

001

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: Fee	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Legend Energy of Utah			9. WELL NAME and NUMBER: Debrach LLC #1 <i>Christensen 1</i>	
3. ADDRESS OF OPERATOR: P.O. Box 231 CITY Glendale STATE UT ZIP 84729		PHONE NUMBER: (435) 648-2647	10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 607' FSL 2,081' FEL <i>4149727Y 37.48664</i> AT PROPOSED PRODUCING ZONE: Same <i>366407X -112.51105</i>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S 6W	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 3.0 miles north, northeast from Alton, Utah			12. COUNTY: Kane	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 559'	16. NUMBER OF ACRES IN LEASE: 7,841	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	19. PROPOSED DEPTH: 3,500	20. BOND DESCRIPTION: Blanket State Wide Bond \$80,000		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 7,480 GR	22. APPROXIMATE DATE WORK WILL START: 9/1/2002	23. ESTIMATED DURATION: 14 days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	8 5/8" K-55 <i>24 23</i>	650'	Class G+2%CaCl2+	455 sx	1.18 cf/sx 15.6
			0.25 #/sx Cello Flakes		
7 7/8"	5 1/2" K-55 15.5	3,500	Class G+3%sm+ 50/50 lbz	278 sx	2.87 cf/sx 41.4
			0.25 #/sx Cello Flakes 525 sx 1.48 cf/sx 13.0		
7 7/8"	5 1/2" K-55 15.5	3,500	Class G+4% bentonite	34 sx	4.55 cf/sx 14.4
			+0.25 #/sx Cello Flake: 175 sx 1.20 cf/sx 15.0		

25. **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"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) A. H. Morgan TITLE Manager

SIGNATURE *A. H. Morgan* DATE 8-22-02

(This space for State use only)

API NUMBER ASSIGNED: 43-025-30033

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 11-25-02

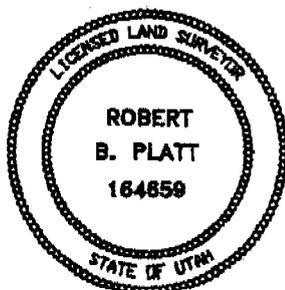
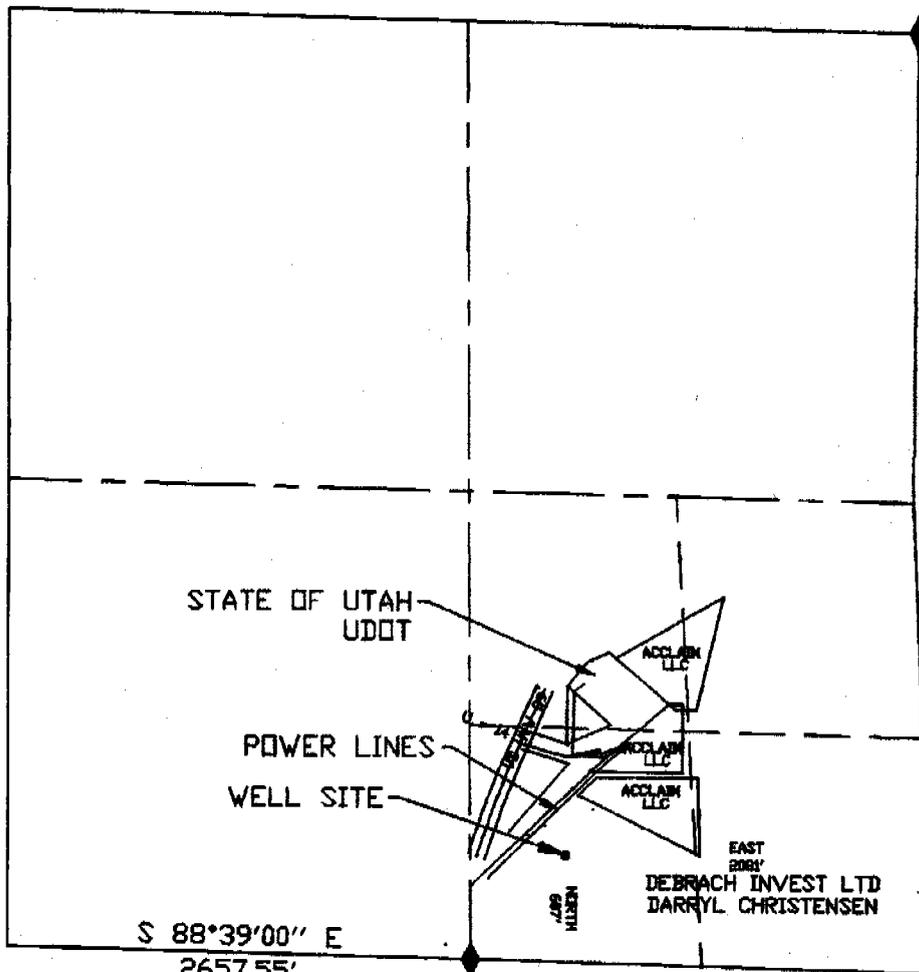
[Signature]

RECEIVED

AUG 23 2002

DIV OF OIL, GAS & MINING

SECTION 22, T. 38 S., R. 6 W.,
S.L.B. & M.



◆ DENOTES LOCATED GLO CORNER

└ OTHER EXTERIOR CORNER
LOCATIONS FIXED BY GLO
INFORMATION

DRAWN BY: K.L. NELSON	PROJECT	SHT. NAME	SHT. NO.
DATE: JULY, 2002	EARTH ENERGY OF UTAH, LLC (LEGEND ENERGY CORP.) DEBRACH WELL SITE	DEBRACH LLC	
SCALE: 1 INCH = 1000 FEET	WITHIN SECTION 22, T. 38 S., R. 6 W., S.L.B. & M.	WELL #1	1
APPROVED BY: R.B. PLATT			

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

FORM 3

AMENDED REPORT
(highlight changes)

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2. NAME OF OPERATOR: Legend Energy of Utah				9. WELL NAME and NUMBER: Debrach LLC #1	
3. ADDRESS OF OPERATOR: P.O. Box 231 CITY Glendale STATE UT ZIP 84729			PHONE NUMBER: (435) 648-2647	10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 607' FSL 2,081' FEL <i>4149727Y 37.48604</i> AT PROPOSED PRODUCING ZONE: Same <i>360407X -112.51105</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S 6W	
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12 1/4"	8 5/8" K-55 23		Class G+2%CaCl2+	sx 1.18 cf/sx	15.6
			0.25 #/sx Cello Flakes		
7 7/8"	5 1/2" K-55 15.5	3,500	Class G+3%sm+	278 sx 2.87 cf/sx	11.4
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7 7/8"	5 1/2" K-55 15.5	3,500	Class G+4% bentonite	34 sx 1.55 cf/sx	14.1
			+0.25 #/sx Cello Flake		

26. ATTACHMENTS

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<input checked="" type="checkbox"/> WELL PLAN OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 6, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

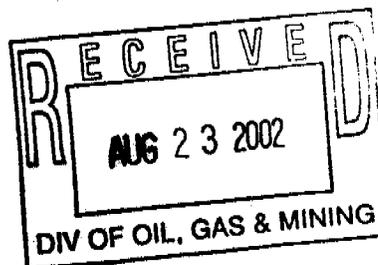
NAME (PLEASE PRINT) A. H. Morgan TITLE Manager

SIGNATURE *A. H. Morgan* DATE 8-22-02

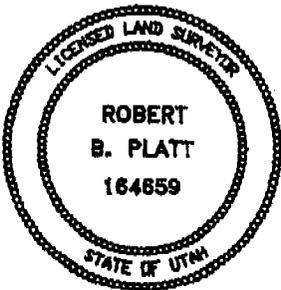
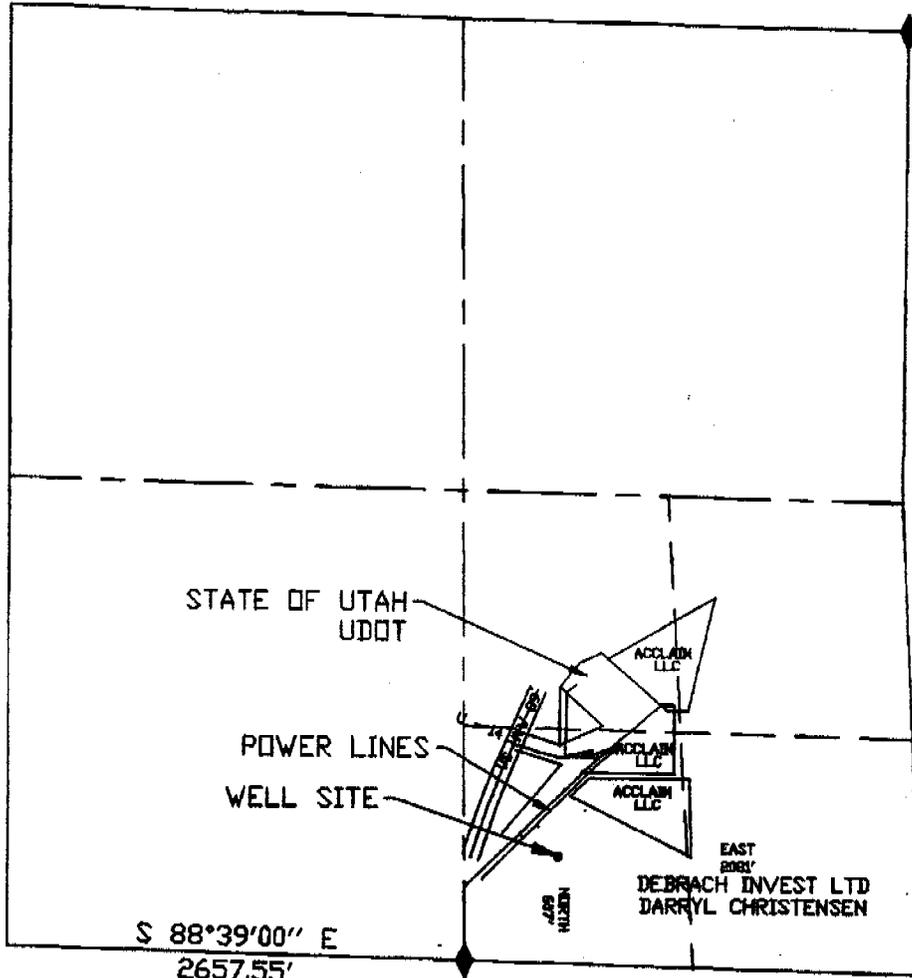
(This space for State use only)

API NUMBER ASSIGNED: 43-025-30033

APPROVAL:



SECTION 22, T. 38 S., R. 6 W.,
S.L.B. & M.



◆ DENOTES LOCATED GLO CORNER

└ OTHER EXTERIOR CORNER
LOCATIONS FIXED BY GLO
INFORMATION

DRAWN BY: K.L. NELSON

DATE: JULY, 2002

SCALE: 1 INCH = 1000 FEET

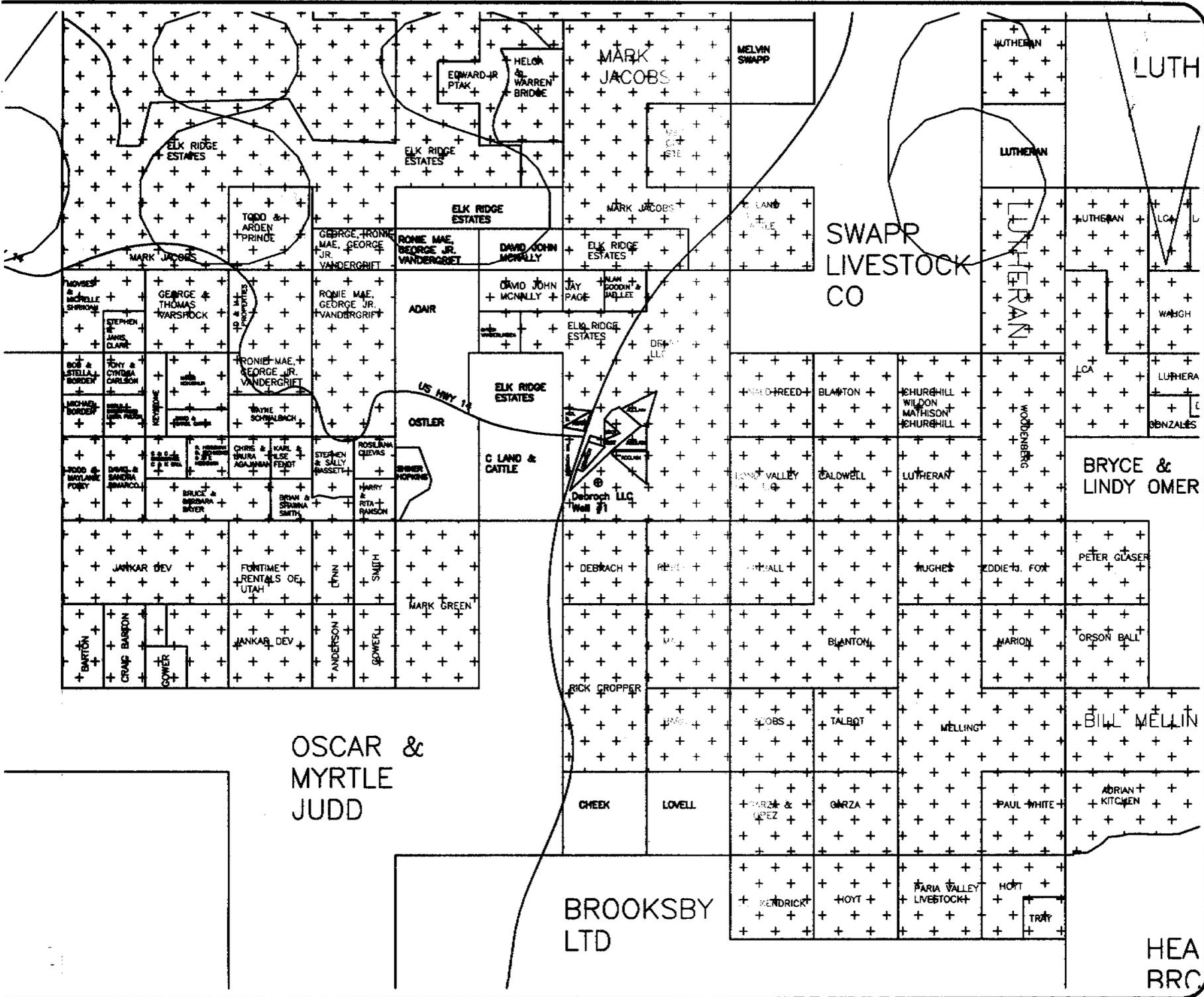
APPROVED BY: R.B. PLATT

PROJECT
EARTH ENERGY OF UTAH, LLC
(LEGEND ENERGY CORP.)
DEBRACH WELL SITE

WITHIN SECTION 22, T. 38 S., R. 6 W.,
S.L.B. & M.

