

# FAT CHANCE OIL AND GAS, LLC

January 4, 2001

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

**RE: Application for Permit To Drill - Crane 4-4, Crane 12-4, Sims 13-33**

Attention:

Enclosed are duplicate copies of the Crane 4-4, Crane 12-4, and Sims 13-33 APDs with required attachments for your approval. Please note that neither a copy of the Division of Water Rights nor the identifying number of the approval is included. Fat Chance Oil and Gas, LLC has received verbal approval from Deseret Land and Livestock, the surface lessee, to draw water from nearby reservoirs or streams.

Form 5, Designation of Operator, is not included at this time, but will be submitted in the very near future.

If additional information is required, please direct all inquiries or requests to:

Casey Osborn  
Operations Manager  
Box 7370  
Sheridan, Wyoming 82801  
307-673-1500  
307-673-1400 (Fax)

Thank you for your prompt attention.

Sincerely,



Casey Osborn  
Operations Manager

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JAN 05 2001

DIVISION OF  
OIL, GAS AND MINING

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Fat Chance Oil and Gas, LLC		8. WELL NAME and NUMBER: Crane #12-4
3. ADDRESS OF OPERATOR: 211 N. Robinson CITY OKC STATE OK ZIP 73102		9. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2041' FSL 480' FWL 4569725H 495788E AT PROPOSED PRODUCING ZONE: Same		10. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 6N 8E
13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 5 miles West of Evanston, Wyoming		11. COUNTY: Rich
		12. STATE: UTAH
14. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 480'	15. NUMBER OF ACRES IN LEASE: 52,395	16. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160
17. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2338	18. PROPOSED DEPTH: 1,750	19. BOND DESCRIPTION: Utah DOGM Surety # 885588C
20. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6855' GR	21. APPROXIMATE DATE WORK WILL START: 2/1/2001	22. ESTIMATED DURATION: 5 days

**TIGHT HOLE**  
**CONFIDENTIAL**

23. **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"	9 5/8"	H-40	32.3#	200	G-Poz	100 sx	1.77	12.5# lead
						50 sx	1.17	15.8# tail
8 3/4"	7"	K-55	20#	1,750	G-35/65 Poz	150sx	2.34	11# lead
						50 sx	1.27	14.2# tail

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

NAME (PLEASE PRINT) Casey Osborn TITLE Operations Manager

SIGNATURE *Casey Osborn* DATE 1/3/2001

(This space for State use only)

API NUMBER ASSIGNED: 43-033-30050

APPROVAL:

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

Date: 02-20-01

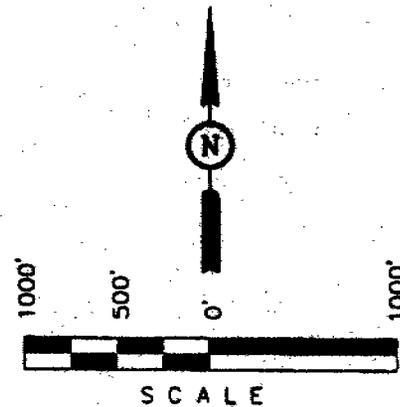
*[Signature]*

**QUANECO, LLC**

Well location, CRANE #12-4, located as shown in Lot 6 of Section 4, T6N, R8E, S.L.B.&M., Rich County, Utah.

**BASIS OF ELEVATION**

BENCH MARK (D132-1958) LOCATED IN THE SW 1/4 OF SECTION 16, T6N, R8E, S.L.B.&M. TAKEN FROM THE MURPHY RIDGE QUADRANGLE, UTAH-WYOMING, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6735 FEET.



**CERTIFICATE**

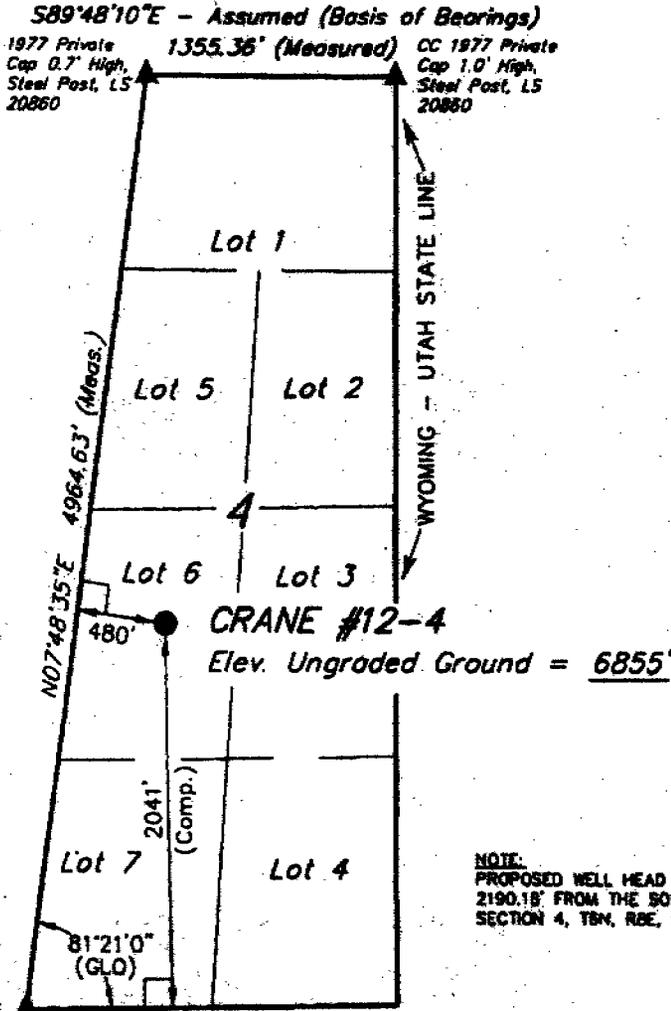
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 16734  
 STATE OF UTAH

REVISED: 1-4-01 C.G.

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b> 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 12-19-00	DATE DRAWN: 12-22-00
PARTY D.A. J.T. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE QUANECO, LLC	

**T6N, R8E, S.L.B.&M.**



1977 Private Cap, Pile of Stones, Steel Post, LS 20860

**LEGEND:**

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 41°16'52"  
 LONGITUDE = 111°03'02"

**CONFIDENTIAL**  
**TIGHT HOLE**  
**RECEIVED**  
 DIVISION OF OIL, GAS AND MINING  
 JAN 05 2001

# FAT CHANCE OIL AND GAS, LLC

January 3, 2000

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

**RE: Confidentiality of information: Crane 12-4**

Attention:

Fat Chance Oil and Gas, LLC formally requests that submitted information on the Crane 12-4 be held confidential.

Your cooperation is appreciated.

Sincerely,



Casey Osborn  
Operations Manager/Agent

**TIGHT HOLE**

**CONFIDENTIAL**

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DIVISION OF  
OIL, GAS AND MINING

# LIST OF CONTACTS

## **OPERATOR:**

**Casey Osborn  
Operations Manager  
Box 7370  
Sheridan, Wyoming 82801  
Office: 307-673-1500  
Home: 307-673-0842**

## **SURFACE LESSEE:**

**Bill Hopkin  
Ranch Manager  
Deseret Land and Livestock  
125 Main Ranch Way  
Woodruff, Utah 84086  
Office: 435-793-4288  
Home: 435-793-4558**

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**DIVISION OF  
OIL, GAS AND MINING**

**DRILLING PLAN**  
Operator: Fat Chance Oil and Gas, LLC  
Crane 12-4  
T6N R8E, Rich County, Utah

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**1. ESTIMATED TOPS OF GEOLOGIC MARKERS**

<u>Formation</u>	<u>Depth</u>	<u>Fluid</u>
Wasatch	Surface – 800'	Potential water sands
Evanston/Adaville	800' – 1500'	Water, Possible Gas
Aspen	1500'-1750'	None
TD	1750'	

**2. ESTIMATED DEPTHS OF ANTICIPATED WATER AND GAS FORMATIONS**

The objective is the Aspen formation. Operator intends to evaluate shows in the Evanston/Adaville interval. The anticipated tops are listed in section one of the drilling plan.

**3. PRESSURE CONTROL EQUIPMENT**

**Minimum Specifications:**

1. 11" 3M BOP stack consisting of a pipe ram and blind ram.
2. 2M choke manifold consisting of two adjustable chokes and bleed line.
3. 2" Kill Line
4. 2" Choke Line

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All components of the BOP stack are to be installed and pressure tested before drilling out from under the 9 5/8" surface casing. Rams, manifold and lines are to be tested to both a low pressure of 250 psi and a high pressure equal to the working pressure rating.

An adequate accumulator system will be utilized to hydraulically operate all components of the BOP equipment.

The surface casing will be pressure tested to 500 psi.

The BOP equipment will be tested once every 30 days and whenever a pressure seal is broken.

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OIL, GAS AND MINING

## **DRILLING PLAN**

Operator: Fat Chance Oil and Gas, LLC

Crane 12-4

T6N R8E, Rich County, Utah

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Operator will adhere to Utah Oil and Gas Conservation General Rule R649-3-7(Well Control).

### **4. CASING PROGRAM**

Surface:

OD: 9 5/8"  
Grade: H-40 or greater  
Wt: 32.30# or greater  
Cement: Cemented to surface with Lite and Tail Cements as required. Centralizers will be utilized to assure proper cement placement.

Production:

OD: 7"  
Grade: J-55 or greater  
Wt: 20# or greater  
Cement: Cemented to cover and isolate all zones of interest with Lite and Tail cements as required. Centralizers will be utilized to assure proper cement placement.

Surface casing will be cemented to surface, thus protecting shallow aquifers and the associated water. All zones of interest will be identified and evaluated. After running production casing, cement will be displaced to cover the shallowest zone of interest. As necessary, stages tools will be utilized if hydrostatic heads are excessive. The casing program will consist of setting 9 5/8" surface casing and 7" production casing.

### **5. DRILLING FLUID PROGRAM**

The drilling fluid will be a lightly treated fresh water native mud. Hole conditions will dictate if additives such as chemicals, gel or weighting materials are added. It is anticipated that occasional gel with LCM and/or polymer sweeps will be required to adequately clean the hole. Mud weight will be maintained at 9.5#/gal or less. Adequate quantities of barite to raise the mud weight to 10.5#/gal will be stored and available on location before drilling out the surface casing cement plug.

Mud pits will be visually monitored. The hole will be filled during trips and kept full at all times unless lost circulation is encountered.

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OIL, GAS AND MINING

## **DRILLING PLAN**

Operator: Fat Chance Oil and Gas, LLC  
Crane 12-4  
T6N R8E, Rich County, Utah

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### **6. EVALUATION PROGRAM**

Coring:

Zones of interest will be cored.

Logging:

One-man logging unit during drilling.

Open hole FDC-CNL-GR logs will be run from TD to surface.

### **7. ABNORMAL PRESSURES OR TEMPERATURES**

No abnormal pressures or temperatures are expected. Maximum anticipated bottom hole pressure is 750 psi or less. The pressure gradient at any depth is expected to be .43 psi/ft or less.

Hydrogen sulfide gas is produced from deeper formations in wells located within close proximity of the proposed well. However, the objective of the proposed well is the Aspen formation from which no hydrogen sulfide has been encountered nor in any formations above the Aspen. The presence of hydrogen sulfide in the proposed well is not expected or anticipated.

### **8. ADDITIONAL INFORMATION**

Anticipated spud of the proposed well will be immediately or as soon as practical after State approval.

Fat Chance Oil and Gas, LLC intends to test and evaluate any zone that indicates potential. The testing technique will consist of selectively perforating and flowing each zone of interest. Bridge plugs will be utilized to isolate zones as necessary for independent zone testing. Testing will be accordance with Utah Oil and Gas rule R649-3-19(Well Testing) and results will be submitted in writing to the Division of Oil, Gas and Mining.

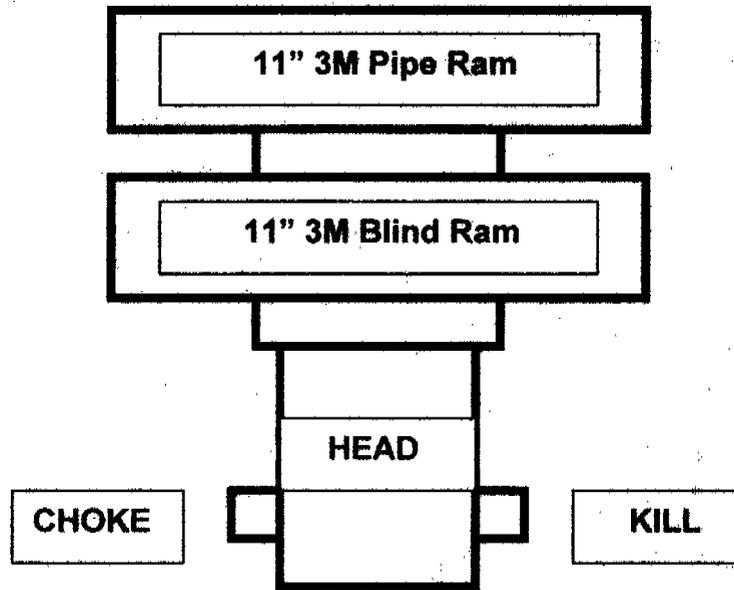
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OIL, GAS AND MINING

# BOPE SCHEMATIC

API 3M - 11 - RR



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DIVISION OF  
OIL, GAS AND MINING

# KILL LINE – CHOKE LINE/MANIFOLD SCHEMATIC

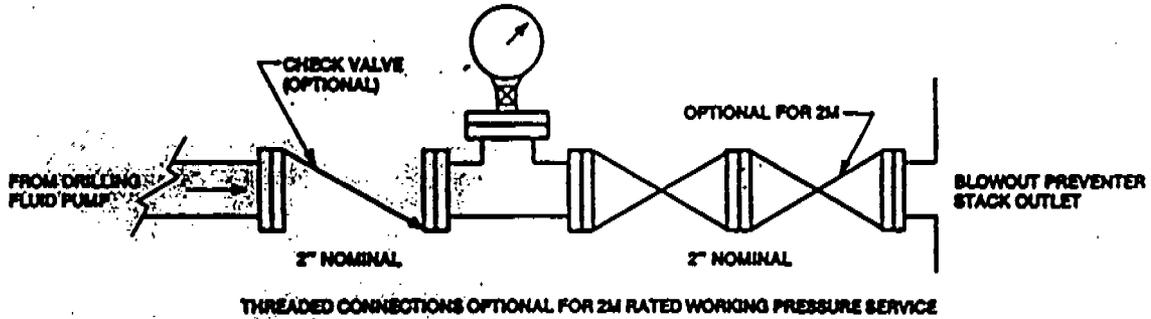


FIGURE K3-1. Typical kill line assembly for 2M and 3M rated working pressure service — surface installation.

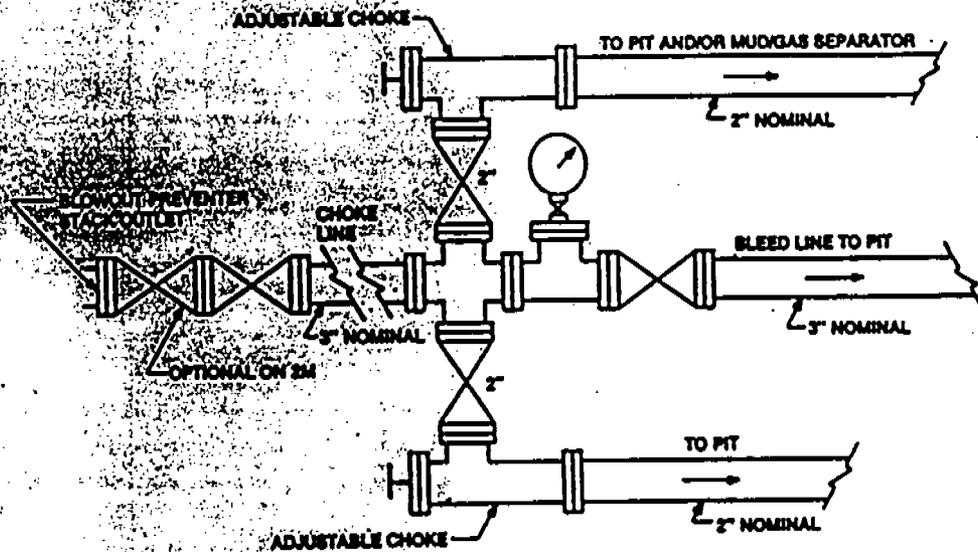
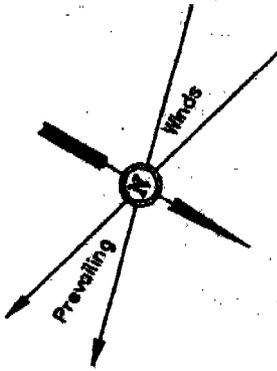


FIGURE K4-1. Typical choke manifold assembly for 2M and 3M rated working pressure service — surface installation.

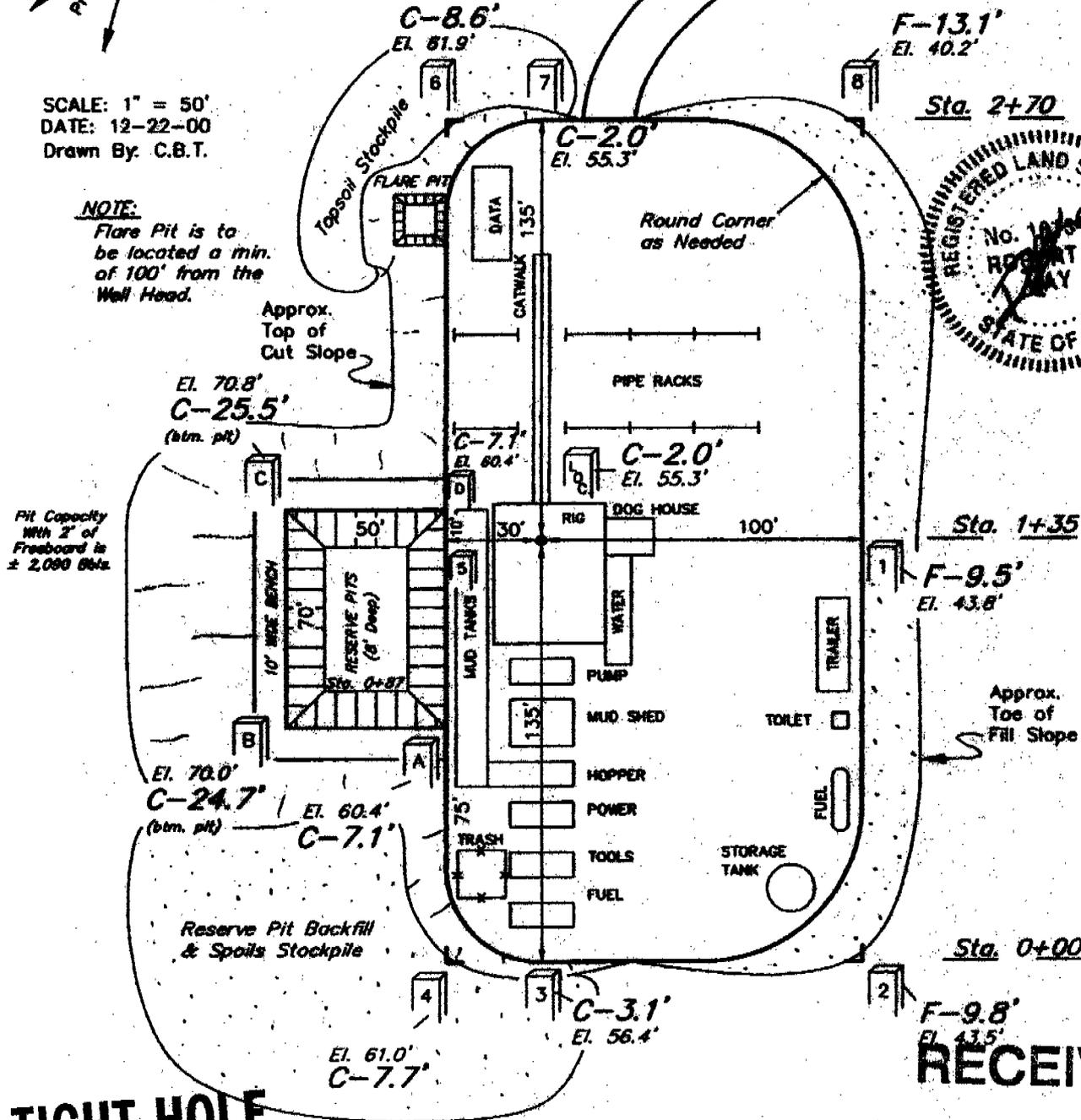
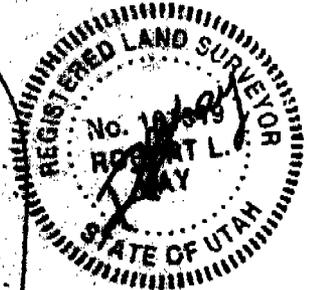
# QUANECO, LLC. LOCATION LAYOUT FOR

## CRANE #12-4 SECTION 4, T6N, R8E, S.L.B.&M. 2041' FSL 480' FWL



SCALE: 1" = 50'  
DATE: 12-22-00  
Drawn By: C.B.T.

**NOTE:**  
Flare Pit is to be located a min. of 100' from the Well Head.



Pit Capacity With 2' of Freeboard is ± 2,000 bbls.

Reserve Pit Backfill & Spoils Stockpile

# TIGHT HOLE

## CONFIDENTIAL

Elev. Ungraded Ground at Location Stake = 6855.3'  
Elev. Graded Ground at Location Stake = 6853.3'

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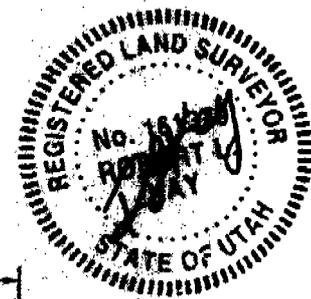
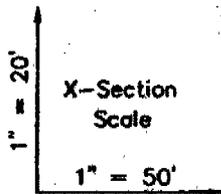
JAN 05 2001

DIVISION OF  
OIL, GAS AND MINING  
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1077

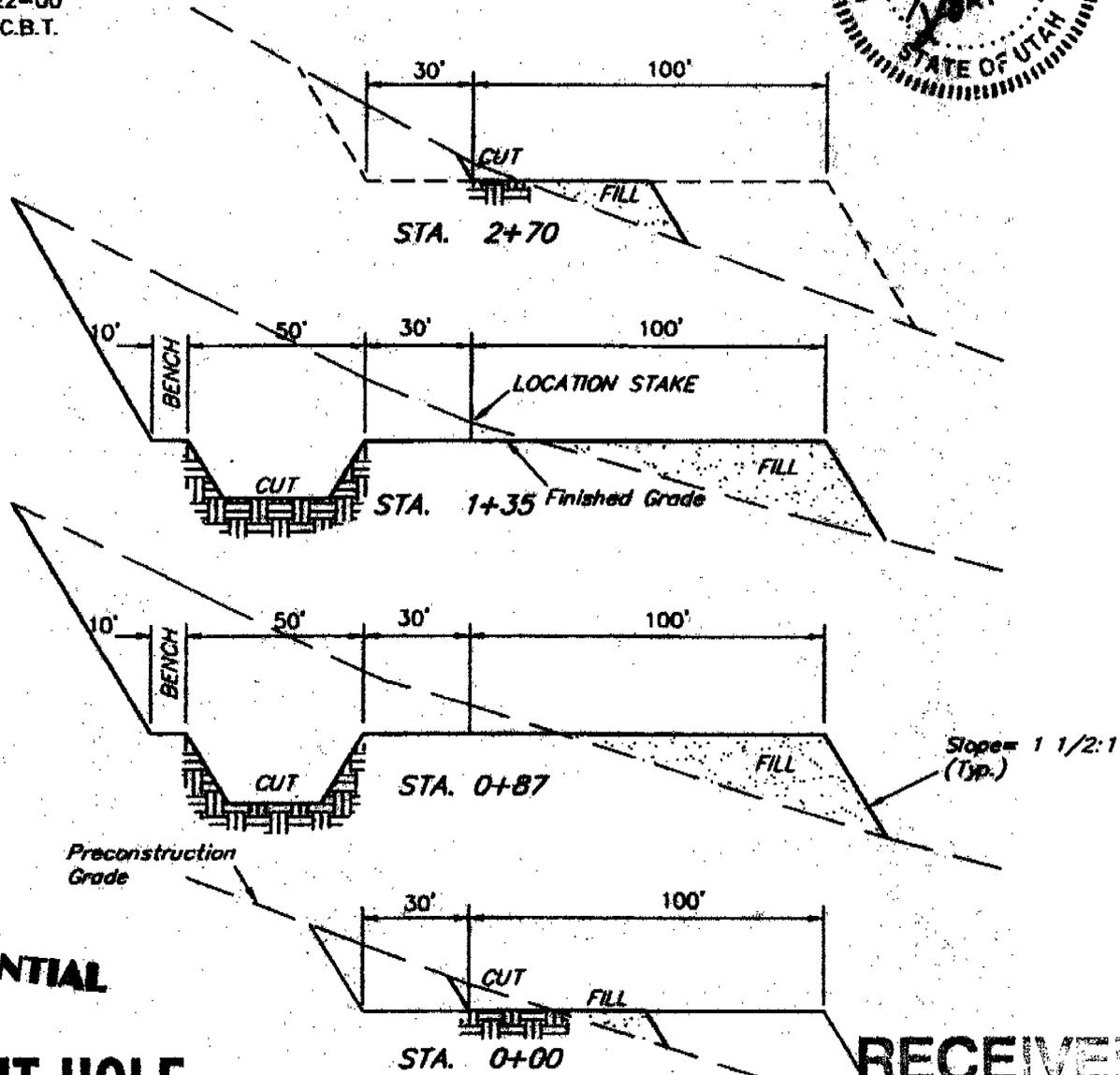
**QUANECO, LLC.**

**TYPICAL CROSS SECTIONS FOR**

**CRANE #12-4**  
**SECTION 4, T6N, R8E, S.L.B.&M.**  
**2041' FSL 480' FWL**



DATE: 12-22-00  
 Drawn By: C.B.T.



**CONFIDENTIAL**

**TIGHT HOLE**

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JAN 05 2001

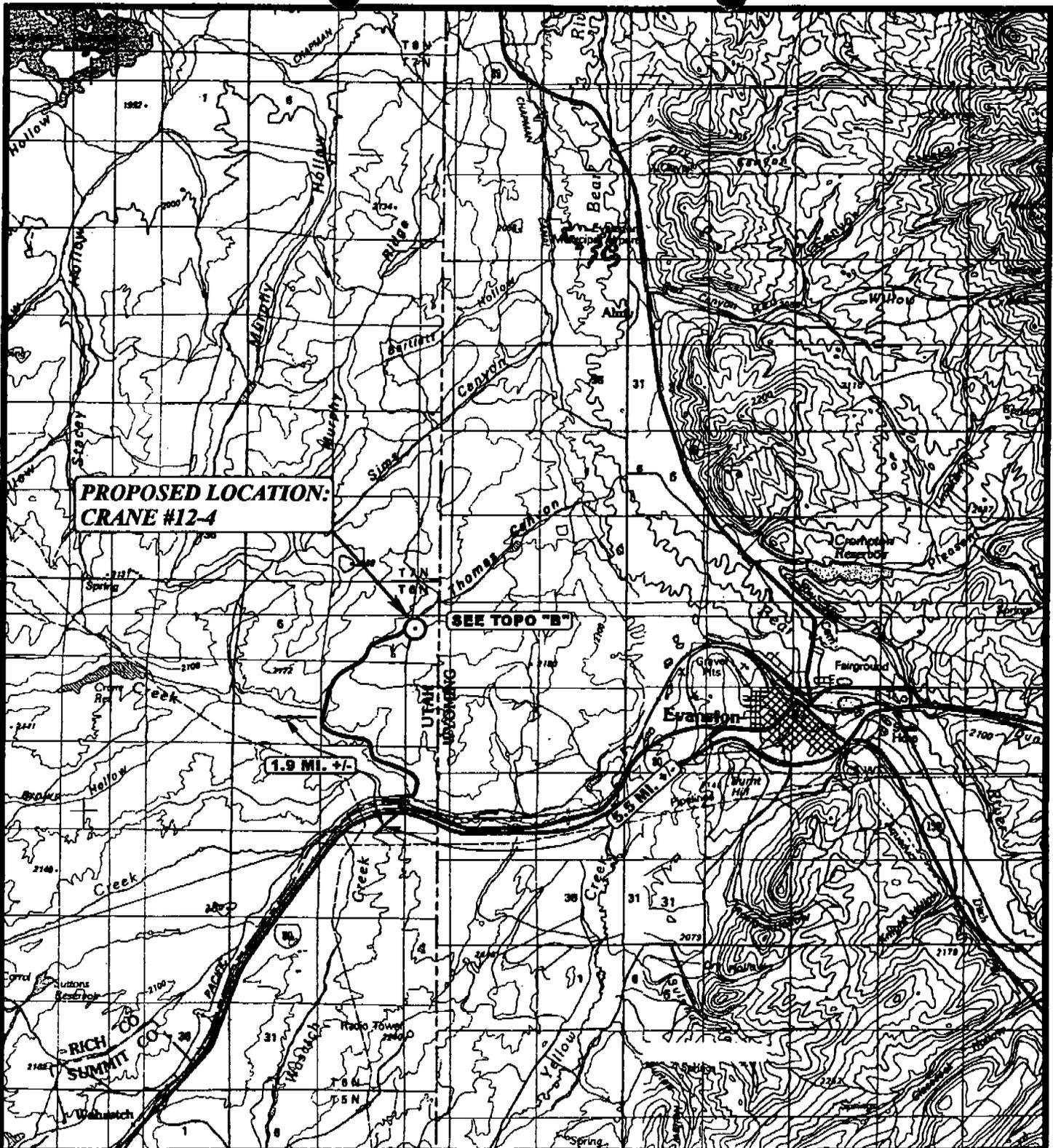
DIVISION OF OIL, GAS AND MINING

**APPROXIMATE YARDAGES**

(6") Topsoil Stripping	=	750 Cu. Yds.
Remaining Location	=	6,350 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>7,100 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>5,720 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,080 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,080 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



**LEGEND:**

⊙ PROPOSED LOCATION

N



**QUANECO, LLC.**

**CRANE #12-4**  
**SECTION 4, T6N, R8E, S.L.B.&M.**  
**2041' FSL 480' FWL**



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

**TOPOGRAPHIC**  
**MAP**

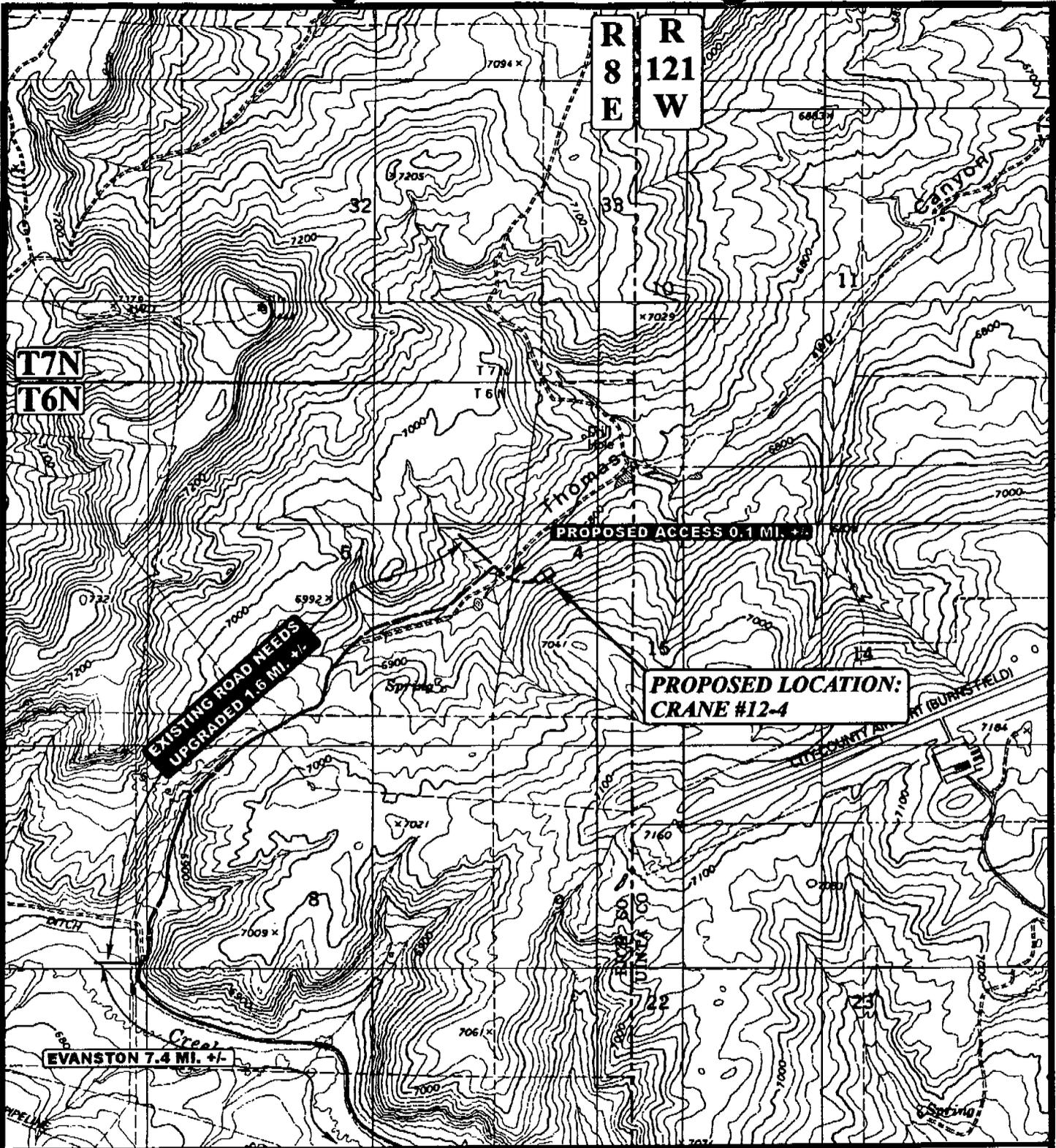
**12 28 00**  
MONTH DAY YEAR

SCALE: 1:100,000 | DRAWN BY: K.G. | REVISED: 00-00-00



**RIGHT HOLE**

**CONFIDENTIAL**



**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**QUANECO, LLC.**

**CRANE #12-4**  
**SECTION 4, T6N, R8E, S.L.B.&M.**  
**2041' FSL 480' FWL**



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

**TOPOGRAPHIC**  
**MAP**

<b>12</b>	<b>28</b>	<b>00</b>
MONTH	DAY	YEAR



SCALE: 1" = 2000'    DRAWN BY: K.G.    REVISED: 00-00-00

**TIGHT HOLE**

**CONFIDENTIAL**

**Fat Chance Oil and Gas, LLC.**  
**a division of Quaneco, LLC**

P.O. Box 7370  
850 Val Vista  
Sheridan WY 82801  
307-673-1500 Phone  
307-673-1400 Fax

January 5, 2001

Utah Dept. of Oil, Gas and Mining

ATTN: MIKE HEBERTSON  
P.O. Box 145801  
Salt Lake City UT 84114-5801

Dear Sir:

Enclosed, please find color copies of the plats that were submitted with APDs on January 4, 2001. We sincerely apologize that color copies were not sent at the same time as the original APDs.

Thank you for your time and consideration in this matter.

Sincerely,

  
Lorna K. James  
Comptroller

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JAN 06 2001  
DIVISION OF  
OIL, GAS AND MINING

# QUANECO, LLC.

## CRANE #12-4

LOCATED IN RICH COUNTY, UTAH  
SECTION 4, T6N, R8E, S.L.B.&M.

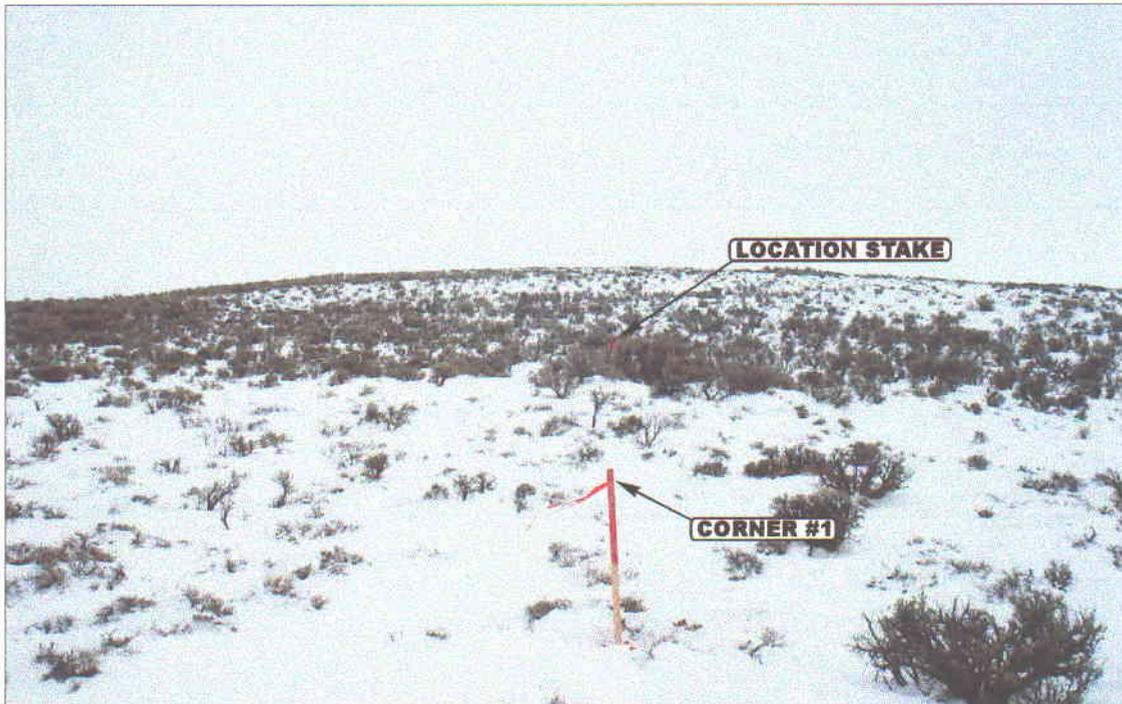


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

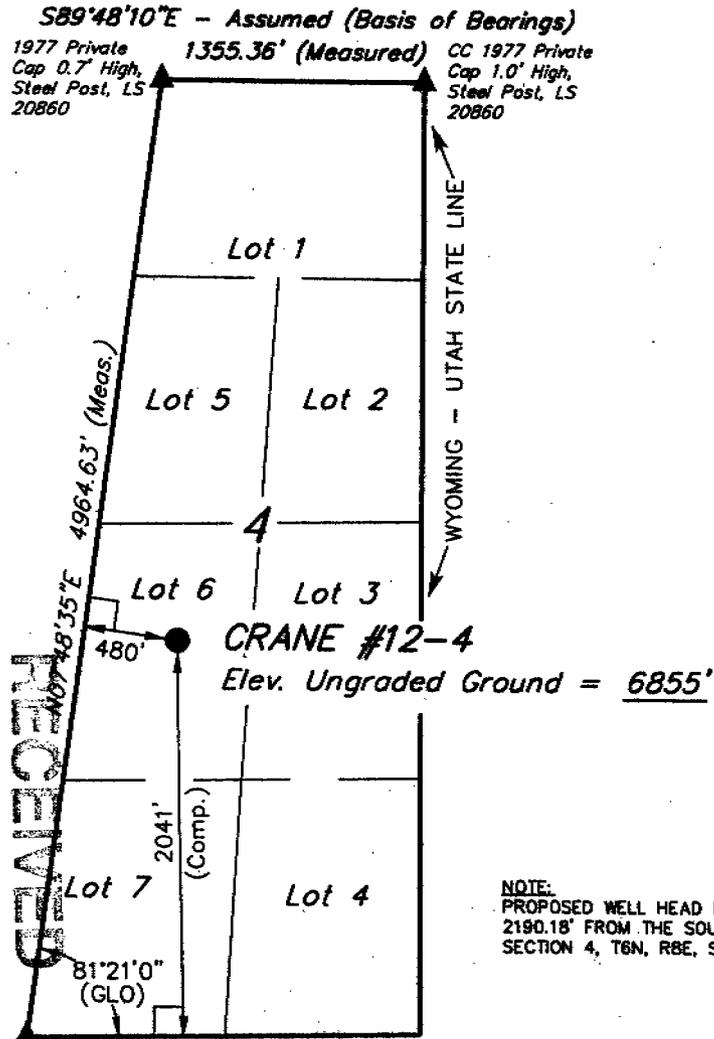
**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	12	28	00	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.A.	DRAWN BY: K.G.		REVISED: 00-00-00	

# T6N, R8E, S.L.B.&M.

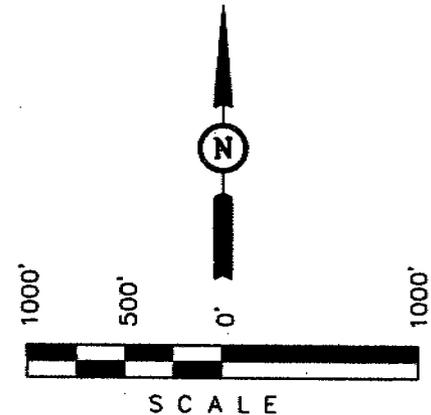
## QUANECO, LLC

Well location, CRANE #12-4, located as shown in Lot 6 of Section 4, T6N, R8E, S.L.B.&M., Rich County, Utah.



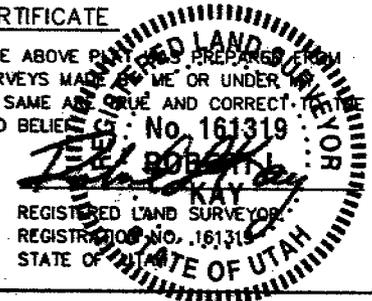
### BASIS OF ELEVATION

BENCH MARK (D132-1958) LOCATED IN THE SW 1/4 OF SECTION 16, T6N, R8E, S.L.B.&M. TAKEN FROM THE MURPHY RIDGE QUADRANGLE, UTAH-WYOMING, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6735 FEET.



### CERTIFICATE

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



**NOTE:**  
 PROPOSED WELL HEAD BEARS N20°27'55"E  
 2190.18' FROM THE SOUTHWEST CORNER OF  
 SECTION 4, T6N, R8E, S.L.B.&M.

REVISED: 1-4-01 C.G.

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

### LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 41°16'52"  
 LONGITUDE = 111°03'02"

SCALE 1" = 1000'	DATE SURVEYED: 12-19-00	DATE DRAWN: 12-22-00
PARTY D.A. J.T. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE QUANECO, LLC	

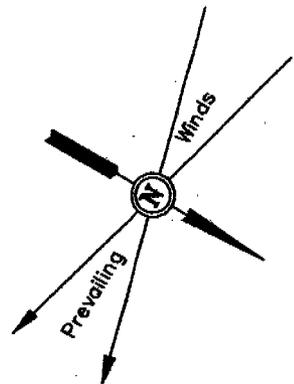
DIVISION OF OIL, GAS AND MINING  
 JAN 9 2001  
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1977 Private Cap,  
 Pile of Stones,  
 Steel Post, LS  
 20860

QUANECO, LLC.

