

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 Cane Creek Unit 36-3H								
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 BIG FLAT								
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME CANE CREEK								
6. NAME OF OPERATOR FIDELITY E&P COMPANY						7. OPERATOR PHONE 720 931-6459								
8. ADDRESS OF OPERATOR 1700 Lincoln Street Ste 2800, Denver, CO, 80203						9. OPERATOR E-MAIL Robert.Sencenbaugh@fidelityepco.com								
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-40571			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 type="checkbox"/> HORIZONTAL <input checked="" type="checkbox"/>								
20. LOCATION OF WELL		FOOTAGES		QTR-QTR		SECTION		TOWNSHIP		RANGE		MERIDIAN		
LOCATION AT SURFACE		267 FSL 734 FWL		SWSW		36		25.0 S		19.0 E		S		
Top of Uppermost Producing Zone		267 FSL 734 FWL		SWSW		36		25.0 S		19.0 E		S		
At Total Depth		1995 FNL 740 FEL		SENE		36		25.0 S		19.0 E		S		
21. COUNTY GRAND			22. DISTANCE TO NEAREST LEASE LINE (Feet) 734			23. NUMBER OF ACRES IN DRILLING UNIT 640								
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 20			26. PROPOSED DEPTH MD: 11976 TVD: 7388								
27. ELEVATION - GROUND LEVEL 5795			28. BOND NUMBER 190017646/104891324			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Municipal								

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Cond	26	20								
Surf	17.5	13.375	0 - 1070	54.5	J-55 Buttress	0.0	Type III	303	2.47	12.3
							Type III	200	2.14	14.2
I1	12.25	9.625	0 - 4180	40.0	L-80 Buttress	0.0	Class G	660	1.25	14.4
							Class G	250	1.25	14.4
Prod	8.5	7	0 - 3950	29.0	P-110 Other	0.0	Class G	605	1.44	16.8
			3950 - 7072	32.0	HCP-110 LT&C	0.0	Class G	373	1.73	18.0
			7072 - 11976	29.0	P-110 Other	0.0	None			

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 Joy Gardner	TITLE Sr. Engineering Tech	PHONE 720 956-5763
SIGNATURE	DATE 08/30/2013	EMAIL joy.gardner@fidelityepco.com
API NUMBER ASSIGNED 43019500350000	APPROVAL  Permit Manager	

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Sub-Sea (ft)	Lithology	Objective
Windgate Sand	Surface		Sandstone	
Chinle	400	+5420	Sand/Shale	
Moenkopi	773	+5047	Sand/Shale	
Cutler	1135	+4685	Sandstone	
Honaker Trail	2251	+3569	Sand/Evaporite	
Paradox	3646	+2174	Salt/Clastics	Secondary
Clastic 18/19	6680	-860	Shale	Primary
T.D.	7388	-1568		
T.D. (LATERAL MD)	±11,976			

Estimated TD: 7388' TVD/ 11,976' MD

Anticipated BHP: ±5600Psig

1. Lost circulation in all intervals.
2. Cement isolation is installed to surface of the well isolating all zones by cement and casing.

3. PRESSURE CONTROL EQUIPMENT: Intermediate & Production Hole – 10,000 Psig BOP schematic diagrams attached.

4. CASING PROGRAM:

<u>CASING</u>	<u>Hole Size</u>	<u>Length</u>	<u>Size</u>	<u>WEIGHT</u>	<u>Grade</u>	<u>Thread</u>	<u>Collapse</u>	<u>Burst</u>	<u>Tensile</u>
							(psi) a	(psi) b	(1K lbs) c
Conductor	26"	0 – ±90'	20"						
Surface	17 1/2"	0' – 1,070'	13 3/8"	54.5#	J-55	BTC	1130/2.1	2730/3.0	909/2.5
Intermediate	12 1/4"	0 – 4,180'	9-5/8"	40.0#	L-80	BTC	3,090/1.5	5,750/1.2	947/2.1
Production	8-1/2"	0 – 3,950'	7"	29#	P-110	BTC	8,530/2.5	11,220/3.3	955/2.1
Production	8-1/2"	3950 – 7072'	7"	32#	HCP-110	BTC	11,890/1.9	12,460/2.0	955/2.1
Production	8-1/2"	7072 – 11,976'	7"	29#	P-110	BTC	8,530/1.3	11,220/2.0	955/2.1

Surface based on full evacuation: a=9.0 ppg fluid on backside, b=9.0 ppg inside, & c=9.0 ppg fluid + 100K overpull.

Intermediate based on full evacuation: a=9.0 ppg fluid on backside, b=9.0 ppg inside, & c=9.0 ppg fluid + 100K overpull.

Production based on full evacuation: a=16.5 ppg fluid on backside, b=16.5 ppg inside, & c=16.5 ppg fluid + 100K overpull

All casing will be new or inspected.

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

5. Float Equipment:**Surface Hole Procedure (0' - 1070'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (23 total)**Intermediate Hole Procedure (0' - 4,180±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of joints. #2 and #3 then every 3rd joint to surface. (33 total)**Production Hole Procedure (0' - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint. 1 per joint in the lateral (length TBD) and 2 per joint in the curve from 90° to 45°, 1 per joint to ±6,550'. (Approximately 150)

6. MUD PROGRAM

Interval	Mud Type	Mud Wt.	PV / YP	OWR
0' - 1,000'	Air Mist	---	---	---
1,000' - 4,180'	Air Mist/Aerated Water	---	---	---
4,180' - 11,976'	Oil Based Mud	13.5-16.5 ppg	22-32 / 12-22	+/-90:10

Intermediate & Production Hole Procedure (4,180' - TD): Anticipated mud weight 13.5 – 16.5 ppg depending on actual wellbore conditions encountered while drilling.

An oil based mud (OBM) system will be used to prevent fluid interaction with the salts and shales. LCM sweeps, pills, etc., will be used to prevent fluid loss. Adequate amounts of weighting material will be on hand as needed for well control.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- Fidelity E&P. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- Fidelity E&P requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

- Fidelity E&P requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- Fidelity E&P requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- Fidelity E&P requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Mud Logs: Mud log from 1,055' to TD.
Open-hole Logs: Triple-Combo, ECS, OBM FMI

9. CEMENT PROGRAM:**Surface Hole Procedure (Surface – 1,070'±):**

Lead: 303 sks Type III Halliburton cement + 2% Sodium Silicate + 2% Gypsum. Yield = 2.47 ft³/sk @ 12.30 ppg
Tail: 200 sks Type III Halliburton cement + 2% Sodium Silicate + 2% Gypsum. Yield = 2.14 ft³/sk @ 14.20 ppg.
Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk LCM mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
Note: Cement volumes will be calculated to bring lead cement to surface.

Intermediate Hole Procedure (Surface – 4,180'±):

Lead: 660 sks 66 pps Class G + 14 pps Pozz + 0.2% Sodium Silicate + 2 pps Gypsum. Yield = 1.25 ft³/sk @ 14.40 ppg
Tail: 250 sks 66 pps Class G + 14 pps Pozz + 0.2% Sodium Silicate + 2 pps Gypsum + Nitrogen. Yield = 1.25 ft³/sk @ 14.4 ppg
Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk LCM mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Production Hole Procedure (4,180 – TD):

Lead: 605 sks Weighted Class G + 10% Silica Flour + 25% 100 Mesh sand. Yield = 1.44 ft³/sk @ 16.80 ppg.
Tail: 373 sks Class G cement + 75 pps Hematite. Yield = 1.73 ft³/sk @ 18.00 ppg.
Note: The above number of sacks is based on gauge-hole calculation, 0% excess. Final Cement volumes will be based upon gauge-hole plus 30% excess and the actual depth drilled to.

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface – 1,070'±):

Lost circulation.

Intermediate & Production Hole (1,070'± - TD):

Lost circulation zones and over pressure in the production zone.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

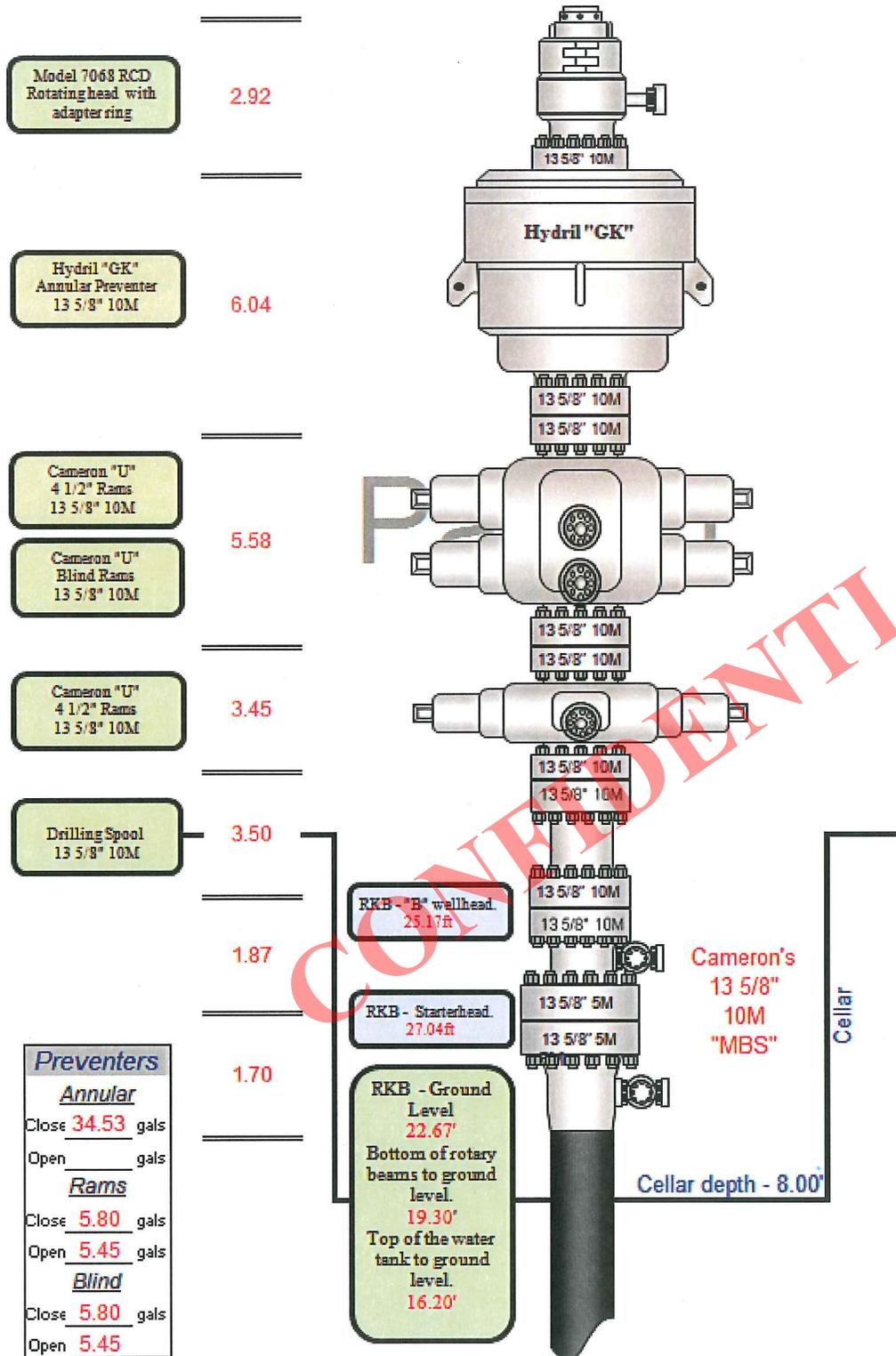
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

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Fidelity Exploration & Production Company Eight Point Plan

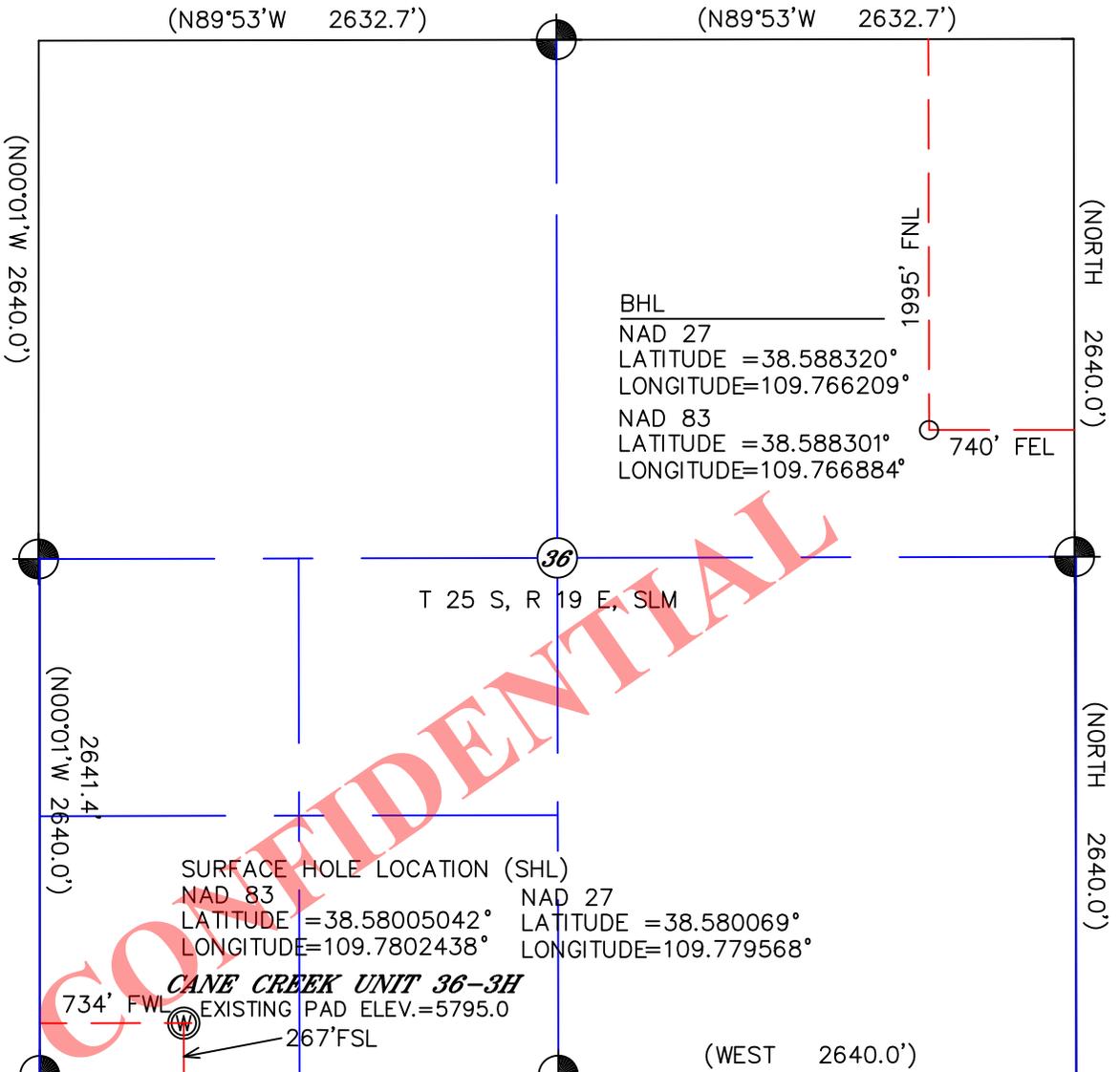
CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH



LEGEND



SCALE 1"=1000'



CONFIDENTIAL

LOT 1

TURN
 NAD 27
 LATITUDE =38.579231°
 LONGITUDE=109.780940°
 NAD 83
 LATITUDE =38.579212°
 LONGITUDE=109.781615°

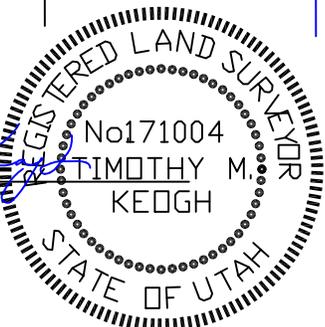
SEC. 1

T 26 S, R 19 E, SLM

SEC. 2

T 26 S, R 19 E, SLM

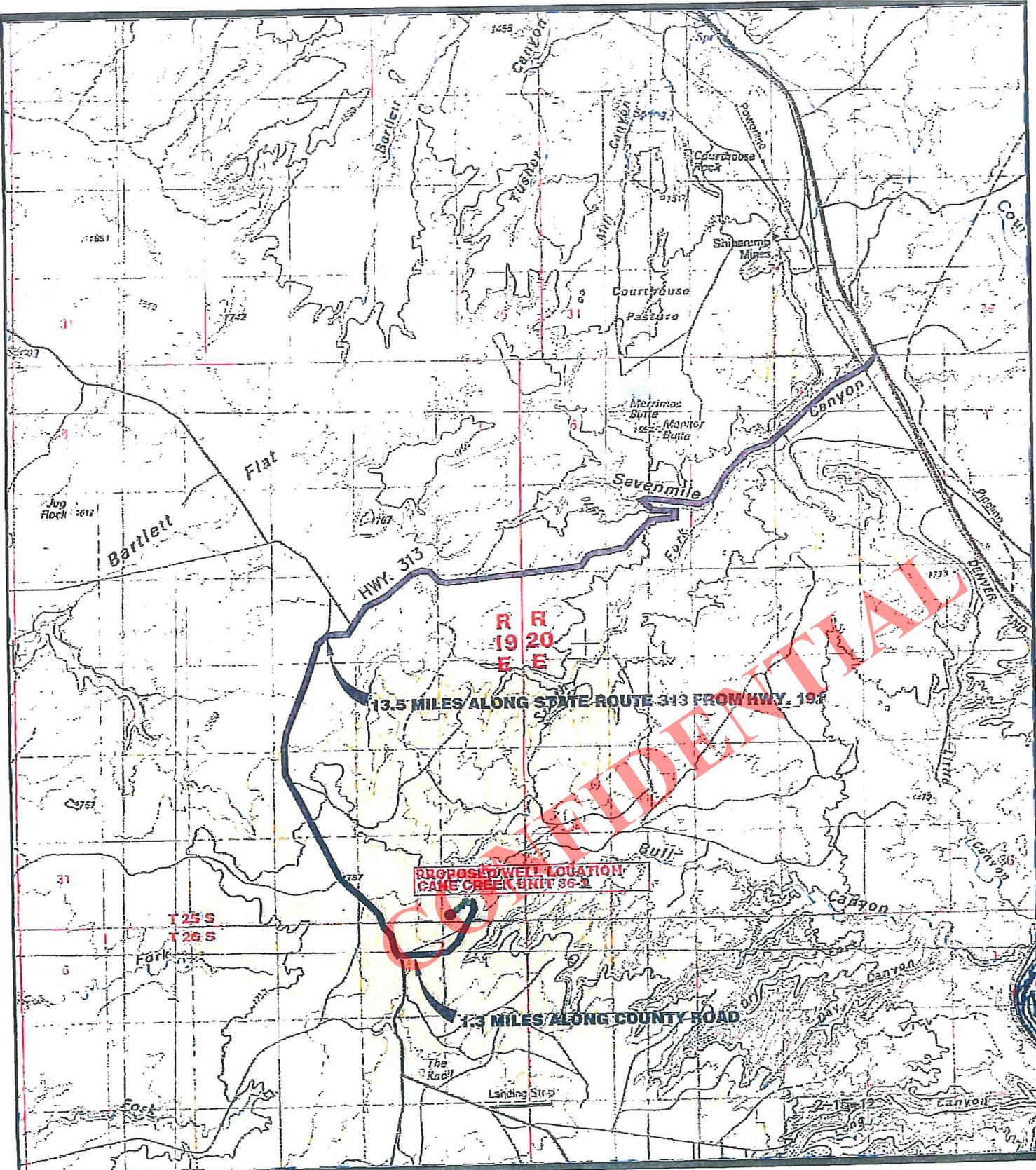
NOTES: DATA IN PARENTHESIS IS OF RECORD.
 ELEVATIONS ARE BASED ON A G.P.S. 2 HOUR
 OPUS OBSERVATION.



Timothy M. Keogh
 TIMOTHY M. KEOGH
 08-28-13

KEOGH LAND SURVEYING		
45 EAST CENTER STREET		MOAB, UTAH, 84532
A PLAT OF		
CANE CREEK UNIT 36-3H		
WITHIN SECTION 36, T 25 S, R 19 E, SLM & SECTION 1, T 26 S, R 19 E, SLM, GRAND CO., UTAH		
PREPARED FOR		
FIDELITY EXPLORATION & PRODUCTION CO.		
DATE: 08-28-13	DRAWN BY: TMK	CHECKED BY: TMK
SCALE: 1"=1000'	F.B.# TDC1	36-1 CCU.DWG

RECEIVED: August 30, 2013



LEGEND

- PROPOSED WELL
- PROPOSED ACCESS TO SUBJECT WELL
- ROAD TO OTHER WELLS
- EXISTING ROAD TO BE IMPROVED
- EXISTING ROAD

TOPOGRAPHIC MAP "A"

DATE: 2-15-12
 SCALE: 1:100000
 SURVEYED 2-15-12

DRAWN BY: TMK

REVISED:

FIDELITY EXPLORATION & PRODUCTION CO.

PROPOSED ACCESS TO

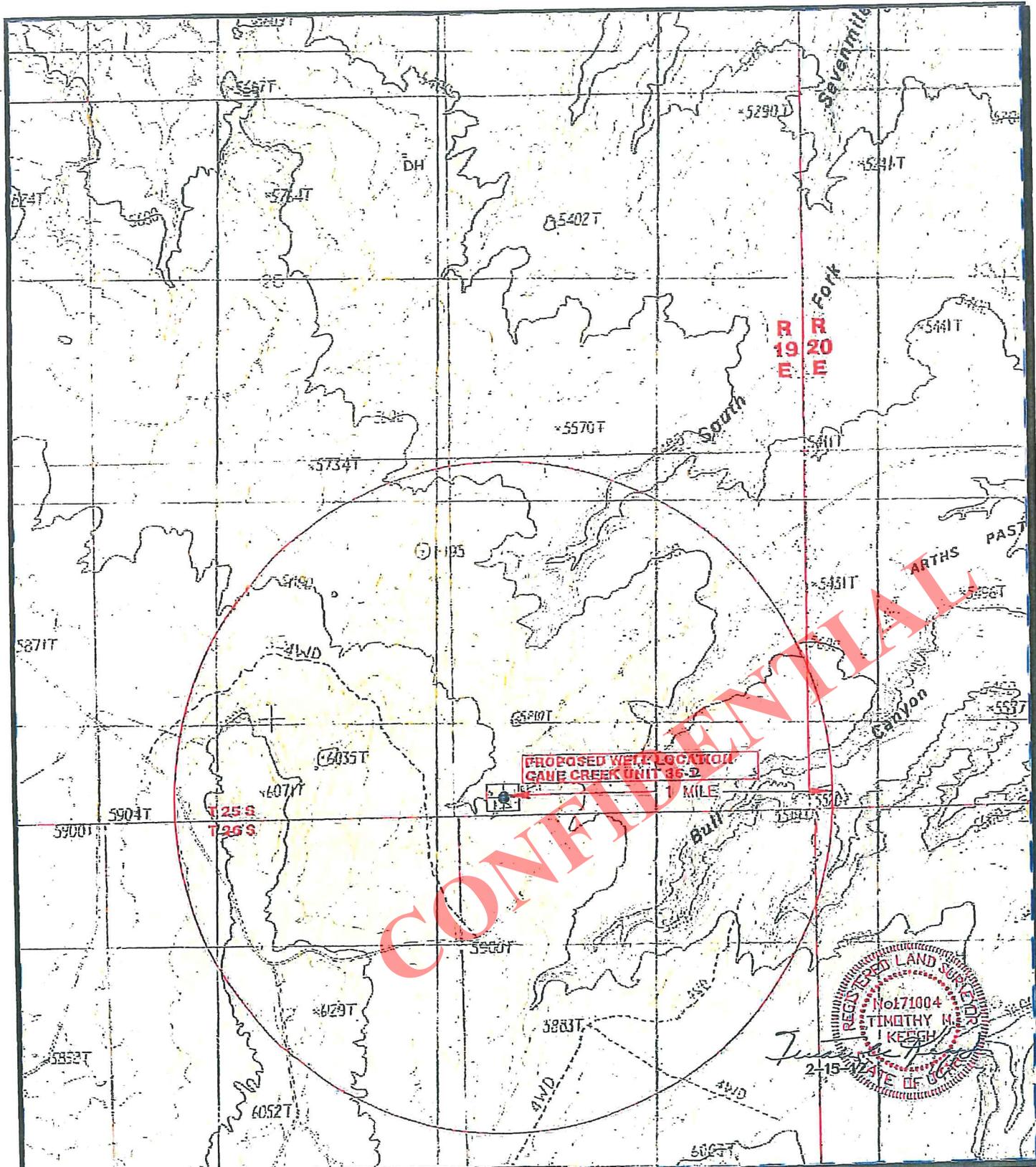
CANE CREEK UNIT 36-3

WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH
 267 FT. FSL & 774 FT. FWL

KEOGH LAND SURVEYING

45 EAST CENTER STREET

MOAB, UTAH, 84532



LEGEND

- PROPOSED WELL
- PROPOSED ACCESS TO SUBJECT WELL
- ROAD TO OTHER WELLS
- EXISTING ROAD TO BE IMPROVED

TOPOGRAPHIC MAP "C"

DATE: 2-15-12
 SCALE: 1"=2000'
 SURVEYED 2-15-12

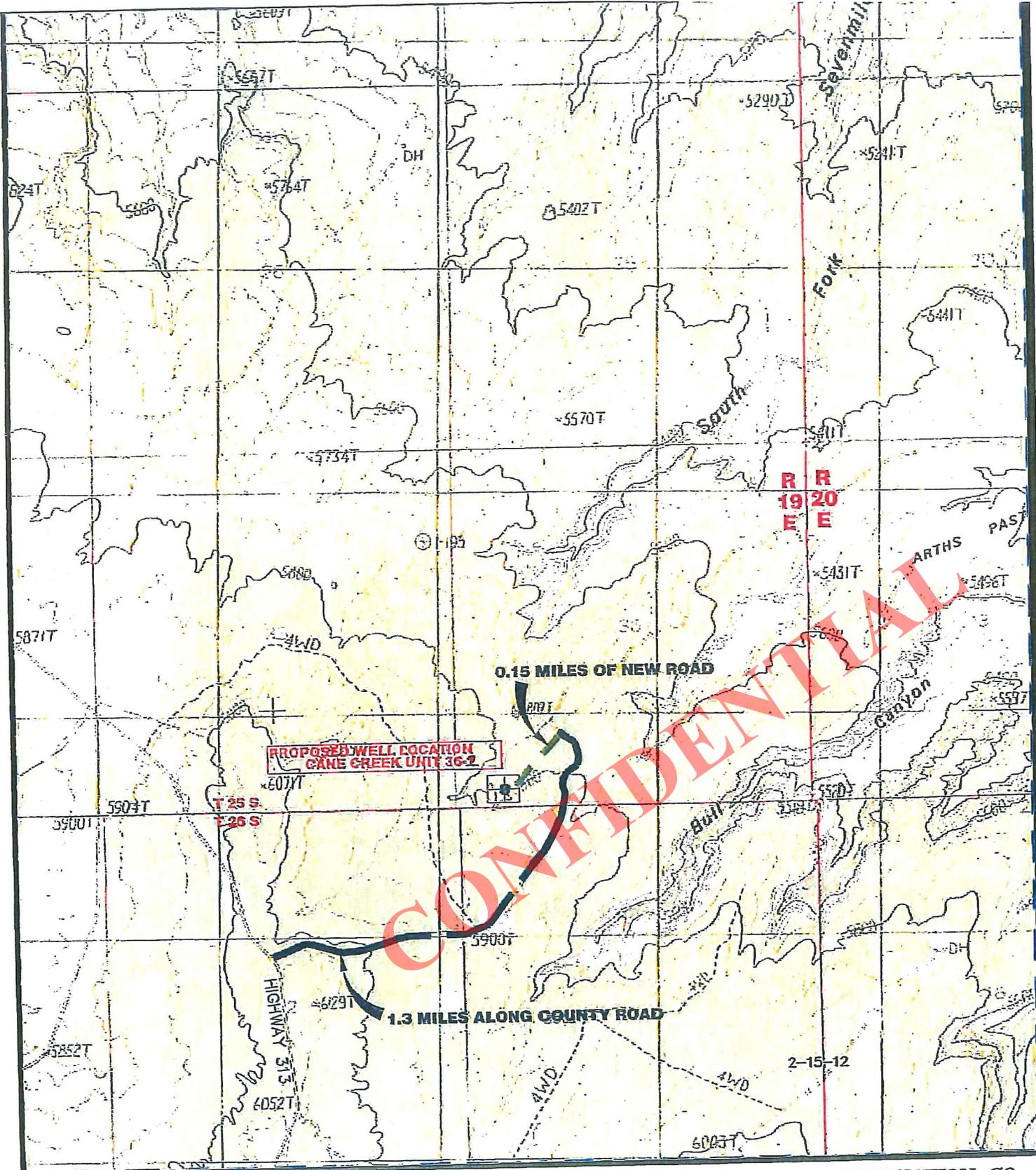
DRAWN BY: TMK

REVISED:

FIDELITY EXPLORATION & PRODUCTION CO.

PROPOSED ACCESS TO
CANE CREEK UNIT 36-3
 WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH
 267 FT. FSL & 774 FT. FWL

KEOGH LAND SURVEYING
 45 EAST CENTER STREET MOAB, UTAH, 84532



LEGEND

- PROPOSED WELL
- PROPOSED ACCESS TO SUBJECT WELL
- ROAD TO OTHER WELLS
- EXISTING ROAD TO BE IMPROVED

FIDELITY EXPLORATION & PRODUCTION CO.

