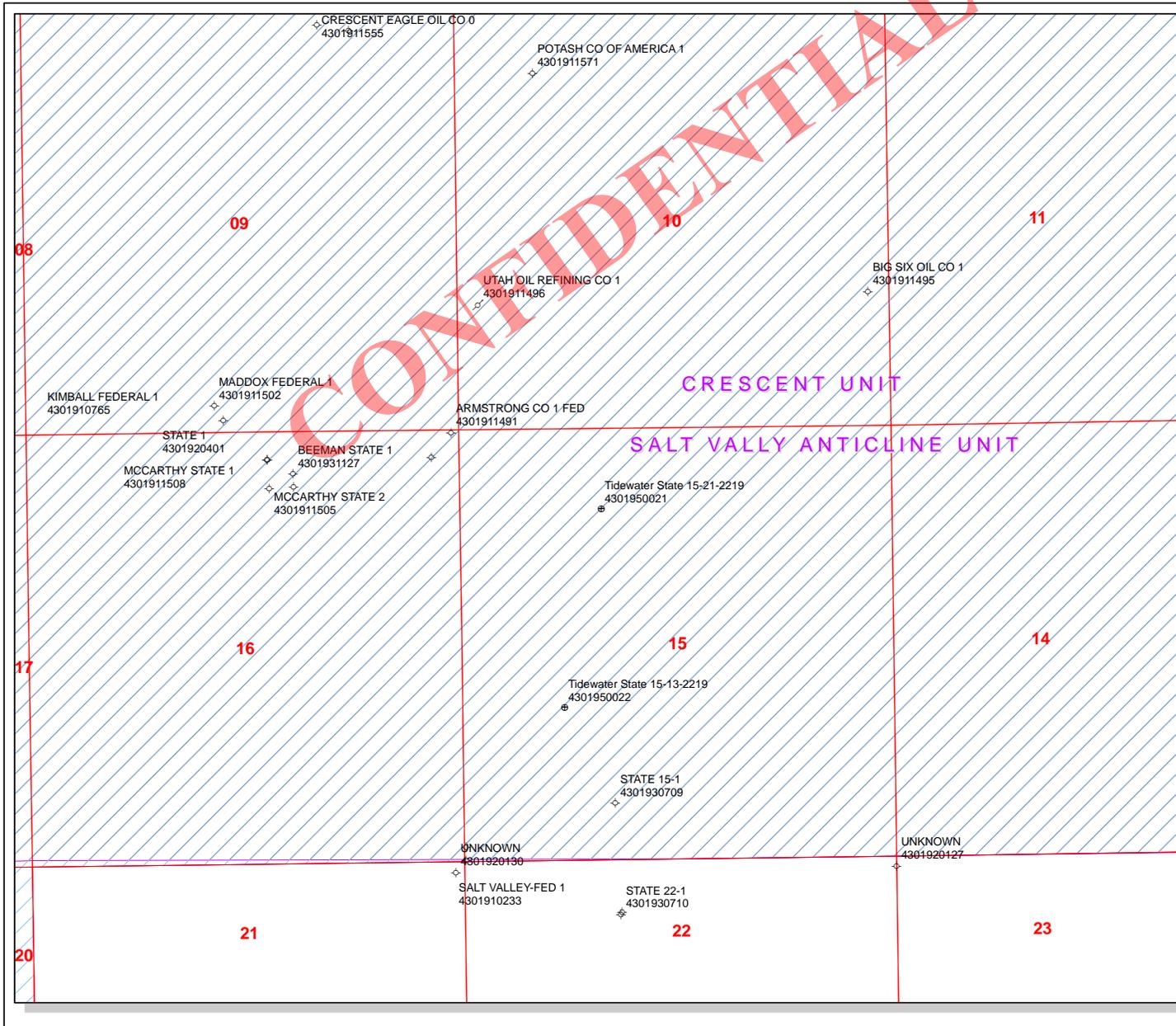
TALON RESOURCES, INC.

