

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 Horse Point Federal 12-13				
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 HORSE POINT				
4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						5. UNIT or COMMUNITIZATION AGREEMENT NAME				
6. NAME OF OPERATOR COCHRANE RESOURCES INC						7. OPERATOR PHONE 435 722-5081				
8. ADDRESS OF OPERATOR P.O. Box 1656, Roosevelt, UT, 84066						9. OPERATOR E-MAIL cochrane@ubtanet.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU-84672			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN		
LOCATION AT SURFACE		2134 FNL 689 FWL		SWNW	13	16.0 S	23.0 E	S		
Top of Uppermost Producing Zone		2134 FNL 689 FWL		SWNW	13	16.0 S	23.0 E	S		
At Total Depth		2134 FNL 689 FWL		SWNW	13	16.0 S	23.0 E	S		
21. COUNTY GRAND			22. DISTANCE TO NEAREST LEASE LINE (Feet) 689			23. NUMBER OF ACRES IN DRILLING UNIT 760				
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 2900			26. PROPOSED DEPTH MD: 8200 TVD: 8200				
27. ELEVATION - GROUND LEVEL 8278			28. BOND NUMBER 0279083950 UT 0699			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-10447				
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
SURF	12.25	8.625	0 - 1000	24.6	J-55 LT&C	9.0	Class G	450	1.26	14.6
PROD	7.875	5.5	0 - 8200	17.0	N-80 LT&C	9.2	Hi Lift "G"	300	3.82	11.0
							50/50 Poz	500	1.26	14.6
ATTACHMENTS										
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Ken Allen				TITLE President			PHONE 435-722-5081			
SIGNATURE				DATE 02/10/2014			EMAIL cochrane@ubtanet.com			
API NUMBER ASSIGNED 43019500470000				APPROVAL  Permit Manager						

**Cochrane Resources Inc.
Horse Point Federal 12-13
SW/NW Section 13, T16S, R23E.
Grand County, Utah
Lease No UTU-84672**

ONSHORE OIL & GAS ORDER NO. 1

Drilling Program

1. Estimated Tops of Important Geological Markers

Formation	Depth	Subsea
Green River	Surface	-
Castlegate	4155'	+4135'
Mancos	4355'	+3935'
Dakota Silt	7815'	+475'
Morrison	8065'	+225'
TD	8200'	+90

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

Substance	Formation	Depth
Gas	Mancos	4355' - 7815'
Gas	Dakota	7850' - 8000'
Gas	Morrison	8065 - 8200'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

All well control equipment will be in accordance to Onshore Order No. 2 for 5M Systems and are as follows:

- 5,000# BOP with 4 ½" Pipe Rams
- 5,000# BOP with Blind Rams
- 5,000# Annular

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

Pressure Control Equipment Continued

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

As a minimum, the above test shall be performed:

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

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

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

Annular preventers shall be functionally operated at least weekly.

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

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

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

The District Office will be notified, with sufficient lead time, in order to have a BLM representative on location during testing.

a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 5M working BOP.

b. A choke line and kill line are to be properly installed. The kill line is not to be used as a fill-up line.

c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

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DISTRICT OFFICE

d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

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4. Proposed Casing and cementing Program

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a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: Presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Grade</u>	<u>Type</u>
Conductor	40'	-	14"	-	-
Surface	1000'	12 1/4"	8 5/8"	J-55	24# LT&C
Production	8200'	7 7/8"	5 1/2"	N-80	17# LT&C
Safety Factor	Forces on csg will not exceed 75% of published values for burst, collapse, and yield.				

c. Casing design subject to revision based on geologic conditions encountered.

d. Cement Program

	<u>Est. Top of Cement</u>	<u>Cement Type</u>	<u>Quality</u>	<u>Yield</u>	<u>Supply Wt.</u>
Conductor	Surface	Class G	Hole + 30%	1.26	14.6
Surface	Surface	Class G	Hole + 30%	1.26	14.6
Production	Stage 1 - above 1000'	Hyfill	Hole + 30%	3.84	11.6
	Stage - 6000'	50/50 Poz	Hole +30%	1.26	14.6

e. Anticipated cement tops will be reported as to depth; not the expected number of sack of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

g. The following reposts shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, form 3160-5 "Sundry Notices and Reports on Wells", must include complete information concerning:

a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.

h. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. A bit float
3. A sub with full opening valve.

5. Drilling Fluids Program:

<u>Interval</u>	<u>Type</u>	<u>Wt. (ppg)</u>	<u>Viscosity</u>	<u>pH</u>	<u>Water Loss</u>	<u>Remarks</u>
0-2000'	Spud	8.4 - 9.0	30 - 45+	8.0	NC	Gel and Lime as required
2000'-5500'	Wtr/gel	8.4 - 8.8	27 - 35	8.5-9.0	NC	Min. Wt.
5500'-TD	KCL/Mud	8.5 - 8.8*	35 - 40	9.0-10.0	10-15cc @TD	*Min Wt to control frm

a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

b. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

c. 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.

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

6. Evaluation Program

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

a. No drill stem tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.

c. No cores are anticipated.

d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted no later than 30 days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases will be submitted when requested by the AO.

e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.

f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 1800 psi. The maximum bottom hole temperature anticipated is 160 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 5000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

a. Drilling is anticipated to commence immediately upon approval

- b. It is anticipated that the drilling of this well will take approximately 20 days.
- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction and anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO will be obtained and notification given before resuming operations.
- e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with Vernal BLM Office, 170 South 500 East, Vernal, Utah, 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A lessees or operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the BLM, Vernal Field Office within 60 days of installation or first production whichever occurs first. All site security regulations as specified in Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.

n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.

o. Pursuant to Onshore Oil and Gas Order No.1, lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on Federal lands.