PROPOSED ACCESS TO
CANE CREEK UNIT 36-3
 WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH
 267 FT. FSL & 734 FT. FVL

TOPOGRAPHIC MAP "B"

DATE: 2-09-12
 SCALE: 1"=2000'
 SURVEYED 2-15-12

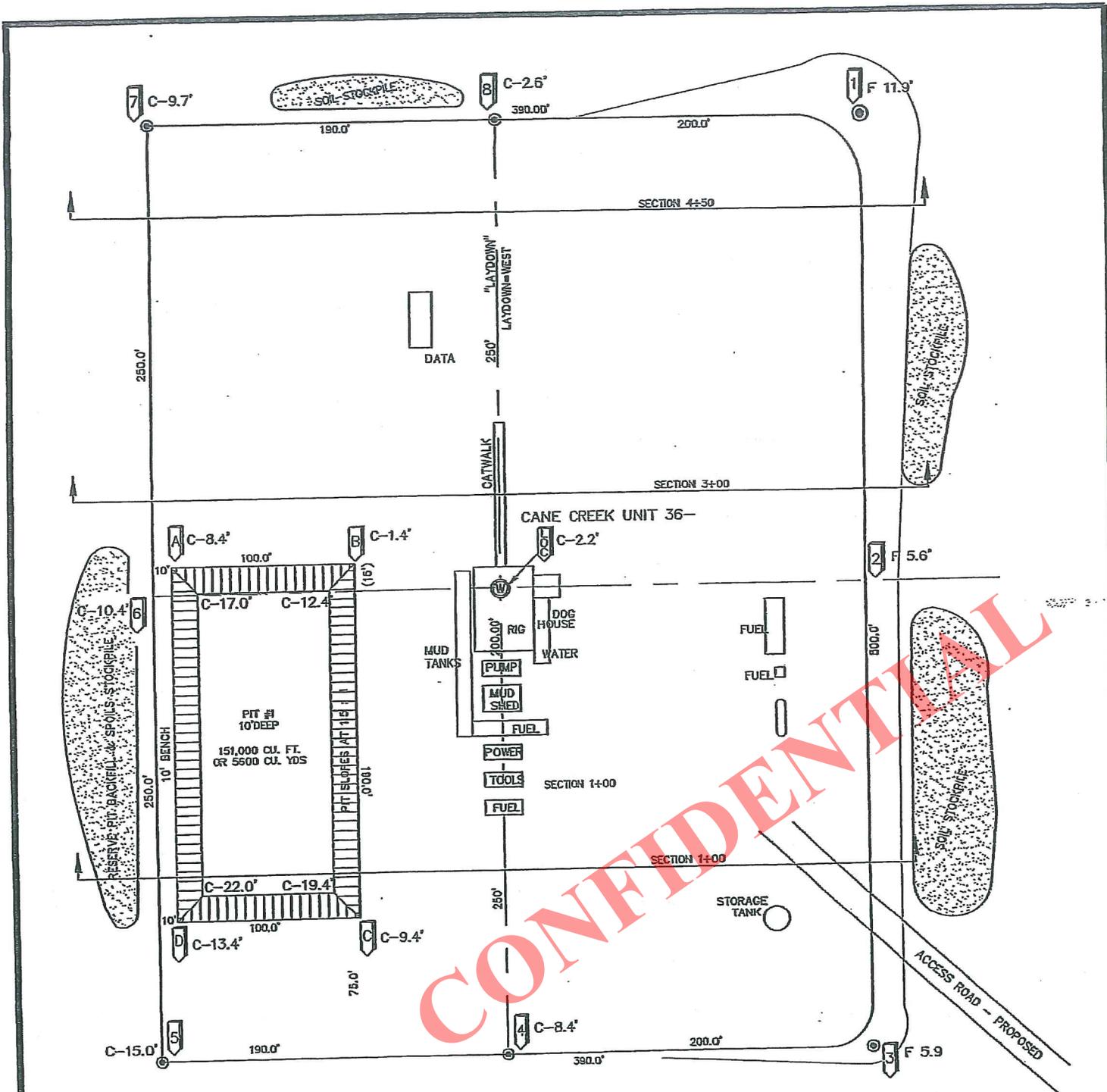
DRAWN BY: TMK

REVISED:

KEOGH LAND SURVEYING

45 EAST CENTER STREET

MOAB, UTAH, 84532



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ELEVATION OF ORIGINAL GROUND AT LOCATION STAKE = 5797.2
 FINISHED GRADE ELEVATION AT LOCATION STAKE = 5795.0



SCALE: 1" = 60'

Timothy M. Keogh
 FEB. 15, 2012

REGISTERED LAND SURVEYOR
 No 171004
 TIMOTHY M. KEOGH
 STATE OF UTAH

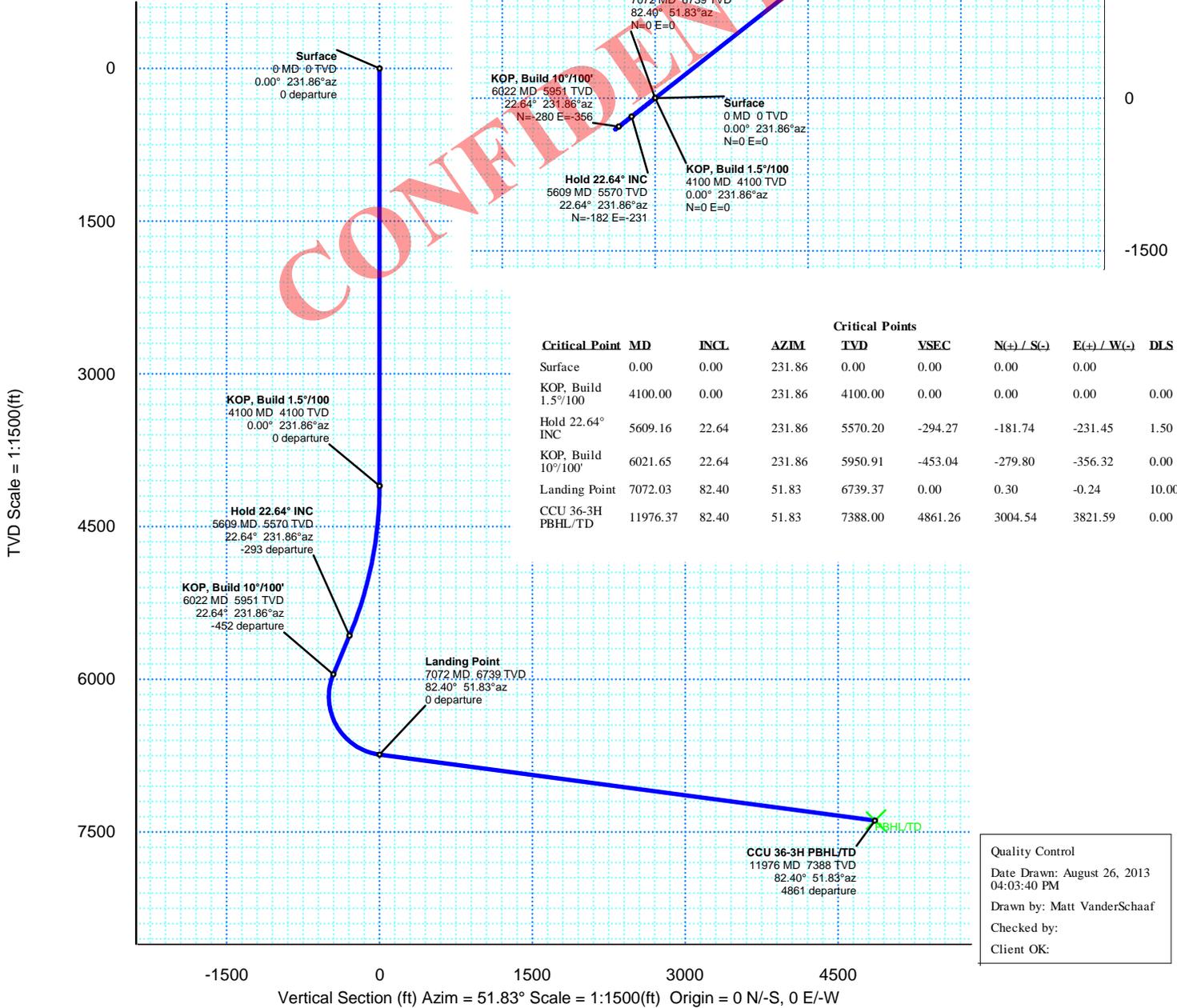
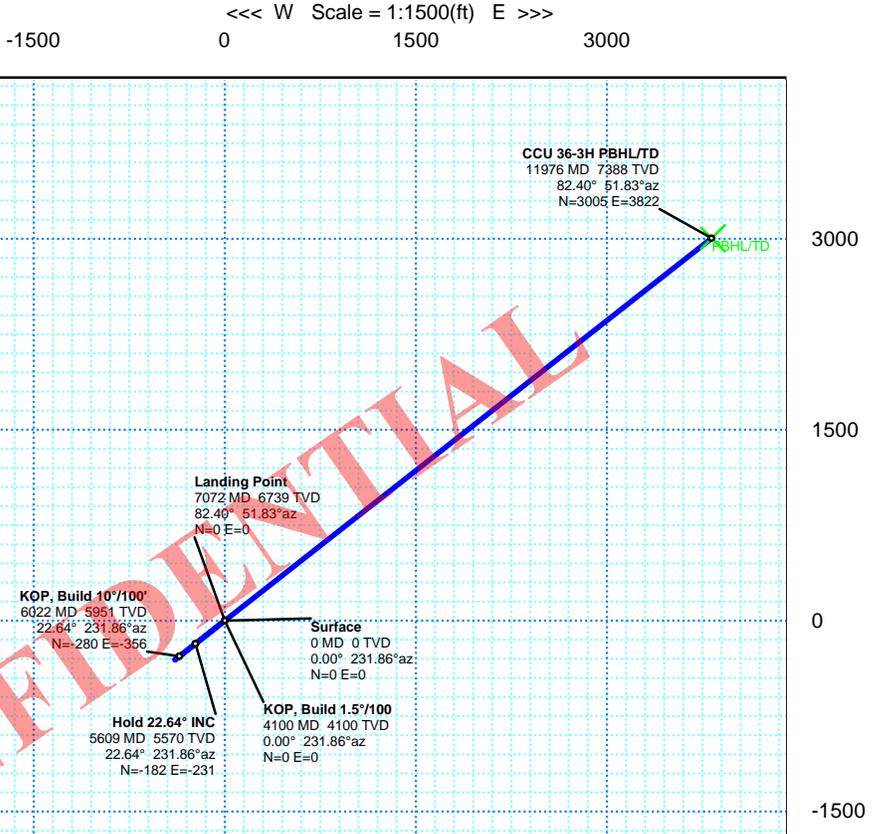
KEOGH LAND SURVEYING	
45 EAST CENTER STREET	MOAB, UTAH, 84532
LOCATION LAYOUT FOR CANE CREEK UNIT 36-3	
WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH PREPARED FOR FIDELITY EXPLORATION & PRODUCTION CO.	

WELL CCU 36-3H	FIELD Grand County, UT	STRUCTURE Fidelity (CCU 36-3H)
Magnetic Parameters Model: BGGM 2013 Dip: 64.594° Mag Dec: 10.774°	Surface Location Lat: N 38 34 48.255 Lon: W 109 46 46.479	Miscellaneous Slot: CCU 36-3H Plan: CCU 36-3H R3 mdr 26Aug13Srvy Date: August 20, 2013
Date: August 20, 2013 FS: 51212.2hT	NAD27 Utah State Plane, Central Zone, US Feet Northing: 94604.80 IUS Easting: 2491881.90 IUS Grid Conv: 1.102° Scale Fact: 1.00013628	TVD Ref: RKB(5818ft above Mean Sea Level)

Proposal



True North
Tot Corr (M->T 10.7740°)
Mag Dec (10.774°)
Grid Conv (1.102°)



Critical Point	MD	INCL	AZIM	TVD	YSEC	N(+)/S(-)	E(+)/W(-)	DLS
Surface	0.00	0.00	231.86	0.00	0.00	0.00	0.00	
KOP, Build 1.5°/100	4100.00	0.00	231.86	4100.00	0.00	0.00	0.00	0.00
Hold 22.64° INC	5609.16	22.64	231.86	5570.20	-294.27	-181.74	-231.45	1.50
KOP, Build 10°/100'	6021.65	22.64	231.86	5950.91	-453.04	-279.80	-356.32	0.00
Landing Point	7072.03	82.40	51.83	6739.37	0.00	0.30	-0.24	10.00
CCU 36-3H PBHL/TD	11976.37	82.40	51.83	7388.00	4861.26	3004.54	3821.59	0.00

Quality Control
Date Drawn: August 26, 2013
04:03:40 PM
Drawn by: Matt VanderSchaaf
Checked by:
Client OK:



SURFACE USE PLAN

Name of Operator Fidelity Exploration & Production Company
Address: Lincoln St, Suite 2800
Denver, CO 80203
Well Location: **Cane Creek Unit 36-3H**
267' FSL & 734' FWL,
SWSW, Section 36, T25S, R19E
Grand County, UT

The referenced well (Cane Creek Unit 36-3H) will be located on the pre-existing well pad for the Cane Creek Unit 36-1. Fidelity does not anticipate any additional disturbance beyond the original well pad dimension.

Upon moving on to the Cane Creek Unit 36-1 pad to drill the Cane Creek Unit 36-3H, the Cane Creek Unit 36-1 and Cane Creek Unit 36-2 wells will be shut in. We will then move the wellhead isolation cage (see picture) and install it over the Cane Creek Unit 36-2 and install protective barriers around the Cane Creek Unit 3-1 well.

In addition, emergency shutdown buttons will be available in the dog house of Nabors 40 and the entrance to the pad itself. In case of an emergency, this button will actuate the back pressure valve on the Cane Creek Unit 36-1 and Cane Creek Unit 36-2 wellheads and immediately shut in the wells. During drilling of the Cane Creek Unit 36-3H, Cane Creek Unit 36-1 and Cane Creek Unit 36-2 will be kept open to sales and the cage and barriers will be employed.

1. Location of Existing Roads:

- a. The existing well pad is located approximately 15 miles west of Moab, Utah.
- b. Direction to the location from Moab, Utah are as follows:

Proceed northwest on Highway 163 for 11.2 miles. Turn left onto Highway 313 and proceed southwest 13.5 miles. Turn left on county road and proceed E-NE for 1.3 miles. Turn left onto access road and proceed 0.15 miles to pad location. For location of access roads, see Map A & B

- c. Improvements to the existing access on county roads will not be necessary since all roads are maintained by the Grand County Road Department or Utah State Highway Department.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.

- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.

2. New or Reconstructed Access Roads:

- a. Existing access will be utilized for the drilling of this well
- b. Surface disturbance and vehicular travel will be limited to the approved location access road.
- c. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (Gold Book –Fourth Edition - Revised 2007).
- d. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Fidelity's Cane Creek Unit 36-1 and Cane Creek Unit 36-2 wells are located within one mile of the Cane Creek Unit 36-3H location.

4. Location of Existing and/or Proposed Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Juniper Green or Beetle Green to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this well site; it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate

year-round traffic. The road will be maintained in a safe useable condition.

- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A pipeline corridor has been considered for this well but will be applied for once production is achieved.

5. Location and Type of Water Supply:

- a. The water supply for construction, drilling and operations will be provided under a direct purchase agreement with Moab City a local source of municipal water through a direct water purchase.
- b. No water pipelines will be laid for this well.
- c. No water well will be drilled for this well.
- d. Drilling water for this will be hauled on the road(s) shown in Exhibit B.
- e. Should additional water sources be pursued they will be properly permitted through the State of Utah – Division of Water Rights.

6. Source of Construction Material:

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

7. Methods of Handling Waste:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Water based drill cuttings will be contained and buried on site. Cuttings collected while using oil-based mud will be segregated and hauled to an appropriated disposal facility.
- c. The original Cane Creek Unit 36-1 reserve pit has been maintained open and is located outboard of the location and along the west side of the pad.
- d. The reserve pit is currently lined with 24 mil minimum thickness plastic nylon reinforced liner material. The liner overlays a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- e. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- f. No chemicals subject to reporting under SARA Title III (hazardous materials) in an

amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.

- g. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Grand County facility, Bob's Sanitation near Moab, Utah.
- h. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- i. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved disposal facility.
- j. Produced water from the production well will be disposed in accordance with Onshore Order #7.
- k. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- l. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Grand County Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
- b. No camps or airstrips are proposed with this application.

9. Well Site Layout:

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. The existing access to the well pad will be from the west.
- c. The pad and road designs are consistent with BLM specifications.
- d. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- e. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a

discontinuous windrow on the side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss, sterilization and contamination.

- f. Pits will remain fenced until site cleanup.
- g. The blooie line will be located at least 100 feet from the well head.
- h. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.
- c. Following BLM published Best Management Practices the interim reclamation will be completed within 180 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - 1. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
 - 2. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded with the following native grass seeds:

<i>Species of Seed</i>	<i>Broadcast Application Rate (lbs/ac)</i>	<i>App. Rate PLS (lbs/ac)</i>
Blue Gramma	5	3
Galleta	2	2
Indian Ricegrass	3	2
Bottlebrush Squirreltail	1	1
Total: 11		Total: 8

- 3. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical

removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal (PUP) be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals. Fidelity does have an approved PUP in place for the CC Unit.

- e. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.
 - f. A final abandonment notice will be submitted to BLM when the reclamation activities (as presented in this document) are complete and new vegetation is established. Should there be any deviation from these planned reclamation activities, the surface owner will be notified and a Sundry Notice will be submitted to BLM for approval of the new closure and reclamation activities.
11. Surface and Mineral Ownership:
- a. Surface Ownership – State of Utah.
 - b. Mineral Ownership – Sate of Utah.

12. Other Information:

Company Representatives:

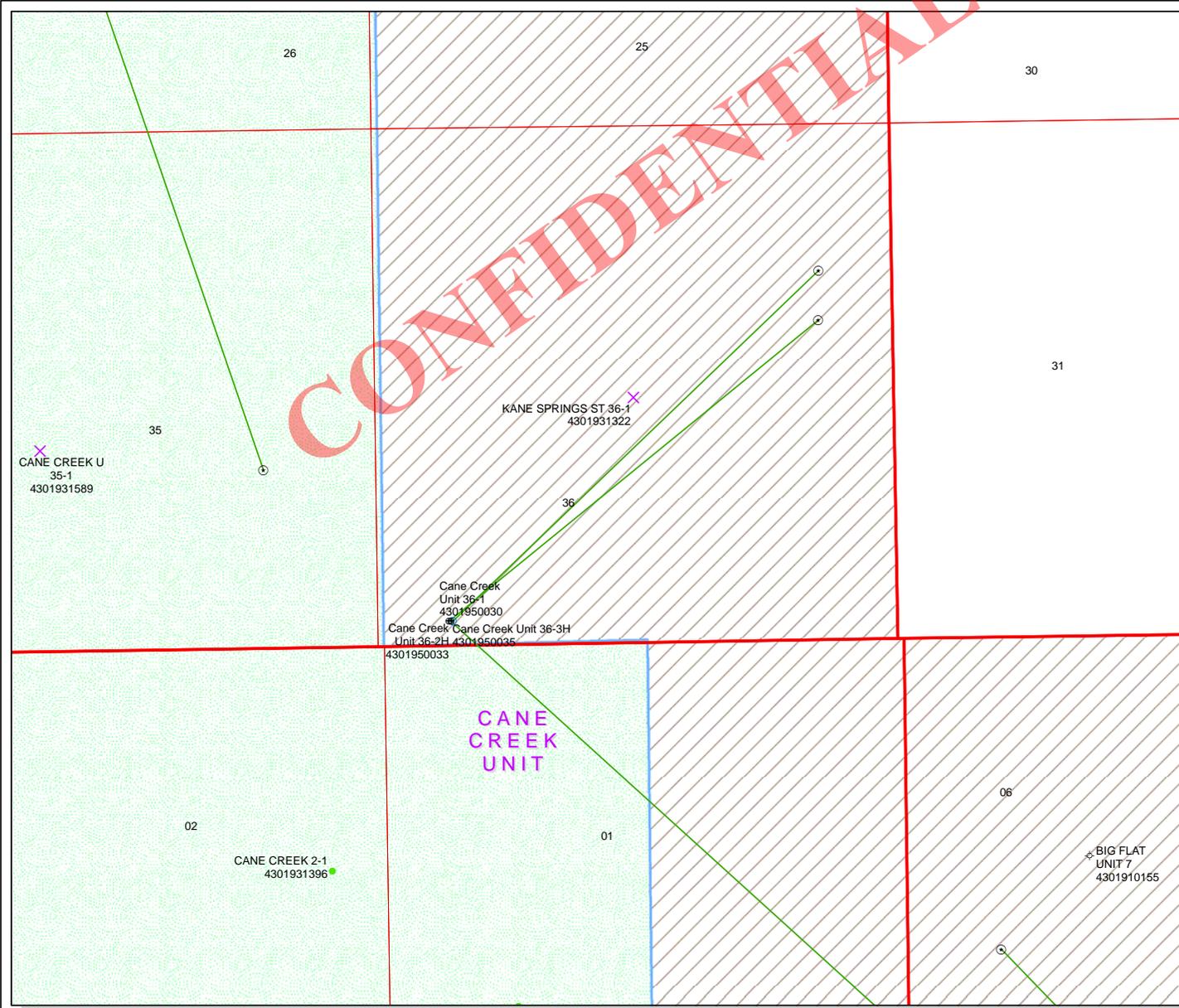
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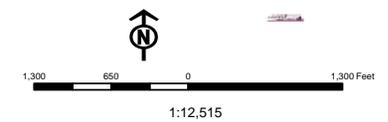
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API Number: 4301950035
Well Name: Cane Creek Unit 36-3H
Township T25.0S Range R19.0E Section 36
Meridian: SLBM
 Operator: FIDELITY E&P COMPANY

Map Prepared:
 Map Produced by Diana Mason

- Units STATUS**
- ACTIVE
 - EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PI OIL
 - PP GAS
 - PP GEOTHERMIL
 - PP OIL
 - SECONDARY
 - TERMINATED



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101

IN REPLY REFER TO:
3160
(UT-922)

September 9, 2013

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2013 Plan of Development Cane Creek Unit,
Grand and San Juan Counties, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2013 within the Cane Creek Unit, Grand and San Juan Counties, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Clastic 18/19 TVD 6739')		
43-019-50035	Cane Creek Unit 36-3H	Sec 36 T25S R19E 0267 FSL 0734 FWL BHL Sec 36 T25S R19E 1995 FNL 0740 FEL

This office has no objection to permitting the well at this time.

Michael Coulthard

Digitally signed by Michael Coulthard
DN: cn=Michael Coulthard, o=Bureau of Land Management,
ou=Division of Minerals, email=mcoultha@blm.gov, c=US
Date: 2013.09.09 11:05:47 -06'00'

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

MCoulthard:mc:9-9-13

RECEIVED: September 10, 2013

Well Name	FIDELITY E&P COMPANY Cane Creek Unit 36-3H 43019500350000			
String	Cond	Surf	I1	Prod
Casing Size(")	20.000	13.375	9.625	7.000
Setting Depth (TVD)	26	1070	4180	7405
Previous Shoe Setting Depth (TVD)	0	26	1070	4180
Max Mud Weight (ppg)	9.0	9.0	9.0	16.5
BOPE Proposed (psi)	0	0	5000	10000
Casing Internal Yield (psi)	1000	2730	5750	11220
Operators Max Anticipated Pressure (psi)	5600			14.5

Calculations	Cond String	20.000	"
Max BHP (psi)	.052*Setting Depth*MW=	12	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	9	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	6	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	6	NO
Required Casing/BOPE Test Pressure=		0	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	Surf String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	501	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	373	NO air/mist
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	266	NO OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	271	NO OK
Required Casing/BOPE Test Pressure=		1070	psi
*Max Pressure Allowed @ Previous Casing Shoe=		26	psi *Assumes 1psi/ft frac gradient

Calculations	I1 String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	1956	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1454	YES air/mist/aerated wtr
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1036	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1272	NO OK
Required Casing/BOPE Test Pressure=		4025	psi
*Max Pressure Allowed @ Previous Casing Shoe=		1070	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	7.000	"
Max BHP (psi)	.052*Setting Depth*MW=	6353	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	5464	YES 10M double ram, 10M single pipe ram,
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	4724	YES 10M annular preventer & rotating head
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	5644	NO OK
Required Casing/BOPE Test Pressure=		7405	psi
*Max Pressure Allowed @ Previous Casing Shoe=		4180	psi *Assumes 1psi/ft frac gradient

43019500350000 Cane Creek Unit #36-3H

Casing Schematic

Surface

12.7%
12.7%
11%

TOC @ Wingate 0.

400' Chinle
675' tail
773' Moenkopi

*stip ✓

Surface

1070. MD
1070. TVD

1135' Cutler

to 548' @ 0% w/o tail 3182'
* Proposed to 0'
TOC @ 1998. 225' Honaker Trail

*stip ✓

3581' tail

3646' Paradox

Intermediate

4180. MD
4180. TVD

to 3730' @ 7% w/o tail 8467'
* Proposed to 4180'

TOC @ 5297.

6680' Clastics

*stip ✓

9134' tail

7" MW 16.5

Production 11976. MD
7388 TVD

2675L	734WL
3005	3822
3272.5L	4556WL
5250	5280
2008FNL	724FEL
SE NE Sec 36-255-19E	

in unit ✓

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✓ Stip units.

400' KOP
az 232°

6021' KOP

7072' az 52°

Horizontal 82.4°

13-3/8" MW 9. Frac 19.3

9-5/8" MW 9. Frac 19.3

Well name:	43019500350000 Cane Creek Unit #36-3H		
Operator:	FIDELITY E&P COMPANY		
String type:	Surface	Project ID:	43-019-50035
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: 89 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 942 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 1,070 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: 928 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 4,180 ft
 Next mud weight: 9.000 ppg
 Next setting BHP: 1,954 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 1,070 ft
 Injection pressure: 1,070 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	1070	13.375	54.50	J-55	Buttress	1070	1070	12.49	14209
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	500	1130	2.259	1070	2730	2.55	58.3	853.2	14.63 B

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

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

Date: October 17, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1070 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.

Well name:	43019500350000 Cane Creek Unit #36-3H		
Operator:	FIDELITY E&P COMPANY		
String type:	Intermediate	Project ID:	43-019-50035
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: 133 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 1,998 ft

Burst

Max anticipated surface pressure: 3,260 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 4,180 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: 3,620 ft

Directional Info - Build & Build

Kick-off point 4100 ft
 Departure at shoe: 1 ft
 Maximum dogleg: 1.5 °/100ft
 Inclination at shoe: 1.2 °

Re subsequent strings:

Next setting depth: 7,504 ft
 Next mud weight: 16.500 ppg
 Next setting BHP: 6,432 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 4,180 ft
 Injection pressure: 4,180 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	4180	9.625	40.00	L-80	Buttress	4180	4180	8.75	64004
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	1954	3056	1.564	4180	5750	1.38	167.2	916.3	5.48 B

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

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

Date: October 17, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 4180 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:	43019500350000 Cane Creek Unit #36-3H		
Operator:	FIDELITY E&P COMPANY		
String type:	Production	Project ID:	43-019-50035
Location:	GRAND COUNTY		

Design parameters:

Collapse

Mud weight: 16.500 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 178 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 5,297 ft

Burst

Max anticipated surface pressure: 4,718 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 6,347 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)

Directional Info - Build & Build

Kick-off point 4100 ft
 Departure at shoe: 4859 ft
 Maximum dogleg: 10 °/100ft
 Inclination at shoe: 82 °

Tension is based on air weight.
 Neutral point: 5,646 ft

Estimated cost: 148,367 (\$)

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 (\$)
3	4000	7	29.00	P-110	Buttress	4000	4000	6.059	48338
2	3100	7	32.00	HCP-110	Buttress	6743	7100	6	41104
1	4876	7	29.00	P-110	Buttress	7405	11976	6.059	58925

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
3	3429	8223	2.398	5598	11220	2.00	223	929.4	4.17 B
2	5780	10725	1.856	6201	11640	1.88	107	1024.9	9.58 B
1	6347	8530	1.344	6347	11220	1.77	19.2	929.4	48.42 B

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

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

Date: October 17, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7405 ft, a mud weight of 16.5 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

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator FIDELITY E&P COMPANY
Well Name Cane Creek Unit 36-3H
API Number 43019500350000 **APD No** 8557 **Field/Unit** BIG FLAT
Location: 1/4,1/4 SWSW **Sec** 36 **Tw** 25.0S **Rng** 19.0E 267 FSL 734 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Site visited on 02/22/2012 while reviewing APD# 7627. Participants included: Bart Kettle-DOGM, Nicole Nielson-UDWR, Ed Bonner-SITLA, Charlie Harrison-Harrison Oil Field Services, Mike Keller-Fidelity E&P Company. Site re-visited 09/05/2013

Regional/Local Setting & Topography

Site originally reviewed on 02/22/2012 while processing APD# 7627, Cane Creek 36-1. Current proposal is an offset well utilizing the same surface structures: access road, well pad, and reserve pit with no proposed modifications from existing conditions at the Cane Creek 36-1. At the time of this evaluation the Cane Creek 36-1 is being completed by Monument Well Service. As such the original on-site evaluation will be used for the current proposal.

Proposed project site is located ~28 miles northwest of Moab Utah, in Grand County Utah. On a regional setting the proposed project is located in the Canyonlands Region of the Colorado Plateau. The Canyonlands Region is renowned for its red rock canyons and spectacular views. Tourism is a growing industry in the region. In close proximity to the proposed project site, Dead Horse State Park, Aches National Park and Canyonlands National Park are popular destinations along with the community of Moab Utah. On a local scale the proposed project site is located near Big Flat between the South Fork of Seven mile Canyon and Bull Canyon. Local points of interest include: Gemini Arch, Gemini Bridges, Arths Pasture, Seven mile Canyon, Long Canyon, Dead Horse Point, Horsetheif Point, Mineral Bottoms, Islands in the Sky, Hell Roaring Canyon, Courthouse Rock and Dubinky Point. Topography at Big Flat is typical of the Canyonlands Region: a series of large sandy mesa's abruptly falling off into steep canyons comprised of alternating layers of sandstone and shale. Climatic conditions within the region are arid, and vegetation is typically sparse. The proposed project site is located on a gentle slope consisting of sandy loam soils deposited on sandstone bedrock. Precipitation is considered a 10-12" precip zone. Soils are dominated by Eolian deposits and are predominantly unstable sands and sandy loams. Vegetation would be described as Pinion-Juniper Woodlands dominated by Utah Juniper and Pinion Pine communities. Water drainage is to the northeast, entering an unnamed wash immediately, Bull Canyon within 2.75 miles and the Colorado River within 9 miles. No perennial water sources were observed in close proximity to the project site.