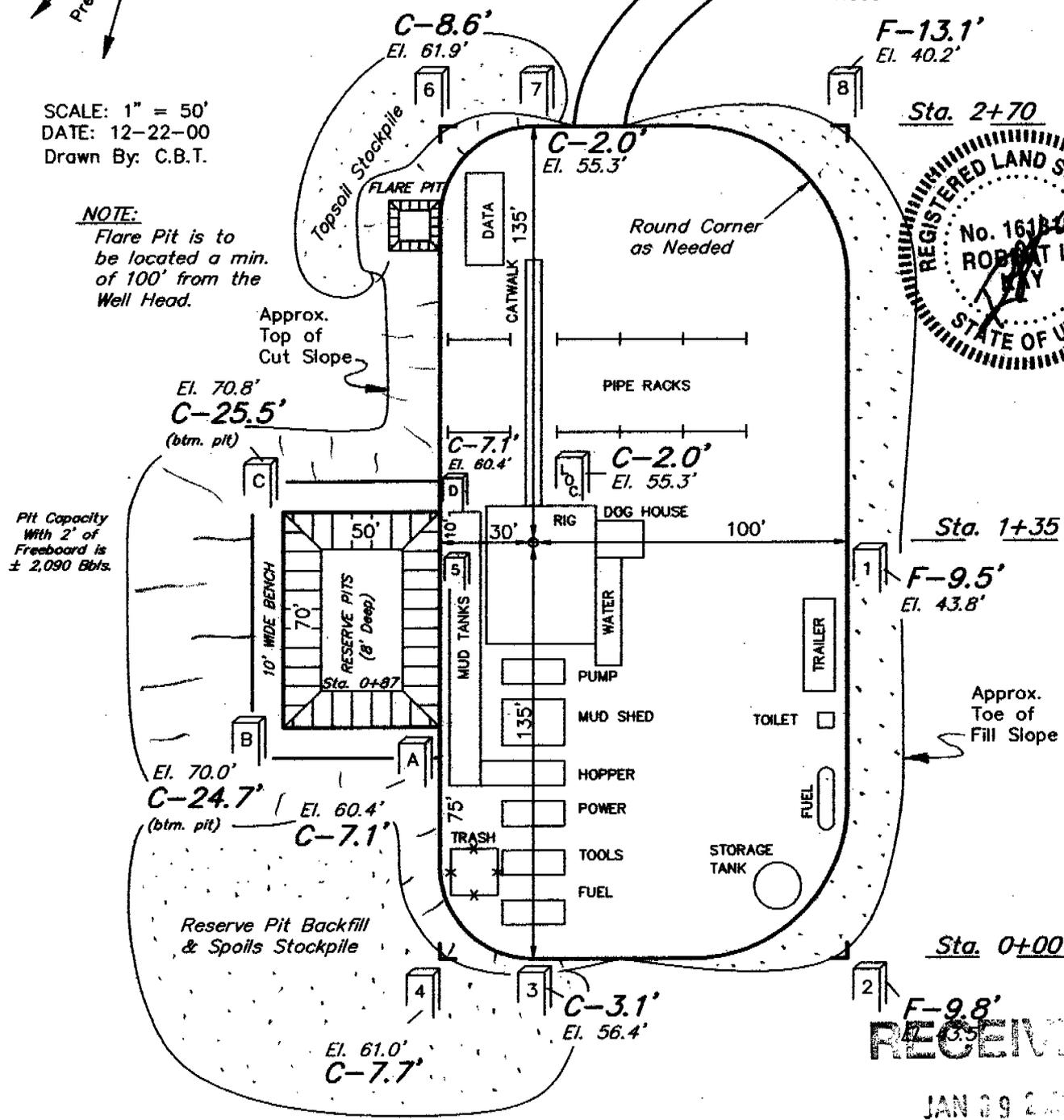
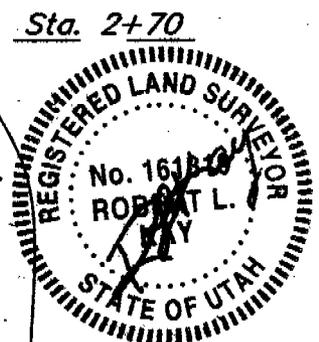
LOCATION LAYOUT FOR

CRANE #12-4  
SECTION 4, T6N, R8E, S.L.B.&M.  
2041' FSL 480' FWL



SCALE: 1" = 50'  
DATE: 12-22-00  
Drawn By: C.B.T.

**NOTE:**  
Flare Pit is to be located a min. of 100' from the Well Head.



Pit Capacity With 2' of Freeboard is ± 2,090 Bbls.

Reserve Pit Backfill & Spoils Stockpile

Approx. Toe of Fill Slope

RECEIVED

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Elev. Ungraded Ground at Location Stake = 6855.3'  
Elev. Graded Ground at Location Stake = 6853.3'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

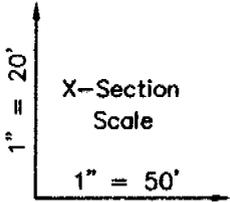
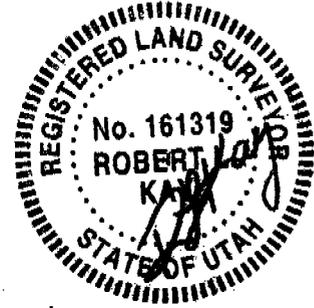
**QUANECO, LLC.**

**TYPICAL CROSS SECTIONS FOR**

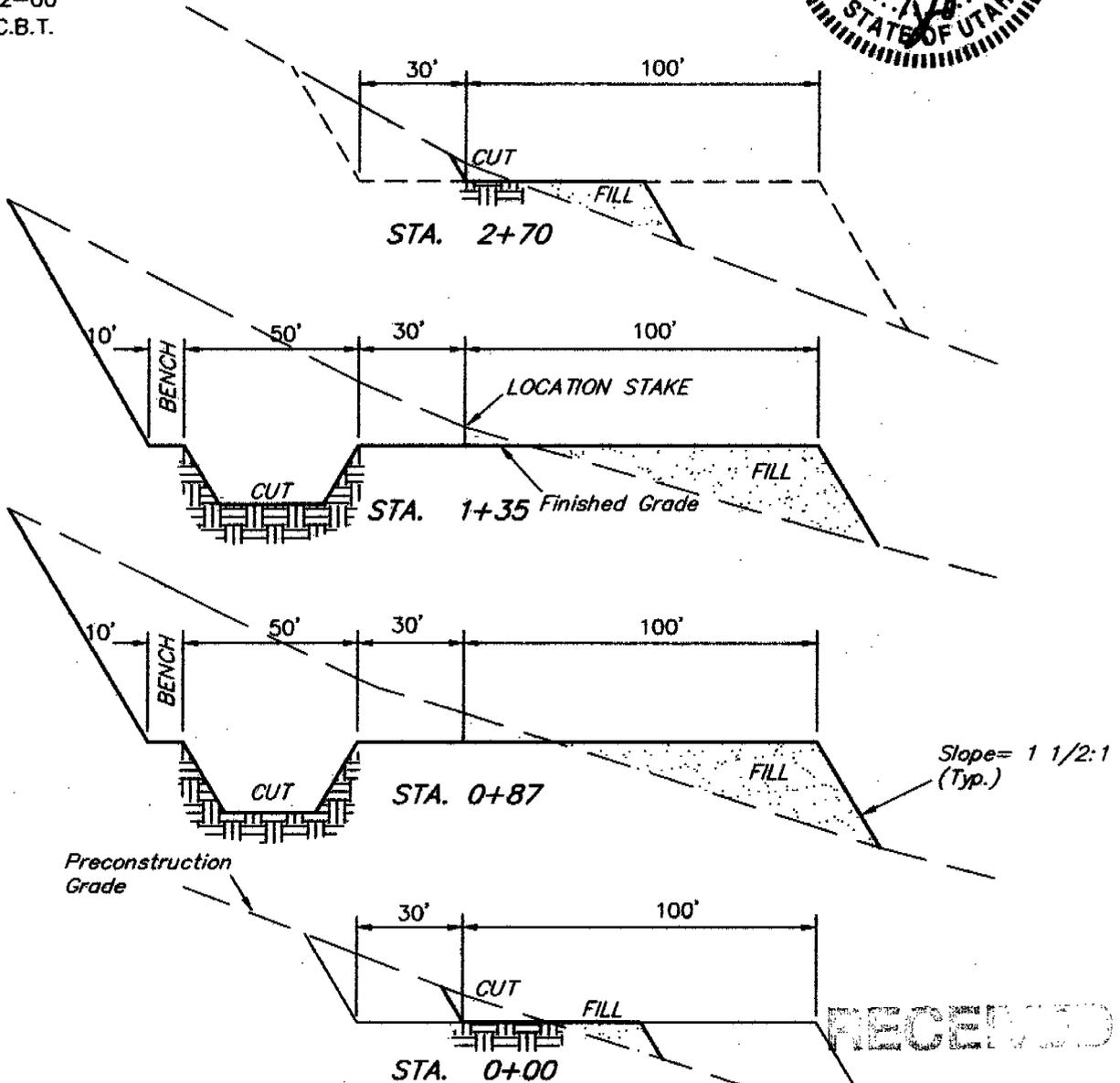
**CRANE #12-4**

**SECTION 4, T6N, R8E, S.L.B.&M.**

**2041' FSL 480' FWL**



DATE: 12-22-00  
Drawn By: C.B.T.



**RECEIVED**

**JAN 09 2001**

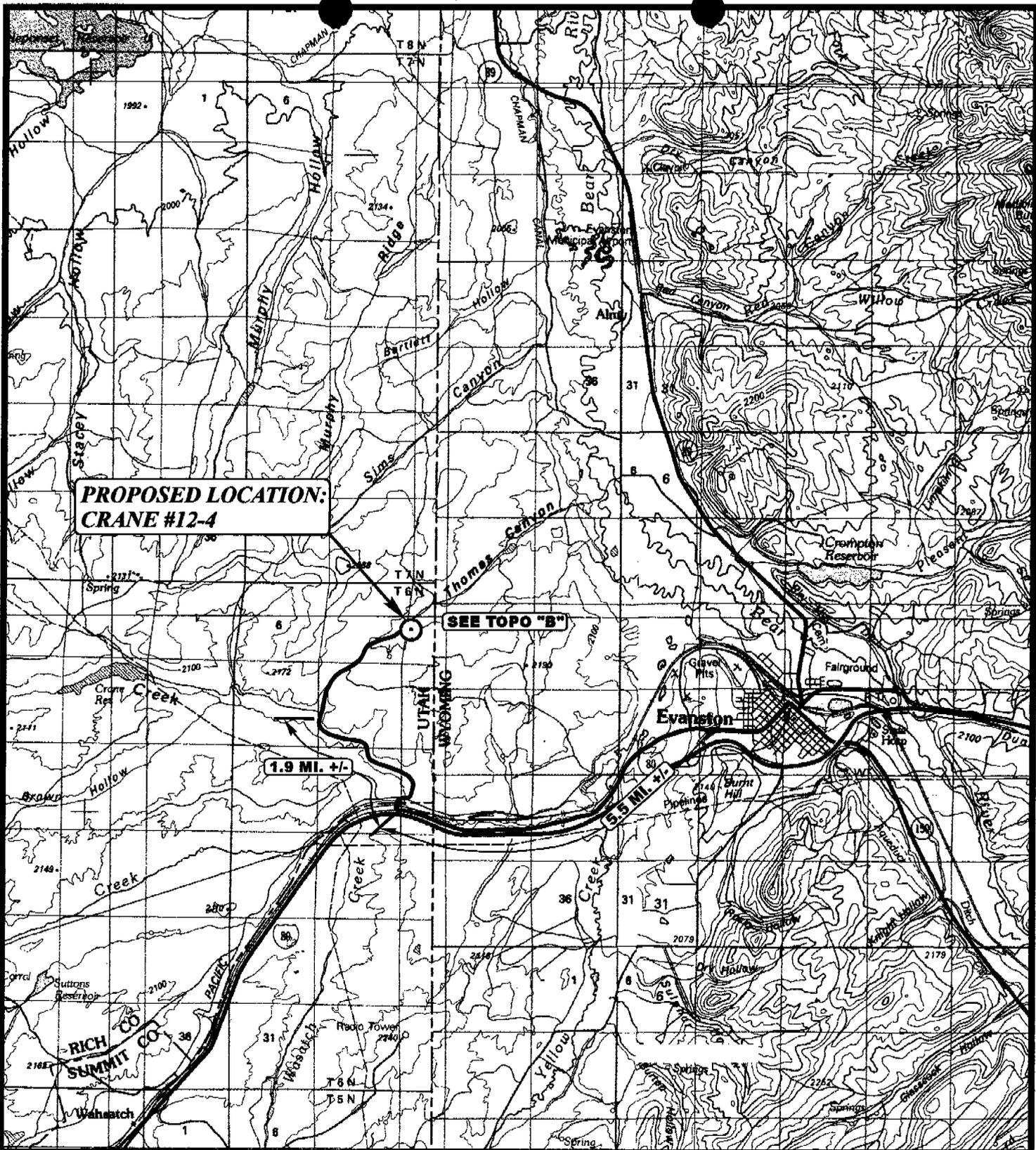
**DIVISION OF OIL, GAS AND MINING**

**APPROXIMATE YARDAGES**

(6") Topsoil Stripping	=	750 Cu. Yds.
Remaining Location	=	6,350 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>7,100 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>5,720 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,080 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,080 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



**PROPOSED LOCATION:  
CRANE #12-4**

**SEE TOPO "B"**

**1.9 MI. +/-**

**5.5 MI. +/-**

**LEGEND:**

⊙ PROPOSED LOCATION



**QUANECO, LLC.**

**CRANE #12-4  
SECTION 4, T6N, R8E, S.L.B.&M.  
2041' FSL 480' FWL**



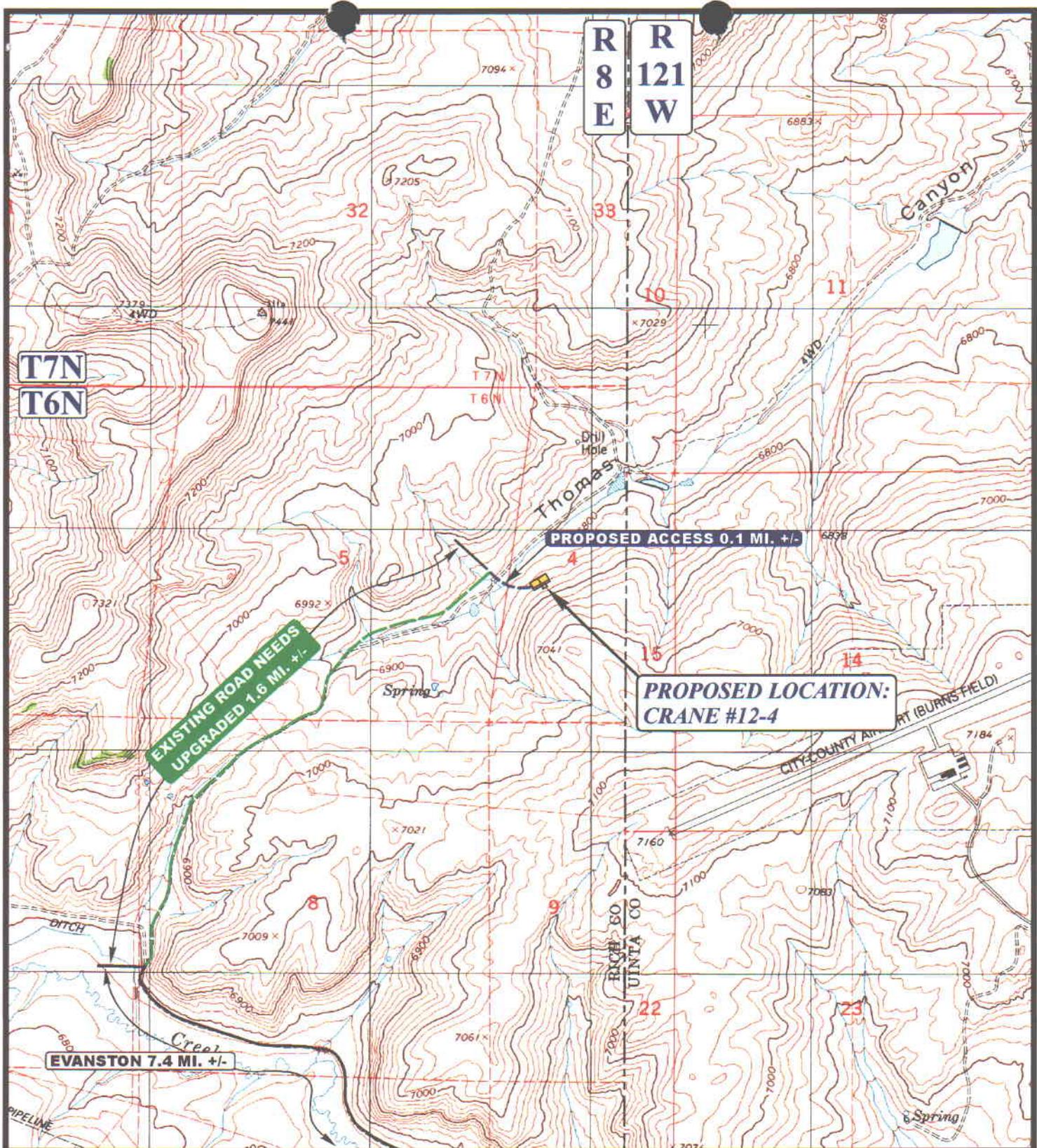
**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

<b>12</b>	<b>28</b>	<b>00</b>
MONTH	DAY	YEAR



SCALE: 1:100,000 | DRAWN BY: KG. | REVISED: 00-00-00



**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**QUANECO, LLC.**

**CRANE #12-4**  
**SECTION 4, T6N, R8E, S.L.B.&M.**  
**2041' FSL 480' FWL**



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

**TOPOGRAPHIC**  
**MAP**

**12 28 00**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/05/2001

API NO. ASSIGNED: 43-033-30050

WELL NAME: CRANE 12-4  
 OPERATOR: FAT CHANCE OIL & GAS ( N1395 )  
 CONTACT: CASEY OSBORN

PHONE NUMBER: 307-673-1500

PROPOSED LOCATION:

NWSW 04 060N 080E  
 SURFACE: 2041 FSL 0480 FWL  
 BOTTOM: 2041 FSL 0480 FWL  
 RICH  
 WILDCAT ( 1 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	RAM	02/17/01
Geology		
Surface		

LEASE TYPE: 4- Fee  
 LEASE NUMBER: FEE  
 SURFACE OWNER: 4- Fee

PROPOSED FORMATION: Aspen

RECEIVED AND/OR REVIEWED:

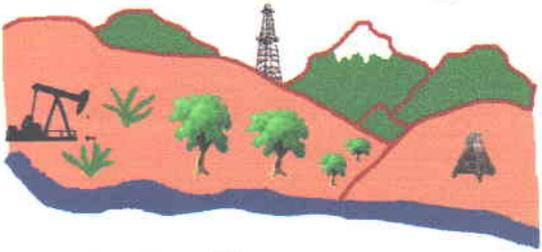
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[X] (No. 885588C )
- Potash (Y/N)
- Oil Shale (Y/N) \*190-5 (B) or 190-3
- Water Permit (No. 21-868 )
- RDCC Review (Y/N) (Date: 1-12-01 \* Comments due 1-30-01)
- Fee Surf Agreement (Y/N) \* Rec'd 1-25-01

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 Presite. (Conducted 2-14-01)

STIPULATIONS: ① STATEMENT OF BASIS



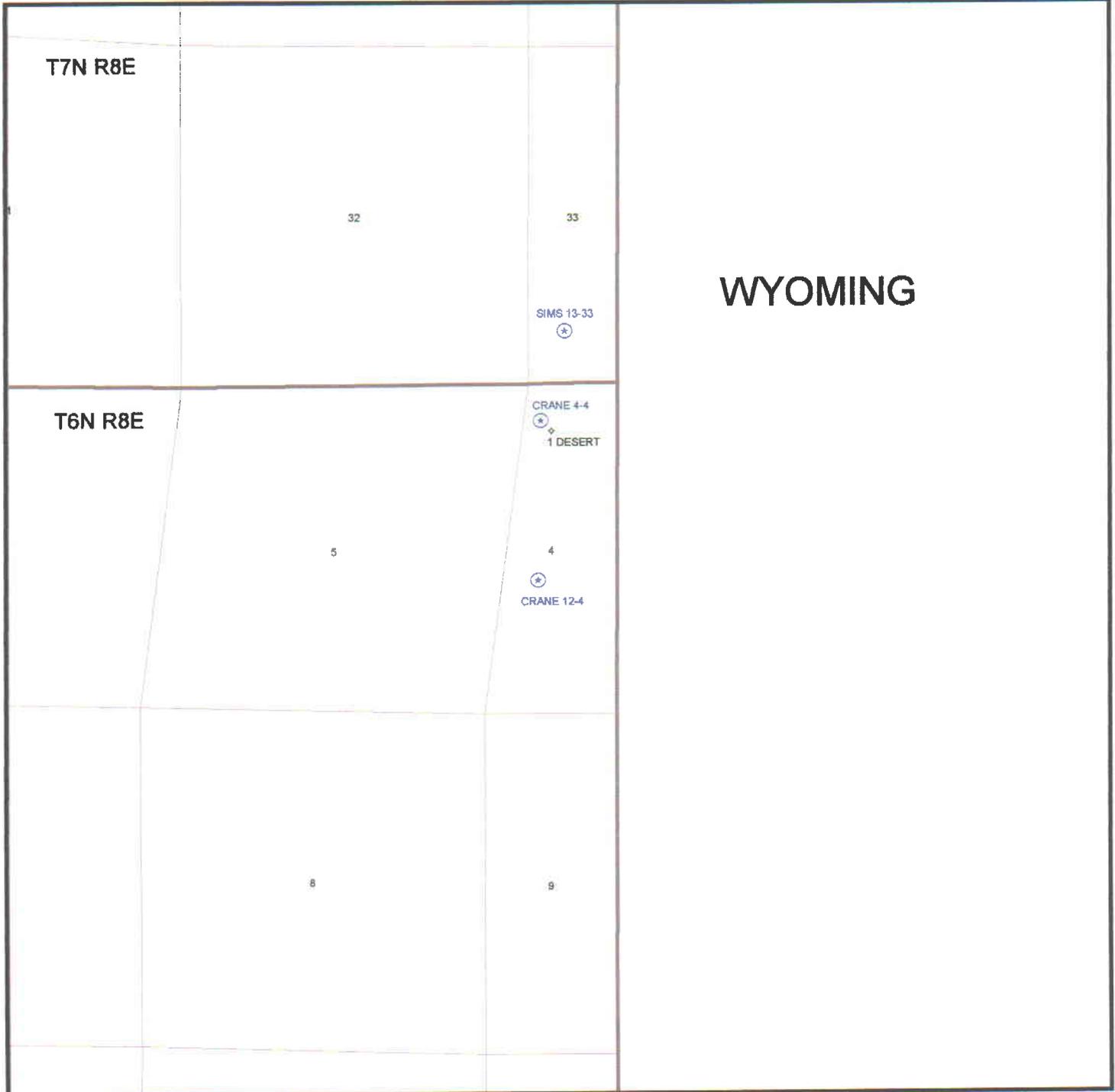
Utah Oil Gas and Mining

OPERATOR: FAT CHANCE O&G LLC (N1395)

FIELD: WILDCAT (001)

SEC. 4, T6N, R8E,

COUNTY: RICH      SPACING: R649-3-2/GEN ST



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

<b>1. Administering State Agency</b> Oil, Gas and Mining 1504 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	<b>2. State Application Identifier Number: (assigned by State Clearinghouse)</b>  <b>3. Approximate date project will start:</b> Upon Approval
<b>4. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1)</b>  Bear River Association of Governments	
<b>5. Type of action: // Lease /X/ Permit // License // Land Acquisition</b>  // Land Sale // Land Exchange // Other _____	
<b>6. Title of proposed action:</b>  Application for Permit to Drill	
<b>7. Description:</b>  Fat Chance Oil and Gas, LLC proposes to drill the Crane 12-4 well (wildcat) on a Fee lease, Rich 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.	
<b>8. Land affected (site location map required) (indicate county)</b>  NW/4, SW/4, Section 4, Township 6 North, Range 8 East, Rich County, Utah	
<b>9. Has the local government(s) been contacted?</b> No	
<b>10. Possible significant impacts likely to occur:</b>  Degree of impact is based on the discovery of oil or gas in commercial quantities.	
<b>11. Name and phone of district representative from your agency near project site, if applicable:</b>  	
<b>12. For further information, contact:</b>  Lisha Cordova Phone: (801) 538-5296	<b>13. Signature and title of authorized officer</b>   John R. Baza, Associate Director Date: January 12, 2001

**Fat Chance Oil and Gas, LLC**

P.O. Box 7370  
Sheridan WY 82801  
307-673-1500 Phone  
307-673-1400 Fax

January 24, 2001

Utah Division of Oil, Gas and Mining  
ATTN: Lisha Cordova  
1594 W. North Temple  
Suite 1210  
Salt Lake City UT 84114-5801

Dear Lisha:

This affidavit is to inform your office that a surface owner agreement has been made and entered into as of the 21<sup>st</sup> day of June, 2000, by and between PROPERTY RESERVE, INC., formerly known as DESERET TITLE HOLDING CORPORATION, a Utah corporation (herein referred to as "PRI"), and FAT CHANCE OIL AND GAS, L.L.C.

This agreement pertains to several wells, but for the purposes of this affidavit, specifically addresses Crane 12-4, located in the NW1/4 of the SW1/4, Section 4, T6N, R8E.

If you have any questions, please do not hesitate to call.

Sincerely,



Bill Courtney  
Operations Assistant

State of Wyoming            )  
  )ss  
County of Sheridan         )

The foregoing instrument was acknowledged before me by Bill Courtney this 24 day of January, 2001.

  
Notary Public

My commission Expires 5/19/02



**RECEIVED**  
JAN 25 2001  
DIVISION OF  
OIL, GAS AND MINING

# APPLICATION FOR TEMPORARY CHANGE OF WATER

## STATE OF UTAH

Rec. by \_\_\_\_\_  
 Fee Paid \$ \_\_\_\_\_  
 Receipt # \_\_\_\_\_  
 Microfilmed \_\_\_\_\_  
 Roll # \_\_\_\_\_

For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended.

CHANGE APPLICATION NUMBER: t25190

WATER RIGHT NUMBER: 21 - 868

\*\*\*\*\*  
 This Change Application proposes to change the POINT(S) OF DIVERSION, PLACE OF USE, and NATURE OF USE.  
 \*\*\*\*\*

1. OWNERSHIP INFORMATION.

- A. NAME: Deseret Livestock Company INTEREST: 100%  
 ADDRESS: 531 South State Street, Salt Lake City, UT 84111
- B. PRIORITY OF CHANGE: January 16, 2001 FILING DATE: January 16, 2001
- C. EVIDENCED BY:  
 21-868

\*-----\*  
 \* DESCRIPTION OF CURRENT WATER RIGHT: \*  
 \*-----\*

2. SOURCE INFORMATION.

- A. QUANTITY OF WATER: 12.0 cfs
- B. SOURCE: Unnamed Tributary to Duck Creek COUNTY: Summit
- C. POINT OF DIVERSION -- SURFACE:  
 (1) N 1290 feet E 300 feet from W $\frac{1}{4}$  corner, Section 12, T 6N, R 7E, SLBM

3. STORAGE. Water is diverted for storage into:

- (1) Crane Reservoir, from Jan 1 to Dec 31.  
 CAPACITY: 775.700 ac-ft.  
 Area inundated includes all or part of the following legal subdivisions:

BASE TOWN	RANG	SEC	NORTH-WEST $\frac{1}{4}$				NORTH-EAST $\frac{1}{4}$				SOUTH-WEST $\frac{1}{4}$				SOUTH-EAST $\frac{1}{4}$					
			NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE		
SL	6N	7E				***				X	***					***				
				X	X	X	***	X	X	X	***					***				
			X		X		***				***					***				

# RECEIVED

JAN 25 2001

DIVISION OF  
 OIL, GAS AND MINING  
 Temporary Change

4. WATER USE INFORMATION.

The Water Right represented by this change application is SUPPLEMENTAL to other Water Rights.

IRRIGATION: from Apr 1 to Oct 15.

IRRIGATING: 314.5000 acres.

STOCKWATERING: from Apr 1 to Oct 15.

EQUIVALENT LIVESTOCK UNITS: 30,800.

5. PLACE OF USE. (Which includes all or part of the following legal subdivisions:)

BASE TOWN	RANG	SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼							
			NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE				
SL	6N	7E	12	X		X	X	***			X	X	***			X	***	X	X	X	X	
			13		X			***					***				***					
SL	6N	8E	7			X		***					***	X	X		X	***	X	X	X	X
			8					***					***		X			***				
			16			X		***					***	X				***				
			17	X	X			***	X		X	X	***					***		X		
			18					***	X	X			***				***					

THE FOLLOWING CHANGES ARE PROPOSED:

6. SOURCE INFORMATION.

A. QUANTITY OF WATER: 4.0 acre-feet

REMAINING WATER: Same as HERETOFORE

B. SOURCE: Crane Creek Res., Neponset Res., Springs

COUNTY: Rich

C. POINTS OF DIVERSION -- SURFACE: Changed as Follows:

- (1) S 1000 feet W 100 feet from NE corner, Section 11, T 6N, R 7E, SLBM  
 DIVERT WORKS: Pump  
 SOURCE: Crane Reservoir
- (2) N 200 feet W 1600 feet from SE corner, Section 35, T 7N, R 7E, SLBM  
 DIVERT WORKS: pump  
 SOURCE: Springs
- (3) N 1730 feet W 1415 feet from SE corner, Section 35, T 8N, R 7E, SLBM  
 DIVERT WORKS: pump  
 SOURCE: Neponset Reservoir

D. COMMON DESCRIPTION: Deseret Ranch

7. WATER USE INFORMATION. Changed as Follows:

INDUSTRIAL: from 01/01/2001 to 12/31/2002 testing of geologic formations

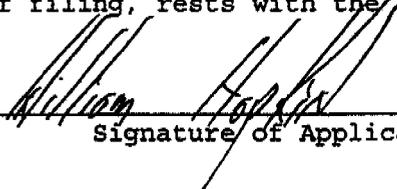
8. PLACE OF USE. Changed as Follows:

(Which includes all or part of the following legal subdivisions:)

BASE TOWN	RANG	SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼							
			NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE				
SL	6N	8E	4	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
			6	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
			7	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
			8	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
SL	7N	7E	11	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
SL	7N	8E	21	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
			29	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
			33	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
SL	8N	7E	32	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X
			35	X	X	X	X	***	X	X	X	X	***	X	X	X	X	***	X	X	X	X

9. SIGNATURE OF APPLICANT(S).

The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application, through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).

  
 \_\_\_\_\_  
 Signature of Applicant(s)

*Sign & return w/  
 \$75.00 fee*

DIVISION OF WATER RIGHTS  
 1780 N. RESEARCH PARKWAY  
 SUITE 104  
 NORTH LOGAN, UTAH 84341-1941

**RECEIVED**  
 JAN 25 2001  
 DIVISION OF  
 OIL, GAS AND MINING



# State of Utah

GOVERNOR'S OFFICE OF PLANNING AND BUDGET  
Resource Development Coordinating Committee

Michael O. Leavitt  
Governor

Brad T. Barber  
State Planning Coordinator

James L. Dykmann  
Committee Chairman

John A. Harja  
Executive Director

116 State Capitol Building  
Salt Lake City, Utah 84114  
(801) 538-1027  
Fax: (801) 538-1547

February 9, 2001

Lisha Cordova  
Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

SUBJECT: Application for permit to drill - proposal to drill a wildcat well the Crane #12-4  
on a Fee lease  
State Identification Number: 01-351

Dear Ms Cordova:

The Resource Development Coordinating Committee (RDCC), representing the State of Utah, has reviewed this proposal and has no comments at this time.

The Committee appreciates the opportunity to review this proposal. Please direct any other written questions regarding this correspondence to the Resource Development Coordinating Committee at the above address or call Carolyn Wright at (801) 538-1535 or John Harja at (801) 538-1559.

Sincerely,

Natalie Gochnour  
State Planning Coordinator

NG/ar

**DESIGNATION OF AGENT OR OPERATOR**

The undersigned is, on record, the holder of oil and gas lease

**LEASE NAME:** Property Reserve, Skull Valley & Kavanagh  
**LEASE NUMBER:** FEE

and hereby designates

**NAME:** Fat Chance Oil and Gas, LLC, an Oklahoma Limited Liability Company  
**ADDRESS:** P. O. Box 7370, 850 Val Vista  
city Sheridan state WY zip 82801

as his (check one) agent  / operator , with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

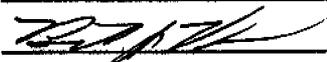
(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)  
See Attached

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

**Effective Date of Designation:** 01/01/2001

**BY:** (Name) Billy Jim Palone  
(Signature)   
(Title) Owner  
(Phone) (307) 682-1621

**OF:** (Company) Palone Petroleum  
(Address) P. O. Box 6  
Gillette  
state WY zip 82717

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FEB 12 2001

DIVISION OF  
OIL, GAS AND MINING



# PALONE PETROLEUM

P.O. Box 6 • Gillette, Wyoming 82717 • (307) 682-1621

---

February 5, 2001

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

Re: Designation of Operator.

To whom it concerns,

Enclosed is a Designation of Operator Form, designating Fat Chance Oil and Gas, LLC as operator on several thousand acres in Rich, Summit and Morgan Counties. Fat Chance currently has active and pending APDs on portions of the acreage.

The leasehold will be assigned very shortly to Quaneco, LLC. Fat Chance will remain the operator on current and future wells. Will Quaneco have to designate Fat Chance after the assignments are made? If so let me know, so that we can get that done concurrent with assignments.

If you have any questions please contact me at the above telephone number or address.

Sincerely yours,

Bill Palone

enclosure

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FEB 12 2001

DIVISION OF  
OIL, GAS AND MINING

**Exhibit "A"**

Attached to Oil and Gas Lease between Property Reserve, Inc. and Palone Petroleum

<b>Tract No. 1</b>		
<b>Township 9 North, Range 7 East, S.L.M.</b>		
Section 26:	W2	311.00
Section 27:	All	640.00
Section 34:	E2, E2NW	400.00
Section 35:	All	640.00
Section 36:	Beginning at the Southwest corner of Section 36; thence North 2 3/4 degrees East 2698 feet; thence South 89 degrees East to the West boundry line of State Highway; thence South 32 degrees East along said West line 3156 feet more or less, to a point East of beginning; thence West 2210 feet, more or less, to the point of beginning.	84.00
<b>Tract No. 2</b>		
<b>Township 8 North, Range 7 East, S.L.M</b>		
Section 1:	All that portion of Section 1 lying South and West of the Highway. Said highway is described as follows: A parcel of land 100 feet wide, 50 feet on each side of the following described centerline: Beginning at a point approximately 2244 feet East from the Northwest corner of said section; thence South 32 degrees 14 minutes East 1921.6 feet; thence 297.9 feet along the arc of a circle to the left whose radius is 1432.7 feet long; thence South 44 degrees 09 minutes East 2370.5 feet to the East line of said section.	489.86
Section 2:	Lot 4	28.00
Section 3:	Lots 1(28.00), 2(28.00), 3(28.00), 4(28.00), S2N2, S2	592.00
Section 10:	NE, E2NW, NESW, NWSE	320.00
Section 11:	All	640.00
Section 13:	All	640.00
<b>Tract No. 3</b>		
<b>Township 8 North, Range 7 East, S.L.M</b>		
Section 15:	All	640.00
Section 21:	All	640.00
Section 23:	All	640.00
Section 25:	All	640.00
<b>Tract No. 4</b>		
<b>Township 8 North, Range 7 East, S.L.M</b>		
Section 27:	All	640.00
Section 33:	All	640.00
Section 35:	All	640.00
Section 36:	All	640.00
<b>Tract No. 5</b>		
<b>Township 8 North, Range 8 East, S.L.M.</b>		
Section 31:	Lots 1(39.86), 2(39.90), 3(39.94), 4(39.98), E2W2, E2	639.68
<b>Township 7 North, Range 7 East, S.L.M.</b>		
Section 1:	Lots 1(40.22), 2(40.68), 3(41.12), 4(41.58), S2N2, S2	643.60
Section 2:	Lots 1(41.81), 2(41.84), 3(41.86), 4(41.89), S2NW	247.40
Section 3:	Lots 1(41.77), 2(41.58), 3(41.33), 4(41.11), S2N2, S2	645.79
<b>Tract No. 6</b>		
<b>Township 7 North, Range 7 East, S.L.M.</b>		
Section 5:	Lots 1(40.59), 2(40.76), 3(40.94), 4(41.11), S2N2, S2	643.40
Section 9:	All	640.00
Section 11:	All	640.00
Section 12:	W2	320.00
Section 13:	All	640.00
<b>Tract No. 7</b>		
<b>Township 7 North, Range 7 East, S.L.M.</b>		
Section 15:	All	640.00
Section 16:	W2SE	80.00
Section 17:	All	640.00
Section 19:	Lots 1(41.10), 2(41.10), 3(41.10), 4(40.44), E2W2, E2	643.74
Section 21:	All	640.00

**Exhibit "A"**

Attached to Oil and Gas Lease between Property Reserve, Inc. and Palone Petroleum

<b>Tract No. 8</b>		
<b>Township 7 North, Range 7 East, S.L.M.</b>		
Section 23:	All	640.00
Section 25:	All	640.00
Section 26:	W2W2	160.00
Section 27:	All	640.00
Section 29:	All	640.00
<b>Tract No. 9</b>		
<b>Township 7 North, Range 7 East, S.L.M.</b>		
Section 31:	Lots 1(39.82), 2(39.88), 3(39.92), 4(39.98), E2W2, E2	639.60
Section 32:	All	640.00
Section 33:	All	640.00
Section 35:	All	640.00
<b>Tract No. 10</b>		
<b>Township 7 North, Range 8 East, S.L.M.</b>		
Section 7:	Lots 1(43.03), 2(42.45), 3(41.87), 4(41.29), E2W2, E2	648.64
Section 9:	Lots 1(40.34), 2(40.34), 3(40.34), 4(40.34)	161.36
Section 17:	All	640.00
Section 19:	Lots 1(39.23), 2(38.88), 3(38.53), 4(38.18), E2W2, E2	634.82
<b>Tract No. 11</b>		
<b>Township 7 North, Range 8 East, S.L.M.</b>		
Section 21:	Lots 1(40.34), 2(40.34), 3(40.34), 4(40.34)	161.36
Section 29:	All	640.00
Section 31:	Lots 1(38.95), 2(39.25), 3(39.55), 4(39.85), E2W2, E2	637.60
Section 33:	Lots 1(39.87), 2(39.93), 3(37.97), 4(37.06)	154.83
<b>Tract No. 12</b>		
<b>Township 6 North, Range 6 East, S.L.M.</b>		
Section 2:	Lots 1(39.46), 2(39.59), 3(39.71), 4(39.84), S2N2, S2	638.60
Section 12:	All	640.00
Section 14:	All	640.00
Section 22:	All	640.00
<b>Tract No. 13</b>		
<b>Township 6 North, Range 6 East, S.L.M.</b>		
Section 24:	All	640.00
Section 26:	All	640.00
Section 28:	N2SE	80.00
Section 32:	All	640.00
Section 34:	N2NE, SENE, W2, SE	600.00
<b>Tract No. 14</b>		
<b>Township 6 North, Range 7 East, S.L.M.</b>		
Section 2:	Lots 1(22.77), 2(22.32), 3(21.87), 4(21.42), S2N2, S2	568.38
Section 4:	Lots 1(21.78), 2(26.54), 3(31.40), 4(36.06), S2N2, S2	595.78
Section 6:	Lots 1(40.87), 2(40.62), 3(40.37), 4(43.35), 5(43.06), 6(42.90), 7(42.73), S2NE, SENW, E2SW, SE	653.90
Section 8:	All	640.00
<b>Tract No. 15</b>		
<b>Township 6 North, Range 7 East, S.L.M.</b>		
Section 10:	All	640.00
Section 12:	All	640.00
Section 13:	All	640.00
Section 14:	All	640.00
<b>Tract No. 16</b>		
<b>Township 6 North, Range 7 East, S.L.M.</b>		
Section 16:	All	640.00
Section 18:	Lots 1(40.11), 2(40.14), 3(40.16), 4(40.19), E2W2, E2	640.60
Section 20:	All	640.00
Section 22:	All	640.00
<b>Tract No. 17</b>		
<b>Township 6 North, Range 7 East, S.L.M.</b>		
Section 24:	All	640.00

Exhibit "A"

Attached to Oil and Gas Lease between Property Reserve, Inc. and Palone Petroleum

Section 25:	All of that portion of Section 25 lying North and West of the Union Pacific Railroad Company Right-of-way.	627.00
Section 26:	All	640.00
Section 28:	All	640.00

**Tract No. 18**

**Township 6 North, Range 6 East, S.L.M.**

Section 36:	All	640.00
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**Township 6 North, Range 7 East, S.L.M.**

Section 30:	Lots 1(39.98), 2(40.10), 3(40.22), 4(40.34), E2W2, E2	640.64
Section 32:	All	640.00
Section 34:	All	640.00

**Tract No. 19**

**Township 6 North, Range 8 East, S.L.M.**

Section 4:	Lots 1(30.73), 2(21.10), 3(21.10), 4(21.10), 5(24.67), 6(30.81), 7(36.94)	186.45
Section 6:	Lots 1(29.00), 2(29.00), 3(29.00), 4(29.00), 5(40.00), 6(40.00), 7(40.00), S2NE, SENW, E2SW, SE	596.00
Section 7:	Lots 1(40.17), 2(40.52), 3(40.87), 4(41.22), E2W2, E2	642.78
Section 8:	All	640.00
Section 9:	Lots 1(21.09), 2(21.06), 3(21.03), 4(21.01), W2W2, Less and Except 62.15 acres more or less, as conveyed within that certain Warranty Deed dated February 3, 1999, recorded February 17, 1999 in Book E8 at page 203, with Property Reserve, Inc., a Utah corporation, f/k/a Deseret Title Holding Corporation, as Grantor, and Evanston-Uinta County Airport Joint Powers Board, as Grantee.	182.04

**Tract No. 20**

**Township 6 North, Range 7 East, S.L.M.**

Section 36:	All of that portion of Section 36 lying North and West of the Union Pacific Railroad Company Right-of-way.	375.00
-------------	--	--------

**Township 6 North, Range 8 East, S.L.M.**

Section 16:	All of that portion of Section 16 lying North of the Union Pacific Railroad Company right-of-way.	165.00
Section 17:	All of that portion of Section 17 lying North and West of the Union Pacific Railroad Company right-of-way.	479.00
Section 18:	Lots 1(41.45), 2(41.55), 3(41.65), 4(41.75), E2W2, E2	646.40
Section 19:	All of that portion of Section 19 lying North and West of the Union Pacific Railroad Company right-of-way.	508.00
Section 30:	Lot 1(41.05) and that part of Lot 2 lying North and West of the Union Pacific Railroad Company right-of-way.	65.00

**Tract No. 21**

**Township 5 North, Range 6 East, S.L.M.**

Section 12:	All	640.00
-------------	-----	--------

**Township 5 North, Range 7 East, S.L.M.**

Section 2:	All that part lying North and West of the West Bound Union Pacific Railroad Company right of way	486.32
Section 4:	Lots 1(41.24), 2(41.34), 3(41.42), 4(41.52), S2N2, S2	645.52
Section 6:	Lots 1(41.36), 2(40.98), 3(40.58), 4(40.40), 5(40.40), 6(40.32), 7(40.24), S2NE, SENW, E2SW, SE	644.28
Section 8:	All	640.00
Section 10:	N2NW	80.00
Section 18:	Lots 1(39.97), 2(39.93), 3(39.88), N2NE, SWNE, E2NW, NESW	359.78

Well name:	<b>02-01 Fat Chance Crane 12-4</b>	
Operator:	<b>Fat Chance Oil</b>	Project ID:
String type:	<b>Production</b>	<b>43-033-30050</b>
Location:	<b>Rich Co.</b>	

**Design parameters:**

**Collapse**

Mud weight: 9.500 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 90 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 368 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 0 psi  
 Internal gradient: 0.494 psi/ft  
 Calculated BHP 864 psi

No backup mud specified.

**Tension:**

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

Non-directional string.

Tension is based on air weight.  
 Neutral point: 1,502 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1750	7	20.00	H-40	ST&C	1750	1750	6.331	69.9
						LOWEST JOINT ASSUMED			
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	864	1970	<u>2.28</u>	864	2720	<u>3.15</u>	35	176	<u>5.03 J</u>

Prepared R.A.McKee  
 by: Utah Dept. of Natural Resources

Date: February 14, 2001  
 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 1750 ft, a mud weight of 9.5 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:	<b>02-01 Fat Chance Crane 12-4</b>	
Operator:	<b>Fat Chance Oil</b>	Project ID:
String type:	<b>Surface</b>	<b>43-033-30050</b>
Location:	<b>Rich Co.</b>	

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 68 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 200 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 0 psi  
Internal gradient: 0.494 psi/ft  
Calculated BHP 99 psi

No backup mud specified.

**Tension:**

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

Tension is based on air weight.  
Neutral point: 173 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 1,750 ft  
Next mud weight: 9.500 ppg  
Next setting BHP: 864 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 200 ft  
Injection pressure 200 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)	Internal Capacity (ft³)
1	200	9.625	32.30	H-40	ST&C	200	200	8.876	12.7
					<i>ONLY AVAILABLE</i>				
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	93	1370	14.66	99	2270	23.01	6	254	39.34 J

Prepared by: R.A.McKee  
Utah Dept. of Natural Resources

Date: February 14, 2001  
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 200 ft, a mud weight of 9 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.*

02-01 Fat Chance Crane 12  
Casing Schematic

Surface

9-5/8"  
MW 9.  
Frac 19.3

TOC @  
0.

Surface  
200. MD

25%  
WASH OUT

BOP

$$\begin{aligned}
 &.052 (9.5) (1750) = 865 \\
 &.12 (1750 < 2107) \\
 &\hline
 &655
 \end{aligned}$$

∴ 3M system as  
PROPOSAL is ADOQUATE  
R.A.M.  
2/14/01

9%

WASH OUT

7"  
MW 9.5

Production  
1750. MD

**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**Operator Name:** Fat Chance Oil and Gas LLC.

**Name & Number:** Crane # 12-4

**API Number:** 43-033-30050

**Location:** 1/4,1/4 NW SW Sec. 4 T. 6 N R. 8 E County: Rich

**Geology/Ground Water:**

It is expected that fresh water aquifers containing significant volumes of high quality ground water will be penetrated. A moderately permeable soil is developed on the Tertiary clays of the Wasatch formation. There is one active water right within a mile of this location that indicate good water is present within a mile of location at a shallow depth or at the surface. The proposed casing and cementing programs should adequately isolate any zones of fresh water that may be penetrated but the operator must extend the surface casing setting depth as needed to completely contain the USDW's encountered and place cement across all fresh water zones. If the well is plugged and abandoned any zone of fresh water will be protected with cement and cement will be circulated to ground level on the surface casing string. As this location is adjacent to an active water drainage and extra care will be taken to protect any ground or surface water sources.