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078

Phone: (435)781-4400

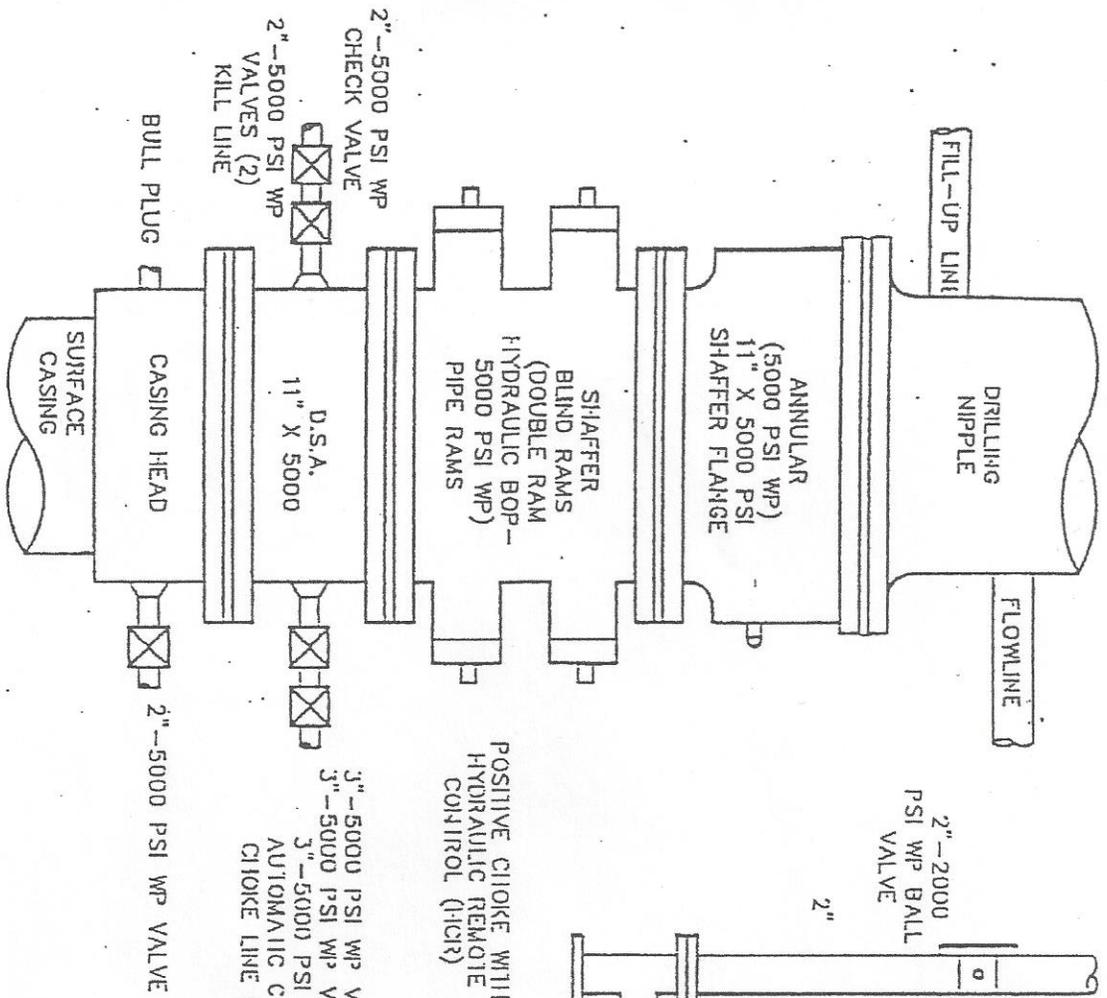
Fax: (435)781-4410

After Hours:

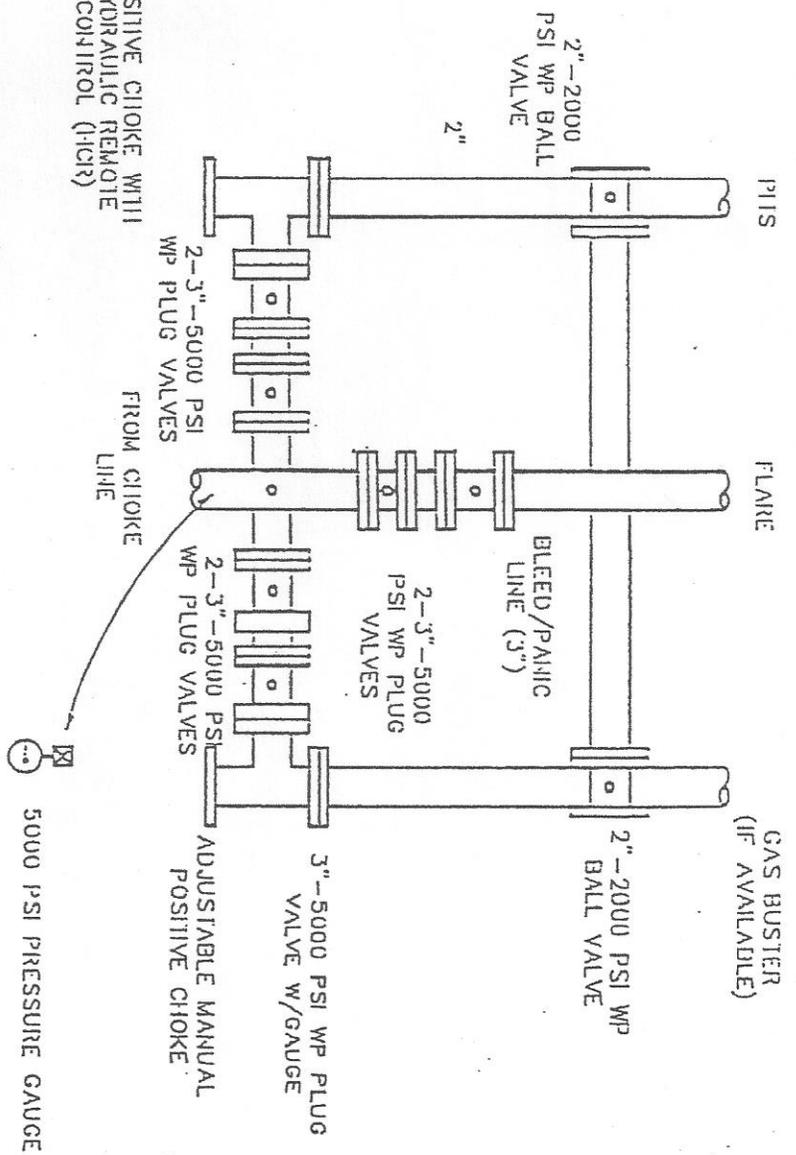
Michael Lee Petroleum Engineer (435)828-4470