Surface Use Plan

Current Surface Use

Existing Well Pad

**New Road
Miles**

Well Pad

Src Const Material

Surface Formation

Width Length

Ancillary Facilities

Waste management plan not included in original APD. Additional information requested to address handling procedures of oil base drilling mediums.

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetlands N

Ephemeral drainage adjacent to proposed project site

Flora / Fauna

Existing well pad.

Soil Type and Characteristics

Reddish orange sands and sandy loams.

Erosion Issues Y

Soils prone to wind and water erosion once disturbed.

Sedimentation Issues N

Site Stability Issues N

Site appears suitable for proposed drilling program.

Drainage Diversion Required? Y

Drainage diversion has been required at corner #5 & #7.

Berm Required? N

Erosion Sedimentation Control Required? Y

Interim reclamation should be completed outside of anchors within one year following well pad construction.

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

Reserve Pit

Site-Specific Factors	Site Ranking
Distance to Groundwater (feet) >200	0
Distance to Surface Water (feet) >1000	0
Dist. Nearest Municipal Well (ft) >5280	0
Distance to Other Wells (feet)	20
Native Soil Type High permeability	20
Fluid Type Oil Base Mud Fluid	15
Drill Cuttings Salt or Detrimental	10
Annual Precipitation (inches) 10 to 20	5
Affected Populations	
Presence Nearby Utility Conduits Not Present	0
Final Score	70 1 Sensitivity Level

Characteristics / Requirements

Proposed drilling system includes the use of a oil based mud drilling system to stabilize hole through Paradox salt zones. As such a 210' x 90' x 10' reserve pit has been constructed for the drilling of the Cane Creek 36-1 to the Paradox formation. Reserve pit is being proposed for reuse for the current project along with a closed loop drilling system for oil based drilling mediums.

Proposed drilling program includes a vertical hole followed by a lateral. Duration to complete drilling program is anticipated to exceed 30 days. Due to prolonged drilling program pit liners shall be inspected weekly to assure integrity.

Reserve pit fluids at sites with comparable drilling programs within the Paradox formation have had TDS in excess of 50,000 mg/l. Additional reclamation steps may be required for materials high in chlorides. Precautions should be taken while drilling to assure salt or detrimental cuttings are not mixed with normal rock cuttings.

Surface formations are members of the Glen Canyon group and are capable of containing fresh water aquifers. Permeability of soils and underlying sandstones is medium to high. Pit liner of 24 ml has been installed in the reserve pit. Tanks and handling equipment containing oil based drilling materials should be underlain with a 20 mil synthetic liner as secondary containment.

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

Other Observations / Comments

Access road is proposed as a 14' running surface with turnouts. Minimal construction will be completed until well is deemed capable of commercial production. Pit run will be placed at wash crossing and portions of road requiring maintenance during drilling operations.

DOGM noted significant concerns regarding reserve/cuttings pit lining, management and reclamation. Pit contents with TDS in excess of 50,000 mg/l are possible, as such additional stipulations and precautions will be required.

Top 6-12" of top soils should be saved and stockpile on the east and southern sides of the well pad. All disturbed soils shall be seeded within 12 months of disturbance.

Bart Kettle
Evaluator

9/3/2013
Date / Time

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
8557	43019500350000	LOCKED	OW	S	No
Operator	FIDELITY E&P COMPANY		Surface Owner-APD		
Well Name	Cane Creek Unit 36-3H		Unit	CANE CREEK	
Field	BIG FLAT		Type of Work	DRILL	
Location	SWSW 36 25S 19E S 267 FSL (UTM) 606244E 4270874N		734 FWL	GPS Coord	

Geologic Statement of Basis

The proposed well will be spud in sandy soil that has been derived from the Kayenta Formation, which is exposed at the surface at this location. The well location is approximately one and a half miles from the axis of the Cane Creek Anticline. It is reasonable to expect that fractures & joint sets may result in zones of lost circulation during drilling. There are no underground water rights within one mile of the proposed location; however, Canyonlands Cattle Co. has two rediversion water rights, on file with Utah Division of Water Rights, for stock watering. It is unlikely that fresh water will be encountered, at this location, in the Wingate Aquifer. The proposed casing and cementing program should adequately protect any useable groundwater resources encountered during the drilling of this well.

Ammon McDonald
APD Evaluator

9/16/2013
Date / Time

Surface Statement of Basis

Original on-site evaluation conducted February 29, 2012 for the Cane Creek 36-1, APD# 7627. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOG M), Nicole Nielson-Division of Wildlife Resources (UDWR), Ed Bonner-Trust Lands Administration (SITLA), Mike Keller-Fidelity E&P Company, Charlie Harrison-Harrison Oil Field Services and Moab BLM resource staff Melanie Hunter, Katie Steens, Larry King, Bonnie Carsons and Ann Maria. Site re-visited 09/05/2013.

Site originally reviewed on 02/22/2012 while processing APD# 7627, Cane Creek 36-1. Current proposal is an offset well utilizing the same surface structures: access road, well pad, and reserve pit with no proposed modifications from existing conditions at the Cane Creek 36-1. At the time of this evaluation the Cane Creek 36-1 is being completed by Monument Well Service. As such the original on-site evaluation will be used for the current proposal.

Proposed project is located in an environmentally sensitive region. National Parks, slick rock trails, river rafting and scenic views attract thousands of tourist to the region annually. Due to 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. Steps to limit activity during peak tourist season, and hours of the day are recommended.

DOG M is requiring additional precautions for reserve pit and handling of salt laden and oil

base mud cuttings. Slopes of pit walls should not exceed 2:1. Pits shall be lined as determined by site evaluation ranking. The geomembrane shall consist of 20 mil string reinforced LDPE or equivalent liner for reserve pit. The geomembrane liner should be composed of an impervious synthetic material resistant to hydrocarbons, salts and alkaline solutions.

Tanks and equipment handling or storing oil based drilling mediums and chloride laden cuttings will require 20 mil string reinforced geomembrane liner. Liner should be placed over prepared surface containing 12" berms and key trench to secure liner.

Blasting is anticipated for reserve pit, fractured rock should be properly bedded with sand or a felt liner. Liner edges should be secured. Liner should be protected from fluid force or mechanical damage at points of discharge or suction.

Due to anticipated prolonged drilling operations precautions should be taken to prevent punctures from drilling related activities. Weekly inspection of liner should be conducted and recorded. Surface water run off should not be allowed to enter pits.

While drilling three sides of pits should be fenced. Fencing should include reinforced corner braces, 36" woven net wire on the bottom and two strands of barbed wire on top spaced at 6" apart. Following completion of drilling activities pits will require fencing on the fourth side, removal of free standing oil and netting to prevent entry by water fowl.

Pits will require reclamation to be completed one year following the removal of drilling rig. Reclamation measures shall be submitted to DOGM for approval following analysis of pit contents.

Bart Kettle
Onsite Evaluator

9/3/2013
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Drilling	A geomembrane liner with a minimum thickness of 20 mils shall be properly installed and maintained under tanks and equipment storing or handling oil based drilling fluids or salt laden cuttings. Geomembrane liner shall consist of a string reinforced impervious synthetic material, resistant to hydrocarbons, salts and alkaline solutions.
Pits	A representative sample of drill cuttings shall be collected and analyzed prior to disposal at approved facility.
Pits	The reserve pit shall be fenced upon completion of drilling operations. Netting will be required over pit if it contains hydrocarbons or RCRA-exempt hazardous substances.
Pits	A closed loop mud circulation system is required while using oil based drilling mediums.
Pits	A geomembrane liner with a minimum thickness of 20 mils shall be properly installed and maintained in the reserve pit. The geomembrane liner shall consist of a string reinforced impervious synthetic material, resistant to hydrocarbons, salts and alkaline solutions.
Pits	Reserve pit liner shall be protected from fluid force or mechanical damage at points of discharge or suction.
Pits	The Division shall be consulted prior to reclamation of reserve pit and drill cuttings.
Pits	Weekly inspections of liners shall be conducted and documented until materials are removed, or reserve pit is reclaimed.
Pits	Fractured rock in reserve pit area or oil based mud handling areas shall be properly bedded.
Pits	Pit liner edges must be secured.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/30/2013

API NO. ASSIGNED: 43019500350000

WELL NAME: Cane Creek Unit 36-3H

OPERATOR: FIDELITY E&P COMPANY (N3155)

PHONE NUMBER: 720 956-5763

CONTACT: Joy Gardner

PROPOSED LOCATION: SWSW 36 250S 190E

Permit Tech Review:

SURFACE: 0267 FSL 0734 FWL

Engineering Review:

BOTTOM: 1995 FNL 0740 FEL

Geology Review:

COUNTY: GRAND

LATITUDE: 38.57999

LONGITUDE: -109.78024

UTM SURF EASTINGS: 606244.00

NORTHINGS: 4270874.00

FIELD NAME: BIG FLAT

LEASE TYPE: 3 - State

LEASE NUMBER: ML-40571

PROPOSED PRODUCING FORMATION(S): PARADOX

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE/FEE - 190017646/104891324
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: Municipal
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingle Approved

LOCATION AND SITING:

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

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhll
 8 - Cement to Surface -- 2 strings - hmadonald
 13 - Cement Volume Formation (3a) - hmadonald
 23 - Spacing - dmason
 27 - Other - bhll



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: Cane Creek Unit 36-3H
API Well Number: 43019500350000
Lease Number: ML-40571
Surface Owner: STATE
Approval Date: 10/22/2013

Issued to:

FIDELITY E&P COMPANY, 1700 Lincoln Street Ste 2800, Denver, CO 80203

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 R649-3-2. The expected producing formation or pool is the PARADOX 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

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).

In accordance with Utah Admin. R.649-3-21, the operator shall submit a complete

angular deviation and directional survey report to the Division within 30 days following completion of the well.

Cement volumes for the 13 3/8" and 9 5/8" casing strings shall be determined from actual hole diameters in order to place cement from the pipe setting depths back to the surface.

Cement volume for the 7" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 3180' in order to adequately isolate the Paradox formation.

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 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Cane Creek Unit 36-3H								
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 BIG FLAT								
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME CANE CREEK								
6. NAME OF OPERATOR FIDELITY E&P COMPANY						7. OPERATOR PHONE 720 931-6459								
8. ADDRESS OF OPERATOR 1700 Lincoln Street Ste 2800, Denver, CO, 80203						9. OPERATOR E-MAIL Robert.Sencenbaugh@fidelityepco.com								
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-40571			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 type="checkbox"/> HORIZONTAL <input checked="" type="checkbox"/>								
20. LOCATION OF WELL		FOOTAGES		QTR-QTR		SECTION		TOWNSHIP		RANGE		MERIDIAN		
LOCATION AT SURFACE		267 FSL 734 FWL		SWSW		36		25.0 S		19.0 E		S		
Top of Uppermost Producing Zone		267 FSL 734 FWL		SWSW		36		25.0 S		19.0 E		S		
At Total Depth		1995 FNL 740 FEL		SENE		36		25.0 S		19.0 E		S		
21. COUNTY GRAND			22. DISTANCE TO NEAREST LEASE LINE (Feet) 734			23. NUMBER OF ACRES IN DRILLING UNIT 640								
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 20			26. PROPOSED DEPTH MD: 11976 TVD: 7388								
27. ELEVATION - GROUND LEVEL 5795			28. BOND NUMBER 190017646/104891324			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Municipal								
Hole, Casing, and Cement Information														
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight				
Cond	26	20												
Surf	17.5	13.375	0 - 1070	54.5	J-55 Buttress	0.0	Type III	303	2.47	12.3				
							Type III	200	2.14	14.2				
I1	12.25	9.625	0 - 4180	40.0	L-80 Buttress	0.0	Class G	660	1.25	14.4				
							Class G	250	1.25	14.4				
Prod	8.5	7	0 - 3950	29.0	P-110 Other	0.0	Class G	605	1.44	16.8				
			3950 - 7072	32.0	HCP-110 LT&C	0.0	Class G	373	1.73	18.0				
			7072 - 11976	29.0	P-110 Other	0.0	None							
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 Joy Gardner				TITLE Sr. Engineering Tech				PHONE 720 956-5763						
SIGNATURE				DATE 08/30/2013				EMAIL joy.gardner@fidelityepco.com						
API NUMBER ASSIGNED 43019500350000				APPROVAL  Permit Manager										

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Sub-Sea (ft)	Lithology	Objective
Windgate Sand	Surface		Sandstone	
Chinle	400	+5420	Sand/Shale	
Moenkopi	773	+5047	Sand/Shale	
Cutler	1135	+4685	Sandstone	
Honaker Trail	2251	+3569	Sand/Evaporite	
Paradox	3646	+2174	Salt/Clastics	Secondary
Clastic 18/19	6680	-860	Shale	Primary
T.D.	7388	-1568		
T.D. (LATERAL MD)	±11,976			

Estimated TD: 7388' TVD/ 11,976' MD

Anticipated BHP: ±5600Psig

1. Lost circulation in all intervals.
2. Cement isolation is installed to surface of the well isolating all zones by cement and casing.

3. PRESSURE CONTROL EQUIPMENT: Intermediate & Production Hole – 10,000 Psig BOP schematic diagrams attached.

4. CASING PROGRAM:

<u>CASING</u>	<u>Hole Size</u>	<u>Length</u>	<u>Size</u>	<u>WEIGHT</u>	<u>Grade</u>	<u>Thread</u>	<u>Collapse</u>	<u>Burst</u>	<u>Tensile</u>
							(psi) a	(psi) b	(1K lbs) c
Conductor	26"	0 – ±90'	20"						
Surface	17 1/2"	0' – 1,070'	13 3/8"	54.5#	J-55	BTC	1130/2.1	2730/3.0	909/2.5
Intermediate	12 1/4"	0 – 4,180'	9-5/8"	40.0#	L-80	BTC	3,090/1.5	5,750/1.2	947/2.1
Production	8-1/2"	0 – 3,950'	7"	29#	P-110	BTC	8,530/2.5	11,220/3.3	955/2.1
Production	8-1/2"	3950 – 7072'	7"	32#	HCP-110	BTC	11,890/1.9	12,460/2.0	955/2.1
Production	8-1/2"	7072 – 11,976'	7"	29#	P-110	BTC	8,530/1.3	11,220/2.0	955/2.1

Surface based on full evacuation: a=9.0 ppg fluid on backside, b=9.0 ppg inside, & c=9.0 ppg fluid + 100K overpull.
Intermediate based on full evacuation: a=9.0 ppg fluid on backside, b=9.0 ppg inside, & c=9.0 ppg fluid + 100K overpull.
Production based on full evacuation: a=16.5 ppg fluid on backside, b=16.5 ppg inside, & c=16.5 ppg fluid + 100K overpull

All casing will be new or inspected.

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

5. Float Equipment:**Surface Hole Procedure (0' - 1070'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (23 total)**Intermediate Hole Procedure (0' - 4,180±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of joints. #2 and #3 then every 3rd joint to surface. (33 total)**Production Hole Procedure (0' - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint. 1 per joint in the lateral (length TBD) and 2 per joint in the curve from 90° to 45°, 1 per joint to ±6,550'. (Approximately 150)

6. MUD PROGRAM

Interval	Mud Type	Mud Wt.	PV / YP	OWR
0' - 1,000'	Air Mist	---	---	---
1,000' - 4,180'	Air Mist/Aerated Water	---	---	---
4,180' - 11,976'	Oil Based Mud	13.5-16.5 ppg	22-32 / 12-22	+/-90:10

Intermediate & Production Hole Procedure (4,180' - TD): Anticipated mud weight 13.5 – 16.5 ppg depending on actual wellbore conditions encountered while drilling.

An oil based mud (OBM) system will be used to prevent fluid interaction with the salts and shales. LCM sweeps, pills, etc., will be used to prevent fluid loss. Adequate amounts of weighting material will be on hand as needed for well control.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- Fidelity E&P. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- Fidelity E&P requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

- Fidelity E&P requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- Fidelity E&P requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- Fidelity E&P requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Mud Logs: Mud log from 1,055' to TD.
Open-hole Logs: Triple-Combo, ECS, OBM FMI

9. CEMENT PROGRAM:**Surface Hole Procedure (Surface – 1,070'±):**

Lead: 303 sks Type III Halliburton cement + 2% Sodium Silicate + 2% Gypsum. Yield = 2.47 ft³/sk @ 12.30 ppg
Tail: 200 sks Type III Halliburton cement + 2% Sodium Silicate + 2% Gypsum. Yield = 2.14 ft³/sk @ 14.20 ppg.
Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk LCM mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
Note: Cement volumes will be calculated to bring lead cement to surface.

Intermediate Hole Procedure (Surface – 4,180'±):

Lead: 660 sks 66 pps Class G + 14 pps Pozz + 0.2% Sodium Silicate + 2 pps Gypsum. Yield = 1.25 ft³/sk @ 14.40 ppg
Tail: 250 sks 66 pps Class G + 14 pps Pozz + 0.2% Sodium Silicate + 2 pps Gypsum + Nitrogen. Yield = 1.25 ft³/sk @ 14.4 ppg
Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk LCM mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Production Hole Procedure (4,180 – TD):

Lead: 605 sks Weighted Class G + 10% Silica Flour + 25% 100 Mesh sand. Yield = 1.44 ft³/sk @ 16.80 ppg.
Tail: 373 sks Class G cement + 75 pps Hematite. Yield = 1.73 ft³/sk @ 18.00 ppg.
Note: The above number of sacks is based on gauge-hole calculation, 0% excess.
 Final Cement volumes will be based upon gauge-hole plus 30% excess and the actual depth drilled to.

Fidelity Exploration & Production Company Eight Point Plan

CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface – 1,070'±):

Lost circulation.

Intermediate & Production Hole (1,070'± - TD):

Lost circulation zones and over pressure in the production zone.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

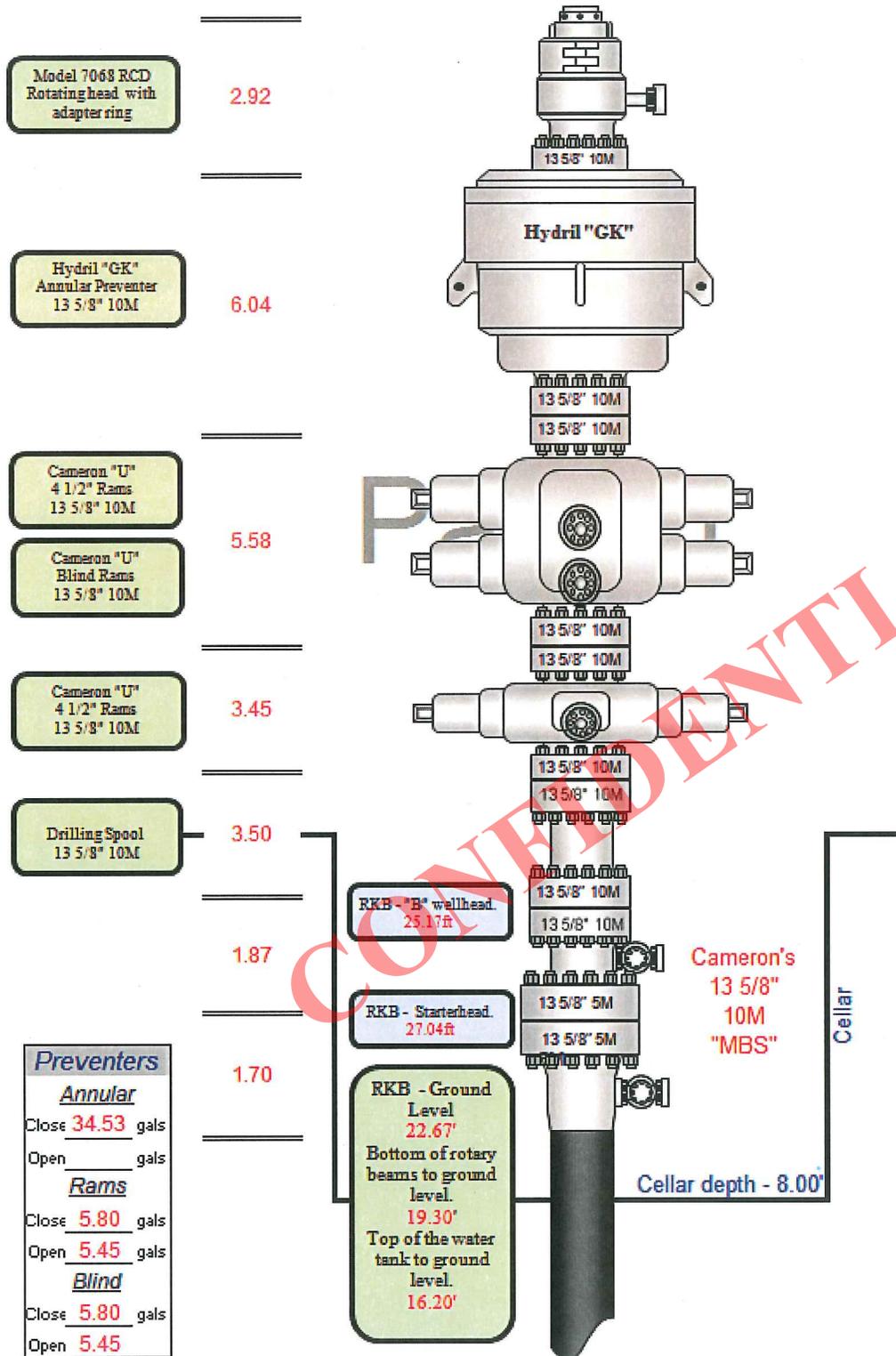
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

CONFIDENTIAL

Fidelity Exploration & Production Company Eight Point Plan

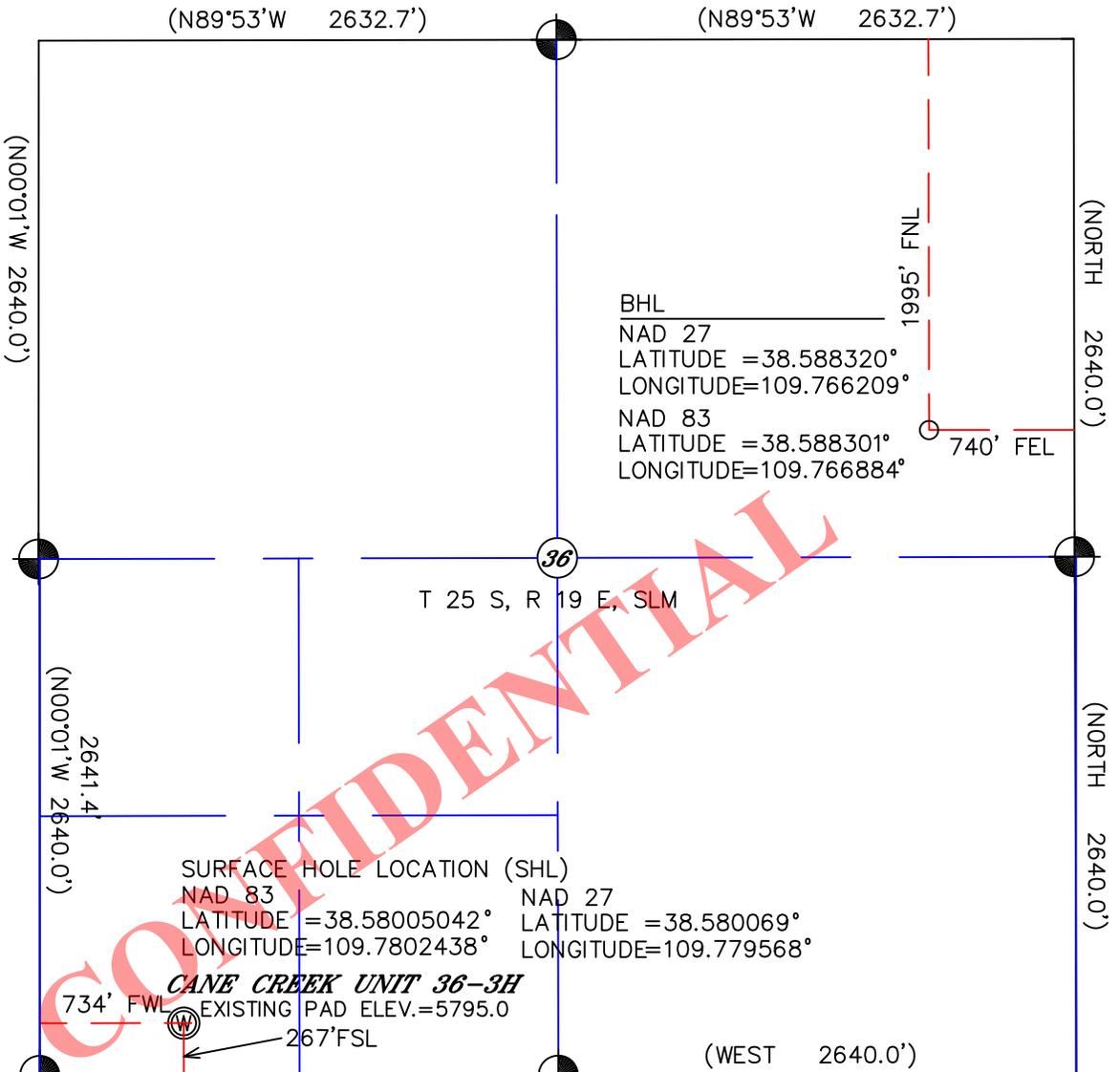
CANE CREEK 36-3H
SEC 36 / T25S / R19E, SWSW, 267' FSL & 734 FWL
GRAND COUNTY, UTAH



LEGEND



SCALE 1"=1000'



CONFIDENTIAL

LOT 1

TURN

NAD 27
LATITUDE = 38.579231°
LONGITUDE = 109.780940°

NAD 83
LATITUDE = 38.579212°
LONGITUDE = 109.781615°

SEC. 2

T 26 S, R 19 E, SLM

SEC. 1

T 26 S, R 19 E, SLM

NOTES: DATA IN PARENTHESIS IS OF RECORD.
ELEVATIONS ARE BASED ON A G.P.S. 2 HOUR
OPUS OBSERVATION.

KEOGH LAND SURVEYING

45 EAST CENTER STREET

MOAB, UTAH, 84532

A PLAT OF

CANE CREEK UNIT 36-3H

WITHIN SECTION 36, T 25 S, R 19 E, SLM &
SECTION 1, T 26 S, R 19 E, SLM, GRAND CO., UTAH

PREPARED FOR

FIDELITY EXPLORATION & PRODUCTION CO.

DATE: 08-28-13

DRAWN BY: TMK

CHECKED BY: TMK

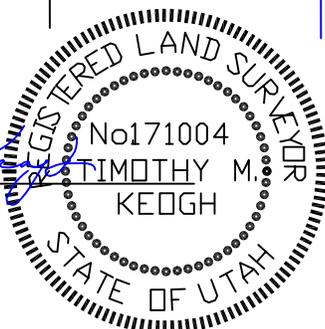
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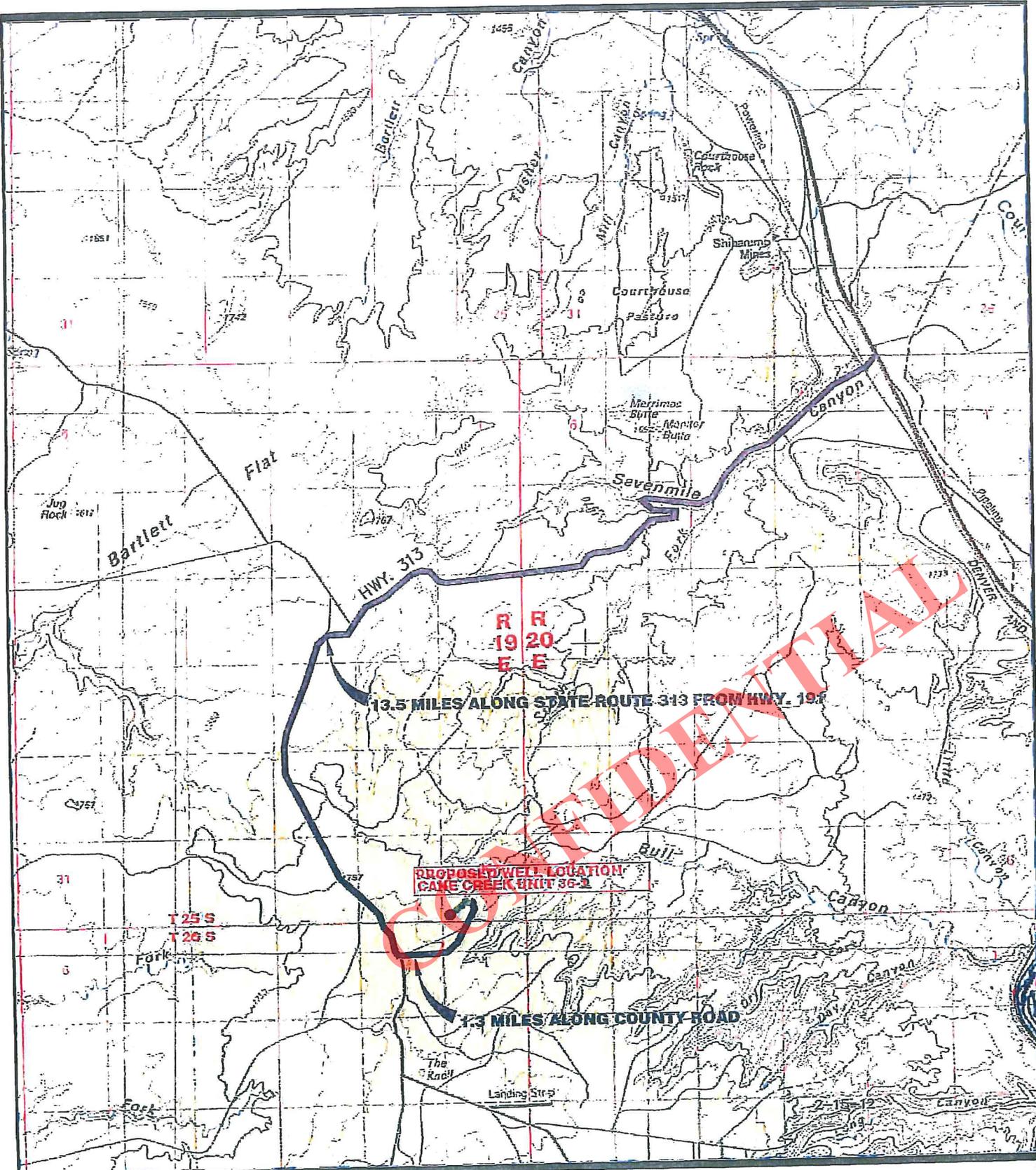
F.B.# TDC1

36-1 CCU.DWG

RECEIVED: August 30, 2013

Timothy M. Keogh
TIMOTHY M. KEOGH
08-28-13





13.5 MILES ALONG STATE ROUTE 313 FROM HWY. 197

PROPOSED WELL LOCATION
CANE CREEK UNIT 36-3

1.3 MILES ALONG COUNTY ROAD

LEGEND

- PROPOSED WELL
- PROPOSED ACCESS TO SUBJECT WELL
- ROAD TO OTHER WELLS
- EXISTING ROAD TO BE IMPROVED
- EXISTING ROAD

TOPOGRAPHIC MAP "A"

DATE: 2-15-12
SCALE: 1:100000
SURVEYED 2-15-12

DRAWN BY: TMK

REVISED:

FIDELITY EXPLORATION & PRODUCTION CO.