**Reviewer:** K. Michael Hebertson

**Date:** 15-Feb-2001

**Surface:**

The surface belongs to Deseret Land and Livestock and persons representing Deseret Land and Livestock were invited to the on-site inspection . Those attending the onsite are noted above in the Participants section of the review document. Items of concern at this location are surface use agreement, and winter drilling restrictions not yet specified by the surface owner. An amendment to the surface use agreement is being worked on and should be finalized sometime in December. At the pre site review the operator was asked to provide an affidavit stating that the surface use agreement is being revised .

**Reviewer:** K. Michael Hebertson

**Date:** 15-Feb-2001

**Conditions of Approval/Application for Permit to Drill:**

1. A 12-mil minimum thickness synthetic pit liner is required.
2. Berms and diversions to protect the location and spoil piles and control erosion and pollution.
3. Surface casing will be set through all active water zones, cement will be circulated to surface
4. Site infrastructure placement as per drilling location plat.
5. The location will be bermed on the top outside edge and topsoil will be stored in wind rows not piles.
6. Berms or ditches will be placed on all cut and fill slopes to catch and contain any fluids escaping location.
7. Snow and brush will be removed before any soil disturbance occurs, and snow and soil will not be mixed.

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

OPERATOR: Fat Chance Oil and Gas, LLC

WELL NAME & NUMBER: Crane #12-4

API NUMBER: 43-033-30050

LEASE: Fee (Deseret Land and Livestock) FIELD/UNIT: Wildcat

LOCATION: 1/4,1/4 NW SW Sec 4 TWP: 6 N RNG: 8 E 2041 FSL 480 FWL

LEGAL WELL SITING: 460' from the drilling unit boundary and 920' from other wells

GPS COORD (UTM): X = 495788 E; Y = 4,569,725 N Calculated

SURFACE OWNER: Deseret Land and Livestock

**PARTICIPANTS**

Mike Hebertson (DOGM), Casey Osborn (Fat Chance), Bill Hopkin (Deseret Land & Livestock)

Shane Kennedy (Searle Construction)

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

This area is located in the Overthrust Belt of eastern Utah and western Wyoming north of the Uinta Mountains. The geologic setting is known as the Thrust Belt. US Highway 80 is about 1.5 miles to the south. The Uinta County Airport is located about 1 mile east. Thomas Canyon is the access route to the location, and is also an active drainage with several developed water resources. Crane Creek, which flows eastward out of Thomas Canyon, is active all year long and eventually flows into the Bear River. The City of Evanston is about 5 miles to the east. The surface is Paleocene age Wasatch formation with possible Evanston formation underlying the area. The land slopes to the southwest and is incised by moderate to shallow drainages with active streams and flowing water.

**SURFACE USE PLAN**

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: The operator proposes a 270' X 180' pad, outboard soil storage, and a 50' X 70' X 8' outboard attached pit, an existing road accesses the location to within 400' but will not need to be upgraded. The 400 feet of new road will cross an existing pipeline and an extra pad will be required by the pipeline company to cross at that spot.

LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS: There are no existing wells within 1 mile of this well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities for this well will remain on the location with exception of the pipelines and utilities for power. The pipeline and utility lines will be buried underground and follow the access road.

SOURCE OF CONSTRUCTION MATERIAL: Gravel location and approach road; soil stored in berm, the location will be made of natural material borrowed from leveling the pad during construction.

ANCILLARY FACILITIES: None

## WASTE MANAGEMENT PLAN

Portable toilets; garbage cans or cages on location will be placed on location and will be emptied into centralized dumpsters, which will be emptied into an approved landfill. All human waste generated at the site will be kept in proper sanitary facilities and disposed of according to local rules. Extra precautions will be taken due to the proximity of Thomas Canyon and the water resources that are present along the drainage.

## ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: This location is perched directly above a tributary to Thomas Canyon and Crane Creek, and there is an active spring within ¼ of a mile of this location. All precautions will be taken to insure the integrity of these resources.

FLORA/FAUNA: Open sagebrush, and grass meadows, cactus, birds, lizards, coyotes, rodents, raptors, occasional elk, deer pronghorn and sage grouse. Critical winter range.

SOIL TYPE AND CHARACTERISTICS: Mostly clay with very little sand, lots of small rocks to larger pit run type gravel and head sized rocks.

SURFACE FORMATION & CHARACTERISTICS: Wasatch Formation Clay with numerous rocks light gray to medium brown in color. Minor sand, and topsoil. Moderate to Poor Permeability.

EROSION/SEDIMENTATION/STABILITY: Stable. Wasatch type soils are generally susceptible to slumping when slopes are wet and become saturated. The slope of the ground in this location will not be sufficient for the unstable conditions to occur. Erosion and sedimentation at this location will not be an issue.

PALEONTOLOGICAL POTENTIAL: None observed.

## RESERVE PIT

CHARACTERISTICS: Dugout, earthen pit, as above.

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

## SURFACE RESTORATION/RECLAMATION PLAN

A surface use agreement is in place and restoration will be managed by the surface owner.

SURFACE AGREEMENT: There is a surface use agreement.

CULTURAL RESOURCES/ARCHAEOLOGY: Archaeological survey is not required.

## OTHER OBSERVATIONS/COMMENTS:

The well lies within a mile of the Uinta County Airport in Evanston Wyoming. An adequate waste management plan has not been submitted. The stability of this site was discussed with regards to the removal of snow in the winter and the impact of the spring thaw. It was suggested that the snow be removed along with the sage brush and grasses before any soil was moved. Snow and soil should not be

mixed to prevent the possible liquifaction of the soil during the thaw

---

ATTACHMENTS:

Photographs were taken at the time the location was staked, see the original APD.

---

K. Michael Hebertson  
DOGM REPRESENTATIVE

14-Feb-2001 10:45 AM  
DATE/TIME

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

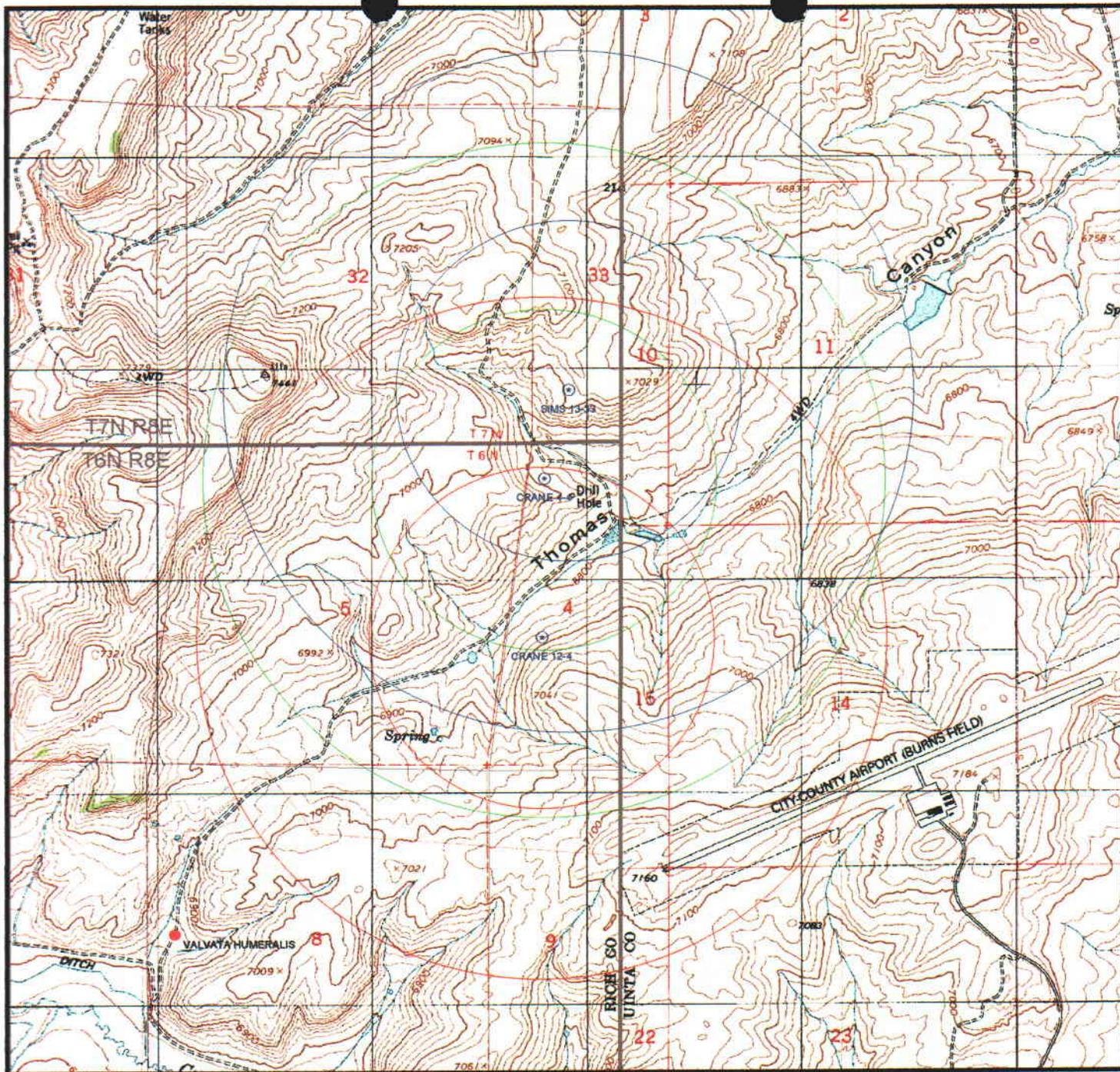
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
<b>Distance to Groundwater (feet)</b>		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>10</u>
<b>Distance to Surf. Water (feet)</b>		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>15</u>
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

**Final Score**    75    (Level I Sensitivity)

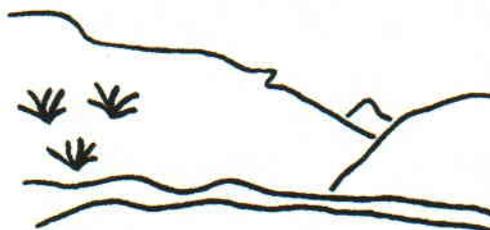
Sensitivity Level I = 20 or more; total containment is required.

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

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



- Sections  
 Township
- Wells**
- β GAS INJECTION
  - ♦ GAS STORAGE
  - x LOCATION ABANDONED
  - ⊙ NEW LOCATION
  - ◇ PLUGGED & ABANDONED
  - ★ PRODUCING GAS
  - PRODUCING OIL
  - ⊕ SHUT-IN GAS
  - ⊕ SHUT-IN OIL
  - x TEMP. ABANDONED
  - TEST WELL
  - △ WATER INJECTION
  - ◆ WATER SUPPLY
  - ⊗ WATER DISPOSAL



## Utah Oil Gas and Mining

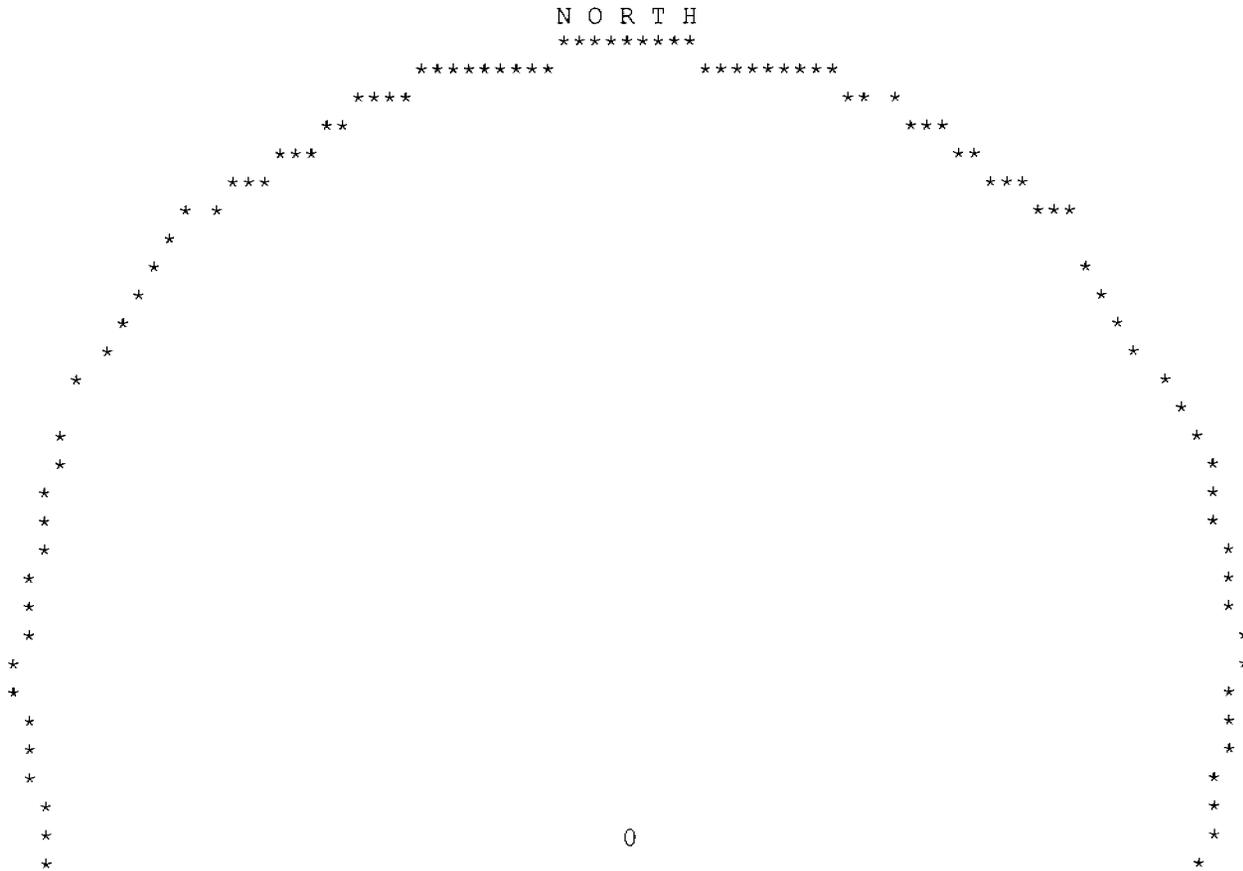
The State of Utah Division of Oil, Gas & Mining does not guarantee or warrant the accuracy of any data presented herein that is not generated or maintained by the Division. All of the data presented is available in the public sector and can be inspected at the offices of the various divisions or agencies which are responsible for generating the data.

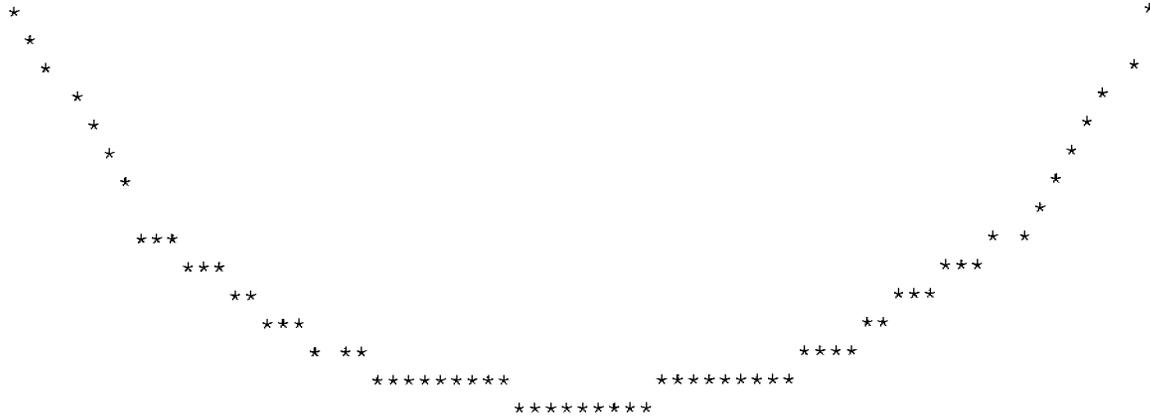


UTAH DIVISION OF WATER RIGHTS  
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, FEB 5, 2001, 8:34 AM  
PLOT SHOWS LOCATION OF 1 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FROM A POINT  
N 2041 FEET, E 480 FEET OF THE SW CORNER,  
SECTION 4 TOWNSHIP 6N RANGE 8E 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	CFS	QUANTITY 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
0	21 1101	.0000	.00	Unnamed Tributary to Wahsatch	N 720 E 520 SW 4 6N 8E SL
				Deseret Livestock Company	PRIORITY DATE: 00/00/19 Salt Lake City
				531 South State Street	



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

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

February 20, 2001

Fat Chance Oil and Gas, LLC  
211 N Robinson  
Oklahoma City, OK 73102

Re: Crane 12-4 Well, 2041' FSL, 480' FWL, NW SW, Sec. 4, T. 6 North, R. 8 East,  
Rich 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 43-033-30050.

Sincerely,

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

John R. Baza  
Associate Director

er

Enclosures

cc: Rich County Assessor

**Operator:** Fat Chance Oil and Gas, LLC  
**Well Name & Number** Crane 12-4  
**API Number:** 43-033-30050  
**Lease:** FEE

**Location:** NW SW      **Sec.** 4      **T.** 6 North      **R.** 8 East

### 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)

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

FORM 6

ENTITY ACTION FORM

Operator: Fat Chance Oil and Gas, LLC Operator Account Number: N 1395  
Address: PO Box 7370  
city Sheridan  
state WY zip 82801-7370 Phone Number: (307) 673-1500

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-033-300 <u>49</u>	Crane 4-4		nwnw	4	T6N	R8E	Rich
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	<u>99999</u>	<u>13056</u>	2/27/2001		2/27/2001		
Comments: <u>3-8-01</u> <b>CONFIDENTIAL</b>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-033-300 <u>50</u>	Crane 12-4		nsw	4	T6N	R8E	Rich
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	<u>99999</u>	<u>13057</u>	3/2/2001		3/2/2001		
Comments: <u>3-8-01</u> <b>CONFIDENTIAL</b>							

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)

**RECEIVED**

MAR 08 2001

DIVISION OF  
OIL, GAS AND MINING

Casey Osborn  
Name (Please Print)  
Casey Osborn  
Signature  
Ops. Mgr. 3-7-01  
Title Date

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801-7370 PHONE NUMBER: (307) 673-1500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich

QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Weekly report
	<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.

7" casing set at 1692'. Waiting on completion rig.

NAME (PLEASE PRINT) Bill Courtney TITLE Operations Assistant

SIGNATURE Bill Courtney DATE 4/12/2001

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DIVISION OF  
OIL, GAS AND MINING

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: <b>Fat Chance Oil &amp; Gas, LLC</b>		8. WELL NAME and NUMBER: <b>Crane 12-4</b>
3. ADDRESS OF OPERATOR: <b>PO Box 7370</b> CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>		9. API NUMBER: <b>4303330050</b>
PHONE NUMBER: <b>(307) 673-1500</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		COUNTY: <b>Rich</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T8N R8E S</b>		STATE: <b>UTAH</b>

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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Weekly Report</b>
	<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.  
Waiting on completion rig.

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APR 23 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Bill Courtney</u>	TITLE <u>Operations Assistant</u>
SIGNATURE <u><i>Bill Courtney</i></u>	DATE <u>4-17-2001</u>

(This space for State use only)

CONFIDENTIAL

DOUBLE JACK TESTING & SERVICES, INC.  
Phone (307) 789-9213

B.O.P TEST REPORT

B.O.P. TEST PERFORMED ON (DATE) 3/31/01

OIL COMPANY Quaneco

WELL NAME & NUMBER Crane 12-4

SECTION 4 43-033-30050

TOWNSHIP 6N

RANGE 8E

COUNTY & STATE Rich, Utah

DRILLING CONTRACTOR Ellenburg

OIL COMPANY SITE REPRESENTATIVE Jim Jenkins

RIG TOOL PUSHER George Ames

TESTED OUT OF Evanston, Wyoming

NOTIFIED PRIOR TO TEST \_\_\_\_\_

COPIES OF THIS TEST REPORT SENT TO: Utah Division of Oil, Gas & Mining

Quaneco -- Jim Jenkins

Ellenburg -- George Ames

ORIGINAL CHART & TEST REPORT ON FILE AT:

DOUBLE JACK TESTING & SERVICES, INC.  
PO BOX 2097  
EVANSTON, WY 82930

TESTED BY: Don Bonner

RECEIVED

APR 26 2001

DIVISION OF  
OIL, GAS AND MINING

# Double Jack Testing & Services Inc.

FIELD TICKET  
No 16279

Accounting Office: P.O. Box 516 Shoshoni, WY 82649 (307) 876-9390  
 Field Operations: Shoshoni, WY (307) 876-2308  
 Evanston, WY (307) 789-9213  
 Rock Springs, WY (307) 382-4020  
 Big Piney, WY (307) 276-5265  
 Vernal, UT (435) 781-0448

DATE 3-27-01  
 OPERATOR Quaneco  
 CONTRACTOR Ellenburg  
 WELL NAME Crane 4-4

COUNTY Rich STATE UTAH SECTION 4 TOWNSHIP 6N RANGE 8E

Items Tested:	LOW TEST PSI	TIME HELD MINUTES	HIGHEST PSI	TIME HELD MINUTES	Closing Unit PSI
Top Pipe Rams					_____
Bottom Pipe Rams	<u>250</u>	<u>5</u>	<u>1500</u>	<u>10</u>	Closing Time of Rams _____
Blind Rams	<u>250</u>	<u>5</u>	<u>1500</u>	<u>10</u>	Closing Time of Annular _____
Annular B.O.P.	<u>250</u>	<u>5</u>	<u>1000</u>	<u>10</u>	Closed Casing Head Valve _____
Choke Manifold	<u>250</u>	<u>5</u>	<u>1500</u>	<u>10</u>	Set Wear Sleeve _____
Choke Line	<u>250</u>	<u>5</u>	<u>1500</u>	<u>10</u>	COMMENTS <u>CC: [unclear]</u>
Kill Line	<u>250</u>	<u>5</u>	<u>1500</u>	<u>10</u>	
Super Choke	<u>1</u>				
Upper Kelly	<u>250</u>	<u>5</u>	<u>1500</u>	<u>10</u>	
Lower Kelly					
Floor Valve					
Dart Valve					
Casing	<u>25</u>	<u>5</u>	<u>1500</u>	<u>10</u>	

## ADDITIONAL TESTS & COMMENTS

Quaneco  
CASEY OSBORN  
Ellenburg  
George ANES

TEST PLUG \_\_\_\_\_  
 RET. TOOL \_\_\_\_\_  
 TOP SUB. \_\_\_\_\_  
 KELLY SUB. \_\_\_\_\_  
 X-OVER SUB. \_\_\_\_\_

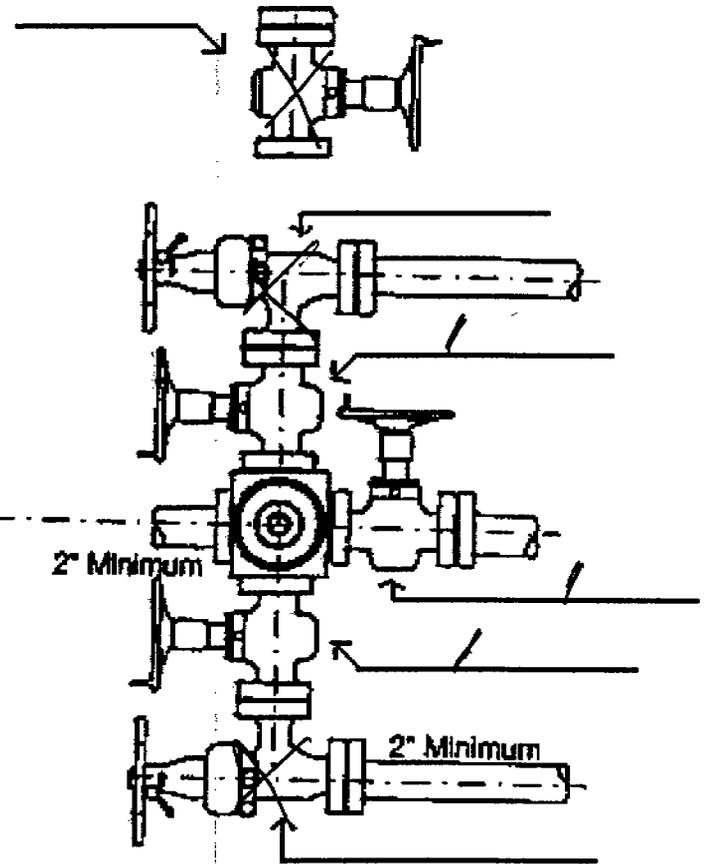
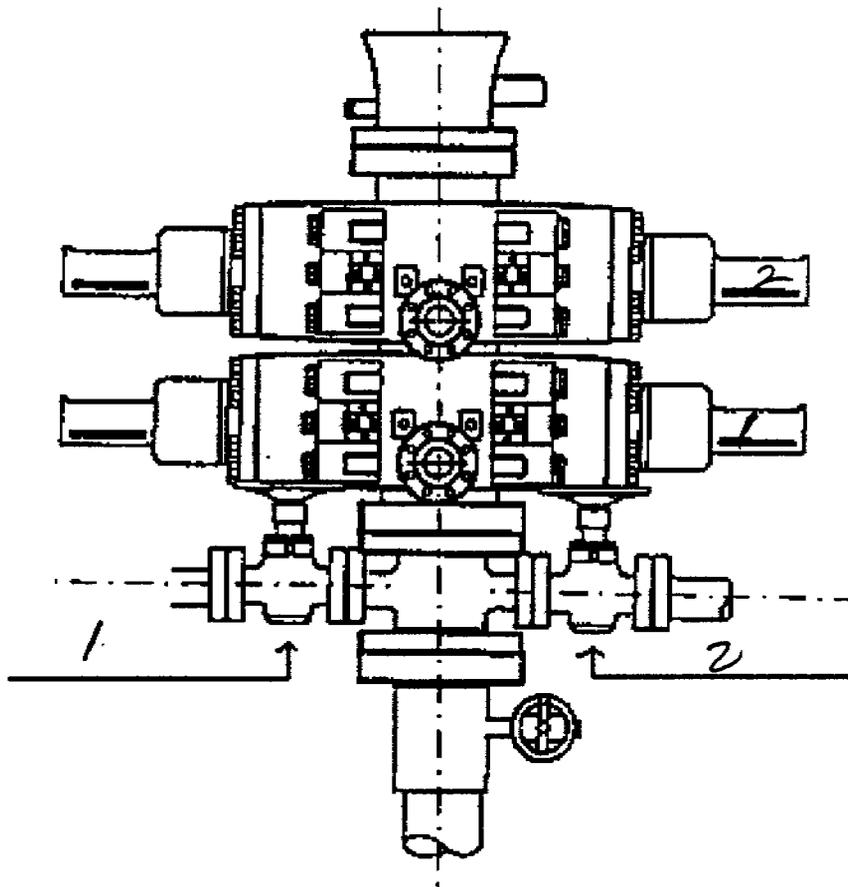
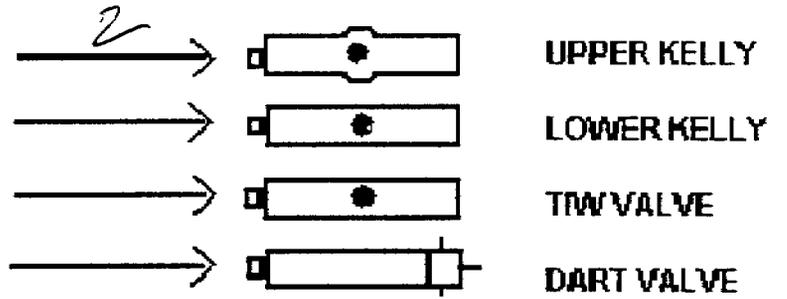
RATES  
 UNIT RATES Set up chrgs to test BOPS 800<sup>00</sup>  
 ADDITIONAL  
 MILEAGE 50 miles round trip @ 1.50 per mile 75<sup>00</sup>  
 METHANOL Anti Freeze use gal @ 2.00 per gal 162<sup>50</sup>  
 OTHER \_\_\_\_\_

Don Bonner SUBTOTAL 1037<sup>50</sup>  
 TESTED BY  
154 THANK YOU! TAX \_\_\_\_\_  
 PURCHASER ORDER  
Jay [unclear] COMPANY REPRESENTATIVE DOUBLE JACK TESTING UNIT NUMBER TOTAL \_\_\_\_\_

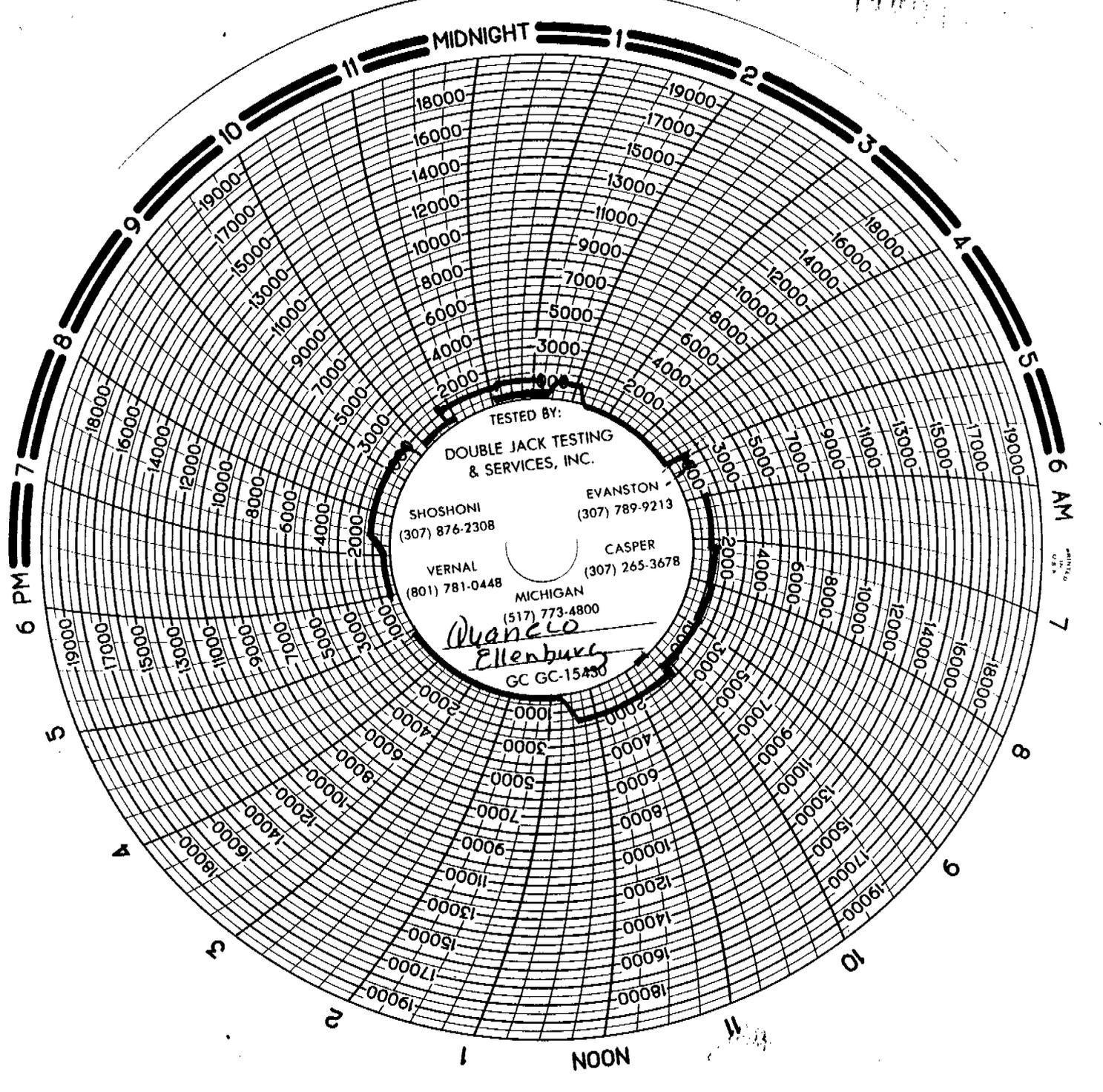
**NOTICE TO ALL CUSTOMERS**  
 If this account shall not be paid when due and it is placed with an attorney for collection, or if suit be instituted for collection, the undersigned agree(s) to pay in either case, reasonable expense of collection including attorney's fees and court cost in compliance with TRUTH IN LENDING AND THE UNIFORM CONSUMER CREDIT CODE, the following information disclosure, under the terms of our regular accounts, all amounts for service due and payable within THIRTY (30) DAYS from the receipt of an invoice for such services. A LATE CHARGE will be assessed when accounts are not paid when due. THE LATE CHARGE is computed by a "periodic rate" 1-3/4% PER MONTH which is an ANNUAL PERCENTAGE RATE OF 21% to the previous balance in the account on the billing date. No further credit can be extended on unpaid delinquent accounts until the delinquent account is paid in full. The contractor will not be held liable for damages caused by acts of God, or unforeseen circumstances that could not be reasonably anticipated in performing the work done as set forth above.

2-M SYSTEM

RAM TYPE BOP



0015



TESTED BY:  
DOUBLE JACK TESTING  
& SERVICES, INC.  
SHOSHONI (307) 876-2308  
EVANSTON (307) 789-9213  
VERNAL (801) 781-0448  
CASPER (307) 265-3678  
MICHIGAN (517) 773-4800  
*Quanco*  
*Ellensburg*  
GC GC-15430

BOP Test

AR Loc. \_\_\_\_\_ IV Loc. \_\_\_\_\_

Date 3-27-01

Operator Quaneco

Well Number Lane 4-4

Drilling Contractor Ellenberg Rig # 141

Tester me

Time:	Test No.	Results:
<u>10:10</u>	<u>#1</u>	<u>Blind Rgm, 1<sup>st</sup> Kill manifold valves.</u>
<u>11:30</u>	<u>#2</u>	<u>Upper Kelly manual choke Pipe Rm</u>
<u>11:45</u>	<u>#3</u>	<u>HyDrill</u>
_____	<u>#4</u>	_____
_____	<u>#5</u>	_____
_____	<u>#6</u>	_____
_____	<u>#7</u>	_____
_____	<u>#8</u>	_____
_____	<u>#9</u>	_____
_____	<u>#10</u>	_____
_____	<u>#11</u>	_____
_____	<u>#12</u>	_____
_____	<u>#13</u>	_____
_____	<u>#14</u>	_____
_____	<u>#15</u>	_____

Acc. Function Test YES NO Pump Time \_\_\_\_\_ End Close PSI \_\_\_\_\_

Acc. Tank Size in inches ( \_\_\_\_\_ W \_\_\_\_\_ D \_\_\_\_\_ L) ÷ 231 = \_\_\_\_\_ gal.

N2 # of Bottles \_\_\_\_\_ # of low \_\_\_\_\_ Date last checked \_\_\_\_\_

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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.

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801 PHONE NUMBER: (307) 673-1500

4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Waiting on completion rig.

NAME (PLEASE PRINT) Bill Courtney TITLE Operations Assistant  
SIGNATURE Bill Courtney DATE 4-24-2001

(This space for State use only)

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APR 30 2001

DIVISION OF  
OIL, GAS AND MINING

**SELMAN**

**AND ASSOCIATES, INC.**

**GEOLOGICAL CONSULTING / SURFACE LOGGING SERVICES**

**Quaneco, LLC  
Crane 12-4**

***NW SW Sec. 12 - T 6 N - R 8 E  
Rich County, Utah***

Total Depth: 1712' (drillers) (+5154'), 1711' (logger) (+5155')  
Surface Footage Location: 2041' fsl & 480' fwl

**WELL REPORT**

**APRIL 2001**

Prepared by:  
**SELMAN & ASSOCIATES, INC.**  
*Richard E. Bacon*  
*P. O. Box 2993*  
*Rock Springs, Wyoming 82902*  
*307/382-5692*

Prepared for:  
**QUANECO, LLC**  
*Casey Osborne*  
*P. O. Box 7370*  
*Sheridan, Wyoming 82801*  
*307/789-4207*

## TABLE OF CONTENTS

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## WELL DATA

OPERATOR: QUANECO, LLC

WELL NAME: CRANE 12-4

LOCATION: 2041' FSL 480' FWL NWSW SEC. 12 T6N R8W

COUNTY: RICH

STATE: UTAH

ELEVATIONS: GL 6879' KB 6890'

FIELD: WILDCAT

SURFACE CASING: 9 5/8" 32# H40 SET AT 275'

SPUD DATE: MARCH 31, 2001 2045 HRS MST

TD DATE: APRIL 2, 2001 0800 HRS MDT

WELL STATUS: RUN PIPE TO COMPLETE AS A  
COAL BED GAS WELL

## SERVICES

CONTRACTOR: ELENBURG EXP. CO. RIG #14

TOOL PUSHER: GEORGE AMES

SUPERVISOR: JIM JENKINS

MUD CO: BAROID, TIM REED

MUDLOGGING: SELMAN & ASSOCIATES, INC.  
RICHARD BACON  
MICHAEL HUCHTON

WELLSITE GEOLOGIST: RICHARD BACON

CORES: CORE #1 1632' to 1662'

DESPORTION: TICORE

DST: NONE

LOGS: BAKER ATLAS

LOG SUITE: INDUCTION 1678' - 275'  
DENSITY 1708' - 275'  
SONIC 1670' - 250'

## WELL CHRONOLOGY

<u>Date</u>	<u>Depth</u>	<u>Activity</u>
03/31/01	275'	RIG UP, TEST BOP, SURFACE CASING PRE-DRILLED, DRILL OUT 2045 HRS MST
04/01/01	504'	DRILL TO 1632', CONDITION HOLE FOR CORE #1, TRIP OUT AND PICK UP CORE BARREL
04/02/01	1632'	BEGIN CORING 0003 HRS MDT, CORE TO 1662', TRIP OUT AND LAY DOWN CORE, RESUME DRILLING TD AT 1712' 0800 HRS

## LITHOLOGIC TOPS

<u>FORMATION</u>	<u>TOP</u>	<u>SUBSEA</u>
TERTIARY – WASATCH	Surface	
UPPER CRETACEOUS – EVANSTON	1342'	(+5524')
TARGET COAL	1638'	(+5228')
LOWER CRETACEOUS – BEAR RIVER	NOT REACHED	

## LITHOLOGIC DESCRIPTIONS

280'-300'	50% Cement 20% Siltstone-red orange, soft round very calcareous 30% Mudstone-red orange, gummy calcareous
300'-330'	100% Mudstone-red orange mottled orange brown, firm, round, calcareous, silty in part
330'-360'	80% Claystone-red orange, buff, soft to firm, calcareous, subblocky to blocky 10% Sandstone-orange yellow, very fine to fine grain, subangular to round, moderate sorting, moderate to moderately well consolidated, calcareous 10% Limestone-orange pink, hard, dense, cryptocrystalline, silty
360'-390'	70% Claystone-red orange, buff, soft to firm, calcareous, subblocky to blocky 20% Limestone-red orange, ochre, light pink, mauve, firm, dense, cryptocrystalline, arenaceous, tuffaceous grading to 10% Sandstone-orange yellow, very fine to fine grain, subangular to round, moderate sorting, moderately well consolidated, calcareous
390'-420'	90% Claystone-tan orange, salmon, firm-hard, very calcareous, silty to arenaceous in part 10% Mudstone-tan buff, very soft to cohesive, round, calcareous Trace Sandstone-orange yellow, very fine to fine grain, calcareous
420'-450'	60% Sandstone-orange yellow, orange buff, very fine to fine grain, subangular to round, moderate sorting, moderate consolidation, calcareous, argillaceous 40% Claystone-tan orange, salmon, firm-hard, very calcareous, silty to arenaceous
450'-480'	60% Claystone-tan buff, firm to moderately hard, very calcareous, silty in part 40% Sandstone-clear, frosted, opaque, fine to coarse grain, angular to subround, moderate sorting, moderate consolidation to unconsolidated
480'-510'	90% Sandstone-clear, frosted, opaque, fine to very coarse grain, subangular to round, poor sorting, unconsolidated quartz with dark gray to black unconsolidated lithic material 10% Claystone-tan buff, very soft to cohesive, round, calcareous
510'-540'	90% Sandstone-clear, frosted, opaque, orange, fine to very coarse

		grain, subangular to round, poor sorting, unconsolidated quartz with dark gray to black unconsolidated lithic material
	10%	Claystone-tan buff, very soft to cohesive, round, calcareous
540'-570'	90%	Claystone-red orange, orange buff, mottled, moderately firm to firm, subblocky to round, calcareous, silty to arenaceous in part
	10%	Sandstone-clear, frosted, opaque, orange, fine to very coarse grain, subangular to round, poor sorting, unconsolidated quartz with dark gray to black unconsolidated lithic material
570'-600'	80%	Sandstone-clear, frosted, buff, fine to very coarse grain, subangular to round, poor sorting, poor consolidation to unconsolidated with loose chert grains
	20%	Claystone-tan orange, salmon, firm to hard, very calcareous silty in part
600'-630'	70%	Sandstone-clear, frosted, buff, fine to very coarse grain, subangular to round, poor sorting, poor consolidation to unconsolidated with loose chert grains
	30%	Claystone-tan orange, salmon, firm to hard, very calcareous silty in part
630'-660'	70%	Claystone-tan orange, salmon, firm to hard, very calcareous silty in part
	30%	Sandstone-clear, frosted, buff, fine to very coarse grain, subangular to round, poor sorting, poor consolidation to unconsolidated with loose chert grains
660'-690'	60%	Sandstone-clear, frosted, buff, fine to very coarse grain, subangular to round, poor sorting, poor consolidation to unconsolidated with loose chert grains
	40%	Claystone-tan orange, salmon, firm to hard, very calcareous silty in part
690'-720'	70%	Claystone-tan orange, salmon, firm to hard, very calcareous silty in part
	30%	Sandstone-clear, frosted, buff, fine to very coarse grain, subangular to round, poor sorting, poor consolidation to unconsolidated
720'-750'	80%	Sandstone-clear, frosted, buff, fine to coarse grain, subangular to round, poor to moderate sorting, moderate to moderately well consolidation
	20%	Claystone-red orange, yellow, salmon, soft to moderately firm, subblocky

750'-780'	70%	Claystone- red orange, yellow, salmon, soft to moderately firm, subblocky
	20%	Sandstone-clear, frosted, buff, fine to coarse grain, subangular to round, poor to moderate sorting, moderate to moderately well consolidation
	10%	Limestone-yellow buff, hard, dense, cryptocrystalline, argillaceous trace chert-yellow brown smooth
780'-810'	70%	Claystone-tan yellow, red orange, firm to hard, blocky to subblocky, calcareous
	30%	Sandstone-yellow tan, fine to coarse grain, subangular to round, poor sorting, moderate to moderately well consolidation, calcareous, lithic inclusions
810'-840'	90%	Claystone-tan yellow, buff, mottled, moderately firm to firm, subblocky, calcareous, silty to arenaceous
	10%	Sandstone-tan yellow, light gray, very fine to fine grain, subangular to round, moderate sorting, moderate to moderately well consolidated, calcareous, argillaceous
840'-870'	80%	Claystone-tan yellow, buff, salmon, ochre, moderately firm to firm, subblocky to blocky, calcareous grading to shale and argillaceous limestone
	20%	Sandstone-clear, frosted, translucent, fine to medium grain, subangular to round, poor to moderate sorting, moderate to moderately well consolidation, clay fill, occasional dark lithic inclusions
870'-900'	90%	Sandstone-clear, frosted, translucent, fine to medium grain, subangular to round, poor to moderate sorting, moderate to moderately well consolidation, clay fill, occasional dark lithic inclusions
	10%	Claystone-tan yellow, tan gray, gray red, firm to hard, subblocky to blocky, calcareous, argillaceous
900'-930'	90%	Claystone-tan yellow, tan gray, gray red, mottled, firm to hard, subblocky to blocky, calcareous, argillaceous
	10%	Sandstone-clear, frosted, translucent, fine to medium grain, moderate sorting, moderately well consolidated, calcareous with lithic inclusions
	Trace	Chert-off white, smooth
	Trace	Limestone-off white, moderately firm, dense, earthy, microcrystalline
930'-960'	60%	Claystone-red orange, salmon, maroon, mottled, firm to hard, blocky to subblocky, with anhydritic inclusions

	40%	Sandstone-clear, frosted, translucent, fine to medium grain, subangular to round, moderate sorting, moderate to well consolidation, calcareous
960'-990'	90%	Claystone-red orange, orange white, maroon, moderately firm to firm, subblocky, calcareous, silty to arenaceous
	10%	Sandstone-off white, very fine to fine grain, subangular to subround, moderate sorting, calcareous with lithic debris
990'-1050'	60%	Claystone-red orange, orange white, maroon, firm, subblocky, calcareous, silty to arenaceous
	40%	Limestone-off white, tan, orange, firm to hard, dense, earthy, cryptocrystalline to microcrystalline, argillaceous
1050'-1080'	100%	Conglomerate-limestone, chert, quartz, feldspar, mafic material, free pyrite and pyrite fill
1080'-1110'	60%	Sandstone-clear, translucent, mottled, medium to very coarse grain, subround to angular, moderately well sorted, moderately consolidated to unconsolidated, calcareous
	40%	Conglomerate-moderate to dark colored lithic material, quartz, chert, feldspar
1110'-1140'	60%	Sandstone-off white, clear, mottled, medium to very coarse grain, angular to subround, moderately well sorted, predominately unconsolidated
	20%	Conglomerate-varied colored alluvial gravel chert, quartzite, pebble, freshly cut
	20%	Limestone-off white, cream, light tan, red orange, firm to hard, dense, cryptocrystalline
1140'-1170'	90%	Conglomerate-predominately light colored chert
	10%	Limestone-light red gray, off white, mottled, firm to hard, dense, arenaceous in part, cryptocrystalline
1170'-1200'	90%	Sandstone-clear, light tan, off white, fine to medium grain, subangular to round, moderate sorting, moderately to moderately well consolidated, calcareous
	10%	Conglomerate-light to moderately colored chert, quartz, feldspar, alluvial pebbles, freshly cut
1200'-1260'	100%	Sandstone-clear, off white, light tan, fine to medium grain, subangular to round, moderate sorting, moderately to moderately well consolidated, calcareous
1260'-1290'	90%	Sandstone-off white, clear, fine to very coarse grain, angular to

round, poor to well sorted, moderate to well consolidation, calcareous to siliceous, trace pyritic

10% Conglomerate-medium to dark colored siliceous material, quartz, chert, feldspar, abundant free pyrite

1290'-1350' 100% Sandstone-clear, frosted, translucent, moderate to very coarse grain, angular to subround, poor sorting, well consolidated to unconsolidated quartz grains with dark lithic chips, free pyrite

#### EVANSTON 1342' (+5524')

1350'-1380' 60% Shale-dark gray to black, firm, subblocky, platy, carbonaceous  
20% Conglomerate-medium to dark colored siliceous material quartz, chert, feldspar, volcanics with pyritic fill in fractures  
20% Sandstone-clear, frosted, translucent, moderate to very coarse grain, angular to subround, poor sorting, well consolidated to unconsolidated, trace free and disseminated pyrite

1380'-1410' 30% Coal-dark gray to black, dull, subbituminous to bituminous  
40% Claystone-light gray, red orange, moderately firm to firm, subblocky to blocky, calcareous  
30% Shale-medium to dark gray, firm, subblocky, fissile, carbonaceous

1410'-1440' 30% Coal-black, shiny, brown black, dull, firm to hard, brittle in part, conchoidal in part, occasional pyritic, bituminous to subanthracitic  
30% Shale-dark gray to black, firm, subblocky, platy, carbonaceous, slightly pyritic in part occasional imbedded coal fragments  
40% Claystone-red orange, gray red, firm to hard, subblocky, calcareous

1440'-1470' 10% Coal-black, shiny, hard, brittle, subconchoidal, anthracitic to subanthracitic, pyritic laminae  
80% Shale-dark gray-black, firm to hard, subblocky, platy, carbonaceous  
10% Conglomerate/Sandstone-varied colored lithic material free pyrite

1470'-1500' 20% Coal-black, dull to shiny, firm to hard, pyritic laminae  
80% Shale-dark gray, firm, subblocky, platy, carbonaceous

1500'-1520' 60% Coal-black, dull to shiny, firm to hard, pyritic laminae  
40% Shale-dark gray, firm-moderately hard, subblocky, carbonaceous

1520'-1540' 40% Coal-black, dull to shiny, firm to hard, pyritic laminae  
40% Shale-medium gray, firm to moderately hard, pyritic with coal laminae  
20% Sandstone-off white, very fine to fine grain, subangular to subround, moderate sorting, moderate to well consolidated, calcareous

1540'-1560'	70%	Siltstone-light to dark gray, soft to firm, blocky, carbonaceous, silty
	20%	Conglomerate-varied colored lithic material, subround to angular, pebble
	10%	Sandstone-light gray, mottled, off white, very fine to fine grain, subangular to subround, moderate sorting, moderate consolidation, calcareous
1560'-1590'	90%	Sandstone-cream, light gray, very fine grain, subround to round, moderately well sorted, moderately well to well consolidated, calcareous
	10%	Limestone-cream, hard, dense, cryptocrystalline, arenaceous to silty
1590'-1620'	90%	Coal-black, brown black, hard, brittle, dull to shiny, subconchoidal, subanthracitic to bitumenous, gas bubbles on the surfaces of the coal also brown, moderately firm, dull, lignite
	10%	Shale-dark gray to black, firm, flakey, fissile, carbonaceous
1620'-1632'	80%	Shale-dark gray to black, firm, flakey, fissile, carbonaceous with occasional streaks of coal
	20%	Sandstone-light gray, very fine grain, subround to round, well sorted, moderate consolidation, argillaceous, calcareous
Core #1 1632' to 1662'		
1632'-1637'	90%	Sandstone-light gray, very fine grain, subround to round, well sorted, moderate consolidation, argillaceous, calcareous
	10%	Shale-dark gray, firm to hard, subblocky, hackly, carbonaceous, flakey with coal stringers
1637'-1655'	90%	Coal-black, brown black, dark gray, dull to shiny, hard, brittle, subanthracitic to bitumenous, gas bubbles on the surfaces of the coal, pyritic laminae
	10%	Shale-dark gray, firm to hard, subblocky, flakey, hackly, carbonaceous with coal stringers
1655'-1660'	100%	Siltstone/Claystone-gray brown, firm, subblocky, with floating fine grains of quartz
1660'-1661'	100%	Sandstone-light gray, very fine grain, subround to round, well sorted, moderate consolidation, argillaceous, calcareous grading to shale in the bottom 6 inches of core
1661'-1662'	100%	Shale-dark brown to black, firm, flakey, fissile, argillaceous,

## SUMMARY AND CONCLUSIONS

The Crane 12-4 was drilled to a drillers depth of 1712' (+5154'), logger 1711' (+5155'). The primary objective was the Upper Cretaceous Adaville coal section a part of a fluvial and deltaic strata consisting of coarse conglomerates, thick coals and marine shales rich in organic carbon. Sequentially rising thrust plates were source areas on the west. The shoreline migrated eastward in response to the general eastward progression in age of thrusting. Although major thrust displacement progressed in time toward the east, parts of each system were reactivated or imbricated by younger thrusts. Older thrust sheets became integral parts of younger ones and consequently underwent uplift and deformation subsequent to their major displacement. For this reason precise identification of lithologic boundaries are uncertain in many localities.

