Form 3160-3
(April 2004)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
SL-070968-A

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.
Aneth Unit, 8910077380

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☑ Other ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.
Aneth Unit C-113 LDVL

2. Name of Operator
Resolute Natural Resources Company

9. API Well No.
New Well 43-037-31852

3a. Address **1675 Broadway, Suite 1950, Denver, CO 80202**

3b. Phone No. *(include area code)*
303-534-4600

10. Field and Pool, or Exploratory
Greater Aneth 245

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface **740'FNL, 1665'FEL** 647428X 37.314573
At proposed prod. zone **Refer to attached drilling plan.** 4130864Y 109.336285

11. Sec., T. R. M. or Blk. and Survey or Area
NWNE
13, 40S, 23E, SLM

14. Distance in miles and direction from nearest town or post office*
2.75 Miles North of Montezuma Creek, UT

12. County or Parish
San Juan

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **50'**	16. No. of acres in lease **120**	17. Spacing Unit dedicated to this well **40 acres**
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. **2,100'**	19. Proposed Depth **7,600'**	20. BLM/BIA Bond No. on file **B001252**
21. Elevations (Show whether DF, KDB, RT, GL, etc.) **4,797' KB**	22. Approximate date work will start* **06/19/2006**	23. Estimated duration **62 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:

1. Well plat certified by a registered surveyor.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name *(Printed/Typed)* **Dwight E Mallory**	Date **05/01/2006**
Title **Regulatory Coordinator**		
Approved by *(Signature)*	Name *(Printed/Typed)*	Date
Title	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, 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 page 2)*

RECEIVED
MAY 19 2006
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

May 18, 2006

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

Re: Resolute Natural Resources – Application for Permit to Drill C-314 LDVL and C-113 LDVL

Dear Ms. Whitney:

As per our telephone conversation earlier this afternoon; enclosed are corrected copies of the APDs (BLM Form 3160-3) for the proposed wells referenced above. In response to your inquiry regarding surface ownership and water use permit information, please find the information below.

- Both wells are located on surface lands owned by the United States Department of Interior, Bureau of Land Management.

- Drilling water will be transported either by truck or by temporary surface pipeline. Trucking and/or temporary pipeline routes will follow existing access roads. Drilling water will be sourced from six on-unit fresh water wells completed in the alluvium of the San Juan River and permitted by the Navajo Department of Water Resources. Navajo Department of Water Resources Water Use Permit Numbers are as follows:
    - 06.0015
    - 06.0016
    - 06.0017
    - 06.0018
    - 06.0019
    - 06.0020

Resolute appreciates your assistance in preparing this permit application and we look forward to moving forward quickly with this project in order to maximize recovery of oil at the Aneth Unit. Please call me with any questions or comments.

Sincerely,
RESOLUTE NATURAL RESOURCES COMPANY

Dwight E. Mallory
Regulatory Coordinator

RECEIVED
MAY 19 2006
DIV. OF OIL, GAS & MINING

Navajo Department of Water Resources
Water Code Administration
P.O. Box 678
Fort Defiance, Arizona 86504
Ph. No. (928) 729-4132/Fax No. (928) 729-4421

APPROVED

WATER USE PERMIT

WUP NO: 06.0015

VALID FROM DEC 29 2005 to DEC 29 2010

NOTE: This permit is valid only upon signature of the Department of Water Resources Director. Please read Water Use Permit information sheet before completing this form.

APPLICANT: Resolute Natural Resources
LAST NAME FIRST, OR COMPANY NAME

MAILING ADDRESS: Post Office Box 800

CITY: Montezuma Creek **STATE:** Utah **ZIP CODE:** 84534

CONTACT PERSON: Roger Atcitty **TELEPHONE NO:** 435-651-3682 X-103

Fax #: 435-651-3276

DATE RECEIVED: NOV 23 2005 **DATE COMPLETED** JAN 04 2006

$25.00 Filing Fee Received _____ **Receipt No.** _____ **Initial** _____

IDENTIFIED WATER SOURCE TO BE USED

( ) **Spring No:** _____ ( ) **Stream Name:** _____

( ) **Stockpond Name/No:** _____ ( ) **Lake/Reservoir Name:** _____

(X) **Well No:** CUSA WW #15 ( ) **Injection Well No:** _____

Amount of water requested: 1,000 acre-ft

( ) **Other Description/Name:** _____ **Grazing District:** 12

Chapter: Aneth **Chapter Code:** ANET

State: ( ) AZ/Arizona ( ) NM/New Mexico (X) UT/Utah

County:
( ) AP/Apache ( ) MK/McKinley (X) SJ/San Juan
( ) NA/Navajo ( ) VL/Valencia ( ) KA/Kane
( ) CO/Coconino ( ) BL/Bernalillo
( ) SD/Sandoval
( ) SO/Socorro
( ) RA/Rio Arriba
( ) SA/San Juan

Quad. No: (7.5 min. Series) 4648

UTM COORDINATES: X (East) 648885 **Y (North)** 4125.345 **ZONE** 12

NE SE SW NW / NE SE SW NW / NE SE SW NW	31	40S	24E
10 Acre / 40 Acre / 160 Acre	Section	Township	Range

WU# NO: F-00-0013

LAND STATUS

(X) TRUST ( ) FEE ( ) LEASE ( ) ALLOTMENT ( ) OTHER _____
WATERSHED NAME: San Juan River USGS WATERSHED CODE NO. 14080201

CONSUMPTIVE WATER USE NEEDED FOR

PRIMARY:

( ) Domestic
( ) Municipal
( ) Livestock
( ) Irrigation Agriculture
( ) Wildlife and Fish
( ) Recreational
( ) Industrial
( ) Mining
( ) Commercial
(X) Other Oil and Gas Production

****

DOMESTIC/MUNICIPAL:
Number of People: _____ Number of Homes: _____ Others: _____

TYPE OF LIVESTOCK: N/A
( ) Horses No: _____ ( ) Goats No: _____
( ) Cattle No: _____ ( ) Sheep No: _____
( ) Other: _____ ( ) No: _____

TYPE OF CROPS: N/A
( ) Row (ie., corn) Acres _____
( ) Forage-Hay-Pasture Acres _____
( ) Small Grains Acres _____
( ) Horticulture (ie., Fruits & Vegetables) Acres _____

TYPE OF WILDLIFE: N/A
( ) Fish No: _____ ( ) Small Game No: _____
( ) Large Game No: _____ ( ) Birds No: _____
( ) Others No: _____

IF WATER IS USED FOR INDUSTRIAL OR MINING PURPOSES, ATTACH WATER SUPPLY PLAN DESCRIBING SOURCE AND METHODS OF DIVERSION, CONVEYANCE AND USES.

SEASON OF MAXIMUM USE: (X) Spring (X) Summer (X) Fall (X) Winter

MAXIMUM RATE OF USE: 87.5 (X) GPM ( ) CFS

EXPECTED DATE WATER USAGE TO BEGIN: 1/1/98 (renewed 1/1/03)

EXPECTED VOLUME OF WATER TO BE USED: 141 ac/ft (_____ gallons)

METHOD OF WATER DIVERSION: ( ) Instream Pump ( ) Gate or Gravity Flow
(X) Other: pump located at well

METHOD OF WATER CONVEYANCE: ( ) Ditch ( ) Canal (X) Pipeline ( ) Truck
( ) Other: _____

ATTACH AN 8 ½" X 11" MAP SHOWING EXACT LOCATION OF IDENTIFIED WATER SOURCE AND SCENARIO/LOCATION OF WHERE WATER IS TO BE USED.

RETURN FLOW OR DISCHARGE

AMOUNT OF WATER: N/A ( ) GPM ( ) CFS ( ) GPD **METHOD:** ( ) Direct ( ) Indirect ( ) Injection

IS DISCHARGE TREATED ( ) YES ( ) NO
IS QUALITY AFFECTED ( ) YES ( ) NO **IS TEMPERATURE AFFECTED** ( ) YES ( ) NO
FEDERAL/UIC PERMIT: _____ N/A **NPDES PERMIT NUMBER:** N/A

CONDITIONS

1. Purpose of definition "Department" means the Navajo Nation Department of Water Resources and "Permittee" means Resolute Natural Resources (Formerly Chevron U.S.A. Inc.) and its successors.

2. Permittee agrees to comply with the terms and conditions of the Water Use Permit and the Navajo Nation Water Code. Permittee understands and agrees that failure to comply with the permit shall result in forfeiture of this permit.

3. This permit may be revoked if:
   A. Permittee is not in compliance with any conditions set forth in this permit.
   B. Permittee is in violation of any provision of the Navajo Nation Water Code.
   C. Insufficient water supplies are present for whatever reason or term.
   D. For any other due cause as a result of negative findings from investigation that is performed by both Department and Permittee.

4. The total quantity of water withdrawn by the Permittee from all water supply wells in the alluvium of San Juan River for the secondary or tertiary recovery of oil shall not exceed 1,000 acre-feet in any year.

5. Permit is valid from January 1, 2006 through December 31, 2010 and shall expire on December 31, 2010 or at the completion of the proposed project or required water usage, whichever comes first. Permittee does not have authority to transfer, convey, or allocate the water subject to this permit to any third party or for any other to transfer, convey, or allocate the water subject to this permit to any third party or for any other project not specified herein. It is further agreed between the parties that this permit does not give the Permittee the right to haul water for hire on the Navajo Reservation, or on land subject to the jurisdiction of the Navajo Nation.

6. Permittee agrees to pay a water use fee of $1,000.00 (one thousand dollars) per water supply well per year. A lump sum payment will be paid at the end of each year for anticipated water use for the coining year, beginning with 2006. Thereafter payment may be made in advance. The wate ruse fee will increase by 100.00 (on hundred dollars) per water supply well per year in the event that the average posted price for West Texas Intermediate Crude Oil exceeds $30.00 (thirty dollars) per barrel for more than 6 (six) months in any year. The Permittee will pay the additional amount to the Department with the next payment, if the said change in posted price occurred in the previous advance payment. A credit may be given to the Permittee for the amount paid in advance, if the water use fee for similar use is lowed by the Resources Committee. No amount of money will be refunded to the Permitteee. The credited amount will be carried over to the next payment owed to the Navajo Nation. Permittee will pay the amount due in the beginning of each year to the Water Code Administration of the Department. Payment plans may be arranged between both parties in a written agreement.

7. Permittee agrees to provide water well development support to affected Chapters by paying directly to each Chapter $250.00 (two hundred fifty dollars) per water well per year for wells located within each Chapter's boundaries. Permittee shall inform the Department of the payment as soon as the payment is made.

8. Permittee agrees to submit meter readings or other evidence showing the quantity of water withdrawn pursuant to this permit to the Water Code Administrator on a quarterly basis.

9. The Permittee shall monitor the effects of water use of the alluvial after by measuring static (non-pumping) water levels in a least three (3) of the water supply wells on a quarterly basis, and shall submit this water level data to the Department together with the information required in Condition 8. The Navajo Nation reserves the right to this permit due to adverse impacts on the water resources of the Navajo Nation resulting from the Permittee's activities, as determined by the Department.

10. The Navajo Nation may revoke this permit upon any breach by giving the Permittee notice of such revocation in writing no less than ten (10) days preior to the effective date of revocation, provided that if the Permittee remedies any such breach within said ten (10) day periods, the permit will remain in effect. Said notice shall state the grounds upon which the revocation is being made.

11. Permittee agrees to obtain a separate Water Use Permit for each point of withdrawal of water prior to making use of any additional water source.

12. Permittee agrees to hold harmless and indemnify the Navajo Nation against any and all losses, costs, damages, claims, expenses or other liability whatsoever, rising out of, or connected with Permittee's services under this permit including but not limited to, any accident or injury to person or property.

13. All disputes arising from the subject matter of this permit or the performance thereof will be settled in the Navajo Nation Courts and under the laws of the Navajo Nation. Nothing herein shall be construed as a waiver of the sovereign immunity of the Navajo Nation, pursuant to 1 N.T.C. §351 et seq.

14. Permittee agrees to maintain the immediate area in a safe and sanitary manner, free of unnecessary debris.

15. Authorization granted under this permit is only for the stated use of the indicated water source location. Permittee is responsible for obtaining any applicable permit from the appropriate department/agency that may be required for the proposed work.

16. If permittee hires sub-contractors to haul water covered by Water Use Permit, Permittee must notify the Navajo Water Code Administration of sub-contractors in writing.

17. It is agreed that the Department reserves the right to limit the quantity of water that can be taken under this permit to the above stated amount or less and will give the Permittee 30 day notice before such action is imposed. Such limitations will be imposed at the discretion of the Department.

18. Permittee agrees to allow reasonable entry upon their premises by Navajo Nation Employees engaged in the administration of this permit.

19. The Department will allow the Permittee to continue to make irrigation water available to the Whitehorse High School, Montezuma Creek, Utah, and to those local residents currently using the water for livestock usage.

20. In the event the Department or the Navajo Nation subsequently reduces the cost of water use permits to other oil and gas industry members, then the Department or Navajo Nation shall grant to the Permittee a credit for the amounts that it has previously paid and apply such credit to future financial obligations owed by Texaco to the Nation for water use.

21. The permit shall be renewable each year for the next 5 years under the same terms and conditions as set forth herein.

Permittee's Signature _____ **Date** NOV. 23-05

OFFICIAL USE ONLY

Recommendation: (X) Yes ( ) No _____ **Date** 01-03-06
Water Code Administrator

(X) Yes ( ) No _____ **Date** 12-29-05
Technical Reviewer

Approved/Disapproved: _____ **Date** 1-4-06
Director, Department of Water Resources

If Disapproved State Reasons:

Navajo Department of Water Resour
Water Code Administration
P.O. Box 678
Fort Defiance, Arizona 86504
Ph. No. (928) 729-4132/Fax No. (928) 729-4421

APPROVED

WATER USE PERMIT

WUP NO: 06.0016

VALID FROM DEC 29 2005 to DEC 29 2010

NOTE: This permit is valid only upon signature of the Department of Water Resources Director. Please read Water Use Permit information sheet before completing this form.

APPLICANT: Resolute Natural Resources
LAST NAME FIRST; OR COMPANY NAME

MAILING ADDRESS: Post Office Box 800

CITY: Montezuma Creek **STATE:** Utah **ZIP CODE:** 84534

CONTACT PERSON: Roger Atcitty **TELEPHONE NO:** 435-651-3682 X-103

Fax #: 435-651-3276

DATE RECEIVED: NOV 23 2005 **DATE COMPLETED** JAN 04 2006

$25.00 Filing Fee Received _____ **Receipt No.** _____ **Initial** _____

IDENTIFIED WATER SOURCE TO BE USED

( ) **Spring No:** _____ ( ) **Stream Name:** _____

( ) **Stockpond Name/No:** _____ ( ) **Lake/Reservoir Name:** _____

(X) **Well No:** CUSA WW #16 ( ) **Injection Well No:** _____

Amount of water requested: 1,000 acre-ft

( ) **Other Description/Name:** _____ **Grazing District:** 12

Chapter: Aneth **Chapter Code:** ANET

State: ( ) AZ/Arizona ( ) NM/New Mexico (X) UT/Utah

County: ( ) AP/Apache ( ) MK/McKinley (X) SJ/San Juan
( ) NA/Navajo ( ) VL/Valencia ( ) KA/Kane
( ) CO/Coconino ( ) BL/Bernalillo
( ) SD/Sandoval
( ) SO/Socorro
( ) RA/Rio Arriba
( ) SA/San Juan

Quad. No: (7.5 min. Series) 4648

UTM COORDINATES: X (East) 648925 **Y (North)** 4125290 **ZONE** 12

NE SE SW NW / NE SE SW NW / NE SE SW NW	31	40S	24E
10 Acre / 40 Acre / 160 Acre	Section	Township	Range

WR NO: F00.0070

LAND STATUS

(X) TRUST ( ) FEE ( ) LEASE ( ) ALLOTMENT ( ) OTHER _____
WATERSHED NAME: San Juan River USGS WATERSHED CODE NO. 14080201

CONSUMPTIVE WATER USE NEEDED FOR

PRIMARY:

( ) Domestic
( ) Municipal
( ) Livestock
( ) Irrigation Agriculture
( ) Wildlife and Fish
( ) Recreational
( ) Industrial
( ) Mining
( ) Commercial
(X) Other Oil and Gas Production

****

DOMESTIC/MUNICIPAL:
Number of People: _____ Number of Homes: _____ Others: _____

TYPE OF LIVESTOCK: N/A
( ) Horses No: _____ ( ) Goats No: _____
( ) Cattle No: _____ ( ) Sheep No: _____
( ) Other: _____ ( ) No: _____

TYPE OF CROPS: N/A
( ) Row (ie., corn) Acres _____
( ) Forage-Hay-Pasture Acres _____
( ) Small Grains Acres _____
( ) Horticulture (ie., Fruits & Vegetables) Acres _____

TYPE OF WILDLIFE: N/A
( ) Fish No: _____ ( ) Small Game No: _____
( ) Large Game No: _____ ( ) Birds No: _____
( ) Others No: _____

IF WATER IS USED FOR INDUSTRIAL OR MINING PURPOSES, ATTACH WATER SUPPLY PLAN DESCRIBING SOURCE AND METHODS OF DIVERSION, CONVEYANCE AND USES.

SEASON OF MAXIMUM USE: (X) Spring (X) Summer (X) Fall (X) Winter

MAXIMUM RATE OF USE: 87.5 (X) GPM ( ) CFS

EXPECTED DATE WATER USAGE TO BEGIN: 1/1/98 (renewed 1/1/03)

EXPECTED VOLUME OF WATER TO BE USED: 141 ac/ft (_____ gallons)

METHOD OF WATER DIVERSION: ( ) Instream Pump ( ) Gate or Gravity Flow
(X) Other: pump located at well

METHOD OF WATER CONVEYANCE: ( ) Ditch ( ) Canal (X) Pipeline ( ) Truck
( ) Other: _____

ATTACH AN 8 ½" X 11" MAP SHOWING EXACT LOCATION OF IDENTIFIED WATER SOURCE AND SCENARIO/LOCATION OF WHERE WATER IS TO BE USED.

RETURN FLOW OR DISCHARGE

AMOUNT OF WATER: N/A ( ) GPM ( ) CFS ( ) GPD **METHOD:** ( ) Direct ( ) Indirect ( ) Injection

IS DISCHARGE TREATED ( ) YES ( ) NO
IS QUALITY AFFECTED ( ) YES ( ) NO **IS TEMPERATURE AFFECTED** ( ) YES ( ) NO
FEDERAL/UIC PERMIT: _____ N/A **NPDES PERMIT NUMBER:** N/A

I ‘ajo Department of Water Resour
Water Code Administration
P.O. Box 678
Fort Defiance, Arizona 86504
Ph. No. (928) 729-4132/Fax No. (928) 729-4421

APPROVED

WATER USE PERMIT

WUP NO: 06.0017

VALID FROM DEC 29 2005 to DEC 29 2010

NOTE: This permit is valid only upon signature of the Department of Water Resources Director. Please read Water Use Permit information sheet before completing this form.

APPLICANT: Resolute Natural Resources
LAST NAME FIRST; OR COMPANY NAME

MAILING ADDRESS: Post Office Box 800

CITY: Montezuma Creek **STATE:** Utah **ZIP CODE:** 84534

CONTACT PERSON: Roger Atcitty **TELEPHONE NO:** 435-651-3682 X-103

Fax #: 435-651-3276

DATE RECEIVED: NOV 23 2005 **DATE COMPLETED** JAN 04 2006

$25.00 Filing Fee Received _____ **Receipt No.** _____ **Initial** _____

IDENTIFIED WATER SOURCE TO BE USED

( ) **Spring No:** _____ ( ) **Stream Name:** _____

( ) **Stockpond Name/No:** _____ ( ) **Lake/Reservoir Name:** _____

(X) **Well No:** CUSA WW #17 ( ) **Injection Well No:** _____

Amount of water requested: 1,000 acre-ft

( ) **Other Description/Name:** _____ **Grazing District:** 12

Chapter: Aneth **Chapter Code:** ANET

State: ( ) AZ/Arizona ( ) NM/New Mexico (X) UT/Utah

County:
( ) AP/Apache ( ) MK/McKinley (X) SJ/San Juan
( ) NA/Navajo ( ) VL/Valencia ( ) KA/Kane
( ) CO/Coconino ( ) BL/Bernalillo
( ) SD/Sandoval
( ) SO/Socorro
( ) RA/Rio Arriba
( ) SA/San Juan

Quad. No: (7.5 min. Series) 4648

UTM COORDINATES: X (East) 648980 **Y (North)** 4125255 **ZONE** 12

NE SE SW NW / NE SE SW NW / NE SE SW NW	31	40S	24E
10 Acre 40 Acre 160 Acre	Section	Township	Range

WR NO: 06.00

LAND STATUS

(X) TRUST ( ) FEE ( ) LEASE ( ) ALLOTMENT ( ) OTHER _____

WATERSHED NAME: San Juan River USGS WATERSHED CODE NO. 14080201

CONSUMPTIVE WATER USE NEEDED FOR

PRIMARY:

( ) Domestic
( ) Municipal
( ) Livestock
( ) Irrigation Agriculture
( ) Wildlife and Fish
( ) Recreational
( ) Industrial
( ) Mining
( ) Commercial
(X) Other Oil and Gas Production

****

DOMESTIC/MUNICIPAL:

Number of People: _____ Number of Homes: _____ Others: _____

TYPE OF LIVESTOCK: N/A

( ) Horses No: _____ ( ) Goats No: _____
( ) Cattle No: _____ ( ) Sheep No: _____
( ) Other: _____ ( ) No: _____

TYPE OF CROPS: N/A

( ) Row (ie., corn) Acres _____
( ) Forage-Hay-Pasture Acres _____
( ) Small Grains Acres _____
( ) Horticulture (ie., Fruits & Vegetables) Acres _____

TYPE OF WILDLIFE: N/A

( ) Fish No: _____ ( ) Small Game No: _____
( ) Large Game No: _____ ( ) Birds No: _____
( ) Others No: _____

IF WATER IS USED FOR INDUSTRIAL OR MINING PURPOSES, ATTACH WATER SUPPLY PLAN DESCRIBING SOURCE AND METHODS OF DIVERSION, CONVEYANCE AND USES.

SEASON OF MAXIMUM USE: (X) Spring (X) Summer (X) Fall (X) Winter

MAXIMUM RATE OF USE: 87.5 (X) GPM ( ) CFS

EXPECTED DATE WATER USAGE TO BEGIN: 1/1/98 (renewed 1/1/03)

EXPECTED VOLUME OF WATER TO BE USED: 141 ac/ft (_____ gallons)

METHOD OF WATER DIVERSION: ( ) Instream Pump ( ) Gate or Gravity Flow
(X) Other: pump located at well

METHOD OF WATER CONVEYANCE: ( ) Ditch ( ) Canal (X) Pipeline ( ) Truck
( ) Other: _____

ATTACH AN 8 ½" X 11" MAP SHOWING EXACT LOCATION OF IDENTIFIED WATER SOURCE AND SCENARIO/ LOCATION OF WHERE WATER IS TO BE USED.

RETURN FLOW OR DISCHARGE

AMOUNT OF WATER: N/A ( ) GPM ( ) CFS ( ) GPD

METHOD: ( ) Direct ( ) Indirect ( ) Injection

IS DISCHARGE TREATED ( ) YES ( ) NO
IS QUALITY AFFECTED ( ) YES ( ) NO IS TEMPERATURE AFFECTED ( ) YES ( ) NO
FEDERAL/UIC PERMIT: N/A NPDES PERMIT NUMBER: N/A

Navajo Department of Water Resources
Water Code Administration
P.O. Box 678
Fort Defiance, Arizona 86504
Ph. No. (928) 729-4132/Fax No. (928) 729-4421

APPROVED

WATER USE PERMIT

WUP NO: 06.0018

VALID FROM DEC 29 2005 **to** DEC 29 2010

NOTE: This permit is valid only upon signature of the Department of Water Resources Director. Please read Water Use Permit information sheet before completing this form.

APPLICANT: Resolute Natural Resources
LAST NAME — FIRST; OR COMPANY NAME

MAILING ADDRESS: Post Office Box 800

CITY: Montezuma Creek **STATE:** Utah **ZIP CODE:** 84534

CONTACT PERSON: Roger Atcitty **TELEPHONE NO:** 435-651-3682 X-103

Fax #: 435-651-3276

DATE RECEIVED: NOV 23 2005 **DATE COMPLETED** JAN 04 2006

$25.00 Filing Fee Received _____ **Receipt No.** _____ **Initial** _____

IDENTIFIED WATER SOURCE TO BE USED

( ) **Spring No:** _____ ( ) **Stream Name:** _____

( ) **Stockpond Name/No:** _____ ( ) **Lake/Reservoir Name:** _____

(X) **Well No:** CUSA WW #18 ( ) **Injection Well No:** _____

Amount of water requested: 1,000 acre-ft

( ) **Other Description/Name:** _____ **Grazing District:** 12

Chapter: Aneth **Chapter Code:** ANET

State: ( ) AZ/Arizona ( ) NM/New Mexico (X) UT/Utah

County:
( ) AP/Apache ( ) MK/McKinley (X) SJ/San Juan
( ) NA/Navajo ( ) VL/Valencia ( ) KA/Kane
( ) CO/Coconino ( ) BL/Bernalillo
( ) SD/Sandoval
( ) SO/Socorro
( ) RA/Rio Arriba
( ) SA/San Juan

Quad. No: (7.5 min. Series) 4648

UTM COORDINATES: X (East) 649045 **Y (North)** 4125190 **ZONE** 12

NE SE SW NW / NE SE SW NW / NE SE SW NW	31	40S	24E
10 Acre / 40 Acre / 160 Acre	Section	Township	Range

WR NO: 06.0018

LAND STATUS

(X) TRUST ( ) FEE ( ) LEASE ( ) ALLOTMENT ( ) OTHER _____

WATERSHED NAME: San Juan River USGS WATERSHED CODE NO. 14080201

CONSUMPTIVE WATER USE NEEDED FOR

PRIMARY:

( ) Domestic
( ) Municipal
( ) Livestock
( ) Irrigation Agriculture
( ) Wildlife and Fish
( ) Recreational
( ) Industrial
( ) Mining
( ) Commercial
(X) Other Oil and Gas Production

****

DOMESTIC/MUNICIPAL:

Number of People: _____ Number of Homes: _____ Others: _____

TYPE OF LIVESTOCK: N/A

( ) Horses No: _____ ( ) Goats No: _____
( ) Cattle No: _____ ( ) Sheep No: _____
( ) Other: _____ ( ) No: _____

TYPE OF CROPS: N/A

( ) Row (ie., corn) Acres _____
( ) Forage-Hay-Pasture Acres _____
( ) Small Grains Acres _____
( ) Horticulture (ie., Fruits & Vegetables) Acres _____

TYPE OF WILDLIFE: N/A

( ) Fish No: _____ ( ) Small Game No: _____
( ) Large Game No: _____ ( ) Birds No: _____
( ) Others No: _____

IF WATER IS USED FOR INDUSTRIAL OR MINING PURPOSES, ATTACH WATER SUPPLY PLAN DESCRIBING SOURCE AND METHODS OF DIVERSION, CONVEYANCE AND USES.

SEASON OF MAXIMUM USE: (X) Spring (X) Summer (X) Fall (X) Winter

MAXIMUM RATE OF USE: 87.5 (X) GPM ( ) CFS

EXPECTED DATE WATER USAGE TO BEGIN: 1/1/98 (renewed 1/1/03)

EXPECTED VOLUME OF WATER TO BE USED: 141 ac/ft (_____ gallons)

METHOD OF WATER DIVERSION: ( ) Instream Pump ( ) Gate or Gravity Flow
(X) Other: pump located at well

METHOD OF WATER CONVEYANCE: ( ) Ditch ( ) Canal (X) Pipeline ( ) Truck
( ) Other: _____

ATTACH AN 8 ½" X 11" MAP SHOWING EXACT LOCATION OF IDENTIFIED WATER SOURCE AND SCENARIO/LOCATION OF WHERE WATER IS TO BE USED.

RETURN FLOW OR DISCHARGE

AMOUNT OF WATER: N/A ( ) GPM ( ) CFS ( ) GPD

METHOD: ( ) Direct ( ) Indirect ( ) Injection

IS DISCHARGE TREATED ( ) YES ( ) NO
IS QUALITY AFFECTED ( ) YES ( ) NO IS TEMPERATURE AFFECTED ( ) YES ( ) NO
FEDERAL/UIC PERMIT: _____ N/A NPDES PERMIT NUMBER: N/A

! ajo Department of Water Resour
Water Code Administration
P.O. Box 678
Fort Defiance, Arizona 86504
Ph. No. (928) 729-4132/Fax No. (928) 729-4421

APPROVED

WATER USE PERMIT WUP NO: 06.0019

VALID FROM DEC 29 2005 to DEC 29 2010

NOTE: This permit is valid only upon signature of the Department of Water Resources Director. Please read Water Use Permit information sheet before completing this form.

APPLICANT: Resolute Natural Resources
LAST NAME FIRST; OR COMPANY NAME

MAILING ADDRESS: Post Office Box 800

CITY: Montezuma Creek STATE: Utah ZIP CODE: 84534

CONTACT PERSON: Roger Atcitty TELEPHONE NO: 435-651-3682 X-103
Fax #: 435-651-3276

DATE RECEIVED: NOV 23 2005 DATE COMPLETED JAN 04 2006

$25.00 Filing Fee Received _____ Receipt No. _____ Initial _____

IDENTIFIED WATER SOURCE TO BE USED

( ) Spring No: _____ ( ) Stream Name: _____

( ) Stockpond Name/No: _____ ( ) Lake/Reservoir Name: _____

(X) Well No: CUSA WW #19 ( ) Injection Well No: _____

Amount of water requested: 1,000 acre-ft

( ) Other Description/Name: _____ Grazing District: 12

Chapter: Aneth Chapter Code: ANET

State: ( ) AZ/Arizona ( ) NM/New Mexico (X) UT/Utah

County: ( ) AP/Apache ( ) MK/McKinley (X) SJ/San Juan
( ) NA/Navajo ( ) VL/Valencia ( ) KA/Kane
( ) CO/Coconino ( ) BL/Bernalillo
( ) SD/Sandoval
( ) SO/Socorro
( ) RA/Rio Arriba
( ) SA/San Juan

Quad. No: (7.5 min. Series) 4648

UTM COORDINATES: X (East) 649102 Y (North) 4125125 ZONE 12

NE SE SW NW / NE SE SW NW / NE SE SW NW	31	40S	24E
10 Acre / 40 Acre / 160 Acre	Section	Township	Range

WI NO: 00.0019

LAND STATUS

(X) TRUST ( ) FEE ( ) LEASE ( ) ALLOTMENT ( ) OTHER _____

WATERSHED NAME: San Juan River USGS WATERSHED CODE NO. 14080201

CONSUMPTIVE WATER USE NEEDED FOR

PRIMARY:

( ) Domestic
( ) Municipal
( ) Livestock
( ) Irrigation Agriculture
( ) Wildlife and Fish
( ) Recreational
( ) Industrial
( ) Mining
( ) Commercial
(X) Other Oil and Gas Production

DOMESTIC/MUNICIPAL:

Number of People: _____ Number of Homes: _____ Others: _____

TYPE OF LIVESTOCK: N/A

( ) Horses No: _____ ( ) Goats No: _____
( ) Cattle No: _____ ( ) Sheep No: _____
( ) Other: _____ ( ) No: _____

TYPE OF CROPS: N/A

( ) Row (ie., corn) Acres _____
( ) Forage-Hay-Pasture Acres _____
( ) Small Grains Acres _____
( ) Horticulture (ie., Fruits & Vegetables) Acres _____

TYPE OF WILDLIFE: N/A

( ) Fish No: _____ ( ) Small Game No: _____
( ) Large Game No: _____ ( ) Birds No: _____
( ) Others No: _____

IF WATER IS USED FOR INDUSTRIAL OR MINING PURPOSES, ATTACH WATER SUPPLY PLAN DESCRIBING SOURCE AND METHODS OF DIVERSION, CONVEYANCE AND USES.

SEASON OF MAXIMUM USE: (X) Spring (X) Summer (X) Fall (X) Winter

MAXIMUM RATE OF USE: 87.5 (X) GPM ( ) CFS

EXPECTED DATE WATER USAGE TO BEGIN: 1/1/98 (renewed 1/1/03)

EXPECTED VOLUME OF WATER TO BE USED: 141 ac/ft (_____ gallons)

METHOD OF WATER DIVERSION: ( ) Instream Pump ( ) Gate or Gravity Flow
(X) Other: pump located at well

METHOD OF WATER CONVEYANCE: ( ) Ditch ( ) Canal (X) Pipeline ( ) Truck
( ) Other: _____

ATTACH AN 8 ½" X 11" MAP SHOWING EXACT LOCATION OF IDENTIFIED WATER SOURCE AND SCENARIO/LOCATION OF WHERE WATER IS TO BE USED.

RETURN FLOW OR DISCHARGE

AMOUNT OF WATER: N/A ( ) GPM ( ) CFS ( ) GPD

METHOD: ( ) Direct ( ) Indirect ( ) Injection

IS DISCHARGE TREATED ( ) YES ( ) NO
IS QUALITY AFFECTED ( ) YES ( ) NO **IS TEMPERATURE AFFECTED** ( ) YES ( ) NO
FEDERAL/UIC PERMIT: N/A **NPDES PERMIT NUMBER:** N/A

Navajo Department of Water Resour
Water Code Administration
P.O. Box 678
Fort Defiance, Arizona 86504
Ph. No. (928) 729-4132/Fax No. (928) 729-4421

WATER USE PERMIT

APPROVED

WUP NO: 06.0020

VALID FROM DEC 29 2005 to DEC 29 2010

NOTE: This permit is valid only upon signature of the Department of Water Resources Director. Please read Water Use Permit information sheet before completing this form.

APPLICANT: Resolute Natural Resources
LAST NAME FIRST; OR COMPANY NAME

MAILING ADDRESS: Post Office Box 800

CITY: Montezuma Creek **STATE:** Utah **ZIP CODE:** 84534

CONTACT PERSON: Roger Atcitty **TELEPHONE NO:** 435-651-3682 X-103

Fax #: 435-651-3276

DATE RECEIVED: NOV 23 2005 **DATE COMPLETED** JAN 04 2006

$25.00 Filing Fee Received _____ **Receipt No.** _____ **Initial** _____

IDENTIFIED WATER SOURCE TO BE USED

( ) **Spring No:** _____ ( ) **Stream Name:** _____

( ) **Stockpond Name/No:** _____ ( ) **Lake/Reservoir Name:** _____

(X) **Well No:** CUSA WW #20 ( ) **Injection Well No:** _____

Amount of water requested: 1,000 acre-ft

( ) **Other Description/Name:** _____ **Grazing District:** 12

Chapter: Aneth **Chapter Code:** ANET

State:	( ) AZ/Arizona	( ) NM/New Mexico	(X) UT/Utah
County:	( ) AP/Apache	( ) MK/McKinley	(X) SJ/San Juan
	( ) NA/Navajo	( ) VL/Valencia	( ) KA/Kane
	( ) CO/Coconino	( ) BL/Bernalillo	
		( ) SD/Sandoval	
		( ) SO/Socorro	
		( ) RA/Rio Arriba	
		( ) SA/San Juan	

Quad. No: (7.5 min. Series) 4648

UTM COORDINATES: X (East) 649170 **Y (North)** 4125095 **ZONE** 12

NE SE SW NW / NE SE SW NW / NE SE SW NW	31	40S	24E
10 Acre 40 Acre 160 Acre	Section	Township	Range

This used to be called the Cusa Gallery Well.

WR NO: 06.0020

LAND STATUS

(X) TRUST ( ) FEE ( ) LEASE ( ) ALLOTMENT ( ) OTHER _____
WATERSHED NAME: San Juan River USGS WATERSHED CODE NO. 14080201

CONSUMPTIVE WATER USE NEEDED FOR

PRIMARY:

( ) Domestic
( ) Municipal
( ) Livestock
( ) Irrigation Agriculture
( ) Wildlife and Fish
( ) Recreational
( ) Industrial
( ) Mining
( ) Commercial
(X) Other Oil and Gas Production

****

DOMESTIC/MUNICIPAL:
Number of People: _____ Number of Homes: _____ Others: _____

TYPE OF LIVESTOCK: N/A
( ) Horses No: _____ ( ) Goats No: _____
( ) Cattle No: _____ ( ) Sheep No: _____
( ) Other: _____ ( ) No: _____

TYPE OF CROPS: N/A
( ) Row (ie., corn) Acres _____
( ) Forage-Hay-Pasture Acres _____
( ) Small Grains Acres _____
( ) Horticulture (ie., Fruits & Vegetables) Acres _____

TYPE OF WILDLIFE: N/A
( ) Fish No: _____ ( ) Small Game No: _____
( ) Large Game No: _____ ( ) Birds No: _____
( ) Others No: _____

IF WATER IS USED FOR INDUSTRIAL OR MINING PURPOSES, ATTACH WATER SUPPLY PLAN DESCRIBING SOURCE AND METHODS OF DIVERSION, CONVEYANCE AND USES.

SEASON OF MAXIMUM USE: (X) Spring (X) Summer (X) Fall (X) Winter

MAXIMUM RATE OF USE: 87.5 (X) GPM ( ) CFS

EXPECTED DATE WATER USAGE TO BEGIN: 1/1/98 (renewed 1/1/03)

EXPECTED VOLUME OF WATER TO BE USED: 141 ac/ft (_____ gallons)

METHOD OF WATER DIVERSION: ( ) Instream Pump ( ) Gate or Gravity Flow
(X) Other: pump located at well

METHOD OF WATER CONVEYANCE: ( ) Ditch ( ) Canal (X) Pipeline ( ) Truck
( ) Other: _____

ATTACH AN 8 ½" X 11" MAP SHOWING EXACT LOCATION OF IDENTIFIED WATER SOURCE AND SCENARIO/LOCATION OF WHERE WATER IS TO BE USED.

RETURN FLOW OR DISCHARGE

AMOUNT OF WATER: N/A ( ) GPM ( ) CFS ( ) GPD **METHOD:** ( ) Direct ( ) Indirect ( ) Injection

IS DISCHARGE TREATED ( ) YES ( ) NO
IS QUALITY AFFECTED ( ) YES ( ) NO **IS TEMPERATURE AFFECTED** ( ) YES ( ) NO
FEDERAL/UIC PERMIT: _____ N/A **NPDES PERMIT NUMBER:** N/A

C-113 LDVL

Aneth Field
San Juan County, Utah

Drilling Procedure

Objective ____ 2

Drilling Rig ____ 2

Well Control Equipment ____ 3

BOP Stack ____ 3

Geologic Information ____ 4

Logging ____ 4

Reservoir Pressure and Temperature ____ 4

Total Drilling Operation Days ____ 4

Casing Program ____ 5

Potential Drilling Hazards and Mitigation ____ 5

Cementing ____ 6

Drilling Fluid ____ 7

Surface Hole ____ 7

Production Hole (1600-2500 ft) ____ 7

Production Hole (2500-4600 ft) ____ 8

Production Hole (4600-7600 ft) ____ 8

Horizontal Laterals ____ 10

Casing Exits ____ 10

Directional Drilling ____ 10

Drilling Fluids ____ 11

Objective

The primary objective is to drill and complete a salt water disposal (SWD) well in the Missippian Lower Leadville formation. A secondary objective is to determine the Leadville reservoir properties, including fluid content. Hydrocarbons, CO_2, and/or water could be encountered.

The proposed location is 704' FNL and 1665' FEL, Sec. 13, T40S, R23E, SLM.
Three or four bottomhole locations will be selected for laterals.

Drilling Rig

The rig to be used is Patterson Rig# 741. The drilling rig is rated to 10,500 ft with the following equipment:

- Ideco Rambler Back-in 7525
- 117 ft 358,000 # hookload capacity derrick
- 2-Detroit diesel 12V71-T
- Parkersburg V-80 hydromatic
- 15 ft high- 300,000# casing capacity
- 1- PZ-8 Gardner-Denver w/ Cat D398-T
- 1- PZ-8 Gardner-Denver w/ Cat D3508
- 1- 500 bbl pit w/ shale shaker and hopper
- 1-Pioneer 10 cone desilter, 500 gpm capacity
- 1- 480 bbl fresh water storage
- 2-3408 Cat w/ 275 KW generators
- Ideco 150 ton traveling blocks w/ combination hook
- Ideco 27 ½" Rotary table
- 1-11" 3k Shaffer LWS BOP
- Closing Unit
- Special Equipment to include;
    - Crown-O-Matic
    - Tong Torque Gauge
    - Automatic Driller
    - Rate of Penetration Recorder
    - Totco Deviation Instrument
    - Cell Phone
    - Choke manifold
    - Necessary drill pipe and drill collars
    - Pipe spinners
    - Kelly spinner
    - Centrifugal pump back pump

Well Control Equipment

- 1-11" Shaffer LWS BOP
- Closing Unit
- Choke manifold

Testing of BOP equipment and choke manifold along with TIW valves and upper and lower kelly valves to a low pressure of 200 psi and an upper pressure of 5000 psi for 15 minutes upon nipple up. Do not test the annular above 1500 psi WP. Replace/repair any and all leaking equipment, flanges, valves, etc.. Record on tour sheet and keep chart.

Test BOP equipment every 7 days and record on chart.

Kill line and choke manifold line to flare pit as wells as emergency blooie line should be staked and chained at equal intervals, 30 ft, to pit.

Accumulator should be tested for pre-charge pressure on closing unit and hold pressure 200 psi on manifold once BOP equipment is closed..

Choke manifold should be operated and circulated through for kill rate pressures with each change of BHA., using a two slow pump rates, at idle and one 10 strokes above that.

BOP Stack

Stack	WP	Flange Size	Depth
Diverter w/ Annular	150 psi/2000 psi	16"	90-1600'
RSRA	5000 psi	13 5/8"	1600-7600'
RSRA/Rot Head	5000 psi	11" or 7 1/16"	7600-10000'

Diverter system is installed on conductor pipe to control well flows encountered at relatively shallow depths. Diverter system consists of three components 1) conductor pipe, 2) annular preventer, and 3) large diameter diverter line (6" minimum) kept open so that flow can be immediately diverted by shutting the preventer. All diverter lines should be securely staked and targeted, .minimizing or eliminating 45 ° or 90° ells where possible. Any diverter line valves or other components must be 150 psi minimum working pressure.

RSRA (Pipe ram/ spool/ blind rams/ Annular)

This arrangement will allow for the well to be shut in and maintain access to wellbore below blind rams in the event killing the well is necessary. The kill line should be 2" minimum nominal diameter. Use flanged valves on all outlets and flowlines and manifold.

Geologic Information

Navajo	± 1000
Chinle	± 1600
DeChelly	± 2500
Upper Ismay	5473
Lower Ismay	5575
Gothic Shale	5634
Desert Creek	5659
Chimney Rock Shale	5813
Leadville	7094
Lwr Leadville	7600

Logging

Interval 7600-5000 ft; Quad combo, Baker Atlas Grand Slam

Interval 7600-7000 ft Image log, Baker Atlas Star

Interval 7600-7300 ft Rotary Cores

Reservoir Pressure and Temperature

i. The reservoir pressure in the Leadville is anticipated to be at a normal pressure gradient, 3200 psi at 7400 ft. (8.3 #/gal) with a bottomhole temperature of 150 °F.

ii. Reservoir pressures in the Ismay and Desert Creek are expected to be abnormally pressured as a result of the ongoing waterflood in the Aneth Unit. The current pressure is 3150 psi at 5694 ft, 10.6 #/gal, in the nearby injection well. This injection well will be shut-in as soon as the well is spudded to hopefully dissipate pressure within the reservoir. In addition, the drilling mud weight will be raised to maintain a slightly overbalanced system while the Ismay and Desert Creek intervals are exposed.

iii. Small releases of hydrogen sulfide are possible, less than 100 ppm, near areas of fluid breakout i.e., flowline, shaker, floor connections, under substructure at BOP. This will be minimized by having an overbalanced mud system plus sensors will be in place to notify of H2S releases at all critical points on location. Scott airpacks will be available for crew and a designated meeting area will be decided upon upwind from drilling rig. Proper warning signs will be displayed upon entrance to location.

Total Drilling Operation Days

The anticipated drilling time for the vertical well is 24 days to reach TD.. An additional 11 for the first lateral and 9 days per subsequent lateral is anticipated to mill a separate window for each lateral, 38 days. A total then from commencement or spud, is then **62 days**.

Casing Program

Interval Depth	OH size	Casing	Centralizers	Float Equipment
0-80'	20"	16"/65#/H40/STC		16" guide shoe
80-1600'	14 ¾"	11 ¾"/60#/K55/STC	1-5' above shoe, 1-5' above float collar, 1-every fourth collar to surface (14 total)	11 ¾"" guide shoe, 1 jt csg, insert float collar, stage tool @ ± 650'
1600-7135'	9 ½"	7 5/8"/26.4&33.7#/L80 &S95/LTC	1-5' above shoe, 1-5' above float collar, 1-every fourth collar to surface (47 total)	7 5/8" guide shoe, 1jt csg, insert float collar, 5 jts of csg, 20' marker jt, remaining casing w/ stage tool @ ±3200'

Potential Drilling Hazards and Mitigation

Surface Hole

Hazard	Mitigation
Water flow between 700 and 1600'	Have conductor set; Increase mud weight and use diverter to divert flow from around substructure to pit
Boulders making surface hole difficult to finish	Extra bit runs
Cementing problems	Two stage cement job using stage tool along with cement basket- have enough cement brought out for 1" top out job also

Production Hole

Kick seen upon drilling into the Desert Creek formation; water, oil, and/or gas	Have mud weight high enough to avoid kick around 10.6 #/gal, possibly as high as 13.7 #/gal will be required.
Possible H_2S in Desert Creek	H_2S alarms and equipment should be in place by 5000 ft to include alarm sensors under the rig floor, at shaker, and on the floor and four Scott airpacks in strategic locations, as well as warning signs upon entry to location
Possible corrosion from H2S in Desert Creek	A corrosion inhibitor, a thin coating amine, will be run and kept in the system to protect all downhole tools.
Possible differential sticking from nearby production from Desert Creek	If sticking occurs, consider using spotting acid to break free.
Low fracture gradient requiring two stages for cementing	Two stage cement job; possible one stage job with low weight high compressive strength cement
Paradox Salt	Salt saturated mud and cement appropriate to cover the salt interval along with casing designed with a 1.25 design factor for collapse.

Cementing

Interval Depth	Cement	Volume ft^3	Density/ Yield/ Fluid Loss
0-80'	Cls 'G' neat	95	15.4/1.35/NC
80-1600'	1st stg lead: 50/50 'G'/Poz, 3% sodium metasilicate, 5pps kolite, 0.25 pps celloflake, 0.8 D111	315	11.45/2.36/380
	1st stg tail: Class 'G' neat w/ 2% CaCl2, 0.25 celloflake	110	15.4/1.25/NC
	2nd stg lead: 50/50 'G'/Poz, 3% sodium metasilicate, 5pps kolite, 0.25 pps celloflake, 0.8 D111	550	11.45/2.36/380
	2nd stg tail: Class 'G' neat w/ 2% CaCl2, 0.25 celloflake	325	15.4/1.25/NC
1600-7135'	1st stg lead: 50/50 Cls 'G'/Poz, 3% D79, 3.0 pps D42, 0.25 pps D29	790	12/1.98/300
	1st stg tail: Cls 'G' with 0.8% D156, 0.2% D65, 5 ppsi D42	265	15.7/1.2/55
	2nd stg lead: 50/50 Cls 'G'/Poz, 3% D79, 3.0 pps D42, 0.25 pps D29	525	12/1.98/300
	2nd stg tail: Cls 'G' with 0.8% D156, 0.2% D65, 5 ppsi D42	315	16/1.13/NC

Drilling Fluid

Surface Hole

Mud Type: FW/Spud Mud

Start depth	End depth	Last Csg	Bit Size
80 ft	1600 ft	16 in.	14 ¾ in.

- Mix spud mud in surface pits prior to spud
- Sweep hole with 20-25 bbls of pre-hydrated gel and lime to ensure hole cleaning when necessary
- Treat out any calcium contamination with soda ash. Add bentonite in the concentration of 12-15 ppb.
- Use caustic to maintain pH within range.
- Shakers should have 180 mesh screens at minimum.

Hole Volume: 340 bbls
Pit Volume: 500 bbls

Total Volume: 840 bbls

Mud Properties	Minimum	Maximum	Units
Mud Weight	8.3	9.4	#/gal
Drill Solids	4	6	Percent
pH	9	9.5	
Funnel Viscosity	26	40	sec/qt
Fluid Loss	NC	NC	cc/30 min

Production Hole (1600-2500 ft)

Mud Type: FW/gel/PHPA

Start depth	End depth	Last Csg	Bit Size
1600 ft	2500 ft	11 ¾ in.	9 ½ in.

- Sweep hole with 20-25 bbls of pre-hydrated gel and lime to ensure hole cleaning when necessary
- 9.7 #/gal fluid may be needed to control water flows in DeChelly
- Use caustic to maintain pH within range.
- Shakers should have 180 mesh screens at minimum.

Hole Volume: 220 bbls
Pit Volume: 500 bbls

Total Volume: 720 bbls

Mud Properties	Minimum	Maximum	Units
Mud Weight	8.2	9.7	#/gal
Drill Solids	4	6	Percent
pH	9	10	
Funnel Viscosity	26	45	sec/qt
Fluid Loss	NC	NC	cc/30 min

Production Hole (2500-4600 ft)

Mud Type: LSND

Start depth	End depth	Last Csg	Bit Size
2500 ft	4600 ft	11 ¾ in.	9 ½ in.

- Mud up by 2500 ft with a low pH PHPA system. The low pH will help limit dispersion of shale and PHPA will assist in shale dyration via encapsulating exposed shale and drill solids.
- Use PHPA in concentration levels between 0.25 and 1.0 #/bbl. This should lower fluid loss between 12-15 cc/30 min
- *Keep drilling fluid in laminar flow around drill pipe and collars to help minimize hole erosion.*
- 9.7 #/gal fluid may be needed to control water flows in DeChelly
- Use caustic to maintain pH within range.
- Shakers should have 180 mesh screens at minimum.

Hole Volume:	400 bbls
Pit Volume:	450 bbls
Total Volume:	850 bbls

Mud Properties	Minimum	Maximum	Units
Mud Weight	9.7	10.2	#/gal
Drill Solids	4	6	Percent
pH	9	10	
Plastic Viscosity	4	10	
Yield Point	6	12	
Funnel Viscosity	35	40	sec/qt
Fluid Loss	12	15	cc/30 min

Production Hole (4600-7600 ft)

Mud Type: LSND/salt gel mud

Start depth	End depth	Last Csg	Bit Size
4600 ft	7135 ft	11 ¾ in.	9 ½ in.

- Continue to use PHPA in concentration levels between 0.25 and 1.0 #/bbl. This should lower fluid loss between 12-15 cc/30 min
- Lightly disperse system as necessary with Sparsene and Tannathin.
- Need 10.6 #/gal when drilling through Desert Creek due to offset injection.
- *Keep drilling fluid in laminar flow around drill pipe and collars to help minimize hole erosion.*
- **Paradox Salt will require higher salt concentration in mud while drilling, close to 185,000 ppm.**
- Use caustic to maintain pH within range.
- Shakers should have 180 mesh screens at minimum.
- Funnel viscosity should be near maximum for logging.
- Salt concentration should be near 185,000 ppm

Hole Volume:	670 bbls
Pit Volume:	500 bbls
Total Volume:	1170 bbls

Mud Properties	Minimum	Maximum	Units
Mud Weight	10.0	13.0	#/gal
Drill Solids	4	6	Percent
pH	9	10	
Plastic Viscosity	4	12	
Yield Point	6	14	
Funnel Viscosity	35	60	sec/qt
Fluid Loss	15	20	cc/30 min

Horizontal Laterals

Casing Exits

Once 7 5/8" casing has been run and cemented to TD, a collar log will be run to determine depths of collars for proper placement of permanent packer. A TIW permanent packer with a keyway inside the bore will be set at a convenient point for all four windows to be milled. The first whipstock will be made up to the latch-in tool and the horizontal lateral drilled after window has been milled. The whipstock is then pulled after TD is reached, and another whipstock with spacing equipment is run back in the hole. Another window is milled and lateral drilled. The process is repeated for each subsequent lateral.

A gyro will be run to survey the vertical hole drilled and to determine the azimuth of the packer keyway. That azimuth is a reference point for all other whipstock work to take place.

Windows and Laterals

Window	Top	Btm	EOC MD	EOC TVD	Azi	Curve Radius	Build Rate	Spacer	Lateral Length
1	7206	7217	7504	7400	160.76	183	31.3	n/a	3746
2	7164	7175	7523	7400	241.02	222	25.5	31	2978
3	7122	7133	7552	7400	322.47	267	21.5	73	3698
4	7080	7091	7576	7400	62.49	309	18.5	131	3674

Directional Drilling

Once the curve building assembly is run in the hole and on bottom, a gyro will again be used to both orient the motor and drill with until all magnetic interference is cleared. The MWD will be used from that point to proposed bottom hole location for surveying information. After the curve is finished, a lateral bottomhole assembly will be run in the hole to continue drilling to TD. The planned horizontal displacement will be 4000 ft.

6 ½" bits will be used to drill the lateral.

Current well plan can be seen in attachment on page 12.

Drilling Fluids

Mud Type: CaCO3 brine

Start depth	End depth	Last Csg	Bit Size
7150 ft	11250 ft	7 5/8 in.	6 ½ in.

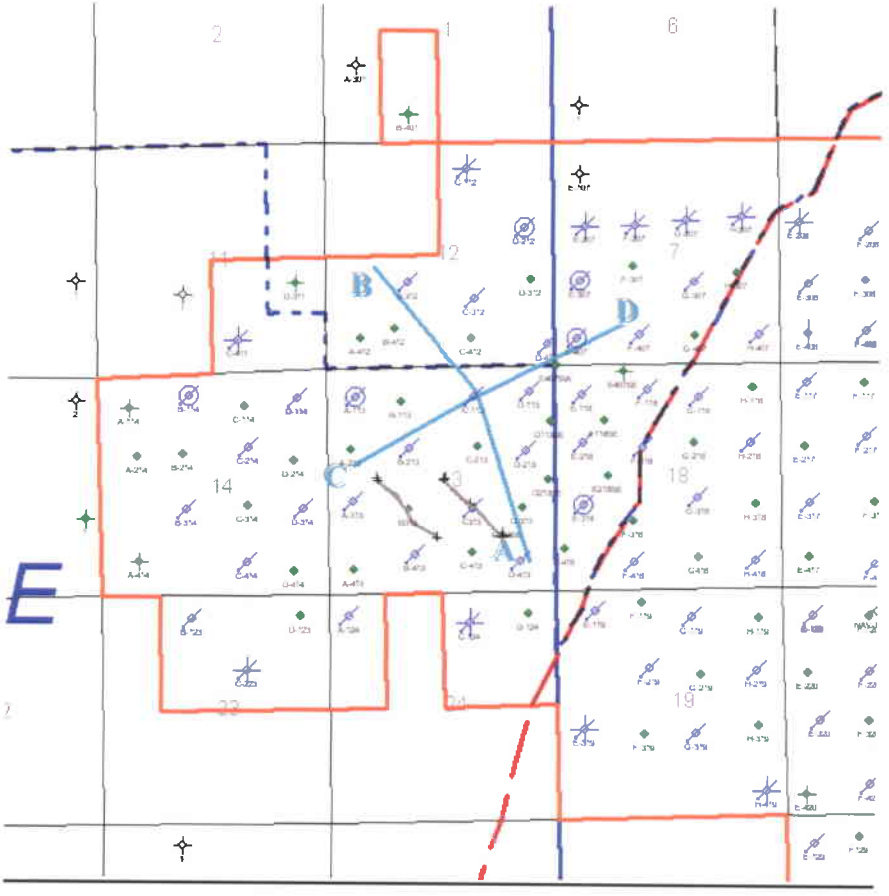
- Use high grade polymer, XCD, in concentration levels necessary to get fluid loss between 20-30 cc/30 min
- Use fine grade CaCO3 mixed with medium grade as necessary.
- This system will continue to be used when drilling the horizontal interval.
- Use caustic to maintain pH within range.
- Shakers should have 180 mesh screens at minimum.

Hole Volume: 120 bbls
Pit Volume: 500 bbls

Total Volume: 620 bbls

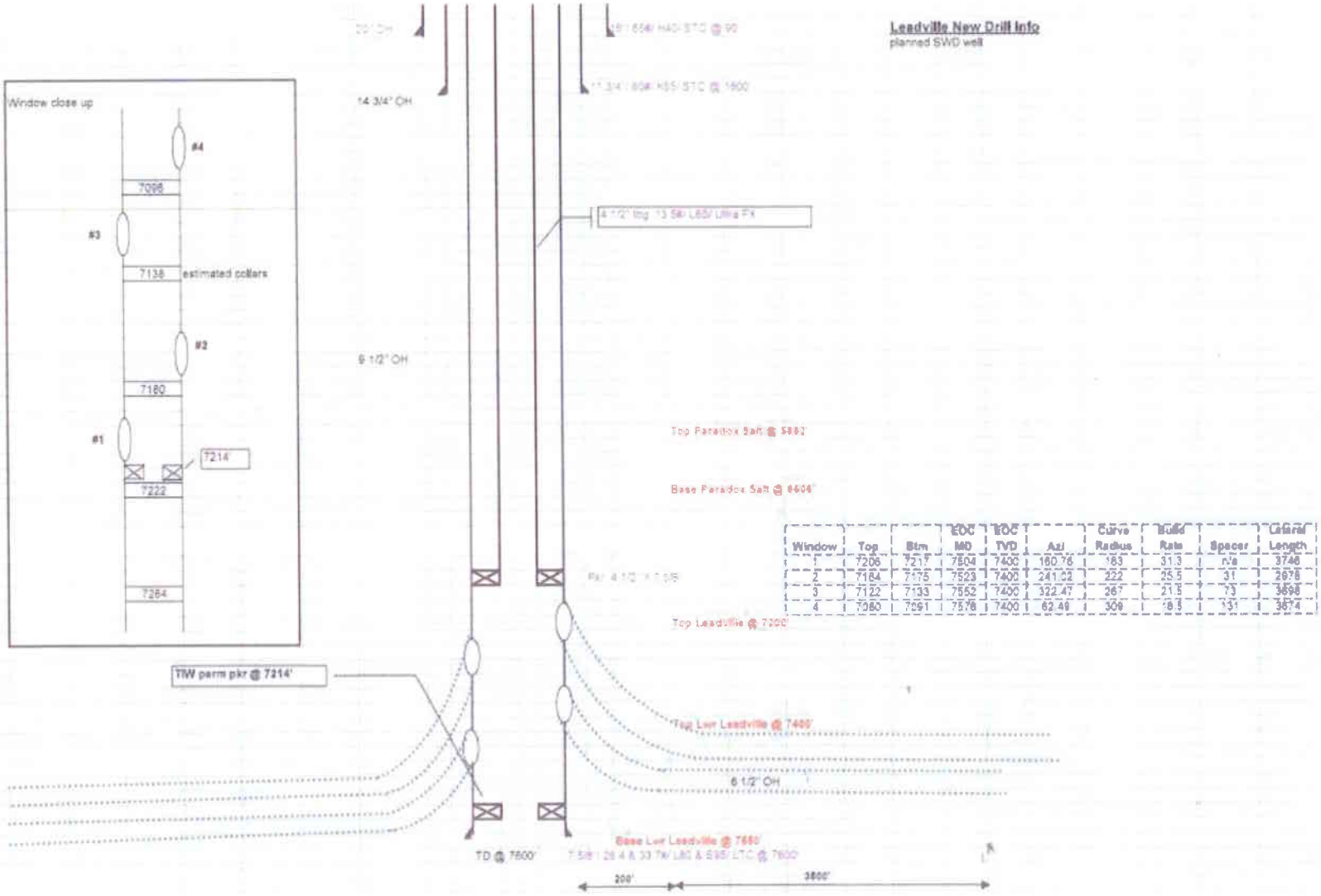
Mud Properties	Minimum	Maximum	Units
Mud Weight	8.3	8.6	#/gal
Drill Solids	4	6	Percent
pH	9	10	
Funnel Viscosity	32	38	sec/qt
Fluid Loss	20	30	cc/30 min

C-113-LDVL
Surface & Bottomhole Locations



Total Depth: 8000' Elev: 4,770'
Surface Location: NAD 27 Utah South X: 2628993.60 and Y: 243119.30
740' FNL and 1665' FEL, 40S 23E Sec 13, SLM

Lateral	Direction	Bottomhole Location	Drill Depth
A)	SE	X: 2630319.10; Y: 239320.90 Sec 13, 740' FSL, 610' FEL	TD: 7,407' TVD 4,000' Lateral
B)	NW	X: 2626565.70; Y: 246280.20 Sec 12, 1010' FSL, 1745' FWL	TD: 7,480' TVD 4,000' Lateral
C)	SW	X: 2626194.30; Y: 241569.00 Sec 13, 2280' FNL, 610' FWL	TD: 7,487' TVD 3,200' Lateral
D)	NE	X: 2632547.60; Y: 244970.4 Sec 7, 1005' FSL, 1745' FWL	TD: 7,305' TVD 4,000' Lateral



Window	Top	Btm	EOC MD	EOC TVD	Azi	Curve Radius	Build Rate	Spacer	Lateral Length
1	7206	7217	7504	7400	160.76	183	31.3	n/a	3746
2	7164	7175	7523	7400	241.02	222	25.5	31	3678
3	7122	7133	7552	7400	322.47	267	21.5	73	3698
4	7080	7091	7578	7400	62.46	309	18.5	131	3674

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/19/2006

API NO. ASSIGNED: 43-037-31852

WELL NAME: ANETH U C-113 LDVL

OPERATOR: RESOLUTE NATURAL (N2700)

CONTACT: DWIGHT E MALLORY

PHONE NUMBER: 303-534-4600

PROPOSED LOCATION:

NWNE 13 400S 230E

SURFACE: 0740 FNL 1665 FEL

BOTTOM: 0740 FNL 1665 FEL

COUNTY: SAN JUAN

LATITUDE: 37.31457 LONGITUDE: -109.3363

UTM SURF EASTINGS: 647428 NORTHINGS: 4130864

FIELD NAME: GREATER ANETH (365)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: SL-070968-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: LDLL

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. B001252)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 06.0015)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: ANETH

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 152-1

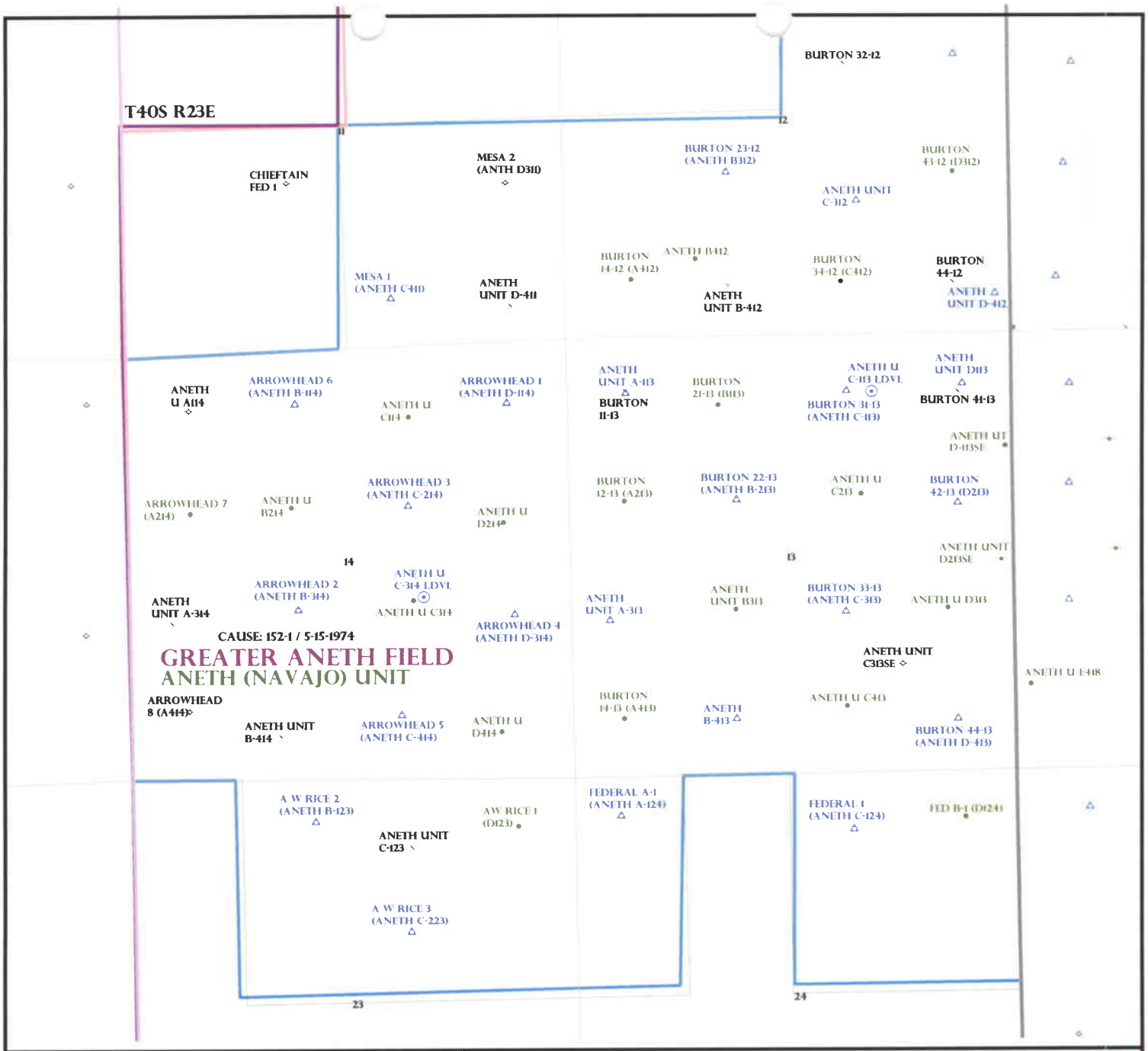
Eff Date: 5-15-94

Siting: 500' fr ub boundaries

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval



OPERATOR: RESOLUTE ANETH LLC (N2700)

SEC: 13,14 T. 40S R. 23E

FIELD: GREATER ANETH (365)

COUNTY: SAN JUAN

CAUSE: 152-1 / 5-15-1974

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

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

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

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA WHITNEY

DATE: 25-MAY-2006

Form 3160-3
(April 2004)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: **SL-070968-A**

6. If Indian, Allotee or Tribe Name:

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.: **Aneth Unit, 8910077380**

1b. Type of Well: ☐ Oil Well ☑ Gas Well ☒ Other ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.: **Aneth Unit C-113 LDVL**

2. Name of Operator: **Resolute Natural Resources Company**

9. API Well No.: **New Well** 43-037-31852

3a. Address: **1675 Broadway, Suite 1950, Denver, CO 80202**

3b. Phone No. *(include area code)*: **303-534-4600**

10. Field and Pool, or Exploratory: **Greater Aneth**

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface: **740'FNL, 1665'FEL**
At proposed prod. zone: **Refer to attached drilling plan.**

11. Sec., T. R. M. or Blk. and Survey or Area: NW NE **13, 40S, 23E, SLM**

14. Distance in miles and direction from nearest town or post office*: **2.75 Miles North of Montezuma Creek, UT**

12. County or Parish: **San Juan**

13. State: **UT**

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any): **50'**

16. No. of acres in lease: **120**

17. Spacing Unit dedicated to this well: **40 acres**

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.: **2,100'**

19. Proposed Depth: **7,600'**

20. BLM/BIA Bond No. on file: **B001252**

21. Elevations (Show whether DF, KDB, RT, GL, etc.): **4,797' KB**

22. Approximate date work will start*: **06/19/2006**

23. Estimated duration: **62 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:

1. Well plat certified by a registered surveyor.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature: [signature] — Name *(Printed/Typed)*: **Dwight E Mallory** — Date: **05/01/2006**

Title: **Regulatory Coordinator**

Approved by *(Signature)*: [signature] — Name *(Printed/Typed)*: **BRADLEY G. HILL** — Date: **05-25-06**

Title: — Office: **ENVIRONMENTAL MANAGER**

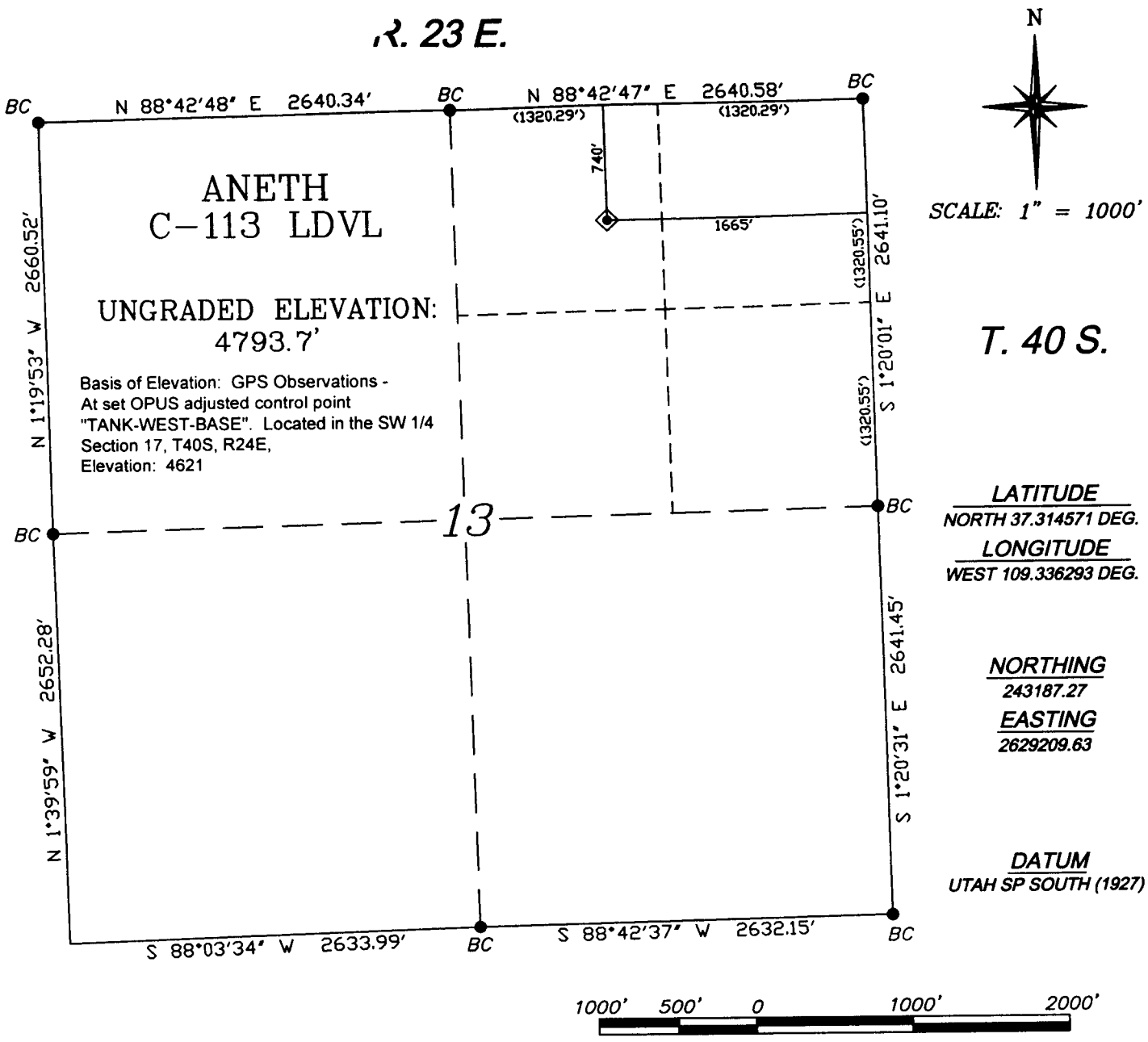
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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 page 2)*

Federal Approval of this Action Is Necessary

RECEIVED
MAY 25 2006
DIV. OF OIL, GAS & MINING



SCALE: 1" = 1000'

T. 40 S.

LATITUDE
NORTH 37.314571 DEG.
LONGITUDE
WEST 109.336293 DEG.

NORTHING
243187.27
EASTING
2629209.63

DATUM
UTAH SP SOUTH (1927)

SURVEYOR'S STATEMENT:

I, Brian Forbes, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on MARCH 29, 2006, and it correctly shows the location of ANETH C-113 LDVL.

REGISTERED LAND SURVEYOR
No. 184587
BRIAN L. FORBES
STATE OF UTAH

UTAH PLS No. 184587 4/24/06

NOTES

◈ WELL LOCATION
● FOUND MOUNUMENT

EXHIBIT A

UNITED FIELD SERVICES INC.

P.O. BOX 3651
FARMINGTON, N.M.
(505) 334-0408

SCALE: 1" = 1000'
JOB No. 6685
DATE: 4/12/06

PLAT OF DRILLING LOCATION
FOR
RESOLUTE NATURAL RESOURCES COMPANY

740' F/NL & 1665' F/EL, SECTION 13,
T. 40 S, R. 23 E, SALT LAKE MERIDIAN
SAN JUAN COUNTY, UTAH

BY: A.D. DWG.#: 6685W01

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

May 25, 2006

Resolute Natural Resources Company
1675 Broadway, Suite 1950
Denver, CO 80202

Re: Aneth Unit C-113 LDVL Well, 740' FNL, 1665' FEL, NW NE, Sec. 13, T. 40 South, R. 23 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 43-037-31852.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: Resolute Natural Resources Company

Well Name & Number Aneth Unit C-113 LDVL

API Number: 43-037-31852

Lease: SL-070968-A

Location: NW NE **Sec.** 13 **T.** 40 South **R.** 23 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.

Form 3160-3
(April 2004)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. SL-070968-A

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No. Aneth Unit, 8910077380

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☑ Other ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No. Aneth Unit C-113 LDVL

2. Name of Operator: Resolute Aneth, LLC.

9. API Well No. ~~New Well~~ 4303731852

3a. Address: 1675 Broadway, Suite 1950, Denver, CO 80202

3b. Phone No. *(include area code)*: 303-534-4600

10. Field and Pool, or Exploratory: Greater Aneth

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface: 740'FNL, 1665'FEL
At proposed prod. zone: Refer to attached drilling plan.

11. Sec., T. R. M. or Blk. and Survey or Area: 13, 40S, 23E, SLM

14. Distance in miles and direction from nearest town or post office*: 2.75 Miles North of Montezuma Creek, UT

12. County or Parish: San Juan

13. State: UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
50'	120	40 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	**19. Proposed Depth**	**20. BLM/BIA Bond No. on file**
2,100'	7,600'	B001252
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	**22. Approximate date work will start***	**23. Estimated duration**
4,797' KB	06/19/2006	62 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:

1. Well plat certified by a registered surveyor.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name *(Printed/Typed)*	Date
	Dwight E Mallory	05/01/2006

Title: Regulatory Coordinator

Approved by *(Signature)*	Name *(Printed/Typed)*	Date
/s/ [illegible]	[illegible]	8/23/06

Title: Assistant Field Manager, Division of Resources

Office: Division of Resources Moab Field Office

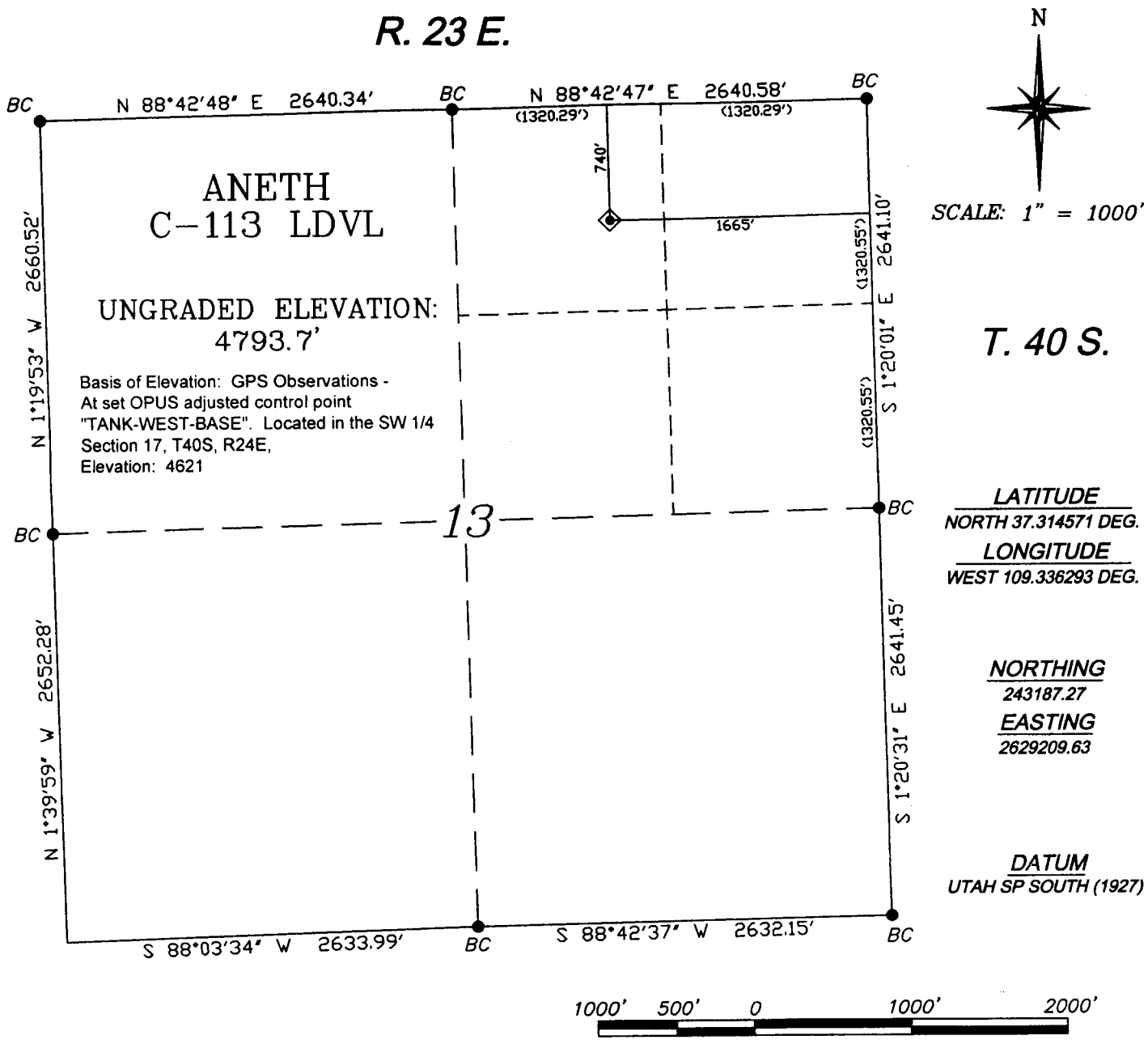
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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 page 2)*

CONDITIONS OF APPROVAL ATTACHED

AUG 29 2006



LATITUDE
NORTH 37.314571 DEG.
LONGITUDE
WEST 109.336293 DEG.