Matt Baker Petroleum Engineer (435)828-7875

BOP SCHEMATIC
5000 PSI WORKING PRESSURE



PLAN VIEW CHOKER MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKER AND BLEED/PANIC LINE WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKER LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

**Cochrane Resources Inc.
Horse Point Federal 12-13
SW/NW Section 13, T16S, R23E.
Grand County, Utah
Lease No UTU-84672**

ONSHORE OIL & GAS ORDER NO. 1

Notification Requirements

Location Construction-	48 hours prior to construction of location and access roads
Location completion-	prior to moving on with drilling rig.
Spud Notice-	at least 24 hours prior to spudding the well.
Casing String and Cementing-	24 hours notice prior to running casing and cementing.
BOP and Related Equipment-	24 hours prior to initiating pressure tests.
First Production Notice-	Within 5 business days after new well begins or production resumes after well has been off production for more than 90 days.

The onsite inspection for the subject well site was conducted on November 21, 2007 at approximately 11:30 a.m. Weather conditions were cool and windy. In attendance at the onsite were the following individuals:

Darren Williams	Natural Resource Specialist	Bureau of Land Management
Brandon McDonald	Wildlife Biologist	Bureau of Land Management
Shon McKinnon	Permit Consultant	Cochrane Resources Inc.
Luke Kay	Surveyor	Uintah Engineer and Land Surveying

1. Existing Roads

See Attached Topographic Map "A".

Turn left from Highway 40 and proceed south on Highway 88, 16.3 miles to Ouray, Utah. Continue South 54.9 miles to Black Horse Ridge. Turn right and travel southwesterly 5.0 miles. Turn left onto proposed access and travel southerly 270' on to the proposed location. Improvement of existing roads will not be required.

2. Planned Access Road

See Attached Topographic Map "B" for location of the proposed access road.

3. Location of Existing Wells

See Attached Topographic Map "C"

- a. Producing Wells - One
- b. Abandoned Wells - Two

4. Location of Tank Batteries and Production Facilities

- a. All permanent surface equipment will be painted Beetle (Munsel # 19-03-12TPX).
- b. Storage tanks batteries will be surrounded by containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank with in the contained area, unless more stringent requirements are necessary as notified by the AO.
- c. A production layout will be submitted via sundry upon proven productivity of the well.
- d. All loading lines will be placed inside the berm/dike surrounding the tank battery.
- e. A Gas Meter Run will be placed within 500 ft. of the wellhead. Meter runs will be housed. The oil and gas measurement equipment will be installed on the well location. Measurement equipment will be calibrated in place prior to any deliveries. Tests for accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the calibration reports will be submitted to the Vernal Field Office.
- f. Any necessary pits will be properly fenced to prevent any wildlife entry.
- g. The access road will be maintained in a safe, usable condition conducive to the climate and seasonal conditions in order to accommodate daily operation of the well and prevent erosion.
- h. Pipelines, up to 6" steel, will follow the proposed access for approximately 366', as detailed in attached Map "D". The pipeline will be laid on the surface except road crossings where they will be buried to a depth of 5'. The method of coupling will be welded. Associated pipeline components, such as risers, pig launchers/catchers, meters, valves, etc. will be contained within the 30' needed for construction of the pipeline.

5. Location and Type of Water

- a. Water will come from: Water Right No. 43-10447, located in Sec 9, T8S, R20E.
- b. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".
- c. No water well will be drilled on this lease.

6. Source of Construction Material

- a. Any gravel used will be obtained from a commercial source.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2.3.
- c. No construction materials will be used from Federal lands.

7. Methods of Handling Waste Disposal

- a. the reserve pit will be felted and double lined with at least 12 mil liner.
- b. All trash will be contained in an enclosed trash container through the drilling, completion, and facility construction phases and its contents removed and hauled to an approved disposal sight as needed.
- c. A chemical porta-toilet will be furnished through the drilling, and completion phases.
- d. After first production, produced waste water will be confined to an unlined pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. 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.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of this well except for those facilities needed for drilling rig personal, service providers and company representatives.

9. Well Site Layout

See attached Location Layout Diagram

- a. any brush encountered within the proposed access and well pad during construction will be distributed using a "lop and scatter" method around the perimeter of the pad. Brush will not be piled any taller than 3' in height.

10. Plans for Restoration of Surface

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Upon completion, any hydrocarbon within the reserve pit will be removed in accordance with 43 CFR 3162.7-1.

c. The reserve pit will be backfilled and reclaimed within 120 days from the well completion. The reserve pit liner will be perforated and excess liner removed before backfilling. Alternatively, the pit will be pumped dry, the liner folded into the pit and buried to a minimum of 4' deep.

d. That portion of the location not needed for production facilities or operations, or any disturbed areas upon final plug and abandonment, will be re-contoured to approximate natural contours and seeded with a seed mixture and procedure specified by the AO. Additionally, the topsoil pile will be seeded with the same mixture and procedure as specified.

11. Surface Ownership

The proposed access road and well pad is on lands managed by the Bureau of Land Management.

12. Other Information

a. The archeological survey has been conducted by Montgomery Archeological Consultants, Inc. MOAC Report #03-361; 11/08/2007 is attached as "Exhibit D".

b. If historic or archeological materials are uncovered during construction, the operator will immediately stop work and contact the AO.

c. It was recommended by the AO at the onsite that the well pad be moved westerly, approximately 80' for the management of the visual resource. The pad was moved and the changes are reflected on the plat maps, cut sheet, and diagrams attached (Revision Date 11/26/07 C.C.).

d. The operator will control noxious weeds along associated well pad, roads, pipelines, and surface equipment. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted and approved prior to the application of pesticides or herbicides.

e. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.

f. All lease and unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notices to Lessees. The operator is fully responsible for the actions of his subcontractors.

g. A complete copy of the APD shall be on location during construction and drilling of this site.

