

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

5. LEASE DESIGNATION AND SERIAL NO. fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME Goodridge

9. WELL NO. 3

10. FIELD AND POOL, OR WILDCAT Mexican Hat 410

11. SEC., T., R., M., OR B.LK. AND SURVEY OR AREA Sec 7 T42S R 19E

12. COUNTY OR PARISH San Juan

13. STATE UT

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR San Juan Minerals Exploration Co.

3. ADDRESS OF OPERATOR 10970 Williams Avenue Blythe, CA 92225

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 963' FNL and 169' FEL NENE

14. PERMIT NO. not known

15. ELEVATIONS (Show whether OF, ST, OR, etc.) 4155 gr (estimated) GORSO

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>
(Other) Workover <input checked="" type="checkbox"/>			

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Request permission to re-enter existing hole.

Plan to set depth at 300'; 20' casing 10". Goodridge formation

This well existed at time we took over operations from Shiprock Oil and Gas Corp. We do not have any API number and it had not been a producing well. Please find the enclosed copy of survey we made for well site.

Plan to re-enter hole as soon as permission is granted.

TECHNICAL REVIEW
Engr. [Signature] 8-8-91
Geol. [Signature] 8/7/91
Surface [Signature] 8/6/91

RECEIVED
JUL 08 1991

DIVISION OF OIL GAS & MINING

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

18. I hereby certify that the foregoing is true and correct

SIGNED [Signature] TITLE Secretary

(This space for Federal or State office use)

APPROVED BY 43-037-31634 TITLE [Signature] DATE: 8-8-91

CONDITIONS OF APPROVAL, IF ANY: WELL SPACING: 156-3

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION)
OF SAN JUAN MINERALS EXPLORATION)
COMPANY FOR AN EXCEPTION TO THE)
WILD CAT WELL SPACING PATTERN)
ESTABLISHED BY RULE C-3, OF THE)
GENERAL RULES AND REGULATIONS,)
AND AMENDING PRIOR ORDERS OF THE)
BOARD IN CAUSE NO. 156-1 TO GRANT)
UNRESTRICTED SPACING IN CERTAIN)
PORTIONS OF THE MEXICAN HAT AREA,)
SAN JUAN COUNTY, STATE OF UTAH)

ORDER

CAUSE NO. 156-3 ✓

Pursuant to Notice of Hearing dated February 22, 1980, as amended, of the Board of Oil, Gas and Mining, Department of Natural Resources of the State of Utah, this Cause came on for hearing before Cleon B. Feight, acting as hearing examiner for the full Board, commencing at the hour of 9:00 a.m. on April 15, 1980, in the offices of the Division of Oil, Gas and Mining, 1588 West North Temple, Salt Lake City, Utah.

Appearing for the applicant was Anthony L. Rampton of the law firm of Fabian & Clendenin, Salt Lake City, Utah, and Robert Lauth, Certified Registered Geologist. Appearing on behalf of the Division of Oil, Gas and Mining were Denise Dragoo, Special Assistant, Utah Attorney General's Office, and Mike Minder, Petroleum Engineer.

NOW, THEREFORE, having considered the testimony presented to the hearing examiner and the exhibits received at said hearing, and being fully advised in the premises, and all persons appearing before the hearing examiner being in favor of the application, the Board now makes and enters the following:

FINDINGS OF FACT

1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law and the rules and regulations of the Board.

156-3

2. The Board has jurisdiction over the matter covered by said Notice and over all parties interested therein and has jurisdiction to make and promulgate the Order hereinafter set forth.

3. The principal producing sand or zone in this area is the ✓ Goodridge Sand producing from shallow sand and low pressure.

4. That there has been no systematic development through the Mexican Hat Area.

5. By Order entered in Cause No. 156-1 dated September 25, 1974, the Board established ✓ five-acre spacing for drilling wells and not less than ✓ two hundred feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location and not less than ✓ 330 feet from any producible oil well, unless otherwise specifically permitted by order of the Board after notice and hearing.

6. That the oil wells producing on tracts in Sections 31 and 32, Township 41 South, and Sections 4, 5, 6, 7 and 8, Township 42 South, Range 19 East, Salt Lake Meridian, San Juan County, State of Utah, are all producing from the ✓ Goodridge producing sand.