NORTHING
243187.27
EASTING
2629209.63

DATUM
UTAH SP SOUTH (1927)

SURVEYOR'S STATEMENT:

I, Brian Forbes, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on MARCH 29, 2006, and it correctly shows the location of ANETH C-113 LDVL.

REGISTERED LAND SURVEYOR
No. 184587
BRIAN L. FORBES
STATE OF UTAH

UTAH PLS No. 184587 4/24/06

EXHIBIT A

NOTES

◈ WELL LOCATION
● FOUND MOUNUMENT

UNITED
FIELD SERVICES INC.

P.O. BOX 3651
FARMINGTON, N.M.
(505) 334-0408

SCALE: 1" = 1000'
JOB No. 6685
DATE: 4/12/06

PLAT OF DRILLING LOCATION
FOR
RESOLUTE NATURAL RESOURCES COMPANY

740' F/NL & 1665' F/EL, SECTION 13,
T. 40 S, R. 23 E, SALT LAKE MERIDIAN
SAN JUAN COUNTY, UTAH

BY: A.D. DWG.#: 6685W01

Resolute Aneth, LLC
Aneth Unit C-113 LDVL
Lease UTSL-070968-A
Aneth Unit
NW/NE Section 13, T23S, R40E (surface location)
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 Resolute Natural Resources/Resolute Aneth, LLC 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 **UTB000169** (Principal – Resolute Natural Resources/Resolute Aneth, LLC) 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. This approval is limited to the drilling of the well within the jurisdiction and boundary of federal oil and gas lease UTSL-090768-A. Use of this well for injection/disposal of produced water will require separate authorization.

2. Resolute Aneth, LLC shall investigate the potential of the subject well to produce hydrocarbons in paying quantities from the Leadville Formation. This investigation would include the direct testing and observation of this well, and the review of data from other wells in the region that have penetrated the Leadville Fm. The findings of this investigation shall be submitted to the BLM Moab Field Office.

3. The proposed pressure control equipment is appropriate for anticipated conditions: 2M system down to 1600', and 5M system below the surface casing shoe (+/-1600') with the addition of a rotating head when drilling the laterals.

4. If H2S is detected in concentrations exceeding 100 ppm in the gas stream, contact Eric Jones (435-259-2117) of the BLM Moab Field Office. The well must then be secured as soon as practicable. The provisions of *Onshore Oil & Gas Order No. 6, Hydrogen Sulfide Operations*, will be implemented. To ensure the continuation of safe drilling operations, a drilling operations plan shall be promptly submitted to the BLM Moab Field Office.

5. A cement bond log, or other tool appropriate to determine the cement top, shall be run on the production casing.

B. SURFACE

No additional surface use stipulations.

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.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

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 Monticello 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 through the Monticello Field Office as soon as the productivity of the well is apparent.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion or 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 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- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, 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 be approved when the Monticello Field Office determines that surface reclamation work has successfully restored desirable vegetation.

TABLE 1 NOTIFICATIONS

Notify Jeff Brown (435-587-1525) of the BLM, Monticello Field Office for the following:

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

1 day prior to spudding;

50 feet prior to reaching the surface casing (9-5/8") setting depth;

3 hours prior to testing BOP

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:

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

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTSL-070968A

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
ANETH C-113 LDVL

2. Name of Operator **RESOLUTE ANETH, LLC***

9. API Well No.
43-037-31852

3a. Address
1675 BROADWAY, SUITE 1950, DENVER, CO 80202

3b. Phone No. *(include area code)*
303 534-4600

10. Field and Pool, or Exploratory Area
GREATER ANETH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
740' FNL & 1665' FEL 13-40S-23E SLBM

11. County or Parish, State
SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☑ New Construction	☐ Recomplete	☐ Other
	☑ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. 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 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.)

***a wholly owned subsidiary of Resolute Natural Resources Company**

Will rotate pad 180°.
Reserve pit will be terraced down so at least half in cut.
Reserve pit will be lined as described in APD.
Change of plans due to proposed CO2 pipeline trench.
Verbally approved today by Jeff Brown & Eric Jones in phone call with Brian Wood.

cc: BLM (Mont., Moab), Brady, UDOGM

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 *(Printed/Typed)*
BRIAN WOOD **(PHONE 505 466-8120)** Title **CONSULTANT** **(FAX 505 466-9682)**

Signature Date **08/28/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice 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. Office

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.

RECEIVED
AUG 31 2006
DIV. OF OIL, GAS & MINING

(Instructions on page 2)

RECEIVED
SEP 2 2 2006
DIV. OF OIL, GAS & MINING

FORM 6

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

ENTITY ACTION FORM

Operator: Resolute Natural Resources Company
Operator Account Number: N 2700
Address: 1675 Broadway, Suite 1950
city Denver
state CO zip 80202
Phone Number: (303) 534-4600

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303731852	C-113 LDVL		NWNE	13	40S	23E	San Juan
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	7000	9/9/2006			9/28/06	

C
Comments: Spud well at 0:00 Hrs 9-9-2006 with 12.25" bit.
LDLL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	

Comments:

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	

Comments:

ACTION CODES:
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Dwight Mallory
Name (Please Print)
Signature
Regulatory Coord. Inter
Title
9/15/06
Date

(5/2000)

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Spud notice
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

The subject well was spudded at 0:00 hrs on 9/9/2006. Daily wellwork reports for 8-31 through 9-9-06 are attached.

Please call Dwight Mallory at 303-534-4600 with any questions.

NAME (PLEASE PRINT) Dwight Mallory TITLE Regulatory Coordinator

SIGNATURE _____ DATE 9/15/06

(This space for State use only)

RECEIVED
SEP 26 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	31-Aug-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:		County:	San Juan	Footage:	0
Elev. GL, KB		Days / Spud:		State:	Utah	FPH:	
API #	4303731852			AFE:	0 6044	OART:	

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:			Weight:		Rig move:	$0	$0	
Size:			Visc:		Daily rig cost:	$16,100	$16,100	
Mfg:			PV/YP:		Fuel:	$0	$0	
Type:			Gels:		Water:	$0	$0	
Serial No:			Filtrate:		Mud/Corrosion:	$0	$0	
Jets:			Cake:		Bits/Rmrs:	$0	$0	
Depth Out:			% Solids:		Cement:	$0	$0	
Depth In:			% Oil:		Inspection:	$0	$0	
Footage:			% Water:		Insurance:	$0	$0	
Hours:			Sand:		Camp:	$500	$500	
FPH:			PH:		Geological:	$0	$0	
WOB:			Alkalinity:		Location:	$0	$0	
RPM:			CL-:		Propane:	$0	$0	
GPM:			Ca++:		Trucking:	$911	$911	
Pump Pressure:			LCM:		Land/Legal:	$0	$0	
Grade:					Deadman anchors:	$0	$0	
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	
Make:			Drilling Today:	0.00	Cont. Labor:	$0	$0	
Model:			Reaming:		Consultant:	$900	$900	
Liner Size:			Coring:		Welding:	$0	$0	
BPS:			Circulate:		Csg Crew:	$0	$0	
SPM:			Trip:		Misc. Cost:	$405	$405	
GPM:			Rig Service:		Rental:	$0	$0	
Pump Pressure:			Repair:		Phone:	$50	$50	
SURVEY DATA			Cut Line:		Contingent:	$0	$0	
Depth	Deviation	Direction	Survey:		Short surf csg:	$0	$0	
			Logging:		Long surf csg:	$0	$0	
			Run Csg:		Wellhead:	$0	$0	
			Cement:		Survey/Permits/Prep:	$0	$0	
			WOC:		Restore loc:	$0	$0	
BHA DATA			Nipple Up:		Forklift:	$200	$200	
Amount	Object	Length	Test BOP's:		Tangible equip:	$0	$0	
			DST:		Intangibles:	$0	$0	
			Plug Back:		**Total Cost:**	$19,066	$19,066	
			Fishing:		**GAS DATA**			
					Depth:			
					Background Gas:			
					Conn:			
					Conn:			
					Trip:			
BHA Length:	0.00		**Total:**	0.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME — **REMARKS**

Removed all flow lines from location. Build location (65% built).
Should be able to move in on Sunday.

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	1-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:		County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE·DIIC
Bit No:			Weight:		Rig move:	$0	$0	
Size:			Visc:		Daily rig cost:	$16,100	$32,200	
Mfg:			PV/YP:		Fuel:	$0	$0	
Type:			Gels:		Water:	$0	$0	
Serial No:			Filtrate:		Mud/Corrosion:	$0	$0	
Jets:			Cake:		Bits/Rmrs:	$0	$0	
Depth Out:			% Solids:		Cement:	$0	$0	
Depth In:			% Oil:		Inspection:	$0	$0	
Footage:			% Water:		Insurance:	$0	$0	
Hours:			Sand:		Camp:	$500	$1,000	
FPH:			PH:		Geological:	$0	$0	
WOB:			Alkalinity:		Location:	$0	$0	
RPM:			CL-:		Propane:	$0	$0	
GPM:			Ca++:		Trucking:	$911	$1,822	
Pump Pressure:			LCM:		Land/Legal:	$0	$0	
Grade:					Deadman anchors:	$0	$0	
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	
Make:			Drilling Today:		Cont. Labor:	$0	$0	
Model:			Reaming:		Consultant:	$900	$1,800	
Liner Size:			Coring:		Welding:	$0	$0	
BPS:			Circulate:		Csg Crew:	$0	$0	
SPM:			Trip:		Misc. Cost:	$405	$810	
GPM:			Rig Service:		Rental:	$0	$0	
Pump Pressure:			Repair:		Phone:	$50	$100	
SURVEY DATA			Cut Line:		Contingent:	$0	$0	
Depth	Deviation	Direction	Survey:		Short surf csg:	$0	$0	
			Logging:		Long surf csg:	$0	$0	
			Run Csg:		Wellhead:	$0	$0	
			Cement:		Survey/Permits/Prep:	$0	$0	
			WOC:		Restore loc:	$0	$0	
BHA DATA			Nipple Up:		Forklift:	$200	$400	
Amount	Object	Length	Test BOP's:		Tangible equip:	$0	$0	
			DST:		Intangibles:	$0	$0	
			Plug Back:		**Total Cost:**	$19,066	$38,132	
			Fishing:		**GAS DATA**			
					Depth:			
					Background Gas:			
					Conn:			
					Conn:			
BHA Length:	0.00		**Total:**	0.00	Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME **REMARKS**

Building location, 75% done. Looking to move in on Monday.

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** Fair

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	2-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:		County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:		Weight:		Rig move:	$0	$0	
Size:		Visc:		Daily rig cost:	$16,100	$32,200	
Mfg:		PV/YP:		Fuel:	$0	$0	
Type:		Gels:		Water:	$0	$0	
Serial No:		Filtrate:		Mud/Corrosion:	$0	$0	
Jets:		Cake:		Bits/Rmrs:	$0	$0	
Depth Out:		% Solids:		Cement:	$0	$0	
Depth In:	0	% Oil:		Fishing:	$0	$0	
Footage:		% Water:		Insurance:	$0	$0	
Hours:		Sand:		Camp:	$500	$1,000	
FPH:		PH:		Geological/Admin:	$0	$0	
WOB:		Alkalinity:		Location:	$0	$0	
RPM:		CL-:		Propane:	$0	$0	
GPM:		Ca++:		Trucking:	$911	$1,822	
Pump Pressure:		LCM:		Land/Legal:	$0	$0	
Grade:				Open hole logs:	$0	$0	

PUMP DATA			TIME DISTRIBUTION				
Pump No:	1	2	RURT/RDRT:		Mud Logs:	$0	$0
Make:			Drilling Today:		DST/Core:	$0	$0
Model:			Drilling Cum:	0.00	Cont. Labor:	$0	$0
Liner Size:			Reaming:		Consultant:	$900	$1,800
BPS:			Coring:		Welding:	$0	$0
SPM:			Circulate:		Csg Crew:	$0	$0
GPM:			Trip:		Misc. Cost:	$405	$810
Pump Pressure:			Rig Service:		Float equip & rental:	$0	$0
			Repair:		Phone:	$50	$100

SURVEY DATA							
Depth	Deviation	Direction	Cut Line:		Contingent:	$0	$0
			Survey:		Short surf csg:	$0	$0
			Logging:		Long surf csg:	$0	$0
			Run Csg:		Wellhead:	$0	$0
			Cement:		Survey/Permits/Prep:	$0	$0
			WOC:		Restore loc:	$0	$0
			Nipple Up:		Forklift:	$200	$400
			Test BOP's:		Tangible equip:	$0	$0
			DST:		Intangibles:	$0	$0
			Plug Back:		Total Cost:	$19,066	$38,132	$0
			Fishing:				

BHA DATA

Amount	Object	Length

BHA Length: 0.00 Total: 0.00

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME	REMARKS
	Location 90% done Move on Tue

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR:_ **WEATHER:**

RESOLUTE NATURAL RESOURCES

Lease and No:	C113 SWDW	Date	3-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:		County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:			Weight:		Rig move:	$0	$0	
Size:			Visc:		Daily rig cost:	$16,100	$48,300	
Mfg:			PV/YP:		Fuel:	$0	$0	
Type:			Gels:		Water:	$0	$0	
Serial No:			Filtrate:		Mud/Corrosion:	$0	$0	
Jets:			Cake:		Bits/Rmrs:	$0	$0	
Depth Out:			% Solids:		Cement:	$0	$0	
Depth In:			% Oil:		Fishing:	$0	$0	
Footage:			% Water:		Insurance:	$0	$0	
Hours:			Sand:		Camp:	$500	$1,500	
FPH:			PH:		Geological/Admin:	$0	$0	
WOB:			Alkalinity:		Location:	$0	$0	
RPM:			CL-:		Propane:	$0	$0	
GPM:			Ca++:		Trucking:	$911	$2,733	
Pump Pressure:			LCM:		Land/Legal:	$0	$0	
Grade:					Open hole logs:	$0	$0	
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	
Make:			Drilling Today:	0.00	Cont. Labor:	$0	$0	
Model:			Drilling Cum:	0.00	Consultant:	$900	$2,700	
Liner Size:			Reaming:		Welding:	$0	$0	
BPS:			Coring:		Csg Crew:	$0	$0	
SPM:			Circulate:		Misc. Cost:	$405	$1,215	
GPM:			Trip:		Float equip & rental:	$0	$0	
Pump Pressure:			Rig Service:		Phone:	$50	$150	
SURVEY DATA			Repair:		Contingent:	$0	$0	
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$0	$0	
			Survey:		Long surf csg:	$0	$0	
			Logging:		Wellhead:	$0	$0	
			Run Csg:		Survey/Permits/Prep:	$0	$0	
			Cement:		Restore loc:	$0	$0	
BHA DATA			WOC:		Forklift:	$200	$600	
Amount	Object	Length	Nipple Up:		Tangible equip:	$0	$0	
			Test BOP's:		Intangibles:	$0	$0	
			DST:		**Total Cost:**	$19,066	$57,198	$0
			Plug Back:		**GAS DATA**			
			Fishing:		Depth:			
					Background Gas:			
					Conn:			
BHA Length:	0.00		**Total:**	0.00	Conn:			
					Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME **REMARKS**

Location done wait on trucks to move

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: **WEATHER:**

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	4-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:	0-Jan-00	County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:		
Model:		
Liner Size:		
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	0.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DIIC
Rig move:	$0	$0	
Daily rig cost:	$16,100	$64,400	
Fuel:	$0	$0	
Water:	$0	$0	
Mud/Corrosion:	$0	$0	
Bits/Rmrs:	$0	$0	
Cement:	$0	$0	
Fishing:	$0	$0	
Insurance:	$0	$0	
Camp:	$500	$2,000	
Geological/Admin:	$0	$0	
Location:	$0	$0	
Propane:	$0	$0	
Trucking:	$911	$3,644	
Land/Legal:	$0	$0	
Open hole logs:	$0	$0	
Mud Logs:	$0	$0	
DST/Core:	$0	$0	
Cont. Labor:	$0	$0	
Consultant:	$0	$2,700	
Welding:	$0	$0	
Csg Crew:	$0	$0	
Misc. Cost:	$405	$1,620	
Float equip & rental:	$0	$0	
Phone:	$50	$200	
Contingent:	$0	$0	
Short surf csg:	$0	$0	
Long surf csg:	$0	$0	
Wellhead:	$0	$0	
Survey/Permits/Prep:	$0	$0	
Restore loc:	$0	$0	
Forklift:	$200	$800	
Tangible equip:	$0	$0	
Intangibles:	$0	$0	
Total Cost:	$18,166	$75,364	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME

REMARKS

Wait on trucks to move Tue

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR:

WEATHER:

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	5-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:	0-Jan-00	County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:		
Model:		
Liner Size:		
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
BHA Length:		0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	0.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$80,500	$0
Fuel:	$0	$0	$0
Water:	$0	$0	$0
Mud/Corrosion:	$0	$0	$0
Bits/Rmrs:	$0	$0	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$500	$2,500	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$0	$0
Propane:	$0	$0	$0
Trucking:	$911	$4,555	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$0	$2,700	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$405	$2,025	$0
Float equip & rental:	$0	$0	$0
Phone:	$50	$250	$0
Contingent:	$0	$0	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$1,000	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$18,166	$93,530	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME — REMARKS

Start moving rig from G334 to C113 swd

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR:

WEATHER:

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	6-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:	0-Jan-00	County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:			Weight:		Rig move:	$0	$0	$0
Size:			Visc:		Daily rig cost:	$16,100	$96,600	$0
Mfg:			PV/YP:		Fuel:	$0	$0	$0
Type:			Gels:		Water:	$0	$0	$0
Serial No:			Filtrate:		Mud/Corrosion:	$0	$0	$0
Jets:			Cake:		Bits/Rmrs:	$0	$0	$0
Depth Out:			% Solids:		Cement:	$0	$0	$0
Depth In:			% Oil:		Fishing:	$0	$0	$0
Footage:			% Water:		Insurance:	$0	$0	$0
Hours:			Sand:		Camp:	$500	$3,000	$0
FPH:			PH:		Geological/Admin:	$0	$0	$0
WOB:			Alkalinity:		Location:	$0	$0	$0
RPM:			CL-:		Propane:	$0	$0	$0
GPM:			Ca++:		Trucking:	$911	$5,466	$0
Pump Pressure:			LCM:		Land/Legal:	$0	$0	$0
Grade:					Open hole logs:	$0	$0	$0
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1	2	RURT/RDRT:	24	DST/Core:	$0	$0	$0
Make:			Drilling Today:	0.00	Cont. Labor:	$0	$0	$0
Model:			Drilling Cum:	0.00	Consultant:	$900	$3,600	$0
Liner Size:			Reaming:		Welding:	$0	$0	$0
BPS:			Coring:		Csg Crew:	$0	$0	$0
SPM:			Circulate:		Misc. Cost:	$405	$2,430	$0
GPM:			Trip:		Float equip & rental:	$0	$0	$0
Pump Pressure:			Rig Service:		Phone:	$50	$300	$0
SURVEY DATA			Repair:		Contingent:	$0	$0	$0
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$0	$0	$0
			Survey:		Long surf csg:	$0	$0	$0
			Logging:		Wellhead:	$0	$0	$0
			Run Csg:		Survey/Permits/Prep:	$0	$0	$0
			Cement:		Restore loc:	$0	$0	$0
BHA DATA			WOC:		Forklift:	$200	$1,200	$0
Amount	Object	Length	Nipple Up:		Tangible equip:	$0	$0	$0
			Test BOP's:		Intangibles:	$0	$0	$0
			DST:		**Total Cost:**	$19,066	$112,596	$0
			Plug Back:		**GAS DATA**			
			Fishing:		Depth:			
					Background Gas:			
					Conn:			
					Conn:			
BHA Length:	0.00		**Total:**	24.00	Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME **REMARKS**

6:00 6:00 Move in from G334 to C113 SWD Spot in equipment and start rigging up

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: **WEATHER:**

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	7-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:	0-Jan-00	County:	San Juan	Footage:	0
Elevation:	0 0	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:		
Model:		
Liner Size:		
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	24
Drilling Today:	0.00
Drilling Cum:	0.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$112,700	$0
Fuel:	$0	$0	$0
Water:	$0	$0	$0
Mud/Corrosion:	$0	$0	$0
Bits/Rmrs:	$0	$0	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$500	$3,500	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$0	$0
Propane:	$0	$0	$0
Trucking:	$4,124	$9,590	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$4,500	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$405	$2,835	$0
Float equip & rental:	$0	$0	$0
Phone:	$50	$350	$0
Contingent:	$0	$0	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$1,400	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$22,279	$134,875	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME — REMARKS

6:00	Rig up. Rig down front of rig and water tank, top dog house, water tank started leaning after 1 load of water
6:00	Water loc and wheel roll loc, Start changing out shale shakers

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	8-Sep-06	Contractor:	Patterson 741	Depth:	0
Legal	13, 40S, 23E	Spud Date:	0-Jan-00	County:	San Juan	Footage:	0
Elevation:	4794' 4810'	Days / Spud:		State:	Utah	FPH:	#DIV/0!
API #	4303731852				0 6044	OART:	Rigging up

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:		
Model:		
Liner Size:		
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	0.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	

Total: 0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$128,800	$0
Fuel:	$9,050	$9,050	$0
Water:	$0	$0	$0
Mud/Corrosion:	$0	$0	$0
Bits/Rmrs:	$0	$0	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$500	$4,000	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$0	$0
Propane:	$0	$0	$0
Trucking:	$0	$9,590	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$5,400	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$405	$3,240	$0
Float equip & rental:	$0	$0	$0
Phone:	$50	$400	$0
Contingent:	$0	$0	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$1,600	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$27,205	$162,080	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME / REMARKS

TIME		REMARKS
6:00	6:00	Spot in front end of rig and rig up, Changing out shale shakers

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** Light rain

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	9-Sep-06	Contractor:	Patterson 741	Depth:	62
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	62
Elevation:	4794' 4810'	Days / Spud:	1	State:	Utah	FPH:	10.33
API #	4303731852			AFE#	0 6044	OART:	Drlg P Hole

BIT DATA

Bit No:	1
Size:	12 1/4
Mfg:	Varel
Type:	CH31MS
Serial No:	225420
Jets:	24-24-24
Depth Out:	
Depth In:	0
Footage:	62.00
Hours:	6.00
FPH:	10.33
WOB:	ALL
RPM:	110
GPM:	3.00
Pump Pressure:	450
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	110	
GPM:	3.00	3.00
Pump Pressure:	450	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	1.00
1	Mud Motor	21.50
1	6" DC	

BHA Length: 22.50

MUD DATA

Weight:	Spud Mud
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	16
Drilling Today:	6.00
Drilling Cum:	6.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Drlg Rat & M	2.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$144,900	$0
Fuel:	$0	$9,050	$0
Water:	$0	$0	$0
Mud/Corrosion:	$0	$0	$0
Bits/Rmrs:	$9,721	$9,721	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$500	$4,500	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$0	$0
Propane:	$0	$0	$0
Trucking:	$2,594	$12,184	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$6,300	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$740	$3,980	$0
Float equip & rental:	$0	$0	$0
Phone:	$50	$450	$0
Contingent:	$0	$0	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$1,800	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$30,805	$192,885	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME / REMARKS

6:00	22:00	Rig up shale shaker and work on Drk Lights
22:00	0:00	Drlg rat and mouse hole
0:00	6:00	Spud well at 0:00 Hrs 9-9-2006 with 12.25" bit. Drlg from 0' to 62'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey

WEATHER: 57 deg

=TODAY()

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for 9-10 through 9-15-06 are attached.

Please call Dwight Mallory at 303-534-4600 with any questions.

NAME (PLEASE PRINT) Dwight Mallory TITLE Regulatory Coordinator

SIGNATURE _____ DATE 9/15/06

(This space for State use only)

RECEIVED
SEP 26 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	10-Sep-06	Contractor:	Patterson 741	Depth:	82
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	82
Elevation:	4794' 4810'	Days / Spud:	2	State:	Utah	FPH:	11.62
API #	4303731852			AFE#	0 6044	OART:	Nipple up

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	1	Weight:	Spud Mud	Rig move:	$0	$0	$0
Size:	12 1/4	Visc:		Daily rig cost:	$16,100	$161,000	$0
Mfg:	Varel	PV/YP:		Fuel:	$0	$9,050	$0
Type:	CJ31MS	Gels:		Water:	$1,320	$1,320	$0
Serial No:	225420	Filtrate:		Mud/Corrosion:	$0	$0	$0
Jets:	24-24-24	Cake:		Bits/Rmrs:	$0	$9,721	$0
Depth Out:	82	% Solids:		Cement:	$0	$0	$0
Depth In:	0	% Oil:		Fishing:	$0	$0	$0
Footage:	75.50	% Water:		Insurance:	$0	$0	$0
Hours:	6.50	Sand:		Camp:	$500	$5,000	$0
FPH:	11.62	PH:		Geological/Admin:	$0	$0	$0
WOB:	ALL	Alkalinity:		Location:	$15,326	$15,326	$0
RPM:	110	CL-:		Surf damages/ROW:	$0	$0	$0
GPM:	3.00	Ca++:		Trucking:	$2,594	$14,777	$0
Pump Pressure:	450	LCM:		Land/Legal:	$0	$0	$0
Grade:				Open hole logs:	$0	$0	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1 2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD GD	Drilling Today:	0.50	Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	6.50	Consultant:	$900	$7,200	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$0	$0
BPS:		Coring:		Csg Crew:	$0	$0	$0
SPM:	110	Circulate:	0.50	Misc. Cost:	$740	$4,720	$0
GPM:	3.00 3.00	Trip:	2.00	Float equip & rental:	$0	$0	$0
Pump Pressure:	450	Rig Service:	2.00	Phone:	$50	$500	$0
SURVEY DATA		Repair:		Contingent:	$0	$0	$0
Depth	Deviation Direction	Cut Line:		Short surf csg:	$0	$0	$0
		Survey:		Long surf csg:	$0	$0	$0
		Logging:		Wellhead:	$0	$0	$0
		Run Csg:	5.50	Survey/Permits/Prep:	$0	$0	$0
		Cement:	3.00	Restore loc:	$0	$0	$0
BHA DATA		WOC:	5.50	Forklift:	$200	$2,000	$0
Amount	Object Length	Nipple Up:	3.00	Tangible equip:	$0	$0	$0
		Test BOP's:		Intangibles:	$0	$0	$0
		DST:		**Total Cost:**	$37,730	$230,614	$0
		Plug Back:		**GAS DATA**			
		Fishing:		Depth:			
		Hole opener:	2.00	Background Gas:			
				Conn:			
				Conn:			
				Trip:			
BHA Length:	0.00	Total:	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME — **REMARKS**

6:00	6:30	Drlg 12.25" hole from 62' to 82'
6:30	7:30	Pull out of hole and make up 20" hole opener
7:30	8:30	Rig service
8:30	10:30	Drlg 20" hole from 0' to 82'
10:30	11:00	Cric
11:00	12:00	Pull out of hole and lay down hole opener
12:00	16:00	Fabricate handling tools to run 16" casing
16:00	16:30	Rig service
16:30	18:00	Run 16" casing. 2 Jts 16' 60# set @ 82' KB
18:00	21:00	Mix and cement w/ 100 sks
21:00	0:00	WOC
0:00	0:30	Rig service
0:30	3:00	WOC
3:00	6:00	Cut condoctor pipe and weld on flow line nipple.

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 57 deg

=TODAY()

CASING RECORD

WELL NAME: Aneth Unit C-113 SWD **DATE:** 9-Sep-06

PIPE TALLY - SHOW EVERY PIECE OF EQUIPMENT GOING INTO THE HOLE IN THE ORDER RUN.

COLUMN 1		COLUMN 2	COLUMN3		COLUMN 4		COLUMN 5		COLUMN 6		COLUMN 7	
JT NO.	FEET	FEET	JT NO.	FEET	JT NO.	FEET	JT NO.	FEET	JT NO.	FEET	JT NO.	FEET
Shoe		0.00	**1**		**29**		**69**		**109**		**149**	
1	41.92	41.92	**2**		**30**		**70**		**110**		**150**	
2	43.30	85.22	**3**		**31**		**71**		**111**		**151**	
3		85.22	**4**		**32**		**72**		**112**		**152**	
4		85.22	**5**		**33**		**73**		**113**		**153**	
5		85.22	**6**		**34**		**74**		**114**		**154**	
6		85.22	**7**		**35**		**75**		**115**		**155**	
7		85.22	**8**		**36**		**76**		**116**		**156**	
8		85.22	**9**		**37**		**77**		**117**		**157**	
Land		85.22	**10**		**38**		**78**		**118**		**158**	
9			**11**		**39**		**79**		**119**		**159**	
10					**40**		**80**		**120**		**160**	
11			**1**		**41**		**81**		**121**		**161**	
12			**2**		**42**		**82**		**122**		**162**	
13			**3**		**43**		**83**		**123**		**163**	
14			**4**		**44**		**84**		**124**		**164**	
15			**5**		**45**		**85**		**125**		**165**	
16			**6**		**46**		**86**		**126**		**166**	
17			**7**		**47**		**87**		**127**		**167**	
18			**8**		**48**		**88**		**128**		**168**	
19			**9**		**49**		**89**		**129**		**169**	
20			**10**		**50**		**90**		**130**		**170**	
21			**11**		**51**		**91**		**131**		**171**	
22			**12**		**52**		**92**		**132**		**172**	
23			**13**		**53**		**93**		**133**		**173**	
24			**14**		**54**		**94**		**134**		**174**	
25			**15**		**55**		**95**		**135**		**175**	
26			**16**		**56**		**96**		**136**		**176**	
27			**17**		**57**		**97**		**137**		**177**	
28			**18**		**58**		**98**		**138**		**178**	
29			**19**		**59**		**99**		**139**		**179**	
30			**20**		**60**		**100**		**140**		**180**	
31			**21**		**61**		**101**		**141**		**181**	
32			**22**		**62**		**102**		**142**		**182**	
33			**23**		**63**		**103**		**143**		**183**	
34			**24**		**64**		**104**		**144**		**184**	
35			**25**		**65**		**105**		**145**		**185**	
36			**26**		**66**		**106**		**146**		**186**	
37			**27**		**67**		**107**		**147**		**187**	
38			**28**		**68**		**108**		**148**		**188**	
Total	85.22			0.00		0.00		0.00		0.00		0.00

Joints on rack before running: Joints left on rack after running: Number of joints run:

ITEMS	JTS	OD	WT.	GRD	THRD	FEET
						0.00
						85.22
						85.22
						0.00
						0.00
						0.00
						0.00

REMARKS:

18.349236 DISPLACEMENT

Survey @ 175' +-

TD @ 350'

Circ 1/2 hr

TOOH

TOTAL ON RACK	85.22
JOINTS NOT RUN (-)	0.00
CUT OFF JOINT (-)	0.00
LANDING JOINT (-)	0.00
TOTAL	0.00
CUT OFF BELOW GROUND (+)	0.00
KB ABOVE GROUND (+)	0.00
CASING SET AT	0.00

COMPANY REPRESENTATIVE: RON LACKEY

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	11-Sep-06	Contractor:	Patterson 741	Depth:	267
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	185
Elevation:	4794' 4810'	Days / Spud:	3	State:	Utah	FPH:	14.23
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:	2
Size:	14 3/4
Mfg:	HTC
Type:	MX-28
Serial No:	5081202
Jets:	3-18s
Depth Out:	267
Depth In:	82
Footage:	185.00
Hours:	13.00
FPH:	14.23
WOB:	ALL
RPM:	85
GPM:	3.00
Pump Pressure:	330
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		100
GPM:		3
Pump Pressure:		330

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	BHA Length:	0.00

MUD DATA

Weight:	8.4
Visc:	40
PV/YP:	5\10
Gels:	1\2\3
Filtrate:	
Cake:	
% Solids:	2.6
% Oil:	
% Water:	97.4
Sand:	
PH:	10.5
Alkalinity:	4
CL-:	
Ca++:	100
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	13.00
Drilling Cum:	19.50
Reaming:	
Coring:	
Circulate:	
Trip:	5.00
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	4.50
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$177,100	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$1,542	$1,542	$0
Bits/Rmrs:	$0	$9,721	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$500	$5,500	$0
Geological/Admin:	$0	$0	$0
Location:	$15,326	$30,652	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$936	$15,713	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$8,100	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$740	$5,460	$0
Float equip & rental:	$0	$0	$0
Phone:	$50	$550	$0
Contingent:	$0	$0	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$2,200	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$36,294	$266,908	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Welding on dlrg flange
8:00	8:30	Rig service
8:30	10:30	Nipple up rot head and flow line
10:30	13:30	Pick up BHA, Bit would not go throuh rot head
13:30	15:30	Nipple down rot head and run in hole
15:30	16:00	Drlg from 82' to 90'
16:00	16:30	Rig service
16:30	22:00	Drlg from 90' to 185'
22:00	22:30	Install rot head
22:30	0:00	Drlg from 185' to 218'
0:00	0:30	Rig service
0:30	6:00	Drlg from 218' to 267'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 57 deg and clear

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	12-Sep-06	Contractor:	Patterson 741	Depth:	659
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	392
Elevation:	4794' 4810'	Days / Spud:	4	State:	Utah	FPH:	18.67
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	2
Size:	14 3/4
Mfg:	HTC
Type:	MX-28
Serial No:	5081202
Jets:	3-18s
Depth Out:	659
Depth In:	82
Footage:	577.00
Hours:	34.00
FPH:	16.97
WOB:	10-25k
RPM:	80-85
GPM:	3.00
Pump Pressure:	330
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		100
GPM:		3
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction
250	1 deg	
501'	4 3/4 deg	
590	5 1/2 deg	

BHA DATA

Amount	Object	Length
1	Bit	1.10
1	Bit Sub	2.17
1	IBS	7.60
1	Shock Sub	8.55
1	8" DC	29.81
1	XO	2.10
2	6" DC	58.31
1	XO	1.65
1	IBS	7.65
1	XO	1.48
18	6" DC	528.66
	BHA Length:	649.08

MUD DATA

Weight:	8.5
Visc:	36
PV/YP:	5\10
Gels:	1\3\5
Filtrate:	
Cake:	
% Solids:	5
% Oil:	
% Water:	95
Sand:	
PH:	10
Alkalinity:	6
CL-:	1500
Ca++:	100
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.00
Drilling Cum:	40.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	1.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$193,200	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$1,865	$3,408	$0
Bits/Rmrs:	$34,463	$44,184	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$500	$6,000	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$30,652	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$15,713	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$9,000	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$740	$6,200	$0
Float equip & rental:	$0	$0	$0
Phone:	$50	$600	$0
Contingent:	$0	$0	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$2,400	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$54,818	$321,726	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME — REMARKS

6:00	8:00	Drlg 14 3/4" hole from 267' to 277'
8:00	8:30	Rig service
8:30	9:00	WLS @ 250' 1 degree
9:00	16:00	Drlg 14 3/4" hole from 277' to 512'
16:00	16:30	Rig service
16:30	17:00	Drlg 14 3/4" hole from 512' to 541' with 20 to 25k on bit
17:00	17:30	WLS @ 501' 4.3/4 degree
17:30	23:30	Drlg 14 3/4" hole from 541' to 630' with 15 to 20k on bit
23:30	0:00	WLS @ 590' 5 1/2 degree
0:00	0:30	Rig service
0:30	6:00	Drlg 14 3/4" hole from 630 to 659' with 10 to 15k on bit

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 61 deg and clear

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	13-Sep-06	Contractor:	Patterson 741	Depth:	744
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	85
Elevation:	4794' 4810'	Days / Spud:	5	State:	Utah	FPH:	3.86
API #	4303731852			AFE#	0 6044	DART:	Drlg

BIT DATA

Bit No:	2
Size:	14 3/4
Mfg:	HTC
Type:	MX-28
Serial No:	5081202
Jets:	3-18s
Depth Out:	744
Depth In:	82
Footage:	662.00
Hours:	56.00
FPH:	11.82
WOB:	10-25k
RPM:	80-85
GPM:	3.00
Pump Pressure:	565
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	112	
GPM:	3.00	
Pump Pressure:	565	

SURVEY DATA

Depth	Deviation	Direction
641'	5.5 deg	

BHA DATA

Amount	Object	Length
1	Bit	1.10
1	Bit Sub	2.17
1	IBS	7.60
1	Shock Sub	8.55
1	8" DC	29.81
1	XO	2.10
2	6" DC	58.31
1	XO	1.65
1	IBS	7.65
1	XO	1.48
18	6" DC	528.66
	BHA Length:	649.08

MUD DATA

Weight:	8.5
Visc:	43
PV/YP:	5\10
Gels:	2\6
Filtrate:	
Cake:	1
% Solids:	4.8
% Oil:	
% Water:	95.2
Sand:	1.5
PH:	10
Alkalinity:	
CL-:	1500
Ca++:	120
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	62.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$209,300	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$1,117	$4,524	$0
Bits/Rmrs:	$14,067	$58,251	$0
Cement:	$0	$0	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$525	$6,525	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$30,652	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$2,440	$18,153	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$9,900	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$1,790	$7,990	$0
Float equip & rental:	$0	$0	$0
Phone:	$100	$700	$0
Contingent:	$3,724	$3,724	$0
Short surf csg:	$0	$0	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$2,600	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$40,962	$362,688	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Drlg 14 3/4" hole from 659 to 669' with 10 to 15k on bit
8:00	8:30	Rig service
8:30	11:30	Drlg 14 3/4" hole from 669 to 689' with 10 to 15k on bit
11:30	12:00	WLS @ 641' 5 1/2 deg
12:00	16:00	Drlg 14 3/4" hole from 689 to 706' with 10 to 15k on bit
16:00	16:30	Rig service
16:30	0:00	Drlg 14 3/4" hole from 706' to 740' with 10 to 15k on bit
0:00	0:30	Rig service
0:30	6:00	Drlg 14 3/4" hole from 740' to 744' with 10 to 15k on bit

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 62 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	14-Sep-06	Contractor:	Patterson 741	Depth:	PB 300' +-
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	PB 300' +-
Elevation:	4794' 4810'	Days / Spud:	6	State:	Utah	FPH:	11.76
API #	4303731852			AFE#:	0 6044	OART:	WOC

BIT DATA

Bit No:	2
Size:	14 3/4
Mfg:	HTC
Type:	MX-28
Serial No:	5081202
Jets:	3-18s
Depth Out:	782
Depth In:	82
Footage:	700.00
Hours:	59.50
FPH:	11.76
WOB:	10-25k
RPM:	80-85
GPM:	3.00
Pump Pressure:	565
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	112	
GPM:	3.00	
Pump Pressure:	565	

SURVEY DATA

Depth	Deviation	Direction
730'	7.5 deg	

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	8.5
Visc:	45
PV/YP:	12
Gels:	2\6
Filtrate:	15
Cake:	1\1
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	9.5
Alkalinity:	
CL-:	1600
Ca++:	160
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	3.50
Drilling Cum:	66.00
Reaming:	
Coring:	
Circulate:	
Trip:	6.00
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	3.00
Logging:	
Run Csg:	
Cement:	3.50
WOC:	6.00
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O CMT:	1.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$225,400	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$2,136	$6,660	$0
Bits/Rmrs:	$232	$58,483	$0
Cement:	$16,865	$16,865	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$525	$7,050	$0
Geological/Admin:	$0	$0	$0
Location:	$112,075	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$2,440	$20,592	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$10,800	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$1,588	$9,578	$0
Float equip & rental:	$0	$0	$0
Phone:	$100	$800	$0
Contingent:	$15,436	$19,160	$0
Surf Csg:	$1,197	$1,197	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$2,800	$0
Tangible equip:	$0	$0	$0
Intangibles:	$0	$0	$0
Total Cost:	$169,793	$532,481	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Drlg 14 3/4" hole from 744' to 754' with 10 to 15k on bit
8:00	8:30	Rig service
8:30	10:00	Drlg 14 3/4" hole from 754' to 782' with 10 to 15k on bit
10:00	13:00	WLS @ 730' 7.5 deg pull up and run survey @ 400' 3 deg
13:00	16:00	Pull out of hole to set cmt plug from 564' to 300'. Note Called Schlumberger to set plug 20% excess
16:00	16:30	Rig service
16:00	18:30	Lay down 8" BHA
18:30	19:30	Pick up 18 jts of 4.5" dp, 564' lay down 1 jt set @ 534'
19:30	20:30	Kelly up and w/o Schlumberger
20:30	23:30	Rig up Schlumberger and Cement with 260 sks yield 1.0, 17#, Displace w/ 4 bbls water rig down
23:30	0:00	Lay down drill pipe
0:00	6:00	WOC

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	15-Sep-06	Contractor:	Patterson 741	Depth:	418
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	106
Elevation:	4794' 4810'	Days / Spud:	7	State:	Utah	FPH:	7.57
API #	4303731852			AFE#:	0 6044	OART:	Time drlg

BIT DATA

Bit No:	RR1
Size:	12 1/4
Mfg:	Varel
Type:	CH31MS
Serial No:	225420
Jets:	24-24-24
Depth Out:	418
Depth In:	312
Footage:	106.00
Hours:	14.00
FPH:	7.57
WOB:	Time Drlg
RPM:	40+45
GPM:	3.00
Pump Pressure:	763
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	112	
GPM:	3.00	
Pump Pressure:	763	

SURVEY DATA

Depth	Deviation	Direction
269	2.46 deg	
353	3.34 deg	

BHA DATA

Amount	Object	Length
1	Bit	1.00
1	Mud Motor	26.05
1	Float sub	2.29
1	Monell	29.92
1	XO	1.48
11	6" dc	324.00
	BHA Length:	384.74

MUD DATA

Weight:	8.5
Visc:	56
PV/YP:	11\3
Gels:	4\12
Filtrate:	
Cake:	2
% Solids:	
% Oil:	
% Water:	
Sand:	2
PH:	10
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	14.00
Drilling Cum:	80.00
Reaming:	
Coring:	
Circulate:	
Trip:	4.50
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	4.50
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$241,500	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$1,816	$8,476	$0
Bits/Rmrs:	$232	$58,715	$0
Cement:	$0	$16,865	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$7,610	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$5,191	$25,783	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$11,700	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$1,588	$11,166	$0
Float equip & rental:	$0	$0	$0
Phone:	$100	$900	$0
Contingent:	$0	$19,160	$0
Short surf csg:	$0	$1,197	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Restore loc:	$0	$0	$0
Forklift:	$200	$3,000	$0
Pathfinder:	$27,510	$27,510	$0
Intangibles:	$0	$0	$0
Total Cost:	$54,197	$586,678	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	10:30	WOC
10:30	14:00	Pick up mud motor and nomag dc run in hole and tag @ 312'
14:00	15:00	Pick up kelly install rotating head and survey
15:00	16:00	Drlg cement from 312' to 396'
16:00	16:30	Rig service
16:30	0:00	Time drlg 5 min per inch from 396' to 412'
0:00	0:30	Rig service
0:30	6:00	Time drlg 5 min per inch from 412' to 418' 50% cmt & 50% formation

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 59 deg and light rain

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for 9-16 through 9-22-06 are attached.

Please call Dwight Mallory at 303-534-4600 with any questions.

NAME (PLEASE PRINT) Dwight Mallory TITLE Regulatory Coordinator

SIGNATURE _____ DATE 9/22/06

(This space for State use only)

RECEIVED
SEP 25 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	16-Sep-06	Contractor:	Patterson 741	Depth:	822
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	404
Elevation:	4794' 4810'	Days / Spud:	8	State:	Utah	FPH:	18.79
API #	4303731852			AFE#:	0 6044	OART:	Drlg

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	RR1		Weight:	85	Rig move:	$0	$0	$0
Size:	12 1/4		Visc:	45	Daily rig cost:	$16,100	$257,600	$0
Mfg:	Varel		PV/YP:	12\1	Fuel:	$0	$9,050	$0
Type:	C1131MS		Gels:	4\12	Water:	$0	$1,320	$0
Serial No:	225420		Filtrate:		Mud/Corrosion:	$1,362	$9,838	$0
Jets:	24-24-24		Cake:	1\1	Bits/Rmrs:	$232	$58,947	$0
Depth Out:	822		% Solids:	2	Cement:	$0	$16,865	$0
Depth In:	312		% Oil:		Fishing:	$0	$0	$0
Footage:	510.00		% Water:	98	Insurance:	$0	$0	$0
Hours:	35.50		Sand:	1.5	Camp:	$560	$8,170	$0
FPH:	14.37		PH:	12	Geological/Admin:	$0	$0	$0
WOB:	24K		Alkalinity:		Location:	$0	$142,727	$0
RPM:	40+45		CL-:	1500	Surf damages/ROW:	$0	$0	$0
GPM:	3.00		Ca++:	140	Trucking:	$0	$25,783	$0
Pump Pressure:	763		LCM:		Land/Legal:	$0	$0	$0
Grade:					Open hole logs:	$0	$0	$0
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	1	2	Drilling Today:	21.50	Cont. Labor:	$0	$0	$0
Model:	GD	GD	Drilling Cum:	101.50	Consultant:	$900	$12,600	$0
Liner Size:	PZ-8	PZ-8	Reaming:		Welding:	$0	$0	$0
BPS:	6.5	6.5	Coring:		Csg Crew:	$0	$0	$0
SPM:			Circulate:		Misc. Cost:	$1,588	$12,754	$0
GPM:			Trip:	1.00	Float equip & rental:	$0	$0	$0
Pump Pressure:			Rig Service:	1.50	Phone:	$100	$1,000	$0
SURVEY DATA			Repair:		Contingent:	$3,836	$22,995	$0
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$0	$1,197	$0
353'	3.34 deg		Survey:		Long surf csg:	$0	$0	$0
528'	2.55 deg		Logging:		Wellhead:	$0	$0	$0
615'	2.20 deg		Run Csg:		Survey/Permits/Prep:	$0	$0	$0
707'	2.20 deg		Cement:		Pason:	$3,316	$3,316	$0
BHA DATA			WOC:		Forklift:	$200	$3,200	$0
Amount	Object	Length	Nipple Up:		Pathfinder:	$8,110	$35,620	$0
1	Bit	1.00	Test BOP's:		Intangibles:	$0	$0	$0
1	Mud Motor	26.05	DST:		**Total Cost:**	$36,304	$622,982	$0
1	Float sub	2.29	Plug Back:		**GAS DATA**			
1	Monell	29.92	Fishing:		Depth:			
1	XO	1.48			Background Gas:			
11	6" dc	324.00			Conn:			
					Conn:			
					Trip:			
	BHA Length:	384.74	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	9:30	Time drlg 5 min per inch from 418' to 424' 50% cmt & 50% formation
9:30	10:00	Rig service
10:00	11:00	Drlg 12.25" hole from 424' to 454'
11:00	12:00	Lay down 3 dc and run 2 stands from drk
12:00	16:00	Drlg 12.25" hole from 454' to 571'
16:00	16:30	Rig service
16:30	0:00	Drlg 12.25" hole from 571' to 695'
0:00	0:30	Rig service
0:30	6:00	Drlg 12.25" hole from 695' to 822'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 56 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	17-Sep-06	Contractor:	Patterson 741	Depth:	1393
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	571
Elevation:	4794' 4810'	Days / Spud:	9	State:	Utah	FPH:	26.56
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	RR1	Weight:	9.2	Rig move:	$0	$0	$0
Size:	12 1/4	Visc:	50	Daily rig cost:	$16,100	$273,700	$0
Mfg:	Varel	PV/YP:	10\2	Fuel:	$0	$9,050	$0
Type:	CH31MS	Gels:	5\12	Water:	$0	$1,320	$0
Serial No:	225420	Filtrate:	12	Mud/Corrosion:	$966	$10,804	$0
Jets:	24-24-24	Cake:	1\1	Bits/Rmrs:	$232	$59,179	$0
Depth Out:	1393	% Solids:	6.3	Cement:	$0	$16,865	$0
Depth In:	312	% Oil:		Fishing:	$0	$0	$0
Footage:	1081.00	% Water:	93.7	Insurance:	$0	$0	$0
Hours: 35.5	57.00	Sand:	2	Camp:	$560	$8,730	$0
FPH:	18.96	PH:	10	Geological/Admin:	$0	$0	$0
WOB:	24K	Alkalinity:		Location:	$0	$142,727	$0
RPM:	40+45	CL-:	800	Surf damages/ROW:	$0	$0	$0
GPM:	3.00	Ca++:	140	Trucking:	$0	$25,783	$0
Pump Pressure:	1055	LCM:		Land/Legal:	$0	$0	$0
Grade:				Open hole logs:	$0	$0	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1 2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD GD	Drilling Today:	21.50	Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	123.00	Consultant:	$900	$13,500	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$0	$0
BPS:		Coring:		Csg Crew:	$0	$0	$0
SPM:	110	Circulate:		Misc. Cost:	$1,588	$14,342	$0
GPM:	3	Trip:		Float equip & rental:	$0	$0	$0
Pump Pressure:	1055	Rig Service:	2.50	Phone:	$100	$1,100	$0
SURVEY DATA		Repair:		Contingent:	$33,042	$56,037	$0
Depth	Deviation Direction	Cut Line:		Short surf csg:	$0	$1,197	$0
801'	1.93 deg	Survey:		Long surf csg:	$0	$0	$0
990'	.97 deg	Logging:		Wellhead:	$0	$0	$0
1117'	1.06 deg	Run Csg:		Survey/Permits/Prep:	$0	$0	$0
1274'	.70 deg	Cement:		Pason:	$450	$3,766	$0
BHA DATA		WOC:		Forklift:	$200	$3,400	$0
Amount Object	Length	Nipple Up:		Pathfinder:	$8,110	$43,730	$0
1 Bit	1.00	Test BOP's:		Intangibles:	$0	$0	$0
1 Mud Motor	26.05	DST:		**Total Cost:**	$62,248	$685,230	$0
1 Float sub	2.29	Plug Back:		**GAS DATA**			
1 Monell	29.92	Fishing:		Depth:			
1 XO	1.48			Background Gas:			
20 6" dc	586.41			Conn:			
				Conn:			
				Trip:			
BHA Length:	647.15	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	8:00	Drlg 12.25" hole from 822' to 907'
8:00	9:30	Rig service and work on auto driller
9:30	20:00	Drlg 12.25" hole from 907' to 1215'
20:00	20:30	Rig service
20:30	0:00	Drlg 12.25" hole from 1215' to 1270'
0:00	0:30	Rig service
0:30	6:00	Drlg 12.25" hole from 1270' to 1393'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	18-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	238
Elevation: GL/KE	4794' 4810'	Days / Spud:	10	State:	Utah	FPH:	29.75
API #	4303731852			AFE#	0 6044	OART:	Rig Repair

BIT DATA

Bit No:	RR1	
Size:	12 1/4	
Mfg:	Varel	
Type:	CI131MS	
Serial No:	225420	
Jets:	24-24-24	
Depth Out:	1631	
Depth In:	312	
Footage:	1319.00	
Hours:	65.00	
FPH:	20.29	
WOB:	24K	
RPM:	40+45	
GPM:	3.00	
Pump Pressure:	1055	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	110	
GPM:	3	
Pump Pressure:	1055	

SURVEY DATA

Depth	Deviation	Direction
1588'	1.49 deg	

BHA DATA

Amount	Object	Length
1	Bit	1.00
1	Mud Motor	26.05
1	Float sub	2.29
1	Monell	29.92
1	XO	1.48
20	6" dc	586.41
	BHA Length:	647.15

MUD DATA

Weight:	9.3
Visc:	53
PV/YP:	15
Gels:	8\23
Filtrate:	
Cake:	1\1
% Solids:	
% Oil:	
% Water:	
Sand:	2
PH:	9.5
Alkalinity:	
CL-:	1000
Ca++:	120
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	8.00
Drilling Cum:	131.00
Reaming:	
Coring:	
Circulate:	1.00
Trip:	6.50
Rig Service:	1.00
Repair:	7.50
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$289,800	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$1,131	$11,935	$0
Bits/Rmrs:	$232	$59,411	$0
Cement:	$0	$16,865	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$9,290	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$3,805	$29,588	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$14,400	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$1,588	$15,930	$0
Float equip & rental:	$0	$0	$0
Phone:	$100	$1,200	$0
Contingent:	$4,568	$60,605	$0
Short surf csg:	$0	$1,197	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$4,216	$0
Forklift:	$200	$3,600	$0
Pathfinder:	$16,460	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$46,094	$731,324	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:30	Drlg 12.25" hole from 1393' to 1505'
8:30	9:00	Rig service
9:00	11:00	Drlg 12.25" hole from 1505' to 1568'
11:00	11:30	Work on pumps
11:30	15:00	Drlg 12.25" hole from 1568' to 1631'
15:00	16:00	Circ bottom ups
16:00	16:30	Rig service
16:30	21:30	Lay down drill pipe and 12 drill collars, stand back 4 stands, load out dric tools
21:30	22:00	Remove rot head
22:00	23:00	Pick up 14 3/4 bit, bit sub 8" dc and XO
23:00	6:00	Wait on elec. Short in drk lights

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 46 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	19-Sep-06	Contractor:	Patterson 741	Depth:	704
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	392
Elevation: GL/KE	4794' 4810'	Days / Spud:	11	State:	Utah	FPH:	21.19
API #	4303731852			AFE#	0 6044	OART:	Ream

BIT DATA		
Bit No:	RR2	
Size:	14 3/4	
Mfg:	IITC	
Type:	MX-28	
Serial No:	5081202	
Jets:	3-18s	
Depth Out:	704	
Depth In:	312	
Footage:	392.00	
Hours:	18.50	
FPH:	21.19	
WOB:	6-8K	
RPM:	85	
GPM:	3.00	
Pump Pressure:	870	
Grade:		

PUMP DATA		
Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	110	
GPM:	3	
Pump Pressure:	870	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	1.10
1	Bit Sub	3.34
1	8" DC	29.81
1	XO	1.48
20	6" DC	546.00
	BHA Length:	581.73

MUD DATA	
Weight:	8.9
Visc:	63
PV/YP:	9\12
Gels:	8\22
Filtrate:	17
Cake:	1
% Solids:	1.8
% Oil:	
% Water:	98.2
Sand:	1
PH:	11
Alkalinity:	.
CL-:	1200
Ca++:	120
LCM:	

TIME DISTRIBUTION	
RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	18.5
Coring:	
Circulate:	
Trip:	0.50
Rig Service:	1.50
Repair:	3.50
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$305,900	$0
Fuel:	$0	$9,050	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$618	$12,553	$0
Bits/Rmrs:	$232	$59,643	$0
Cement:	$0	$16,865	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$9,850	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$29,588	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$0	$0
Mud Logs:	$0	$0	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$900	$15,300	$0
Welding:	$0	$0	$0
Csg Crew:	$0	$0	$0
Misc. Cost:	$1,588	$17,518	$0
Float equip & rental:	$0	$0	$0
Phone:	$100	$1,300	$0
Contingent:	$2,514	$63,119	$0
Short surf csg:	$0	$1,197	$0
Long surf csg:	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$4,666	$0
Forklift:	$200	$3,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$23,262	$754,586	$0

GAS DATA			
Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	6:30	Elec probable's with DRK lights
6:30	7:00	Day light TIH
7:00	10:30	Start reaming 12.25" hole to 14 3/4" hole from 312' to 431'
10:30	11:00	Rig service
11:00	14:00	Work on elec in drk
14:00	18:00	Ream 12 1/4" hole to 14 3/4" from 431' to 574'
18:00	18:30	Rig service
18:30	0:00	Ream 12 1/4" hole to 14 3/4" from 574' to 655'
0:00	0:30	Rig service
0:30	6:00	Ream 12 1/4" hole to 14 3/4" from 655' to 704'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey

WEATHER: 49 Deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	20-Sep-06	Contractor:	Patterson 741	Depth:	1260
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	556
Elevation: GL/KE	4794' 4810'	Days / Spud:	12	State:	Utah	FPH:	33.70
API #	4303731852			AFE#	0 6044	OART:	

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	RR2	3	Weight:	9	Rig move:	$0	$0	$0
Size:	14 3/4	14.75"	Visc:	40	Daily rig cost:	$16,100	$322,000	$0
Mfg:	HTC	HTC	PV/YP:	14\9	Fuel:	$6,393	$15,443	$0
Type:	MX-28	MX-1	Gels:	2\15	Water:	$0	$1,320	$0
Serial No:	5081202	5024805	Filtrate:	14.5	Mud/Corrosion:	$3,036	$15,589	$0
Jets:	3-18s	3-18s	Cake:	2\2	Bits/Rmrs:	$2,782	$62,425	$0
Depth Out:	704	1260	% Solids:	4.9	Cement:	$0	$16,865	$0
Depth In:	312	786	% Oil:		Fishing:	$0	$0	$0
Footage:	392.00	474	% Water:	95.1	Insurance:	$0	$0	$0
Hours:	22.00	16.50	Sand:	0.75	Camp:	$560	$10,410	$0
FPH:	17.82	47.64	PH:	10	Geological/Admin:	$0	$0	$0
WOB:	6-8K	8-10K	Alkalinity:	0.3	Location:	$0	$142,727	$0
RPM:	85	85	CL-:	400	Surf damages/ROW:	$0	$0	$0
GPM:	3.00	3	Ca++:	Trc	Trucking:	$1,052	$30,641	$0
Pump Pressure:	870	1030	LCM:		Land/Legal:	$0	$0	$0
Grade:					Open hole logs:	$0	$0	$0
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD	GD	Drilling Today:	0.00	Cont. Labor:	$0	$0	$0
Model:	PZ-8	PZ-8	Drilling Cum:	123.00	Consultant:	$900	$16,200	$0
Liner Size:	6.5	6.5	Reaming:	16.5	Welding:	$0	$0	$0
BPS:			Coring:		Csg Crew:	$0	$0	$0
SPM:	110		Circulate:		Misc. Cost:	$1,588	$19,106	$0
GPM:	3.00		Trip:	5.50	Float equip & rental:	$0	$0	$0
Pump Pressure:	1030		Rig Service:	1.00	Phone:	$100	$1,400	$0
SURVEY DATA			Repair:		Contingent:	$3,568	$66,686	$0
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$0	$1,197	$0
755'	2 deg		Survey:	1.00	Long surf csg:	$0	$0	$0
			Logging:		Wellhead:	$0	$0	$0
			Run Csg:		Survey/Permits/Prep:	$0	$0	$0
			Cement:		Pason:	$450	$5,116	$0
BHA DATA			WOC:		Forklift:	$200	$4,000	$0
Amount	Object	Length	Nipple Up:		Pathfinder:	$0	$60,190	$0
1	Bit	1.10	Test BOP's:		Intangibles:	$0	$0	$0
1	Bit Sub	3.34	DST:		**Total Cost:**	$36,729	$791,314	$0
1	8" DC	29.81	Plug Back:		**GAS DATA**			
1	XO	1.48	Fishing:		Depth:			
20	6" DC	546.00			Background Gas:			
					Conn:			
					Conn:			
					Trip:			
BHA Length:		581.73	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	9:00	Ream 12 1/4" hole to 14 3/4" from 704' to 755'
9:00	10:00	Rig service and run WLS @ 755' 2 deg
10:00	10:30	Ream 12 1/4" hole to 14 3/4" from 755' to 786'
10:30	16:00	Bit trip
16:00	16:30	Ream 12 1/4" hole to 14 3/4" from 786' to 818'
16:30	17:00	Rig service
17:00	0:00	Ream 12 1/4" hole to 14 3/4" from 818' to 1103'
0:00	0:30	Rig service
0:30	6:00	Ream 12 1/4" hole to 14 3/4" from 1103' to 1260'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 59 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	21-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	371
Elevation: GL/KB	4794' 4810'	Days / Spud:	13	State:	Utah	FPH:	29.00
API #	4303731852			AFE#:	0 6044	OART:	T.I.H.

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	3		Weight:	9	Rig move:	$0	$0	$0
Size:	14.75"		Visc:	45	Daily rig cost:	$16,100	$338,100	$0
Mfg:	HTC		PV/YP:	13	Fuel:	$0	$15,443	$0
Type:	MX-1		Gels:	6	Water:	$0	$1,320	$0
Serial No:	5024805		Filtrate:	Jan-32	Mud/Corrosion:	$0	$15,589	$0
Jets:	3-18s		Cake:	1-Jan	Bits/Rmrs:	$232	$62,657	$0
Depth Out:	1631		% Solids:		Cement:	$0	$16,865	$0
Depth In:	786		% Oil:		Fishing:	$0	$0	$0
Footage:	845		% Water:		Insurance:	$0	$0	$0
Hours: 16.5	29.00		Sand:	0.75	Camp:	$560	$10,970	$0
FPH:	27.10		PH:	10	Geological/Admin:	$0	$0	$0
WOB:	8-10K		Alkalinity:		Location:	$0	$142,727	$0
RPM:	85		CL-:		Surf damages/ROW:	$0	$0	$0
GPM:	3		Ca++:		Trucking:	$797	$31,438	$0
Pump Pressure:	1030		LCM:		Land/Legal:	$0	$0	$0
Grade:					Open hole logs:	$0	$0	$0
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD	GD	Drilling Today:	0.00	Cont. Labor:	$0	$0	$0
Model:	PZ-8	PZ-8	Drilling Cum:		Consultant:	$900	$17,100	$0
Liner Size:	6.5	6.5	Reaming:	12.5	Welding:	$0	$0	$0
BPS:			Coring:		Csg Crew:	$0	$0	$0
SPM:	110		Circulate:	2.50	Misc. Cost:	$1,588	$20,694	$0
GPM:	3.00		Trip:	2.50	Float equip & rental:	$0	$0	$0
Pump Pressure:	1030		Rig Service:	1.50	Phone:	$100	$1,500	$0
SURVEY DATA			Repair:		Contingent:	$0	$66,686	$0
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$1,345	$2,542	$0
			Survey:		Long surf csg:	$0	$0	$0
			Logging:		Wellhead:	$0	$0	$0
			Run Csg:		Survey/Permits/Prep:	$0	$0	$0
			Cement:		Pason:	$450	$5,566	$0
BHA DATA			WOC:		Forklift:	$200	$4,200	$0
Amount	Object	Length	Nipple Up:		Pathfinder:	$0	$60,190	$0
1	Bit	1.10	Test BOP's:		Intangibles:	$0	$0	$0
1	Bit Sub	3.34	DST:		**Total Cost:**	$22,273	$813,587	$0
1	8" DC	29.81	Plug Back:		**GAS DATA**			
1	XO	1.48	Fishing:		Depth:			
20	6" DC	546.00	Others	5.00	Background Gas:			
					Conn:			
					Conn:			
					Trip:			
BHA Length:		581.73	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	8:00	Ream 12 1/4" hole to 14 3/4" from 1260' to 1321'
8:00	8:30	Rig service
8:30	17:00	Ream 12 1/4" hole to 14 3/4" from 1321' to 1573'
17:00	17:30	Rig service
17:30	19:30	**Open 12 1/4" hole from 1573' to 1631'**
19:30	22:00	Circ cond hole to run 11 3/4" csg
22:00	1:00	Trip out hole lay down bit h/o and & one 8"d'c
1:00	1:30	Rig service
1:30	2:30	**Rig up to run csg unable to run csg float cuip threds 13 3/8 e.u.e.8 rd csg is 6 rd x line**
2:30	4:30	**rig down casing tongs**
4:30	5:00	**Make up bit and h/o**
5:00	6:00	**Trip in hole**

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** cool

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	22-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	14	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	run csg

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:			Weight:		Rig move:	$0	$0	$0
Size:			Visc:		Daily rig cost:	$16,100	$354,200	$0
Mfg:			PV/YP:		Fuel:	$0	$15,443	$0
Type:			Gels:		Water:	$0	$1,320	$0
Serial No:			Filtrate:		Mud/Corrosion:	$837	$16,426	$0
Jets:			Cake:		Bits/Rmrs:		$62,657	$0
Depth Out:			% Solids:		Cement:	$12,526	$29,391	$0
Depth In:			% Oil:		Fishing:	$0	$0	$0
Footage:			% Water:		Insurance:	$0	$0	$0
Hours:			Sand:		Camp:	$560	$11,530	$0
FPH:			PH:		Geological/Admin:	$0	$0	$0
WOB:			Alkalinity:		Location:	$0	$142,727	$0
RPM:			CL-:		Surf damages/ROW:	$0	$0	$0
GPM:			Ca++:		Trucking:	$2,500	$33,938	$0
Pump Pressure:			LCM:		Land/Legal:	$0	$0	$0
Grade:					Open hole logs:	$0	$0	$0
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$0	$0	$0
Pump No:	1	2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD	GD	Drilling Today:	0.00	Cont. Labor:	$0	$0	$0
Model:	PZ-8	PZ-8	Drilling Cum:	123.00	Consultant:	$1,200	$18,300	$0
Liner Size:	6.5	6.5	Reaming:		Welding:	$0	$0	$0
BPS:			Coring:		Csg Crew:	$2,525	$2,525	$0
SPM:	110		Circulate:	7.00	Misc. Cost:	$1,588	$22,282	$0
GPM:	3.00		Trip:	5.00	Float equip & rental:	$0	$0	$0
Pump Pressure:	1030		Rig Service:	0.50	Phone:	$100	$1,600	$0
SURVEY DATA			Repair:		Contingent:	$0	$66,686	$0
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$1,345	$3,887	$0
			Survey:		Long surf csg:	$0	$0	$0
			Logging:		Wellhead:	$0	$0	$0
			Run Csg:	5.00	Survey/Permits/Prep:	$0	$0	$0
			Cement:		Pason:	$450	$6,016	$0
BHA DATA			WOC:		Forklift:	$200	$4,400	$0
Amount	Object	Length	Nipple Up:		Pathfinder:	$0	$60,190	$0
			Test BOP's:		Intangibles:	$0	$0	$0
			DST:		**Total Cost:**	$39,931	$853,518	$0
			Plug Back:		**GAS DATA**			
			Fishing:		Depth:			
			Others	6.50	Background Gas:			
					Conn:			
					Conn:			
					Trip:			
BHA Length:	0.00	**Total:**	24.00					

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	8:00	Circ
8:00	8:30	Rig serv
8:30	10:30	Trip out hole to d.c.
10:30	15:00	W.O 4 jts 11 3/4" casing to be machined from Butt thd to 8 rd thd
15:00	18:00	Trip in hole to 1631'
18:00	21:00	circ @ 1631' cond mud to run 11 3/4" csg
21:00	23:00	Trip out hole to run 11 3/4" casing
23:00	1:00	Rig up to run caising
1:00	6:00	Running casing

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear cool

CASING RECORD

WELL NAME: Aneth Unit C-113 SWD **DATE:** 9-Sep-06

PIPE TALLY - SHOW EVERY PIECE OF EQUIPMENT GOING INTO THE HOLE IN THE ORDER RUN.

COLUMN 1		COLUMN 2		COLUMN3		COLUMN 4		COLUMN 5		COLUMN 6		COLUMN 7	
JT NO.	FEET		FEET	JT NO.	FEET	JT NO.	FEET	JT NO.	FEET	JT NO.	FEET	JT NO.	FEET
Shoe	1.10		1.10	40	35.67			1		41		81	
float	1.50		2.60	41	38.50	C		2		42		82	
1	34.35	c	36.95	42	38.60								
2	38.10	c	75.05	43	37.85			3		43		83	
3	35.60		110.65	44				4		44		84	
4	37.95		148.60	45				5		45		85	
5	37.95		186.55	46				6		46		86	
6	38.10	c	224.65	47				7		47		87	
7	37.80		262.45	48				8		48		88	
8	40.95		303.40	49				9		49		89	
9	38.10		341.50	50				10		50		90	
10	37.78	c	379.28	51				11		51		91	
11	37.59		416.87	52				12		52		92	
12	37.80		454.67	53				13		53		93	
13	38.47		493.14	54				14		54		94	
14	36.40	c	529.54	55				15		55		95	
15	37.55		567.09	56				16		56		96	
16	36.15		603.24	57				17		57		97	
17	38.10		641.34	58				18		58		98	
18	38.45	c	679.79	59				19		59		99	
19	38.20		717.99	60				20		60		100	
20	36.35		754.34	61				21		61		101	
dv	2.40		756.74	62				22		62		102	
21	36.41	c	793.15	63				23		63		103	
22	36.00		829.15	64				24		64		104	
23	36.88		866.03	65				25		65		105	
24	38.30		904.33										
25	37.70	c	942.03	66				26		66		106	
26	36.65		978.68	67				27		67		107	
27	38.90		1017.58	68				28		68		108	
28	35.30		1052.88	69				29		69		109	
29	38.47	c	1091.35	70				30		70		110	
30	37.90		1129.25	71				31		71		111	
31	38.45		1167.70	72				32		72		112	
32	37.60		1205.30	73				33		73		113	
33	38.40	c	1243.70	74				34		74		114	
34	36.00		1279.70	75				35		75		115	
35	37.35			76				36		76		116	
36	38.00			77				37		77		117	
37	37.60			78				38		78		118	
38	38.35			79				39		79		119	
39	38.15			80				40		80		120	
Total													

Joints on rack before running: Joints left on rack after running: Number of joints run:

ITEMS	JTS	OD	WT.	GRD	THRD	FEET

REMARKS:

0.11 DISPLACEMENT

Shoe, Float Collar, 20 jts Csg, Stage Tool, 14 jts Csg.

Put centralizers 5' above shoe,5' above float collar, 1 on every 4 jt to surface

TOTAL ON RACK	
JOINTS NOT RUN (-)	
CUT OFF JOINT (-)	
LANDING JOINT (-)	
TOTAL	
CUT OFF BELOW GROUND (+)	
KB ABOVE GROUND (+)	
CASING SET AT	

COMPANY REPRESENTATIVE: RON LACKEY

RESOLUTE NATURAL RESOURCES
CEMENT REPORT

Well Name: Aneth Unit C-113 SWDW **Date:** 20-Sep-06
Formation: Chinle **Field:** **TD KB:**

CASING SUMMARY

MAKE	NUMBER OF JOINTS	CASING WEIGHT	CASING GRADE	CASING SIZE	CASING THREAD	CASING LENGTH	CASING SET AT
Lone Star		47#		11 3/4	LT&C		

TOOL SUMMARY

TOOLS & ACCESSORIES	TOOLS SIZE	THREAD	MAKE OF TOOLS	TOP OF TOOLS SET AT

REMARKS:

CEMENTING SUMMARY

STAGE	SACKS	CLASS	ADDITIVES	SLURRY WEIGHT	SLURRY VOLUME

CHEMICALS USED:

CEMENTING COMPANY: **EQUIPMENT:**

DETAILS OF SERVICE

STAGE	STAGE TIME	DESCRIPTION	VOLUMES	CIRCULATION TIME	PLUG DOWN AT

TOP OF CEMENT AND METHOD DETERMINED:

COMPANY REPRESENTIVE:

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

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

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for 9-23 through 10-10-06 are enclosed.

Please call Dwight Mallory at 303-534-4600 with any questions.

NAME (PLEASE PRINT) Dwight Mallory TITLE Regulatory Coordinator

SIGNATURE _____ DATE 10/10/06

(This space for State use only)

RECEIVED
OCT 13 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	23-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	
Elevation: GL/KE	4794' 4810'	Days / Spud:	15	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	w/o weldor

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	3.00
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	0.50
Cement:	2.00
WOC:	18.50
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$370,300	$0
Fuel:	$6,898	$22,341	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$837	$17,263	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$24,788	$54,179	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$12,090	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$33,938	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$14,194	$14,194	$0
Mud Logs:	$2,570	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$19,500	$0
Welding:	$0	$0	$0
Csg Crew:	$3,466	$5,991	$0
Misc. Cost:	$1,588	$23,870	$0
Float equip & rental:	$11,380	$11,380	$0
Phone:	$100	$1,700	$0
Contingent:	$1,345	$68,031	$0
Short surf csg:		$3,887	$0
	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$6,466	$0
Forklift:	$200	$4,600	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$85,676	$939,194	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME / REMARKS

6:00	6:30	Fin runing 11 3/4 csg run 43 jts total 1621.52 with shoe f/c & d.v coller set shoe @ 1618.52 K.B.
6:30	9:30	circ csg
9:30	10:30	Rig up B. J. safty meeting test lines to 2000 p.s.i pumped 20 bbl H.2.O ahead
		1st lead 136sks g w/2%d79,.2%d46,.25#/sxd29 displace w/47 bbls@ 12.8 ppg
		1st tail w/.2%d167..15%d65..1%d13 disp w/90 bbls @ 15.8 ppg
		stop drop plug start displacement 184.6 bbls total displacement
		90 bbls h2o 94.6 bbls mud stop pumping hold 5 min float held o k
		drop bomb wait 10 min att to open d.v with 1850 psi tool failed to open
		C.I.P. @ 10:30 good returns thru out job circ cmt to surface
10:30	20:00	**W.O.C.**
20:00	21:00	**rig up bason wire line run temp surv rig down baison**
21:00	22:00	**Run 1" tubing down back side 11 3/4" csg tag cmt @ 55' pumped 5bbl top job C.I.P.@ 22:00**
22:00	6:00	**W.O.C. rig down to cut off casing**

RECEIVED
OCT 13 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** cool

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	24-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KB	4794' 4810'	Days / Spud:	16	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	Nipple up

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	BHA Length:	0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	6.00
Nipple Up:	6.00
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Weld B head	3.50
Test head	2.50
cut off csg	6.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$386,400	$0
Fuel:	$0	$22,341	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$685	$17,948	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$0	$54,179	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$12,650	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$910	$34,848	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$14,194	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$20,700	$0
Welding:	$382	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$23,870	$0
Float equip & rental:	$0	$11,380	$0
Phone:	$100	$1,800	$0
Contingent:	$1,345	$69,376	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$0	$0
Wellhead:		$0	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$6,916	$0
Forklift:	$200	$4,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$21,932	$961,126	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	12:00	W.o.c. wait on welder service rig
12:00	18:00	cut off 11 3/4" casing & conductor pipe
18:00	20:30	Weld on 11 3/4" x 5000 # starting spool
20:30	0:00	Let starting spool cool pressure tested to 700 P.S.I. ok
0:00	6:00	**Nipple up B.O.P.E.**

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear cold

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	25-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KB	4794' 4810'	Days / Spud:	17	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	p.o.h.

BIT DATA

Bit No:	6	
Size:	9 1/2	
Mfg:	htc	
Type:	mx30g	
Serial No:	5106834	
Jets:	3x131x14	
Depth Out:		
Depth In:	1631	
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	bit sub	3.48
1	8" d.c.	29.81
1	x/o	1.48
20	d.c	586.41
BHA Length:		622.28

MUD DATA

Weight:	no check
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	3.00
Trip:	5.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	6.00
Test BOP's:	9.00
DST:	
Plug Back:	
Fishing:	
Others	0.50
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:		$0	$0
Daily rig cost:	$16,100	$402,500	$0
Fuel:	$0	$22,341	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$0	$17,948	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$0	$54,179	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$13,210	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$34,848	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$14,194	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$21,900	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$23,870	$0
Float equip & rental:	$6,380	$17,760	$0
Phone:	$100	$1,900	$0
Contingent:	$1,345	$70,721	$0
Short surf csg:	$0	$3,887	$0
Test b o p	$2,185	$2,185	$0
Wellhead:	$9,241	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$7,366	$0
Forklift:	$0	$4,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$37,561	$998,687	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
			60#					82'
2	16"							
43	11 3/4	lone star	47	L 80	x line	1621.52		1619.52

TIME / REMARKS

6:00	12:30	Nipple up B.O.P.E.
12:30	13:00	Function test B.O.P.E.
13:00	20:30	Try to test b o p e press up 1500 p s i on blind rams press bled back to 800 p s i
20:00	22:00	**Make up bit trip in hole**
22:00	23:00	Circ @ 869'
23:00	23:30	Close pipe rams pressure up to 1500 p s I bled back to 1000 p s I in 5 min
23:30	0:00	Drill out dv tool 869
0:00	1:00	**Circ service rig**
1:00	1:30	**Trip in hole tag wiper plug @ 1604**
1:30	6:00	**Circ @ 1604' test casing to 1500 psi pressure drop =same 300 psi in 5 min P.O.H.**

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	26-Sep-06	Contractor:	Patterson 741		1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	18	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	circ

BIT DATA

Bit No:	6	
Size:	9 1/2	
Mfg:	htc	
Type:	mx30g	
Serial No:	5106834	
Jets:	3x131x14	
Depth Out:		
Depth In:	1631	
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:		
Model:		
Liner Size:		
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	bit sub	3.48
1	8" d.c.	29.81
1	x/o	1.48
20	d.c	586.41
BHA Length:		622.28

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	0.50
Trip:	3.00
Rig Service:	0.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	4.00
WOC:	11.50
Nipple Up:	
Test BOP's:	4.50
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$418,600	$0
Fuel:	$0	$22,341	$0
Water:	$900	$2,220	$0
Mud/Corrosion:	$7,615	$25,563	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$10,303	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$0	$13,210	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$1,320	$36,168	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$14,194	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$23,100	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$23,870	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,000	$0
Contingent:	$1,345	$72,066	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$2,185	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$7,816	$0
Forklift:	$0	$4,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$39,333	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	6:30	Service rig
6:30	8:00	Trip in hole with o.e.d.p.to 910' d v collar @ 869'
8:00	14:00	W.O. schlumberger
14:00	15:30	Rig up schlumbergr held safty meeting
15:30	16:00	pressure test lines to 2000 psi ok
16;00	18:00	Pumped 30 bbl h2o ahead mix and pump 60 sx cmt 12.6 bbls
		Disp d.p. Pull out hole 4 stds. Close rams, sqeeze 4 bbls cmt @ 1800 p.s.i. CIP @ 18:00 hrs
18:00	22:00	W.O.C. release pressure, open rams.
22:00	22:30	Pull out hole w/ d.p.
22:30	0:00	Rig up to test b.o.p.e.
0:00	2:30	Test blind rams.choke manifold to 2000 p.s.i. 30 min, ok.
2:30	3:30	Make up bit run in hole w/ b.h.a.
3:30	5:30	Test pipe rams to 2000 p.s.i. 30 min, ok. Test annular bop to 1500 p.s.i. 30 min, ok.
5:30	6:00	Circ. woc to 06:00 hrs.

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	27-Sep-06	Contractor:	Patterson 741	Depth:	1661
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	30
Elevation: GL/KE	4794' 4810'	Days / Spud:	19	State:	Utah	FPH:	12.00
API #	4303731852			AFE#	0 6044	OART:	T.F. bit

BIT DATA

Bit No:	6	
Size:	9 1/2	
Mfg:	H.T.C.	
Type:	mx30g	
Serial No:	5106834	
Jets:	3x131x14	
Depth Out:	1661	
Depth In:	1631	
Footage:	30.00	
Hours:	2.50	
FPH:	12.00	
WOB:	8	
RPM:	75	
GPM:		
Pump Pressure:	995	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	80	
GPM:	260.00	
Pump Pressure:	990	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	bit	1.10
	m.m	32.91
	8" d.c.	29.81
	x/o	1.48
	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	8.6
Visc:	35
PV/YP:	5
Gels:	
Filtrate:	
Cake:	1/32"
% Solids:	1.2
% Oil:	
% Water:	98.8
Sand:	0
PH:	10
Alkalinity:	2.2
CL-:	1000
Ca++:	
LCM:	0

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	3.50
Drilling Cum:	126.50
Reaming:	
Coring:	
Circulate:	1.00
Trip:	7.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	7.00
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Others	5.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$434,700	$0
Fuel:	$0	$22,341	$0
Water:		$2,220	$0
Mud/Corrosion:		$25,563	$0
Bits/Rmrs:	$12,000	$74,657	$0
Cement:		$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$14,330	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:		$36,168	$0
Land/Legal:	$0	$0	$0
C B L log	$5,865	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$24,300	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$23,870	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,100	$0
Contingent:	$1,345	$73,411	$0
Short surf csg:	$0	$3,887	$0
P- test b.o.p.	$3,260	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$8,266	$0
Forklift:	$600	$5,400	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$42,040	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	7:00	Drill out cmt 840' to 902'
7:00	8:00	Trip in hole to 1604'
8:00	9:00	Circ @ 1604'
9:00	10:00	Test caising and kelly valve to 1500 p.s.i 30 min ok
10:00	12:00	Trip out hole
12:00	16:00	Rig up Blue Jet. Run c.b.l. lc rig down.
16:00	19:00	Review logs, w.o. ordeors
19:00	22:30	Make up bit on M.M. trip in hole to 1604'
22:30	12:30	Break circ @ 1604 drill 4' cmt and wiper plug 4.5' cmt shoe & f/c = 3.5' c/o 15' open hole.
12:30	1:30	Pressure test shoe jt and 15' open hole to 202 P.S.I. Leak off 50 p.s.i. 15 min re test 15 min @ 202 p.s.i., same P loss
1;30	2:00	Rig down wellcheck testing
2:00	5:30	Drilling 9.5 " hole from 1631' to 1661'
5:30	6:00	Trip out hole for PDC bit

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear

DRILLING SUPERVISOR: **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date:	28-Sep-06	Contractor:	Patterson 741	Depth:	1856
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	195
Elevation: GL/KB	4794' 4810'	Days / Spud:	19	State:	Utah	FPH:	13.00
API #	4303731852			AFE#	0 6044	OART:	Drilling

BIT DATA

Bit No:	8	
Size:	9 1/2	
Mfg:	Htc	
Type:	P.D.C	
Serial No:	7005083	
Jets:	6 x 13	
Depth Out:	inc	
Depth In:	1661	
Footage:	195.00	
Hours:	14.50	
FPH:	13.00	
WOB:		
RPM:	m.m	
GPM:	465.00	
Pump Pressure:	770	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	160	
GPM:	520.00	
Pump Pressure:	1200	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41

MUD DATA

Weight:	8.5
Visc:	36
PV/YP:	5
Gels:	
Filtrate:	
Cake:	1/32"
% Solids:	1.2
% Oil:	
% Water:	98.8
Sand:	
PH:	11.5
Alkalinity:	
CL-:	1100
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	14.50
Drilling Cum:	137.50
Reaming:	
Coring:	
Circulate:	
Trip:	5.00
Rig Service:	1.50
Repair:	1.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Others	2.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$450,800	$0
Fuel:	$0	$22,341	$0
Water:	$0	$2,220	$0
Mud/Corrosion:	$2,117	$27,680	$0
Bits/Rmrs:	$20,794	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$15,450	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$621	$36,789	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$25,500	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$23,870	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,200	$0
Contingent:	$1,345	$74,756	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	
Pason:	$450	$8,716	$0
Forklift:	$600	$6,000	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$44,447	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Trip for bit
8:00	8:30	Service rig
8:30	10:30	Make up new bit trip in hole
10:30	11:30	clean cmt out flow line
11:30	12:30	Trip in hole instal new rotating head rubber
12:30	15:00	Drilling from 1661' to 1691'
15:00	16:00	Clean cmt wiper plug out flow line
16:00	16:30	Service rig
16:30	21:30	Drilling from 1691' to 1754'
21:30	22:30	# 1 & 2 pump down
22:30	1:00	Drilling from to 1754' to 1794'
1:00	1:30	Service rig
1;30	6:00	Drilling from 1794' to 1856' wt on bit = 7 to 10k

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy bowden **WEATHER:** clear

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	30-Sep-06	Contractor:	Patterson 741	Depth:	2790
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	345
Elevation: GL/KB	4794' 4810'	Days / Spud:	21	State:	Utah	FPH:	15.68
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		8
Size:		9 1/2
Mfg:		Htc
Type:		P.D.C
Serial No:		7005083
Jets:		6 x 13
Depth Out:		2790
Depth In:		1661
Footage:		784.00
Hours:	34	56.00
FPH:		23.00
WOB:		8 to10 k
RPM:		110
GPM:		3.28
Pump Pressure:		1550
Grade:		

PUMP DATA

	1	2
Pump No:		
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	116	113
GPM:	398.00	398
Pump Pressure:	1050	950

SURVEY DATA

Depth	Deviation	Direction
2671'	1 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.5
Visc:	40
PV/YP:	8\4
Gels:	2\4\7
Filtrate:	14
Cake:	1
% Solids:	8.7
% Oil:	
% Water:	91.3
Sand:	
PH:	12
Alkalinity:	2.1
CL-:	1500
Ca++:	120
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$483,000	$0
Fuel:	$0	$27,076	$0
Water:	$0	$7,260	$0
Mud/Corrosion:	$2,325	$31,126	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$17,690	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$36,789	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$27,900	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$23,870	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,400	$0
Contingent:	$2,287	$78,388	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$9,616	$0
Forklift:	$225	$6,825	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$23,806	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 2445' to 2478'
8:00	8:30	Rig service
8:30	17:30	Drlg 9.5" hole from 2478' to 2635'
17:30	18:00	Rig service Actuate pipe rams
18:00	23:30	Drlg 9.5" hole from 2635' to 2695'
23:30	0:00	Circ and WLS @ 2671' 1 deg
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 2696' to 2790'

Pick up 94k
Slack off 86k
Rot 90K

RECEIVED
OCT 13 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 54 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	1-Oct-06	Contractor:	Patterson 741	Depth:	2971
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	181
Elevation: GL/KE	4794' 4810'	Days / Spud:	22	State:	Utah	FPH:	7.87
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		8
Size:		9 1/2
Mfg:		Htc
Type:		P.D.C
Serial No:		7005083
Jets:		6 x 13
Depth Out:		2971
Depth In:		1661
Footage:		1310.00
Hours:	0	79.00
FPH:		16.58
WOB:		10-25K
RPM:		130
GPM:		3.28
Pump Pressure:		1200
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1200	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
BHA Length:		651.71

MUD DATA

Weight:	9.2
Visc:	41
PV/YP:	6\6
Gels:	2\4\8
Filtrate:	
Cake:	
% Solids:	6.4
% Oil:	
% Water:	93.6
Sand:	
PH:	10
Alkalinity:	2.1
CL-:	1600
Ca++:	130
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	23.00
Drilling Cum:	207.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$499,100	$0
Fuel:	$0	$27,076	$0
Water:	$0	$7,260	$0
Mud/Corrosion:	$1,437	$32,563	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$18,810	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$974	$37,763	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$29,100	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$25,458	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,500	$0
Contingent:	$2,548	$80,936	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$10,066	$0
Forklift:	$225	$7,050	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$25,742	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
								1621.52

TIME

6:00	16:00	Drlg 9.5" hole from 2790' to 2881'
16:00	16:30	Rig service
16:30	0:00	Drlg 9.5" hole from 2881' to 2943'
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 2943' to 2971'

REMARKS

#1 pump 350 psi @ 71 spm

Pick up 100K
Slack off 81k
Rot 92k

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 56 deg

RESOLUTE NATURAL RESOURCES
MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	2-Oct-06	Contractor:	Patterson 741	Depth:	3233
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	262
Elevation: GL/KB	4794' 4810'	Days / Spud:	23	State:	Utah	FPH:	11.91
API #	4303731852			AFE#	0 6044	OART:	WLS

BIT DATA			MUD DATA	
Bit No:	8		Weight:	9.5
Size:	9 1/2		Visc:	45
Mfg:	Htc		PV/YP:	10\8
Type:	P.D.C		Gels:	2\5\7
Serial No:	7005083		Filtrate:	
Jets:	6 x 13		Cake:	2
Depth Out:	3233		% Solids:	8.6
Depth In:	1661		% Oil:	
Footage:	1572.00		% Water:	91.4
Hours: 79	101.00		Sand:	0.5
FPH:	15.56		PH:	10
WOB:	10-25K		Alkalinity:	2.1
RPM:	130		CL-:	2500
GPM:	3.28		Ca++:	160
Pump Pressure:	1300		LCM:	
Grade:				

PUMP DATA		
Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
2958'	.25 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41

BHA Length: 651.71

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$515,200	$0
Fuel:	$0	$27,076	$0
Water:	$0	$7,260	$0
Mud/Corrosion:	$3,071	$35,634	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$19,930	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$974	$38,737	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$30,300	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$27,046	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,600	$0
Contingent:	$2,548	$83,484	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$10,516	$0
Forklift:	$225	$7,275	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$27,376	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME		REMARKS
6:00	12:00	Drlg 9.5" hole from 2971' to 3037'
12:00	12:30	Circ and WLS @ 2958' .25 deg
12:30	18:30	Drlg 9.5" hole from 3037' to 3099'
18:30	19:00	Rig service work pipe rams
19:00	0:00	Drlg 9.5" hole from 3099' to 3171'
0:00	0:30	Rig service
0:30	5:30	Drlg 9.5" hole from 3171' to 3233'
5:30	6:00	Circ and WLS @ 3143'

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 61 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	3-Oct-06	Contractor:	Patterson 741	Depth:	3513
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	280
Elevation: GL/KB	4794' 4810'	Days / Spud:	24	State:	Utah	FPH:	12.73
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		8	
Size:		9 1/2	
Mfg:		HTC	
Type:		P.D.C	
Serial No:		7005083	
Jets:		6 x 13	
Depth Out:		3513	
Depth In:		1661	
Footage:		1852.00	
Hours:	101	123.00	
FPH:		15.06	
WOB:		20-35K	
RPM:		130	
GPM:		3.28	
Pump Pressure:		1300	
Grade:			

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
3143'	1.75 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.5
Visc:	45
PV/YP:	8\7
Gels:	
Filtrate:	8
Cake:	1.5
% Solids:	8.7
% Oil:	
% Water:	91.3
Sand:	0.25
PH:	10
Alkalinity:	1.6
CL-:	600
Ca++:	100
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$531,300	$0
Fuel:	$8,053	$35,129	$0
Water:	$1,340	$8,600	$0
Mud/Corrosion:	$1,225	$36,860	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$21,050	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$38,737	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$31,500	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$28,634	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,700	$0
Contingent:	$3,395	$86,879	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$10,966	$0
Forklift:	$225	$7,500	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$34,796	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11							1618

TIME / REMARKS

6:00	6:30	WLS @ 3143' 1.75 degree
6:30	9:00	Drlg 9.5" hole from 3233' to 3255'
9:00	9:30	Rig service
9:30	17:00	Drlg 9.5" hole from 3255' to 3412'
17:00	17:30	Rig service and work pipe rams
17:30	0:00	Drlg 9.5" hole from 3412' to 3490' — **PU 110k**
0:00	0:30	Rig service — **SO 100k**
0:00	6:00	Drlg 9.5" hole from 3490' to 3513' — **ROT 91K**

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 65 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	4-Oct-06	Contractor:	Patterson 741	Depth:	3593
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	80
Elevation: GL/KI	4794' 4810'	Days / Spud:	25	State:	Utah	FPH:	6.96
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	8	9
Size:	9 1/2	9 1/2
Mfg:	HTC	HTC
Type:	P.D.C	MX28DX
Serial No:	7005083	5081708
Jets:	6 x 13	3 16s
Depth Out:	3524	3593
Depth In:	1661	3524
Footage:	1863.00	69.00
Hours:	125.00	9.50
FPH:	14.90	7.26
WOB:	20-35K	**25-30k**
RPM:	130	**110**
GPM:	3.28	**3.28**
Pump Pressure:	1300	**1300**
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.5
Visc:	47
PV/YP:	15\10
Gels:	3\5\9
Filtrate:	
Cake:	1.75
% Solids:	8.7
% Oil:	
% Water:	91.3
Sand:	0.25
PH:	9
Alkalinity:	1.4
CL-:	500
Ca++:	160
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	11.50
Drilling Cum:	134.50
Reaming:	
Coring:	
Circulate:	0.50
Trip:	7.50
Rig Service:	1.50
Repair:	1.50
Cut Line:	1.50
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$547,400	$0
Fuel:	$0	$35,129	$0
Water:	$0	$8,600	$0
Mud/Corrosion:	$2,917	$39,777	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$22,170	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$38,737	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$32,700	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$30,222	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,800	$0
Contingent:	$3,395	$90,274	**$0**
Short surf csg:	$80,186	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$11,416	$0
Forklift:	$225	$7,725	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$107,281	#########	$0

GAS DATA

Depth:	**3588'**
Background Gas:	**21 units**
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 3490' to 3524'
8:00	8:30	Circ and pump pill
8:30	9:00	Rig service
9:00	12:30	Pull out of hole
12:30	14:00	Repair BOP Bline rams would not close
14:00	14:30	TIH w/DC
14:30	16:00	Slip and cut drilling line
16:00	16:30	Rig service
16:30	20:00	Trip in hole
20:00	0:00	Drlg 9.5" hole from 3524' to 3550'
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 3550' to 3593'

PU 121K
SO 105K
ROT 110 K

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
60% shale, 30% sandstone, Tr limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 57 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	5-Oct-06	Contractor:	Patterson 741	Depth:	3910
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	317
Elevation: GL/KB	4794' 4810'	Days / Spud:	26	State:	Utah	FPH:	14.74
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		9
Size:		9 1/2
Mfg:		HTC
Type:		MX28DX
Serial No:		5081708
Jets:		3 16s
Depth Out:		3910
Depth In:		3524
Footage:		386.00
Hours:	9.5	31.00
FPH:		12.45
WOB:		30-35K
RPM:		110
GPM:		3.28
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
3640	.5 degree	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9
Visc:	45
PV/YP:	15\9
Gels:	2\4\7
Filtrate:	10
Cake:	1.5
% Solids:	5
% Oil:	
% Water:	95
Sand:	0.5
PH:	9
Alkalinity:	1.3
CL-:	550
Ca++:	225
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	144.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$563,500	$0
Fuel:	$0	$35,129	$0
Water:	$0	$8,600	$0
Mud/Corrosion:	$2,889	$42,665	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$23,290	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$38,737	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$33,900	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$32,738	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,900	$0
Contingent:	$2,799	$93,073	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$11,866	$0
Forklift:	$225	$7,950	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$27,399	#########	$0

GAS DATA

Depth:	$3,906
Background Gas:	25 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:30	Drlg 9.5" hole from 3593' to 3631'
8:30	9:00	Rig service
9:00	14:30	Drlg 9.5" hole from 3631' to 3725'
14:30	15:30	Circ and WSL @ 3640' .5 dergee
15:30	17:00	Drlg 9.5" hole from 3725' to 3757'
17:00	17:30	Rig service
17:30	0:00	Drlg 9.5" hole from 3757' to 3851'
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 3851' to 3910'

PU 122K
SO 112K
Rot 118K

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 60 Dergee

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	Aneth Unit C113 LDVL	Date	6-Oct-06	Contractor:	Patterson 741	Depth:	4220
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	310
Elevation: GL/KB	4794' 4810'	Days / Spud:	27	State:	Utah	FPH:	14.09
API #	4303731852			AFE#	0 6044	OART:	Circ f/ WSL

BIT DATA

Bit No:		9
Size:		9 1/2
Mfg:		HTC
Type:		MX28DX
Serial No:		5081708
Jets:		3 16s
Depth Out:		4220
Depth In:		3524
Footage:		696.00
Hours:	31	53.00
FPH:		13.13
WOB:		30-35K
RPM:		110
GPM:		3.28
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9
Visc:	40
PV/YP:	16\10
Gels:	
Filtrate:	
Cake:	
% Solids:	5
% Oil:	
% Water:	95
Sand:	0.25
PH:	9
Alkalinity:	
CL-:	1000
Ca++:	200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	0.50
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$563,500	$0
Fuel:	$5,555	$40,683	$0
Water:	$0	$8,600	$0
Mud/Corrosion:	$3,618	$43,395	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$23,290	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$38,737	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$33,900	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$32,738	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,900	$0
Contingent:	$2,799	$93,073	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$11,866	$0
Forklift:	$225	$7,950	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$33,683	#########	$0

GAS DATA

Depth:	4217'
Background Gas:	23 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 3910' to 3943'	
8:00	8:30	Rig service	
8:30	16:30	Drlg 9.5" hole from 3943' to 4066'	PU 130K
16:30	17:00	Rig service	SO 118K
17:00	0:00	Drlg 9.5" hole from 4066' to 4157'	Rot 122K
0:00	0:30	Rig service	
0:00	5:30	Drlg 9.5" hole from 4157' to 4220'	
5:30	6:00	Circ and WLS @ 4140'	

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
70% shale, 30% sandstone, tr limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 58 Dergee and raining

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

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

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for 9-23 through 10-21-06 are enclosed.

Please call Dwight Mallory at 303-534-4600 with any questions.

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE _____ DATE 11/10/06

(This space for State use only)

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	23-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	
Elevation: GL/KE	4794' 4810'	Days / Spud:	15	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	w/o weldor

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	BHA Length:	0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	3.00
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	0.50
Cement:	2.00
WOC:	18.50
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$386,400	$0
Fuel:	$6,898	$22,341	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$837	$17,263	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$24,788	$54,179	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$12,590	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$34,849	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$14,194	$14,194	$0
Mud Logs:	$2,570	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$20,400	$0
Welding:	$0	$0	$0
Csg Crew:	$3,466	$5,991	$0
Misc. Cost:	$1,588	$24,275	$0
Float equip & rental:	$11,380	$11,380	$0
Phone:	$100	$1,750	$0
Contingent:	$1,345	$68,031	$0
Short surf csg:		$3,887	$0
	$0	$0	$0
Wellhead:	$0	$0	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$6,466	$0
Forklift:	$200	$4,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$85,676	$958,261	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB

TIME / REMARKS

6:00	6:30	Fin runing 11 3/4 csg run 43 jts total 1621.52 with shoe f/c & d.v coller set shoe @ 1618.52 K.B.
6:30	9:30	circ csg
9:30	10:30	Rig up B. J. safty meeting test lines to 2000 p.s.i pumped 20 bbl H.2.O ahead 1st lead 136sks g w/2%d79,.2%d46,.25#/sxd29 displace w/47 bbls@ 12.8 ppg **1st tail w/.2%d167..15%d65..1%d13 disp w/90 bbls @ 15.8 ppg** stop drop plug start displacement 184.6 bbls total displacement 90 bbls h2o 94.6 bbls mud stop pumping hold 5 min float held o k drop bomb wait 10 min att to open d.v with 1850 psi tool failed to open **C.I.P. @ 10:30 good returns thru out job circ cmt to surface**
10:30	20:00	**W.O.C.**
20:00	21:00	**rig up bason wire line run temp surv rig down baison**
21:00	22:00	**Run 1" tubing down back side 11 3/4" csg tag cmt @ 55' pumped 5bbl top job C.I.P.@ 22:00**
22:00	6:00	**W.O.C. rig down to cut off casing**

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** cool

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	24-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KB	4794' 4810'	Days / Spud:	16	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	Nipple up

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	BHA Length:	0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	6.00
Nipple Up:	6.00
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Weld B head	3.50
Test head	2.50
cut off csg	6.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$402,500	$0
Fuel:	$0	$22,341	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$685	$17,948	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$0	$54,179	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$13,150	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$910	$35,759	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$14,194	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$21,600	$0
Welding:	$382	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$0	$11,380	$0
Phone:	$100	$1,850	$0
Contingent:	$1,345	$69,376	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$0	$0
Wellhead:		$0	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$6,916	$0
Forklift:	$200	$5,000	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$21,932	$980,193	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	12:00	W.o.c. wait on welder service rig
12:00	18:00	cut off 11 3/4" casing & conductor pipe
18:00	20:30	Weld on 11 3/4" x 5000 # starting spool
20:30	0:00	Let starting spool cool pressure tested to 700 P.S.I. ok
0:00	6:00	**Nipple up B.O.P.E.**

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear cold

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	25-Sep-06	Contractor:	Patterson 741	Depth:	1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KB	4794' 4810'	Days / Spud:	17	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	p.o.h.

BIT DATA

Bit No:	6	
Size:	9 1/2	
Mfg:	htc	
Type:	mx30g	
Serial No:	5106834	
Jets:	3x131x14	
Depth Out:		
Depth In:	1631	
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	bit sub	3.48
1	8" d.c.	29.81
1	x/o	1.48
20	d.c	586.41
BHA Length:		622.28

MUD DATA

Weight:	no check
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	3.00
Trip:	5.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	6.00
Test BOP's:	9.00
DST:	
Plug Back:	
Fishing:	
Others	0.50
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:		$0	$0
Daily rig cost:	$16,100	$418,600	$0
Fuel:	$0	$22,341	$0
Water:	$0	$1,320	$0
Mud/Corrosion:	$0	$17,948	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$0	$54,179	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$560	$13,710	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$35,759	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$14,194	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$22,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$6,380	$17,760	$0
Phone:	$100	$1,950	$0
Contingent:	$1,345	$70,721	$0
Short surf csg:	$0	$3,887	$0
Test b o p	$2,185	$2,185	$0
Wellhead:	$9,241	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$7,366	$0
Forklift:	$0	$5,000	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$37,561	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11 3/4	lone star	47	L 80	x line	1621.52		1619.52

TIME — REMARKS

6:00	12:30	Nipple up B.O.P.E.
12:30	13:00	Function test B.O.P.E.
13:00	20:30	Try to test b o p e press up 1500 p s i on blind rams press bled back to 800 p s i
20:00	22:00	**Make up bit trip in hole**
22:00	23:00	Circ @ 869'
23:00	23:30	Close pipe rams pressure up to 1500 p s I bled back to 1000 p s I in 5 min
23:30	0:00	Drill out dv tool 869
0:00	1:00	**Circ service rig**
1:00	1:30	**Trip in hole tag wiper plug @ 1604**
1:30	6:00	**Circ @ 1604' test casing to 1500 psi pressure drop =same 300 psi in 5 min P.O.H.**

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	26-Sep-06	Contractor:	Patterson 741		1631
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	18	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	circ

BIT DATA

Bit No:	6
Size:	9 1/2
Mfg:	htc
Type:	mx30g
Serial No:	5106834
Jets:	3x131x14
Depth Out:	
Depth In:	1631
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:		
Model:		
Liner Size:		
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	bit sub	3.48
1	8" d.c.	29.81
1	x/o	1.48
20	d.c	586.41
BHA Length:		622.28

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	0.00
Drilling Cum:	123.00
Reaming:	
Coring:	
Circulate:	0.50
Trip:	3.00
Rig Service:	0.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	4.00
WOC:	11.50
Nipple Up:	
Test BOP's:	4.50
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$434,700	$0
Fuel:	$0	$22,341	$0
Water:	$900	$2,220	$0
Mud/Corrosion:	$7,615	$25,563	$0
Bits/Rmrs:	$0	$62,657	$0
Cement:	$10,303	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$0	$13,710	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$1,320	$37,079	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$14,194	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$24,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,050	$0
Contingent:	$1,345	$72,066	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$2,185	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$7,816	$0
Forklift:	$0	$5,000	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$39,333	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	6:30	Service rig
6:30	8:00	Trip in hole with o.e.d.p.to 910' d v collar @ 869'
8:00	14:00	W.O. schlumberger
14:00	15:30	Rig up schlumbergr held safty meeting
15:30	16:00	pressure test lines to 2000 psi ok
16;00	18:00	Pumped 30 bbl h2o ahead mix and pump 60 sx cmt 12.6 bbls Disp d.p. Pull out hole 4 stds. Close rams, sqeeze 4 bbls cmt @ 1800 p.s.i. CIP @ 18:00 hrs
18:00	22:00	W.O.C. release pressure, open rams.
22:00	22:30	Pull out hole w/ d.p.
22:30	0:00	Rig up to test b.o.p.e.
0:00	2:30	Test blind rams.choke manifold to 2000 p.s.i. 30 min, ok.
2:30	3:30	Make up bit run in hole w/ b.h.a.
3:30	5:30	Test pipe rams to 2000 p.s.i. 30 min, ok. Test annular bop to 1500 p.s.i. 30 min, ok.
5:30	6:00	Circ. woc to 06:00 hrs.

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	27-Sep-06	Contractor:	Patterson 741	Depth:	1661
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	30
Elevation: GL/KE	4794' 4810'	Days / Spud:	19	State:	Utah	FPH:	12.00
API #	4303731852			AFE#	0 6044	OART:	T.F. bit

BIT DATA

Bit No:	6	
Size:	9 1/2	
Mfg:	H.T.C.	
Type:	mx30g	
Serial No:	5106834	
Jets:	3x131x14	
Depth Out:	1661	
Depth In:	1631	
Footage:	30.00	
Hours:	2.50	
FPH:	12.00	
WOB:	8	
RPM:	75	
GPM:		
Pump Pressure:	995	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	80	
GPM:	260.00	
Pump Pressure:	990	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	bit	1.10
	m.m	32.91
	8" d.c.	29.81
	x/o	1.48
	d.c	586.41
BHA Length:		651.71

MUD DATA

Weight:	8.6
Visc:	35
PV/YP:	5
Gels:	
Filtrate:	
Cake:	1/32"
% Solids:	1.2
% Oil:	
% Water:	98.8
Sand:	0
PH:	10
Alkalinity:	2.2
CL-:	1000
Ca++:	
LCM:	0

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	3.50
Drilling Cum:	126.50
Reaming:	
Coring:	
Circulate:	1.00
Trip:	7.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	7.00
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Others	5.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$450,800	$0
Fuel:	$0	$22,341	$0
Water:		$2,220	$0
Mud/Corrosion:		$25,563	$0
Bits/Rmrs:	$12,000	$74,657	$0
Cement:		$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$14,830	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:		$37,079	$0
Land/Legal:	$0	$0	$0
C B L log	$5,865	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$25,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,150	$0
Contingent:	$1,345	$73,411	$0
Short surf csg:	$0	$3,887	$0
P- test b.o.p.	$3,260	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$8,266	$0
Forklift:	$600	$5,600	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$42,040	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	7:00	Drill out cmt 840' to 902'
7:00	8:00	Trip in hole to 1604'
8:00	9:00	Circ @ 1604'
9:00	10:00	Test caising and kelly valve to 1500 p.s.i 30 min ok
10:00	12:00	Trip out hole
12:00	16:00	Rig up Blue Jet. Run c.b.l. lc rig down.
16:00	19:00	Review logs, w.o. ordeors
19:00	22:30	Make up bit on M.M. trip in hole to 1604'
22:30	12:30	Break circ @ 1604 drill 4' cmt and wiper plug 4.5' cmt shoe & f/c = 3.5' c/o 15' open hole.
12:30	1:30	Pressure test shoe jt and 15' open hole to 202 P.S.I. Leak off 50 p.s.i. 15 min re test 15 min @ 202 p.s.i. same P loss
1:30	2:00	Rig down wellcheck testing
2:00	5:30	Drilling 9.5 " hole from 1631' to 1661'
5:30	6:00	Trip out hole for PDC bit

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** clear

DRILLING SUPERVISOR: **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	28-Sep-06	Contractor:	Patterson 741	Depth:	1856
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	195
Elevation: GL/KB	4794' 4810'	Days / Spud:	19	State:	Utah	FPH:	13.00
API #	4303731852			AFE#	0 6044	OART:	Drilling

BIT DATA

Bit No:	8
Size:	9 1/2
Mfg:	Htc
Type:	P.D.C
Serial No:	7005083
Jets:	6 x 13
Depth Out:	inc
Depth In:	1661
Footage:	195.00
Hours:	14.50
FPH:	13.00
WOB:	
RPM:	m.m
GPM:	465.00
Pump Pressure:	770
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:		
SPM:	160	
GPM:	520.00	
Pump Pressure:	1200	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41

MUD DATA

Weight:	8.5
Visc:	36
PV/YP:	5
Gels:	
Filtrate:	
Cake:	1/32"
% Solids:	1.2
% Oil:	
% Water:	98.8
Sand:	
PH:	11.5
Alkalinity:	
CL-:	1100
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	14.50
Drilling Cum:	137.50
Reaming:	
Coring:	
Circulate:	
Trip:	5.00
Rig Service:	1.50
Repair:	1.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Others	2.00
Total:	24.00

COST DATA

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$466,900	$0
Fuel:	$0	$22,341	$0
Water:	$0	$2,220	$0
Mud/Corrosion:	$2,117	$27,680	$0
Bits/Rmrs:	$20,794	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$15,950	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$621	$37,700	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$26,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,250	$0
Contingent:	$1,345	$74,756	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	
Pason:	$450	$8,716	$0
Forklift:	$600	$6,200	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$44,447	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Trip for bit
8:00	8:30	Service rig
8:30	10:30	Make up new bit trip in hole
10:30	11:30	clean cmt out flow line
11:30	12:30	Trip in hole instal new rotating head rubber
12:30	15:00	Drilling from 1661' to 1691'
15:00	16:00	Clean cmt wiper plug out flow line
16:00	16:30	Service rig
16:30	21:30	Drilling from 1691' to 1754'
21:30	22:30	# 1 & 2 pump down
22:30	1:00	Drilling from to 1754' to 1794'
1:00	1:30	Service rig
1;30	6:00	Drilling from 1794' to 1856' wt on bit = 7 to 10k

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy bowden **WEATHER:** clear

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	29-Sep-06	Contractor:	Patterson 741	Depth:	2445
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	589
Elevation: GL/KB	4794' 4810'	Days / Spud:	20	State:	Utah	FPH:	30.00
API #	4303731852			AFE#	0 6044	OART:	Drilling

BIT DATA

Bit No:	8
Size:	9 1/2
Mfg:	Htc
Type:	P.D.C
Serial No:	7005083
Jets:	6 x 13
Depth Out:	inc
Depth In:	1661
Footage:	784.00
Hours:	34.00
FPH:	23.00
WOB:	8 k to 10 k
RPM:	50 + m.m
GPM:	3.28
Pump Pressure:	1550
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	
SPM:	116	
GPM:	398.00	
Pump Pressure:	990	

SURVEY DATA

Depth	Deviation	Direction
1839	1 3/4	
2098		

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	
Visc:	37
PV/YP:	4
Gels:	
Filtrate:	
Cake:	
% Solids:	5.7
% Oil:	
% Water:	94.3
Sand:	
PH:	11.5
Alkalinity:	
CL-:	1200
Ca++:	
LCM:	0

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	144.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$483,000	$0
Fuel:	$4,735	$27,076	$0
Water:	$5,040	$7,260	$0
Mud/Corrosion:	$1,121	$28,801	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$17,070	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$37,700	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$27,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,350	$0
Contingent:	$1,345	$76,101	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$9,166	$0
Forklift:	$600	$6,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$31,811	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	10:00	Drilling from 1856' to 1918' wt on bit 8 / 10k 45 to 50 r.p.m.
10:00	10:30	Survey @ 1839' 1 3/4
10:30	11:00	Rig service
11:00	16:30	Drill from1918' to 2012'
16:30	17:00	Rig service
17:00	21:00	Drilling from 2012' to 2136'
21:00	21:30	Survey @ 2098' 1/4
21:30	1:00	Drilling from 2136' to 2292'
1:00	1:30	Rig service
1:30	6:00	Drilling from 2292 to 2445'

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Buddy Bowden **WEATHER:** Clear 50

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	30-Sep-06	Contractor:	Patterson 741	Depth:	2790
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	345
Elevation: GL/KB	4794' 4810'	Days / Spud:	21	State:	Utah	FPH:	15.68
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		8
Size:		9 1/2
Mfg:		Htc
Type:		P.D.C
Serial No:		7005083
Jets:		6 x 13
Depth Out:		2790
Depth In:		1661
Footage:		784.00
Hours:	34	56.00
FPH:		23.00
WOB:		8 to10 k
RPM:		110
GPM:		3.28
Pump Pressure:		1550
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	116	113
GPM:	398.00	398
Pump Pressure:	1050	950

SURVEY DATA

Depth	Deviation	Direction
2671'	1 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41

BHA Length: 651.71

MUD DATA

Weight:	9.5
Visc:	40
PV/YP:	8\4
Gels:	2\4\7
Filtrate:	14
Cake:	1
% Solids:	8.7
% Oil:	
% Water:	91.3
Sand:	
PH:	12
Alkalinity:	2.1
CL-:	1500
Ca++:	120
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	

Total: 24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$499,100	$0
Fuel:	$0	$27,076	$0
Water:	$0	$7,260	$0
Mud/Corrosion:	$2,325	$31,126	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$18,190	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$37,700	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$28,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$0	$24,275	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,450	$0
Contingent:	$2,287	$78,388	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$9,616	$0
Forklift:	$225	$7,025	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$23,806	#########	$0

GAS DATA

Depth:
Background Gas:
Conn:
Conn:
Trip:

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 2445' to 2478'
8:00	8:30	Rig service
8:30	17:30	Drlg 9.5" hole from 2478' to 2635'
17:30	18:00	Rig service Actuate pipe rams
18:00	23:30	Drlg 9.5" hole from 2635' to 2695'
23:30	0:00	Circ and WLS @ 2671' 1 deg
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 2696' to 2790'

Pick up 94k
Slack off 86k
Rot 90K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 54 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	1-Oct-06	Contractor:	Patterson 741	Depth:	2971
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	181
Elevation: GL/KB	4794' 4810'	Days / Spud:	22	State:	Utah	FPH:	7.87
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:	8
Size:	9 1/2
Mfg:	Htc
Type:	P.D.C
Serial No:	7005083
Jets:	6 x 13
Depth Out:	2971
Depth In:	1661
Footage:	1310.00
Hours:	0 79.00
FPH:	16.58
WOB:	10-25K
RPM:	130
GPM:	3.28
Pump Pressure:	1200
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1200	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
BHA Length:		651.71

MUD DATA

Weight:	9.2
Visc:	41
PV/YP:	6\6
Gels:	2\4\8
Filtrate:	
Cake:	
% Solids:	6.4
% Oil:	
% Water:	93.6
Sand:	
PH:	10
Alkalinity:	2.1
CL-:	1600
Ca++:	130
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	23.00
Drilling Cum:	207.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$515,200	$0
Fuel:	$0	$27,076	$0
Water:	$0	$7,260	$0
Mud/Corrosion:	$1,437	$32,563	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$19,310	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$974	$38,674	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$30,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$25,863	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,550	$0
Contingent:	$2,548	$80,936	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$10,066	$0
Forklift:	$225	$7,250	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$25,742	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
								1621.52

TIME

6:00	16:00	Drlg 9.5" hole from 2790' to 2881'
16:00	16:30	Rig service
16:30	0:00	Drlg 9.5" hole from 2881' to 2943'
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 2943' to 2971'

REMARKS

#1 pump 350 psi @ 71 spm

Pick up 100K

Slack off 81k

Rot 92k

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 56 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	2-Oct-06	Contractor:	Patterson 741	Depth:	3233
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	262
Elevation: GL/KE	4794' 4810'	Days / Spud:	23	State:	Utah	FPH:	11.91
API #	4303731852			AFE#	0 6044	OART:	WLS

BIT DATA

Bit No:		8
Size:		9 1/2
Mfg:		Htc
Type:		P.D.C
Serial No:		7005083
Jets:		6 x 13
Depth Out:		3233
Depth In:		1661
Footage:		1572.00
Hours:	79	101.00
FPH:		15.56
WOB:		10-25K
RPM:		130
GPM:		3.28
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
2958'	.25 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.5
Visc:	45
PV/YP:	10\8
Gels:	2\5\7
Filtrate:	
Cake:	2
% Solids:	8.6
% Oil:	
% Water:	91.4
Sand:	0.5
PH:	10
Alkalinity:	2.1
CL-:	2500
Ca++:	160
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$531,300	$0
Fuel:	$0	$27,076	$0
Water:	$0	$7,260	$0
Mud/Corrosion:	$3,071	$35,634	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$20,430	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$974	$39,648	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$31,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$27,451	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,650	$0
Contingent:	$2,548	$83,484	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$10,516	$0
Forklift:	$225	$7,475	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$27,376	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'

TIME / REMARKS

6:00	12:00	Drlg 9.5" hole from 2971' to 3037'
12:00	12:30	Circ and WLS @ 2958' .25 deg
12:30	18:30	Drlg 9.5" hole from 3037' to 3099'
18:30	19:00	Rig service work pipe rams
19:00	0:00	Drlg 9.5" hole from 3099' to 3171'
0:00	0:30	Rig service
0:30	5:30	Drlg 9.5" hole from 3171' to 3233'
5:30	6:00	Circ and WLS @ 3143'

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 61 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	3-Oct-06	Contractor:	Patterson 741	Depth:	3513
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	280
Elevation: GL/KE	4794' 4810'	Days / Spud:	24	State:	Utah	FPH:	12.73
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		8
Size:		9 1/2
Mfg:		HTC
Type:		P.D.C
Serial No:		7005083
Jets:		6 x 13
Depth Out:		3513
Depth In:		1661
Footage:		1852.00
Hours:	101	123.00
FPH:		15.06
WOB:		20-35K
RPM:		130
GPM:		3.28
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
3143'	1.75 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
BHA Length:		651.71

MUD DATA

Weight:	9.5
Visc:	45
PV/YP:	8\7
Gels:	
Filtrate:	8
Cake:	1.5
% Solids:	8.7
% Oil:	
% Water:	91.3
Sand:	0.25
PH:	10
Alkalinity:	1.6
CL-:	600
Ca++:	100
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16.100	$547,400	$0
Fuel:	$8.053	$35,129	$0
Water:	$1.340	$8,600	$0
Mud/Corrosion:	$1.225	$36,860	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1.120	$21,550	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$39,648	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$32,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1.588	$29,039	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,750	$0
Contingent:	$3.395	$86,879	$0
Short surf csg:	$0	$3,887	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$10,966	$0
Forklift:	$225	$7,700	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$34,796	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11							1618

TIME / REMARKS

6:00	6:30	WLS @ 3143' 1.75 degree
6:30	9:00	Drlg 9.5" hole from 3233' to 3255'
9:00	9:30	Rig service
9:30	17:00	Drlg 9.5" hole from 3255' to 3412'
17:00	17:30	Rig service and work pipe rams
17:30	0:00	Drlg 9.5" hole from 3412' to 3490'
0:00	0:30	Rig service
0:00	6:00	Drlg 9.5" hole from 3490' to 3513'

PU 110k
SO 100k
ROT 91K

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 65 deg

HUNTINGTON ENERGY LLC
CEMENT REPORT

Well Name: _____ **Date:** _____
Formation: _____ **Field:** _____ **TD KB:** _____

CASING SUMMARY

MAKE	NUMBER OF JOINTS	CASING WEIGHT	CASING GRADE	CASING SIZE	CASING THREAD	CASING LENGTH	CASING SET AT

TOOL SUMMARY

TOOLS & ACCESSORIES	TOOLS SIZE	THREAD	MAKE OF TOOLS	TOP OF TOOLS SET AT

REMARKS:

CEMENTING SUMMARY

STAGE	SACKS	CLASS	ADDITIVES	SLURRY WEIGHT	SLURRY VOLUME

CHEMICALS USED:

CEMENTING COMPANY: Halliburton **EQUIPMENT:** Halliburton

DETAILS OF SERVICE

STAGE	STAGE TIME	DESCRIPTION	VOLUMES	CIRCULATION TIME	PLUG DOWN AT

TOP OF CEMENT AND METHOD DETERMINED:

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

COMPANY REPRESENTIVE: _____

HUNTINGTON ENERGY LLC

CASING RECORD

WELL NAME: Ute Mountain Ute **WELL NO.:** # 76 **DATE:** 18-Dec-05

PIPE TALLY - SHOW EVERY PIECE OF EQUIPMENT GOING INTO THE HOLE IN THE ORDER RUN.

COLUMN 1			COLUMN 2			COLUMN3			COLUMN 4			COLUMN 5			COLUMN 6			COLUMN 7	
JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET
Shoe		0.00																	
1		0.00	39		0.00	79	0.00	0.00	119		0.00	159		0.00				1	
FC		0.00	40		0.00	80	0.00	0.00	120		0.00	160		0.00				2	
2		0.00	41		0.00	81	0.00	0.00	121		0.00	161		0.00				3	
3		0.00	42		0.00	82	0.00	0.00	122		0.00	162		0.00				4	
4		0.00	43		0.00	83		0.00	123		0.00	163		0.00				5	
5		0.00	44		0.00	84		0.00	124		0.00	164		0.00				6	
6		0.00	45		0.00	85		0.00	125		0.00	165		0.00				7	
7		0.00	46		0.00	86		0.00	126		0.00	166		0.00				8	
8		0.00	47		0.00	87		0.00	127		0.00	167		0.00				9	
9		0.00	48		0.00	88		0.00	128		0.00	168		0.00				88	
10		0.00	49		0.00	89		0.00	129		0.00	169		0.00				89	
11		0.00	50		0.00	90		0.00	130		0.00	170		0.00				90	
12		0.00	51		0.00	91		0.00	131		0.00	171		0.00				91	
13		0.00	52		0.00	92		0.00	132		0.00	172		0.00				92	
14		0.00	53		0.00	93		0.00	133		0.00	173		0.00				93	
15		0.00	54		0.00	94		0.00	134		0.00	174		0.00				15	
16		0.00	55		0.00	95		0.00	135		0.00	175		0.00				16	
17		0.00	56		0.00	96		0.00	136		0.00	176		0.00				17	
18		0.00	57		0.00	97		0.00	137		0.00	177		0.00				18	
19		0.00	58		0.00	98		0.00	138		0.00	178		0.00				19	
20		0.00	59		0.00	99		0.00	139		0.00	179		0.00				20	
21		0.00	60		0.00	100		0.00	140		0.00	180		0.00				21	
22		0.00	61		0.00	101		0.00	141		0.00	181		0.00				22	
23		0.00	62		0.00	102		0.00	142		0.00	182		0.00				23	
24		0.00	63		0.00	103		0.00	143		0.00	183		0.00				24	
25		0.00	64		0.00	104		0.00	144		0.00	184		0.00				25	
26		0.00	65		0.00	105		0.00	145		0.00	185		0.00				26	
27		0.00	66		0.00	106		0.00	146		0.00	186		0.00				76	
28		0.00	67		0.00	107		0.00	147		0.00	187		0.00				77	
29		0.00	68		0.00	108		0.00	148		0.00	188		0.00				78	
30		0.00	69		0.00	109		0.00	149		0.00	189		0.00				79	
31		0.00	70		0.00	110		0.00	150		0.00	190		0.00				80	
32		0.00	71		0.00	111		0.00	151		0.00	191		0.00				81	
33		0.00	72		0.00	112		0.00	152		0.00			0.00				82	
34		0.00	73		0.00	113		0.00	153		0.00	1		0.00				83	
35		0.00	74		0.00	114		0.00	154		0.00	2		0.00				84	
36		0.00	75		0.00	115		0.00	155		0.00	3		0.00				85	
37		0.00	76		0.00	116		0.00	156		0.00	4		0.00				86	
38		0.00	77		0.00	117		0.00	157		0.00	5		0.00				87	
MJ		0.00	78		0.00	118		0.00	158		0.00	6		0.00				88	
Total	0.00			0.00			0.00			0.00			0.00			0.00			0.00

Joints on rack before running: Joints left on rack after running: 0

Number of joints run:

COL	ITEMS	JTS	OD	WT.	GRD	THRD	FEET
1	Casing		4.5	11.60#	N-80	LT&C	0.00
2	Casing		4.5	11.60#	N-80	LT&C	0.00
3	Casing		4.5	11.60#	N-80	LT&C	0.00
4	Casing		4.5	11.60#	N-80	LT&C	0.00
5	Casing		4.5	11.60#	N-80	LT&C	0.00
6		total jts 0					0.00
7							0.00

REMARKS:

TOTAL ON RACK	0.00
JOINTS NOT RUN (-)	0.00
CUT OFF JOINT (-)	21.00
LANDING JOINT (-)	0.00
TOTAL	-21.00
CUT OFF BELOW GROUND (+)	0.00
KB ABOVE GROUND (+)	16.00
CASING SET AT	-5.00

COMPANY REPRESENTATIVE: Ron Lackey

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

=TODAY()

HUNTINGTON ENERGY LLC

CASING RECORD

WELL NAME: C113 SWDW **DATE:**

PIPE TALLY - SHOW EVERY PIECE OF EQUIPMENT GOING INTO THE HOLE IN THE ORDER RUN.

COLUMN 1			COLUMN 2			COLUMN3			COLUMN 4			COLUMN 5			COLUMN 6		COLUMN 7	
JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET		JT NO.	FEET	JT NO.	FEET
Shoe	0.00	0.00																
1	0	0.00 C	40	0.00	0.00	80	0.00	0.00	120	0.00	0.00	160	0.00	0.00	200			
FC		0.00	41	0.00	0.00	81	0.00	0.00	121	0.00	0.00	161	0.00	0.00	201			
2		0.00 C	42	0.00	0.00	82	0.00	0.00	122	0.00	0.00	162	0.00	0.00	202			
3		0.00 C	43	0.00	0.00 C	83	0.00	0.00	123	0.00	0.00	163	0.00	0.00	203			
4	0	0.00	44	0.00	0.00	84	0.00	0.00	124	0.00	0.00	164	0.00	0.00	204			
5	0	0.00	45	0.00	0.00	85	0.00	0.00	125	0.00	0.00	165	0.00	0.00	205			
6	0	0.00	46	0.00	0.00	86	0.00	0.00	126	0.00	0.00	166	0.00	0.00	206			
7	0	0.00	47	0.00	0.00	87	0.00	0.00	127	0.00	0.00	167	0.00	0.00	207			
8	0	0.00 C	48	0.00	0.00 C	88	0.00	0.00	128	0.00	0.00	168	0.00	0.00	208			
9	0	0.00	49	0.00	0.00	89	0.00	0.00	129	0.00	0.00	169	0.00	0.00	209			
10	0	0.00	50	0.00	0.00	90	0.00	0.00	130	0.00	0.00	170	0.00	0.00	210			
11	0	0.00	51	0.00	0.00	91	0.00	0.00	131	0.00	0.00	171	0.00	0.00	211			
12	0	0.00	52	0.00	0.00	92	0.00	0.00	132	0.00	0.00	172	0.00	0.00	212			
13	0	0.00 C	53	0.00	0.00 C	93	0.00	0.00	133	0.00	0.00	173	0.00	0.00	213			
14	0	0.00	54	0.00	0.00	94	0.00	0.00	134	0.00	0.00	174	0.00	0.00	214			
15	0	0.00	55	0.00	0.00	95	0.00	0.00	135	0.00	0.00	175	0.00	0.00	215			
16	0	0.00	56	0.00	0.00	96	0.00	0.00	136	0.00	0.00	176	0.00	0.00	216			
17	0	0.00	57	0.00	0.00	97	0.00	0.00	137	0.00	0.00	177	0.00	0.00	217			
18	0	0.00 C	58	0.00	0.00 C	98	0.00	0.00	138	0.00	0.00	178	0.00	0.00	218			
19	0	0.00	59	0.00	0.00	99	0.00	0.00	139	0.00	0.00	179	0.00	0.00	219			
20	0	0.00	60	0.00	0.00	100	0.00	0.00	140	0.00	0.00	180	0.00	0.00	220			
21	0	0.00	61	0.00	0.00	101	0.00	0.00	141	0.00	0.00	181	0.00	0.00	221			
22	0	0.00	62	0.00	0.00	102	0.00	0.00	142	0.00	0.00	182	0.00	0.00	222			
23	0	0.00 C	63	0.00	0.00 C	103	0.00	0.00	143	0.00	0.00	183	0.00	0.00	223			
24	0	0.00	64	0.00	0.00	104	0.00	0.00	144	0.00	0.00	184	0.00	0.00	224			
25	0	0.00	65	0.00	0.00	105	0.00	0.00	145	0.00	0.00	185	0.00	0.00	225			
26	0	0.00	66	0.00	0.00	106	0.00	0.00	146	0.00	0.00	186	0.00	0.00	226			
27	0	0.00	67	0.00	0.00	107	0.00	0.00	147	0.00	0.00	187	0.00	0.00	227			
28	0	0.00 C	68	0.00	0.00 C	108	0.00	0.00	148	0.00	0.00	188	0.00	0.00	228			
29	0	0.00	69	0.00	0.00	109	0.00	0.00	149	0.00	0.00	189	0.00	0.00	229			
30	0	0.00	70	0.00	0.00	110	0.00	0.00	150	0.00	0.00	190	0.00	0.00	230			
31	0	0.00	71	0.00	0.00	111	0.00	0.00	151	0.00	0.00	191	0.00	0.00	231			
32	0	0.00	72	0.00	0.00	112	0.00	0.00	152	0.00	0.00	192	0.00	0.00	232			
33	0	0.00 C	73	0.00	0.00 C	113	0.00	0.00	153	0.00	0.00	193	0.00	0.00	71			
34	0	0.00	74	0.00	0.00	114	0.00	0.00	154	0.00	0.00	194	0.00	0.00	72			
35	0	0.00	75	0.00	0.00	115	0.00	0.00	155	0.00	0.00	195	0.00	0.00	73			
36	0	0.00	76	0.00	0.00	116	0.00	0.00	156	0.00	0.00	196	0.00	0.00	74			
37	0	0.00	77	0.00	0.00	117	0.00	0.00	157	0.00	0.00	197	0.00	0.00	75			
38	0	0.00 C	78	0.00	0.00 C	118	0.00	0.00	158	0.00	0.00	198	0.00	0.00	76			
39	0.00	0.00	79	0.00	0.00	119	0.00	0.00	159	0.00	0.00	199	0.00	0.00	77			
Total	0.00			0.00			0.00			0.00			0.00			0.00		0.00

Number of joints run: 90

COL	ITEMS		JTS	OD	WT.	GRD	THRD	FEET
1				4.5	10.5	J-55	ST&C	2.00
2				4.5	10.5	J-55	LT&C	0.00
3				4.5	10.5	J-55	LT&C	0.00
4				4.5	10.5	J-55	LT&C	0.00
5				4.5	10.5	J-55	LT&C	0.00
6		total jts						0.00
7								0.00

TOTAL ON RACK	2.00
JOINTS NOT RUN (-)	0.00
CUT OFF JOINT (-)	21.00
LANDING JOINT (-)	0.00
TOTAL	-19.00
CUT OFF BELOW GROUND (+)	0.00
KB ABOVE GROUND (+)	16.00
CASING SET AT	-3.00

REMARKS:

COMPANY REPRESENTATIVE:

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

=TODAY()

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	4-Oct-06	Contractor:	Patterson 741	Depth:	3593
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	80
Elevation: GL/KE	4794' 4810'	Days / Spud:	25	State:	Utah	FPH:	6.96
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	8	9
Size:	9 1/2	9 1/2
Mfg:	HTC	HTC
Type:	P.D.C	MX28DX
Serial No:	7005083	5081708
Jets:	6 x 13	3 16s
Depth Out:	3524	3593
Depth In:	1661	3524
Footage:	1863.00	69.00
Hours:	125.00	9.50
FPH:	14.90	7.26
WOB:	20-35K	**25-30k**
RPM:	130	**110**
GPM:	3.28	**3.28**
Pump Pressure:	1300	**1300**
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.5
Visc:	47
PV/YP:	15\10
Gels:	3\5\9
Filtrate:	
Cake:	1.75
% Solids:	8.7
% Oil:	
% Water:	91.3
Sand:	0.25
PH:	9
Alkalinity:	1.4
CL-:	500
Ca++:	160
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	11.50
Drilling Cum:	134.50
Reaming:	
Coring:	
Circulate:	0.50
Trip:	7.50
Rig Service:	1.50
Repair:	1.50
Cut Line:	1.50
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$563,500	$0
Fuel:	$0	$35,129	$0
Water:	$0	$8,600	$0
Mud/Corrosion:	$2,917	$39,777	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$22,670	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$39,648	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$33,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$1,588	$30,627	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,850	$0
Contingent:	$3,395	$90,274	$0
Short surf csg:	$80,186	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$11,416	$0
Forklift:	$225	$7,925	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$107,281	#########	$0

GAS DATA

Depth:	**3588'**
Background Gas:	**21 units**
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	8:00	Drlg 9.5" hole from 3490' to 3524'
8:00	8:30	Circ and pump pill
8:30	9:00	Rig service
9:00	12:30	Pull out of hole
12:30	14:00	Repair BOP Bline rams would not close
14:00	14:30	TIH w/DC
14:30	16:00	Slip and cut drilling line
16:00	16:30	Rig service
16:30	20:00	Trip in hole
20:00	0:00	Drlg 9.5" hole from 3524' to 3550'
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 3550' to 3593'

REMARKS

PU 121K
SO 105K
ROT 110 K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
60% shale, 30% sandstone, Tr limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 57 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	5-Oct-06	Contractor:	Patterson 741	Depth:	3910
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	317
Elevation: GL/KB	4794' 4810'	Days / Spud:	26	State:	Utah	FPH:	14.74
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		9
Size:		9 1/2
Mfg:		HTC
Type:		MX28DX
Serial No:		5081708
Jets:		3 16s
Depth Out:		3910
Depth In:		3524
Footage:		386.00
Hours:	9.5	31.00
FPH:		12.45
WOB:		30-35K
RPM:		110
GPM:		3.28
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
3640	.5 degree	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9
Visc:	45
PV/YP:	15\9
Gels:	2\4\7
Filtrate:	10
Cake:	1.5
% Solids:	5
% Oil:	
% Water:	95
Sand:	0.5
PH:	9
Alkalinity:	1.3
CL-:	550
Ca++:	225
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	144.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$579,600	$0
Fuel:	$0	$35,129	$0
Water:	$0	$8,600	$0
Mud/Corrosion:	$2,889	$42,665	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$23,790	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$39,648	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$34,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$33,143	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$2,950	$0
Contingent:	$2,799	$93,073	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$11,866	$0
Forklift:	$225	$8,150	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$27,399	#########	$0

GAS DATA

Depth:	$3,906
Background Gas:	25 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:30	Drlg 9.5" hole from 3593' to 3631'
8:30	9:00	Rig service
9:00	14:30	Drlg 9.5" hole from 3631' to 3725'
14:30	15:30	Circ and WSL @ 3640' .5 dergee
15:30	17:00	Drlg 9.5" hole from 3725' to 3757'
17:00	17:30	Rig service — PU 122K
17:30	0:00	Drlg 9.5" hole from 3757' to 3851' — SO 112K
0:00	0:30	Rig service — Rot 118K
0:30	6:00	Drlg 9.5" hole from 3851' to 3910'

RECEIVED

DEC 12 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 60 Dergee

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	Aneth Unit C113 LDVL	Date	6-Oct-06	Contractor:	Patterson 741	Depth:	4220
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	310
Elevation: GL/KE	4794' 4810'	Days / Spud:	27	State:	Utah	FPH:	14.09
API #	4303731852			AFE#	0 6044	OART:	Circ f/ WSL

BIT DATA

Bit No:		9
Size:		9 1/2
Mfg:		HTC
Type:		MX28DX
Serial No:		5081708
Jets:		3 16s
Depth Out:		4220
Depth In:		3524
Footage:		696.00
Hours:	31	53.00
FPH:		13.13
WOB:		30-35K
RPM:		110
GPM:		3.28
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
BHA Length:		651.71

MUD DATA

Weight:	9
Visc:	40
PV/YP:	16\10
Gels:	
Filtrate:	
Cake:	
% Solids:	5
% Oil:	
% Water:	95
Sand:	0.25
PH:	9
Alkalinity:	
CL-:	1000
Ca++:	200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	145.00
Reaming:	
Coring:	
Circulate:	0.50
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$595,700	$0
Fuel:	$5,555	$40,683	$0
Water:	$0	$8,600	$0
Mud/Corrosion:	$3,618	$46,284	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$24,910	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$39,648	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$36,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$35,659	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,050	$0
Contingent:	$2,799	$95,872	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$12,316	$0
Forklift:	$225	$8,375	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$33,683	#########	$0

GAS DATA

Depth:	4217'
Background Gas:	23 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	8:00	Drlg 9.5" hole from 3910' to 3943'
8:00	8:30	Rig service
8:30	16:30	Drlg 9.5" hole from 3943' to 4066'
16:30	17:00	Rig service
17:00	0:00	Drlg 9.5" hole from 4066' to 4157'
0:00	0:30	Rig service
0:00	5:30	Drlg 9.5" hole from 4157' to 4220'
5:30	6:00	Circ and WLS @ 4140'

REMARKS

PU 130K
SO 118K
Rot 122K

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
70% shale, 30% sandstone, tr limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 58 Dergee and raining

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	7-Oct-06	Contractor:	Patterson 741	Depth:	4470
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	250
Elevation: GL/KI	4794' 4810'	Days / Spud:	28	State:	Utah	FPH:	11.11
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		9
Size:		9 1/2
Mfg:		HTC
Type:		MX28DX
Serial No:		5081708
Jets:		3 16s
Depth Out:		4470
Depth In:		3524
Footage:		946.00
Hours:	53	76.50
FPH:		12.37
WOB:		30-35K
RPM:		130
GPM:		3.28
Pump Pressure:		1325
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1325	

SURVEY DATA

Depth	Deviation	Direction
4140'	1.5 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.3
Visc:	45
PV/YP:	16\8
Gels:	3\5\9
Filtrate:	10.5
Cake:	1.5
% Solids:	7.2
% Oil:	
% Water:	92.8
Sand:	0.25
PH:	9
Alkalinity:	1.5
CL-:	800
Ca++:	360
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	145.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Total:	24.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$611,800	$0
Fuel:		$40,683	$0
Water:	$360	$8,960	$0
Mud/Corrosion:	$2,923	$49,206	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$26,030	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$39,648	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$37,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$38,175	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,150	$0
Contingent:	$2,799	$98,672	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Survey/Permits/Prep:	$0	$0	$0
Pason:	$450	$12,766	$0
Forklift:	$225	$8,600	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$27,793	#########	$0

GAS DATA

Depth:	$4,470
Background Gas:	23 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:30	Drlg 9.5" hole from 4220' to 4231'
8:30	9:00	Rig service
9:00	16:30	Drlg 9.5" hole from 4251' to 4377'
16:30	17:00	Rig service
17:00	0:00	Drlg 9.5" hole from 4377' to 4438'
0:00	0:30	Rig service
0:30	6:00	Drlg 9.5" hole from 4438' to 4470'

PU 130K
SO 120K
Rot 126K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
60% shale, 30% sandstone, 10% limestone, tr dolmite,tr anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 57 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	8-Oct-06	Contractor:	Patterson 741	Depth:	4649
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	429
Elevation: GL/KB	4794' 4810'	Days / Spud:	28	State:	Utah	FPH:	29.59
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		9	10
Size:		9 1/2	9.5
Mfg:		HTC	SEC
Type:		MX28DX	FM2743
Serial No:		5081708	10729513
Jets:		3 16s	6X14
Depth Out:		4501	4649
Depth In:		3524	4501
Footage:		977.00	148.00
Hours:	76.5	79.00	12.00
FPH:		12.37	12.33
WOB:		30-35K	30-35K
RPM:		130	130
GPM:		3.28	3.28
Pump Pressure:		1325	1325
Grade:			

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1325	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.4
Visc:	45
PV/YP:	14\10
Gels:	2\4\8
Filtrate:	10.5
Cake:	1.5
% Solids:	8
% Oil:	
% Water:	92.8
Sand:	0.25
PH:	9
Alkalinity:	1.3
CL-:	750
Ca++:	300
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	14.50
Drilling Cum:	137.50
Reaming:	
Coring:	
Circulate:	
Trip:	6.00
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	2.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$627,900	$0
Fuel:	$0	$40,683	$0
Water:	$0	$8,960	$0
Mud/Corrosion:	$2,361	$51,567	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$27,150	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$950	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$38,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$40,691	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,250	$0
Contingent:	$2,971	$101,643	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,886	$1,886	$0
Pason:	$450	$13,216	$0
Forklift:	$225	$8,825	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$29,879	#########	$0

GAS DATA

Depth:	4640'
Background Gas:	25.8 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	8:30	Drlg 9.5" hole from 4470' to 4501'
8:30	9:00	Rig service
9:00	12:00	Trip out of hole
12:00	14:00	Wait on mud motor
14:00	16:00	Trip in hole
16:00	16:30	Rig service
16:30	17:30	Trip in hole
17:30	0:30	Drlg 9.5" hole from 4501' to 4594'
0:30	1:00	Rig service CK pipe rams
1:00	6:00	Drlg 9.5" hole from 4594' to 4649'

REMARKS

PU 138K
SO 128K
Rot 130K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
60% shale, 40% sandstone,

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 53 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	9-Oct-06	Contractor:	Patterson 741	Depth:	4900
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	251
Elevation: GL/KB	4794' 4810'	Days / Spud:	29	State:	Utah	FPH:	11.41
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		10
Size:		9.5
Mfg:		SEC
Type:		FM2743
Serial No:		10729513
Jets:		6X14
Depth Out:		4900
Depth In:		4501
Footage:		399.00
Hours:	12	34.00
FPH:		11.74
WOB:		30-35K
RPM:		110
GPM:		3.28
Pump Pressure:		1218
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	
GPM:	398.00	398
Pump Pressure:	1218	

SURVEY DATA

Depth	Deviation	Direction
4630'	3/4 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41

BHA Length: 651.71 **Total:** 24.00

MUD DATA

Weight:	92
Visc:	40
PV/YP:	9\9
Gels:	2\4\6
Filtrate:	9
Cake:	1.5
% Solids:	5
% Oil:	
% Water:	95
Sand:	5
PH:	9
Alkalinity:	1.6
CL-:	300
Ca++:	240
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	203.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$644,000	$0
Fuel:	$0	$40,683	$0
Water:	$0	$8,960	$0
Mud/Corrosion:	$1,950	$53,517	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$28,270	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$39,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$43,207	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,350	$0
Contingent:	$2,547	$104,189	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,806	$3,692	$0
Pason:	$450	$13,666	$0
Forklift:	$225	$9,050	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$28,013	#########	$0

GAS DATA

Depth:	$4.880
Background Gas:	25.8 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	10:00	Drlg 9.5" hole from 4649' to 4713'	
10:00	10:30	Rig service	
10:30	11:00	Circ and WLS @ 4630' 3/4 deg	
11:00	16:30	Drlg 9.5" hole from 4713' to 4776'	PU 140K
16:30	17:00	Rig service	SO 128K
17:00	1:30	Drlg 9.5" hole from 4776' to 4869'	Rot 134K
1:30	2:00	Rig service	
2:00	6:00	Drlg 9.5" hole from 4869' to 4900'	

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
40% shale, 60% sandstone,

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 52 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	10-Oct-06	Contractor:	Patterson 741	Depth:	5064
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	164
Elevation: GL/KE	4794' 4810'	Days / Spud:	30	State:	Utah	FPH:	7.29
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:		10
Size:		9.5
Mfg:		SEC
Type:		FM2743
Serial No:		10729513
Jets:		6X14
Depth Out:		5064
Depth In:		4501
Footage:		563.00
Hours:	34	56.50
FPH:		9.96
WOB:		30-35K
RPM:		130
GPM:		3.28
Pump Pressure:		1380
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	116
GPM:	398.00	379
Pump Pressure:	1380	1180

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.6
Visc:	43
PV/YP:	7\11
Gels:	2\4\6
Filtrate:	10
Cake:	1
% Solids:	5.5
% Oil:	
% Water:	94.5
Sand:	0.25
PH:	10
Alkalinity:	1.5
CL-:	75000
Ca++:	600
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	225.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$660,100	$0
Fuel:	$7,744	$48,428	$0
Water:	$2,678	$11,638	$0
Mud/Corrosion:	$9,408	$62,925	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$29,390	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$40,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$45,723	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,450	$0
Contingent:	$2,547	$106,736	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,815	$5,507	$0
Pason:	$450	$14,116	$0
Forklift:	$225	$9,275	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$45,902	#########	$0

GAS DATA

Depth:	5058'
Background Gas:	$26
Conn:	NONE
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	12:00	Drlg 9.5" hole from 4900' to 4933'
12:00	12:30	Rig service
12:30	17:00	Drlg 9.5" hole from 4933' to 4964'
17:00	17:30	Rig service
17:30	0:30	Drlg 9.5" hole from 4964' to 5027
0:30	1:00	Rig service Test pipe ramms
1:00	6:00	Drlg 9.5" hole from 5027' to 5064'

PU 142K
SO 130K
Rot 136K

1 slow pump rate 72 spm = 400 psi

Held H2S drill on daylites & morning tour (hands did good)

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
70% shale, 30% limestone, TR anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 50 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	11-Oct-06	Contractor:	Patterson 741	Depth:	5193
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	129
Elevation: GL/KE	4794' 4810'	Days / Spud:	31	State:	Utah	FPH:	6.00
API #	4303731852			AFE#	0 6044	OART:	TOOH

BIT DATA

Bit No:		10
Size:		9.5
Mfg:		SEC
Type:		FM2743
Serial No:		10729513
Jets:		6X14
Depth Out:		5193
Depth In:		4501
Footage:		692.00
Hours:	56.5	78.00
FPH:		8.87
WOB:		30-35K
RPM:		116
GPM:		3.28
Pump Pressure:		1218
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	116
GPM:	398.00	398
Pump Pressure:	0	1250

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41

BHA Length: 651.71

MUD DATA

Weight:	9.6
Visc:	43
PV/YP:	7\11
Gels:	2\4\6
Filtrate:	10
Cake:	1
% Solids:	5.5
% Oil:	
% Water:	94.5
Sand:	0.25
PH:	10
Alkalinity:	1.5
CL-:	75000
Ca++:	600
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	202.50
Reaming:	
Coring:	
Circulate:	
Trip:	1.50
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	

Total: 24.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$676,200	$0
Fuel:	$0	$48,428	$0
Water:	$1,080	$12,718	$0
Mud/Corrosion:	$9,408	$72,333	$0
Bits/Rmrs:	$0	$95,451	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$30,510	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$42,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$48,239	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,550	$0
Contingent:	$3,401	$110,137	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,814	$7,321	$0
Pason:	$450	$14,566	$0
Forklift:	$225	$9,500	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$37,414	#########	$0

GAS DATA

Depth:	5193'
Background Gas:	25.8 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To		
6:00	8:00	Drlg 9.5" hole from 5064' to 5076'	
8:00	8:30	Rig service work pipe rams	
8:30	4:00	Drlg 9.5" hole from 5076' to 5192'	
4:00	4:30	Rig service Mix pill to pull out of hole	PU 145K
4:30	6:00	Pull out of hole	SO 136K
			Rot 140K

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
40% shale, 60% sandstone,

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 50 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	12-Oct-06	Contractor:	Patterson 741	Depth:	5261
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	69
Elevation: GL/KB	4794' 4810'	Days / Spud:	32	State:	Utah	FPH:	6.27
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	11
Size:	9.5
Mfg:	HTC
Type:	MX30G
Serial No:	5107100
Jets:	3-16s
Depth Out:	5261
Depth In:	5192
Footage:	69.00
Hours:	11.00
FPH:	6.27
WOB:	20-30K
RPM:	110
GPM:	3.28
Pump Pressure:	1120
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	105
GPM:	398.00	398
Pump Pressure:	1218	1120

SURVEY DATA

Depth	Deviation	Direction
5130'	.75 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.8
Visc:	41
PV/YP:	15\10
Gels:	4\9
Filtrate:	7
Cake:	1\1
% Solids:	
% Oil:	
% Water:	95
Sand:	1
PH:	9.5
Alkalinity:	.05\.1
CL-:	100000
Ca++:	280
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	11.00
Drilling Cum:	213.50
Reaming:	
Coring:	
Circulate:	
Trip:	9.50
Rig Service:	1.50
Repair:	
Cut Line:	1.50
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$692,300	$0
Fuel:	$0	$48,428	$0
Water:	$120	$12,838	$0
Mud/Corrosion:	$1,955	$74,289	$0
Bits/Rmrs:	$55,385	$150,836	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$31,630	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$43,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$50,755	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,650	$0
Contingent:	$8,352	$118,490	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,806	$9,127	$0
Pason:	$450	$15,016	$0
Forklift:	$225	$9,725	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$89,330	#########	$0

GAS DATA

Depth:	5258'
Background Gas:	25.8 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Trip out of hole
8:00	8:30	Rig service
8:30	10:00	Trip out of hole work bline rams
10:00	12:00	Trip in hole w HTC MX 30G bit
12:00	13:30	Cut and slip drlg line
13:30	16:30	Trip in hole w HTC MX 30G bit
16:30	17:00	Rig service
17:00	1:00	Drlg 9.5" hole from 5192' to 5240'
1:00	1:30	Circ and WLS @ 5130' 3/4 degree
1:30	2:00	Rig service and work pipe rams
2:00	6:00	Drlg 9.5" hole from 5240' to 5261'

PU 144K
SO 140K
Rot 140K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
60% shale, 40% sandstone,TR siltstone, tr Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 49 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	12-Oct-06	Contractor:	Patterson 741	Depth:	5394
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	133
Elevation: GL/KI	4794' 4810'	Days / Spud:	33	State:	Utah	FPH:	12.09
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	11
Size:	9.5
Mfg:	HTC
Type:	MX30G
Serial No:	5107100
Jets:	3-16s
Depth Out:	5394
Depth In:	5192
Footage:	202.00
Hours:	11.00
FPH:	18.36
WOB:	20-30K
RPM:	110
GPM:	3.28
Pump Pressure:	1200
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	114	0
GPM:	398.00	398
Pump Pressure:	1200	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
BHA Length:		651.71

MUD DATA

Weight:	9.7
Visc:	40
PV/YP:	13\12
Gels:	5\10
Filtrate:	4
Cake:	1\1
% Solids:	1.7
% Oil:	
% Water:	98.3
Sand:	0.25
PH:	9
Alkalinity:	0.05
CL-:	125000
Ca++:	40
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	11.00
Drilling Cum:	213.50
Reaming:	
Coring:	
Circulate:	
Trip:	9.50
Rig Service:	1.50
Repair:	
Cut Line:	1.50
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$708,400	$0
Fuel:	$0	$48,428	$0
Water:	$120	$12,958	$0
Mud/Corrosion:	$10,552	$84,840	$0
Bits/Rmrs:	$0	$150,836	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$32,750	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$44,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$53,271	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,750	$0
Contingent:	$0	$118,490	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,806	$10,933	$0
Pason:	$1,949	$16,965	$0
Forklift:	$225	$9,950	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$35,688	#########	$0

GAS DATA

Depth:	5392'
Background Gas:	22 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	8:00	Drlg 9.5" hole from 5261' to 5275'
8:00	8:30	Rig service
8:30	12:30	Drlg 9.5" hole from 5275' to 5299'
12:30	15:00	Work on #1 pump
15:00	16:00	Drlg 9.5" hole from 5299' to 5307'
16:00	16:30	Rig service
16:30	1:30	Drlg 9.5" hole from 5307' to 5370'
1:30	2:00	Rig service and work pipe rams
2:00	6:00	Drlg 9.5" hole from 5370' to 5394'

REMARKS

PU 152K
SO 148 K
Rot 114K

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Note: Yock Sampson went down with asthma attack, Meet ambulance on Bluff road and loaded him is ambulance

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
50% shale, 40% sandstone,10 siltstone, tr Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 50 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	13-Oct-06	Contractor:	Patterson 741	Depth:	5556
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	162
Elevation: GL/KE	4794' 4810'	Days / Spud:	34	State:	Utah	FPH:	7.20
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	11
Size:	9.5
Mfg:	HTC
Type:	MX30G
Serial No:	5107100
Jets:	3-16s
Depth Out:	5556
Depth In:	5192
Footage:	364.00
Hours:	33.50
FPH:	10.87
WOB:	30-40k
RPM:	110
GPM:	3.28
Pump Pressure:	1401
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	126	0
GPM:	398.00	398
Pump Pressure:	1400	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	9.7
Visc:	38
PV/YP:	10\10
Gels:	4\9
Filtrate:	8
Cake:	1
% Solids:	2.5
% Oil:	
% Water:	97.5
Sand:	0.25
PH:	9.5
Alkalinity:	0.1
CL-:	130000
Ca++:	360
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	247.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$724,500	$0
Fuel:	$0	$48,428	$0
Water:	$805	$13,763	$0
Mud/Corrosion:	$4,260	$89,100	$0
Bits/Rmrs:	$0	$150,836	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$33,870	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$45,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$55,787	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,850	$0
Contingent:	$0	$118,490	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,948	$12,881	$0
Pason:	$1,949	$18,914	$0
Forklift:	$225	$10,175	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$30,223	#########	$0

GAS DATA

Depth:	5548'
Background Gas:	25 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 5396' to 5419 '
8:00	8:30	Rig service
8:30	12:00	Rig repair work on pumps
12:00	17:30	Drlg 9.5" hole from 5419' to 5464'
17:30	18:00	Rig service
17:00	1:30	Drlg 9.5" hole from 5464' to 5526'
1:30	2:00	Rig service
2:00	6:00	Drlg 9.5" hole from 5526' to 5556'

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

25% shale, 75% sandstone,tr siltstone, tr Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 55 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	15-Oct-06	Contractor:	Patterson 741	Depth:	5748
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	354
Elevation: GL/KI	4794' 4810'	Days / Spud:	35	State:	Utah	FPH:	16.47
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	11
Size:	9.5
Mfg:	HTC
Type:	MX30G
Serial No:	5107100
Jets:	3-16s
Depth Out:	5748
Depth In:	5192
Footage:	556.00
Hours:	55.00
FPH:	10.11
WOB:	30-40k
RPM:	130
GPM:	3.28
Pump Pressure:	1300
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	0
GPM:	398.00	398
Pump Pressure:	1300	0

SURVEY DATA

Depth	Deviation	Direction
5639'	1.5 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	10
Visc:	40
PV/YP:	10\12
Gels:	4\10
Filtrate:	6
Cake:	1\1
% Solids:	3.2
% Oil:	
% Water:	96.8
Sand:	0.25
PH:	10.5
Alkalinity:	0.1
CL-:	140000
Ca++:	760
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	268.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	0.50
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	0.50
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$740,600	$0
Fuel:	$0	$48,428	$0
Water:	$0	$13,763	$0
Mud/Corrosion:	$5,166	$94,265	$0
Bits/Rmrs:	$0	$150,836	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$34,990	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$46,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$58,303	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$3,950	$0
Contingent:	$0	$118,490	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,948	$14,829	$0
Pason:	$1,949	$20,863	$0
Forklift:	$225	$10,400	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$30,324	#########	$0

GAS DATA

Depth:	5743'
Background Gas:	30 units
Conn:	38 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 5556' to 5570'	
8:00	8:30	H2S Drill	
8:30	9:00	Rig service	
9:00	16:00	Drlg 9.5" hole from 5570' to 5618'	PU 158K
16:00	16:30	Rig service	SO 142K
16:30	2:30	Drlg 9.5" hole from 5618' to 5713'	ROT 150K
2:30	3:00	Rig service	
3:00	3:30	Circ and WLS @ 5639' 1.5 degree	
3:30	6:00	Drlg 9.5" hole from 5713' to 5748'	

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
5657'					34	79	38		
5681					28	50	26		
5708					22	69	23		

LITHO LOGY:

5% shale, 90% sandstone,tr siltstone, 5 % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 50 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	16-Oct-06	Contractor:	Patterson 741	Depth:	5964
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	216
Elevation: GL/KI	4794' 4810'	Days / Spud:	36	State:	Utah	FPH:	10.05
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	11
Size:	9.5
Mfg:	HTC
Type:	MX30G
Serial No:	5107100
Jets:	3-16s
Depth Out:	5964
Depth In:	5192
Footage:	772.00
Hours:	76.50
FPH:	10.09
WOB:	10-12K
RPM:	112
GPM:	3.28
Pump Pressure:	1519
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	115	0
GPM:	398.00	398
Pump Pressure:	1500	0

SURVEY DATA

Depth	Deviation	Direction
5639'	1.5 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	10.4
Visc:	40
PV/YP:	12\11
Gels:	5\10\25
Filtrate:	6
Cake:	1\1
% Solids:	5.2
% Oil:	
% Water:	94.8
Sand:	0.25
PH:	10
Alkalinity:	0.1
CL-:	160000
NaCl	264000
Ca++:	630
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	290.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	1.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$756,700	$0
Fuel:	$0	$48,428	$0
Water:	$0	$13,763	$0
Mud/Corrosion:	$8,869	$103,135	$0
Bits/Rmrs:	$0	$150,836	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$36,110	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$48,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$60,819	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,050	$0
Contingent:	$3,403	$121,892	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,948	$16,777	$0
Pason:	$1,949	$22,812	$0
Forklift:	$225	$10,625	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$37,430	#########	$0

GAS DATA

Depth:	5953'
Background Gas:	20 units
Conn:	20 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 5748' to 5776'
8:00	8:30	Rig service
8:30	18:30	Drlg 9.5" hole from 5776' to 5867'
18:30	19:00	Rig service
19:00	20:00	Wait on orders
20:00	3:00	Drlg 9.5" hole from 5867' to 5933'
3:00	3:30	Rig service
3:30	6:00	Drlg 9.5" hole from 5933' to 5964'

PU 160K
SO 144K
ROT 152K

5877' Top of salt

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 48 degree

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	17-Oct-06	Contractor:	Patterson 741	Depth:	6245
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	281
Elevation: GL/KB	4794' 4810'	Days / Spud:	37	State:	Utah	FPH:	12.22
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	11
Size:	9.5
Mfg:	HTC
Type:	MX30G
Serial No:	5107100
Jets:	3-16s
Depth Out:	6245
Depth In:	5192
Footage:	1053.00
Hours:	99.50
FPH:	10.58
WOB:	10-42K
RPM:	112
GPM:	3.28
Pump Pressure:	1447
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	120	0
GPM:	398.00	398
Pump Pressure:	1447	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	m.m	32.91
1	8" d.c.	29.81
1	x/o	1.48
21	d.c	586.41
	BHA Length:	651.71

MUD DATA

Weight:	10.5
Visc:	42
PV/YP:	18\14
Gels:	5\10\24
Filtrate:	5
Cake:	1\1
% Solids:	4.6
% Oil:	
% Water:	95.4
Sand:	0.25
PH:	9.5
Alkalinity:	0.1
CL-:	176000
NaCl	290400
Ca++:	800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	23.00
Drilling Cum:	291.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$772,800	$0
Fuel:	$8,140	$56,568	$0
Water:	$660	$14,423	$0
Mud/Corrosion:	$3,544	$106,679	$0
Bits/Rmrs:	$0	$150,836	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$37,230	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$49,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$63,335	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,150	$0
Contingent:	$3,403	$125,295	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,948	$18,725	$0
Pason:	$1,989	$24,801	$0
Forklift:	$225	$10,850	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$40,945	#########	$0

GAS DATA

Depth:	6241'
Background Gas:	816 units
Conn:	612 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	8:00	Drlg 9.5" hole from 5964' to 5995'
8:00	8:30	Rig service
8:30	20:00	Drlg 9.5" hole from 5995' to 6152'
20:00	20:30	Rig service
20:30	6:00	Drlg 9.5" hole from 6152' to 6245'

REMARKS

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6213'	6224				336	1330	817		

LITHO LOGY:
80% shale, tr% sandstone, tr% salt, 20 % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 53 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	18-Oct-06	Contractor:	Patterson 741	Depth:	6309
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	64
Elevation: GL/KE	4794' 4810'	Days / Spud:	38	State:	Utah	FPH:	32.00
API #	4303731852			AFE#	0 6044	OART:	Circ

BIT DATA

Bit No:	11	12
Size:	9.5	9.5
Mfg:	HTC	HTC
Type:	MX30G	MX 28 DXDH
Serial No:	5107100	5062039
Jets:	3-16s	3-18s
Depth Out:	6309	
Depth In:	5192	6309
Footage:	1117.00	
Hours:	101.50	
FPH:	11.00	
WOB:	10-42K	
RPM:	112	
GPM:	3.28	
Pump Pressure:	1447	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction
6173'	1 deg	

BHA DATA

Amount	Object	Length
1	bit	1.10
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	648.61

MUD DATA

Weight:	10.5
Visc:	37
PV/YP:	12\9
Gels:	3\6\12
Filtrate:	11
Cake:	2\2
% Solids:	4.2
% Oil:	
% Water:	95.8
Sand:	0.25
PH:	9.5
Alkalinity:	0.15
CL-:	183000
NaCl	301950
Ca++:	1280
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	2.00
Drilling Cum:	270.50
Reaming:	
Coring:	
Circulate:	1.00
Trip:	10.50
Rig Service:	0.50
Repair:	
Cut Line:	6.00
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Work Pipe:	3.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$788,900	$0
Fuel:	$0	$56,568	$0
Water:	$660	$15,083	$0
Mud/Corrosion:	$5,527	$112,205	$0
Bits/Rmrs:	$3,460	$154,296	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$38,350	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$50,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$3,003	$66,338	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,250	$0
Contingent:	$3,403	$128,698	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,960	$20,684	$0
Pason:	$1,949	$26,750	$0
Forklift:	$225	$11,075	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$38,706	#########	$0

GAS DATA

Depth:	6310'
Background Gas:	816 units
Conn:	612 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	7:00	Circ & WLS @ 6173' 1 degree
7:00	9:00	Drlg 9.5" hole from 6245' to 6309'
9:00	12:00	Work stuck pipe pump 200 bbls brine water and pipe free up
12:00	20:30	Trip out of hole Lay down mud motor and bit, pick up bit, bit sub,8" dc, and run in with dcs
20:30	2:30	Change out drilling line
2:30	3:00	Rig service
3:00	5:00	Trip in hole to 5056'
5:00	6:00	Circ and condition mud

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6213'	6224'				336	1330	817		
6261	6275				456	1105	310		

LITHO LOGY:
80% shale, % sandstone, tr% salt, 20 % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 40 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	19-Oct-06	Contractor:	Patterson 741	Depth:	6344
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	35
Elevation: GL/KI	4794' 4810'	Days / Spud:	39	State:	Utah	FPH:	4.12
API #	4303731852			AFE#	0 6044	OART:	

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	12	Weight:	10.1	Rig move:	$0	$0	$0
Size:	9.5	Visc:	38	Daily rig cost:	$16,100	$805,000	$0
Mfg:	HTC	PV/YP:	12\6	Fuel:	$0	$56,568	$0
Type:	MX 28 DXDH	Gels:	4\8\18	Water:	$0	$15,083	$0
Serial No:	5062039	Filtrate:	6	Mud/Corrosion:	$3,719	$115,924	$0
Jets:	3-18s	Cake:	2	Bits/Rmrs:	$45,930	$200,226	$0
Depth Out:	6344	% Solids:	2.7	Cement:	$0	$64,482	$0
Depth In:	6309	% Oil:		Fishing:	$0	$0	$0
Footage:	35.00	% Water:	97.3	Insurance:	$0	$0	$0
Hours:	8.50	Sand:	0.25	Camp:	$1,120	$39,470	$0
FPH:	4.1176471	PH:	9.5	Geological/Admin:	$0	$0	$0
WOB:	30-35	Alkalinity:	0.2	Location:	$0	$142,727	$0
RPM:	3.28	CL-:	157000	Surf damages/ROW:	$0	$0	$0
GPM:	1447	NaCl	259050	Trucking:	$0	$40,598	$0
Pump Pressure:	1300	Ca++:	1480	Land/Legal:	$0	$0	$0
Grade:		LCM:	10%	Open hole logs:	$0	$20,059	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$2,570	$0
Pump No:	1 2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD GD	Drilling Today:	8.50	Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	277.00	Consultant:	$1,200	$51,600	$0
Liner Size:	6.5 6.5	Reaming:	3	Welding:	$0	$382	$0
BPS:	3.2750 3.2750	Coring:		Csg Crew:	$0	$5,991	$0
SPM:	129 0	Circulate:	10.00	Misc. Cost:	$2,516	$68,854	$0
GPM:	398.00 398	Trip:	1.50	Float equip & rental:	$0	$17,760	$0
Pump Pressure:	1300 0	Rig Service:	1.00	Phone:	$100	$4,350	$0
SURVEY DATA		Repair:		Contingent:	$0	$128,698	$0
Depth	Deviation Direction	Cut Line:		Short surf csg:	$0	$84,074	$0
		Survey:		Long surf csg:	$0	$5,445	$0
		Logging:		Wellhead:	$0	$9,241	$0
		Run Csg:		Safety:	$1,960	$22,644	$0
		Cement:		Pason:	$900	$27,650	$0
BHA DATA		WOC:		Forklift:	$225	$11,300	$0
Amount	Object Length	Nipple Up:		Pathfinder:	$0	$60,190	$0
1	bit 1.10	Test BOP's:		Intangibles:	$0	$0	$0
1	Bit Sub 3.44	DST:		**Total Cost:**	$73,770	#########	$0
2	8" d.c. 59.62	Plug Back:		**GAS DATA**			
1	x/o 1.48	Fishing:		Depth:	6339'		
21	d.c 586.41	W/O Motor:		Background Gas:	480 units		
		H2S Drill		Conn:	1381 units		
		W/O orders:		Conn:			
				Trip:	4429 units		
BHA Length:	652.05	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / **REMARKS**

6:00	16:00	Circ and cond mud 10.2#, 40 vis, 250000 NaCl, 5-10% LCM. Mix lcm in suction pit
16:00	16:30	Rig service
16:30	18:00	Run in hole
18:00	21:00	Wash from 6215' to 6308' , from 6192' to 6208' sticky and shale running
21:00	3:30	Drlg 9.5" hole from 6308' to 6340'
3:30	4:00	Rig service
4:00	6:00	Drlg 9.5" hole from 6340' to 6344'

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6232'	6334'				224	1387	747		

LITHO LOGY:
70% shale, sandstone, Tr salt, 30 % Anhydrite, Tr Limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 39 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	20-Oct-06	Contractor:	Patterson 741	Depth:	6636
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	292
Elevation: GL/KI	4794' 4810'	Days / Spud:	40	State:	Utah	FPH:	12.98
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	12
Size:	9.5
Mfg:	HTC
Type:	MX 28 DXDH
Serial No:	5062039
Jets:	3-18s
Depth Out:	6636
Depth In:	6309
Footage:	327.00
Hours:	31.00
FPH:	10.548387
WOB:	30-35
RPM:	65.00
GPM:	3
Pump Pressure:	1300
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	130	0
GPM:	398.00	398
Pump Pressure:	1300	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10.1
Visc:	40
PV/YP:	13\14
Gels:	5\12\22
Filtrate:	12
Cake:	2
% Solids:	1.6
% Oil:	
% Water:	98.4
Sand:	0.75
PH:	9.5
Alkalinity:	0.15
CL-:	177000
NaCl	292050
Ca++:	2120
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	344.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$821,100	$0
Fuel:	$5,787	$62,355	$0
Water:	$600	$15,683	$0
Mud/Corrosion:	$11,335	$127,259	$0
Bits/Rmrs:	$0	$200,226	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$40,590	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$52,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$71,370	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,450	$0
Contingent:	$3,403	$132,100	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,951	$24,595	$0
Pason:	$1,949	$29,599	$0
Forklift:	$225	$11,525	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$46,286	#########	$0

GAS DATA

Depth:	6629'
Background Gas:	864 units
Conn:	1716 unit
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg 9.5" hole from 6344' to 6400'
8:00	8:30	Rig service
8:30	16:00	Drlg 9.5" hole from 6400' to 6490'
16:00	16:30	Rig service
16:30	3:30	Drlg 9.5" hole from 6490' to 6623'
3:30	4:00	Rig service
4:00	6:00	Drlg 9.5" hole from 6423' to 6636'

PU 165
SO 147
Rot 156

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6560'	6565'				399	1484	1057		
6593	6597				670	1464	747		
6610	6612				1600	2549	1057		

LITHO LOGY:
60% shale, Tr% sandstone, 20% salt, 20 % Anhydrite, Tr Limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 43 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	21-Oct-06	Contractor:	Patterson 741	Depth:	6717
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	81
Elevation: GL/KE	4794' 4810'	Days / Spud:	41	State:	Utah	FPH:	3.60
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	12
Size:	9.5
Mfg:	HTC
Type:	MX 28 DXDH
Serial No:	5062039
Jets:	3-18s
Depth Out:	6717
Depth In:	6309
Footage:	408.00
Hours:	53.50
FPH:	7.6
WOB:	30-35
RPM:	65.00
GPM:	3
Pump Pressure:	0
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10
Visc:	42
PV/YP:	12\13
Gels:	5\10\17
Filtrate:	12
Cake:	2\2
% Solids:	0.9
% Oil:	
% Water:	99.1
Sand:	0.5
PH:	10.5
Alkalinity:	0.05
CL-:	178000
NaCl	293700
Ca++:	1680
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	291.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$837,200	$0
Fuel:	$0	$62,355	$0
Water:	$760	$16,443	$0
Mud/Corrosion:	$7,559	$134,818	$0
Bits/Rmrs:	$0	$200,226	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$41,710	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$54,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$73,886	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,550	$0
Contingent:	$3,403	$135,503	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,431	$27,026	$0
Pason:	$1,949	$31,548	$0
Forklift:	$225	$11,750	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$37,363	#########	$0

GAS DATA

Depth:	6716'
Background Gas:	228 units
Conn:	1115 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:00	Drlg 9.5" hole from 6436' to 6654 '
11:00	11:30	Rig service
11:30	21:00	Drlg 9.5" hole from 6654' to 6685'
21:00	21:30	Rig service
21:30	5:00	Drlg 9.5" hole from 6685' to 6716'
5:00	5:30	Rig service
5:30	6:00	Drlg 9.5" hole from 6716' to 6717'

PU 160k, SO 148k Rot 158K

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6626'	6628'				687	1542	728		
6645	6648				664	1070	709		

LITHO LOGY:

40% shale, Tr% sandstone, 40% Limestone, 20% Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 46 deg

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for 10-22 through 11-21-06 are enclosed.

Please call Dwight Mallory at 303-534-4600 with any questions.

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE _____ DATE 12/1/06

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	22-Oct-06	Contractor:	Patterson 741	Depth:	6806
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	89
Elevation: GL/KB	4794' 4810'	Days / Spud:	42	State:	Utah	FPH:	3.87
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		12
Size:		9.5
Mfg:		HTC
Type:		MX 28 DXDH
Serial No:		5062039
Jets:		3-18s
Depth Out:		6806
Depth In:		6309
Footage:		497.00
Hours:	53.5	76.50
FPH:		6.5
WOB:		30-35
RPM:		65.00
GPM:		3
Pump Pressure:		1500
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	115	0
GPM:	398.00	398
Pump Pressure:	1500	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10
Visc:	42
PV/YP:	12\11
Gels:	5\10\17
Filtrate:	12
Cake:	2\2
% Solids:	2
% Oil:	
% Water:	98
Sand:	0.5
PH:	10
Alkalinity:	.1\.25
Cl.-:	170000
NaCl	280500
Ca++:	1560
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	23.00
Drilling Cum:	367.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$853,300	$0
Fuel:	$0	$62,355	$0
Water:	$0	$16,443	$0
Mud/Corrosion:	$7,175	$141,993	$0
Bits/Rmrs:	$0	$200,226	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$42,830	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$2,570	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$55,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$76,402	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,650	$0
Contingent:	$3,403	$138,906	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,354	$29,380	$0
Pason:	$1,949	$33,497	$0
Forklift:	$225	$11,975	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$0	$0
Total Cost:	$36,142	##########	$0

GAS DATA

Depth:	$6,803
Background Gas:	130 units
Conn:	399 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	14:30	Drlg 9.5" hole from 6717' to 6747'
14:30	15:30	Rig service Activate pipe ram
15:30	18:30	Drlg 9.5" hole from 6747' to 6760'
18:30	19:00	Rig service
19:00	6:00	Drlg 9.5" hole from 6760' to 6805'

REMARKS

Pu 162K
So 150 K
Rot 158 K

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6786'	6792				314	470	230		

LITHOLOGY:
40% shale, 10% sandstone, 50% Limestone, salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 40 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	23-Oct-06	Contractor:	Patterson 741	Depth:	6806
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KB	4794' 4810'	Days / Spud:	43	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	12
Size:	9.5
Mfg:	HTC
Type:	MX 28 DXDH
Serial No:	5062039
Jets:	3-18s
Depth Out:	6806
Depth In:	6309
Footage:	497.00
Hours:	76.50
FPH:	6.5
WOB:	30-35
RPM:	65.00
GPM:	3
Pump Pressure:	1500
Grade:	Green

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10.2
Visc:	47
PV/YP:	19\14
Gels:	5\9\17
Filtrate:	6
Cake:	1\1
% Solids:	3.2
% Oil:	
% Water:	96.8
Sand:	0.5
PH:	10
Alkalinity:	.05\.1
CL-:	160000
NaCl	264000
Ca++:	1480
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	268.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$869,400	$0
Fuel:	$0	$62,355	$0
Water:	$660	$17,103	$0
Mud/Corrosion:	$3,823	$145,816	$0
Bits/Rmrs:	$0	$200,226	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$43,950	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$40,598	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$21,550	$24,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$56,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$78,918	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,750	$0
Contingent:	$3,403	$142,309	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$3,434	$32,814	$0
Pason:	$1,949	$35,446	$0
Forklift:	$225	$12,200	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$1,602	$1,602	$0
Total Cost:	$57,682	##########	$0

GAS DATA

Depth:	6803'
Background Gas:	130 units
Conn:	399 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	7:00	Mix pill and pump
7:00	7:30	Drop survey
7:30	8:00	TOOH
8:00	8:30	Rig service
8:30	16:00	TOOH and insp drill collars on the way out
16:00	16:30	Rig service
16:30	0:00	TOOH and insp drill collars on the way out, Change out bit, Change out Swivels
0:00	0:30	Rig service
0:30	1:30	TIH w/ DCs and install rot rubber
1:30	2:00	Work on rod oiler pump
2:00	2:30	Circ
2:30	6:00	Stage in hole

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 40 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	24-Oct-06	Contractor:	Patterson 741	Depth:	6898
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	92
Elevation: GL/KI	4794' 4810'	Days / Spud:	44	State:	Utah	FPH:	4.38
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA	
Bit No:	12
Size:	9.5"
Mfg:	HTC
Type:	MX30G
Serial No:	5108438
Jets:	3-18s
Depth Out:	6898
Depth In:	6809
Footage:	89.00
Hours:	21.00
FPH:	4.24
WOB:	35-40k
RPM:	65-70
GPM:	398.00
Pump Pressure:	1225
Grade:	

PUMP DATA		
Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	116	0
GPM:	398.00	398
Pump Pressure:	1225	0

SURVEY DATA		
Depth	Deviation	Direction

BHA DATA		
Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
BHA Length:		652.05

MUD DATA	
Weight:	10.2
Visc:	47
PV/YP:	19\14
Gels:	5\9\17
Filtrate:	6
Cake:	1\1
% Solids:	3.2
% Oil:	
% Water:	96.8
Sand:	0.5
PH:	10
Alkalinity:	.05\.1
CL-:	160000
NaCl	264000
Ca++:	1480
LCM:	

TIME DISTRIBUTION	
RURT/RDRT:	
Drilling Today:	21.00
Drilling Cum:	388.00
Reaming:	
Coring:	
Circulate:	
Trip:	2.00
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$885,500	$0
Fuel:	$8,389	$70,744	$0
Water:	$360	$17,463	$0
Mud/Corrosion:	$0	$145,816	$0
Bits/Rmrs:	$0	$200,226	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$45,070	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$573	$41,171	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$2,000	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$57,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$81,434	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,850	$0
Contingent:	$3,403	$145,711	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,380	$35,194	$0
Pason:	$1,949	$37,395	$0
Forklift:	$225	$12,425	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$1,602	$0
Total Cost:	$40,314	##########	$0

GAS DATA	
Depth:	6898'
Background Gas:	212 units
Conn:	399 units
Conn:	
Trip:	6498 units

CASING DATA								
No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME		REMARKS
6:00	8:00	Stage in hole Break cir @ 3000' and 5100'
8:00	8:30	Rig service
8:30	16:00	Drlg 9.5" hole from 6809' to 6840'
16:00	16:30	Rig service
16:30	6:00	Drlg 9.5" hole from 6840' to 6898'

PU 170
SO 154
Rot 160

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6812'	6814'				802	2923	1267		
6820	6825				831	1557	684		

LITHOLOGY:
10% shale, 90 % limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 45 Deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	25-Oct-06	Contractor:	Patterson 741	Depth:	6999
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	101
Elevation: GL/KB	4794' 4810'	Days / Spud:	45	State:	Utah	FPH:	4.39
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	12
Size:	9.5"
Mfg:	HTC
Type:	MX30G
Serial No:	5108438
Jets:	3-18s
Depth Out:	6999
Depth In:	6809
Footage:	190.00
Hours:	44.00
FPH:	4.32
WOB:	35-40k
RPM:	65-70
GPM:	398.00
Pump Pressure:	1225
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10.2
Visc:	52
PV/YP:	20\15
Gels:	7\10\18
Filtrate:	6
Cake:	1
% Solids:	2.1
% Oil:	
% Water:	97.9
Sand:	
PH:	11
Alkalinity:	0.25
CL-:	185000
NaCl	305250
Ca++:	1800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	23.00
Drilling Cum:	291.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$901,600	$0
Fuel:	$0	$70,744	$0
Water:	$292	$17,755	$0
Mud/Corrosion:	$15,986	$161,802	$0
Bits/Rmrs:	$16,650	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,220	$46,290	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$404	$41,575	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$58,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$83,950	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$4,950	$0
Contingent:	$3,403	$149,114	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,380	$37,574	$0
Pason:	$1,949	$39,344	$0
Forklift:	$225	$12,650	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$1,602	$0
Total Cost:	$62,424	##########	$0

GAS DATA

Depth:	6995'
Background Gas:	159 units
Conn:	278 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME — REMARKS

6:00	7:00	Drlg 9.5" hole from 6898' to 6903'
7:00	7:30	Rig service
7:30	5:00	Drlg 9.5" hole from 6939' to 6997'
5:00	5:30	Rig service
5:30	6:00	Drlg 9.5" hole from 6997' to 6999'

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
6901'	6904'				231	313	268		
6952'	6955'				212	276	181		

LITHOLOGY:
5% shale, 80% Limestone, 15% Siltstone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 50 deg lite rain

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	26-Oct-06	Contractor:	Patterson 741	Depth:	7091
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	92
Elevation: GL/KB	4794' 4810'	Days / Spud:	46	State:	Utah	FPH:	4.00
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	12	Weight:	10	Rig move:	$0	$0	$0
Size:	9.5"	Visc:	47	Daily rig cost:	$16,100	$917,700	$0
Mfg:	HTC	PV/YP:	20/14	Fuel:	$0	$70,744	$0
Type:	MX30G	Gels:	6/8/2015	Water:	$0	$17,755	$0
Serial No:	5108438	Filtrate:	8	Mud/Corrosion:	$2,550	$164,352	$0
Jets:	3-18s	Cake:	1	Bits/Rmrs:	$0	$216,876	$0
Depth Out:	0	% Solids:	2.7	Cement:	$0	$64,482	$0
Depth In:	6809	% Oil:		Fishing:	$0	$0	$0
Footage:	-6809.00	% Water:	97.3	Insurance:	$0	$0	$0
Hours: 67	0.00	Sand:	0.5	Camp:	$1,120	$47,410	$0
FPH:	#DIV/0!	PH:	11	Geological/Admin:	$0	$0	$0
WOB:	35-40k	Alkalinity:	0.2	Location:	$0	$142,727	$0
RPM:	60-65	CL-:	180000	Surf damages/ROW:	$0	$0	$0
GPM:	398.00	NaCl	297000	Trucking:	$710	$42,285	$0
Pump Pressure:	1358	Ca++:	1700	Land/Legal:	$0	$0	$0
Grade:		LCM:		Open hole logs:	$0	$20,059	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$26,120	$0
Pump No:	1 2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD GD	Drilling Today:	23.00	Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	314.50	Consultant:	$1,200	$60,000	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$382	$0
BPS:	3.2750 3.2750	Coring:		Csg Crew:	$0	$5,991	$0
SPM:	0 0	Circulate:		Misc. Cost:	$2,516	$86,466	$0
GPM:	398.00 398	Trip:		Float equip & rental:	$0	$17,760	$0
Pump Pressure:	0 0	Rig Service:	1.00	Phone:	$100	$5,050	$0
SURVEY DATA		Repair:		Contingent:	$3,403	$152,517	$0
Depth	Deviation Direction	Cut Line:		Short surf csg:	$0	$84,074	$0
		Survey:		Long surf csg:	$0	$5,445	$0
		Logging:		Wellhead:	$0	$9,241	$0
		Run Csg:		Safety:	$2,380	$39,954	$0
		Cement:		Pason:	$1,949	$41,293	$0
BHA DATA		WOC:		Forklift:	$225	$12,875	$0
Amount	Object Length	Nipple Up:		Pathfinder:	$0	$60,190	$0
1	bit 1.10	Test BOP's:		Intangibles:	$0	$1,602	$0
1	Bit Sub 3.44	DST:		**Total Cost:**	$32,253	##########	$0
2	8" d.c. 59.62	Plug Back:		**GAS DATA**			
1	x/o 1.48	Fishing:		Depth:			
21	d.c 586.41	W/O Motor:		Background Gas:			
		H2S Drill		Conn:			
		W/O orders:		Conn:			
				Trip:			
BHA Length:	652.05	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / **REMARKS**

6:00	7:00	Drlg 9.5" hole from 6999' to 7004'
7:00	7:30	RIG SERVICE
7:30	16:00	DRLG 9.5" HOLE FROM 6905 TO 6939
16:00	16:30	RIG SERVICE
16:30	6:00	DRLG 9.5' HOLE FROM 6939' TO 7091

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
10% shale, 90% limestone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	27-Oct-06	Contractor:	Patterson 741	Depth:	7202
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	111
Elevation: GL/KB	4794' 4810'	Days / Spud:	47	State:	Utah	FPH:	4.93
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		12
Size:		9.5"
Mfg:		HTC
Type:		MX30G
Serial No:		5108438
Jets:		3-18s
Depth Out:		7202
Depth In:		6809
Footage:		393.00
Hours:	89	22.50
FPH:		17.47
WOB:		35-40k
RPM:		60-65
GPM:		398.00
Pump Pressure:		1358
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10
Visc:	46
PV/YP:	20/15
Gels:	5/7/2012
Filtrate:	5
Cake:	1
% Solids:	4
% Oil:	
% Water:	96
Sand:	0.5
PH:	11
Alkalinity:	0.3
Cl.-:	175000
NaCl	288750
Ca++:	1750
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	291.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$933,800	$0
Fuel:	$7,600	$78,344	$0
Water:	$1,700	$19,455	$0
Mud/Corrosion:	$7,500	$171,852	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$48,530	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$61,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$88,982	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$5,150	$0
Contingent:	$3,403	$155,919	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,948	$41,902	$0
Pason:	$1,949	$43,242	$0
Forklift:	$225	$13,100	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$1,602	$0
Total Cost:	$45,361	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:30	Drlg f7091 t7122
11:30	12:00	Service rig
12:00	20:00	Drlg f7122 t7153
20:00	20:30	Test Crown O Matic- test B.O.P. Pipe rams - service rig
20:30	3:00	Drlg f7153 t7184
3:00	3:30	service rig
3:30	0:00	Drlg f7183 - t7102

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
tr shale- 80% limestone- 10% dolomite

DRILLING SUPERVISOR: Skip Rollinson **WEATHER:** Cool 38*

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	28-Oct-06	Contractor:	Patterson 741	Depth:	7342
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	140
Elevation: GL/KI	4794' 4810'	Days / Spud:	48	State:	Utah	FPH:	6.83
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	12
Size:	9.5"
Mfg:	HTC
Type:	MX30G
Serial No:	5108438
Jets:	3-18s
Depth Out:	7342
Depth In:	6809
Footage:	533.00
Hours:	22.50
FPH:	23.69
WOB:	35-40k
RPM:	60-65
GPM:	398.00
Pump Pressure:	1358
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction
7270	1-Jan	

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Bit Sub	3.44
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	652.05

MUD DATA

Weight:	10
Visc:	46
PV/YP:	18/19
Gels:	5/8/2011
Filtrate:	5
Cake:	1
% Solids:	4.4
% Oil:	
% Water:	95.5
Sand:	0.3
PH:	11
Alkalinity:	0.5
Cl-:	170000
NaCl	280500
Ca++:	1400
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	20.50
Drilling Cum:	333.50
Reaming:	
Coring:	
Circulate:	0.50
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	1.00
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	23.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$949,900	$0
Fuel:	$0	$78,344	$0
Water:	$0	$19,455	$0
Mud/Corrosion:	$3,700	$175,552	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$49,650	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$62,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$91,498	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$5,250	$0
Contingent:	$3,403	$159,322	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$1,948	$43,850	$0
Pason:	$1,949	$45,191	$0
Forklift:	$225	$13,325	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$1,602	$0
Total Cost:	$32,261	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	9:00	Drlg F7202 - T7215
9:00	9:30	Rig Service
9:30	18:30	Drlg F7215 - T7279
18:30	19:00	Rig Service- test Crown-O-Matic, BOP Pipe rams
19:00	23:30	Drlg F7279 - T7311
23:30	0:30	SURVEY @ 7270- 1.5 DEG., RIG SERVICE
0:30	4:00	DRLG F7311 - T7342
4:00	5:00	CIRCULATE BOTTOM UP
5:00	6:00	TOOH

REMARKS

WOB42, RT 62, ROP 4.3

WOB 40, RT 65, ROP 7.11

WOB 30, RT 75, ROP 7.11

WOB 40, RT 70, ROP 8.8

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	29-Oct-06	Contractor:	Patterson 741	Depth:	7371
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	29
Elevation: GL/KI	4794' 4810'	Days / Spud:	49	State:	Utah	FPH:	4.14
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	13
Size:	9.5"
Mfg:	United Diamond
Type:	UD 513
Serial No:	1825
Jets:	8x18, 2x14
Depth Out:	7371
Depth In:	7341
Footage:	30.00
Hours:	7.00
FPH:	4.29
WOB:	10-18K
RPM:	100
GPM:	398.00
Pump Pressure:	1800
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	120	0
GPM:	398.00	398
Pump Pressure:	1800	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Mud Motor	37.02
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	685.63

MUD DATA

Weight:	10.4
Visc:	48
PV/YP:	18\17
Gels:	4\7\10
Filtrate:	5
Cake:	1
% Solids:	5
% Oil:	
% Water:	95
Sand:	0.5
PH:	10.5
Alkalinity:	0.3
Cl-:	175000
NaCl	288750
Ca++:	900
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	7.00
Drilling Cum:	340.50
Reaming:	0.5
Coring:	
Circulate:	
Trip:	13.00
Rig Service:	1.50
Repair:	2.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$966,000	$0
Fuel:	$0	$78,344	$0
Water:	$0	$19,455	$0
Mud/Corrosion:	$4,326	$179,878	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$50,770	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$63,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$94,014	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$5,350	$0
Contingent:	$3,403	$162,725	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,397	$46,247	$0
Pason:	$1,949	$47,140	$0
Forklift:	$225	$13,550	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$1,602	$0
Total Cost:	$33,336	##########	$0

GAS DATA

Depth:	7367'
Background Gas:	$198
Conn:	
Conn:	$2,343
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Strap out of hole	
8:00	8:30	Rig service	
8:30	11:30	Strap out of hole	
11:30	12:30	Pick up mud motor and change out bits, Pick up 9.5" United Diamond, UD513, Ser # 1825, PDC	
12:30	13:30	Run in hole with BHA	
13:30	15:00	Work on swivel	
15:00	16:00	Trip in hole	PU 180K
16:00	16:30	Rig service	Dw 162K
16:30	21:30	Trip in hole break circ @ 3000' and 5500'	Rot 172K
21:30	22:00	Wash and ream 30' to bottom	
22:00	3:00	Drlg 9.5" hole from 7341' to 7360	
3:00	3:30	Rig service	
3:30	5:30	Drlg 9.5" hole from 7360' to 7371'	
5:30	6:00	Work on pumps	

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After
7353'	7354'				194	347	240		

LITHOLOGY:
20% shale, 10 % Limestone, 70% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 42 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	30-Oct-06	Contractor:	Patterson 741	Depth:	7483
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	112
Elevation: GL/KI	4794' 4810'	Days / Spud:	50	State:	Utah	FPH:	4.98
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	13
Size:	9.5"
Mfg:	United Diamona
Type:	UD 513
Serial No:	1825
Jets:	8x18, 2x14
Depth Out:	7483
Depth In:	7341
Footage:	142.00
Hours:	29.50
FPH:	4.81
WOB:	10-18K
RPM:	100
GPM:	398.00
Pump Pressure:	1450
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	117	0
GPM:	398.00	398
Pump Pressure:	1450	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Mud Motor	37.02
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	685.63

MUD DATA

Weight:	10.3
Visc:	48
PV/YP:	17\18
Gels:	5\8\11
Filtrate:	5
Cake:	1
% Solids:	6.3
% Oil:	
% Water:	93.7
Sand:	0.3
PH:	10.5
Alkalinity:	0.2
Cl-:	145000
NaCl	239250
Ca++:	725
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	363.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$982,100	$0
Fuel:	$0	$78,344	$0
Water:	$825	$20,280	$0
Mud/Corrosion:	$4,589	$184,467	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$51,890	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$64,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$96,530	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$5,450	$0
Contingent:	$3,403	$166,127	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,380	$48,627	$0
Pason:	$1,949	$49,089	$0
Forklift:	$225	$13,775	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$1,602	$0
Total Cost:	$34,407	##########	$0

GAS DATA

Depth:	7480'
Background Gas:	112 units
Conn:	167 units
Conn:	
Trip:	2394 units

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	8:00	Drlg 9.5" hole from 7371' to 7375'
8:00	8:30	Rig service
8:30	14:00	Drlg 9.5" hole from 7375' to 7407'
14:00	14:30	Change out rotating rubbers
14:30	1:30	Drlg 9.5" hole from 7407' to 7469'
1:30	2:00	Rig service
2:00	6:00	Drlg 9.5" hole from 7469' to 7483'

REMARKS

Up 180K
DW 168K
Rot 170K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
5% shale, 90% Limestone, 5% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 42 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	31-Oct-06	Contractor:	Patterson 741	Depth:	7587
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	104
Elevation: GL/KB	4794' 4810'	Days / Spud:	51	State:	Utah	FPH:	4.62
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	13
Size:	9.5"
Mfg:	United Diamond
Type:	UD 513
Serial No:	1825
Jets:	8x18, 2x14
Depth Out:	7587
Depth In:	7341
Footage:	246.00
Hours:	52.00
FPH:	4.73
WOB:	10-18K
RPM:	100
GPM:	398.00
Pump Pressure:	1500
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	120	0
GPM:	398.00	398
Pump Pressure:	1500	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	bit	1.10
1	Mud Motor	37.02
2	8" d.c.	59.62
1	x/o	1.48
21	d.c	586.41
	BHA Length:	685.63

MUD DATA

Weight:	10.3
Visc:	45
PV/YP:	20\20
Gels:	5\8\12
Filtrate:	4
Cake:	1
% Solids:	5.6
% Oil:	
% Water:	94.4
Sand:	
PH:	10
Alkalinity:	0.6
Cl-:	155000
NaCl	255750
Ca++:	900
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	385.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	$998,200	$0
Fuel:	$8,270	$86,614	$0
Water:	$0	$20,280	$0
Mud/Corrosion:	$6,611	$191,078	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$53,010	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$20,059	$0
Mud Logs:	$0	$26,120	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$66,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$5,991	$0
Misc. Cost:	$2,516	$99,046	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$5,550	$0
Contingent:	$3,403	$169,530	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,380	$51,007	$0
Pason:	$1,949	$51,038	$0
Forklift:	$225	$14,000	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$1,388	$2,990	$0
Total Cost:	$45,261	##########	$0

GAS DATA

Depth:	7584'
Background Gas:	112 units
Conn:	103 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At Gl.	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	9:30	Drlg 9.5" hole from 7483' to 7501'
9:30	10:00	Rig service
10:00	16:30	Drlg 9.5" hole from 7501' to 7532'
16:30	17:00	Rig service
17:00	1:00	Drlg 9.5" hole from 7532' to 7563'
1:00	1:30	Rig service
1:30	6:00	Drlg 9.5" hole from 7563' to 7587'

Up 178K
DW 170K
RT 174K

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
70% shale, 30% Limestone

DRILLING SUPERVISOR:	Ron Lackey	WEATHER:	42 deg
DRILLING SUPERVISOR:	Ron Lackey	WEATHER:	42 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	1-Nov-06	Contractor:	Patterson 741	Depth:	7602
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	15
Elevation: GL/KI	4794' 4810'	Days / Spud:	52	State:	Utah	FPH:	5.00
API #	4303731852			AFE#	0 6044	OART:	Logging

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	13	Weight:	10.5	Rig move:	$0	$0	$0
Size:	9.5"	Visc:	52	Daily rig cost:	$16,100	#########	$0
Mfg:	United Diamona	PV/YP:	18\22	Fuel:	$0	$86,614	$0
Type:	UD 513	Gels:	6\8\12	Water:	$225	$20,505	$0
Serial No:	1825	Filtrate:	4	Mud/Corrosion:	$7,546	$198,623	$0
Jets:	8x18, 2x14	Cake:	1	Bits/Rmrs:	$0	$216,876	$0
Depth Out:	7602	% Solids:	5.6	Cement:	$0	$64,482	$0
Depth In:	7341	% Oil:		Fishing:	$0	$0	$0
Footage:	261.00	% Water:	94.4	Insurance:	$0	$0	$0
Hours:	55.00	Sand:	0.4	Camp:	$1,120	$54,130	$0
FPH:	4.75	PH:	11	Geological/Admin:	$0	$0	$0
WOB:	10-18K	Alkalinity:	0.5	Location:	$0	$142,727	$0
RPM:	100	CL-:	170000	Surf damages/ROW:	$0	$0	$0
GPM:	398.00	NaCl	280500	Trucking:	$0	$42,285	$0
Pump Pressure:	1500	Ca++:	1100	Land/Legal:	$0	$0	$0
Grade:	Green	LCM:		Open hole logs:	$0	$20,059	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$34,850	$60,970	$0
Pump No:	1 2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD GD	Drilling Today:	3.00	Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	388.50	Consultant:	$1,200	$67,200	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$382	$0
BPS:	3.2750 3.2750	Coring:		Csg Crew:	$0	$5,991	$0
SPM:	0 0	Circulate:	4.00	Misc. Cost:	$2,516	$101,562	$0
GPM:	398.00 398	Trip:	7.50	Float equip & rental:	$0	$17,760	$0
Pump Pressure:	0 0	Rig Service:		Phone:	$100	$5,650	$0
SURVEY DATA		Repair:		Contingent:	$3,403	$172,933	$0
Depth	Deviation Direction	Cut Line:		Short surf csg:	$0	$84,074	$0
7550'	1 deg	Survey:		Long surf csg:	$0	$5,445	$0
		Logging:	9.50	Wellhead:	$0	$9,241	$0
		Run Csg:		Safety:	$2,380	$53,387	$0
		Cement:		Pason:	$1,949	$52,987	$0
BHA DATA		WOC:		Forklift:	$225	$14,225	$0
Amount	Object Length	Nipple Up:		Pathfinder:	$0	$60,190	$0
		Test BOP's:		Intangibles:	$0	$2,990	$0
		DST:		**Total Cost:**	$71,613	##########	$0
		Plug Back:		**GAS DATA**			
		Fishing:		Depth:			
		W/O Motor:		Background Gas:			
		H2S Drill		Conn:			
		W/O orders:		Conn:			
				Trip:			
BHA Length:	0.00	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	9:00	Drlg 9.5" hole from 7587' to 7602' TD
9:00	13:00	Circulate and condition mud
13:00	20:30	Drop survey and Strap out of hole
20:30	6:00	Rig up Baker and log hole

REMARKS

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 42 deg

RESOLUTE NATURAL RESOURCES
MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	2-Nov-06	Contractor:	Patterson 741	Depth:	7602
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	53	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	LD DP

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:		Weight:	10.4	Rig move:	$0	$0	$0
Size:		Visc:	52	Daily rig cost:	$16,100	#########	$0
Mfg:		PV/YP:	18\20	Fuel:	$0	$86,614	$0
Type:		Gels:	5\8\11	Water:	$1,020	$21,525	$0
Serial No:		Filtrate:	4	Mud/Corrosion:	$685	$199,308	$0
Jets:		Cake:	1	Bits/Rmrs:	$0	$216,876	$0
Depth Out:		% Solids:	5.4	Cement:	$0	$64,482	$0
Depth In:		% Oil:		Fishing:	$0	$0	$0
Footage:		% Water:	94.6	Insurance:	$0	$0	$0
Hours:		Sand:	0.4	Camp:	$1,120	$55,250	$0
FPH:		PH:	11	Geological/Admin:	$0	$0	$0
WOB:		Alkalinity:	0.5	Location:	$0	$142,727	$0
RPM:		CL-:	1700000	Surf damages/ROW:	$0	$0	$0
GPM:		NaCl	280500	Trucking:	$0	$42,285	$0
Pump Pressure:		Ca++:	1100	Land/Legal:	$0	$0	$0
Grade:		LCM:		Open hole logs:	$29,751	$49,810	$0

PUMP DATA			TIME DISTRIBUTION					
Pump No:	1	2	RURT/RDRT:		Mud Logs:	$0	$60,970	$0
Make:	GD	GD	Drilling Today:		DST/Core:	$0	$0	$0
Model:	PZ-8	PZ-8	Drilling Cum:	388.50	Cont. Labor:	$0	$0	$0
Liner Size:	6.5	6.5	Reaming:		Consultant:	$1,200	$68,400	$0
BPS:	3.2750	3.2750	Coring:		Welding:	$0	$382	$0
SPM:	0	0	Circulate:	2.50	Csg Crew:	$0	$5,991	$0
GPM:	398.00	398	Trip:	15.50	Misc. Cost:	$5,092	$106,654	$0
Pump Pressure:	0	0	Rig Service:		Float equip & rental:	$0	$17,760	$0
SURVEY DATA			Repair:		Phone:	$100	$5,750	$0
Depth	Deviation	Direction	Cut Line:		Contingent:	$3,403	$176,336	$0
			Survey:		Short surf csg:	$0	$84,074	$0
			Logging:	6.00	Long surf csg:	$0	$5,445	$0
			Run Csg:		Wellhead:	$0	$9,241	$0
			Cement:		Safety:	$1,948	$55,335	$0
BHA DATA			WOC:		Pason:	$1,949	$54,936	$0
Amount	Object	Length	Nipple Up:		Forklift:	$225	$14,450	$0
			Test BOP's:		Pathfinder:	$0	$60,190	$0
			DST:		Intangibles:	$0	$2,990	$0
			Plug Back:		Total Cost:	$62,593	#########	$0
			Fishing:		**GAS DATA**			
			W/O Motor:		Depth:			
			H2S Drill		Background Gas:			
			W/O orders:		Conn:			
					Conn:			
					Trip:			
BHA Length:	0.00		Total:	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME		REMARKS
6:00		Log hole with Baker ,Compensated Z - Densilog Compensated Neutron, Micro Laterolog, Dual Laterolog
	12:00	Gamma ray log, Caliper log, Borehole log
12:00	19:30	Trip in hole
19:30	22:00	Circ and cond mud
22:00	6:00	Lay down drill string @ 00:00 Hrs rig up lay down mech.

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas		Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 41 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	3-Nov-06	Contractor:	Patterson 741	Depth:	7602
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	54	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	Circ csg

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	BHA Length:	0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	2.00
Trip:	2.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	12.50
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O	7.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$4,955	$91,568	$0
Water:	$540	$22,065	$0
Mud/Corrosion:	$1,564	$200,872	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$64,482	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$56,370	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$49,810	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$69,600	$0
Welding:	$0	$382	$0
Csg Crew:	$20,602	$26,593	$0
Misc. Cost:	$9,919	$116,573	$0
Float equip & rental:	$0	$17,760	$0
Phone:	$100	$5,850	$0
Contingent:	$3,403	$179,738	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,380	$57,715	$0
Pason:	$1,949	$56,885	$0
Forklift:	$225	$14,675	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$64,057	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To	
6:00	8:30	Lay down drill string
8:30	10:00	Rig up San Juan casing and change out pipe rams to 7 5/8" Hold safety meeting
10:00	17:00	Wait on Elev (evel would not latch on casing)
17:00	4:00	Run 7 5/8" casing
4:00	6:00	Rig up and circ, rig up cementers on ground

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 42 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	4-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	-7602
Elevation: GL/KI	4794' 4810'	Days / Spud:	55	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	Nipple up

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	7.50
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	4.50
WOC:	
Nipple Up:	12.00
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	

Total: 24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$0	$200,872	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$324,431	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$57,490	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$49,810	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$70,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,593	$0
Misc. Cost:	$2,516	$119,089	$0
Float equip & rental:	$12,526	$30,286	$0
Phone:	$100	$5,950	$0
Contingent:	$3,403	$183,141	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$5,445	$0
Wellhead:	$0	$9,241	$0
Safety:	$2,380	$60,095	$0
Pason:	$1,949	$58,834	$0
Forklift:	$225	$14,900	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$365,950	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To	
6:00	8:00	Circ casing on bottom
8:00	10:30	PJSM, Cement with Schumberger, Pump 10 bbl spacer, 10 BBl Chem wash, 10 bbls fresh water spacer 122 bbls lead cmt, 230 bbls tail cmt, displace with 350 bbls, (210 bbls fresh water, 140 bbls mud) Pulg down @ 12:20
10:30	16:00	Circ through DV tool
16:00	18:00	Cement stage # 2 Job pump 30 bbls fresh water, 246 bbls lead cmt, 30 bbls tail cmt, displace w/ 152 bbls water Plug down @ 18:00 hrs
18:00		Nipple down BOP and set casing slips (Slips broke in half wait on slips)Set slips
	2:00	String wt 200K, Pull up to 220k and set slips
2:00	6:00	Nipple up 11" 3000 BOPs

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 47 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	5-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	56	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	testing

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:		Weight:		Rig move:	$0	$0	$0
Size:		Visc:		Daily rig cost:	$16,100	##########	$0
Mfg:		PV/YP:		Fuel:	$0	$91,568	$0
Type:		Gels:		Water:	$0	$22,065	$0
Serial No:		Filtrate:		Mud/Corrosion:	$2,027	$202,899	$0
Jets:		Cake:		Bits/Rmrs:	$0	$216,876	$0
Depth Out:		% Solids:		Cement:	$0	$388,914	$0
Depth In:		% Oil:		Fishing:	$0	$0	$0
Footage:		% Water:		Insurance:	$0	$0	$0
Hours:		Sand:		Camp:	$1,120	$58,610	$0
FPH:		PH:		Geological/Admin:	$0	$0	$0
WOB:		Alkalinity:		Location:	$0	$142,727	$0
RPM:		CL-:		Surf damages/ROW:	$0	$0	$0
GPM:		NaCl		Trucking:	$0	$42,285	$0
Pump Pressure:		Ca++:		Land/Legal:	$0	$0	$0
Grade:		LCM:		Open hole logs:	$0	$49,810	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$60,970	$0
Pump No:	1 2	RURT/RDRT:		DST/Core:	$0	$0	$0
Make:	GD GD	Drilling Today:		Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	388.50	Consultant:	$1,200	$72,000	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$382	$0
BPS:	3.2750 3.2750	Coring:		Csg Crew:	$340	$26,933	$0
SPM:	0 0	Circulate:		Misc. Cost:	$2,516	$121,605	$0
GPM:	398.00 398	Trip:		Float equip & rental:	$0	$30,286	$0
Pump Pressure:	0 0	Rig Service:		Phone:	$100	$6,050	$0
SURVEY DATA		Repair:		Contingent:	$3,403	$186,544	$0
Depth Deviation Direction		Cut Line:		Short surf csg:	$0	$84,074	$0
		Survey:		Long surf csg:	$0	$5,445	$0
		Logging:		Wellhead:	$0	$9,241	$0
		Run Csg:		Safety:	$2,380	$62,475	$0
		Cement:		Pason:	$1,949	$60,783	$0
BHA DATA		WOC:		Forklift:	$225	$15,125	$0
Amount Object Length		Nipple Up:	23.00	Pathfinder:	$0	$60,190	$0
		Test BOP's:	1.00	Intangibles:	$0	$2,990	$0
		DST:		**Total Cost:**	$31,359	##########	$0
		Plug Back:		**GAS DATA**			
		Fishing:		Depth:			
		W/O Motor:		Background Gas:			
		H2S Drill		Conn:			
		W/O orders:		Conn:			
				Trip:			
BHA Length:	0.00	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME — **REMARKS**

6:00	8:00	Nipple up 3000# 11" Bops
8:00	17:00	Pressure test bops No hold, Unload tubing and strap,Nipple down 11 stack
17:00	18:00	Spear into casing pull up 250 K no movement
18:00	21:00	Nipple up tubing head 11x 3000# 11" x 10000 #
21:00	5:00	Nipple up 7 1/16 bop stack
5:00	6:00	Pressure test bop and manifold

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 43 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	6-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	57	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	HT w/ Tubing

BIT DATA

Bit No:	1
Size:	6.5
Mfg:	Smith
Type:	XR+
Serial No:	PD5059
Jets:	Open
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.50
1	Bit Sub	2.00
4	4 3/4" DC	121.48
	BHA Length:	123.98

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	13.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	5.00
DST:	
Plug Back:	
Fishing:	
Drlg CMT:	2.50
H2S Drill	
R/U Swivel:	3.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$1,501	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$59,730	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$49,810	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$73,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$124,121	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,150	$0
Contingent:	$3,403	$189,946	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$235,030	$240,475	$0
Wellhead:	$2,858	$12,099	$0
Safety:	$1,948	$64,423	$0
Pason:	$1,949	$62,732	$0
Forklift:	$225	$15,350	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$267,949	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	11:00	Pressure test bop and manifold
11:00	12:00	Rig up to run tubing
12:00	19:00	Run in hole w/ tubing
19:00	22:00	Rig up power swivel
22:00	23:00	Run in hole w/ swivel and tag @ 3160'
23:00	1:30	Drlg cmt and DV tool
1:30	2:00	Rig down power swivel
2:00	6:00	Run in hole with tubing

REMARKS

RECEIVED

DEC 1 2 2006

DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 42 Deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	7-Nov-06	Contractor:	Patterson 741	Depth:	TBTD 7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	58	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	1
Size:	6.5
Mfg:	Smith
Type:	XR+
Serial No:	PD5059
Jets:	Open
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

	1	2
Pump No:		
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Vise:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	1.00
Trip:	5.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	16.50
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Drlg CMT	1.00
H2S Drill	
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$575	$60,305	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$49,810	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$74,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$126,637	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,250	$0
Contingent:	$3,403	$193,349	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,038	$66,461	$0
Pason:	$1,949	$64,681	$0
Forklift:	$225	$15,575	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$28,106	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At Gl.	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	6:30	Run tubing tag @ 7538'
6:30	7:30	Pick up swivel and drlg cmt from 7538' to 7548'
7:30	8:30	Circ
8:30	14:00	Set swivel back and Trip out of hole
14:00	20:30	Rig up Basin and Log hole W/ CBL-Gama ray- CCL log
20:30	6:00	Rig up Baker and Run sizemograph log

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 44 Deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	8-Nov-06	Contractor:	Patterson 741	Depth:	TBTD 7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	59	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	5.50
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	12.50
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	0.50
DST:	
Plug Back:	
Fishing:	
W/O Tools:	4.00
H2S Drill	
R/U swab	1.50
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$61,425	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$182,286	$232,096	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$75,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$3,187	$129,824	$0
Float equip & rental	$0	$30,286	$0
Phone:	$100	$6,350	$0
Contingent:	$3,403	$196,752	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,380	$68,841	$0
Pason:	$1,949	$66,630	$0
Forklift:	$225	$15,800	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$211,950	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

TIME		REMARKS
6:00	11:00	Run sizemograph log Rig down Baker equipment
11:00	12:30	Wait on basin
12:30	18:30	Rig up Basin and perf casing, 7234'-7306' (72'), 7309'-7314' (5'), 7318'-7334' (16), 7341'-7347' (6') 7351'-7355' (4') 4 shots per foot
18:30	22:30	Wait on wire line reentry tool
22:30	2:00	Pick up and make up reentry guide and 2 jts for tail pipe, packer, 1 jt, seat nipple, run in hole w/ tubing
2:00		Nipple down striping head and pick up 7 1/16 B-1 flange, Set packer and nipple up flange
	4:00	Packer Set @ 7161' with 30k set on it, Bottom of tubing @ 7226', test packer w/ 1000 psi on back side
4:00	4:30	Pressure test packer to 1000 psi
4:30	6:00	Rig up to swab well

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 46 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	9-Nov-06	Contractor:	Patterson 741	Depth:	TBTD 7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	60	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Flowing well

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Vise:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	0.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Swab:	11.00
Flow:	9.00
W/O Sheave:	3.50

Total: 24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$62,545	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$76,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$132,340	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,450	$0
Contingent:	$3,403	$200,154	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$70,789	$0
Pason:	$1,949	$68,579	$0
Forklift:	$225	$16,025	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$28,561	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	13:00	Rig up swabing unit, Run #1 pulled from 5600' worked swab out of hole
13:00	16:30	Wait on sheave
16:30	21:00	Swab well
21:00	0:00	Rig up to flow well. 500 psi shut in pressure
0:00	0:30	Rig service
0:30	6:00	Open well up to flow,

Time	PSI
IN	760
5 min	720
10 min	540
15 min	500
30 min	310
45 min	0
1 hr	0
1.15	0
1.3	380
1.45	200
2 hr	270
3 hr	50
4 hr	0
5 hr	0

REMARKS

Runs	Ft	Fluid pull	
2	2000'	500'	
3	2500'	900'	
4	2100'	100'	
5	2500'	500'	
6	2800'	400'	
7	2800'	300'	
8	3200'	0	c/ cups
9	3200'	1700'	
10	2200'	300'	
11	2500'	500'	
12	2800'	1300'	
13	2000'	1000'	flowing

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 47 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	10-Nov-06	Contractor:	Patterson 741	Depth:	TBTD 7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	61	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	WELL Shut in

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Flowing:	5.00
Shut in :	19.00
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$63,665	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$78,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$134,856	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,550	$0
Contingent:	$3,403	$203,557	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$72,737	$0
Pason:	$1,949	$70,528	$0
Forklift:	$225	$16,250	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$28,561	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:00	Flow well with 34 psi
11:00	6:00	Shut well in. In psi 100 psi, Check pressure every 30 mins

Hour	Reading
1	100 psi
2	580 psi
4	710 psi
5	810 psi
6	830 psi
7	845 psi
8	860 psi
9	860 psi
10	860psi
11	870 psi
12	870 psi
13	870 psi
14	870 psi
15	870 psi
16	870 psi
17	870 psi
18	870 psi
19	870 psi

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	CI13 SWDW	Date	11-Nov-06	Contractor:	Patterson 741	Depth:	TBTD 7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	62	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Testing

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	

Total: 0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$0	$91,568	$0
Water:	$0	$22,065	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$64,785	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
DST/Core:	$0	$0	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$79,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$137,372	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,650	$0
Contingent:	$3,403	$206,960	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$74,685	$0
Pason:	$1,949	$72,477	$0
Forklift:	$225	$16,475	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$28,561	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To	
6:00	11:00	Rig up Schlumberger and acidive w/ 9 bbls 10# water, 52 bbls 15% hcl, Displace 50 bbls 8.7# water
		Finale rate 4 BBL per min @ 1780 psi
11:00	4:00	Rig up Schlumberger wire line and run in hole w/ gauges set gauges @ 7355'
		Two fail att pump total of 130 bbls pumped (wait on Schlumberger wire line to repair Lubacator)
4:00	6:00	Pump injectivity test 3 bbls per min for 4 hrs total 482 bbls of 8.7 # water, final surface psi 1365 psi. Bottom hole 4491 psi

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	12-Nov-06	Contractor:	Patterson 741	Depth:	TBTD 7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KF	4794' 4810'	Days / Spud:	63	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Swabing

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Testing:	13.00
Swabing:	11.00
W/O orders:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$10,027	$101,595	$0
Water:	$3,275	$25,340	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$600	$65,385	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
Testing:	$57,086	$57,086	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$80,400	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$139,888	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,750	$0
Contingent:	$3,403	$210,363	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety	$2,448	$77,133	$0
Pason:	$1,949	$74,426	$0
Forklift:	$225	$16,700	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$98,928	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Pump injectivity test 3 bbls per min for 4 hrs total 482 bbls of 8.7 # water, final surface psi 1365 psi. Bottom hole 4491 psi
8:00	16:00	Rig down pump crew and start fall off test.
16:00	19:00	Pull out of hole with wire line and rig down
19:00	6:00	Rig up swab unit and swab well recover 72 bbls of water back

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 41 Deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	13-Nov-06	Contractor:	Patterson 741	Depth:	7548'
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	64	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	W/O Turbo

BIT DATA		MUD DATA	
Bit No:		Weight:	
Size:		Visc:	
Mfg:		PV/YP:	
Type:		Gels:	
Serial No:		Filtrate:	
Jets:		Cake:	
Depth Out:		% Solids:	
Depth In:		% Oil:	
Footage:		% Water:	
Hours:		Sand:	
FPH:		PH:	
WOB:		Alkalinity:	
RPM:		CL-:	
GPM:		NaCl	
Pump Pressure:		Ca++:	
Grade:		LCM:	

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$101,595	$0
Water:	$0	$25,340	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$66,505	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$81,600	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$142,404	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,850	$0
Contingent:	$3,403	$213,765	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$79,081	$0
Pason:	$1,949	$76,375	$0
Forklift:	$225	$16,925	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$28,561	#########	$0

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Swabing:	19.00
H2S Drill	
W/O Turbo:	5.00
Total:	24.00

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME		REMARKS
6:00	1:00	Swabing well 201 bbls back for to day
1:00	6:00	Turbo on swabing unit out. Wait on turbo to come out of Farmington
		Turbo showed up at 5:45 am

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 34 deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	14-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	65	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	0.00

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
	BHA Length:	0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O SwanUnt	8.25
Swabing	15.75
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$0	$101,595	$0
Water:	$0	$25,340	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$67,625	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$82,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,518	$144,922	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$6,950	$0
Contingent:	$3,403	$217,168	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$81,029	$0
Pason:	$1,949	$78,324	$0
Forklift:	$225	$17,150	$0
Pathfinder:	$0	$60,190	$0
Intangibles:	$0	$2,990	$0
Total Cost:	$28,563	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Working on swabing unit
8:00	19:00	swabbing well 152.75 bbls, pulling from 3000' fluid show @ 1500 3-5 bbls per pull
19:00	20:30	Service swab unit waiting on relief
20:30	23:00	swabbing well 18 bbls, pulling from 3000' fluid show @ 1500 3-5 bbls per pull
23:00	1:45	Working on swabbing unit, sheave out of alignment
1:45	6:00	Swabing well 43 bbls, pulling from 3000' fluid show @ 1100'-1500', 3 bbls per pull
		Total load recovered 396 bbl

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: John Rollinson **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	15-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	66	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:		Weight:		Rig move:	$0	$0	$0
Size:		Visc:		Daily rig cost:	$16,100	#########	$0
Mfg:		PV/YP:		Fuel:	$3,635	$105,230	$0
Type:		Gels:		Water:	$0	$25,340	$0
Serial No:		Filtrate:		Mud/Corrosion:	$0	$204,400	$0
Jets:		Cake:		Bits/Rmrs:	$0	$216,876	$0
Depth Out:		% Solids:		Cement:	$0	$388,914	$0
Depth In:		% Oil:		Fishing:	$0	$0	$0
Footage:		% Water:		Insurance:	$0	$0	$0
Hours:		Sand:		Camp:	$1,120	$68,745	$0
FPH:		PH:		Geological/Admin:	$0	$0	$0
WOB:		Alkalinity:		Location:	$0	$142,727	$0
RPM:		CL-:		Surf damages/ROW:	$0	$0	$0
GPM:		NaCl		Trucking:	$0	$42,285	$0
Pump Pressure:		Ca++:		Land/Legal:	$0	$0	$0
Grade:		LCM:		Open hole logs:	$0	$232,096	$0

PUMP DATA			TIME DISTRIBUTION					
Pump No:	1	2	RURT/RDRT:		Mud Logs:	$0	$60,970	$0
Make:	GD	GD	Drilling Today:		Testing:	$0	$57,086	$0
Model:	PZ-8	PZ-8	Drilling Cum:	388.50	Cont. Labor:	$0	$0	$0
Liner Size:	6.5	6.5	Reaming:		Consultant:	$1,200	$84,000	$0
BPS:	3.2750	3.2750	Coring:		Welding:	$0	$382	$0
SPM:	0	0	Circulate:		Csg Crew:	$0	$26,933	$0
GPM:	398.00	398	Trip:		Misc. Cost:	$2,590	$147,512	$0
Pump Pressure:	0	0	Rig Service:		Float equip & rental:	$0	$30,286	$0
			Repair:		Phone:	$100	$7,050	$0
			Cut Line:		Contingent:	$3,403	$220,571	$0
			Survey:		Short surf csg:	$0	$84,074	$0
			Logging:		Long surf csg:	$0	$240,475	$0
			Run Csg:		Wellhead:	$0	$12,099	$0
			Cement:		Safety:	$1,948	$82,977	$0
			WOC:		Pason:	$1,949	$80,273	$0
			Nipple Up:		Forklift:	$225	$17,375	$0
			Test BOP's:		Pathfinder:	$0	$60,190	$0
			DST:		Intangibles:	$0	$2,990	$0
			Plug Back:		Total Cost:	$32,270	#########	$0
			Fishing:					
			W/O Motor:					
			H2S Drill					
			W/O orders:					

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00 Total: 0.00

GAS DATA

Depth:
Background Gas:
Conn:
Conn:
Trip:

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME		REMARKS
6:00	14:00	SWABBING 3 - 6 bbls, 3000'-1500' fluid, 1 min gas flow after swab. 469 bbls total return
14:00	15:00	Hole flowing: RU flowback hands, seperator, flowing total returns 592 bbls
15:00	15:30	Shut in well SITP 350psi, Hook-up lines to seperator and stack
15:30	6:00	Flow well, 890 bbls total return, 190 - 200 psi @ well head flowing approx 500mcfd 20 bbls per hr water

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: John Rollinson **WEATHER:** Good, Windy, 35 to 53Deg.

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	16-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KB	4794' 4810'	Days / Spud:	67	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl.-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	

Total: 0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$0	$105,230	$0
Water:	$2,000	$27,340	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,777	$70,522	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$42,285	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$232,096	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$85,200	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$150,028	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$7,150	$0
Contingent:	$3,403	$223,973	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$84,925	$0
Pason:	$1,949	$82,222	$0
Forklift:	$225	$17,600	$0
I. & I.	$20,550	$80,740	$0
Baker	$8,655	$11,645	$0
Total Cost:	$60,423	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To	
6:00	20:30	Flow well 1160 bbls return
20:30	20:45	Kill Well 40 bbls 10# brine w/inhibitor
20:45	21:00	Release packer
21:00	0:00	RU laydown machine, RU Casing Crw
0:00	0:30	Service rig
0:30	6:00	lay down tubing, fill hole, hole taking fluid

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: John Rollinson **WEATHER:** Clear 33-60Deg.

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	18-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KI	4794' 4810'	Days / Spud:	69	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:		Weight:		Rig move:	$0	$0	$0
Size:		Visc:		Daily rig cost:	$16,100	##########	$0
Mfg:		PV/YP:		Fuel:	$0	$105,230	$0
Type:		Gels:		Water:	$1,455	$28,795	$0
Serial No:		Filtrate:		Mud/Corrosion:	$0	$204,400	$0
Jets:		Cake:		Bits/Rmrs:	$0	$216,876	$0
Depth Out:		% Solids:		Cement:	$0	$388,914	$0
Depth In:		% Oil:		Fishing:	$0	$0	$0
Footage:		% Water:		Insurance:	$0	$0	$0
Hours:		Sand:		Camp:	$1,120	$71,642	$0
FPH:		PH:		Geological/Admin:	$0	$0	$0
WOB:		Alkalinity:		Location:	$0	$142,727	$0
RPM:		Cl-:		Surf damages/ROW:	$0	$0	$0
GPM:		NaCl		Trucking:	$2,640	$44,925	$0
Pump Pressure:		Ca++:		Land/Legal:	$0	$0	$0
Grade:		LCM:		Open hole logs:	$0	$232,096	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$60,970	$0
Pump No:	1 2	RURT/RDRT:		Testing:	$0	$57,086	$0
Make:	GD GD	Drilling Today:		Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	388.50	Consultant:	$1,200	$86,400	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$382	$0
BPS:	3.2750 3.2750	Coring:		Csg Crew:	$0	$26,933	$0
SPM:	0 0	Circulate:		Misc. Cost:	$2,516	$152,544	$0
GPM:	398.00 398	Trip:		Float equip & rental:	$0	$30,286	$0
Pump Pressure:	0 0	Rig Service:		Phone:	$100	$7,250	$0
SURVEY DATA		Repair:		Contingent:	$3,403	$227,376	$0
Depth	Deviation Direction	Cut Line:		Short surf csg:	$0	$84,074	$0
		Survey:		Long surf csg:	$0	$240,475	$0
		Logging:		Wellhead:	$0	$12,099	$0
		Run Csg:		Safety:	$1,948	$86,873	$0
		Cement:		Pason:	$1,949	$84,171	$0
BHA DATA		WOC:		Forklift:	$225	$17,825	$0
Amount	Object Length	Nipple Up:		Pathfinder:	$0	$80,740	$0
		Test BOP's:		Intangibles:	$0	$11,645	$0
		DST:		**Total Cost:**	$32,656	##########	$0
		Plug Back:		**GAS DATA**			
		Fishing:		Depth:			
		W/O Motor:		Background Gas:			
		H2S Drill		Conn:			
		W/O orders:		Conn:			
				Trip:			
BHA Length:	0.00	**Total:**	0.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME — **REMARKS**

6:00	15:00	TIH W/4" XT - 39 DP, 6.75" 5 blade super mill
15:00	16:00	Rig Up Swivel
16:00	16:30	Rig Service
16:30	19:30	Mill DV tool @ 3180
10:00	6:00	TIH PU Drill Pipe, 4" XT - 39 DP w/ 6.75" 5 blade super mill

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: John Rollinson **WEATHER:** Clear/ 65-36Deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	19-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	70	State:	Utah	FPII:	0.00
API #	4303731852			AFE#	0 6044	OART:	TOOH

BIT DATA		MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:		Weight:		Rig move:	$0	$0	$0
Size:		Visc:		Daily rig cost:	$16,100	##########	$0
Mfg:		PV/YP:		Fuel:	$0	$105,230	$0
Type:		Gels:		Water:	$0	$28,795	$0
Serial No:		Filtrate:		Mud/Corrosion:	$0	$204,400	$0
Jets:		Cake:		Bits/Rmrs:	$0	$216,876	$0
Depth Out:		% Solids:		Cement:	$0	$388,914	$0
Depth In:		% Oil:		Fishing:	$0	$0	$0
Footage:		% Water:		Insurance:	$0	$0	$0
Hours:		Sand:		Camp:	$1,120	$72,762	$0
FPH:		PH:		Geological/Admin:	$0	$0	$0
WOB:		Alkalinity:		Location:	$0	$142,727	$0
RPM:		CL-:		Surf damages/ROW:	$0	$0	$0
GPM:		NaCl		Trucking:	$726	$45,651	$0
Pump Pressure:		Ca++:		Land/Legal:	$0	$0	$0
Grade:		LCM:		Open hole logs:	$6,180	$238,276	$0
PUMP DATA		**TIME DISTRIBUTION**		Mud Logs:	$0	$60,970	$0
Pump No:	1 2	RURT/RDRT:		Testing:	$0	$57,086	$0
Make:	GD GD	Drilling Today:		Cont. Labor:	$0	$0	$0
Model:	PZ-8 PZ-8	Drilling Cum:	388.50	Consultant:	$1,200	$87,600	$0
Liner Size:	6.5 6.5	Reaming:		Welding:	$0	$382	$0
BPS:	3.2750 3.2750	Coring:		Csg Crew:	$0	$26,933	$0
SPM:	0 0	Circulate:		Misc. Cost:	$2,516	$155,060	$0
GPM:	398.00 398	Trip:		Float equip & rental:	$0	$30,286	$0
Pump Pressure:	0 0	Rig Service:		Phone:	$100	$7,350	$0
SURVEY DATA		Repair:		Contingent:	$3,403	$230,779	$0
Depth Deviation	Direction	Cut Line:		Short surf csg:	$0	$84,074	$0
		Survey:		Long surf csg:	$0	$240,475	$0
		Logging:		Wellhead:	$0	$12,099	$0
		Run Csg:		Safety:	$1,948	$88,821	$0
		Cement:		Pason:	$1,949	$86,120	$0
BHA DATA		WOC:		Forklift:	$225	$18,050	$0
Amount Object	Length	Nipple Up:		Pathfinder:	$0	$80,740	$0
		Test BOP's:		Intangibles:	$0	$11,645	$0
		DST:		**Total Cost:**	$35,467	##########	$0
		Plug Back:		**GAS DATA**			
		Fishing:		Depth:			
		W/O Motor:		Background Gas:			
		H2S Drill		Conn:			
		W/O orders:		Conn:			
				Trip:			
BHA Length:	0.00	**Total:**	0.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME		REMARKS
6:00	8:00	RU swivel, tag @ 5841', start of 33.7 casing.
8:00	8:30	Circulate
8:30	9:00	RD swivel
9:00	14:00	TOOH
14:00	16:00	RU wireline
16:00	16:30	Service rig
16:30	19:00	RIH w/ GR JB to 7200'. Set TIW packer @ 7160"
19:00	3:30	TIH W/ mule shoe and UBHO sub.
3:30	4:00	RU run Gyro, tag @ 160'. Could not work past. Suspect plastic knock-outs from Pin protectors.
4:00	4:30	RD wireline
4:30	6:00	Pooh to remove obstruction in DP and Change out shear pins in TIW collet

RECEIVED
DEC 1 2 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:**

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	20-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	71	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	POOH

BIT DATA	
Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA		
Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA	
Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
Cl-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	

Total: 0.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$0	$105,230	$0
Water:	$225	$29,020	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$73,882	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$45,651	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$0	$0
Consultant:	$1,200	$88,800	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$157,576	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$7,450	$0
Contingent:	$3,403	$234,181	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$90,769	$0
Pason:	$1,949	$88,069	$0
Forklift:	$225	$18,275	$0
Pathfinder:	$0	$80,740	$0
Intangibles:	$0	$11,645	$0
Total Cost:	$28,786	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

		REMARKS
6:00	8:00	POOH
8:00	8:30	Rig Service
8:30	11:00	POOH
11:00	14:00	slip and cut drilling line 100'
14:00	16:00	TIH W/ UBHO, & orientation tool
16:00	16:30	Rig Service
16:30	0:00	TIH W/ UBHO, & orientation tool
0:00	0:30	Rig Service
0:30	2:30	Run Wireline Gyro, Pkr Orientated to 279.5 deg. Gyro Survey OOH.
2:30	3:00	RD wire line
3:00	6:00	POOH

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:
40% shale, 20% sandstone, 40% salt, tr % Anhydrite

DRILLING SUPERVISOR: John Rollinson **WEATHER:** clear 38-66deg

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	21-Nov-06	Contractor:	Patterson 741	Depth:	7138
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KI	4794' 4810'	Days / Spud:	72	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	
Size:	
Mfg:	
Type:	
Serial No:	
Jets:	
Depth Out:	
Depth In:	
Footage:	
Hours:	
FPH:	
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length

BHA Length: 0.00

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$4,357	$109,587	$0
Water:	$225	$29,245	$0
Mud/Corrosion:	$0	$204,400	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$75,002	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$45,651	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$52,405	$52,405	$0
Consultant:	$1,200	$90,000	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$26,933	$0
Misc. Cost:	$2,516	$160,092	$0
Float equip & rental:	$0	$30,286	$0
Phone:	$100	$7,550	$0
Contingent:	$3,403	$237,584	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$1,948	$92,717	$0
Pason:	$1,949	$90,018	$0
Forklift:	$225	$18,500	$0
Pathfinder:	$0	$80,740	$0
Intangibles:	$0	$11,645	$0
Total Cost:	$85,548	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To	
6:00	7:00	TOH, laydown 2 jts
7:00	8:00	pick up whip stock
8:00	8:30	Rig Service
8:30	11:00	W/O crossover sub
11:00	11:30	Make up whip stock
11:30	16:00	p/u swivel, TRIPS
16:00	16:30	Rig service
16:30	23:30	Rig Up swivel & cut window
23:30	0:00	Condition Drilling fluid
0:00	0:30	Rig Service
0:30	1:00	Condition hole set back swivel
1:00	4:00	TOH
4:00	6:00	MU BHA prepare to drill lateral

RECEIVED
DEC 12 2006
DIV. OF OIL, GAS & MINING

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHOLOGY:

DRILLING SUPERVISOR: John Rollinson **WEATHER:** Clear 68/38deg.

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Monthly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for 11-22 through 12-31-06 are enclosed.

NAME (PLEASE PRINT) Dwight Mallory TITLE Environmental, Health & Safety Coordinator

SIGNATURE _____ DATE 1/17/07

(This space for State use only)

RECEIVED
JAN 29 2007
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/21/2006
Report #: 105
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
61,145.31	4,241,414.79
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
cold	27.0	Good

Operations at Report Time	Operations Next Report Period
Drilling ahead @ 8730'	DRLG

Operations Summary
Trip out to change MWD toots, work backinto side trac drlg.

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
NaCl	23:30	8,689.0	8.70	30		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
				0	11.0	0.6
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**
		99.4		2,800.000		

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,247.50	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	5,041.45	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	5,509.36	Fraley & Company,INC	Fuel
Drill Bits	8180....	4,500.00	Hunting	Mud Motor

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG/ WORK PIPE RAMS / REVIEWED JSA#22

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:30	06:30	6.00	6.50	TRIPS				TRIP OUT HOLE / MADE SURE DERRICKHAND WAS 100% TIED OFF / JSA #24
06:30	08:00	1.50	8.00	DIR. WORK				DIR. WORK XO BIT
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG JSA 22 OBSERVERED DERRICK HAND 100% TIE OFF
08:30	14:00	5.50	14.00	TRIPS				TRIPS IN HOLE JSA# 25
14:00	14:30	0.50	14.50					SWIVEL UP X-O RUBBERS
14:30	16:00	1.50	16.00	DIR. WORK				DIR. WORK SURVEY GET TOOL FACE
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG T.E.S.T C.O.M REVIEW J.S.A.22
16:30	18:00	1.50	18.00	DRILL ACTUAL				DRILL & SLIDE DIR TOOL IN WINDOW
18:00	19:00	1.00	19.00	TRIPS				TRIP IN HOLE IN HOLE TO / BOTTOM DERRICK HAND 100% TIE OFF JSA#25
19:00	00:00	5.00	24.00	DRILL ACTUAL				DRILL & SLID FROM 8688 TO- 8704'

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/22/2006
Report #: 106
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
53,515.01	4,294,929.80
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)

WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq

Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)

Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	27.0	Good

Operations at Report Time	Operations Next Report Period
Drlg ahead @ 8893'	Drlg

Operations Summary: Drlg and rig service

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
NaCl	23:00		8.60	30	1.0	

Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100...	Gel (30m) (lbf/100...	Filtrate (mL/30min)	Filter Cake (/32")	pH	Solids (%)
					11.0	0.1

MBT (lb/bbl)	Percent Oil (%)	Percent Water (%)	Chlorides (mg/L)	Calcium (mg/L)	Potassium (mg/L)	Electric Stab (V)
		99.6		2,700.000		

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,230.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	6,838.01	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Transportation and Trucking	8180....	330.00	Lansing	Trash Baskets
Transportation and Trucking	8180....	270.00	Double S Hot Shot	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG / WORK PIPE RAMS / JSA #22
00:30	01:00	0.50	1.00	DRILL ACTUAL				DRILL ACTUAL / SLIDING FROM 8703 TO 8707
01:00	05:00	4.00	5.00	DRILL ACTUAL				DRILL ACTUAL / ROTATING FROM 8707 TO 2728
05:00	06:00	1.00	6.00	DRILL ACTUAL				DRILL ACTUAL / SLIDING FROM 2728 TO 8730
06:00	08:00	2.00	8.00	DRILL ACTUAL				DRILL ACTUAL / FROM 8370 TO 8740
08:00	11:00	3.00	11.00	DRILL ACTUAL				DRILL ACTUAL F-8740-8751
11:00	11:30	0.50	11.50	LUBRICATE RIG				LUBRICATE RIG JSA #22
11:30	16:00	4.50	16.00	DRILL ACTUAL				DRILL ACTUAL F-8751-8783
16:00	16:30	0.50	16.50	LUBRICATE RIG				RigserviceJSA#22,16-Change Oil,Air,Fuel FiltersUsed LOCKOUT-TAGOUT
16:30	17:30	1.00	17.50	DRILL ACTUAL				DRILL ACTUAL & SLID FROM 8783 TO- 8795
17:30	20:00	2.50	20.00	DRILL ACTUAL				DRILL ACTUAL R.O.T. FROM 8795 TO- 8814
20:00	00:00	4.00	24.00	DRILL ACTUAL				DRILL ACTUAL & SLID FROM 8814 TO_- 8834

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/23/2006
Report #: 107
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
53,649.37	4,348,579.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	27.0	OK

Operations at Report Time	Operations Next Report Period
Laying down fish	Run string mill

Operations Summary

Dlrlg, rig service TOOH, Pick up fishing tools, Latch on to fish, Time log comments:
UP WT. 120000, SLAC. OFF WT. 105000, RT. WT. 112000
FUEL 2645

Remarks

Fish @ 7559' Drill pipe tube

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	04:00		8.70	29		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					10.5	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,230.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	4,835.37	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Labor - Contract	8180....	550.00	Pason	Service call
Transportation and Trucking	8180....	462.00	Dash	String Mill

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	110

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG JSA #22
00:30	08:00	7.50	8.00	DRILL ACTUAL				DRILL ACTUAL FROM 8836 TO 8915 went over JSA # 125,#7,#42
08:00	12:00	4.00	12.00	DRILL ACTUAL				DRILL ACTUAL-8915-8937 rot and sliding
12:00	12:30	0.50	12.50	LUBRICATE RIG				LUBRICATE RIG jsa#22 set and test com
12:30	16:00	3.50	16.00	TRIPS				trip out of hole lost 300 psi jsa#24 100% tie off LOST @7588
16:00	16:30	0.50	16.50	LUBRICATE RIG				Rig service-Set and Test C.O.M FOR T.I.H Review J.S.A #16 ,22
16:30	22:30	6.00	22.50	TRIPS				TRIPS P/U , M/U TOOLS TIH- Observed Derrick Hand 100% tie off
22:30	23:00	0.50	23.00	FISHING				FISHING picking up swivel to wash o/pipe j.s.a.#129
23:00	00:00	1.00	24.00	TRIPS				TRIP out of hole with fish derrick hand 100% tie off j.s.a 25

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/24/2006
Report #: 108
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
48,602.00	4,397,181.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq
Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	28.0	OK

Operations at Report Time	Operations Next Report Period
Picking up mud motor and mwd tools looking	Trip in hole and drlg

Operations Summary
Trip in w/ string mill and lay down 73 jts

Remarks
Running string mill 5 jts up from mwd tools

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,345.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	685.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG JSA # 22 AND,#42

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:30	05:30	5.00	5.50	TRIPS				TRIPS OUT OF HOLE DERRICK MAN 100 % TIED OFF,JSA#62,#37 ALSO JSA ON ROTATING HEAD #19
05:30	06:30	1.00	6.50	TRIPS				TRIPS LAY DOWN BREAK DOWN FISH
06:30	08:00	1.50	8.00	DIR. WORK				DIR. WORK LAY DOWN MWD TOOLS FUEL 2010
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG#22&#42
08:30	15:00	6.50	15.00	TRIPS				TRIPSIN HOLE P/U BENT JT 2 STANDS & MILLTRY TRY GO THROUGH SIDE TRACK
15:00	16:00	1.00	16.00	TRIPS				TRIPSPOOH
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG JSAS# 22 TEST AND SET COM FOR BOARD (BOP DRILL) 1MIN 36 SEC
16:30	20:30	4.00	20.50	TRIPS				POOH JSA# 24 DERRICK HAND USED 100% TIE OFF
20:30	22:30	2.00	22.50	TRIPS				TRIP IN H/ WITH 34 STANDS DERRICK 100% TIE OFF
22:30	00:00	1.50	24.00	TRIPS				LAY DOWN 73 JTS JHA#143

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/25/2006
Report #: 109
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
48,602.00	4,445,783.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	29.0	OK

Operations at Report Time	Operations Next Report Period
Lay down drill pipe one stand at time	rig down drk

Operations Summary
TIH, Crown out rig, Lay down drill pipe

Remarks
Going to lay drk down and instect

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,345.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	685.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG JSA # 22, # 42,#116
00:30	03:30	3.00	3.50	TRIPS				TRIPS LAY DO2WN 73 JTS D.P.

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 29 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
03:30	08:00	4.50	8.00	TRIPS				TRIPS PICK UP DRILL PIPE JSA#147
08:00	08:30	0.50	8.50	TRIPS				RIG SERVICE / WORK PIPE RAMS / ADJUST CROWN -O- MATIC JSA #22
08:30	16:00	7.50	16.00	TRIPS				TRIP IN HOLE / REVIEWED JSA #25 / DERRICKHAND 100% TIED OFF
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG TEST COM JSA#22
16:30	17:00	0.50	17.00	TRIPS				TRIP IN/HOLE DERRICK 100% TIED OFF hit crown pulled 196k
17:00	20:00	3.00	20.00	REPAIR RIG				shut in well and ready pipe racks to lay down pipe
20:00	00:00	4.00	24.00	REPAIR RIG				BREAK STANDS IN MOUSE HOLE AND LAY DOWN PIPE

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
17:00	Recordable	Near Miss	Other	Equipment	No	
23:50				Human	No	Medical Treatment

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/26/2006
Report #: 110
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
48,602.00	4,494,385.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition

Operations at Report Time	Operations Next Report Period
W/O In specters for crown	Rig up

Operations Summary
Lay down drill pipe and rig down drk

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,345.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	685.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG JSA #22, #42
00:30	08:00	7.50	8.00					BREAK DOWN STANDS IN DERRICK

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG WORK PIPE RAMS JSA#22
08:30	12:00	3.50	12.00	REPAIR RIG				GET DERRICK READY TO LOWER
12:00	16:00	4.00	16.00	REPAIR RIG				REPAIR RIG INSPECT CROWN HELP WELDERS JSA 27, 36
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG work pipe rams JSA 22
16:30	00:00	7.50	24.00	REPAIR RIG				REPAIR RIG HELP WELDERS JSA #27, 36 105

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/27/2006
Report #: 111
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
13,024.00	4,507,409.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition

Operations at Report Time	Operations Next Report Period
Rig Repair	Rig up

Operations Summary
Rig Repair

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	0.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	0.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	0.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	0.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	6,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	0.00	MI-SWACO	
Mud Log and Geological	8180....	510.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00	REPAIR RIG				REPAIR RIG REVIEWED JSA #S-105,4,115,& 59 REVIEWED JSA #65,93 ON CROWN MAINTENANCE

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 29 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG/ REVIEW JSA #22 #112
08:30	16:00	7.50	16.00	REPAIR RIG				REPAIR RIG / WIELDING ON RIG / REVIEW JSA # 27
16:00	00:00	8.00	24.00	REPAIR RIG				REPAIR RIG/WELDING ON RIG

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/28/2006
Report #: 112
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
15,072.00	4,522,481.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition

Operations at Report Time	Operations Next Report Period
Rig Repair	

Operations Summary
Rig Repair

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	0.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	0.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	0.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	6,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	385.00	MI-SWACO	
Mud Log and Geological	8180....	510.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00	REPAIR RIG				REPAIR RIG REVIEWED JSA #105,93 on crown ,and#16 on oil changes FUEL IS

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
08:00	16:00	8.00	16.00	REPAIR RIG				REPAIR RIG / REVIEW JSA # 105 , # 93 ON CROWN AND # 16 ON OIL CHANGE
16:00	00:00	8.00	24.00	REPAIR RIG				REPAIR RIG JSA #27 #36

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/29/2006
Report #: 113
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
15,032.00	4,537,513.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition

Operations at Report Time	Operations Next Report Period
Rig Repair	

Operations Summary
Rig Repair

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	0.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	0.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	0.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	6,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	345.00	MI-SWACO	
Mud Log and Geological	8180....	510.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00	REPAIR RIG				REPAIR RIG WORKING ON CROWN JSA # 93,#4,#42,AND #47
08:00	16:00	8.00	16.00	REPAIR RIG				REPAIR RIG / REVIEW JSA #22 , WELDING ON RIG / JSA #27

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
16:00	00:00	8.00	24.00	REPAIR RIG				REPAIR RIG

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/30/2006
Report #: 114
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
48,602.00	4,586,115.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	29.0	

Operations at Report Time	Operations Next Report Period
Picking Up Drill pipe	DRLG

Operations Summary: Rig repair & P/U DP

Remarks: String mill 5 Jts up Form BHA

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,345.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	9,200.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	685.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00	REPAIR RIG				REPAIR RIG PUTTING IN CROWN.
08:00	16:00	8.00	16.00	REPAIR RIG				REPAIR RIG / RIG UP REVIEW JSA # 73 # 48

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
16:00	22:30	6.50	22.50	REPAIR RIG				REPAIR RIG CUT DRLG LINE 50 FOOT JSA#2
22:30	00:00	1.50	24.00	TRIPS				TRIPSP/U DRILL PIPE #157 120JT TOP OF SIDE TRACK

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 12/31/2006
Report #: 115
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
49,487.00	4,635,602.17
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)

WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq

Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)

Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	31.0	OK

Operations at Report Time	Operations Next Report Period
Drlg ahead	Drlg

Operations Summary
Pick up pipe, Ream . Drlg

Remarks
Running string mill

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	00:11		8.60	29		

Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100...	Gel (30m) (lbf/100...	Filtrate (mL/30min)	Filter Cake (/32")	pH	Solids (%)
					11.5	

MBT (lb/bbl)	Percent Oil (%)	Percent Water (%)	Chlorides (mg/L)	Calcium (mg/L)	Potassium (mg/L)	Electric Stab (V)

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,280.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	685.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG J.S.A #22
00:30	06:30	6.00	6.50	TRIPS				TRIP/P/UP PIPE JSA#157 120JT TOP OF SIDE TRACK

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
06:30	08:00	1.50	8.00	DRILL ACTUAL				DRILL P/U POWER SWIVEL J.S.A # 129 TO SET D/TOOL FACE
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG / SET CROWN O MATIC / WORK PIPE RAMS / JSA # 22
08:30	09:30	1.00	9.50	DIR. WORK				ORT AND WORK INTO SIDE TRAC @ 7657
09:30	16:00	6.50	16.00	REAMING				REAMING FROM 7667 TO 7696
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG CHECK CROWN O MATIC
16:30	22:30	6.00	22.50	REAMING				REAMING F- 7696-8930
22:30	00:00	1.50	24.00	DRILL ACTUAL				DRILL ACTUAL F-8930-8936

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	22-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	73	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	1	
Size:	6.5	
Mfg:	Smith	
Type:	XR30TY	
Serial No:	MW7907	
Jets:	open	
Depth Out:		
Depth In:	7138	
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

	1	2
Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:	0.0588	0.0588
SPM:	120	120
GPM:	296.00	296
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	8.9
Visc:	29
PV/YP:	1/
Gels:	
Filtrate:	
Cake:	
% Solids:	0.1
% Oil:	
% Water:	99.9
Sand:	
PH:	11
Alkalinity:	
CL-:	60000
NaCl	
Ca++:	500
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$109,587	$0
Water:	$660	$29,545	$0
Mud/Corrosion:	$8,057	$209,534	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$75,622	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$989	$45,729	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$90,300	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,416	$162,152	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$7,600	$0
Contingent:	$3,403	$241,590	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,540	$98,569	$0
Pason:	$1,949	$93,466	$0
Forklift:	$225	$18,525	$0
Pathfinder:	$54,800	$135,540	$0
Intangibles:	$0	$18,957	$0
Total Cost:	$93,559	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	PU MU BHA, 6.5" RX30 bit, Nationall 7/8, 2.2 mud motor, Float sub, MuleShoe sub, Slick Non-Meg DC, Flex Non-Meg DC, Mule-Shoe sub, Crossover sub.
8:00	8:30	Service rig
8:30	10:00	PU Power Swivel, Mud motor, test fire motor
10:00	11:00	Make BHA Orientation
11:00	15:00	TIH With 6.5" bit, BHA, 4" XT-39 DP
15:00	16:00	Build Vol in Pit.
16:00	16:30	Service Rig
16:30	17:00	Condition Drilling fluid
17:00	21:00	WireLine Log, 0 to 7028', Rate Gyroscopic multishot survey, run inside 4" DP servey result sent via e-mail
21:00	22:30	Repair Rig work on pumps, change out liners swabs pump# 1, & #2
22:30	23:00	**Orientate tools**
23:00	0:00	**Dir Work**
0:00	0:30	**Rig Service**
0:30	6:00	**Work on Pack off for wireline, leaking**
		Brine tank 11'
		Fresh H2O: 6' / 15' / 18' total 780 bbls fresh water
		3860 Desel
		Pathfinder brake down: Horiz. Package W/Gamma Drilling Service $8900 day x1, standby $5000 x4 days,
		Transportation 7000mi @ $2.75 = $19,250, Per Diem (per supervisor) 20 x $75 = $1500 cover 5 days
		PDM redress, $1200, Battery Disp. $750, Inspection $1800,, non meg insp $1800

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: John Rollinson **WEATHER:** Clear 68/40 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	23-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	74	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	1
Size:	6.5
Mfg:	Smith
Type:	XR30TY
Serial No:	MW7907
Jets:	open
Depth Out:	7138
Depth In:	7138
Footage:	0.00
Hours:	0.00
FPH:	0.00
WOB:	10,000
RPM:	30
GPM:	150.00
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$2,634	$112,221	$0
Water:	$1,000	$30,545	$0
Mud/Corrosion:	$747	$210,281	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$76,742	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$467	$46,196	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$91,500	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$164,668	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$7,700	$0
Contingent:	$3,403	$244,993	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$100,849	$0
Pason:	$1,949	$95,415	$0
Forklift:	$225	$18,750	$0
Pathfinder:	$5,000	$140,540	$0
Intangibles:	$2,829	$21,786	$0
Total Cost:	$41,570	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:00	WO stripping rubber/ condition drilling fluid,
11:00	11:30	Stab Rubber
11:30	14:30	DIR. WORK, (TIH TO DRILL, UNABLE TO GET BIT THROUGH WINDOW, TOH CHANGE OUT BHA, RU MILL TIH
14:30	15:30	WIRELINE LOGS, PULL GYRO, RD LOGGERS
15:30	16:00	RU AND TEAR DOWN
16:00	16:30	RIG SERVICE- TEST CROWN O MATIC
16:30	22:00	TOH
22:00	0:00	BRAKE DOWN BHA, MOTOR
0:00	0:30	RIG SERVICE- TEST CROWN O MATIC
0:30	6:00	MU MILL. TIH W/ MILL

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: JOHN ROLLINSON **WEATHER:** CLEAR 70/41deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	24-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	75	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		
Size:		
Mfg:		
Type:		
Serial No:		
Jets:		
Depth Out:		
Depth In:		
Footage:		
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:	0.0000	0.0000
SPM:	0	0
GPM:	0.00	0
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$112,221	$0
Water:	$0	$30,545	$0
Mud/Corrosion:	$974	$211,255	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$77,862	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$46,196	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$0	$60,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$92,700	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$167,184	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$7,800	$0
Contingent:	$3,403	$248,396	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,250	$103,099	$0
Pason:	$1,949	$97,364	$0
Forklift:	$225	$18,975	$0
Pathfinder:	$9,200	$149,740	$0
Intangibles:	$13,372	$35,158	$0
Total Cost:	$52,409	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	TIH W/ Bi-Mill 6.86', x-over 1.76', DP 7137'
8:00	11:00	Mill & ream: Mill 4' of new hold, TD @ 7141
11:00	12:30	Condition and circulate bottom up
12:30	16:00	TOH
16:00	18:00	RU magnet,
18:00	18:30	Rig Service
18:30	19:00	Thanksgiving Brake
19:00	20:00	Work on draw works
20:00	1:00	TIH W/ Magnet 1.94', Sub 2.62
1:00	1:30	Rig Service
1:30	6:00	Repair Rig

Intangible Smith tool Re Mill 6.5' window. Drilled 4" new hole

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: John Rollinson **WEATHER:** Clear 68/40deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	25-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	76	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	2	3
Size:	6.5	6.5
Mfg:	Smith	SMITH
Type:	MILL	XR30T
Serial No:	91310	PC2460
Jets:		OPEN
Depth Out:	7138	7141
Depth In:	7141	
Footage:	3.00	
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$112,221	$0
Water:	$0	$30,545	$0
Mud/Corrosion:	$685	$211,940	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$78,982	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$46,196	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$1,000	$61,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$93,900	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$169,700	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$7,900	$0
Contingent:	$3,403	$251,798	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,090	$105,189	$0
Pason:	$1,949	$99,313	$0
Forklift:	$225	$19,200	$0
Pathfinder:	$9,200	$158,940	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$39,588	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	10:00	Repair Rig,
10:00	11:30	Finish TIH W/ MAGNET
11:30	12:00	RUN MAGNET TO 7141. REAM MAGNET THROUGH WINDOW SEVERAL TIMES
12:00	16:00	POH , MAGNET HAD (2.5- 3) CUBIC in. METAL SHAVINGS, SAMPLE SAVED
16:00	16:30	RIG SERVICE- TEST CROWN-O-MATIC
16:30	17:00	RD MILL
17:00	21:30	RU BHA MOTOR & CALABRATE TOOLS & TEST, BHA 6.5 TRI CONE BIT, MOTOR, FLOAT SUB,
21:30	0:00	RIG SERVICE LUBRICATE RIG
0:00	3:00	TIH
3:00	6:00	DIRECTIONAL WORK, PU SWIVEL, RUN WIRELINE W/ GYRO

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: JOHN ROLLINSON **WEATHER:** CLEAR 68/41DEG

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	26-Nov-06	Contractor:	Patterson 741	Depth:	
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KB	4794' 4810'	Days / Spud:	77	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	2	3
Size:	6.5	6.5
Mfg:	Smith	SMITH
Type:	MILL	XR30T
Serial No:	91310	PC2460
Jets:		OPEN
Depth Out:	7138	7141
Depth In:	7141	
Footage:	3.00	
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$112,221	$0
Water:	$360	$30,905	$0
Mud/Corrosion:	$685	$212,625	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$80,102	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$446	$46,642	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$1,000	$62,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$95,100	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$172,216	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,000	$0
Contingent:	$3,403	$255,201	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,410	$107,599	$0
Pason:	$1,949	$101,262	$0
Forklift:	$225	$19,425	$0
Pathfinder:	$9,200	$168,140	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$40,714	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	6:15	Pick up swivel & 1 jt. Run in gyro & get seats
6:30	13:00	Time drill @ 163 GyroTF 1in./5min, F7141 T7147
13:00	22:15	POOH (cannot hold tool face, TOH to run mill)
22:15	1:00	Laydown dir. Tools
1:00	6:00	TIH W/ 6.25 Mill,

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: JOHN ROLLINSON **WEATHER:** CLEAR 64/36DEG

RECEIVED
JAN 29 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	27-Nov-06	Contractor:	Patterson 741	Depth:	7149
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	78	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	2	3
Size:	6.5	6.5
Mfg:	Smith	SMITH
Type:	MILL	XR30T
Serial No:	91310	PC2460
Jets:		OPEN
Depth Out:	7138	7141
Depth In:	7141	
Footage:	3.00	
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$112,221	$0
Water:	$375	$31,280	$0
Mud/Corrosion:	$8,530	$221,155	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$81,222	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$46,642	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$1,000	$63,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$96,300	$0
Welding:	$0	$382	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$174,732	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,100	$0
Contingent:	$3,403	$258,604	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,090	$109,689	$0
Pason:	$2,410	$103,672	$0
Forklift:	$225	$19,650	$0
Pathfinder:	$9,200	$177,340	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$48,269	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	TIH W/ 6.25 Mill
8:00	8:30	SERVICE RIG
8:30	9:30	TIH W/ 6.25 Mill, TAG CASING WINDOW @ 7138, TAG @ 7140 MILL, TAG @ 7144 MILL
9:30	10:30	BUILD FLUID IN PIT, CONDITION AND CIRCULATE
10:30	13:00	REAM HOLE TO 7149, NEW HOLE 2', RETURNS SHOW FINE METAL SHAVINGS, LARGE AMOUNT, PUT \ MAGNET IN FLOW, SAMPLE TAKEN
13:00	14:30	CIRCULATE AND CLEAN HOLE BOTTOM UP 1HR 15 MIN, CIRCULATE THREE SEWWPS
14:30	16:00	TOH
16:00	16:30	RIG SERVICE TEST CROWN-O-MATIC
16:30	20:00	TOH LD BHA,
20:00	22:00	PU DRILLING BHA, MU MOTMOTOR @ CALIBRATE TOOLS
22:00	0:00	**RIG UP SWIVEL @ TEST**
0:00	0:30	**SERVICE RIG**
0:30	6:00	**TIH W/DRILLING BHA, 6.5 TRI-CONE BIT, MTR,**

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: JOHN ROLLINSON **WEATHER:** OVERCAST 63/36DEG

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	28-Nov-06	Contractor:	Patterson 741	Depth:	7160
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	#VALUE!
Elevation: GL/KE	4794' 4810'	Days / Spud:	79	State:	Utah	FPH:	#VALUE!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	2	3
Size:	6.5	6.5
Mfg:	Smith	SMITH
Type:	MILL	XR30T
Serial No:	91310	PC2460
Jets:		OPEN
Depth Out:	7138	
Depth In:	7141	7141
Footage:	3.00	
Hours:		
FPH:		
WOB:		
RPM:		
GPM:		
Pump Pressure:		
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	6.5	6.5
BPS:	3.2750	3.2750
SPM:	0	0
GPM:	398.00	398
Pump Pressure:	0	0

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	
Visc:	
PV/YP:	
Gels:	
Filtrate:	
Cake:	
% Solids:	
% Oil:	
% Water:	
Sand:	
PH:	
Alkalinity:	
CL-:	
NaCl	
Ca++:	
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	388.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
W/O orders:	
Total:	0.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$5,001	$117,222	$0
Water:	$900	$32,180	$0
Mud/Corrosion:	$4,309	$225,464	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Insurance:	$0	$0	$0
Camp:	$1,120	$82,342	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$480	$47,122	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$238,276	$0
Mud Logs:	$1,000	$64,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$97,500	$0
Weatherford	$4,236	$4,618	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$177,248	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,200	$0
Contingent:	$3,403	$262,006	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety	$2,090	$111,779	$0
Pason:	$2,410	$106,082	$0
Forklift:	$225	$19,875	$0
Pathfinder:	$9,200	$186,540	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$54,290	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	7:00	TIH W/6.5 BIT, MTR
7:00	10:00	PU SWIVEL, RUN IN GYRO & GET SEATS
10:00	13:45	DRLG & REAM HOLE F7145- T7148, TIME DRLL 1in/ 5 min @ 163 GYFT
13:45	14:00	REINITIALIZE GYRO, 1 DEG DRIFT
14:00	16:00	DRLG SLIDE, F7148 - T7150 TIME DRILL 1in/ 5MIN @ 163 GYFT
16:00	16:15	REINITIALIZE GYRO, 1 DEG DRIFT
16:15	4:30	DRLG SLLIDE F7150 - T7162, TIME DRILL 1 in/5min @ 163 GYTF
4:30	6:00	MAKE CONNECTION, PULL & RUN WIRELINE GYRO

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: JOHN ROLLINSON **WEATHER:** OVERCAST 63/36DEG

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	29-Nov-06	Contractor:	Patterson 741	Depth:	7160
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	80	State:	Utah	FPH:	0.00
API #	4303731852			AFE#	0 6044	OART:	

BIT DATA

Bit No:	3
Size:	6.5
Mfg:	SMITH
Type:	XR30T
Serial No:	PC2460
Jets:	OPEN
Depth Out:	7258
Depth In:	7141
Footage:	117.00
Hours:	34.00
FPH:	3.44
WOB:	14-16K
RPM:	Sliding
GPM:	
Pump Pressure:	1400
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		120
GPM:		
Pump Pressure:		1400

SURVEY DATA

Depth	Deviation	Direction
7061'	.70 deg	
7102'	.76 deg	
7182'	11.96 deg	

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	8.8
Visc:	30
PV/YP:	1\0
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.1
% Oil:	
% Water:	99.1
Sand:	trc
PH:	11.5
Alkalinity:	.2\.4
CL-:	50000
NaCl	
Ca++:	1200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.00
Drilling Cum:	409.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	0.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	2.50
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$117,222	$0
Water:	$240	$32,420	$0
Mud/Corrosion:	$4,735	$230,199	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$46,160	$46,160	$0
Camp:	$1,120	$83,462	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$47,122	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$20,291	$258,567	$0
Mud Logs:	$1,000	$65,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$98,700	$0
Weatherford	$4,236	$8,854	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$179,764	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,300	$0
Contingent:	$3,403	$265,409	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,510	$114,289	$0
Pason:	$2,410	$108,492	$0
Forklift:	$225	$20,100	$0
Pathfinder:	$9,200	$195,740	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$115,446	#########	$0

GAS DATA

Depth:	7251'
Background Gas:	17 units
Conn:	17 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	6:30	Make conn w/ wire line
6:30	9:00	Time drill 2" per 5 min
9:00	18:00	Drill f/ 7166 t/ 7194 w/ 8-10 k on bit sliding
18:00	20:00	Survey w Pathfinder and rig down Gyro/data
20:00	0:00	Drill f/ 7194 t/ 7222 w/ 12-14 k on bit sliding
0:00	0:30	Rig service
0:30	6:00	Drill f/ 7222 t/ 7258 w/ 12-14 k on bit sliding

REMARKS

Top of window @ 7128'
Bot of window @ 7137'
(mill to 7141'

Packer top @ 7160' key way @ 279 az

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
40% Limestone, 60% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 28 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	30-Nov-06	Contractor:	Patterson 741	Depth:	7257
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	97
Elevation: GL/KE	4794' 4810'	Days / Spud:	81	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	

BIT DATA

Bit No:	3	4
Size:	6.5	6.5"
Mfg:	SMITH	Smith
Type:	XR30T	XR30T
Serial No:	PC2460	PD 5181
Jets:	OPEN	open
Depth Out:	7258	
Depth In:	7141	7257
Footage:	117.00	
Hours:	34.00	
FPH:	3.44	
WOB:	14-16K	
RPM:	Sliding	
GPM:		
Pump Pressure:	1400	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		120
GPM:		
Pump Pressure:		1400

SURVEY DATA

Depth	Deviation	Direction
7061'	.70 deg	
7102'	.76 deg	
7182'	11.96 deg	

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	16.33
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	Mule shoe	2.57
1	x-over	3.00
	BHA Length:	88.34

MUD DATA

Weight:	8.7
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.1
% Oil:	
% Water:	99.9
Sand:	trc
PH:	11
Alkalinity:	
CL-:	38000
NaCl	
Ca++:	1800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	409.50
Reaming:	
Coring:	
Circulate:	2.50
Trip:	20.00
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$117,222	$0
Water:	$180	$32,600	$0
Mud/Corrosion:	$2,866	$233,066	$0
Bits/Rmrs:	$0	$216,876	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$84,582	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$47,122	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$66,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$99,900	$0
Weatherford	$4,236	$13,090	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$182,280	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,400	$0
Contingent:	$3,403	$268,812	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,510	$116,799	$0
Pason:	$2,410	$110,902	$0
Forklift:	$225	$20,325	$0
Pathfinder:	$9,200	$204,940	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$47,066	#########	$0

GAS DATA

Depth:	7251'		
Background Gas:	17 units		
Conn:	17 units		
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME — REMARKS

6:00	8:00	Work tight hole and survey
8:00	8:30	Rig service
8:30	16:00	Trip out of hole to set motor setting to lower setting getting 33 deg on motor
16:00	16:30	Rig service
16:30	17:30	Trip out of hole lay down motor
17:30	0:00	Pick up new motor and set @ 2.83 deg, Ort tools and TIH w/ bit # 4 — Drain up hoses and break kelly hose off
0:00	0:30	Rig service
0:30	3:00	TIH with bit # 4
3:00	5:30	Pick up swivel and thaw out rod oiler pumps on mud pumps
5:30	6:00	Break circ and ream

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
40% Limestone, 60% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** A cold 18 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	1-Dec-06	Contractor:	Patterson 741	Depth:	7353
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	193
Elevation: GL/KE	4794' 4810'	Days / Spud:	82	State:	Utah	FPH:	19.30
API #	4303731852			AFE#	0 6044	OART:	Cut Drlg Line

BIT DATA			MUD DATA		COST DATA	Daily Cost	Cum Cost	AFE DHC
Bit No:	4		Weight:	8.8	Rig move:	$0	$0	$0
Size:	6.5"		Visc:	30	Daily rig cost:	$16,100	#########	$0
Mfg:	Smith		PV/YP:	1	Fuel:	$4,846	$122,069	$0
Type:	XR30T		Gels:		Water:	$273	$32,872	$0
Serial No:	PD 5181		Filtrate:		Mud/Corrosion:	$4,453	$237,518	$0
Jets:	open		Cake:	film	Bits/Rmrs:	$0	$216,876	$0
Depth Out:	7353		% Solids:	0.4	Cement:	$0	$388,914	$0
Depth In:	7257		% Oil:		Fishing:	$0	$0	$0
Footage:	96.00		% Water:	99.6	Gyro data:	$0	$46,160	$0
Hours:	10.00		Sand:	trc	Camp:	$1,120	$85,702	$0
FPH:	9.60		PH:	11	Geological/Admin:	$0	$0	$0
WOB:	8-10K		Alkalinity:		Location:	$0	$142,727	$0
RPM:	Sliding		CL-:	45000	Surf damages/ROW:	$0	$0	$0
GPM:			NaCl		Trucking:	$0	$47,122	$0
Pump Pressure:	1400		Ca++:	2200	Land/Legal:	$0	$0	$0
Grade:			LCM:		Open hole logs:	$0	$258,567	$0
PUMP DATA			**TIME DISTRIBUTION**		Mud Logs:	$1.000	$67,970	$0
Pump No:	1	2	RURT/RDRT:		Testing:	$0	$57,086	$0
Make:	GD	GD	Drilling Today:	10.00	Cont. Labor:	$0	$52,405	$0
Model:	PZ-8	PZ-8	Drilling Cum:	419.50	Consultant:	$1,200	$101,100	$0
Liner Size:	5.5	5.5	Reaming:	2	Weatherford	$4,236	$17,326	$0
BPS:			Coring:		Csg Crew:	$0	$30,295	$0
SPM:		110	Circulate:		Misc. Cost:	$2,516	$184,796	$0
GPM:			Trip:	11.00	Float equip & rental:	$0	$35,411	$0
Pump Pressure:		1400	Rig Service:	1.00	Phone:	$100	$8,500	$0
SURVEY DATA			Repair:		Contingent:	$3,403	$272,214	$0
Depth	Deviation	Direction	Cut Line:		Short surf csg:	$0	$84,074	$0
7248'	43 deg	147.74 az	Survey:		Long surf csg:	$0	$240,475	$0
7280'	49.86 deg	150.55 az	Logging:		Wellhead:	$0	$12,099	$0
7312'	56.19 deg	151.70 az	Run Csg:		Safety:	$2,510	$119,309	$0
			Cement:		Pason:	$2,410	$113,312	$0
BHA DATA			WOC:		Forklift:	$225	$20,550	$0
Amount	Object	Length	Nipple Up:		Pathfinder:	$10,500	$215,440	$0
1	Bit	0.75	Test BOP's:		Intangibles:	$0	$35,158	$0
1	MTR	16.84	DST:		**Total Cost:**	$54,891	#########	$0
1	FS	2.35	Plug Back:		**GAS DATA**			
1	Mule shoe	2.90	Fishing:		Depth:	7353'		
1	DC	31.16	W/O Motor:		Background Gas:			
1	DC	29.28	H2S Drill		Conn:			
			Wire:		Conn:			
1	x-over	3.00			Trip:			
	BHA Length:	86.28	**Total:**	24.00				

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME		REMARKS
6:00	8:00	Ream 30' back to bottom
8:00	17:00	Drlg f/ 7257' to 7353' sliding and taking ck shots
17:00	17:30	Rig service
17:30	18:30	Circ and cond mud
18:30	0:00	Pull out of hole
0:00	0:30	Rig service
0:30	4:30	Pull out of hole drain motor and lay down
4:30	6:00	Pick up lat motor and set to 1.83 deg tset motor and mwd tools

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 21 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	2-Dec-06	Contractor:	Patterson 741	Depth:	7353
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	83	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	TOOH

BIT DATA

Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	
Serial No:	
Jets:	3-20s
Depth Out:	0
Depth In:	7353
Footage:	-7353.00
Hours:	0.00
FPH:	#DIV/0!
WOB:	
RPM:	
GPM:	
Pump Pressure:	
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		110
GPM:		
Pump Pressure:		1400

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.7
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	trc
PH:	11
Alkalinity:	
CL-:	38000
NaCl	
Ca++:	3200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	419.50
Reaming:	3
Coring:	
Circulate:	
Trip:	15.00
Rig Service:	1.00
Repair:	
Cut Line:	5.00
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$122,069	$0
Water:	$360	$33,232	$0
Mud/Corrosion:	$1,406	$238,924	$0
Bits/Rmrs:	$30,400	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$86,822	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$47,122	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$68,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$102,300	$0
Weatherford	$4,236	$21,562	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$187,312	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,600	$0
Contingent:	$3,403	$275,617	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,510	$121,819	$0
Pason:	$2,410	$115,722	$0
Forklift:	$225	$20,775	$0
Pathfinder:	$9,200	$224,640	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$76,186	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:00	Cut and slip drilling line
11:00	11:30	Rig service
11:30	16:00	Trip in hole w/ pdc bit, and motor set @ 1.83
16:00	16:30	Rig service
16:30	19:00	TIH
19:00	22:00	Wash to bottom and resurvey, 114 stands and a single in drk 7353' pick up 1 more jt to tag bottom 7382'
22:00	6:00	TOOH to set motor to 2.125 dedg

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 21 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	3-Dec-06	Contractor:	Patterson 741	Depth:	7513
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	160
Elevation: GL/KB	4794' 4810'	Days / Spud:	84	State:	Utah	FPH:	13.33
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:	RR 4
Size:	6.5"
Mfg:	Smith
Type:	XR30T
Serial No:	PD 5181
Jets:	Open
Depth Out:	7513
Depth In:	7382
Footage:	131.00
Hours:	22.00
FPH:	5.95
WOB:	10-14K
RPM:	Sliding
GPM:	
Pump Pressure:	1400
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		110
GPM:		
Pump Pressure:		1400

SURVEY DATA

Depth	Deviation	Direction
7335'	54.78 deg	151.26 az
7372'	62.17	152.84 az
7404'	64.19	157.94 az
7436'	67.36 deg	162.42 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.7
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	trc
PH:	11
Alkalinity:	
CL-:	38000
NaCl	
Ca++:	3200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	12.00
Drilling Cum:	431.50
Reaming:	0.5
Coring:	
Circulate:	1.50
Trip:	8.50
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$122,069	$0
Water:	$360	$33,592	$0
Mud/Corrosion:	$1,127	$240,052	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$87,942	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$47,122	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$69,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$103,500	$0
Weatherford	$4,236	$25,798	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$189,828	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,700	$0
Contingent:	$3,403	$279,020	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,510	$124,329	$0
Pason:	$2,410	$118,132	$0
Forklift:	$225	$21,000	$0
Pathfinder:	$9,200	$233,840	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$45,507	#########	$0

GAS DATA

Depth:	7502'
Background Gas:	26 units
Conn:	26 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	POOH and set motor to 2.125 deg ort tools
8:00	14:30	Trip in hole
14:30	16:00	Pick up swivel and break circ
16:00	16:30	Rig service
16:30	17:00	Wash from 7289' to 7382'
17:00	2:00	Drlg from 7382' to 7451 sliding
2:00	3:00	Rig service test crown o matic
3:00	6:00	Drlg from 7451' to 7513 sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 21 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	4-Dec-06	Contractor:	Patterson 741	Depth:	7663
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	150
Elevation: GL/KB	4794' 4810'	Days / Spud:	85	State:	Utah	FPH:	9.68
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		RR 4
Size:		6.5"
Mfg:		Smith
Type:		XR30T
Serial No:		PD 5181
Jets:		Open
Depth Out:		7663
Depth In:		7382
Footage:		281.00
Hours:	22	37.00
FPH:		7.59
WOB:		15-20 K
RPM:		Sliding
GPM:		
Pump Pressure:		1400
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		117
GPM:		
Pump Pressure:		1400

SURVEY DATA

Depth	Deviation	Direction
7563'	86.70 deg	172.13 az
7594'	91.54 deg	174 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.7
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	trc
PH:	11
Alkalinity:	
CL-:	39000
NaCl	
Ca++:	3200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	15.50
Drilling Cum:	447.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	0.50
Repair:	8.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$122,069	$0
Water:	$0	$33,592	$0
Mud/Corrosion:	$1,740	$241,792	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$89,062	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$47,122	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$70,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$104,700	$0
Weatherford	$4,236	$30,034	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$192,344	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,800	$0
Contingent:	$3,403	$282,423	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,510	$126,839	$0
Pason:	$2,410	$120,542	$0
Forklift:	$225	$21,225	$0
Pathfinder:	$9,200	$243,040	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$45,760	#########	$0

GAS DATA

Depth:	7654'
Background Gas:	12 units
Conn:	18 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:00	Drlg from 7513' to 7572 sliding
11:00	19:00	Pull up into casing and repair pumps run in hole
19:00	0:30	Drlg from 7272' to 7629' sliding
0:30	1:00	Rig service
1:00	6:00	Drlg from 7629' to 7663' sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 20 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	5-Dec-06	Contractor:	Patterson 741	Depth:	7831
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	168
Elevation: GL/KE	4794' 4810'	Days / Spud:	86	State:	Utah	FPH:	10.84
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		RR 4
Size:		6.5"
Mfg:		Smith
Type:		XR30T
Serial No:		PD 5181
Jets:		Open
Depth Out:		7831
Depth In:		7382
Footage:		449.00
Hours:	37	52.50
FPH:		8.55
WOB:		15-20 K
RPM:		Sliding
GPM:		
Pump Pressure:		1300
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	118	
GPM:		
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
7626'	96.64 deg	174.93 az
7657'	102.31 deg	175.26 az
7689'	106.81 deg	175.19 az
7721'	107.46 deg	175.98 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.7
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	trc
PH:	11
Alkalinity:	
CL-:	39000
NaCl	
Ca++:	3200
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	15.50
Drilling Cum:	447.00
Reaming:	
Coring:	
Circulate:	
Trip:	1.50
Rig Service:	1.00
Repair:	6.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$12,074	#########	$0
Fuel:	$5,005	$127,074	$0
Water:	$480	$34,072	$0
Mud/Corrosion:	$1,318	$243,110	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$90,182	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$624	$47,746	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$71,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$105,900	$0
Weatherford	$4,236	$34,270	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$194,860	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$8,900	$0
Contingent:	$3,403	$285,825	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$129,119	$0
Pason:	$2,410	$122,952	$0
Forklift:	$225	$21,450	$0
Pathfinder:	$9,200	$252,240	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$47,191	#########	$0

GAS DATA

Depth:	7831'
Background Gas:	15 units
Conn:	18 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	11:00	Drlg from 7663' to 7704' sliding
11:00	11:30	Rig service
11:30	17:00	Drlg from 7704' to 7768' sliding and rot
17:00	17:30	Rig service
17:30	22:30	Drlg from 7768' to 7831' rot and sliding
22:30	0:00	Pull out of hole to change motors to 1.83 deg
0:00	6:00	Crew showed up with a drk hand Tool pusher shut rig down trying to get drk hand

7752' 107.81 deg 172.06 az
7784' 108.07 deg 170.03 az

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 20 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	6-Dec-06	Contractor:	Patterson 741	Depth:	7831
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	168
Elevation: GL/KB	4794' 4810'	Days / Spud:	87	State:	Utah	FPH:	10.84
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	FM3643Z
Serial No:	10765346RW
Jets:	3-20s
Depth Out:	0
Depth In:	7831
Footage:	-7831.00
Hours:	0.00
FPH:	#DIV/0!
WOB:	
RPM:	
GPM:	
Pump Pressure:	1300
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	118	
GPM:		
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.8
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	0.25
PH:	11
Alkalinity:	
CL-:	
NaCl	
Ca++:	2800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	15.50
Drilling Cum:	447.00
Reaming:	
Coring:	
Circulate:	
Trip:	1.50
Rig Service:	1.00
Repair:	6.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Motor:	
H2S Drill	
Wire:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$127,074	$0
Water:	$300	$34,372	$0
Mud/Corrosion:	$3,117	$246,227	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$91,302	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$624	$48,370	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$72,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$107,100	$0
Weatherford	$4,236	$38,506	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$197,376	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,000	$0
Contingent:	$3,403	$289,228	**$0**
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$131,399	$0
Pason:	$2,410	$125,362	$0
Forklift:	$225	$21,675	$0
Pathfinder:	$10,400	$262,640	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$49,031	#########	$0

GAS DATA

Depth:	7831'
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Waiting on day lites to pull out of
8:00	8:30	Rig service Test crown o matic
8:30	9:00	BOP drill
9:00	16:00	Trip out of hole
16:00	17:00	Pick up motor and set to 1.183 deg make up and ort tools
17:00	17:30	Rig service Test crown o matic
17:30	21:30	Trip in hole w/ sec pdc bit
21:30	0:00	Tag @ 7219' wash and ream from 7219' to 7289'
0:00	0:30	Rig service Test crown o matic
0:30	1:00	Trip in hole
1:00	2:00	Pick up power swivel
2:00	3:00	Wash and ream from 7704' to 7831'
3:00	5:00	Reprogramming MWD Tools
5:00	6:00	Lay down 1 jt and set swivel back and tooh

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 24 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	7-Dec-06	Contractor:	Patterson 741	Depth:	7831
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	168
Elevation: GL/KE	4794' 4810'	Days / Spud:	88	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA	
Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	FM3643Z
Serial No:	10765346RW
Jets:	3-20s
Depth Out:	0
Depth In:	7831
Footage:	-7831.00
Hours:	0.00
FPH:	#DIV/0!
WOB:	
RPM:	
GPM:	
Pump Pressure:	1300
Grade:	

PUMP DATA		
Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	118	
GPM:		
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA	
Weight:	8.8
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	0.25
PH:	11
Alkalinity:	
CL-:	
NaCl	
Ca++:	2800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	447.00
Reaming:	
Coring:	
Circulate:	
Trip:	11.00
Rig Service:	1.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
W/O Tools:	6.00
H2S Drill	
W/O Wire line:	5.50
Total:	24.00

COST DATA	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$127,074	$0
Water:	$300	$34,672	$0
Mud/Corrosion:	$685	$246,912	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$92,422	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$624	$48,994	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$73,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$108,300	$0
Weatherford	$4,236	$42,742	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$199,892	$0
Float equip & rental	$0	$35,411	$0
Phone:	$100	$9,100	$0
Contingent:	$3,403	$292,631	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$133,679	$0
Pason:	$2,410	$127,772	$0
Forklift:	$225	$21,900	$0
Pathfinder:	$10,400	$273,040	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$46,599	#########	$0

GAS DATA

Depth:	7831'
Background Gas:	15 units
Conn:	18 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME — **REMARKS**

6:00	8:00	Pull out 44 stands
8:00	8:30	Rig service
8:30	14:00	W/ O wire truck did not have the right con to pull MWD tools
14:00	16:00	Trip out of hole
16:00	16:30	Rig service
16:30	18:00	Trip out of hole
18:00	0:00	Wait on dir tool, Mwd stuck in mule shoe, Lay down mwd tools in mule shoe looks clean around tools
0:00	2:00	Pick up new mule shoe and mwd tools, Ort tools and test
2:00	2:30	Rig service
2:30	6:00	Trip in hole

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 28 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	8-Dec-06	Contractor:	Patterson 741	Depth:	7974
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	311
Elevation: GL/KE	4794' 4810'	Days / Spud:	89	State:	Utah	FPH:	36.59
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	FM3643Z
Serial No:	10765346RW
Jets:	3-20s
Depth Out:	7974
Depth In:	7831
Footage:	143.00
Hours:	8.50
FPH:	16.82
WOB:	4-12K
RPM:	
GPM:	
Pump Pressure:	1300
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	118	
GPM:		
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.8
Visc:	28
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	0.25
PH:	11
Alkalinity:	
CL-:	15000
NaCl	
Ca++:	2800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	8.50
Drilling Cum:	455.50
Reaming:	
Coring:	
Circulate:	
Trip:	6.50
Rig Service:	0.50
Repair:	6.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	2.50
H2S Drill	
W/O Wire line:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$127,074	$0
Water:	$300	$34,972	$0
Mud/Corrosion:	$685	$247,597	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$93,542	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$624	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$74,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$109,500	$0
Weatherford	$4,236	$46,978	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$202,408	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,200	$0
Contingent:	$3,403	$296,033	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$135,959	$0
Pason:	$2,410	$130,182	$0
Forklift:	$225	$22,125	$0
Pathfinder:	$10,400	$283,440	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$46,599	#########	$0

GAS DATA

Depth:	7952'
Background Gas:	15 units
Conn:	18 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Trip in hole
8:00	8:30	Rig service
8:30	13:00	Trip in hole and test MWD tools at Window
13:00	19:00	Drlg from 7831' to 7931' rot and sliding
19:00	23:00	Work on pump spring on motor side suction
23:00	23:30	Reset MWD tool
23:30	1:30	Work on pump TIH
1:30	3:30	MWD tool reset
3:30	6:00	Drlg from 7931" to 7974' rot and sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 28 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	9-Dec-06	Contractor:	Patterson 741	Depth:	8035
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	61
Elevation: GL/KB	4794' 4810'	Days / Spud:	90	State:	Utah	FPH:	7.63
API #	4303731852			AFE#	0 6044	OART:	W/O Tools

BIT DATA

Bit No:	5	
Size:	6.5"	
Mfg:	SEC	
Type:	FM3643Z	
Serial No:	10765346RW	
Jets:	3-20s	
Depth Out:	8035	
Depth In:	7831	
Footage:	204.00	
Hours:	16.50	
FPH:	12.36	
WOB:	4-12K	
RPM:		
GPM:		
Pump Pressure:	1300	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	118	
GPM:		
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.89
1	FS	2.35
1	Mule shoe	2.90
1	DC	31.16
1	DC	29.28
1	x-over	3.00
	BHA Length:	92.33

MUD DATA

Weight:	8.8
Visc:	28
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	0.25
PH:	11
Alkalinity:	
CL-:	15000
NaCl	
Ca++:	2800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	8.00
Drilling Cum:	455.00
Reaming:	
Coring:	
Circulate:	
Trip:	7.50
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	7.50
H2S Drill	
W/O Wire line:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$127,074	$0
Water:	$420	$35,392	$0
Mud/Corrosion:	$2,993	$250,590	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$94,662	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$75,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$110,700	$0
Weatherford	$4,236	$51,214	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$204,924	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,300	$0
Contingent:	$3,403	$299,436	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$138,239	$0
Pason:	$2,410	$132,592	$0
Forklift:	$225	$22,350	$0
Pathfinder:	$9,200	$292,640	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$47,203	#########	$0

GAS DATA

Depth:	7952'
Background Gas:	15 units
Conn:	18 units
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg from 7974' to 7996' rot and sliding
8:00	8:30	Rig service
8:30	14:30	Drlg from 7996' to 8035' rot and sliding, MWD quit working
14:30	16:00	Trip out of hole
16:00	16:30	Rig service
16:30	22:30	Trip out of hole and lay down tools
22:30	6:00	Wait on L tool to come out of Midland Texas

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 28 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	10-Dec-06	Contractor:	Patterson 741	Depth:	8116
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	81
Elevation: GL/KE	4794' 4810'	Days / Spud:	91	State:	Utah	FPH:	9.00
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:	5	
Size:	6.5"	
Mfg:	SEC	
Type:	FM3643Z	
Serial No:	10765346RW	
Jets:	3-20s	
Depth Out:	8116	
Depth In:	7831	
Footage:	285.00	
Hours:	25.50	
FPH:	11.18	
WOB:	4-12K	
RPM:		
GPM:		
Pump Pressure:	800	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	100	
GPM:		
Pump Pressure:	800	

SURVEY DATA

Depth	Deviation	Direction
8041'	107.19 deg	172.88 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.8
Visc:	28
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.4
% Oil:	
% Water:	99.9
Sand:	0.25
PH:	11
Alkalinity:	
CL-:	15000
NaCl	
Ca++:	2800
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	9.00
Drilling Cum:	464.00
Reaming:	
Coring:	
Circulate:	
Trip:	8.50
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	3.50
C/O Rubber:	1.00
UN Load:	1.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$127,074	$0
Water:	$420	$35,812	$0
Mud/Corrosion:	$685	$251,275	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$95,782	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$76,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$111,900	$0
Weatherford	$4,236	$55,450	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$207,440	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,400	$0
Contingent:	$3,403	$302,839	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$140,519	$0
Pason:	$2,410	$135,002	$0
Forklift:	$225	$22,575	$0
Pathfinder:	$9,200	$301,840	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$44,895	#########	$0

GAS DATA

Depth:	8107'
Background Gas:	14-18 units
Conn:	
Conn:	
Trip:	25 Units

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	9:30	Wait on L tool to come out of Midland Texas
9:30	10:30	Unload tools
10:30	16:00	Ort tools and trip in hole
16:00	16:30	Rig service
16:30	19:30	Trip in hole, Pick up swivel
19:30	22:30	Drlg from 8035'to 8052' rot and sliding
22:30	23:30	Install new striping rubber
23:30	0:00	Drlg from 8052 to 8053'
0:00	0:30	Rig service
0:30	6:00	Drlg from 8053' to 8116' rot and sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 30 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	11-Dec-06	Contractor:	Patterson 741	Depth:	8229
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	113
Elevation: GL/KB	4794' 4810'	Days / Spud:	92	State:	Utah	FPH:	5.02
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	FM3643Z
Serial No:	10765346RW
Jets:	3-20s
Depth Out:	8229
Depth In:	7831
Footage:	398.00
Hours:	48.00
FPH:	8.29
WOB:	4-12K
RPM:	
GPM:	
Pump Pressure:	800
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	100	
GPM:		
Pump Pressure:	800	

SURVEY DATA

Depth	Deviation	Direction
8073'	107.81 deg	172.53 az
8105'	108.25 deg	170.86 az
8136'	108.69 deg	168.40 az
8168'	16-Apr	166.38 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.6
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.7
% Oil:	
% Water:	99.3
Sand:	Trc
PH:	11
Alkalinity:	
CL-:	13000
NaCl	
Ca++:	260
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.50
Drilling Cum:	477.50
Reaming:	
Coring:	
Circulate:	
Trip:	1.00
Rig Service:	0.50
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$127,074	$0
Water:	$120	$35,932	$0
Mud/Corrosion:	$6,095	$257,370	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$96,902	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$77,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$113,100	$0
Weatherford	$4,236	$59,686	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$209,956	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,500	$0
Contingent:	$3,403	$306,241	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety	$2,280	$142,799	$0
Pason:	$2,410	$137,412	$0
Forklift:	$225	$22,800	$0
Pathfinder:	$9,200	$311,040	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$50,005	#########	$0

GAS DATA

Depth:	8226'
Background Gas:	17-19 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg from 8116' to 8135' rot and sliding
8:00	8:30	Rig service
8:30	1:30	Drlg from 8135' to 8209' rot and sliding
1:30	2:30	Lay down 5 jts and wash back to bottm
2:30	6:00	Drlg from 8209' to 8229' rot and sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

100% Lime stone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 33 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	12-Dec-06	Contractor:	Patterson 741	Depth:	8353
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	124
Elevation: GL/KB	4794' 4810'	Days / Spud:	93	State:	Utah	FPH:	5.64
API #	4303731852			AFE#	0 6044	OART:	DRLG

BIT DATA

Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	FM3643Z
Serial No:	10765346RW
Jets:	3-20s
Depth Out:	8353
Depth In:	7831
Footage:	522.00
Hours:	70.00
FPH:	7.46
WOB:	4-12K
RPM:	
GPM:	
Pump Pressure:	902
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	96	
GPM:		
Pump Pressure:	902	

SURVEY DATA

Depth	Deviation	Direction
8200'	104.46 deg	164.35 azm
8263'	104.9 deg	163.39 azm
8295'	105.26 deg	163.30 azm

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.5
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.7
% Oil:	
% Water:	99.3
Sand:	0.25
PH:	11.5
Alkalinity:	
CL-:	10000
NaCl	
Ca++:	280
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	22.00
Drilling Cum:	499.50
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	1.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$3,554	$130,628	$0
Water:	$420	$36,352	$0
Mud/Corrosion:	$3,254	$260,624	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$98,022	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$78,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$114,300	$0
Weatherford	$4,236	$63,922	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$212,472	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,600	$0
Contingent:	$3,403	$309,644	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$145,079	$0
Pason:	$2,410	$139,822	$0
Forklift:	$225	$23,025	$0
Pathfinder:	$9,200	$320,240	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$51,018	#########	$0

GAS DATA

Depth:	8348'
Background Gas:	14-19 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg from 8229' to 8245' rot and sliding
8:00	8:30	Rig service
8:30	10:00	Drlg from 8255' to 8259' rot and sliding
10:00	11:00	Work on power swivel
11:00	17:00	Drlg from 8259' to 8305' rot and sliding
17:00	17:30	Rig service
17:30	6:00	Drlg from 8305' to 8352' rot and sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Lime stone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 33 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	13-Dec-06	Contractor:	Patterson 741	Depth:	8363
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	10
Elevation: GL/KE	4794' 4810'	Days / Spud:	94	State:	Utah	FPH:	6.67
API #	4303731852			AFE#	0 6044	OART:	W/O Pump

BIT DATA

Bit No:	5
Size:	6.5"
Mfg:	SEC
Type:	FM3643Z
Serial No:	10765346RW
Jets:	3-20s
Depth Out:	8363
Depth In:	7831
Footage:	532.00
Hours:	71.50
FPH:	7.44
WOB:	4-12K
RPM:	
GPM:	
Pump Pressure:	902
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	96	
GPM:		
Pump Pressure:	902	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.5
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.7
% Oil:	
% Water:	99.3
Sand:	0.25
PH:	11.5
Alkalinity:	
CL-:	10000
NaCl	
Ca++:	280
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	1.50
Drilling Cum:	501.00
Reaming:	
Coring:	
Circulate:	2.00
Trip:	1.50
Rig Service:	
Repair:	19.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$130,628	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$0	$260,624	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$99,142	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$79,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$115,500	$0
Weatherford	$4,236	$68,158	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$214,988	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,700	$0
Contingent:	$3,403	$313,047	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$147,359	$0
Pason:	$2,410	$142,232	$0
Forklift:	$225	$23,250	$0
Pathfinder:	$9,200	$329,440	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$43,790	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	7:30	Drlg from 8352' to 8363' sliding
7:30	9:30	Circ bottoms up for side track
9:30	11:00	Lay down 22 jts
11:00	11:30	Pick up swivel # 1 pump trouble
11:30	6:00	Pull up into casing and wait on pump

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Lime stone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 27 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	14-Dec-06	Contractor:	Patterson 741	Depth:	7661
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	4
Elevation: GL/KB	4794' 4810'	Days / Spud:	95	State:	Utah	FPH:	0.36
API #	4303731852			AFE#	0 6044	OART:	Time Drlg

BIT DATA

Bit No:		5
Size:		6.5"
Mfg:		SEC
Type:		FM3643Z
Serial No:		10765346RW
Jets:		3-20s
Depth Out:		7661
Depth In:		7657
Footage:		4.00
Hours:	71.5	11.00
FPH:		0.36
WOB:		Time drlg
RPM:		
GPM:		
Pump Pressure:		1120
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	
Model:	PZ-7	
Liner Size:	5.5	
BPS:		
SPM:	102	
GPM:		
Pump Pressure:	1120	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.5
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.2
% Oil:	
% Water:	99.8
Sand:	0.2
PH:	11
Alkalinity:	
CL-:	11000
NaCl	
Ca++:	240
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	11.00
Drilling Cum:	512.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	
Repair:	13.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$130,628	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$685	$261,309	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$100,262	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$80,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$116,700	$0
Weatherford	$4,236	$72,394	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$3,218	$218,206	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,800	$0
Contingent:	$3,403	$316,450	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$149,639	$0
Pason:	$2,410	$144,642	$0
Forklift:	$225	$23,475	$0
Pathfinder:	$9,200	$338,640	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$45,177	#########	$0

GAS DATA

Depth:	7661'
Background Gas:	2-3 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00		Wait on pump Pump on loc @ 10:45 am 12-13-2006. Move #1 pump out and spot in PZ 7 and start rig pump up
	19:00	Change liners out to 5.5" test drive pump
19:00	6:00	Time drlg sidetrac #1 From 7657' to 7661' 10 min per 1"

REMARKS

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
40% Lime stone, 60% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 32 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	15-Dec-06	Contractor:	Patterson 741	Depth:	7838
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	-525
Elevation: GL/KE	4794' 4810'	Days / Spud:	96	State:	Utah	FPH:	-25.00
API #	4303731852			AFE#	0 6044	OART:	W/O Pump

BIT DATA

Bit No:		5
Size:		6.5"
Mfg:		SEC
Type:		FM3643Z
Serial No:		10765346RW
Jets:		3-20s
Depth Out:		7838
Depth In:		7657
Footage:		181.00
Hours:	71.5	34.00
FPH:		5.32
WOB:		4-12K
RPM:		
GPM:		
Pump Pressure:		902
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	
Model:	PZ-7	
Liner Size:	5.5	
BPS:		
SPM:	96	
GPM:		
Pump Pressure:	902	

SURVEY DATA

Depth	Deviation	Direction
7662'	100.60 inc	174.64 az
7693'	101.39 inc	172.70 az
7725'	102 inc	171.03 az
7756'	102.27 inc	169.10 az
7788'	102.44 inc	168.40 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.5
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.7
% Oil:	
% Water:	99.3
Sand:	0.25
PH:	11.5
Alkalinity:	
CL-:	10000
NaCl	
Ca++:	280
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.00
Drilling Cum:	533.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.00
Repair:	2.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$130,628	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$0	$261,309	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$101,382	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$49,618	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$81,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$117,900	$0
Weatherford	$4,236	$76,630	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$220,722	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$9,900	$0
Contingent:	$3,403	$319,852	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$151,919	$0
Pason:	$2,410	$147,052	$0
Forklift:	$225	$23,700	$0
Pathfinder:	$9,200	$347,840	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$43,790	#########	$0

GAS DATA

Depth:	7885'
Background Gas:	7-10 units
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

From	To	
6:00	8:00	Repair pump change out liner gasket
8:00	8:30	Rig service
8:30	16:00	Drlg from 7662' to 7693' sliding and rot
16:00	16:30	Rig service
16:30	0:00	Drlg from 7693' to 7766' sliding and rot
0:00	0:30	Rig service
0:30	6:00	Drlg from 7766' to 7838' rot and sliding

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 32 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	16-Dec-06	Contractor:	Patterson 741	Depth:	8123
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	285
Elevation: GL/KB	4794' 4810'	Days / Spud:	97	State:	Utah	FPH:	13.26
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	5	
Size:	6.5"	
Mfg:	SEC	
Type:	FM3643Z	
Serial No:	10765346RW	
Jets:	3-20s	
Depth Out:	8123	
Depth In:	7657	
Footage:	466.00	
Hours:	55.50	
FPH:	8.40	
WOB:	6-26 k	
RPM:		
GPM:		
Pump Pressure:	8125	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-7	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	113	
GPM:		
Pump Pressure:	1300	

SURVEY DATA

Depth	Deviation	Direction
7820'	102.62 inc	167.96 az
7852'	103.15 inc	167.78 az
7884'	104.73 inc	166.11 az
7916'	104.46 inc	164.26 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.6
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.7
% Oil:	
% Water:	99.8
Sand:	trc
PH:	10.5
Alkalinity:	
CL-:	22000
NaCl	
Ca++:	160
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	522.50
Reaming:	
Coring:	
Circulate:	1.50
Trip:	
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$5,337	$135,965	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$3,887	$265,196	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$102,502	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$554	$50,172	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$82,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$119,100	$0
Weatherford	$4,236	$80,866	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$223,238	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$10,000	$0
Contingent:	$3,403	$323,255	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$154,199	$0
Pason:	$2,410	$149,462	$0
Forklift:	$225	$23,925	$0
Pathfinder:	$9,200	$357,040	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$53,568	#########	$0

GAS DATA

Depth:	8119'
Background Gas:	9-12 unit
Conn:	13-14 unit
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	7:30	Drlg from 7838' to 7861' rot and sliding
7:30	9:00	Circulate bottom up for samples.
9:00	17:30	Drlg from 7861' to 7957' rot and sliding
17:30	18:00	Rig service
18:00	0:00	Drlg from 7957' to 8052' rot and sliding
0:00	0:30	Rig service
0:30	6:00	Drlg from 8052' to 8123' rot and sliding

REMARKS

Survey

7947' 102.44 inc, 161.45 azm
7979' 102 inc, 159.96 azm
8011' 102.18 inc, 159.96 azm
8042' 99.93 inc, 159.26 azm
8047' 95.67 inc, 157.67 azm

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 36 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	17-Dec-06	Contractor:	Patterson 741	Depth:	8228
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	105
Elevation: GL/KE	4794' 4810'	Days / Spud:	98	State:	Utah	FPH:	14.00
API #	4303731852			AFE#	0 6044	OART:	TIH

BIT DATA

Bit No:		5
Size:		6.5"
Mfg:		SEC
Type:		FM3643Z
Serial No:		10765346RW
Jets:		3-20s
Depth Out:		8228
Depth In:		7831
Footage:		397.00
Hours:	55.5	63.00
FPH:		6.30
WOB:		4-12K
RPM:		
GPM:		
Pump Pressure:		0
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-8	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:	0	
GPM:		
Pump Pressure:	0	

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
Fishing for BHA in hole		
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.5
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.3
% Oil:	
% Water:	99.7
Sand:	trc
PH:	11
Alkalinity:	
CL-:	23000
NaCl	
Ca++:	180
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	7.50
Drilling Cum:	508.50
Reaming:	
Coring:	
Circulate:	
Trip:	10.50
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
W/O Tools:	5.00
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$135,965	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$3,774	$268,969	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$103,622	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$50,172	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$83,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$120,300	$0
Weatherford	$4,236	$85,102	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$225,754	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$10,100	$0
Contingent:	$3,403	$326,658	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$156,479	$0
Pason:	$2,410	$151,872	$0
Forklift:	$225	$24,150	$0
Pathfinder:	$9,200	$366,240	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$47,563	#########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Drlg from 8123' to 8178' sliding and rot
8:00	8:30	Rig service
8:30	14:00	Drlg from 8178' to 8228' sliding and rot, Lost 500 psi change pump same lost,
14:00	16:00	Trip out of hole
16:00	16:30	Rig service
16:30	19:00	Lay down 2 jts,Trip out of hole pulled 119 stands in DRKand 27' out, Top of fish at 7640'+-
		15 jts and BHA left in hole
19:00	0:00	Wait on fishing tools to come out of Farmington N.M.
0:00	6:00	Pick up short catch overshot and bent jts TIH

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 49 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	18-Dec-06	Contractor:	Patterson 741	Depth:	8228
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	0
Elevation: GL/KE	4794' 4810'	Days / Spud:	99	State:	Utah	FPH:	#DIV/0!
API #	4303731852			AFE#	0 6044	OART:	W/O Pump

BIT DATA

Bit No:	6	
Size:	6.5"	
Mfg:	HTC	
Type:	506Z	
Serial No:	7005696	
Jets:	6-18s	
Depth Out:	0	
Depth In:	8228	
Footage:	-8228.00	
Hours:	0.00	
FPH:	#DIV/0!	
WOB:	0	
RPM:		
GPM:		
Pump Pressure:	0	
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-7	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		
GPM:		
Pump Pressure:		

SURVEY DATA

Depth	Deviation	Direction

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	24.19
1	FS	3.14
1	XO	2.51
1	MWD	28.73
1	Flex Monel	29.28
1	x-over	3.00
24	Drill Pipe	
1	XO	3.14
1	Agitator	8.74
1	Shock Sub	6.57
1	x-over	3.00
	BHA Length:	113.05

MUD DATA

Weight:	8.5
Visc:	29
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.7
% Oil:	
% Water:	99.3
Sand:	0.25
PH:	11.5
Alkalinity:	
CL-:	10000
NaCl	
Ca++:	280
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	
Drilling Cum:	501.00
Reaming:	
Coring:	
Circulate:	
Trip:	19.00
Rig Service:	1.50
Repair:	
Cut Line:	3.50
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$0	$135,965	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$0	$268,969	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$104,742	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$50,172	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$84,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$121,500	$0
Weatherford	$4,236	$89,338	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$228,270	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$10,200	$0
Contingent:	$3,403	$330,060	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,393	$158,872	$0
Pason:	$2,410	$154,282	$0
Forklift:	$225	$24,375	$0
Pathfinder:	$9,200	$375,440	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$43,903	#########	$0

GAS DATA

Depth:			
Background Gas:			
Conn:			
Conn:			
Trip:			

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	8:00	Tih w/ fishing tools
8:00	8:30	Rig service
8:30	9:30	Tih w/ fishing tools
9:30	10:30	Pick up swivel break circ and latch on to fish, psi 500 jump up to 600 psi, 10k drag, set back swivel
10:30	16:00	Pull out of hole.
16:00	16:30	Rig service
16:30	17:30	Pull out of hole. Lay down fish, Lay down mud motor and bit
17:30	18:00	Pick up bit, mud motor and orientate tools run 1 stand of dp
18:00	21:30	Cut and slip drilling line
21:30	0:00	Trip in hole run 13 strands and pick up agitator and shock sub
0:00	0:30	Rig service
0:30	6:00	Trip in hole

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Lime stone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 34 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	19-Dec-06	Contractor:	Patterson 741	Depth:	8244
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	16
Elevation: GL/KE	4794' 4810'	Days / Spud:	100	State:	Utah	FPH:	10.67
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:	6
Size:	6.5"
Mfg:	HTC
Type:	506Z
Serial No:	7005696
Jets:	6-18s
Depth Out:	8244
Depth In:	8228
Footage:	16.00
Hours:	1.50
FPH:	10.67
WOB:	6-10k
RPM:	
GPM:	
Pump Pressure:	1200
Grade:	

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-7	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		110
GPM:		
Pump Pressure:		1200

SURVEY DATA

Depth	Deviation	Direction
8201'	89.16 inc	157.41 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.7
Visc:	28
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.6
% Oil:	
% Water:	99.4
Sand:	TRC
PH:	10.5
Alkalinity:	
CL-:	30000
NaCl	
Ca++:	2100
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	1.50
Drilling Cum:	502.50
Reaming:	
Coring:	
Circulate:	2.00
Trip:	9.00
Rig Service:	1.00
Repair:	
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools Face:	8.50
Rig up Swivel:	2.00
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	##########	$0
Fuel:	$4,514	$140,479	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$4,024	$272,993	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$105,862	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$50,172	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$85,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$122,700	$0
Weatherford	$4,236	$93,574	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$230,786	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$10,300	$0
Contingent:	$3,403	$333,463	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,280	$161,152	$0
Pason:	$2,410	$156,692	$0
Forklift:	$225	$24,600	$0
Pathfinder:	$9,200	$384,640	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$52,327	##########	$0

GAS DATA

Depth:	
Background Gas:	
Conn:	
Conn:	
Trip:	

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME / REMARKS

6:00	6:30	0:30	Rig up power swivel
6:30	8:30	2:00	Fill hole and set tool face
8:30	14:30	6:00	Lay down 4 jts and get tool face
14:30	16:00	1:30	Trip out of hole
16:00	16:30	0:30	Rig service
16:30	19:30	3:00	Trip out of hole and lay down agitator and shock sub
19:30	23:00	3:30	Trip in hole
23:00	0:00	1:00	Pick up swivel
0:00	0:30	0:30	Rig service
0:30	3:00	2:30	Set tool face and run down Side trac # 1
3:00	4:00	1:00	Run 7 stands from drk
4:00	4:30	0:30	pick up swivel
4:30	6:00	1:30	Drlg from 8228' to 8244' rot and slid
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Lime stone

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 27 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

MORNING DRILLING REPORT

Lease and No:	C113 SWDW	Date	20-Dec-06	Contractor:	Patterson 741	Depth:	8570
Legal	13, 40S, 23E	Spud Date:	9-Sep-06	County:	San Juan	Footage:	326
Elevation: GL/KE	4794' 4810'	Days / Spud:	101	State:	Utah	FPH:	15.16
API #	4303731852			AFE#	0 6044	OART:	Drlg

BIT DATA

Bit No:		6
Size:		6.5"
Mfg:		HTC
Type:		506Z
Serial No:		7005696
Jets:		6-18s
Depth Out:		8570
Depth In:		8228
Footage:		342.00
Hours:	1.5	23.00
FPH:		14.87
WOB:		10-15 K
RPM:		Rot & Slide
GPM:		
Pump Pressure:		1000
Grade:		

PUMP DATA

Pump No:	1	2
Make:	GD	GD
Model:	PZ-7	PZ-8
Liner Size:	5.5	5.5
BPS:		
SPM:		96
GPM:		
Pump Pressure:		1000

SURVEY DATA

Depth	Deviation	Direction
8265'	89.78 inc	157.50 az
8328'	89.78 inc	159.52 az
8380'	90.04 inc	159.87 az
8423'	90.66 inc	159.34 az

BHA DATA

Amount	Object	Length
1	Bit	0.75
1	MTR	22.86
1	FS	3.14
1	XO	2.51
1	DC	28.73
1	DC	29.28
1	x-over	3.00
	BHA Length:	90.27

MUD DATA

Weight:	8.6
Visc:	30
PV/YP:	1
Gels:	
Filtrate:	
Cake:	film
% Solids:	0.1
% Oil:	
% Water:	99.6
Sand:	Trc
PH:	10.5
Alkalinity:	
CL-:	28000
NaCl	
Ca++:	2000
LCM:	

TIME DISTRIBUTION

RURT/RDRT:	
Drilling Today:	21.50
Drilling Cum:	524.00
Reaming:	
Coring:	
Circulate:	
Trip:	
Rig Service:	1.50
Repair:	1.00
Cut Line:	
Survey:	
Logging:	
Run Csg:	
Cement:	
WOC:	
Nipple Up:	
Test BOP's:	
DST:	
Plug Back:	
Fishing:	
Tools:	
C/O Rubber:	
UN Load:	
Total:	24.00

COST DATA

	Daily Cost	Cum Cost	AFE DHC
Rig move:	$0	$0	$0
Daily rig cost:	$16,100	#########	$0
Fuel:	$4,514	$144,994	$0
Water:	$0	$36,352	$0
Mud/Corrosion:	$4,104	$277,097	$0
Bits/Rmrs:	$0	$247,276	$0
Cement:	$0	$388,914	$0
Fishing:	$0	$0	$0
Gyro data:	$0	$46,160	$0
Camp:	$1,120	$106,982	$0
Geological/Admin:	$0	$0	$0
Location:	$0	$142,727	$0
Surf damages/ROW:	$0	$0	$0
Trucking:	$0	$50,172	$0
Land/Legal:	$0	$0	$0
Open hole logs:	$0	$258,567	$0
Mud Logs:	$1,000	$86,970	$0
Testing:	$0	$57,086	$0
Cont. Labor:	$0	$52,405	$0
Consultant:	$1,200	$123,900	$0
Weatherford	$4,236	$97,810	$0
Csg Crew:	$0	$30,295	$0
Misc. Cost:	$2,516	$233,302	$0
Float equip & rental:	$0	$35,411	$0
Phone:	$100	$10,400	$0
Contingent:	$3,403	$336,866	$0
Short surf csg:	$0	$84,074	$0
Long surf csg:	$0	$240,475	$0
Wellhead:	$0	$12,099	$0
Safety:	$2,325	$163,477	$0
Pason:	$2,410	$159,102	$0
Forklift:	$225	$24,825	$0
Pathfinder:	$9,200	$393,840	$0
Intangibles:	$0	$35,158	$0
Total Cost:	$52,453	#########	$0

GAS DATA

Depth:	8569'
Background Gas:	5-8 units
Conn:	
Conn:	
Trip:	23 units

CASING DATA

No. / Joints	Size	Make	Weight	Grade	Threads	Length	Set At GL	Set At KB
2	16"		60#					82'
43	11.75"							1618

TIME

6:00	11:30	5:30	Drlg from 8244' to 8307' rot and sliding
11:30	12:00	0:30	Rig service
12:00	16:00	4:00	Drlg from 8307' to 8380' rot and sliding
16:00	16:30	0:30	Rig service
16:30	21:00	4:30	Drlg from 8380' to 8497' rot and sliding
21:00	22:00	1:00	Repair hose on power swivel
22:00	0:00	2:00	Drlg from 8497' to 8529' rot and sliding
0:00	0:30	0:30	Rig service
0:30	6:00	5:30	Drlg from 8529' to 8570' rot and sliding
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	
		0:00	

REMARKS

Surveys

8455' 90.40 inc 160.84 az
8487' 90.66 inc 160.75 az
8519' 90.57 inc 161.10 az

Drilling Breaks		Rate Of Penetration			Show Gas			Drilling Mud Weight	
From	To	Before	During	After	Before	During	After	Before	After

LITHO LOGY:
100% Dolomite

DRILLING SUPERVISOR: Ron Lackey **WEATHER:** 32 deg

RECEIVED
JAN 2 9 2007
DIV. OF OIL, GAS & MINING

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL-070968-A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit, 8910077380

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Aneth Unit C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Weekly Drilling Report
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Daily drilling reports for Jan 1 through 31, 2007 are enclosed.

NAME (PLEASE PRINT) Dwight Mallory TITLE Environmental, Health & Safety Coordinator

SIGNATURE [signature] DATE 2/2/07

(This space for State use only)

RECEIVED
FEB 06 2007
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/1/2007
Report #: 116
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
50,611.40	4,686,213.57
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)

WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq

Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)

Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	29.0	OK

Operations at Report Time	Operations Next Report Period
Drilling ahead	Drlg

Operations Summary
Drlg, TOOH, L/D Mill, TIH, Drlg

Remarks
Hole in Drill Pipe Bottom of 56 stand

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	07:00		8.50	30		

Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100...	Gel (30m) (lbf/100...	Filtrate (mL/30min)	Filter Cake (/32")	pH	Solids (%)
					11.0	

MBT (lb/bbl)	Percent Oil (%)	Percent Water (%)	Chlorides (mg/L)	Calcium (mg/L)	Potassium (mg/L)	Electric Stab (V)

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,280.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	1,809.40	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG & TEST C.O.M J.S.A #116#42#22
00:30	08:00	7.50	8.00	DRILL ACTUAL				DRILL ACTUAL FROM 8936 TO -8953

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG SET AND TEST CROWN-O-MATIC JSA#22
08:30	09:30	1.00	9.50	DRILL ACTUAL				DRILL ACTUAL FROM 8953 TO 8954.8
09:30	12:00	2.50	12.00	TRIPS				TRIPS OUT OF HOLE JSA# 62
12:00	13:00	1.00	13.00					ELECTRITION IN DERRICK REVIEWED JSA # 144
13:00	16:00	3.00	16.00	TRIPS				TRIPSOUT OF HOLE
16:00	17:00	1.00	17.00	LUBRICATE RIG				LUBRICATE RIG JSA #22 R/U GEROMIMO
17:00	18:00	1.00	18.00	TRIPS				TRIPS POOH JSA #62 DERRICK MAN 100% TIE OFF
18:00	18:30	0.50	18.50					L/D MILL AN X-Os
18:30	21:30	3.00	21.50	TRIPS				TRIPS IN HOLE 119ST
21:30	00:00	2.50	24.00					SWIVEL UP GO TROUGH SIDE TRACK @7657

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/2/2007
Report #: 117
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
61,837.53	4,748,051.10
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	28.0	OK

Operations at Report Time	Operations Next Report Period
Picking up DP	DRLG

Operations Summary
DRLG, TOOH, L/D 125 jts, ORT tools. Strap DP.

Remarks
Change out Bottom 4000' of DP

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	12:00		8.60	30		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					11.0	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,280.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	4,886.63	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	6,757.75	Fraley & Company,INC	Fuel
Transportation and Trucking	8180....	1,151.15	Dash hot shot service	
Transportation and Trucking	8180....	240.00	Double S Hot shot	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/2/2007
Report #: 117
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG J.S.A #22
00:30	01:30	1.00	1.50	TRIPS				TRIP I/HW/20 STANDS DERRICKMAN 100% TIED OFF J.S.A.#25# 62
01:30	08:00	6.50	8.00	DRILL ACTUAL				DRILL PICK UP SWIVEL D /FROM 8954 to 8981.40 4.5 Hr Fore working on crown on the 12/30/06 stayover to raise dirrick
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG JSA # 22, #105
08:30	12:30	4.00	12.50	DRILL ACTUAL				DRILL ACTUAL FROM 8978 TO 8995
12:30	13:30	1.00	13.50	CONDITION MUD AND CIRCULATE				CONDITION MUD & CIRCULATE get pipe baskets ready J SA # 149 REBUILD POP OFF
13:30	16:00	2.50	16.00	TRIPS				TRIPS lay down (50) jts. dp. review JSA # 143 no lay down machine
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG
16:30	19:00	2.50	19.00	TRIPS				TRIPS L/D 125 JT
19:00	23:00	4.00	23.00	TRIPS				TRIPS 78 STANDS X-O MWD X/O BITS REORIENTATE
23:00	00:00	1.00	24.00					UNLOAD 3.5 DRILL PIPE

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/3/2007
Report #: 118
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
55,552.83	4,803,603.93
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	30.0	OK

Operations at Report Time	Operations Next Report Period
Trip out of hole	TRIP

Operations Summary
Pick up 128 jts 3.5" and TIH

Remarks
Run in hole and PSI jump up and pop off nail

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	4,886.63	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG J.S.A#22 #136#11 #87

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 06 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:30	04:00	3.50	4.00					UNLOAD TRUCK WITH 3 1/2 IN. PIPE TO BE MY BOTTOM HOLE ASSEMBLY, TALLY NEW PIPE J
04:00	08:00	4.00	8.00	TRIPS				Torque to 2.750.0- PICKING UP 3 1/2 PIPE R.I.H -J.S.A ,91,42,157,79,57,7
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG JSA # 22
08:30	16:00	7.50	16.00	TRIPS				TRIPS PICK UP 3 1/2 DP JSA # 157
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG / WORK PIPE RAMS / ADJUST CROWN O MATIC / JSA #22
16:30	00:00	7.50	24.00	TRIPS				TRIP IN HOLE / PICK UP PIPE / JSA #25,#57, Pick up 128 Joints of 3.5" drill pipe (4095.56') Pump pressure jumps up and pop off pumps, @ 0600 Triping out of hole to ck motor.

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/4/2007
Report #: 119
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
51,161.20	4,854,765.13
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
cool	32.0	OK

Operations at Report Time	Operations Next Report Period
Drilling ahead @ 8998'	DRLG

Operations Summary
TOOH, Change out motors, TIH

Remarks
Motor skirt loose and tread protector on top of MWD tool

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	495.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/4/2007
Report #: 119
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:30	01:00	0.50	1.00					P/U SWIVEL TO GET SURVEY
01:00	02:30	1.50	2.50	TRIPS				TRIP I/H TO 8870 TAGGED
02:30	04:30	2.00	4.50	REAMING				REAMING 8870 PUMP PRESSURED UP NO RELEASE OF PRESSURE JSA#149 POP OFF VALVE
04:30	05:00	0.50	5.00					RIG DOWN SWIVEL READY FLOOR TO TRIP OUT OF HOLE JSA#24
05:00	08:00	3.00	8.00	TRIPS				T.O.H DIRRICK HANH 100% TIE OFF-SET AND TEST C.O.M FORE BOARD REVIEW J.S.A # 62,24.57,79
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG JSA # 22
08:30	16:00	7.50	16.00	TRIPS				TRIPS OUT OF HOLE
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG / ADJUST CROWN O MATIC / WORK PIPE RAMS / JSA # 22
16:30	22:30	6.00	22.50	TRIPS				TRIP IN HOLE / JSA #25 / MADE SURE DERRICKHAND WAS 100% TIED OFF , Change out mud motors and ort tools,
22:30	23:30	1.00	23.50	TRIPS				RIG UP POWER SWIVEL / CIRCULATE HOLE / JSA #90, Test tools OK, Lay down power swivel
23:30	00:00	0.50	24.00	TRIPS				TRIP IN HOLE / JSA #25 / DERRICKHAND 100% TIED OFF
00:00	00:00		24.00	TRIPS				06:00 Hrs Drilling ahead @ 8998'

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/5/2007
Report #: 120
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
51,161.20	4,905,926.33
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
COOL	33.0	OK

Operations at Report Time	Operations Next Report Period
TIH	DRLG

Operations Summary
TIH, DRLG,TOOH, CHange bit, TIH

Remarks
PDC BIT BAD

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	14:00		8.60	30		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					11.0	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**
					No	

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	495.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed
CONCOR 404		10.0
ALPINE QUIK SLIDE		25.0

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/5/2007
Report #: 120
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
06:00	06:30	0.50	0.50	TRIPS				TRIP I/H 10 STANDS DERRICK HAND 100% TIE OFF J.S.A#79#157#42 #62#25
06:30	10:00	3.50	4.00	DRILL ACTUAL				DRILL P/UP SWIVEL D-FROM 8976 -TO - 8991 J.S.A#125
10:00	12:00	2.00	6.00					WORK O/PUMP J.SA#18 SWABS ON BOTH PUMPS CIR/WITH 1 PUMP UNTIL I HAVE#2 BACKO/H
12:00	14:00	2.00	8.00	DRILL ACTUAL				DRILL FROM8991 -TO - 9007.98
14:00	14:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIGJSA # 22
14:30	22:00	7.50	16.00	DRILL ACTUAL				DRILL ACTUAL FROM 8998 TO 9012 UP WT.. 135000. DWN. WT.90000. RT WT. 123000
22:00	22:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG / WORK PIPE RAM / JSA #22
22:30	00:30	2.00	18.50	DRILL ACTUAL				SLIDING FROM 8990 TO 9012
00:30	01:00	0.50	19.00					HANG BACK SWIVEL
01:00	06:00	5.00	24.00	TRIPS				TRIP OUT OF HOLE / DERRICKHAND 100% TIED OFF / JSA# 62 #25
06:00	06:00		24.00	TRIPS				@ 0600 hr triping in hole

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/6/2007
Report #: 121
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	Cum Cost To Date
	4,905,926.33
Daily Mud Cost	Mud Additive Cost To Date
	7,458.24
Depth Start (ftKB)	Depth End (ftKB)
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	Depth End (TVD) (ftKB)
4,815.5	4,815.5
Target Formation	Target Depth (ftKB)
Leadville	
Personnel Hrs (hrs)	Cum Pers Tot Hr (hrs)
Time Log Total Hours (hrs)	Problem Time Hours (hrs)
Percent Problem Time (%)	Cum Prob Time (%)

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)

WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq

Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)

Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
COOL	27.0	OK

Operations at Report Time	Operations Next Report Period

Operations Summary
Trip in hole and drlg

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)

Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100...	Gel (30m) (lbf/100...	Filtrate (mL/30min)	Filter Cake (/32")	pH	Solids (%)

MBT (lb/bbl)	Percent Oil (%)	Percent Water (%)	Chlorides (mg/L)	Calcium (mg/L)	Potassium (mg/L)	Electric Stab (V)

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
					No			

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/7/2007
Report #: 122
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
	4,905,926.33
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
8,178.0	8,178.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,815.5	4,815.5
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
COOL	28.0	OK

Operations at Report Time	Operations Next Report Period
Drilling @ 9499	

Operations Summary

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
					No			

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/8/2007
Report #: 123
Depth Progress: 206.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
51,161.20	4,957,087.53
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,499.0	9,763.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,773.9	4,753.8
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

BHA #33, Drilling Assembly

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)
RR-10		--------	

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...
			13.1

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	9,499.0	9,621.0	122.00	7.50	7.50	16.3	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
0		0.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	9,679.0	9,763.0	206.00	7.50	15.00	11.2	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
75	55	1,980.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	22.0	OK

Operations at Report Time	Operations Next Report Period
Drilling @ 9852	

Operations Summary
Drilling ahead @ 06:00 hrs

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	00:00		8.60	31		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					12.5	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)	
		8.00	
Liner Size (in)		**Vol/Stk OR (bbl/stk)**	
5 1/2			
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)	
		8.00	
Liner Size (in)		**Vol/Stk OR (bbl/stk)**	
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)	
		8.00	
Liner Size (in)		**Vol/Stk OR (bbl/stk)**	
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)
9,677.00	94.79	162.95	4,763.90
9,708.00	96.20	163.12	4,760.93
9,740.00	97.52	163.47	4,757.11
9,772.00	99.19	163.65	4,752.46
9,804.00	100.68	163.91	4,746.94

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/8/2007
Report #: 123
Depth Progress: 206.00

Well Name: C113SWD Aneth Unit

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Fluids & Chemicals	8180....	495.00	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG (JSA SEC. #40, BOP PROCEDURES)
00:30	08:00	7.50	8.00	DRILL ACTUAL				DRILL ACTUAL FROM 9499 TO 9621(JSA#135 MAKING POWER SWIVEL CONNECTIONS)
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG JSA#22 #25 #138
08:30	16:00	7.50	16.00	DRILL ACTUAL				DRILL FROM -9621- TO-9679 JSA#93#157#95
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG / WORK PIPE RAMS / REVIEWED JSA # 22
16:30	00:00	7.50	24.00	DRILL ACTUAL				DRILL ACTUAL AND SLIDING FROM 9679 TO 9763 / JSA#125

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/9/2007
Report #: 124
Depth Progress: 301.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
74,537.25	5,031,624.78
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,763.0	10,101.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,753.8	4,693.8
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

BHA #33, Drilling Assembly

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)
RR-10		-------	

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...
			13.1

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	9,763.0	9,880.0	323.00	7.50	22.50	15.6	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
0		0.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	9,621.0	9,679.0	381.00	7.50	30.00	7.7	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
10	60	1,558.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	9,975.0	10,101.0	507.00	7.50	37.50	16.8	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
5	55	2,030.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	32.0	OK

Operations at Report Time	Operations Next Report Period
Drilling ahead @ 10164' @ 10' per hr	Trip

Operations Summary
Rig service and bit trip

Remarks
Bit trip @ 0800 hr

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	00:00		8.60	31		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					12.0	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)
9,994.00	100.42	163.21	4,709.49
10,025....	98.77	162.77	4,704.33
10,057....	97.52	162.77	4,699.79
10,089....	97.69	162.60	4,695.56
10,121....	99.70	162.60	4,690.72

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/9/2007
Report #: 124
Depth Progress: 301.00

Well Name: C113SWD Aneth Unit

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	3,686.20	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	4,054.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Miscellaneous	8180....	2,776.00	MI Swaco	Screens
Transportation and Trucking	8180....	630.00	K&C	Motors
Rental Equipment Compressor and Other	8180....	12,000.00	Andergauge	Ag-Itator
Fuel - Diesel / Motor Fuels / Power and Water	8180....	724.85	Fraley & Company	Propane

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG JSA #
00:30	08:00	7.50	8.00	DRILL ACTUAL				DRILL ACTUAL FROM 9763 TO 9880 JSA #135 P/S CONNECTION
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIGJSA#22
08:30	16:00	7.50	16.00	DRILL ACTUAL				DRILL FROM 9880 TO - 9975.08 JSA#135
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG / WORK PIPE RAMS / REVIEWED JSA #22
16:30	00:00	7.50	24.00	DRILL ACTUAL				DRILL ACTUAL AND SLIDE FROM 9975 TO 10102 / JSA # 135

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/10/2007
Report #: 125
Depth Progress: 169.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
70,406.40	5,102,031.18
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
10,102.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,693.6	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

BHA #33, Drilling Assembly

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)
RR-10		-------	

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...
			13.1

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	10,102.0	10,177.0	582.00	6.50	44.00	11.5	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
0		0.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 1	9,880.0	9,974.0	676.00	7.50	51.50	12.5	
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
5	60	2,148.0					
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error
A casing component contains a null value in ID

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cool	34.0	OK

Operations at Report Time	Operations Next Report Period
Tripping in hole	Drlg

Operations Summary
Drlg, Circ and tripping

Remarks
Pull out hole and change out bit motor and MWD tools

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	08:00					
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/10/2007
Report #: 125
Depth Progress: 169.00

Well Name: C113SWD Aneth Unit

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Fluids & Chemicals	8180....	3,686.20	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	4,054.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	12,000.00	Andergauge	Ag-Itator

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG
00:30	07:00	6.50	7.00	DRILL ACTUAL				DRILL ACTUAL FROM 10,102 TO 10,178 JSA # 135
07:00	08:00	1.00	8.00	CONDITION MUD AND CIRCULATE				CONDITION MUD & CIRCULATE, MIX SWEEP JSA#38 P/U WT. 160K, S/O WT. 90K ROT. WT. 120K 128 JTS. (3.5) IN, 189 JTS. (4) IN, 70 JTS. (4) OUT
08:00	09:00	1.00	9.00	TRIPS				TRIP O /H DERRICK HAND 100% TIE OFF LAYED D11 JTS
09:00	16:00	7.00	16.00	TRIPS				TRIP O/H TO CHANGE BIT
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG JSA# 22
16:30	21:30	5.00	21.50	TRIPS				TRIPS IN HOLE JSA # 25
21:30	00:00	2.50	24.00	TRIPS				TRIPS OUT OF HOLE 44 stands PUT ON ADJITATOR
00:00	00:00		24.00	TRIPS				@ 6:00 Tripping in hole

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/11/2007
Report #: 126
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
57,306.80	5,159,337.98
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Windy	47.0	OK

Operations at Report Time	Operations Next Report Period
Power swivel repair Circ And pull up into casing	Drlg

Operations Summary
Trip in hole and Drlg

Remarks
Power swivel went down @ 5:30 am

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	23:00		8.60	30		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					12.0	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	3,686.20	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	2,400.00	Andergauge	Ag-Itator
Transportation and Trucking	8180....	554.40	Challenger Hot Shot	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)		
5 1/2			
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)		
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)		
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG
00:30	03:30	3.00	3.50	TRIPS				TRIP TO 7628 JSA# 25
03:30	05:00	1.50	5.00	DEVIATION SURVEY				MAKE UP SWEDGE, TEST SURVEY JSA #95
05:00	07:15	2.25	7.25	TRIPS				CONT. TIH, WASH TO 10178 JSA# 25
07:15	08:00	0.75	8.00	DRILL ACTUAL				DRILL ACTUAL FROM 10178 TO JSA #125
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIGJSA #22 10270
08:30	16:00	7.50	16.00	DRILL ACTUAL				DRILL FROM 10178/ TO JSA#135#79 #57 # B.O.P D .ATJSA#40 11:15 P.U. WT. 120K S.O. WT. STACK OUT
16:00	00:00	8.00	24.00	DRILL ACTUAL				DRILL ACTUAL FROM 10270 TO 10344 REVIEWED JSA# 22,144 ON LIGHTS, #104 ON RADIATOR CLEANOUT
00:00	00:00		24.00	DRILL ACTUAL				06:00 @ 10381' Pumping pill to pull up into casing, Power swivel went down @ 05:30

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/12/2007
Report #: 127
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
56,752.40	5,216,090.38
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Windy	31.0	OK

Operations at Report Time	Operations Next Report Period
Tripping in hole to retrive whipstock	Test well

Operations Summary
Repair power swivel, Cut drlg line, TOOH

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	06:00		8.50	30		
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					11.0	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**
					No	

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	1,725.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	3,686.20	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	2,400.00	Andergauge	Ag-Itator

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed
safe scav		1.0
Alpine drill beads		2.0
LIME		2.0
POLY PLUS		5.0

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Depth...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/12/2007
Report #: 127
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	05:30	5.50	5.50	DRILL ACTUAL				DRILL ACTUAL FROM 10344 TO 10381 JSA# 135
05:30	06:30	1.00	6.50	CONDITION MUD AND CIRCULATE				CONDITION MUD & CIRCULATE HANG P/S BACK, TOOH TO 7100 JSA# 24
06:30	07:30	1.00	7.50	TRIPS				TRIP O/H 52 STANDS WAIT ON WEATHERFORD DERRICKHAND 100% T/O JSA#22 t/b.o.p.#40
07:30	09:30	2.00	9.50	CUT OFF DRILLING LINE				CUT OFF DRILLING LINE 80F/WAIT ON WEATHERFORD jsa#33#16
09:30	14:30	5.00	14.50					WAIT ON WEATHFORD do rig service jsa#22 #65#36#27
14:30	17:30	3.00	17.50					wait on wetherford
17:30	00:00	6.50	24.00	TRIPS				TRIPS out of hole lay down dir. tools
00:00	00:00		24.00	TRIPS				@ 6:00 TIH with fishing tools

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/13/2007
Report #: 128
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	29.0	OK

Operations at Report Time	Operations Next Report Period
Circ hole with produced water	Testing well

Operations Summary
Tripping for whipstock

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	3,390.00	Lansing	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,150.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	5,584.69	MI-SWACO	
Mud Log and Geological	8180....	1,120.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	2,400.00	Andergauge	Ag-Itator
Fishing Tool Expense	8180....	14,442.00		

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
74,757.89	5,290,848.27
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
07:00	09:00	2.00	2.00	DIR. WORK				DIR. WORK LAY DOWN DIRECTIONAL TOOLS
09:00	09:30	0.50	2.50	FISHING				FISHING UN LOAD FISHING TOOLS
09:30	11:00	1.50	4.00	FISHING				FISHING MAKE UP FISHING TOOLS FOR WHIP STOCK
11:00	15:00	4.00	8.00	TRIPS				TRIPS IN HOLE
15:00	15:30	0.50	8.50	LUBRICATE RIG				RIG SERVICE - SET AND TEST C.O.M - REVIEW J.S.A#25,22,24,31,62
15:30	18:30	3.00	11.50	TRIPS				T.I.H 105 STANDS FOR WHIPSTOCK - DERRICK MAN 100% TIED OFF
18:30	22:00	3.50	15.00	FISHING				FISHING FOR WHIPSTOCK
22:00	23:00	1.00	16.00	TRIPS				TRIP O/H TO GO BACK IN WITH OVERSHOT
23:00	02:00	3.00	19.00	TRIPS				TRIPS OUT OF HOLE
02:00	03:30	1.50	20.50					LAY DOWN TOOLS PICK UP BIT
03:30	07:00	3.50	24.00	TRIPS				TRIPS IN HOLE
07:00	07:00		24.00	TRIPS				@ 06:00 rolling hole with produced water

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/14/2007
Report #: 129
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
55,155.89	5,346,004.16
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)

WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq

Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)

Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	17.0	OK

Operations at Report Time	Operations Next Report Period
Testing well	TOOH w/ packer

Operations Summary
TIH and rig up to test

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
	08:00		8.60	28		

Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100...	Gel (30m) (lbf/100...	Filtrate (mL/30min)	Filter Cake (/32")	pH	Solids (%)
					11.0	

MBT (lb/bbl)	Percent Oil (%)	Percent Water (%)	Chlorides (mg/L)	Calcium (mg/L)	Potassium (mg/L)	Electric Stab (V)

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	5,584.69	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	2,400.00	Andergauge	Ag-Itator

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/14/2007
Report #: 129
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	LUBRICATE RIG				LUBRICATE RIG/ WORK PIPE RAMS / SET CROWN O MATIC / JSA#22
00:30	04:00	3.50	4.00	TRIPS				TRIP IN HOLE / MADE SURE DERRICK HAND WAS 100% TIED OFF / JSA#24
04:00	07:00	3.00	7.00	RIGUP & TEARDOWN				RIG UP POWER SWIVAL / CIRCULATE 800 BLLS /JET PITS
07:00	08:00	1.00	8.00	TRIPS				TRIP OUT OF HOLE / DERRICKHAND 100% TIED OFF
08:00	13:00	5.00	13.00	TRIPS				TRIP O/ H DERRICKB HAND 100% TIE OFF JSA#25 #62
13:00	15:30	2.50	15.50	TRIPS				TRIP IN HOLE WITH 4" XP 39 DRILL PIPE AND PACKER TO SET FOR TEST
15:30	16:00	0.50	16.00	LUBRICATE RIG				LUBRICATE RIG
16:00	18:00	2.00	18.00	TRIPS				TRIPS IN HOLE
18:00	21:30	3.50	21.50	TRIPS				TRIPS PICK UP DP
21:30	00:00	2.50	24.00					SET BAKER PACKER @ 7093 AND RIG WEATHERFORD. WEATHERFORD HAND HAD TO GO INTO FARMINGTON TO GET Y TO CONNECT PUMP TRUCKS TO GATHER
00:00	00:00		24.00					TESTING WELL @ 06:00

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/15/2007
Report #: 130
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
81,000.02	5,427,004.18
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	20.0	

Operations at Report Time	Operations Next Report Period
Pulling out of hole with packer	TOOH w/ packer

Operations Summary
Testing

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	1,663.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	2,070.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	5,584.69	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	2,400.00	Andergauge	Ag-Itator
Wireline Services	8180....	17,362.00	Black Warrior Wireline Corp	Testing well
Specialized Services	8180....	6,412.13	Baker Hughes	Packer

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/15/2007
Report #: 130
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	03:00	3.00	3.00	WIRE LINE LOGS				RIG UP HARD LINES FOR PRESSURE TEST / PSI 5000 TO 8000 STAY AWAY FROM LINES
03:00	08:00	5.00	8.00	WIRE LINE LOGS				WIRELINE LOGS / PRESSURE TEST / PUMP WATER INTO FORMATION
08:00	16:00	8.00	16.00	WIRE LINE LOGS				WIRELINE LOGS / PRESSURE TEST/PUMP FLUID INTO FORMATION/ R/U PUMPS #1&2
16:00	00:00	8.00	24.00	WIRE LINE LOGS				WIRELINE LOGS PRESURE TEST PUMP FLUID INTO FORMATION
00:00	00:00		24.00	WIRE LINE LOGS				@ 06:00 TOOH w/ Packer

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/16/2007
Report #: 131
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
62,822.89	5,489,827.07
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	14.0	

Operations at Report Time	Operations Next Report Period
06:00 Laying down 4" drill pipe	Retest well

Operations Summary
WOO, TIH, Lay down drill pipe

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	2,070.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	5,584.69	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Water Hauling / Disposal	8180....	6,270.00	Riley Industrial	Pit removal

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/16/2007
Report #: 131
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	01:00	1.00	1.00	Downtime				WAIT ON ORDERS / RIG SERVICE / JSA #22
01:00	06:30	5.50	6.50	Tripping Out				TRIP OUT OF HOLE W/ PACKER / DERRICK 100% TIED OFF/ JSA #24
06:30	08:00	1.50	8.00	Downtime				WAIT ON ORDERS
08:00	08:30	0.50	8.50	Lubricate Rig				LUBRICATE RIG
08:30	16:00	7.50	16.00	Downtime				WAIT ON ORDERS
16:00	22:30	6.50	22.50	Downtime				WAIT ON ORDERS
22:30	00:00	1.50	24.00	Tripping In				TRIPS IN HOLE WITH 4 INCH DP

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/17/2007
Report #: 132
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
49,928.20	5,539,755.27
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	20.0	

Operations at Report Time
06:00 1-17-07 1-18-07 Waiting on tubing

Operations Next Report Period
Test well

Operations Summary
Lay down 4" and 3.5" drill string

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,325.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	600.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	5,124.00	KNIGHT	4"XT-39 DP
Labor - Contract	8180....	4,626.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	430.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	819.20	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	02:30	2.50	2.50	TRIPS				TRIP IN HOLE / MAKE SURE DERRICK HAND 100% TIED OFF / SET CROWN O MATIC/ JSA#25
02:30	06:30	4.00	6.50	TRIPS				TRIP OUT / LAY DOWN PIPE /
06:30	08:00	1.50	8.00	TRIPS				RIG UP LAY DOWN MACHINE / SAFETY MEETING / TRIP OUT JSA #24
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG
08:30	13:30	5.00	13.50	TRIPS				TRIP OOH LAYING DOWN 4 D.P. JSA#24
13:30	15:00	1.50	15.00	RIGUP & TEARDOWN				RIG DOWN- LAY DOWN MACHINE/ X/O TO 3.5
15:00	16:00	1.00	16.00	TRIPS				TRIP IH W/ 3.5 JSA #24
16:00	19:00	3.00	19.00	TRIPS				TRIP I/H WITH 31/2 DRRICK HAND 100% TIE OFF
19:00	20:00	1.00	20.00					RIG UP LAY DOWN MACHINE TO LAY DOWN 3 1/2 DRILL PIPE
20:00	00:00	4.00	24.00	TRIPS				TRIP O/H WITH 31/2 PIPE ON LAY DOWN MACHINE
00:00	00:00		24.00	TRIPS				06:00 w/o tubing

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/18/2007
Report #: 133
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
124,176.97	5,663,932.24
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)

WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq

Q (g inj) (ft³/min)	T (Inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)

Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
cold	19.0	

Operations at Report Time	Operations Next Report Period
06:00 1-18-07 1-19-07 getting ready to fiilter	Test well

Operations Summary
Unload tubing, Run tubing in hole

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)

Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100...	Gel (30m) (lbf/100...	Filtrate (mL/30min)	Filter Cake (/32")	pH	Solids (%)

MBT (lb/bbl)	Percent Oil (%)	Percent Water (%)	Chlorides (mg/L)	Calcium (mg/L)	Potassium (mg/L)	Electric Stab (V)

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,250.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	780.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	15,967.00	KNIGHT	P-6 tubing
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	430.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	3,903.49	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Stimulation - Other	8180....	34,122.40	Weatherford	Pump trucks
Casing Crew	8180....	4,478.18	San Juan Casing	Run tubing
Casing Crew	8180....	16,087.50	Weatherford TRS	Lay down mechine

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Transportation and Trucking	8180....	10,154.40	Tubular Tranport	

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	00:30	0.50	0.50	TRIPS				TRIP OUT LAY DOWN / REVEIW JSA #24
00:30	01:00	0.50	1.00	LUBRICATE RIG				LUBRICATE RIG
01:00	08:00	7.00	8.00	DRILL ACTUAL				WAIT ON PIPE / CLOSE BLIND RAMS / OPEN HCR VALVE
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG
08:30	10:00	1.50	10.00	WAIT ON CEMENT				WAIT ON DRILL PIPE
10:00	15:30	5.50	15.50	RIGUP & TEARDOWN				UNLOAD & TALLY PIPE, R/U CASING CREW
15:30	16:00	0.50	16.00	TRIPS				M/U BHA- 1 JOINT 3 TUB. & PACKER,- P/U 4.5 BUTRESS TIH TO 7050 JSA #25
16:00	22:00	6.00	22.00	TRIPS				TRIPI/H RUNING P110 PH6 TUBING BOTTOM ANCHOR @ 6865 Packer @ 6832-6825 jsa#25#3 #7 jsa #37
22:00	22:30	0.50	22.50	Lay Down/Pick Up Tubing				Rig down casing crew and lay down mic.
22:30	23:00	0.50	23.00					Set packer with 45k on packer
23:00	00:00	1.00	24.00	NIPPLE UP B.O.P.				Change pipe rams out to 4.5

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost-time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/19/2007
Report #: 134
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
69,275.54	5,733,207.78
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
SNOWING	32.0	

Operations at Report Time	Operations Next Report Period
06:00 1-19-07 1-20-07 W/O PUMP TRUCKS	TEST

Operations Summary
SET FRAC TANKS AND FILL

Remarks
GETTING READY TO TEST WELL

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,300.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	512.50	LANCING	H2O
Rental Equipment Compressor and Other	8180....	15,967.00	KNIGHT	P-6 tubing
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	430.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	3,903.49	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Rental Equipment Compressor and Other	8180....	360.00	LTR	FRAC TANKS
Drill Bits	8180....	9,798.55	SECURITY Bits	

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)	
		8.00	
Liner Size (in)		**Vol/Stk OR (bbl/stk)**	
5 1/2			
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)	
		8.00	
Liner Size (in)		**Vol/Stk OR (bbl/stk)**	
5 1/2			
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)	
		8.00	
Liner Size (in)		**Vol/Stk OR (bbl/stk)**	
5 1/2			
Pres (psi)	**Slow Spd**	**Strokes (sp...**	**Eff (%)**
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 06 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/19/2007
Report #: 134
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00					WAIT ON ORDERS / CLOSE PIPE RAMS AND OPEN HCR VALVE Spot in frac tanks
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG
08:30	13:00	4.50	13.00	WAIT ON CEMENT				WAIT ON PUMP TRUCKS Filter producter water with 10 mic filter for test
13:00	13:30	0.50	13.50	WIRE LINE LOGS				R/U WIRELINE- RIH W/ D/H GAUGES SET GAUGES @ 6865' TO 6557'
13:30	14:00	0.50	14.00	WIRE LINE LOGS				TOOH W/ WIRELINE
14:00	16:00	2.00	16.00	WAIT ON CEMENT				WAIT ON PUMP TRUCKS, FILL FRAC TANKS WITH PRODUCES WATER
16:00	16:30	0.50	16.50	LUBRICATE RIG				LUBRICATE RIG JSA#22
16:30	00:00	7.50	24.00	WAIT ON CEMENT				WAIT ON PUMP TRUCKS JSA#37JSA#115 JSA#116#136 JET PITS AND CLEAN, DRAIN PUMPS .
00:00	00:00		24.00	WAIT ON CEMENT				06:00 W/O PUMP TRUCKS

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/20/2007
Report #: 135
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
63,763.44	5,796,971.22
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	16.0	

Operations at Report Time	Operations Next Report Period
06:00 1-20-07 1-21-07 Laying down 4.5" tubing	Fish whip

Operations Summary
W/O trucks rig up Weatherford and test well

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,300.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	0.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	0.00	KNIGHT	P-6 tubing
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	430.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Stimulation - Frac	8180....	25,029.44	Weatherford	Test

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00
Liner Size (in)		**Vol/Stk OR (bbl/stk)**
5 1/2		
Pres (psi)	**Slow Spd**	**Strokes (sp...** / **Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00					WAIT ON PUMP TRUCKS REVIEW JSA# 22,116,41,AND 16
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG
08:30	10:00	1.50	10.00	WAIT ON CEMENT				WAIT ON TRUCKS
10:00	12:00	2.00	12.00	RIGUP & TEARDOWN				RIG UP WEATHERFORD PUMP TRUCKS
12:00	16:00	4.00	16.00	SQUEEZE CEMENT				PUMP TEST-BACKSIDE@1000#,HARDLINE@80... MAX PRESS.@5000#
16:00	19:30	3.50	19.50	SQUEEZE CEMENT				PUMP TEST-BACKSIDE AT#1000 HARDLINE AT#8000 MAX#5000 JSA#154
19:30	00:00	4.50	24.00	SQUEEZE CEMENT				SHUT IN AT 6800PSI -RIG DOWN PUMP TRUCK - SHUT IN FOR SIX HRS

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/21/2007
Report #: 136
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
71,365.67	5,868,336.89
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	17.0	

Operations at Report Time	Operations Next Report Period
06:00 1-21-07 1-22-07 Changing out shale shaker	Fish whip

Operations Summary
Lay down tubing and load out

Remarks

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,300.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	2,467.50	LANCING	H2O
Rental Equipment Compressor and Other	8180....	4,029.31	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	430.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Casing Crew	8180....	7,475.00	Weatherford	Lay down
Casing Crew	8180....	4,954.00	San Juan Casing	Lay down 4.5"
Specialized Services	8180....	6,100.30	Baker Hughes	7 5/8"Packer

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Rental Equipment Compressor and Other	8180....	7,605.56	Blakley Oilfield service	Filter water for test

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	01:30	1.50	1.50					SHUT IN RECORD PREASURE
01:30	04:30	3.00	4.50					WAIT ON LAY DN TRUCK AND CASING CREW AND RIG UP
04:30	08:00	3.50	8.00	RUN CASING & CEMENT				LAY DOWN TUBING
08:00	12:30	4.50	12.50	RUN CASING & CEMENT				CONT. LAYING DOWN TBG.
12:30	16:00	3.50	16.00	RIGUP & TEARDOWN				LOAD PACKER & 4.5 TBG., RIG DOWN-CASING CREW & LAY DOWN MACHINE, SWAP SHAKER
16:00	00:00	8.00	24.00					SWAP SHAKER WAIT ON 31/2 PIPE AND FIX ROTARY CHAIN L/BEARING JSA#41#22
00:00	00:00		24.00					6:00 am changing out shale shakers and repair rot chain bearing

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/22/2007
Report #: 137
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
44,263.31	5,912,600.20
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
16.50	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	15.0	

Operations at Report Time	Operations Next Report Period
06:00 1-22-07 1-23-07 Picking up drill pipe	Fish whip

Operations Summary
Unload drill pipe, Change out shale shakers,

Remarks
Strap drilll pipe

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
NaCl	17:30		8.90	29	1.0	
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
					7.0	
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**
	0.0	99.9				

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	16,100.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00		Lackey
Rental Equipment Compressor and Other	8180....	2,516.00	MISC.	
Communications - Telephone	8180....	100.00	PHONE	
Rental Equipment Compressor and Other	8180....	1,948.00	PASON	
Labor - Contract	8180....	2,300.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	250.00	FRANKS	FORKLIFT
Camp	8180....	3,390.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	680.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	4,029.31	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	10,500.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	730.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Transportation and Trucking	8180....	520.00	Monarch Hot Shot	Whip stock

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 06 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/22/2007
Report #: 137
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00	REPAIR RIG				REPAIR RIG CHANGING OUT SHALE SHAKER AND REPAIR ROTARY CHAIN BEARING W/O DP
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG / REVIEW JSA #22 WAIT ON ORDERS
08:30	16:30	8.00	16.50					unload trucks w/31/2 pipe and tally pipe and help welders f/shaker jsa#36#22 waiting on orders, change pipe rams and fix flow line.
16:30	16:30		16.50					06:00 Picking up drill pipe

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/23/2007
Report #: 138
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
51,383.61	5,963,983.81
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**
Error				

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	13.0	OK

Operations at Report Time	Operations Next Report Period
1-23-07 1-24-07 POOH	SET Whip for # 2 Lat

Operations Summary
Pick up DP, Latch on fish, POOH

Remarks
Jar fish free

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	17,710.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00	Ron Lackey	Lackey
Rental Equipment Compressor and Other	8180....	2,767.60	MISC.	
Communications - Telephone	8180....	110.00	PHONE	
Rental Equipment Compressor and Other	8180....	2,142.80	PASON	
Labor - Contract	8180....	2,530.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	275.00	FRANKS	FORKLIFT
Camp	8180....	330.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	748.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	4,432.21	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,550.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	7,588.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/23/2007
Report #: 138
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	01:30	1.50	1.50	Nipple Up /Nipple Down BOP Stack				NIPPLE UP B.O.P. rig up flow line
01:30	02:00	0.50	2.00	Fishing				Pick upand make up fishing tools
02:00	04:30	2.50	4.50	Rig Repair				REPAIR RIG repair air to drum
04:30	08:00	3.50	8.00	Tripping In				PICK UP DRILL PIPE
08:00	08:30	0.50	8.50	Lubricate Rig				LUBRICATE RIG JSA #22
08:30	16:00	7.50	16.00	Tripping In				TRIP IN HOLE
16:00	18:00	2.00	18.00	Tripping In				TRIP I./H W/31/2 PIPE TO FISH WHIPSTOCK
18:00	20:00	2.00	20.00	Condition and/or Circulate mud				PICK UP POWER SWIVEL AND BREAK CIRC
20:00	22:00	2.00	22.00	Fishing				WORK OVER SHOT OVER WHIPSTOCK AND SHEAR FREE LAY SWIVEL, Pull up 10' and pull up 160k, set jars off wt went to 103k
22:00	00:00	2.00	24.00	Tripping Out				PULL OUT OF HOLE DERRICKHANDE 100% TIED OFF

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/24/2007
Report #: 139
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
59,077.71	6,023,061.52
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (Inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
Cold	19.0	OK

Operations at Report Time	Operations Next Report Period
1-24-07 Running in with whipstock # 2	Mill windrow

Operations Summary
Run in and fish whip # 1

Remarks
Work fish tools over fish

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	17,710.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00	Ron Lackey	Lackey
Rental Equipment Compressor and Other	8180....	2,767.60	MISC.	
Communications - Telephone	8180....	110.00	PHONE	
Rental Equipment Compressor and Other	8180....	2,142.80	PASON	
Labor - Contract	8180....	2,530.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	275.00	FRANKS	FORKLIFT
Camp	8180....	330.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	330.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	4,432.21	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,550.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	791.62	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	7,402.71	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator
Rental Equipment Compressor and Other	8180....	5,590.37	High Tech Tools	Pipe Rams
Water Hauling / Disposal	8180....	1,495.40	Montezuma Well Service	H2O for test

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

 # 1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Transportation and Trucking	8180....	420.00	Montezuma Well Service	Trucking Tank

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	08:00	8.00	8.00	Tripping Out				TRIPS OUT OF HOLE WITH FISH JSA# 25 DERRICK MAN 100 % TIED OFF
08:00	08:30	0.50	8.50	LUBRICATE RIG				LUBRICATE RIG REVIEW JSA #22
08:30	11:30	3.00	11.50	Rig Repair				WAIT ON TOOLS AND WORK ON ROTORY SPROCKET
11:30	15:00	3.50	15.00	Lubricate Rig				TRIP IN HOLE / SET CROWN O MATIC / MADE SURE DERRICK HAND 100% TIED OFF
15:00	17:00	2.00	17.00	Condition and/or Circulate mud				RIG UP POWER SWIVEL AND BREAK CIRC
17:00	21:00	4.00	21.00	Tripping Out				TRIP OUT OF HOLE W/ WHIPSTOCK
21:00	23:00	2.00	23.00	DIR. WORK				M/U WHIPSTOCK REORIENTATE START # 2 LAT
23:00	00:00	1.00	24.00	TRIPS				TRIP IN HOLE W/ WHIPSTOCK

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Date: 1/24/2007
Report #: 140
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**KB-Ground Distance (ft)**	**KB-Casing Flange Distance (ft)**
9/9/2006 00:00		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
51,383.61	6,074,445.13
Daily Mud Cost	**Mud Additive Cost To Date**
	7,458.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Personnel Hrs (hrs)	**Cum Pers Tot Hr (hrs)**
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
3.00	
Percent Problem Time (%)	**Cum Prob Time (%)**

Drill Strings

Bit Run	Drill Bit	IADC Bit Dull	TFA (incl Noz) (in²)

Nozzles (/32")	String Length (ft)	String Wt (1000lbf)	BHA ROP (ft...

Size (in)	Make	Model	IADC Codes

Drill String Components

Item Description	Jts	OD (in)	ID (in)	Len (ft)	Top Thread

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drill Time (hrs)	Cum Drill Time ...	Int ROP (ft/hr)	Flow Rate (gpm)
WOB (1000lbf)	**RPM (rpm)**	**SPP (psi)**	**Rot HL (1000lbf)**	**PU HL (1000lbf)**	**SO HL (1000lbf)**	**Drilling Torque**	**Off Btm Tq**
Q (g inj) (ft³/min)	**T (inj) (°F)**	**P (BH Ann) (psi)**	**T (bh) (°F)**	**P(Surf Ann) (psi)**	**T (surf ann) (°F)**	**Q (liq rtrn) (gpm)**	**Q (g return) (ft³/...**

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Error

Kicks

Start Date/Time	Kick Depth (ftKB)	End Date/Time	Control Depth (ftKB)	Kick Class

Kill Notes

Lost Circulation

Start Date/Time	Top (ftKB)	Bottom (ftKB)	Ops In Prog	V (bbl)	End Date/Time

Daily Operations

Weather	Temperature (°F)	Hole Condition
COLD	19.0	OK

Operations at Report Time	Operations Next Report Period
1-24-07 1-25-07 RIH AND SET WHIP	MILL WINDROW

Operations Summary
SET WHIP AND SHEER OFF MILLS

Remarks
WHIP TOP @ 7106' BOT @ 7117'

Mud Checks

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Calc (cp)	YP Calc (lbf/100ft²)
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100...**	**Gel (30m) (lbf/100...**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Solids (%)**
MBT (lb/bbl)	**Percent Oil (%)**	**Percent Water (%)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Potassium (mg/L)**	**Electric Stab (V)**

CEC for Cuttings	Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost (Surf) (bbl)	Mud Vol (Res) (bbl)	Mud Vol (Act) (bbl)

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180....	17,710.00	Patterson UTI	
Labor - Company Supervision	8180....	1,200.00	Ron Lackey	Lackey
Rental Equipment Compressor and Other	8180....	2,767.60	MISC.	
Communications - Telephone	8180....	110.00	PHONE	
Rental Equipment Compressor and Other	8180....	2,142.80	PASON	
Labor - Contract	8180....	2,530.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180....	275.00	FRANKS	FORKLIFT
Camp	8180....	330.00	Wellcheck	Trailers
Water Hauling / Disposal	8180....	748.00	LANCING	H2O
Rental Equipment Compressor and Other	8180....	4,432.21	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180....	0.00	WEATHERFORD	SWIVEL
Labor - Contract	8180....	11,550.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180....	7,588.00	MI-SWACO	
Mud Log and Geological	8180....	0.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180....	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180....	0.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180....	0.00	Andergauge	Ag-Itator

Personnel Log

Type	Count	Tot Time (hrs)

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Rigs

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

Mud Pumps

1, GARDNER DENVER, PZ 7

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Mud Additive Amounts

Description	Cost (/unit)	Consumed

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Last Casing String

Casing Description	Run Date/Time	Set Dept...
Production	11/2/2006	7,597.0

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Well Name: C113SWD Aneth Unit

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 2	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	03:00	3.00	3.00	Tripping In				Pick up whip stock # 2 ort whip to az 315 deg, Packer @ 279 az Trip in hole

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES

Daily Drilling Report

Report Start Date: 1/25/2007
Report #: 141
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit **Wellbore: Lateral 2 of Original Hole**

Well Header

API Number	Surface Legal Location	County	State/Province
43037318520000	Sec 13 T40S R23E	San Juan	UT/U.S.

Well Spud Date/Time	Rig Release Date/Time	KB-Ground Distance (ft)	KB-CF (ft)
9/9/2006		16.00	16.00

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Mud Cost	Daily Cost Total
	57,869.23
Cum Cost To Date	
6,132,314.36	
Depth Start (ftKB)	Depth End (ftKB)
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	Depth End (TVD) (ftKB)
4,713.3	4,713.3
Target Formation	Target Depth (ftKB)
Leadville	
Time Log Total Hours (hrs)	Problem Time Hours (hrs)
24.00	
Percent Problem Time (%)	Cum Prob Time (%)

Casing Strings

Casing Description	Run Date/Time	Set Depth (ftKB)
Conductor	9/9/2006	82.0
Surface	9/22/2006	1,618.0
Production	11/2/2006	7,597.0

Rig

Contractor	Rig No.
PATTERSON UTI-DRILLING	741

Daily Operations

Operations at Report Time
1-24-07 1-25-07 Run in hole w/ curve motor

Operations Summary
Set whip and mill window

Operations Next Report Period
Drlg Curve

Remarks

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Mud Pumps

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke Length (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)		
5 1/2			
Pres (psi)	Slow Spd	Strokes (sp...	Eff (%)
	No		

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

Time Log

Start Time	End Time	Dur (hrs)	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	03:30	3.50				TRIPS IN HOLE JSA # 25 DERRICK MAN 100% TIED OFF
03:30	04:00	0.50				DIR. WORK SET WIP STOCK
04:00	05:00	1.00				TRIPS SWIVEL UP FILL UP PITS
05:00	08:00	3.00				Mill window @ 7106 to 7111 DRILLED 5 FT.
08:00	08:30	0.50				LUBRICATE RIG REVIEW JSA #22
08:30	15:30	7.00				MILL OUT WINDOW FROM 7111 TO 7120
15:30	18:00	2.50				CONDITION MUD & CIRCULATE @7120 JSA #39
18:00	21:30	3.50				HANG P/S BACK-LAY DWN. 5 JTS. AND TRIP OUT OF HOLE JSA #24
21:30	00:00	2.50				M/U DIRECTIONAL TOOLS, REORIENTATE

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180.164	17,710.00	Patterson UTI	
Labor - Company Supervision	8180.208	1,200.00	Ron Lackey	Lackey
Rental Equipment Compressor and Other	8180.260	2,767.60	MISC.	
Communications - Telephone	8180.132	110.00	PHONE	
Rental Equipment Compressor and Other	8180.260	2,142.80	PASON	
Labor - Contract	8180.200	2,530.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180.260	275.00	FRANKS	FORKLIFT
Camp	8180.228	330.00	Wellcheck	Trailers
Water Hauling / Disposal	8180.372	330.00	LANCING	H2O
Rental Equipment Compressor and Other	8180.260	4,432.21	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180.200	4,650.00	WEATHERFORD	SWIVEL
Labor - Contract	8180.200	11,550.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180.160	791.62	MI-SWACO	
Mud Log and Geological	8180.232	1,150.00	BERRY	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180.188	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180.260	7,900.00	Smith	3.5 DP
Rental Equipment Compressor and Other	8180.260	0.00	Andergauge	Ag-Itator

Mud Properties

Type	Dens (lb/gal)	Vis (s/qt)	PV OR (cp)	YP OR (lbf/100ft²)	Mud Lost (Hole) (bbl)
NaCl	8.60	30	1.0	0.000	

BHA #1, Kick Off

Bit Run	Drill Bit	Nozzles (/32")	WOB (max) (1000lbf)
1	6 1/2in, XR30 , PE 9334		2

Date/Time In	Depth In (ftKB)	Date/Time Out	Depth Out (ftKB)	Total Drill Hrs (hrs)	Total Depth Drille...
1/25/2007	7,106.0		7,120.0	10.00	14.00

Drill String Components

Item Description	Joints	OD (in)	ID (in)	Length (ft)
DSA Motor 1		4 3/4		18.42
Bit Sub w/Float		4 3/4		3.14
XO Sub		4 3/4		2.51
Drill Collar - Pony		4 3/4		10.13
Drill Collar - Non Mag		4 3/4		28.73
Drill Collar - Non Mag		4 3/4		29.28
Orientation Sub		4 3/4		2.57
XO Sub		4 3/4		3.56

Weather	Temperature (°F)
Cold	19.0

Daily Contacts
Rig Manager, THOMAS EVENSON; ; ; Drilling Foreman, RON LACKEY, 505-793-7063;

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Start Date: 1/25/2007
Report #: 141
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit **Wellbore: Lateral 2 of Original Hole**

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth (ft)	Drilling Time (hrs)	Cum Drill Time (...	Int ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,106.0	7,120.0	14.00	10.00	10.00	1.4	
WOB (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Btm Tq
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	T (bh) (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtrn) (gpm)	Q (g return) (ft³/...

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	% P @ bit (%)
Max Casing AV (ft/min)	Max Open Hole AV (ft/min)	Min Casing AV (ft/min)	Min Open Hole AV (ft/min)	ECD End (lb/gal)

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 06 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling

Report for: 1/28/2007
Report #: 144, DFS: 79.00
Depth Progress: 0.00

API Number	Surface Legal Location	License No.	State/Province
43037318520000	Sec 13 T40S R23E		UT/U.S.
Well Spud Date/Time	**Rig Release Date/Time**	**Ground Elevation (ft)**	**KB-Ground Distance (ft)**
9/9/2006 00:00		4,794.00	16.00
Weather	**Temperature (°F)**	**Plant Pressure**	**Hole Condition**
Cold	22.0		OK

Operations at Report Time	Operations Next Report Period
1-27-07 1-28-07 Tripping in hole	Drlg

Operations Summary
Drlg 7124' to 7168' Tooh

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Cost Total	**Cum Cost To Date**
52,600.61	6,333,577.29
Daily Mud Cost	**Mud Cum To Date**
	3,798.24
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Target Formation	**Target Depth (ftKB)**
Leadville	

Last Casing String
Production, 7,597.0ftKB

Time Log

Start Time	End Time	Dur (hrs)	Cum Dur (hrs)	Code 1	Code 2	Comment
00:00	02:00	2.00	2.00	02	Drilling	TIME-D FROM 7153 -TO 7153 JSA#42#22
02:00	03:00	1.00	3.00	11	Rig Repair	REPAIR PUMP SWAP PUMPS JSA#18 #81#4
03:00	08:00	5.00	8.00	02	Drilling	TIME D/ FROM - 7153 S/TO TEST C.O.M. JSA#93
08:00	08:30	0.50	8.50	10	Lubricate Rig	LUBRICATE RIG REVIEW JSA #22 / WORK PIPE RAMS
08:30	16:00	7.50	16.00	02	Drilling	DRILL ACTUAL / TIME DRILLING F/ 7153 TO 7168
16:00	20:00	4.00	20.00	25	Directional Work	MAKING CONN. & SERV. W/L GYRO TOOLS WOULD NOT SEAT IN MULE SHOE JSA #146
20:00	21:00	1.00	21.00	25	Directional Work	RIG DN. W/L, HANG BACK P/S JSA #35
21:00	00:00	3.00	24.00	09	Tripping Out	LAY DOWN 1 JT., TOOH TO CHANGE OUT MWD TOOLS AND CK OUT MULE SHOE JSA #24 TEST CROWNOMATIC S/M

7,164.0ftKB, 1/28/2007 23:00

Type	Time	Depth (ftKB)	Density (lb/gal)	Vis (s/qt)	PV Override (cp)	YP OR (lbf/100ft²)
NaCl	23:00	7,164.0	8.60	29	1.0	0.000
Gel (10s) (lbf/100ft²)	**Gel (10m) (lbf/100ft²)**	**Filtrate (mL/30min)**	**Filter Cake (/32")**	**pH**	**Sand (%)**	**Solids (%)**
				11.0	0.0	
MBT (lb/bbl)	**Alkalinity (mL/mL)**	**Chlorides (mg/L)**	**Calcium (mg/L)**	**Pf (mL/mL)**	**Pm (mL/mL)**	**Gel (30m) (lbf/100ft²)**
			18,000.000			

Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost to Surface (bbl)	Reserve Mud Volume (bbl)	Active Mud Volume (bbl)

BHA #1, Kick Off

Bit Run	Drill Bit	Length (ft)	IADC Bit Dull	TFA (incl Noz) (in²)	BHA RO...
1	6 1/2in, XR30 , PE 9334		-------		6.2

Nozzles (/32")	String Length (ft)	OD (in)
	98.34	4.750

String Components
Smith XR30 , XO Sub, Orientation Sub, Drill Collar - Non Mag, Drill Collar - Non Mag, Drill Collar - Pony, XO Sub, Bit Sub w/Float, DSA Motor 1

Comment
Building curve on Lat #2

Wellbore	Start (ftKB)	End (ftKB)	Cum Depth (ft)	Cum Drill Time (hrs)	Int ROP (ft/hr)	Q (flow) (gpm)	WOB (1000l...	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	Drill Tq
Lateral 2	7,106.0	7,120.0	14.00	10.00	1.4		2	70				
Lateral 2	7,120.0	7,168.0	62.00	10.00			2	70				

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Daily Contacts

Job Contact	Mobile
THOMAS EVENSON	
RON LACKEY	505-793-7063

PATTERSON-UTI DRILLING COM...

Contractor	Rig Number
PATTERSON-UTI DRILLING COMPANY	741
Rig Supervisor	**Phone Mobile**
THOMAS EVENSON	

1, GARDNER DENVER, PZ 8

Pump Number	Pwr (hp)	Rod Dia (in)
1		
Liner Size (in)	**Stroke (in)**	**Vol/Stk OR (b...**
5 1/2	8.00	
Pres (psi)	**Slow Spd**	**Strokes (s... Eff (%)**
	No	102

2, GARDNER DENVER, PZ 8

Pump Number	Pwr (hp)	Rod Dia (in)
2		
Liner Size (in)	**Stroke (in)**	**Vol/Stk OR (b...**
5 1/2	8.00	
Pres (psi)	**Slow Spd**	**Strokes (s... Eff (%)**
	No	

PATTERSON UTI-DRILLING, 741

Contractor	Rig Number
PATTERSON UTI-DRILLING	741
Rig Supervisor	**Phone Mobile**
RON LACKEY	505-793-7063

2, GARDNER DENVER, PZ 8

Pump Number	Pwr (hp)	Rod Dia (in)
2		
Liner Size (in)	**Stroke (in)**	**Vol/Stk OR (b...**
5 1/2	8.00	
Pres (psi)	**Slow Spd**	**Strokes (s... Eff (%)**
	No	

3, GARDNER DENVER, PZ 8

Pump Number	Pwr (hp)	Rod Dia (in)
3		
Liner Size (in)	**Stroke (in)**	**Vol/Stk OR (b...**
5 1/2	8.00	
Pres (psi)	**Slow Spd**	**Strokes (s... Eff (%)**
	No	

Mud Additive Amounts

Description	Cost (/unit)	Consu...

Safety Checks

Time	Type	Description

Wellbores

Wellbore Name	KO MD (ftKB)
Lateral 2	
Original Hole	
Lateral 1	

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Start Date: 1/29/2007
Report #: 145
Depth Progress: 0.00

Well Name: C113SWD Aneth Unit | **Wellbore: Original Hole of Original Hole**

Well Header

API Number	Surface Legal Location	County	State/Province
43037318520000	Sec 13 T40S R23E	San Juan	UT/U.S.

Well Spud Date/Time	Rig Release Date/Time	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)
9/9/2006		16.00	16.00

Casing Strings

Casing Description	Run Date/Time	Set Depth (ftKB)
Conductor	9/9/2006	82.0
Surface	9/22/2006	1,618.0
Production	11/2/2006	7,597.0

Rig

Contractor	Rig No.
PATTERSON UTI-DRILLING	741

Daily Operations

Operations at Report Time
1-28-07 1-29-07 Installing screen in xo

Operations Summary
Trip change out MWD tools Drlg and make con

Operations Next Report Period
Drlg

Remarks

Time Log

Start Time	End Time	Dur (hrs)	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	02:30	2.50				TRIP O/H CHANGE M.W.D TOOL DERRICKHAND 100% TIED OFF
02:30	04:00	1.50				CHANGE O/MWD TOOL TEST C.O.M. JSA#*93
04:00	05:00	1.00				TRIP I/H RABBIT 10STANDS TEST TOOL J.S.A #62
05:00	05:30	0.50				RIG UP TO TEST M.W.D TOOL J.S.A.#25#142
05:30	08:00	2.50				TRIP I/H DERRICKHAND 100% TIED OFF J.S.A.#22
08:00	08:30	0.50				LUBRICATE RIG JSA # 22
08:30	10:00	1.50				TRIPS IN HOLE JSA # 25 DERRICK HAND 100 % TIED OFF
10:00	12:00	2.00				PICK UP SWIVEL AND TRIP IN HOLE WITH GRYO JSA # 125
12:00	16:00	4.00				DRILL ACTUAL FROM 7168 TO7174
16:00	00:00	8.00				SLIDE- DRILL 7174- 7217 JSA #125

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180.164	17,710.00	Patterson UTI	
Labor - Company Supervision	8180.208	1,200.00	Ron Lackey	Lackey
Rental Equipment Compressor and Other	8180.260	2,767.60	MISC.	
Communications - Telephone	8180.132	110.00	PHONE	
Rental Equipment Compressor and Other	8180.260	2,142.80	PASON	
Labor - Contract	8180.200	2,530.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180.260	275.00	FRANKS	FORKLIFT
Camp	8180.228	330.00	Wellcheck	Trailers
Water Hauling / Disposal	8180.372	720.00	LANCING	H2O
Rental Equipment Compressor and Other	8180.260	4,432.21	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180.200	4,650.00	WEATHERFORD	SWIVEL
Labor - Contract	8180.200	11,550.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180.160	2,416.53	MI-SWACO	
Mud Log and Geological	8180.232	1,250.00	Choquette Well Logging	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180.188	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180.260	0.00	Smith	Whip Stock # 2
Rental Equipment Compressor and Other	8180.260	0.00	Andergauge	Ag-Itator
Drill Bits	8180.152	0.00	Smith Bits	6 1/2" XR 30
Drill Bits	8180.152		Security Bits	
Drill Bits	8180.152		Hughes Bits	
Transportation and Trucking	8180.352	0.00	SanJuan Hot Shot	4 3/4" motors out of Midland
Transportation and Trucking	8180.352	0.00	Monarch Hot Shot	
Transportation and Trucking	8180.352	0.00	Dash Hot Shot Service	
Transportation and Trucking	8180.352			
Transportation and Trucking	8180.352	0.00	Challenger Hot shot	Return shale shaker
Wireline Services	8180.380	20,394.00	Basin	
Specialized Services	8180.328	21,469.85	Gyro Data	

Mud Properties

Type	Dens (lb/gal)	Vis (s/qt)	PV OR (cp)	YP OR (lbf/100ft²)	Mud Lost (Hole) (bbl)
NaCl	8.60	30			

BHA #1, Kick Off

Bit Run	Drill Bit	Nozzles (/32")	Weight on Bit (maximum) (1000lbf)
1	6 1/2in, XR30 , PE 9334		2

Date/Time In	Depth In (ftKB)	Date/Time Out	Depth Out (ftKB)	Total Drill Hrs (hrs)	Total Depth Drilled By
1/25/2007	7,106.0		7,232.0	10.00	174.00

Drill String Components

Item Description	Joints	OD (in)	ID (in)	Length (ft)
DSA Motor 1		4 3/4		18.42
Bit Sub w/Float		4 3/4		3.14

Weather	Temperature (°F)
Cold	21.0

Daily Contacts
Rig Manager, THOMAS EVENSON; Rig Manager, Gregory Bruhn; Drilling Foreman, RON LACKEY, 505-793-7063

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Mud Cost	**Daily Cost Total**
	93,947.99
Cum Cost To Date	
6,431,306.28	
Depth Start (ftKB)	**Depth End (ftKB)**
9,974.0	9,974.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
4,713.3	4,713.3
Target Formation	**Target Depth (ftKB)**
Leadville	
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Percent Problem Time (%)**

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Mud Pumps

 # 3, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke Length (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)
5 1/2	

Pressure (psi)	Slow Spd	Strokes (spm)	Eff (%)
	No		

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Drill String Components

Item Description	Joints	OD (in)	ID (in)	Length (ft)
XO Sub		4 3/4		2.51
Drill Collar - Pony		4 3/4		10.13
Drill Collar - Non Mag		4 3/4		28.73
Drill Collar - Non Mag		4 3/4		29.28
Orientation Sub		4 3/4		2.57
XO Sub		4 3/4		3.56

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,106.0	7,120.0	14.00	10.00	10.00	1.4	
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	Percent of Pressure Drop at Bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,120.0	7,168.0	62.00		10.00		
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	Percent of Pressure Drop at Bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,168.0		62.00		10.00		
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	Percent of Pressure Drop at Bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,120.0	7,168.0	110.00		10.00		
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	Percent of Pressure Drop at Bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,168.0	7,232.0	174.00		10.00		
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Hydraulic Calculations

Bit Hydraulic Power (hp)	HP/Area (hp/in²)	Bit Jet Velocity (ft/s)	Bit Pressure Drop (psi)	Percent of Pressure Drop at Bit (%)
Max Casing AV (ft/min)	**Max Open Hole AV (ft/min)**	**Min Casing AV (ft/min)**	**Min Open Hole AV (ft/min)**	**ECD End (lb/gal)**

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Start Date: 1/30/2007
Report #: 146
Depth Progress: 303.00

Well Name: C113SWD Aneth Unit | **Wellbore: Lateral 2 of Original Hole**

Well Header

API Number	Surface Legal Location	County	State/Province
43037318520000	Sec 13 T40S R23E	San Juan	UT/U.S.

Well Spud Date/Time	Rig Release Date/Time	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)
9/9/2006		16.00	16.00

Casing Strings

Casing Description	Run Date/Time	Set Depth (ftKB)
Conductor	9/9/2006	82.0
Surface	9/22/2006	1,618.0
Production	11/2/2006	7,597.0

Rig

Contractor	Rig No.
PATTERSON UTI DRILLING	741

Daily Operations

Operations at Report Time
1-29-07 1-30-07 Triping out of hole

Operations Summary
Drlg to 7535' circ samples up

Operations Next Report Period
Test BOP's

Remarks

Time Log

Start Time	End Time	Dur (hrs)	Problem?	Problem Time (hrs)	Problem Ref #	Comment
00:00	03:00	3.00				DRILL SLIDING FROM7216 -TO 7233
03:00	04:00	1.00				WIRELINE LOGS Rig down wire line truck jsa # 58 100% tie off
04:00	05:00	1.00				Break down swivel and install screen
05:00	06:00	1.00				REPAIR RIG change out relay valve on drum clutch
06:00	08:00	2.00				DRILL sliding from-7233 to-7236
08:00	08:30	0.50				LUBRICATE RIG JSA # 22
08:30	16:00	7.50				DRILL ACTUAL FROM 7236 TO 7416
16:00	23:30	7.50				SLIDE-DRILL F/7416- 7535
23:30	00:00	0.50				CONDITION MUD & CIRCULATE SAMPLES UP

Daily Costs

Cost Description	Code 1	Cost	Vendor	Note
Drilling Rig / Completion Rig / Swabbing Rig	8180.164	17,710.00	Patterson UTI	
Labor - Company Supervision	8180.208	1,200.00	Ron Lackey	Lackey
Rental Equipment Compressor and Other	8180.260	2,767.60	MISC.	
Communications - Telephone	8180.132	55.00	PHONE	
Rental Equipment Compressor and Other	8180.260	2,142.80	PASON	
Labor - Contract	8180.200	2,530.00	ASI	SAFETY
Rental Equipment Compressor and Other	8180.260	275.00	FRANKS	FORKLIFT
Camp	8180.228	330.00	Wellcheck	Trailers
Water Hauling / Disposal	8180.372	660.00	LANCING	H2O
Rental Equipment Compressor and Other	8180.260	4,432.21	KNIGHT	HT-38 Drill Pipe
Labor - Contract	8180.200	4,650.00	WEATHERFORD	SWIVEL
Labor - Contract	8180.200	11,550.00	PATHFINDER	DRI
Drilling Fluids & Chemicals	8180.160	5,490.43	MI-SWACO	
Mud Log and Geological	8180.232	1,250.00	Choquette Well Logging	MUD-LOGGER
Fuel - Diesel / Motor Fuels / Power and Water	8180.188	0.00	Fraley & Company,INC	Fuel
Rental Equipment Compressor and Other	8180.260	0.00	Smith	Whip Stock # 2
Rental Equipment Compressor and Other	8180.260	0.00	Andergauge	Ag-Itator
Drill Bits	8180.152	8,550.00	Smith Bits	6 1/2" XR 30
Drill Bits	8180.152		Security Bits	
Drill Bits	8180.152		Hughes Bits	
Transportation and Trucking	8180.352	0.00	SanJuan Hot Shot	4 3/4" motors out of Midland
Transportation and Trucking	8180.352	0.00	Monarch Hot Shot	
Transportation and Trucking	8180.352	0.00	Dash Hot Shot Service	
Transportation and Trucking	8180.352			
Transportation and Trucking	8180.352	0.00	Challenger Hot shot	Return shale shaker
Wireline Services	8180.380	0.00	Basin	
Specialized Services	8180.328	0.00	Gyro Data	

Mud Properties

Type	Dens (lb/gal)	Vis (s/qt)	PV OR (cp)	YP OR (lbf/100ft²)	Mud Lost (Hole) (bbl)
	8.60	30			

BHA #1, Kick Off

Bit Run	Drill Bit	Nozzles (/32")	Weight on Bit (maximum) (1000lbf)
1	6 1/2in, XR30 , PE 9334		2

Date/Time In	Depth In (ftKB)	Date/Time Out	Depth Out (ftKB)	Total Drill Hrs (hrs)	Total Depth Drilled By
1/25/2007	7,106.0	1/31/2007	7,535.0	74.00	7,545.00

Drill String Components

Item Description	Joints	OD (in)	ID (in)	Length (ft)
DSA Motor 1		4 3/4		18.42
Bit Sub w/Float		4 3/4		3.14

Weather: Cool & Snowing
Temperature (°F): 21.0

Daily Contacts
Rig Manager, Gregory Bruhn; Drilling Foreman, RON LACKEY, 505-793-7063; Rig Manager, THOMAS EVENSON;

AFE Number	Total AFE Amount
05095B	3,741,722.00
Daily Mud Cost	**Daily Cost Total**
	63,593.04
Cum Cost To Date	
6,504,876.50	
Depth Start (ftKB)	**Depth End (ftKB)**
7,232.0	7,535.0
Depth Start (TVD) (ftKB)	**Depth End (TVD) (ftKB)**
6,728.2	
Target Formation	**Target Depth (ftKB)**
Leadville	
Time Log Total Hours (hrs)	**Problem Time Hours (hrs)**
24.00	
Percent Problem Time (%)	**Cum Percent Problem Time (%)**

Safety Check Summary

Type	Last Date
H2S drill	10/10/2006

Mud Pumps

 # 2, GARDNER DENVER, PZ 8

Pump Rating (hp)	Rod Diameter (in)	Stroke Length (in)
		8.00

Liner Size (in)	Vol/Stk OR (bbl/stk)		
5 1/2			
Pressure (psi)	**Slow Spd**	**Strokes (spm)**	**Eff (%)**
	No		

Survey Data

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)
7,311.00	47.66	330.27	6,790.82
7,375.00	64.46	329.74	6,826.42
7,407.00	72.81	329.22	6,838.07
7,441.00	81.25	328.69	6,845.70
7,471.00	89.96	328.42	6,847.99

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

RESOLUTE
NATURAL RESOURCES

Daily Drilling Report

Report Start Date: 1/30/2007
Report #: 146
Depth Progress: 303.00

Well Name: C113SWD Aneth Unit

Wellbore: Lateral 2 of Original Hole

Drill String Components

Item Description	Jnts	OD (in)	ID (in)	Length (ft)
XO Sub		4 3/4		2.51
Drill Collar - Pony		4 3/4		10.13
Drill Collar - Non Mag		4 3/4		28.73
Drill Collar - Non Mag		4 3/4		29.28
Orientation Sub		4 3/4		2.57
XO Sub		4 3/4		3.56

Drilling Parameters

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,106.0	7,120.0	14.00				
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,120.0	7,168.0	62.00	9.00	9.00	5.3	
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,168.0	7,168.0	62.00	16.00	25.00	0.0	
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,168.0	7,168.0	62.00	17.00	42.00	0.0	
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,168.0	7,232.0	126.00	12.00	54.00	5.3	
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Wellbore	Depth Start (ftKB)	Depth End (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hrs)	Cum Drilling Time (hrs)	Interval ROP (ft/hr)	Flow Rate (gpm)
Lateral 2	7,232.0	7,535.0	429.00	20.00	74.00	15.1	
Weight on Bit (1000lbf)	RPM (rpm)	SPP (psi)	Rot HL (1000lbf)	PU HL (1000lbf)	SO HL (1000lbf)	Drilling Torque	Off Bottom Torque
2	70						
Q (g inj) (ft³/min)	T (inj) (°F)	P (BH Ann) (psi)	BH Temperature (°F)	P(Surf Ann) (psi)	T (surf ann) (°F)	Q (liq rtn) (gpm)	Q (g return) (ft³/min)

Safety Incidents

Time	Category	Type	Subtype	Cause	Lost time?	Severity
					No	

RECEIVED
FEB 0 6 2007
DIV. OF OIL, GAS & MINING

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
UTSL-070968A

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
N/A

1. Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
ANETH C-113 LDVL

2. Name of Operator
RESOLUTE ANETH, LLC*

9. API Well No.
43-037-31852

3a. Address
1675 BROADWAY, SUITE 1950, DENVER, CO 80202

3b. Phone No. *(include area code)*
303 534-4600

10. Field and Pool, or Exploratory Area
GREATER ANETH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
740' FNL & 1665' FEL 13-40S-23E SLBM

11. County or Parish, State
SAN JUAN COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☑ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. 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 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.)

***a wholly owned subsidiary of Resolute Natural Resources Company**

Plan to install facilities shown on attached drawing.
Most of facilities will treat and process produced water destined for disposal in C-113 LDVL.
Remainder of facilities will be for secondary & tertiary recovery.
Electrical facilities will be painted flat gray. Remaining facilities will be painted flat desert tan.
All construction be within perimeter of existing tank battery.

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

cc: BLM (Mont., Moab), Cantwell, UDOGM

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
BRIAN WOOD **(PHONE 505 466-8120)** Title **CONSULTANT** **(FAX 505 466-9682)**

Signature Date **02/27/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

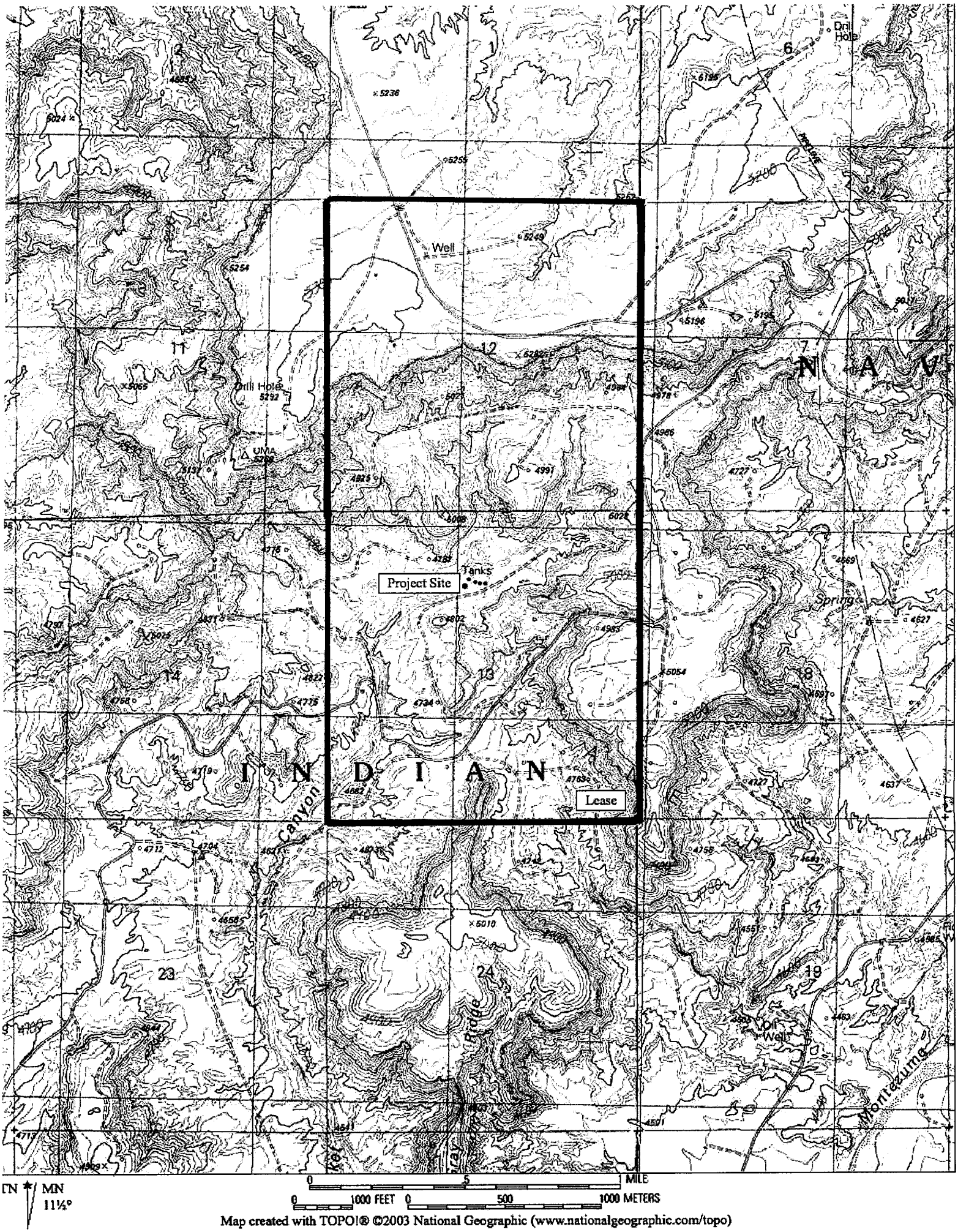
Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice 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. Office

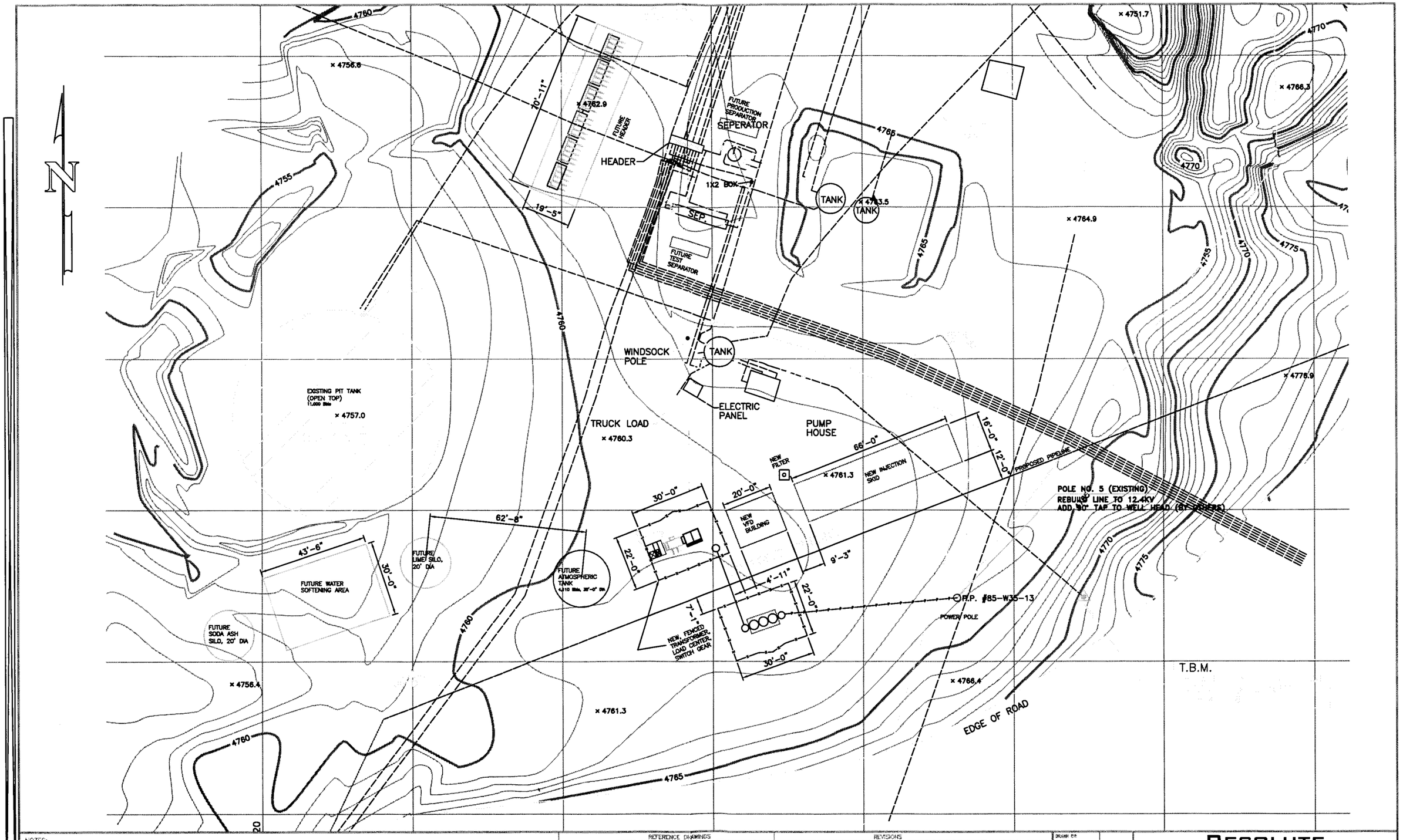
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED
MAR 0 1 2007
DIV. OF OIL, GAS & MINING



Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)



NOTES:

1. FIELD VERIFY ALL DIMENSIONS

REFERENCE DRAWINGS			REVISIONS					
0864-0-004	UNITED FIELD SERVICE SURVEY DRAWING	2	ISSUED FOR PERMITTING	2/26/07	JAA	RA		
DWG. NO.	TITLE	NO.	DESCRIPTION	DATE	BY	CHK.	APPR.	

DRAWN BY: JAA	09/18/07	
CHECKED BY: RA	2/26/07	
REVIEWED BY: RA	2/26/07	
CUSTOMER APPROVED BY:		
SCALE: NA		

RESOLUTE
NATURAL RESOURCES

TRIGON DEC: [redacted]

PLOT PLAN
20-13
RESOLUTE ANETH UNIT PLANT FACILITIES PROJECT — SAN JUAN COUNTY, UTAH

PROJECT NUMBER	DRAWING NUMBER	REV.
2093-05	D209305-C-2013	A

RESOLUTE
NATURAL RESOURCES

May 24, 2007

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

Re: Aneth Unit C-113 LDVL, API# 4303731852

Reference is made to your letter dated 5/16/07 requesting that Resolute Natural Resources submit a Form 8, Well Completion Report for the above referenced well. Enclosed are completed Form 8s for the vertical well and each of the four completed laterals.

Also enclosed are directional surveys and gas and water analyses. Electrical/Mechanical logs were previously filed with Chris Kierst at DOGM in support of an application to convert the subject well for water disposal.

Please contact me at 303-573-4886 X 1165 regarding any additional information you may require.

Sincerely,
RESOLUTE NATURAL RESOURCES COMPANY

Dwight E. Mallory
Environmental, Health & Safety Coordinator

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

RESOLUTE NATURAL RESOURCES COMPANY
1675 BROADWAY, SUITE 1950, DENVER, CO 80202
VOICE: 303.534.4600 FAX: 303.623.3628

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: SL 070968-A & 067807
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: Aneth Unit
8. WELL NAME and NUMBER: C-113 LDVL
9. API NUMBER: 4303731852
10 FIELD AND POOL, OR WILDCAT: Greater Aneth

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Proposed SWD

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

2. NAME OF OPERATOR: Resolute Natural Resources Company

3. ADDRESS OF OPERATOR: 1675 Broadway, # 1950 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 534-4600

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 740' FNL and 1665' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 748' FNL and 1662' FEL
AT TOTAL DEPTH: 748 fnl 1654 fel

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S
12. COUNTY: San Juan
13. STATE: UTAH

14. DATE SPUDDED: 9/9/2006
15. DATE T.D. REACHED: 11/2/2006
16. DATE COMPLETED: 4/12/2007 ABANDONED ☐ READY TO PRODUCE ☐
17. ELEVATIONS (DF, RKB, RT, GL): RKB

18. TOTAL DEPTH: MD 7,602 TVD ~~7,586~~ 7601
19. PLUG BACK T.D.: MD 7,548 TVD ~~7,532~~ 7547
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD 143 TVD 127

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL w/gamma ray VDL, Z Density, Neutron, Caliper, Micro Laterolog, Dual Laterolog

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20	13 3/4 C-75	68	0	82	82	G 100		0 CIR	
14-3/4	11 3/4 J-55	47	-2	1,618	1,631	G 136		0 CIR	
9-1/2	7 5/8 L-80	26.4	-10	5,276	3,182	G	352	0 CIR	
9-1/2	7 5/8 P110	33.7	5,276	7,597	7,602	G	276	3,182-CAL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
4-1/2	6,965	6,941						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Lower Leadville	7,234	7,412	7,218	7,396
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
7,234	7,306	.4"	72	Open ☑ Squeezed ☐
7,309	7,314	.4"	20	Open ☑ Squeezed ☐
7,341	7,347	.4"	24	Open ☑ Squeezed ☐
7,351	7,355	.4"	16	Open ☑ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7,234 - 7,355	9 bbls 10# water, 52 bbls 15% HCl, displ w/50 bbls 8.8 ppg NaCl

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: SI

(5/2000)

(CONTINUED ON BACK)

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE: 11/14/2007		HOURS TESTED: 21		TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 735	WATER – BBL: 522	PROD. METHOD: swab/flow
CHOKE SIZE: 1.5"	TBG. PRESS. 116	CSG. PRESS.	API GRAVITY	BTU – GAS 24	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

Vented

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Lwr Leadville	7,234	7,355	tan dolostone, fine to very-fine crystalline pore network	Navaio	745
				Chinle	1,614
				DeChelly	2,712
				Honaker Trail Fm	4,578
				Ismay	5,490
				Desert Creek	5,658
				Paradox Salt	5,876
				Pinkerton Trail	6,722
				Leadville	6,968
				Elbert Fm	7,518

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE _____ DATE 5/22/07

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

2030 AFTON PLACE
FARMINGTON, N.M. 87401
(505) 325-6622

ANALYSIS NO. RN260001
CUST. NO. 68400 - 10000

WELL/LEASE INFORMATION

CUSTOMER NAME	RESOLUTE NATURAL RESOURCES C	SOURCE	N/A
WELL NAME	C113 LDVL	PRESSURE	100 PSIG
COUNTY/ STATE	ANETH UNIT UT	SAMPLE TEMP	N/A DEG.F
LOCATION		WELL FLOWING	Y
FIELD		DATE SAMPLED	11/9/2006
FORMATION	LEADVILLE	SAMPLED BY	CURTIS PRIDDY
CUST.STN.NO.		FOREMAN/ENGR.	

REMARKS N2% INCLUDES: HELIUM= 1134 PPM, HYDROGEN= 44 PPM, OXYGEN= 15 PPM
SAMPLE TAKEN AT 3:30 AM; CONTAINED 2/3 CUP OF LIQUID

ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	3.273	0.0000	0.00	0.0317
CO2	95.826	0.0000	0.00	1.4563
METHANE	0.472	0.0000	4.78	0.0026
ETHANE	0.092	0.0246	1.63	0.0010
PROPANE	0.027	0.0074	0.68	0.0004
I-BUTANE	0.007	0.0023	0.23	0.0001
N-BUTANE	0.017	0.0054	0.56	0.0003
I-PENTANE	0.016	0.0059	0.64	0.0004
N-PENTANE	0.022	0.0080	0.88	0.0005
HEXANE	0.060	0.0247	2.86	0.0018
HEPTANE	0.066	0.0304	3.64	0.0023
OCTANE	0.087	0.0445	5.45	0.0034
NONANE PLUS	0.035	0.0197	2.59	0.0016
TOTAL	100.000	0.1729	23.94	1.5025

* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY
** @ 14.730 PSIA & 60 DEG. F.

COMPRESSIBLITY FACTOR	(1/Z)	1.0060
BTU/CU.FT (DRY) CORRECTED FOR	(1/Z)	24.1
BTU/CU.FT (WET) CORRECTED FOR	(1/Z)	24.5
REAL SPECIFIC GRAVITY		1.5100

ANALYSIS RUN AT 14.730 PSIA & 60 DEGREES F

DRY BTU @ 14.650	23.9	CYLINDER #	A012
DRY BTU @ 14.696	24.0	CYLINDER PRESSURE	136 PSIG
DRY BTU @ 14.730	24.1	DATE RUN	11/8/2006
DRY BTU @ 15.025	24.5	ANALYSIS RUN BY	ROSEANN MUNIZ

HALLIBURTON

Water Analysis Report

To:	Resolute	Date:	11/9/2006
Submitted by:	Halliburton Energy Services	Date Rec:	11/9/2006
Attention:	Matt Roberts	Report #:	FLMM690A
Well Name:	C-113	Formation:	Leadville
Time:	8:30am on 11/9		

Specific Gravity	1.035	
pH	6.7	
Resistivity	0.26	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	420	Mg / L
Sodium (Na)	16454	Mg / L
Calcium (Ca)	168	Mg / L
Magnesium (Mg)	5	Mg / L
Chlorides (Cl)	23600	Mg / L
Sulfates (SO4)	0	Mg / L
Carbonates (CO3)	0	Mg / L
Bicarbonates (HCO3)	4270	Mg / L
Total Dissolved Solids	44917	Mg / L

Respectfully: Colt A. Kalcich

Title: Lab Technician

Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use.

gyrodata

Gyrodata Incorporated
301 Thelma Dr. #433
Casper, Wyoming 82609

307 234-7341
Fax 307 234-6309

SURVEY REPORT
Resolute Natural Resources
Aneth Unit #C-113
Patterson #741
San Juan County, Utah
RM1106G_534

December 4, 2006

gyro/data

Gyrodata Incorporated
301 Thelma Dr. #433
Casper, Wyoming 82609

307.234.2341
Fax 307.234.6309

December 4, 2006

Resolute Natural Resources
Attn: Donny Tremble
1675 Broadway
Suite #1950
Denver, CO 80202

Re: **Aneth Unit #C-113**
San Juan County, Utah

Enclosed, please find one (1) original and one (1) disk of the completed survey for the above referenced well.

We would like to take this opportunity to thank you for using Gyrodata, and we look forward to serving you in the future.

Sincerely,

Duane Abshire
Operations Manager

DA:mg

A Gyrodata Directional Survey

for

RESOLUTE NATURAL RESOURCES

Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe

Location: Patterson #741, San Juan County, Utah

Job Number: RM1106G_534

Run Date: 21 Nov 2006

Surveyor: Anthony Eaton

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 37.316170 deg. N Longitude: 109.339120 deg. W

Azimuth Correction:
Gyro: Bearings are Relative to True North

Proposed Well Direction: 164.000 deg

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

Resolute Natural Resources
Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah
Job Number: RM1106G_534

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	BORE HOLE BEARING deg. min.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. feet	AZIMUTH deg.	HORIZONTAL COORDINATES feet	
0.00	0.00	0.00	N 0 0 E	0.00	0.00	0.0	0.0	0.00 N	0.00 E
0 - 7061 FT. RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 3-1/2" DRILLPIPE ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO PATTERSON #741 R.K.B.									
100.00	0.72	338.84	N 21 10 W	0.72	100.00	0.6	338.8	0.59 N	0.23 W
200.00	1.62	330.15	N 29 51 W	0.91	199.98	2.7	334.2	2.40 N	1.16 W
300.00	2.36	337.14	N 22 52 W	0.78	299.91	6.1	334.3	5.52 N	2.66 W
400.00	2.65	341.46	N 18 32 W	0.34	399.82	10.5	336.4	9.61 N	4.20 W
500.00	2.26	319.11	N 40 54 W	1.02	499.73	14.7	334.9	13.29 N	6.22 W
600.00	2.23	334.79	N 25 12 W	0.61	599.65	18.5	333.2	16.55 N	8.34 W
700.00	1.99	316.32	N 43 41 W	0.72	699.59	22.1	332.1	19.56 N	10.37 W
							9.5	21.70 N	12.77 W
							7.3	23.23 N	14.90 W
							5.1	23.62 N	16.49 W
							2.5	23.14 N	17.78 W
							9.9	22.30 N	18.76 W
							7.4	21.05 N	19.33 W
							4.9	19.77 N	19.84 W
							1.2	18.24 N	20.85 W

gyrodata

Gyrodata Incorporated
231 Thelma Dr #432
Casper, Wyoming 82609

307 231-7241
Fax 307 234-6309

SURVEY REPORT

Resolute Natural Resources
Aneth Unit #C-113
Patterson #741
San Juan County, Utah
RM1106G_534

December 4, 2006

gyro/data

Gyrodata Incorporated
301 Thelma Dr. #433
Casper, Wyoming 82609

307/234-7201
Fax: 307/234-6309

December 4, 2006

Resolute Natural Resources
Attn: Donny Tremble
1675 Broadway
Suite #1950
Denver, CO 80202

Re: **Aneth Unit #C-113**
San Juan County, Utah

Enclosed, please find one (1) original and one (1) disk of the completed survey for the above referenced well.

We would like to take this opportunity to thank you for using Gyrodata, and we look forward to serving you in the future.

Sincerely,

Duane Abshire
Operations Manager

DA:mg

A Gyrodata Directional Survey

for

RESOLUTE NATURAL RESOURCES

Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe

Location: Patterson #741, San Juan County, Utah

Job Number: RM1106G_534

Run Date: 21 Nov 2006

Surveyor: Anthony Eaton

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 37.316170 deg. N Longitude: 109.339120 deg. W

Azimuth Correction:
Gyro: Bearings are Relative to True North

Proposed Well Direction: 164.000 deg

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

A Gyrodata Directional Survey

Resolute Natural Resources
Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah
Job Number: RM1106G_534

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	BORE HOLE BEARING deg. min.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. feet	CLOSURE AZIMUTH deg.	HORIZONTAL COORDINATES feet	
0.00	0.00	0.00	N 0 0 E	0.00	0.00	0.0	0.0	0.00 N	0.00 E
0 - 7061 FT. RATE GYROSCOPIC MULTISHOT SURVEY RUN INSIDE 3-1/2" DRILLPIPE ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO PATTERSON #741 R.K.B.									
100.00	0.72	338.84	N 21 10 W	0.72	100.00	0.6	338.8	0.59 N	0.23 W
200.00	1.62	330.15	N 29 51 W	0.91	199.98	2.7	334.2	2.40 N	1.16 W
300.00	2.36	337.14	N 22 52 W	0.78	299.91	6.1	334.3	5.52 N	2.66 W
400.00	2.65	341.46	N 18 32 W	0.34	399.82	10.5	336.4	9.61 N	4.20 W
500.00	2.26	319.11	N 40 54 W	1.02	499.73	14.7	334.9	13.29 N	6.22 W
600.00	2.23	334.79	N 25 12 W	0.61	599.65	18.5	333.2	16.55 N	8.34 W
700.00	1.99	316.32	N 43 41 W	0.72	699.59	22.1	332.1	19.56 N	10.37 W
800.00	1.72	306.16	N 53 50 W	0.42	799.54	25.2	329.5	21.70 N	12.77 W
900.00	1.28	305.33	N 54 40 W	0.43	899.50	27.6	327.3	23.23 N	14.90 W
1000.00	0.83	249.57	S 69 34 W	1.07	999.49	28.8	325.1	23.62 N	16.49 W
1100.00	0.75	249.26	S 69 16 W	0.08	1099.48	29.2	322.5	23.14 N	17.78 W
1200.00	0.82	211.03	S 31 2 W	0.52	1199.47	29.1	319.9	22.30 N	18.76 W
1300.00	0.77	197.35	S 17 21 W	0.19	1299.46	28.6	317.4	21.05 N	19.33 W
1400.00	0.82	205.90	S 25 54 W	0.13	1399.45	28.0	314.9	19.77 N	19.84 W
1500.00	1.29	218.31	S 38 18 W	0.53	1499.43	27.7	311.2	18.24 N	20.85 W
1600.00	1.36	220.69	S 40 41 W	0.09	1599.40	27.7	306.4	16.45 N	22.33 W
1700.00	1.49	215.29	S 35 17 W	0.18	1699.37	27.9	301.3	14.49 N	23.85 W
1800.00	1.43	192.26	S 12 16 W	0.58	1799.34	27.7	296.2	12.22 N	24.86 W
1900.00	1.11	183.30	S 3 18 W	0.37	1899.32	27.1	291.7	10.04 N	25.18 W

A Gyrodata Directional Survey

Resolute Natural Resources
Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah
Job Number: RM1106G_534

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	BORE HOLE BEARING deg. min.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. feet	CLOSURE AZIMUTH deg.	HORIZONTAL COORDINATES feet	
2000.00	0.97	208.05	S 28 3 W	0.46	1999.30	27.0	288.0	8.32 N	25.64 W
2100.00	0.88	195.86	S 15 52 W	0.22	2099.29	27.1	284.6	6.84 N	26.25 W
2200.00	0.72	248.15	S 68 9 W	0.72	2199.28	27.7	282.2	5.87 N	27.04 W
2300.00	0.64	228.59	S 48 36 W	0.24	2299.27	28.5	280.6	5.26 N	28.04 W
2400.00	0.67	208.50	S 28 30 W	0.23	2399.27	29.1	278.7	4.38 N	28.74 W
2500.00	0.60	244.40	S 64 24 W	0.40	2499.26	29.7	277.0	3.64 N	29.49 W
2600.00	0.66	211.16	S 31 10 W	0.37	2599.26	30.4	275.5	2.92 N	30.27 W
2700.00	0.47	239.25	S 59 15 W	0.33	2699.25	31.0	274.1	2.21 N	30.92 W
2800.00	0.56	232.78	S 52 47 W	0.11	2799.25	31.7	273.1	1.70 N	31.67 W
2900.00	0.48	198.92	S 18 55 W	0.31	2899.24	32.2	271.8	1.01 N	32.19 W
3000.00	0.35	194.74	S 14 44 W	0.13	2999.24	32.4	270.6	0.33 N	32.40 W
3100.00	0.35	201.05	S 21 3 W	0.04	3099.24	32.6	269.6	0.25 S	32.59 W
3200.00	0.43	185.75	S 5 45 W	0.13	3199.24	32.8	268.4	0.91 S	32.74 W
3300.00	0.51	198.50	S 18 30 W	0.13	3299.23	33.0	267.0	1.71 S	32.92 W
3400.00	0.44	205.42	S 25 25 W	0.09	3399.23	33.3	265.7	2.48 S	33.23 W
3500.00	0.52	157.20	S 22 48 E	0.40	3499.23	33.4	264.4	3.24 S	33.22 W
3600.00	0.65	148.67	S 31 20 E	0.16	3599.22	33.0	262.8	4.14 S	32.75 W
3700.00	0.53	147.37	S 32 38 E	0.12	3699.22	32.6	261.2	5.01 S	32.21 W
3800.00	0.70	128.81	S 51 11 E	0.26	3799.21	32.0	259.6	5.78 S	31.48 W
3900.00	0.48	129.95	S 50 3 E	0.21	3899.20	31.4	258.2	6.44 S	30.68 W
4000.00	0.57	134.62	S 45 23 E	0.10	3999.20	30.8	256.8	7.06 S	30.00 W
4100.00	0.58	105.55	S 74 27 E	0.29	4099.20	30.1	255.5	7.55 S	29.16 W
4200.00	0.59	106.35	S 73 39 E	0.01	4199.19	29.3	254.5	7.82 S	28.19 W

A Gyrodata Directional Survey

Resolute Natural Resources
Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah
Job Number: RM1106G_534

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	BORE HOLE BEARING deg. min.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. feet	CLOSURE AZIMUTH deg.	HORIZONTAL COORDINATES feet	
4300.00	0.74	101.91	S 78 5 E	0.16	4299.18	28.3	253.3	8.10 S	27.07 W
4400.00	0.62	127.25	S 52 45 E	0.32	4399.18	27.4	251.8	8.56 S	26.01 W
4500.00	0.62	132.41	S 47 35 E	0.06	4499.17	26.8	249.8	9.25 S	25.18 W
4600.00	0.78	112.07	S 67 56 E	0.30	4599.16	26.1	247.8	9.87 S	24.15 W
4700.00	0.66	137.10	S 42 54 E	0.34	4699.16	25.4	245.5	10.55 S	23.12 W
4800.00	0.83	111.58	S 68 25 E	0.37	4799.15	24.8	243.0	11.24 S	22.05 W
4900.00	0.75	122.62	S 57 23 E	0.18	4899.14	24.0	240.3	11.86 S	20.83 W
5000.00	0.80	135.35	S 44 39 E	0.18	4999.13	23.5	237.3	12.71 S	19.79 W
5100.00	0.73	134.95	S 45 3 E	0.07	5099.12	23.3	234.1	13.65 S	18.85 W
5200.00	0.83	98.58	S 81 25 E	0.50	5199.11	22.7	231.2	14.20 S	17.69 W
5300.00	0.60	106.55	S 73 27 E	0.25	5299.10	21.9	228.7	14.46 S	16.47 W
5400.00	0.64	83.30	N 83 18 E	0.25	5399.10	21.2	226.7	14.54 S	15.41 W
5500.00	0.62	87.74	N 87 44 E	0.06	5499.09	20.3	224.7	14.46 S	14.32 W
5600.00	0.62	84.52	N 84 31 E	0.04	5599.09	19.5	222.6	14.39 S	13.24 W
5700.00	0.53	99.85	S 80 9 E	0.18	5699.08	18.9	220.4	14.41 S	12.25 W
5800.00	0.51	79.32	N 79 19 E	0.19	5799.08	18.3	218.2	14.41 S	11.36 W
5900.00	0.50	48.45	N 48 27 E	0.27	5899.07	17.6	217.0	14.04 S	10.59 W
6000.00	0.40	39.17	N 39 10 E	0.13	5999.07	16.8	216.7	13.48 S	10.05 W
6100.00	1.07	21.50	N 21 30 E	0.70	6099.06	15.6	217.6	12.34 S	9.49 W
6200.00	1.15	5.84	N 5 51 E	0.31	6199.04	13.8	220.8	10.47 S	9.04 W
6300.00	1.19	30.02	N 30 1 E	0.49	6299.02	12.0	224.5	8.57 S	8.42 W
6400.00	1.21	64.11	N 64 7 E	0.70	6399.00	10.0	224.0	7.21 S	6.95 W
6500.00	1.25	75.27	N 75 16 E	0.24	6498.98	8.1	217.4	6.47 S	4.94 W

A Gyrodata Directional Survey

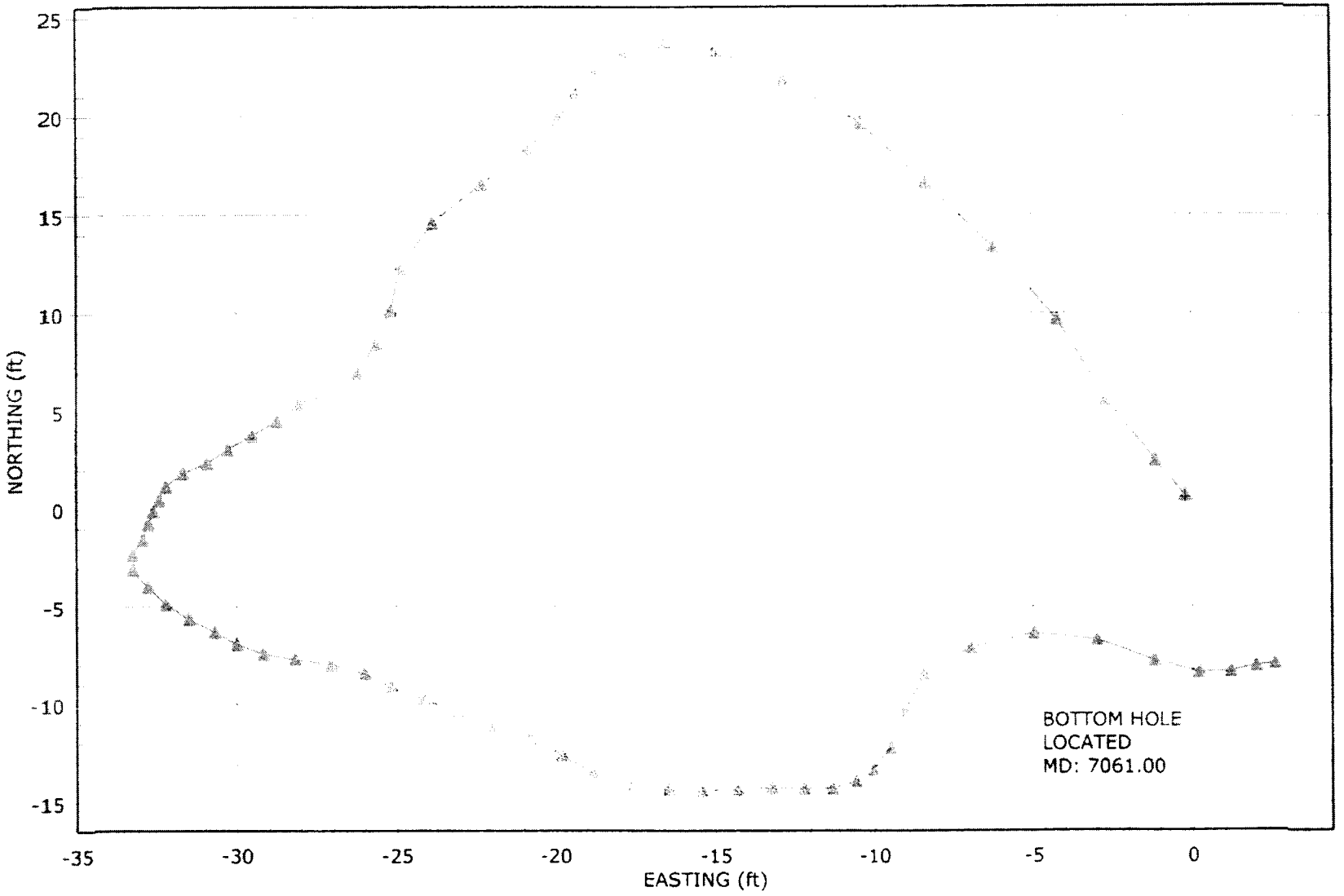
Resolute Natural Resources
Lease: Aneth Unit Well: C-113, 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah
Job Number: RM1106G_534

MEASURED DEPTH feet	INCL deg.	AZIMUTH deg.	BORE HOLE BEARING deg. min.	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. feet	CLOSURE AZIMUTH deg.	HORIZONTAL COORDINATES feet	
6600.00	1.26	124.66	S 55 20 E	1.05	6598.96	7.4	203.6	6.82 S	2.98 W
6700.00	1.12	117.31	S 62 41 E	0.21	6698.94	8.0	188.7	7.89 S	1.21 W
6800.00	0.66	105.56	S 74 26 E	0.49	6798.92	8.5	178.5	8.50 S	0.22 E
6900.00	0.53	64.87	N 64 52 E	0.43	6898.92	8.5	172.0	8.46 S	1.19 E
7000.00	0.44	75.30	N 75 18 E	0.12	6998.92	8.4	166.4	8.16 S	1.98 E
7061.00	0.70	85.09	N 85 5 E	0.46	7059.91	8.5	162.3	8.07 S	2.58 E

Final Station Closure: Distance: 8.48 ft Az: 162.27 deg.

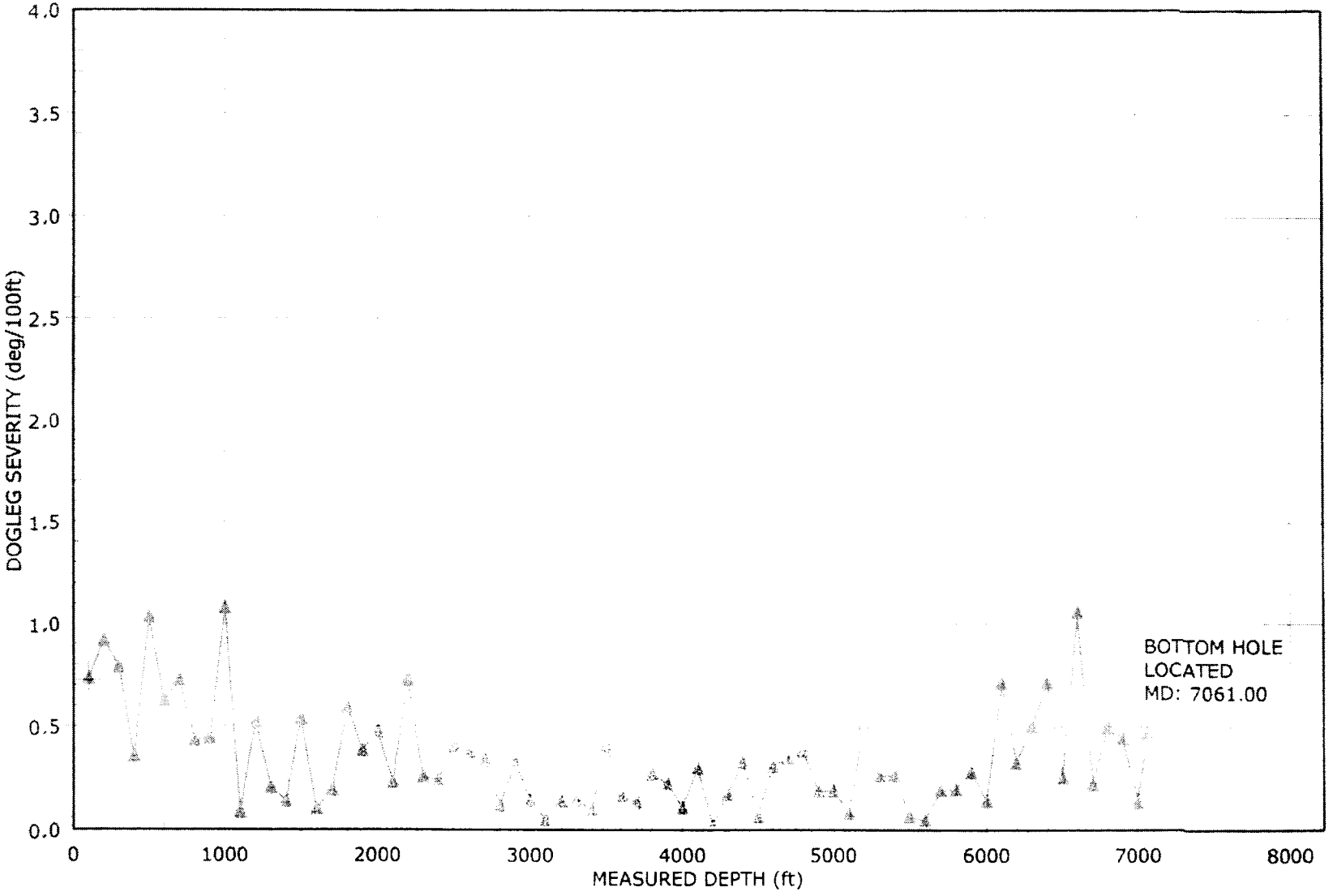
Resolute Natural Resources
Well: Aneth Unit C-113 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah

Inrun
Gyrodata
RM1106G_534 DEFINITIVE



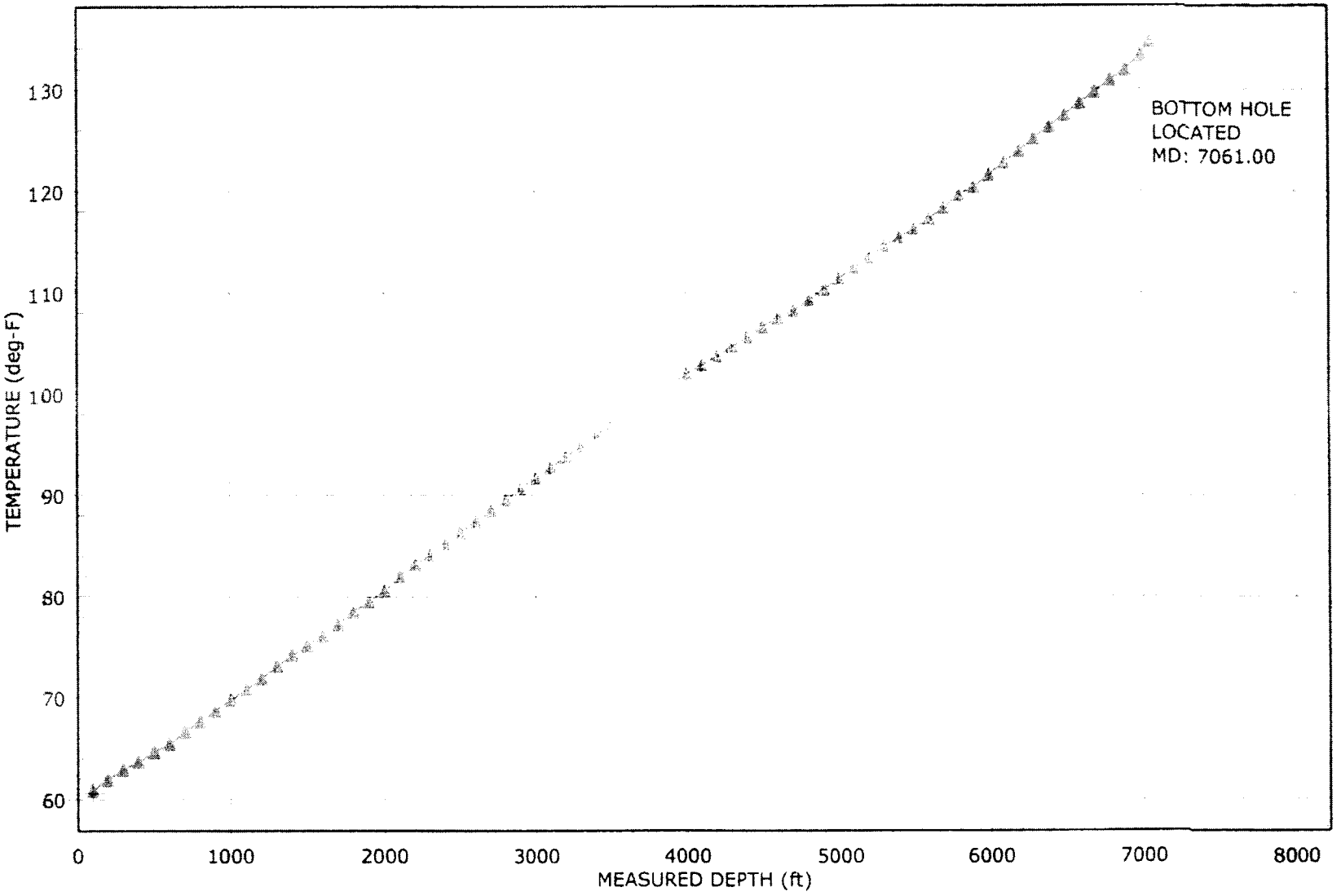
Resolute Natural Resources
Well: Aneth Unit C-113 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah

Inrun
Gyrodata
RM1106G_534 DEFINITIVE



Resolute Natural Resources
Well: Aneth Unit C-113 3-1/2" Drillpipe
Location: Patterson #741, San Juan County, Utah

Inrun
Gyrodata
RM1106G_534 DEFINITIVE



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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: SL 070968-A & 067807

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Proposed SWD

7. UNIT or CA AGREEMENT NAME: Aneth Unit

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

8. WELL NAME and NUMBER: C-113 LDVL - Lateral #1

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, # 1950 Denver CO 80202

PHONE NUMBER: (303) 534-4600

10 FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 740' FNL and 1665' FEL

AT TOP PRODUCING INTERVAL REPORTED BELOW: 761' FNL and 1650' FEL

AT TOTAL DEPTH: ~~3702' FNL and 756' FEL~~ 1580 fsl 756 fel

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

12. COUNTY: San Juan

13. STATE: UTAH

14. DATE SPUDDED: 11/28/2006

15. DATE T.D. REACHED: 1/11/2007

16. DATE COMPLETED: 4/12/2007 ABANDONED ☐ READY TO PRODUCE ☑

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

18. TOTAL DEPTH: MD 10,380 TVD ~~7,239~~ 7114

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD 143 TVD 127

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
6 1/2 OH			7,128	10,380					

25. TUBING RECORD

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

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Lower Leadville	7,234	10,380	7,218	7,239
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: SI

(5/2000)

(CONTINUED ON BACK)

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

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

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE DATE 5/22/07

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

C-113 LDVL Lateral #1
Directional Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	T O T A L Rectangular Offsets (ft) N/S	(ft) E/W	Vertical Section (ft)	DLS (dg/100ft)	Course Length (ft)	Closure Dist. (ft)	Dir. deg.
GYRODAT TIE IN										
7061	0.70	85.09	7059.91	-8.07	2.58	-3.88	0.00	0.00	8.47	162.27
GYRODATA SURVEY										
7102	0.74	74.32	7100.91	-7.98	3.09	8.53	0.36	41.00	8.55	158.81
PATHFINDER MWD SURVEYS										
7182	11.96	136.84	7180.31	-13.90	9.29	15.99	14.54	80.00	16.72	146.23
7214	21.81	141.24	7210.89	-20.97	15.50	24.49	31.02	32.00	25.96	143.89
7246	34.38	144.84	7239.07	-33.04	24.26	38.63	39.62	32.00	40.99	143.71
7278	42.91	147.48	7264.04	-49.64	35.34	57.72	27.14	32.00	60.94	144.55
7310	49.51	150.20	7286.17	-69.41	47.26	80.09	21.51	32.00	83.97	145.75
7335	54.78	151.26	7301.51	-86.63	56.90	99.35	21.34	25.00	103.64	146.70
7372	62.17	152.84	7320.84	-114.48	71.66	130.27	20.30	37.00	135.05	147.96
7404	64.19	157.94	7335.29	-140.43	83.53	158.55	15.56	32.00	163.40	149.25
7436	67.36	162.42	7348.42	-167.88	93.41	187.67	16.16	32.00	192.11	150.91
7468	70.96	166.38	7359.81	-196.67	101.44	217.56	16.13	32.00	221.29	152.72
7499	75.71	169.10	7368.70	-225.68	107.73	247.16	17.48	31.00	250.08	154.48
7531	81.16	170.62	7375.11	-256.53	113.24	278.29	17.66	32.00	280.42	156.18
7563	86.70	172.13	7378.49	-287.98	118.01	309.77	17.94	32.00	311.22	157.72
7594	91.54	174.00	7378.97	-318.74	121.75	340.31	16.74	31.00	341.20	159.09
7626	96.64	174.93	7376.69	-350.50	124.83	371.60	16.20	32.00	372.07	160.40
7662	100.60	174.64	7371.29	-385.94	128.07	406.47	11.03	36.00	406.63	161.64
7693	101.39	172.70	7365.38	-416.18	131.42	436.40	6.65	31.00	436.44	162.48
7725	102.00	171.03	7358.89	-447.20	135.85	467.38	5.45	32.00	467.38	163.10
7756	102.27	169.10	7352.38	-477.05	141.08	497.47	6.15	31.00	497.48	163.53
7788	102.44	168.40	7345.53	-507.71	147.18	528.59	2.20	32.00	528.61	163.83
7820	106.62	167.96	7338.59	-538.29	153.57	559.71	1.46	32.00	559.77	164.08
7852	103.15	167.78	7331.45	-568.78	160.13	590.80	1.74	32.00	590.90	164.28
7884	104.73	166.11	7323.74	-599.04	167.15	621.79	7.07	32.00	621.92	164.41
7916	104.46	164.26	7315.68	-628.97	175.06	652.74	5.66	32.00	652.88	164.45
7947	102.44	161.45	7308.47	-657.78	183.95	682.88	10.96	31.00	683.02	164.38
7979	102.00	159.96	7301.69	-687.29	194.29	714.13	4.75	32.00	714.23	164.22
8011	102.28	159.96	7294.99	-716.69	205.01	745.37	0.56	32.00	745.44	164.04
8042	98.93	159.26	7289.31	-745.25	215.63	775.77	10.72	31.00	775.82	163.86
8074	95.67	157.67	7285.25	-774.77	227.28	807.40	11.32	32.00	807.42	163.65
8106	95.41	157.59	7282.16	-804.23	239.40	839.10	0.85	32.00	839.10	163.42
8137	92.95	159.70	7279.90	-833.02	250.66	869.91	10.44	31.00	869.91	163.25
8169	89.52	159.70	7279.21	-863.02	261.75	901.84	10.72	32.00	901.84	163.13
8201	89.16	157.41	7279.58	-892.80	273.45	933.73	7.24	32.00	933.74	162.97
8233	89.52	157.32	7279.95	-922.34	285.77	965.56	1.16	32.00	965.59	162.79
8265	89.78	157.50	7280.14	-951.88	298.06	997.39	0.99	32.00	997.45	162.61
8328	89.78	159.52	7280.39	-1010.50	321.14	1060.17	3.21	63.00	1060.30	162.37
8360	90.04	159.87	7280.44	-1040.51	332.24	1092.11	1.36	32.00	1092.26	162.29
8391	90.40	159.61	7280.32	-1069.59	342.97	1123.05	1.43	31.00	1123.23	162.22
8423	90.66	159.34	7280.02	-1099.56	354.19	1154.98	1.17	32.00	1155.20	162.14
8455	90.40	160.84	7279.72	-1129.64	365.09	1186.93	4.76	32.00	1187.17	162.09
8487	90.66	160.75	7279.43	-1159.86	375.62	1218.90	0.86	32.00	1219.16	162.06
8519	90.57	161.10	7279.08	-1190.10	386.07	1250.87	1.13	32.00	1251.16	162.03
8550	90.04	161.80	7278.92	-1219.49	395.94	1281.86	2.83	31.00	1282.15	162.01
8581	90.22	162.07	7278.85	-1248.96	405.55	1312.85	1.05	31.00	1313.15	162.01
8613	90.13	162.51	7278.75	-1279.44	415.28	1344.84	1.40	32.00	1345.15	162.02
8645	90.13	162.42	7278.68	-1309.96	424.92	1376.84	0.28	32.00	1377.15	162.03
8677	90.13	162.95	7278.61	-1340.51	434.45	1408.84	1.66	32.00	1409.15	162.04
8708	89.25	164.09	7278.77	-1370.23	443.24	1439.84	4.65	31.00	1440.14	162.07
8740	89.08	165.93	7279.24	-1401.14	451.52	1471.82	5.77	32.00	1472.09	162.14

8772	89.69	165.93	7279.58	-1432.18	459.30	1503.78	1.91	32.00	1504.02	162.22
8804	90.84	167.43	7279.43	-1463.31	466.67	1535.72	5.91	32.00	1535.92	162.31
8835	91.89	167.43	7278.69	-1493.56	473.41	1566.62	3.39	31.00	1566.79	162.41
8867	92.24	167.78	7277.54	-1524.80	480.28	1598.52	1.55	32.00	1598.65	162.52
8912	92.86	169.01	7275.54	-1568.83	489.32	1643.28	3.06	45.00	1643.37	162.68
8930	93.03	168.57	7274.61	-1586.46	492.82	1661.18	2.62	18.00	1661.24	162.74
8962	93.30	171.12	7272.85	-1617.91	498.45	1692.91	8.00	32.00	1692.95	162.88
8978	92.68	170.77	7272.01	-1633.69	500.96	1708.75	4.45	16.00	1708.77	162.95
9010	92.86	170.24	7270.47	-1665.21	506.24	1740.45	1.75	32.00	1740.46	163.09
9042	93.39	168.92	7268.72	-1696.64	512.02	1772.21	4.44	32.00	1772.21	163.21
9073	93.39	167.25	7266.89	-1726.91	518.40	1803.05	5.38	31.00	1803.05	163.29
9105	93.12	165.06	7265.07	-1757.93	526.05	1834.95	6.88	32.00	1834.95	163.34
9137	93.56	163.74	7263.21	-1788.70	534.64	1866.89	4.34	32.00	1866.89	163.36
9169	94.44	163.30	7260.97	-1819.31	543.70	1898.81	3.07	32.00	1898.81	163.36
9200	95.23	163.39	7258.36	-1848.90	552.55	1929.70	2.56	31.00	1929.70	163.36
9232	94.70	163.47	7255.59	-1879.46	561.64	1961.58	1.67	32.00	1961.58	163.36
9264	93.12	162.86	7253.41	-1910.02	570.89	1993.50	5.29	32.00	1993.51	163.36
9296	92.15	161.80	7251.94	-1940.47	580.59	2025.47	4.49	32.00	2025.47	163.34
9327	92.68	161.37	7250.63	-1969.86	590.37	2056.42	2.20	31.00	2056.43	163.32
9359	93.30	161.01	7248.96	-2000.11	600.68	2088.36	2.24	32.00	2088.36	163.28
9391	93.03	161.28	7274.20	-2030.35	611.00	2120.29	1.19	32.00	2120.29	163.25
9423	93.39	161.89	7245.41	-2060.66	621.09	2152.23	2.21	32.00	2152.23	163.23
9454	93.65	161.80	7243.50	-2090.06	630.74	2183.16	0.89	31.00	2183.16	163.21
9486	92.68	161.80	7241.74	-2120.41	640.72	2215.10	3.03	32.00	2215.10	163.19
9518	92.86	161.80	7240.19	-2150.78	650.70	2247.05	0.56	32.00	2247.05	163.17
9550	92.95	162.42	7238.57	-2181.19	660.52	2279.00	1.96	32.00	2279.01	163.15
9582	92.77	161.63	7236.97	-2211.59	670.38	2310.96	2.53	32.00	2310.96	163.14
9613	92.95	161.98	7235.42	-2241.00	680.05	2341.91	1.27	31.00	2341.91	163.12
9645	93.83	162.24	7233.53	-2271.40	689.86	2373.84	2.87	32.00	2373.85	163.11
9677	94.79	162.95	7231.13	-2301.85	699.40	2405.75	3.73	32.00	2405.76	163.10
9708	96.20	163.12	7228.16	-2331.36	708.41	2436.61	4.58	31.00	2436.62	163.10
9740	97.52	163.47	7224.34	-2361.79	717.54	2468.38	4.27	32.00	2468.39	163.10
9772	99.19	163.00	7219.69	-2391.11	726.67	2500.04	5.42	32.00	2500.05	163.10
9804	100.68	163.91	7214.17	-2422.32	735.65	2531.56	5.43	32.00	2531.56	163.11
9835	101.21	163.74	7208.28	-2451.55	744.13	2561.99	17.79	31.00	2562.00	163.12
9867	101.39	163.83	7202.01	-2481.68	752.89	2593.37	0.63	32.00	2593.38	163.12
9899	101.56	163.65	7195.64	-2511.79	761.67	2624.73	0.77	32.00	2624.73	163.13
9930	101.65	163.56	7189.41	-2540.92	770.24	2655.09	0.41	31.00	2655.10	163.14
9962	101.83	163.30	7182.90	-2570.95	779.18	2686.42	0.97	32.00	2686.43	163.14
9994	101.42	463.21	7176.45	-2600.96	788.21	2717.77	1.31	32.00	2717.77	163.14
10025	98.75	162.77	7171.02	-2630.15	797.13	2748.29	8.73	31.00	2748.29	163.14
10057	97.52	162.77	7166.49	-2660.40	806.52	2779.96	3.84	32.00	2779.97	163.14
10089	97.69	162.60	7162.26	-2690.68	815.96	2811.68	0.75	32.00	2811.68	163.13
10121	99.70	162.60	7157.42	-2720.87	825.42	2843.31	6.28	32.00	2843.31	163.12
10152	99.19	159.96	7152.33	-2749.83	835.23	2873.87	8.56	31.00	2873.88	163.10
10184	99.63	159.61	7147.10	-2779.45	846.14	2905.38	1.75	32.00	2905.39	163.07
10215	99.98	160.31	7141.82	-2808.15	856.61	2935.87	2.50	31.00	2935.89	163.04
10247	100.24	160.66	7136.20	-2837.84	867.13	2967.34	1.35	32.00	2967.37	136.01
10279	99.72	161.37	7130.66	-2867.64	877.38	2998.83	2.72	32.00	2998.96	162.99
10311	99.45	161.37	7125.33	-2897.54	887.46	3030.37	0.84	32.00	3030.40	162.97
STRAIGHT LINE PROJECTION TO BIT										
10380	99.45	161.37	7114.00	-2962.04	909.21	3098.40	0.00	69.00	3098.44	162.94

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: SL 070968-A & 067807
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: Aneth Unit
8. WELL NAME and NUMBER: C-113 LDVL - Lateral #2
9. API NUMBER: 4303731852
10 FIELD AND POOL, OR WILDCAT: Greater Aneth

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Proposed SWD

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

2. NAME OF OPERATOR: Resolute Natural Resources Company

3. ADDRESS OF OPERATOR: 1675 Broadway, # 1950 CITY Denver STATE CO ZIP 80202
PHONE NUMBER: (303) 534-4600

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 740' FNL and 1665' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 730' FNL and 1673' FEL
AT TOTAL DEPTH: 2190' FSL and 1104' FWL, Sec 12, 40S, 23E

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S
12. COUNTY: San Juan
13. STATE: UTAH

14. DATE SPUDDED: 1/25/2007
15. DATE T.D. REACHED: 2/11/2007
16. DATE COMPLETED: 4/12/2007 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): RKB

18. TOTAL DEPTH: MD 11,130 TVD 7,379
19. PLUG BACK T.D.: MD TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD 143 TVD 127

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
6 1/2	OH		7,102	11,130					

25. TUBING RECORD

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

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Lower Leadville	7,234	11,130	7,218	7,379
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS:

(5/2000)

(CONTINUED ON BACK)

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

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

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE DATE 5/22/07

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

C-113 LDVL Lateral #2
Directional Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Vertical Section (ft)	T O T A L Rectangular Offsets (ft) N/S	(ft) E/W	Closure Dist. (ft)	Dir. deg.	DLS (dg/100ft)
GYRODAT TIE IN									
7061	0.70	85.09	7059.91	-7.83	-8.07	2.58	8.47	162.27	0.00
GYRODATA SURVEY									
7123	3.09	321.10	7121.88	-6.38	-6.74	1.91	7.00	164.19	5.69
PATHFINDER MWD SURVEYS									
7168	11.87	325.88	7166.46	-0.55	-1.95	-1.46	2.44	216.74	19.55
7185	15.04	329.39	7182.99	3.36	1.39	-3.56	3.82	291.38	19.22
7215	22.86	330.01	7211.34	12.95	9.8	-8.46	12.95	319.2	26.09
7247	31.13	329.48	7239.83	27.25	22.34	-15.78	27.35	324.75	25.84
7279	39.39	329.57	7265.93	45.44	38.24	-25.14	45.77	326.68	25.83
7311	47.66	330.27	7289.12	67.12	57.3	-36.17	67.76	327.74	25.87
7343	56.01	330.45	7308.87	91.84	79.15	-48.6	92.88	328.45	26.11
7375	64.46	327.84	7324.74	119.22	102.96	-62.86	120.63	328.6	27.31
7407	72.81	327.29	7336.39	148.73	128.09	-78.83	150.4	328.39	26.15
7439	81.25	326.85	7343.57	179.64	154.24	-95.77	181.55	328.16	26.41
7471	89.96	326.44	7346.02	211.29	180.86	-113.29	213.41	327.94	27.23
7500	97.25	326.11	7344.2	240.03	204.92	-129.35	242.33	327.74	25.19
7531	100.86	320.18	7339.31	270.57	229.4	-147.69	272.83	327.23	22.18
7563	101.39	315.46	7333.14	301.93	252.67	-168.75	303.84	326.26	14.59
7595	101.04	313.48	7326.92	333.18	274.66	-191.15	334.63	325.16	6.15
7627	100.68	313.3	7320.89	364.41	296.25	-213.98	365.45	324.16	1.23
7659	100.24	313.77	7315.08	395.69	317.93	-236.79	396.42	323.32	1.99
7691	99.54	314.15	7309.58	427.05	339.81	-259.49	427.56	322.63	2.49
7723	98.75	313.98	7304.49	458.48	361.78	-282.19	458.82	322.05	2.53
7755	98.57	313.77	7299.67	489.94	383.71	-304.99	490.16	321.52	0.84
7787	98.49	313.39	7294.93	521.4	405.53	-327.92	521.52	321.04	1.22
7819	97.78	315.13	7290.4	552.93	427.63	-350.6	552.98	320.65	5.82
7851	96.55	316.93	7286.41	584.61	450.48	-372.64	584.64	320.4	6.76
7883	95.32	318.86	7283.1	616.41	474.1	-393.98	616.43	320.27	7.14
7915	94.88	318.99	7280.25	648.28	498.12	-414.92	648.3	320.21	1.43
7947	93.65	318.99	7277.87	680.19	522.2	-435.86	680.2	320.15	3.85
7980	93.65	317.54	7275.77	713.11	546.78	-457.78	713.12	320.06	4.39
8012	92.51	318.07	7274.05	745.04	570.45	-479.24	745.05	319.97	3.93
8076	92.24	317.93	7271.4	808.96	617.97	-522.03	808.96	319.81	0.46
8140	90.22	318.44	7270.03	872.91	665.66	-564.69	872.91	319.69	3.26
8204	87.85	319.21	7271.11	936.89	713.82	-606.82	936.89	319.63	3.9
8236	87.85	319.58	7272.31	968.86	738.1	-627.63	968.87	319.62	1.14
8300	87.49	319.32	7274.91	1032.81	786.69	-669.2	1032.82	319.61	0.68
8332	87.49	319.16	7276.31	1064.78	810.9	-690.07	1064.79	319.6	0.52
8395	87.58	318.85	7279.02	1127.71	858.41	-731.36	1127.72	319.57	0.51
8491	86.88	317.89	7283.66	1223.57	930.08	-795.06	1223.59	319.47	1.24
8523	86.97	319.04	7285.38	1255.51	954	-816.25	1255.54	319.45	3.6
8587	87.32	319.03	7288.57	1319.42	1002.26	-858.16	1319.46	319.43	0.55
8619	87.41	318.13	7290.04	1351.38	1026.23	-879.31	1351.42	319.41	2.84
8651	87.49	319	7291.46	1383.34	1050.2	-900.46	1383.38	319.39	2.76
8683	87.93	320.13	7292.74	1415.32	1074.54	-921.2	1415.36	319.39	3.77
8715	88.02	319.78	7293.87	1447.3	1099.02	-941.78	1447.34	319.41	1.13
8748	88.46	319.04	7294.89	1480.28	1124.07	-963.24	1480.32	319.41	2.6
8779	88.81	319.77	7295.62	1511.27	1147.6	-983.4	1511.31	319.41	2.59
8811	89.08	321.29	7296.21	1543.26	1172.3	-1003.74	1543.3	319.43	4.85
8875	88.81	321.23	7297.39	1607.23	1222.21	-1043.78	1607.26	319.5	0.43

8970	88.99	321.37	7299.21	1702.18	1296.34	-1103.17	1702.2	319.6	0.24
9002	89.43	322.21	7299.65	1734.16	1321.48	-1122.96	1734.17	319.64	2.95
9034	89.52	321.91	7299.95	1766.13	1346.71	-1142.63	1766.14	319.69	0.96
9066	88.72	322.38	7300.44	1798.1	1371.98	-1162.27	1798.11	319.73	2.87
9098	87.76	322.05	7301.42	1830.06	1397.26	-1181.86	1830.06	319.77	3.2
9162	87.67	321.85	7303.98	1893.97	1447.61	-1221.28	1893.97	319.85	0.34
9181	87.85	322.17	7304.72	1912.94	1462.58	-1232.97	1912.94	319.87	1.93
9244	86.61	320.75	7307.76	1975.84	1511.8	-1272.17	1975.84	319.92	2.98
9308	87.14	321.15	7311.25	2039.73	1561.43	-1312.42	2039.73	319.95	1.03
9374	87.41	320.09	7314.39	2105.65	1612.38	-1354.25	2105.65	319.97	1.66
9436	87.32	320.29	7317.24	2167.58	1659.96	-1393.9	2167.59	319.98	0.35
9500	87.58	320.32	7320.09	2231.52	1709.16	-1434.74	2231.52	319.99	0.42
9564	88.37	321.04	7322.35	2295.47	1758.64	-1475.26	2295.48	320.01	1.67
9628	88.11	320.34	7324.31	2359.43	1808.13	-1515.79	2359.44	320.03	1.17
9692	87.58	319.46	7326.72	2423.38	1857.05	-1556.98	2423.4	320.02	1.6
9724	86.79	319.64	7328.29	2455.34	1881.38	-1577.72	2455.36	320.02	2.53
9788	87.14	319.37	7331.68	2519.25	1929.98	-1619.22	2519.26	320	0.69
9852	86.44	319.37	7335.26	2583.15	1978.47	-1660.83	2583.16	319.99	1.1
9915	85.56	319.81	7339.65	2646	2026.33	-1701.57	2646	319.98	1.56
9947	85.65	319.9	7342.11	2677.9	2050.72	-1722.14	2677.91	319.98	0.39
9978	86.09	319.37	7344.34	2708.82	2074.27	-1742.16	2708.83	319.97	2.21
10011	86.17	319.02	7346.57	2741.74	2099.2	-1763.68	2741.75	319.96	1.09
10043	85.74	318.93	7348.83	2773.66	2123.28	-1784.63	2773.66	319.95	1.4
10075	86.61	318.76	7350.96	2805.58	2147.32	-1805.64	2805.59	319.94	2.8
10107	87.32	318.41	7352.65	2837.53	2171.28	-1826.78	2837.53	319.92	2.46
10171	87.23	317.88	7355.7	2901.43	2218.89	-1869.44	2901.43	319.89	0.83
10203	87.32	317.26	7357.22	2933.37	2242.49	-1891	2933.37	319.86	1.94
10267	87.32	317.26	7360.21	2997.23	2289.44	-1934.39	2997.23	319.8	0
10331	87.32	317.35	7363.21	3061.1	2336.43	-1977.74	3061.1	319.75	0.14
10395	87.32	316.82	7366.2	3124.96	2383.25	-2021.27	3124.97	319.7	0.82
10427	87.05	316.47	7367.78	3156.87	2406.49	-2043.21	3156.88	319.67	1.37
10492	88.37	316.56	7370.37	3221.71	2453.62	-2087.9	3221.73	319.6	2.03
10556	86.53	316.82	7373.22	3285.54	2500.14	-2131.75	3285.59	319.55	2.91
10620	87.05	317.44	7376.8	3349.37	2546.97	-2175.23	3349.43	319.5	1.26
10684	87.67	317.97	7379.74	3413.26	2594.26	-2218.25	3413.33	319.47	1.27
10749	88.64	318.58	7381.84	3478.2	2642.75	-2261.49	3478.28	319.45	1.76
10813	90.04	318.05	7382.58	3542.17	2690.54	-2304.05	3542.26	319.42	2.35
10845	90.66	318.58	7382.38	3574.16	2714.44	-2325.33	3574.26	319.41	2.53
10908	90.84	319.02	7381.56	3637.14	2761.84	-2366.82	3637.25	319.4	0.75
10940	90.84	319.29	7381.09	3669.14	2786.04	-2387.75	3669.24	319.4	0.82
11004	90.48	318.85	7380.35	3733.13	2834.39	-2429.68	3733.24	319.4	0.88
11068	90.75	319.11	7379.67	3797.11	2882.67	-2471.68	3797.23	319.39	0.59
Straight line projection to bit @ 11130' MD									
11130	90.75	319.11	7378.86	3859.1	2929.53	-2512.26	3859.23	319.38	0

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: SL 070968-A & 067807
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Proposed SWD

7. UNIT or CA AGREEMENT NAME: Aneth Unit

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

8. WELL NAME and NUMBER: C-113 LDVL - Lateral #3

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, # 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10 FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 740' FNL and 1665' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 725' FNL and 1626' FEL
AT TOTAL DEPTH: 1230' FSL and 1989' FWL, Sec 7, 40S, 24E

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

12. COUNTY: San Juan

13. STATE: UTAH

14. DATE SPUDDED: 2/14/2007

15. DATE T.D. REACHED: 3/6/2007

16. DATE COMPLETED: 4/12/2007 ABANDONED ☐ READY TO PRODUCE ☑

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

18. TOTAL DEPTH: MD 11,386 TVD 7,212

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD 143 TVD 127

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
6 1/2	OH		7,083	11,386					

25. TUBING RECORD

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

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Lower Leadville	7,234	11,386	7,218	7,212
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS:

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

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

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE DATE 5/22/07

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

C-113 LDVL Lateral #3
Directional Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) N/S	(ft) E/W	Closure Dist. (ft)	Dir. deg.	DLS (dg/100ft)
GYRODAT TIE IN									
7067	0.7	85.09	7065.91	-1.52	-8.07	2.65	8.49	161.82	-999.25
PATHFINDER MWD SURVEYS									
7183	26.2	57.19	7177.81	25.11	6.1	25.26	25.99	76.42	22.06
7215	34.47	59.3	7205.41	41.23	14.57	39.01	41.64	69.52	26.04
7247	41.94	58.34	7230.53	60.99	24.82	55.92	61.18	66.07	23.43
7279	50.3	56.67	7252.7	83.98	37.22	75.35	84.04	63.71	26.37
7311	58.56	55.88	7271.29	109.87	51.67	96.97	109.88	61.95	25.91
7343	67.01	56.4	7285.91	138.18	67.5	120.58	138.19	60.76	26.42
7375	75.01	56.58	7296.32	168.3	84.19	145.79	168.36	59.99	25.01
7407	82.83	57.28	7302.47	199.58	101.31	172.09	199.7	59.51	24.55
7436	90.22	57.63	7304.22	228.43	116.87	196.47	228.61	59.25	25.5
7468	96.11	58.69	7302.46	260.31	133.72	223.6	260.54	59.12	18.7
7501	96.55	58.6	7298.82	293.07	150.79	251.61	293.34	59.07	1.36
7533	97.08	58.34	7295.02	324.8	167.4	278.7	325.11	59.01	1.84
7566	98.13	58.95	7290.65	357.47	184.42	306.63	357.82	58.97	3.69
7597	98.22	59.04	7286.24	388.12	200.23	332.93	388.5	58.98	0.4
7629	98.4	58.86	7281.62	419.75	216.56	360.06	420.17	58.97	0.77
7660	99.28	58.86	7276.85	450.35	232.4	386.28	450.8	58.97	2.84
7692	99.54	58.95	7271.62	481.89	248.7	413.31	482.37	58.96	0.87
7724	99.8	59.13	7266.25	513.41	264.93	440.36	513.91	58.97	0.99
7756	100.24	59.66	7260.68	544.9	280.97	467.48	545.42	58.99	2.13
7788	99.19	60.71	7255.28	576.43	296.66	494.85	576.96	59.06	4.63
7820	99.28	61.15	7250.14	608.01	312	522.45	608.53	59.15	1.38
7852	97.78	61.76	7245.39	639.66	327.12	550.25	640.15	59.27	5.04
7884	96.29	62.91	7241.48	671.41	341.87	578.38	671.86	59.41	5.86
7916	94.44	63.7	7238.48	703.25	356.18	606.84	703.65	59.59	6.27
7948	92.42	64.49	7236.57	735.16	370.13	635.57	735.49	59.79	6.78
7981	88.9	65.81	7236.19	768.09	384	665.51	768.35	60.02	11.38
8013	88.37	66.25	7236.95	799.98	397	694.74	800.17	60.25	2.15
8045	86.44	67.3	7238.4	831.81	409.6	724.12	831.94	60.5	6.88
8077	84.15	67.39	7241.02	863.53	421.89	753.55	863.61	60.76	7.15
8109	84.24	67.83	7244.26	895.19	434.01	782.98	895.22	61	1.39
8141	84.42	67.21	7247.42	926.86	446.19	812.41	926.87	61.22	1.99
8173	82.83	67.65	7250.98	958.49	458.39	841.77	958.49	61.43	5.13
8205	81.43	68.09	7255.36	989.99	470.33	871.14	989.99	61.64	4.6
8237	81.16	68.01	7260.2	1021.42	482.15	900.47	1021.43	61.83	0.87
8269	80.55	66.95	7265.29	1052.84	494.26	929.66	1052.88	62	3.78
8301	80.2	66.86	7270.64	1084.25	506.63	958.68	1084.31	62.15	1.13
8321	80.28	66.95	7274.03	1103.87	514.36	976.81	1103.96	62.23	0.62
8353	80.55	66.69	7279.36	1135.29	526.78	1005.81	1135.41	62.36	1.16
8385	80.72	65.54	7284.57	1166.76	539.57	1034.68	1166.92	62.46	3.57
8417	80.9	65.1	7289.68	1198.28	552.75	1063.39	1198.47	62.53	1.46
8449	81.43	65.46	7294.59	1229.83	565.98	1092.11	1230.05	62.6	1.97
8481	82.04	65.54	7299.19	1261.42	579.11	1120.93	1261.68	62.68	1.94
8512	82.31	65.19	7303.41	1292.06	591.91	1148.84	1292.36	62.74	1.41
8544	82.57	65.02	7307.62	1323.72	605.26	1177.62	1324.06	62.8	0.99
8576	82.48	64.05	7311.79	1355.41	618.9	1206.26	1355.77	62.84	3.01
8608	82.92	63.79	7315.85	1387.12	632.86	1234.77	1387.5	62.86	1.59
8640	82.75	63.43	7319.85	1418.85	646.97	1263.21	1419.25	62.88	1.22
8672	81.87	61.85	7324.13	1450.55	661.54	1291.38	1450.96	62.88	5.62
8704	82.13	61.41	7328.58	1482.24	676.6	1319.26	1482.64	62.85	1.59
8735	81.43	60.71	7333.02	1512.92	691.44	1346.11	1513.31	62.81	3.19
8767	81.78	60.36	7337.69	1544.57	707.01	1373.67	1544.94	62.77	1.55
8799	82.04	60.1	7342.19	1576.24	722.75	1401.17	1576.59	62.71	1.16
8831	82.39	60.1	7346.53	1607.94	738.55	1428.66	1608.27	62.66	1.1
8863	82.66	59.92	7350.69	1639.66	754.41	1456.14	1639.96	62.61	0.99
8895	82.57	59.48	7354.8	1671.38	770.43	1483.53	1671.65	62.56	1.39
8926	82.83	59.48	7358.74	1702.11	786.04	1510.02	1702.36	62.5	0.85
8959	83.45	59.3	7362.68	1734.85	802.72	1538.22	1735.08	62.44	1.94
8990	84.77	58.78	7365.87	1765.65	818.59	1564.66	1765.86	62.38	4.58
9022	85.47	58.16	7368.59	1797.49	835.26	1591.84	1797.67	62.31	2.92
9054	86.17	58.07	7370.92	1829.35	852.12	1618.94	1829.5	62.24	2.22
9086	87.41	57.99	7372.71	1861.24	869.03	1646.04	1861.36	62.17	3.86
9118	87.67	58.34	7374.08	1893.16	885.9	1673.2	1893.26	62.1	1.37
9151	88.64	58.07	7375.15	1926.08	903.28	1701.24	1926.17	62.03	3.04

9182	88.55	58.07	7375.91	1957.02	919.66	1727.54	1957.08	61.97	0.28
9214	89.96	57.99	7376.33	1988.96	936.61	1754.68	1989.01	61.91	4.4
9246	90.57	57.81	7376.18	2020.89	953.61	1781.79	2020.93	61.84	2
9278	91.89	58.25	7375.49	2052.83	970.55	1808.93	2052.85	61.78	4.34
9310	92.15	58.69	7374.36	2084.76	987.27	1836.19	2084.78	61.73	1.6
9342	91.8	58.16	7373.26	2116.7	1004.02	1863.43	2116.7	61.68	1.99
9375	92.33	57.37	7372.07	2149.6	1021.61	1891.33	2149.61	61.62	2.88
9406	94.26	57.72	7370.29	2180.48	1038.22	1917.44	2180.48	61.57	6.34
9439	95.76	57.63	7367.4	2213.27	1055.79	1945.22	2213.27	61.51	4.54
9471	95.76	58.16	7364.19	2245.05	1072.71	1972.19	2245.05	61.46	1.64
9505	95.58	57.81	7360.83	2278.82	1090.65	2000.88	2278.82	61.41	1.15
9537	97.34	57.9	7357.23	2310.55	1107.57	2027.8	2310.56	61.36	5.5
9569	98.22	57.81	7352.9	2342.19	1124.44	2054.64	2342.2	61.31	2.76
9601	98.49	57.55	7348.25	2373.78	1141.37	2081.4	2373.8	61.26	1.16
9633	99.01	57.72	7343.38	2405.34	1158.3	2108.11	2405.37	61.21	1.74
9665	99.28	58.52	7338.29	2436.87	1174.98	2134.94	2436.92	61.17	2.61
9697	99.8	59.05	7332.99	2468.39	1191.34	2161.93	2468.45	61.14	2.31
9729	100.33	59.47	7327.4	2499.88	1207.44	2189.01	2499.94	61.12	2.11
9761	98.93	60.15	7322.04	2531.41	1223.31	2216.28	2531.48	61.1	4.86
9793	98.75	58.34	7317.13	2563.01	1239.48	2243.45	2563.08	61.08	5.61
9825	99.19	59.85	7312.14	2594.59	1255.71	2270.57	2594.67	61.06	4.87
9857	99.63	60.3	7306.91	2626.14	1271.46	2297.93	2626.23	61.04	1.94
9888	99.98	60.9	7301.63	2656.69	1286.45	2324.54	2656.78	61.04	2.22
9920	98.57	60.14	7296.47	2688.26	1302	2352.04	2688.36	61.03	4.98
9920	98.57	60.14	7297.09	2688.36	1301.87	2352.22	2688.46	61.04	4.98
9952	97.08	60.66	7292.73	2720.06	1317.53	2379.78	2720.15	61.03	4.94
9984	96.38	62.83	7288.98	2751.84	1332.58	2407.77	2751.93	61.04	7.07
10016	96.2	62.15	7285.48	2783.64	1347.27	2435.98	2783.73	61.05	2.16
10048	95.94	62.51	7282.09	2815.46	1362.05	2464.16	2815.54	61.07	1.37
10080	95.85	63.46	7278.81	2847.28	1376.5	2492.52	2847.35	61.09	2.97
10112	94.26	62.82	7275.99	2879.14	1390.91	2520.96	2879.21	61.11	5.33
10144	93.91	62.45	7273.71	2911.05	1405.58	2549.3	2911.11	61.13	1.6
10176	93.56	62.72	7271.62	2942.98	1420.28	2577.65	2943.04	61.15	1.38
10208	93.39	63	7269.68	2974.91	1434.85	2606.07	2974.96	61.16	1.05
10240	93.65	63.55	7267.72	3006.83	1449.21	2634.6	3006.88	61.19	1.89
10272	94.35	62.01	7265.49	3038.75	1463.81	2662.99	3038.79	61.2	5.26
10304	92.51	63.52	7263.57	3070.68	1478.43	2691.39	3070.72	61.22	7.45
10336	91.8	62.7	7262.37	3102.64	1492.89	2719.91	3102.68	61.24	3.39
10368	92.42	62.12	7261.19	3134.62	1507.7	2748.25	3134.65	61.25	2.64
10400	92.51	62.47	7259.82	3166.58	1522.57	2776.55	3166.61	61.26	1.13
10432	93.21	62.29	7258.22	3198.54	1537.38	2804.87	3198.57	61.27	2.27
10464	93.03	62.12	7256.48	3230.49	1552.28	2833.14	3230.52	61.28	0.78
10496	92.86	61.85	7254.83	3262.45	1567.29	2861.35	3262.47	61.29	0.99
10528	93.47	61.5	7253.07	3294.4	1582.45	2889.47	3294.42	61.29	2.21
10561	93.91	61.94	7250.94	3327.33	1598.06	2918.47	3327.35	61.3	1.88
10593	93.83	62.2	7248.78	3359.26	1613.01	2946.68	3359.28	61.3	0.87
10624	92.51	62.91	7247.07	3390.2	1627.27	2974.15	3390.22	61.32	4.82
10656	91.36	62.82	7245.99	3422.17	1641.86	3002.61	3422.19	61.33	3.58
10689	92.15	62.73	7244.98	3455.15	1656.95	3031.94	3455.16	61.34	2.41
10721	92.24	62.56	7243.75	3487.12	1671.64	3060.34	3487.13	61.36	0.61
10746	91.89	63.43	7242.85	3512.1	1682.99	3082.6	3512.11	61.37	3.78
10779	90.57	64.31	7242.14	3545.06	1697.52	3112.22	3545.07	61.39	4.8
10811	91.71	64.4	7241.5	3577.01	1711.36	3141.07	3577.02	61.42	3.58
10842	92.51	64.49	7240.36	3607.95	1724.73	3169.01	3607.95	61.44	2.57
10873	92.07	63.35	7239.12	3638.9	1738.34	3196.83	3638.9	61.46	3.95
10905	92.24	63.43	7237.92	3670.86	1752.67	3225.42	3670.86	61.48	0.61
10937	90.31	63.26	7237.21	3702.83	1767.02	3254.02	3702.83	61.5	6.07
10969	90.92	63.43	7236.86	3734.81	1781.37	3282.61	3734.81	61.51	2
11001	90.31	62.91	7236.52	3766.8	1795.81	3311.17	3766.8	61.53	2.53
11033	90.75	63	7236.22	3798.79	1810.36	3339.67	3798.79	61.54	1.4
11065	91.54	62.73	7235.59	3830.77	1824.96	3368.14	3830.77	61.55	2.61
11097	92.15	62.91	7234.56	3862.75	1839.56	3396.59	3862.75	61.56	1.99
11129	92.77	63.26	7233.18	3894.7	1854.04	3425.1	3894.71	61.57	2.22
11161	93.65	63	7231.39	3926.64	1868.48	3453.6	3926.64	61.59	2.87
11194	94.09	63.17	7229.16	3959.55	1883.38	3482.95	3959.56	61.6	1.43
11225	94.18	63.17	7226.93	3990.46	1897.34	3510.55	3990.47	61.61	0.28
11257	94.53	62.82	7224.5	4022.36	1911.82	3538.97	4022.36	61.62	1.55
11289	94.79	63.26	7221.9	4054.24	1926.28	3567.4	4054.25	61.63	1.6
11321	95.5	63.26	7219.03	4086.1	1940.62	3595.87	4086.11	61.65	2.21
11353	96.2	63.61	7215.77	4117.91	1954.86	3624.34	4117.92	61.66	2.44
11386	96.38	63.17	7212.16	4150.69	1969.55	3653.66	4150.71	61.67	1.43

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: SL 070968-A & 067807
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: Aneth Unit
8. WELL NAME and NUMBER: C-113 LDVL - Lateral #4
9. API NUMBER: 4303731852
10 FIELD AND POOL, OR WILDCAT: Greater Aneth
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S
12. COUNTY: San Juan
13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER Proposed SWD

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

2. NAME OF OPERATOR: Resolute Natural Resources Company

3. ADDRESS OF OPERATOR: 1675 Broadway, # 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 740' FNL and 1665' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 786' FNL and 1696' FEL
AT TOTAL DEPTH: 2316' FNL and ~~4637' FEL~~ 644 FWL

14. DATE SPUDDED: 3/14/2007
15. DATE T.D. REACHED: 3/30/2007
16. DATE COMPLETED: 4/12/2007 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): RKB

18. TOTAL DEPTH: MD 10,573 TVD 7,349
19. PLUG BACK T.D.: MD TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD 143 TVD 127

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
6 1/2	OH		7,058	10,573					

25. TUBING RECORD

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

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Lower Leadville	7,234	10,573	7,218	7,349
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS:

(5/2000)

(CONTINUED ON BACK)

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

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

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE _____ DATE 5/22/07

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

C-113 LDVL Lateral #4
Directional Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Vertical Section (ft)	T O T A L Rectangular Offsets (ft) N/S	(ft) E/W	Closure Dist. (ft)	Dir. deg.	DLS (dg/100ft)
GYRODAT TIE IN									
7061	0.7	85.09	7065.91	-1.52	-8.07	2.65	8.49	161.82	-999.25
PATHFINDER MWD SURVEYS									
7089	7.83	239.22	7087.83	3.36	-9.03	1.11	9.1	172.99	30.22
7121	15.21	224.63	7119.17	9.57	-13.14	-3.72	13.66	195.8	24.64
7153	22.77	217.33	7149.41	19.26	-21.07	-10.43	23.51	206.35	24.73
7186	30.25	219.27	7178.92	32.82	-32.6	-19.58	38.03	210.99	22.8
7218	37.81	223.48	7205.42	49.65	-45.98	-31.45	55.71	214.38	24.74
7250	45.64	226.21	7229.29	70.06	-61.04	-46.48	76.72	217.29	25.1
7282	53.2	228.58	7250.09	93.64	-77.45	-64.38	100.71	219.73	24.29
7314	60.76	230.69	7267.52	119.89	-94.8	-84.82	127.2	221.82	24.27
7346	68.15	232.19	7281.31	148.32	-112.77	-107.38	155.72	223.6	23.46
7378	75.8	233.41	7291.2	178.39	-131.15	-131.61	185.8	225.1	24.18
7409	84.42	233.5	7296.53	208.61	-149.32	-156.12	216.03	226.28	27.8
7440	91.98	234.91	7297.5	239.33	-167.43	-181.23	246.73	227.27	24.81
7472	97.43	235.35	7294.88	271.02	-185.65	-207.39	278.35	228.17	17.09
7504	97.43	237.9	7290.74	302.64	-203.11	-233.89	309.77	229.03	7.9
7536	95.23	237.2	7287.21	334.38	-220.17	-260.72	341.25	229.82	7.21
7568	94.44	238.34	7284.51	366.2	-237.18	-287.69	372.86	230.5	4.33
7599	93.47	240.1	7282.37	397.1	-253.01	-314.26	403.45	231.16	6.46
7631	92.77	242.2	7280.63	429.05	-268.42	-342.25	434.95	231.89	6.94
7662	92.77	243.26	7279.13	460.01	-282.61	-369.77	465.4	232.61	3.4
7694	93.74	244.05	7277.31	491.93	-296.79	-398.4	496.79	233.32	3.9
7726	93.91	244.05	7275.18	523.82	-310.76	-427.11	528.2	233.96	0.55
7758	93.83	244.14	7273.02	555.71	-324.71	-455.83	559.65	234.54	0.39
7790	93.65	244.31	7270.93	587.6	-338.59	-484.58	591.16	235.06	0.78
7822	94.53	244.49	7268.65	619.48	-352.38	-513.37	622.67	235.53	2.8
7854	94.53	243.96	7266.13	651.34	-366.26	-542.09	654.22	235.96	1.65
7886	94	243.96	7263.75	683.21	-380.26	-570.77	685.84	236.33	1.65
7918	93.56	244.05	7261.64	715.11	-394.26	-599.47	717.49	236.67	1.4
7950	94	243.79	7259.53	747.01	-408.3	-628.14	749.18	236.98	1.6
7982	93.47	243.52	7257.44	778.91	-422.47	-656.76	780.9	237.25	1.84
8014	93.21	242.99	7255.58	810.84	-436.84	-685.29	812.68	237.48	1.84
8046	93.12	242.91	7253.81	842.78	-451.37	-713.74	844.49	237.69	0.39
8067	93.3	243.52	7252.63	863.74	-460.82	-732.46	865.36	237.82	3.04
8099	92.68	242.91	7250.96	895.67	-475.22	-760.99	897.18	238.02	2.72
8131	91.45	242.73	7249.81	927.64	-489.83	-789.44	929.05	238.18	3.89
8163	91.1	242.38	7249.1	959.63	-504.57	-817.83	960.96	238.33	1.55
8195	91.45	242.29	7248.38	991.61	-519.42	-846.16	992.87	238.46	1.13
8227	90.4	242.29	7247.87	1023.61	-534.3	-874.49	1024.8	238.58	3.3
8259	88.81	242.64	7248.09	1055.6	-549.09	-902.86	1056.72	238.69	5.07
8291	88.9	242.73	7248.73	1087.58	-563.77	-931.29	1088.64	238.81	0.39
8323	89.78	242.91	7249.1	1119.57	-578.39	-959.76	1120.56	238.93	2.8
8355	88.81	242.56	7249.49	1151.56	-593.05	-988.2	1152.49	239.03	3.22
8387	87.58	242.56	7250.5	1183.53	-607.79	-1016.58	1184.42	239.13	3.85
8419	85.82	242.38	7252.34	1215.47	-622.56	-1044.91	1216.31	239.21	5.52
8451	85.82	242.47	7254.67	1247.38	-637.33	-1073.2	1248.18	239.3	0.27
8483	85.74	242.56	7257.02	1279.29	-652.06	-1101.51	1280.04	239.38	0.39
8515	86.26	243.35	7259.26	1311.2	-666.58	-1129.94	1311.9	239.46	2.97
8546	86.17	243.52	7261.3	1342.11	-680.41	-1157.61	1342.76	239.55	0.63
8578	86.35	243.79	7263.39	1374.02	-694.58	-1186.22	1374.61	239.65	0.99
8610	85.47	243.35	7265.67	1405.91	-708.79	-1214.8	1406.46	239.74	3.07
8642	84.59	243.26	7268.44	1437.77	-723.11	-1243.28	1438.28	239.82	2.76
8674	85.91	243.17	7271.09	1469.64	-737.48	-1271.75	1470.11	239.89	4.13

8706	87.76	243.43	7272.85	1501.57	-751.84	-1300.3	1502.01	239.96	5.83
8739	87.93	242.38	7274.1	1534.54	-766.85	-1329.65	1534.94	240.03	3.24
8771	88.46	243.08	7275.1	1566.51	-781.51	-1358.08	1566.89	240.08	2.75
8802	88.99	242.64	7275.79	1597.49	-795.64	-1385.66	1597.85	240.14	2.21
8834	88.55	242.47	7276.48	1629.48	-810.39	-1414.06	1629.81	240.18	1.48
8866	88.2	242.38	7277.39	1661.46	-825.2	-1442.41	1661.77	240.23	1.13
8898	88.29	242.38	7278.37	1693.44	-840.02	-1470.75	1693.74	240.27	0.27
8930	88.29	242.47	7279.33	1725.42	-854.83	-1499.1	1725.7	240.31	0.27
8962	89.52	242.73	7279.94	1757.4	-869.56	-1527.5	1757.67	240.35	3.93
8993	89.34	242.29	7280.25	1788.4	-883.86	-1555	1788.64	240.39	1.53
9025	87.67	242.12	7281.08	1820.38	-898.78	-1583.3	1820.62	240.42	5.25
9057	85.38	243.96	7283.02	1852.3	-913.26	-1611.77	1852.52	240.46	9.17
9089	85.82	244.14	7285.48	1884.17	-927.22	-1640.46	1884.37	240.52	1.48
9121	86.17	244.58	7287.71	1916.05	-941.04	-1669.23	1916.22	240.59	1.76
9153	86.53	244.4	7289.75	1947.94	-954.79	-1698.06	1948.08	240.65	1.23
9185	85.91	244.14	7291.86	1979.83	-968.65	-1726.82	1979.95	240.71	2.09
9217	86.44	243.87	7293.99	2011.72	-982.64	-1755.52	2011.82	240.76	1.84
9249	86.61	244.23	7295.93	2043.63	-996.62	-1784.24	2043.71	240.81	1.23
9281	86.79	244.05	7297.77	2075.54	-1010.56	-1812.99	2075.61	240.86	0.78
9313	87.32	243.79	7299.42	2107.46	-1024.61	-1841.69	2107.52	240.91	1.84
9345	87.23	242.99	7300.94	2139.4	-1038.92	-1870.27	2139.45	240.95	2.49
9377	87.93	242.99	7302.29	2171.36	-1053.44	-1898.75	2171.41	240.98	2.2
9409	87.76	242.38	7303.49	2203.33	-1068.11	-1927.17	2203.37	241	2
9441	87.41	242.47	7304.84	2235.3	-1082.91	-1955.5	2235.33	241.02	1.13
9473	87.49	242.2	7306.26	2267.26	-1097.76	-1983.82	2267.29	241.04	0.87
9505	86.79	241.68	7307.86	2299.22	-1112.79	-2012.02	2299.25	241.05	2.75
9537	87.76	241.85	7309.38	2331.18	-1127.91	-2040.18	2331.21	241.06	3.07
9569	87.41	241.85	7310.73	2363.15	-1142.99	-2068.37	2363.18	241.07	1.1
9601	86.26	241.5	7312.5	2395.1	-1158.15	-2096.5	2395.12	241.08	3.74
9633	86.61	241.41	7314.49	2427.04	-1173.41	-2124.56	2427.06	241.09	1.13
9665	84.5	241.5	7316.96	2458.94	-1188.66	-2152.58	2458.96	241.09	6.6
9697	84.33	241.68	7320.08	2490.79	-1203.81	-2180.59	2490.81	241.1	0.78
9729	85.12	242.03	7323.02	2522.65	-1218.84	-2208.69	2522.67	241.11	2.71
9761	85.3	241.85	7325.69	2554.54	-1233.84	-2236.83	2554.56	241.12	0.78
9793	85.3	241.94	7328.32	2586.43	-1248.86	-2264.96	2586.45	241.13	0.27
9825	84.94	242.47	7331.04	2618.31	-1263.73	-2293.16	2618.32	241.14	1.98
9857	85.47	242.82	7333.71	2650.19	-1278.38	-2321.49	2650.2	241.16	1.98
9889	86.17	242.99	7336.04	2682.09	-1292.92	-2349.9	2682.1	241.18	2.27
9921	86.09	243.87	7338.2	2714	-1307.2	-2378.46	2714	241.21	2.75
9952	86.97	244.75	7340.08	2744.9	-1320.61	-2406.34	2744.9	241.24	4.01
9984	87.76	245.37	7341.55	2776.8	-1334.09	-2435.33	2776.8	241.29	3.13
10016	88.11	245.37	7342.71	2808.7	-1347.42	-2464.39	2808.7	241.33	1.1
10048	89.16	246.07	7343.47	2840.59	-1360.57	-2493.56	2840.59	241.38	3.96
10080	88.81	246.07	7344.03	2872.48	-1373.55	-2522.8	2872.48	241.43	1.1
10113	88.11	245.9	7344.92	2905.36	-1386.97	-2552.93	2905.37	241.49	2.2
10144	88.2	246.16	7345.92	2936.24	-1399.56	-2581.24	2936.25	241.53	0.9
10176	88.46	245.98	7346.85	2968.12	-1412.53	-2610.48	2968.14	241.58	0.99
10208	89.43	246.07	7347.44	3000	-1425.53	-2639.72	3000.04	241.63	3.04
10240	89.6	245.81	7347.71	3031.9	-1438.58	-2668.93	3031.95	241.67	0.99
10272	89.34	246.07	7348.01	3063.79	-1451.62	-2698.15	3063.86	241.72	1.17
10304	89.34	246.07	7348.37	3095.68	-1464.6	-2727.4	3095.77	241.76	0
10336	89.43	245.81	7348.72	3127.58	-1477.65	-2756.62	3127.68	241.81	0.87
10368	89.43	245.81	7349.04	3159.48	-1490.76	-2785.81	3159.6	241.85	0
10400	89.6	245.72	7349.31	3191.38	-1503.9	-2814.99	3191.53	241.89	0.61
10432	89.96	245.28	7349.43	3223.3	-1517.17	-2844.1	3223.46	241.92	1.76
10464	89.96	245.28	7349.46	3255.22	-1530.55	-2873.17	3255.41	241.96	0
10496	90.31	245.28	7349.38	3287.15	-1543.93	-2902.24	3287.36	241.99	1.1
10528	89.96	245.63	7349.31	3319.06	-1557.22	-2931.35	3319.3	242.02	1.55
STRAIGHT LINE PROJECTION TO BIT									
10573	89.96	245.63	7349.34	3363.94	-1575.79	-2972.34	3364.21	242.07	0.01

SURETY PERFORMANCE BOND

U.S. Environmental Protection Agency
Underground Injection Control
Financial Responsibility Requirement

BOND COVERS THE PLUGGING OF INJECTION WELLS

Date bond executed: December 02, 2004

Effective date: December 02, 2004

Principal: Resolute Natural Resources Company
(Legal name of owner or operator)

1675 Broadway, Suite 1950, Denver Colorado 80202
(Business address of owner or operator)

Type of organization: Corporation
(Individual, joint venture, partnership, or corporation)

State of incorporation: Delaware

Surety(ies): U.S. Specialty Insurance Company
(Name)

13403 Northwest Freeway, Houston, Texas 77040
(Business Address)

EPA identification number, name, address, and plugging and abandonment amount(s) for each injection well guaranteed by this bond. (Indicate plugging and abandonment amounts for each well. Attach separate list if necessary.)

Injection Well Information	Plugging & Abandonment Amount
See Attached Schedule A	

Total penal sum of bond: $ 3,425,000.00

Surety's bond number: B001252

KNOW ALL PERSONS BY THESE PRESENTS, That we, the Principal and Surety(ies) hereto are firmly bound to the U.S. Environmental Protection Agency (hereinafter called EPA), in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally; provided that, where the Surety(ies) are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

WHEREAS said Principal is required, under the Underground Injection Control Regulations, as amended, to have a permit or comply with provisions to operate under rule for each injection well identified above, and

WHEREAS said Principal is required to provide financial assurance for plugging and abandonment as a condition of the permit or approval to operate under rule, and

WHEREAS said Principal shall establish a standby trust fund as is required when a surety bond is used to provide such financial assurance;

NOW, THEREFORE, the conditions of this obligation are such that if the Principal shall faithfully perform plugging and abandonment, whenever required to do so, of each injection well for which this bond guarantees plugging and abandonment, in accordance with the plugging and abandonment plan and other requirements of the permit or provisions for operating under rule and other requirements of the permit or provisions for operating under rule as may be amended, pursuant to all applicable laws, statutes, rules and regulations, as such laws, statutes, rules, and regulations may be amended,

Or, if the Principal shall provide alternate financial assurance as specified in Subpart F of 40 CFR 144, and obtain the EPA Regional Administrator's written approval of such assurance, within 90 days after the date of notice of cancellation is received by both the Principal and the EPA Regional Administrator(s) from the Surety(ies), then this obligation shall be null and void. Otherwise it is to remain in full force and effect.

The Surety(ies) shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above.

Upon notification by an EPA Regional Administrator that the Principal has been found in violation of the plugging and abandonment requirements of 40 CFR 144, for an injection well which this bond guarantees performances of plugging and abandonment, the Surety(ies) shall either perform plugging and abandonment in accordance with the plugging and abandonment plan and other permit requirements or provisions for operating under rule and other requirements or place the amount for plugging and abandonment into standby trust fund as directed by the EPA Regional Administrator.

Upon notification by an EPA Regional Administrator that the Principal has failed to provide alternate financial assurance as specified in Subpart F of 40 CFR 144, and obtain written approval of such assurance from the EPA Regional Administrator(s) during the 90 days following receipt by both the Principal and the EPA Regional Administrator(s) of a notice of cancellation of the bond, the Surety(ies) shall place funds in the amount guaranteed for the injection well(s) into the standby trust fund as

directed by the EPA Regional Administrator.

The Surety(ies) hereby waive(s) notification of amendments to plugging and abandonment plans, permits, applicable laws, statutes, rules, and regulations and agrees that no such amendment shall in any way alleviate its (their) obligation on this bond.

The liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Surety(ies) here under exceed the amount of said penal sum.

The Surety(ies) may cancel the bond by sending notice by certified mail to the owner or operator and to the EPA Regional Administrator(s) for the Region(s) in which the injection well(s) is (are) located, provided, however, that cancellation shall not occur during the 120 days beginning on the date of receipt of the notice of cancellation by both the Principal and the EPA Regional Administrator(s), as evidenced by the return receipts.

The Principal may terminate this bond by sending written notice to the Surety(ies); provided, however, that no such notice shall become effective until the Surety(ies) receive(s) written authorization for termination of the bond by the EPA Regional Administrator(s) of the EPA Region(s) in which the bonded injection well(s) is (are) located.

(The following paragraph is an optional rider that may be included but is not required.)

Principal and Surety(ies) hereby agree to adjust the penal sum of the bond yearly so that it guarantees a new plugging and abandonment amount, provided that the penal sum does not increase by more than 20% in any one year, and no decrease in the penal sum takes place without the written permission of the EPA Regional Administrator(s).

In WITNESS WHEREOF, The Principal and Surety(ies) have executed this Performance Bond and have affixed their seals on the date set forth above.

The persons whose signature appear below hereby certify that they are authorized to execute this surety bond on behalf of the Principal and Surety(ies) and that the wording on this surety bond is identical to the wording specified in 40 CFR 144.70(c) as such regulation was constituted on the date this bond was executed.

PRINCIPAL:

Resolute Natural Resources Company
(Name)

1675 Broadway, Suite 1950, Denver Colorado 80202
(Address)

Janet Pasque
(Signature(s))

Janet Pasque
(Name(s))

Vice President
(Title(s))

Corporate Seal

CORPORATE SURETY(IES):

U.S. Specialty Insurance Company
(Name)

13403 Northwest Freeway, Houston, Texas 77040
(Address)

W. Russell Brown, Jr.
(Signature(s))

W. Russell Brown, Jr.
(Name(s))

Attorney-in-Fact
(Title(s))

Corporate Seal

Delaware	Texas
State of Incorporation	State of Incorporation
$ 68,500.00	$ 3,425,000.00
Bond Premium	Liability Limit

(For every co-surety, provide signature(s), corporate seal, and other information in the same manner as for Surety above.)