Water Disposal

Immediately upon first production all produced water will be confined to a steel storage tank. Water will be disposed of via truck transport to a State of Utah approved disposal site, such as Brennan Bottom.

Wildlife Timing Stipulations

1. Crucial Deer and Elk Winter Range
 - a. No surface disturbing activities or drilling November 1st - April 1st
2. Crucial Fawning/Calving
 - a. No surface disturbing activities drilling May 15th - June 30th

13. Lessee's or Operators Representative

Cochrane Resources Inc.

Ken Allen - President

PO Box 1656

Roosevelt, Utah 84066

(435)722-5801

(435)722-9448

Certification

Please be advised that *Cochrane Resources Inc.* is considered to be the operator of the *Horse Point Fed 12-23, SW/NW Section 13, T16S, R23, Lease No. UTU-084672 Grand County, Utah*; and is responsible under the term and conditions of the lease for the operations conducted upon the leased lands. Bonding for the well is #0279083950. UT0699

I hereby certify that the proposed drill site and access road have been inspected and I am familiar with the conditions that currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Cochrane Resources Inc. its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. The statement is subject to the provisions of 18 U.S.C. 1000 for the filing of a false statement.

Date 2-5-2014



Cochrane Resources Inc.

COCHRANE RESOURCES, INC.

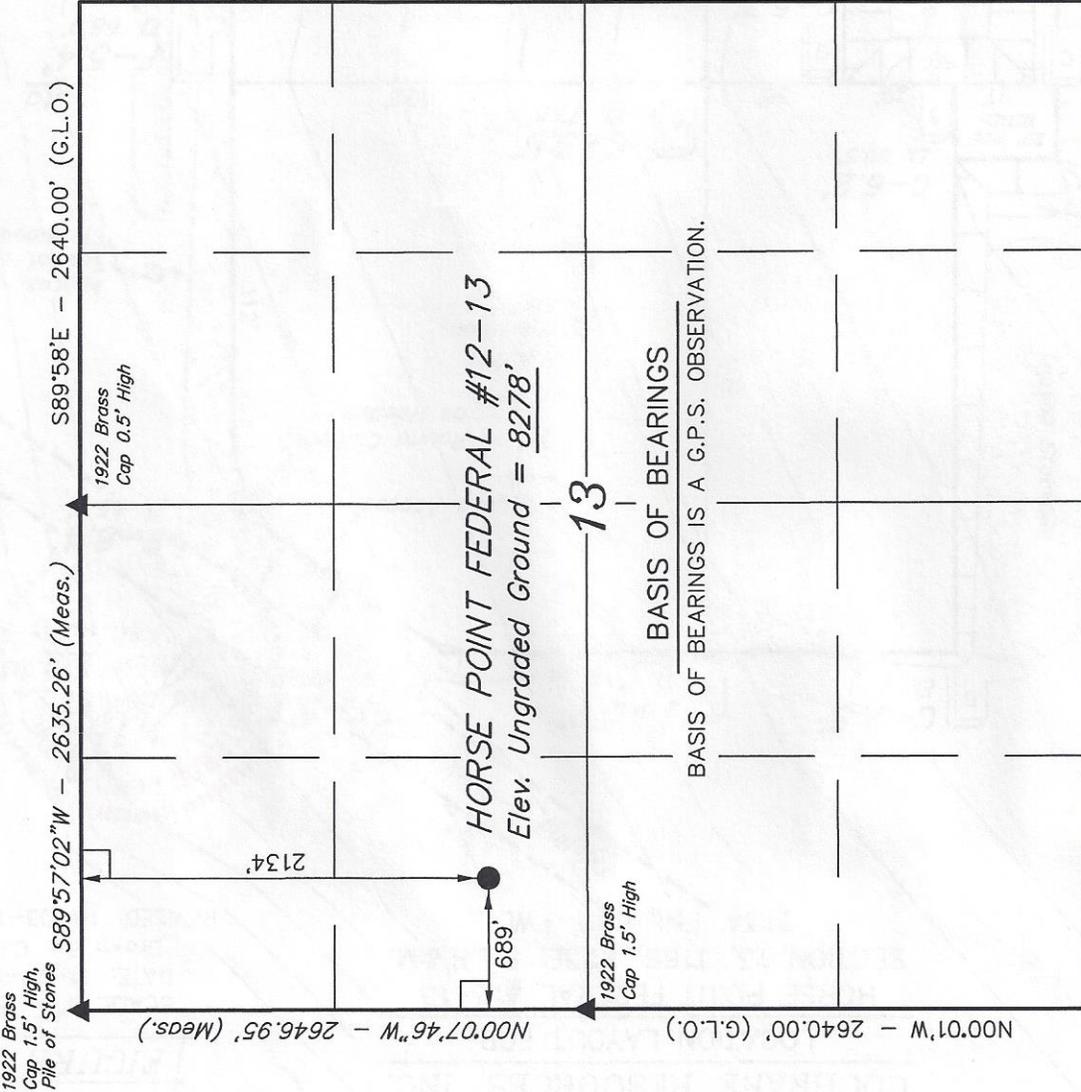
Well location, HORSE POINT FEDERAL #12-13, located as shown in the SW 1/4 NW 1/4 of Section 13, T16S, R23E, S.L.B.&M., Grand County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED ON A HILL TOP IN THE NW 1/4 OF SECTION 32, T15S, R23E, S.L.B.&M. TAKEN FROM THE PR SPRING QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7454 FEET.

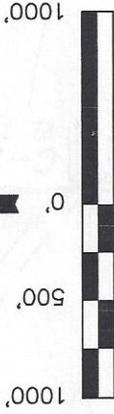
NORTH - 5280.00' (G.L.O.)

T16S, R23E, S.L.B.&M.



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DEC 06 2011



SCALE

CERTIFICATE

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

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 11-27-07 C.H.

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

SCALE 1" = 1000'	DATE SURVEYED: 07-27-07	DATE DRAWN: 07-27-07
PARTY M.A. S.W. S.L.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE	COCHRANE RESOURCES, INC.