7. That the Goodridge formation is confined to certain pockets of permeability and ^{porosity} ~~perosity~~ requiring the drilling of holes in an irregular pattern in order to discover and drain all of the recoverable oil and associated hydrocarbons from said formation.

8. That in order to facilitate the location and commercial production of oil in this area, it is necessary to allow for an amendment to the Order in Cause No. 156-1 so as to permit the drilling of wells on ✓ unrestricted spacing in the aforesaid sections.

O R D E R

IT IS THEREFORE ORDERED:

A. That an exception is hereby granted to the provisions of Rule C-3, General Rules and Regulations, Division of Oil, Gas

and Mining, so as to permit the drilling of wells on unrestricted spacing to best accommodate the prevention of waste and protection of correlative rights in the development of the field and to maximize ultimate future recovery of oil and associated hydrocarbons insofar as and only insofar as the Goodridge Formation in Sections 31 and 32, Township 41 South, and Sections 4, 5, 6, 7 and 8, Township 42 South, Range 19 East, Salt Lake Meridian, San Juan County, State of Utah, and the Order of this Board in Cause No. 156-1 is hereby amended accordingly.

B. It is further Ordered that no well in said Sections shall be drilled less than 50 feet from any property or lease line or from the boundary of any legal subdivision comprising a governmental quarter-quarters section or equivalent lot or lots of comparable size unless otherwise specifically permitted by order of the Board after notice and hearing.

C. That this Order is a temporary order and the Board, on its own motion or the motion of any interested party, may file an application requesting a hearing to present new evidence covering the matter set forth herein.

D. That the Board retains continuing jurisdiction of all matters covered by this Order and particularly retains continuing jurisdiction to make further orders as appropriate and authorized by statute and applicable regulations.

ENTERED AND EFFECTIVE this 15th day of April, 1980.

BOARD OF OIL, GAS AND MINING OF
THE STATE OF UTAH

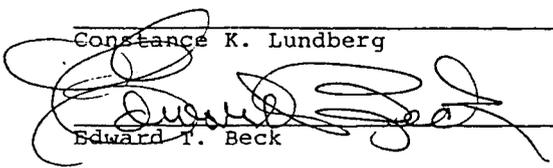
Charles R. Henderson

John L. Bell

Thadeus W. Box

C. Ray Juvelin


E. Steele McIntyre

Constance K. Lundberg

Edward T. Beck

OPERATOR San Juan Minerals L-0810 DATE 7-29-91
WELL NAME Goodridge #3
SEC N 7 T 40S R 19E COUNTY San Juan

U3-037-31634
API NUMBER

fee
TYPE OF LEASE

CHECK OFF:

PLAT.

BOND
50,000
490E867A

NEAREST
WELL

LEASE

FIELD
SLBM

POTASH OR
OIL SHALE

PROCESSING COMMENTS:

falls within cause no guidelines, unrestricted spacing
water permit
Permit 8-6-91 (biological review) 8-7-91
Permit was done by Allen Goodwin during assessment
not included.

APPROVAL LETTER:

SPACING: R615-2-3

N/A
UNIT

R615-3-2

1516-3 4-15-80
CAUSE NO. & DATE

R615-3-3

STIPULATIONS:

fee stipulation
water permit needed



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangert
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

August 8, 1991

San Juan Minerals Exploration Company
10970 Williams Avenue
Bly, California 92225

Gentlemen:

Re: Goodridge #3 Well, 963 feet from the North line, 169 feet from the East line, NE NE, Section 7, Township 42 South, Range 19 East, San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with the Order in Cause No. 156-3 dated April 15, 1980, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Utah Code Ann. Section 73-3, Appropriation.
2. San Juan Minerals Exploration Company, as designated operator, is the bonded principal in reference to this Application for Permit to Drill. Should this designation change or a transfer of ownership occur, liability will remain with the designated operator until the Division is notified by letter of a new bonded principal.

In addition, the following actions are necessary to fully comply with this approval:

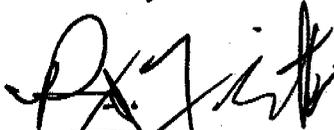
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification in the event it is necessary to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801) 538-5340, (Home) (801) 476-8613, or R. J. Firth, Associate Director, (Home) (801) 571-6068.