The coal was encountered at 1637' (+5252'), base 1655' (+5229'), an 18 foot interval. These depths are based on the core as marked by the core hands. The core interval was 1632' to 1662'. The drill time went from 1 min/ft to .5 min/ft through the coal and back to 1 min/ft and up to 8 to 10 minutes per foot in the lower part of the core. The gas went from a background of 10-12 units to a peak of 105 units at the top of the coal down to 60 to 80 units in the main body. The relevant parts of the core were submitted to desorption analysis, results are pending.

Samples consisted of: Coal-black, brown black, dull to shiny, moderately hard to hard, brittle in part, subanthracitic to bitumenous with pyritic laminae. Abundant gas bubbles were observed on the surfaces of the coal cuttings. Also noted was some brown, moderately firm, dull, lignite.

Minor coal stringers were noted at:	1480'-1482'	12 units of gas
	1598'-1600'	12 units of gas
	1630'-1632'	51 units of gas

After reviewing all available data, it was decided to run casing on the Crane 12-4 to complete as an Adaville coal bed methane well.

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
		6. IF INDIAN ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Crane 12-4
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		9. API NUMBER: 4303330050
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		COUNTY: Rich
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Waiting on completion rig.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Admin Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>5-1-01</u>

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MAY 03 2001

DIVISION OF  
OIL, GAS AND MINING

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Weekly Report
	<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.

Waiting on completion rig.

**RECEIVED**

MAY 11 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Admin Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>5-8-01</u>

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		8. WELL NAME and NUMBER: Crane 12-4
PHONE NUMBER: (307) 673-1500		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Waiting on completion rig.

RECEIVED  
MAY 16 2001  
DIVISION OF OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Admin Asst.</u>
SIGNATURE <u>Lorna James</u>	DATE <u>5-16-01</u>

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FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER: Crane 12-4

2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC

9. API NUMBER: 4303330050

3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801 PHONE NUMBER: (307) 673-1500

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH

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	<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.

Waiting on completion rig.

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DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James TITLE Admin Asst.

SIGNATURE Lorna James DATE 5-23-01

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DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

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Waiting on completion rig.

NAME (PLEASE PRINT) <u>Lorne James</u>	TITLE <u>Admin Asst</u>
SIGNATURE <u>Lorne James</u>	DATE <u>5/30/01</u>

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JUN 04 2001

DIVISION OF  
OIL, GAS AND MINING

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		STATE: UTAH

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Move in and Rig up completion rig. Preparing to underream the Adaville Coal.

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JUN 12 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>6/7/2001</u>

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

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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Rich		STATE: UTAH

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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"/> 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Underreamed coal interval. Rig down service unit and shut-in well.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>6/13/2001</u>

(This space for State use only)

**RECEIVED**  
JUN 19 2001  
DIVISION OF  
OIL, GAS AND MINING

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		9. API NUMBER: 4303330050
		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) 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Weekly Report
	<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.  
Waiting on Completion rig.

**RECEIVED**  
JUL 02 2001  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>6-28-01</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041° FSL 480° FWL COUNTY: Rich		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		9. API NUMBER: 4303330050
		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) 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Waiting on Completion rig.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>7-5-01</u>

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**RECEIVED**

JUL 09 2001

DIVISION OF  
OIL, GAS AND MINING

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crane 12-4
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		9. API NUMBER: 4303330050
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Rich		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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Waiting on Completion rig.

RECEIVED

JUL 16 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>7-11-01</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Waiting on Completion rig.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>7-18-01</u>

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

CONFIDENTIAL

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich

QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Underreamed coal interval. Rig down service unit and shut-in well.

RECEIVED

JUN 25 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant

SIGNATURE *Lorna James* DATE 6/27/2001

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
Crane 12-4

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

9. API NUMBER:  
4303330050

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL

COUNTY: Rich

QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S

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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Waiting on Completion rig.

JUL 25 2001  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant  
SIGNATURE Lorna James DATE 7-25-01

(This space for State use only)

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		8. WELL NAME and NUMBER: Crane 12-4
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		9. API NUMBER: 4303330050
PHONE NUMBER: (307) 673-1500		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 2041' FSL 480' FWL		COUNTY: Rich
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		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
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<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Waiting on Completion rig.

RECEIVED

AUG 9 6 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>7-31-01</u>

(This space for State use only)

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Waiting on Completion rig.

RECEIVED  
AUG 13 2001  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>8-8-01</u>

(This space for State use only)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

Fee

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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.

8. WELL NAME and NUMBER:

Crane 12-4

9. API NUMBER:

4303330050

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801 PHONE NUMBER: (307) 673-1500

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Move in Completion rig. Underream Adaville.

RECEIVED

AUG 20 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE Lorna James

DATE 8/15/2001

(This space for State use only)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
Crane 12-4

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

9. API NUMBER:  
4303330050

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2041' FSL 480' FWL

COUNTY: Rich

QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S

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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Testing Adaville coal.

RECEIVED

AUG 28 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE Lorna James

DATE 8-22-01

(This space for State use only)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:

Crane 12-4

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

9. API NUMBER:  
4303330050

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2041' FSL 480' FWL

COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S

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
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<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Testing Adaville coal.

**RECEIVED**

SEP 05 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE *Lorna James*

DATE 8-30-01

(This space for State use only)

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

CONFIDENTIAL FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Testing Adaville coal.

RECEIVED  
SEP 11 2001  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>9-6-01</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 16N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Weekly Report
	<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.

Testing Adaville coal.

**RECEIVED**  
SEP 18 2001  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>9-13-01</u>

(This space for State use only)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

Fee

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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.

8. WELL NAME and NUMBER:

Crane 12-4

9. API NUMBER:

4303330050

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL

COUNTY: Rich

QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S

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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Weekly Report
	<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.

Testing Adaville coal.

RECEIVED

SEP 26 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE

*Lorna James*

DATE

9-18-01

(This space for State use only)

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		8. WELL NAME and NUMBER: Crane 12-4
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		9. API NUMBER: 4303330050
		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich		
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.  
Testing Adaville coal.

**RECEIVED**  
OCT 09 2001  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE	DATE <u>9-28-01</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		9. API NUMBER: 4303330050
		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) 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Testing Adaville coal.

**RECEIVED**

OCT 09 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>10-3-01</u>

(This space for State use only)

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

SUNDRY NOTICES AND REPORTS ON WELLS

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5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801 PHONE NUMBER: (307) 673-1500

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Weekly Report
	<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.

Evaluating Adaville coal.

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OCT 18 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant

SIGNATURE *Lorna James* DATE 10-10-01

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Evaluating Adaville coal.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>10-24-01</u>

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**RECEIVED**

NOV 02 2001

DIVISION OF  
OIL, GAS AND MINING

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Crane 12-4	
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		9. API NUMBER: 4303330050
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801	PHONE NUMBER: (307) 673-1500	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		COUNTY: Rich
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Weekly Report</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.

Evaluating Adaville coal.

**RECEIVED**

NOV 06 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>11-01-01</u>

(This space for State use only)



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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Crane 12-4

9. API NUMBER:

4303330050

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER \_\_\_\_\_

2. NAME OF OPERATOR:

Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:

PO Box 7370

CITY

Sheridan

STATE

WY

ZIP

82801

PHONE NUMBER:

(307) 673-1500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL

COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S

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"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Weekly Report</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.

Well shut in until further notice

**RECEIVED**

DEC 17 2001

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE

*Lorna James*

DATE

12-11-01

(This space for State use only)

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>Crane 12-4</b>	
2. NAME OF OPERATOR: <b>Fat Chance Oil and Gas, LLC</b>		9. API NUMBER: <b>4303330050</b>
3. ADDRESS OF OPERATOR: <b>PO Box 7370</b> CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>	PHONE NUMBER: <b>(307) 673-1500</b>	10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		COUNTY: <b>Rich</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T6N R8E S</b>		STATE: <b>UTAH</b>

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
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<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Monthly Report</b>
	<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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

**RECEIVED**

JAN 11 2002

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>1-4-02</u>

(This space for State use only)

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>Crane 12-4</b>	
2. NAME OF OPERATOR: <b>Fat Chance Oil and Gas, LLC</b>		9. API NUMBER: <b>4303330050</b>
3. ADDRESS OF OPERATOR: PO Box 7370 CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
PHONE NUMBER: <b>(307) 673-1500</b>		
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		COUNTY: <b>Rich</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T6N R8E S</b>		STATE: <b>UTAH</b>

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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Monthly Report</b>
	<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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

**RECEIVED**

FEB 13 2002

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>2-7-02</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil and Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> 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
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	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

RECEIVED

MAR 11 2002

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>3-5-02</u>

(This space for State use only)

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Crane 12-4
2. NAME OF OPERATOR: Fat Chance Oil and Gas, LLC		9. API NUMBER: 4303330050
3. ADDRESS OF OPERATOR: PO Box 7370                      CITY Sheridan                      STATE WY                      ZIP 82801		PHONE NUMBER: (307) 673-1500
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		10. FIELD AND POOL, OR WILDCAT: Wildcat
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		COUNTY: Rich 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
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<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>4-8-02</u>

(This space for State use only)

**RECEIVED**

APR 12 2002

DIVISION OF  
OIL, GAS AND MINING

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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<b>1. TYPE OF WELL</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> Fee
<b>2. NAME OF OPERATOR:</b> Fat Chance Oil and Gas, LLC		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> PO Box 7370      CITY Sheridan      STATE WY      ZIP 82801		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>4. LOCATION OF WELL</b> FOOTAGES AT SURFACE: 2041' FSL 480' FWL		<b>8. WELL NAME and NUMBER:</b> Crane 12-4
CITY Sheridan      STATE WY      ZIP 82801		<b>9. API NUMBER:</b> 4303330050
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4      T6N R8E S		<b>10. FIELD AND POOL, OR WILDCAT:</b> Wildcat
COUNTY: Rich		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> (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"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>5-7-02</u>

(This space for State use only)

**RECEIVED**

MAY 10 2002

DIVISION OF  
OIL, GAS AND MINING

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Crane 12-4
2. NAME OF OPERATOR: Fat Chance Oil and Gas, LLC		9. API NUMBER: 4303330050
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		10. FIELD AND POOL, OR WILDCAT: Wildcat
PHONE NUMBER: (307) 673-1500		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		COUNTY: Rich 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

**RECEIVED**  
JUN 10 2002  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>6-6-02</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

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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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" 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.

Lease signs erected in order to comply with regulations.

**RECEIVED**  
JUN 17 2002  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Bill Courtney</u>	TITLE <u>Operations Assistant</u>
SIGNATURE <u>Bill Courtney</u>	DATE <u>6/13/2002</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil and Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crane 12-4
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		9. API NUMBER: 4303330050
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Rich		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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until operations resume in Spring 2002. As approved, reporting on a monthly basis until then.

**RECEIVED**  
JUL 08 2002  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>7-3-02</u>

(This space for State use only)

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		9. API NUMBER: 4303330050
		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) 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing should be complete by the end of September 2002. As approved, reporting on monthly basis until the end of September 2002.

**TIGHT HOLE**

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>8-5-02</u>

(This space for State use only)

**RECEIVED**

AUG 09 2002

DIVISION OF  
OIL, GAS AND MINING

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

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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		9. API NUMBER: 4303330050
		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) 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 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"/> COMMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Monthly Report
	<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.  
Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing should be complete by the end of September 2002. As approved, reporting on monthly basis until the end of September 2002.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>9-6-02</u>

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SEP 10 2002

DIVISION OF  
OIL, GAS AND MINING

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2041' FSL 480' FWL

COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S

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"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: _____
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Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing was extended and should be complete by the end of December 2002. As approved, reporting on a monthly basis until the end of December 2002

**RECEIVED**

OCT 11 2002

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Loma James

TITLE Administrative Assistant

SIGNATURE

*Loma James*

DATE

10-9-02

(This space for State use only)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

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Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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
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<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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: _____
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Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing was extended and should be complete by the end of December 2002. As approved, reporting on a monthly basis until the end of December 2002

**RECEIVED**  
NOV 18 2002  
DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant

SIGNATURE *Lorna James* DATE 11-11-02

(This space for State use only)

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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<b>1. TYPE OF WELL</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> Fee
<b>2. NAME OF OPERATOR:</b> Fat Chance Oil & Gas, LLC		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> PO Box 7370                      CITY Sheridan                      STATE WY                      ZIP 82801		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>4. LOCATION OF WELL</b> FOOTAGES AT SURFACE: 2041' FSL 480' FWL		<b>8. WELL NAME and NUMBER:</b> Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4    T6N R8E S		<b>9. API NUMBER:</b> 4303330050
COUNTY: Rich		<b>10. FIELD AND POOL, OR WILDCAT:</b> Wildcat
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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
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**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS.** Clearly show all pertinent details including dates, depths, volumes, etc.

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**RECEIVED**  
**DEC 11 2002**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE	DATE <u>12-9-02</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370      CITY: Sheridan      STATE: WY      ZIP: 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crane 12-4
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		9. API NUMBER: 4303330050
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		10. FIELD AND POOL OR WILDCAT: Wildcat
COUNTY: Rich		
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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"/> COMBINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing was extended and should be complete by the end of March 2003. As approved, reporting on a monthly basis until then.

RECEIVED  
JAN 21 2003  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Loma James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Loma James</i></u>	DATE <u>1-14-03</u>

(This space for State use only)

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

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		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee	
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		7. UNIT or CA AGREEMENT NAME:	
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		8. WELL NAME and NUMBER: Crane 12-4	
PHONE NUMBER: (307) 673-1500		9. API NUMBER: 4303330050	
4. LOCATION OF WELL		10. FIELD AND POOL, OR WILDCAT: Wildcat	
FOOTAGES AT SURFACE: 2041' FSL 480' FWL		COUNTY: Rich	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing was extended and should be complete by the end of March 2003. As approved, reporting on a monthly basis until then.

RECEIVED  
FEB 07 2003  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>2-5-03</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370      city Sheridan      STATE WY      ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crane 12-4
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		9. API NUMBER: 4303330050
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4      T6N R8E S		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Rich		
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly Report</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.

Well shut in until testing of other well (Murphy Ridge 1-32) is complete. Testing was extended and should be complete by the end of March 2003. As approved, reporting on a monthly basis until then.

RECEIVED

MAR 13 2003

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>3-11-03</u>

(This space for State use only)

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

**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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		8. WELL NAME and NUMBER: Crane 4-12-12-4 9. API NUMBER: 4303330050 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) 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Monthly report
	<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.  
Well shut in pending testing of other well (Murphy Ridge 1-32). As approved, reporting on a monthly basis.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>4-30-03</u>

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RECEIVED  
MAY 06 2003

DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 4-12
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

**CONFIDENTIAL**

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
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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Monthly report</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.

Well shut in pending testing of other well (Murphy Ridge 1-32). As approved, reporting on a monthly basis.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>5-19-03</u>

(This space for State use only)

**RECEIVED**  
**MAY 27 2003**

DIV. OF OIL, GAS & MINING

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

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S STATE: UTAH		8. WELL NAME and NUMBER: Crane 442 12-4 9. API NUMBER: 4303330050 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) Approximate date work will start: _____	<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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Monthly report
	<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.  
Well shut in pending testing of other well (Murphy Ridge 1-32). As approved, reporting on a monthly basis.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>6-16-03</u>

(This space for State use only)

RECEIVED  
JUN 20 2003  
DIV. OF OIL, GAS & MINING

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
Crane 12-4

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

9. API NUMBER:  
4303330050

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801

PHONE NUMBER:  
(307) 673-1500

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2041' FSL 480' FWL COUNTY: Rich  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S 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
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<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
Well shut in pending testing of other well (Murphy Ridge 1-32). As approved, reporting on a monthly basis.

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant

SIGNATURE *Lorna James* DATE 8-6-03

(This space for State use only)

RECEIVED  
AUG 14 2003  
DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Crane 12-4</b>
2. NAME OF OPERATOR: <b>Fat Chance Oil &amp; Gas, LLC</b>		9. API NUMBER: <b>4303330050</b>
3. ADDRESS OF OPERATOR: <b>PO Box 7370</b> CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>	PHONE NUMBER: <b>(307) 673-1500</b>	10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		COUNTY: <b>Rich</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T6N R8E S</b>		STATE: <b>UTAH</b>

**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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

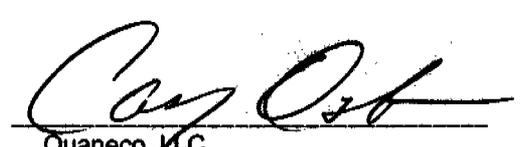
**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**

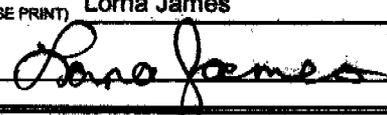
Please change the Operator to:

Quaneco, LLC  
PO Box 7370  
Sheridan WY 82801

Effective: July 19, 2003  
Bond# 885588C

  
Fat Chance Oil & Gas, LLC  
Casey Osborn

  
Quaneco, LLC  
Casey Osborn

NAME (PLEASE PRINT) <b>Lorna James</b>	TITLE <b>Administrative Assistant</b>
SIGNATURE 	DATE <b>8/13/2003</b>

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**RECEIVED**  
**AUG 25 2003**  
DIV. OF OIL, GAS & MINING

**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

**X Operator Name Change**

Merger

The operator of the well(s) listed below has changed, effective:		<b>7/19/2003</b>
<b>FROM: (Old Operator):</b>	<b>TO: ( New Operator):</b>	
N1395 - Fat Chance Oil & Gas, LLC PO Box 7370 Sheridan, WY 82801 Phone: 1-(307) 673-1500	N2495 - Quaneco, LLC PO Box 7370 Sheridan, WY 82801 Phone: 1-(307) 673-1500	

**CA No. Unit:**

**WELL(S)**

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
COALVILLE 9-3	03	020N	050E	4304330322		Fee	GW	APD	C
COALVILLE 12-3	03	020N	050E	4304330323		Fee	GW	APD	C
SUTTONS 4-12	12	060N	070E	4303330058	13286	Fee	GW	S	C
CRANE 4-4	04	060N	080E	4303330049	13056	Fee	GW	S	C
CRANE 12-4	04	060N	080E	4303330050	13057	Fee	GW	S	C
CRANE 13-6	06	060N	080E	4303330054		Fee	GW	APD	C
CRANE 6-7	07	060N	080E	4303330053		Fee	GW	APD	C
CRANE 13-8	08	060N	080E	4303330052	13093	Fee	GW	S	C
CRANE 13-18	18	060N	080E	4303330055		Fee	GW	APD	C
STACEY HOLLOW 14-35	35	070N	070E	4303330056	13104	Fee	GW	S	C
SIMS 13-33	33	070N	080E	4303330051		Fee	GW	APD	C
NEPONSET 4-35	35	080N	070E	4303330048		Fee	GW	APD	C
MURPHY RIDGE 1-32	32	080N	080E	4303330045	12970	State	GW	S	C
MURPHY RIDGE 7-32	32	080N	080E	4303330046		State	GW	APD	C
CRAWFORD 4-25	25	090N	070E	4303330065		Fee	GW	APD	C

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/25/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/25/2003
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/25/2003
- Is the new operator registered in the State of Utah: YES Business Number: 4743368-0161
- If **NO**, the operator was contacted on: \_\_\_\_\_

6. (R649-9-2) Waste Management Plan has been received on: \_\_\_\_\_

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases or N/A

8. **Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

9. **Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the Oil and Gas Database on: 10/31/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 10/31/2003
3. Bond information entered in RBDMS on: 10/31/2003
4. Fee wells attached to bond in RBDMS on: 10/31/2003

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: 885708C

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: N/A

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: N/A

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 885588C

2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/30/2003

**COMMENTS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

**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.

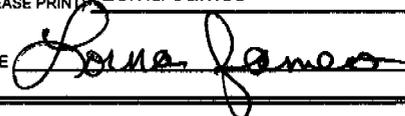
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		8. WELL NAME and NUMBER: Crane 12-4
PHONE NUMBER: (307) 673-1500		9. API NUMBER: 4303330050
STATE: UTAH		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) 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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Completion Details</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.

9 5/8" 36#/ft K-55 at 270'  
7" 23 #/ft J-55 LTC (1610.74') plus  
7" SDT 1510 Fiberglass csg. (81.70') set at 1692' KB  
125 sacks Type III  
PBTD: 1682'  
40 sx Premium Lite w/ 2%CaCl2, .25# cello-flake (lead); 50 sx Type III w/ 2% CaCl2, .25# cello-flake (tail)

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE 	DATE <u>8/13/2003</u>

(This space for State use only)

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

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 _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		8. WELL NAME and NUMBER: Crane 12-4
PHONE NUMBER: (307) 673-1500		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
Well shut in pending testing of other well (Murphy Ridge 1-32). As approved, reporting on a monthly basis.

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant

SIGNATURE *Lorna James* DATE 10-14-03

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DIV. OF OIL, GAS & MINING

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Crane 12-4</b>
2. NAME OF OPERATOR: <b>Fat Chance Oil &amp; Gas, LLC</b>		9. API NUMBER: <b>4303330050</b>
3. ADDRESS OF OPERATOR: <b>PO Box 7370</b> CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		COUNTY: <b>Rich</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T6N R8E S</b>		STATE: <b>UTAH</b>

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
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Well shut in pending testing of other well (Murphy Ridge 1-32). As approved, reporting on a monthly basis.

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>9-15-03</u>

(This space for State use only)

**RECEIVED**  
**OCT 20 2003**  
DIV. OF OIL, GAS & MINING

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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:  
Crane 12-4

9. API NUMBER:  
4303330050

10. FIELD AND POOL, OR WILDCAT  
Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
NWSW 4 T6N R8E S

12. COUNTY  
Rich

13. STATE  
UTAH

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

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

2. NAME OF OPERATOR:  
Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:  
PO Box 7370 CITY Sheridan STATE WY ZIP 82801 PHONE NUMBER: (307) 673-1500

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 2041' FSL 480' FWL  
AT TOP PRODUCING INTERVAL REPORTED BELOW: same as above  
AT TOTAL DEPTH: same as above

PERIOD EXPIRED  
ON 10-15-02

14. DATE SPUNDED: 3/31/2001

15. DATE T.D. REACHED: 4/2/2001

16. DATE COMPLETED: 9/15/2001

ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): 6866 RKB

18. TOTAL DEPTH: MD 1,712 TVD 1,712

19. PLUG BACK T.D.: MD 1,682 TVD 1,682

20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
MUD LOG - Rec 4-23-01

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	9 5/8 K55	36#	0	270		Type 3 125		surface	
8 3/4	7 J55	23#	0	1,692		Lite 40 Type 3 50		1000 CAL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	1,608							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Adaville	1,637	1,653	1,637	1,653				Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
1637 - 1653	Water breakdown - 560 barrels

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29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION

GEOLOGIC REPORT

CORE ANALYSIS

DST REPORT

OTHER: \_\_\_\_\_

DIRECTIONAL SURVEY

30. WELL STATUS:  
Shut In

## 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: 400	PROD. METHOD: Swab
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

## INTERVAL B (As shown in item #26)

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

## INTERVAL C (As shown in item #26)

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

## INTERVAL D (As shown in item #26)

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

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

## 33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch	0	1,342	coal seam within Evanston formation		
Evanston	1,342	1,712			
Adaville Coal	1,638	1,655			

## 34. FORMATION (Log) MARKERS:

## 35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Casey Osborn

TITLE Operations Manager

SIGNATURE



DATE 10/22/2003

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

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

Phone: 801-538-5340

Fax: 801-359-3940

## Preliminary Desorption & Gas Content Summary<sup>1</sup> Gross Weight Basis (4/5/01)

Quaneco, LLC.  
Crane #12-4 (TICORA #168)

Sample No.	Canister No.	Drill Depth <i>feet</i>	Air-Dry Sample Weight <i>grams</i>	Measured Desorption Volume <i>scm</i>	USBM Sorption Time <i>hours</i>	Lost Gas <sup>2</sup>				Total Gas	
						USBM Lost Gas Volume <i>%</i>	USBM Lost Gas Content <i>sct/ton</i>	W & S Lost Gas Volume <i>%</i>	W & S Lost Gas Content <i>sct/ton</i>	Air-Dry W & S Gas Content <i>sct/ton</i>	Air-Dry USBM Gas Content <i>sct/ton</i>
<b>Crane #12-4, Drill Cuttings, 80°F, Canister Headspace Filled With De-ionized Water</b>											
168-1 <sup>3</sup>	T27	~1,639-1,641	1,700	427.4	1.2	2.4	0.20	nd	nd	nd	8.25
168-2 <sup>3</sup>	14-36	~1,641-1,642	1,700	442.6	1.0	6.0	0.53	nd	nd	nd	8.87
168-3 <sup>3</sup>	T28	~1,642-1,644	1,700	438.7	2.4	0.2	0.01	nd	nd	nd	8.28
168-4 <sup>3</sup>	14-29	~1,648-1,650	1,700	451.0	1.0	20.1	2.14	25.14	2.85	11.35	10.64
168-5 <sup>3</sup>	T56	~1,650-1,653	1,700	2,534.2	46.6	6.3	3.23	3.65	1.81	49.57	50.99
168-6 <sup>3</sup>	14-31	~1,653-1654	1,700	557.0	1.5	21.4	2.86	21.63	2.90	13.39	13.36
168-7 <sup>3</sup>	14-32	~1,654-1,655	1,700	285.1	1.8	20.2	1.36	20.16	1.36	6.73	6.73
<b>Crane #12-4, 3.5-inch Core, 80°F, Canister Headspace Filled With De-ionized Water</b>											
168-8 <sup>4</sup>	T60	1,636-1,637	2,200	590.1	138.8	19.8	2.12	2.43	0.21	8.81	10.71
168-9	14-38	1,638-1,639	2,200	1,076.2	8.0	30.0	6.72	18.01	3.44	19.11	22.39
168-11	14-44	1,638-1,639	2,200	949.7	17.6	24.3	4.45	13.09	2.08	15.91	18.28
168-12	14-49	1,638-1,639	2,200	1,089.1	16.4	26.0	5.58	13.39	2.45	18.31	21.44
168-14	14-48	1,643-1,644	2,200	1,072.4	18.3	24.5	5.06	13.46	2.43	18.04	20.68
168-15	T61	1,644-1,645	2,200	1,444.8	19.0	17.4	4.44	13.20	3.20	24.24	25.48
168-17	14-51	1,645-1,646	2,200	1,349.2	31.5	11.9	2.66	10.93	2.41	22.06	22.31
168-18	T64	1,647-1,648	2,200	997.6	22.9	23.8	4.54	13.70	2.31	16.83	19.07

## Preliminary Desorption & Gas Content Summary<sup>1</sup> Gross Weight Basis (4/5/01)

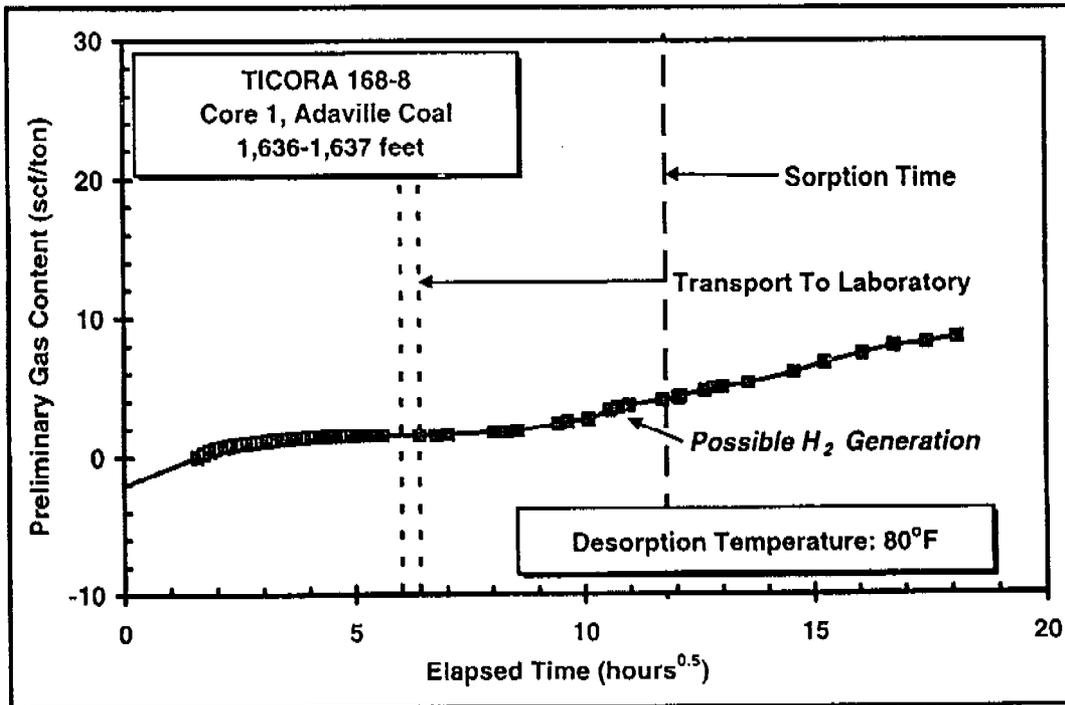
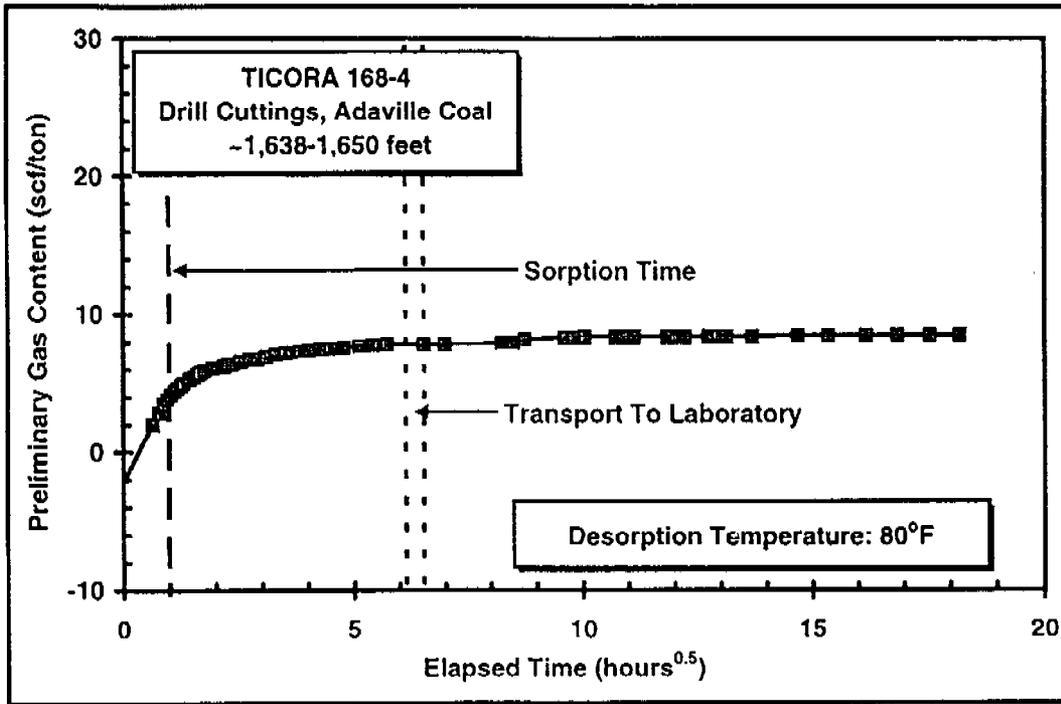
Quaneco, LLC.  
Crane #12-4 (TICORA #168)

Sample No.	Canister No.	Drill Depth	Air-Dry Sample Weight	Measured Desorption Volume	USBM Sorption Time	Lost Gas <sup>2</sup>				Total Gas	
						USBM Lost Gas Volume	USBM Lost Gas Content	W & S Lost Gas Volume	W & S Lost Gas Content	Air-Dry W & S Gas Content	Air-Dry USBM Gas Content
		<i>feet</i>	<i>grams</i>	<i>scm</i>	<i>hours</i>	<i>%</i>	<i>scf/ton</i>	<i>%</i>	<i>scf/ton</i>	<i>scf/ton</i>	<i>scf/ton</i>
168-19	14-58	1,648-1,649	2,200	1,348.1	30.6	17.8	4.24	11.21	2.48	22.11	23.87
168-21	11-64	1,650-1,651	2,200	3,802.1	103.8	11.3	7.08	6.17	3.64	59.01	62.44
168-22	14-61	1,651-1,652	2,200	967.7	25.9	17.4	2.96	11.58	1.85	15.94	17.05
168-23 <sup>3</sup>	14-63	1,652-1,653	2,200	1,477.4	17.5	27.4	8.13	14.09	3.53	25.04	29.64
168-24	11-66	1,653-1,654	2,200	6,051.4	113.4	7.3	6.97	3.95	3.63	91.75	95.09
168-25 <sup>4</sup>	11-67	1,654-1,655	2,200	7,680.6	139.2	4.0	4.66	4.03	4.70	116.55	116.51
<b>Crane #12-4, 3.5-inch Core, 70°F, Canister Headspace Filled With De-Ionized Water</b>											
168-10	14-45	1,639-1,640	2,200	837.5	18.7	23.8	3.82	10.01	1.36	13.55	16.02
168-16	T62	1,645-1,646	2,200	824.3	39.5	20.9	3.17	8.09	1.06	13.06	15.17
<b>Crane #12-4, 3.5-inch Core, 90°F, Canister Headspace Filled With De-Ionized Water</b>											
168-13	14-50	1,642-1,643	2,200	1,423.7	18.9	21.4	5.65	14.29	3.46	24.19	26.38
168-20	T66	1,649-1,650	2,200	1,730.5	39.6	19.6	6.16	11.10	3.15	28.35	31.36
<p>1. Lost and total gas contents estimates are preliminary (i.e. continuing desorption experiments, sample weights are estimated).</p> <p>2. Reservoir pressure data has been estimated (pressure gradient of 0.433 psi/ft).</p> <p>3. Canister headspace filled with distilled water.</p> <p>4. Sample Nos. 168-8 and 168-25 contain carb-shale.</p> <p>The higher gas content value reported above in some of the samples is possibly due to hydrogen generation. Gas composition samples have been taken and we are awaiting results of those analyses.</p> <p>nd: not determined.</p>											

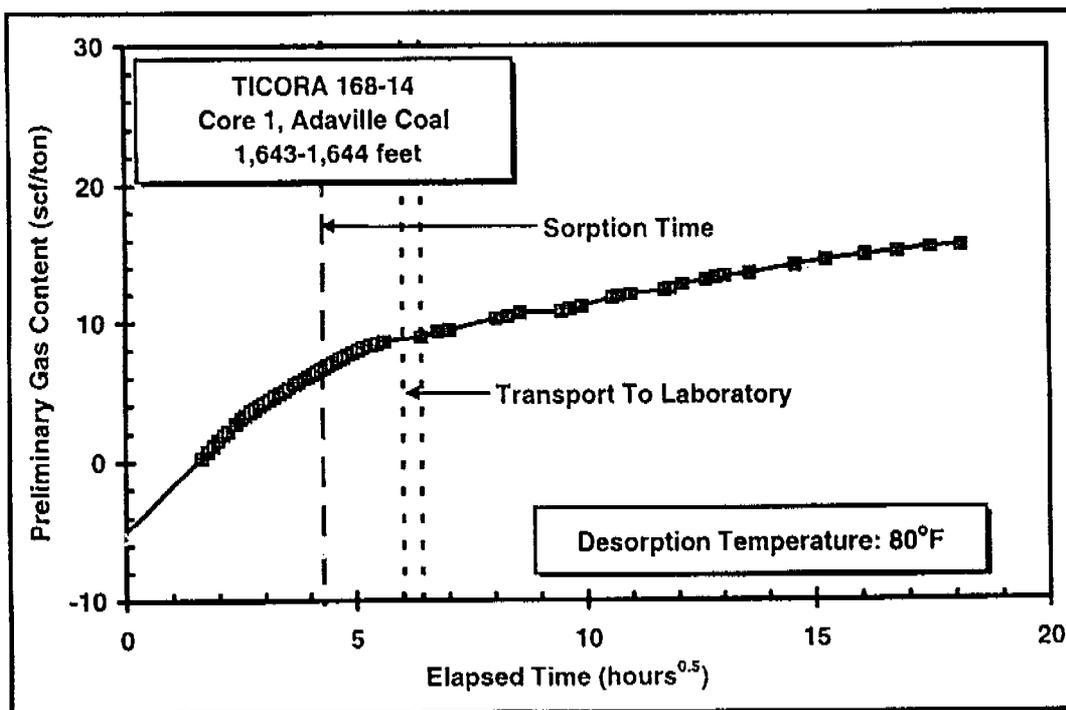
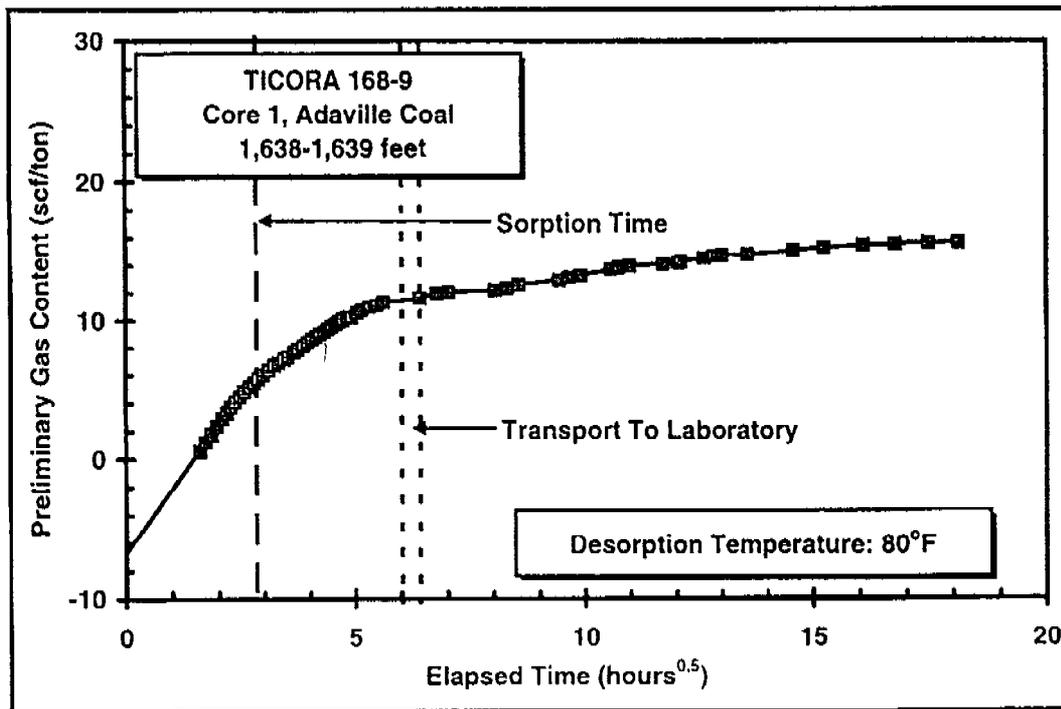
Quaneco, LLC.