615 North 400 East P.O. Box 1230
Huntington, Utah 84528
Phone (435)687-5310 Fax (435)687-5311
E-Mail talon-etv.net

TIDEWATER

TYPICAL CROSS SECTION
Section 15, T22S, R19E, S.L.B.&M.
TIDEWATER STATE
15-21-2219

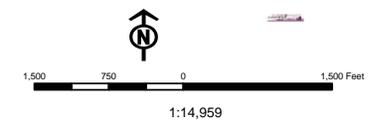
Drawn By: N. BUTKOVICH	Checked By: A.P.C.
Drawing No. C-1	Date: 4/21/12
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 5043



API Number: 4301950021
Well Name: Tidewater State 15-21-2219
Township T2.2 . Range R1.9 . Section 15
Meridian: SLBM
 Operator: TIDEWATER OIL & GAS COMPANY, LLC

Map Prepared:
 Map Produced by Diana Mason

Units STATUS	Wells Query Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	OPS - Operation Suspended
PP GEOTHERM.	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
Fields STATUS	SGW - Shut-in Gas Well
Unknown	SOW - Shut-in Oil Well
ABANDONED	TA - Temp. Abandoned
ACTIVE	TW - Test Well
COMBINED	WDW - Water Disposal
INACTIVE	WIW - Water Injection Well
STORAGE	WSW - Water Supply Well
TERMINATED	



TIDEWATER OIL & GAS COMPANY LLC

110 16th Street, Suite 405

Denver, Colorado 80202

(303) 468-0656

May 21, 2012

Ms. Diana Whitney
Utah Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
Salt Lake City, Utah 84114-5801

Re: Application for Permit to Drill – Location Exception Letter
Tidewater State 15-21-2219
NENW Sec 15, T22S, R19E
962' FSL, 1737' FWL
ML-49091
Grand County, Utah

Dear Ms. Whitney:

Pursuant to Utah Administrative Code §R649-3-3 Exception to Location and Siting of Wells, Tidewater Oil & Gas Company LLC ("Tidewater") hereby requests an exception location for the referenced well. Tidewater is the lessee of the following leases:

- ML-49091: All of sections 14, 15 & 16-T22S-R19E
- ML-49090: All of section 10 & E/2 E/2 Section 9-T22S-R19E
- ML-52066-OBA: All of section 11-T22S-R19E

and therefore controls all offsetting acreage to the proposed well. As such, Tidewater has met its notification obligation under UAC §§R649-3-3-1.2 and 1.3.

This proposed drill site is located within the Crescent Unit, and Tidewater is the operator of said federal Unit. Tidewater is the only owner within a 460' radius of the proposed location. Please see the attached plat showing the location of the proposed well as a red circle, and the location where the well could be drilled to negate the necessity of requesting an exception location, and this "legal" location is shown with a red "X" inside the 40-acre drilling window.

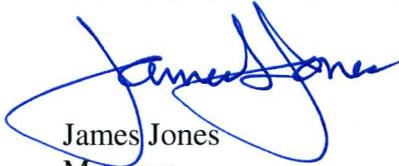
This request for an exception location is necessary for the following reasons:

- Tidewater has commissioned a very detailed and comprehensive analysis of the 3-D seismic data underlying the proposed location. The results of said analysis strongly indicate the proposed location offers the highest chance of drilling and completing a commercially productive oil and gas well.
- There are two major man-made disturbances on the surface: (i) State Highway 191; and, (ii) a Union Pacific Railroad spur line between Moab, UT and Crescent Junction, UT.
- The above mentioned surface disturbances significantly limit Tidewater's ability to select a surface location whereby a vertical well can be drilled to a relatively tight geologic target.

- Directional drilling at this location is not economically or physically viable due to the shallow nature of the anticipated producing zone and the complexity of the geologic target.

Please accept the foregoing as Tidewater's application for an exception location pursuant to §§R649-3-2 and R649-3-3 of the Utah Administrative Code. Feel free to call me at (720) 881-7341 with any questions you may have.