PROPOSED ACCESS TO

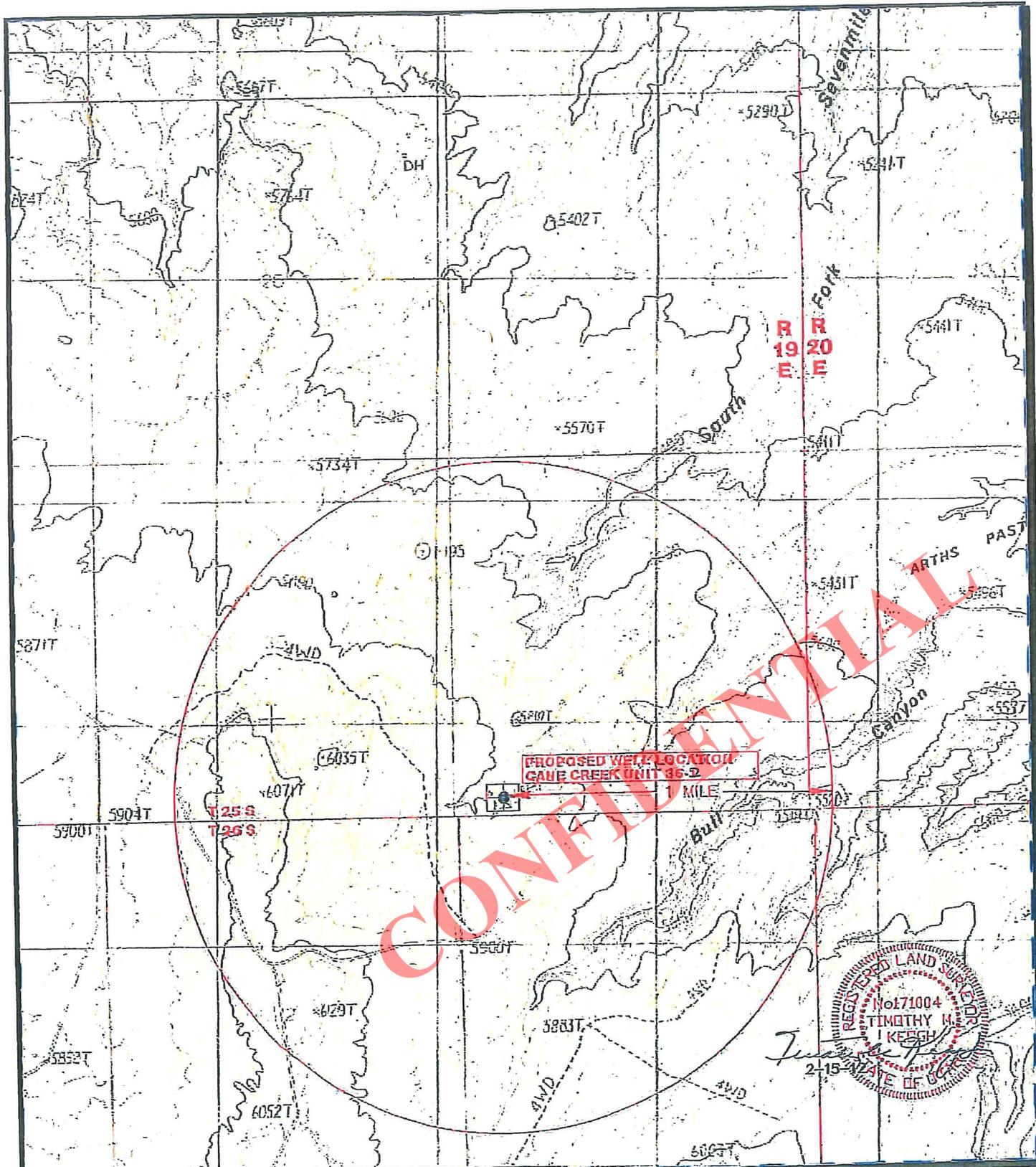
CANE CREEK UNIT 36-3

WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH
267 FT. FSL & 774 FT. FWL

KEOGH LAND SURVEYING

45 EAST CENTER STREET

MOAB, UTAH, 84532



LEGEND

- PROPOSED WELL
- PROPOSED ACCESS TO SUBJECT WELL
- ROAD TO OTHER WELLS
- EXISTING ROAD TO BE IMPROVED

TOPOGRAPHIC MAP "C"

DATE: 2-15-12
SCALE: 1"=2000'
SURVEYED 2-15-12

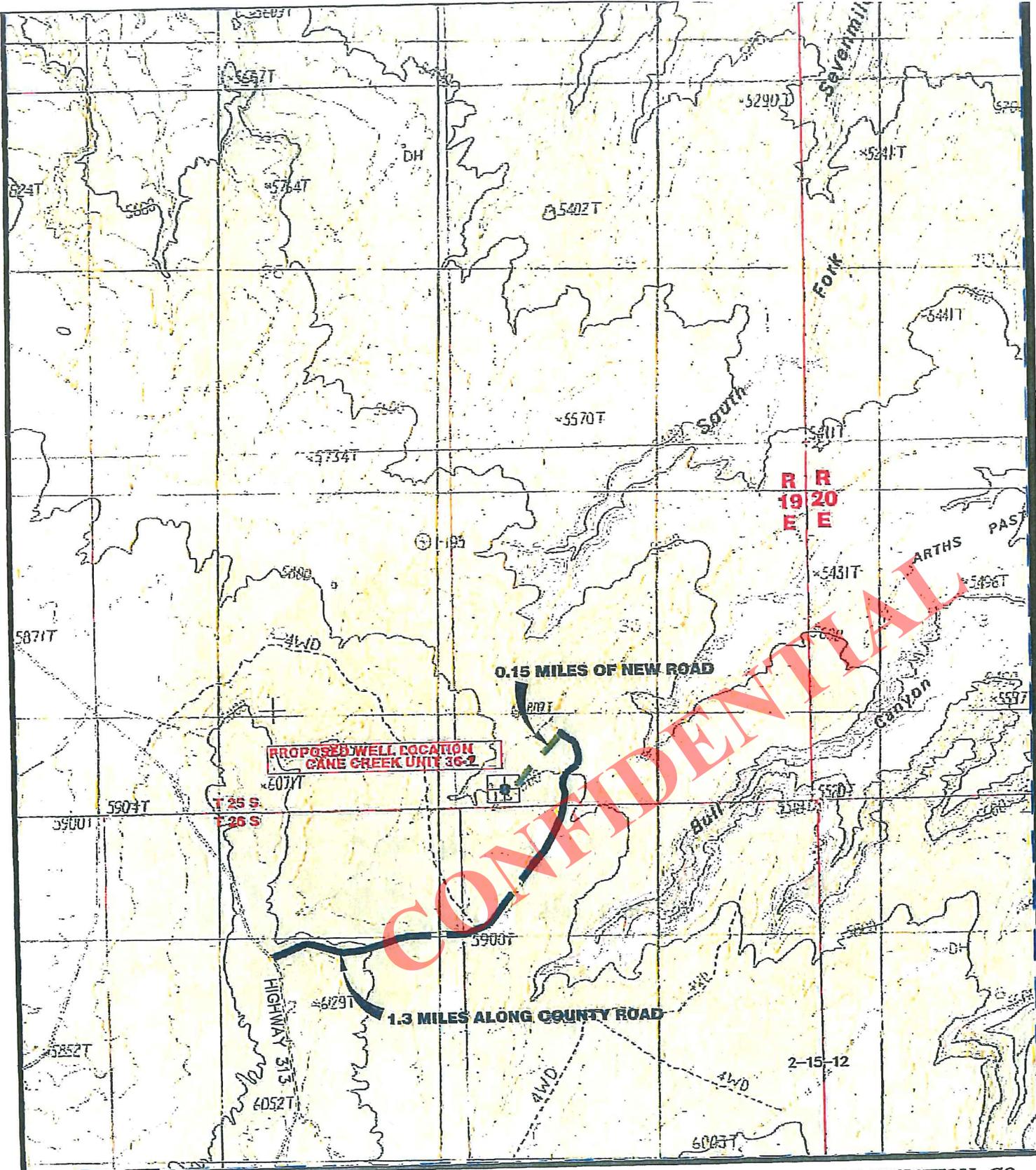
DRAWN BY: TMK

REVISED:

FIDELITY EXPLORATION & PRODUCTION CO.

PROPOSED ACCESS TO
CANE CREEK UNIT 36-3
 WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH
 267 FT. FSL & 774 FT. FWL

KEOGH LAND SURVEYING
 45 EAST CENTER STREET MOAB, UTAH, 84532



LEGEND

- PROPOSED WELL
- PROPOSED ACCESS TO SUBJECT WELL
- ROAD TO OTHER WELLS
- EXISTING ROAD TO BE IMPROVED

TOPOGRAPHIC MAP "B"

DATE: 2-09-12
 SCALE: 1"=2000'
 SURVEYED 2-15-12

DRAWN BY: TMK

REVISED:

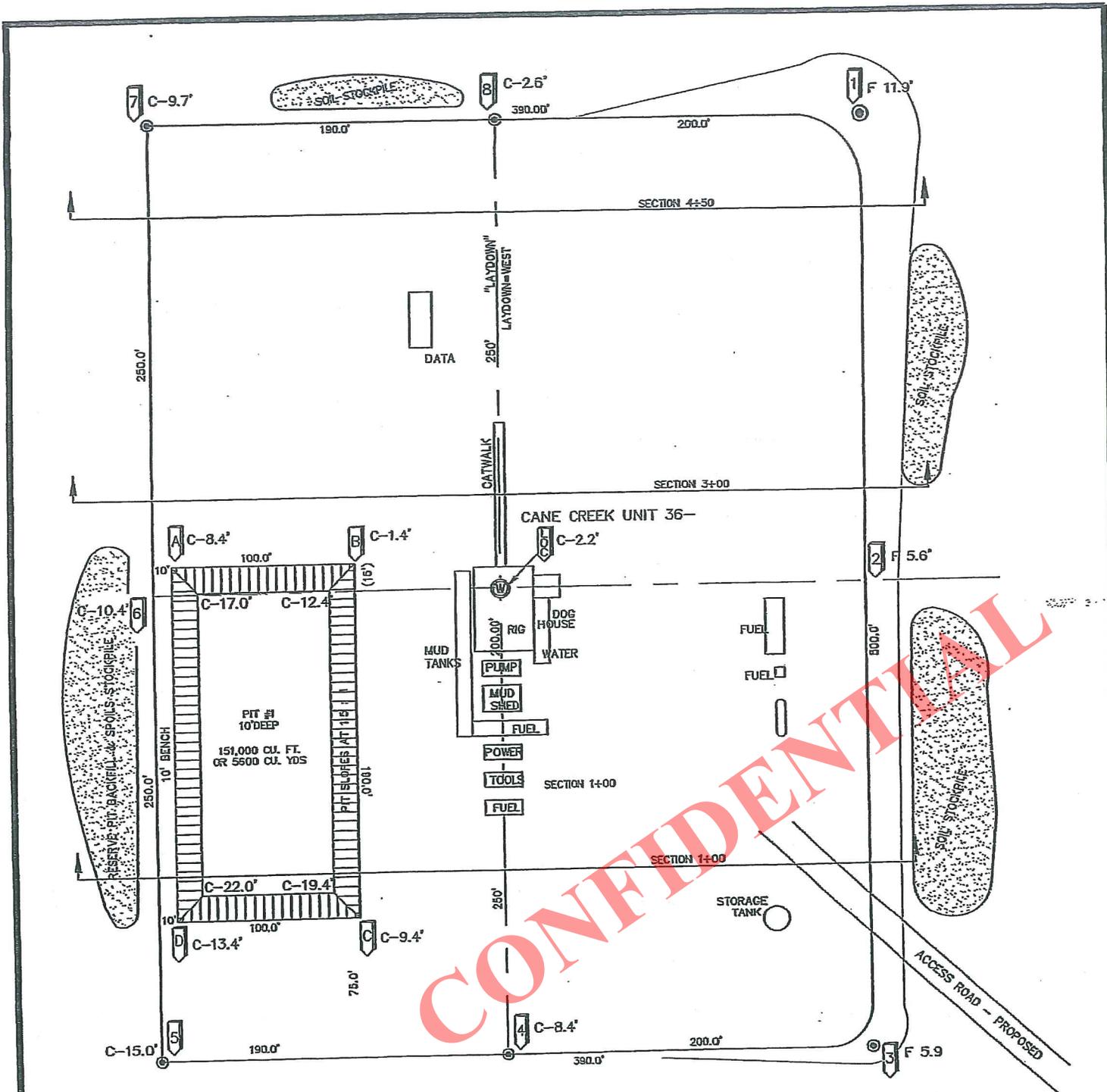
FIDELITY EXPLORATION & PRODUCTION CO.

PROPOSED ACCESS TO
CANE CREEK UNIT 36-3
 WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH
 267 FT. FSL & 734 FT. FVL

KEOGH LAND SURVEYING

45 EAST CENTER STREET

MOAB, UTAH, 84532



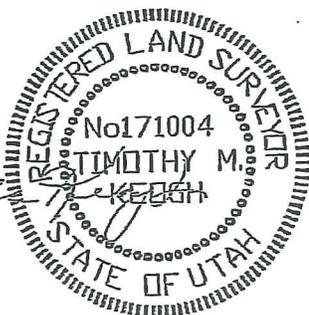
CONFIDENTIAL

ELEVATION OF ORIGINAL GROUND AT LOCATION STAKE = 5797.2
 FINISHED GRADE ELEVATION AT LOCATION STAKE = 5795.0



SCALE: 1"=60'

Timothy M. Keogh
 FEB. 15, 2012



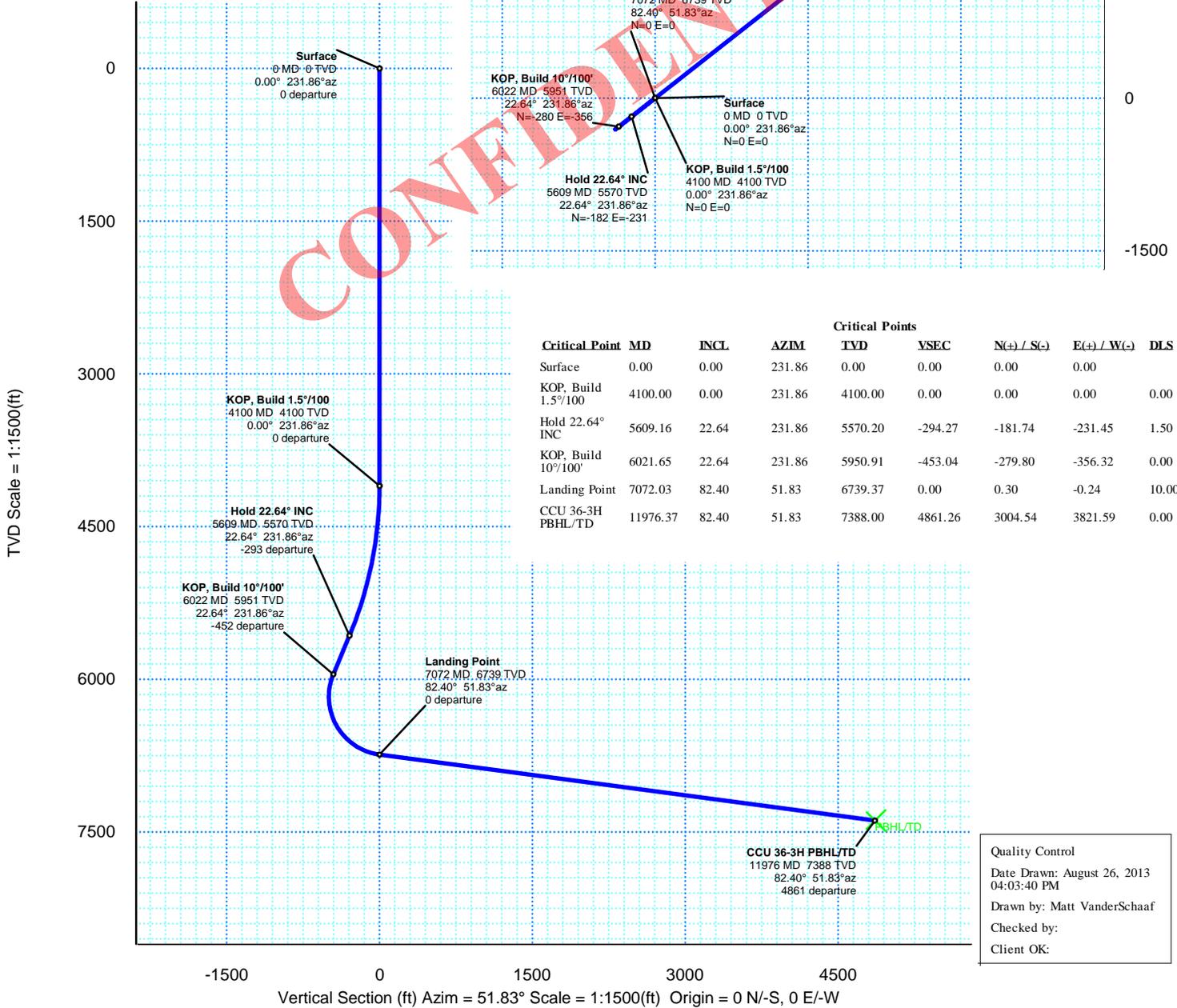
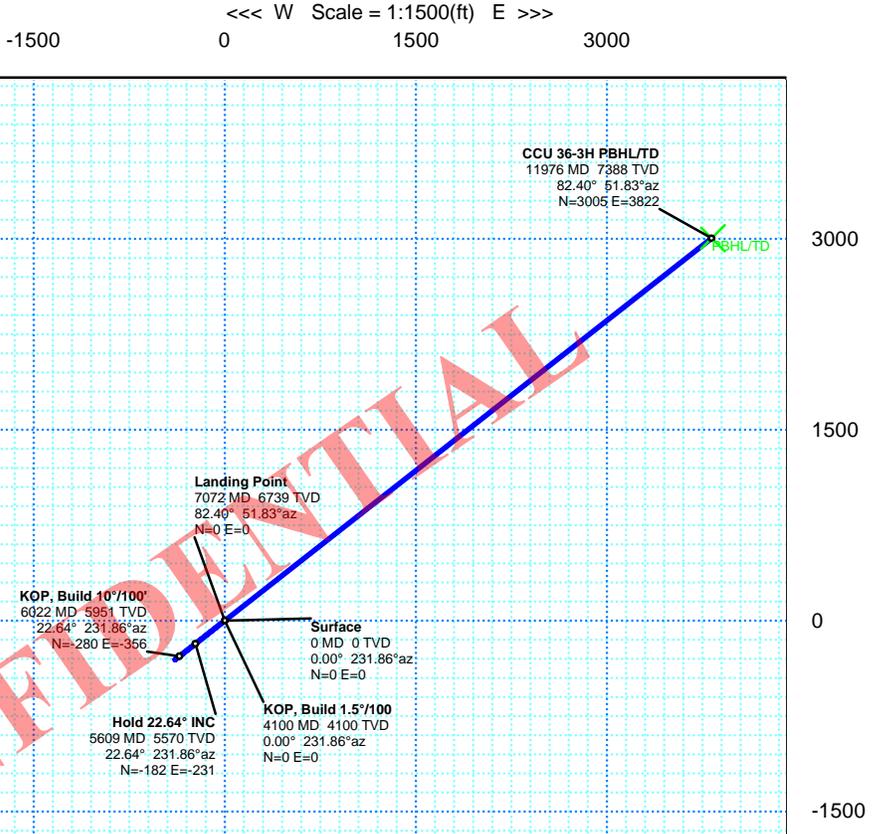
KEOGH LAND SURVEYING	
45 EAST CENTER STREET	MOAB, UTAH, 84532
LOCATION LAYOUT FOR CANE CREEK UNIT 36-3	
WITHIN SECTION 36, T 25 S, R 19 E, SLM, GRAND COUNTY, UTAH	
PREPARED FOR FIDELITY EXPLORATION & PRODUCTION CO.	

WELL CCU 36-3H	FIELD Grand County, UT	STRUCTURE Fidelity (CCU 36-3H)
Magnetic Parameters Model: BGGM 2013 Dip: 64.594° Mag Dec: 10.774°	Surface Location Lat: N 38 34 48.255 Lon: W 109 46 46.479	Miscellaneous Slot: CCU 36-3H Plan: CCU 36-3H R3 mdr 26Aug13Srvy Date: August 20, 2013
Date: August 20, 2013 FS: 51212.2hT	NAD27 Utah State Plane, Central Zone, US Feet Northing: 94604.80 IUS Easting: 2491881.90 IUS Grid Conv: 1.102° Scale Fact: 1.00013628	TVD Ref: RKB(5818ft above Mean Sea Level)

Proposal



True North
Tot Corr (M->T 10.7740°)
Mag Dec (10.774°)
Grid Conv (1.102°)



Critical Point	MD	INCL	AZIM	TVD	YSEC	N(+)/S(-)	E(+)/W(-)	DLS
Surface	0.00	0.00	231.86	0.00	0.00	0.00	0.00	
KOP, Build 1.5°/100	4100.00	0.00	231.86	4100.00	0.00	0.00	0.00	0.00
Hold 22.64° INC	5609.16	22.64	231.86	5570.20	-294.27	-181.74	-231.45	1.50
KOP, Build 10°/100'	6021.65	22.64	231.86	5950.91	-453.04	-279.80	-356.32	0.00
Landing Point	7072.03	82.40	51.83	6739.37	0.00	0.30	-0.24	10.00
CCU 36-3H PBHL/TD	11976.37	82.40	51.83	7388.00	4861.26	3004.54	3821.59	0.00

Quality Control
Date Drawn: August 26, 2013
04:03:40 PM
Drawn by: Matt VanderSchaaf
Checked by:
Client OK:



SURFACE USE PLAN

Name of Operator Fidelity Exploration & Production Company
Address: Lincoln St, Suite 2800
Denver, CO 80203
Well Location: **Cane Creek Unit 36-3H**
267' FSL & 734' FWL,
SWSW, Section 36, T25S, R19E
Grand County, UT

The referenced well (Cane Creek Unit 36-3H) will be located on the pre-existing well pad for the Cane Creek Unit 36-1. Fidelity does not anticipate any additional disturbance beyond the original well pad dimension.

Upon moving on to the Cane Creek Unit 36-1 pad to drill the Cane Creek Unit 36-3H, the Cane Creek Unit 36-1 and Cane Creek Unit 36-2 wells will be shut in. We will then move the wellhead isolation cage (see picture) and install it over the Cane Creek Unit 36-2 and install protective barriers around the Cane Creek Unit 3-1 well.

In addition, emergency shutdown buttons will be available in the dog house of Nabors 40 and the entrance to the pad itself. In case of an emergency, this button will actuate the back pressure valve on the Cane Creek Unit 36-1 and Cane Creek Unit 36-2 wellheads and immediately shut in the wells. During drilling of the Cane Creek Unit 36-3H, Cane Creek Unit 36-1 and Cane Creek Unit 36-2 will be kept open to sales and the cage and barriers will be employed.

1. Location of Existing Roads:

- a. The existing well pad is located approximately 15 miles west of Moab, Utah.
- b. Direction to the location from Moab, Utah are as follows:

Proceed northwest on Highway 163 for 11.2 miles. Turn left onto Highway 313 and proceed southwest 13.5 miles. Turn left on county road and proceed E-NE for 1.3 miles. Turn left onto access road and proceed 0.15 miles to pad location. For location of access roads, see Map A & B

- c. Improvements to the existing access on county roads will not be necessary since all roads are maintained by the Grand County Road Department or Utah State Highway Department.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.

- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.

2. New or Reconstructed Access Roads:

- a. Existing access will be utilized for the drilling of this well
- b. Surface disturbance and vehicular travel will be limited to the approved location access road.
- c. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (Gold Book –Fourth Edition - Revised 2007).
- d. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Fidelity's Cane Creek Unit 36-1 and Cane Creek Unit 36-2 wells are located within one mile of the Cane Creek Unit 36-3H location.

4. Location of Existing and/or Proposed Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Juniper Green or Beetle Green to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this well site; it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate

year-round traffic. The road will be maintained in a safe useable condition.

- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A pipeline corridor has been considered for this well but will be applied for once production is achieved.

5. Location and Type of Water Supply:

- a. The water supply for construction, drilling and operations will be provided under a direct purchase agreement with Moab City a local source of municipal water through a direct water purchase.
- b. No water pipelines will be laid for this well.
- c. No water well will be drilled for this well.
- d. Drilling water for this will be hauled on the road(s) shown in Exhibit B.
- e. Should additional water sources be pursued they will be properly permitted through the State of Utah – Division of Water Rights.

6. Source of Construction Material:

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

7. Methods of Handling Waste:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Water based drill cuttings will be contained and buried on site. Cuttings collected while using oil-based mud will be segregated and hauled to an appropriated disposal facility.
- c. The original Cane Creek Unit 36-1 reserve pit has been maintained open and is located outboard of the location and along the west side of the pad.
- d. The reserve pit is currently lined with 24 mil minimum thickness plastic nylon reinforced liner material. The liner overlays a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- e. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- f. No chemicals subject to reporting under SARA Title III (hazardous materials) in an

amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.

- g. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Grand County facility, Bob's Sanitation near Moab, Utah.
 - h. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
 - i. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved disposal facility.
 - j. Produced water from the production well will be disposed in accordance with Onshore Order #7.
 - k. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
 - l. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Grand County Wastewater Treatment Facility in accordance with state and county regulations.
8. Ancillary Facilities:
- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
 - b. No camps or airstrips are proposed with this application.
9. Well Site Layout:
- a. The well will be properly identified in accordance with 43 CFR 3162.6.
 - b. The existing access to the well pad will be from the west.
 - c. The pad and road designs are consistent with BLM specifications.
 - d. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
 - e. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a

discontinuous windrow on the side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss, sterilization and contamination.

- f. Pits will remain fenced until site cleanup.
- g. The blooie line will be located at least 100 feet from the well head.
- h. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.
- c. Following BLM published Best Management Practices the interim reclamation will be completed within 180 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - 1. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
 - 2. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded with the following native grass seeds:

<i>Species of Seed</i>	<i>Broadcast Application Rate (lbs/ac)</i>	<i>App. Rate PLS (lbs/ac)</i>
Blue Gramma	5	3
Galleta	2	2
Indian Ricegrass	3	2
Bottlebrush Squirreltail	1	1
Total: 11		Total: 8

- 3. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical

removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal (PUP) be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals. Fidelity does have an approved PUP in place for the CC Unit.

- e. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.
 - f. A final abandonment notice will be submitted to BLM when the reclamation activities (as presented in this document) are complete and new vegetation is established. Should there be any deviation from these planned reclamation activities, the surface owner will be notified and a Sundry Notice will be submitted to BLM for approval of the new closure and reclamation activities.
11. Surface and Mineral Ownership:
- a. Surface Ownership – State of Utah.
 - b. Mineral Ownership – Sate of Utah.