SHT. NAME
DEBRACH LLC
WELL #1

SHT. NO.
1



LEGEND ENERGY OF UTAH, L.L.C.
Christensen LEASE
ALTON, UT
SCALE: 1" = 2000'

EARTH & STRUCTURE, INC
DONN M. FILLMORE, P.G.
800 S. VERMILION DR. KANAB, UTAH 84741
(435)644-3125 (435)649-0757

DATE:	FILE:
AUG 2002	PUGH
SHEET:	DRAWN BY:
1 OF 1	D. FILLMORE

HEA BRC

EARTH & STRUCTURE, INC.
800 S. Vermillion Dr.
Kanab, Utah 84741
435-644-3125 435-689-0559

August 22, 2002

VIA Federal Express

Mr. Mike Hebertson
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

AUG 23 2002

DIVISION OF
OIL, GAS AND MINING

***Re: Submittal of Amended Application for Permit to Drill Pugh #8 Disposal Well
and Two New Drill Applications for Permit to Drill the Carroll #1 and Debrach
LLC #1 Wells***

Dear Mr. Hebertson:

Enclosed herewith, please find two (2) copies of the amended application for permit to drill (APD's) for Pugh #8 Disposal Well for Legend Energy of Utah, L.L.C. Also, please find two new APD's. The new APD's are for the following wells:

Carroll #1, to be drilled on the Norman Carroll Lease Block

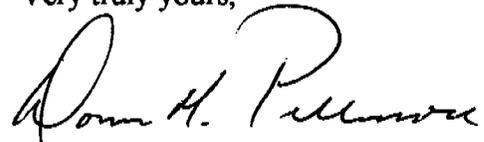
Debrach LLC #1, to be drilled on the L. Derral Christensen Lease Block

The amended APD only includes two copies of the Application for Permit to Drill, Form 3. The only change being made on the amended application is a new cementing program, as requested by Utah Division of Oil, Gas, and Mining, which has been changed on the submitted form. The new APD's include all required data including a map showing their

location in the Lease Block and the surrounding surface property ownership. Note that due to an excessively dry year water is not available from Carroll or Christensen, therefore, as noted in the text of the application, water will be purchased from the town of Alton or from a local rancher in the Alton area.

If you have any questions or require additional information please feel free to contact me at 435-689-0559 or A. H. Morgan, Manager of Legend Energy of Utah, at 435-648-2647.

Very truly yours,



Donn M. Pillmore

President

cc: A. H. Morgan, Manager

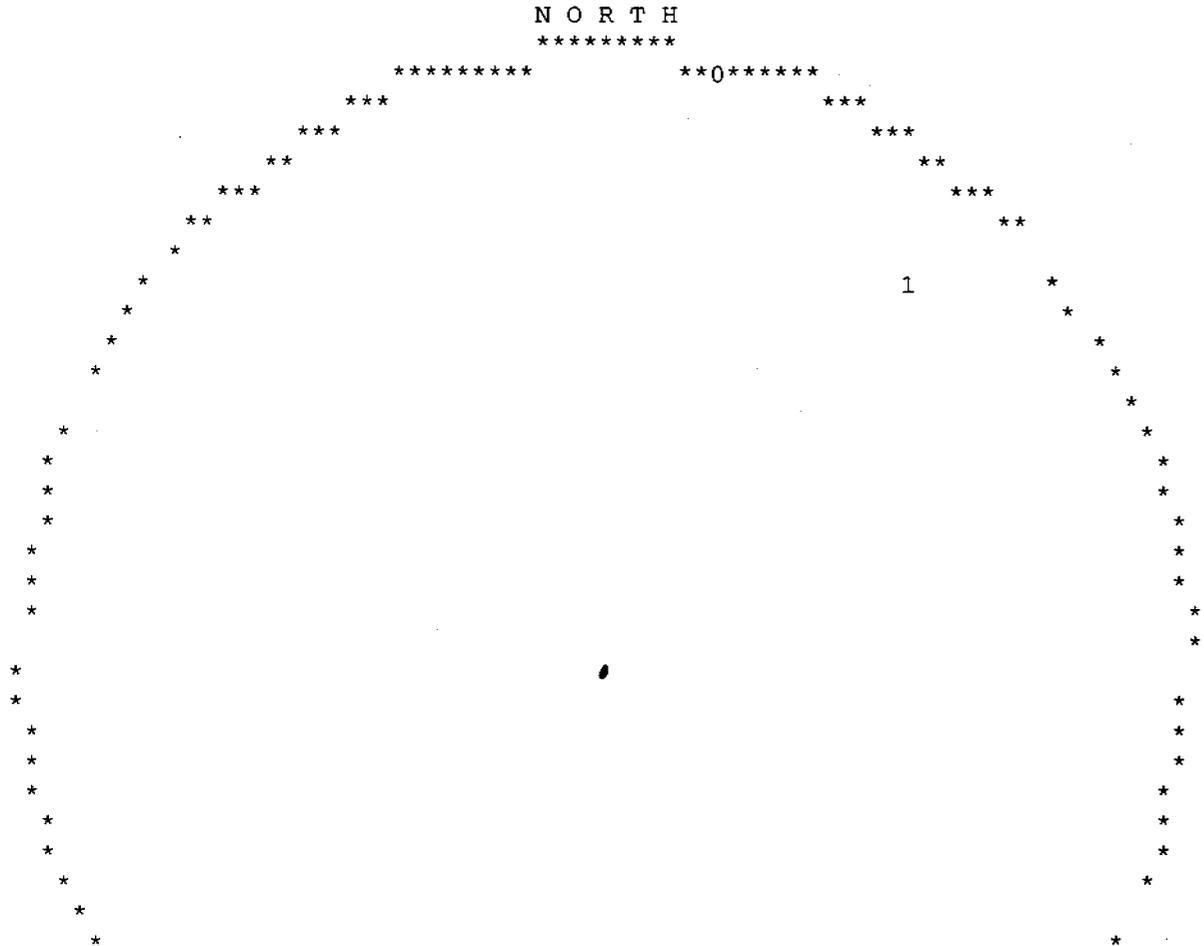
AUG 23 2002

DIVISION OF
OIL, GAS AND MINING

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, OCT 28, 2002, 10:48 AM
PLOT SHOWS LOCATION OF 2 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 1000 FEET FROM A POINT
N 607 FEET, W 2081 FEET OF THE SE CORNER,
SECTION 22 TOWNSHIP 38S RANGE 6W SL BASE AND MERIDIAN

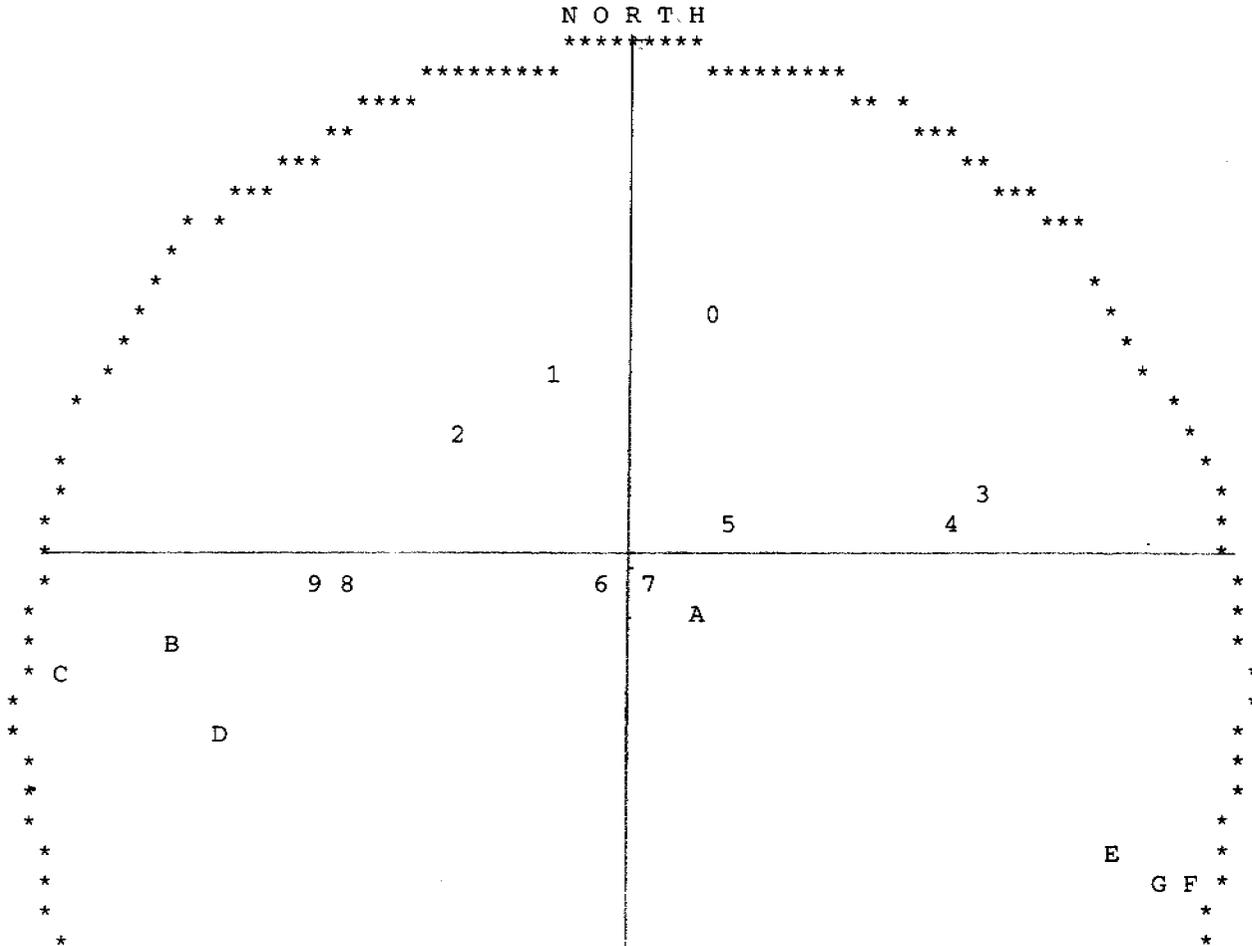
PLOT SCALE IS APPROXIMATELY 1 INCH = 400 FEET

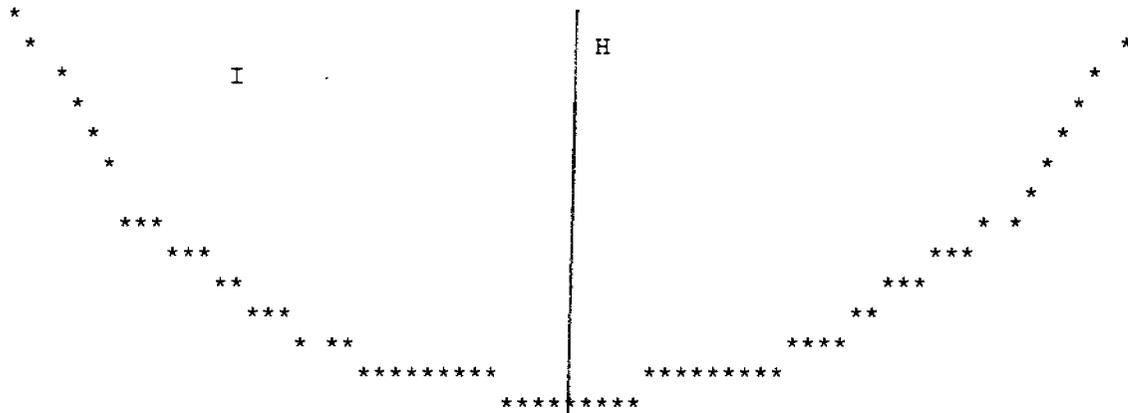


UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, OCT 28, 2002, 10:29 AM
PLOT SHOWS LOCATION OF 25 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FROM A POINT
N 607 FEET, W 2081 FEET OF THE SE CORNER,
SECTION 22 TOWNSHIP 38S RANGE 6W SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET





UTAH DIVISION OF WATER RIGHTS
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO	POINT OF DIVERSION DESCRIPTION							U A P T S					
					DIAMETER	DEPTH	YEAR LOG	NORTH	EAST	CNR	SEC	TWN	RNG	B&M	N	P	R
0	61 1037	7.6330	AND 634.48	Reservoirs and Springs				S 1541	E 3885	NW 22	38S	6W	SL			X	X
				WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING													
				C+ Land and Cattle Company			P. O. Box 477										UT 8462
1	61 1037	7.6330	AND 634.48	Reservoirs and Springs				S 2130	E 2496	NW 22	38S	6W	SL			X	X
				WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING													
				C+ Land and Cattle Company			P. O. Box 477										UT 84624
2	61 1037	7.6330	AND 634.48	Reservoirs and Springs				S 2508	E 1709	NW 22	38S	6W	SL			X	X
				WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING													
				C+ Land and Cattle Company			P. O. Box 477										UT 84624
3	61 1743	.0000	1.00	Unnamed Spring				N 2205	E 908	SW 23	38S	6W	SL			X	X
				WATER USE(S): STOCKWATERING													
				Reed, Ronald G. and Angela M.			4674 Linda Ave										NV 89121
4	a22758	.0014	OR .25	8 100 - 300				N 2100	E 575	SW 23	38S	6W	SL			X	