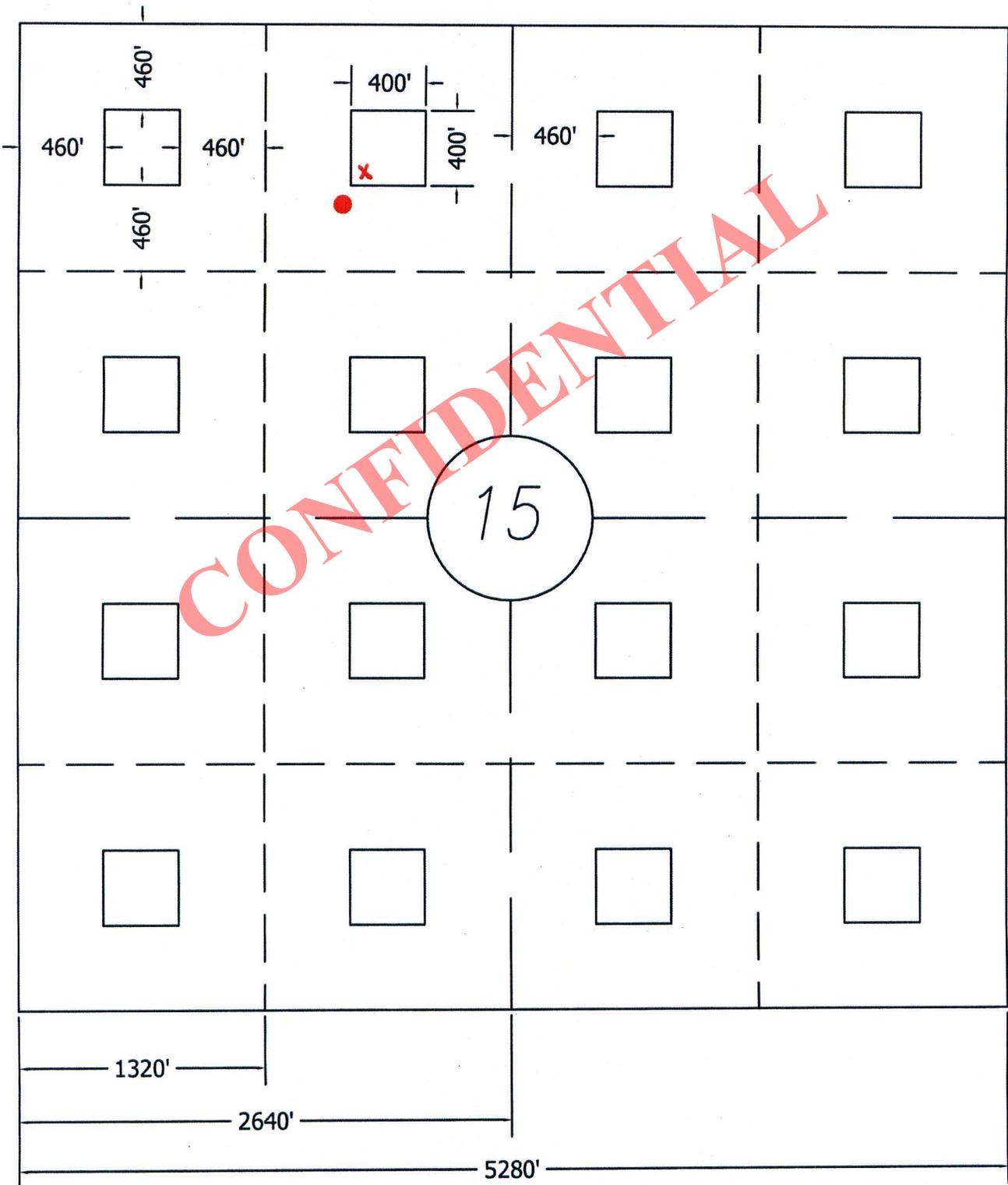
Sincerely,
Tidewater Oil & Gas Company LLC


James Jones
Manager

CONFIDENTIAL

40 Acre Spacing

Well Name: 15-21-2219



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)

May 25, 2012

Memorandum

To: AFM-Resources, Moab Field Office
From: Michael Coulthard, Petroleum Engineer
Subject: 2012 Plan of Development Crescent Unit Grand
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2012 within the Crescent Unit, Grand County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Chinle)		
43-019-50021	Tidewater State 15-21-2219	Sec 15 T22S R19E 0962 FNL 1737 FWL
43-019-50022	Tidewater State 15-13-2219	Sec 15 T22S R19E 1875 FSL 1254 FWL

This office has no objection to permitting the wells at this time. However please be advised that neither well will qualify as an "obligation well" under the Crescent Unit Agreement.

Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management,
ou=Branch of Minerals, email=Michael_Coulthard@blm.gov, c=US
Date: 2012.05.25 07:24:49 -0600

bcc: File - Crescent Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:5-25-12

RECEIVED: May 25, 2012

Well Name	TIDEWATER OIL & GAS COMPANY, LLC Tidewater State 15-21-2219			
String	COND	SURF	PROD	
Casing Size(")	16.000	8.625	5.500	
Setting Depth (TVD)	40	350	3200	
Previous Shoe Setting Depth (TVD)	0	40	350	
Max Mud Weight (ppg)	8.3	8.5	9.2	
BOPE Proposed (psi)	0	0	3000	
Casing Internal Yield (psi)	1000	2950	4810	
Operators Max Anticipated Pressure (psi)	1389		8.3	

Calculations	COND String	16.000	"
Max BHP (psi)	.052*Setting Depth*MW=	17	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	12	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	8	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	8	NO
Required Casing/BOPE Test Pressure=		0	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

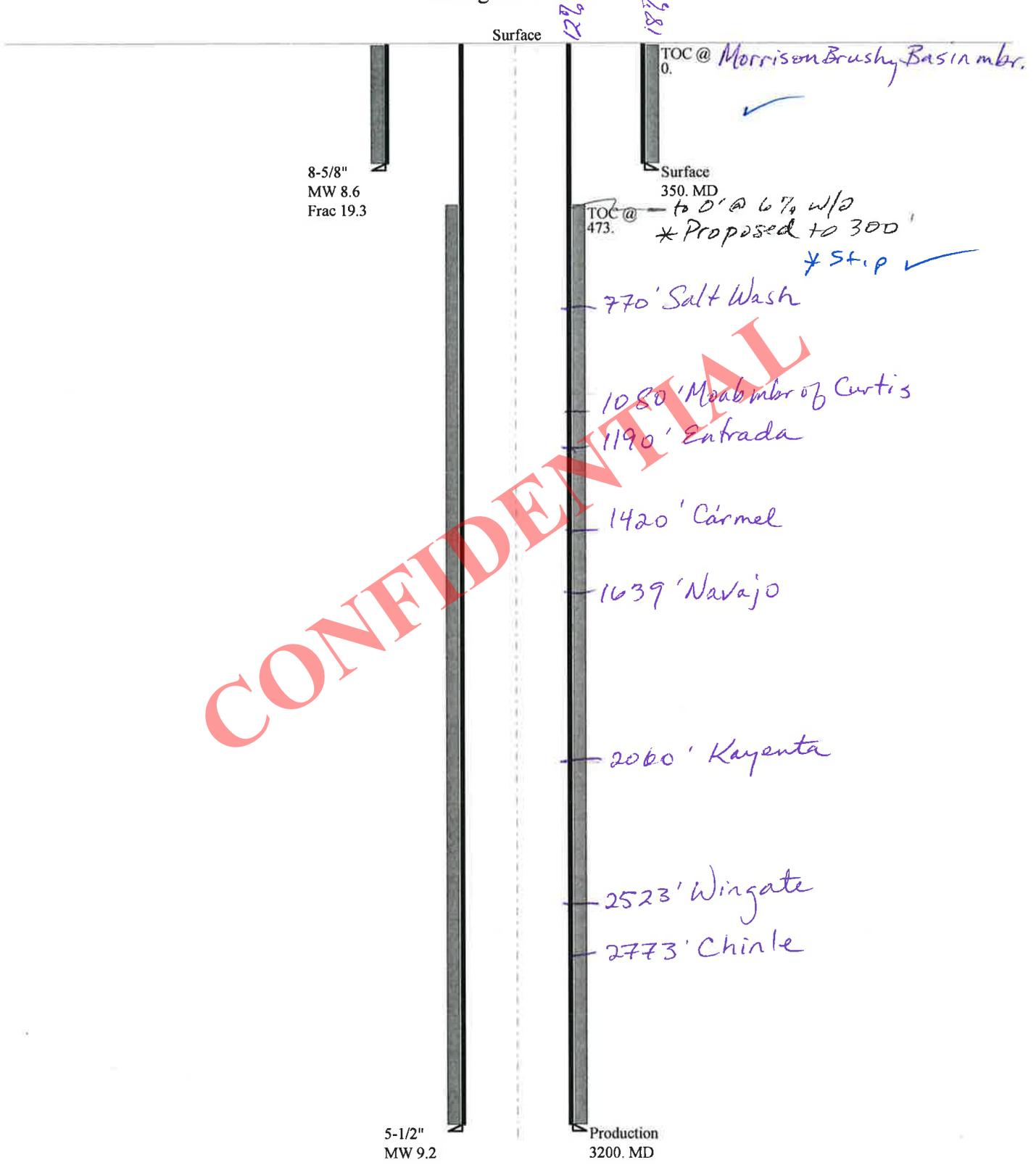
Calculations	SURF String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	155	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	113	NO fresh water gel/lime mud
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	78	NO OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	87	NO OK
Required Casing/BOPE Test Pressure=		350	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