12. Other Information:

Company Representatives:

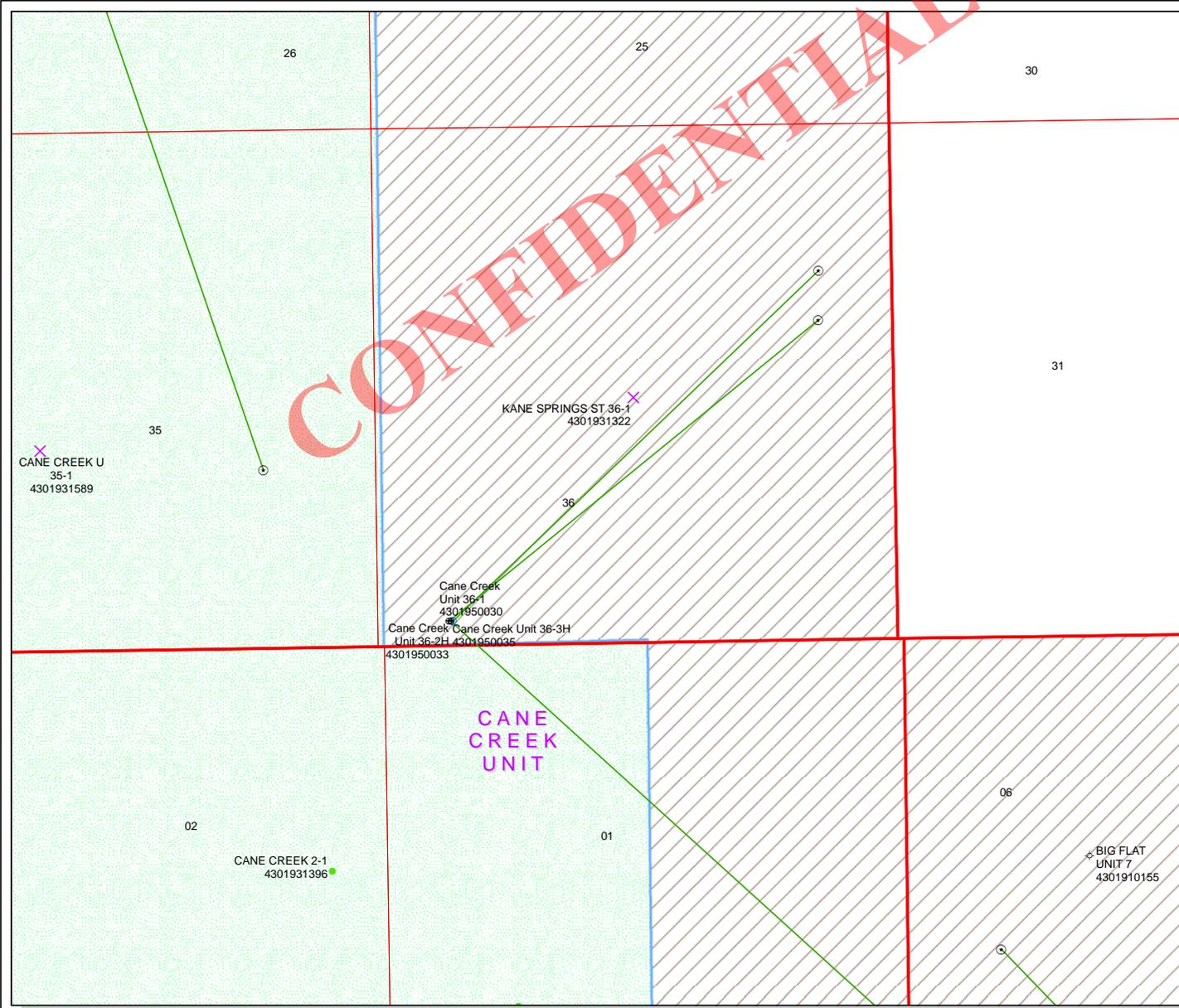
Bruce Houtchens
Drilling and Completion Manager
1700 Lincoln St. Suite 2800
Denver, CO 80203
(713) 351-1950-Direct line
(281) 217-6452 Cell
Bruce.houtchens@fidelityepco.com

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(720) 956-5763 - Direct line
Joy.gardner@fidelityepco.com

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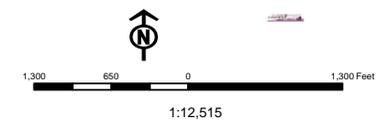
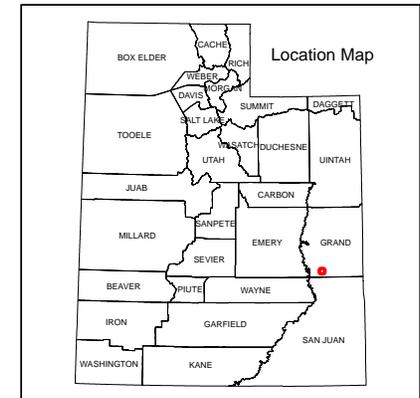
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API Number: 4301950035
Well Name: Cane Creek Unit 36-3H
Township T25.0S Range R19.0E Section 36
Meridian: SLBM
 Operator: FIDELITY E&P COMPANY

Map Prepared:
 Map Produced by Diana Mason

- Units STATUS**
- ACTIVE
 - EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PI OIL
 - PP GAS
 - PP GEOTHERMIL
 - PP OIL
 - SECONDARY
 - TERMINATED



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101

IN REPLY REFER TO:
3160
(UT-922)

September 9, 2013

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2013 Plan of Development Cane Creek Unit,
Grand and San Juan Counties, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2013 within the Cane Creek Unit, Grand and San Juan Counties, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ	Clastic 18/19	TVD 6739')
43-019-50035	Cane Creek Unit 36-3H	Sec 36 T25S R19E 0267 FSL 0734 FWL BHL Sec 36 T25S R19E 1995 FNL 0740 FEL

This office has no objection to permitting the well at this time.

Michael Coulthard

Digitally signed by Michael Coulthard
DN: cn=Michael Coulthard, o=Bureau of Land Management,
ou=Division of Minerals, email=mcoultha@blm.gov, c=US
Date: 2013.09.09 11:05:47 -06'00'

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

MCoulthard:mc:9-9-13

RECEIVED: September 10, 2013

Well Name	FIDELITY E&P COMPANY Cane Creek Unit 36-3H 43019500350000			
String	Cond	Surf	I1	Prod
Casing Size(")	20.000	13.375	9.625	7.000
Setting Depth (TVD)	26	1070	4180	7405
Previous Shoe Setting Depth (TVD)	0	26	1070	4180
Max Mud Weight (ppg)	9.0	9.0	9.0	16.5
BOPE Proposed (psi)	0	0	5000	10000
Casing Internal Yield (psi)	1000	2730	5750	11220
Operators Max Anticipated Pressure (psi)	5600			14.5

Calculations	Cond String	20.000	"
Max BHP (psi)	.052*Setting Depth*MW=	12	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	9	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	6	NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	6	NO
Required Casing/BOPE Test Pressure=		0	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

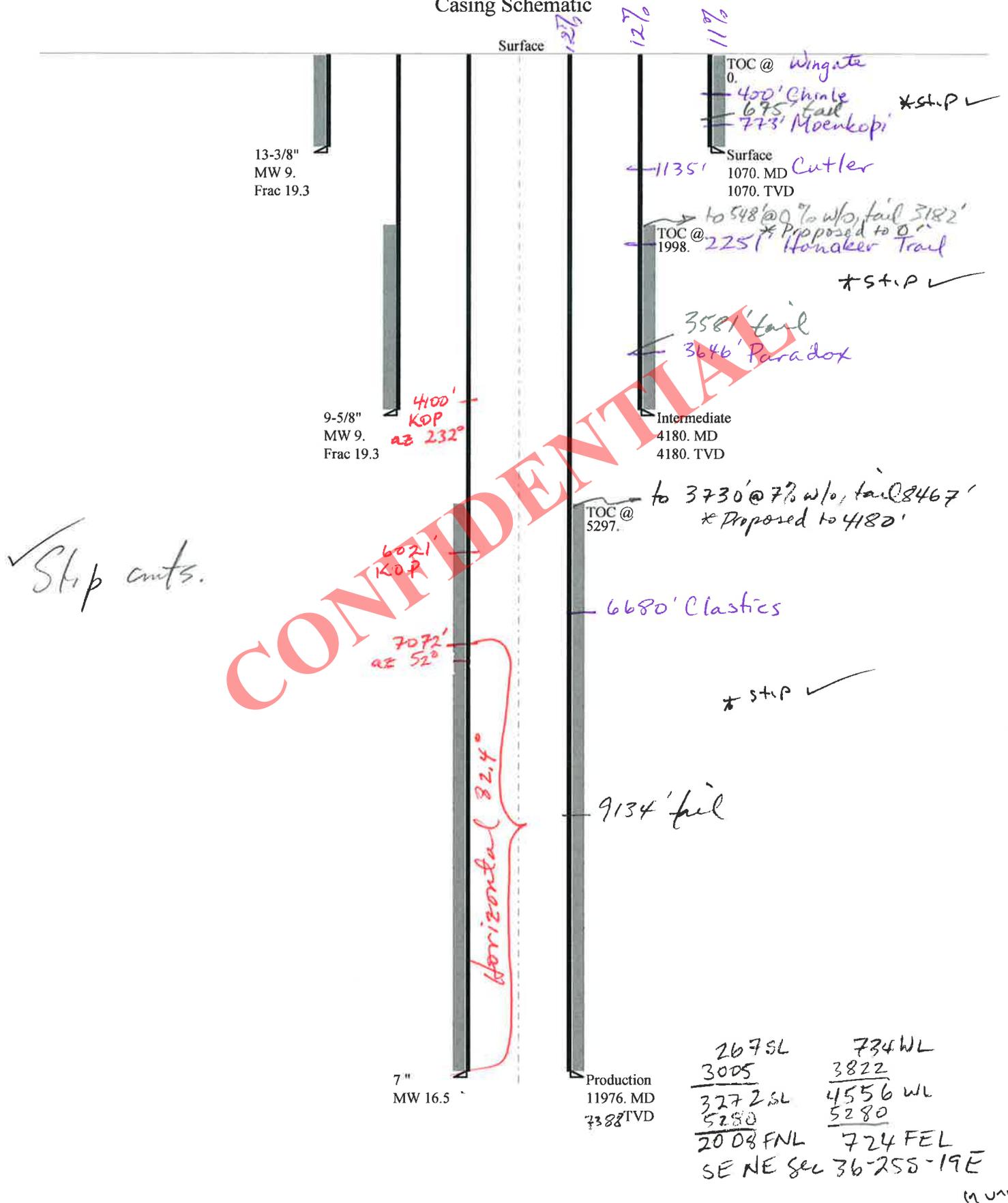
Calculations	Surf String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	501	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	373	NO air/mist
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	266	NO OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	271	NO OK
Required Casing/BOPE Test Pressure=		1070	psi
*Max Pressure Allowed @ Previous Casing Shoe=		26	psi *Assumes 1psi/ft frac gradient

Calculations	I1 String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	1956	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1454	YES air/mist/aerated wtr
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1036	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1272	NO OK
Required Casing/BOPE Test Pressure=		4025	psi
*Max Pressure Allowed @ Previous Casing Shoe=		1070	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	7.000	"
Max BHP (psi)	.052*Setting Depth*MW=	6353	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	5464	YES 10M double ram, 10M single pipe ram,
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	4724	YES 10M annular preventer & rotating head
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	5644	NO OK
Required Casing/BOPE Test Pressure=		7405	psi
*Max Pressure Allowed @ Previous Casing Shoe=		4180	psi *Assumes 1psi/ft frac gradient

43019500350000 Cane Creek Unit #36-3H

Casing Schematic



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Well name:	43019500350000 Cane Creek Unit #36-3H		
Operator:	FIDELITY E&P COMPANY		
String type:	Surface	Project ID:	43-019-50035
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: 89 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 942 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 1,070 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: 928 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 4,180 ft
 Next mud weight: 9.000 ppg
 Next setting BHP: 1,954 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 1,070 ft
 Injection pressure: 1,070 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	1070	13.375	54.50	J-55	Buttress	1070	1070	12.49	14209
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	500	1130	2.259	1070	2730	2.55	58.3	853.2	14.63 B

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

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

Date: October 17, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1070 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.

Well name:	43019500350000 Cane Creek Unit #36-3H		
Operator:	FIDELITY E&P COMPANY		
String type:	Intermediate	Project ID:	43-019-50035
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: 133 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 1,998 ft

Burst

Max anticipated surface pressure: 3,260 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 4,180 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: 3,620 ft

Directional Info - Build & Build

Kick-off point 4100 ft
 Departure at shoe: 1 ft
 Maximum dogleg: 1.5 °/100ft
 Inclination at shoe: 1.2 °

Re subsequent strings:

Next setting depth: 7,504 ft
 Next mud weight: 16.500 ppg
 Next setting BHP: 6,432 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 4,180 ft
 Injection pressure: 4,180 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	4180	9.625	40.00	L-80	Buttress	4180	4180	8.75	64004
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	1954	3056	1.564	4180	5750	1.38	167.2	916.3	5.48 B

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

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

Date: October 17, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 4180 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:	43019500350000 Cane Creek Unit #36-3H		
Operator:	FIDELITY E&P COMPANY		
String type:	Production	Project ID:	43-019-50035
Location:	GRAND COUNTY		

Design parameters:

Collapse

Mud weight: 16.500 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 178 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 5,297 ft

Burst

Max anticipated surface pressure: 4,718 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 6,347 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: 5,646 ft

Directional Info - Build & Build

Kick-off point 4100 ft
 Departure at shoe: 4859 ft
 Maximum dogleg: 10 °/100ft
 Inclination at shoe: 82 °

Estimated cost: 148,367 (\$)

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 (\$)
3	4000	7	29.00	P-110	Buttress	4000	4000	6.059	48338
2	3100	7	32.00	HCP-110	Buttress	6743	7100	6	41104
1	4876	7	29.00	P-110	Buttress	7405	11976	6.059	58925

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
3	3429	8223	2.398	5598	11220	2.00	223	929.4	4.17 B
2	5780	10725	1.856	6201	11640	1.88	107	1024.9	9.58 B
1	6347	8530	1.344	6347	11220	1.77	19.2	929.4	48.42 B

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

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

Date: October 17, 2013
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7405 ft, a mud weight of 16.5 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

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator FIDELITY E&P COMPANY
Well Name Cane Creek Unit 36-3H
API Number 43019500350000 **APD No** 8557 **Field/Unit** BIG FLAT
Location: 1/4,1/4 SWSW **Sec** 36 **Tw** 25.0S **Rng** 19.0E 267 FSL 734 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Site visited on 02/22/2012 while reviewing APD# 7627. Participants included: Bart Kettle-DOGM, Nicole Nielson-UDWR, Ed Bonner-SITLA, Charlie Harrison-Harrison Oil Field Services, Mike Keller-Fidelity E&P Company. Site re-visited 09/05/2013

Regional/Local Setting & Topography

Site originally reviewed on 02/22/2012 while processing APD# 7627, Cane Creek 36-1. Current proposal is an offset well utilizing the same surface structures: access road, well pad, and reserve pit with no proposed modifications from existing conditions at the Cane Creek 36-1. At the time of this evaluation the Cane Creek 36-1 is being completed by Monument Well Service. As such the original on-site evaluation will be used for the current proposal.

Proposed project site is located ~28 miles northwest of Moab Utah, in Grand County Utah. On a regional setting the proposed project is located in the Canyonlands Region of the Colorado Plateau. The Canyonlands Region is renowned for its red rock canyons and spectacular views. Tourism is a growing industry in the region. In close proximity to the proposed project site, Dead Horse State Park, Aches National Park and Canyonlands National Park are popular destinations along with the community of Moab Utah. On a local scale the proposed project site is located near Big Flat between the South Fork of Seven mile Canyon and Bull Canyon. Local points of interest include: Gemini Arch, Gemini Bridges, Arths Pasture, Seven mile Canyon, Long Canyon, Dead Horse Point, Horsetheif Point, Mineral Bottoms, Islands in the Sky, Hell Roaring Canyon, Courthouse Rock and Dubinky Point. Topography at Big Flat is typical of the Canyonlands Region: a series of large sandy mesa's abruptly falling off into steep canyons comprised of alternating layers of sandstone and shale. Climatic conditions within the region are arid, and vegetation is typically sparse. The proposed project site is located on a gentle slope consisting of sandy loam soils deposited on sandstone bedrock. Precipitation is considered a 10-12" precip zone. Soils are dominated by Eolian deposits and are predominantly unstable sands and sandy loams. Vegetation would be described as Pinion-Juniper Woodlands dominated by Utah Juniper and Pinion Pine communities. Water drainage is to the northeast, entering an unnamed wash immediately, Bull Canyon within 2.75 miles and the Colorado River within 9 miles. No perennial water sources were observed in close proximity to the project site.

Surface Use Plan

Current Surface Use

Existing Well Pad

**New Road
Miles**

Well Pad

Src Const Material

Surface Formation

Width Length

Ancillary Facilities

Waste management plan not included in original APD. Additional information requested to address handling procedures of oil base drilling mediums.

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetlands N

Ephemeral drainage adjacent to proposed project site

Flora / Fauna

Existing well pad.

Soil Type and Characteristics

Reddish orange sands and sandy loams.

Erosion Issues Y

Soils prone to wind and water erosion once disturbed.

Sedimentation Issues N

Site Stability Issues N

Site appears suitable for proposed drilling program.

Drainage Diversion Required? Y

Drainage diversion has been required at corner #5 & #7.

Berm Required? N

Erosion Sedimentation Control Required? Y

Interim reclamation should be completed outside of anchors within one year following well pad construction.

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

Reserve Pit

Site-Specific Factors	Site Ranking
Distance to Groundwater (feet) >200	0
Distance to Surface Water (feet) >1000	0
Dist. Nearest Municipal Well (ft) >5280	0
Distance to Other Wells (feet)	20
Native Soil Type High permeability	20
Fluid Type Oil Base Mud Fluid	15
Drill Cuttings Salt or Detrimental	10
Annual Precipitation (inches) 10 to 20	5
Affected Populations	
Presence Nearby Utility Conduits Not Present	0
Final Score	70 1 Sensitivity Level

Characteristics / Requirements

Proposed drilling system includes the use of a oil based mud drilling system to stabilize hole through Paradox salt zones. As such a 210' x 90' x 10' reserve pit has been constructed for the drilling of the Cane Creek 36-1 to the Paradox formation. Reserve pit is being proposed for reuse for the current project along with a closed loop drilling system for oil based drilling mediums.

Proposed drilling program includes a vertical hole followed by a lateral. Duration to complete drilling program is anticipated to exceed 30 days. Due to prolonged drilling program pit liners shall be inspected weekly to assure integrity.

Reserve pit fluids at sites with comparable drilling programs within the Paradox formation have had TDS in excess of 50,000 mg/l. Additional reclamation steps may be required for materials high in chlorides. Precautions should be taken while drilling to assure salt or detrimental cuttings are not mixed with normal rock cuttings.

Surface formations are members of the Glen Canyon group and are capable of containing fresh water aquifers. Permeability of soils and underlying sandstones is medium to high. Pit liner of 24 ml has been installed in the reserve pit. Tanks and handling equipment containing oil based drilling materials should be underlain with a 20 mil synthetic liner as secondary containment.

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

Other Observations / Comments

Access road is proposed as a 14' running surface with turnouts. Minimal construction will be completed until well is deemed capable of commercial production. Pit run will be placed at wash crossing and portions of road requiring maintenance during drilling operations.

DOGM noted significant concerns regarding reserve/cuttings pit lining, management and reclamation. Pit contents with TDS in excess of 50,000 mg/l are possible, as such additional stipulations and precautions will be required.

Top 6-12" of top soils should be saved and stockpile on the east and southern sides of the well pad. All disturbed soils shall be seeded within 12 months of disturbance.

Bart Kettle
Evaluator

9/3/2013
Date / Time

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
8557	43019500350000	LOCKED	OW	S	No
Operator	FIDELITY E&P COMPANY		Surface Owner-APD		
Well Name	Cane Creek Unit 36-3H		Unit	CANE CREEK	
Field	BIG FLAT		Type of Work	DRILL	
Location	SWSW 36 25S 19E S 267 FSL (UTM) 606244E 4270874N		734 FWL	GPS Coord	

Geologic Statement of Basis

The proposed well will be spud in sandy soil that has been derived from the Kayenta Formation, which is exposed at the surface at this location. The well location is approximately one and a half miles from the axis of the Cane Creek Anticline. It is reasonable to expect that fractures & joint sets may result in zones of lost circulation during drilling. There are no underground water rights within one mile of the proposed location; however, Canyonlands Cattle Co. has two rediversion water rights, on file with Utah Division of Water Rights, for stock watering. It is unlikely that fresh water will be encountered, at this location, in the Wingate Aquifer. The proposed casing and cementing program should adequately protect any useable groundwater resources encountered during the drilling of this well.

Ammon McDonald
APD Evaluator

9/16/2013
Date / Time

Surface Statement of Basis

Original on-site evaluation conducted February 29, 2012 for the Cane Creek 36-1, APD# 7627. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Nicole Nielson-Division of Wildlife Resources (UDWR), Ed Bonner-Trust Lands Administration (SITLA), Mike Keller-Fidelity E&P Company, Charlie Harrison-Harrison Oil Field Services and Moab BLM resource staff Melanie Hunter, Katie Steens, Larry King, Bonnie Carsons and Ann Maria. Site re-visited 09/05/2013.

Site originally reviewed on 02/22/2012 while processing APD# 7627, Cane Creek 36-1. Current proposal is an offset well utilizing the same surface structures: access road, well pad, and reserve pit with no proposed modifications from existing conditions at the Cane Creek 36-1. At the time of this evaluation the Cane Creek 36-1 is being completed by Monument Well Service. As such the original on-site evaluation will be used for the current proposal.

Proposed project is located in an environmentally sensitive region. National Parks, slick rock trails, river rafting and scenic views attract thousands of tourist to the region annually. Due to 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. Steps to limit activity during peak tourist season, and hours of the day are recommended.

DOGM is requiring additional precautions for reserve pit and handling of salt laden and oil

base mud cuttings. Slopes of pit walls should not exceed 2:1. Pits shall be lined as determined by site evaluation ranking. The geomembrane shall consist of 20 mil string reinforced LDPE or equivalent liner for reserve pit. The geomembrane liner should be composed of an impervious synthetic material resistant to hydrocarbons, salts and alkaline solutions.

Tanks and equipment handling or storing oil based drilling mediums and chloride laden cuttings will require 20 mil string reinforced geomembrane liner. Liner should be placed over prepared surface containing 12" berms and key trench to secure liner.

Blasting is anticipated for reserve pit, fractured rock should be properly bedded with sand or a felt liner. Liner edges should be secured. Liner should be protected from fluid force or mechanical damage at points of discharge or suction.

Due to anticipated prolonged drilling operations precautions should be taken to prevent punctures from drilling related activities. Weekly inspection of liner should be conducted and recorded. Surface water run off should not be allowed to enter pits.

While drilling three sides of pits should be fenced. Fencing should include reinforced corner braces, 36" woven net wire on the bottom and two strands of barbed wire on top spaced at 6" apart. Following completion of drilling activities pits will require fencing on the fourth side, removal of free standing oil and netting to prevent entry by water fowl.

Pits will require reclamation to be completed one year following the removal of drilling rig. Reclamation measures shall be submitted to DOGM for approval following analysis of pit contents.

Bart Kettle
Onsite Evaluator

9/3/2013
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Drilling	A geomembrane liner with a minimum thickness of 20 mils shall be properly installed and maintained under tanks and equipment storing or handling oil based drilling fluids or salt laden cuttings. Geomembrane liner shall consist of a string reinforced impervious synthetic material, resistant to hydrocarbons, salts and alkaline solutions.
Pits	A representative sample of drill cuttings shall be collected and analyzed prior to disposal at approved facility.
Pits	The reserve pit shall be fenced upon completion of drilling operations. Netting will be required over pit if it contains hydrocarbons or RCRA-exempt hazardous substances.
Pits	A closed loop mud circulation system is required while using oil based drilling mediums.
Pits	A geomembrane liner with a minimum thickness of 20 mils shall be properly installed and maintained in the reserve pit. The geomembrane liner shall consist of a string reinforced impervious synthetic material, resistant to hydrocarbons, salts and alkaline solutions.
Pits	Reserve pit liner shall be protected from fluid force or mechanical damage at points of discharge or suction.
Pits	The Division shall be consulted prior to reclamation of reserve pit and drill cuttings.
Pits	Weekly inspections of liners shall be conducted and documented until materials are removed, or reserve pit is reclaimed.
Pits	Fractured rock in reserve pit area or oil based mud handling areas shall be properly bedded.
Pits	Pit liner edges must be secured.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/30/2013

API NO. ASSIGNED: 43019500350000

WELL NAME: Cane Creek Unit 36-3H

OPERATOR: FIDELITY E&P COMPANY (N3155)

PHONE NUMBER: 720 956-5763

CONTACT: Joy Gardner

PROPOSED LOCATION: SWSW 36 250S 190E

Permit Tech Review:

SURFACE: 0267 FSL 0734 FWL

Engineering Review:

BOTTOM: 1995 FNL 0740 FEL

Geology Review:

COUNTY: GRAND

LATITUDE: 38.57999

LONGITUDE: -109.78024

UTM SURF EASTINGS: 606244.00

NORTHINGS: 4270874.00

FIELD NAME: BIG FLAT

LEASE TYPE: 3 - State

LEASE NUMBER: ML-40571

PROPOSED PRODUCING FORMATION(S): PARADOX

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE/FEE - 190017646/104891324
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: Municipal
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

LOCATION AND SITING:

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

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhll
 8 - Cement to Surface -- 2 strings - hmacdonald
 13 - Cement Volume Formation (3a) - hmacdonald
 23 - Spacing - dmason
 27 - Other - bhll



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: Cane Creek Unit 36-3H
API Well Number: 43019500350000
Lease Number: ML-40571
Surface Owner: STATE
Approval Date: 10/22/2013

Issued to:

FIDELITY E&P COMPANY, 1700 Lincoln Street Ste 2800, Denver, CO 80203

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 R649-3-2. The expected producing formation or pool is the PARADOX 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

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).

In accordance with Utah Admin. R.649-3-21, the operator shall submit a complete

angular deviation and directional survey report to the Division within 30 days following completion of the well.

Cement volumes for the 13 3/8" and 9 5/8" casing strings shall be determined from actual hole diameters in order to place cement from the pipe setting depths back to the surface.

Cement volume for the 7" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 3180' in order to adequately isolate the Paradox formation.

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: ML-40571
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		7. UNIT or CA AGREEMENT NAME: CANE CREEK
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		8. WELL NAME and NUMBER: Cane Creek Unit 36-3H
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0267 FSL 0734 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 36 Township: 25.0S Range: 19.0E Meridian: S		9. API NUMBER: 43019500350000
PHONE NUMBER: 713 351-1968 Ext		9. FIELD and POOL or WILDCAT: BIG FLAT
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"/> ALTER CASING	
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 5/15/2014	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<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 type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Cane Creek 36-3H was spud on 5/15/2014. Set 110 ft of 20 inch conductor and cemented with 13 yards of Redi-Mix concrete.		
		Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 23, 2014
NAME (PLEASE PRINT) Sandi Stocker	PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A	DATE 5/23/2014	

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

FORM 6

ENTITY ACTION FORM

Operator: Fidelity Expl & Prod Co Operator Account Number: N 3155
Address: 1801 California St. Suite 2500
city Denver
state CO zip 80202 Phone Number: (303) 893-3133

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301950035	Cane Creek Unit 36-3H		SWSW	36	25S	19E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

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)

Sandi Stocker

Name (Please Print)

Sandi Stocker

Signature

Engineering Tech

5/23/2014

Title

Date

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-40571
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: CANE CREEK
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2. NAME OF OPERATOR: FIDELITY E&P COMPANY		9. API NUMBER: 43019500350000
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202	PHONE NUMBER: 713 351-1968 Ext	9. FIELD and POOL or WILDCAT: BIG FLAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0267 FSL 0734 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 36 Township: 25.0S Range: 19.0E 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"/> SUBSEQUENT REPORT Date of Work Completion: <input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 5/15/2014 <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <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"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Cane Creek Unit 36-3H was spud on 5/15/14. Set 110 ft of 20 inch conductor and cemented with 13 yard of Redi-Mox concrete.		
		Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 28, 2014
NAME (PLEASE PRINT) Sandi Stocker	PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A		DATE 5/28/2014

43 019 50035

FIDELITY EXPLORATION & PRODUCTION CO.

CANE CREEK UNIT 36-3H

SW/SW Section 36, T25S, R19E

GRAND COUNTY, UTAH



GEOLOGY REPORT
by

Sam Spencer
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Accepted by the
Utah Division of
Oil, Gas and Mining

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RECEIVED
JUL 30 2014
DIV. OF OIL, GAS & MINING

WELL DATA SUMMARY
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT 36-3H

OPERATOR: FIDELITY EXPLORATION & PRODUCTION CO.

ADDRESS: 1801 California St., Suite 2500, Denver, CO. 80202

WELL NAME: CANE CREEK UNIT 36-3H

API #: 43-019-50035-0000

SURFACE LOCATION: SW/SW SEC 36 T25S R19E
267' FSL & 734' FWL

FIELD: Cane Creek Unit (Big Flat)

COUNTY, STATE Grand, Utah

BASIN: Paradox

WELL TYPE: Horizontal Pennsylvanian Cane Creek

BASIS OF PROSPECT: Production from Cane Creek in near by wells

ELEVATION: GL: 5795' Meas. Graded KB: 5818'

SPUD DATE May 27, 2014

TD DATE: July 21,2014

HORIZONTAL TARGET: CLASTIC 18/19 PARADOX SALT SECTION

TOTAL DEPTH: 8,400'

TVD AT TD: 7046.40'

BOTTOM HOLE LOCATION: 1019.66' N & 1193.17' E
1286.66' FSL & 1927.17' FWL SEC 36, T25S, R19E

WELL DATA SUMMARY
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT 36-3H

FINAL VERTICAL SECTION: 1568.11'

ENTRY CLASTIC 18/19: 7,101'

FEET DRILLED CLASTIC 18/19: 1,229'

FEET DRILLED 18/19 ENTRY TO TD: 1,299'

PERCENT IN ZONE: 94.60%

FINAL CLOSURE AZIMUTH: 49.48

PROPOSED AZIMUTH: 51.906

TOTAL DRILLING DAYS 17

STATUS OF WELL: Waiting Completion

CONTRACTOR: Nabors Rig M38

TOOLPUSHER: Kurt Cleaveland, Richard Balduc

FIELD SUPERVISORS: Doug Long, Daniel Ratliff, Rajman Williams

MUD COMPANY: NOV Bariod
Rio Good, D.J. Groetken, Jason Hurt, Dan Geller, Michael Whitt

MUD TYPE: INVERT

WELLSITE GEOLOGISTS: Sam Spencer, John Flinn

PROSPECT GEOLOGIST: Adam VanHolland, Dave List, Fidelity

WELL DATA SUMMARY
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT 36-3H

ROCK SAMPLING: 30' Lagged Samples to Clastic 18/19
30' Lagged Samples in Clastic 18/19
Two sets of dry sample cuts were collected.