Crane #12-4

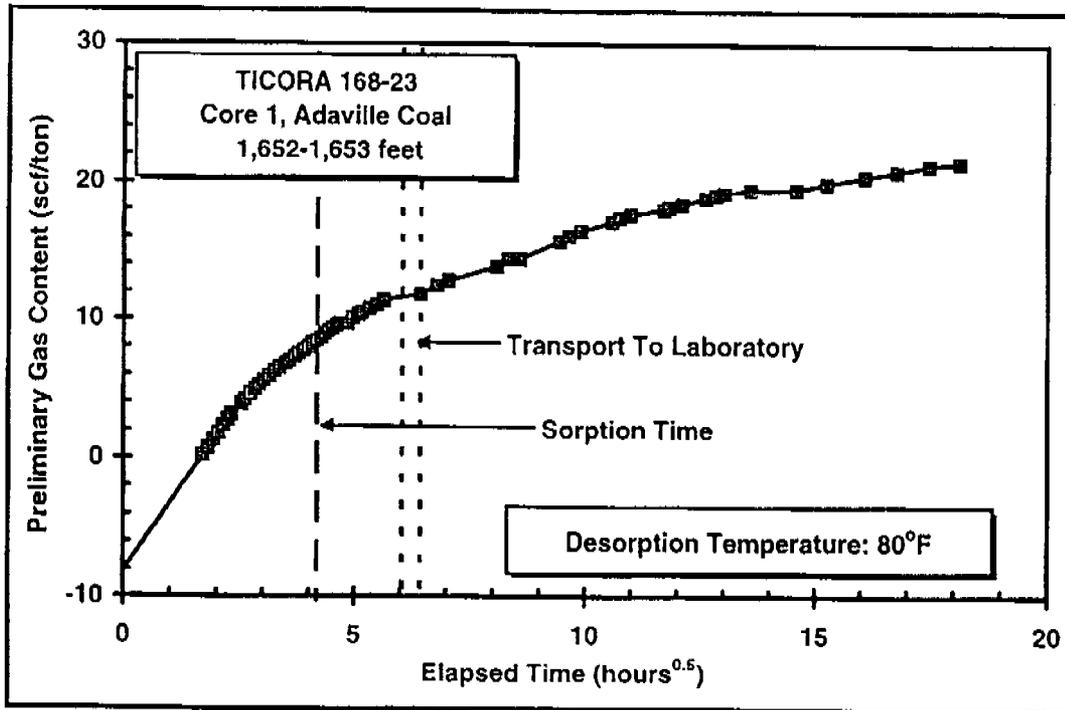
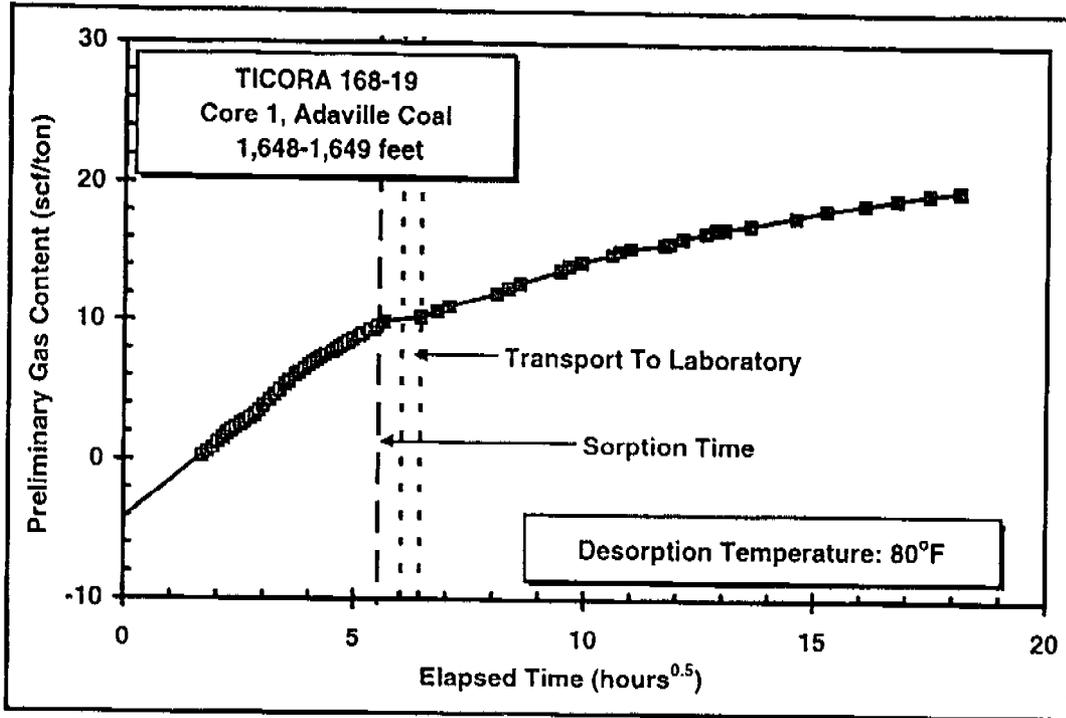
### Preliminary Desorption Graphs (4/16/01)



### Preliminary Desorption Graphs (4/16/01)



### Preliminary Desorption Graphs (4/16/01)



<b>QUANECO, LLC.</b> <b>DAILY DRILLING REPORT</b> <b>LEASE: Crane 12-4</b> <b>DATE: 1-Apr-01    DAYS SINCE SPUD    1</b> <b>CONTRACTOR: Elenburg #14                      George Ames</b>	<b>PRESENT OPERATION:</b> Drilling 8 3/4" hole <b>DEPTH: 1125</b> <b>FORMATION: Wasatch/Fowkes</b> <b>FOOTAGE LAST 24 HRS: 1125</b>
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**REMARKS:** Set 270' 9 5/8" 36# K55 casing with Searle Drilling March 3 & 4. Cement to surface w/ 125 sx Type III. MIRU Elenburg 14. NU BOP and test blind rams, pipe rams, choke manifold, choke line, kill valve, annular, upper kelly, and surface casing to 1500 psi high, 250 psi low. Pick up 8 3/4" bit, 6 1/4" collars and tag cement @ 230' +/- . Drill plug and cement to 277'. Begin drilling formation @ 9:30 pm 3-31-01. Drill 8 3/4" hole to 1125'.

DAILY COST \$72,537.54		CUM COST \$72,537.54					
<b>BIT DATA:</b>	<b>NO.</b>	<b>SIZE</b>	<b>TYPE</b>	<b>JETS</b>	<b>HRS</b>	<b>DEPTH IN</b>	<b>FOOTAGE</b>
	1	8 3/4	HTC GTX-03	3-14	9	277	848
<b>WOB</b> 20/25		<b>RPM</b> 50/60		<b>BHA</b> 8 3/4" Bit, 13 6 1/4" DCs			

**SURVEYS:**

3/4 @ 338
1/2 @ 807

<b>Comp</b>	<b>#2</b>
<b>PRESS</b>	850
<b>STROKES</b>	116
<b>LINERS</b>	6 1/2 X 8

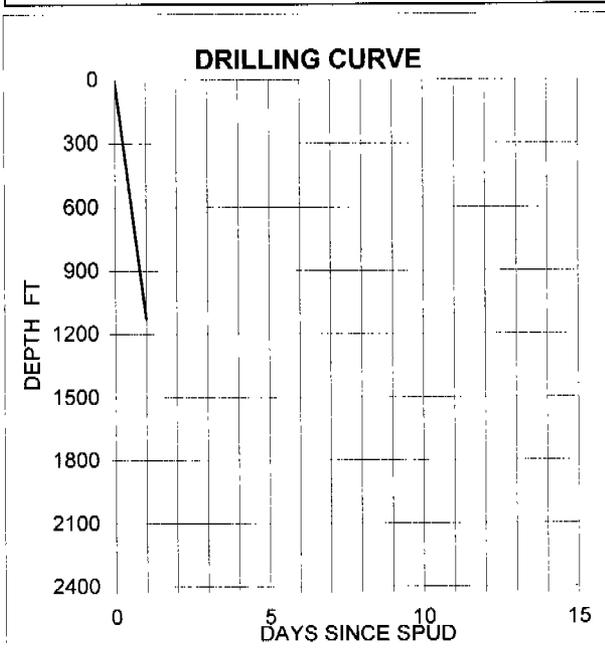
**MUD:**

wt	8.3
vis	28
filtrate	_____
cake	_____
ph	_____
cl	_____
% sol	_____
pv	_____
yp	_____
mbt	_____
Ca	_____

**MUD COMMENTS:** Water - Circ pit

**OPERATION HRS:**

Drig	9.00
Move & Rig up	8.50
NU & Test BOP	2.00
Trip	1.50
Drill cement	2.50
Survey	0.50
	<b>24</b>



REPORTED BY: Jim Jenkins/Casey Osborn

<b>QUANECO, LLC.</b>				<b>PRESENT OPERATION:</b>	
<b>DAILY DRILLING REPORT</b>				Drilling 8 3/4" hole	
<b>LEASE: Crane 12-4</b>		<b>DATE: 2-Apr-01</b>		<b>DEPTH: 1680</b>	
<b>CONTRACTOR: Elenburg #14</b>		<b>DAYS SINCE SPUD: 2</b>		<b>FORMATION: Adaville</b>	
<b>George Ames</b>				<b>FOOTAGE LAST 24 HRS: 555</b>	

**REMARKS:** Drill 8 3/4" hole to core point at 1632'. Mudded up for core run while drilling. Short trip 15 stands. Circulate sweep. Trip out of hole. Pick up Baker-Hughes 6 1/4" coring tools. Trip in hole and core from 1632' thru 1662'. Trip out of hole. Lay down core and tools. Ticora Geosciences on location to catch and handle core for desorption studies. Trip in hole with 8 3/4" rerun bit. Ream core section and drill hole from 1662' thru 1680'.

DAILY COST \$21,890.00				CUM COST \$94,427.54			
<b>BIT DATA:</b>	<b>NO.</b>	<b>SIZE</b>	<b>TYPE</b>	<b>JETS</b>	<b>HRS</b>	<b>DEPTH IN</b>	<b>FOOTAGE</b>
	1	8 3/4	HTC GTX-03	3-14	21.5	277	1410
<b>WOB</b> 25/30		<b>RPM</b> 50/60		<b>BHA</b> 8 3/4" Bit, 13 6 1/4" DCs			

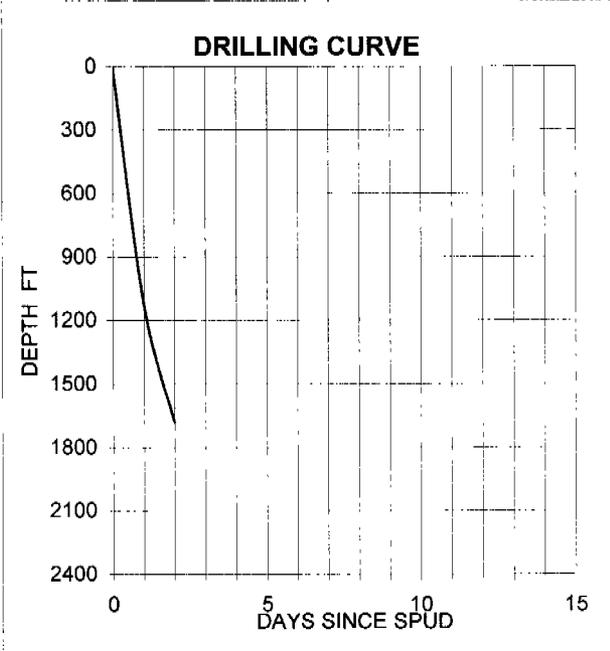
**SURVEYS:** 1 @ 1308  
 \_\_\_\_\_  
 @ \_\_\_\_\_

	<b>Comp</b>	<b>#2</b>
<b>PRESS</b>	850	
<b>STROKES</b>	112	
<b>LINERS</b>	6 1/2 X 8	

<b>MUD:</b>	<b>wt</b>	8.9
	<b>vis</b>	45
	<b>filtrate</b>	10.4
	<b>cake</b>	2
	<b>ph</b>	
	<b>cl</b>	
	<b>% sol</b>	4
	<b>pv</b>	10
	<b>yp</b>	7
	<b>mbt</b>	
	<b>Ca</b>	

**MUD COMMENTS:** Minimal mud up for cores.

<b>OPERATION HRS:</b>		<b>HRS</b>
	Drig	12.50
	Hook up Ticora	0.50
	Trip	6.25
	PU core tools & core	1.50
	Lay down core	1.00
	Circulate	2.25
		<b>24</b>



**REPORTED BY:** Jim Jenkins/Casey Osborn

<b>QUANECO, LLC.</b>				<b>PRESENT OPERATION:</b>	
<b>DAILY DRILLING REPORT</b>				Trip in hole after logs	
<b>LEASE: Crane 12-4</b>		<b>DEPTH: 1712</b>		<b>FORMATION: Adaville</b>	
<b>DATE: 3-Apr-01</b>		<b>DAYS SINCE SPUD: 3</b>		<b>FOOTAGE LAST 24 HRS: 32</b>	
<b>CONTRACTOR: Elenburg #14</b>		<b>George Ames</b>			

**REMARKS:** Drill 8 3/4" hole to TD @ 1712'. Circulate and wait on logging truck. Schlumberger rolled logging truck onto its side driving to location. Circulate hole. Trip out of hole to casing shoe. Trip in hole for wiper trip. Trip out of hole to log. Waited on logging truck until 12:30 am 4-3-01. Rigged up Baker-Atlas and ran Sonic-Induction-Density logs from TD to casing shoe. Rig down Baker-Atlas. Trip in hole with bit to TD.

DAILY COST \$21,127.40				CUM COST \$115,554.94			
<b>BIT DATA:</b>	<b>NO.</b>	<b>SIZE</b>	<b>TYPE</b>	<b>JETS</b>	<b>HRS</b>	<b>DEPTH IN</b>	<b>FOOTAGE</b>
	1	8 3/4	HTC GTX-03	3-14	22.5	277	1435
<b>WOB</b> 25/30		<b>RPM</b> 50/60		<b>BHA</b> 8 3/4" Bit, 13 6 1/4" DCs			

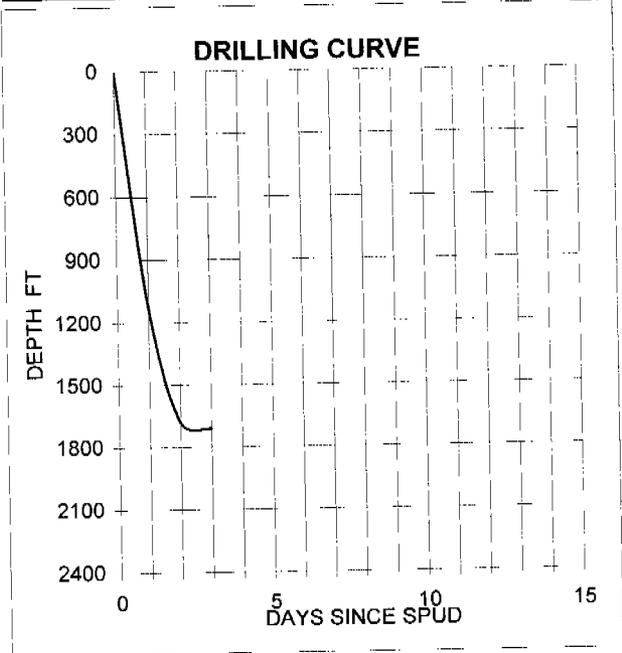
**SURVEYS:**                    @ \_\_\_\_\_  
                                       @ \_\_\_\_\_

	<b>Comp</b>	<b>#2</b>
<b>PRESS</b>	400	
<b>STROKES</b>	112	
<b>LINERS</b>	6 1/2 X 8	

<b>MUD:</b>	<b>wt</b>	9
	<b>vis</b>	40
	<b>filtrate</b>	10.4
	<b>cake</b>	2
	<b>ph</b>	_____
	<b>cl</b>	_____
	<b>% sol</b>	_____
	<b>pv</b>	_____
	<b>yp</b>	_____
	<b>mbt</b>	_____
	<b>Ca</b>	_____

**MUD COMMENTS:** No hole problems while logging.

<b>OPERATION HRS:</b>		<b>HRS</b>
	Drig	1.00
	Trip	4.50
	Circulate & wait on loggers	13.00
	Log	5.50
		24



REPORTED BY:                    Jim Jenkins/Casey Osborn

<b>QUANECO, LLC.</b>				<b>PRESENT OPERATION:</b>	
<b>DAILY DRILLING REPORT</b>				Rig released	
<b>LEASE: Crane 12-4</b>		<b>DAYS SINCE SPUD 4</b>		<b>DEPTH: 1712</b>	
<b>DATE: 4-Apr-01</b>		<b>CONTRACTOR: Elenburg #14 George Ames</b>		<b>FORMATION: Adaville</b>	
<b>FOOTAGE LAST 24 HRS:</b>					

**REMARKS:** Trip in hole to TD. Circulate bottoms up. Trip out of hole laying down drill pipe and drill collars. Pick up and run 3 jts (81.70') 7" SDT 1510 Fiberglass Casing, 37 jts (1610.74') 7" J55 23# LTC Casing. Bottom of casing @ 1692' KB. Rig up BJ Cementers. Mix and pump 40 sx Premium Lite w/ 2%CaCl2, .25# cello-flake (lead); 50 sx Type III w/ 2% CaCl2, .25# cello-flake (tail). Displace and bump plug with 61 bbls fresh water. Set slips. Release rig at 7 pm.

**FINAL DRILLING REPORT**

		DAILY COST \$44,075.88					CUM COST \$159,630.82
<b>BIT DATA:</b>	<b>NO.</b>	<b>SIZE</b>	<b>TYPE</b>	<b>JETS</b>	<b>HRS</b>	<b>DEPTH IN</b>	<b>FOOTAGE</b>
	1	8 3/4	HTC GTX-03	3-14	22.5	277	1435
<b>WOB</b> 25/30		<b>RPM</b> 50/60		<b>BHA</b> 8 3/4" Bit, 13 6 1/4" DCs			

**SURVEYS:** \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_

<b>Comp</b>	<b>#2</b>
<b>PRESS</b>	_____
<b>STROKES</b>	_____
<b>LINERS</b>	6 1/2 X 8

**MUD:**

wt	_____
vis	_____
filtrate	_____
cake	_____
ph	_____
cl	_____
% sol	_____
pv	_____
yp	_____
mbt	_____
Ca	_____

**MUD COMMENTS:**

**OPERATION HRS:**

\_\_\_\_\_

\_\_\_\_\_

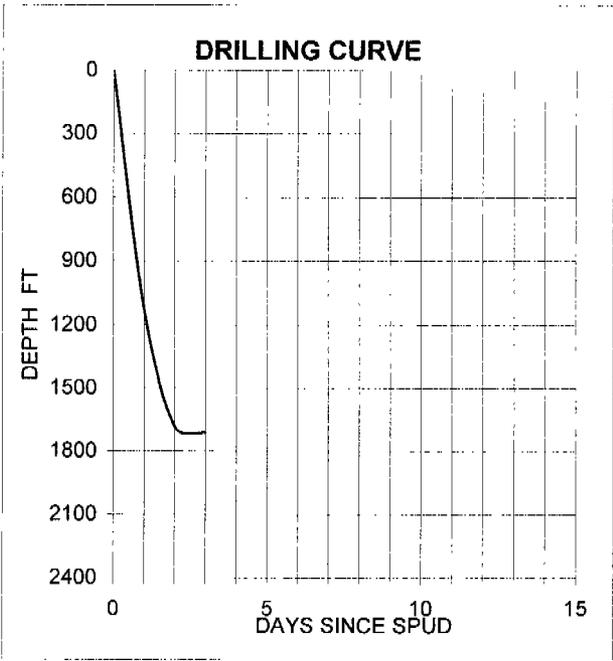
\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

HRS

0



**REPORTED BY:** Jim Jenkins/Casey Osborn











**QUANECO, INC.**  
**COMPLETION & WORKOVER**  
**DAILY REPORT**

**LEASE:** Crane 12-4  
**DATE:** 6/12/2001  
**CONTRACTOR:** Pennant Service

**KB:** 11  
**PBTD:** 1682'  
**GRADED ELEVATION:** 6855'  
**LEGAL DESCRIPTION:** Lot 6, Section 4, T6N, R8E, SLBM

**CASING DETAIL:**

9 5/8" 36#/ft K-55 at 270'  
 7" 23 #/ft J-55 LTC (1610.74') plus  
 7" SDT 1510 Fiberglass csg. (81.70') set at  
 1692' KB

**DRILLING COST:** \$159,630.82

**DAILY COST:** \$1,829.00

**CUM COST OF COMPLETION:** \$42,353.37

**AFE CUM COST:** \$201,984.19

**DAILY LOG:** Well Shut in. Finished making up wellhead. Breakout pump and lines. RD and move off.

Note: 12" Underreamed 1637'-1643'

**DAILY COST:**

		<b>DAILY COSTS</b>	<b>CUM COSTS</b>
SERVICE RIG	Pennant Svc.	\$1,004.00	\$18,837.00
WELLHEAD	Vetco Gray cutoff/grind/inst.wellhead		\$472.00
TUBULARS	56jts J55 + 1 jt bad=1788' on location Wilson		\$6,030.37
RENTAL SERVICE TOOLS (DOWNHOLE)	Weatherford Reamer		\$3,000.00
DOWNHOLE TOOLS (PURCHASE)	Spidle Sales 5 7/8" bit #AD60498 Smith		\$450.00
STIMULATION SERVICE			
OTHER	Forklift&Trailer	\$175.00	\$875.00
ELECTRIC LINE/SLICK LINE			
PERFORATING			
FLUIDS	Rain for Rent		\$708.00
FLOW TEST			
OTHER	TP Const. Blade Location		\$500.00
RENTAL EQUIPMENT (SURFACE)	7' tubing head Vetco		\$500.00
TANKS			
TRUCKING - HAULING/DELIVERY	Rain for Rent MI Pennant		\$1,400.00
OTHER	Gasket and Bolts		\$196.00
OTHER	Vetco - wellhead bonnet and valve		\$2,070.00
OTHER	Anchors		\$1,415.00
SUPERVISION w/ EXPENSES		\$400.00	\$3,650.00
QUANECO OVERHEAD		\$250.00	\$2,250.00
<b>DAILY TOTAL</b>		<b>\$1,829.00</b>	
<b>PREVIOUS TOTAL</b>		<b>\$40,524.37</b>	
<b>CUMULATIVE TOTAL</b>			<b>\$42,353.37</b>





**QUANECO, INC.  
COMPLETION & WORKOVER  
DAILY REPORT**

**LEASE:** Crane 12-4  
**DATE:** 8/16/2001  
**CONTRACTOR:** Pennant Service

**KB:** 11  
**PBTD:** 1682'  
**GRADED ELEVATION:** 6855'  
**LEGAL DESCRIPTION:** Lot 6, Section 4, T6N, R8E, SLBM  
**TBG/PACKER** 2 7/8" J-55  
**DRILLING COST:** \$159,630.82

**CASING DETAIL:**

9 5/8" 36#/ft K-55 at 270'  
7" 23 #/ft J-55 LTC (1610.74') plus  
7" SDT 1510 Fiberglass csg. (81.70') set at  
1692' KB

**DAILY COST:** \$4,906.00      **CUM COST OF COMPLETION:** \$67,719.37      **AFE CUM COST:** \$227,350.19

**DAILY LOG:**

Casing and tubing null. TOH with tubing, reamer and bit. TIH with 2 7/8" notch collar - 1 jt. 2 7/8" - 2.313 XN nipple and 2 7/8" tubing. Break reverse circulation and clean out to PBTD @ 1682'. Tubing plugging at times. Recovering 1" - 1 1/2" chunks of coal, cement, and fiberglass. Pull off bottom with tubing and rig to swab. Bottom notch collar @ 1633'. 2.131 XN nipple @ 1600'. Total 51 jts. tubing in hole. IFL @ surface - FFL @ 1100'. Recovered 39 bbls. in 2 1/2 hours - all water. FL @ 1100' last 3 runs. Pulling from XN nipple @ 1600'. Recovering small pieces of coal and fiberglass. Swab cups hanging and stopping. SWI. SDFN

**DAILY COST:**

	<b>DAILY COSTS</b>	<b>CUM COSTS</b>
SERVICE RIG CDM Trkg. MIRU \$2600	\$3,031.00	\$34,505.00
WELLHEAD		\$472.00
TUBULARS 56jts J55 + 1 jt bad=1788' on location		\$6,030.37
RENTAL SERVICE TOOLS (DOWNHOLE)		\$5,600.00
DOWNHOLE TOOLS (PURCHASE)		\$450.00
BOP	\$350.00	\$1,050.00
STIMULATION SERVICE		
OTHER	\$175.00	\$1,400.00
ELECTRIC LINE/SLICK LINE		
PERFORATING		
FLUIDS		\$1,422.00
FLOW TEST		
OTHER		\$500.00
RENTAL EQUIPMENT (SURFACE)		\$500.00
TANKS	\$50.00	\$150.00
TRUCKING - HAULING/DELIVERY		\$2,159.00
OTHER		\$196.00
OTHER		\$2,070.00
OTHER		\$1,415.00
SUPERVISION w/ EXPENSES	\$800.00	\$6,050.00
QUANECO OVERHEAD	\$500.00	\$3,750.00
<b>DAILY TOTAL</b>	<b>\$4,906.00</b>	
<b>PREVIOUS TOTAL</b>	<b>\$62,813.37</b>	
<b>CUMULATIVE TOTAL</b>		<b>\$67,719.37</b>











**QUANECO, C.**  
**COMPLETION & WORKOVER**  
**DAILY REPORT**

**LEASE:** Crane 12-4  
**DATE:** 9/13/2001  
**CONTRACTOR:** Key # 234

**CASING DETAIL:**

9 5/8" 36#/ft K-55 at 270'  
 7" 23 #/ft J-55 LTC (1610.74') plus  
 7" SDT 1510 Fiberglass csg. (81.70') set at  
 1692' KB

**KB:** 11  
**PBTD:** 1682'  
**GRADED ELEVATION:** 6855'  
**LEGAL DESCRIPTION:** Lot 6, Section 4, T6N, R8E, SLBM  
**TBG/PACKER** 2 7/8" J-55  
**DRILLING COST:** \$159,630.82

**DAILY COST:** \$11,580.00      **CUM COST OF COMPLETION:** \$100,811.37      **AFE CUM COST:** \$260,442.19

**DAILY LOG:**

4# pressure on casing. Tag fluid with swab @ 1100'. Recovered 14 bbls. in 3 hours. Fluid level @ 1550'. Pulling from 1600'. RU BJ Services and pump down casing and tubing with 400 bbls city water and bacteriacide. Average pressure 1563 PSI @ average rate of 18BPM. ISIP @ 943#; 5 minutes 830#; 10 minutes 795#; 15 minutes 766#. SWI. RD BJ Services. Flowback well to mud tank. Recovered 60 bbls flowing in 1.5 hours. Swab. Recovered 97 bbls in 4.5 hours. Beginning FL @ surface. FFL @ 1500'. Recovered 10 bbls last hour. Pulling swab from 1600'. SWI. SDFN

**DAILY COST:**

		<b>DAILY COSTS</b>	<b>CUM COSTS</b>
SERVICE RIG	CDM Trkg. MIRU \$2600	\$3,264.00	\$49,048.00
WELLHEAD	Key #234 Vetco Gray cutoff/grind/inst.wellhead		\$472.00
TUBULARS	56jts J55 + 1 jt bad=1788' on location Wilson		\$6,030.37
RENTAL SERVICE TOOLS (DOWNHOLE)	Weatherford reamer/power sub		\$5,600.00
DOWNHOLE TOOLS (PURCHASE)	Spidle Sales 5 7/8" bit #AD60498 Smith		\$450.00
BOP	Weatherford BOP		\$2,100.00
STIMULATION SERVICE	BJ Services	\$6,816.00	\$6,816.00
OTHER	Forklift&Trailer	\$175.00	\$2,450.00
ELECTRIC LINE/SLICK LINE			
PERFORATING			
FLUIDS	Mtn. States - 400 bbls city water		\$2,318.00
FLOW TEST			
OTHER	TP Const. Blade Location		\$500.00
RENTAL EQUIPMENT (SURFACE)	7' tubing head Vetco		\$500.00
TANKS	1 tank	\$25.00	\$600.00
TRUCKING - HAULING/DELIVERY	Rain for Rent-move tanks		\$3,104.00
OTHER	Valves, fittings, gauges		\$638.00
OTHER	Vetco - wellhead bonnet and valve		\$2,070.00
OTHER	Anchors		\$1,415.00
SUPERVISION w/ EXPENSES		\$800.00	\$10,450.00
QUANECO OVERHEAD		\$500.00	\$6,250.00
<b>DAILY TOTAL</b>		<b>\$11,580.00</b>	
<b>PREVIOUS TOTAL</b>		<b>\$89,231.37</b>	
<b>CUMULATIVE TOTAL</b>			<b>\$100,811.37</b>







State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

May 24, 2004

Casey Osborn  
Quaneco, LLC  
P. O. Box 7370  
Sheridan, Wyoming 82801

Re: Notice's of Violation (NOV's) -- Wells/locations in Rich  
County, Utah

Dear Mr. Osborn:

On August 11, 2003, Division staff member's conducted inspections of wells located in Rich County, Utah, operated by Fat Chance Oil & Gas, LLC "Fat Chance". Quaneco, LLC "Quaneco" was the mineral lessee, Fat Chance was the designated operator.

Several of the wells had been drilled and completed however the reserve pits had not been closed and reclaimed within 1 year following drilling and completion of the well's in accordance with R649-3-16 et al (copy enclosed), Reserve Pits and Other Onsite Pits.

In addition, some well locations had drill pads, access roads, and pits built that were not being maintained, where no drilling activity had taken place, a violation of R649-3-15 et al (copy enclosed), Pollution and Surface Damage Control.

Fat Chance was notified via telephone in late August 2003, of the above stated non-compliance issues, and was advised to comply before winter 2003.

On May 18, 2004, a Division staff member conducted follow-up inspections to verify compliance. Please be advised that the wells listed below are still in non-compliance status, therefore, a Notice of Violation is being issued to Quaneco, current operator and lessee, for the wells listed below, effective May 18, 2004.

Crane 4-4                    43-033-30049                    Sec. 04, T6N, R8E  
Completed 3/31/01, pit should have been reclaimed by 3/31/02. Pit 2/3 full, pits' north slope not fenced. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush.

Crane 12-4                    43-033-30050                    Sec. 04, T6N, R8E  
Completed 9/15/01, pit should have been reclaimed by 9/15/02. Pit has approx. 4" water. Liner is showing signs of wear and tear.

Crane 13-8                    43-033-30052                    Sec. 08, T6N, R8E  
Completed 7/27/01, pit should have been reclaimed by 7/27/02. Pit 2/3 full. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush. Drill pipe not in use on location.

Crawford 4-25                    43-033-30065                    Sec. 25, T9N, R7E (Spud)  
Well not drilled, rat hole spud not reported, TD unknown. Pit has approx. 6" water. Liner is showing signs of wear and tear.

Murphy Ridge 1-32                    43-033-30045                    Sec. 32, T8N, R8E  
Completed 8/18/02, pit should have been reclaimed by 8/18/03. Pit is full of mud/water, and is not fenced. Liner is torn and is falling in. Drill pipe not in use on location.

Murphy Ridge 7-32                    43-033-30046                    Sec. 32, T8N, R8E  
Well not drilled. Pit semi-built, not lined or fenced. Pad/access road is overgrown with weeds/sagebrush.

Stacy Hollow 14-35                    43-033-30056                    Sec. 35, T7N, R7E  
Completed 9/11/01, pit should have been reclaimed by 9/11/02. Pit 1/2 full. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush.

Suttons 4-12                    43-033-30058                    Sec. 12, T6N, R7E  
Completed 10/3/01, pit should have been reclaimed by 10/3/02. Pit has approx. 4" water. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush. Drill pipe not in use on location.

Page 3  
Quaneco, LLC  
May 24, 2004

Quaneco has (30) thirty days, from receipt of this letter, to close and reclaim the reserve pits on the locations where the wells have been drilled and completed. In addition, all drill pads and access roads need to be cleared of weeds/sagebrush, and all scrap or other materials not in use at the locations should be removed from the property or be stored in an orderly manner.

Quaneco has (30) thirty days, from receipt of this letter, to report information regarding the rat hole spud on the Crawford 4-25 well, and to replace the pit liner or close and reclaim the pit, plug the rat hole spud, and reclaim the entire location. The permit expires on 11/28/04.

Quaneco has (30) thirty days, from receipt of this letter, to install a fence around the partially constructed reserve pit at the Murphy Ridge 7-32 well location, and to clear the weeds and sagebrush from the drill pad and access road or close and reclaim the reserve pit, and reclaim the entire location. The permit expires 12/31/04.

The NOV's will remain in effect until the listed deficiencies are corrected. Failure to comply will result in further enforcement action by the Division.

If you have any questions regarding this matter please contact Lisha Cordova at (801)538-5296 or Dan Jarvis at (801)538-5338.

Sincerely,



(for) John R. Baza  
Associate Director

cc: Gil Hunt, Technical Services Manager  
Bill Hopkin, Deseret Land & Livestock/Landowner  
Ed Bonner, SITLA/Landowner (Murphy Ridge 1-32 & 7-32)  
George Frazier, Landowner (Crawford 4-25)

# QUANECO, LLC

Box 7370-Sheridan, WY 82801-Office 307-673-1500-Fax 307-673-1400 [quaneco@fiberpipe.net](mailto:quaneco@fiberpipe.net)

June 15, 2004

Mr. Dustin Doucet  
Utah Department of Natural Resources  
Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801

Re: Response to NOV's dated May 24, 2004 and received June 3, 2004

Dear Mr. Doucet:

Quaneco has been evaluating the subject leases since 2001. The program has consisted of drilling wells and testing to either condemn or prove viability. Due to the fact that zones of interest have been penetrated that are potentially profitable, Quaneco is reluctant to abandon wellbores and/or wellsites that may prove to be valuable based upon future exploration.

Quaneco is cognizant of the regulations attached with the letter and has indeed taken all reasonable precautions to avoid polluting. In addition to pollution prevention, Quaneco has gone beyond the requirements of the negotiated surface use agreement to construct new roads, upgrade existing roads, install cattle guards, build bridges, pay for steel gates, seed disturbed areas with the surface owner's recommended seed mix and minimize surface disturbance. Quaneco has been sensitive to the landowner's organized surface activities such as the handcart reenactments by scheduling drilling and testing operations to prevent disturbance. Quaneco has respected the landowner by not storing an excessive amount of equipment on locations. Today, only a minimal amount of equipment is stored. Quaneco has consistently responded to the landowner's requests. However, Quaneco is not in the position to influence royalty owners to give a portion of royalty to another royalty owner.

Quaneco believes that permission has been granted to date to delay pit reclamation; however, it was understood that the pit situation would be reevaluated this summer. Throughout the past three years, Quaneco has maintained contact with your office and the landowner. We have made it clear that the results from the exploration activities to date have been inconclusive at best, but recognize the prospect has unlimited potential geologically and Quaneco's belief in the area is substantiated by the continuing investment of time and money.

RECEIVED

JUN 22 2004

DIV. OF OIL, GAS & MINING

Quaneco will begin mobilizing to respond to the claims of violation. Quaneco is unable to meet the thirty-day requirements on most of the claims due to the unexpected position from your agency of violation and the short notice. Once again, I believe Quaneco has been extremely sensitive to cooperating with both your agency and the landowners. When there was news to report, we have reported and we do believe that we had permission to delay pit reclamation. Therefore, I formally request that you allow us to proceed in a cost efficient manner to perform the minimal amount of work that needs to be accomplished. We have already contacted the contractor recommended by the landowner to perform this work; however, his schedule would not allow him to complete all of the work within thirty days.

Quaneco did not consider the Crawford 4-25 a legitimate spud so did not report same. Quaneco has been in contact with the landowner for the duration and has honored and responded to his requests in the past.

Quaneco is a prudent operator and has legally leased the minerals on these properties. Our intent is to explore for and hopefully develop commercial volumes of natural gas. We understand that adherence to regulations is necessary. We recognize the value of cooperation with your agency and we respect your agency's role of being good stewards of the land.

I will be looking forward to your response and in the meantime we will move forward with correcting the claimed deficiencies.

Sincerely,

A handwritten signature in cursive script that reads "Casey Osborn". The signature is written in black ink and is positioned above the printed name.

Casey Osborn

# QUANECO

*Committed to American Energy Independence*

August 19, 2004

Mr. Dustin Doucet  
Utah Department of Natural Resources  
Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801

RECEIVED  
AUG 26 2004  
DIV. OF OIL, GAS & MINING

Re: Quaneco's Rich County activity forecast for fourth quarter 2004

Dear Mr. Doucet:

Quaneco intends to backfill and reclaim the reserve pits at the following locations this fall:

Crane 4-4  
Crane 12-4  
Crane 13-8  
Suttons 4-12  
Stacey Hollow 14-35  
Murphy Ridge 1-32

Quaneco intends to backfill the reserve pit and reclaim the entire location at the following two locations this fall:

Murphy Ridge 7-32  
~~Crane 4-25~~ Crawford 4-25

Reseeding will be conducted in cooperation with Deseret Land.

Quaneco has entered into an agreement with Fellows Energy allowing them an opportunity to conduct exploration operations for the near term. It is anticipated that Fellows' operations and evaluations will continue through 2005; therefore, Quaneco intends to maintain all existing wellbores in a shut in status.

Sincerely,

*Casey Osborn*  
Casey Osborn *by SKJ*

Division of Oil, Gas and Mining  
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

Well File \_\_\_\_\_  
\_\_\_\_\_  
(Loc.) Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_  
(API No.) \_\_\_\_\_

Suspense \_\_\_\_\_  
(Return Date) \_\_\_\_\_  
(To-Initials) \_\_\_\_\_

Other \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. Date of Phone Call: 9/20/04 Time: 11:00

2. DOGM Employee (name) J. Cordore ( Initiated Call)  
Talked to:  
Name Terry Pruitt ( Initiated Call) - Phone No. (307) 679-4407  
of (Company/Organization) T.P. Coast, Inc.

3. Topic of Conversation: Burke Trickert new DLT Ranch mgr. 7/2004,  
referred me to Terry for reclaim update regarding  
Quaneco properties on ranch.

4. Highlights of Conversation: \_\_\_\_\_  
Crane 12-4 - Pit reclaimed. 9/2004  
Suttons 4-12 - Pit reclaimed 9/19/04.  
Murphy Ridge 1-32 - Pit reclaimed. 9/2004.  
Crane 4-4 - Pit reclaim started - more wtr. evap required, done by end of Sep  
Crane 13-8 - Pit has too much water, need to haul off, done by end of Oct.  
Stacey Hollow 14-35 - Pit reclaim in progress, should be done end of Sept.  
Murphy Ridge 7-32 - Complete reclaim should be done by end of Oct.  
Crawford 4-25 - Complete reclaim should be done by end of Oct.

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

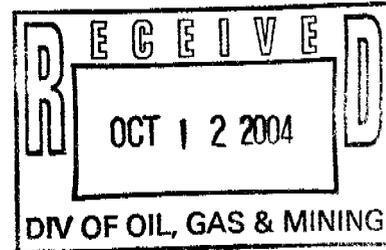
			6. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: <b>Crane 12-4</b>
2. NAME OF OPERATOR: <b>Quaneco, LLC</b>			9. API NUMBER: <b>4303330050</b>
3. ADDRESS OF OPERATOR: <b>PO Box 7370</b>		CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>	PHONE NUMBER: <b>(307) 673-1500</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>			10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T6N R8E S</b>			COUNTY: <b>Rich</b>
			STATE: <b>UTAH</b>

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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>pit reclamation</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.

Pit was backfilled by T.P. Construction on 9-4-2002 ~~2002~~ <sup>2004</sup> *lj*



NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <i>Lorna James</i>	DATE <u>10/8/2004</u>

(This space for State use only)

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
2. NAME OF OPERATOR: <b>Quaneco, LLC</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: <b>PO Box 7370</b> CITY <b>Sheridan</b> STATE <b>WY</b> ZIP <b>82801</b>		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: <b>(307) 673-1500</b>		8. WELL NAME and NUMBER: <b>Crane 12-4</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		9. API NUMBER: <b>4303330050</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 T6N R8E S</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
COUNTY: <b>Rich</b>		
STATE: <b>UTAH</b>		

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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" 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.  
Pit reclaimed and fence removed by TP Construction 10/2/2004

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>10/12/2004</u>

(This space for State use only)

**RECEIVED**  
**OCT 15 2004**  
DIVISION OF OIL & GAS MINING

November 1, 2004

Casey Osborn  
Quaneco LLC  
P.O. Box 7370  
Sheridan, Wyoming 82801

Re: Satisfactory Closure for Notice of Violation (NOV) Dated May 24, 2004.

Mr. Osborn,

The compliance work accomplished by Quaneco since the issuance of the NOV dated May 24, 2004 is acknowledged, and is adequate for Closure of the NOV.

There is however some work in progress and other related items of concern that remain. The Division will be conducting field inspections again in the spring of 2005 and will be looking into any remaining items of concern. It should be noted that your permit to drill does not include a permit to store unused equipment, tubing or casing on the location. That, along with the condition of your pit liners are some of the items we will be inspecting in the spring.

Questions regarding this matter should be directed to Lisha Cordova in our Salt Lake Office, at (801) 538-5296.

Sincerely,

K. Michael Hebertson  
Manager, Hearings & Enforcement

WELL SEARCH

WELL DATA

WELL HISTORY

WELL ACTIVITY

WELL NAME **CRANE 12-4** API NUMBER **4303330050** WELL TYPE **GW** WELL STATUS **S**

OPERATOR **QUANECO, LLC** ACCOUNT **N2495** # OPERATOR APPROVED BY BLM / BIA

DESIGNATED OPERATOR \_\_\_\_\_ ACCOUNT \_\_\_\_\_

FIELD NAME **WILDCAT** FIELD NUMBER **1** FIRST PRODUCTION \_\_\_\_\_ LA / PA DATE \_\_\_\_\_

WELL LOCATION:

SURF LOCATION **2041 FSL 0480 FWL**

Q. S. T. R. M. **NWSW** **04** **06.0 N** **08.0 E** **S**

COUNTY **RICH**

UTM Coordinates:

SURFACE - N **4569725.00** BHL - N \_\_\_\_\_

SURFACE - E **495788.00** BHL - E \_\_\_\_\_

LATITUDE **41.28086**

LONGITUDE **-111.05030**

CONFIDENTIAL FLAG

CONFIDENTIAL DATE **10** **15** **2002**

DIRECTIONAL | HORIZONTAL

HORIZONTAL LATERALS

ORIGINAL FIELD TYPE **W**

WILDCAT TAX FLAG

CB-METHANE FLAG

ELEVATION **6855 GR**

BOND NUMBER / TYPE **04-002** **5**

LEASE NUMBER **FEE**

MINERAL LEASE TYPE **4**

SURFACE OWNER TYPE **4**

INDIAN TRIBE \_\_\_\_\_

C.A. NUMBER \_\_\_\_\_

UNIT NAME \_\_\_\_\_

CUMULATIVE PRODUCTION:

OIL \_\_\_\_\_

GAS \_\_\_\_\_

WATER \_\_\_\_\_

COMMENTS 010308 ENTITY ADDED:031 031 FR N1395:



State of Utah

Department of  
Natural Resources

MICHAEL R. STYLER  
*Executive Director*

Division of  
Oil, Gas & Mining

MARY ANN WRIGHT  
*Acting Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

March 3, 2005

CERTIFIED MAIL NO. 7002 0510 0003 8602 5733

Ms. Lorna James  
Quaneco, LLC  
P.O. Box 7370  
Sheridan, Wyoming 82801

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Fee or State Leases.

Dear Ms. James:

As of March 2005, Quaneco LLC has five (5) Fee Lease Wells and one (1) State Lease Well (see attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

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

Page 2  
Ms. Lorna James  
March 3, 2005

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

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

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

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

DKD:jc  
Attachment  
cc: John Baza  
Well File  
SITLA

## ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	Murphy Ridge 1-32	NENE Sec 32-T8N-R8E	43-033-30045	State	1 Year 5 Months
2	Stacy Hollow 14-35	SESW Sec 35-T7N-R7E	43-033-30056	Fee	1 Year 5 Months
3	Suttons 4-12	NWNW Sec 12-T6N- R7E	43-033-30058	Fee	1 Year 5 Months
4	Crane 4-4	NWNW Sec 4-T6N-R8E	43-033-30049	Fee	1 Year 5 Months
5	Crane 12-4	NWSW Sec 4-T6N-R8E	43-033-30050	Fee	1 Year 5 Months
6	Crane 13-8	SWSW Sec 8-T6N-R8E	43-033-30052	Fee	1 Year 5 Months

# Quaneco, LLC

850 Val Vista-Box 7370-Sheridan, WY 82801-Office 307-673-1500-Fax 307-673-1400 <mailto:quaneco@fiberpipe.net>

8/4/2005

State of Utah  
Division of Oil, Gas and Mining  
ATTN: Mr. Dustin Doucet  
PO Box 145801  
Salt Lake City UT 84114-5801

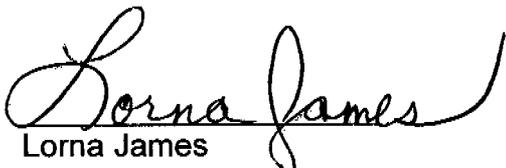
RE: Integrity Testing

Dear Mr. Doucet,

I am writing to follow up on temperature surveys that were conducted on May 24<sup>th</sup> of this year at our well locations in Utah. An email was sent on June 1, 2005 reflecting the results of the requested testing. A copy of said email is attached hereto. Given that the wells are still in good condition, Quaneco LLC would like to request an extension of the Division's approval of our shut-in status. We have sincere hopes that our partner, Fellows Energy, will be developing this acreage further later this year as weather conditions permit.