Calculations	PROD String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	1531	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1147	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	827	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	904	NO Reasonable
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		350	psi *Assumes 1psi/ft frac gradient

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

43019500210000 Tidewater State 15-21-2219

Casing Schematic



Well name:	43019500210000 Tidewater State 15-21-2219	
Operator:	TIDEWATER OIL & GAS COMPANY, LLC	
String type:	Surface	Project ID: 43-019-50021
Location:	GRAND COUNTY	

Design parameters:

Collapse

Mud weight: 8.600 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: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 308 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 350 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: 305 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 3200 ft
Next mud weight: 9.200 ppg
Next setting BHP: 1,673 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 350 ft
Injection pressure: 350 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	350	8.625	24.00	J-55	ST&C	350	350	7.972	1802
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	156	1370	8.762	350	2950	8.43	8.4	244	29.05 J

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

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

Date: July 18, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 350 ft, a mud weight of 8.6 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.

Well name:	43019500210000 Tidewater State 15-21-2219		
Operator:	TIDEWATER OIL & GAS COMPANY, LLC		
String type:	Production	Project ID:	43-019-50021
Location:	GRAND COUNTY		

Design parameters:**Collapse**

Mud weight: 9.200 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: 119 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft
Cement top: 473 ft

Burst

Max anticipated surface pressure: 825 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 1,529 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: 2,755 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	3200	5.5	15.50	K-55	LT&C	3200	3200	4.825	14024
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	1529	4040	2.642	1529	4810	3.15	49.6	239	4.82 J

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

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

Date: July 18, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3200 ft, a mud weight of 9.2 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.

From: Jim Davis <jimdavis1@utah.gov>
To: edbonner@utah.gov, jconley@utah.gov, LAVONNEGARRISON@utah.gov, BRADHILL@...
Date: 7/27/2012 12:58 PM
Subject: Tidewater Apd approvals

All, The following well have been approved by SITLA with the following archaeology stipulations:
Tidewater State 15-21-2219 (4301950021) and Tidewater State 15-13-2219 (4301950022).

A paleo survey was not required in this area. I note here as well that DWR recommends that drilling and construction activities not occur between March 1 and Aug 1 due to the presence of Ferruginous hawks in the area.

Here is the stipulation on the arch clearance from Kristine Curry : >>>> The following wells have been cleared for cultural resources, provided they don't affect the two eligible sites (so, they need to avoid the railroad grade and no improving/digging in the road):

Tidewaters' Tidewater State 15-21-2219 [API #4301950021] (U-12-MQ-0527s; 5 non-significant sites, 42Gr1805, 42Gr1807, 42Gr3799, 42Gr3800, and 42Gr4755, adjacent to proposed pad)

Tidewater's Tidewater State 15-13-2219 [API #4301950022] (U-12-MQ-0527s; 3 non-significant sites, 42Gr1804, 42Gr1932, and 42Gr2771, and 2 eligible sites, 42Gr2311 & 42Gr3429, adjacent to proposed pad & access - must avoid impacts to the two eligible sites)

Kristine

>>>>

Thanks a lot. -Jim Davis

Jim Davis Utah Trust Lands Administration jimdavis1@utah.gov Phone: (801) 538-5156
Sent from my mobile. Forgive the spelling.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator TIDEWATER OIL & GAS COMPANY, LLC
Well Name Tidewater State 15-21-2219
API Number 43019500210000 **APD No** 5818 **Field/Unit** WILDCAT
Location: 1/4,1/4 NENW **Sec** 15 **Tw** 22.0S **Rng** 19.0E 962 FNL 1737 FWL
GPS Coord (UTM) 603244 4306619 **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Nicole Nielson-Utah Division of Wildlife Resources (UDWR), Jim Davis-Trust Lands Administration (SITLA), Jim Jones-Tidewater Oil & Gas Company, LLC, Bo Wareham-K Sue Construction, Mike Davis-K-Sue.