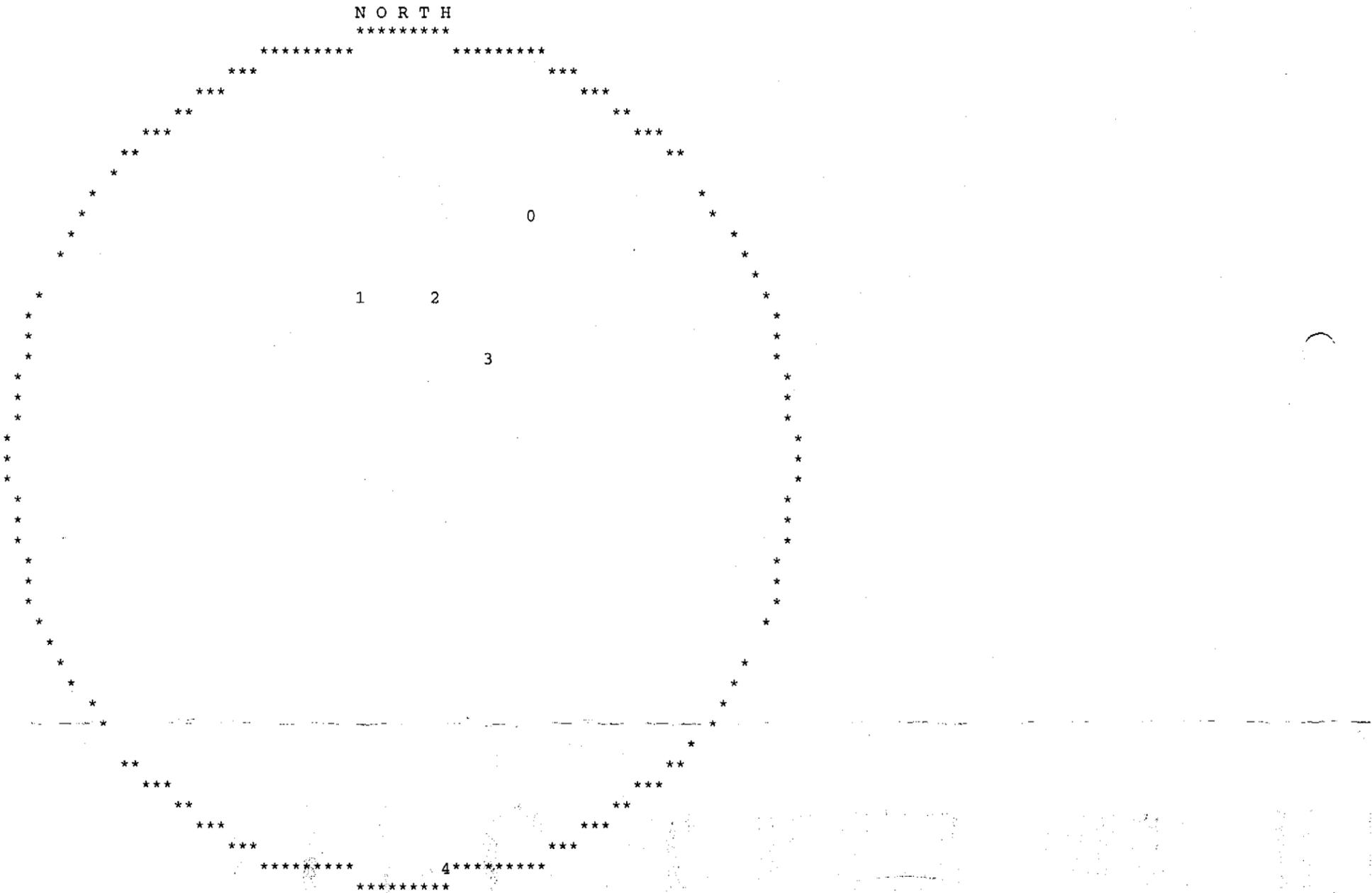
Priority	Date	Location	Use	Volume	Other	Y	N	E	W	S	SW	SL	X	UT			
	12/03/1998	Reed, Ronald G. and Angela M.	DOMESTIC											UT 84735-0			
5		a16720 .0000 .25 unnamed spring	DOMESTIC				N	2001	E	1352	S4	22	38S	6W	SL	X	X
	05/01/1992	Chamberlain, Cloyd	DOMESTIC											UT 84741			
5		a23986 .0000 .25 Underground Water Well and Spr	DOMESTIC				N	2001	E	1352	S4	22	38S	6W	SL	X	X
	12/06/1999	Chamberlain, Cloyd	DOMESTIC											UT 84741			
6		61 671 .0150 OR 3.00 4 400 1978 Y	DOMESTIC OTHER				N	1615	E	286	S4	22	38S	6W	SL		X
	07/15/1976	Christensen, L. Derral	OTHER											UT 84624			
		Adair, Neil B.												UT 84758			
6		a17457 .0800 .75 4 400	DOMESTIC				N	1615	E	286	S4	22	38S	6W	SL	X	
	06/21/1993	Goodin, Alan	DOMESTIC											NV 89128			
		Lee, Jae												NV 89128			
		Legro, Danny G.												NV			
		Steed, Milton and Cindy												UT			
6		a17456 .0000 16.50 4 400	DOMESTIC				N	1615	E	286	S4	22	38S	6W	SL		X
	06/21/1993	Elk Ridge Estates Water Company	DOMESTIC											UT 84770			
6		a16851 .0000 5.00 6 400	DOMESTIC				N	1615	E	286	S4	22	38S	6W	SL		X
	06/26/1992	C+ Land & Cattle Company	DOMESTIC											UT 84624			
6		a23800 .0000 16.50 4 400	DOMESTIC				N	1615	E	286	S4	22	38S	6W	SL	X	
	10/05/1999	Elk Ridge Estates Water Company	DOMESTIC											UT 8472			
6		a17457a .0000 5.40 4 400	DOMESTIC				N	1615	E	286	S4	22	38S	6W	SL	X	
	06/21/1993	Jacobs, Mark C.	DOMESTIC											UT 84721-0			
7		61 756 .0150 OR 3.00 6 555 1983 Y	DOMESTIC OTHER				S	1103	W	1898	E4	22	38S	6W	SL		X
	12/05/1979	State of Utah Department of Transportati	OTHER											UT 84119			
		4501 South 2700 West															
8		61 1688 .0150 .00 6 100 - 500	DOMESTIC STOCKWATERING				N	1463	E	750	SW	22	38S	6W	SL		X
	06/09/1994	Ostler, David L.	STOCKWATERING											UT 84041			
		922 Church Street															
9		61 1140 .0150 .00 6 100 - 500					N	1450	E	510	SW	22	38S	6W	SL		X

		WATER USE(S): DOMESTIC STOCKWATERING																PRIORITY DATE: 09/17/1984	
		Ostler, David L.				922 Church Street												Layton	UT 84041
A	a23986	.0000	.25	6	100 - 600	<u>N</u>	N	1220	E	1080	S4	22	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 12/06/1999	
		Chamberlain, Cloyd				256 South 400 East												Kanab	UT 84741
B	a23700	.0014 OR	.25	6	100 - 500		N	1100	W	790	SE	21	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 09/13/1999	
		Wilbur, Janice S.				P.O. Box 3244												Cedar City	UT 84721
C	a24077	.0000	.25	8	150 - 500	<u>N</u>	N	750	W	1650	SE	21	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 01/18/2000	
		Fendt, Karl Heinz and Ilse				9505 Queens Walk Cr.												Las Vegas	NV 89117
D	a19653	.0000	.25	6	100 - 500		N	330	W	330	SE	21	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 01/23/1996	
		Jennings, Michael E. and Stephanie E.				4319 Loreto Lane												Reno	NV 89502
E	a19280	.0014 OR	.25	6	100 - 300	<u>N</u>	S	660	W	660	N4	26	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 09/11/1995	
		Blanton, Terrell Edwin				P.O. Box 26												Glendale	UT 84729
F	61 1377	.0150	.00	6	100 - 200		S	720			N4	26	38S	6W	SL				X
		WATER USE(S): DOMESTIC STOCKWATERING																PRIORITY DATE: 09/14/1988	
		Evensen, James M.				79 Verde Vista Drive												Thousand Oaks	CA 91360
G	61 1762	.0014 OR	.25	6	155 1997	<u>Y</u>	S	846	W	261	N4	26	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 00/00/1875	
		Blanton, Terrell Edwin				P.O. Box 26												Glendale	UT 84729
H	a25787	.0000	.50	6	100 - 500	<u>N</u>	S	1796	E	832	N4	27	38S	6W	SL				X
		WATER USE(S): IRRIGATION DOMESTIC																PRIORITY DATE: 07/10/2001	
		Cropper, Rick S. and Doraine				270 South 300 East												Cedar City	UT 84721
I	a25895	.0000	.25	6	100 - 500		N	635	E	350	W4	27	38S	6W	SL				X
		WATER USE(S): DOMESTIC																PRIORITY DATE: 08/20/2001	
		Green, Mark				3503 Greenwich Drive												North Las Vegas	NV 89032

UTAH DIVISION OF WATER RIGHTS
 WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, OCT 28, 2002, 10:44 AM
 PLOT SHOWS LOCATION OF 11 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 2500 FEET FROM A POINT
 N 607 FEET, W 2081 FEET OF THE SE CORNER,
 SECTION 22 TOWNSHIP 38S RANGE 6W SL BASE AND MERIDIAN

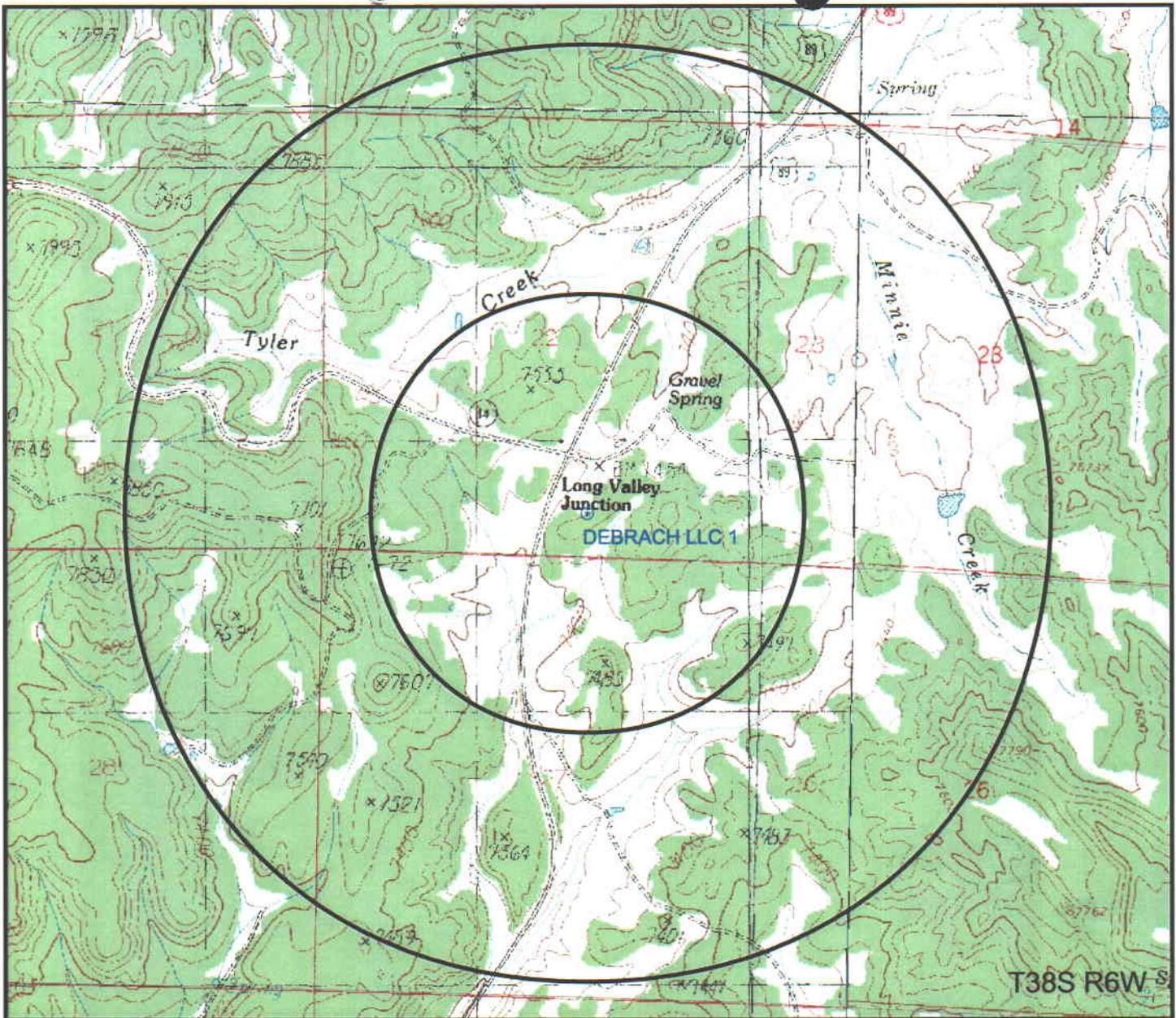
PLOT SCALE IS APPROXIMATELY 1 INCH = 1000 FEET



UTAH DIVISION OF WATER RIGHTS
 NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO DIAMETER	DEPTH	YEAR LOG	POINT OF DIVERSION DESCRIPTION NORTH EAST	CNR SEC	TWN	RNG B&M	U A P T S N P E E U N P R R R
0	a16720	.0000	.25	unnamed spring			N 2001 E 1352	S4 22	38S	6W SL	X X
		WATER USE(S): DOMESTIC		256 South 400 East				PRIORITY DATE: 05/01/1992		Kanab	UT 84741
0	a23986	.0000	.25	Underground Water Well and Spr			N 2001 E 1352	S4 22	38S	6W SL	X X
		WATER USE(S): DOMESTIC		256 South 400 East				PRIORITY DATE: 12/06/1999		Kanab	UT 84741
1	61 671	.0150 OR	3.00	4	400	1978 Y	N 1615 E 286	S4 22	38S	6W SL	X
		WATER USE(S): DOMESTIC OTHER		P.O. Box 477				PRIORITY DATE: 07/15/1976		Delta	UT 84624
		Christensen, L. Derral		P.O. Box 23						Orderville	UT 84758
1	a17457	.0800	.75	4	400		N 1615 E 286	S4 22	38S	6W SL	X
		WATER USE(S): DOMESTIC		7612 Belmondo Lane				PRIORITY DATE: 06/21/1993		Las Vegas	NV 89128
		Goodin, Alan		7612 Belmondo Lane						Las Vegas	NV 89128
		Lee, Jae		P.O. Box 100123						Las Vegas	NV
		Legro, Danny G.								Alton	UT
		Steed, Milton and Cindy									
1	a17456	.0000	16.50	4	400		N 1615 E 286	S4 22	38S	6W SL	X
		WATER USE(S): DOMESTIC		P.O. Box 1424				PRIORITY DATE: 06/21/1993		St. George	UT 84770
		Elk Ridge Estates Water Company									
1	a16851	.0000	5.00	6	400		N 1615 E 286	S4 22	38S	6W SL	X

ID	Water Use(S)	Volume	Priority	Date	Location	Priority Date	City	UT
1	a23800 WATER USE(S): DOMESTIC C+ Land & Cattle Company	.0000 16.50	4	400	P.O. Box 477	06/26/1992	Delta	UT 84624
1	a17457a WATER USE(S): DOMESTIC Elk Ridge Estates Water Company	.0000 5.40	4	400	P.O. Box 723	10/05/1999	Cedar City	UT 84720
1	a17457a WATER USE(S): DOMESTIC Jacobs, Mark C.	.0000 5.40	4	400	P.O. Box 723	06/21/1993	Cedar City	UT 84721-0
2	61 756 WATER USE(S): DOMESTIC OTHER State of Utah Department of Transportati	.0150 OR 3.00	6	555	1983 Y S 1103 W 1898 4501 South 2700 West	12/05/1979	Salt Lake City	UT 84119
3	a23986 WATER USE(S): DOMESTIC Chamberlain, Cloyd	.0000 .25	6	100 - 600	N N 1220 E 1080 256 South 400 East	12/06/1999	Kanab	UT 84741
4	a25787 WATER USE(S): IRRIGATION DOMESTIC Cropper, Rick S. and Doraine	.0000 .50	6	100 - 500	N S 1796 E 832 270 South 300 East	07/10/2001	Cedar City	UT 84720



T38S R6W S

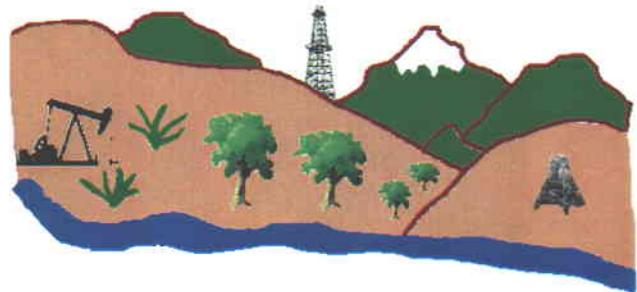
LEGEND

Well Status

- GAS INJECTION
- GAS STORAGE WELL
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Land Ownership