Thank you for your time and consideration in this matter.

Sincerely,



Lorna James  
Administrative Assistant

RECEIVED

AUG 12 2005

DIV. OF OIL, GAS & MINING



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

September 22, 2005

Ms. Lorna James  
Quaneco, LLC  
P.O. Box 7370  
Sheridan, Wyoming 82801

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for  
Fee or State Leases.

Dear Ms. James:

The Utah Division of Oil, Gas & Mining ("Division") is in receipt of your letter dated August 4, 2005 (received by the Division on 8/12/2005) requesting extended shut-in or temporarily abandoned (SI/TA) status for five (5) Fee Lease Wells and one (1) State Lease Well (see attachment A). Quaneco, LLC ("Quaneco") has supplied copies of temperature logs and fluid level shots and has supplied explanations as to how this information shows the wells to have integrity. The Division understands that Fellows Energy, Quanecons' partner, will be developing the properties this coming year.

Based on the submitted information and the plan of action, Quanecons' request for extended shut-in/temporarily abandoned (SI/TA) status for the 6 wells listed in attachment A are approved. The approvals are valid through August 1, 2006. A continued monitoring program should be followed to ensure continued integrity throughout the approval period. The results of the monitoring program should be submitted to the Division at the end of the approval period. However, should pressures or fluid levels change significantly contact the Division immediately. Remedial action may be necessary.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet  
Petroleum Engineer

Attachment  
cc: Well Files  
SITLA

## ATTACHMENT A

	Well Name	Location	API	Lease Type	Years Inactive
1	Murphy Ridge 1-32	NENE Sec 32-T8N-R8E	43-033-30045	State	3 Years 0 Months
2	Stacy Hollow 14-35	SESW Sec 35-T7N-R7E	43-033-30056	Fee	4 Years 0 Months
3	Suttons 4-12	NWNW Sec 12-T6N- R7E	43-033-30058	Fee	3 Years 11 Months
4	Crane 4-4	NWNW Sec 4-T6N-R8E	43-033-30049	Fee	4 Years 5 Months
5	Crane 12-4	NWSW Sec 4-T6N-R8E	43-033-30050	Fee	4 Years 0 Months
6	Crane 13-8	SWSW Sec 8-T6N-R8E	43-033-30052	Fee	4 Years 1 Month

**Lorna James**

---

**From:** "Johnny Lewis" <jass@fiberpipe.net>  
**To:** <ljames@fiberpipe.net>  
**Sent:** Thursday, August 04, 2005 3:17 PM  
**Subject:** Fw: Temp Log Info 5 2005

----- Original Message -----

**From:** Johnny Lewis  
**To:** P Tromp ; Bill@EMIT ; ljames@fiberpipe.net ; jass@fiberpipe.net ; ANNA/ JHL  
**Sent:** Wednesday, June 01, 2005 8:36 AM  
**Subject:** Temp Log Info 5 2005

**Temperature Surveys of Utah Overthrust Wells  
 May 24/25 2005  
 by Superior Production Logging  
 Surface to PBTD**

**Stacy Hollow 14-35****05-24-05 Temp Log**

Fluid Level @ 436' - 0 psi on csg  
 Max. Temp 111.2

Depth Logger @ 5188 / PBTD @ 5185 - Perfs: 4378-4950 - Cmt top @ 2850

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to perforations

Casing looks OK - 5 1/2" 15.5# csg @ 6002 to Surface / \*No tbg in hole

**Suttons 4-12****05-24-05 Temp Log**

Fluid Level @1062' - 50 PSI TBG / 70 PSI CSG

Max. Temp 95.6

Depth Logger 3942 / PBTD @ 4012 - Perfs: 3403-3499

\* Possible sand fill from sand frac - Cmt top @ 3150

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to perforations

Casing looks OK - 7" 23# 4092 to surface / \*2 7/8 tbg to 3374

**Crane 13-8****05-25-05 Temp Log**

Fluid Level @ 286' - 0 psi on csg

Max. Temp 92.1

Depth Logger 3383 / PBTD @ 3395 - Perfs:3037 - 3369

Cmt top @ 2100

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to perforations

Casing looks OK - 7" 23# 3764 to surface / \*No tbg in hole

**Crane 12-4****05-24-05 Temp Log**

Fluid Level @218' - 0 psi on tbg and csg

Max. Temp 65.2

Depth Logger 1641 / PBTD @ 1682

7" Fiberglass Csg 1611 to 1692 Under reamed 14" from 1637 to 1653

7" 23# Csg 1611 to surface Est. Cmt Top @ 1000

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to Under reamed Zone

Casing looks OK - \* 2 7/8 tbg to 1633

Fill @ 1641 from possible sloughing coals

**Crane 4-4**

**05-24-05 Temp Log**

Fluid Level @ Surface – 0 psi on csg

Max. Temp 61.7

Depth Logger 1442'

\*Well never Completed or Cleaned Out / Calc. Cmt Top @ 1050

7" 23# 1598 to surface / 7" FG 1598–1705 / TD @ 1820'

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to 1442

Casing looks OK - \*No Tbg

**Murphy Ridge 1-32**

**Fluid Shots**

05-01-05 Csg 16 PSI / Tbg 18 PSI - 20 jts to Fluid / Approx. 640'

05-25-05 Csg 0 PSI / Tbg 0 PSI – 20 jts to Fluid / Approx. 640'

No change in fluid levels with or without pressure or 24 days between shots

Indicates that casing is OK

\*Also other 5 wells logged with temperature logs show no signs of casing being bad

JHL 06/01/05

---

No virus found in this incoming message.

Checked by AVG Anti-Virus.

Version: 7.0.322 / Virus Database: 267.3.2 - Release Date: 5/31/2005

---

No virus found in this incoming message.

Checked by AVG Anti-Virus.

Version: 7.0.338 / Virus Database: 267.10.0/63 - Release Date: 8/3/2005



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, 2004

Lorna James  
Fat Chance Oil & Gas, LLC  
PO Box 7370  
Sheridan, WY 82801

Re: Notification of Sale or Transfer of Fee Lease Interest

Dear Ms. James:

The Division has received notification of a operator change from Fat Chance Oil & Gas, LLC to Quaneco, LLC for the attached list of wells which are located on fee leases.

Utah Administrative Rule R649-2-10 states; the owner of a lease shall provide notification to any person with an interest in such lease, when all or part of that interest in the lease is sold or transferred.

This letter is written to advise Fat Chance Oil & Gas, LLC of its responsibility to notify all individuals with an interest in this lease (royalty interest and working interest) of the change of operator. Please provide written documentation of this notification to:

Utah Royalty Owners Association  
Box 1292  
Roosevelt, Utah 84066

Your assistance in this matter is appreciated.

Sincerely,

Earlene Russell  
Engineering Technician

cc: Utah Royalty Owners Association, Lamar Wilson  
John R. Baza, Associate Director

Fat Chance Oil & Gas, LLC  
November 25, 2004

ATTACHMENT "A"

<u>Well Name</u>	<u>Sec.-Twp -Rng.</u>	<u>API Number</u>
NEPONSET 4-35	35 080N 070E	4303330048
CRANE 4-4	04 060N 080E	4303330049
CRANE 12-4	04 060N 080E	4303330050
SIMS 13-33	33 070N 080E	4303330051
CRANE 13-8	08 060N 080E	4303330052
CRANE 6-7	07 060N 080E	4303330053
CRANE 13-6	06 060N 080E	4303330054
CRANE 13-18	18 060N 080E	4303330055
STACEY HOLLOW 14-35	35 070N 070E	4303330056
SUTTONS 4-12	12 060N 070E	4303330058
CRAWFORD 4-25	25 090N 070E	4303330065
COALVILLE 9-3	03 020N 050E	4304330322
COALVILLE 12-3	03 020N 050E	4304330323



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

September 2, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6176

Ms. Lorna James  
Quaneco, LLC  
PO Box 7370  
Sheridan, WY 82801

LN 8E 4

Re: Crane 4-4 API 43-033-30049, Crane 12-4 API 43-033-30050, Crane 13-8 API 43-033-30052, Stacey Hollow 14-35 API 43-033-30056, Suttons 4-12 API 43-033-30058, Murphy Ridge 1-32 API 43-033-30045  
Second Notice of Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Ms. James:

As of July 2008, Quaneco, LLC ("Quaneco") has five (5) Fee Lease Wells and one (1) State Mineral Lease Well (see attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("DOGGM" or "Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

In March 2005 the Division sent a first notice to Quaneco by certified mail stating five (5) Fee Lease wells and (1) State Mineral Lease Well (Attachment A) were in non-compliance with requirements for SI/TA status. A letter was sent to the Division from Quaneco dated August 4, 2005, requesting extension on the wells listed. The Divisions response was sent (dated September 12, 2005) approving request for extension on all wells listed in attachment A, valid until August 1, 2006. The Division feels more than sufficient time has passed since your company's extension was approved and we have not seen any resolutions. Please submit your plans to produce or plug these wells to DOGM within 30 days of this notice or further actions will be initiated.



Page 2  
September 2, 2008  
Ms. James

For extended SI/TA consideration the operator shall provide the Division with the following:

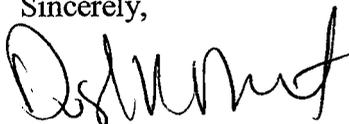
1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence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

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

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

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

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

JP/js  
Enclosure

cc: Jim Davis, SITLA  
Operator Compliance File  
Wells File

## ATTACHMENT A

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	CRANE 4-4	43-033-30049	Fee	7 Years 4 Months
2	CRANE 12-4	43-033-30050	Fee	6 Years 10 Months
3	CRANE 13-8	43-033-30052	Fee	7 Years 0 Months
4	STACEY HOLLOW14-35	43-033-30056	Fee	6 Years 10 Months
5	SUTTONS 4-12	43-033-30058	Fee	6 Years 9 Months
6	MURPHY RIDGE 1-32	43-033-30045	State	5 Years 11 Months



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

March 11, 2009

CERTIFIED MAIL NO.: 7004 1160 0003 0190 2648

Ms. Lorna James  
Quaneco, LLC  
P O Box 7370  
Sheridan, WY 82801

43 033 30050  
Crane 12-9  
6N 8E 4

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Ms. James:

The Division of Oil, Gas and Mining (the Division) is in receipt of your e-mail dated February 12, 2008 in regards to the six (6) shut-in or temporarily abandoned (SI/TA) wells operated by Quaneco, LLC (Quaneco). It is the Divisions understanding that Quaneco has secured a new landowners agreement and new mineral lease with Deseret Land, and is currently pursuing Skull Valley lease that has expired. The division also understands that Quaneco plans to retest wells (Attachment A) this coming fall.

Based on the submitted integrity information and plan to retest the wells this fall, the Division grants extended SI/TA status for the wells listed on Attachment A valid until October 1, 2009 allowing adequate time to perform the proposed work. The Division wishes to state that the listed wells (Attachment A) have been SI/TA for over a period of five (5) years, therefore future extensions may require full cost bonding. Quaneco shall continue to monitor well integrity, if pressures or fluid levels change significantly during the year please inform the Division immediately. Corrective action may be necessary.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281

Sincerely,

Dustin K. Doucet  
Petroleum Engineer

DKD/JP/js  
Enclosure

cc: Jim Davis, SITLA  
Compliance File  
Well File

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITLA  
1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801  
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • [www.ogm.utah.gov](http://www.ogm.utah.gov)



ATTACHMENT A

T06N R08E S-04

	Well Name	API	Lease Type	Years Inactive
1	CRANE 4-4	43-033-30049	FEE	7 years 4 months
2	CRANE 12-4	43-033-30050	FEE	6 years 10 months
3	CRANE 13-8	43-033-30052	FEE	7 years
4	STACEY HOLLOW 14-35	43-033-30056	FEE	6 years 10 months
5	SUTTONS 4-12	43-033-30058	FEE	6 years 9 months
6	MURPHY RIDGE 1-32	43-033-30045	STATE	5 years 11 months

>>> "Lorna James" <[ljames@fiberpipe.net](mailto:ljames@fiberpipe.net)> 2/12/2009 2:28 PM >>>  
Mr. Doucet,

I was contacted by someone in your office and was informed you would like to see a side-by-side comparison of our MIT testing done in 2005 and 2008. I have attached a spreadsheet for your convenience. I was also informed you wished to know our current status with our release program and our expected activities for the coming year. We currently have signed off on reobtaining mineral leases from Property Reserve Inc (Deseret Land) and are currently pursuing Skull Valley and Kavanaugh leases as those have expired as well. It has taken us a bit of time to track down the appropriate people to sign off on the leases given it is a 53,000 acre block. Kavanaugh should be under lease in early March and Skull Valley by this coming Spring. We anticipate partnering this Spring/Summer and intend to retest the wells this coming Fall once we are partnered up. If you have any further questions or concerns, please feel free to contact me at 307-673-1500 Monday thru Friday 6:30AM until 3:00 PM.

Sincerely  
Lorna James  
Sheridan Manager  
Quaneco, LLC  
[ljames@fiberpipe.net](mailto:ljames@fiberpipe.net)

<b>OT temp survey comparison</b>		
<b>WELL NAME</b>	<b>2005</b>	<b>2008</b>
<b>Stacy Hollow 14-35</b>		
fluid level	436'	436'
psi csg	0	0
max temp	111.2	113.2
<b>Suttons 4-12</b>		
fluid level	1062'	1062'
psi tub/psi csg	50/70	25/70
max temp	95.6	97
<b>Crane 13-8</b>		
fluid level	286'	286'
psi csg	0	0
max temp	92.1	93.5
<b>Crane 12-4</b>		
fluid level	218'	218'
psi csg	0	0
max temp	65.2	66
<b>Crane 4-4</b>		
fluid level	surface	surface
psi csg	0	0
max temp	67.1	62.2
<b>Murphy Ridge 1-32</b>		
fluid level	640	640
psi tub/psi csg	16/18	16/18

Division of Oil, Gas and Mining  
**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

Well File \_\_\_\_\_  
 \_\_\_\_\_  
 (Loc.) Sec \_\_\_\_\_ Twp \_\_\_\_\_ Rng. \_\_\_\_\_  
 (API No.) \_\_\_\_\_

Suspense  
 (Return Date) \_\_\_\_\_  
 (To-Initials) \_\_\_\_\_

Other  
Quareco  
 \_\_\_\_\_  
 \_\_\_\_\_

1. Date of Phone Call: 2/18/09 Time: 12:40

2. DOGM Employee (name) L. Cordova ( Initiated Call)  
 Talked to: (french mgt.)  
 Name James Sewell ( Initiated Call) - Phone No. (435) 793-4288  
 of (Company/Organization) Deseret Land & Livestock (Landowner)

3. Topic of Conversation: Quareco has requested a 1 yr. extension for shut-in wells located on DL&L lands.  
Active landowner agreement & active mineral lease(s)?

4. Highlights of Conversation:  
Mr. Sewell confirmed that Quareco has secured a new landowners agreement, and new mineral lease with DL&L. In addition, they do not have any concerns regarding the wells located on their lands (see list).

2/23/09 James Sewell copy of lease agreement forthcoming DL&L/Farm Land Reserve Inc. "formerly Property Reserve Inc." eff. 12/4/08 (3yr. lease with option to extend an add'l term of 4 yrs) Quantum Energy LLC & Farmland Reserve Inc. \* Oct. 2005 Murphy Ridge 1-32 surface to DL&L - minerals "SITLA"

# QUANECO

*Committed to American Energy Independence*

---

October 14, 2008

State of Utah  
Department of Natural Resources  
ATTN: Dustin K. Doucet, Petroleum Engineer  
PO Box 145801  
Salt Lake City UT 84114-5801

**RECEIVED**

**OCT 20 2008**

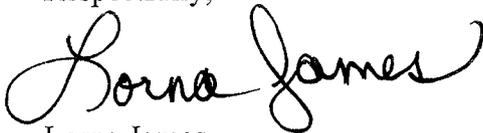
DIV. OF OIL, GAS & MINING

Dear Mr. Doucet,

Enclosed, please find copies of recent temperature surveys done on our well locations in Utah as well as a summary report on the findings. The test results show very little change, if any, in the well temperatures and/or pressures. Hopefully, this will satisfy the State with regards to the mechanical integrity of our wells. I have also enclosed a summary of our activities and future plans for this area. Earlier this year, some of our mineral leases expired and we have been actively pursuing renewal of those leases as well as renewing our Surface Use Agreements with the landowners as well. Our development plans are included in the enclosed summary and we respectfully request extended shut in time to allow us to finalize our release program and complete our fund raising in this area.

If further information is required in order to approve an extended shut in time, please feel free to let me know and we will do our best to provide you with any and all information you need to approve this request.

Respectfully,



Lorna James  
Manager

**Temperature Surveys of Utah Overthrust Wells  
October 07/08 2008  
by Superior Production Logging  
Surface to PBTD**

RECEIVED

OCT 20 2008

DIV. OF OIL, GAS & MINING

⊗ **Stacy Hollow 14-35**

**10-08-08 Temp Log**

Fluid Level @ 436' - 0 psi on csg

Max. Temp 113.2

Depth Logger @ 5188 / PBTD @ 5185 - Perfs: 4378-4950 - Cmt top @ 2850

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to perforations

Casing looks OK - 5 1/2" 15.5# csg @ 6002 to Surface / \*No tbg in hole

⊗ **Suttons 4-12**

**10-07-08 Temp Log**

Fluid Level @1062' - 25 PSI TBG / 70 PSI CSG

Max. Temp 97.

Depth Logger 3951 / PBTD @ 4012 - Perfs: 3403-3499

\* Possible sand fill from sand frac - Cmt top @ 3150

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to perforations

Casing looks OK - 7" 23# 4092 to surface / \*2 7/8 tbg to 3374

⊗ **Crane 13-8**

**10-07-08 Temp Log**

Fluid Level @ 286' - 0 psi on csg

Max. Temp 93.5

Depth Logger 3383 / PBTD @ 3395 - Perfs:3037 - 3369

Cmt top @ 2100

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to perforations

Casing looks OK - 7" 23# 3764 to surface / \*No tbg in hole

⊗ **Crane 12-4**

**10-07-08 Temp Log**

Fluid Level @218'- 0 psi on tbg and csg

Max. Temp 66.

Depth Logger 1641 / PBTD @ 1682

7" Fiberglass Csg 1611 to 1692 Under reamed 14" from 1637 to 1653

7" 23# Csg 1611 to surface Est. Cmt Top @ 1000

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to Under reamed Zone

Casing looks OK - \* 2 7/8 tbg to 1633

Fill @ 1641 from possible sloughing coals

⊗ **Crane 4-4**

**10-07-08 Temp Log**

Fluid Level @ Surface - 0 psi on csg

Max. Temp 62.2

Depth Logger 1444'

\*Well never Completed or Cleaned Out / Calc. Cmt Top @ 1050

7" 23# 1598 to surface / 7" FG 1598-1705 / TD @ 1820'

\*No Temperature Anomalies Seen on Logs

A constant gradient was maintained from fluid level to 1444

Casing looks OK - \*No Tbg

⊗ **Murphy Ridge 1-32**

**Fluid Shots**

10-08-08 Csg 16 PSI / Tbg 18 PSI - 20 jts to Fluid / Approx. 640'

10-08-08 Csg 0 PSI / Tbg 0 PSI - 20 jts to Fluid / Approx. 640'

\*Other 5 wells logged with temperature logs show no signs of casing being bad

TJB 10/14/08

State of Utah  
Department of Natural Resources  
ATTN: Dustin K. Doucet, Petroleum Engineer  
PO Box 145801  
Salt Lake City UT 84114-5801

RECEIVED  
OCT 20 2008  
DIV. OF OIL, GAS & MINING

## **Utah Geological Summary**

To Whom it May Concern:

Enclosed is a geological review of our activity in the Overthrust Play in Utah. This has been prepared to give further insight into past drilling operations and what our intentions going forward.

### **Initial Development (2000-2006)**

The initial Quaneco/Nerd Energy drilling program was designed to evaluate the Adaville coal, Dry Hollow, and Spring Valley coals of the Frontier Formation, and coals in the Bear River Formation. A total of eight wells were drilled. Wells drilled included the Crane 4-4, Crane 12-4, Crane 6-7, Crane 13-8, Stacey Hollow 14-35, Murphy Ridge 1-32, Suttons 4-12 and Neponset 6-35. Coals and carbonaceous shale were encountered in all of the wells. Gas shows were observed in the Adaville coal, Spring Valley Member of the Frontier and Bear River coals. In addition to the coals, two separate reservoir quality sands were drilled in the Bear River Formation.

### **Adaville Coal (Crane 4-4 and 12-4)**

The Adaville coal interval was evaluated in the Crane 4-4 and Crane 12-4 wells. The Adaville coal was cored in the Crane 12-4 well by Ticora, Inc. Desorption results indicated an average gas content in the Adaville coal of between 20-30 cuft/ton. Approximately 20 feet of Adaville coal was observed in each well. Pipe was run on both wells. The coal in the 12-4 was under reamed and slight gas shows were observed. A 400-barrel water enhancement was pumped in. During the enhancement, pressures and rates indicated low permeabilities. As with all the subsequent wells drilled it was discovered that benetinites were intermingled within the coals in these wells. Those benetinites swelled when in contact with drilling muds, and water from enhancements causing the information obtained from testing, to be skewed. Quaneco is still contemplating re-entering these wells incorporating lateral completions, or utilizing both wells for potential water injection.

### **Dry Hollow Coal**

Coals in the Dry Hollow Member of the Frontier were encountered in the Neponset 6-35 well. Approximately 42 feet of Dry Hollow coal was drilled at depths of 1,972 feet to 3,188 feet. The well was in the Chalk Creek member of the Frontier Formation at TD. Mud log gas shows in the Dry Hollow coals were not observed during the drilling of the

well. Further hydro-fracturing of coal was conducted using various sizes of frac job but produced no gas and little water to determine this wells uneconomic viability. This well was plugged.

### **Spring Valley (Crane 6-7)**

In 2004, on a farm-out from Quaneco, Fellows Energy drilled the Crane 6-7 in Rich County, Utah. The well reached a total depth of 4280 feet. The well cored coal and carbonaceous shale over a combined interval of 556 feet. Total coal thickness is approximately 60'. In 2005, we received the results from the gas desorption tests from the Spring Valley coal of the Frontier formation and the coal in the Bear River formation in the well. Results showed 253 cubic feet of gas per ton on an ash-free basis in the coal. Lesser amounts of gas were present in the carbonaceous shale in the well. This well was plugged by Fellows once all potential data was attained.

### **Bear River Coal**

Bear River coals have been drilled in the Crane 13-8, Stacey Hollow 14-35, Murphy Ridge 1-32, and Suttons 4-12. A complete section of Bear River Formation was only drilled in the Crane 13-8 and Murphy Ridge 1-32 wells. There was 131 feet of Bear River coal with shows in the Crane 13-8. The Murphy Ridge 1-32 had 89 feet of Bear River coal with shows. Significant mud log gas shows have been observed in all Bear River coals and carbonaceous shales in the well. Multiplied by hundreds of feet of the latter formation, represents potentially an enormous amount of gas-in-place; however, economic completion of a thick low-grade reservoir is problematic. Volumetrically, the Bear River is the most interesting gas reservoir of all the formations. Water tested from the coals is poor and disposal of this water through disposal wells in the local area will be arranged.

### **Bear River Sands**

In addition to the coal encountered in the Bear River Formation, two separate reservoir quality sands have been observed in the Stacey Hollow 14-35, Suttons 4-12, and Crane 13-8 wells. In the Stacey Hollow 14-35 well, approximately 70 feet of clean porous sand with 16 to 18% porosity was present at the top of the Bear River Formation and directly underlying the Aspen Shale. The sand was at a depth of 4,900 feet (datum +2061') and wet. The sand is also present at a depth of 3,888 feet (datum +2973') in the Suttons 4-12 well. In the Suttons well, the sand is also 70 feet thick, has 16-20% porosity, and wet. This sand is not present in the Crane 13-8 well, which has a datum of +4878 on the top of the Bear River Formation and approximately 1,905 feet high to the Suttons 4-12 well. The Crane 13-8 well had a 30 foot thick reservoir quality sand present at a depth of 3,390 feet (datum +3428'). This sand has 14-16% porosity and was wet. The sand is approximately 1,450 feet below the top of the Bear River Formation. This interval was not drilled in the Stacey Hollow or Suttons wells and appears to be tight in the Murphy Ridge well. There are potential drill sites between the Suttons 4-12 well and Crane 13-8 wells that might encounter the gas column in this sand. If this sand proves successful this could add significant reserves to our play

## **Summary of Bear River Coals by Well**

### **Crane 13-8**

The Crane 13-8 was drilled through the Bear River formation into the Kelvin formation to a TD of 3792', 7" casing was set and cemented to TD. Numerous coal seams were penetrated from 2900' through 3500'. Conservatively, 68' of lower cretaceous Bear River coal has been identified from mud logs and electric logs. While drilling the 13-8 well, significant gas shows were detected by the mud logger indicating potential high gas content in some of the coals penetrated. Perforations were selected by density indicated on the electric logs correlated with the mud log.

Perforations were performed, and the well went on pump at a rate of 300-400 barrels of water per day. Gas flow tests were performed. Though gas flow could not be sustained for an extended period of time, casing pressure increased. This well was shut-in after its 45-day testing permit expired. Quaneco's intention will be to perform a work over on the various coals, and shales in this well bore.

### **Stacey Hollow 14-35**

The Stacey Hollow 14-35 was drilled into the Bear River Formation to a total depth of 6003' numerous Bear River thin to medium coal seams were encountered. Total coal thickness is estimated to 70', thicker coals were not penetrated due to rotating tool equipment limitations on the rig used for this well.

Quaneco would like to deepen this well by 1,000 feet in an attempt to encounter these thicker coals with the intention of performing an open-hole completion.

### **Murphy Ridge 13-8**

Based on electric log analysis the Murphy Ridge 1-32 was drilled through the Bear River formation to a TD of 3442', encountering 89 feet of coal. The Bear River internal correlates with the Crane 13-8. Approximately 28 feet of net coal was encountered at 2800', and an additional 26 feet of net coal at 1800'. The 2800' was perforated, acid treated, and fractured in three stages. Within 24 hours the well was producing 18 MCFPD with tubing pressure at 70#. A 45 day pump test was incorporated where production and pressure rose further, but due to the swelling of the bentonites, water and gas production ceased after 30 days. Quaneco's initial focus, will be to perform a workover on the various coals, similar to that of the Crane wells.

### **Suttons 4-12**

The Suttons 4-12 was drilled to 4110'. A total coal thickness measured 68' with 52' being in 3403-3499 the Frontier Formation. The Donovan "Carbide lag" Technique was performed on this well indicating between 58 cuft/ton-259 cuft/ton from 9 samples. This well was perforated at 4378'. This well had low permeability and did not recover frac fluid. Additionally, this well encountered a 70' porous sand (wet) at 3888'.

In summary, although these unconventional gas plays are complex, higher energy prices and new drilling and completion techniques have prompted Quaneco to take a renewed approach to its Utah acreage. With greater interest from our investors we plan to make the Overthrust a primary focus.

Paul J. Mysyk  
CEO  
Quaneco, L.L.C.

# QUANECO

*Committed to American Energy Independence*

**RECEIVED**

**OCT 02 2008**

**DIV. OF OIL, GAS & MINING**

September 30, 2008

State of Utah  
Department of Natural Resources  
ATT: Dustin K. Doucet, Petroleum Engineer  
PO Box 145801  
Salt Lake City UT 84114-5801

Mr. Doucet,

We are in receipt of your letter dated September 2, 2008 which refers to MIT testing that needs done on our CBM wells in Utah. At this point, we are gathering cost estimates for MIT tests as well as obtaining estimates on P&A costs for a couple of the wells. We do not wish to delay this process and we will notify you once a final decision has been made concerning the wells. We have been in contact with Mr. James Sewell, ranch Manager of Deseret Land and Livestock in an effort to ensure that Deseret would not wish any of the wells for stock watering or to turn to water wells. Mr. Sewell has assured me that Deseret does not care to take possession of any of the wells for such purposes. We have obtained cost estimates pertaining to plugging a couple of the wells and we are currently waiting on estimates for the MIT testing. As soon as we receive the cost estimates, our management team will notify you of our proposed plans for our wells located in Utah. We anticipate receiving this information within the next week. If you have further questions, please do not hesitate to contact me.

Thank you for your time and consideration in this matter.

Sincerely,



Lorna K. James  
Manager

Tel: (307) 673-1500 Fax: (307) 673-1400

~~1015 S. Aspen Avenue, Sheridan, Wyoming 82801~~

P.O. Box 7370

## ATTACHMENT A

	<b>Well Name</b>	<b>API</b>	<b>Lease Type</b>	<b>Years Inactive</b>
1	CRANE 4-4	43-033-30049	Fee	7 Years 4 Months
2	CRANE 12-4	43-033-30050	Fee	6 Years 10 Months
3	CRANE 13-8	43-033-30052	Fee	7 Years 0 Months
4	STACEY HOLLOW14-35	43-033-30056	Fee	6 Years 10 Months
5	SUTTONS 4-12	43-033-30058	Fee	6 Years 9 Months
6	MURPHY RIDGE 1-32	43-033-30045	State	5 Years 11 Months

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**Fee**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**Crane 12-4**

2. NAME OF OPERATOR:  
**Quaneco, LLC**

9. API NUMBER:  
**4303330050**

3. ADDRESS OF OPERATOR:  
**PO Box 7370** CITY **Sheridan** STATE **WY** ZIP **82801**

PHONE NUMBER:  
**(307) 673-1500**

10. FIELD AND POOL, OR WILDCAT:  
**Wildcat**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **2041' FSL 480' FWL**  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 4 T6N R8E S**

COUNTY: **Rich**  
STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <b>12/15/2009</b>	<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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Operator intends to P&A well as follows:

Spot and balance 100' cement plug at TD (1712') - 25 sx C Type III cement with 8% bentonite - yield 1.74 13.5#

Run 9.5# C Type III mud in between plugs

Spot and balance 100' cement plug up to bottom of surface casing shoe - plug with 25 sx C Type III cement with 8% bentonite - yield 1.74 13.5#

Spot and balance 100' cement plug from 100' to surface - plug with 25 sx C Type III cement with 8% bentonite - yield 1.74 13.5#

**COPY SENT TO OPERATOR**

Date: 1-7-2010

Initials: KS

**RECEIVED**

**DEC 15 2009**

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Lorna James TITLE Manager

SIGNATURE *Lorna James* DATE 12/1/2009

(This space for State use only)

**APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING**

DATE: 1/6/2010

BY: *[Signature]*

(See Instructions on Reverse Side)

\* See Conditions of Approval (Attached)

# QUANECO

*Committed to American Energy Independence*

---

Utah DNRC  
ATTN: Mr. Dustin Doucet  
PO Box 145801  
Salt Lake City UT 84114-5801

December 3, 2009

Dustin:

Attached are the sundries to P & A, the Crane 4-4 and 12-4. Once I receive your ok I will contact Ann Garner at Farmland Reserve (Surface Owner) to set-up a time to P & A both wells with the intention that we'll reclaim and reseed the locations in the spring.

Additionally, attached are our SI/TA sundries for the 4 wellbores we would like to keep in place for one more year. Once approved, we will conduct temperature surveys to prove mechanical integrity and submit test result to the Commission.

In July of this year we finalized a Surface Use and Lease Agreement with Skull Valley Inc. Skull Valley was the third and final mineral owner on the leased acreage we were seeking. Farmland and Kavanagh's leases were signed at the end of 2008, and Farmland's Surface Use was signed at that time as well.

It has always been our intention to find an industry partner to help us develop this large acreage position.

In July with natural gas prices remaining weak we made a business decision through the advise of our professionals to focus our initial attention on the deeper oil plays.

After spending July studying regional oil development reports, we determined that most of the geological and engineering studies performed over the last 30 years on this area were done by Paul Lamerson, Monty Hoffman, and Larry Moyer. Quaneco went in pursuit of these individuals and contacted Mr. Hoffman and Mr. Moyer in late July. Upon completion of work both were finalizing for other companies, both were retained by us to direct us in putting together the best geological and engineering information available on the Overthrust area and assist us in marketing/developing this acreage. In the process, Paul Lamerson, a renowned geologist (whose work on the Overthrust is the basis that geologists use to reference this area), joined with Quaneco to assist further in compiling the geophysical and petrographical data needed for our partnering/development of this area. All three professionals, with great resumes, were previously employed with Chevron.

RECEIVED

DEC 15 2009

DIV. OF OIL, GAS & MINING

After recently assembling all of the geophysical and petrographical data, we have completed identifying the targeted geology within our acreage block and in the process, used the information to construct our marketing material to go to industry with. As determined by our professionals, we have multiple oil and gas targets with great reserve potential based on surrounding analog fields.

As a means of allowing this play to gain the most industry exposure for our marketing efforts, Quaneco has recently retained Petroleum Listing Service (PLS) out of Houston, to market our Utah/Wyoming Overthrust play. With over 60,000 oil and gas company contacts world wide, and over 2,000 deep pocket contacts in North America (that have the financial means of developing such a large acreage play), PLS offers us the best means to industry partners that are in search of oil and gas projects. Additionally, our professionals with their previous employment with large Rocky Mountain companies, offer us additional exposure to industry. Shell, Exxon, Chevron, and BP will also be pursued in our quest for a partner.

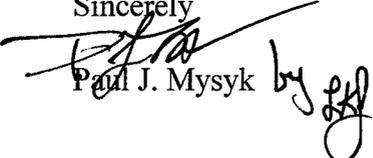
Quaneco's marketing intentions are to offer both the shallow and deep plays, with our initial emphasis on the deep play due to higher oil prices, potentially reserving the shallow play for a future partnering, when natural gas prices firm up. Though we would most likely prefer one company/partner on both.

In either case we feel that the 4 existing wellbores are viable to re-enter for a deeper "Nugget" Test (7,000), or utilized for further testing of the shallow reserves, with new engineering techniques being implemented.

Regardless of our success in partnering or the use of these wellbores, we will look to plug these remaining 4 wellbores a year from now if not successful.

I appreciate your understanding in this matter and if you have any further questions, please do not hesitate to contact me at 440-954-5022.

Sincerely

  
Paul J. Mysyk by 

RECEIVED

DEC 15 2009

DIV. OF OIL, GAS & MINING



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

## CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

Well Name and Number: Crane 12-4  
API Number: 43-033-30050  
Operator: Quaneco, LLC  
Reference Document: Original Sundry Notice dated December 1, 2009,  
received by DOGM on December 15, 2009.

### Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. **Amend Plug #2:** This plug shall be an inside/outside plug. RIH and perforate @ 300'. Establish circulation down the 7" casing back up the 7" x 9 5/8" annulus. If injection into the perms cannot be established a 150' plug ( $\pm 20$  sx) shall be balanced from  $\pm 350'$  to 200'. If injection is established: M&P 25 sx cement and balance a plug inside/outside from 300' to 200'. Note: If preferred, cement can be circulated to surface filling casing and annulus from 300' to surface ( $\pm 70$  sx) eliminating plug #3.
3. **Amend Plug #3:** This plug shall be an inside/outside plug. RIH and perforate @ 100'. Establish circulation down the 7" casing back up the 7" x 9 5/8" annulus. If injection into the perms cannot be established a 150' plug ( $\pm 20$  sx) shall be balanced from  $\pm 150'$  to surface. If injection is established: M&P 25 sx cement and balance a plug inside/outside from 100' to surface.
4. All balanced plugs shall be tagged to ensure that they are at the depth specified.
5. All annuli shall be cemented from a minimum depth of 100' to the surface.
6. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.
7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.
9. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet  
Petroleum Engineer

January 6, 2010

Date





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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Quaneco, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>extended shutin request</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.

Operator requests a one year extension on shut in. Geological review attached

*MIT test results also included*

COPY SENT TO OPERATOR

Date: 10/16/2010

Initials: KS

RECEIVED

AUG 31 2010

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Manager</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>8/25/2010</u>

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 10/5/10

BY: *[Signature]* (See Instructions on Reverse Side)

(5/2000) \* Extension Valid thru 12/31/2010 as originally agreed upon. Pending completion of Plan of action discussed on attached letter (8/26/10) and continued monitoring of casing pressures etc. extension may be applied for @ that time.

**To: Paul Mysyk**  
**From: Larry R. Moyer**  
**Date: August 24, 2010**  
**Re: Geological Overview of Quaneco Overthrust Belt Wells**

The original objective of the Quaneco wells drilled in 2001 was to develop coalbed methane in the Cretaceous Frontier and Bear River formations at fairly shallow depths on the trailing edge of the Absaroka Plate in the Utah portion of the Utah – Wyoming Overthrust Belt. In this area, the objective reservoirs are unconformably overlain by the Evanston Formation and Wasatch Formation.

Coals and carbonaceous shales with mud gas shows were encountered during the drilling of the wells. Casing was set on six of the wells and completion attempts were made on five of the wells. Even though extensive coring was done on a later well that was plugged and abandoned, unanswered questions are still present for why commercial gas production was not developed. A review of the drilling and completion history suggests that there are problems with the coals being tight and unable to produce significant volumes of fluid, but a definitive understanding, even a satisfactory understanding, has not been found.

Within the last year, the geology of the area has been re-visited and re-interpreted. The lack of nearby outcrops, the complexity of the structural geometry and the sparsity of drilling, particularly deeper holes, presented challenges for establishing the correlation framework. By incorporating detailed sub-regional scale structural cross sections, some revised correlations were established. This in turn, initiated a complete review of the open hole logs in the area, and log anomalies suggesting the possible presence of hydrocarbons in previously un-tested zones were identified. Further work validated the possibility for hydrocarbons in the un-tested zones.

While cement bond integrity is an important issue for consideration, it does appear that there may be some behind pipe potential in some of the existing Quaneco boreholes. The recent cement bond logs run in two wells where bond logs had never been run offers some encouragement for zonal isolation of prospective intervals. For this reason, keeping the boreholes open for now makes sense. Once the zones with potential are tested in existing boreholes, or in new wells where the uncertainty of zonal isolation can be more easily controlled, more information will exist to add certainty to the interpretation of possible behind pipe hydrocarbon potential.

It is also possible that some of the existing wellbores could be converted to water disposal in the event that new efforts are successful for developing hydrocarbons. At present it is too early to know for certain which zones would be successful hydrocarbon producers and which would not.

For these reasons I recommend keeping the wells until some of the zones are tested.

# QUANECO



*Committed to American Energy Independence*

---

August 26, 2010

Dear Dustin,

Per your request, Quaneco is forwarding you the enclosed MIT reports for the 5 Overthrust wells that Quaneco would like to receive shut-in extensions for. The appropriate sundries are also attached. Please let us know if you have any questions or concerns on any of the wells, especially the Crane 12-4 or Crane 4-4 MITs, as we would like to sundry recompletions on both wells ASAP.

Additionally, per your request, our geologist Larry Moyer has put together a geological overview write-up that explains, in general terms, our reasons for keeping these well-bores intact for the foreseeable future.

I previously sent our P&A sundry for the Suttons 4-12 a couple of weeks back. Please let us know if you have any questions regarding the P&A sundry.

Quaneco's intentions going forward, based on approval, will be to plug the Suttons 4-12 during the first part of October and commence recompletion operations on the Crane 4-4 & 12-4 with-in 60 days.

Again, if you have any questions or comments please contact me or Paul Mysyk at 440.954.5022 to answer any of your questions regarding the attached information or future development intentions.

As always, thank you for your continued support and assistance.

Sincerely

Lorna James  
Compliance Manager  
307.673.1500

RECEIVED  
AUG 31 2010  
DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Quaneco, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crane 12-4
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2041' FSL 480' FWL		9. API NUMBER: 4303330050
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		10. FIELD AND POOL, OR WILDCAT: Wildcat

COUNTY: Rich  
STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>10/11/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Operator intends to set a bridge plug and cement in place and then perforate 1280' to 1290' with 6jspf.