Regional/Local Setting & Topography

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

Surface Use Plan

Current Surface Use

Grazing
Wildlfe Habitat

**New Road
Miles**

Well Pad

Width 200 Length 260

Src Const Material

Onsite

Surface Formation

MNCS

Ancillary Facilities N

No waste management plan has been filed with APD.

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Flora:

Grass: Curly galleta, Salina rye, Indian rice grass.

Forbs: Desert trumpet, funnel lily, purple mustard, Cisco aster, rocky mountain aster, halogeton

Shrubs: Mat salt brush, winterfat, broom snakeweed, Nuttles salt brush.

Trees: None

Other: Cactus spp.

Soil Type and Characteristics

Gray clays typical of recently weathered Mancos shale.

Erosion Issues Y

Soils prone to wind erosion once disturbed, watering of access road and well pad while drilling recommended.

Sedimentation Issues N

Site Stability Issues N

Site appears suitable for proposed drilling program.

Drainage Diversion Required? Y

Drainage on the eastern portion of the well pad should be diverted around the well pad.

Berm Required? N

Erosion Sedimentation Control Required? Y

Apply fresh water as needed to control dust and stabilize disturbed soils.

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

Reserve Pit

Site-Specific Factors

Site Ranking

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

3 Sensitivity Level

Characteristics / Requirements

Liner is anticipated in reserve pit but is not required.

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

Other Observations / Comments

DWR mentioned rolling clays hills in close proximity to the proposed project site are potential Ferruginous hawk nesting sites. No known nest occur within close proximity for the proposed project site.

Bart Kettle
Evaluator

5/30/2012
Date / Time

CONFIDENTIAL

**Application for Permit to Drill
Statement of Basis
Utah Division of Oil, Gas and Mining**

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
5818	43019500210000	LOCKED	OW	S	No
Operator	TIDEWATER OIL & GAS COMPANY, LLC		Surface Owner-APD		
Well Name	Tidewater State 15-21-2219		Unit	CRESCENT	
Field	WILDCAT		Type of Work	DRILL	
Location	NENW 15 22S 19E S 962 FNL (UTM) 603248E 4306608N		1737 FWL	GPS Coord	

Geologic Statement of Basis

Good quality groundwater is unlikely to be encountered in the bedrock at this location. Low permeability strata is present in the Mancos Shale. It is unknown what quality of waters will be encountered in the Mesozoic & Paleozoic formations that are found below the Mancos Shale. Water is most likely to be encountered within the upper 500' of statum. High quality connate waters may be present due to the recharge from the Salt Valley Anticline to the south. Connate waters are most likely to be saline as is documented in the area of the old Crescent Junction Oil Field. The proposed casing & cementing program should adequately protect any zones of fresh water that may be encountered. Pinnacle Potash International has 3 proposed class III solution mining injection wells within 1 mile of the proposed oil well location.

Ammon McDonald
APD Evaluator

6/18/2012
Date / Time

Surface Statement of Basis

Presite evaluation completed May 30, 2012. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Jim Davis-Trust Lands Administration (SITLA), Nicole Nielson-Division of Wildlife Resources (DWR), Jim Jones-Tidewater Oil and Gas LLC, Bo Wareham-K Sue Construction, Mike Davis-K-Sue.

Per DWR proposed project area is located within antelope fawning grounds. One small group of antelope were observed at the time of presite evaluation. A single Ferruginous Hawk nest is located over a mile north of the proposed project site. Burrowing Owls have been observed in proximity to the proposed project site. Whitetail prairie dog mounds where observed within the project area. DWR is recommending drilling operations not occur between March 1-August 1 .Whitetail prairie dog mounds where observed within the project area.