- Private Not Classed
- Forest Service
- BLM
- State Lands
- Native American
- Private
- Military
- National Parks
- State Parks
- State Wilderness
- National Recreation
- US Wildlife
- Wilderness
- Bankhead Jones
- Sovereign Lands
- Water
- Intermittent Water

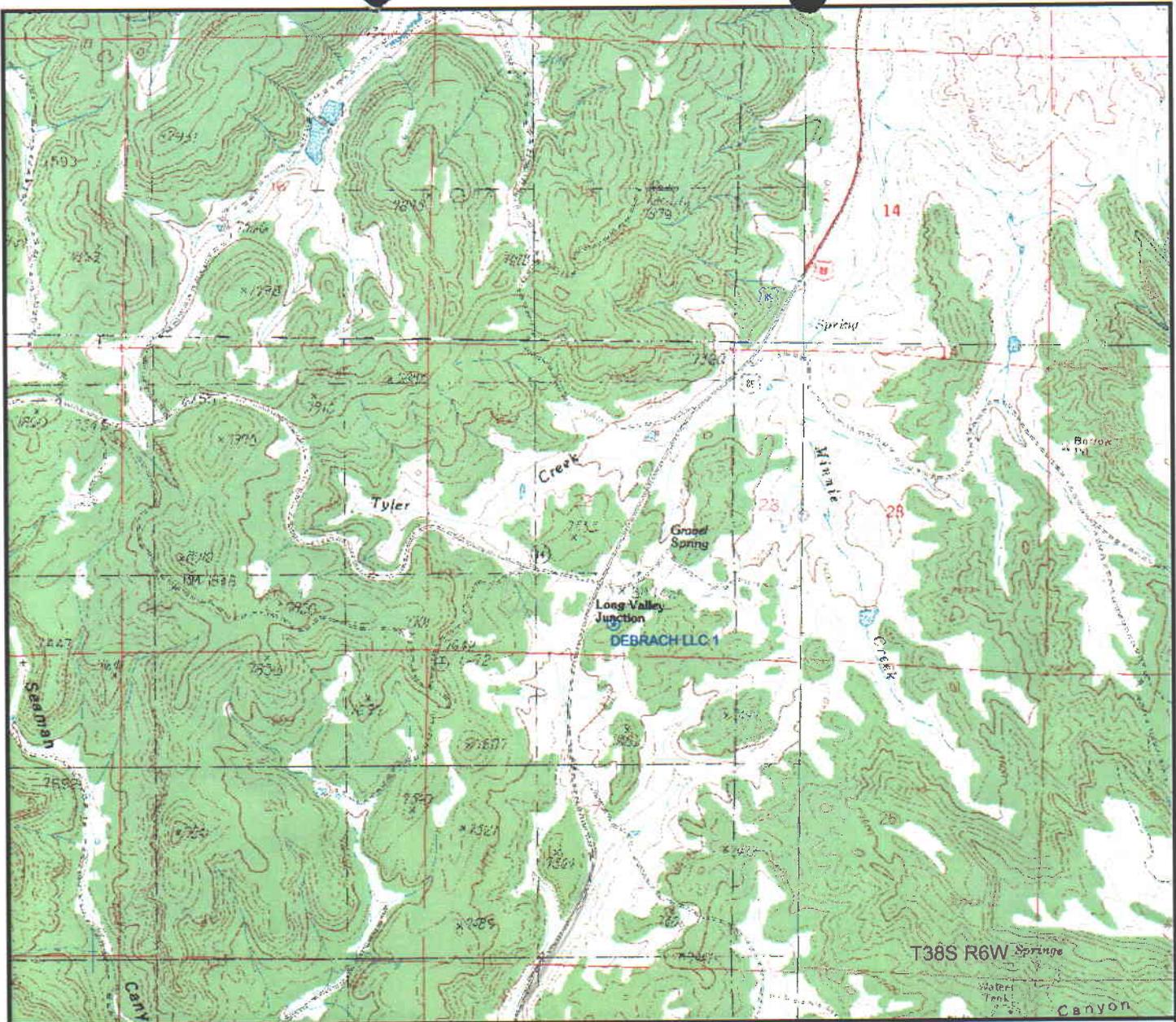


Utah Oil Gas and Mining



LEGEND ENERGY
 DEBRACH LLC #1
 SEC. 22, T38S, R6W
 KANE, COUNTY

Prepared By: K. Michael Hebertson



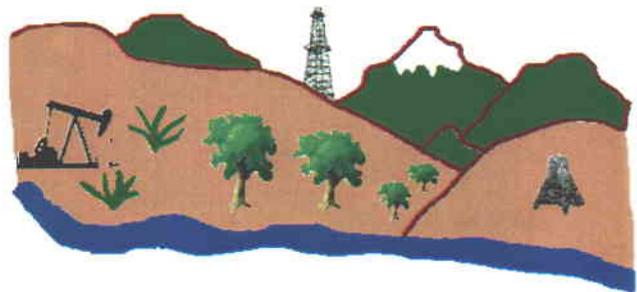
LEGEND

Well Status

- / GAS INJECTION
- GAS STORAGE WELL
- LOCATION ABANDONED
- ⊙ NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- x TEMP. ABANDONED
- TEST WELL
- ▲ WATER INJECTION
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- WATER DISPOSAL

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- Forest Service
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- State Lands
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- Sovereign Lands
- Water
- Intermittent Water



Utah Oil Gas and Mining



LEGEND ENERGY
DEBRACH LLC #1
SEC. 22, T38S, R6W
KANE, COUNTY

Prepared By: K. Michael Hebertson

STATE ACTIONS
State Clearinghouse Coordinator
116 State Capitol, SLC, UT 84114
538-1535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. State Application Identifier Number: (assigned by State Clearinghouse)
	3. Approximate date project will start: Upon Approval or September 1, 2002
4. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Five County Association of Governments	
5. Type of action: // Lease <input checked="" type="checkbox"/> // Permit // License // Land Acquisition // Land Sale // Land Exchange // Other _____	
6. Title of proposed action: Application for Permit to Drill	
7. Description: Legend Energy of Utah proposes to drill the Carroll #1 and Debrach LLC #1 well (wildcat) on Fee leases, Kane County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
8. Land affected (site location map required) (indicate county) NW/4, SE/4; Section 2, Township 40 South, Range 7 West and SW/4, SE/4, Section 22, Township 38 South, Range 6 West, Kane County, Utah	
9. Has the local government(s) been contacted? No	
10. Possible significant impacts likely to occur: Degree of impact is based on the discovery of oil or gas in commercial quantities.	
11. Name and phone of district representative from your agency near project site, if applicable:	
12. For further information, contact: Diana Mason Phone: (801) 538-5312	13. Signature and title of authorized officer  John R. Baza, Associate Director Date: August 27, 2002

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/23/2002

API NO. ASSIGNED: 43-025-30033

WELL NAME: ~~DEBRACH LLC-1~~ Christensen 1
OPERATOR: LEGEND ENERGY OF UTAH (N1890)
CONTACT: A.H. MORGAN

PHONE NUMBER: 435-648-2647

PROPOSED LOCATION:

SWSE 22 380S 060W
SURFACE: 0607 FSL 2081 FEL
BOTTOM: 0607 FSL 2081 FEL
KANE
UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	<u>DKD</u>	<u>11/1/02</u>
Geology		
Surface		

LEASE TYPE: 4 - Fee
LEASE NUMBER: FEE
SURFACE OWNER: 4 - Fee
PROPOSED FORMATION: DKTA

LATITUDE: 37.48664
LONGITUDE: 112.51105

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[4]
(No. 052-935294-0)
- N Potash (Y/N)
- N Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. A22746)
- RDCC Review (Y/N)
(Date: 9/10/2002)
- Fee Surf Agreement (Y/N)
faxed to DOGM on 11/14/02.

LOCATION AND SITING:

- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Need Proviso (Recd 10/30/02)

STIPULATIONS: 1- Spacing Slip
2- Surface Casing Cement Slip
3- STATEMENT OF BASIS

T38S R6W



OPERATOR: Legend Energy (N1890)

SEC: 22 T38S R6W

FIELD: WILDCAT (001)

COUNTY: KANE SPACING: 649-3-2



Utah Oil Gas and Mining

Well Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Units Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- Sections.shp
- Township.shp
- Counties.shp



Prepared By: D. Mason
Date: 26-AUGUST-2002

MEMORANDUM

DATE: September 4, 2002
TO: Utah Division of Oil, Gas and Mining
CC: Resource Development Coordinating Committee
FROM: Utah Geological Survey, Environmental Sciences Program
SUBJECT: UGS comments on RDCC short turn around item 2133

2133. Short Turn Around Drilling Permits

SLB&M Location: Sec. 2, T40S, R7W; Sec 22, T38S, R6W, Kane County
Application for Permit to Drill - proposal to drill a wildcat well, the Carroll #1 and Debrach LLC #1 well, on Fee leases.

Although there are no paleontological localities recorded in this project area, surficial deposits on the Carroll #1 well site (Sec. 2, 40S, 7W) are comprised of the Late Cretaceous Wahweap Formation, which has the potential for yielding significant vertebrate fossil localities. A paleontological survey of this project is therefore recommended.

Five County Association of Governments

906 North 1400 West
St. George, Utah 84770

Fax (435) 673-3540

Post Office Box 1550
St. George, Utah 84771

Office (435) 673-3548

RECEIVED

SEP 16 2002



DIVISION OF OIL, GAS AND MINING
SOUTHWEST UTAH
AREAWIDE CLEARINGHOUSE A-95 REVIEW

Type of Action: Pre-Application Notification of Intent Application
Notice of Federal Action

Receipt Date 08/30/02 SAI Number _____ ACH Number _____

Applicant Identification, Address
Utah Division Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Funding:
Federal N/A
Supplemental N/A
State N/A
Local N/A
Other N/A

Applicant's Project Title:
APPLICATION FOR PERMIT TO DRILL TOTAL N/A

Description: Legend Energy of Utah proposes to drill the Carroll #1 and Debrach LLC #1 well (wildcat) on Fee leases, Kane County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.

AREAWIDE CLEARINGHOUSE COMMENTS ON PROPOSAL FOR FEDERAL AID

Staff review completed (date): 09/04/02
Screening Committee review completed (date) 09/11/02
Executive Board Review Completed (date)
Referred to original for additional information (date)

- Recommend Approval Comments (see reverse side of page)
- Conditionally approved as follows (see reverse side of page) _____
- Recommend Disapproval _____ Comments (see reverse side of page) _____
- The project described above (X) does () does not conform with the policy or planning of the multijurisdictional area it directly impacts. Additional information () Is (X) Is not needed.
- We also serve notice that all requirements of the Project Notification and Review System for this multijurisdictional area have been met. Therefore, attach this letter to your application and forward to the federal funding agency.
- If this project will be a renewal or continuation grant, please submit your application next year to this areawide clearinghouse for re-review 30 days prior to submission to federal funding agency.
- We would anticipate reviewing final project application 30 days prior to submission for funding.

If any Clearinghouse Comments go unresolved, Federal law requires the Applicant to attach a copy of all negative comments to the project application and forward them both to the Federal Funding Agency(ies).



Authorizing Official

September 11, 2002

Date

Copy to review sent to applicant

AREAWIDE CLEARINGHOUSE COMMENTS

The Utah Division of Oil, Gas and Mining has received an application from Legend Energy of Utah to drill two additional wildcat gas wells near Alton. Similar applications have been reviewed in October 2001 and May 2002 and were strongly supported by Kane County officials. (Ken Sizemore)

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Legend Energy of Utah
WELL NAME & NUMBER: Debrach LLC #1 (Being Changed to Christensen #1)
API NUMBER: 43-025-30033
LEASE: Fee (Christensen) **FIELD/UNIT:** Wildcat
LOCATION: 1/4,1/4 SW SE Sec: 22 TWP: 38S RNG: 6 W 607 FSL 2081 FEL
LEGAL WELL SITING: 660 F SEC. LINE; 660 F 1/4,1/4 LINE; 1320 F ANOTHER WELL.
GPS COORD (UTM): X =366,407 E;Y =4,149,727 N SURFACE OWNER: Christensen

PARTICIPANTS

Mike Hebertson (DOGM), Harriman Morgan (Legend Energy), Chester Jacobs (Surface Owner Representative) Don Pillmore (Earth & Structure Inc.)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Regionally these wells are located on the southwestern flank of the Paunsaugunt Plateau. To the west is Long Valley Junction, to the east 1 1/2 miles is the upthrown side of the Sevier fault. This fault runs northeast southwest as does Long Valley and the Virgin River, which forms the actual Long Valley Drainage. This location is within 1/2 mile of the drainages which form the headwaters of the Virgin River. Major water sources such as Kanab Creek, Birch Canyon, and others are also source waters for the Virgin River Basin. The area is covered with deposits, consisting of alluvium, colluvium, pediment alluvium, and landslides. The Tropic Shale, is a nonresistant fissile shale that forms the Virgin River Valley at this location, however the location itself is on Quaternary Allivium.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife. The wildlife use of this area is very seasonal, and appears to be mostly used for migration.

PROPOSED SURFACE DISTURBANCE: A pad, pit, and access road. The pad will be 130'X 220', the pit will be 30X50x8, and the access road will be improved for ~300' off an established road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: There are no locations within a mile of this well

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be kept on location. All pipelines and utilities will follow the access road.

SOURCE OF CONSTRUCTION MATERIAL: Borrowed from the well pad.

ANCILLARY FACILITIES: None were requested.

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. No crude oil is expected. Drilling fluid, completion/frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Used oil from drilling operations and support will be hauled to a used oil recycling facility and disposed of. Produced water

will be disposed of at an approved facility.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: the pad is located at the head waters resource area of the Virgin River. This river is the major source of agricultural and domestic water in this area and could easily be negatively impacted by this development. All precautions will be taken to protect this river from siltation and added sediment load.

FLORA/FAUNA: Deer, Coyotes, turkey, Birds, seasonal and resident, Sage Brush, pinion, Juniper, Spruce and other upper Sonoran Desert type vegetation.

SOIL TYPE AND CHARACTERISTICS: the soil is a orange to red silt and clay derived from the Tropic Shale, Straight Cliffs, and Wahweap Formations.

SURFACE FORMATION & CHARACTERISTICS: Quaternary Alluvium composed of silt and clay.

EROSION/SEDIMENTATION/STABILITY: Erosion is more under control since, the land is not overgrazed, by livestock. During periods of high runoff erosion could be a problem. The sedimentation problems could exist down stream of this location, and runoff from storms and spring thaw could enter the Virgin River. The pad is stable.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: As above, and probably inadequate.

LINER REQUIREMENTS (Site Ranking Form attached): A liner is required

SURFACE RESTORATION/RECLAMATION PLAN

As per the surface use agreement.

SURFACE AGREEMENT: There is no Surface Use Agreement.

CULTURAL RESOURCES/ARCHAEOLOGY: None is required

OTHER OBSERVATIONS/COMMENTS

All the invited parties were in attendance. The location access is on an area that is being used as storage for UDOT for road base. It was recommended that the operator contact the State Water Engineer in Cedar City District to obtain needed input on the impact of this operation on the Virgin River Drainage. It was also suggested that the operator contact the several residents around Long Valley Junction that will be within visual range of the drilling operations, and let them know what will be happening at this site.