**COPY SENT TO OPERATOR**

Date: 9.29.2010  
Initials: KS

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>9/20/2010</u>

**APPROVED BY THE STATE**

(This space for State use only) OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 9/23/10  
BY: [Signature]

**RECEIVED**

SEP 23 2010

\* Bridge Plug shall be set @  $\pm 1550'$  and 100' minimum (135x) DIV. OF OIL, GAS & MINING  
of cement shall be placed on CIBP, TOC @  $\pm 1450'$ .  
(See Instructions on Reverse Side)

**QUANECO, LLC  
COMPLETION & WORKOVER  
DAILY REPORT**

**LEASE:** Crane 12-4  
**DATE:** 11/3/2010  
**CONTRACTOR:** D&D Swabbing

**CASING DETAIL:**

**KB:** 1565'  
**PBTD:** 1682'  
**GRADED ELEVATION:** 6855'  
**LEGAL DESCRIPTION:** T6N, R8E, Section 4 NWSW *43-033-30050*

**DRILLING COST:** \$0.00

**DAILY COST:** \$0.00

**CUM COST OF COMPLETION:** \$58,130.00

**AFE CUM COST:** \$58,130.00

**DAILY LOG:**

**RECEIVED**  
**NOV 03 2010**  
DIV. OF OIL, GAS & MINING

**DAILY COST:**

SERVICE RIG

BOP

RENTAL SERVICE TOOLS (DOWNHOLE)

DOWNHOLE TOOLS (PURCHASE)

TUBULARS

STIMULATION SERVICE

SNUBBING SERVICE

N2 SERVICE

SLICK LINE

WIRELIN

PERFORATING

FLUIDS

SUPERVISION w/ EXPENSES

FLOW TEST

RENTAL EQUIPMENT (SURFACE)

OMS

WATER HAULING

TANKS

TRUCKING

WELLHEAD SERVICE

FLUIDS DISPOSAL

**DAILY COSTS**

**CUM COSTS**

\$9,980.00

\$1,000.00

\$8,348.00

\$13,310.00

\$4,000.00

\$14,409.00

\$2,460.00

\$1,883.00

\$740.00

\$2,000.00

**DAILY TOTAL**  
**PREVIOUS TOTAL**  
**CUMULATIVE TOTAL**

\$0.00

\$58,130.00

\$58,130.00

**Pressure Survey Report**

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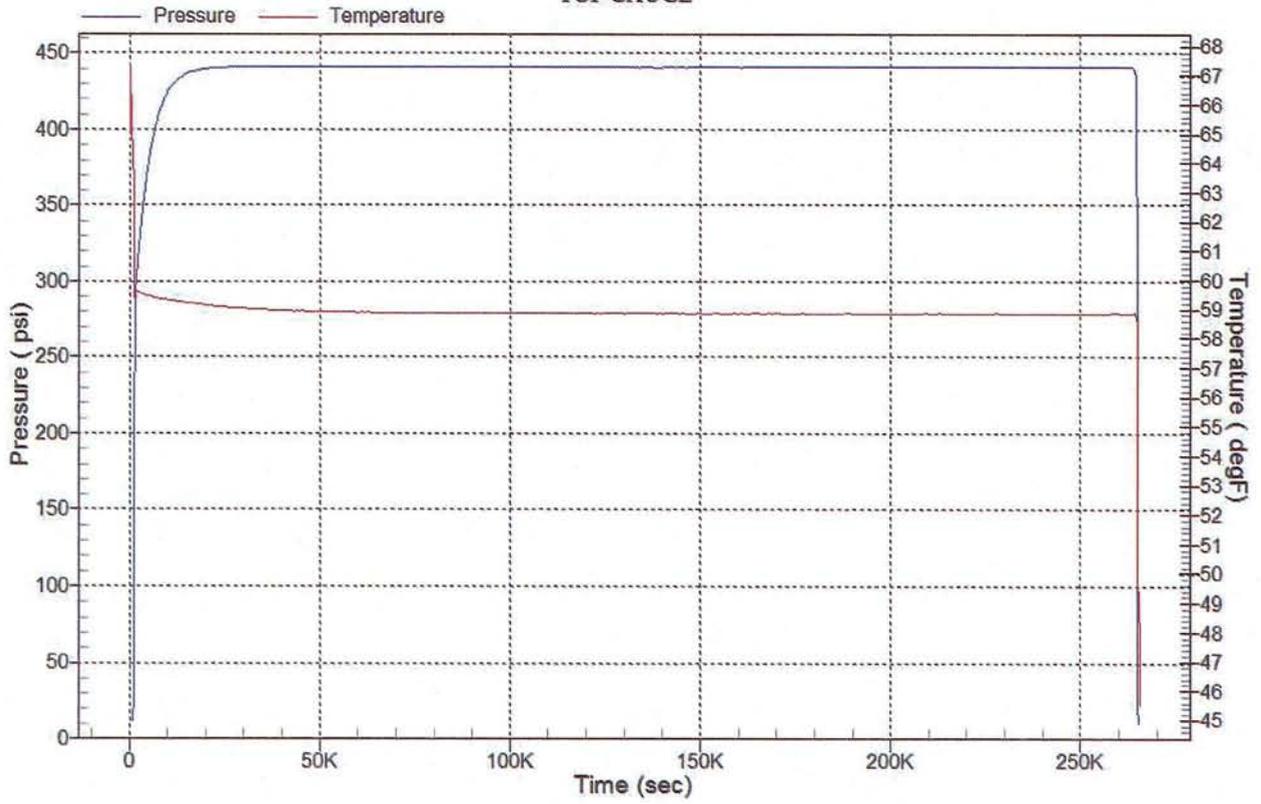
**PRO WIRELINE INC.  
BHP REPORT  
CRANE 12-4**

October 23, 2010

## JOB INFORMATION SHEET

<b>Company Information</b>		
Company Name:	QUANTECO LLC	
Address:		
<b>Well Information</b>		
Well Name:	CRANE 12-4	
Location:	CRANE 12-4	
Field – Pool:		
Status:		
<b>Test Information</b>		
Type of Test:	72 HOUR BUILD UP	
Gauge Depth:	1260' KB	
Production Interval:		
Production Through:		
Tubing Pressure:		
Casing Pressure:		
Shut In Time		
Status:		
Temperature @ Run Depth	67.33 degF	
Surface Temperature:	45.45 degF	
<b>Gauge Information</b>		
	Top Recorder	Bottom Recorder
Serial Number:	70119	70263
Calibration Date:	3/10/09	5/15/09
Pressure Range:	10004 psi	10003 psi
<b>Comments</b>		

**CRANE 12-4**  
TOP GAUGE



**Pressure Survey Report**

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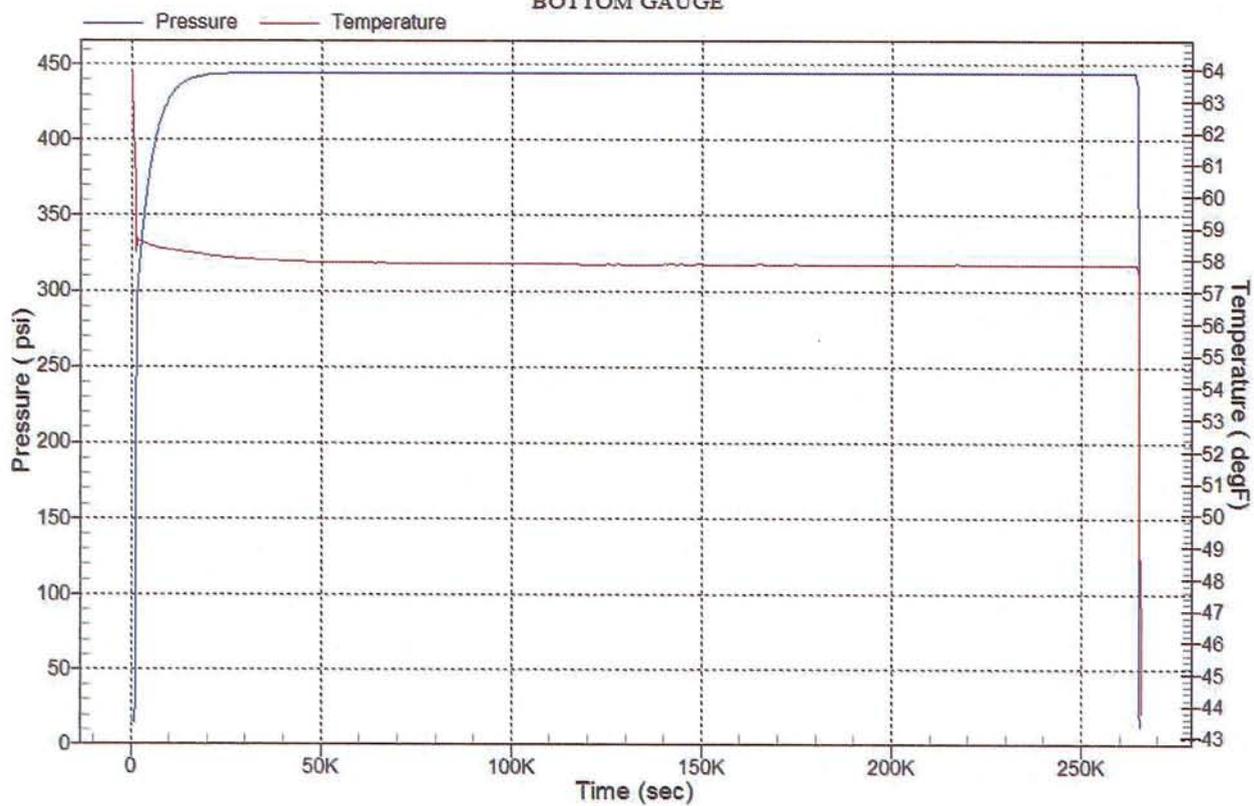
**PRO WIRELINE INC  
BHP REPORT  
CRANE 12-4**

October 23, 2010

## JOB INFORMATION SHEET

<b>Company Information</b>		
Company Name:	QUANTECO LLC	
Address:		
<b>Well Information</b>		
Well Name:	CRANE 12-4	
Location:	CRANE 12-4	
Field – Pool:		
Status:		
<b>Test Information</b>		
Type of Test:	72 HOUR BUILD UP	
Gauge Depth:	1260' KB	
Production Interval:		
Production Through:		
Tubing Pressure:		
Casing Pressure:		
Shut In Time		
Status:		
Temperature @ Run Depth	63.9 degF	
Surface Temperature:	43.79 degF	
<b>Gauge Information</b>		
	Top Recorder	Bottom Recorder
Serial Number:	70119	70263
Calibration Date:	3/10/09	5/15/09
Pressure Range:	10004 psi	10003 psi
<b>Comments</b>		

# CRANE 12-4 BOTTOM GAUGE



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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**Fee**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:  
**Crane 12-4**

9. API NUMBER:  
**4303330050**

10. FIELD AND POOL, OR WILDCAT  
**Wildcat**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
**NWSW 4 6N R8E S**

12. COUNTY  
**Rich**

13. STATE  
**UTAH**

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

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

2. NAME OF OPERATOR:  
**Quaneco, LLC**

3. ADDRESS OF OPERATOR: PO Box 7370 CITY **Sheridan** STATE **WY** ZIP **82801** PHONE NUMBER: **(307) 673-1500**

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: **2041' FSL 480' FWL**  
AT TOP PRODUCING INTERVAL REPORTED BELOW: **Same as above**  
AT TOTAL DEPTH: **Same as above**

14. DATE SPURRED: **3/31/2001** 15. DATE T.D. REACHED: **4/2/2001** 16. DATE COMPLETED: **9/15/2001** 1123110 ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
**6866' RKB**

18. TOTAL DEPTH: MD **1,712** TVD **1,712** 19. PLUG BACK T.D.: MD **1,450** TVD **1,450** 20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD **1,550** PLUG SET: TVD **1,550**

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
**Previously submitted**

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4"	9 5/8 K55	36	0	270		Type 3 25		Surface	
8 3/4"	7" J55	23	0	1,692		Lite 40 Type 3 50		955' CBL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	1,264							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Bear River	1,282	1,292	1,282	1,292	1,282 1,292	0.3	60	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Bear River	1,282	1,292	1,282	1,292	1,282 1,292	0.3	60	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

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

30. WELL STATUS:  
**Shut In**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 10/22/2010		TEST DATE: 10/23/2010		HOURS TESTED: 3		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL: 89	PROD. METHOD: Swab
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS: Shut In

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Wasatch	0
				Evanston	295
				Aspen Shale	755
				Bear River	1,166

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Lorna James TITLE Administrative Assistant  
 SIGNATURE *Lorna James* DATE 11/29/2010

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

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

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**Fee**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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:

8. WELL NAME and NUMBER:  
**Crane 12-4**

9. API NUMBER:  
**4303330050**

10. FIELD AND POOL, OR WILDCAT:  
**Wildcat**

1. TYPE OF WELL      OIL WELL       GAS WELL       OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
**Quaneco, LLC**

3. ADDRESS OF OPERATOR:      PHONE NUMBER:  
**PO Box 7370      CITY Sheridan      STATE WY      ZIP 82801      (307) 673-1500**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **2041' FSL 480' FWL**      COUNTY: **Rich**  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 4      T6N R8E S**      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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>11/23/2010</b>	<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 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 checked="" type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

10/20/2010  
Ran bit & casing scraper to 1565' KB. Displaced hole with fresh water. Pulled tubing, scraper, and bit.

10/21/2010  
Ran GR/CCL from 1609' to surface. Set CIBP with top @ 1550' KB. Placed 22 sacks (22 cuft) cement on top of CIBP with wireline bailer for 100' plug. RIH w/ 2 7/8" tbg to 1322'. Displaced well with 54 bbls Tersol. Pulled tbg. Perforated in casing 1282'-1292' with 6 JSPF. Ran SN on tbg to 1264' KB.

10/22/2010  
Swab tested well. Recovered 76 bbls fluid.

10/23/2010  
Swab tested well. Recovered 89.3 bbls fluid. RIH with tandem electronic memory pressure/temperature recorders. RD & released swabbing unit. Sent all recovered fluid samples to PSI in Salt Lake City for analyses.

10/26/2010  
Recovered recorders and received data for review and analyses.

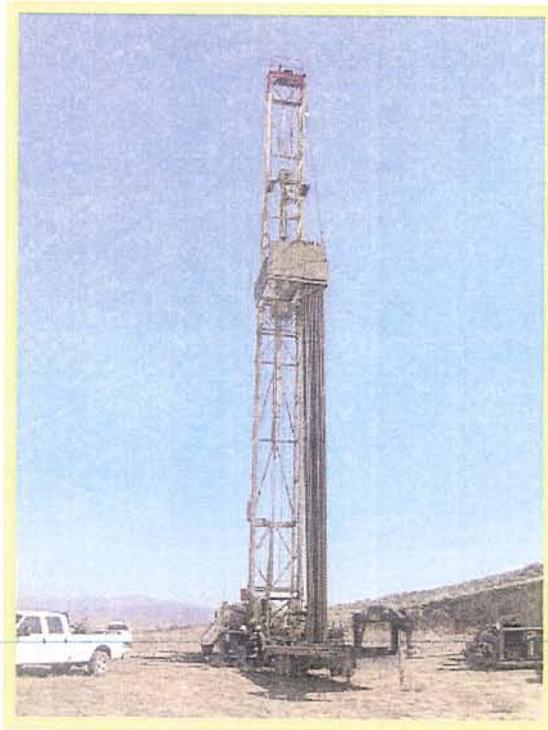
11/23/2010  
Received report on results of lab work completed on fluid samples from PSI. The results support an interpretation that the indigenous formation fluids have not yet been recovered, and the GC analysis does not show evidence of any hydrocarbons that would be representative of a crude oil.

NAME (PLEASE PRINT) Lorna James      TITLE Administrative Assistant  
SIGNATURE *Lorna James*      DATE 11/29/2010

(This space for State use only)

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## Quaneco Crane 4-4 & 12-4 Swab Characterization



David A. Wavrek, Ph.D  
Petroleum Systems International, Inc.  
Salt Lake City, UT  
November 2010



1

picture = cement operation at the Crane 12-4

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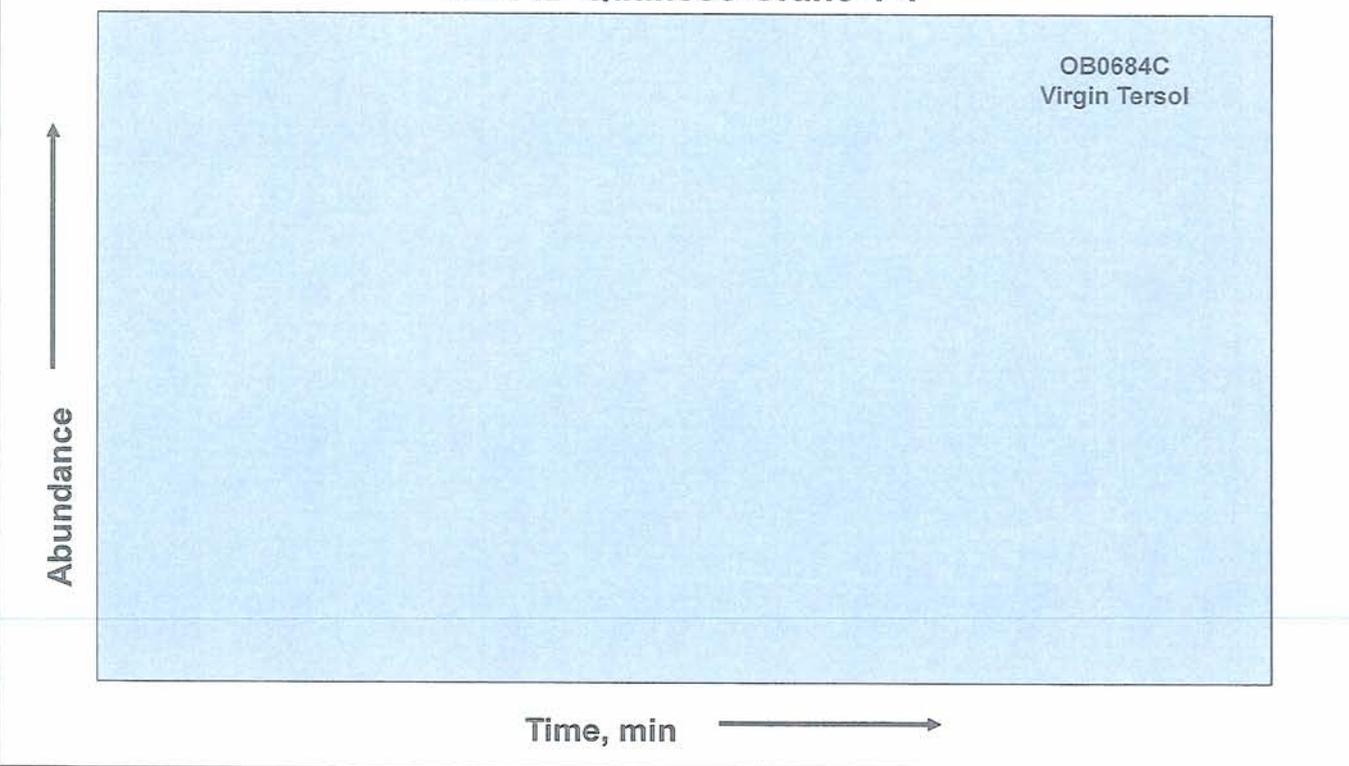
**Project Summary:** This report summarizes the analytical data from the swab samples recovered from the Quaneco Crane 4-4 and 12-4 well bores. There were 25 samples collected from the Crane 4-4, and 29 samples from the Crane 12-4. The analytical program included physical descriptions, gas chromatography (GC) of the organic phase, and water characterization (mineral suite, resistivity, pH, etc). The GC was performed on the organic phase (e.g., hydrocarbon float) when possible, but one sample needed to be evaluated after organic phase is partitioned from the aqueous phase. The GC analysis does not show evidence of any hydrocarbons that would be representative of a crude oil. This result, however, is consistent with the water characterization which shows that the aqueous phase is consistent with completion fluid due to sulfate and potassium content. Thus, the results support an interpretation that the indigenous formation fluids have not yet been recovered.



Sample Code	Well Name	Top Depth (ft)	Bottom Depth (ft)	Formation	Comments
OB0684C	Crane 4-4	1262	1270	Bear River	Virgin Tersol from tank truck, pH=8.
OB0685C	Crane 4-4	1262	1270	Bear River	Swab #8 Tersol with 1cm layer water at the bottom, pH=8.
OB0686C	Crane 4-4	1262	1270	Bear River	Swab #12 Half tersol, half emulsion? pH=9. Skim of free tersol? float sent to lab 10-25-10.
OB0687C	Crane 4-4	1262	1270	Bear River	Swab #1 .5cm tersol layer on top of cream colored emulsion? pH=9
OB0688C	Crane 4-4	1262	1270	Bear River	Swab #2 2cm layer tersol on top of cream colored emulsion? pH=8
OB0689C	Crane 4-4	1262	1270	Bear River	Swab #3 Cloudy water with spotty tersol/HC sheen on surface, pH=8.
OB0690C	Crane 4-4	1262	1270	Bear River	Swab #4 Weak tersol smell, cloudy water with v. thin tersol? layer on surface, pH=8.
OB0691C	Crane 4-4	1262	1270	Bear River	Swab #5 Same as above, OB0690C
OB0692C	Crane 4-4	1262	1270	Bear River	Swab #6 Same as OB0690C
OB0693C	Crane 4-4	1262	1270	Bear River	Swab #7 Same as OB0690C
OB0694C	Crane 4-4	1262	1270	Bear River	Swab #8 Very thin tersol? Layer on cloudy orange water, black clumpy floats, pH=8.
OB0695C	Crane 4-4	1262	1270	Bear River	Swab #9 4cm tersol layer on top of cream colored emulsion?, pH=9.
OB0696C	Crane 4-4	1262	1270	Bear River	Swab #9 Sample from top of swab tank after swab #9 12:02pm Tersol with 1cm layer water on bottom.
OB0697C	Crane 4-4	1262	1270	Bear River	Swab #10 < 1cm tersol layer on cream colored emulsion? pH=8.
OB0698C	Crane 4-4	1262	1270	Bear River	Swab #11 Very thin tersol layer on top of cloudy water, pH=8.
OB0699C	Crane 4-4	1262	1270	Bear River	Swab #12 Same as above, OB0698C.
OB0700C	Crane 4-4	1262	1270	Bear River	Swab #13 Same as OB0698C, tersol layer a little thicker. Skim of free tersol? float sent to lab 10-25-10.
OB0701C	Crane 4-4	1262	1270	Bear River	Swab #14 Top Very little tersol? on surface, HC sheen observed, pH=8.
OB0702C	Crane 4-4	1262	1270	Bear River	Swab #14 Bottom weak tersol smell, same as above, OB0701C.
OB0703C	Crane 4-4	1262	1270	Bear River	Swab #15 Top Same as OB0701C.
OB0704C	Crane 4-4	1262	1270	Bear River	Swab #15 Bottom Same as OB0701C.
OB0705C	Crane 4-4	1262	1270	Bear River	Swab #1 Top Cloudy liquid, no visible tersol, HC sheen, pH=8.
OB0706C	Crane 4-4	1262	1270	Bear River	Swab #1 Bottom Clear liquid, no visible tersol, HC sheen, pH=8.
OB0707C	Crane 4-4	1262	1270	Bear River	Swab #2 Top Cloudy liquid with splochy tersol? drops, HC sheen, pH=8. Solvent extract of water sent to lab 10-25-10.
OB0708C	Crane 4-4	1262	1270	Bear River	Swab #2 Bottom Same as Swab #1, OB0705C, pH=8. Sent to lab for water analysis 10-25-10.
OB0709C	Crane 12-4	1282	1292	Bear River	Virgin Tersol from tank truck.
OB0710C	Crane 12-4	1282	1292	Bear River	Swab #10 5cm tersol layer on top of cream colored emulsion?, pH=10.
OB0711C	Crane 12-4	1282	1292	Bear River	Swab #11 2cm tersol layer on top of cream colored emulsion?, pH=9.
OB0712C	Crane 12-4	1282	1292	Bear River	Swab #12 .5cm tersol layer on top of cream colored emulsion?, pH=9.
OB0713C	Crane 12-4	1282	1292	Bear River	Swab #13 Same as above, OB0712C.
OB0714C	Crane 12-4	1282	1292	Bear River	Swab #14 Same as OB0712C.
OB0715C	Crane 12-4	1282	1292	Bear River	Swab #15 4cm tersol layer on top of cream colored emulsion?, pH=10.
OB0716C	Crane 12-4	1282	1292	Bear River	Swab #16 6cm tersol layer on top of cream colored emulsion?, pH=10. Skim of free tersol? float sent to lab 10-25-10.
OB0717C	Crane 12-4	1282	1292	Bear River	Swab #1 Top Upper half of sample tersol, middle .25 water/tersol mix, bottom .25 cream colored emulsion?, pH=10.
OB0718C	Crane 12-4	1282	1292	Bear River	Swab #1 Bottom 2cm layer tersol on top of cloudy liquid, pH=9.
OB0719C	Crane 12-4	1282	1292	Bear River	Swab #2 Top Same as above, OB0718C. Skim of free tersol? float sent to lab 10-25-10.
OB0720C	Crane 12-4	1282	1292	Bear River	Swab #2 Bottom Very thin tersol layer on top of cloudy water, pH=8.
OB0721C	Crane 12-4	1282	1292	Bear River	Swab #3 Same as above, OB0720C.
OB0722C	Crane 12-4	1282	1292	Bear River	Swab #4 .5cm layer tersol on top of cloudy water, pH=8.
OB0723C	Crane 12-4	1282	1292	Bear River	Swab #5 Spotty tersol layer on surface on cloudy water, pH=8.
OB0724C	Crane 12-4	1282	1292	Bear River	Swab #6 Same as above, OB0723C.
OB0725C	Crane 12-4	1282	1292	Bear River	Swab #7 Same as OB0723C.
OB0726C	Crane 12-4	1282	1292	Bear River	Swab #8 Same as OB0723C.
OB0727C	Crane 12-4	1282	1292	Bear River	Swab #9 Same as OB0723C with HC sheen.
OB0728C	Crane 12-4	1282	1292	Bear River	Swab #10 Same as OB0723C.
OB0729C	Crane 12-4	1282	1292	Bear River	Swab #11 Same as OB0723C.
OB0730C	Crane 12-4	1282	1292	Bear River	Swab #12 1cm layer tersol on top of cloudy water, tersol changed color - darker brown/earthy, pH=8.
OB0731C	Crane 12-4	1282	1292	Bear River	Swab #13 Spotty tersol layer on surface of cloudy water, tersol same as above, pH=8.
OB0732C	Crane 12-4	1282	1292	Bear River	Swab #14 Same as above, OB0731C.
OB0733C	Crane 12-4	1282	1292	Bear River	Swab #15 Same as OB0731C.
OB0734C	Crane 12-4	1282	1292	Bear River	Swab #16 Same as OB0731C.
OB0735C	Crane 12-4	1282	1292	Bear River	Swab #17 1cm tersol layer on cloudy water, tersol darker brown/earthy, pH=8. Skim of free tersol? float sent to lab 10-25-10.
OB0736C	Crane 12-4	1282	1292	Bear River	Swab #18 2cm tersol layer on cloudy water, tersol same as above, pH=8.
OB0737C	Crane 12-4	1282	1292	Bear River	Swab #19 Same as OB0731C, pH=8. Sent to lab for water analysis 10-25-10.

PSI

GC-FID Quaneco Crane 4-4



# GC-FID Quaneco Crane 4-4

OB0686C  
Swab #12 10-20-10  
Free Product Float

Abundance ↑

Time, min →

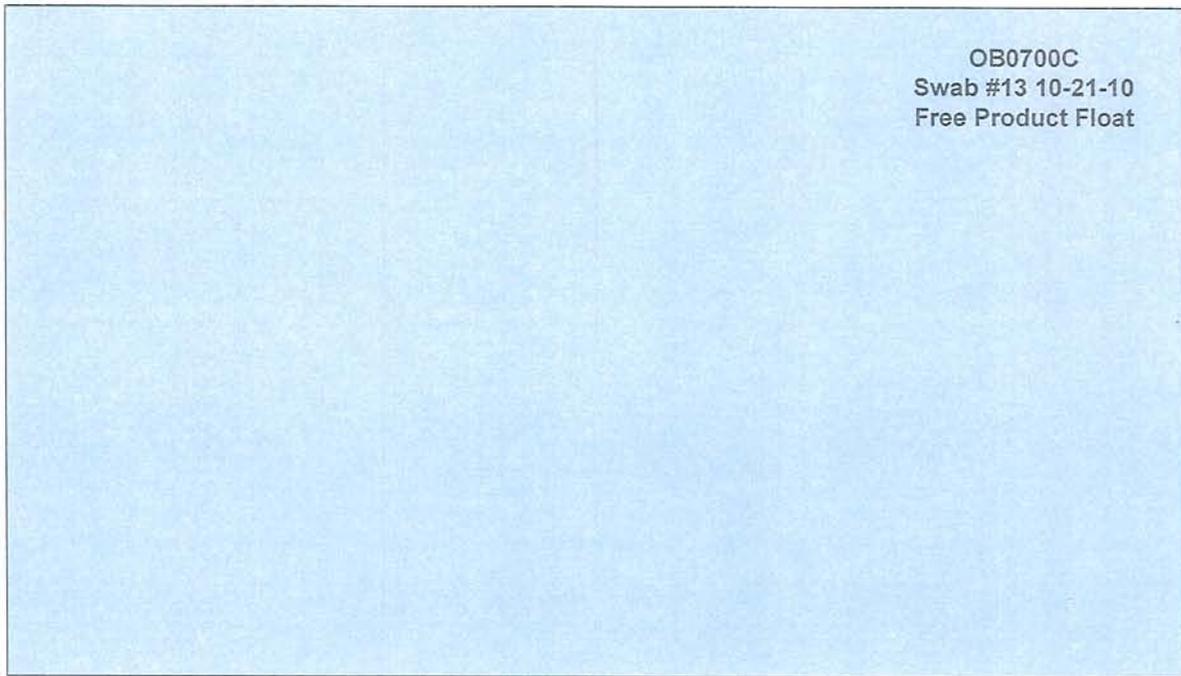


GC-FID Quaneco Crane 4-4

OB0700C  
Swab #13 10-21-10  
Free Product Float



Abundance



Time, min 

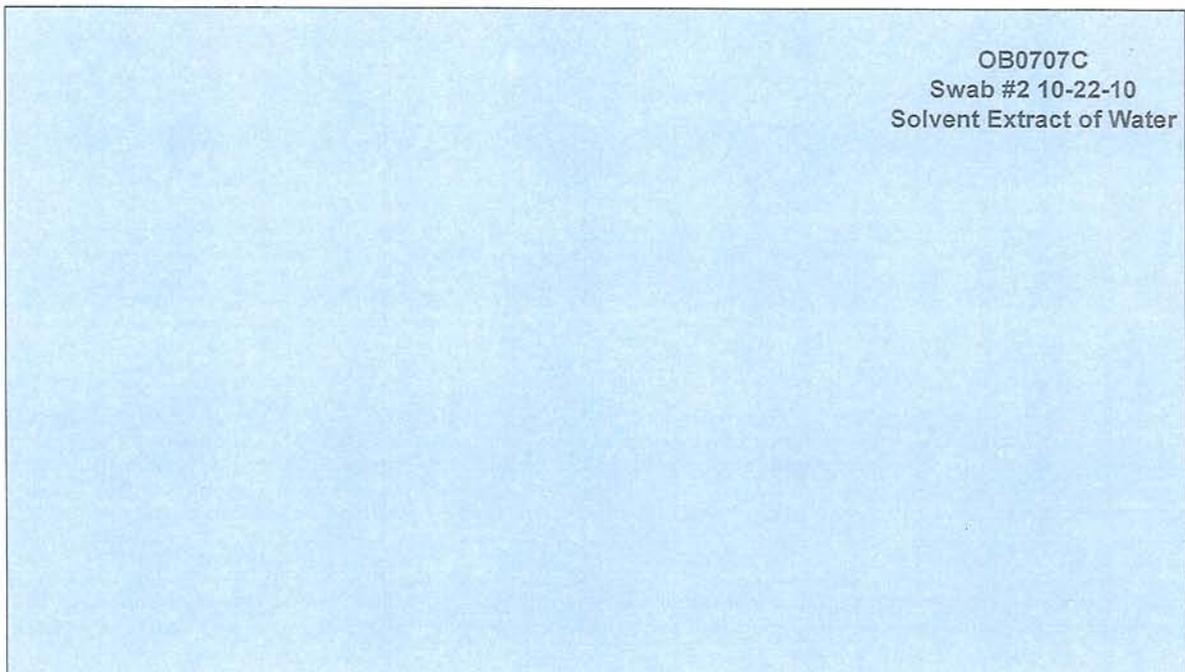


# GC-FID Quaneco Crane 4-4

OB0707C  
Swab #2 10-22-10  
Solvent Extract of Water

↑

Abundance



Time, min →



GC-FID Quaneco Crane 12-4

OB0709C  
Virgin Tersol

Abundance ↑

Time, min →

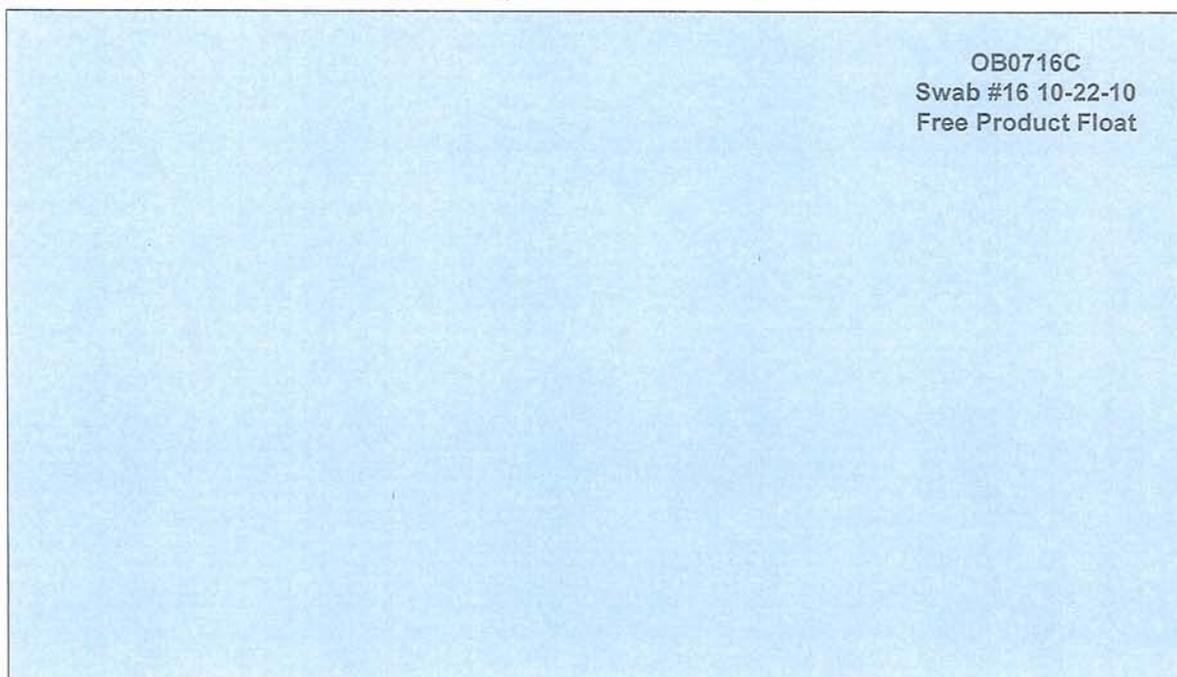


# GC-FID Quaneco Crane 12-4

OB0716C  
Swab #16 10-22-10  
Free Product Float



Abundance



Time, min 

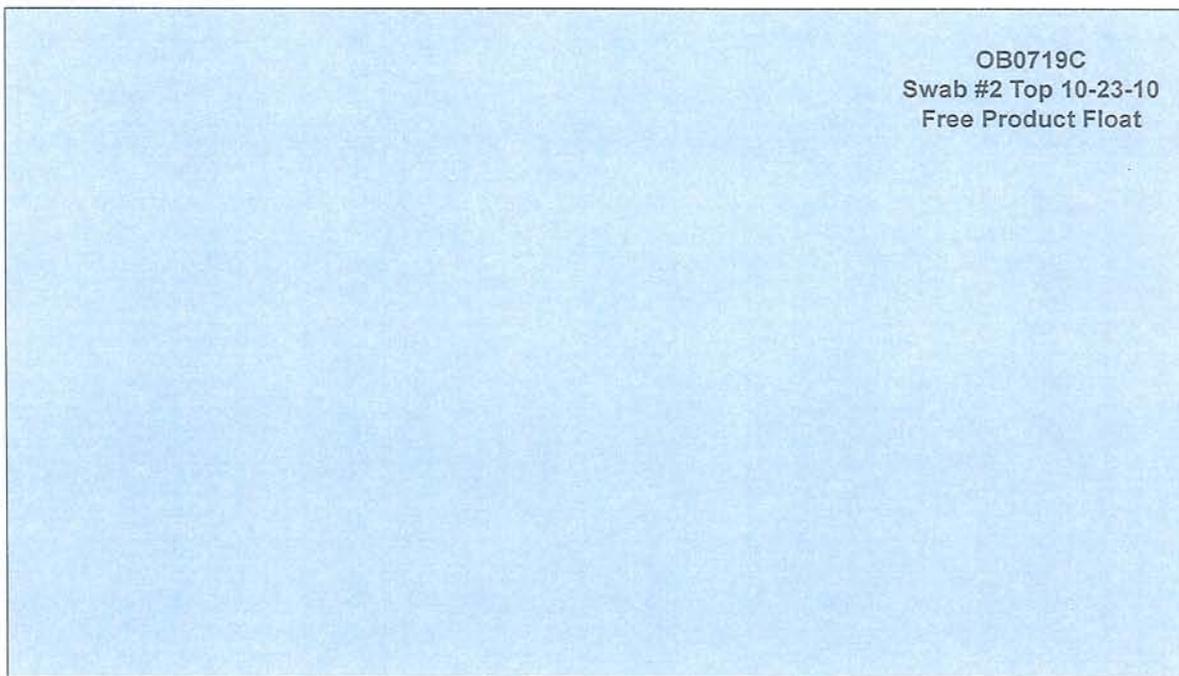


# GC-FID Quaneco Crane 12-4

OB0719C  
Swab #2 Top 10-23-10  
Free Product Float

↑

Abundance



Time, min →

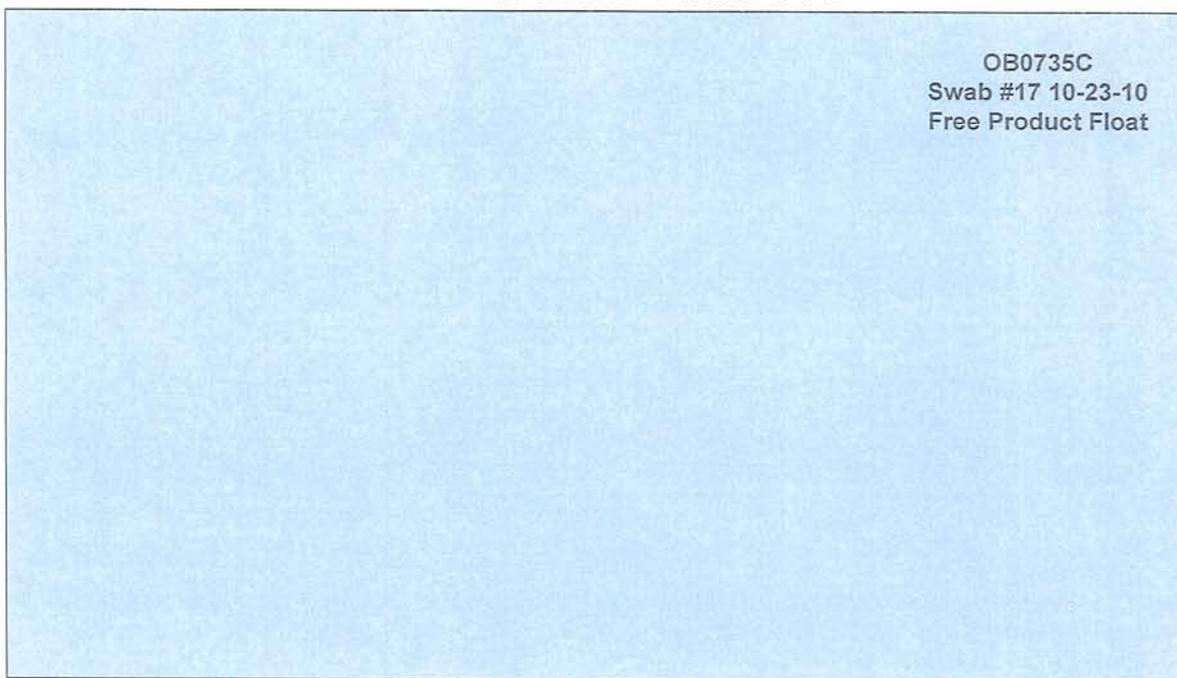


# GC-FID Quaneco Crane 12-4

OB0735C  
Swab #17 10-23-10  
Free Product Float

↑

Abundance



Time, min →

Water Data:



Crane 4-4  
 Swab#2  
 Collected 22 Oct 10  
 OB015W **Analytical Results**

Client Sample ID: OB0708C	ETID: 1
Sample Collected: 10/22/2010	Matrix: Aqueous

Parameter	Result	Units	Analyzed On	Analyst	Method
Barium	0.288	mg/L	10/28/2010 04:08:19 PM	JZ	303.7
Calcium	24.7	mg/L	10/27/2010 01:40:37 PM	JZ	203.7
Iron	0.025	mg/L	10/28/2010 04:08:19 PM	JZ	303.7
Magnesium	12.9	mg/L	10/27/2010 01:40:37 PM	JZ	303.7
Potassium	7.38	mg/L	10/27/2010 01:40:37 PM	JZ	303.7
Sodium	48.8	mg/L	10/27/2010 01:40:37 PM	JZ	303.7
Hardness, Total	116	mgCaCO3/L	10/27/2010 01:40:37 PM	JZ	2940B
Nitrate / Nitrite-N	<0.800	mg/L	10/27/2010 10:24:03 AM	DS	300.0
Alkalinity, T	202	mg/L	10/27/2010 01:40:00 PM	DS	2820B
Chloride	9.23	mg/L	10/27/2010 10:24:03 AM	DS	300.0
Sulfate	9.53	mg/L	10/27/2010 10:24:03 AM	DS	300.0
Total Dissolved Solids	244	mg/L	10/28/2010 05:00:00 PM	DS	2840 C
Conductivity	423	µmhos/cm	10/27/2010 02:25:00 PM	DS	2510 B
Resistivity	2270	ohms-cm	10/28/2010 12:30:00 PM	DS	2510 B
pH	8.59	S.U.	10/27/2010 01:40:00 PM	DS	4503 Hw B

get analyzed outside regulatory holding time.



Crane 12-4  
 Swab#19  
 Collected 23 Oct 10  
 OB016WC

### Analytical Results

Client Sample ID: OB0737C	ETH ID: 2
Sample Collected: 10/23/2010	Matrix: Aqueous

<u>Parameter</u>	<u>Result</u>	<u>Units</u>	<u>Analyzed On</u>	<u>Analyst</u>	<u>Method</u>
Barium	0.555	mg/L	10/28/2010 04:10:59 PM	JZ	303.7
Calcium	25.8	mg/L	10/27/2010 01:43:04 PM	JZ	202.7
Iron	54.1	mg/L	10/29/2010 08:35:43 AM	JZ	202.7
Magnesium	13.0	mg/L	10/27/2010 01:43:04 PM	JZ	202.7
Potassium	8.73	mg/L	10/27/2010 01:43:04 PM	JZ	202.7
Sodium	73.4	mg/L	10/27/2010 01:43:04 PM	JZ	202.7
Hardness, Total	114	mgCaCO3/L	10/27/2010 01:43:04 PM	JZ	2340B
Nitrate / Nitrite-N	<0.000	mg/L	10/27/2010 11:17:09 AM	DS	302.0
Alkalinity, T	234	mg/L	10/27/2010 01:40:00 PM	DS	2320B
Chloride	14.8	mg/L	10/27/2010 11:17:09 AM	DS	302.0
Sulfate	10.3	mg/L	10/27/2010 11:17:09 AM	DS	302.0
Total Dissolved Solids	228	mg/L	10/29/2010 03:00:00 PM	DS	2540 C
Conductivity	523	µmhos/cm	10/29/2010 02:25:00 PM	DS	2510 B
Resistivity	1910	ohms-cm	10/29/2010 12:33:00 PM	DS	2510 B
pH	8.33	S.U.	10/27/2010 01:40:00 PM	DS	4500 H+ B

pH analyzed outside regulatory holding time



## **Pressure Survey Report**

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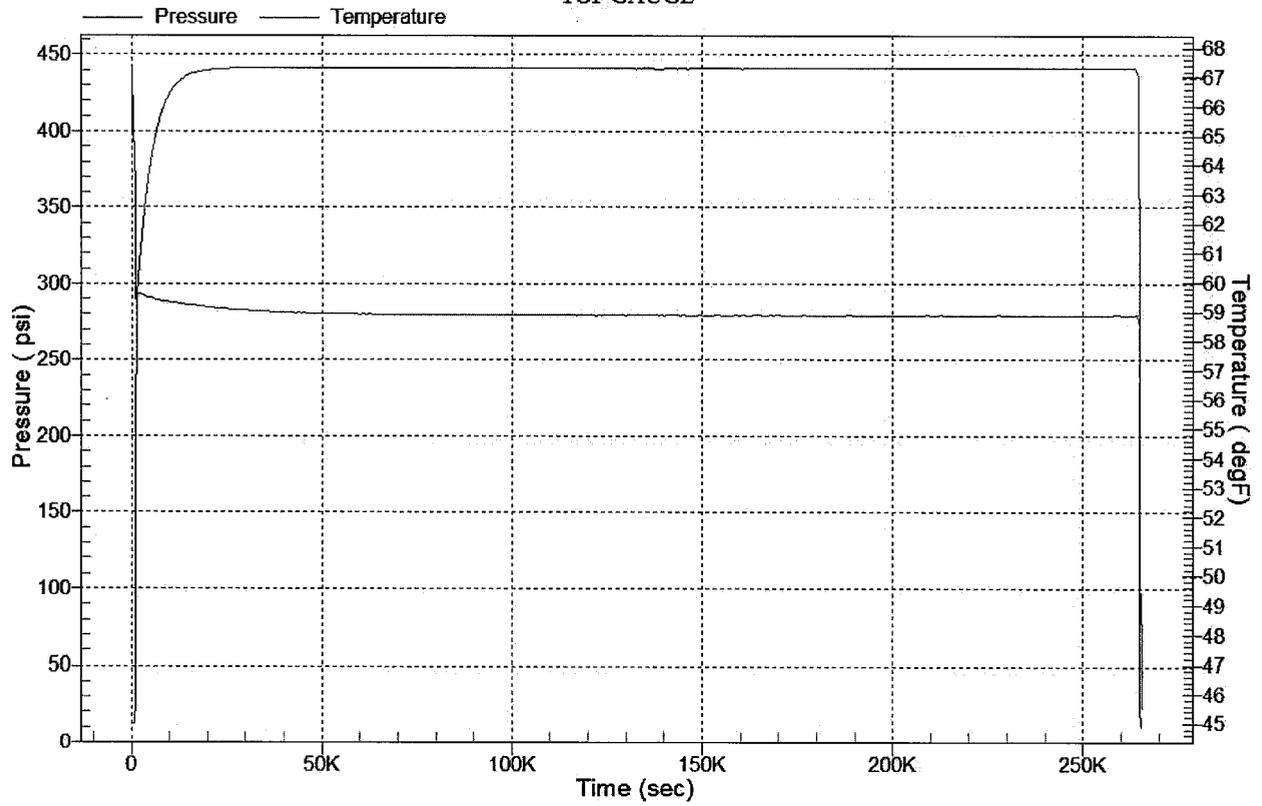
### **PRO WIRELINE INC. BHP REPORT CRANE 12-4**

October 23, 2010

# JOB INFORMATION SHEET

Company Information		
Company Name:	QUANTECO LLC	
Address:		
Well Information		
Well Name:	CRANE 12-4	
Location:	CRANE 12-4	
Field – Pool:		
Status:		
Test Information		
Type of Test:	72 HOUR BUILD UP	
Gauge Depth:	1260' KB	
Production Interval:		
Production Through:		
Tubing Pressure:		
Casing Pressure:		
Shut In Time		
Status:		
Temperature @ Run Depth	67.33 degF	
Surface Temperature:	45.45 degF	
Gauge Information		
	Top Recorder	Bottom Recorder
Serial Number:	70119	70263
Calibration Date:	3/10/09	5/15/09
Pressure Range:	10004 psi	10003 psi
Comments		

CRANE 12-4  
TOP GAUGE



**Pressure Survey Report**

---

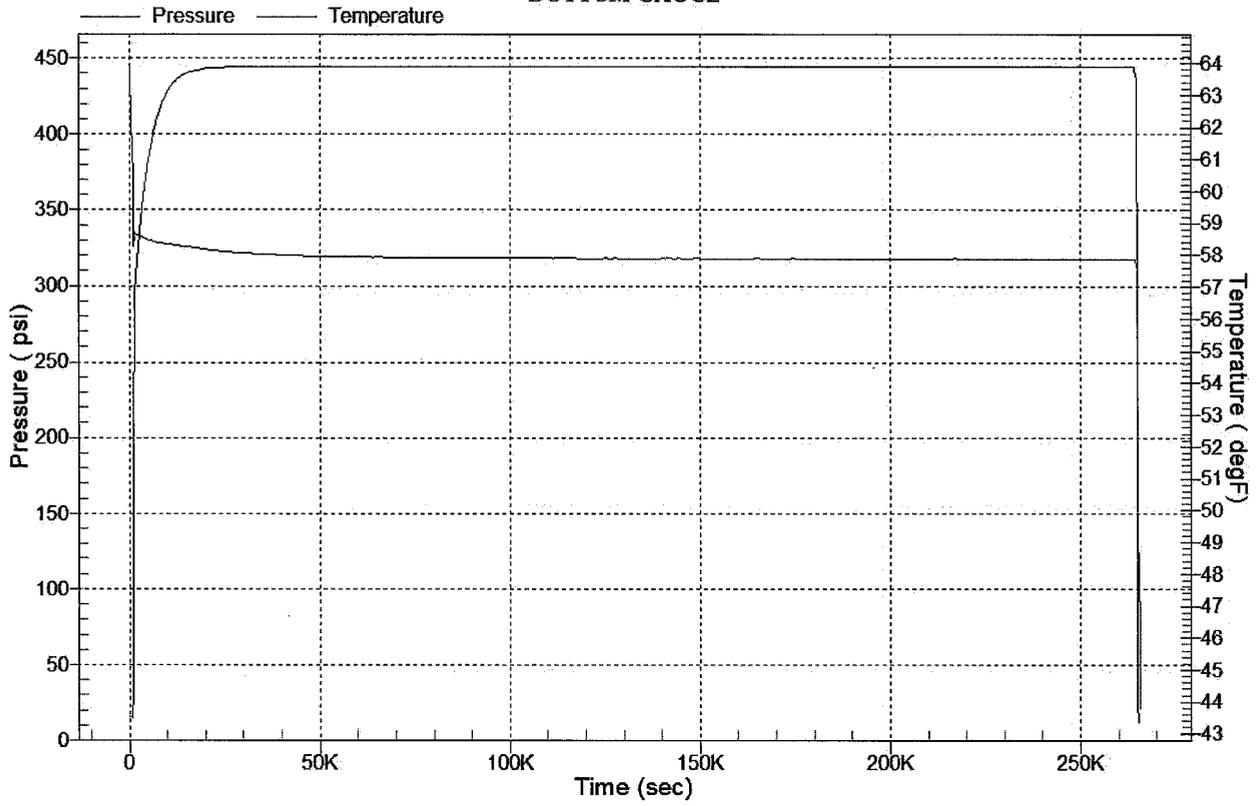
**PRO WIRELINE INC  
BHP REPORT  
CRANE 12-4**

October 23, 2010

# JOB INFORMATION SHEET

<b>Company Information</b>		
Company Name:	QUANTECO LLC	
Address:		
<b>Well Information</b>		
Well Name:	CRANE 12-4	
Location:	CRANE 12-4	
Field – Pool:		
Status:		
<b>Test Information</b>		
Type of Test:	72 HOUR BUILD UP	
Gauge Depth:	1260' KB	
Production Interval:		
Production Through:		
Tubing Pressure:		
Casing Pressure:		
Shut In Time		
Status:		
Temperature @ Run Depth	63.9 degF	
Surface Temperature:	43.79 degF	
<b>Gauge Information</b>		
	Top Recorder	Bottom Recorder
Serial Number:	70119	70263
Calibration Date:	3/10/09	5/15/09
Pressure Range:	10004 psi	10003 psi
<b>Comments</b>		

**CRANE 12-4**  
**BOTTOM GAUGE**

















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

FORM 6

**ENTITY ACTION FORM**

Operator: Quaneco, LLC Operator Account Number: N 2495  
 Address: P.O. Box 7370  
city Sheridan  
state WY zip 82801 Phone Number: (307) 673-1500

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303330049	Crane 4-4		NWNW	4	6N	8E	Rich
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	13056	13056	2/27/2001		11/23/10		
Comments: Change producing formation to BRRVR <span style="float: right;">— 12/29/10</span>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303330050	Crane 12-4		NWSW	4	6N	8E	Rich
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	13057	13057	3/2/2001		11/23/10		
Comments: Change producing formation to BRRVR <span style="float: right;">— 12/29/10</span>							

**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)

Lorna James

Name (Please Print)

Signature

Administrative Assistant

Title

12/16/2010

Date

**RECEIVED**

**DEC 20 2010**

(5/2000)

DIV. OF OIL, GAS & MINING

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Quaneco, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 204' FSL 480' FWL		8. WELL NAME and NUMBER: Crane 12-4
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 4 T6N R8E S		9. API NUMBER: 4303330050
COUNTY: Rich		10. FIELD AND POOL, OR WILDCAT: Wildcat
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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>extended shutin request</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.