LEGEND:

- = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.
- (NAD 83)
LATITUDE = 39°25'02.20" (39.417278)
LONGITUDE = 109°20'10.02" (109.336117)
(NAD 27)
LATITUDE = 39°25'02.30" (39.417306)
LONGITUDE = 109°20'07.59" (109.335442)

COCHRANE RESOURCES, INC. RECEIVED
HORSE POINT FEDERAL #12-13 DEC 9 8 2011
SECTION 13, T16S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION ALONG THE SEEP RIDGE ROAD APPROXIMATELY 54.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 5.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 301' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM OURAY , UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 60.2 MILES.

COCHRANE RESOURCES INC.
HORSE POINT FEDERAL #12-13
LOCATED IN GRAND COUNTY, UTAH
SECTION 13, T16S, R23E, S.L.B.&M.

RECEIVED

DEC 08 2011



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

*Access
Changed*



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

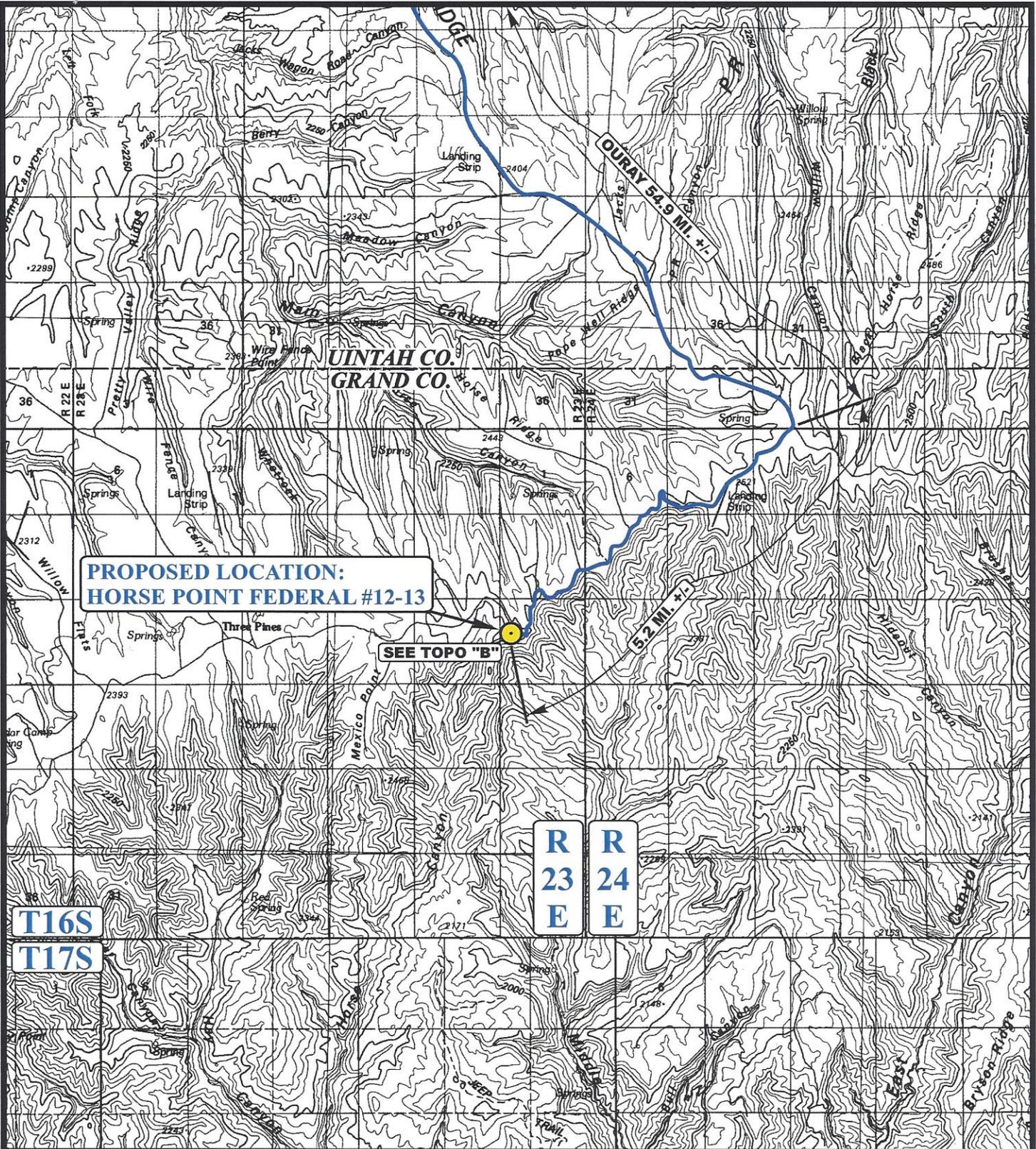
CAMERA ANGLE: SOUTHERLY



UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

- Since 1964 -

LOCATION PHOTOS			07	31	07	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: M.A.	DRAWN BY: C.P.	REV: 11-26-07 C.C.				



**PROPOSED LOCATION:
HORSE POINT FEDERAL #12-13**

SEE TOPO "B"

**R 23 E
R 24 E**

**T16S
T17S**

LEGEND:

 **PROPOSED LOCATION**



COCHRANE RESOURCES INC.