DIRECTIONAL DRILLERS: Pathfinder
Matt Geiser, Herold Berg

MWD: Pathfinder
Eric Smith, Khaled Barake, Seth Lineman

CASING: 13 3/8" J-55 54.5# @ 1059'; 9 5/8" HCP-110 47# @ 4192';
7" HCP-110 BTC @ 8,394.87"

HOLE SIZE: 17 1/2" to 1075'; 12.28" to 4,204'; 8 1/2" to 8,400' TD

CORES and DST's: NONE

WIRELINE/OPEN HOLE LOGS: NONE

KEY OFFSET WELLS

Well Name: Cane Creek Unit 36-1 (PILOT)
Surf Loc: SWSWE Sec 36, T25S - R19E
Operator: FEPC API: 4301950030
Completion Date: 08/2013 Tests: None (IPF Only) Comments:
Used tops from this well

Well Name: Cane Creek Unit 2-1
Surf Loc: SENE Sec 2, T26S - R19E
Current Operator: FEPC API: 4301931396
Completion Date: 06/2004

FIDELITY EXPLORATION AND PRODUCTION
DISTRIBUTION
CANE CREEK UNIT 36-3H

<u>DISTRIBUTION</u>	Geological Report	Final Mud Log prints	Digital mud log	Well Cuttings
Fidelity Exploration and Production Co. Adam VanHolland 1801 California St. Suite 2500, Denver CO 80202	1	1	1	1
Dave List Fidelity Exploration and Production 1801 California St. Suite 2500 Denver, CO 80202	1	1	1	0
Bruce Houtchens Fidelity Exploration and Production Co. 1801 California St Suite 2500 Denver, CO 80202	3	3	3	0
State of Utah Division Oil Gas and Mining P.O. Box 145801 1594 W. Temple Suite 1210 Salt Lake City, UT 84114-5801	1	0	1	1
Bureau of Land Management Moab Field Office 82 E. Dogwood Moab, UT 84532	1	0	0	0

DAILY DRILLING SUMMARY
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT 36-3H

DAY	DATE 2014	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	Mud Losses	24 HR ACTIVITY	FORMATION
1	10-Jul	4,192'	0'	3		Test BOP, replace IBOP. Test Halliburton MPD. Install drip pan. Make up tricone bit/bit sub.	Paradox Salt Section
2	11-Jul	4,192'	20'	3		TIH, Drill shoe track, f/ 4,191' to 4,202', perform FIT. FIT held 18.0 MWE. Drill ti 4,212' Circulate. Pump Slug. TOO. LD bit/bit sub. PU Curve BHA Scribe Motor. Test	Paradox Salt Section
3	12-Jul	4,212'	1,023'	4	25	Drill f/ 4,212' to 5,235'	Paradox Salt Section
4	13-Jul	5,235'	948'	4	67	Drill f/ 5,235' to 6,183'	Paradox Salt Section
5	14-Jul	6,183'	314'	4	138	Drill f/ 6,183' to 6,497'	Paradox Salt Section
6	15-Jul	6,497'	411'	4	158	Drill f/ 6,497' to 6,812' trouble shoot MWD lightening in area. Drill f/ 6,812' to 6,908'.	Paradox Salt Section
7	16-Jul	6,908'	383'	4	135	Drill f/ 6,908' to 7,129'. Circulate gas, 30' flare. Raise mud wt. Drill f/ 7,129' to 7,291'.	Clastic 18/19
8	17-Jul	7,291'	135'	4	38	Drill f/ 7,291' to 7,426' Circulate samples WOO, Strip out to 6451' Displace 15.0 drilling mud w/ 17.0 Kill mud. TOO. H	Clastic 18/19
9	18-Jul	7,426'	14'	4/5	231	TOOH XO BHA. PU Lateral IPZIG BHA. TIH to 6560'. Displace 17.1 kill mud w/ 15.2 drilling mud, Strip in the bottom circulate BU. 5259 units Trip gas, 50' Flare. Log IPZIG tool f/ 7,100-7,426' Drilling f/ 7,426' to 7,440'	Clastic 18/19
10	19-Jul	7,440'	421'	5	90	Drill f/ 7,440' to 7,861'	Clastic 18/19
11	20-Jul	7,861'	392'	5	17	Drill f/ 7,861' to 8,253'	Clastic 18/19
12	21-Jul	8,253'	147'	5	31	Drill f/ 8,253' to 8,400' TD well. Circulate BU. Strip out to 6100' KOP. Strip back to bottom. Circulate. Strip out	Clastic 18/19 Salt # 20
13	22-Jul	8,400'	0'	5	382	Strip out to 6558' Displace 15.5 w/ 17.4 Kill mud. TOO. LD directional tools. PJSM w/ casers. Run 7" HCP 110 BTC casing	Salt # 20
14	23-Jul	8,400'	0'		56	Run 7" HCP-110 BTC casing to 6,800' Displace 17.4 kill mud w/ 15.4 mud. Circulate BU. Run casing to 8,394.87' Circulate Bottom Up. Pump cement.	Salt # 20
15	24-Jul	8,400'	0'			Pump cement, Pump plug. Cement in place. Geologists released	Salt # 20

GEOLOGICAL REPORT

INTRODUCTION

The Fidelity Exploration & Production Co. Cave Creek Unit State #36-3H, located in SW SW, Section 36, T25S, R19E spud near the top of Jurassic, Wingate Sandstone on May 25, 2014. The well was drilled on an existing multi-well pad as the third well. The well was directionally drilled to avoid collision with the CCU 36-1 and CCU 36-2H cased holes.

A horizontal lateral was kicked off from 4783' and directionally drilled with a build rate of 2° / 100' to the SW, to an 9.5° inclination at 5728'. The bit was then rotated on a tangent to a negative vertical section of 203'. KOP # 2 was at 6123'. A 9.5/100' build rate was drilled on an azimuth of 53°, to a landing at 6850' at 65° inclination.

A 24 hour, two man geologist well site service began on July 10, 2014 at 4,192', the base of intermediate 9 5/8" casing. An MSI chromatograph was used to record total gas along with the various gas components of C-1 through C-4. The total gas readings were displayed on the rig electronic data recorder screen "Pason" for viewing by operating personnel at the rig. The total gas and the various gas components recorded were plotted at lagged depth to compile a permanent mudlog record of drilling parameters, the lithology drilled, along with hydro carbon shows.

CCU 36-3 H

The well spudded near top of Jurassic, Wingate Sandstone and was drilled with air/water to 1068' in the Triassic, Moenkopi Formation where 13 3/8 inch surface casing was set and cemented. Drilling continued with a 12 1/4" hammer bit to 4,204' where 9 5/8" HCP-110 BTC casing was set at 4192'. The 9 5/8" intermediate casing was set in the Paradox Formation, Salt # 2. A Formation Integrity Test (F.I.T.) was performed to 18.0 MWE. Geologic service started at this depth.

After a successful FIT, drilling continued using an 8 1/2" PDC bit, mud motor and oil base invert mud system. While drilling ahead gas increases were recorded from various zones as detailed below.

Clastic #2: Gas increased to 291 units from 4285' to 4315' primarily from black, organic, carbonaceous, shale and light to medium gray, very fine crystalline dolomite. Gas composition was methane and ethane. Mud weight was 14.5 ppg.

Clastic # 3: Gas increased to 194 units from 4479' to 4486'. This show was from black organic shale and dolomite. The gas composition was methane and ethane. Mud weight was 14.5 ppg.

Clastic # 9: Gas increased to 268 units from 5513' to 5555' from black, organic rich carbonaceous shale and light gray micro crystalline dolomite. The gas composition was methane, ethane and propane. Mud weight was 14.3ppg.

Clastic # 14: While drilling at 5991' a 38 bbl salt water influx was noticed. The MPD well head pressure was increased to 130 psi. with the mud weight being 14.3. The mud weight was increased to 14.6 and drilling resumed. There was little to no gas increase in the interval. Samples in the interval indicate the brine water is coming from dolomite, black shale and anhydrite.

HORIZONTAL LATERAL 36-2H

Clastic #18/19: Black, sooty, soft shale and light-gray, micro crystalline, dolomite and white anhydrite was logged at 7101' to 8320'. Upon drilling in to the top of Clastic # 18 the gas increased to 5173 units, and a 30 foot flare.

At 7101' the top of Clastic 18/19 was drilled. The gas increased sharply to 5173 units. A 30 foot flare was noted. The formation dip was a sinusoidal and over all downward trending. The well path entered the Clastic 19 Pay at 7153'. The gas remained at 4200-4500 units throughout the drilling of the lateral due to the MPD system and the efficiency of the gas buster. This made determining any shows impossible.

With the MPD system gas increases were held to a minimum. At 7426' the curve BHA was tripped out and the Lateral IPZIG BHA was run. Drilling continued. The well bore was positions in the Clastic 19 Pay, The formation went to an 18 °down dip. The well path penetrated back up in to the Clastic 18 pay. By 7600' the formation dip was a 6°and the well bore inclination was brought up to avoid drilling out the bottom of the formation.

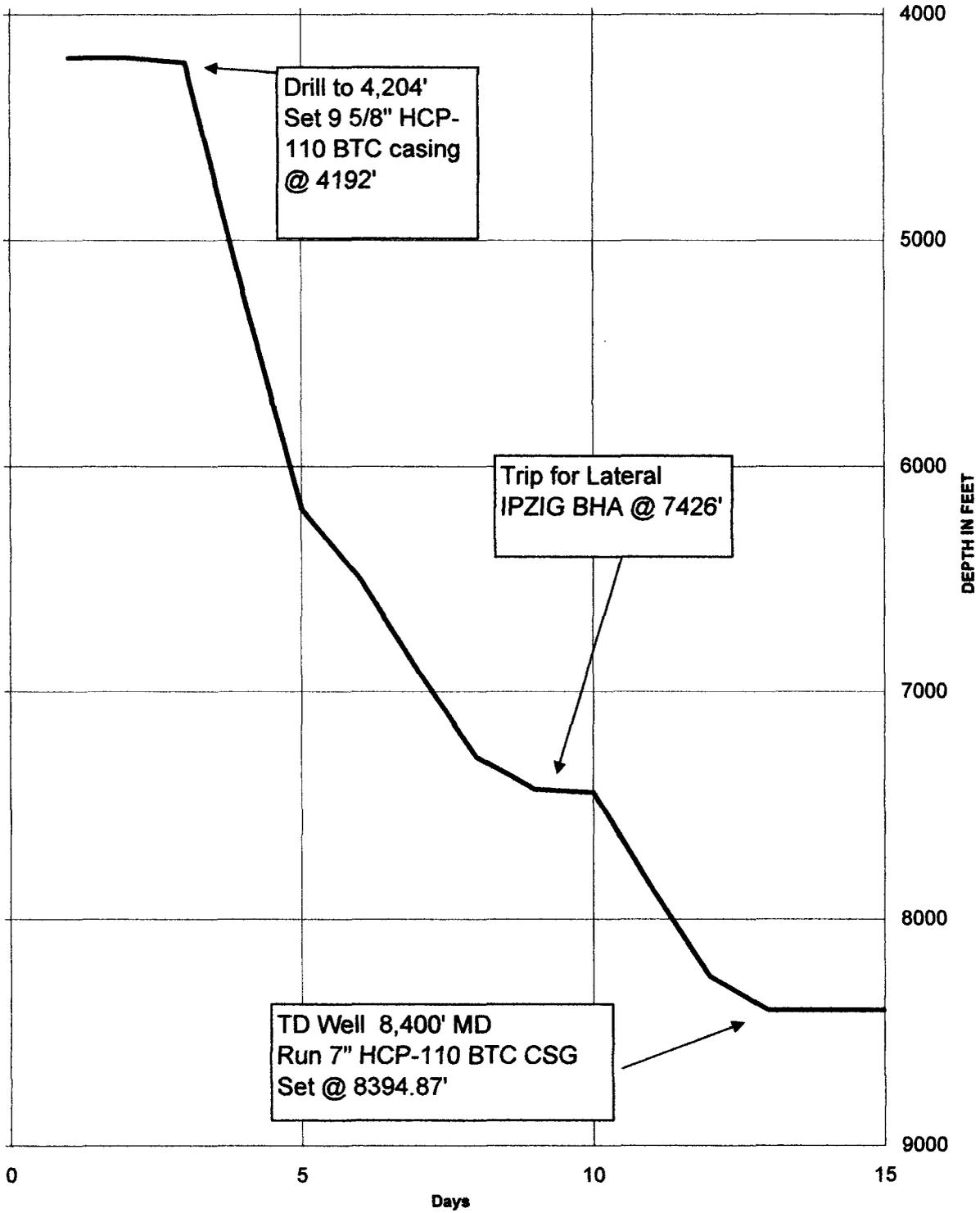
By 7900' the formation dip was 10°down and the well bore was brought downward. At 8300' the formation dip was 10°up and the well path could not be re-directed fast enough. The underlying Salt # 20 was drilled in to at 8330'. 70' of rat hole was made and Total Depth of 8400 was reached.

Based on the hydrocarbon shows in this well it is anticipated that this well can be completed as a commercial oil producer from the Clastic # 18/19 pay intervals

Sam Spencer

Consulting Geologist

TIME VS DEPTH
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT 36-3H



FORMATION / SALT TOPS
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT STATE # 36-3H

Formation tops FEPCO CANE CREEK 36-1H & 36-2H & 36-3H									
KB 5818'									
Formation	Sample top CCU 36-1	Sub Sea CCU 36-1	CCU 36-2H	Curve TVD	+/- 36-1	Sub Sea TVD CCU 36-2H Lateral	CCU 36-3H	TVD 36-3H	Sub-Sea TVD CCU 36-3H Lateral
Kayenta									
Wingate SS	15'								
Chinle	244'								
Moenkopi	601'								
Cutler	1,083'								
Honaker Trail	2,130'								
Paradox	3,668'	2,147'							
Jermy	3,848'	1,987'							
Salt # 1	3,901'	1,914'							
Clastic # 1	4,068'	1,747'							
Salt # 2	4,162'	1,853'							
Clastic # 2	4,258'	1,557'	4,251'	4,250.82'	7.36	1,587'	4,251'	4,250.88'	1,587'
Salt # 3	4,340'	1,475'	4,324'	4,323.48'	16.52	1,495'	4,340'	4,339.84'	1,478'
Clastic # 3	4,483'	1,332'	4,473'	4,472.08'	10.94	1,346'	4,473'	4,472.82'	1,345'
Salt # 4	4,527'	1,288'	4,513'	4,501.85'	25.05	1,316'	4,510'	4,509.81'	1,308'
Clastic # 4	4,631'	1,184'	4,621'	4,619.55'	11.45	1,198'	4,627'	4,626.79'	1,191'
Salt # 5	4,700'	1,115'	4,687'	4,685.31'	14.69	1,133'	4,684'	4,683.78'	1,124'
Clastic # 5	4,840'	875'	4,841'	4,838.38'	1.82	880'	4,851'	4,850.58'	867'
Salt # 6	4,987'	828'	4,968'	4,965.31'	21.89	853'	4,980'	4,979.49'	839'
Clastic # 6	5,073'	742'	5,048'	5,046.12'	26.88	772'	5,075'	5,074.17'	744'
Salt # 7	5,080'	735'	5,071'	5,068.08'	11.91	750'	5,084'	5,083.12'	735'
Clastic # 7	5,138'	677'	5,128'	5,123.01'	14.89	695'	5,150'	5,148.73'	689'
Salt # 8	5,192'	623'	5,183'	5,179.12'	12.88	639'	5,198'	5,194.34'	624'
Clastic # 8	5,320'	495'	5,308'	5,302.83'	17.17	515'	5,327'	5,322.98'	495'
Salt # 9	5,380'	455'	5,347'	5,343.81'	16.19	474'	5,378'	5,374.37'	444'
Clastic # 9	5,514'	301'	5,488'	5,484.88'	19.32	323'	5,513'	5,507.71'	310'
Salt # 10	5,548'	289'	5,538'	5,534.65'	11.35	283'	5,550'	5,544.23'	274'
Clastic # 10	5,608'	209'	5,590'	5,586.61'	19.39	231'	5,602'	5,595.57'	222'
Salt # 11	5,660'	155'	5,660'	5,656.58'	3.42	161'	5,660'	5,652.86'	165'
Clastic # 11	5,720'	95'	5,698'	5,692.57'	27.43	125'	5,698'	5,690.78'	157'
Salt # 12	5,734'	81'	5,713'	5,709.59'	24.41	108'	5,712'	5,704.22'	114'
Clastic # 12	5,824'	-8'	5,797'	5,793.55'	30.45	24'	5,802'	5,792.95'	25'
Salt # 13	5,841'	-26'	5,818'	5,812.54'	28.46	5'	5,827'	5,817.57'	0'
Clastic # 13	5,938'	-123'	5,911'	5,907.52'	30.48	-90'	5,924'	5,913.12'	-95'
Salt # 14	5,958'	-141'	5,930'	5,926.52'	29.48	-108'	5,944'	5,932.82'	-115'
Clastic # 14	5,995'	-181'	5,970'	5,966.52'	29.48	-149'	5,989'	5,977.18'	-159'
Salt # 15	6,018'	-203'	5,991'	5,987.51'	30.48	-170'	6,015'	6,002.80'	-185'
Clastic # 15	6,164'	-349'	6,143'	6,139.45'	24.55	-321'	6,165'	6,151.16'	-333'
Salt # 16	6,178'	-363'	6,159'	6,155.44'	22.56	-337'	6,183'	6,170.08'	-352'
Clastic # 16	6,219'	-404'	6,197'	6,193.41'	25.59	-375'	6,223'	6,208.86'	-381'
Salt # 17	6,225'	-410'	6,208'	6,202.41'	22.59	-384'	6,231'	6,216.80'	-399'
Clastic # 17	6,497'	-532'	6,436'	6,432.36'	34.84	-614'	6,476'	6,452.95'	-635'
Salt # 18	6,480'	-565'	6,452'	6,448.35'	31.85	-630'	6,489'	6,464.83'	-647'
Clastic # 18-19	6,711'	-698'	6,702'	6,698.29'	12.71	-680'	6,685'	6,764.59'	-847'
Salt # 20	6,772'	-957'	6,782'	6,758.27'	13.73	-940'			
Clastic # 20	7,035'	-1,220'	7,084'	7,085.82'	-30.82	-1,248'			
Salt # 21	7,062'	-1,247'	7,103'	7,081.97'	-19.87	-1,264'			
Cane Creek	7,315'	-1,498'	7,462'	7,302.54'	10.46	-1,485'			
Cane Creek B	7,344'	-1,529'	7,585'						
Horizontal Target	7,352'	-1,537'							
Base Cane Creek	7,399'	-1,584'	8,741'	7,541.98'	-142.96	-1,724'			
Salt # 22	7,399'	-1,584'	8,741'	7,543.02'	-144.02	-1,725'			
Clastic # 22	7,409'	-1,594'	8,771'	7,543.02'	-134.02	-1,725'			
Salt # 23	7,421'	-1,608'	8,852'	7,543.28'	-122.28	-1,725'			
TD	7,521'	-1,708'							

BIT RECORD
FIDELITY EXPLORATION AND PRODUCTION
CANE CREEK UNIT # 36-3H

OPERATOR: FIDELITY EXPLORATION
& PRODUCTION CO.

CONTRACTOR: Nabors Rig M38

SPUD DATE May 28, 2014

WELL NAME: CANE CREEK UNIT 36-3H

RIG MAKE: Loadmaster 142' 550K
1500 HP

LOCATION: Sec 36 T25S, R19E
267' FSL & 734' FWL

PUMPS: 2 H&H 1600 12"

TD DEPTH/ DATE: 8,400' July 21, 2014

GROUND LEVEL: 5,795' (meas. Graded)

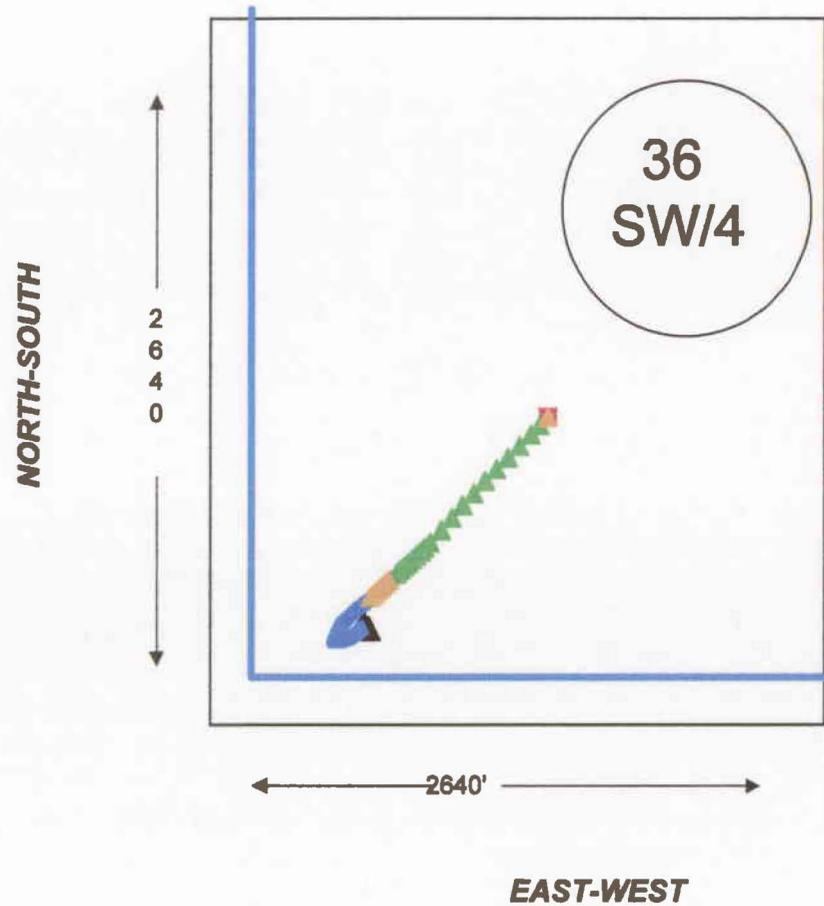
KELLY BUSHING: 5,818' (meas. Graded)

Bit #	Size	Make	Type	Jets	Serial #	Depth In	Depth Out	Ftg	Hours	Ft/Hr	Vert. Dev.
1	17 1/2	NUMA	P125 Challenger	1.125"	206056	103'	1075	972'	15.0	64.8	0.5
2	12.28"	NUMA	P125 Patriot	1.125"	211775	1,075'	4204	3,129'	60.0	52.2	0.5
3	8 1/2"	STC	TGP 719	3x20	78494	4,192'	4212	20'	4.0	5.0	.5
4	8 1/2"	SEC	MMD64M	6x20	12056228	4,202'	7426	3,224'	91.3	35.3	Vertical / Curve
5	8 1/2"	STC	MMi611MPX	6x22	JH3469	7,426'	8400	974'	48.2	20.2	Lateral

FIDELITY EXPLORATION AND PRODUCTION
 INVERT MUD REPORTS
 CANE CREEK UNIT 36-3H

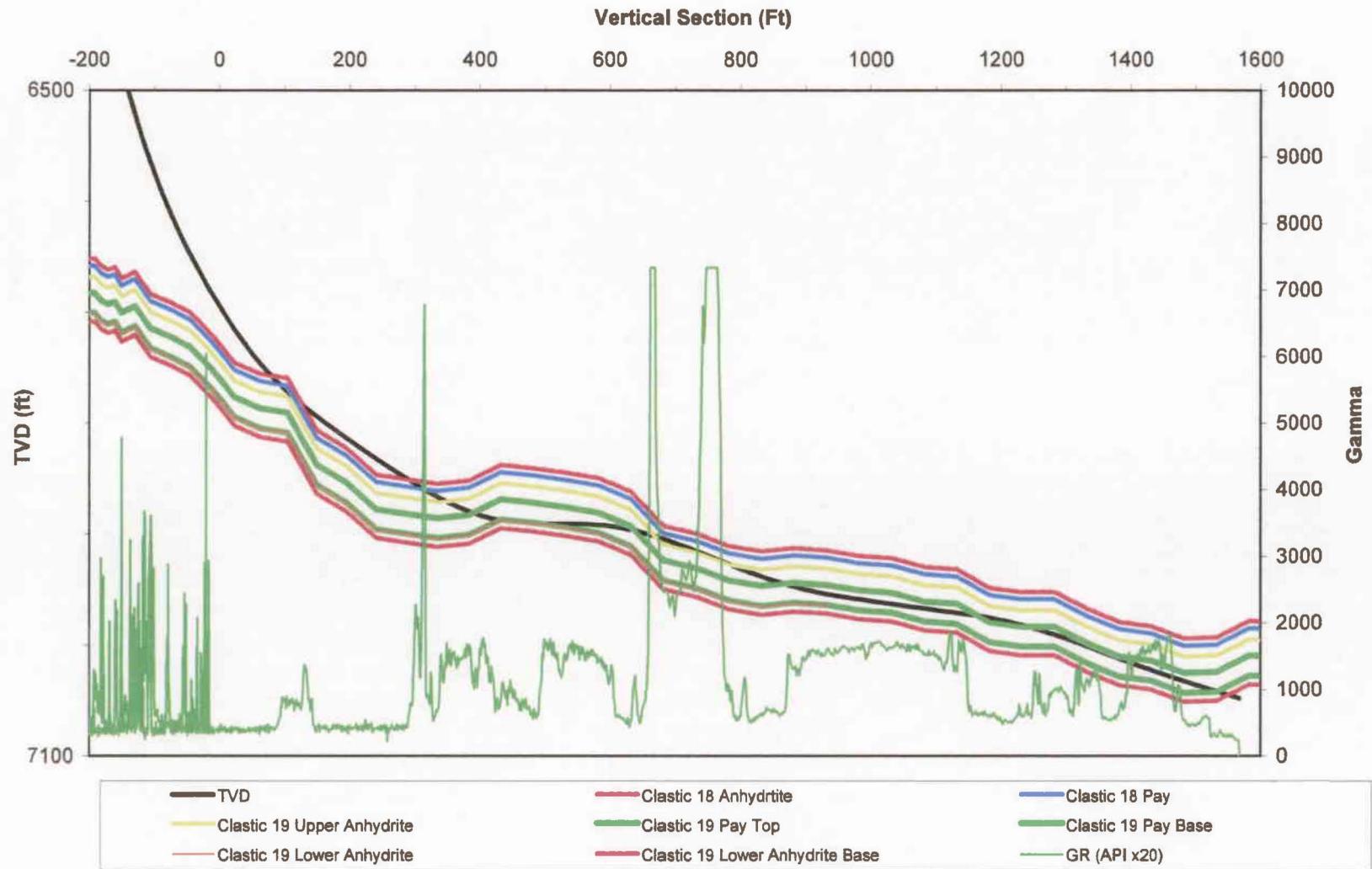
															CUMULATIVE LOSSES	
10-Jul	4192	na	14.30	52	25	13	6/7	2	79.2/20.8	23.5	29.5	3.9	9.5	587	0	0
11-Jul	4212	na	14.40	60	28	12	7/8	2	79.1/20.8	24.8	31.7	2.9	10.7	570	25	25
12-Jul	4676	119	14.35	50	30	12	6/8	2	79.4/20.6	29.5	31.7	2.9	10.7	554	67	92
13-Jul	5673	137	14.45	48	31	14	8/9	2	80.0/20.0	25.0	33.0	2.5	11.0	637	138	230
14-Jul	6276	134	14.65	54	38	21	9/10	2	71.4/28.6	24.2	28.1	4.5	9.0	516	158	388
15-Jul	6888	138	14.60	51	34	19	8/9	2	73.0/27.0	25.2	30.3	3.5	11.6	565	135	523
16-Jul	6864	136	14.75	56	36	27	10/11	2	72.0/28.0	34.0	33.4	2.3	15.2	554	38	561
17-Jul	7426	132	15.00	55	37	30	12/13	2	74.4/25.6	26.6	34.3	2.0	13.9	649	231	792
18-Jul	7426	na	15.20	46	25	12	6/7	2	80.1/19.9	27.2	31.4	3.1	12.5	718	60	852
19-Jul	7,501	128	15.25	50	32	22	9/10	2	80.3/19.7	26.9	31.9	2.8	11.0	719	85	937
20-Jul	8001	130	15.20	55	34	26	11/12	2	80.0/20.0	27.1	35.9	1.6	13.2	805	12	949
21-Jul	8372	120	15.30	60	42	36	14/16	2	78.7/21.3	27.3	34.8	1.9	9.6	850	32	981

FIDELITY E&P CO.
CANE CREEK UNIT # 36-3H
SEC 36, T25S R19E
GRAND COUNTY,
UTAH



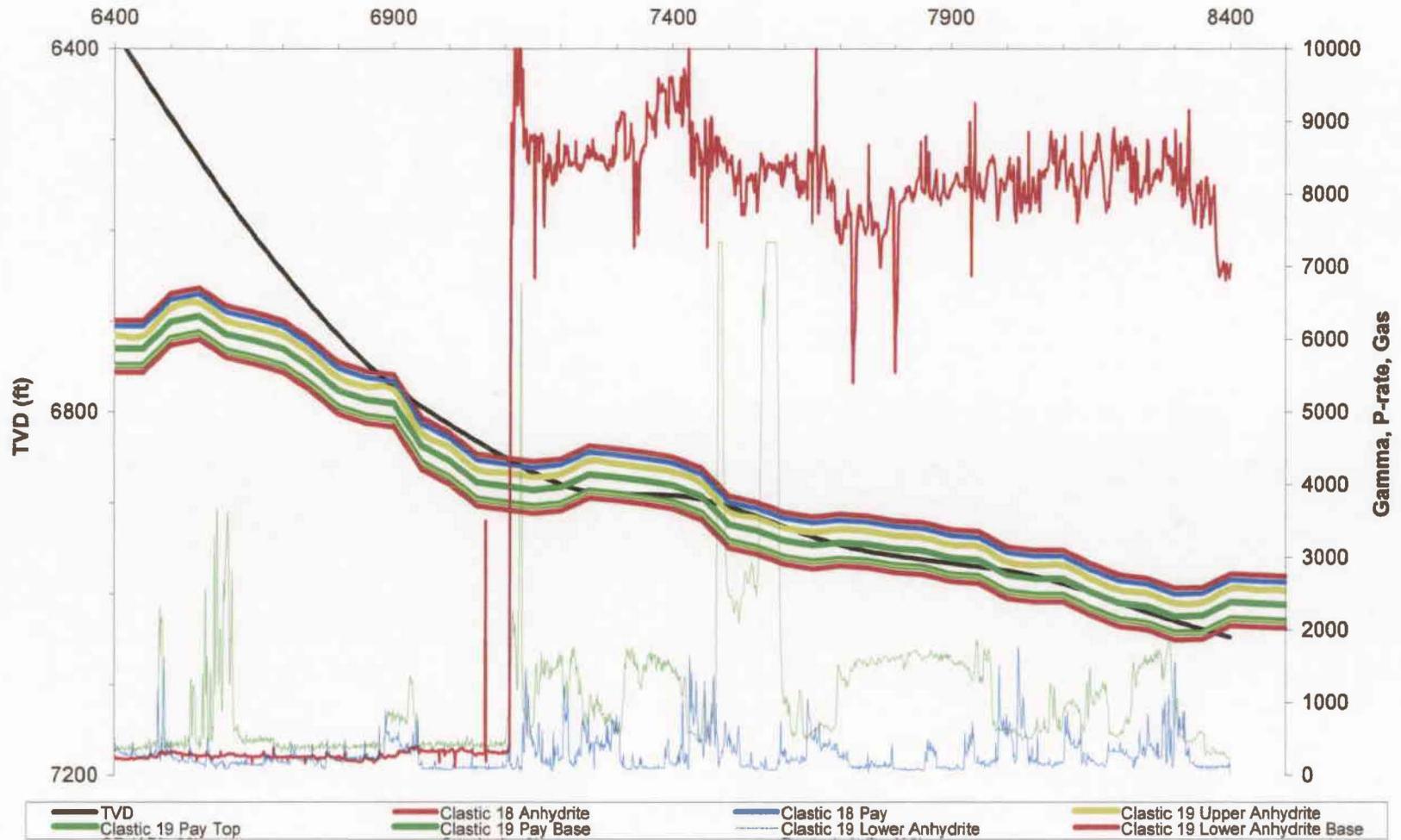
- ▲ SHL
- BHL
- ▲ Build
- ▲ Lateral in Zone
- 7" Casing
- Section Line
- ▲ Lateral out of Zone

Cane Creek Unit 36-3H Gamma vs. Vertical Section Clastic # 18/19



Fidelity Cane Creek Unit 36-3H Clastic # 18/19 TVD vs. GR, ROP, Gas

Measured Depth (ft)



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-40571
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: CANE CREEK
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		8. WELL NAME and NUMBER: Cane Creek Unit 36-3H
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		9. API NUMBER: 43019500350000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0267 FSL 0734 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 36 Township: 25.0S Range: 19.0E Meridian: S		9. FIELD and POOL or WILDCAT: BIG FLAT
		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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/16/2014	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<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"/> CONVERT WELL TYPE	
	<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 checked="" 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"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Cane Creek Unit 36-3H had first production on 8/16/2014. 63 BO		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 09, 2014		
NAME (PLEASE PRINT) Sandi Stocker	PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A	DATE 9/4/2014	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: ML-40571
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: _____
1. TYPE OF WELL Oil Well		7.UNIT or CA AGREEMENT NAME: CANE CREEK
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		8. WELL NAME and NUMBER: Cane Creek Unit 36-3H
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		9. API NUMBER: 43019500350000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0267 FSL 0734 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 36 Township: 25.0S Range: 19.0E Meridian: S		9. FIELD and POOL or WILDCAT: BIG FLAT
		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: 10/10/2014	<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="Perforation Breakdown"/>

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

Cane Creek Unit 36-3H Perforation Breakdown Procedure 1.MIRU workover rig. Pull and L/D TCP gun system. 2.Run 7" bit and scraper to TD. 3.NU full open 7 1/16" dual master valves. 4.MIRU coil tubing unit with straddle tool. RIH and breakdown existing perforations selectively from 7115' to 8290' with native crude oil on 25' to 50' breakdown intervals. RDMO coil tubing unit. 5.MU and run 2 7/8" production tubing and BHA with provisions for artificial lift. NU and test tree. RDMO workover rig. 6.Evaluate well response and flow test / swab test well. Install artificial lift if well flow is inadequately.