Page 2
San Juan Minerals Exploration Company
Goodridge #3
August 8, 1991

5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.
6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Department of Environmental Quality, Division of Drinking Water/Sanitation, telephone (801) 538-6159.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31634.

Sincerely,



R. O. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
we14/1-3

OPERATOR San Juan Minerals Exploration OPERATOR ACCT. NO.
 ADDRESS 10970 Williams Ave
Blythe, CA 92225

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE	
					QQ	SC	TP	RG				
B	-	11206	43 037 31634	Goodridge #3	NE	NE	7	42S	19E	San Juan	1991 8-16	9-23-91

WELL 1 COMMENTS: Entity added 9-30-91. *for*

WELL 2 COMMENTS:

WELL 3 COMMENTS:

WELL 4 COMMENTS:

WELL 5 COMMENTS:

Request that Goodridge #3 be given Entity #11206 AN EXISTING ENTITY Group

- ACTION CODES (See instructions on back of form)
- 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)

NOTE: Use COMMENT section to explain why each Action Code was selected.

RECEIVED

SEP 26 1991

DIVISION OF
 OIL GAS & MINING

Signature *Gene Johnson*
 Title Secretary Date 9-23-91
 Phone No. (609) 922-2278

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

RECEIVED
SEP 28 1991
DIVISION OF
OIL GAS & MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLEG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
San Juan Minerals Exploration Co.

3. ADDRESS OF OPERATOR
10970 Williams Ave Blythe, CA 92225

4. LOCATION OF WELL (Report location clearly and in accordance with any State laws)
At surface 963' FNL and 169' FEL
At top prod. interval reported below
At total depth

14. PERMIT NO. 43 037 31634
DATE ISSUED 8-8-91

5. LEASE DESIGNATION AND SERIAL NO.
fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Goodridge

9. WELL NO.
3

10. FIELD AND POOL, OR WILDCAT
Mexican Hat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec 7 T 42S R 19 E

12. COUNTY OR PARISH
San Juan

13. STATE
UT

15. DATE SPUDDED 8-16-91
16. DATE T.D. REACHED 9-9-91
17. DATE COMPL. (Ready to prod.) 9-9-91
18. ELEVATIONS (OF, RES. RT. GB, ETC.)* 4155 gr
19. ELEV. CABINGHEAD 4156 gr

20. TOTAL DEPTH, MD & TVD 350'
21. PLOG. BACK T.D., MD & TVD no
22. IF MULTIPLE COMPL., HOW MANY* no
23. INTERVALS DRILLED BY ROTARY TOOLS yes
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Goodridge
25. WAS DIRECTIONAL SURVEY MADE no

26. TYPE ELECTRIC AND OTHER LOGS RUN none
27. WAS WELL CORED no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
6"	14#	300'	10"	50 sacks	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
none				

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	350'	

31. PERFORATION RECORD (Interval, size and number) none

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	none

33. PRODUCTION

DATE FIRST PRODUCTION 9-18-91
PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)
WELL STATUS (Producing or shut-in) producing

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
	none	none		2	none	none	n/a

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
none	none		2			36

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) none
TEST WITNESSED BY George Petty

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Julie Johnson TITLE Secretary DATE 9-23-91

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formations and pressure tests, and directional surveys, should be attached hereto to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement". Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES: 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 RECORDING		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Goodridge 350'	400'		White limestone with very low porosity
			not applicable

RECEIVED

SEP 26 1991

DIVISION OF
OIL GAS & 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 or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
San Juan Minerals Exploration Co.

3. ADDRESS OF OPERATOR
10970 Williams Ave Blythe CA

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.)
At surface
963' FNL and 169 FEL

14. API NUMBER
43 037 31634

15. ELEVATIONS (Show whether DF, RT, CR, etc.)
4155 gr

5. LEASE DESIGNATION AND SERIAL NO.
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Goodridge

9. WELL NO.
#3

10. FIELD AND POOL, OR WILDCAT
Mexican Hat

11. SEC., T., R., M., OR B.L.K. AND SURVEY OR AREA
Sec 7 T42S R19E

12. COUNTY OR PARISH
SAN JUAN

13. STATE
UT

15. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	FULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	(Other) <input type="checkbox"/>	

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Request permission to change Well No. Currently is Well No. 3. Request to change to Well 91-16. Do not request a new entity number.

RECEIVED

MAR 24 1992

DIVISION OF OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct
SIGNED *Lee Johnson* TITLE *Sec.* DATE *3-20-92*

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

February 20, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 4941

Clint Howell
San Juan Minerals Exploration
P.O. Box 310367
Mexican Hat, Utah 84531

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

Dear Mr. Howell:

San Juan Minerals Exploration, as of February 2004, has sixteen (16) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). 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 (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining 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
February 20, 2004
Clint Howell

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

jc
cc: John Baza
Well File

	Well Name	API	Lease Type	Years Inactive
1	Nordeen 80.6	43-037-30585	Fee	1 Year 5 months
2	Nordeen 80.7	43-037-30584	Fee	1 Year 5 months
3	J&L 3-X	43-037-31669	Fee	6 Years 5 Months
4	Goodridge 91-2	43-037-31605	Fee	7 Years 4 Months
5	Goodridge 91-12	43-037-31637	Fee	7 Years 5 Months
6	Goodridge 91-16	43-037-31634	Fee	7 Years 5 Months
7	Goodridge 1	43-037-31647	Fee	7 Years 6 Months
8	Goodridge 91-7	43-037-31613	Fee	7 Years 6 Months
9	Goodridge 81-3	43-037-30960	Fee	8 Years 3 Months
10	Goodridge 91-4	43-037-31614	Fee	8 Years 3 Months
11	J&L 3	43-037-31207	Fee	10 Years 7 Months
12	Crossing No 28	43-037-31445	Fee	10 Years 9 Months
13	Crossing No 212	43-037-31446	Fee	10 Years 9 Months
14	Goodridge 92-3	43-037-31652	Fee	10 Years 9 Months
15	Nordeen 3	43-037-30149	Fee	10 Years 9 Months
16	Nordeen 5	43-037-20722	Fee	10 Years 9 Months

Attachment A



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

February 20, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 4941

Clint Howell
San Juan Minerals Exploration
P.O. Box 310367
Mexican Hat, Utah 84531

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

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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
February 20, 2004
Clint Howell

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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.

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Sincerely,



Dustin K. Doucet
Petroleum Engineer

jc
cc: John Baza
Well File

	Well Name	API	Lease Type	Years Inactive
1	Nordeen 80.6	43-037-30585	Fee	1 Year 5 months
2	Nordeen 80.7	43-037-30584	Fee	1 Year 5 months
3	J&L 3-X	43-037-31669	Fee	6 Years 5 Months
4	Goodridge 91-2	43-037-31605	Fee	7 Years 4 Months
5	Goodridge 91-12	43-037-31637	Fee	7 Years 5 Months
6	Goodridge 91-16	43-037-31634	Fee	7 Years 5 Months
7	Goodridge 1	43-037-31647	Fee	7 Years 6 Months
8	Goodridge 91-7	43-037-31613	Fee	7 Years 6 Months
9	Goodridge 81-3	43-037-30960	Fee	8 Years 3 Months
10	Goodridge 91-4	43-037-31614	Fee	8 Years 3 Months
11	J&L 3	43-037-31207	Fee	10 Years 7 Months
12	Crossing No 28	43-037-31445	Fee	10 Years 9 Months
13	Crossing No 212	43-037-31446	Fee	10 Years 9 Months
14	Goodridge 92-3	43-037-31652	Fee	10 Years 9 Months
15	Nordeen 3	43-037-30149	Fee	10 Years 9 Months
16	Nordeen 5	43-037-20722	Fee	10 Years 9 Months

Attachment A

SAN JUAN MINERALS EXPLORATION INC.

Hwy 163 / Riverview Dr.
P.O. Box 310367
Mexican Hat, Utah 84531

Ph. 438-683-2283
Fax: 438-683-3398
E-mail: chlsj@yahoo.com

Dustin K Doucet
State of Utah
Division of Oil Gas and Mining
1894 West North Temple Suite 1210
P.O. Box 148801
Salt Lake City, UT. 84114-8801

2004-03-16

RECEIVED

MAR 19 2004

DIV. OF OIL, GAS & MINING

RE: Letter, February 20, 2004
Extended Shut-in and Temporary Abandoned Wells.

Dear Mr. Doucet:

As per Our Discussion,
Plan of action as follows,

Proposed Work to be Completed in 2004

#1	Nordeen 80.6	43-037-30585	Workover-Reproduce	
2	Nordeen 80.7	43-037-30584	Workover-Reproduce	
3	J&L 3-X	43-037-31669	Plug & Abandon	
4	Goodridge 91-2	43-037-31605	Workover -Reproduce	Possibly plug & abandon
5	Goodridge 91-12	43-037-31637	Workover-Reproduce	Possibly plug & abandon
6	Goodridge 91-16	43-037-31634	Workover-Reproduce	Possibly plug & abandon
7	Goodridge 1	43-037-31647	Workover-Reproduce	Possibly plug & abandon
8	Goodridge 91-7	43-037-31613	Workover-Reproduce	Possibly plug & abandon
9	Goodridge 81-3	43-037-30960	Workover-Reproduce	Possibly plug & abandon
10	Goodridge 91-4	43-037-31614	Workover-Reproduce	Possibly plug & abandon
11	J & L 3	43-037-31207	Plug & Abandon	
12	Crossing No 28	43-037-31445	Plug & Abandon	
13	Crossing No 212	43-037-31446	Plug & Abandon	
14	Goodridge 92-3	43-037-31652	Plug & Abandon	
15	Nordeen 3	43-037-30149	Plug & Abandon	
16	Nordeen 5	43-037-20722	Plug & Abandon	

Sincerely,


Clint Howell

Manager

San Juan Minerals Exploration Inc.



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

March 19, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6440

Mr. Clint Howell
San Juan Minerals Exploration, Inc.
Hwy 163 / Riverview Drive
P.O. Box 310367
Mexican Hat, Utah 84531

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated February 20, 2004.

Dear Mr. Howell,

The Division of Oil, Gas and Mining (DOG M) is in receipt of your letter dated March 16, 2004 in regards to the sixteen (16) shut-in wells operated by San Juan Minerals Exploration, Inc. (San Juan). DOGM accepts San Juan's plan of action to plug and abandon seven (7) of the wells and recomple te nine (9) of the wells during calendar year 2004. Based upon the plan of action and other information provided, DOGM approves the sixteen wells for extended shut-in until January 1, 2005. Please submit re-completion and plugging procedures with notice of intent sundries upon finalization.

For reference, Attachment A lists the wells subject to the request. If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin Doucet
Petroleum Engineer

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

6. Lease Designation and Serial Number
FEE

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT-- for such proposals

1. Type of Well
 Oil Well Gas Well Other (specify)

2. Name of Operator
San Juan Minerals Exploration CO

3. Address of Operator
**Hwy 163 / River View Dr.
P.O. Box 310367 Mexican Hat, UT 84531**

4. Telephone Number
435-693-2290

9. Well Name and Number
Hudilee 91-16

10. API Well Number
48-037-31553/634

11. Field and Pool, or Wildcat

5. Location of Well
 Footage : **963 FNL 169 FEL**
 QQ, Sec, T., R., M. : **NENE. Sec 7 42 S. 19 E SLM.**

County : **SAN JUAN**
 State : **UTAH**

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

NOTICE OF INTENT
(Submit in Duplicate)

Abandonment New Construction
 Casing Repair Pull or Alter Casing
 Change of Plans Recompletion
 Conversion to Injection Shoot or Acidize
 Fracture Treat Vent or Flare
 Multiple Completion Water Shut-Off
 Other _____

Approximate Date Work Will Start **07-20-2005**

SUBSEQUENT REPORT
(Submit Original Form Only)

Abandonment * New Construction
 Casing Repair Pull or Alter Casing
 Change of Plans Shoot or Acidize
 Conversion to Injection Vent or Flare
 Fracture Treat Water Shut-Off
 Other _____

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
 * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

**Propose to Fill with Cement Slurry
From TD TO SURFACE**

CONSENT TO OPERATOR
 Date: **7-29-05**
 Initials: **CHD**

14. I hereby certify that the foregoing is true and correct

Name & Signature **Clint Howell** Title **MANAGER** Date **07-10-2005**

APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING
 DATE **7/29/05**
Retuned

RECEIVED
 JUL 14 2005

Wellbore Diagram

API Well No: 43-037-31634-00-00 Permit No:
 Company Name: SAN JUAN MINERALS EXPLOR
 Location: Sec: 7 T: 42S R: 19E Spot: NENE
 Coordinates: X: 601700 Y: 4112433
 Field Name: MEXICAN HAT
 County Name: SAN JUAN

Well Name/No: GOODRIDGE 91-16

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (gals/ft)
HOLI	350	10			
SURF	300	6	14 ^{Assume 15#}	300	6.008

Hole $\rightarrow \frac{[(1.2)(6)]^2}{183.35} = 0.7854 \rightarrow 1.273$

Total = ± 78 SX

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
SURF	300	0	UK	50

Casing Portion
 $(300') / (6.008)(1.15) = 44 \text{ SX}$

Perforation Information

Formation Information

Formation	Depth
GDRSD	350

Surface: 6 in. @ 300 ft.

open hole portion
 $50' / (1.273)(1.15) = 34 \text{ SX}$

Hole: 10 in. @ 350 ft.

TD: 350 TVD: PBD:

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: San Juan Minerals Exploration Inc. <i>N0810</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Hwy 163 P.O. Box 310367 Mexican Hat Ut 84531		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		8. WELL NAME and NUMBER: see attached list
PHONE NUMBER: (435) 683-2298		9. API NUMBER:
COUNTRY: San Juan		10. FIELD AND POOL, OR WLD/CAT: Mexican Hat
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>change of operator</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.

San Juan Minerals Exploration Inc. is transferring operation of its oil wells in San Juan County at Mexican Hat, (see attached List) To: Wesgra Corporation P.O. Box 310367 Mexican Hat Ut. 84531. Wesgra Corporation Is Bonded By Letter of credit # 7230. Would like to make this change effective as of April 30 2006

Wesgra Corporation:
by: Clint Howell President *N1060*

Clint Howell

April /20/ 2006

NAME (PLEASE PRINT) Clint Howell TITLE President
SIGNATURE *Clint Howell* DATE 4/20/2006

(This space for State use only)

APPROVED 513 106
Earlene Russell
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
APR 24 2006

DIV. OF OIL, GAS & MINING

San Juan Minerals (N0810) to Wesgra Corporation (N1060)

well name	api	qtr_qtr	sec	twsp	rng	well	stat	l_num
GEBAUER FEDERAL 2	4303730190	SENE	07	420S	190E	OW	S	UTU-7303
SUTHERLAND FEDERAL 97-4	4303731784	NESW	05	420S	190E	OW	S	UTU-7303D
NORDEEN 1	4303720721	NENW	05	420S	190E	OW	S	FEE
NORDEEN 5	4303720722	SWNW	05	420S	190E	OW	P	FEE
NORDEEN 3	4303730149	NENW	05	420S	190E	OW	P	FEE
WILM RNCH GDRDGE 12	4303730432	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 74	4303730526	NWNW	08	420S	190E	OW	S	FEE
GOODRIDGE 75	4303730527	NWNW	08	420S	190E	OW	S	FEE
GOODRIDGE 80.2	4303730561	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 80.3	4303730562	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 80.4	4303730563	NWNW	08	420S	190E	OW	P	FEE
GOODRIDGE 80.1	4303730570	NWNW	08	420S	190E	OW	S	FEE
NORDEEN 80.7	4303730584	SESW	05	420S	190E	OW	P	FEE
NORDEEN 80.6	4303730585	SESW	05	420S	190E	OW	S	FEE
GOODRIDGE 80.5	4303730680	NWNW	08	420S	190E	OW	P	FEE
NORDEEN 81-4	4303730957	SWSW	05	420S	190E	OW	S	FEE
NORDEEN 81-5	4303730958	SWSW	05	420S	190E	OW	S	FEE
GOODRIDGE 81-3	4303730960	SENE	07	420S	190E	OW	S	FEE
J & L 3	4303731207	NWSW	06	420S	190E	OW	TA	FEE
NORDEEN 86-6	4303731254	SENW	05	420S	190E	OW	S	FEE
GOODRIDGE 91-2	4303731605	SENE	07	420S	190E	OW	S	FEE
GOODRIDGE 91-7	4303731613	SWNW	08	420S	190E	OW	S	FEE
GOODRIDGE 91-16	4303731634	NENE	07	420S	190E	OW	S	FEE
GOODRIDGE 91-12	4303731637	NENE	07	420S	190E	OW	S	FEE
GOODRIDGE 1	4303731647	SENE	07	420S	190E	OW	S	FEE
J&L 3-X	4303731669	NESW	06	420S	190E	OW	S	FEE
DICKENSON/HOWARD 1	4303731845	NWSW	05	420S	190E	OW	NEW	FEE
UTAH 1	4303730101	NWSW	07	420S	190E	OW	PA	FEE
NELWYN A NORDEEN 2	4303730104	SENW	05	420S	190E	OW	PA	FEE
NELWYN NORDEEN 3	4303730108	SENW	05	420S	190E	OW	PA	FEE
NORDEEN 1A	4303730128	NENW	06	420S	190E	OW	PA	FEE
NORDEEN 2-A	4303730161	NENW	06	420S	190E	OW	PA	FEE
NORDEEN 7	4303730194	NENW	05	420S	190E	OW	PA	FEE
NORDEEN 11	4303730480	SWSW	05	420S	190E	D	PA	FEE
NORDEEN 80.13	4303730581	SESW	05	420S	190E	D	PA	FEE
GOODRIDGE 81-1	4303730961	SWNW	08	420S	190E	OW	PA	FEE
GOODRIDGE 71	4303730968	NWNW	08	420S	190E	D	PA	FEE
NORDEEN 86-4	4303731253	SENW	05	420S	190E	D	PA	FEE
NORDEEN 86-8	4303731255	SWNE	05	420S	190E	OW	PA	FEE
NORDEEN 86-10	4303731256	SENW	05	420S	190E	OW	PA	FEE
CROSSING NO 2 8	4303731445	SWSE	07	420S	190E	OW	PA	FEE
CROSSING NO 2 12	4303731446	SWSE	07	420S	190E	OW	PA	FEE
GOODRIDGE 91-10	4303731609	NENE	07	420S	190E	OW	PA	FEE
GOODRIDGE 91-5	4303731611	SENE	07	420S	190E	D	PA	FEE
GOODRIDGE 91-4	4303731614	SENE	07	420S	190E	OW	PA	FEE
GOODRIDGE 2	4303731640	NWNW	08	420S	190E	OW	PA	FEE
GOODRIDGE 92-3	4303731652	NWNE	07	420S	190E	OW	PA	FEE

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 on: not yet

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: 5/3/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/3/2006
3. Bond information entered in RBDMS on: 5/3/2006
4. Fee/State wells attached to bond in RBDMS on: 5/3/2006
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: merger

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: _____

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 007230

2. The **FORMER** operator has requested a release of liability from their bond on: 4/24/2006
The Division sent response by letter on: moving PA fee wells to new company

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: 5/4/2006

COMMENTS:

UTAH DIVISION OF OIL, GAS AND MINING
NOTICE OF REPORTING PROBLEMS

Operator: Wesgra Corporation Account: N1060 Today's Date: 09/16/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: No Subsequent Report

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

To avoid compliance action, these reporting problems should be resolved within 7 days.

Send reports to:

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

Fax to:

(801) 359-3940

*43 037 31634
 Goodridge 91-16
 42S 19E 7*

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Subsequent Sundry</u>	<input checked="" type="checkbox"/> List Attached		

Description of Problem:

Operator has submitted sundry of intents on the following wells that have been approved by DOGM. Per Rule 649-3-23, a subsequent report shall be submitted on Form 9, Sundry Notice, within 30 days after completion. The report should show workover results, well status, work completion date, new perforation depths, etc.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File
 RAM
 Well File
 CHD



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 29, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6398

Mr. Clint Howell
Wesgra Corporation
P.O. Box 310367
Mexican Hat, UT 84531

43 037 31634
Goodridge 91-16
42S 19E 7

Re: Second Notice of Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

Dear Mr. Howell:

Wesgra Corporation ("Wesgra") has sixteen (16) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in and temporary abandonment (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).

This is a second notice of non-compliance for wells 1 through 12 listed on Attachment A. For wells 1 through 10, the Division notified you (under operator name San Juan Minerals) on several occasions by certified mail about these wells non-compliance issues. Plans to PA or re-complete these wells were submitted, but no action has been taken to date. For wells 11 and 12, Wesgra was notified through certified mail dated April 16, 2004, and again in a response dated July 21, 2004. In the response, it was understood that Wesgra planned to workover these wells. The Division feels that sufficient time has passed to perform necessary work to put these in to production or to PA. Please submit your plans to produce or plug these wells. If this is not addressed within 30 days, a Notice of Violation will be issued for these wells. A similar response is required for the other four wells listed on Attachment A.



Page 2
September 29, 2008
Mr. Howell

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
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 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: Compliance File
Well File

Attachment A

	Well Name	API	Lease Type	Years Inactive
1	NORDEEN 5	43-037-20722	FEE	2 Years 8 Months
2	NORDEEN 3	43-037-30149	FEE	2 Years 8 Months
3	GOODRIDGE 81-3	43-037-30960	FEE	12 Years
4	J & L 3	43-037-31207	FEE	21 Years 6 Months
5	GOODRIDGE 91-2	43-037-31605	FEE	12 Years
6	GOODRIDGE 91-7	43-037-31613	FEE	12 Years
7	GOODRIDGE 91-16	43-037-31634	FEE	12 Years
8	GOODRIDGE 91-12	43-037-31637	FEE	12 Years
9	GOODRIDGE 1	43-037-31647	FEE	12 Years
10	J & L 3-X	43-037-31669	FEE	21 Years 6 Months
11	WESGRA 8-2	43-037-30529	FEE	12 Years
12	WESGRA 8-1	43-037-31451	FEE	12 Years
13	SAN JUAN FED 3	43-037-30420	FEE	2 Years 2 Months
14	SAN JUAN TRACT 4-2X	43-037-30733	FEE	1 Year 10 Months
15	NORDEEN 81-5	43-037-30958	FEE	4 Years 5 Months
16	NORDEEN 86-6	43-037-31254	FEE	2 Years 1 Month

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:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CO AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Goodridge 91-16

2. NAME OF OPERATOR:
WESGRA CORPORATION

9. API NUMBER:
4303731634

3. ADDRESS OF OPERATOR: _____ PHONE NUMBER: _____

10. FIELD AND POOL, OR WELL LOCATION:
Mexican Hat

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: **963' FNL 169' FEL** COUNTY: **San Juan**
SECTION, TOWNSHIP, RANGE, MERIDIAN: **NENE 7 42S 19E S** STATE: **UTAH**

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: 11/15/2008	<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 HI-FAIR 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"/> VFNT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input 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.

Propose to fill with cement slurry From TD to surface

COPY SENT TO OPERATOR

Date: **11.25.2008**

Initials: **KS**

NAME (PLEASE PRINT) **Clint Howell**

TITLE **Manager**

SIGNATURE: *Clint Howell*

DATE **10/27/2008**

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: **11/19/08**

BY: *[Signature]*

* See approval granted 7/29/2005
Contact Bart Kettle @ 435-820-0862

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NOV 04 2008

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		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
<small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Goodridge 91-16
2. NAME OF OPERATOR: WESGRA CORPORATION		9. API NUMBER: 4303731634
3. ADDRESS OF OPERATOR: P.O. Box 310367 CITY: Mexican Hat STATE: UT ZIP: 84531		10. FIELD AND POOL, OR WILDCAT: Mexican Hat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 963' ENL 168' FEL		COUNTY: San Juan
QTR/QR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 7 42S 19E 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 <small>(Submit in Duplicate)</small> Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small> Date of work completion: 12/9/2008	<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.

Filled with cement slurry from TD (735') to Surface 38 sacks cement

Witnessed by **Bart Kettle** Department of Natural Resources
 Division of Oil, Gas and Mining

NAME (PLEASE PRINT) <u>Clint Howell</u>	TITLE <u>Manager</u>
SIGNATURE	DATE <u>1/8/2009</u>

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JAN 12 2009
 DIV. OF OIL, GAS & MINING