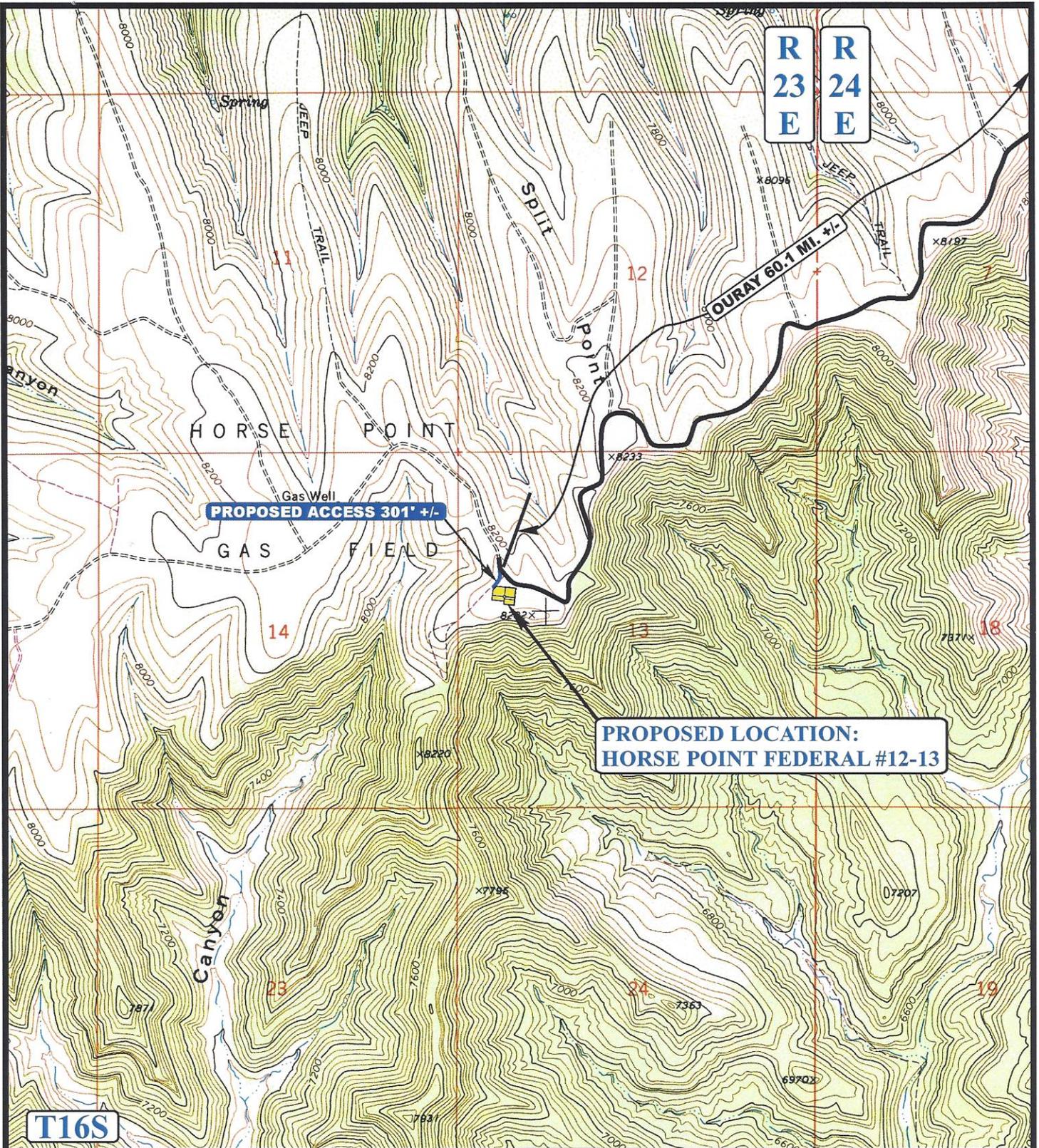
**HORSE POINT FEDERAL #12-13
SECTION 13, T16S, R23E, S.L.B.&M.
2134' FNL 689' FWL**



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

TOPOGRAPHIC MAP
07 31 07
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.P. REV: S.F. 10-11-11





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

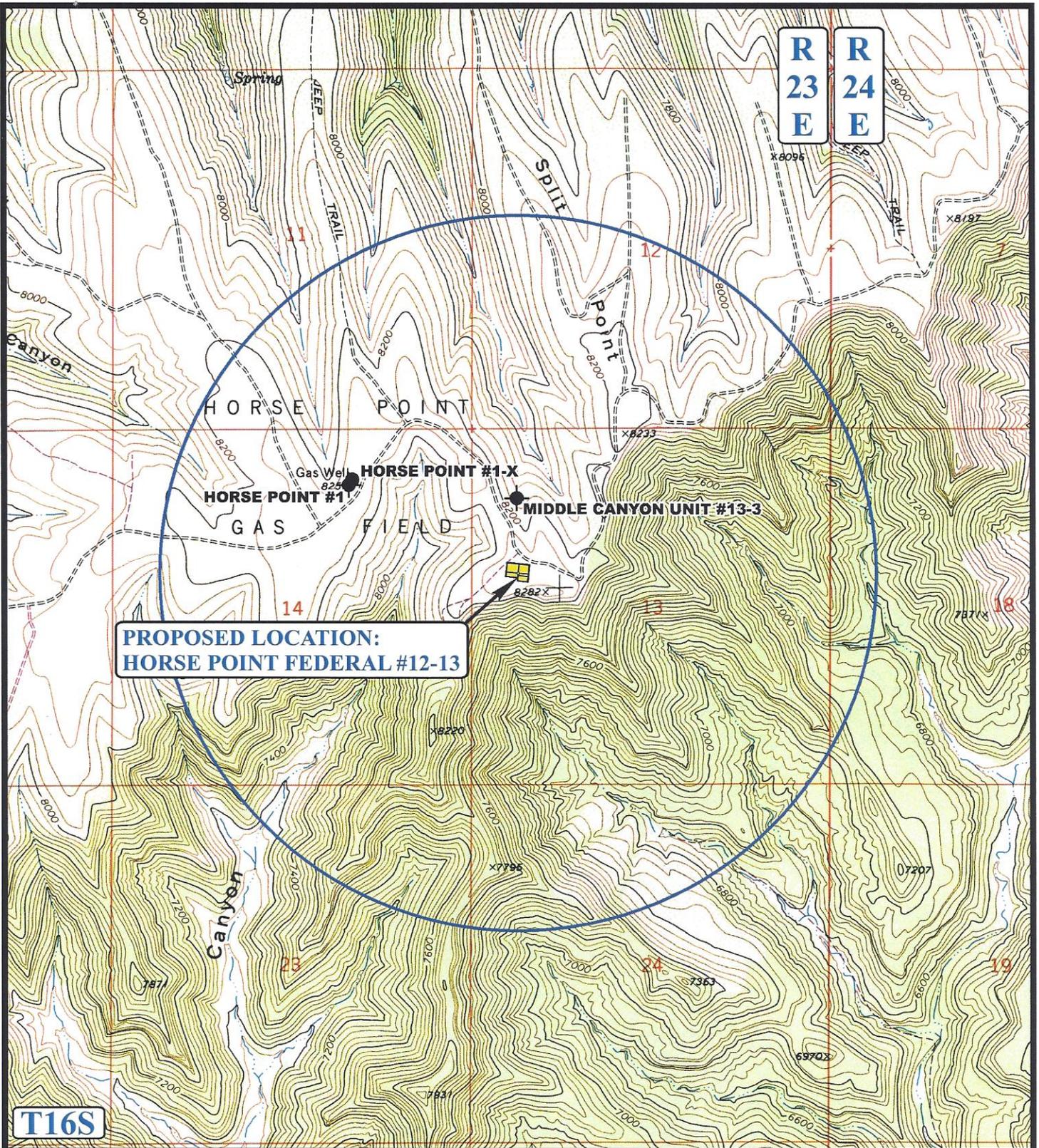


COCHRANE RESOURCES INC.