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

Soils observed along the access road will require frequent fresh water applications to prevent break up of road surface and powdering of soils in periods of hot dry conditions. In the event drilling activates are planned during the spring break up period from February

15-April 15 it is recommended that a 2% crown be built according to road Standards for the Exploration Phase for Utah Trust Lands.

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

Bart Kettle
Onsite Evaluator

5/30/2012
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Access road shall be built per requirements found in Standards for Construction of Oil & Gas Roads on Utah Trust Lands.
Surface	Fresh water shall be applied to access road and well pad to control dust and erosion of disturbed soils.

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WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 5/10/2012

API NO. ASSIGNED: 43019500210000

WELL NAME: Tidewater State 15-21-2219

OPERATOR: TIDEWATER OIL & GAS COMPANY, LLC (N3000)

PHONE NUMBER: 303 884-5505

CONTACT: Walter Lowry

PROPOSED LOCATION: NENW 15 220S 190E

Permit Tech Review:

SURFACE: 0962 FNL 1737 FWL

Engineering Review:

BOTTOM: 0962 FNL 1737 FWL

Geology Review:

COUNTY: GRAND

LATITUDE: 38.90229

LONGITUDE: -109.80930

UTM SURF EASTINGS: 603248.00

NORTHINGS: 4306608.00

FIELD NAME: WILDCAT

LEASE TYPE: 3 - State

LEASE NUMBER: ML49091

PROPOSED PRODUCING FORMATION(S): CHINLE

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE - 394312680801
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: Thompson Springs
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

LOCATION AND SITING:

- R649-2-3.
- Unit: CRESCENT
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: R649-3-3
- Effective Date:
- Siting:
- R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 1 - Exception Location - dmason
 5 - Statement of Basis - bhll
 12 - Cement Volume (3) - ddoucet
 23 - Spacing - dmason
 25 - Surface Casing - hmacdonald



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

Permit To Drill

Well Name: Tidewater State 15-21-2219
API Well Number: 43019500210000
Lease Number: ML49091
Surface Owner: STATE
Approval Date: 8/2/2012

Issued to:

TIDEWATER OIL & GAS COMPANY, LLC, 110 16th St Ste 1220, Denver, CO 80202

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 R649-3-3. The expected producing formation or pool is the CHINLE 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.

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

Surface casing shall be cemented to the surface.

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 300' MD as indicated in the submitted drilling plan.

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 <http://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:

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

For John Rogers
Associate Director, Oil & Gas

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: ML49091	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: CRESCENT	
2. NAME OF OPERATOR: TIDEWATER OIL & GAS COMPANY, LLC		8. WELL NAME and NUMBER: TIDEWATER STATE 15-21-2219	
3. ADDRESS OF OPERATOR: 110 16th St Ste 1220 , Denver, CO, 80202		9. API NUMBER: 43019500210000	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0962 FNL 1737 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 15 Township: 22.0S Range: 19.0E 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 checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/1/2013 <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 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="Rescind APD"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>Tidewater Oil & Gas Company LLC hereby requests that the approved Approved Permit to Drill the Tidewater State 15-21-2219 well be rescinded, as Tidewater does not have any intention of drilling that well. Tidewater will request release of the Collateral Bond #394312680801 in the amount of \$30,000 via a separate letter to the UDOGM. Tidewater understands that in order for the bond to be released the UDOGM will post a notice in the newspaper with a 15 day response period and the peoposed wellsite will need to be inspected by a UDOGM Field Inspector prior to the bond being released. Other than the staking activity required for the permit application, Tidewater has not engaged in any surface disturbing activities on the referenced wellsite or proposed access road thereto.</p>			
NAME (PLEASE PRINT) Walter Lowry	PHONE NUMBER 303 884-5505	TITLE Engineer	
SIGNATURE N/A		DATE 4/1/2013	



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 2, 2013

Walter Lowry
Tidewater Oil & Gas Company
110 16TH Street, Ste. 1220
Denver, CO 80202

Re: APD Rescinded – Tidewater State 15-21-2219, Sec. 15, T. 22S, R. 19E
Grand County, Utah API No. 43-019-50021

Dear Mr. Lowry:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 2, 2012. On April 1, 2013, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective April 1, 2013.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