Approved by the
September 7, 2014
Oil, Gas and Mining

Date: _____

By: *D. K. Duff*

NAME (PLEASE PRINT) Sandi Stocker	PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A	DATE 9/4/2014	

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-40571	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: CANE CREEK	
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		8. WELL NAME and NUMBER: Cane Creek Unit 36-3H	
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		9. API NUMBER: 43019500350000	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0267 FSL 0734 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 36 Township: 25.0S Range: 19.0E Meridian: S		9. FIELD and POOL or WILDCAT: BIG FLAT	
		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: 10/27/2014 <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 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 checked="" type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>Produced water generated from this well is disposed of either at the Fidelity-operated Kane Springs 16-1 injection well or the commercial Danish Flats facility in Grand County, Utah.</p> <div style="text-align: right;"> <p>Accepted by the Utah Division of Oil, Gas and Mining</p> <p>FOR RECORD ONLY</p> <p>October 29, 2014</p> </div>			
NAME (PLEASE PRINT) Sandi Stocker		PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A		DATE 10/27/2014	

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME Cane Creek Unit	
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Cane Creek Unit 36-3H	
2. NAME OF OPERATOR: Fidelity E&P Company		9. API NUMBER: 4301950035	
3. ADDRESS OF OPERATOR: 1801 California St, STE 210 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 893-3133	10 FIELD AND POOL, OR WILDCAT Big Flat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 267' FSL 734' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: 497' FSL 908' FWL Sec 36 AT TOTAL DEPTH: 1289' FSL 1901' FWL Sec 36		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 36 25S 19E S	
14. DATE SPUDDED: 5/15/2014		15. DATE T.D. REACHED: 7/22/2014	16. DATE COMPLETED: 8/14/2014
18. TOTAL DEPTH: MD 8,400 TVD 7,046		19. PLUG BACK T.D.: MD 8,351 TVD 7,046	20. IF MULTIPLE COMPLETIONS, HOW MANY? *
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)		23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit copy)	
17. ELEVATIONS (DF, RKB, RT, GL): 5795		12. COUNTY Grand	
13. STATE UTAH		16. ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	
21. DEPTH BRIDGE MD PLUG SET: TVD		17. ELEVATIONS (DF, RKB, RT, GL): 5795	

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
21	20 PI 5 1/2		0	133		redimix		0	
17 1/2	13 3/8 J-55	54.5		1,059		Class g	178	0	
12 1/2	9 5/8 P110	47		4,192		Class g	344	0	
8.5	7 P110	29/32	3,366	8,530		Class g	154	3080	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	7,100	6,085						

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) CANE CREEK	7,115	8,290	6,850	7,046	7,115 8,290	.35	5,450	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.

WAS WELL HYDRAULICALLY FRACTURED? YES NO IF YES - DATE FRACTURED: _____

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

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

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 8/14/2014		TEST DATE: 8/14/2014		HOURS TESTED: 277		TEST PRODUCTION RATES: →	OIL - BBL: 54	GAS - MCF: 50	WATER - BBL: 0	PROD. METHOD: FLOWING
CHOKE SIZE: 8/64	TBG. PRESS. 350	CSG. PRESS. 235	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 31	GAS - MCF: 25	WATER - BBL: 0	INTERVAL STATUS: FLOWING

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.)

FLARED

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)
Clastic 12	5,802	5,827	SH/ANHY/DOL/SILT	Moenkopi	601
Clastic 18	6,709	6,721	SH/ANHY/DOL/SILT	Cutler	1,083
Clastic 19	6,733	6,766	SH/ANHY/DOL/SILT	Honaker Trail	2,130
				Paradox	3,646

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) Renee Kendrick TITLE Environmental Project Specialist
 SIGNATURE *Renee Kendrick* DATE 12/10/2014

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 Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801

CCU 36-3H As-Built Wellbore Diagram Clastic 18/19 Lateral Completion - 08/14/14



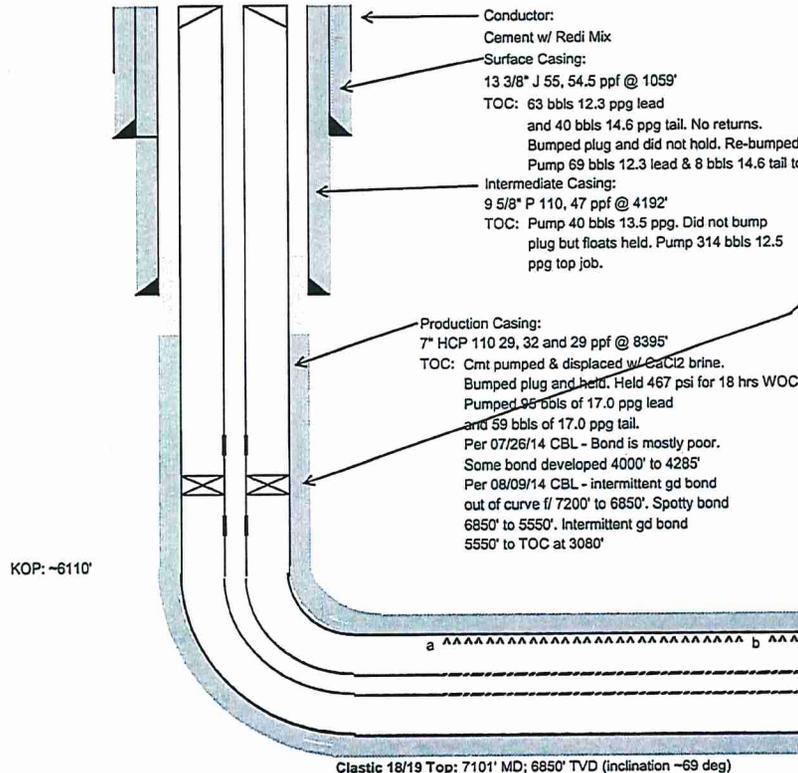
WELL NAME: CC Unit 36-3H SECTION, TOWNSHIP, RANGE: SWSE Sec 36 25S 19E
 FIELD: Cane Creek SHL: 267' FSL, 734' FWL BHL: N: 6053.09' / W: 4485.04' / Vert Section 1568'
 LOCATION: Grand County, UT SURFACE LAT: 38 deg 34' 48.11" NAD 1983
 API#: 43-019-50035 SURFACE LONG: 109 deg 46' 49.18" NAD 1983
 AFE NUMBER: 130136 KB: 5818
 SPUD DATE: 05/28/2014 GL: 5795
 REVISION DATE: 09/03/2014 UPDATED BY: RAB

PIPE	Size	Grade	Weight	CONN	OD (")	ID (")	Drift Dia (")	Burst	Collapse	TOC (')	TOP (')	BTM (')
Conductor	20	PI 5L			19.500						30	133
Surf Csg	13 3/8"	J-55	54.5	BTC	13.375	12.615	12.459	2,730	1,130	Surface	wellhead	1,059
Inter Csg	9 5/8"	P 110	47.0	BTC	9.625	8.881	8.525	9,440	5,310	Surface	wellhead	4,192
Prod Csg	7"	HCP 110	29.0	BTC	7.000	6.184	6.059	12,220	8,530		wellhead	3,366
Prod Csg	7"	HCP 110	32.0	BTC	7.000	6.094	5.969	12,460	10,760			7,089
Prod Csg	7"	HCP 110	29.0	BTC	7.000	6.184	6.059	12,220	8,530			8,395

Current Status: M38 Spud 5/28/14; Rig Release 07/28/14. 7" Baker compression pkr at 53' and 2 7/8" tubing to tubing coupling at 8317'.
 C/O depth w/ 7" bit and scraper was 8342'.
 Completion RU 08/06/14; Fired guns 08/14/14; Turn well over to production xx/xx/xx

Production Equipment

- Production Tubing:**
 2 7/8" 6.5 ppf L/N-80 EUE 8RD tubing (w/ space out pups 1 jnt below tbg hanger) from surface
 2 7/8" side pocket mandrel w/ dummy valve at ~ 5000'
 2 7/8" 6.5 ppf L/N-80 EUE 8RD tubing
 X profile 2.313" seal bore
 1 joint 2 7/8" 6.5 ppf L/N-80 EUE 8RD
 4" x 2 7/8" ported chemical injection sub w/ 3/8" capillary tubing to surface
 6" x 2 7/8", 6.5 ppf Pup
 L-10 on-off connector skirt
- Production Packer:**
 2 7/8" x 7" retrievable production packer at 6085'
 Note: L-10 on-off connector seal nipple on top of packer has an internal X profile (2.313" seal bore)
- Packer Tail Assembly:**
 6" x 2 7/8", 6.5 ppf Pup
 XN profile 2.313" seal bore & 2.205" NO-GO
 2 7/8" box x pin tubing swivel
 2 7/8" 6.5 ppf L/N-80 EUE 8RD to ported flow subs and 4.500" Titan TCP gun system at 7115' top shot
 (three 2 7/8" ported flow subs immediately above gun assembly)



****TCP Completion**

Perforations (underbalanced TCP perforations completion)

	Top (MD) feet	Btm (MD) feet	Top (TVD) feet	Btm (TVD) feet	Net Int (MD) feet	Size inch	SPF #	Phase deg	Holes #	Status	Blank (MD) feet
a	7,115	7,230	~6855		115	0.35	5	60	575	proposed	
b	7,315	8,290		~7028	975	0.35	5	60	4875	"	85
c					0	0.35	5	60	0	"	
d					0	0.35	5	60	0	"	0
e					0	0.35	5	60	0	"	0
f					0	0.35	5	60	0	"	0
g					0				0	"	0
h					0				0	"	0
i											
j											
Gross:			1,175		1,090				5450		85

**TCP System: Titan 4 1/2" EHC, 5 spf, 60 deg phase, 38.5 gm, EXP-4539-425T

PathFinder – a Schlumberger company

Survey Report

FIDELITY E&P COMPANY
 CANE CREEK UNIT 36-3H
 GRAND COUNTY, UT
 API#: 43-019-50035 Rig: NABORS M-38
 PathFinder Office Supervisor: DANIEL HARWELL
 PathFinder Field Engineers: KHALED BARAKE
 ERIC SMITH
 SETH LINAMAN

Survey Calculations by RX5 V6.05A using Minimum Curvature

Survey Horiz. Reference: WELLHEAD
 Ref Coordinates: LAT:38.34.48.1115 N LON:109.46.49.1783 W
 GRID Reference: NAD83 utah central Lambert
 Ref GRID Coord: X: 2132072.0600 Y: 6656254.5200
 North Aligned To: TRUE NORTH
 Total Magnetic Correction: 10.60° EAST TO TRUE
 Vertical Section Plane: 51.91
 Survey Vert. Reference: 23.00' Rotary Table To Ground
 Altitude: 5792.00' Ground To MSL

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL		Closure		DLS (dg/100ft)
						Rectangular (ft)	Offsets (ft)	Dist (ft)	Dir (deg)	
0.00	0.00	0.00	-0.00	0.00	-0.00	0.00 S	0.00 W	0.00@	212.70	0.00
THE FOLLOWING ARE GYRO MULTISHOT SURVEYS.										
100.00	0.46	227.61	100.00	100.00	-0.40	0.27 S	0.30 W	0.40@	227.57	0.46
200.00	0.34	324.40	200.00	100.00	-0.79	0.30 S	0.77 W	0.82@	248.56	0.60
300.00	0.49	347.47	299.99	100.00	-0.59	0.36 N	1.03 W	1.09@	289.12	0.22
400.00	0.18	32.68	399.99	100.00	-0.26	0.91 N	1.04 W	1.38@	311.11	0.38
500.00	0.18	255.30	499.99	100.00	-0.25	1.00 N	1.11 W	1.49@	312.09	0.34
600.00	0.19	200.98	599.99	100.00	-0.54	0.81 N	1.32 W	1.54@	301.41	0.17
700.00	0.23	78.40	699.99	100.00	-0.50	0.69 N	1.18 W	1.37@	300.32	0.37
800.00	0.25	204.96	799.99	100.00	-0.52	0.53 N	1.08 W	1.20@	296.35	0.43
900.00	0.18	191.84	899.99	100.00	-0.83	0.18 N	1.20 W	1.21@	278.60	0.09
988.00	0.33	203.68	987.99	88.00	-1.16	0.19 S	1.33 W	1.34@	262.05	0.18
THE FOLLOWING ARE EXTREME MWD SURVEYS.										
1321.00	0.31	84.19	1320.99	333.00	-1.25	0.97 S	0.82 W	1.27@	220.12	0.17
1412.00	0.09	43.30	1411.99	91.00	-0.97	0.90 S	0.53 W	1.04@	210.41	0.27
1502.00	0.22	51.10	1501.99	90.00	-0.72	0.74 S	0.34 W	0.81@	204.97	0.15
1591.00	0.09	63.30	1590.99	89.00	-0.48	0.60 S	0.15 W	0.62@	193.86	0.15
1685.00	0.22	25.20	1684.98	94.00	-0.25	0.40 S	0.00 W	0.40@	180.65	0.17
1773.00	0.09	4.19	1772.98	88.00	-0.05	0.18 S	0.07 E	0.19@	157.95	0.16
1867.00	0.09	16.86	1866.98	94.00	0.06	0.03 S	0.10 E	0.11@	109.22	0.02
1957.00	0.09	49.60	1956.98	90.00	0.19	0.08 N	0.17 E	0.19@	65.57	0.06
2048.00	0.00	217.40	2047.98	91.00	0.26	0.13 N	0.23 E	0.26@	61.24	0.10
2145.00	0.09	64.20	2144.98	97.00	0.33	0.16 N	0.30 E	0.34@	61.91	0.09
2241.00	0.00	10.76	2240.98	96.00	0.40	0.19 N	0.36 E	0.41@	62.33	0.09
2338.00	0.00	10.76	2337.98	97.00	0.40	0.19 N	0.36 E	0.41@	62.33	0.00
2435.00	0.09	168.50	2434.98	97.00	0.37	0.12 N	0.38 E	0.40@	72.94	0.09

PathFinder – a Schlumberger company

Survey Report

FIDELITY E&P COMPANY
 CANE CREEK UNIT 36-3H
 GRAND COUNTY, UT
 API#: 43-019-50035 Rig: NABORS M-38

Page 02/05

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets		Closure Dist Dir		DLS (dg/100ft)
						(ft)	(ft)	(ft)	(deg)	
2529.00	0.31	199.38	2528.98	94.00	0.12	0.20 S	0.31 E	0.37@	122.27	0.25
2627.00	0.40	197.66	2626.98	98.00	-0.38	0.77 S	0.12 E	0.78@	171.29	0.09
2719.00	0.40	211.37	2718.98	92.00	-0.95	1.35 S	0.15 W	1.36@	186.17	0.10
2815.00	0.31	238.69	2814.98	96.00	-1.52	1.77 S	0.54 W	1.85@	197.02	0.20
2908.00	0.22	233.37	2907.98	93.00	-1.95	2.01 S	0.90 W	2.20@	204.14	0.10
3007.00	0.31	236.88	3006.98	99.00	-2.41	2.27 S	1.28 W	2.61@	209.37	0.09
3101.00	0.31	211.85	3100.97	94.00	-2.90	2.63 S	1.62 W	3.09@	211.76	0.14
3294.00	0.31	212.29	3293.97	193.00	-3.88	3.51 S	2.18 W	4.13@	211.84	0.00
3390.00	0.31	218.60	3389.97	96.00	-4.38	3.93 S	2.48 W	4.65@	212.24	0.03
3486.00	0.31	216.00	3485.97	96.00	-4.88	4.35 S	2.79 W	5.17@	212.75	0.01
3583.00	0.62	214.89	3582.97	97.00	-5.63	4.99 S	3.25 W	5.95@	213.08	0.32
3678.00	0.40	203.48	3677.96	95.00	-6.42	5.71 S	3.68 W	6.79@	212.75	0.25
3773.00	0.40	218.99	3772.96	95.00	-7.03	6.28 S	4.02 W	7.45@	212.62	0.11
3866.00	0.49	201.45	3865.96	93.00	-7.69	6.90 S	4.37 W	8.16@	212.33	0.17
3964.00	0.49	201.45	3963.95	98.00	-8.41	7.68 S	4.67 W	8.99@	211.32	0.00
4060.00	1.90	227.06	4059.93	96.00	-10.35	9.14 S	5.99 W	10.93@	213.21	1.54
**	TIED INTO EXTREME MWD SURVEY AT 4154'MD.									
4154.00	1.41	223.88	4153.89	94.00	-13.05	11.04 S	7.93 W	13.59@	215.69	0.53
	THE FOLLOWING ARE PATHFINDER MWD SURVEYS.									
4236.00	1.23	221.81	4235.87	82.00	-14.92	12.42 S	9.22 W	15.47@	216.57	0.23
4330.00	1.41	231.78	4329.84	94.00	-17.07	13.89 S	10.80 W	17.59@	217.86	0.31
4426.00	0.88	222.55	4425.82	96.00	-18.98	15.16 S	12.22 W	19.48@	218.87	0.58
4522.00	1.23	226.52	4521.81	96.00	-20.73	16.42 S	13.47 W	21.24@	219.37	0.37
4618.00	1.06	225.35	4617.79	96.00	-22.64	17.75 S	14.85 W	23.14@	219.92	0.18
4713.00	0.79	222.87	4712.78	95.00	-24.16	18.85 S	15.92 W	24.67@	220.19	0.29
4809.00	1.76	235.74	4808.75	96.00	-26.28	20.16 S	17.59 W	26.76@	221.10	1.05
4904.00	3.34	245.38	4903.65	95.00	-30.43	22.14 S	21.31 W	30.73@	223.91	1.72
5000.00	4.31	240.14	4999.44	96.00	-36.72	25.10 S	26.98 W	36.85@	227.07	1.07

PathFinder – a Schlumberger company

Survey Report

FIDELITY E&P COMPANY
 CANE CREEK UNIT 36-3H
 GRAND COUNTY, UT
 API#: 43-019-50035 Rig: NABORS M-38

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets		Closure Dist Dir		DLS (dg/100ft)
						(ft)	(ft)	(ft)	(deg)	
5096.00	5.80	238.05	5095.06	96.00	-45.11	29.46 S	34.23 W	45.16@	229.28	1.56
5191.00	7.83	236.77	5189.39	95.00	-56.33	35.55 S	43.71 W	56.34@	230.88	2.14
5287.00	8.62	238.96	5284.40	96.00	-69.99	42.84 S	55.35 W	69.99@	232.26	0.89
5383.00	8.62	237.83	5379.32	96.00	-84.29	50.38 S	67.60 W	84.31@	233.30	0.18
5479.00	9.23	242.64	5474.15	96.00	-99.01	57.75 S	80.53 W	99.10@	234.35	1.00
5574.00	9.23	242.76	5567.92	95.00	-113.97	64.74 S	94.07 W	114.19@	235.46	0.02
5670.00	8.79	247.80	5662.74	96.00	-128.59	71.03 S	107.71 W	129.02@	236.59	0.94
5765.00	9.85	259.20	5756.49	95.00	-142.79	75.30 S	122.41 W	143.72@	238.40	2.24
5860.00	9.94	258.99	5850.08	95.00	-157.32	78.39 S	138.44 W	159.09@	240.48	0.10
5956.00	9.94	258.82	5944.64	96.00	-172.08	81.58 S	154.70 W	174.89@	242.20	0.03
6052.00	9.06	258.65	6039.32	96.00	-186.22	84.67 S	170.24 W	190.14@	243.56	0.92
6084.00	9.32	258.78	6070.91	32.00	-190.78	85.67 S	175.25 W	195.07@	243.95	0.82
6116.00	8.53	261.74	6102.52	32.00	-195.15	86.52 S	180.14 W	199.84@	244.35	2.86
6148.00	6.60	264.68	6134.24	32.00	-198.76	87.03 S	184.32 W	203.84@	244.73	6.15
6180.00	5.19	282.31	6166.08	32.00	-201.23	86.89 S	187.57 W	206.72@	245.14	7.12
6212.00	6.42	306.13	6197.92	32.00	-202.64	85.53 S	190.43 W	208.75@	245.81	8.37
6244.00	7.65	321.83	6229.68	32.00	-203.13	82.80 S	193.19 W	210.19@	246.80	7.10
6276.00	9.41	336.69	6261.33	32.00	-202.46	78.72 S	195.54 W	210.79@	248.07	8.77
6307.00	11.70	345.64	6291.80	31.00	-200.55	73.35 S	197.33 W	210.52@	249.61	9.06
6339.00	13.63	358.84	6323.03	32.00	-196.98	66.43 S	198.21 W	209.04@	251.47	10.83
6371.00	15.48	10.49	6354.01	32.00	-191.51	58.46 S	197.51 W	205.98@	253.51	10.79
6403.00	17.94	17.80	6384.66	32.00	-184.22	49.57 S	195.22 W	201.41@	255.75	10.10
6434.00	20.31	24.31	6413.95	31.00	-175.50	40.11 S	191.55 W	195.70@	258.17	10.27
6466.00	22.69	31.17	6443.72	32.00	-164.80	29.77 S	186.06 W	188.43@	260.91	10.81
6498.00	24.18	37.18	6473.09	32.00	-152.69	19.26 S	178.91 W	179.94@	263.85	8.80
6529.00	25.50	44.05	6501.22	31.00	-139.94	9.41 S	170.43 W	170.69@	266.84	10.23
6561.00	27.61	50.01	6529.85	32.00	-125.70	0.31 N	159.95 W	159.95@	270.11	10.61
6593.00	30.42	53.66	6557.83	32.00	-110.19	9.88 N	147.74 W	148.07@	273.83	10.38

PathFinder – a Schlumberger company

Survey Report

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 CANE CREEK UNIT 36-3H
 GRAND COUNTY, UT
 API#: 43-019-50035 Rig: NABORS M-38

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets		Closure Dist Dir		DLS (dg/100ft)
						(ft)	(ft)	(ft)	(deg)	
6625.00	33.68	55.15	6584.95	32.00	-93.22	19.75 N	133.93 W	135.38@	278.39	10.48
6656.00	36.67	55.66	6610.29	31.00	-75.40	29.89 N	119.23 W	122.92@	284.07	9.69
6688.00	40.10	55.09	6635.37	32.00	-55.57	41.18 N	102.89 W	110.82@	291.81	10.78
6720.00	43.18	55.00	6659.28	32.00	-34.34	53.36 N	85.46 W	100.75@	301.98	9.63
6751.00	45.73	57.53	6681.41	31.00	-12.70	65.41 N	67.41 W	93.92@	314.14	10.02
6783.00	47.48	59.26	6703.39	32.00	10.40	77.59 N	47.60 W	91.03@	328.47	6.73
6815.00	50.91	59.29	6724.30	32.00	34.42	89.96 N	26.78 W	93.86@	343.42	10.72
6846.00	54.78	60.03	6743.02	31.00	58.89	102.43 N	5.46 W	102.58@	356.95	12.63
6878.00	59.00	59.55	6760.50	32.00	85.44	115.92 N	17.70 E	117.26@	8.68	13.25
6910.00	62.34	57.79	6776.17	32.00	113.14	130.43 N	41.52 E	136.88@	17.66	11.49
6941.00	65.42	55.82	6789.82	31.00	140.87	145.67 N	64.80 E	159.43@	23.98	11.46
6973.00	66.74	55.38	6802.79	32.00	170.06	162.20 N	88.94 E	184.98@	28.74	4.31
7005.00	67.71	55.35	6815.18	32.00	199.51	178.97 N	113.21 E	211.77@	32.32	3.03
7037.00	68.32	54.96	6827.16	32.00	229.13	195.92 N	137.57 E	239.39@	35.07	2.22
7069.00	68.94	55.51	6838.82	32.00	258.88	212.91 N	162.05 E	267.56@	37.27	2.51
7100.00	69.38	55.70	6849.85	31.00	287.79	229.28 N	185.95 E	295.21@	39.04	1.53
7132.00	70.96	55.14	6860.71	32.00	317.84	246.36 N	210.73 E	324.20@	40.54	5.20
7164.00	73.95	55.13	6870.35	32.00	348.30	263.80 N	235.77 E	353.80@	41.79	9.34
7196.00	76.85	54.99	6878.42	32.00	379.21	281.54 N	261.15 E	384.01@	42.85	9.07
7228.00	80.81	56.31	6884.61	32.00	410.53	299.24 N	287.06 E	414.67@	43.81	13.02
7260.00	85.12	55.62	6888.53	32.00	442.21	317.02 N	313.38 E	445.76@	44.67	13.64
7292.00	88.64	54.11	6890.27	32.00	474.11	335.40 N	339.50 E	477.24@	45.35	11.97
7324.00	89.69	53.73	6890.74	32.00	506.09	354.25 N	365.36 E	508.90@	45.88	3.49
7356.00	90.22	53.90	6890.77	32.00	538.07	373.14 N	391.19 E	540.61@	46.35	1.74
7400.00	87.41	52.12	6891.68	44.00	582.05	399.60 N	426.32 E	584.32@	46.85	7.56
7496.00	78.70	49.54	6903.27	96.00	677.22	459.71 N	500.14 E	679.32@	47.41	9.46
7591.00	76.15	47.72	6923.96	95.00	769.78	520.98 N	569.71 E	772.01@	47.56	3.27
7687.00	79.84	49.55	6943.92	96.00	863.51	583.02 N	640.18 E	865.87@	47.68	4.27

PathFinder – a Schlumberger company

Survey Report

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CANE CREEK UNIT 36-3H
GRAND COUNTY, UT

API#: 43-019-50035 Rig: NABORS M-38

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						(ft)	(ft)	(ft)	(deg)	
7781.00	84.94	50.30	6956.37	94.00	956.59	642.98 N	711.45 E	958.95@	47.89	5.48
7877.00	85.30	51.10	6964.53	96.00	1052.22	703.56 N	785.47 E	1054.50@	48.15	0.91
7972.00	85.56	52.02	6972.10	95.00	1146.92	762.43 N	859.64 E	1149.04@	48.43	1.00
8067.00	80.99	52.66	6983.23	95.00	1241.24	820.06 N	934.31 E	1243.16@	48.73	4.86
8164.00	77.03	52.16	7001.71	97.00	1336.44	878.13 N	1009.75 E	1338.18@	48.99	4.11
8259.00	78.44	52.34	7021.90	95.00	1429.26	934.96 N	1083.15 E	1430.86@	49.20	1.49
8334.00	80.55	52.43	7035.57	75.00	1503.00	979.97 N	1141.56 E	1504.49@	49.36	2.82
STRAIGHT LINE PROJECTION TO BIT DEPTH AT 8400'MD.										
8400.00	80.55	52.43	7046.40	66.00	1568.10	1019.67 N	1193.16 E	1569.51@	49.48	0.00

** The survey data at tie-in point was furnished by a recognized survey company and entered as submitted. Survey stations above the tie-in point represent recalculated data by PathFinder – a Schlumberger company and may reflect minor changes due to rounding differences between survey programs. Only survey stations taken by qualified PathFinder personnel are subject to certification.