HORSE POINT FEDERAL #12-13
SECTION 13, T16S, R23E, S.L.B.&M.
2134' FNL 689' FWL

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

TOPOGRAPHIC MAP 07 31 07
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REV: S.F. 10-11-11 **B TOPO**



LEGEND:

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

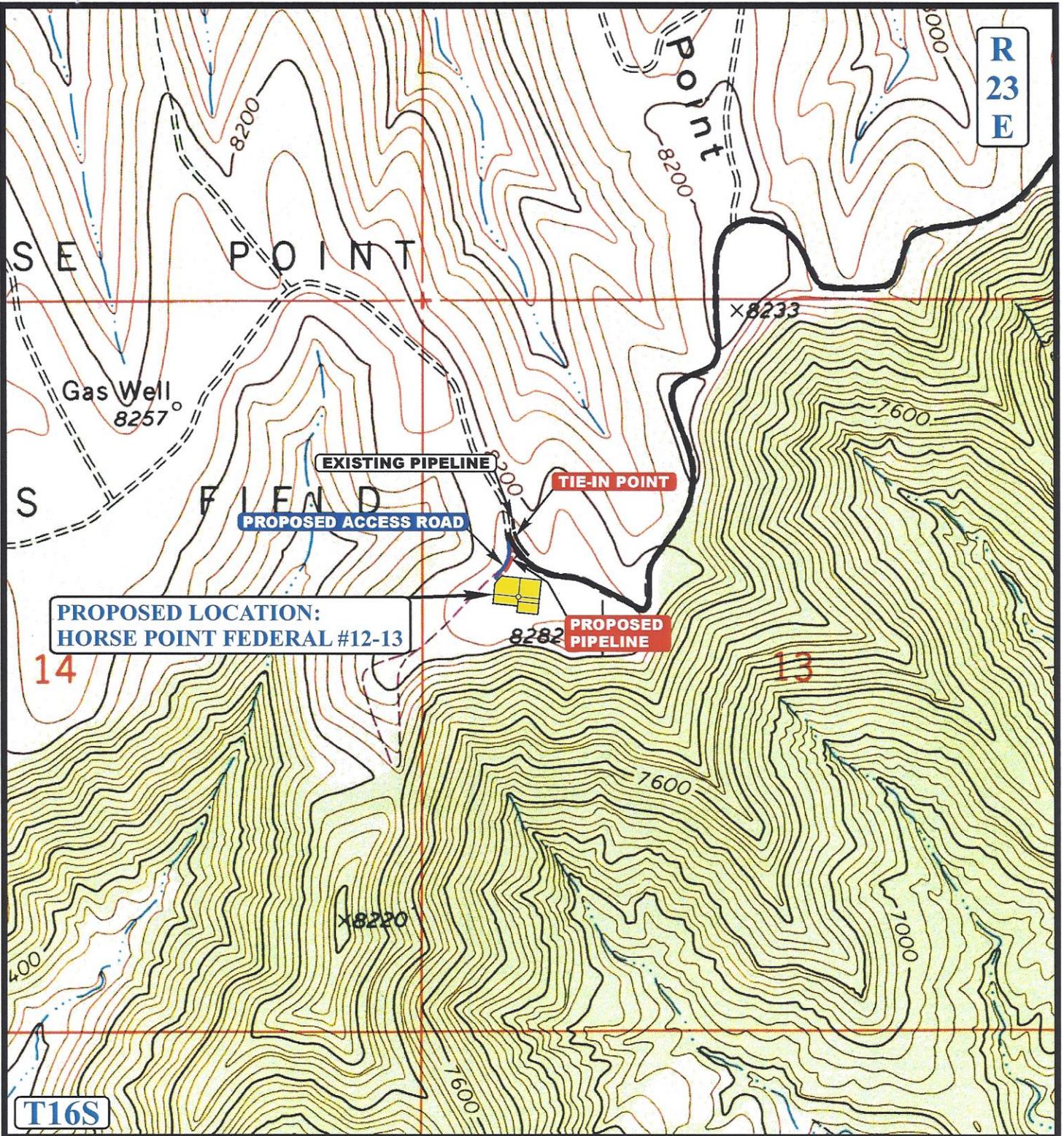


COCHRANE RESOURCES INC.

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TOPOGRAPHIC MAP 07 31 07
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REV: S.F. 10-11-11 **C TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 290' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



COCHRANE RESOURCES INC.