Operator requests a one year extension to shut-in. Operations are currently being conducted on other wells within the development area and testing of those wells will determine how Operator wishes to proceed with this well.

**COPY SENT TO OPERATOR**

Date: 2/23/2012  
Initials: K5

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Admin Assistant</u>
SIGNATURE <u>Lorna James</u>	DATE <u>1/12/2012</u>

(This space for State use only)

**REQUEST DENIED**  
Utah Division of  
Oil, Gas and Mining

**RECEIVED**  
JAN 12 2012

(5/2000)

Date: 2/9/12  
By: [Signature] (See Instructions on Reverse Side)  
\* See Requirements of R649-3-36  
Also a plan detailing planned operations with timelines and decision point for this well should be submitted for extended SITTA consideration

DIV. OF OIL, GAS & MINING

UTAH DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

Oil and Gas Program

1594 West North Temple, Suite 1210, Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 Phone

(801) 359-3940 Fax

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

\*\*\*\*\*

To the following operator:

Name: QUANECO, LLC.

6N 8E 4

Well(s) or Site(s): 1.) MURPHY RIDGE 1-32 API #: 43-033-30045

2.) STACY HOLLOW 14-35 43-033-30056

3.) CRANE 4-4 43-033-30049

4.) CRANE 12-4 43-033-30050



Date and Time of Inspection/Violation: September 21, 2012

Mailing Address: Attn: Lorna James
P.O. Box 7370
Sheridan, WY 82801

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

Description of Violation(s):

Rule R649-3-36, Shut-in and Temporarily Abandoned Wells - According to Rule R649-3-36, the operator is required to supply the Division with reasons for extended SI/TA, the length of time for extended SI/TA and proof of well bore integrity for every well SI/TA over 12 consecutive months. After 5 years of continued SI/TA, the wells are to be plugged unless good cause is supplied to the Division for extended SI/TA in addition to the required information just mentioned.

The Division has initiated several contacts with Quaneco, LLC. (Quaneco) requesting required documents and action per R649-3-36. The above wells have never produced, and have each been shut in over 10 years time.

A first notice of non-compliance was sent out via certified mail on March 3, 2005, to Quaneco concerning the above listed wells. On August 4, 2005, Quaneco responded with a request for extended shut in status, which was granted on September 22, 2005, to expire on August 1, 2006. After ample time had passed after the extension expired, a second notice of non-compliance was sent to Quaneco via certified mail on September 2, 2008. Quaneco responded on February 12, 2009, with required data and request for further extension. The Division approved the request on March 11, 2009 to expire on October 1, 2009, allowing time for Quaneco to complete proposed work. Quaneco conducted MITs in August 2010 and further requested additional extension for the above wells. The Division approved this request on October 5, 2010 to expire December 31, 2010, as originally agreed upon based on correspondence from Quaneco dated August 26, 2010. Most recent, on January 12, 2012, Quaneco submitted a sundry requesting further SI/TA extension for these wells. The Division denied the request on February 9, 2012, due to lack of required documents according to R649-3-36. In addition the Crane 4-4 was scheduled to be plugged December, 2009; approved by the Division on December 15, 2009.

**UTAH DEPARTMENT OF NATURAL RESOURCES**

**Division of Oil, Gas & Mining**

**Oil and Gas Program**

1594 West North Temple, Suite 1210, Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 Phone

(801) 359-3940 Fax

To date our records indicate that no further work has been accomplished as planned or required documentation submitted by Quaneco to move these wells into compliance.

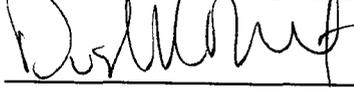
Action: For the wells subject to this Notice, Quaneco, LLC. shall either submit the information required by R649-3-36, plug and abandon or place the wells on production.

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

Compliance Deadline: November 5, 2012

Date of Service Mailing: October 10, 2012

CERTIFIED MAIL NO: 7011 0110 0001 3568 2394



\_\_\_\_\_  
Division's Representative

\_\_\_\_\_  
Operator or Representative

(If presented in person)

cc: Compliance File

Well Files

6/2005

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

**NOTICE OF VIOLATION  
STATE OF UTAH  
OIL AND GAS CONSERVATION ACT**



TO THE FOLLOWING OPERATOR:

Operator Name: QUANECO, LLC

Mailing Address: Attn: Lorna James

P.O. BOX 7370

Sheridan, WY 82801

6N 8E A

- |   |                            |
|---|----------------------------|
| Well(s) or Site(s): 1) <u>MURPHY RIDGE 1-32</u> | API #: <u>43-033-30045</u> |
| 2) <u>STACY HOLLOW 14-35</u>                    | API #: <u>43-033-30056</u> |
| 3) <u>CRANE 4-4</u>                             | API #: <u>43-033-30049</u> |
| 4) <u>CRANE 12-4</u>                            | API #: <u>43-033-30050</u> |

Date and Time of Inspection/Violation: January 31, 2013

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

**Description of Violation(s):**

**Rule R649-3-36, Shut-in and Temporarily Abandoned Wells** – According to Rule R649-3-36, the operator is required to supply the Division with reasons for extended SI/TA, the length of time for extended SI/TA and proof of well bore integrity for every well SI/TA over 12 consecutive months. After 5 years of continued SI/TA, the wells are to be plugged unless good cause is supplied to the Division for extended SI/TA in addition to the required information just mentioned.

**Rule R649-3-4.3 Bonding** – If the division finds that a well subject to this bonding rule is in violation of Rule R649-3-36, *Shut-in and Temporarily Abandoned Wells*, the division shall require a bond amount for the applicable well in the amount of actual plugging and site restorations costs.

**Rule R649-3-4.41 Bonding** – Within 30 days of notification by the division, the operator shall submit to the division an estimate of plugging and site restoration costs for division review and approval.

The Division has initiated several contacts with Quaneco, LLC. (Quaneco) requesting required documents and action per R649-3-36. All wells listed have previously been issued SI/TA Notices and Notices of Violation without the required work being accomplished or information submitted to bring these wells into compliance.

These wells are in violation of R-649-3-36 as listed above. The Division requires Quaneco to put up full cost bonding for all wells in violation above per R649-3-4. It is also mandatory that Quaneco submit all documentation as required by R649-3-36 concerning shut-in and temporarily abandoned wells.

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

Operator Name: QUANECO, LLC

**Immediate Action: For the wells subject to this notice, Quaneco shall fulfill full cost bonding requirements for each well. Quaneco shall also submit all information as required by R649-3-36 or plug and abandon or place the well(s) on production.**

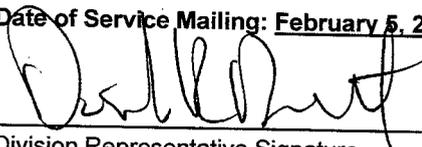
**\* Fines may be levied up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A 40-6-11, part 4**

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

Compliance Deadline: March 15, 2013

Date of Service Mailing: February 5, 2013

Certified Mail No.: 7010 1670 0001 4810 3829

  
\_\_\_\_\_  
Division Representative Signature

\_\_\_\_\_  
Operator Representative (if presented in person)

cc: Compliance File  
Well Files  
SITLA

1/2013



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

Operator Name: QUANECO, LLC

**Immediate Action: For the wells subject to this notice, Quaneco shall fulfill full cost bonding requirements for each well. Quaneco shall also submit all information as required by R649-3-36 or plug and abandon or place the well(s) on production.**

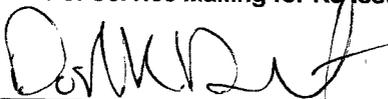
- **Fines may be levied up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A 40-6-11, part 4**

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

**Compliance Deadline: March 15, 2013      April 30, 2013**

**Date of Service Mailing: February 5, 2013      Certified Mail No.: 7010 1670 0001 4810 3829**

**Date of Service Mailing for Reissued: April 2, 2013      Certified Mail No: 7010 1670 0001 4810 4017**



Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File  
Well Files  
SITLA

1/2013

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>CRANE 12-4</b>
2. NAME OF OPERATOR: <b>QUANECO, LLC</b>		9. API NUMBER: <b>4303330050</b>
3. ADDRESS OF OPERATOR: 22801 Ventura Blvd, Ste:200 CITY Woodland Hills STATE CA ZIP 91364		10. FIELD AND POOL, OR WILDCAT: <b>WILDCAT</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2041' FSL 480' FWL</b>		COUNTY: <b>RICH COUNTY</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 4 6N 8E S</b>		STATE: <b>UTAH</b>

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>10/2/2013</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Plug and abandon well per attached procedure. Work will commence on entire P&A project on or around October 2nd, 2013. Depending on land owner and weather conditions for MIRU.

**COPY SENT TO OPERATOR**

Date: 10.10.2013

Initials: KS

RECEIVED

SEP 23 2013

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Harold Schwabacher</u>	TITLE <u>MM</u>
SIGNATURE <u>[Signature]</u>	DATE <u>13 SEPT 13</u>

(This space for State use only)

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 10/3/2013  
BY: [Signature]

(See Instructions on Reverse Side)

\*See Conditions of Approval (Attached)

**Proposed P&A Procedure for the Crane 12-4**

**Operator: Quaneco, LLC**  
**Lease: Crane 12-4**  
**Location: Sec 4 – 8N – 8E**  
**Rich County, Utah**

Surface casing: 9-5/8" 36# @ 270'  
Long String: 7" 23# @ 1,692', TOC: unknown  
Perfs:  
Tubing:

Prior to MIRU, check rig anchors and blow the well down

MIRU  
NDWH, and NUBOP  
POH and check tubing, if no tubing, move in a work string  
RIH with a bit to tag TD, POH  
RIH with a CICR and set at 1,560'  
Pump 25 sxs below CICR and 10 sxs on top (25 sxs is 130' in 7" 23#)  
Roll hole with corrosion inhibitor treated water  
Pressure test casing, if it fails call for orders  
POH, NDWH  
RIH to 270' and circulate cement to surface (50 sxs of cement)  
Cut off wellhead 3' down  
Fill annulus with cement if necessary  
Weld on a plate with well information  
Backfill the hole  
RDMO

All cement is 15.8# class G neat



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

## ***CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL***

Well Name and Number: Crane 12-4  
API Number: 43-033-30050  
Operator: Quaneco, LLC  
Reference Document: Original Sundry Notice dated September 13, 2013,  
received by DOGM on September 23, 2013.

### Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. **Amend Plug #1:** Records indicate a CIBP was set @ 1550' with 100' cement set on top. RIH and tag plug to verify. If plug is in place, Plug #1 is not necessary.
3. **Add Plug #2: Plug 2 shall be added to isolate perfs from 1282' to 1292'. Plug shall be identical to proposed plug #1 (25sx below CICR and 10sx above) with CICR set at 1230'.**
4. **Amend Plug #3:** This plug shall be an inside/outside plug. RIH and perforate @ 270'. Establish circulation down the 7" casing back up the 7" x 9 5/8" annulus. If injection into the perfs cannot be established a 320' plug ( $\pm 60$  sx) shall be balanced from  $\pm 320'$  to surface. If injection is established: M&P 91 sx cement and balance a plug inside/outside from 270' to surface.
5. All balanced plugs shall be tagged to ensure that they are at the depth specified.
6. All annuli shall be cemented from a minimum depth of 100' to the surface.
7. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.
8. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
9. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.
10. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet  
Petroleum Engineer

October 3, 2013

Date



# Wellbore Diagram

API Well No: 43-033-30050-00-00    Permit No:    Well Name/No: CRANE 12-4  
 Company Name: QUANECO, LLC  
 Location: Sec: 4 T: 6N R: 8E Spot: NWSW  
 Coordinates: X: 495726 Y: 4569931  
 Field Name: WILDCAT  
 County Name: RICH

### String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (f/cf)
HOL1	270	12.25			
SURF	270	9.625	36	270	
HOL2	1692	8.75			
PROD	1692	7	23	1692	4.524
T1	1608	2.875			

8 3/4" x 7" (108) → 4.2014  
 9 5/8" x 7" → 5.995

Cement from 270 ft. to surface  
 Surface: 9.625 in. @ 270 ft.  
 Hole: 12.25 in. @ 270 ft.

perft @ 270' \*Amend Plug #3  
 perft @ 270', inside/out

$$\frac{IN}{OUT} \frac{270'}{(1.15)} (4.524) = 52 SX$$
  

$$\frac{270'}{(1.15)} (5.995) = 39 SX$$
  
 91 sx total

### Cement Information

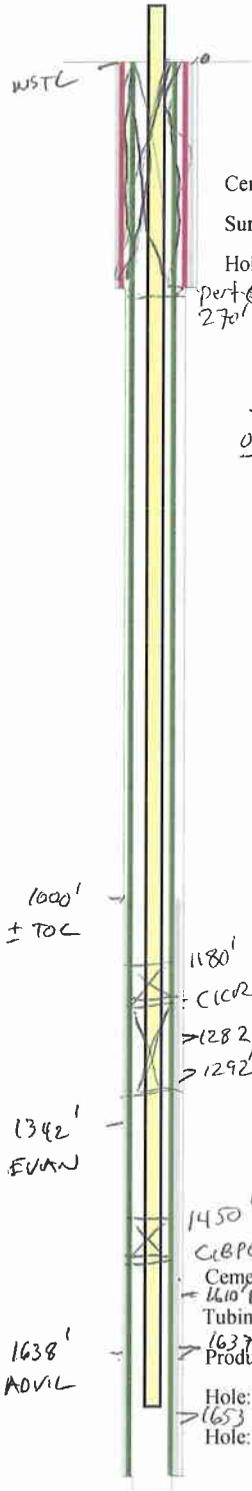
String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	1692	1000	HS	40
PROD	1692	1000	T3	50
SURF	270	0	UK	125

### Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
1637	1653			
1282	1292			

### Formation Information

Formation	Depth
WSTC	0
EVAN	1342
ADVIL	1638



Add Plug #2  
 \* Same as proposed plug #1  
 CIRC @ 1230', 25sx below, 10sx Above

1450'  
 CIRC @ 1550' w/ 22sx (100') existing  
 Cement from 1692 ft. to 1000 ft.  
 1610' Fiberglass B53g. below  
 Tubing: 2.875 in. @ 1608 ft.  
 1637'  
 Production: 7 in. @ 1692 ft.  
 Hole: 8.75 in. @ 1692 ft.  
 1653'  
 Hole: Unknown

Plug #1 (if necessary)  
 IF CIRC @ 1550' w/ 100' Cmt (TOC @ 1450') Not present  
 Below (25sx)(1.15)(4.524) = 130' ✓ OK  
 (10sx)(1.15)(4.524) = 52' ✓ OK

TD: 1712 TVD: 1712 PBTD: 1682



GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

December 12, 2013

Certified Mail No. 7003 2260 0003 2358 7110

## DIVISION WELL PLUGGING ORDER

Harrison Schumacher  
Quaneco, LLC  
22801 Ventura Blvd #200  
Woodland Hills, CA 91364

Subject: Division Order to Plug and Abandon the Crane 4-4, Crane 12-4, Stacy Hollow 14-35  
Murphy Ridge 1-32 and Crane 16-4 wells operated by Quaneco, LLC in Rich County,  
Utah.

Dear Mr. Schumacher:

6N 8E 4

The Division of Oil, Gas and Mining ("division") issued Quaneco, LLC ("Quaneco") a Notice of Violation for the five wells ("subject wells") listed below on April 2, 2013. The wells are in violation of Oil, and Gas Conservation General Rule R649-3-36 (Shut-in and Temporarily Abandoned Wells). As a result of the Notice of Violation Quaneco agreed, last August, to plug the subject wells by early October of this year. As of the date of this letter Quaneco has not plugged and abandoned the wells.

<u>Well Name</u>	<u>API</u>	<u>Completed</u>	<u>Production</u>
Crane 4-4	43-033-30049	3/31/2001	None
→ Crane 12-4	43-033-30050	9/15/2001	None
Stacey Hollow 14-35	43-033-30056	9/11/2001	None
Murphy Ridge 1-32	43-033-30045	8/18/2002	None
Crane 16-4	43-033-50001	Spud 12/4/2011	None

Quaneco submitted notice of intent plugging sundries for the subject wells on September 13, 2013. The sundries were approved and returned to Quaneco with a Condition of Approval Letter by the division in early October.

The Director of the Division of Oil, Gas and Mining received a letter on December 6, 2013, from Wells Fargo Bank with an attached legal document from American Express Bank for a judgment against Harrison Schumacher on any and all assets located at Wells Fargo Bank. In essence, a lien against Quaneco's \$120,000.00 blanket bond (R649-3-1.1). Bond liability is for the duration of the drilling, operating and plugging of the wells and restoration of the well site (R649-3-1.3). The bond for drilling or operating wells shall remain in full force and effect until liability is released by the division (R649-3-1.3.1).



The Division is concerned with Quanecos's ability to continue operating within the legal and financial constraints of the Utah Oil and Gas Conservation Act. Quaneco is required to be able to meet its duty to plug each dry or abandoned well, prevent waste and pollution and maintain and restore each well site (Utah Code 40-6-5).

**The Division is hereby ordering Quaneco to Plug and Abandon the five subject wells by January 31, 2014.**

Division authority to order the wells plugged is found in the Oil, and Gas Conservation General Rule R649-3-36. The wells shall be plugged in accordance with R649-3-24.

Quaneco has the right to appeal the Division Plugging Order by filing to the Board of Oil, Gas and Mining ("Board") a request for review according to the procedures set forth in R649-10-6. A request for review of a Division Order must be filed with the secretary to the Board, Julie Ann Carter (801) 538-5277, within 30 days of issuance of the order.

In the event Quaneco does not plug and abandon the subject wells the Division will file for a formal hearing before the Board, as described in the Utah Administrative Code R641, requesting a Board Order to plug and restore the well sites. Should this matter be brought before the Board, the Division will seek bond forfeiture (R649-3-36 and R649-3-1.16), liability for plugging costs in excess of bond forfeiture amounts (R649-3-1.16.5) and civil penalties of up to \$10,000 per day for each day of violation (Utah Oil and Gas Conservation Act 40-6-11).

Questions regarding this order may be directed to Clinton Dworshak, Compliance Manager at (801) 538-5280 or John Rogers, Oil and Gas Associate Director at (801) 538-5349.

Sincerely,



Clinton Dworshak  
Compliance Manager

cc: John Rogers, Oil and Gas Associate Director  
Steve Alder, Assistant Attorney General  
Dustin Doucet, Petroleum Engineer  
Well file  
Compliance File

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GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 27, 2014

Certified Mail No. 7003 2260 0003 2358 6861

Harrison Schumacher  
Quaneco, LLC  
22801 Ventura Blvd #200  
Woodland Hills, CA 91364

43 033 30050  
Crane 12-4  
6N 8E 4

Subject: Board Action

Dear Mr. Schumacher:

The Division of Oil, Gas and Mining ("division") sent to Quaneco, LLC ("Quaneco") a Well Plugging Order, dated December 12, 2013, for the Crane 4-4, Crane 12-4, Stacey Hollow 14-35, Murphy Ridge 1-32 and Crane 16-4 wells ("subject wells").

Since that time you have discussed with Mr. Alder, through telephone and e-mail conversations, various possible options to meet Quanecons' plugging obligation. You have also indicated your desire to resolving this matter in a manner agreeable to all parties involved.

The division currently holds a \$120,000.00 blanket bond for the plugging and site restoration of the wells. It is also the divisions' understand that Quaneco and Deseret Land and Livestock ("DL&L") have \$150,000.00 in escrow for site reclamation. DL&L has estimated site reclamation to be \$25,000.00 per location. DL&Ls' dirt contractor is Terry Pruitt, his contact number is (307) 679-4407. The division has been informed by Magna Energy Resources ("Magna") that the plugging cost for the subject wells is approximately \$138,000.00. Magna currently has a rig in the area doing work for other operators. This rig should remain in the area for the next month or two.

The division encourages you to use all resources available to Quaneco and to work with the above mentioned parties, secure sufficient plugging and reclamation funds and put together a plan to timely and properly plug and reclaim the subject wells.

If Quaneco is unable to demonstrate to the divisions' satisfaction that it has the necessary resources available and a plan to properly plug and reclaim each well site by February 10, 2014 the division will file a Notice of Agency Action (NAA) for the March 26, 2014 formal hearing before the Board of Oil, Gas and Mining (Board"). The request will be for a Board Order to plug the subject wells and restore the well sites. If Quaneco still does not demonstrate prior to the



Page 2  
Quaneco, LLC  
January 27, 2014

hearing that it has sufficient plugging and reclamation funds and a plan to properly plug and reclaim each well, the division will be prepared to give testimony at the hearing supporting its request. In addition to a Board Order to plug the subject wells and restore the well sites, the division will seek bond forfeiture (R649-3-36 and R649-3-1.16) and liability for plugging costs in excess of bond forfeiture amounts (R649-3-1.16.5).

Questions regarding this matter may be directed to Clinton Dworshak, Compliance Manager at (801) 538-5280 or John Rogers, Oil and Gas Associate Director at (801) 538-5349.

Sincerely,



Clinton Dworshak  
Compliance Manager

CLD/js

cc: John Rogers, Oil and Gas Associate Director  
Steve Alder, Assistant Attorney General  
Dustin Doucet, Petroleum Engineer  
American Safety Casualty Insurance Company  
Well File  
Compliance File

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WELL SEARCH		WELL DATA		WELL HISTORY		WELL ACTIVITY	
WELL NAME	CRANE 12-4	API NUMBER	4303330050	WELL TYPE	GW	WELL STATUS	S
OPERATOR	QUANECO, LLC	ACCOUNT	N2495 #	OPERATOR APPROVED BY BLM / BIA <input type="checkbox"/>			
DESIGNATED OPERATOR		ACCOUNT					
FIELD NAME	WILDCAT	FIELD NUMBER	1	FIRST PRODUCTION	10   22   2010	LA / PA DATE	
WELL LOCATION		CONFIDENTIAL FLAG <input type="checkbox"/>		LEASE NUMBER			
SURF LOCATION	2041 FSL 0480 FWL	CONFIDENTIAL DATE		10   15   2002	MINERAL LEASE TYPE		
Q.Q. S. T. R. M.	NWSW   04   06.0 N   08.0 E   S	DIRECTIONAL / HORIZONTAL		SURFACE OWNER TYPE			
COUNTY	RICH	HORIZONTAL LATERALS		INDIAN TRIBE			
UTM COORDINATES		COMMINGLED PRODUCTION		C.A. NUMBER			
SURFACE - N	4569931.00	ORIGINAL FIELD TYPE		W	UNIT NAME		
SURFACE - E	495726.00	WILDCAT TAX FLAG <input type="checkbox"/>		CUMULATIVE PRODUCTION:			
LATITUDE	41.28080	CB-METHANE FLAG <input type="checkbox"/>		OIL			
LONGITUDE	-111.05104	ELEVATION		6855 GR	GAS		
WELL FILES		BOND NUMBER / TYPE		04-002	WATER		
WELL PHOTOS				5			
PROD. GRAPH							
COMMENTS 010308 ENTITY ADDED:031031 FR N1395:							
Create New Rec   Save   Cancel Change   To History   To Activity   Print Recd   Export Recd   ↑ ↓							

P  
V1  
D  
V2  
X

NUM

# MAGNA ENERGY SERVICE Rig 23

DATE	LOCATION
6-26-14	Company: Quaneco Crane 12-4 & Stacey Hollow

## SUMMARY

6:00-Crew travel
6:30-JSA meeting
7:00-Finish cut & capping the crane 12-4 (had trouble cutting WH) back fill-dig up anchors on all location
11:30-Start moving some of the equip. to new location
12:00-Move to the Stacey Hollow-dig out well (had to rent jack hammer to get through rock)-cut off WH-weld cap on to well-start loading tbg onto tbg trailer
7:00-Finish moving equip. to main road (before the rain got the roads to nasty)
8:30
9:00

NAMES	HOURS	SUBSISTANCE
Darie Roehm	15	Yes
Kendall Sitts	15	Yes
Joseph Soliz	15	Yes
Armando Lopez	15	Yes
Mike Bossie	15	Yes

## NOTES

Tomorrows Tasks: Finish digging up anchors & moving equip. to new location-load cement bulker-spot in equip.-rig up-Nu BOP-TIH with bit & scrapper-TOOH-TIH with 7" CICR-set @2700'
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REVINUE	COST

0	
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# MAGNA ENERGY SERVICE Rig 23

DATE	LOCATION
6-25-14	Company: Quaneco Crane 12-4 & Stacey Hollow 14-35

## SUMMARY

6:00-Crew travel  
 6:30-JSA meeting  
 7:00-Finish filling cementer-pump down the annulus on the Stacey Hollow (got an injection rate of .25 bbls @700 psi)  
 8:30-Ru WL on the Crane 12-4.-RIH & shoot 4 holes @270'-Rd WL  
 9:15-Move to the Stacey Hollow-Ru WL-RIH & shoot 4 holes @560'-Rd WL  
 11:30-Ru cmt equip. on the Crane 12-4.-establish circ.-start pumping 15.8# cmt (1 bbl FW ahead-105sxs/21 bbls cmt)(Cmt: 270' to surface-inside & out)-Rd & clean cmt equip.  
 1:30-Move equip. to the Stacey Hollow-Ru cmt equip.-establish circ.-start pumping 15.8# cmt (1 bbl FW-160sxs/32 bbls cmt)(Cmt: 560' to surface-inside & out)  
 4:30-Rd & clean cmt equip.-dig out around both wells-start cutting off WHs  
 7:30-Secure equip. & locations  
 8:00-Crew travel  
 8:30

NAMES	HOURS	SUBSISTANCE
Darie Roehm	14.5	Yes
Kendall Sitts	14.5	Yes
Joseph Soliz	14.5	Yes
Armando Lopez	14.5	Yes
Mike Bossie	14.5	Yes

## NOTES

Tomorrows Tasks: Finish cut & capping wells-load tbg & WHs from all 4 wells onto trailer-prep all equip. to move the new location-move equip. to the Murphy Ridge

-spot in-rig up

REVINUE	COST
0	

WELL SEARCH		WELL DATA		WELL HISTORY		WELL ACTIVITY	
WELL NAME	CRANE 12-4	API NUMBER	4303330050	WELL TYPE	GW	WELL STATUS	S
OPERATOR	QUANECO, LLC	ACCOUNT	N2495 #	OPERATOR APPROVED BY BLM / BIA <input type="checkbox"/>			
DESIGNATED OPERATOR		ACCOUNT					
FIELD NAME	WILDCAT	FIELD NUMBER	1	FIRST PRODUCTION	10   22   2010	LA / PA DATE	
WELL LOCATION		CONFIDENTIAL FLAG <input type="checkbox"/>		LEASE NUMBER		FEE	
SURF LOCATION	2041 FSL 0480 FWL	CONFIDENTIAL DATE	10   15   2002	MINERAL LEASE TYPE	4		
Q.Q. S. T. R. M.	NWSW   04   06.0 N   08.0 E   S	DIRECTIONAL / HORIZONTAL	<input type="checkbox"/>	SURFACE OWNER TYPE	4		
COUNTY	RICH	HORIZONTAL LATERALS	<input type="checkbox"/>	INDIAN TRIBE			
UTM COORDINATES		COMMINGLED PRODUCTION	<input type="checkbox"/>	C.A. NUMBER			
SURFACE - N	4569931.00	ORIGINAL FIELD TYPE	W	UNIT NAME			
SURFACE - E	495726.00	WILDCAT TAX FLAG	<input type="checkbox"/>	CUMULATIVE PRODUCTION:			
LATITUDE	41.28080	CB-METHANE FLAG	<input type="checkbox"/>	OIL	0		
LONGITUDE	-111.05104	ELEVATION	6855 GR	GAS	0		
WELL FILES		BOND NUMBER / TYPE	04-002	5	WATER	0	
WELL PHOTOS		COMMENTS					
PROD. GRAPH		010308 ENTITY ADDED:031031 FR N1395:					
Create New Rec   Save   Cancel Change   To History   To Activity   Print Recd   Export Recd   ↑ ↓							

P  
V1  
D  
V2  
X

NUM

# MAGNA ENERGY SERVICE Rig 23

DATE	LOCATION
6-26-14	Company: Quaneco Crane 12-4 & Stacey Hollow

## SUMMARY

6:00-Crew travel
6:30-JSA meeting
7:00-Finish cut & capping the crane 12-4 (had trouble cutting WH) back fill-dig up anchors on all location
11:30-Start moving some of the equip. to new location
12:00-Move to the Stacey Hollow-dig out well (had to rent jack hammer to get through rock)-cut off WH-weld cap on to well-start loading tbg onto tbg trailer
7:00-Finish moving equip. to main road (before the rain got the roads to nasty)
8:30
9:00

NAMES	HOURS	SUBSISTANCE
Darie Roehm	15	Yes
Kendall Sitts	15	Yes
Joseph Soliz	15	Yes
Armando Lopez	15	Yes
Mike Bossie	15	Yes

## NOTES

Tomorrows Tasks: Finish digging up anchors & moving equip. to new location-load cement bulker-spot in equip.-rig up-Nu BOP-TIH with bit & scrapper-TOOH-TIH with 7" CICR-set @2700'
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REVINUE	COST
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0	
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# MAGNA ENERGY SERVICE Rig 23

DATE	LOCATION
6-25-14	Company: Quaneco Crane 12-4 & Stacey Hollow 14-35

## SUMMARY

6:00-Crew travel  
 6:30-JSA meeting  
 7:00-Finish filling cementer-pump down the annulus on the Stacey Hollow (got an injection rate of .25 bbls @700 psi)  
 8:30-Ru WL on the Crane 12-4.-RIH & shoot 4 holes @270'-Rd WL  
 9:15-Move to the Stacey Hollow-Ru WL-RIH & shoot 4 holes @560'-Rd WL  
 11:30-Ru cmt equip. on the Crane 12-4.-establish circ.-start pumping 15.8# cmt (1 bbl FW ahead-105sxs/21 bbls cmt)(Cmt: 270' to surface-inside & out)-Rd & clean cmt equip.  
 1:30-Move equip. to the Stacey Hollow-Ru cmt equip.-establish circ.-start pumping 15.8# cmt (1 bbl FW-160sxs/32 bbls cmt)(Cmt: 560' to surface-inside & out)  
 4:30-Rd & clean cmt equip.-dig out around both wells-start cutting off WHs  
 7:30-Secure equip. & locations  
 8:00-Crew travel  
 8:30

NAMES	HOURS	SUBSISTANCE
Darie Roehm	14.5	Yes
Kendall Sitts	14.5	Yes
Joseph Soliz	14.5	Yes
Armando Lopez	14.5	Yes
Mike Bossie	14.5	Yes

## NOTES

Tomorrows Tasks: Finish cut & capping wells-load tbg & WHs from all 4 wells onto trailer-prep all equip. to move the new location-move equip. to the Murphy Ridge

-spot in-rig up

REVINUE	COST
0	





## MAGNA ENERGY SERVICE Rig 23

DATE	LOCATION
6-25-14	Company: Quaneco Crane 12-4 & Stacey Hollow 14-35

### SUMMARY

<p>6:00-Crew travel</p> <p>6:30-JSA meeting</p> <p>7:00-Finish filling cementer-pump down the annulus on the Stacey Hollow (got an injection rate of .25 bbls @700 psi)</p> <p>8:30-Ru WL on the Crane 12-4.-RIH &amp; shoot 4 holes @270'-Rd WL</p> <p>9:15-Move to the Stacey Hollow-Ru WL-RIH &amp; shoot 4 holes @560'-Rd WL</p> <p>11:30-Ru cmt equip. on the Crane 12-4.-establish circ.-start pumping 15.8# cmt (1 bbl FW ahead-105sxs/21 bbls cmt)(Cmt: 270' to surface-inside &amp; out)-Rd &amp; clean cmt equip.</p> <p>1:30-Move equip. to the Stacey Hollow-Ru cmt equip.-establish circ.-start pumping 15.8# cmt (1 bbl FW-160sxs/32 bbls cmt)(Cmt: 560' to surface-inside &amp; out)</p> <p>4:30-Rd &amp; clean cmt equip.-dig out around both wells-start cutting off WHs</p> <p>7:30-Secure equip. &amp; locations</p> <p>8:00-Crew travel</p> <p>8:30</p>
---

NAMES	HOURS	SUBSISTANCE
Darie Roehm	14.5	Yes
Kendall Sitts	14.5	Yes
Joseph Soliz	14.5	Yes
Armando Lopez	14.5	Yes
Mike Bossie	14.5	Yes

### NOTES

<p>Tomorrows Tasks: Finish cut &amp; capping wells-load tbg &amp; WHs from all 4 wells onto trailer-prepare all equip. to move the new location-move equip. to the Murphy Ridge</p>
---

-spot in-rig up

REVINUE	COST
0	

## MAGNA ENERGY SERVICE Rig 23

DATE	LOCATION
6-26-14	Company: Quaneco Crane 12-4 & Stacey Hollow

### SUMMARY

6:00-Crew travel
6:30-JSA meeting
7:00-Finish cut & capping the crane 12-4 (had trouble cutting WH) back fill-dig up anchors on all location
11:30-Start moving some of the equip. to new location
12:00-Move to the Stacey Hollow-dig out well (had to rent jack hammer to get through rock)-cut off WH-weld cap on to well-start loading tbg onto tbg trailer
7:00-Finish moving equip. to main road (before the rain got the roads to nasty)
8:30
9:00

NAMES	HOURS	SUBSISTANCE
Darie Roehm	15	Yes
Kendall Sitts	15	Yes
Joseph Soliz	15	Yes
Armando Lopez	15	Yes
Mike Bossie	15	Yes

### NOTES

Tomorrows Tasks: Finish digging up anchors & moving equip. to new location-load cement bulker-spot in equip.-rig up-Nu BOP-TIH with bit & scrapper-TOOH-TIH with 7" CICR-set @2700'

REVINUE	COST
---------	------

0	
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**Company** ORPHAN-NO RESPONSIBLE OPERAT**API Number** 43033300500000**Well Name :** CRANE 12-4**Sec** 4 **Tw**n 6 N **Rng** 8 E **Qtr/Qtr** NWSW**Date Inspected :** 6/25/2014**Notes**

Magna, Rig 23 (Darie Roehm, Toolpusher): Plug 3/surface, at time of arrival WL truck on location but WL crew running late. Checked site status of Crane 4-4/4303330049 (see insp record). Notified DOGM staff (DJ, DD, CD & BH) of plugging status of all wells/5 for todays Board Hearing. Checked to see if circ established on Stacey Hollow 14-35/4303330056 (see record). WL crew arrived on location @8:30, RU WL & loaded perf gun (4 shot), RIH & shot perfs @270', ROH & RD WL. Moved to Stacey Hollow 14-35 to shoot perfs (see insp record). Moved cmt equipment to location, NU WH, dug out cellar & trench, HU cmtr, mixed & pumped 100 sxs (20.49 bbls) cmt (Class G Neat, 1.15yld, 15.8#) 48 sxs out (7"-9 5/8") & 52 sxs in 7", cmt to surface. RD & move to Stacey Hollow 14-35.

**Inspector** \_\_\_\_\_

**Company** ORPHAN-NO RESPONSIBLE OPERAT

**API Number** 43033300500000

*Well Name :* CRANE 12-4

*Sec* 4 *Twn* 6 N *Rng* 8 E *Qtr/Qtr* NWSW

*Date Inspected :* 6/21/2014

**Notes**

Magna, Rig 23 (Jorge Valencia, Toolpusher): Plug 1 completed, at time of arrival RU & trying to release pkr, pkr stuck, Jorge called Harlan Hodge/Magna for further instruction, took -3 hrs to get pkr to release. TOO H w/all tbg & pkr (1257'+20 stds). TIH open ended (20 stds & +7 jts) & tagged Plug 1 @1478' (-28' low but ok). TOO H w/all tbg, stand 19/1187.5', LD 9.29/290.5'. Plug 2 completed, HU 7" CICR (Casper Tools), TIH & set @1240'. Est circ into perms. HU cmtr, load & roll hole w/corrosion inhibitor treated water (+/-48 bbls). Tested csg to 1000#/15 min. held with no bleed off. Dug around cellar & cut trench. Mixed & pumped 45 sxs (9.22 bbls) cmt (Class G Neat, 1.15yld, 15.8#) 25 sxs below & 20 sxs top (extra 10 sxs), TOC @1136', disp, PU LD & reverse out. Stand 4/250', LD 31.68/990'. Surface plug at a later date. \*Guided Jorge to the Stacy Hollow 14-35/4303330056 well location, next RU & PA ops. Pic(s) in M Drive.

*Inspector* \_\_\_\_\_

**Company** ORPHAN-NO RESPONSIBLE OPERAT

**API Number** 43033300500000

<i>Well Name :</i>		CRANE 12-4	
<i>Sec</i>	4 <i>Twn</i>	6 N <i>Rng</i>	8 E <i>Qtr/Qtr</i> NWSW

*Date Inspected :* 6/26/2014

*Notes*

Magna, Rig 23 (Darie Roehm, Toolpusher): Plug 3/surface completed, cut off WH/csg, cmt to surface in 7" & 7"-9.625" backside, low between (7"-8.75"), HU cmtr, top off with 3 sxs cmt. Prepare mkr plates/2, weld -9 5/8" mkr w/weep hole inside 9 5/8" csg & mkr w/op & well info on top. RD & move to Stacey Hollow 14-35/4303330056 to complete surf plug. \*Requested that site be cleared so TP Construction can conduct site reclamation in accordance with DL&L/Landowners agreement with Quaneco & TP Construction. Pic(s) in M Drive.

*Inspector* \_\_\_\_\_

**Division of Oil, Gas and Mining**  
**ORPHAN-NO RESPONSIBLE OPERATOR**  
**CHANGE WORKSHEET (for state use only)**

**Operator Name Change/Merger**

The operator of the well(s) listed below has changed, effective:	<b>9/16/2014</b>
<b>FROM:</b> (Old Operator): N2495-Quaneco, LLC	<b>TO:</b> ( New Operator): N9999-Orphan-No Responsible Operator

<b>Docket Number:</b>	<b>2014-013</b>
<b>Cause Number:</b>	<b>281-01</b>

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	Mineral	Surface	WELL TYPE	WELL STATUS
Crane 16-4	4	060N	080E	4303350001	18372	4	4	OW	DRL
MURPHY RIDGE 1-32	32	080N	080E	4303330045	12970	3	4	GW	S
CRANE 4-4	4	060N	080E	4303330049	13056	4	4	GW	S
CRANE 12-4	4	060N	080E	4303330050	13057	4	4	GW	S
STACEY HOLLOW 14-35	35	070N	070E	4303330056	13104	4	4	GW	S

**DATA ENTRY:**

1. Date bond received on: 9/11/2014
2. Changes entered in the Oil and Gas Database on: 1/9/2015
3. Date RBDMS changed to "Claimed" on: 7/29/2014

**COMMENTS:**

Per the Board of Oil, Gas and Mining well(s) moved to N9999 Orphan-No Responsible Operator for Division plugging.

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

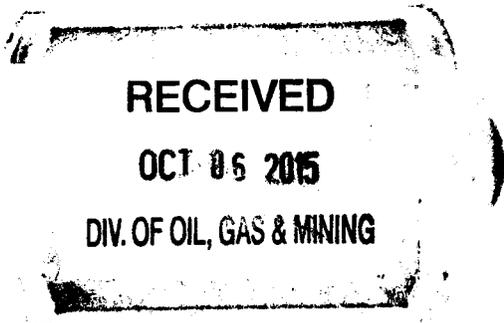
		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <i>CRANE 12-4</i>
2. NAME OF OPERATOR: <i>Qualeco</i>		9. API NUMBER: <i>4303330050</i>
3. ADDRESS OF OPERATOR: _____ STATE _____ ZIP _____		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____		COUNTY: <i>Rich</i>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <i>NWSW 4 6N 8E</i>		STATE: <b>UTAH</b>

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 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"/> 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"/> COMMINGLE PRODUCING FORMATIONS	<input checked="" 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.

*Reclamation of well site is complete*



NAME (PLEASE PRINT) <i>Michael Meek for Farmland Reserves Inc.</i>	TITLE <i>MANAGER</i>
SIGNATURE <i>Michael Meek</i>	DATE <i>10/6/2015</i>

(This space for State use only)



Lisha Cordova &lt;lishacordova@utah.gov&gt;

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**Quaneco**

1 message

**Lisha Cordova** <lishacordova@utah.gov> 435.535.6262

Tue, Sep 8, 2015 at 12:36 PM

To: "Mike Meek (DL&amp;L)" &lt;msmeek@ari-slc.com&gt;

Mr. Meek,

*\*APA Farmland Reserves Inc.*

As discussed earlier today, attached is a list of wells that the Division is seeking a Landowners Release for.

Please call if you have any questions, and thank you so much for your assistance & patience throughout this process.

Much appreciated!

Lisha

—  
Lisha Cordova, Env. Scientist  
Division of Oil, Gas and Mining  
1594 W. North Temple, Suite 1210  
Salt Lake City, Utah 84116  
T: 801-538-5296  
C: 801-396-3902  
lishacordova@utah.gov

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**2 attachments** **20150908 List of Wells (for Landowners Release).xlsx**  
11K **Form 9 Sundry Notices & Reports On Wells.PDF**  
102K

<b>Operator</b>	<b>API #</b>	<b>Well Name</b>	<b>Qtr/Qtr</b>	<b>Section</b>	<b>Township</b>	<b>Range</b>	<b>County</b>	<b>Status</b>
Quaneco	4303330049	Crane 4-4	NWNW	4	6 N	8 E	Rich	PA
Quaneco	4303330050	Crane 12-4	NWSW	4	6 N	8 E	Rich	PA
Quaneco	4303350001	Crane 16-4	S-NW	4	6 N	8 E	Rich	PA
Quaneco	4303330052	Crane 13-8	SWSW	8	6 N	8 E	Rich	PA
Quaneco	4303350002	Crane 17-8	SESW	8	6 N	8 E	Rich	LA
Quaneco	4303330056	Stacy Hollow 14-35	SESW	35	7 N	7 E	Rich	PA
Quaneco	4303330045	Murphy Ridge 1-32	NENE	32	8 N	8 E	Rich	PA