ATTACHMENTS

Photos of this location were taken and placed on file.

K. Michael Hebertson
DOGM REPRESENTATIVE

30-October-2002 1:00 PM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Scores
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>15</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>10</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>5</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>10</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>10</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>7</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>10</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 77 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR: Legend Energy of Utah
WELL NAME & NUMBER: Debrach LLC #1
API NUMBER: 43-025-30033
LEASE: Fee (Christensen) **FIELD/UNIT:** Wildcat
LOCATION: 1/4, 1/4 SW SE **Sec:** 22 **TWP:** 38S **RNG:** 6 W 607 FSL 2081 FEL

Geology/Ground Water:

There are 2 known points of diversion within 1000 feet of this proposed well sight. Both of these are permitted for domestic use and are between 100 and 600 feet deep. The depth of the 8 5/8 inch surface casing is not specified, therefore the surface casing will be set below 650'. The type and quantity of cement is not specified, therefore the amount pumped will be adequate to protect the potential sources and be circulated back to surface.. Active water in the streams is used for agricultural purposes. The Virgin and Sevier Rivers, headwaters are within 1/2 mile of this location. It is the major drainage for this entire area since this location lies near the headwaters of this active watercourse, every precaution will be taken to prevent any waste from this operation entering the streams.

Reviewer: K. Michael Hebertson **Date:** 30-October-2002

Surface:

No surface use agreement has been executed. Issues with wildlife on this private property are being investigated. There are no known restrictions for this project, and the RDCC comment period has not yielded any notable objections. It was recommended that the operator contact the State Water Engineer in Cedar City District to obtain needed input on the impact of this operation on the Virgin River Drainage. It was also suggested that the operator contact the several residents around Long Valley Junction that will be within visual range of the drilling operations, and let them know what will be happening at this site.

Reviewer: K. Michael Hebertson **Date:** 30-October-2002

Conditions of Approval/Application for Permit to Drill:

1. Location edge will be bermed so as to catch and retain runoff from the well pad.
2. A berm will be placed around the top outside edge of the pad.
3. A brush barrier will be left between the location and any drainage.
4. A Synthetic pit liner of a minimum 14 Mil thickness is required
5. Top soil will be stored in a low windrow, and will be revegetated to control erosion.
6. Spoil piles will be placed in low windrows rather than tall piles or mounds.
7. Road shoulders, pipeline access, unused portions of the location, and other disturbed areas will be reseeded with the surface owners recommended seed mixture immediately after being disturbed.





002

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 purposes to add new wells, significantly change existing wells (alter casing/depth, cement placed, etc.) or to add additional wells. Use APPLICATION FOR PERMIT TO DRILL form for such purposes.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. WELL DESIGNATION AND SERIAL NUMBER N/A
2. NAME OF OPERATOR Legend Energy of Utah, LLC		7. WELL AREA/ADJACENT WELLS N/A
3. ADDRESS OF OPERATOR PO Box 281 city Glendale STATE UT ZIP 84729		8. WELL LOGS AND NUMBER Christensen #1
PHONE NUMBER (435) 648-2647		9. WELL NUMBER 4302830033
4. LOCATION OF WELL POSTAGE AT SURFACE: 807 FSL 2,061 FSL		10. WELL AND POOL OR WILDCAT Wildcat
SYMBOL, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S SW		COUNTY: Kane
		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 (Check in Division) Approvals date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> REPAIR	<input type="checkbox"/> REPERFORATE CURRENT PERMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Check Original Form Once) 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 checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input checked="" 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"/> COMMENCE PRODUCTION OPERATIONS	<input type="checkbox"/> RECLASSIFICATION 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 check all pertinent details including dates, depths, volumes, etc.

Change the name of the well from Debrach #1 to Christensen #1

Proposed Casing and Cementing Program

12 1/4"	8 5/8"	K-55	23.0	650'	Class G*	455 ax	1.18 cf/ax	15.6
7 7/8"	5 1/2"	K-55	15.6	3,500'	80/50 POZ	525 ax	1.48 cf/ax	13.0
7 7/8"	5 1/2"	K-55	16.6	3,500'	Class G*	175 ax	1.20 cf/ax	16.0

*Or a comparable cement such as Premium Type V

Surface casing cement will be brought back to the surface until it stays in place.

A sufficient quantity of cement (15#/gal.) to cover all producing zones plus 100' above the top of the 1st producing unit will be pumped.

Actual cement volumes will be based on caliper logs plus 25% will be added.

NAME (PLEASE PRINT) <u>A. H. Morgan</u>	TITLE <u>Manager</u>
SIGNATURE <u>A. H. Morgan</u>	DATE <u>10-31-02</u>

(This space for State use only)

(6899)

(See Instructions on Reverse Side)

RECEIVED

OCT 31 2002

DIVISION OF
OIL, GAS AND MINING

Legend Energy of Utah, LLC

PO Box 231
Glendale, UT 84729
Phone: 435-648-2647
Fax: 435-648-2709
Email: Harry@LegendEnergy.net



Fax Transmittal Form

To **DUSTIN DOUCET**

From **A.H. MORGAN**
LEGEND ENERGY

Name: **DOGM**
Organization Name/Dept:
CC:
Phone number:
Fax number:

Phone: 435-648-2647
Fax: 435-648-2709
Email: Harry@LegendEnergy.net

- Urgent
- For Review
- Please Comment
- Please Reply

Date sent: **10-31-02**
Time sent: **2:45 PM**
Number of pages including cover page: **2**

Message:

DUSTIN - WE HAD TO CHANGE DEPTH OF SURFACE PIPE FROM 360' TO 650' BECAUSE OF PRODUCING WATER WELLS IN THE AREA.

THANKS,
A. H. Morgan

Well name:	10-02 Legend Energy Chrestensen # 1		Project ID:
Operator:	Legend Energy of Utah, LLC		43-025-30033
String type:	Surface		
Location:	Kane County		

Design parameters:

Collapse

Mud weight: 8.600 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.478 psi/ft
 Calculated BHP: 311 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 566 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 74 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 130 ft

Cement top:

Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 3,500 ft
 Next mud weight: 9.200 ppg
 Next setting BHP: 1,673 psi
 Fracture mud wt: 13.000 ppg
 Fracture depth: 650 ft
 Injection pressure: 439 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	650	8.625	24.00	K-55	ST&C	650	650	7.972	5449

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	290	1370	4.72	311	2950	9.50	16	263	16.86 J

J
 BHP = 1674 psi
 O.K.

Prepared by: Dustin Doucet
 Utah Dept. of Natural Resources

Phone: 801-538-5281
 FAX: 801-359-3940

Date: November 1, 2002
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Collapse is based on a vertical depth of 650 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes.
 Burst strength is not adjusted for tension.

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

Well name:	10-02 Legend Energy Christensen # 1	
Operator:	Legend Energy of Utah, LLC	Project ID:
String type:	Production	43-025-30033
Location:	Kane County	

Design parameters:

Collapse
Mud weight: 9.200 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.478, psi/ft
Calculated BHP: 1,673 psi
No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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

Tension is based on air weight.
Neutral point: 3,013 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 114 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: 4 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ()
1	3500	5.5	15.50	K-55	ST&C	3500	3500	4.825	18610

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	1673	4040	2.42	1673	4810	2.88	54	222	4.09 J

Prepared by: Dustin Doucet
Utah Dept. of Natural Resources

Phone: 801-538-5281
FAX: 801-359-3940

Date: November 1, 2002
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 3500 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

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

0-02 Legend Energy Christensen # 1

Casing Schematic

Surface

Washout
 600' -
 Repergrants
 8-5/8"
 MW 8.6
 Frac 13.

TOC @ 4.
 TOC @ 0.
 Surface
 650. MD

W/228 washout

1480' -
 Straight Cliffs

BOP

BHP
 $(0.052)(9.2)(3500) = 1674 \text{ psi}$
 Anticipated = 1000 psi

$\frac{G_{gs}}{0.12}(3500) = 420 \text{ psi}$

MAASP = 1254 psi

2MBOPF proposed
 Adequate DED
 10/01/02

1655' -
 Jonathan

W/158 washout

24# per Harriman Morgan
 K-55 6/11/02

2600' -
 Triassic Shale

2756' TOC tail

3000' -
 Top Dakota

3100' -
 Smer #

3100' } Gas
 3120' }

3485' } Gas

Bottom Well
 5-1/2"
 MW 9.2

3500'
 Production
 3500. MD

SURFACE DAMAGE AND WATER AGREEMENT

Let it be known that on November 6, 2002, L. Derrall and/or Barbara Christensen, husband and wife, of Millard County, State of Utah, agrees to accept as surface damages \$1500.00 (Fifteen Hundred Dollars) per well drilled on said land owned by the above L. Derrall and/or Barbara Christensen, as described in Schedule "A".

SEE SCHEDULE "A" ATTACHED

~~Also above, L. Derrall and/or Barbara Christensen, agrees to furnish water for the drilling and completion of each well described in Schedule "A" for \$500.00 (Five Hundred Dollars) per well, if available.~~

BC

Legend Energy of Utah, LLC, agrees to pay the above amounts to said owners on a well-by-well basis.

\$3,000. - BC

Legend Energy of Utah, LLC and/or its assigns will not enter said premises until Legend Energy of Utah, LLC has paid the owners (\$1500.00) Fifteen Hundred Dollars) for surface damages and \$500.00 (Five Hundred Dollars) for water, if available, for drilling of the first well.

All payments will be made on a well-by-well basis

This Surface Damage and Water Agreement was signed and approved November 6, 2002.

LEGEND ENERGY OF UTAH, LLC

Barbara Christensen

Barbara Christensen

A. H. Morgan
A. H. Morgan, Manager

EXHIBIT "A"

EXHIBIT "A" TO THAT CERTAIN OIL AND GAS LEASE ENTERED INTO UPON THIS DAY OF APRIL, 2001 BY AND BETWEEN L. DERRAL CHRISTENSEN & BARBARA CHRISTENSEN, HUSBAND AND WIFE, DOING BUSINESS AS C + LAND AND CATTLE COMPANY AS LESSORS, AND EARTH ENERGY LLC OF UTAH AS LESSEE.

Township 38 South, Range 5 West, Salt Lake Base and Meridian, Kane County, Utah

Section 18

Lots 1-4, East Half of the West Half, West Half of the East Half of Section 18, Township 38 South Range 5 West Salt Lake Base and Meridian. Containing 480 acres, more or less. All interest owned in unto the above described 480 acre tract.

Section 19

Lots 1-4, East Half of the West Half of Section 19, Township 38 South Range 5 West Salt Lake Base and Meridian. Containing 320 acres, more or less. All interest owned in unto the above described 320 acre tract.

Township 38 South, Range 6 West, Salt Lake Base and Meridian, Kane County, Utah

Section 3: The South Half of the Northeast Quarter, Southeast Quarter of the Northwest Quarter, Northeast Quarter of the Southwest Quarter, Southwest Quarter of the Southwest Quarter of Section 3, Township 38 South, Range 6 West, SLB&M. Containing 200 acres, more or less. All interest owned in unto the above described 200 acre tract.

Section 4: The Southeast Quarter of the Southeast Quarter of Section 4, Township 38 South Range 6 West SLB&M. Containing 40 acres, more or less. All interest owned in unto the above described 40 acre tract.

Section 9: All of Section 9, Township 38 South, Range 6 West, SLB&M. Containing 640 acres, more or less. All interest owned in unto the above described 640 acre tract.

Section 10: The South Half of Section 10, Township 38 South, Range 6 West, SLB&M. Containing 320 acres, more or less. All interest owned in unto the above described 320 acre tract.

Section 12: The East Half, East Half of the West Half, Northwest Quarter of the Northwest Quarter of Section 13, Township 38 South, Range 6 West, SLB&M. Containing 520 acres, more or less. All interest owned in unto the above described 520 acre tract.

Section 14: The Northeast Quarter of the Southeast Quarter of Section 14, Township 38 South, Range 6 West, SLB&M. Containing 240 acres, more or less. All interest owned in unto the above described 240 acres, more or less.

Section 15: The East Half, North Half of the Northwest Quarter, Southwest Quarter of Section 15 Township 38 South, Range 6 West, SLB&M. Containing 560 acres, more or less. All interest owned in unto the above described 560 acre tract.

Section 16: All of Section 16 Township 38 South, Range 6 West SLB&M. Containing 640 acres, more or less. All interest owned in unto the above described 640 acre tract.

Section 21: All of Section 16 Township 38 South, Range 6 West SLB&M. Containing 640 acres, more or less. All interest owned in unto the above described 640 acre tract.

Section 22: The North Half of the Northeast Quarter, Southwest Quarter of the Northeast Quarter, Southeast Quarter of the Northwest Quarter, Southeast Quarter of the Northeast Quarter, Southeast Quarter of Section 22 Township 38 South, Range 6 West, SLB&M.

LESS: Any portion lying within the following described parcels:

Parcel 1: That portion of Section 22, Township 38 South, Range 6 West of the SLB&M described as follows: Beginning at a point 1143.7 feet South and 1399.8 feet West from the East quarter corner of said Section 22; this being the Northeast corner of the State of Utah dead site property; thence South 50 degrees 2 minutes West 488.5 feet; thence South 47 degrees 00 minutes West 100 feet to a point on the

Eastern line of the State property, thence East Approximately 528.20 feet to the point of intersection with the North-South quarter-quarter line; thence North along the quarter-quarter line 380.90 feet, thence west 79.80 feet to the point of beginning.

Parcel II: That portion of Section 22, Township 38 South, Range 6 West of the Salt Lake Base and Meridian described as follows: Commencing at the center of said Section 22 thence South along an existing fence line to a point of beginning; thence Southeasterly along said Northerly right of way line a distance of 340 feet to a point where it intersects the Westerly right of way line of U.S. Highway 89; thence Northeasterly along said right of way line a distance of 340 feet; thence Southwesterly 520 feet more or less to the true point of beginning. AND EXCEPT any portion lying within the following described parcel: That portion of the West half of the Southeast Quarter of Section 22, Township 38 South, Range 6 West of the Salt Lake Base and Meridian described as follows: Beginning at a point 1143.7 feet South and 1399.8 feet West from the East quarter corner of said Section 22; thence South 50 degrees 12 minutes West 488.5 feet; thence South 47 degrees 00 minutes West 1027.4 feet to a point on the Easterly right of way line of existing U.S. Highway No. 89, which point is 66.0 feet radially distant Easterly from the center line of said highway at Engineer Station 135+75; thence Northerly 350.71 feet along the arc of a 5663.58 foot radius curve to the right to a point 66.0 feet radially distant Southeasterly from said center line at Engineer Station 152+25; (Note: Tangent to said curve at its point of beginning bears South 15 degrees 55 minutes 20 seconds West); thence South 70 degrees 31 minutes 45 seconds East 100.0 feet; thence North 41 degrees 42 minutes West 315.46 feet; thence North 73 degrees 01 minutes West 276.15 feet to a point on said Easterly right of way line; thence Northeasterly 100.91 feet along the arc of said 5663.58 foot radius curve to the right; thence South 73 degrees 01 minutes East 234.61 feet; thence North 60 degrees 40 minutes 30 seconds East 274.67 feet; thence North 49 degrees 45 minutes 45 seconds West 330.0 feet; thence North 40 degrees 14 minutes 15 seconds East 180.91 feet; thence North 66 degrees 53 minutes 45 seconds East 133.25 feet; thence South 49 degrees 45 minutes 45 seconds East 446.38 feet to the point of beginning.