Division of Oil, Gas and Mining
 Operator Change/Name Change Worksheet-for State use only

Effective Date: 3/1/2016

FORMER OPERATOR: Fidelity E&P Company N3155 1801 Californina Street, Suite 2500 Denver, CO 80202	NEW OPERATOR: Wesco Operating, Inc. N4030 PO Box 1650 Casper, WY 82602
CA Number(s):	Unit(s): Cane Creek Threemile

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

OPERATOR CHANGES DOCUMENTATION:

- Sundry or legal documentation was received from the **FORMER** operator on: 4/12/2016
- Sundry or legal documentation was received from the **NEW** operator on: 4/12/2016
- New operator Division of Corporations Business Number: 8742016-0143

REVIEW:

- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: 4/12/2016
- Receipt of Acceptance of Drilling Procedures for APD on: 4/12/2016
- Reports current for Production/Disposition & Sundries: 4/19/2016
- OPS/SI/TA well(s) reviewed for full cost bonding: 4/19/2016
- UIC5 on all disposal/injection/storage well(s) approved on: 4/13/2016
- Surface Facility(s) included in operator change: Blue Hills Gas Plant
Dead House Lateral Pipeline
Dubinky Booster Station
Long Canyon Facility
- Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB0000685
- Indian well(s) covered by Bond Number: N/A
- State/fee well(s) covered by Bond Number(s): RLB0016443

DATA ENTRY:

- Well(s) update in the **OGIS** on: 4/21/2016 ✓
- Entity Number(s) updated in **OGIS** on: 4/21/2016
- Unit(s) operator number update in **OGIS** on: 4/21/2016
- Surface Facilities update in **OGIS** on: 4/21/2016
- State/Fee well(s) attached to bond(s) in **RBDMS** on: 4/21/2016
- Surface Facilities update in **RBDMS** on: 4/21/2016

LEASE INTEREST OWNER NOTIFICATION:

- The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

From: Fidelity Exploration Production Company N3155

To: Wesco Operating, Inc. N4030

Effective: 3/1/2016

Well Name	Section	TWN	RNG	API Numner	Entity	Mineral	Surface	Type	Status	Unit
KANE SPRINGS 16-1	16	250S	180E	4301931341	11484	State	State	WD	A	CANE CREEK
CANE CREEK UNIT 2-2-25-18	2	250S	180E	4301950044		State	State	OW	APD	CANE CREEK
Cane Creek Unit 25-1-25-19	25	250S	190E	4301950048		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 6-1-25-19	6	250S	190E	4301950052		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 29-1-25-19	29	250S	190E	4301950053		Federal	Federal	OW	APD	CANE CREEK
Cane Creek 10-1-25-19	10	250S	190E	4301950054		Federal	Federal	OW	APD	
Cane Creek Unit 30-1-25-19	30	250S	190E	4301950055		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 19-2-26-20	19	260S	200E	4301950056		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 14-1-25-19	14	250S	190E	4301950057		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 2-3-25-18	2	250S	180E	4301950058		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 16-3-25-18	16	250S	180E	4301950059		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 19-1-25-19	19	250S	190E	4301950060		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 32-2-25-19	32	250S	190E	4301950061		State	State	OW	APD	CANE CREEK
Cane Creek Unit 17-1-25-19	17	250S	190E	4301950062		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 16-4-25-18	16	250S	180E	4301950063		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 2-4-25-18	2	250S	180E	4301950064		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 5-1-25-18	5	250S	180E	4301950065		Federal	Federal	OW	APD	CANE CREEK
8-2-26-20	8	260S	200E	4301950068		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 19-3-26-20	19	260S	200E	4301950069		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 21-1-25-19	21	250S	190E	4301950070		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 12-2-26-19	12	260S	190E	4301950071		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 26-4-25-19	26	250S	190E	4301950072		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 21-1-25-18	21	250S	180E	4301950073		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 9-1-25-18	9	250S	180E	4301950074		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 7-1-25-19	7	250S	190E	4301950075		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 5-2-25-18	5	250S	180E	4301950076		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 7-1-25-18	7	250S	180E	4301950077		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 13-1-25-18	13	250S	180E	4301950078		Federal	Federal	OW	APD	CANE CREEK
Three Mile Unti 12-3-29-21	12	290S	210E	4303750070		Federal	Federal	OW	APD	THREEMILE
Three Mile Unit 16-2-29-22	16	290S	220E	4303750071		Federal	State	OW	APD	THREEMILE
Cane Creek Unit 7-2-26-20	7	260S	200E	4301950051	19706	Federal	Federal	OW	OPS	CANE CREEK
THREEMILE 16-17	16	290S	220E	4303750003	17984	State	State	OW	OPS	THREEMILE
Three Mile Unit 12-2-29-21	12	290S	210E	4303750069	19646	Federal	Federal	OW	OPS	THREEMILE
KANE SPRINGS FED 27-1	27	250S	190E	4301931310	14505	Federal	Federal	OW	P	CANE CREEK
KANE SPRINGS FED 19-1A	19	260S	200E	4301931324	14505	Federal	Federal	OW	P	CANE CREEK
KANE SPRINGS FED 10-1	10	250S	180E	4301931331	14509	Federal	Federal	OW	P	CANE CREEK
KANE SPRINGS FED 25-19-34-1	34	250S	190E	4301931334	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK 2-1	2	260S	190E	4301931396	14505	State	State	OW	P	CANE CREEK
CANE CREEK UNIT 12-1	12	260S	190E	4301950009	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT 7-1	7	260S	200E	4301950010	18923	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT# 26-2	26	250S	190E	4301950011	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT #18-1	18	260S	200E	4301950012	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK U #13-1	13	260S	190E	4301950014	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT 26-3	26	250S	190E	4301950019	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT 28-2	28	250S	190E	4301950020	18681	Federal	Federal	OW	P	
Cane Creek Unit 17-1	17	260S	200E	4301950028	18980	Federal	Federal	OW	P	CANE CREEK
Cane Creek Unit 36-1	36	250S	190E	4301950030	14505	State	State	OW	P	CANE CREEK
Cane Creek Unit 36-2H	36	250S	190E	4301950033	14505	State	State	OW	P	CANE CREEK
Cane Creek Unit 24-2H	24	260S	190E	4301950034	19342	Federal	Federal	OW	P	CANE CREEK
Cane Creek Unit 36-3H	36	250S	190E	4301950035	19528	State	State	OW	P	CANE CREEK
CANE CREEK UNIT 2-1-25-18	2	250S	180E	4301950036	19343	Federal	State	OW	P	CANE CREEK
Cane Creek Unit 32-1-25-19	32	250S	190E	4301950037	19396	State	State	OW	P	
Cane Creek Unit 28-3	28	250S	190E	4301950045	19767	Federal	Federal	OW	P	CANE CREEK
Cane Creek 32-1-25-20	32	250S	200E	4301950049	19588	State	State	OW	P	
HATCH POINT 1	14	290S	210E	4303731658	11356	Federal	Federal	OW	P	
THREEMILE 43-18H	18	290S	220E	4303731857	17276	Federal	Federal	OW	P	
LONG CANYON 1	9	260S	200E	4301915925	674	Federal	Federal	OW	S	
CANE CREEK 1-1	1	260S	190E	4301931446	14505	Federal	Federal	OW	S	CANE CREEK

From: Fidelity Exploration Production Company N3155

To: Wesco Operating, Inc. N4030

Effective: 3/1/2016

CANE CREEK 24-1	24	260S	190E	4301931447	14505	Federal	Federal	OW	S	CANE CREEK
CANE CREEK 8-1	8	260S	200E	4301931449	16464	Federal	Federal	OW	S	CANE CREEK
Cane Creek Unit 18-2	18	260S	200E	4301950027	14505	Federal	Federal	OW	S	CANE CREEK
Cane Creek Unit 17-2	17	260S	200E	4301950032	14505	Federal	Federal	OW	S	CANE CREEK
Cane Creek 36-1-25-18	36	250S	180E	4301950038	19440	State	State	OW	S	
CHEVRON FED 1	24	290S	230E	4303730005	975	Federal	Federal	OW	S	
Threemile 12-7	12	290S	210E	4303750001	17837	Federal	Federal	OW	S	THREEMILE
LA SAL 29-28	29	290S	230E	4303750002	17920	Federal	Federal	OW	S	
CANE CREEK UNIT 16-2-25-18	16	250S	180E	4301950046	19512	State	State	OW	TA	CANE CREEK

WESCO OPERATING, INC.

O I L & G A S O P E R A T I O N S

April 8, 2016

John Rogers
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210 Box 145801
Salt Lake City, Utah 84114

RECEIVED
APR 12 2016
DIV. OF OIL, GAS & MINING

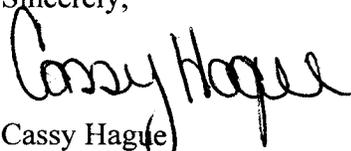
RE: Change of Operator

- A) Wells
 - B) APD'S
 - C) Dubinky Booster Station
 - D) Blue Hills Gas Plant
 - E) Dead Horse Lateral Pipeline
 - F) Authority to Inject
- Sundry Notices

Dear John Rodgers,

Please find enclosed the following documents from Fidelity Exploration & Production Company to Wesco Operating, Inc for your further handing. If you have any further questions please contact us..

Sincerely,



Cassy Hague
307-577-5337

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached Exhibit
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: See Attached Exhibit
		7. UNIT or CA AGREEMENT NAME: See Attached Exhibit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: See Attached Exhibit	
2. NAME OF OPERATOR: Fidelity Exploration & Production Company		9. API NUMBER:
3. ADDRESS OF OPERATOR: 1801 California St., STE 250 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 893-3133	10. FIELD AND POOL, OR WILDCAT: See Attached Exhibit
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached exhibit for all wells and details		COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		STATE: UTAH

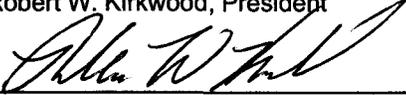
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>3/1/2016</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

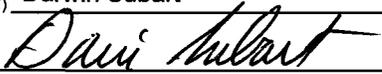
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective March 1, 2016, Fidelity Exploration & Production Company (Operator Number N1355) resigns as Operator of the wells listed on the attached exhibit and Wesco Operating, Inc. has been designated as successor Operator.

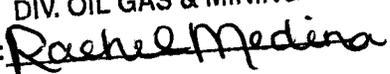
Wesco Operating, Inc.
P.O. Box 1650
Casper, Wyoming 82602
Phone 307-265-5178

Fidelity Exploration & Production Company
1801 California Street, Suite 2500
Denver, Colorado 80202
Phone 303-893-3133

Wesco Operating, Inc.
Robert W. Kirkwood, President

Signature

NAME (PLEASE PRINT) <u>Darwin Subart</u>	TITLE <u>Chief Financial Officer</u>
SIGNATURE 	DATE <u>4/4/2016</u>

(This space for State use only) **BLM:**

APPROVED
APR 21 2016
DIV. OIL GAS & MINING
BY: 

Fidelity Exploration & Production Company Paradox Well & APD List

<u>Entity #</u>	<u>API #</u>	<u>Permitted Well Name</u>	<u>AKA Well Name</u>	<u>Township</u>	<u>Range</u>	<u>Section(s)</u>	<u>County</u>	<u>State</u>	<u>Mineral</u>	<u>Surface</u>	<u>Well Type</u>	<u>Well Status</u>
14506	4301931310	KANE SPRINGS FED 27-1	KANE SPRINGS FED 27-1-25-19	25S	19E	27	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301931324	KANE SPRINGS FED 19-1A	KANE SPRINGS FED 19-1A-ST-26-20	26S	20E	19	GRAND	UT	Federal	Federal	OW	P ✓
14509	4301931331	KANE SPRINGS FED 10-1	KANE SPRINGS FED 10-1-25-18	25S	18E	10	GRAND	UT	Federal	Federal	OW	P ✓
14506	4301931334	KANE SPRINGS FED 25-19-34-1	KANE SPRINGS FED 25-19-34-1	25S	19E	34	GRAND	UT	Federal	Federal	OW	P ✓
	4301931341	KANE SPRINGS 16-1-25-18	Disposal Well	25S	18E	16	GRAND	UT	State	State	SWD	P ✓
14505	4301931396	CANE CREEK 2-1	CANE CREEK UNIT 2-1-26-19	26S	19E	2	GRAND	UT	State	State	OW	P ✓
14505	4301931446	CANE CREEK 1-1	CANE CREEK UNIT 1-1-26-19	26S	19E	1	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950009	CANE CREEK UNIT 12-1	CANE CREEK UNIT 12-1-26-19	26S	19E	12	GRAND	UT	Federal	Federal	OW	P ✓
18923	4301950010	CANE CREEK UNIT 7-1	CANE CREEK UNIT 7-1-26-20	26S	20E	7	GRAND	UT	Federal	Federal	OW	P ✓
14506	4301950011	CANE CREEK UNIT# 26-2	CANE CREEK UNIT 26-2-25-19	25S	19E	26	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950012	CANE CREEK UNIT #18-1	CANE CREEK UNIT 18-1-26-20	26S	20E	18	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950014	CANE CREEK U #13-1	CANE CREEK UNIT 13-1-26-19	26S	19E	13	GRAND	UT	Federal	Federal	OW	P ✓
14506	4301950019	CANE CREEK UNIT 26-3	CANE CREEK UNIT 26-3-25-19	25S	19E	26	GRAND	UT	Federal	Federal	OW	P ✓
18681	4301950020	CANE CREEK UNIT 28-2	CANE CREEK UNIT 28-2-25-19	25S	19E	28	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950027	Cane Creek Unit 18-2	CANE CREEK UNIT 18-2-26-20	26S	20E	18	GRAND	UT	Federal	Federal	OW	P ✓
18980	4301950028	Cane Creek Unit 17-1	CANE CREEK UNIT 17-1-26-20	26S	20E	17	GRAND	UT	Federal	Federal	OW	P ✓
19057	4301950030	Cane Creek Unit 36-1	CANE CREEK UNIT 36-1-25-19	25S	19E	36	GRAND	UT	State	State	OW	P ✓
14505	4301950032	Cane Creek Unit 17-2	CANE CREEK UNIT 17-2-26-20	26S	20E	17	GRAND	UT	Federal	Federal	OW	P ✓
19527	4301950033	Cane Creek Unit 36-2H	CANE CREEK UNIT 36-2H-25-19	25S	19E	36	GRAND	UT	State	State	OW	P ✓
19342	4301950034	Cane Creek Unit 24-2H	CANE CREEK UNIT 24-2-26-19	26S	19E	24	GRAND	UT	Federal	Federal	OW	P ✓
19528	4301950035	Cane Creek Unit 36-3H	CANE CREEK UNIT 36-3H-25-19	25S	19E	36	GRAND	UT	State	State	OW	P ✓
19396	4301950037	Cane Creek Unit 32-1-25-19	CANE CREEK UNIT 32-1-25-19	25S	19E	32	GRAND	UT	State	State	OW	P ✓
19767	4301950045	Cane Creek Unit 28-3	CANE CREEK UNIT 28-3-25-19	26S	19E	28	GRAND	UT	Federal	Federal	OW	P ✓
19588	4301950049	Cane Creek 32-1-25-20	CANE CREEK 32-1-25-20	25S	20E	32	GRAND	UT	State	State	OW	P ✓
11356	4303731658	HATCH POINT 1	HATCH POINT FEDERAL 1	29S	21E	14	SAN JUAN	UT	Federal	Federal	OW	P ✓ 26-P
17276	4303731857	THREEMILE 43-18H	THREEMILE UNIT 43-18H-29-22	29S	22E	18	SAN JUAN	UT	Federal	Federal	OW	P ✓
19706	4301950051	Cane Creek Unit 7-2-26-20	CANE CREEK UNIT 7-2-26-20	26S	20E	7	GRAND	UT	Federal	Federal	OW	OPS ✓
17984	4303750003	THREEMILE 16-17	THREEMILE UNIT 16-17-29-22	29S	22E	16	SAN JUAN	UT	State	State	OW	OPS ✓ 3 OPS
19646	4303750069	Three Mile Unit 12-2-29-21	THREE MILE UNIT 12-2-29-21	29S	21E	12	SAN JUAN	UT	Federal	Federal	OW	OPS ✓
19343	4301950036	CANE CREEK UNIT 2-1-25-18	CANE CREEK UNIT 2-1-25-18	25S	18E	2	GRAND	UT	Federal	State	OW	TA ✓ 2TA
19512	4301950046	CANE CREEK UNIT 16-2-25-18	CANE CREEK UNIT 16-2-25-18	25S	18E	16	GRAND	UT	State	State	OW	TA ✓
674	4301915925	LONG CANYON 1	LONG CANYON 1	26S	20E	9	GRAND	UT	Federal	Federal	OW	S ✓
14505	4301931447	CANE CREEK 24-1	CANE CREEK UNIT 24-1-26-19	26S	19E	24	GRAND	UT	Federal	Federal	OW	S ✓
16464	4301931449	CANE CREEK 8-1	CANE CREEK UNIT 8-1-26-20	26S	20E	8	GRAND	UT	Federal	Federal	OW	S ✓
19440	4301950038	Cane Creek 36-1-25-18	CANE CREEK 36-1-25-18	25S	18E	36	GRAND	UT	State	State	OW	S ✓
975	4303730005	CHEVRON FED 1	CHEVRON FEDERAL 1H	29S	23E	24	SAN JUAN	UT	Federal	Federal	OW	S ✓ 7-S
17837	4303750001	Threemile 12-7	THREEMILE UNIT 12-7-29-21	29S	21E	12	SAN JUAN	UT	Federal	Federal	OW	S ✓
17920	4303750002	LA SAL 29-28	LA SAL UNIT 29-28-29-23	29S	23E	29	SAN JUAN	UT	Federal	Federal	OW	S ✓
	4301950044	CANE CREEK UNIT 2-2-25-18		250S	180E	2	GRAND	UT	State	State	OW	APD ✓
	4301950048	Cane Creek Unit 25-1-25-19		250S	190E	25	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950052	Cane Creek Unit 6-1-25-19		250S	190E	6	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950053	Cane Creek Unit 29-1-25-19		250S	190E	29	GRAND	UT	Federal	Federal	OW	APD ✓ 2APD
	4301950054	Cane Creek 10-1-25-19		250S	190E	10	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950055	Cane Creek Unit 30-1-25-19		250S	190E	30	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950056	Cane Creek Unit 19-2-26-20		260S	200E	19	GRAND	UT	Federal	Federal	OW	APD ✓

<u>Entity #</u>	<u>API #</u>	<u>Permitted Well Name</u>	<u>AKA Well Name</u>	<u>Township</u>	<u>Range</u>	<u>Section(s)</u>	<u>County</u>	<u>State</u>	<u>Mineral</u>	<u>Surface</u>	<u>Well Type</u>	<u>Well Status</u>
4301950057		Cane Creek Unit 14-1-25-19		250S	190E	14	GRAND	UT	Federal	Federal	OW	APD ✓
4301950058		Cane Creek Unit 2-3-25-18		250S	180E	2	GRAND	UT	Federal	State	OW	APD ✓
4301950059		Cane Creek Unit 16-3-25-18		250S	180E	16	GRAND	UT	Federal	State	OW	APD ✓
4301950060		Cane Creek Unit 19-1-25-19		250S	190E	19	GRAND	UT	Federal	Federal	OW	APD ✓
4301950061		Cane Creek Unit 32-2-25-19		250S	190E	32	GRAND	UT	State	State	OW	APD ✓
4301950062		Cane Creek Unit 17-1-25-19		250S	190E	17	GRAND	UT	Federal	Federal	OW	APD ✓
4301950063		Cane Creek Unit 16-4-25-18		250S	180E	16	GRAND	UT	Federal	State	OW	APD ✓
4301950064		Cane Creek Unit 2-4-25-18		250S	180E	2	GRAND	UT	Federal	State	OW	APD ✓
4301950065		Cane Creek Unit 5-1-25-18		250S	180E	5	GRAND	UT	Federal	Federal	OW	APD ✓
4301950068		8-2-26-20		260S	200E	8	GRAND	UT	Federal	Federal	OW	APD ✓
4301950069		Cane Creek Unit 19-3-26-20		260S	200E	19	GRAND	UT	Federal	Federal	OW	APD ✓
4301950070		Cane Creek Unit 21-1-25-19		250S	190E	21	GRAND	UT	Federal	Federal	OW	APD ✓
4301950071		Cane Creek Unit 12-2-26-19		260S	190E	12	GRAND	UT	Federal	Federal	OW	APD ✓
4301950072		Cane Creek Unit 26-4-25-19		250S	190E	26	GRAND	UT	Federal	Federal	OW	APD ✓
4301950073		Cane Creek Unit 21-1-25-18		250S	180E	21	GRAND	UT	Federal	Federal	OW	APD ✓
4301950074		Cane Creek Unit 9-1-25-18		250S	180E	9	GRAND	UT	Federal	Federal	OW	APD ✓
4301950075		Cane Creek Unit 7-1-25-19		250S	190E	7	GRAND	UT	Federal	Federal	OW	APD ✓
4301950076		Cane Creek Unit 5-2-25-18		250S	180E	5	GRAND	UT	Federal	Federal	OW	APD ✓
4301950077		Cane Creek Unit 7-1-25-18		250S	180E	7	GRAND	UT	Federal	Federal	OW	APD ✓
4301950078		Cane Creek Unit 13-1-25-18		250S	180E	13	GRAND	UT	Federal	Federal	OW	APD ✓
4303750070		Three Mile Unti 12-3-29-21		290S	210E	12	SAN JUAN	UT	Federal	Federal	OW	APD ✓
4303750071		Three Mile Unit 16-2-29-22		290S	220E	16	SAN JUAN	UT	Federal	State	OW	APD ✓
4301950036		CANE CREEK UNIT 2-1-25-18H2		25S	18E	2	GRAND	UT	Federal	State	OW	APD ✓

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	See attached well list
API number:	
Location:	Qtr-Qtr: Section: Township: Range:
Company that filed original application:	Fidelity Exploration & Production Company
Date original permit was issued:	
Company that permit was issued to:	Fidelity Exploration & Production Company

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. _____	<input type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Robert W. Kirkwood Title President
 Signature *Robert W. Kirkwood* Date 4/4/10
 Representing (company name) Wesco Operating, Inc.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

Fidelity Exploration & Production Company Paradox APD List

<u>Date Issued</u>	<u>API #</u>	<u>Permitted Well Name</u>	<u>Township</u>	<u>Range</u>	<u>Section(s)</u>	<u>County</u>	<u>State</u>	<u>Mineral</u>	<u>Surface</u>	<u>Well Type</u>	<u>Well Status</u>
3/4/2014	4301950044	CANE CREEK UNIT 2-2-25-18	250S	180E	2	GRAND	UT	State	State	OW	APD
2/19/2015	4301950048	Cane Creek Unit 25-1-25-19	250S	190E	25	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950052	Cane Creek Unit 6-1-25-19	250S	190E	6	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950053	Cane Creek Unit 29-1-25-19	250S	190E	29	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950054	Cane Creek 10-1-25-19	250S	190E	10	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950055	Cane Creek Unit 30-1-25-19	250S	190E	30	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950056	Cane Creek Unit 19-2-26-20	260S	200E	19	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950057	Cane Creek Unit 14-1-25-19	250S	190E	14	GRAND	UT	Federal	Federal	OW	APD
7/21/2014	4301950058	Cane Creek Unit 2-3-25-18	250S	180E	2	GRAND	UT	Federal	State	OW	APD
8/6/2014	4301950059	Cane Creek Unit 16-3-25-18	250S	180E	16	GRAND	UT	Federal	State	OW	APD
8/6/2014	4301950060	Cane Creek Unit 19-1-25-19	250S	190E	19	GRAND	UT	Federal	Federal	OW	APD
9/22/2014	4301950061	Cane Creek Unit 32-2-25-19	250S	190E	32	GRAND	UT	State	State	OW	APD
7/30/2014	4301950062	Cane Creek Unit 17-1-25-19	250S	190E	17	GRAND	UT	Federal	Federal	OW	APD
8/12/2014	4301950063	Cane Creek Unit 16-4-25-18	250S	180E	16	GRAND	UT	Federal	State	OW	APD
9/24/2014	4301950064	Cane Creek Unit 2-4-25-18	250S	180E	2	GRAND	UT	Federal	State	OW	APD
9/2/2014	4301950065	Cane Creek Unit 5-1-25-18	250S	180E	5	GRAND	UT	Federal	Federal	OW	APD
11/25/2014	4301950068	8-2-26-20	260S	200E	8	GRAND	UT	Federal	Federal	OW	APD
12/19/2014	4301950069	Cane Creek Unit 19-3-26-20	260S	200E	19	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950070	Cane Creek Unit 21-1-25-19	250S	190E	21	GRAND	UT	Federal	Federal	OW	APD
1/13/2015	4301950071	Cane Creek Unit 12-2-26-19	260S	190E	12	GRAND	UT	Federal	Federal	OW	APD
1/13/2015	4301950072	Cane Creek Unit 26-4-25-19	250S	190E	26	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950073	Cane Creek Unit 21-1-25-18	250S	180E	21	GRAND	UT	Federal	Federal	OW	APD
1/20/2015	4301950074	Cane Creek Unit 9-1-25-18	250S	180E	9	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950075	Cane Creek Unit 7-1-25-19	250S	190E	7	GRAND	UT	Federal	Federal	OW	APD
1/20/2015	4301950076	Cane Creek Unit 5-2-25-18	250S	180E	5	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950077	Cane Creek Unit 7-1-25-18	250S	180E	7	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950078	Cane Creek Unit 13-1-25-18	250S	180E	13	GRAND	UT	Federal	Federal	OW	APD
7/8/2014	4303750070	Three Mile Unti 12-3-29-21	290S	210E	12	SAN JUAN	UT	Federal	Federal	OW	APD
10/2/2014	4303750071	Three Mile Unit 16-2-29-22	290S	220E	16	SAN JUAN	UT	Federal	State	OW	APD
12/16/2014	4301950036	Cane Creek Unit 2-1-25-18 H2	25S	18E	2	GRAND	UT	Federal	State	OW	APD

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-90108

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL
OIL WELL GAS WELL OTHER Blue Hills Gas Plant

8. WELL NAME and NUMBER:
Blue Hills Gas Plant

2. NAME OF OPERATOR:
Fidelity Exploration & Production Company

9. API NUMBER:

3. ADDRESS OF OPERATOR:
1801 California St., STE 2500 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 893-3133

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL
FOOTAGES AT SURFACE: _____ COUNTY: **Grand**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>3/1/2016</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Effective March 1, 2016, Fidelity Exploration & Production Company (Operator Number N1355) resigns as Operator of the Blue Hills Gas Plant located in T23S-R19E, Sections 20, 29. Wesco Operating, Inc. has been named as successor Operator.

Wesco Operating, Inc.
P.O Box 1650
Casper, Wyoming 82602
Phone 307-265-5178

Fidelity Exploration & Production Company
1801 California Street, Suite 2500
Denver, Colorado 80202
Phone 303-893-3133

Wesco Operating, Inc.
Robert W. Kirkwood, President

Signature *Robert W. Kirkwood*

NAME (PLEASE PRINT) Darwin Subart

TITLE Chief Financial Officer

SIGNATURE *Darwin Subart*

DATE 4/14/2016

(This space for State use only)

APPROVED

APR 21 2016

DIV. OIL GAS & MINING
BY: *Rachael Medina*

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Compressor Booster Station</u>		8. WELL NAME and NUMBER: Dubinky Booster Station
2. NAME OF OPERATOR: Fidelity Exploration & Production Company		9. API NUMBER:
3. ADDRESS OF OPERATOR: 1801 California St., STE 2500 CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		10. FIELD AND POOL, OR WLD/CAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>3/1/2016</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

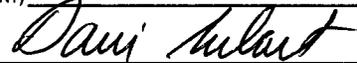
Effective March 1, 2016, Fidelity Exploration & Production Company (Operator Number N1355) resigns as Operator of the Dubinky Booster Station located along Dubinky Road, approximately 18 miles northwest of Moab, 599142 E 4280872 N UTM Zone 12, NAD83. Wesco Operating, Inc. has been named as successor Operator.

Wesco Operating, Inc.
P.O. Box 1650
Casper, Wyoming 82602
Phone 307-265-5178

Fidelity Exploration & Production Company
1801 California Street, Suite 2500
Denver, Colorado 80202
Phone 303-893-3133

Wesco Operating, Inc.
Robert W. Kirkwood, President

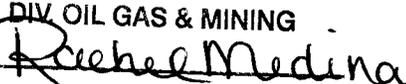

Signature

NAME (PLEASE PRINT) <u>Darwin Subart</u>	TITLE <u>Chief Financial Officer</u>
SIGNATURE 	DATE <u>4/4/2016</u>

(This space for State use only)

APPROVED

APR 21 2016

DIV OIL GAS & MINING
BY: 

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

UIC FORM 5

TRANSFER OF AUTHORITY TO INJECT

Well Name and Number Kane Springs 16-1	API Number 4301931341
Location of Well Footage : 960' FSL 1960' FWL County : Grand	Field or Unit Name Cane Creek
QQ, Section, Township, Range: SESW 16 25 18 State : UTAH	Lease Designation and Number ML-44333

EFFECTIVE DATE OF TRANSFER: 3/1/2016

CURRENT OPERATOR

Company: <u>Fidelity Exploration & Production Company</u>	Name: <u>Darwin Subart</u>
Address: <u>1801 California Street, Suite 2500</u>	Signature: <u><i>Darwin Subart</i></u>
city <u>Denver</u> state <u>CO</u> zip <u>80202</u>	Title: <u>Chief Financial Officer</u>
Phone: <u>(303) 893-3133</u>	Date: <u>4/4/2016</u>
Comments:	

NEW OPERATOR

Company: <u>Wesco Operating, Inc.</u>	Name: <u>Robert W. Kirkwood</u>
Address: <u>P.O. Box 1650</u>	Signature: <u><i>Robert W. Kirkwood</i></u>
city <u>Casper</u> state <u>WY</u> zip <u>82602</u>	Title: <u>President</u>
Phone: <u>(307) 265-5178</u>	Date: <u>4/7/16</u>
Comments:	

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Transfer approved by: *Don Jamn* Approval Date: 4/13/16
 Title: UIC Geologist

Comments: