



TOM BROWN, INC.

April 23, 2002

TO WHOM IT MAY CONCERN

Re: **Agent Authorization**

Gentlemen:

This letter is to inform you that Permitco is authorized to act as Agent and to sign documents on behalf of Tom Brown, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc. for any of Tom Brown, Inc. permits in Colorado and Utah.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production, or compliance regulations.

Tom Brown, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

This authorization is in effect until cancelled by Tom Brown, Inc.

Sincerely,

TOM BROWN, INC.

David S. Petrie
Regulatory, Environmental &
Govt. Relations Manager



14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

August 29, 2003

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

Attn: Lesha Cordova

Re: Tom Brown, Inc.
Big Indian #27-34
1980' FSL and 660' FEL
NE SE Sec. 27, T29S - R24E
San Juan County, Utah
Lease No. UTU-014905

Dear Lesha,

Enclosed please find three copies of the A.P.D. for the above mentioned well.

If you should have any questions regarding the enclosed material, please don't hesitate to contact me.
Your early approval of this application would be greatly appreciated.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
Tom Brown, Inc.

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DIV. OF OIL, GAS & MINING

Enc.

cc: Tom Brown, Inc. - Denver, CO
Tom Brown, Inc. - Grand Junction, CO
Tom Brown, Inc. - Moab, UT

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

FORM 3

001

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO.: UTU-014905	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Tom Brown, Inc.		9. WELL NAME and NUMBER: Big Indian #27-34	
3. ADDRESS OF OPERATOR: 555 - 17th Street, Suite 1850, Denver, CO 80202		10. FIELD AND POOL, OR WILDCAT: Big Indian Undesignated	
PHONE NUMBER: 303/260-5000		11. QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN: Sec. 27, T29S-R24E	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1980' FSL and 660' FEL AT PROPOSED PRODUCING ZONE: NE SE		<i>4234817Y 38.25029</i> <i>652584X -109.25625</i>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 37 miles southeast of Moab, UT		12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 660'	16. NUMBER OF ACRES IN LEASE: 932.55	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 Acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): None	19. PROPOSED DEPTH: 6,100'	20. BOND DESCRIPTION: Nationwide Bond No. ESO-183	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6918' GL	22. APPROXIMATE DATE WORK WILL START: February 15, 2004	23. ESTIMATED DURATION: 15 Days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
24"	16" Conductor	40'	Redi Mix to surface
12-1/4"	9-5/8", 36#, J-55, STC	2,240'	515 sx Premium Lt, 2.24 yield, 12.0# + 190 sx Type III, 1.38 yield, 14.6#
8-3/4"	5-1/2", 17#, K55, LTC	6,100'	590 sx Premium Lt HS, 2.02 yield, 12.7#
CONFIDENTIAL-TIGHT HOLE			

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

AGENT: **PermitCo Inc. 14421 County Road 10, Fort Lupton, CO 80621** AGENT'S PHONE NO.: **303-857-9999**
 NAME (PLEASE PRINT) Lisa L. Smith TITLE Agent for Tom Brown, Inc.
 SIGNATURE *Lisa L. Smith* DATE August 29, 2003

(This space for State use only)

API NUMBER ASSIGNED: 43-037-31828

(11/2001)

*Federal Approval of this
Action is Necessary*

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-04-03
By: *[Signature]*

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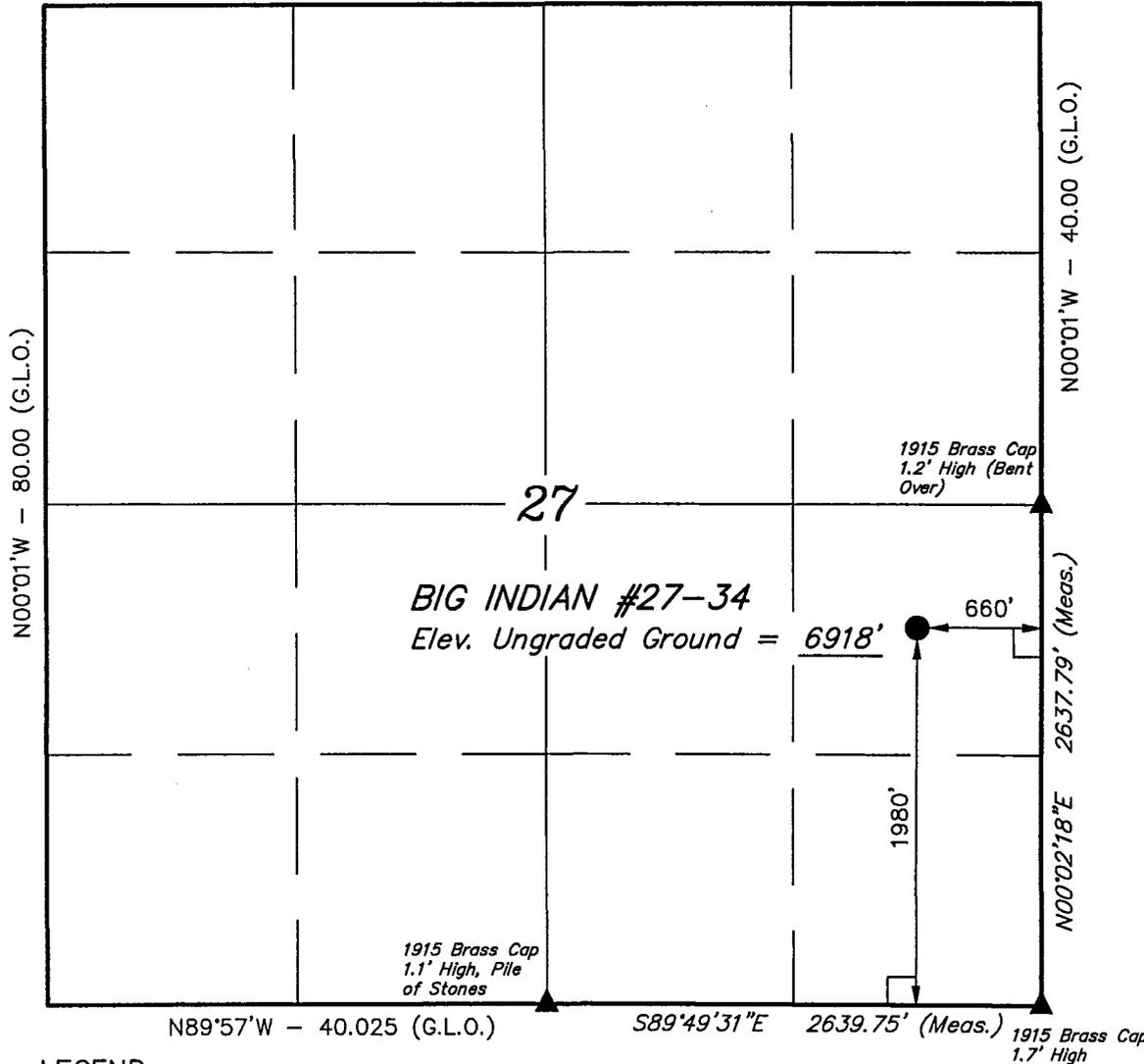
DIV. OF OIL, GAS & MINING

T29S, R24E, S.L.B.&M.

TOM BROWN INC.

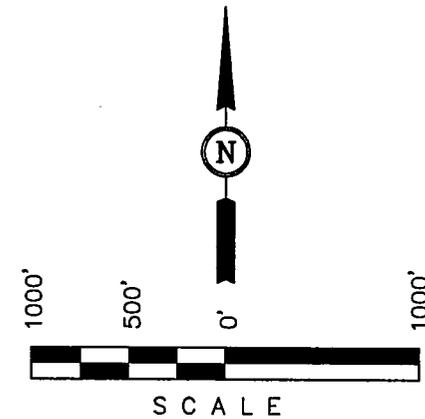
Well location, BIG INDIAN #27-34, located as shown in the NE 1/4 SE 1/4 of Section 27, T29S, R24E, S.L.B.&M. San Juan County, Utah.

WEST - 80.17 (G.L.O.)



BASIS OF ELEVATION

BENCH MARK (LA SAL 7207) LOCATED NEAR 1/4 CORNER ON THE WEST LINE OF SECTION 34, T29S, R24E, S.L.B.&M. TAKEN FROM THE SANDSTONE DRAW QUADRANGLE, UTAH, SAN JUAN COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7207 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.

Robert H. ...

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

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

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.
(AUTONOMOUS NAD 83)
LATITUDE = 38°15'00.87" (38.250242)
LONGITUDE = 109°15'25.38" (109.257050)

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

SCALE 1" = 1000'	DATE SURVEYED: 07-24-03	DATE DRAWN: 07-31-03
PARTY J.F. A.F. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE TOM BROWN INC.	

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore
Federal and Indian Oil & Gas Leases

Big Indian #27-34

1980' FSL and 660' FEL
NE SE Section 27, T29S - R24E
San Juan County, Utah

Prepared For:

TOM BROWN, INC.

By:

PERMITCO INC.
14421 County Road 10
Ft. Lupton, Colorado 80621
303/857-9999

Copies Sent To:

- 4 - BLM - Moab, UT
- Utah Division of Oil, Gas & Mining - SLC, UT
- 3 - Tom Brown, Inc. - Denver, CO
- 1 - Tom Brown, Inc. - Grand Junction
- 1 - Tom Brown, Inc. - Moab, Utah

CONFIDENTIAL - TIGHT HOLE

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DIV. OF OIL, GAS & MINING



APPLICATION FOR PERMIT TO DRILL OR REENTER

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
Attached.
2. A Drilling Plan

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the Appropriate Forest Service Office.
See Surface Use Plan Attached.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20).
Bond coverage for this well is provided by Tom Brown, Inc. under their BLM Bond No. Nationwide Bond No. ESO-183.

5. Operator certification.
Please be advised that Tom Brown, Inc. is considered to be the operator of the above mentioned well. Tom Brown, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

6. Such other site specific information and/or plans as may be required by the authorized officer.

TABLE OF CONTENTS

Big Indian #27-34

DRILLING PROGRAM

	<u>Page No.</u>
1. Formation Tops	1
2. Anticipated Depth of Oil, Gas & Water	2
3. Blow Out Preventor Requirements	2 - 3
4. Casing and Cement Program	4 - 6
5. Mud Program	7
6. Evaluation Program	7 - 8
7. Abnormal Pressures & H ₂ S Gas	8 - 9
8. Other Information & Notification Requirements	9 - 11

SURFACE USE PLAN

1. Existing Roads	1
2. Planned Access Roads	2
3. Location of Wells Within 1-Mile	3
4. Proposed Production Facilities	3 - 4
5. Location and Type of Water Supply	4
6. Construction Materials	4 - 5
7. Waste Disposal	5
8. Ancillary Facilities	5
9. Wellsite Layout	5 - 6
10. Reclamation	6 - 7
11. Surface/Mineral Ownership	7
12. Other Information	7 - 9
13. Certification	9 - 10



Tom Brown, Inc.

Lease No. UTU-014905

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 1

**ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. ESTIMATED TOPS/ GEOLOGIC MARKERS

The estimated tops of important geologic markers are as follows:

<i>Formation</i>	<i>Depth</i>	<i>Subsea</i>
Burro Canyon	Surface	
Entrada	1,000'	6,100'
Navajo	1,210'	5,890'
Kayenta	1,910'	5,190'
Wingate	1,950'	5,150'
Chinle	2,230'	4,870'
Cutler	2,520'	4,580'
Honaker Trail	3,795'	3,305'
Ismay	5,700'	1,400'
Paradox Salt	6,070'	1,030'
TD	6,100'	1,000'



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NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 2

2. ESTIMATED DEPTH OF OIL, GAS WATER AND OTHER MINERAL BEARING ZONES

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<i>Substance</i>	<i>Formation</i>	<i>Depth</i>
Water	Entrada	1,000'
Water	Navajo	1,210'
Water	Kayenta	1,910'
Water	Wingate	1,950'
Water	Chinle	2,230'
Gas	Honaker Trail	3,795'
Gas	Ismay	5,700'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the BLM. All oil and gas shows will be tested to determine commercial potential.

3. BOP EQUIPMENT

Tom Brown, Inc.'s minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double, 2000 psi w.p.

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers will be inspected and operated each trip (no more than once a day is necessary), and annular preventers will be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.



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Big Indian #27-34

Lease No. UTU-014905

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 3

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

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

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

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

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

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log. Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

Pressure tests shall apply to all related well control equipment.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 2000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.



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Big Indian #27-34

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NE SE Section 27, T29S - R24E

San Juan County, Utah

Lease No. UTU-014905

DRILLING PROGRAM

Page 4

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

4. CASING AND CEMENTING PROGRAM

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.



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Lease No. UTU-014905

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NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 5

- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing program will be as follows:

<i>Purpose</i>	<i>Depth</i>	<i>Hole Size</i>	<i>O.D.</i>	<i>Weight</i>	<i>Grade</i>	<i>Type</i>	<i>New/Used</i>
Conductor	0' - 40'	24"	16"	---	---	---	---
Surface	0' - 2,240'	12 - 1/4"	9 - 5/8"	36#	J-55	ST&C	New
Production	0' - 6,100'	8 - 3/4"	5 - 1/2"	17#	K-55	LT&C	New

- o. Casing design subject to revision based on geologic conditions encountered.
- p. The cement program will be as follows:

<i>Conductor</i>	<i>Type and Amount</i>
0 - 40'	Redi Mix to Surface.



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Lease No. UTU-014905

Big Indian #27-34

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NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 6

<i>Surface</i>	<i>Type and Amount</i>
0 - 2,240'	Lead: 515 sx Prem. Lt, 2.24 yield, 12.0# Tail: 190 sx Type III, 1.38 yield, 14.6#, or sufficient to circulate to surface.
<i>Production</i>	<i>Type and Amount</i>
2,500' - 6,100'	590 sx Prem. Lt HS, 2.02 yield, 12.7#

- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.



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Lease No. UTU-014905

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DRILLING PROGRAM

San Juan County, Utah

Page 7

5. MUD PROGRAM

a. The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>
0' - 2,240'	Water	+/-8.5	+/-28	N/C
2,240' - 2,600'	Water	+/-8.5	+/-28	N/C
2,600' - 6,100'	LSND	+/-9.0	+/-34	+/-10

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

- b. Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.
- c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

6. EVALUATION PROGRAM

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

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

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



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NE SE Section 27, T29S - R24E

San Juan County, Utah

Lease No. UTU-014905

DRILLING PROGRAM

Page 8

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

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

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

- b. The logging program will consist of a Platform Express from surface casing to TD.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:

Perforate zones of interest and place on production.

7. ANTICIPATED PRESSURES AND H₂S

- a. The expected maximum bottom hole pressure is 2623 psi. No abnormal pressures are anticipated.
- b. Hydrogen sulfide gas is not anticipated, however, as requested by the BLM, an H₂S Contingency Plan will be submitted under separate cover by a third party contractor.



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NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 9

- c. As per Onshore Order No. 6, III,A,2.b., if hydrogen sulfide is present the "operator shall initially test the H₂S concentration of the gas stream for each well or production facility..." Submit the results of this test within 30 days of filing Form 3160-4, "Well Completion or Recompletion Report and Log".

8. OTHER INFORMATION AND NOTIFICATION REQUIREMENTS

- a. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- b. Production data shall be reported to the MMS pursuant to 30 CFR 216.5 using form MMS/3160.
- c. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- d. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- e. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.



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San Juan County, Utah

Lease No. UTU-014905

DRILLING PROGRAM

Page 10

- f. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 and Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- g. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."
- If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).
- h. Drilling operations are planned to commence on approximately February 15, 2004.
- i. It is anticipated that the drilling of this well will take approximately 15 days.
- j. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- k. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- l. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.



ONSHORE ORDER NO. 1

Tom Brown, Inc.

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

San Juan County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-014905

DRILLING PROGRAM

Page 11

- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative. or the appropriate Surface Managing Agency.



Tom Brown, Inc.

Big Indian #27-34

Lease No. UTU-014905

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 1

ONSHORE OIL & GAS ORDER NO. 1
Thirteen Point Surface Use Plan

An onsite inspection of the subject well was conducted on Tuesday, August 5, 2003 at approximately 1:35 p.m. Weather conditions were sunny, warm and breezy. In attendance at the onsite inspection were the following individuals:

Rich McClure	Bureau of Land Management
Rick Costanza	Tom Brown, Inc.
Lisa Smith	Permitco Inc.
Mike Shumway	K-Sue Corporation
Lesha Cordova	Utah Division of Oil, Gas & Mining
Tony Wright	Utah Division of Wildlife Resources

1. EXISTING ROADS

- a. The proposed well site is located approximately 35 miles southeast of Moab, Utah.
- b. Directions to the location from Moab, Utah are as follows:

From, Moab, Utah proceed south on Highway 191 for 21.7 miles to LaSal Junction. Turn left on Highway 45 and proceed easterly for 8.8 miles to County Road 115 (Copper Mill Road). Turn right and proceed south for 4.3 miles. Turn left onto County Road 1121 and proceed southeasterly for approximately 300 feet. Turn left and proceed northerly along an existing ranch road for approximately 0.1 miles to the location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary since all roads are maintained by the San Juan County Road Department.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.



Tom Brown, Inc.

Lease No. UTU-014905

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 2

2. PLANNED ACCESS ROADS

- a. The last 0.1 miles of existing ranch road will be upgraded to minimum standards until production is established.
- b. The maximum width of the bladed road will be 21 feet. If production is established the running surface of the road will be 15 to 21 feet with a maximum disturbed width of 35 feet.
- c. The maximum grade of the new access will be approximately 6%.
- d. No turnouts will be necessary.
- e. No culverts or low water crossings will be necessary.
- f. The proposed access road was centerline flagged at the time of staking.
- g. Surfacing of the pad and new access may be necessary, depending on the weather conditions at the time of drilling.
- h. A cattle guard will be installed on County Road 1121 at the intersection of County Road 115. Installation of the cattle guard will be done by the San Juan County Road Department.
- i. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved by the Field Manager in advance.
- j. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the authorized officer.
- k. Road right of way to this well was previously requested under SF-299 to obtain access to the Big Indian #36-42 located on State Lands.



Tom Brown, Inc.

Big Indian #27-34

Lease No. UTU-014905

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 3

3. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION.
SEE MAP "C"

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut In wells - none
- f. Abandoned wells - two

4. PROPOSED PRODUCTION FACILITIES

- a. Production facilities will be located on the well pad. A Production Facilities Layout is attached.
- b. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will match the adjacent vegetation. The actual color will be specified by the Bureau of Land Management.
- c. All site security guidelines identified in 43 CFR 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed:
- d. If a gas meter run is constructed, it will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provision of 43 CFR 3162.7-3, Onshore Order No. 5 and American Gas Association (AGA) Report No. 3.



Tom Brown, Inc.

Big Indian #27-34

Lease No. UTU-014905

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 4

- e. The tank battery will be surrounded by a berm of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4.
- f. Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Order No. 7. If water is produced from the well, an Onshore Order No. 7 application must be submitted.
- g. Any necessary pits will be properly fenced to prevent any wildlife entry.
- h. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the Authorized Officer.
- i. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- j. The road will be maintained in a safe useable condition.

5. LOCATION AND TYPE OF WATER SUPPLY

- a. All water needed for drilling purposes will be obtained from a pond at the Rattlesnake Ranch near Coyote Wash.
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.
- d. This water source is permitted under Permit No. 05-570.

6. CONSTRUCTION MATERIALS

- a. Pad construction material will be native (that found in the well pad).
- b. Native material found in the pad may also be used for road upgrading.



- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2-3.
- d. No construction materials will be removed from Federal land.

7. **METHODS OF HANDLING WASTE DISPOSAL**

- a. All fluids contained within the reserve pit will be allowed to evaporate and the pit will be backfilled. The reserve pit will not be lined.
- b. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight. Trash will be hauled as necessary, but not later than at the completion of drilling operations.
- c. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- d. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations.
- e. The produced fluids (other than water) will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. **ANCILLARY FACILITIES**

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. **WELLSITE LAYOUT**

- a. See Location Layout (Figure #1) and Typical Cross Sections (Figure #2) for orientation of rig, cross section of drill pad and cuts and fills.
- b. Approximately 300 feet of a buried water pipeline (Keystone Pipeline) will be used as the road to the proposed drill site and the well site will overlap approximately 200 feet of pipeline..



- c. After the well site is constructed, a new steel pipeline will be buried along the eastern sides of the well site (~200 feet) and road (~300 feet).
- d. The pipeline will be constructed of steel pipe of the same grade as the existing pipe. Any changes in pipe materials must be approved in advance by the BLM.
- e. The pipeline will be located approximately 15 feet from the edges of the road and well site.
- f. The pipeline will be buried approximately 3 feet deep.
- g. Prior to excavating the pipeline route, the contractor will meet with the BLM to stake the route for the pipeline. BLM will inspect the pipeline prior to being covered.
- h. The route of the new buried pipeline will be seeded with the same seed mixture as specified in the APD.
- i. Six inches of topsoil (or the maximum available) will be salvaged during construction and reserved for use in reclamation.
- j. Sage brush will be stockpiled separately from the topsoil as shown on the Location Layout (Figure #1).
- k. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6
- l. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Typical Rig Layout (Figure #3).
- m. A flare pit will be located a minimum of 30 feet from the edge of the reserve pit and a minimum of 150 feet from the well head.
- n. Any pits containing fluid will be fenced to prevent wildlife entry.

10. **PLANS FOR RESTORATION OF SURFACE**

- a. Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.



Tom Brown, Inc.

Lease No. UTU-014905

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 7

- b. The cuttings pit will be allowed to dry and will then be backfilled.
- c. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- d. Seeding will be done in the fall as required by the BLM. The suggested seed mixture is as follows:

<i>Species</i>	<i>#'s PLS/Acre</i>
Crested wheatgrass	4
Four-wing saltbush	4
Indian Ricegrass	4
Alfalfa	0.5
TOTAL	12.5

- e. The abandonment marker will be at least four feet above ground level and will be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment.

11. SURFACE/MINERAL OWNERSHIP

Access Roads - All roads are County maintained or are located on lands managed by the BLM.

Well pad - The well pad is located on lands managed by the BLM.

12. OTHER INFORMATION

- a. A Class III archeological has been conducted by Four Corners Archeological. No significant cultural resources were found and clearance for the project has been



Tom Brown, Inc.

Big Indian #27-34

Lease No. UTU-014905

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 8

recommended. A copy of this report will be submitted to the appropriate agencies by Four Corners Archeological.

- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- d. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.



Tom Brown, Inc.

Big Indian #27-34

Lease No. UTU-014905

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

SURFACE USE PLAN

San Juan County, Utah

Page 9

- e. There will be no deviation from the proposed drilling and/or work over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.h.
- f. "Sundry Notice and Report on Wells" (From 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- g. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period.
- h. The operator or his contractor shall contact the BLM Offices at 435/259-6111 48 hours prior to construction activities.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

Permit Matters

PERMITCO INC.

Lisa L. Smith

14421 County Road 10

Ft. Lupton, CO 80621

303/857-9999 (Office)

303/857-0577 (Fax)

Drilling & Completion Matters

TOM BROWN, INC.

555-17th Street, Suite 1850

Denver, CO 80202

Dave Petrie - Regulatory

303/260-5000 (Office)

303/260-5007 (Fax)

303/ 205-9896 (Home) Greg Olson

303/324-9391 (Cell)

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Tom Brown, Inc. and their contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



ONSHORE ORDER NO. 1

Tom Brown, Inc.

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

San Juan County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-014905

SURFACE USE PLAN

Page 10

This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

August 29, 2003

Lisa L. Smith

Date:

Lisa L. Smith - PERMITCO INC.

Authorized Agent for:

Tom Brown, Inc.



TOM BROWN, INC.
BIG INDIAN #27-34
 LOCATED IN SAN JUAN COUNTY, UTAH
 SECTION 27, T29S, R24E, S.L.B.&M.

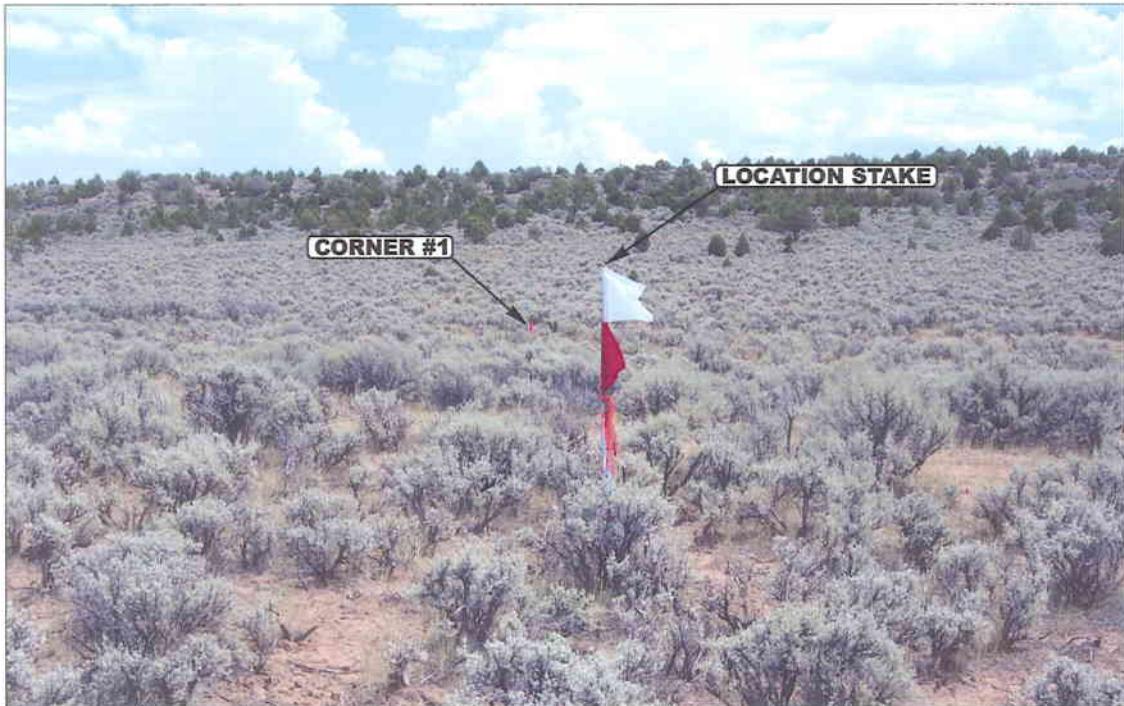


PHOTO: VIEW FROM LOCATION STAKE TO CORNER #1

CAMERA ANGLE: EASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



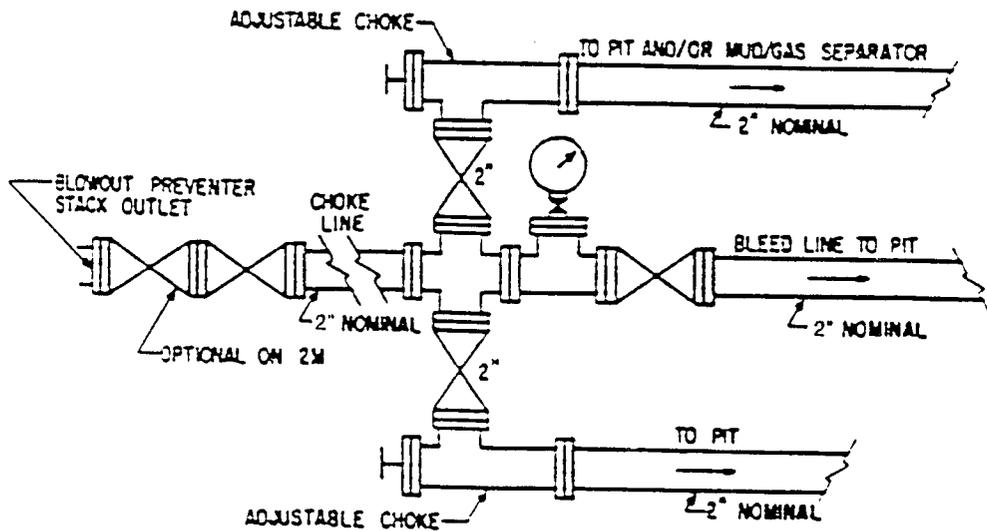
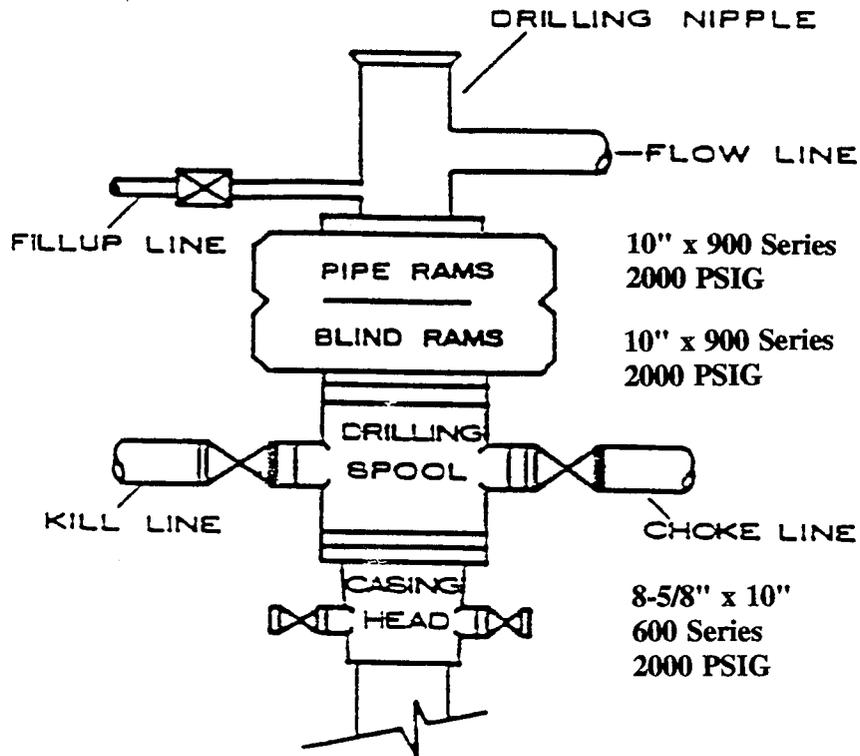
UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uels@uelsinc.com

- Since 1964 -

LOCATION PHOTOS			7	30	03	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: J.F.	DRAWN BY: J.L.G.	REVISED: 00-00-00				

BOP STACK

2,000 PSI



2,000 PSI CHOKE MANIFOLD

TOM BROWN INC.

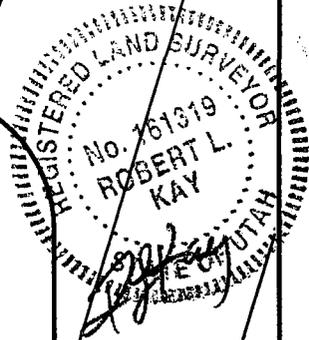
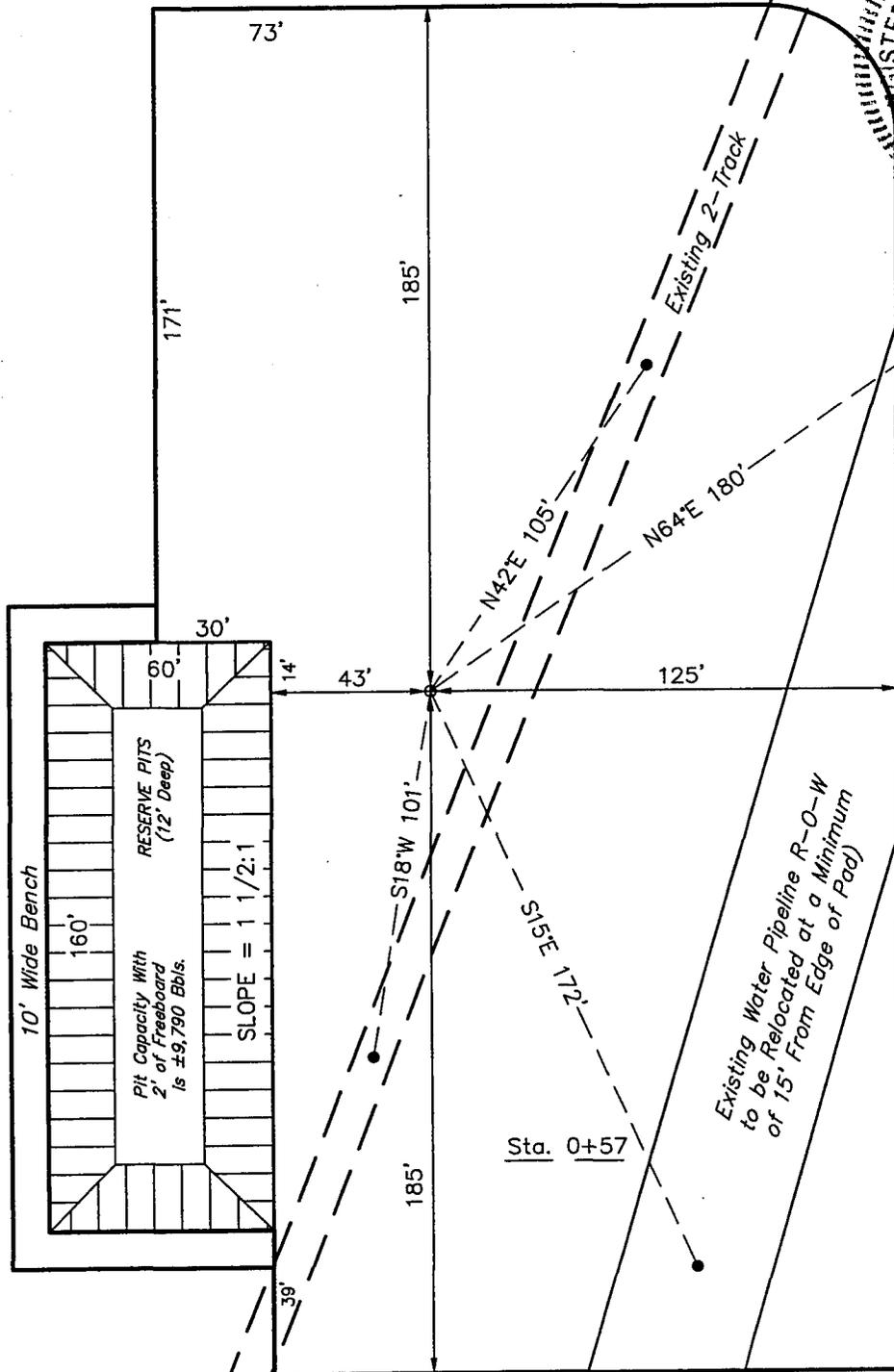
ADDENDUM TO LEGAL PLAT

BIG INDIAN #27-34
SECTION 27, T29S, R24E, S.L.B.&M.
1980' FSL 660' FEL

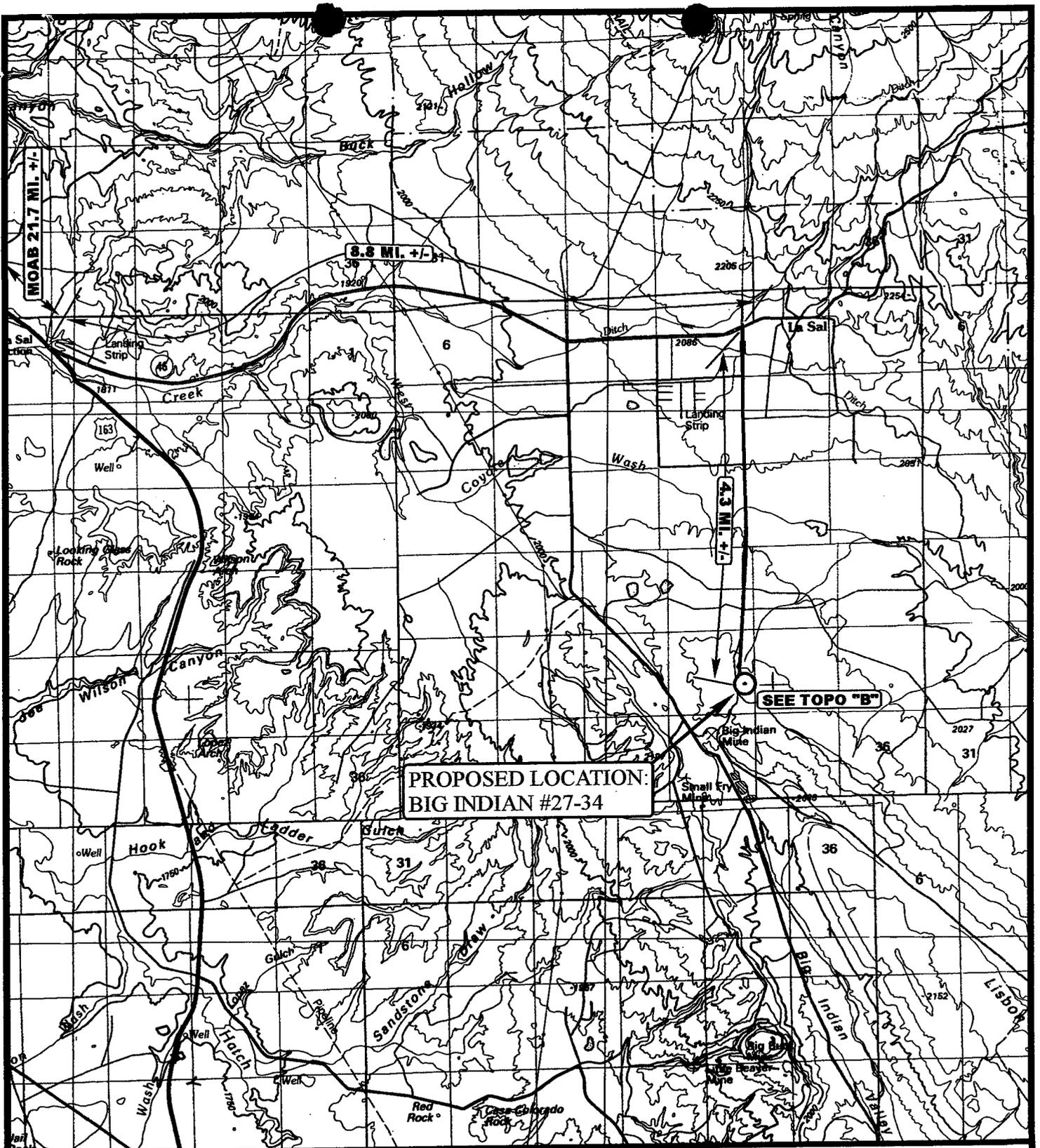


SCALE: 1" = 50'
DATE: 07-31-03
Drawn By: D.R.B.
Rev.: 08-20-03 D.R.B.

NOTE:
Flare Pit is to
be located a min.
of 150' from the
Well Head & 30'
From Reserve Pit



SURFACE USE OF LOCATION IS GRAZING,
VEGETATION CONSISTS MAINLY OF
SAGEBRUSH & GRASSES.



**PROPOSED LOCATION:
BIG INDIAN #27-34**

SEE TOPO "B"

LEGEND:

○ PROPOSED LOCATION

TOM BROWN INC.

**BIG INDIAN #27-34
SECTION 27, T29S, R24E, S.L.B.&M.
1980' FSL 660' FEL**



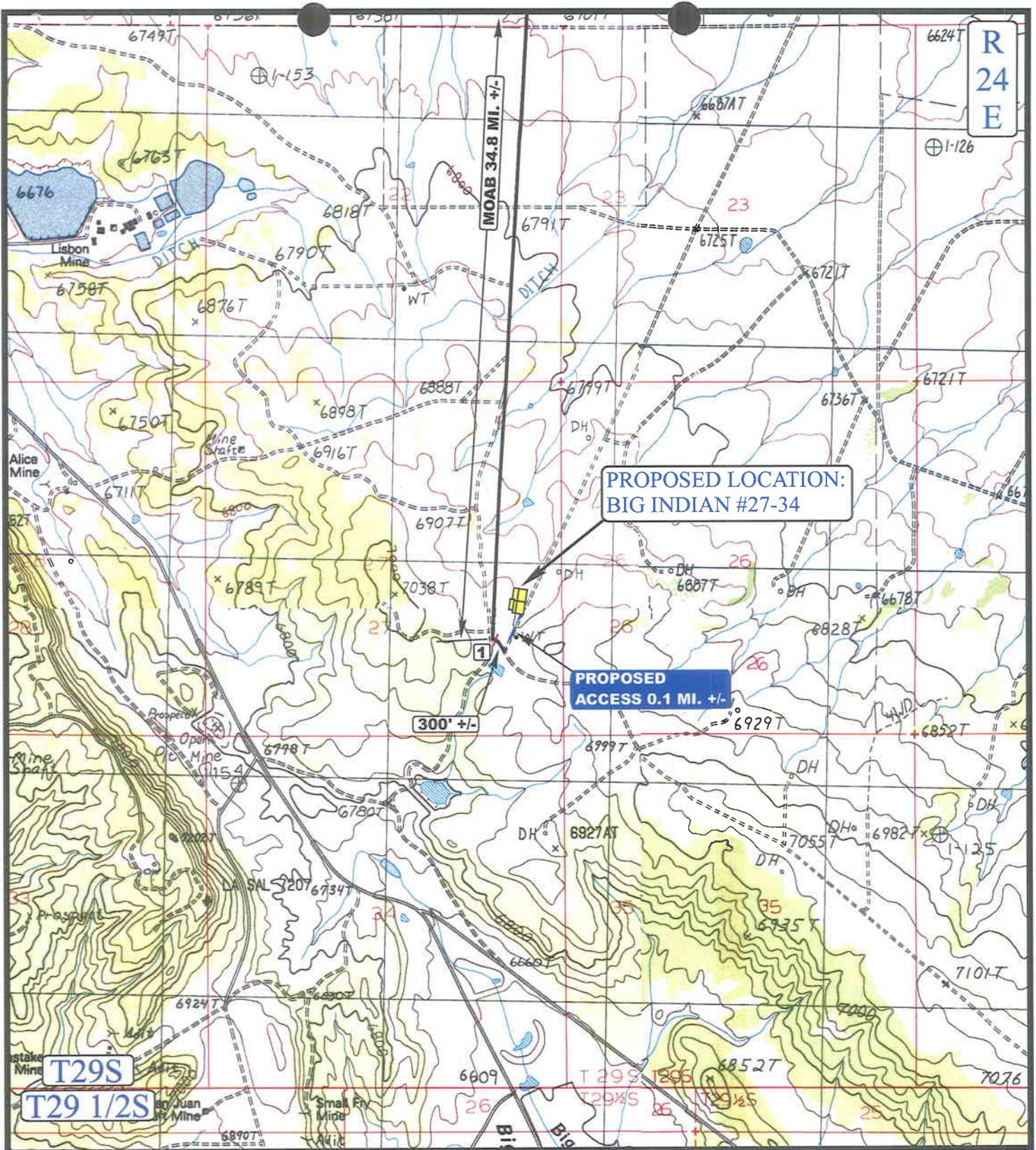
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

7	30	03
MONTH	DAY	YEAR

A
TOPO

SCALE: 1:100,000 DRAWN BY: JLG REVISED: 00-00-00



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD
- 1 CATTLE GUARD TO BE INSTALLED

TOM BROWN INC.

BIG INDIAN #27-34
SECTION 27, T29S, R24E, S.L.B.&M.
1980' FSL 660' FEL



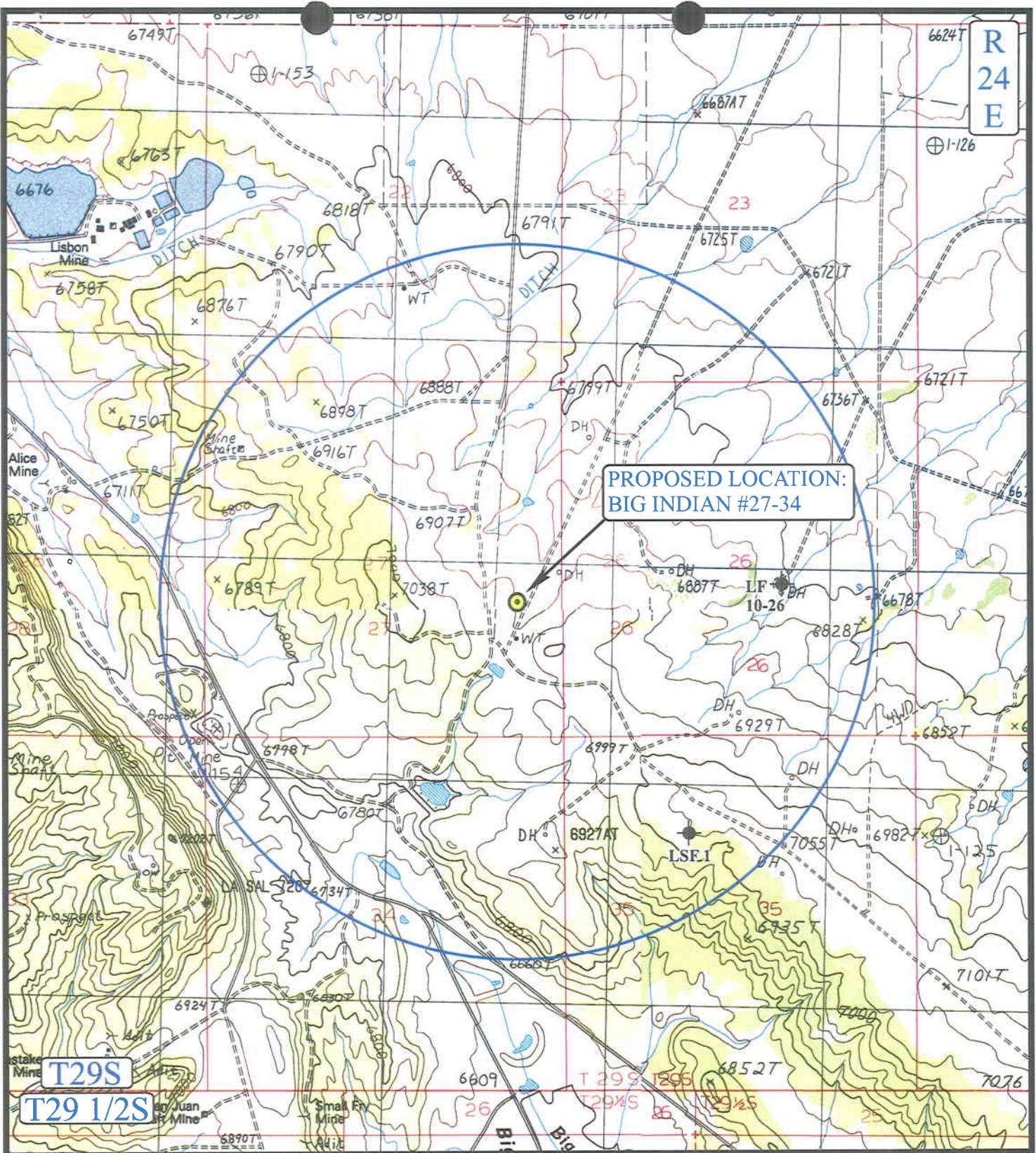
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC **7 30 03**
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 8-20-03





LEGEND:

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



TOM BROWN INC.

BIG INDIAN #27-34
SECTION 27, T29S, R24E, S.L.B.&M.
1980' FSL 660' FEL



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

TOPOGRAPHIC
MAP

7 30 03
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: J.L.G.

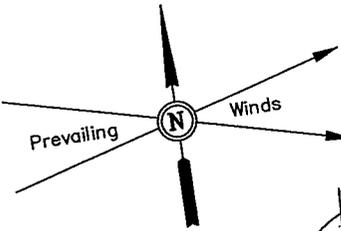
REVISED: 00-00-00



TOM BROWN INC.
LOCATION LAYOUT FOR

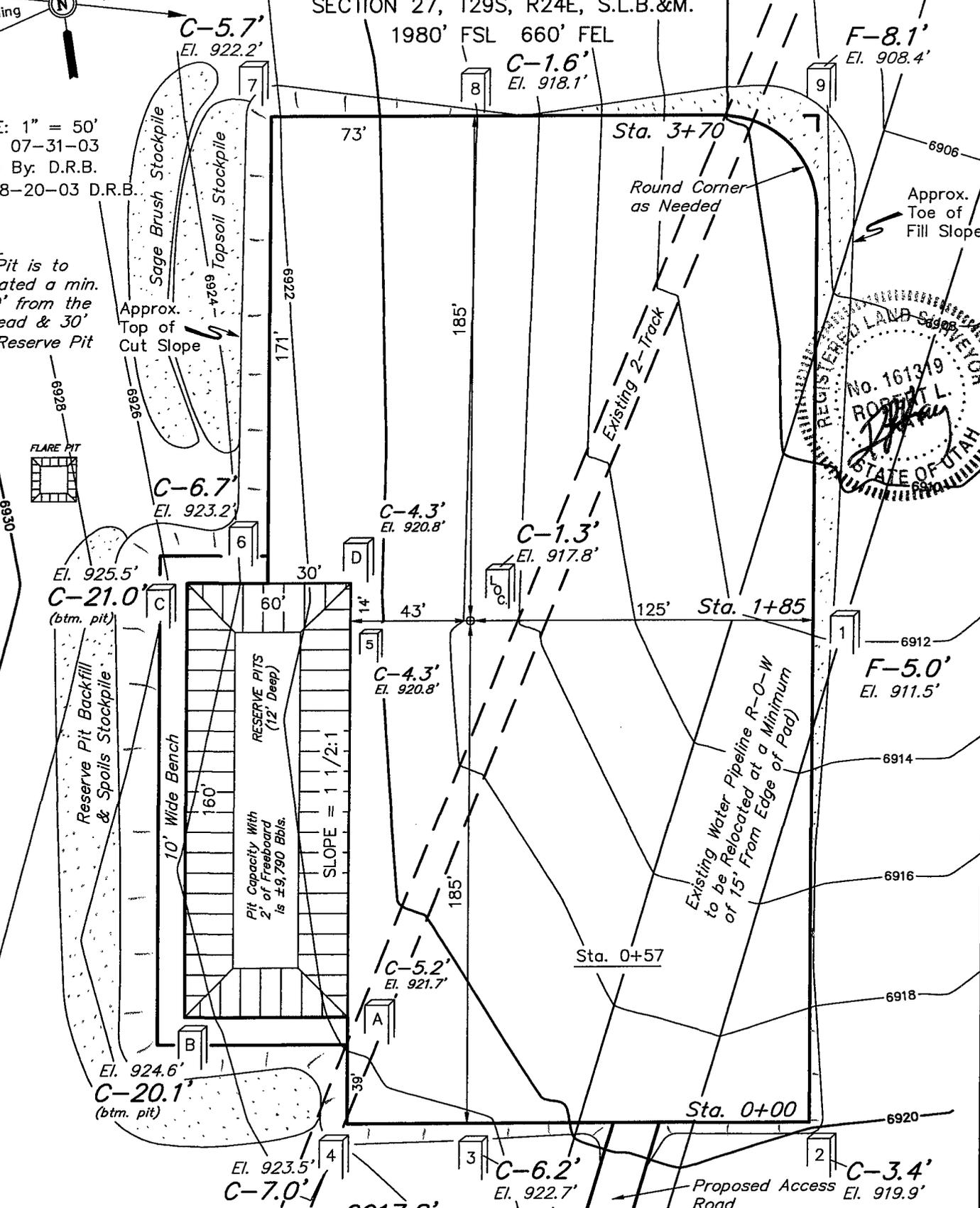
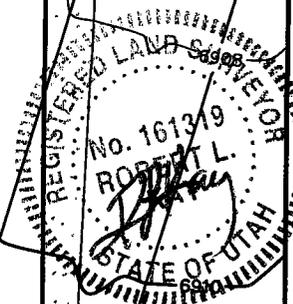
FIGURE #1

BIG INDIAN #27-34
SECTION 27, T29S, R24E, S.L.B.&M.
1980' FSL 660' FEL



SCALE: 1" = 50'
 DATE: 07-31-03
 Drawn By: D.R.B.
 Rev.: 08-20-03 D.R.B.

NOTE:
 Flare Pit is to be located a min. of 150' from the Well Head & 30' From Reserve Pit



Elev. Ungraded Ground at Location Stake = **6917.8'**
 Elev. Graded Ground at Location Stake = **6916.5'**

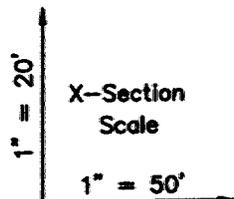
TOM BROWN INC.

TYPICAL CROSS SECTIONS FOR

BIG INDIAN #27-34

SECTION 27, T29S, R24E, S.L.B.&M.

1980' FSL 660' FEL



DATE: 07-31-03

Drawn By: D.R.B.

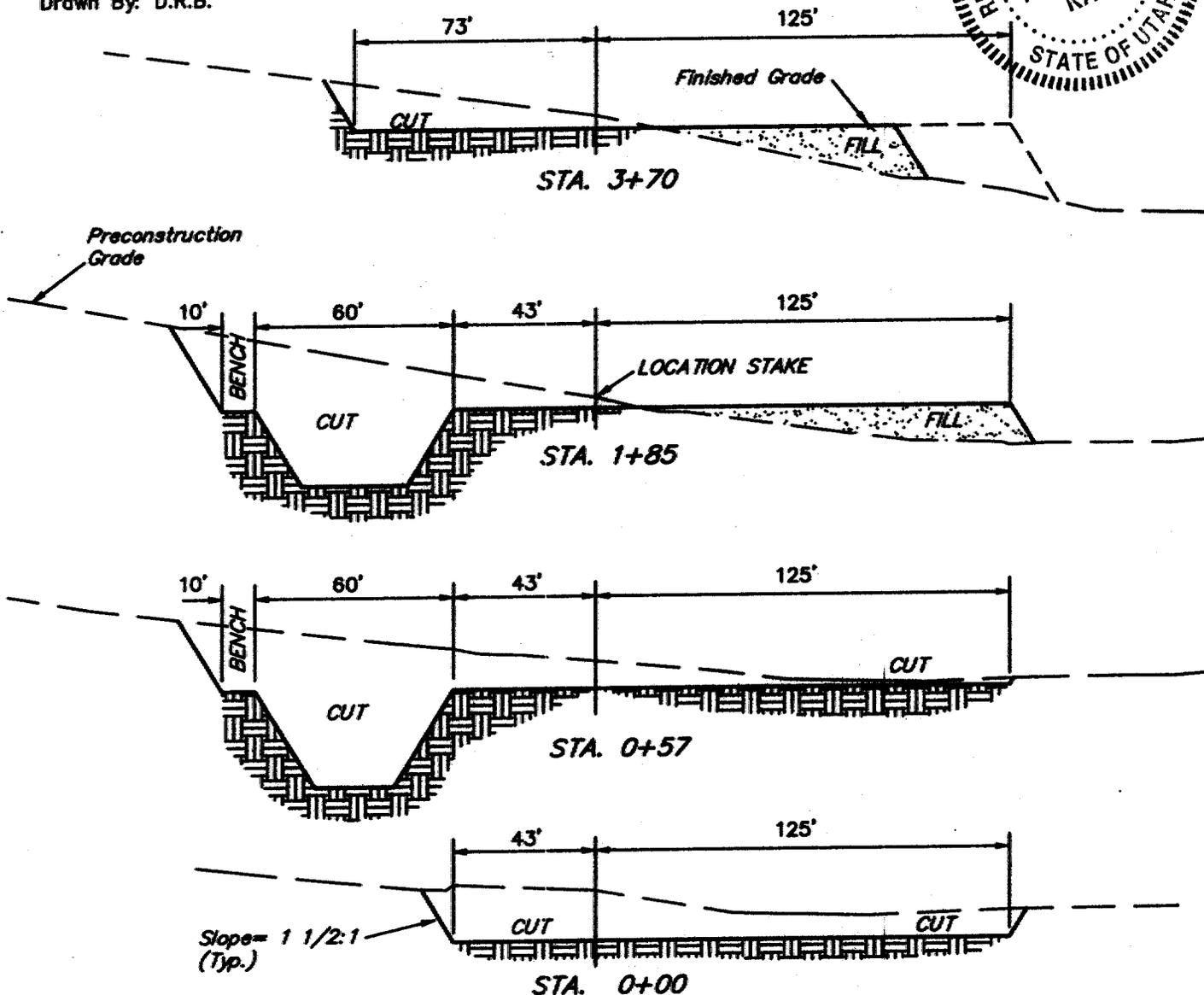


FIGURE #2

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,470 Cu. Yds.
Remaining Location	= 9,580 Cu. Yds.
TOTAL CUT	= 11,050 CU.YDS.
FILL	= 4,560 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 6,250 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,820 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 3,430 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1077

TOM BROWN INC.

TYPICAL RIG LAYOUT FOR

BIG INDIAN #27-34

SECTION 27, T29S, R24E, S.L.B.&M.

1980' FSL 660' FEL



SCALE: 1" = 50'
 DATE: 07-31-03
 Drawn By: D.R.B.
 Rev.: 08-20-03 D.R.B.

NOTE:

Flare Pit is to be located a min. of 150' from the Well Head & 30' From Reserve Pit

FLARE PIT

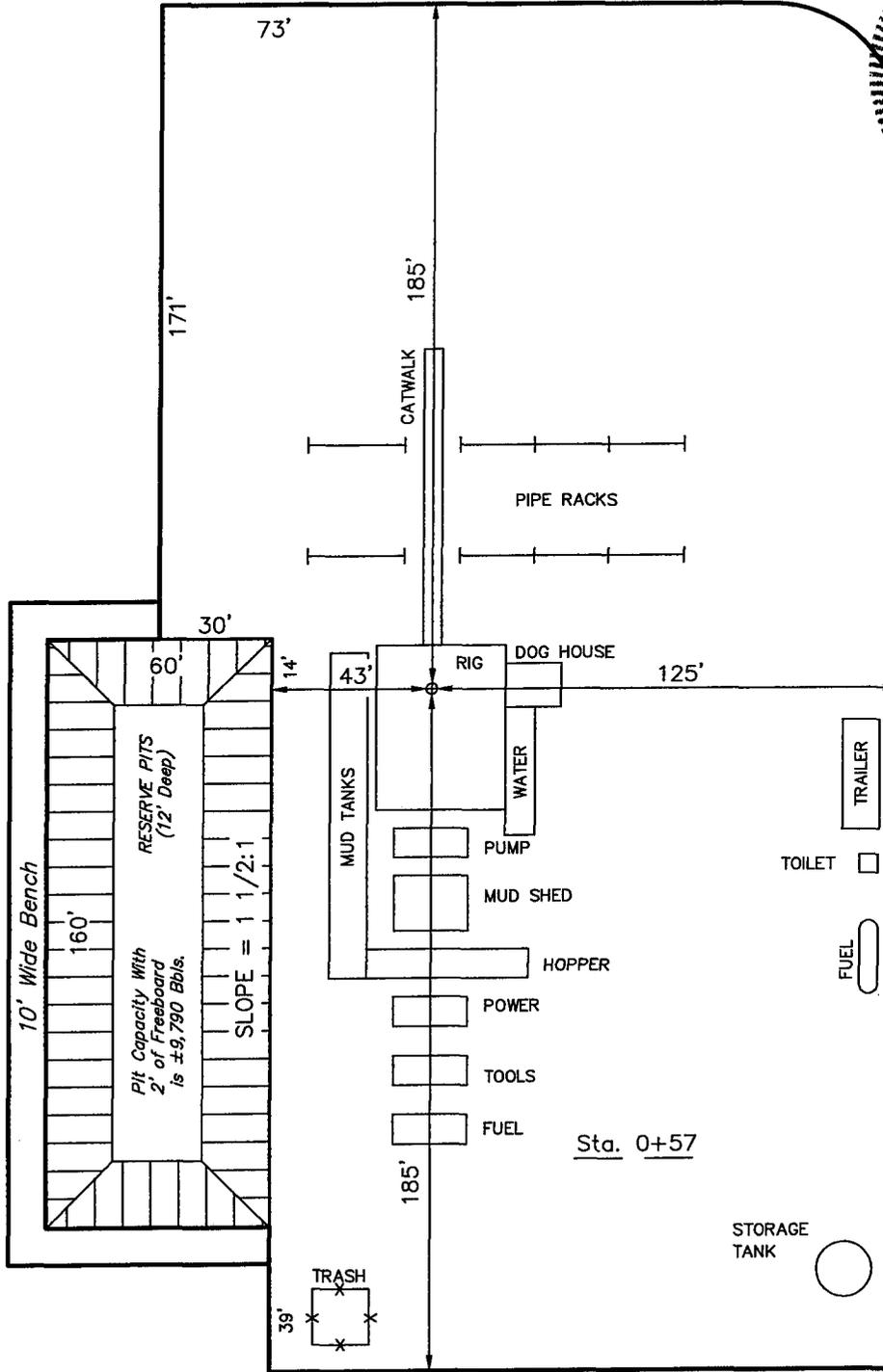
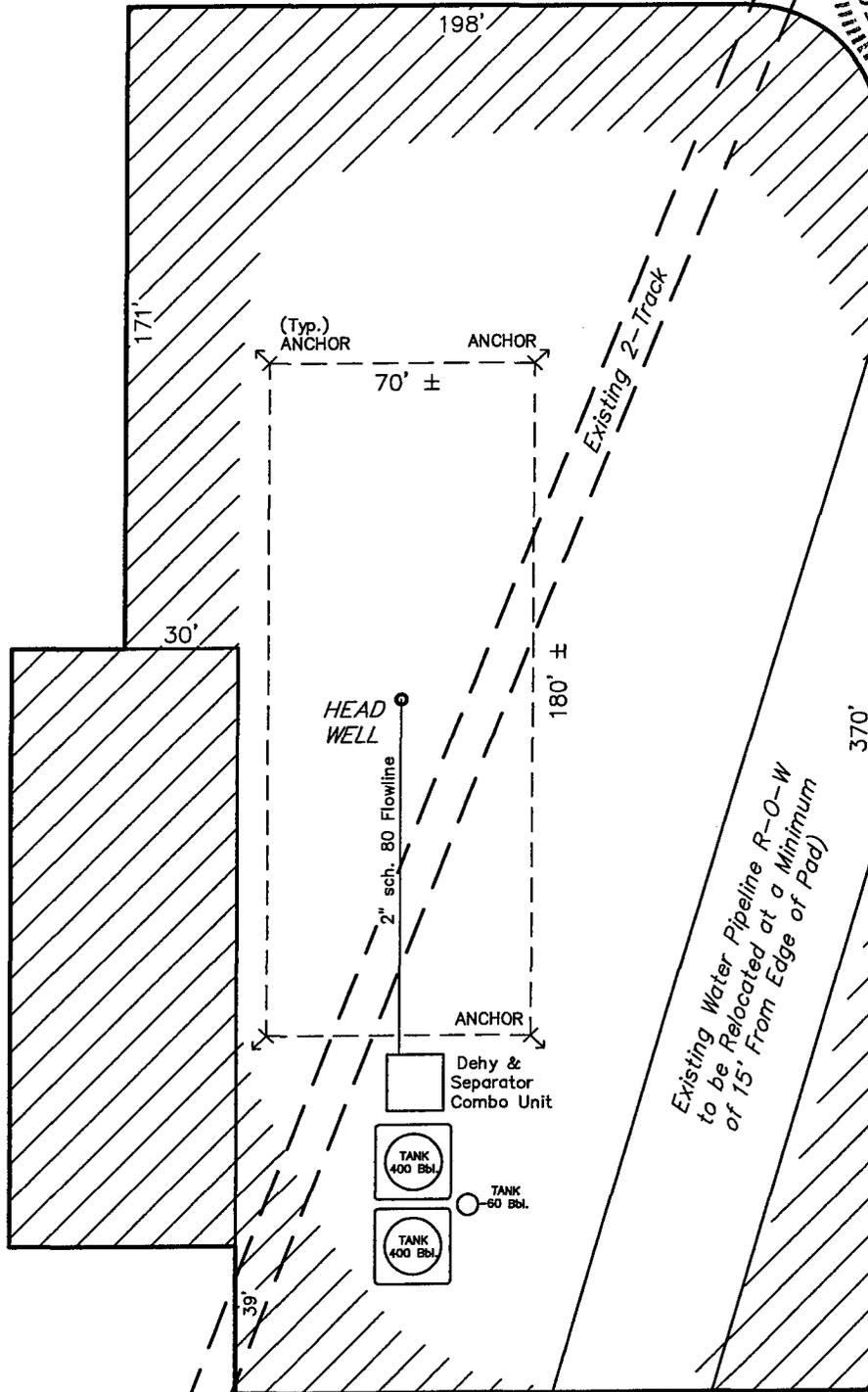
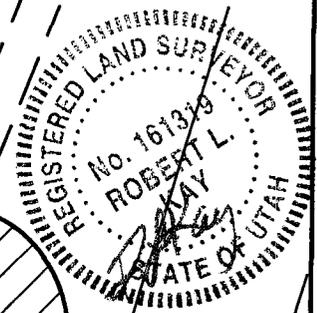


FIGURE #3

TOM BROWN INC.
PRODUCTION FACILITIES LAYOUT FOR
 BIG INDIAN #27-34
 SECTION 27, T29S, R24E, S.L.B.&M.
 1980' FSL 660' FEL



SCALE: 1" = 50'
 DATE: 08-08-03
 Drawn By: D.R.B.
 Rev.: 08-20-03 D.R.B.



= REHAB AREA

FEDERAL STIPULATIONS

Any timing restrictions imposed by the Bureau of Land Management
for this drill site will be stipulated as a Condition of Approval.



ARCHEOLOGY

A Class III Archeological Survey will be conducted by Four Corners Archeological.
No significant cultural resources were found and clearance for this project has been recommended.
A copy of the report will be submitted directly to the appropriate agencies by Four Corners Archeological.



PIPELINE INFORMATION
Big Indian #27-34

1. The type of pipeline is a gathering system.
2. The outside diameters (O.D.) of all pipe sizes is 4".
3. The anticipated production through the line (MCF per day) is 5000 MCF.
4. The anticipated maximum test pressure is 1000 psi.
5. The anticipated operating pressure is 450 psi.
6. The type of pipe is steel.
7. The method of coupling is welded.
8. There are no other pipelines to be associated in the same trench.
9. There are no other objects to be associated in the same trench.
10. The total length of pipeline is approximately 500 feet.
11. The line will be laid on the surface and will only be buried under roadways or other pipeline crossings.
12. Any sections of pipeline that are buried will be buried a minimum of 3 feet below the surface. The width of the trench will be 24 inches.
13. The method of entrenchment will be with a back hoe.
14. The construction width needed for total surface disturbing activities is 30 feet.
15. The estimate of total acreage involving all surface disturbing activities is 0.34 acres.
16. There will be shut in valves on each end of the line.
17. The pipeline will be reclaimed utilizing the reclamation procedures and seed mixture specified by the Bureau of Land Management.



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/02/2003

API NO. ASSIGNED: 43-037-31828

WELL NAME: BIG INDIAN 27-34
OPERATOR: TOM BROWN INC (N9885)
CONTACT: LISA SMITH

PHONE NUMBER: 303-857-9999

PROPOSED LOCATION:

NESE 27 290S 240E
SURFACE: 1980 FSL 0660 FEL
BOTTOM: 1980 FSL 0660 FEL
SAN JUAN
WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-014905
SURFACE OWNER: 1 - Federal

LATITUDE: 38.25029

PROPOSED FORMATION: ISMY

LONGITUDE: 109.25625

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESO-183)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 05-570)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

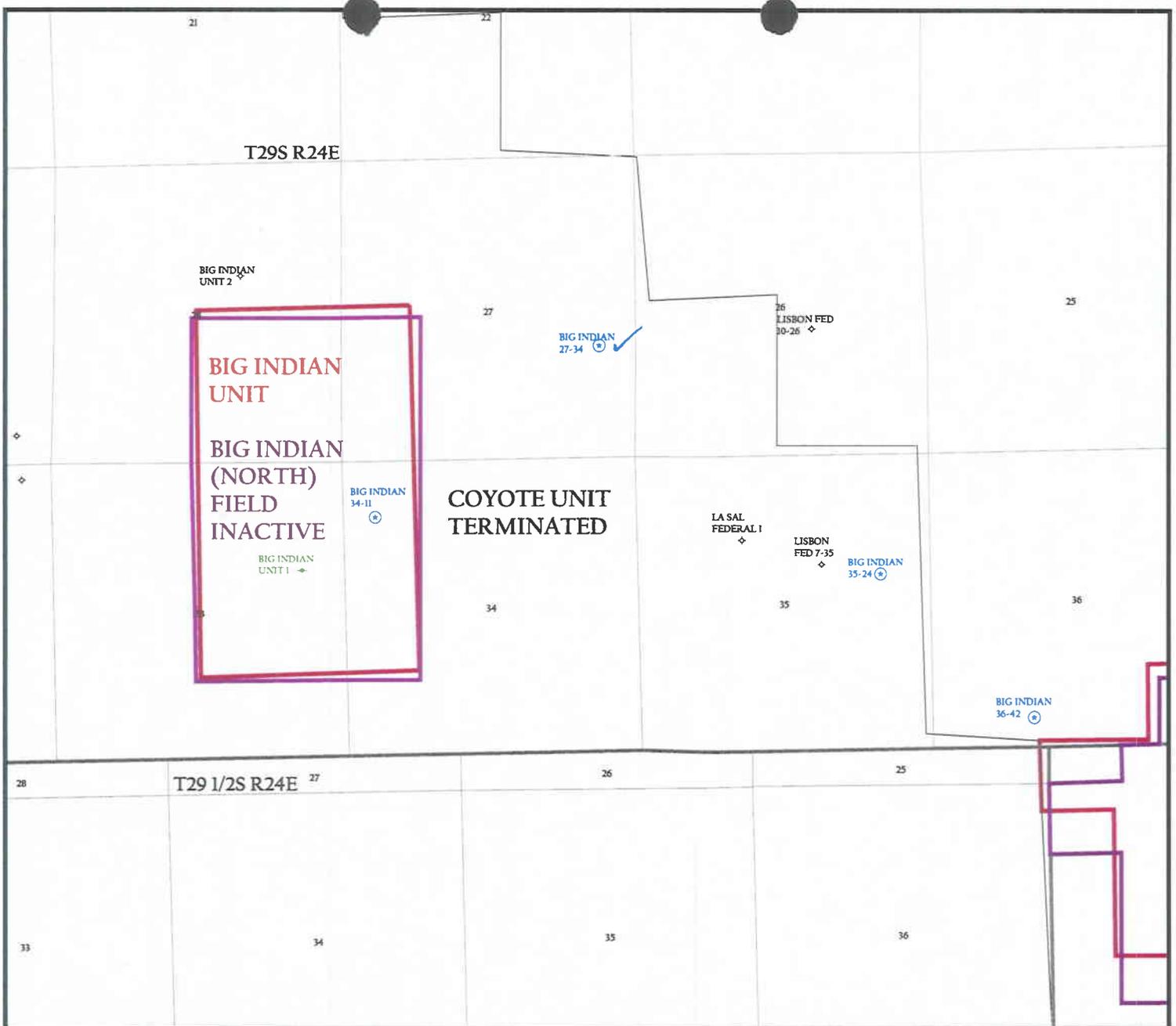
LOCATION AND SITING:

- ___ 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: _____

STIPULATIONS: 1- Federal approval

2- Spacing Strip



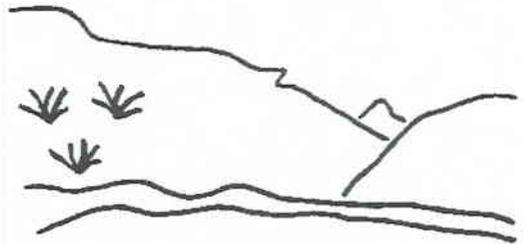
OPERATOR: TOM BROWN INC (N9885)

SEC. 27 T.29S, R.24E

FIELD: WILDCAT (001)

COUNTY: SAN JUAN

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells

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

Unit Status

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

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA MASON
DATE: 04-SEPTEMBER-2003



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

September 4, 2003

Tom Brown, Inc.
555-17th Street, Suite 1850
Denver, CO 80202

Re: Big Indian 27-34 Well, 1980' FSL, 660' FEL, NE SE, Sec. 27, T. 29 South, R. 24 East,
San Juan 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 43-037-31828.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

cc: San Juan County Assessor
Bureau of Land Management, Moab District Office

Operator: Tom Brown, Inc.
Well Name & Number Big Indian 27-34
API Number: 43-037-31828
Lease: UTU-014905

Location: NE SE Sec. 27 T. 29 South R. 24 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

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

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

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

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

005

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p><small>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</small></p>		6. Lease Designation and Serial Number UTU-014905
		7. Indian Allottee or Tribe Name N/A
		8. Unit or Communitization Agreement N/A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		9. Well Name and Number Big Indian #27-34
2. Name of Operator Tom Brown, Inc.		10. API Well Number
3. Address of Operator 555 - 17th Street, Suite 1850, Denver, CO 80202	4. Telephone Number 303/260-5000	11. Field and Pool, or Wildcat Big Indian.
5. Location of Well Footage : 1980' FSL and 660' FEL County : San Juan QQ, Sec, T., R., M. : NE SE, Sec. 27, T29S - R24E State : Utah		

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA																											
<p align="center">NOTICE OF INTENT (Submit in Duplicate)</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td colspan="2"><input checked="" type="checkbox"/> Other Revise Casing and Cementing Programs</td> </tr> </table> <p>Approximate Date Work Will Start _____</p>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other Revise Casing and Cementing Programs		<p align="center">SUBSEQUENT REPORT (Submit Original Form Only)</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> Other _____</td> </tr> </table> <p>Date of Work Completion _____</p> <p><small>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.</small></p>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____	
<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction																										
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<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off																										
<input type="checkbox"/> Other _____																											

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.)

Please note that the cementing program for the subject well has been modified. Attached please find revised pages 6 and 7 of the Drilling Program that was previously submitted.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY**

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

Name & Signature *Sean Smelka* Title Consultant for Tom Brown, Inc. Date 10/08/03

(State Use Only)

Tom Brown, Inc.

Lease No. UTU-014905

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 6

<i>Surface</i>	<i>Type and Amount</i>
0 - 2,240'	Lead: 515 sx Prem. Lt, 2.24 yield, 12.0# Tail: 180 sx Type III, 1.38 yield, 14.6#, or sufficient to circulate to surface.
<i>Production</i>	<i>Type and Amount</i>
2,000' - 6,100'	740 sx 50/50/4 G, 1.82 yld, 12.5 #

- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.

Revised 10-2-03



Tom Brown, Inc.

Lease No. UTU-014905

Big Indian #27-34

1980' FSL and 660' FEL

NE SE Section 27, T29S - R24E

DRILLING PROGRAM

San Juan County, Utah

Page 7

5. MUD PROGRAM

a. The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>
0' - 2,240'	Water	+/-8.5	+/-28	N/C
2,240' - 2500'	Water	+/-8.5	+/-28	N/C
2,600' - 6,100'	LSND	+/-9.0	+/-34	+/-10

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.

- b. Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.
- c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

6. EVALUATION PROGRAM

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

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

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

Revised 10-2-03



RECEIVED

NOV 12 2003

3160-3
August 1999)

UNITED STATES DIV. OF OIL, GAS & MINING
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
MOAB FIELD OFFICE

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

006

APPLICATION FOR PERMIT TO DRILL OR REENTER -2 A 11: 48

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-014905	
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A	
2. Name of Operator Tom Brown, Inc.		7. If Unit or CA Agreement, Name and No. N/A	
3. Name of Agent PermitCo Inc. - Agent		8. Lease Name and Well No. Big Indian #27-34	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1980' FSL and 660' FEL At proposed prod. zone NE SE		9. API Well No. 43-037-31828	
14. Distance in miles and direction from nearest town or post office* Approximately 35 miles southeast of Moab, UT		10. Field and Pool, or Exploratory Big Indian	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of Acres in lease 932.55	11. Sec., T., R., M., or Blk, and Survey or Area Sec. 27, T29S-R24E	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. None	19. Proposed Depth 6,100'	12. County or Parish San Juan	13. State UT
20. BLM/BIA Bond No. on file Nationwide Bond No. ESO-183	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6918' GL	22. Approximate date work will start* February 15, 2004	23. Estimated duration 15 Days

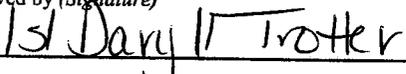
24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

CONFIDENTIAL-TIGHT HOLE

25. Signature 	Name (Printed/Typed) Lisa L. Smith	Date 8/29/2003
---	--	--------------------------

Title Authorized Agent for Tom Brown, Inc.		
Approved by (Signature) 	Name (Printed/Typed) Daryll Trotter	Date NOV 7 2003
Title Assistant Field Manager, Division of Resources		Office Moab Field Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL ATTACHED

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

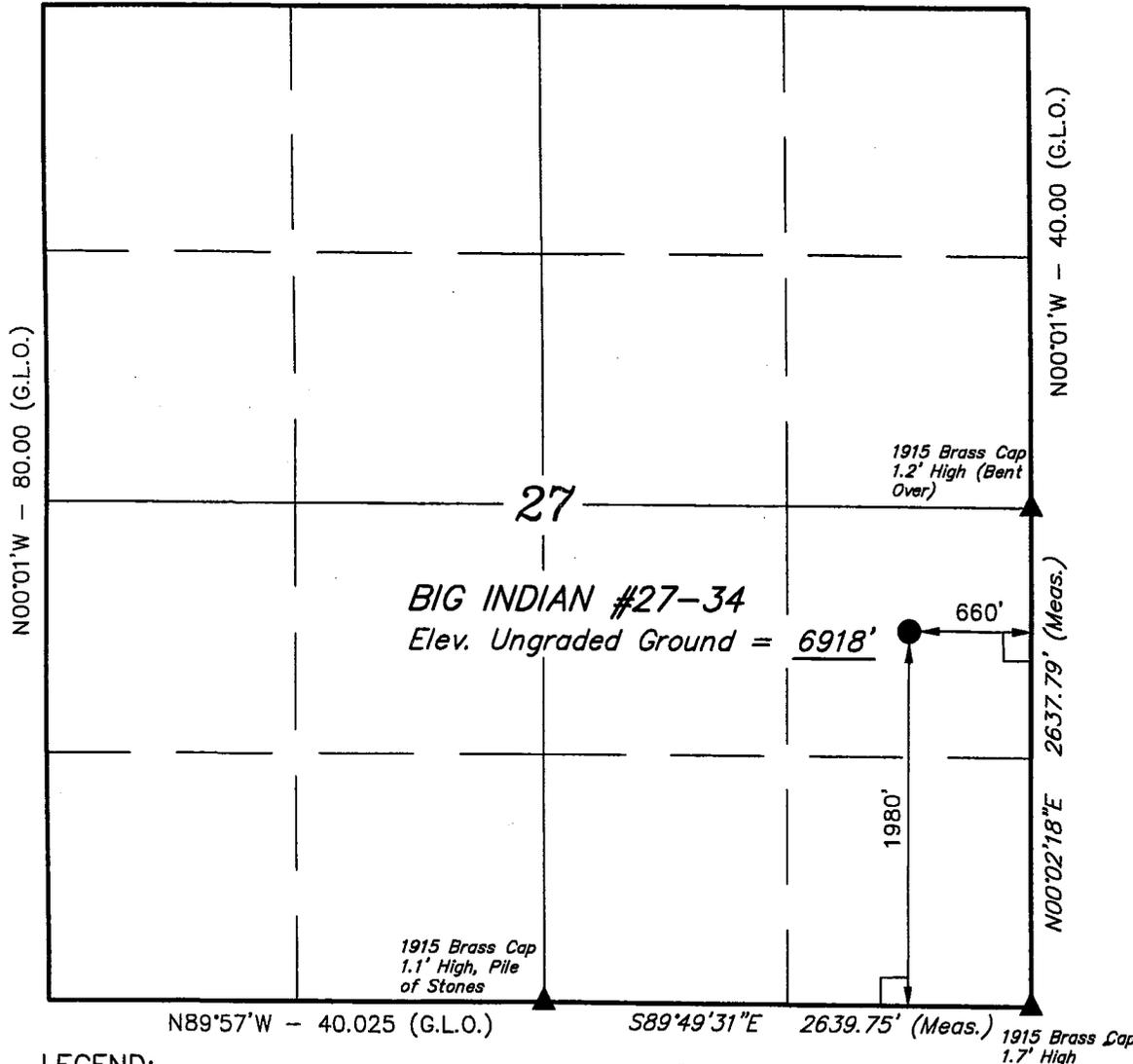
*(Instructions on reverse)

T29S, R24E, S.L.B.&M.

TOM BROWN INC.

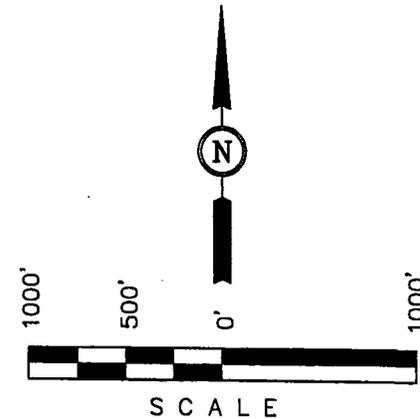
Well location, BIG INDIAN #27-34, located as shown in the NE 1/4 SE 1/4 of Section 27, T29S, R24E, S.L.B.&M. San Juan County, Utah.

WEST - 80.17 (G.L.O.)



BASIS OF ELEVATION

BENCH MARK (LA SAL 7207) LOCATED NEAR 1/4 CORNER ON THE WEST LINE OF SECTION 34, T29S, R24E, S.L.B.&M. TAKEN FROM THE SANDSTONE DRAW QUADRANGLE, UTAH, SAN JUAN COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7207 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.

Robert Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

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

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
LATITUDE = 38°15'00.87" (38.250242)
LONGITUDE = 109°15'25.38" (109.257050)

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

SCALE 1" = 1000'	DATE SURVEYED: 07-24-03	DATE DRAWN: 07-31-03
PARTY J.F. A.F. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE TOM BROWN INC.	

Tom Brown, Inc.
Big Indian No. 27-34
Lease U-014905
NE/SE Section 27, T29S, R24E
San Juan County, Utah

A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Tom Brown, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by ES0183 (Principal – Tom Brown, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

A. DRILLING PROGRAM

1. The proposed 3M BOPE is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
3. The H2S Contingency (Drilling Operations) Plan shall be posted in the doghouse with the APD for immediate reference.
4. A cement bond log (CBL), or other appropriate tool for determining top-of-cement, shall be run on the production casing string and shall be submitted to BLM.
5. All equipment potentially subject to exposure to hydrogen sulfide (H2S) shall be trimmed for H2S service.
6. The surface casing shall be set not less than 50 feet into of the Chinle Formation.

B. SURFACE USE PLAN

1. This APD does not authorize construction or installation of pipelines or other facilities off the approved well pad. The installation of pipelines for production operations will require prior review and approval from BLM. Additional cultural resource inventories and reports may be required prior to authorization of pipeline installation operations.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Rich McClure (435-259-2127) BLM Moab Field Office, or Jeff Brown (435-587-1525) BLM Monticello Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation (McClure);

1 day prior to spudding (Brown);

50 feet prior to reaching the surface casing setting depth (Brown);

3 hours prior to testing BOPE (Brown).

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer Office: 435-259-2117
Home: 435-259-2214

TOM BROWN, INC.

August 23, 2004

Diana Whitney
Utah Division of Oil, Gas & Mining
1594 West North Temple, STE 1210
Box 145801
Salt Lake City, Utah 84114-5801

RE: Permit Extension Request
Big Indian 27-34
API # 43-037-31828
NESE 27-T29S-R24E

Dear Ms. Whitney;

Tom Brown, Inc, is requesting the extend the subject well application to drill. Enclosed are the originals and required copies of the following items:

State Form 9
Request for Permit Extension Validation Form

If you have any questions, I can be reached at (303) 260-5194. Thank you for your time in this matter.

Sincerely,



Scott M. Webb
Regulatory Specialist

RECEIVED

AUG 25 2004

DIV. OF OIL, GAS & MINING

007

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

CONFIDENTIAL

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-014905

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

NA

7. UNIT or CA AGREEMENT NAME:

NA

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:

Big Indian 27-34

9. API NUMBER:

43-037-318 2 8

10. FIELD AND POOL, OR WILDCAT:

Big Indian

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER _____

2. NAME OF OPERATOR:

Tom Brown, Inc.

3. ADDRESS OF OPERATOR:

555 17th St., STE 1850

CITY Denver

STATE CO

ZIP 80202

PHONE NUMBER:

(303) 260-5000

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1980' FSL & 660' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 27 29S 24E

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: _____	<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>Permit Extension</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.

TBI is requesting to extent the subject well permit. Nothing in the well design has been changed for the original APD filing.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-30-04
By: [Signature]

RECEIVED
AUG 25 2004

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR
Date: 8-31-04
Initials: CHD

NAME (PLEASE PRINT) Scott M. Webb

TITLE Regulatory Specialist

SIGNATURE [Signature]

DATE 8/22/2004

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-037-31828
Well Name: Big Indian 27-34
Location: 1980' FSL & 660 FEL, NESE Section 27-T29S-R24E
Company Permit Issued to: Tom Brown, Inc.
Date Original Permit Issued: 9/4/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

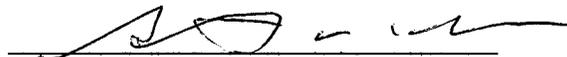
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

8/22/2004

Date

Title: Regulatory Specialist

Representing: Tom Brown, Inc.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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 TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial No.

6. If Indian, Allote or Tribe Name

7. Unit Agreement Name

8. Well Name and Number

9. API Well Number

10. Field and Pool, or Exploratory Area

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator: EnCana Oil & Gas (USA) Inc.
(successor in interest of Tom Brown, Inc. effective 1/1/05)

Contact: Jane Washburn
Phone: 720/876-5431

3. Address and Telephone No.

370 Seventeenth Street, Suite 1700, Denver, CO 80202

4. Location of Well

Footages:

SEE ATTACHED LIST OF WELLS

County:

QQ, Sec T,R,M:

State:

11. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon*
- Repair Casing
- Change Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Change of Operator

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof.

If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones.

Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, A form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

N9885

N2175

The merger of Tom Brown, Inc. with EnCana Oil & Gas (USA) Inc. was effective January 1, 2005.

It is, therefore, requested that the Operator of all properties on the attached list be changed from Tom Brown, Inc. to EnCana Oil & Gas (USA) Inc.

RECEIVED

JAN 2 / 2005

DIV. OF OIL, GAS & MINING

13. Name (Printed/Typed) Jane Washburn		Title Operations Engineering Tech
Signature <i>Jane Washburn</i>		Date 01/24/2005

(This space for State use only)

APPROVED 2/24/05

ER

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

well_name	sec	twsp	rng	api	entity	lease	well	stat	flag	unit_name	lease_num	qtr_qtr	td_md	d_apd	op_no
BIG INDIAN 36-42	36	290S	240E	4303731827		State	GW	APD			ST-UT-37067	SESW		5750	N9885
FEDERAL 14-18	18	250S	060E	4301530060	436	Federal	NA	PA			UTU-69447	SWSW			N9885
NW USA D-1 (B-624)	24	300S	240E	4303716516	99990	Federal	WD	A			UTU-070034	NENW			N9885
FEDERAL 15-25	25	290S	230E	4303730317	4776	Federal	GW	S			UTU-986	SWSE			N9885
BIG INDIAN 35-24	35	290S	240E	4303731829	14409	Federal	GW	DRL	C		UTU-077077	SENE			N9885
BIG INDIAN 27-34	27	290S	240E	4303731828		Federal	GW	APD	C		N9885				
BIG INDIAN UNIT 1	33	290S	240E	4303716219	8122	Federal	OW	S		BIG INDIAN	UTSL-067131	SENE			N9885
BIG INDIAN 4	14	300S	250E	4303716221	8124	Federal	GW	TA		BIG INDIAN	UTSL-089097	SWSW			N9885
BIG INDIAN 34-11	34	290S	240E	4303731818	14004	Federal	D	PA	C	BIG INDIAN	UTU-014905	NWNW			N9885
BULL HORN U 10-43	10	300S	250E	4303731831	14393	Federal	GW	DRL	C	BULL HORN	UT-73190	SWSE			N9885
LISBON B-615	15	300S	240E	4303715123	8123	Federal	OW	P		LISBON	UTU-09179	NENW			N9885
LISBON FED 2-21F	21	300S	250E	4303715768	410	Federal	GW	S		LISBON	UTU-094674	SENE			N9885
LISBON B912	12	300S	240E	4303715769	8123	Federal	OW	S		LISBON	UTU-06922	SESW			N9885
LISBON A-713A	13	300S	240E	4303716236	8123	Federal	GW	PA		LISBON	UTSL-070034	SWNW			N9885
LISBON A-715	15	300S	240E	4303716237	8123	Federal	WD	A		LISBON	UTU-020691A	SWNW			N9885
LISBON B-613	13	300S	240E	4303716240	8123	Federal	OW	S		LISBON	UTSL-070034	NENW			N9885
LISBON C-69	09	300S	240E	4303716245	8123	Federal	OW	S		LISBON	UTU-09179	NWNE			N9885
LISBON C-94	04	300S	240E	4303716247	8123	Federal	OW	S		LISBON	UTU-66582	SWSE			N9885
LISBON UNIT D-84	04	300S	240E	4303716250	8123	Federal	OW	P		LISBON	UTU-015445	NESE			N9885
LISBON D-89	09	300S	240E	4303716251	8123	Federal	OW	P		LISBON	UTU-015445	NESE			N9885
NW LISBON USA B-1 (B-614)	14	300S	240E	4303716468	8123	Federal	OW	P		LISBON	UTSL-070008A	NENW			N9885
NW LISBON USA A-2 (D-810)	10	300S	240E	4303716471	8123	Federal	GW	P		LISBON	UTU-14903	NESE			N9885
LISBON B-84	04	300S	240E	4303730054	8123	Federal	OW	S		LISBON	UTU-09179	NESW			N9885
LISBON B-814	14	300S	240E	4303730082	8123	Federal	OW	S		LISBON	UTSL-070008A	NESW			N9885
LISBON C-99	09	300S	240E	4303730693	8123	Federal	OW	P		LISBON	UTU-09179	SWSE			N9885
LISBON B-94	04	300S	240E	4303730695	8123	Federal	OW	S		LISBON	UTU-015445	SESW			N9885
LISBON C-910 I	10	300S	240E	4303731805	12892	Federal	D	PA		LISBON	UTU-0141903	SWSE			N9885
LISBON D-616	16	300S	240E	4303715049	8123	State	OW	P		LISBON	ML-13692	NENE	9120	9120	N9885
LISBON B-616	16	300S	240E	4303716242	8123	State	OW	S		LISBON	ML-8366	NESW	8689	8689	N9885
BELCO ST 4 (LISBON B-816)	16	300S	240E	4303716244	8123	State	WD	A		LISBON	ML-8366	NESW	8730	9100	N9885
LISBON UNIT D-716	16	300S	240E	4303731034	8123	State	OW	P		LISBON	ML-13692	SENE	8794	8775	N9885
LISBON U B-610	10	300S	240E	4303716469	8123	Federal	OW	P		LISBON (MCCRACKEN)	UTU-014903	NENW			N9885
LISBON U B-610	10	300S	240E	4303716469	9740	Federal	OW	P		LISBON (MCCRACKEN)	UTU-014903	NENW			N9885
LISBON U D-610	10	300S	240E	4303730694	9740	Federal	GW	P		LISBON (MCCRACKEN)	UTU-014903	NENE			N9885
LISBON UNIT A-911	11	300S	240E	4303731014	9740	Federal	GW	P		LISBON (MCCRACKEN)	UTSL-070008A	SWSW			N9885
LISBON C-910	10	300S	240E	4303731323	9740	Federal	OW	P		LISBON (MCCRACKEN)	UTU-014903	SWSE			N9885
LISBON B-614A	14	300S	240E	4303731351	9740	Federal	OW	TA		LISBON (MCCRACKEN)	UTSL-070008A	NENW			N9885
LISBON B-810	10	300S	240E	4303731433	9740	Federal	OW	P		LISBON (MCCRACKEN)	UTU-014903	NESW			N9885
LISBON (MCCRACKEN) D-615	15	300S	240E	4303731817		Federal	OW	LA		LISBON (MCCRACKEN)	N9885				
LISBON (MCCRACKEN) A-610	10	300S	240E	4303731821		Federal	OW	LA		LISBON (MCCRACKEN)	N9885				

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"TBI PIPELINE COMPANY", A DELAWARE CORPORATION,

"TBI WEST VIRGINIA, INC.", A DELAWARE CORPORATION,

"TOM BROWN, INC.", A DELAWARE CORPORATION,

WITH AND INTO "ENCANA OIL & GAS (USA) INC." UNDER THE NAME OF "ENCANA OIL & GAS (USA) INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-SECOND DAY OF DECEMBER, A.D. 2004, AT 6:15 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF MERGER IS THE FIRST DAY OF JANUARY, A.D. 2005.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



2137895 8100M

040934710

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3584585

DATE: 12-29-04

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:15 PM 12/22/2004
FILED 06:15 PM 12/22/2004
SRV 040934710 - 2137895 FILE

**STATE OF DELAWARE
CERTIFICATE OF MERGER OF
DOMESTIC CORPORATIONS**

Pursuant to Title 8, Section 251(c) of the Delaware General Corporation Law, the undersigned corporation executed the following Certificate of Merger:

FIRST: The name of the surviving corporation is EnCana Oil & Gas (USA) Inc., and the names and jurisdictions of the corporations being merged into this surviving corporation are as follows:

<u>Name</u>	<u>Jurisdiction of Incorporation</u>
Tom Brown, Inc.	Delaware corporation
TBI Pipeline Company	Delaware corporation
TBI West Virginia, Inc.	Delaware corporation

SECOND: The Agreement and Plan of Merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations.

THIRD: The name of the surviving corporation is EnCana Oil & Gas (USA) Inc., a Delaware corporation.

FOURTH: The Certificate of Incorporation of the surviving corporation shall be its Certificate of Incorporation.

FIFTH: The merger is to become effective on January 1, 2005.

SIXTH: The Agreement and Plan of Merger is on file at 950 17th Street, Suite 2600, Denver, Colorado 80202, the place of business of the surviving corporation.

SEVENTH: A copy of the Agreement and Plan of Merger will be furnished by the surviving corporation on request, without cost, to any stockholder of the constituent corporations.

IN WITNESS WHEREOF, said surviving corporation has caused this certificate to be signed by an authorized officer, the 17th day of December, A.D., 2004.

ENCANA OIL & GAS (USA) INC.

By: Mary A. Viviano
Mary A. Viviano, Secretary

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: BLM not yet BIA

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: 2/24/2005
- 2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/24/2005
- 3. Bond information entered in RBDMS on: 2/24/2005
- 4. Fee/State wells attached to bond in RBDMS on: 2/24/2005
- 5. Injection Projects to new operator in RBDMS on: 2/24/2005
- 6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT1005

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 RLB0007875

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: n/a

COMMENTS:

Merger and rider of bond from Tom Brown, Inc.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-014905

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:
Big Indian 27-34

2. NAME OF OPERATOR:
EnCana Oil & Gas (USA) Inc.

9. API NUMBER:
4303731828

3. ADDRESS OF OPERATOR:
370 17th Street CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(720) 876-5339

10. FIELD AND POOL, OR WILDCAT:
Big Indian

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1980' FSL & 660' FEL COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 27 29S 24E S 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: _____	<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>Extend APD</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.

EnCana Oil & Gas (USA) Inc. is requesting an extension of the subject APD. Nothing has changed from the original APD filed.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-18-05
By: *[Signature]*

RECEIVED

AUG 15 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Jevin Croteau

TITLE Regulatory Analyst

SIGNATURE *[Signature]*

DATE 8/12/05

(This space for State use only)

COPIES SENT TO OPERATOR
Date: 8-22-05
Initials: *[Initials]*

RESET

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-037-31828
Well Name: Big Indian 27-34
Location: 1980' FSL, 660' FEL, NESE, Sec. 27, T29S R24E
Company Permit Issued to: Tom Brown, Inc.
Date Original Permit Issued: 9/4/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

8/15/05

Date

Title: Regulatory Analyst

Representing: EnCana Oil & Gas (USA) Inc.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-014905

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Middle Mesa Unit

8. WELL NAME and NUMBER:

Big Indian 27-34

9. API NUMBER:

4303731828

10. FIELD AND POOL, OR WILDCAT:

Big Indian

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

~~CONFIDENTIAL~~

2. NAME OF OPERATOR:

EnCana Oil & Gas (USA) Inc.

3. ADDRESS OF OPERATOR:

370 17th Street

CITY

Denver

STATE

CO

ZIP

80202

PHONE NUMBER:

(720) 876-5339

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1980' FSL & 660' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 27 29S 24E S

STATE:

UTAH

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

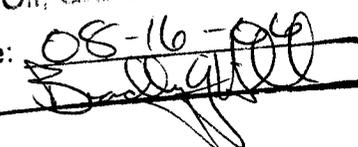
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER 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>Extend APD</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.

EnCana Oil & Gas (USA) Inc. is requesting an extension of the subject APD. Nothing has changed on the approved application.

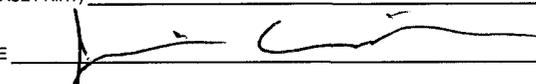
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-16-06

By: 

NAME (PLEASE PRINT) Jevin Croteau

TITLE Regulatory Analyst

SIGNATURE 

DATE

8/11/06

(This space for State use only)

COPY SENT TO OPERATOR

Date: 8/12/06

Initials: JMC

RECEIVED

AUG 14 2006

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-037-31828
Well Name: Big Indian 27-34
Location: 1980' FSL & 660' FEL, NESE, Sec. 27, T29S R24E
Company Permit Issued to: Tom Brown, Inc.
Date Original Permit Issued: 9/4/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

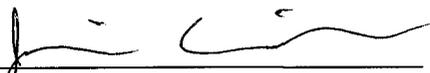
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

8/11/06

Date

Title: Regulatory Analyst

Representing: EnCana Oil & Gas (USA) Inc.

RECEIVED
AUG 14 2006
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-014905

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:
Big Indian 27-34

9. API NUMBER:
4303731828

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
EnCana Oil & Gas (USA) Inc.

3. ADDRESS OF OPERATOR:
370 17th Street, Suite 1700 CITY **Denver** STATE **CO** ZIP **80202** PHONE NUMBER: **(720) 876-5339**

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1980' FSL & 660' FEL** COUNTY: **San Juan**

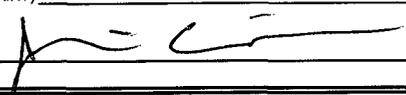
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESE 27 29S 24E S** STATE: **UTAH**

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 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 type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Abandon Location
	<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.

EnCana Oil & Gas (USA) Inc. plans to abandon this location. The location was never built and is ready for inspection.

NAME (PLEASE PRINT) Jevin Croteau TITLE Regulatory Analyst
SIGNATURE  DATE 1/31/07

(This space for State use only)

RECEIVED
FEB 02 2007



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

February 8, 2007

Jevin Croteau
Encana Oil & Gas (USA) Inc.
370 17th Street
Denver, CO 80202

Re: APD Rescinded -Big Indian 27-34 Sec. 27 T. 29 R. 24E
San Juan County, Utah API No. 43-037-31828

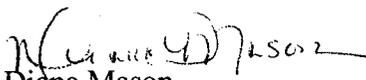
Mr. Croteau:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 4, 2003. On August 30, 2004, August 18, 2005 and August 16, 2006 the Division granted a one-year APD extension. On January 31, 2007, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 31, 2007.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Moab