Containing 340 acres, more or less. All interest owned in unto the above described 340 acre tract.

Section 23: The Northwest Quarter of the Northwest Quarter, Southeast Quarter of the Northeast Quarter, South Half, Northeast Quarter of the Northeast Quarter of Section 33 Township 38 South Range 6 West SLB&M. Containing 440 acres, more or less. All interest owned in unto the above described 440 acre tract.

Section 24: The North Half, North Half of the South Half, South Half of the Southeast Quarter of Section 24 Township 38, South Range 6 West, SLB&M. Containing 560 acres, more or less. All interest owned in unto the above described 560 acre tract.

Section 25: The Northeast Quarter, West Half of the Northwest Quarter, Northwest Quarter of the Southeast Quarter, Southwest Quarter of Section 25 Township 38 South, Range 6 West, SLB&M. LESS: Beginning 145 feet East of the Southwest corner of Section 25, and running thence East 2495.0 feet to the Southeast corner of the Southwest Quarter of said Section 25, thence North 600 feet; thence South 7759' West 200 feet; thence South 7121' West 690 feet; thence South 8756' West 200 feet; thence North 8938' West 394 feet; thence South 7723' West 149 feet; thence South 86 25' West 149 feet; thence South 8627' West 169 feet; thence South 4427' West 153 feet; thence South 5755' West 272 feet; thence South 8738' West 219 feet; thence South 17 feet to beginning. Containing 18.22 acres, more or less. All interest owned in unto the above described 421 acre tract.

Section 26: The North Half of Section 26, East Half of the Southeast Quarter, Southwest Quarter, West Half of the Southeast Quarter of Township 38, South Range 6 West, SLB&M. Containing 640 acre tract, more or less. All interest owned in unto the above described 640 acre tract.

Section 27: North Half of the Northeast Quarter; West Half of the Northwest Quarter, South Half of the Northeast Quarter, North Half of the Southeast Quarter, Southwest Quarter of Section 27 the Southeast Quarter of Township 38 South Range 6 West, SLB&M. Containing 360 acres tract, more or less. All interest owned in unto the above described 360 acre tract.

Section 28: The North Half of Section 28 Township 38 South, Range 6 West, SLB&M. Containing 320 acres, more or less. All interest owned in unto the above described 320 acre tract.

Section 35: The North Half of the North Half of Section 35 Township 38 South, Range 6 West, SLB&M. Containing 160 acres, more or less. All interest owned in unto the above described 160 acre tract.

TOTAL MINERAL ACREAGE LEASED FROM LESSORS 7841.

**Facsimile Transmittal**

Suite 1150, Eagle Gate Plaza & Office Tower
60 East South Temple, Salt Lake City, UT 84111
P.O. Box 11808, Salt Lake City, UT 84147

Telephone: (801) 532-1900
Facsimile: (801) 532-1913

Date: November 14, 2002

Facsimile Number: 359-3940

Deliver to: Mike Hebertson

Total Pages Sent (including cover page): 3

Company Name: DOGM

Hard Copy to Follow: no

Sending Party: J. Craig Smith

Message:

Please see attached Surface Damage and Water Agreement for the Christensen lease.

**IF YOU DO NOT RECEIVE ALL PAGES IMMEDIATELY CALL
(801) 532-1900
AND ASK FOR JESSICA D. GARCIA**

Client/Matter:

The information contained in this facsimile message is attorney privileged and confidential information intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify sender by telephone and return the original message to this firm at the above address via the United States Postal Service.

RECEIVED

NOV 14 2002

DIVISION OF
OIL, GAS AND MINING

Drilling Program

Well planned for the Christensen Lease

Kane County, Utah

Depths			
Important Geological Markers	Estimated Depth in Feet	Estimated Top & Bottom Depths of Mineral-Bearing Formations	
Wasatch	0	Water	surface - 200 ft.
Kaiparowits	600	Oil	None
Straight Cliffs	1,450	Gas	Dakota Formation:
John Henry	1,655		Smirl: 3,100'-3,120'
Tropic Shale	2,600		Bald Knoll: 3,485'-3,500'
Top Dakota	3,000	Other	None
Smirl	3,100		
Bottom Bald Knoll	3,500		

Notable Zones

Gas is expected in the Smirl coal seam (3,100' – 3,120') and the Bald Knoll coal seam (3,485' – 3,500'). No other oil or gas zones are expected. The Smirl and Bald Knoll coal seams are anticipated water zones.

Pressure Control

An approximate 10" x 2,000 psi double ram BOP with 2,000 psi choke manifold will be used from bottom of surface casing to TD. (A typical 2,000 psi BOP is shown on page 3. Actual model will not be known until the drilling bid has been let). The BOP system will be tested to 70% of the minimum internal yield before drilling the surface casing shoe.

System will be tested at least once every 30 days. Tests will be recorded in the driller's log. BOPs will be inspected and operated daily to assure good mechanical working order.

Casing and Cementing						
Hole Size	O.D.	Weight	Grade	Type	Age	~Setting depth
12 1/4"	8 5/8"	23	K-55	ST&C	Tested to New Specs	480'
7 7/8"	5 1/2"	15.5	K-55	ST&C	Tested to New Specs	3,500'

Surface casing will be circulated to surface with 336 sacks Class G cement + 2% CaCl₂ + .25#/sx Cello Flakes. Weight = 15.6 ppg. Yield = 1.18 cubic feet per sack. Excess = 100%. If lost circulation is encountered, then the cement may be changed to a 50 - 50 poz mix to lighten the slurry to 13.3 ppg to allow the cement to be circulated to the surface.

Amended w/ Sunday dated 10/31/02 DED

Long string will be cemented to surface with 278 sacks Class G cement + 3% sm + 0.25 #/sx Cello Flakes. Weight = 11.4 ppg. Yield = 2.87 cubic feet per sack. If lost circulation is encountered, then the cement may be changed to a 50 - 50 poz mix to lighten the slurry to 13.3 ppg to allow the cement to be circulated to the surface. This cement will be tailed in with Class G cement + 4% bentonite + 0.25 #/sx Cello Flakes. Excess = 50% in open hole, 0% in cased hole.

Mud Program

Surface hole will be drilled with mud. Water used in the mix will be produced from this well and augmented as needed from water purchased from the town of Alton or from a local rancher. Expected mud weight will be 8.6 – 9.2 pounds per gallon. Expected viscosity = 35 to 45. No fluid loss control will be used.

The remainder of the hole will be drilled to TD with mud as described above.

Data Gathering

The first deviation survey will be run ~ 480' below the BSC. Additional surveys will be run every 300' to TD. The hole deviation limit will be 1° per 100' of hole and a maximum of 6° at TD. If the deviation of the hole exceeds 4°, the driller will decrease the WOB, and increase RPM, and survey at 200' intervals until corrected. If the deviation of the hole becomes severe (>5%), the driller may use a fourth stabilizer and convert to a full packed BHA.

Mud loggers will be onsite from ~ 1,000' to TD. They will have full chromatograph capabilities. They will collect samples every 30' from 1,000' to 1,400' and every 10' from 1,400' to TD.

The logging company will run the following log suite:

HRI/DSN/SDL/GR (EVR Mode): 200' to TD

HRI/DSN/SLD/GR: BSC to TD

Down Hole Conditions

Maximum anticipated bottom hole pressure is 1,000 psi. No abnormal pressures, temperatures, or hydrogen sulfide are expected.

Miscellaneous

The drill hole will be spudded upon approval and the availability of a drill rig. Under normal operating conditions, it will take approximately 1 week to drill the well and approximately 1 week to complete the well.

Kane County Hospital is located at 220 West 300 North in Kanab, Utah. The phone number is 435-644-5811.

Surface Use Plan

Existing Roads & Directions

Take Highway 89 from Glendale, Utah north approximately 10.0 miles to the junction of Highway 89 and Highway 14. Turn east and follow the road into the drill pad, which is southeast of the turnoff. The pad is located on the east side of Highway 89. See map on Exhibit A.

Existing Wells

There are existing water wells within a mile of the proposed well, therefore, the surface casing is being set to a depth of ^{650'}480'. There are no gas, oil, injection, or disposal wells within a mile of the proposed well. DKD

Proposed Facilities

Facilities may include tanks, filters, pumps, equipment shelters, fence, and generators. Future, permanent well facilities will be painted a dark olive green color.

Water Supply

Water for drilling operations will be purchased from the town of Alton or from a local rancher.

Waste Disposal

All trash will be placed in a trash cage or bin. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the reserve pit. Chemical toilets will be used for human waste. The contents will be pumped and disposed of in accordance with Utah State requirements.

Ancillary Facilities

No airstrip or formal camp is planned for this project. Camp trailers may be used on site for the drilling contractor and his crew, the geophysical logging contractor, tool pusher and possibly other contractors.

Well Site Layout

See attached site layout diagram for depictions of well pad, cross sections, cut and fill diagrams, reserve pit, burn pit, access road onto the pad, parking, living facilities, and rig

orientation. The reserve pit will be lined with a minimum 12-mil liner. During use of the reserve pit, a minimum 2-foot freeboard will be maintained at all times.

Reclamation

When drilling, testing, and well completion have been completed, the well site and immediate area will be cleared of all debris and material not required for production of the well.

Reclamation will start and the reserve pit will be closed within one (1) year of well completion. The pit contents shall meet the Utah Division of Oil and Gas cleanup levels or background levels prior to burial. If necessary, appropriate treatment to reduce mobility and/or toxicity in order to meet cleanup levels will be undertaken. The liner will be slashed or punctured, folded into the bottom of the reserve pit and buried in place. A minimum of four (4) feet of cover will be placed on top of the reserve pit. All areas not needed for production equipment or water disposal equipment will be backfilled, re-contoured to approximate the natural contours. The reserved topsoil and brush will be spread over the reclaimed site. If the well is production well, the area required for the production equipment and water disposal equipment will not be reclaimed. A sufficient quantity of topsoil will be set aside for reclamation of the remainder of the pad at the end of the producing life of the well. Disturbed areas will be scarified along contour prior to seeding. All reclaimed areas will be broadcast weeded in late fall or winter with seed mixes specified by the surface owner. Seeded areas will be left rough and lightly harrowed or dragged with a chain after seeding. Silt fence will be maintained until the re-vegetation is successful.

Legend Energy of Utah, L.L.C.
Debrach LLC # 1
607 FSL & 2,081 FEL
Sec. 22, T. 38 S., R. 6 W.
Kane County, Utah

Page 8

Surface Owner

The surface owner is:

L. Derral Christensen and Barbara Christensen
C+Land & Cattle Co.
P.O. Box 477
Delta, UT 84629

Representation

Anyone having questions concerning the APD should contact:

Donn M. Pillmore, President
Earth & Structure, Inc
800 S. Vermillion Dr.
Kanab, Utah 84741
435-644-3125 Phone & Fax
435-689-0559 Cell

The field representative will be:

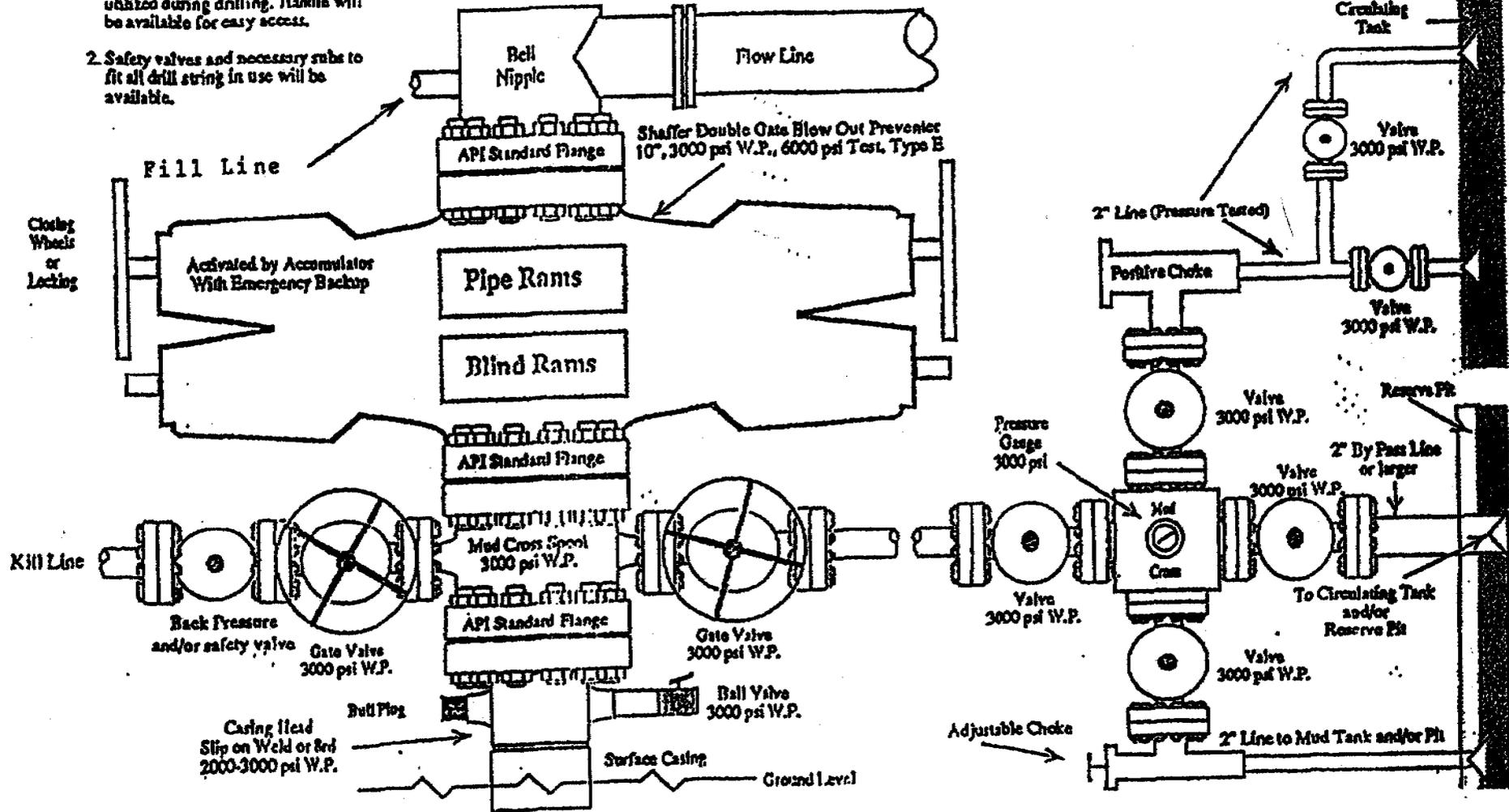
A. H. Morgan
15 North 200 East
P.O. Box 231
Alton, Utah 84710
435-648-2647

Pressure Control Equipment

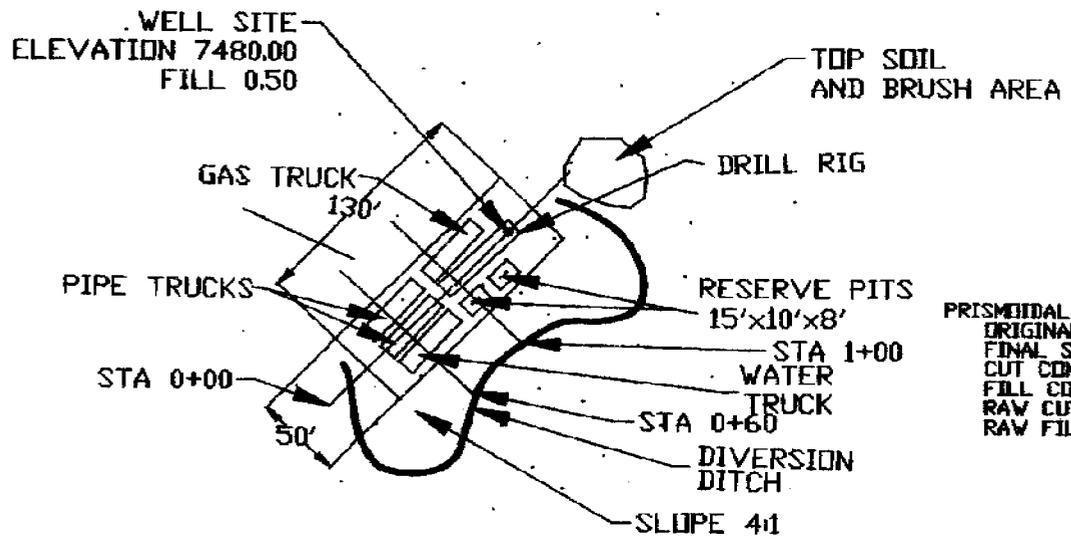
Minimum 2" Choke Line.
Minimum 2" Kill Line.
At Least One 2" Minimum Kill Line Valve.

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

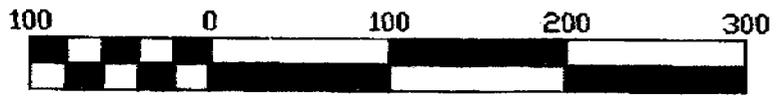
2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.



PRISMATICAL METHOD	
ORIGINAL SURFACE	site topo
FINAL SURFACE	finish site
CUT COMPACTION FACTOR	0.00 %
FILL COMPACTION FACTOR	0.00 %
RAW CUT VOLUME	528.70 CY
RAW FILL VOLUME	455.89 CY



Scale 1" = 100'

DRAWN BY: K.L. NELSON DATE: JUNE, 2002 DWG. NO.: APPROVED BY: R.B. PLATT	REVISIONS	PROJECT EARTH ENERGY OF UTAH, LLC (LEGEND ENERGY CORP.) DEBRACH WELL SITE WITHIN SECTION 22, T. 38 S., R. 6 W., S.L.B. & M.	SHT. NAME DEBRACH LLC WELL #1	SHT. NO.
	SCALE: 1 INCH = 100 FEET			



WELL SITE
ELEVATION 7480.00
FILL 0.50

TOP SOIL
AND BRUSH AREA

GAS TRUCK

L RIG

PIPE TRUCKS

WATER TRUCK

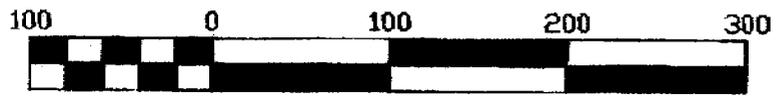
STA 0+00

STA 1+00

DIVERSION
DITCH

SLOPE 4:1

PRISMOIDAL METHOD
ORIGINAL SURFACE site topo
FINAL SURFACE finish site
CUT COMPACTION FACTOR 0.00 %
FILL COMPACTION FACTOR 0.00 %
RAW CUT VOLUME 528.70 CY
RAW FILL VOLUME 455.89 CY



Scale 1" = 100'

DRAWN BY: K.L. NELSON
DATE: JUNE, 2002
DWG. NO.:
APPROVED BY: R.B. PLATT

REVISIONS
SCALE: 1 INCH = 100 FEET

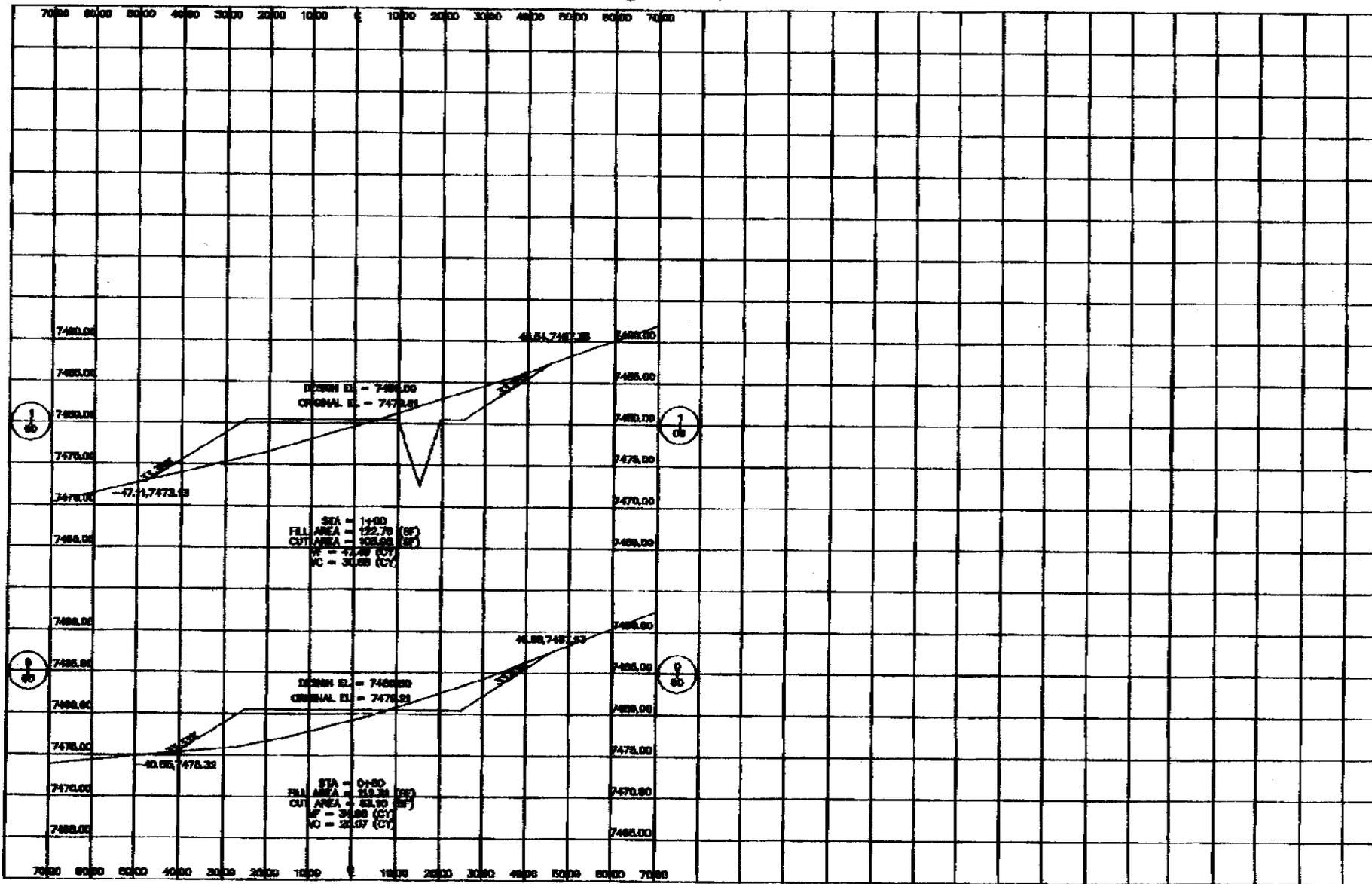
PROJECT
EARTH ENERGY OF UTAH, LLC
(LEGEND ENERGY CORP.)
DEBRACH WELL SITE

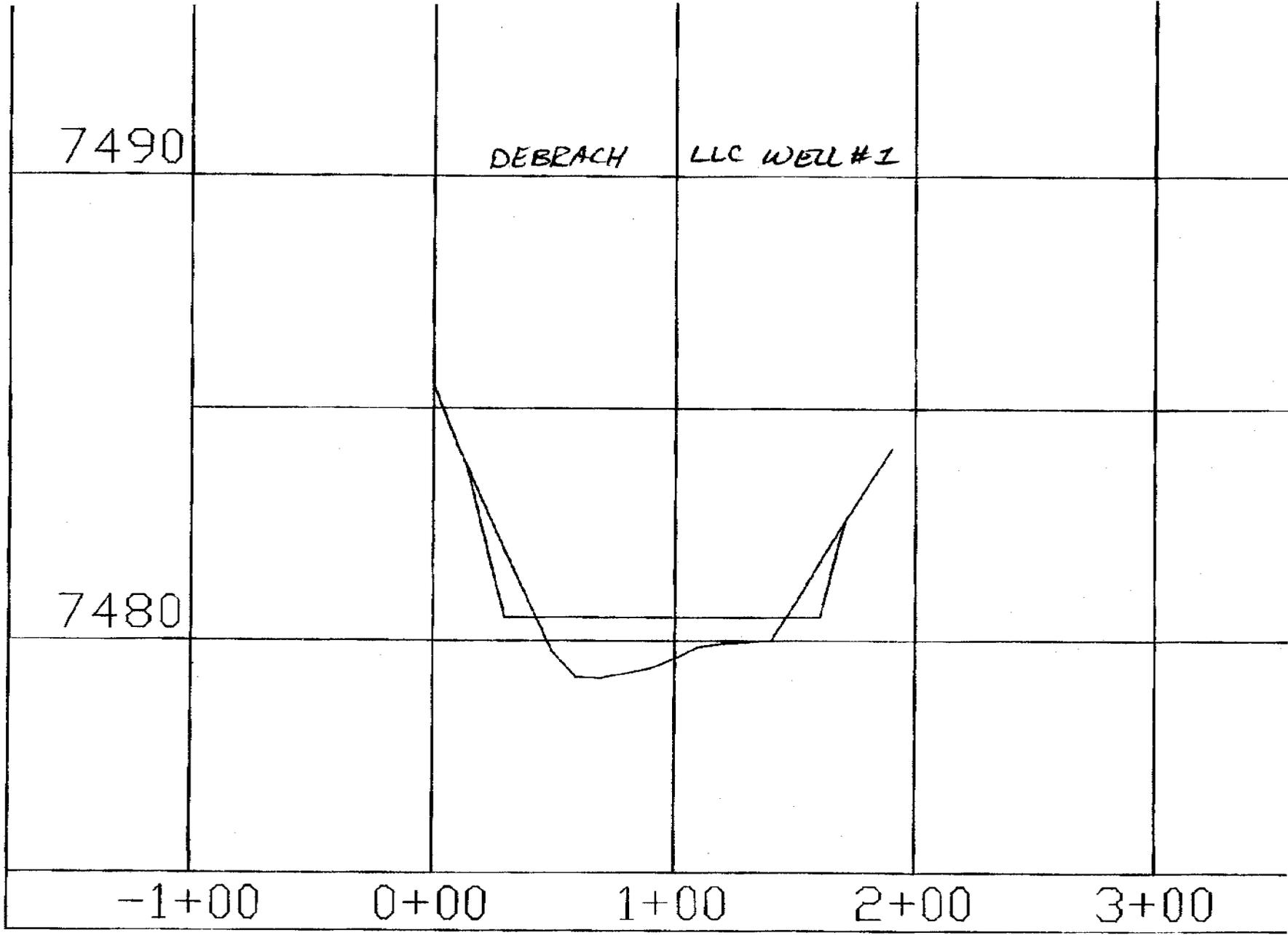
WITHIN SECTION 22, T. 38 S., R. 6 W.,
S.L.B. 4, N.

SHT. NAME
DEBRACH LLC
WELL #1

SHT. NO.

DEBRAH LLC Well # 1





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

FORM 48

Form No. _____

COLLATERAL BOND

KNOW ALL MEN BY THESE PRESENTS:

That we (insert name) Legend Energy of Utah LLC as Principal,
which is duly authorized and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:
Eighty Thousand Dollars dollars (\$ 80,000.00 only)
to wit: the sum of the following financial instruments (cash account, negotiable bonds of the United States, a state or municipality, or certificate of deposit - see Rule 600-3-1):

payable to the Director of the Division of Oil, Gas and Mining, an agent of the State of Utah, for the use and benefit of the State of Utah for the
benefit payment of which we bind ourselves, our heirs, executors, administrators and assigns, jointly and severally by these presents.

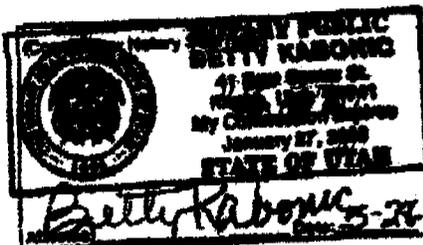
THE OBLIGATION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the drilling, reworking, deepening,
reworking, opening, and plugging and abandonment of a well or wells and restoring the wellbore or plug in the State of Utah for the purpose of
oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

- Master Bond: To cover all wells drilled in the State of Utah
- Individual Bond: Well No: _____
Section: _____ Township: _____ Range: _____
County: _____ Utah

NOTE: THEREFORE, if the above bonded Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and
regulations of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells
and well site restoration, then this obligation is void otherwise, the same shall be and remain in full force and effect.

IN WITNESS WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized
officer and its corporate or notary seal to be affixed this

29 day of May, 2002



Legend Energy of Utah LLC
Principal (insert name)
by A. HARINAD MORGAN - MANAGER
A. H. Morgan
Signature

RECEIVED

NOV 22 2002

EARTH & STRUCTURE, INC.
800 S. Vermillion Dr,
Kanab, Utah 84741
435-644-3125 / 435-689-0559

DIVISION OF
OIL, GAS AND MINING

November 20, 2002

VIA U.S. Postal Service

Mr. Mike Hebertson
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Re: The Utah State Water Engineer and UDOT were Contacted Concerning the Proposed Christensen # 1 Well

Dear Mr. Hebertson:

Per your request, Mr. Kerry Carpenter, the Utah State Water Engineer for this area was contacted on Monday, November 18. Mr. Carpenter had not signed off on the Christensen #1 Well due to the fact that he had not received an application for water rights for the source of water proposed in the APD. I told Mr. Carpenter that Legend Energy had decided to purchase water from the town of Alton and gave Mr. Carpenter the water right number (85-774 and a22746) for the source of that water. The holder of that water right is Alton Town Incorporated and the use of the water is for irrigation, stock, and domestic (80 families). It is a municipal source and therefore, Mr. Carpenter said that no additional paper work or applications for water rights were required from Legend Energy concerning water rights for drilling the Christensen #1 Well.

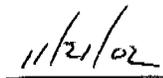
Also, per your request, UDOT was contacted on Tuesday, November 19 and notified that Legend Energy of Utah LLC was proposing to drill the Christensen #1 Well just south of the UDOT shed located near the intersection of Highway 89 and Highway 14. The foreman at the shed, Mr. Rollie Franklin asked if he needed to move any of the road gravel and said that he would be willing to help in anyway he could. He did not have any problem with the proposed location and thanked me for notifying him of the proposed well.

If you have any questions or require additional information please feel free to contact me at 435-689-0559 or Mr. Morgan at 435-648-2647.

Very truly yours,



Donn M. Pillmore

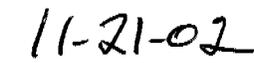


Date

I have discussed these conversations with Mr. Pillmore and I concur with the information presented in this letter.



A. H. Morgan



Date



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

November 25, 2002

Legend Energy of Utah
P O Box 231
Glendale, UT 84729

Re: Christensen 1 Well, 607' FSL, 2081' FEL, SW SE, Sec. 22, T. 38 South, R. 6 West,
Kane County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-025-30033.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

er

Enclosures

cc: Kane County Assessor

Operator: Legend Energy of Utah
Well Name & Number Christensen 1
API Number: 43-025-30033
Lease: Fee

Location: SW SE Sec. 22 T. 38 South R. 6 West

Conditions of Approval

1. 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.

2. Notification Requirements

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

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

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

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

6. 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.

7. Surface cementing shall be cemented to the surface.

007

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: N/A
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: N/A
		8. WELL NAME and NUMBER: Christensen #1
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	2. NAME OF OPERATOR: Legend Energy of Utah, LLC	9. API NUMBER: 4302530033
3. ADDRESS OF OPERATOR: PO Box 231 CITY: Glendale STATE: UT ZIP: 84729	PHONE NUMBER: (435) 648-2647	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGE AT SURFACE: 607' FSL 2,081' FEL CROSSR. SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S 6W		COUNTY: Kane 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 (Submit in Duplicate) Approximate date work will start: _____	<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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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"/> COMINGLE 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.

The drill pad for the Christensen #1 well is going to be enlarged to a 200' x 250' pad. The axis of the long dimension will remain the same and the axis of the short dimension will remain the same. Also, the reserve pit is going to be enlarged to the following dimensions: 70' long x 20' wide x 8' deep. It will remain in the same location as previously reported.

NAME (PLEASE PRINT): A. H. Morgan	TITLE: Manager
SIGNATURE: <i>A. H. Morgan</i>	DATE: 11-26-02

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

Utah Division
Date: 11-27-02
[Signature]

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

FORM 9

009

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. LEASE DESIGNATION AND SERIAL NUMBER: N/A
2. NAME OF OPERATOR: Legend Energy of Utah, LLC		7. UNIT or CA AGREEMENT NAME: N/A
3. ADDRESS OF OPERATOR: PO Box 231 CITY Glendale STATE UT ZIP 84729 PHONE NUMBER (435) 648-2647		8. WELL NAME and NUMBER: Christensen #1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 607' FSL 2,081' FEL COUNTY: Kane QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S 6W STATE: UTAH		9. API NUMBER: 4302530033
		10. FIELD AND POOL, OR WILDCAT: Wildcat

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>12/6/2002</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 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"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Spud Well</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
This report is to report that spudding of the Christensen #1 well will be spudded on December 6, 2002 at approximately 12:01 am if set up is on schedule.

Drilling contractor: Stewart Brothers Drilling Company
PO Box 2067
306 Airport Road
Milan, NM 87021

H. Stewart, President
505-287-2988

Rig #51 Rig Type: Failing 2500
Well is scheduled to be spudded at approximately 12:01am on December 6, 2002.
Continuous drilling will commence immediately thereafter.

Donn M. Pilmore reported the spud. Phone No. 435-689-0559.

RECEIVED

DEC 05 2002

DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>A. H. Morgan</u>	TITLE <u>Manager</u>
SIGNATURE <u>A.H. Morgan (DMP)</u>	DATE <u>12/4/02</u>

(This space for State use only)

Earth & Structure, Inc
800 S. Vermillion Dr.
Kanab, Utah 84741
435-644-3125

facsimile transmittal

To: Carol Daniels **Fax:** 801-538-5284

From: Donn M. Pillmore **Date:** 12/04/2002

Re: Spud Notice for Christensen #1 Well **Pages:** 2

CC:

Urgent For Review Please Comment Please Reply Please Recycle

Mrs. Daniels,

Attached is the Sundry Notice giving the Division 24 hour notice for spudding the Christensen #1 Well. This is follow up to the voice mail that I left on Wednesday December 4, 2002, at approximately 8:10 pm. If you have any questions or require additional information please feel free to contact me at 435-889-0559.

Thank you,

Donn M. Pillmore

.....

008

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

FORM 6

ENTITY ACTION FORM

Operator: Legend Energy of Utah, LLC Operator Account Number: N 1890
Address: PO Box 231
city Glendale
state UT zip 84729 Phone Number: (435) 648-2647

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4302530033	Christensen #1		SWSE	22	38S	6W	Kane
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	13683	12/7/2002		12-9-02		
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)

A. H. Morgan

Name (Please Print)

A. H. Morgan
Signature

Manager

Title

Date

12/9/02

RECEIVED

DEC 09 2002

DIVISION OF
OIL, GAS AND MINING

010

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 intervals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: N/A
2. NAME OF OPERATOR Legend Energy of Utah, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: PO Box 231 CITY Glendale STATE UT ZIP 84729		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL ROOFTAGS AT SURFACE: 607' FSL 2,081' FEL COUNTY: Kane		8. WELL NAME and NUMBER: Christensen #1
OTWOTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S 6W STATE: UTAH		9. API NUMBER: 4302530033
		10. FIELD AND POOL OR WILDCAT: Wildcat

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 (Submit in Duplicate) <small>Appropriate date work will start:</small>	<input type="checkbox"/> ADDIZE	<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"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) <small>Date of work completion:</small> 12/14/2002	<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"/> COMINGLE 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.

The well was in the process of being drilled, there is no casing in the hole, it is a 12 1/4" hole. No water was encountered in the hole.

Reason Hole Was Abandoned: Bottom hole assembly was stuck in the hole and could not be retrieved. The bottom hole assembly consisted of a 12 1/4" bit, bit sub, 2 ea., 20' - 8 5/8" drill collars, a crossover to a 6 1/4" drill pipe, and a 20' - 6 1/4" drill pipe.

TD of Hole: The hole was at a depth of 820'

Days cement was run: The bottom plug was run on 12/14/2002 at 6:25am and the top plug was run on 12/14/2002 at 8:45am.

Volume of cement in the hole: The bottom plug consisted of 136 sx of Premium Type V cement with 1/4#/sx of flow seal, and 2%CaCl. There was a total of 28 1/2 barrels pumped into the hole at a weight of 15.6#/gal. The top plug consisted of 138 sx of Premium Type V cement with 1/4#/sx of flow seal, and 2% CaCl. There was a total of 28 1/2 barrels pumped into the hole at a weight of 15.6#/gal.

Where was the cement left in the Hole: The bottom plug was set from 700' up to 500' and the top plug was set from 200' up to the surface.

NAME (PLEASE PRINT) <u>A. H. Morgan</u>	TITLE <u>Manager</u>
SIGNATURE <u><i>A.H. Morgan (Red)</i></u>	DATE <u>12/16/2002</u>

(This space for State use only)

RECEIVED

DEC 16 2002

DIV. OF OIL, GAS & MINING

Earth & Structure, Inc
800 S. Vermillion Dr.
Kanab, Utah 84741
435-644-3125

facsimile transmittal

To: Mike Hebertson Fax: 801-359-3940

From: Donn M. Pilmore Date: 12/16/2002

Re: Sundry Notice for Abandonment Pages: 12

CC:

Urgent For Review Please Comment Please Reply Please Recycle

Mr. Hebertson:

Attached is the Sundry Notice for the plug and abandonment of the Christensen #1 well. Please call if you require additional information or have questions.

Donn Pilmore



*Carol
12/16/02
cc to mike already done
ER*

.....

011

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

FORM 9

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p><small>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.</small></p>		<p>5. LEASE DESIGNATION AND SERIAL NUMBER: N/A</p>
<p>1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____</p>		<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A</p>
<p>2. NAME OF OPERATOR: Legend Energy of Utah, LLC</p>		<p>7. UNIT or CA AGREEMENT NAME: N/A</p>
<p>3. ADDRESS OF OPERATOR: PO Box 231 CITY Glendale STATE UT ZIP 84729</p>		<p>8. WELL NAME and NUMBER: Christensen #1</p>
<p>4. LOCATION OF WELL: FOOTAGES AT SURFACE: 607' FSL 2,081' FEL COUNTY: Kane</p>		<p>9. API NUMBER: 4302530033</p>
<p>QTR/CTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 22 38S 6W STATE: UTAH</p>		<p>10. FIELD and POOL, OR WILDCAT: Wildcat</p>

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 <small>(Submit in Duplicate)</small> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small> Date of work completion: 12/14/2002	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" 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"/> COMMENCE 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.

The well was in the process of being drilled, there is no casing in the hole, it is a 12 1/4" hole. No water was encountered in the hole.

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TD of Hole: The hole was at a depth of 820'

Days cement was run: The bottom plug was run on 12/14/2002 at 6:25am and the top plug was run on 12/14/2002 at 8:45am.

Volume of cement in the hole: The bottom plug consisted of 136 sx of Premium Type V cement with 1/4#/sx of flow seal, and 2%CaCl. There was a total of 28 1/2 barrels pumped into the hole at a weight of 15.8#/gal. The top plug consisted of 136 sx of Premium Type V cement with 1/4#/sx of flow seal, and 2% CaCl. There was a total of 28 1/2 barrels pumped into the hole at a weight of 15.6#/gal.

Where was the cement left in the Hole: The bottom plug was set from 700' up to 500' and the top plug was set from 200' up to the surface.

NAME (PLEASE PRINT) A. H. Morgan TITLE Manager

SIGNATURE *A. H. Morgan* DATE 12/16/2002

(This space for State use only)

RECEIVED
DEC 16 2002
DIV. OF OIL, GAS & MINING

Earth & Structure, Inc
800 S. Vermillion Dr.
Kamoh, Utah 84741
435-644-3125

facsimile transmittal

To: Mike Hebertson Fax: 801-359-3940

From: Donn M. Pillmore Date: 12/16/2002

Re: Well Completion Report Pages: 3

CC:

Urgent For Review Please Comment Please Reply Please Recycle

Mr. Hebertson:

Attached is the Well Completion Report for the Christensen #1 well. I have attached a copy of the Sundry Notice for plugging and abandoning this well to the Well Completion Report. Please call if you require additional information or have questions.

Donn Pillmore



RECEIVED
DEC 16 2002
DIV. OF OIL, GAS & MINING

Mike
give to Carol
please
ER

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

AMENDED REPORT FORM 8
(highlight changes)

012

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
N/A

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

7. UNIT or CA AGREEMENT NAME
N/A

8. WELL NAME and NUMBER:
Christensen #1

9. API NUMBER:
4302530033

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. COUNTY, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SWSE 22 38S 6W

12. COUNTY
Kane

13. STATE
UTAH

14. DATE SPUNDED: 12/6/2002

15. DATE T.D. REACHED: 12/13/2002

16. DATE COMPLETED: 12/14/2002

ABANDONED READY TO PRODUCE

17. ELEVATIONS (OF, ROSS, RT, GL):
7480 GL

18. TOTAL DEPTH: MD 820 TVD 820

19. PLUS BACK T.D.: MD 0 TVD 0

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
N/A

21. DEPTH BRIDGE NO PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (SUBMIT COPY OF LOGS)
No logs were run on this well, see attached Sundry Notice.

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

24. Casing and Liner Record (Report all strings set in well)

HOLES SIZE	SIZE/GRADE	WEIGHT (W/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF BAGS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4"	N/A	N/A	0	820'	TYPE	V-136SK	2 @ 1/2	SURFACE	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A)								Open <input type="checkbox"/> Squashed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squashed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squashed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squashed <input type="checkbox"/>

27. PERFORATION RECORD

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

ELECTROMECHANICAL LOGS

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION

GEOLOGIC REPORT

CORE ANALYSIS

DST REPORT

OTHER: _____

DIRECTIONAL SURVEY

30. WELL STATUS:
Plugged

RECEIVED

DEC 16 2002

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TSG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TSG. 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:	TSG. 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:	TSG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, line 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)
WASATCH KAPAROWITS	0 600'	600' 820'			

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached Sundry Notice.

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

NAME (PLEASE PRINT) A. H. Morgan

TITLE Manager

SIGNATURE

A. H. Morgan (and) A. H. Morgan

DATE

12/16/2002 - 3-15-04

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
1584 West North Temple, Suite 1210
Box 148801
Salt Lake City, Utah 84114-5801

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

INVOICE NO. 1401

P.O. Box 1817, Vernal, Utah 84078

YOUR ORDER NO.

DATE December 16, 2002

LOCATION: Christensen #1

TO:

LEGEND ENERGY OF UTAH L.L.C.
P.O. BOX 231
GLENDALE, UTAH 84729

A+A

WORK TICKET NO.	CODE	DESCRIPTION	QTY.	UNIT PRICE	TOTAL
1366	1	Mileage Pump Unit	600	5.00	3000.00
	1	Mileage Pickup	600	3.00	1800.00
	1	Pump Charge	850'		2742.00
	1	Operators Expenses	3 Men		900.00
	12/14/02				
	1	Mileage Pickup	600	3.00	1800.00
	1	Pump charge	700'		2742.00
	2	Premium Cement	272 Sks	20.00	5440.00
	2	Calcium Chloride	5 Sks	130.00	650.00
	2	Flocele	68 Lbs	3.00	204.00
	2	Blending charge	287	2.82	809.34
	2	Cement Delivery	3906	1.72	6718.32
		Subtotal			26805.66
		Less Discount			14743.11-
		Total Tax			12062.55
					404.28
		Total Invoice			\$12466.83
		Paid Check # 1124			

RECEIVED

APR 08 2004

DIV. OF OIL, GAS & MINING

Big 4 Cementing, LLC

1366

P.O. Box 1817
 Vernal, Utah 84078
 Phone 789-1735

Date 12-11 & 12-14 2002

For Hedgend Energy Address _____

Lease Christensen #1 Rig No. _____

CODE	DESCRIPTION	UNIT	AMOUNT	
1	Mileage Pump unit	600 mi	5	3000 -
1	Mileage Pickup	600 mi	3	1800 -
1	Pump Charge	850 ft		2742 -
1	Operator Expenses 12-14-02	3 men		900 -
1	Mileage Pickup	600 mi	3	1800 -
1	Pump Charge	500 ft		2742 -
2	Premium Cement	272 sks	20	5440 -
2	Calcium Chloride	5 sks	130	650 -
2	Floccle	68 lbs	3	204 -
2	Blending Charge	287 cu	2 82	809 34
2	Cement Delivery 26,036	3906 Ton Mile	1 72	4718 32
Sub Total				26805 66
Less Discount				RECEIVED < 14743 11 >
Total				APR 08 2004 12062 55
Tax				404 28
TOTAL INVOICE				DIV. OF OIL, GAS & MINING 12466 83

Paid Check # 1124

Operator Ed Damsie Accepted and Approved by _____