**HORSE POINT FEDERAL #12-13
SECTION 13, T16S, R23E, S.L.B.&M.
2134' FNL 689' FWL**

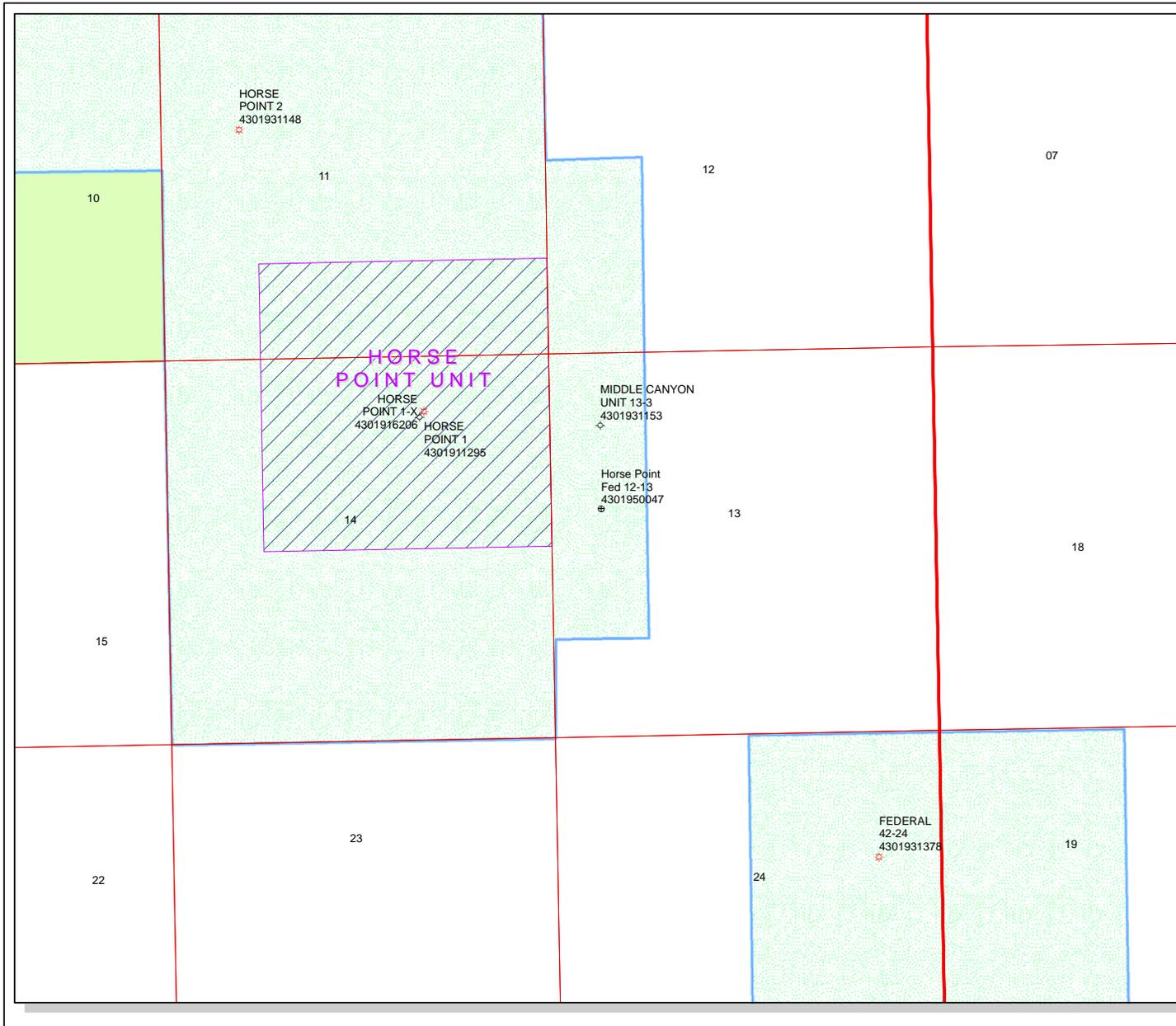


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 07 31 07
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REV: S.F. 10-11-11

D
TOPO



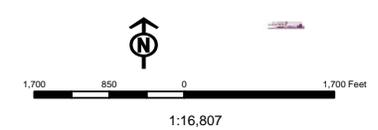
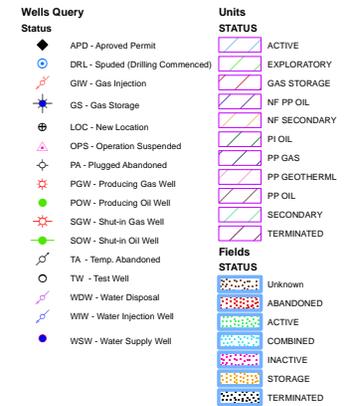
API Number: 4301950047

Well Name: Horse Point Fed 12-13

Township: T16.0S Range: R23.0E Section: 13 Meridian: S

Operator: COCHRANE RESOURCES INC

Map Prepared: 2/11/2014
Map Produced by Diana Mason



WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 2/10/2014

API NO. ASSIGNED: 43019500470000

WELL NAME: Horse Point Federal 12-13

OPERATOR: COCHRANE RESOURCES INC (N7015)

PHONE NUMBER: 435-722-5081

CONTACT: Ken Allen

PROPOSED LOCATION: SWNW 13 160S 230E

Permit Tech Review:

SURFACE: 2134 FNL 0689 FWL

Engineering Review:

BOTTOM: 2134 FNL 0689 FWL

Geology Review:

COUNTY: GRAND

LATITUDE: 39.41725

LONGITUDE: -109.33613

UTM SURF EASTINGS: 643231.00

NORTHINGS: 4364402.00

FIELD NAME: HORSE POINT

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-84672

PROPOSED PRODUCING FORMATION(S): MORRISON

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - 0279083950 UT 0699
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 43-10447
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingle Approved

LOCATION AND SITING:

- R649-2-3.
- Unit:
- 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: 4 - Federal Approval - dmason
23 - Spacing - dmason



GARY R. HERBERT
Governor

SPENCER J. COX
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: Horse Point Federal 12-13
API Well Number: 43019500470000
Lease Number: UTU-84672
Surface Owner: FEDERAL
Approval Date: 2/18/2014

Issued to:

COCHRANE RESOURCES INC , P.O. Box 1656, Roosevelt, UT 84066

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 MORRISON 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:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

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.

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 at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at <http://oilgas.ogm.utah.gov>

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:



For John Rogers
Associate Director, Oil & Gas



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 23, 2015

Cochrane Resources, Inc.
P.O. Box 1656
Roosevelt, UT 84066

Re: APD Rescinded – Horse Point Federal 12-13, Sec. 13, T. 16S, R. 23E,
Grand County, Utah API No. 43-019-50047

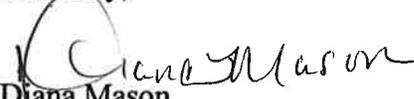
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 18, 2014. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective April 23, 2015.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Moab