Schedule A

Operator	Field	Well Number	Qtr/Qtr	Section	Twnshp	Range	State	Lease Number	API Number	Owner
Texaco Expl. & Prod. Inc.	ANETH	B312	NESW	12	40S	23E	UTAH	SL070968A	430371627200S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	C312	SWSE	12	40S	23E	UTAH	SL070968A	430373011200S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	D212	SENE	12	40S	23E	UTAH	SL070968A	430371627800S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	D412	SESE	12	40S	23E	UTAH	SL070968A	430373004900S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E116	NWNW	16	40S	24E	UTAH	ML3156	430371583200S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	E117	NWNW	17	40S	24E	UTAH	I149IND8835	4303716049000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E118	NWNW	18	40S	24E	UTAH	SL067807	430371541300S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E119	NWNW	19	40S	24E	UTAH	I149IND8836	430371628000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E120	NWNW	20	40S	24E	UTAH	I149IND8836	430371605000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E121	NWNW	21	40S	24E	UTAH	I149IND8836	430371605100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E122	NWNW	22	40S	24E	UTAH	I149IND8836	430373021500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E126	NWNW	26	40S	24E	UTAH	I149IND8838	430371605400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E128	NWNW	28	40S	24E	UTAH	14206032056	430371622200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E129	NWNW	29	40S	24E	UTAH	14206034030A	430371605500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E136	NWNW	36	40S	24E	UTAH	14206035444	430371548500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E213	SWNW	13	40S	24E	UTAH	I149IND8837	430371593800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E214	SWNW	14	40S	24E	UTAH	I149IND8837	430371593900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E218	SWNW	18	40S	24E	UTAH	SL067807	430373138500S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E307	NWSW	7	40S	24E	UTAH	SL067807	430371541200S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E308	NWSW	8	40S	24E	UTAH	I149IND8834	430371606000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E315	NWSW	15	40S	24E	UTAH	I149IND8834	430373021300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E316	NWSW	16	40S	24E	UTAH	ML3156	430373009400S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	E317	NWSW	17	40S	24E	UTAH	I149IND8835	430371606200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E318	NWSW	18	40S	24E	UTAH	I149IND8835	430371606300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E320	NWSW	20	40S	24E	UTAH	I149IND8836	430371606500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E321	NWSW	21	40S	24E	UTAH	I149IND8836	430371606600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E322	NWSW	22	40S	24E	UTAH	I149IND8836	430371606700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E323	NWSW	23	40S	24E	UTAH	I149IND8838	430371606800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E324	NWSW	24	40S	24E	UTAH	I149IND8838	430371606900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E325	NWSW	25	40S	24E	UTAH	I149IND8838	430371607000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E326	NWSW	26	40S	24E	UTAH	I149IND8838	430371607100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E407	SWSW	7	40S	24E	UTAH	SL067807	430373138600S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E411	SWSW	11	40S	24E	UTAH	I149IND8837	430371594000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E413	SWSW	13	40S	24E	UTAH	I149IND8837	430371594100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E414	SWSW	14	40S	24E	UTAH	I149IND8837	430371642100S1	Navajo Tribal Trust Land

Texaco Expl. & Prod. Inc.	ANETH	F114	NENW	14	40S	24E	UTAH	I149IND8837	430371642200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F115	NENW	15	40S	24E	UTAH	I149IND8834	430371607400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F116	NENW	16	40S	24E	UTAH	ML3156	430371628500S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	F118	NENW	18	40S	24E	UTAH	SL067807	430373015500S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	F123	NENW	23	40S	24E	UTAH	I149IND8838	430373023500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F208	SENW	8	40S	24E	UTAH	I149IND8834	430371607600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F217	SENW	17	40S	24E	UTAH	I149IND8835	430371628600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F218	SENW	18	40S	24E	UTAH	I149IND8835	430371628700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F219	SENW	19	40S	24E	UTAH	I149IND8836	430371607700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F220	SENW	20	40S	24E	UTAH	I149IND8836	430371628800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F221	SENW	21	40S	24E	UTAH	I149IND8836	430371607800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F222	SENW	22	40S	24E	UTAH	I149IND8836	430373037300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F223	SENW	23	40S	24E	UTAH	I149IND8838	430371607900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F224	SENW	24	40S	24E	UTAH	I149IND8838	430371628900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F225	SENW	25	40S	25E	UTAH	I149IND8838	430371608001S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F226	SENW	26	40S	24E	UTAH	I149IND8838	430371629000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F229	SENW	29	40S	24E	UTAH	14206034030A	430371629200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F235	SENW	35	40S	24E	UTAH	14206032059	430371629300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F236	SENW	36	40S	24E	UTAH	14206035444	430371629400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F314	NESW	14	40S	24E	UTAH	I149IND8837	430371594200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F315	NESW	15	40S	24E	UTAH	I149IND8834	430371629600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F316	NESW	16	40S	24E	UTAH	ML3156	430371629700S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	F407	SESW	7	40S	24E	UTAH	SL067807	430371541500S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	F408	SESW	8	40S	24E	UTAH	I149IND8834	430371629800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F409	SESW	9	40S	24E	UTAH	I149IND8834	430371608200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F416	SESW	16	40S	24E	UTAH	ML3156	430373033300S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	F417	SESW	17	40S	24E	UTAH	I149IND8835	430371629900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F418	SESW	18	40S	24E	UTAH	I149IND8835	430371508300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F420	SESW	20	40S	24E	UTAH	I149IND8836	430371630000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F421	SESW	21	40S	24E	UTAH	I149IND8836	430371608400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F422	SESW	22	40S	24E	UTAH	I149IND8836	430371608500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F423	SESW	23	40S	24E	UTAH	I149IND8838	430371608600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F424	SESW	24	40S	24E	UTAH	I149IND8838	430371608700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F425	SESW	25	40S	24E	UTAH	I149IND8838	430371630100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G116	NWNE	16	40S	24E	UTAH	ML3156	430373034400S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	G117	NWNE	17	40S	24E	UTAH	I149IND8835	430371608900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G118	NWNE	18	40S	24E	UTAH	I149IND8835	430371609000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G119	NWNE	19	40S	24E	UTAH	I149IND8836	430371609100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G120	NWNE	20	40S	24E	UTAH	I149IND8833	430371609200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G121X	NWNE	21	40S	24E	UTAH	I149IND8836	430373033500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G122	NWNE	22	40S	24E	UTAH	I149IND8836	430373042500S1	Navajo Tribal Trust Land

Texaco Expl. & Prod. Inc.	ANETH	G123	NWNE	23	40S	24E	UTAH	I149IND8838	4303716306005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G125	NWNE	25	40S	24E	UTAH	I149IND8838	4303716095015S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G126X	NWNE	26	40S	24E	UTAH	I149IND8838	4303730372005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G127	NWNE	27	40S	24E	UTAH	14206032056	4303716307005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G128	NWNE	28	40S	24E	UTAH	14206032056	4303716224005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G129	NWNE	29	40S	24E	UTAH	14206034030A	4303716097005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G136	NWNE	36	40S	24E	UTAH	14206035443	4303715486005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G307	NWSE	7	40S	24E	UTAH	SL067807	4303716100005S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	G308	NWSE	8	40S	24E	UTAH	I149IND8833	4303716101005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G316	NWSE	16	40S	24E	UTAH	ML3156	4303730107005S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	G317	NWSE	17	40S	24E	UTAH	I149IND8835	4303716103005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G318	NWSE	18	40S	24E	UTAH	I149IND8835	4303716104005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G319	NWSE	19	40S	24E	UTAH	I149IND8836	4303716309005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G320	NWSE	20	40S	24E	UTAH	I149IND8836	4303716105005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G321X	NWSE	21	40S	24E	UTAH	I149IND8836	4303730095005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G322X	NWSE	22	40S	24E	UTAH	I149IND8836	4303720231005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G324	NWSE	24	40S	24E	UTAH	I149IND8838	4303716111005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G326	NWSE	26	40S	24E	UTAH	I149IND8838	4303716113005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G411	SWSE	11	40S	24E	UTAH	I149IND8837	4303715944015S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G414	SWSE	14	40S	24E	UTAH	I149IND8837	4303715945005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G415	SWSE	15	40S	24E	UTAH	I149IND8834	4303716116005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H122	NENE	22	40S	24E	UTAH	I149IND8836	4303716177005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H208	SENE	8	40S	24E	UTAH	I149IND8834	4303716119005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H216	SENE	16	40S	24E	UTAH	ML3156	4303716312005S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	H217	SENE	17	40S	24E	UTAH	I149IND8833	4303716313005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H218	SENE	18	40S	24E	UTAH	I149IND8835	4303716120005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H219	SENE	19	40S	24E	UTAH	I149IND8836	4303716121005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H220	SENE	20	40S	24E	UTAH	I149IND8833	4303716314005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H221	SENE	21	40S	24E	UTAH	I149IND8836	4303716122005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H222	SENE	22	40S	24E	UTAH	I149IND8836	4303730242005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H223	SENE	23	40S	24E	UTAH	I149IND8838	4303716123005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H225	SENE	25	40S	24E	UTAH	I149IND8838	4303716124005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H226	SENE	26	40S	24E	UTAH	I149IND8838	4303716316005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H227	SENE	27	40S	24E	UTAH	14206032056	4303716317005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H229	SENE	29	40S	24E	UTAH	14206034030A	4303716318005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H234	SENE	34	40S	24E	UTAH	14206032056	4303716319005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H235	SENE	35	40S	24E	UTAH	14206032059	4303716320005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H314X	NESE	14	40S	24E	UTAH	I149IND8837	4303731381005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H315	NESE	15	40S	24E	UTAH	I149IND8834	4303730312005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H407	SESE	7	40S	24E	UTAH	I149IND8835	4303716322005S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H408	SESE	8	40S	24E	UTAH	I149IND8833	4303716323005S1	Navajo Tribal Trust Land

Texaco Expl. & Prod. Inc.	ANETH	H416	SESE	16	40S	24E	UTAH	I149IND8834	430372023000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H417	SESE	17	40S	24E	UTAH	I149IND8833	430371632600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H418	SESE	18	40S	24E	UTAH	I149IND8835	430371632700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H420	SESE	20	40S	24E	UTAH	I149IND8836	430371632900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H421	SESE	21	40S	24E	UTAH	I149IND8836	430371633000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H423	SESE	23	40S	24E	UTAH	I149IND8838	430371612801S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H424	SESE	24	40S	24E	UTAH	I149IND8838	430371633100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H425	SESE	25	40S	24E	UTAH	I149IND8838	430371612900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H426	SESE	26	40S	24E	UTAH	I149IND8838	430371633200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H427	SESE	27	40S	24E	UTAH	14206032056	430371633300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	J130	NWNW	30	40S	25E	UTAH	I149IND8839A	430371613200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	J131	NWNW	31	40S	25E	UTAH	1420603372A	430371594600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	J330	NWSW	30	40S	25E	UTAH	I149IND8839	430371613400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	K230	SENW	30	40S	25E	UTAH	I149IND8839A	430371613500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	K231	SENW	31	40S	25E	UTAH	1420603372A	430371633500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	K430	SESW	30	40S	25E	UTAH	I149IND8839A	430371613700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	L330	NWSE	30	40S	25E	UTAH	I149IND8839A	430371613900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	L419	SWSE	19	40S	25E	UTAH	I149IND8839A	430371614000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	M230	SENE	30	40S	25E	UTAH	I149IND8839A	430371614100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	M430	SESE	30	40S	25E	UTAH	I149IND8839A	430371633700S1	Navajo Tribal Trust Land

Bond No.B001252

Important Notice Regarding
Terrorism Risk Insurance Act of 2002

In accordance with the Terrorism Risk Insurance Act of 2002 (the "Act"), this disclosure notice is provided for surety bonds on which U.S. Specialty Insurance Company is the issuing surety.

The premium attributable to any bond coverage for "acts of terrorism" as defined in Section 102(1) of the Act is Zero Dollars ($0.00).

The United States will reimburse the Issuing Sureties for ninety percent (90%) of any covered losses from terrorist acts certified under the Act exceeding the applicable surety deductible.

The actual coverage provided by your bond for acts of terrorism, as is true for all coverages, is limited by the terms, conditions, exclusions, penalties, limits, other provisions of your bond and the underlying contract, any endorsements to the bond and generally applicable rules of law. This Important Notice Regarding Terrorism Insurance Risk Act of 2002 is for informational purposes only and does not create coverage nor become a part or condition of the attached document.

The rest of this page is intentionally left blank.

POWER OF ATTORNEY

PA001252

(To be used with bonds issued on behalf of U. S. SPECIALTY INSURANCE COMPANY)

Know All Men by These Presents That, **U. S. SPECIALTY INSURANCE COMPANY** (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Edwin H. Frank III, W. Russell Brown, Jr.

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed Three Million Dollars ($3,000,000) and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the Executive Vice President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the U. S. Specialty Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted by unanimous written consent in lieu of meeting on July 7, 2003.)

In Witness Whereof, **U. S. SPECIALTY INSURANCE COMPANY** has caused these presents to be signed by its **Executive Vice President**, and its corporate seal to be hereto affixed this 13th of December, 2004.

Corporate Seal

U. S. SPECIALTY INSURANCE COMPANY

By _____

Edward H. Ellis, Jr., Executive Vice President

State of Texas

County of Harris ss:

On this 13th of December, 2004 before me personally came Edward H. Ellis, Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is Executive Vice President of U. S. SPECIALTY INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

Notary Seal: SHERRI GIBSON MY COMMISSION EXPIRES October 17, 2005

_____, Notary Public

My commission expires 10-17-15

I, Christopher L. Martin, Secretary of U. S. SPECIALTY INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Houston, Texas this 2nd day of December, 2004.

Corporate Seal

_____

Christopher L. Martin, Secretary

Bond No.B001252R12-20-04

SURETY RIDER

To be attached to and form a part of Bond No. B001252 on behalf of Resolute Natural Resources Company, as principal and executed by U.S. Specialty Insurance Company, as surety.

Effective date of bond: December 2, 2004
Effective date of change: December 2, 2004

In consideration of the mutual agreement herein contained, the principal and the surety hereby consent to the following changes:

The Principal's name has changed from:

Resolute Natural Resources Company

TO:

Resolute Natural Resources Company and
Resolute Aneth, LLC

Nothing herein contained shall vary, alter, or extend any provision or condition of this bond except as herein expressly stated.

SIGNED, SEALED AND DATED THIS: December 20, 2004

Resolute Natural Resources Company	U.S. Specialty Insurance Company
Name of Principal	Name of Surety
Janet W. Pasque	
Signature	Signature
Janet W. Pasque Vice President	W. Russell Brown, Jr. Attorney-in-Fact
Name and title of person executing for Principal	Name and title of person executing for Surety

POWER OF ATTORNEY

PA001252R12-20-04

(To be used with bonds issued on behalf of U. S. SPECIALTY INSURANCE COMPANY)

Know All Men by These Presents That, **U. S. SPECIALTY INSURANCE COMPANY** (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Edwin H. Frank III, W. Russell Brown, Jr.

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed Three Million Dollars ($3,000,000) and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the Executive Vice President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the U. S. Specialty Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted by unanimous written consent in lieu of meeting on July 7, 2003.)

In Witness Whereof, **U. S. SPECIALTY INSURANCE COMPANY** has caused these presents to be signed by its **Executive Vice President**, and its corporate seal to be hereto affixed this 13th of December, 2004.

Corporate Seal

U. S. SPECIALTY INSURANCE COMPANY
By

Edward H. Ellis, Jr., Executive Vice President

State of Texas

County of Harris ss:

On this 13th of December, 2004 before me personally came Edward H. Ellis, Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is Executive Vice President of U. S. SPECIALTY INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

Notary Seal

SHERRI GIBSON
MY COMMISSION EXPIRES
October 17, 2005

Sherri Gibson, Notary Public

My commission expires 10-17-15

I, Christopher L. Martin, Secretary of U. S. SPECIALTY INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Houston, Texas this 20th day of December, 2004.

Corporate Seal

Christopher L. Martin, Secretary

S T A N D B Y T R U S T A G R E E M E N T

U.S. Environmental Protection Agency
Underground Injection Control
Financial Responsibility Requirement

TRUST AGREEMENT, the "Agreement," entered into as of 1/20/2005 (date)

by and between Resolute Natural Resources Company, a Delaware corporation, the "Grantor," and U.S. Bank National Association, a national banking association, the "Trustee."

WHEREAS, the United States Environmental Protection Agency, "EPA," an agency of the United States Government, has established certain regulations applicable to the Grantor, requiring that an owner or operator of an injection well shall provide assurance that funds will be available when needed for plugging and abandonment of the injection well, and

WHEREAS, the Grantor has elected to obtain a surety bond and establish a standby trust to provide all or part of such financial assurance for the facility(ies) identified herein, and

WHEREAS, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this Agreement, and the Trustee is willing to act as trustee,

NOW, THEREFORE, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this Agreement:

(a) The term "Grantor" means the owner or operator who enters into this Agreement and any successors or assigns of the Grantor.

(b) The term "Trustee" means the Trustee who enters into this Agreement and any successor Trustee.

(c) "Facility" or "activity" means any underground injection well or any other facility or activity that is subject to regulation under the Underground Injection Control Program.

Section 2. Identification of Facilities and Cost Estimates. This Agreement pertains to the facilities and cost estimates identified in Schedule A (attached). (Schedule A lists, for each facility, the EPA identification number, name, address, and the current plugging and abandonment cost estimate, or portions thereof, for which financial assurance is demonstrated.)

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a trust fund, the "Fund," for the benefit of EPA. The Grantor and the Trustee intend that no third party have access to the Fund except as herein provided. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Schedule B attached

hereto. Such property and any other property subsequently transferred to the Trustee is referred to as the Fund, together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibility for the amount or adequacy of, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the Grantor established by EPA.

Section 4. Payment for Plugging and Abandonment. The Trustee shall make payments from the Fund as the EPA Regional Administrator shall direct, in writing, to provide for the payment of the costs of plugging and abandonment of the injection wells covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by the EPA Regional Administrator from the Fund for plugging and abandonment expenditures in such amounts as the EPA Regional Administrator shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as the EPA Regional Administrator specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

Section 5. Payments Comprising the Fund. Payments made to the Trustee for the Fund shall consist of cash or securities acceptable to the Trustee.

Section 6. Trustee Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this Section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge his duties with respect to the trust fund solely in the interest of the beneficiary and with the care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims, except that:

(a) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended, 15 USC 80a-2.(a), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government;

(b) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal or State government; and

(c) The Trustee is authorized to hold cash awaiting investment or distribution uninvested for a reasonable time and without liability for the payment of interest thereon.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:

(a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and

(b) To purchase shares in any investment company registered under the Investment Company Act of 1940, 15 U.S.C. 80a-1 et seq., including one which may be created, managed, underwritten, or to which investment advice is rendered or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretions conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

(a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale. No person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity or expediency of any such sale or other disposition;

(b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(c) To register any securities held in the Fund in its own name or in the name of a nominee and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, or to deposit or arrange for the deposit of any securities issued by the United States Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;

(d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal or State government; and

(e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee, shall be paid from the Fund.

Section 10. Annual Valuation. Commencing after initial funding of the trust, the Trustee shall annually, at least 30 days prior to the anniversary date of establishment of the Fund, furnish to the Grantor and to the appropriate EPA Regional Administrator a statement confirming the value of the Trust. Any securities in the Fund shall be valued at the market value as of no more than 60 days prior to the anniversary date of establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and the EPA Regional Administrator shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to matters disclosed in the statement.

Section 11. Advice of Counsel. The Trustee may from time to time consult with counsel, who may be counsel to the Grantor, with respect to any question arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting upon the advice of counsel.

Section 12. Trustee Compensation. The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing from time to time with the Grantor.

Section 13. Successor Trustee. The Trustee may resign or the Grantor may replace the Trustee, but such resignation or replacement shall not be effective until the Grantor has appointed a successor trustee and this successor accepts the appointment. The successor trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. Upon the successor trustee's acceptance of the appointment, the Trustee shall assign, transfer, and pay over to the successor trustee the funds and properties then constituting the Fund. If for any reason the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee or for instructions. The successor trustee shall specify the date on which it assumes administration of the trust in a writing sent to the Grantor, the EPA Regional Administrator, and the present Trustee by certified mail 10 days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this Section shall be paid as provided in Section 9.

Section 14. Instructions to the Trustee. All orders, requests, and instruction by the Grantor to the Trustee shall be in writing, signed by such persons as are designated in the attached Exhibit A, or such other designees as the Grantor may designate by amendment to Exhibit A. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. All orders, requests, and instructions by the EPA Regional Administrator to the Trustee shall be in writing, signed by the EPA Regional Administrators of the Regions in which the facilities are located, or their designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instructions. The Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a

termination of the authority of any person to act on behalf of the Grantor or EPA hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or EPA, except as provided for herein.

Section 15. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and the appropriate EPA Regional Administrator, or by the Trustee and the appropriate EPA Regional Administrator if the Grantor ceases to exist.

Section 16. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 15, this Trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and the EPA Regional Administrator, or by the Trustee and the EPA Regional Administrator if the Grantor ceases to exist. Upon termination of the Trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor.

Section 17. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this Trust, or in carrying out any directions by the Grantor or the EPA Regional Administrator issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or by the Trust Fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

Section 18. Choice of Law. This Agreement shall be administered, construed, and enforced according to the laws of the State of Colorado.

Section 19. Interpretation. As used in this Agreement, words in singular include the plural and words in the plural include the singular. The descriptive headings for each Section of this Agreement shall not affect interpretation or the legal efficacy of this Agreement.

IN WITNESS WHEREOF, the parties below have caused this Agreement to be executed by their respective officers duly authorized and the corporate seals to be hereunto affixed and attested as of the date first above written.

Resolute Natural Resources Company, as Grantor

By: _____
Theodore Gazulis

Chief Financial Officer

Attest: _____
Vice President of Land
(Title)

U.S. Bank National Association, as Trustee

By: _____

Vice President

CERTIFICATE OF ACKNOWLEDGMENT
FOR
STANDBY TRUST FUND AGREEMENT

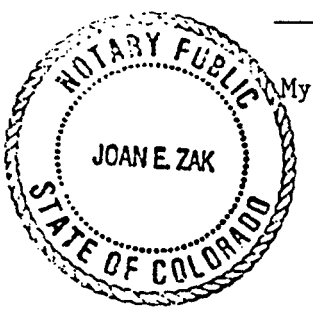
STATE OF COLORADO

COUNTY OF DENVER

On this 19th day of January, 2005, before me personally came Theodore Gazulis to me known, who, being by me duly sworn, did depose and say that he resides at 106 Howard Drive, Tiburon CA 94920; that he is Vice President and Chief Financial Officer of Resolute Natural Resources Company, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to such instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

Joan E. Zak
(Notary Public)

My commission expires: 2/8/08



(Seal)

E X H I B I T A

As referenced in Section 14 of this Standby Trust Agreement, all orders, requests, and instruction by the Grantor to the Trustee shall be in writing, signed by such persons as are designated in this Exhibit A, or such other designees as the Grantor may designate by amendment to Exhibit A.

Designated persons and their capacities as corporate officers:

Theodore Gazulis	Vice President and Chief Financial Officer
Nicholas J. Sutton	Chief Executive Officer
James M. Piccone	President and General Counsel
Janet W. Pasque	Vice President

SCHEDULE A (as referenced in the trust agreement dated _____ between Resolute Natural Resources Company (the "Grantor") and U.S. Bank National Association (the "Trustee")

Identification of Facilities and Cost Estimates

For all properties:

Name of facility: Aneth Unit

Address of facility: PO Box 800, Montezuma Creek, UT 84534

API Number	Well Number	Qtr/Qtr	Section	Twnshp	Range	State	P+A cost ($)
430371627200S1	B312	NESW	12	40S	23E	UTAH	25,000
430373011200S1	C312	SWSE	12	40S	23E	UTAH	25,000
430371627800S1	D212	SENE	12	40S	23E	UTAH	25,000
430373004900S1	D412	SESE	12	40S	23E	UTAH	25,000
430371583200S1	E116	NWNW	16	40S	24E	UTAH	25,000
430371604900S1	E117	NWNW	17	40S	24E	UTAH	25,000
430371541300S1	E118	NWNW	18	40S	24E	UTAH	25,000
430371628000S1	E119	NWNW	19	40S	24E	UTAH	25,000
430371605000S1	E120	NWNW	20	40S	24E	UTAH	25,000
430371605100S1	E121	NWNW	21	40S	24E	UTAH	25,000
430373021500S1	E122	NWNW	22	40S	24E	UTAH	25,000
430371605400S1	E126	NWNW	26	40S	24E	UTAH	25,000
430371622200S1	E128	NWNW	28	40S	24E	UTAH	25,000
430371605500S1	E129	NWNW	29	40S	24E	UTAH	25,000
430371548500S1	E136	NWNW	36	40S	24E	UTAH	25,000
430371593800S1	E213	SWNW	13	40S	24E	UTAH	25,000
430371593900S1	E214	SWNW	14	40S	24E	UTAH	25,000
430373138500S1	E218	SWNW	18	40S	24E	UTAH	25,000
430371541200S1	E307	NWSW	7	40S	24E	UTAH	25,000
430371606000S1	E308	NWSW	8	40S	24E	UTAH	25,000
430373021300S1	E315	NWSW	15	40S	24E	UTAH	25,000
430373009400S1	E316	NWSW	16	40S	24E	UTAH	25,000
430371606200S1	E317	NWSW	17	40S	24E	UTAH	25,000
430371606300S1	E318	NWSW	18	40S	24E	UTAH	25,000
430371606500S1	E320	NWSW	20	40S	24E	UTAH	25,000
430371606600S1	E321	NWSW	21	40S	24E	UTAH	25,000
430371606700S1	E322	NWSW	22	40S	24E	UTAH	25,000
430371606800S1	E323	NWSW	23	40S	24E	UTAH	25,000
430371606900S1	E324	NWSW	24	40S	24E	UTAH	25,000
430371607000S1	E325	NWSW	25	40S	24E	UTAH	25,000
430371607100S1	E326	NWSW	26	40S	24E	UTAH	25,000
430373138600S1	E407	SWSW	7	40S	24E	UTAH	25,000
430371594000S1	E411	SWSW	11	40S	24E	UTAH	25,000
430371594100S1	E413	SWSW	13	40S	24E	UTAH	25,000
430371642100S1	E414	SWSW	14	40S	24E	UTAH	25,000
430371642200S1	F114	NENW	14	40S	24E	UTAH	25,000
430371607400S1	F115	NENW	15	40S	24E	UTAH	25,000
430371628500S1	F116	NENW	16	40S	24E	UTAH	25,000
430373015500S1	F118	NENW	18	40S	24E	UTAH	25,000
430373023500S1	F123	NENW	23	40S	24E	UTAH	25,000
430371607600S1	F208	SENW	8	40S	24E	UTAH	25,000
430371628600S1	F217	SENW	17	40S	24E	UTAH	25,000
430371628700S1	F218	SENW	18	40S	24E	UTAH	25,000
430371607700S1	F219	SENW	19	40S	24E	UTAH	25,000
430371628800S1	F220	SENW	20	40S	24E	UTAH	25,000

SCHEDULE A (as referenced in the trust agreement dated _____ between Resolute Natural Resources Company (the "Grantor") and U.S. Bank National Association (the "Trustee")

Identification of Facilities and Cost Estimates

For all properties:

Name of facility: Aneth Unit

Address of facility: PO Box 800, Montezuma Creek, UT 84534

API Number	Well Number	Qtr/Qtr	Section	Twnshp	Range	State	P+A cost ($)
430371607800S1	F221	SENW	21	40S	24E	UTAH	25,000
4303730373000S1	F222	SENW	22	40S	24E	UTAH	25,000
4303716079000S1	F223	SENW	23	40S	24E	UTAH	25,000
430371628900S1	F224	SENW	24	40S	24E	UTAH	25,000
430371608001S1	F225	SENW	25	40S	25E	UTAH	25,000
430371629000S1	F226	SENW	26	40S	24E	UTAH	25,000
430371629200S1	F229	SENW	29	40S	24E	UTAH	25,000
430371629300S1	F235	SENW	35	40S	24E	UTAH	25,000
430371629400S1	F236	SENW	36	40S	24E	UTAH	25,000
430371594200S1	F314	NESW	14	40S	24E	UTAH	25,000
430371629600S1	F315	NESW	15	40S	24E	UTAH	25,000
430371629700S1	F316	NESW	16	40S	24E	UTAH	25,000
430371541500S1	F407	SESW	7	40S	24E	UTAH	25,000
430371629800S1	F408	SESW	8	40S	24E	UTAH	25,000
430371608200S1	F409	SESW	9	40S	24E	UTAH	25,000
4303730333000S1	F416	SESW	16	40S	24E	UTAH	25,000
430371629900S1	F417	SESW	17	40S	24E	UTAH	25,000
430371508300S1	F418	SESW	18	40S	24E	UTAH	25,000
430371630000S1	F420	SESW	20	40S	24E	UTAH	25,000
430371608400S1	F421	SESW	21	40S	24E	UTAH	25,000
430371608500S1	F422	SESW	22	40S	24E	UTAH	25,000
430371608600S1	F423	SESW	23	40S	24E	UTAH	25,000
430371608700S1	F424	SESW	24	40S	24E	UTAH	25,000
430371630100S1	F425	SESW	25	40S	24E	UTAH	25,000
4303730344000S1	G116	NWNE	16	40S	24E	UTAH	25,000
430371608900S1	G117	NWNE	17	40S	24E	UTAH	25,000
430371609000S1	G118	NWNE	18	40S	24E	UTAH	25,000
430371609100S1	G119	NWNE	19	40S	24E	UTAH	25,000
430371609200S1	G120	NWNE	20	40S	24E	UTAH	25,000
4303730335000S1	G121X	NWNE	21	40S	24E	UTAH	25,000
430373042500S1	G122	NWNE	22	40S	24E	UTAH	25,000
430371630600S1	G123	NWNE	23	40S	24E	UTAH	25,000
430371609501S1	G125	NWNE	25	40S	24E	UTAH	25,000
430373037200S1	G126X	NWNE	26	40S	24E	UTAH	25,000
430371630700S1	G127	NWNE	27	40S	24E	UTAH	25,000
430371622400S1	G128	NWNE	28	40S	24E	UTAH	25,000
430371609700S1	G129	NWNE	29	40S	24E	UTAH	25,000
430371548600S1	G136	NWNE	36	40S	24E	UTAH	25,000
430371610000S1	G307	NWSE	7	40S	24E	UTAH	25,000
430371610100S1	G308	NWSE	8	40S	24E	UTAH	25,000
430373010700S1	G316	NWSE	16	40S	24E	UTAH	25,000
430371610300S1	G317	NWSE	17	40S	24E	UTAH	25,000
430371610400S1	G318	NWSE	18	40S	24E	UTAH	25,000
430371630900S1	G319	NWSE	19	40S	24E	UTAH	25,000
430371610500S1	G320	NWSE	20	40S	24E	UTAH	25,000
430373009500S1	G321X	NWSE	21	40S	24E	UTAH	25,000

SCHEDULE A (as referenced in the trust agreement dated _____ between Resolute Natural Resources Company (the "Grantor") and U.S. Bank National Association (the "Trustee")

Identification of Facilities and Cost Estimates

For all properties:

Name of facility: Aneth Unit

Address of facility: PO Box 800, Montezuma Creek, UT 84534

API Number	Well Number	Qtr/Qtr	Section	Twnshp	Range	State	P+A cost ($)
430372023100S1	G322X	NWSE	22	40S	24E	UTAH	25,000
430371611100S1	G324	NWSE	24	40S	24E	UTAH	25,000
430371611300S1	G326	NWSE	26	40S	24E	UTAH	25,000
430371594401S1	G411	SWSE	11	40S	24E	UTAH	25,000
430371594500S1	G414	SWSE	14	40S	24E	UTAH	25,000
430371611600S1	G415	SWSE	15	40S	24E	UTAH	25,000
430371617700S1	H122	NENE	22	40S	24E	UTAH	25,000
430371611900S1	H208	SENE	8	40S	24E	UTAH	25,000
430371631200S1	H216	SENE	16	40S	24E	UTAH	25,000
430371631300S1	H217	SENE	17	40S	24E	UTAH	25,000
430371612000S1	H218	SENE	18	40S	24E	UTAH	25,000
430371612100S1	H219	SENE	19	40S	24E	UTAH	25,000
430371631400S1	H220	SENE	20	40S	24E	UTAH	25,000
430371612200S1	H221	SENE	21	40S	24E	UTAH	25,000
430373024200S1	H222	SENE	22	40S	24E	UTAH	25,000
430371612300S1	H223	SENE	23	40S	24E	UTAH	25,000
430371612400S1	H225	SENE	25	40S	24E	UTAH	25,000
430371631600S1	H226	SENE	26	40S	24E	UTAH	25,000
430371631700S1	H227	SENE	27	40S	24E	UTAH	25,000
430371631800S1	H229	SENE	29	40S	24E	UTAH	25,000
430371631900S1	H234	SENE	34	40S	24E	UTAH	25,000
430371632000S1	H235	SENE	35	40S	24E	UTAH	25,000
430373138100S1	H314X	NESE	14	40S	24E	UTAH	25,000
430373031200S1	H315	NESE	15	40S	24E	UTAH	25,000
430371632200S1	H407	SESE	7	40S	24E	UTAH	25,000
430371632300S1	H408	SESE	8	40S	24E	UTAH	25,000
430372023000S1	H416	SESE	16	40S	24E	UTAH	25,000
430371632600S1	H417	SESE	17	40S	24E	UTAH	25,000
430371632700S1	H418	SESE	18	40S	24E	UTAH	25,000
430371632900S1	H420	SESE	20	40S	24E	UTAH	25,000
430371633000S1	H421	SESE	21	40S	24E	UTAH	25,000
430371612801S1	H423	SESE	23	40S	24E	UTAH	25,000
430371633100S1	H424	SESE	24	40S	24E	UTAH	25,000
430371612900S1	H425	SESE	25	40S	24E	UTAH	25,000
430371633200S1	H426	SESE	26	40S	24E	UTAH	25,000
430371633300S1	H427	SESE	27	40S	24E	UTAH	25,000
430371613200S1	J130	NWNW	30	40S	25E	UTAH	25,000
430371594600S1	J131	NWNW	31	40S	25E	UTAH	25,000
430371613400S1	J330	NWSW	30	40S	25E	UTAH	25,000
430371613500S1	K230	SENW	30	40S	25E	UTAH	25,000
430371633500S1	K231	SENW	31	40S	25E	UTAH	25,000
430371613700S1	K430	SESW	30	40S	25E	UTAH	25,000
430371613900S1	L330	NWSE	30	40S	25E	UTAH	25,000
430371614000S1	L419	SWSE	19	40S	25E	UTAH	25,000
430371614100S1	M230	SENE	30	40S	25E	UTAH	25,000
430371633700S1	M430	SESE	30	40S	25E	UTAH	25,000

Bond No. B001252R05-02-06

SURETY RIDER

To be attached to and form a part of Bond No. B001252 on behalf of Resolute Natural Resources Company and Resolute Aneth, LLC as Principal and executed by U.S. Specialty Insurance Company0 as Surety.

Effective date of Bond: December 2, 2004
Effective date of change: May 2, 2006

In consideration of the mutual agreement herein contained, the Principal and the Surety hereby consent to the following changes:

1) The Total Penal Sum of Bond is hereby changed from $3,425,000.00 to $10,816,000.00; and

2) Schedule A is hereby deleted in its entirety and replaced by Schedule A – Revised May 2, 2006.

Nothing herein contained shall vary, alter, or extend any provision or condition of this bond except as herein expressly stated.

SIGNED, SEALED AND DATED THIS 2nd day of May, 2006

RESOLUTE NATURAL RESOURCES CO.
Name of Principal

Signature

JAMES PICCONE, PRESIDENT
Name and title of person executing for Principal

U.S. Specialty Insurance Company
Name of Surety

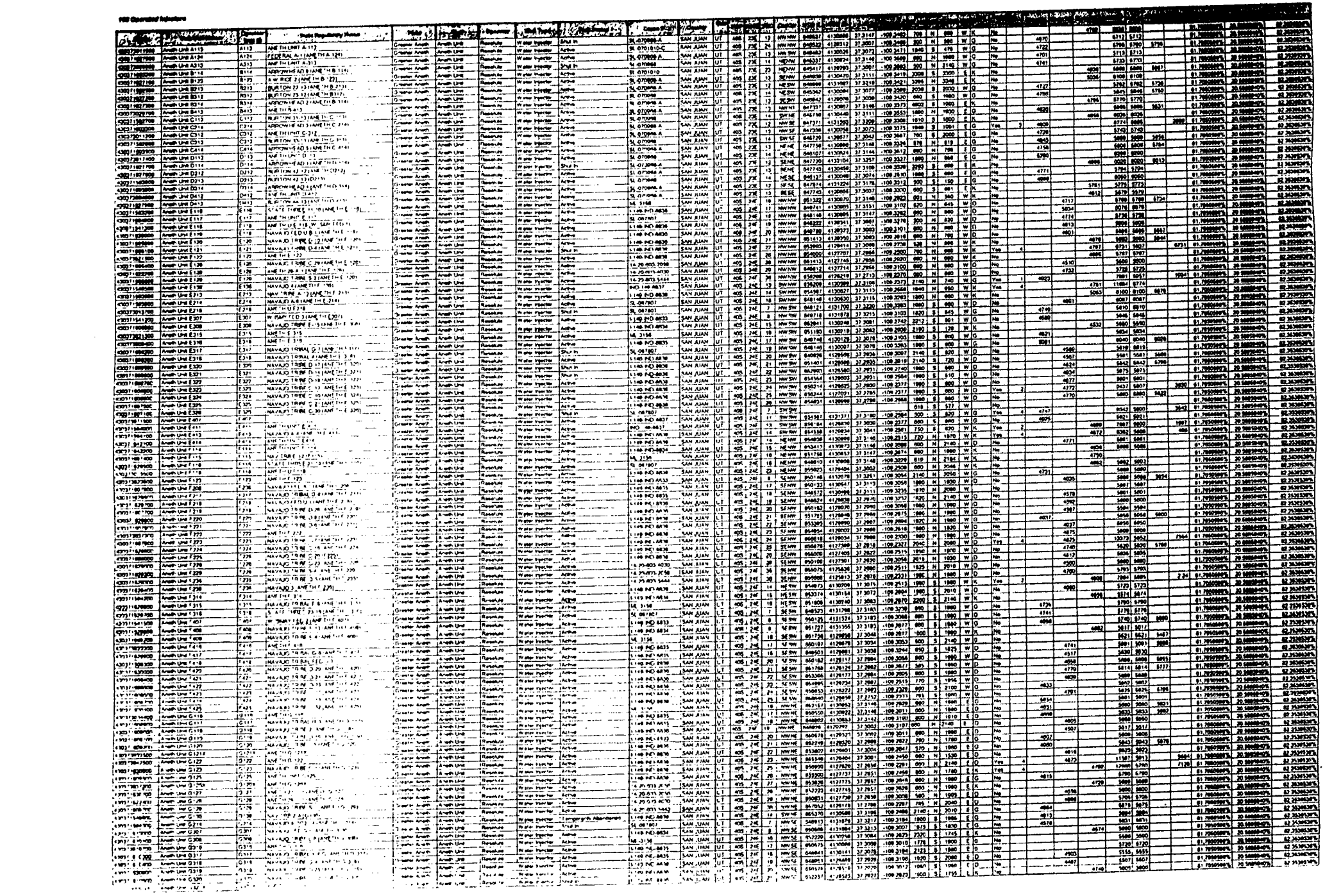
Signature

W. Russell Brown, Jr. Attorney-in-Fact
Name and title of person executing for Surety

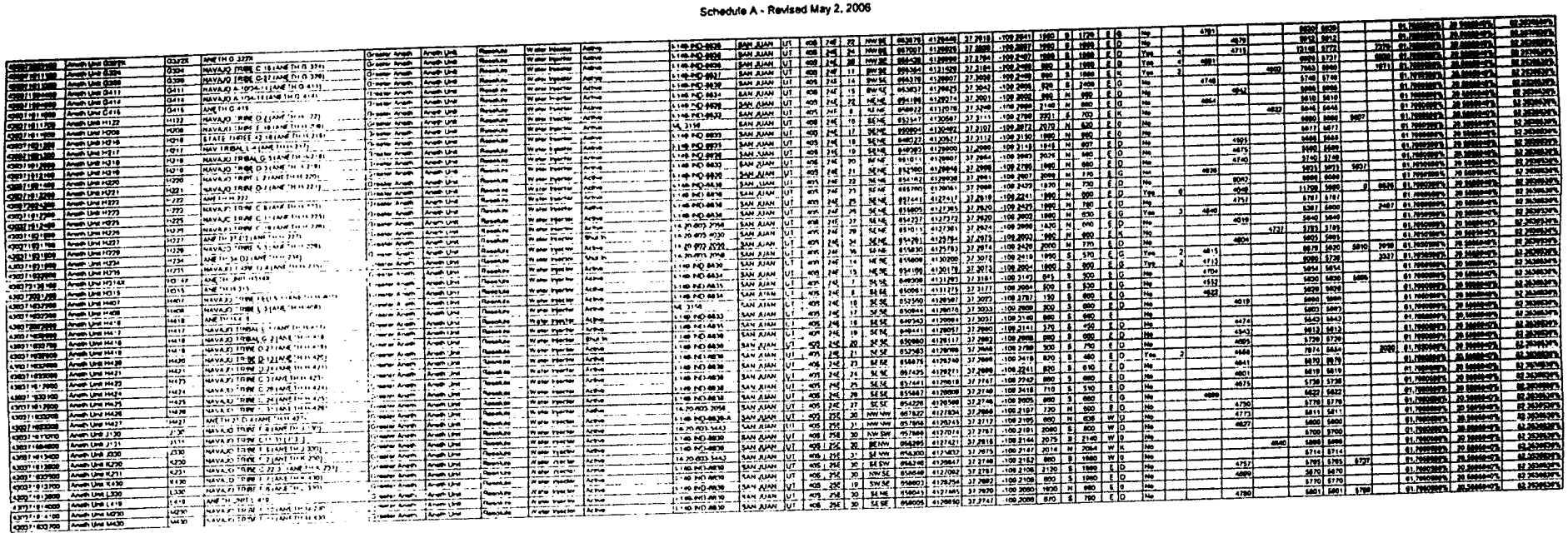
Schedule A - Revised May 2, 2006

ANETH UNIT (IN THE GREATER ANETH FIELD

(All Operational Injectors)



Schedule A - Revised May 2, 2006



Schedule A - Revised May 2, 2006

RATHERFORD UNIT IN GREATER ANETH FIELD

79 Operated Injectors

RATHERFORD UNIT 2W44	4303716386000S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	SE	2	41S	23E	0810FSL	0510FEL
RATHERFORD UNIT 11W42	4303715841005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	NE	11	41S	23E	3290FSL	4617FWL
RATHERFORD UNIT 12W11	4303715843005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	NW	12	41S	23E	0678FNL	4620FEL
RATHERFORD UNIT 12W13	4303716404005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	SW	12	41S	23E	1960FSL	4620FEL
RATHERFORD UNIT 12W22	4303715845015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	NW	12	41S	23E	1920FNL	2060FWL
RATHERFORD UNIT 12W24	4303731151015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	SW	12	41S	23E	0775FSL	1980FWL
RATHERFORD UNIT 12W31	4303715847005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	NE	12	41S	23E	0661FNL	1981FEL
RATHERFORD UNIT 12W33	4303715848005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	SE	12	41S	23E	1958FSL	3300FEL
RATHERFORD UNIT 12W42	4303715860005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	NE	12	41S	23E	3275FSL	0662FEL
RATHERFORD UNIT 13W11	4303731152015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	NW	13	41S	23E	0500FNL	0660FWL
RATHERFORD UNIT 13W13	4303715851005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	SW	13	41S	23E	1980FSL	4620FEL
RATHERFORD UNIT 13W22	4303715852005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	NW	13	41S	23E	1968FNL	3300FEL
RATHERFORD UNIT 13W24	4303715853005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	SW	13	41S	23E	0660FSL	3300FEL
RATHERFORD UNIT 13W33	4303715855015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	SE	13	41S	23E	1970FSL	1979FEL
RATHERFORD UNIT 13W44	4303716407005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	SE	13	41S	23E	0653FSL	0650FEL
RATHERFORD UNIT 14-31	4303731171005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	NE	14	41S	23E	0754FNL	1604FEL
RATHERFORD UNIT 14W42	4303715860015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SE	NE	14	41S	23E	1976FNL	653FEL
RATHERFORD UNIT 17W12	4303715726015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NW	17	41S	24E	1980FNL	510FWL
RATHERFORD UNIT 17W14	4303715727005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SW	17	41S	24E	0810FSL	0510FWL
RATHERFORD UNIT 17W21	4303716418015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	17	41S	24E	0510FNL	1830FWL
RATHERFORD UNIT 17W23	4303715728015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SW	17	41S	24E	1860FSL	1980FWL
RATHERFORD UNIT 17W34	4303715730005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SE	17	41S	24E	0560FSL	1980FEL
RATHERFORD UNIT 17W43	4303716417015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	17	41S	24E	1980FSL	0660FEL
RATHERFORD UNIT 18-43B	4303731718015S1	Active	14-20-603-NN29400C	5/16/1995	Injection	NE	SE	18	41S	24E	2023FSL	0651FEL
RATHERFORD UNIT 18W12	4303731151015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NW	18	41S	24E	1980FNL	590FWL
RATHERFORD UNIT 18W14	4303715735015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SW	18	41S	24E	0810FSL	0660FWL
RATHERFORD UNIT 18W21	4303716418015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	18	41S	24E	660FNL	1982FWL
RATHERFORD UNIT 18W32	4303715736015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NE	18	41S	24E	2140FNL	1830FEL
RATHERFORD UNIT 18W34	4303715737015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SE	18	41S	24E	780FSL	1880FEL
RATHERFORD UNIT 19-12	4303715739015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NW	19	41S	24E	1980FNL	0600FWL
RATHERFORD UNIT 19-32	4303715743015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NE	19	41S	24E	2717FNL	2802FEL
RATHERFORD UNIT 19-34	4303715744015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SE	19	41S	24E	0660FSL	1980FEL
RATHERFORD UNIT 20-12	4303715746015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NW	20	41S	24E	0709FNL	0748FEL
RATHERFORD UNIT 20-14	4303715747015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SW	20	41S	24E	0660FSL	0660FWL
RATHERFORD UNIT 20-32	4303715749015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NE	20	41S	24E	0037FNL	0035FWL
RATHERFORD UNIT 20-34	4303715750015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SE	20	41S	24E	0774FNL	0617FWL
RATHERFORD UNIT 20-67	4303731590005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SW	20	41S	24E	2629FSL	1412FWL
RATHERFORD UNIT 20W21	4303716423005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	20	41S	24E	0660FNL	1880FWL
RATHERFORD UNIT 20W23	4303715748005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	SW	20	41S	24E	2080FNL	2120FWL
RATHERFORD UNIT 20W41	4303715751005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NE	20	41S	24E	0660FNL	0660FEL
RATHERFORD UNIT 16W12	4303715720005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NW	16	41S	24E	1660FNL	0660FWL
RATHERFORD UNIT 16W21	4303716414005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	16	41S	24E	0660FNL	1880FWL
RATHERFORD UNIT 16W23	4303715722015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SW	16	41S	24E	1980FSL	1980FWL
RATHERFORD UNIT 16W43	4303716415015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	16	41S	24E	2140FSL	0820FEL
RATHERFORD UNIT 21-14	4303715753015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SW	21	41S	24E	0660FSL	0460FWL
RATHERFORD UNIT 21-67	4303731753015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SW	21	41S	24E	2560FSL	1325FWL
RATHERFORD UNIT 21W21	4303716425015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	21	41S	24E	0660FNL	2030FWL
RATHERFORD UNIT 8W14	4303715984005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	8	41S	24E	0660FSL	0660FWL
RATHERFORD UNIT 7W12	4303715965005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	7	41S	24E	2140FNL	0585FWL
RATHERFORD UNIT 7W14	4303715986005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	7	41S	24E	1065FSL	0660FWL
RATHERFORD UNIT 7W21	4303716394005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	7	41S	24E	0710FNL	1820FWL
RATHERFORD UNIT 7W34	4303715986005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SE	7	41S	24E	0710FSL	2003FEL
RATHERFORD UNIT 7W43	4303716395005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	7	41S	24E	2110FSL	0660FEL
RATHERFORD UNIT 8W14	4303715992005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NE	8	41S	24E	0745FSL	0575FWL
RATHERFORD UNIT 29-12	4303715337015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NW	29	41S	24E	2870FNL	1422FWL
RATHERFORD UNIT 29-32	4303715339015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	NE	29	41S	24E	0694FNL	0685FWL
RATHERFORD UNIT 29W21	4303716437005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	29	41S	24E	0667FNL	2122FWL
RATHERFORD UNIT 29W41	4303716433005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NE	NE	29	41S	24E	0557FNL	0591FEL
RATHERFORD UNIT 28-12	4303715338015S1	Active	14-20-603-NN29500C	5/16/1995	Injection	SW	SE	28	41S	24E	2121FNL	0623FWL
RATHERFORD UNIT 9W23	4303716398005S1	Active	14-20-603-NN29500C	5/16/1995	Injection	NW	SE	9	41S	24E	1980FSL	1980FWL
RATHERFORD UNIT 1W24	4303715830005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	1	41S	23E	0651FSL	3300FEL
RATHERFORD UNIT 11W44	4303715842005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	SE	SE	11	41S	23E	0660FSL	0558FEL
RATHERFORD UNIT 12W44A	4303731543005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	SE	SE	12	41S	23E	0772FSL	0807FEL
RATHERFORD UNIT 13W42	4303715857005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	SE	NE	13	41S	23E	2139FNL	0585FEL
RATHERFORD UNIT 24W31	4303715862005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NW	NE	24	41S	24E	0560FNL	1830FEL
RATHERFORD UNIT 24W42	4303715863005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	SE	NE	24	41S	24E	1980FNL	0660FEL
RATHERFORD UNIT 17W41	4303715731005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	NE	17	41S	24E	0610FNL	0510FEL
RATHERFORD UNIT 18W23	4303730244005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	SW	18	41S	24E	2365FSL	2040FWL
RATHERFORD UNIT 19W21	4303715741005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	19	41S	24E	0660FNL	1860FWL
RATHERFORD UNIT 19W23	4303715742005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	SW	19	41S	24E	2080FSL	1860FWL
RATHERFORD UNIT 19W43	4303716420005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	19	41S	24E	1980FSL	0780FEL
RATHERFORD UNIT 18W14	4303715721005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	SW	SW	18	41S	24E	0660FSL	0660FWL
RATHERFORD UNIT 29W43	4303716434005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	29	41S	24E	1980FSL	0660FEL
RATHERFORD UNIT 30W41	4303715343005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	NE	30	41S	24E	0660FNL	0660FEL
RATHERFORD UNIT 28W21	4303716431005S1	Shut-In	14-20-603-NN29500C	5/16/1995	Injection	NE	NW	28	41S	24E	0660FNL	2022FWL
RATHERFORD UNIT 17W32	4303715729005S1	TA'd	14-20-603-NN29500C	5/16/1995	Injection	SW	NE	17	41S	24E	1830FNL	2030FEL
RATHERFORD UNIT 18W41	4303715738005S1	TA'd	14-20-603-NN29500C	5/16/1995	Injection	NE	NE	18	41S	24E	0660FNL	0660FEL
RATHERFORD UNIT 20W43	4303716424005S1	TA'd	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	20	41S	24E	2070FSL	0810FEL
RATHERFORD UNIT 10W43	4303716403005S1	TA'd	14-20-603-NN29500C	5/16/1995	Injection	NE	SE	10	41S	24E	1980FSL	0550FEL

Schedule A - Revised May 2, 2006

GREATER ANETH FIELD UIC WELL LIST
McElmo Creek lease, San Juan County, Utah

103 Operated Injectors

Rep Lease Name	Well ID	API Num	Status	Rep Lease #	Permit ID	Permit Date	Well Type	Surface Location Qtr 1	Qtr 2	Sec	TN	RNG	NS Feet	EW Feet	# of Wells
MCELMO CREEK UT	H11	[illegible]	Active	14-20-0603-6145	RS144.21	7/26/1989	Injection	NW	SE	36	40S	24E	1980FSL	2100FEL	1
MCELMO CREEK UT	I12	430371611900S1	Active	14-20-0603-6145	UIC-074	2/4/1986	Injection	SE	SE	36	40S	24E	0660FSL	0660FEL	1
MCELMO CREEK UT	G12	43037161[illegible]	Active	14-20-0603-6146	UIC-074	2/4/1986	Injection	SE	SW	36	40S	24E	1910FNL	2011FWL	1
MCELMO CREEK UT	D16	430371634100S1	Active	14-20-0603-6147	RS144.21	7/26/1989	Injection	NW	SE	2	41S	24E	1830FSL	1800FEL	1
MCELMO CREEK UT	A17	[illegible]	Active	14-20-0603-6148	RS144.21	7/26/1989	Injection	NE	NE	10	41S	24E	1270FNL	0660FEL	1
MCELMO CREEK UT	G14	[illegible]	Active	14-20-0603-6509	UIC-074	2/4/1986	Injection	SE	NW	2	41S	24E	2140FNL	2140FWL	1
MCELMO CREEK UT	U13	[illegible]	Active	14-20-0603-6510	RS144.21	7/26/1989	Injection	NW	NE	2	41S	24E	0820FNL	1980FEL	1
MCELMO CREEK UT	E14	[illegible]	Active	14-20-0603-6510	UIC-074	2/4/1986	Injection	SE	NE	2	41S	24E	2000FNL	0600FEL	1
MCELMO CREEK UT	R09	430371014700S1	Active	14-20-603-2057	UIC-076	3/7/1986	Injection	NW	NW	33	40S	25E	0400FNL	0820FWL	1
MCELMO CREEK UT	R11A	430373017900S1	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	NW	SW	33	40S	25E	2020FSL	0660FWL	1
MCELMO CREEK UT	R13	430371614800S1	Active	14-20-603-2057	UIC-027	10/12/1983	Injection	NW	NW	4	41S	25E	0660FNL	0660FWL	1
MCELMO CREEK UT	R15	430371614000S1	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	NW	SW	4	41S	25E	1980FSL	0500FWL	1
MCELMO CREEK UT	S10	430371627300S1	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	SE	NW	33	40S	25E	1980FNL	1980FWL	1
MCELMO CREEK UT	S12	430371615000S1	Active	14-20-603-2057	UIC-040	1/29/1985	Injection	SE	SW	33	40S	25E	0645FSL	2140FWL	1
MCELMO CREEK UT	S14	430371615100S1	Active	14-20-603-2057	UIC-040	1/29/1985	Injection	SE	NW	4	41S	25E	2005FNL	1820FWL	1
MCELMO CREEK UT	S16	430371616200S1	Active	14-20-603-2057	UIC-076	3/7/1986	Injection	SE	SW	4	41S	25E	0700FSL	1820FWL	1
MCELMO CREEK UT	T13	[illegible]	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	NW	NE	4	41S	25E	0500FNL	2080FEL	1
MCELMO CREEK UT	T15	[illegible]	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	NW	SE	4	41S	25E	1980FSL	1800FEL	1
MCELMO CREEK UT	U10	430371639100S1	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	SE	NE	33	40S	25E	1980FNL	0610FEL	1
MCELMO CREEK UT	U12	[illegible]	Active	14-20-603-2057	UIC-040	1/29/1985	Injection	SE	SE	33	40S	25E	0660FSL	0605FEL	1
MCELMO CREEK UT	U14	430371615600S1	Active	14-20-603-2057	UIC-040	1/29/1985	Injection	SE	NE	4	41S	25E	1980FNL	0660FEL	1
MCELMO CREEK UT	U16	430371615700S1	Active	14-20-603-2057	UIC-076	3/7/1986	Injection	SE	SE	4	41S	25E	0660FSL	0745FEL	1
MCELMO CREEK UT	V13	430371636300S1	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	NW	NW	3	41S	25E	0660FNL	0660FWL	1
MCELMO CREEK UT	V15	430371636400S1	Active	14-20-603-2057	RS144.21	7/26/1989	Injection	NW	SW	3	41S	25E	1980FSL	0500FWL	1
MCELMO CREEK UT	J17	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NW	7	41S	25E	0620FNL	0560FWL	1
MCELMO CREEK UT	J19	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	SW	7	41S	25E	2030FNL	1997FWL	1
MCELMO CREEK UT	J21	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NW	18	41S	25E	0400FNL	0678FWL	1
MCELMO CREEK UT	K19	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	SE	NW	7	41S	25E	1800FNL	1808FWL	1
MCELMO CREEK UT	K20	[illegible]	Active	14-20-603-263	UIC-036	6/25/1984	Injection	SE	SW	7	41S	25E	0660FSL	1810FWL	1
MCELMO CREEK UT	K22X	430373040200S1	Active	14-20-603-263	RS144.21	7/26/1989	Injection	SE	NW	18	41S	25E	2062FNL	1580FWL	1
MCELMO CREEK UT	K23	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	SE	SW	18	41S	25E	0660FSL	1801FWL	1
MCELMO CREEK UT	L17	430371636000S1	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NE	7	41S	25E	0660FNL	1980FEL	1
MCELMO CREEK UT	L19	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	SE	7	41S	25E	1980FSL	2140FEL	1
MCELMO CREEK UT	L21	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NE	18	41S	25E	0620FNL	1980FEL	1
MCELMO CREEK UT	L23	430371550700S1	Active	14-20-603-263	UIC-036	6/25/1984	Injection	NW	SE	18	41S	25E	1980FSL	1980FEL	1
MCELMO CREEK UT	M18	430371551000S1	Active	14-20-603-263	UIC-036	6/25/1984	Injection	SE	NE	7	41S	25E	1840FNL	0700FEL	1
MCELMO CREEK UT	N17	430371551400S1	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NW	8	41S	25E	0010FNL	0660FWL	1
MCELMO CREEK UT	N19	430371551500S1	Active	14-20-603-263	UIC-023	8/1/1983	Injection	NW	SW	8	41S	25E	1850FSL	0500FWL	1
MCELMO CREEK UT	N21	430371551600S1	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NW	17	41S	25E	0660FNL	0660FWL	1
MCELMO CREEK UT	O18	430371551700S1	Active	14-20-603-263	UIC-027	10/12/1983	Injection	SE	NW	8	41S	25E	1830FNL	1980FWL	1
MCELMO CREEK UT	P17	430371551900S1	Active	14-20-603-263	UIC-027	10/12/1983	Injection	NW	NE	8	41S	25E	0660FNL	1980FEL	1
MCELMO CREEK UT	P19	430371552000S1	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	SE	8	41S	25E	2140FSL	1980FEL	1
MCELMO CREEK UT	P21	[illegible]	Active	14-20-603-263	RS144.21	7/26/1989	Injection	NW	NE	17	41S	25E	0660FNL	1980FEL	1
MCELMO CREEK UT	P23A	430073143900S1	Active	14-20-603-263	Letter	7/20/1989	Injection	SW	NE	17	41S	25E	2531FNL	2325FEL	1
MCELMO CREEK UT	L25	[illegible]	Active	14-20-603-264	UIC-036	6/28/1984	Injection	NW	NE	19	41S	25E	0660FNL	1980FEL	1
MCELMO CREEK UT	R17	[illegible]	Active	14-20-603-359	UIC-023	8/1/1983	Injection	NW	NW	9	41S	25E	0740FNL	0580FWL	1
MCELMO CREEK UT	R19	[illegible]	Active	14-20-603-359	RS144.21	7/26/1989	Injection	NW	SW	9	41S	25E	1980FSL	0660FWL	1
MCELMO CREEK UT	R21	430371637400S1	Active	14-20-603-359	RS144.21	7/26/1989	Injection	NW	NW	16	41S	25E	0511FNL	0562FWL	1
MCELMO CREEK UT	T17	[illegible]	Active	14-20-603-359	RS144.21	7/26/1989	Injection	NW	NE	9	41S	25E	0675FNL	1930FEL	1
MCELMO CREEK UT	E21	430371634300S1	Active	14-20-603-370	RS144.21	7/26/1989	Injection	NE	NE	14	41S	24E	0660FNL	0660FEL	1
MCELMO CREEK UT	E23	430371634400S1	Active	14-20-603-370	RS144.21	7/26/1989	Injection	NE	SE	14	41S	24E	2031FSL	0711FEL	1
MCELMO CREEK UT	G21A	430373087400S1	Active	14-20-603-370	UIC-045	10/9/1984	Injection	NE	NW	13	41S	24E	0667FNL	1883FWL	1
MCELMO CREEK UT	G23	430371634800S1	Active	14-20-603-370	RS144.21	7/26/1989	Injection	NE	NW	24	41S	24E	0660FNL	1980FWL	1
MCELMO CREEK UT	I23	430371635200S1	Active	14-20-603-370	RS144.21	7/26/1989	Injection	NE	SE	13	41S	24E	1980FSL	0660FEL	1
MCELMO CREEK UT	G25	430371635300S1	Active	14-20-603-370	RS144.21	7/26/1989	Injection	NE	NE	24	41S	24E	0530FNL	0620FEL	1
MCELMO CREEK UT	J12	430371636600S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	NW	6	41S	25E	0821FNL	0580FWL	1
MCELMO CREEK UT	J15	430371585400S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	SW	6	41S	25E	1980FSL	0500FWL	1
MCELMO CREEK UT	K12	430371585600S1	Active	14-20-603-372	UIC-074	2/4/1986	Injection	SW	SW	31	40S	25E	0670FSL	1970FWL	1
MCELMO CREEK UT	K14	[illegible]	Active	14-20-603-372	UIC-023	8/1/1983	Injection	SE	NW	6	41S	25E	1851FNL	1885FWL	1
MCELMO CREEK UT	K16	430371585700S1	Active	14-20-603-372	UIC-080	4/8/1986	Injection	SE	SW	6	41S	25E	0660FSL	1816FWL	1
MCELMO CREEK UT	L09	[illegible]	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	NE	31	40S	25E	0660FNL	1980FEL	1
MCELMO CREEK UT	L13	[illegible]	Active	14-20-603-372	UIC-023	8/1/1983	Injection	NW	NE	6	41S	25E	0778FNL	1917FEL	1
MCELMO CREEK UT	L15	430371586000S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	SE	6	41S	25E	1820FSL	1830FEL	1
MCELMO CREEK UT	M12	430371586200S1	Active	14-20-603-372	UIC-027	10/12/1983	Injection	SE	SE	31	40S	25E	0590FSL	0565FEL	1
MCELMO CREEK UT	M14	430371586300S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	SE	NE	6	41S	25E	2089FNL	0773FEL	1
MCELMO CREEK UT	M16	430371636100S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	SE	SE	6	41S	25E	0660FSL	0660FEL	1
MCELMO CREEK UT	N11	430371586500S1	Active	14-20-603-372	UIC-027	10/12/1983	Injection	NW	SW	32	40S	25E	2089FSL	0618FWL	1
MCELMO CREEK UT	N13	[illegible]	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	NW	5	41S	25E	0640FNL	0500FWL	1
MCELMO CREEK UT	N15	430371636300S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	SW	5	41S	25E	2140FSL	820FWL	1
MCELMO CREEK UT	O12	[illegible]	Active	14-20-603-372	RS144.21	7/26/1989	Injection	SE	SW	32	40S	25E	0800FSL	1832FWL	1
MCELMO CREEK UT	O14	[illegible]	Active	14-20-603-372	RS144.21	7/26/1989	Injection	SE	NW	5	41S	25E	2050FNL	1997FWL	1
MCELMO CREEK UT	O16	[illegible]	Active	14-20-603-372	RS144.21	7/26/1989	Injection	SE	SW	5	41S	25E	0660FSL	1980FWL	1
MCELMO CREEK UT	P09	430371636700S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	NE	32	40S	25E	0500FNL	2100FEL	1
MCELMO CREEK UT	P11	[illegible]	Active	14-20-603-372	UIC-027	10/12/1983	Injection	NW	SE	32	40S	25E	2105FSL	2000FEL	1
MCELMO CREEK UT	P13	430371636800S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	NE	5	41S	25E	0610FNL	1700FWL	1
MCELMO CREEK UT	P15	430371587200S1	Active	14-20-603-372	RS144.21	7/26/1989	Injection	NW	SE	5	41S	25E	1980FSL	1980FEL	1
MCELMO CREEK UT	O10	430371587301S1	Active	14-20-603-372	UIC-076	3/7/1986	Injection	SE	NE	32	40S	25E	1800FNL	0532FEL	1
MCELMO CREEK UT	F13	[illegible]	Active	14-20-603-4032	RS144.21	7/26/1989	Injection	NW	NW	1	41S	24E	0795FNL	0535FWL	1
MCELMO CREEK UT	F15A	430373116900S1	Active	14-20-603-4032	UIC-071	12/6/1985	Injection	NW	SW	1	41S	24E	1020FSL	0624FWL	1
MCELMO CREEK UT	G14	430371614300S1	Active	14-20-603-4032	UIC-074	2/4/1986	Injection	SE	NW	1	41S	24E	1980FNL	1980FWL	1
MCELMO CREEK UT	G16	430371614400S1	Active	14-20-603-4032	UIC-074	2/4/1986	Injection	SE	SW	1	41S	24E	0820FSL	1820FWL	1
MCELMO CREEK UT	H13	430371635100S1	Active	14-20-603-4032	RS144.21	7/26/1989	Injection	NW	NE	1	41S	24E	0540FNL	2110FEL	1
MCELMO CREEK UT	F17	430371549300S1	Active	14-20-603-4039	RS144.21	7/26/1989	Injection	NW	NW	12	41S	24E	0740FNL	0500FWL	1
MCELMO CREEK UT	G18	430371549400S1	Active	14-20-603-4039	UIC-054	3/6/1985	Injection	SE	NW	12	41S	24E	1980FNL	1980FWL	1
MCELMO CREEK UT	H15	[illegible]	Active	14-20-603-4039	RS144.21	7/26/1989	Injection	NW	SE	1	41S	24E	1980FSL	1980FEL	1
MCELMO CREEK UT	H17	[illegible]	Active	14-20-603-4039	RS144.21	7/26/1989	Injection	NE	NW	12	41S	24E	0660FNL	1980FEL	1
MCELMO CREEK UT	I18	430371570800S1	Active	14-20-603-4495	UIC-080	4/8/1986	Injection	SE	NE	12	41S	24E	1840FNL	0500FEL	1
MCELMO CREEK UT	G18	[illegible]	Active	14-20-603-5450	RS144.21	7/26/1989	Injection	NE	SW	12	41S	24E	1350FSL	1800FWL	1
MCELMO CREEK UT	I20	430371571000S1	Active	14-20-603-5451	UIC-027	10/12/1983	Injection	SE	SE	12	41S	24E	0590FSL	0500FEL	1
MCELMO CREEK UT	N07	[illegible]	Active	I-149-IND-8839	RS144.21	7/26/1989	Injection	NE	SW	29	40S	25E	2083FSL	745FWL	1
MCELMO CREEK UT	P07	[illegible]	Active	I-149-IND-8839	RS144.21	7/26/1989	Injection	NW	SE	29	40S	25E	1820FSL	2140FEL	1
MCELMO CREEK UT	O10	430371586700S1	Active	NOG99041325	UIC-076	3/7/1986	Injection	SE	NW	32	40S	25E	2086FNL	1944FWL	1
MCELMO CREEK UT	E11	430371581700S1	Shut-in	14-20-0603-6146	UIC-027	10/12/1983	Injection	NW	SW	30	40S	24E	1985FSL	0820FWL	1
MCELMO CREEK UT	T06	430371637700S1	Shut-in	14-20-603-2048A	RS144.21	7/26/1989	Injection	SW	SE	26	40S	25E	0660FSL	1980FEL	1
MCELMO CREEK UT	M20	430371551100S1	Shut-in	14-20-603-263	UIC-036	6/25/1984	Injection	SE	SF	7	41S	25E	0660FSL	0660FEL	1
MCELMO CREEK UT	Q23	430371634800S1	Shut-in	14-20-603-370	RS144.21	7/26/1989	Injection	NE	SW	13	41S	24E	2007FSL	1800FWL	1
MCELMO CREEK UT	M10	430371586100S1	Shut-in	14-20-603-372	UIC-076	3/7/1986	Injection	SE	NE	31	40S	25E	1980FNL	0530FEL	1
MCELMO CREEK UT	N09	430371586400S1	Shut-in	14-20-603-372	UIC-023	8/1/1983	Injection	NW	NW	32	40S	25E	0628FNL	0615FWL	1
MCELMO CREEK UT	E19	430371634200S1	Shut-in	14-20-603-5449	RS144.21	7/26/1989	Injection	NE	SE	11	41S	24E	1980FSL	0660FEL	1
MCELMO CREEK UT	J11	430371635400S1	TA'd	14-20-603-372	RS144.21	7/26/1989	Injection	NW	SW	31	40S	25E	1980FSL	0660FWL	1
MCELMO CREEK UT	O16	430371587500S1	TA'd	14-20-603-372	UIC-023	8/1/1983	Injection	SE	SE	5	41S	26E	0660FSL	0660FEL	1
MCELMO CREEK UT	I14		Active				Injection								1
MCELMO CREEK UT	T09A		Active				Injection								1
															103

PA001252

POWER OF ATTORNEY

(To be used with bonds issued on behalf of U. S. SPECIALTY INSURANCE COMPANY)

Know All Men by These Presents That, **U. S. SPECIALTY INSURANCE COMPANY** (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Edwin H. Frank III, W. Russell Brown, Jr.

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed Three Million Dollars ($3,000,000)** and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the U. S. Specialty Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted by unanimous written consent in lieu of meeting on July 7, 2003.)

In Witness Whereof, **U. S. SPECIALTY INSURANCE COMPANY** has caused these presents to be signed by its **President,** and its corporate seal to be hereto affixed this 19th day of January, 2006.

Corporate Seal

U. S. SPECIALTY INSURANCE COMPANY
By

State of Texas

County of Harris ss:

Michael J. Schell, President

On this 19th day of January, 2006 before me personally came Michael J. Schell, to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of U. S. SPECIALTY INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

Notary Seal

Sherri Gibson
Notary Public, State of Texas
My Commission Expires:
November 10, 2009

Notary Public

My commission expires 11-10-09

I, Christopher L. Martin, Secretary of U. S. SPECIALTY INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Houston, Texas this 2nd day of May, 2006.

Corporate Seal

Christopher L. Martin, Secretary

ATTACHMENT 1 (e)

OPERATOR CERTIFICATION

RESIGNATION OF UNIT OPERATOR

Aneth Unit Area

County of San Juan

State of Utah

Unit Agreement No. 14-08-0001 7738

Under and pursuant to the provisions of Section 5 of the Unit Agreement for the Development and Operation of the Aneth Unit Area, San Juan County, Utah,

Chevron U.S.A. Inc. the designated Unit Operator under said Unit Agreement, does hereby resign as Unit Operator, effective upon the selection and approval of a successor Unit Operator.

EXECUTED with effect as aforesaid the 30th day of November, 2004.

Chevron U.S.A. Inc.

L. C. LaFleur, Attorney-in-Fact

DESIGNATION OF

SUCCESSOR UNIT OPERATOR

Aneth Unit Area

County of San Juan

State of Utah

Unit Agreement No. 14-08-0001 7738

THIS INDENTURE, dated as of the 30th day of November, 2004, by and between Resolute Natural Resources Company, hereinafter designated as "First Party," and the owners of unitized working interests, hereinafter designated as "Second Parties,"

WITNESSETH:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the Act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 29th day of August, 1961, approved a Unit Agreement for the Aneth Unit Area, wherein Chevron U.S.A. Inc. is designated as Unit Operator, and

WHEREAS said, Chevron U.S.A Inc. has resigned as such Operator and the designation of a successor Unit Operator is now required pursuant to the terms thereon; and

WHEREAS the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties and obligations of Unit Operator under the said Unit Agreement:

NOW, THEREFORE, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the Aneth Unit Agreement, and the Second Parties covenant and agree that, effective upon approval of this indenture by the Chief, Branch of Fluid Minerals, Bureau of Land Management, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

FIRST PARTY

Resolute Natural Resources Company

BY Janet Pogue

Name: Janet Pogue

Title: Vice President

SECOND PARTIES

Chevron U.S.A. Inc.

BY L.C. LaFleur

L. C. LaFleur, Attorney-in-Fact

Execution Date: November 30, 2004

CORPORATE ACKNOWLEDGEMENT

STATE OF Texas)
)SS.
COUNTY OF Harris)

The foregoing instrument was acknowledged before me this 30th day of November, 2004, by Janet Pasque, as Vice President of Resolute Natural Resources Company, a Delaware corporation, on behalf of said corporation.

WITNESS my hand and official seal.
My commission expires 2/8/08

Joan E. Zak
Notary Public

NOTARY PUBLIC JOAN E. ZAK STATE OF COLORADO

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS)
)SS.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 30th day of November, 2004, by L. C. LaFleur, as Attorney-in-Fact of Chevron U.S.A. Inc., a Pennsylvania corporation, on behalf of said corporation.

WITNESS my hand and official seal.

CHARLES F. HOLMES
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
APRIL 6, 2006

Notary Public

61 S. Hidden View Cr.
The Woodlands, TX 77381

ATTACHMENT 2

STATE OF UTAH UIC FORM 1

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

UIC FORM 1

APPLICATION FOR INJECTION WELL

Name of Operator	Utah Account Number	Well Name and Number
Resolute Natural Resources Company	N 2700	C-113 LDVL
Address of Operator	**Phone Number**	**API Number**
1675 Broadway #1950 CITY Denver STATE CO ZIP 80202	(303) 534-4600	43-037-31852
Location of Well		**Field or Unit Name**
Footage : 740' FNL and 1665' FEL County : San Juan		Aneth Unit
QQ, Section, Township, Range: NWNE 13 40S 23E State : UTAH		**Lease Designation and Number** 8910077380

Is this application for expansion of an existing project?		Yes ☑	No ☐
Will the proposed well be used for:	Enhanced Recovery?	Yes ☐	No ☐
	Disposal?	Yes ☑	No ☐
	Storage?	Yes ☐	No ☐
Is this application for a new well to be drilled?		Yes ☑	No ☐
If this application is for an existing well, has a casing test been performed?		Yes ☐	No ☐

Date of test: _____

Proposed injection interval: from 7,100 to 7,600

Proposed maximum injection: rate 10,000 bpd pressure 5,950 psig

Proposed injection zone contains oil ☐, gas ☐, and / or fresh water ☐ within ½ mile of the well.

List of attachments: US BLM Form 3160-3 APD, Aneth Unit C-113 LDVL AOR Map and Tabulated Well Data, References, Produced Water Analysis

ATTACH ADDITIONAL INFORMATION AS REQUIRED BY CURRENT UTAH OIL AND GAS CONSERVATION GENERAL RULES

I hereby certify that this report is true and complete to the best of my knowledge.

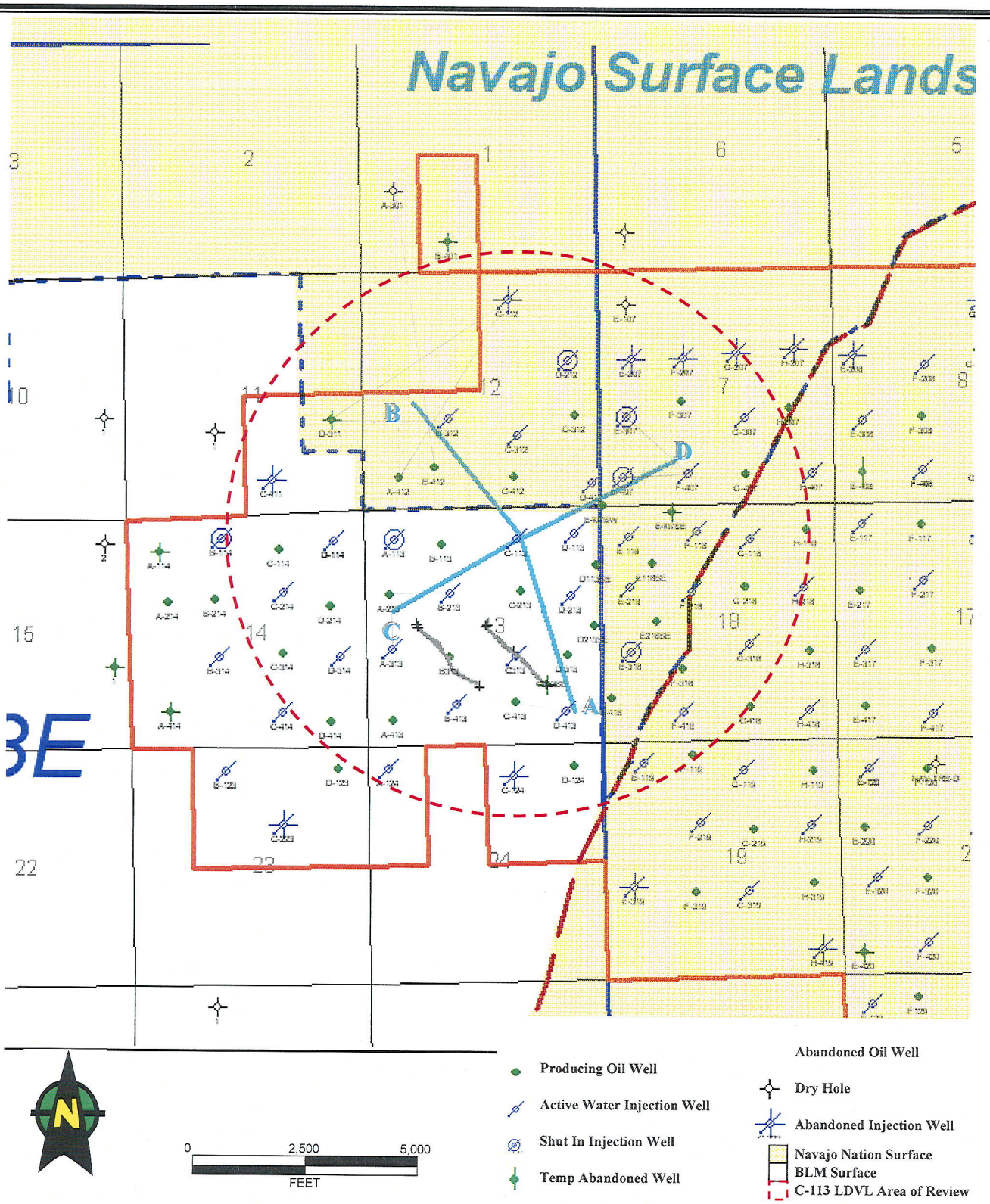
Name (Please Print) Dwight E Mallory Title Regulatory Coordinator

Signature _____ Date 5/1/2006

(5/2002)

ATTACHMENT 2 (a)

MAP OF THE ANETH UNIT C-113 LDVL WELL AND AREA OF REVIEW



UNDERGROUND INJECTION CONTROL - AREA OF REVIEW MAP

RESOLUTE NATURAL RESOURCES – C-113 LDVL SALT WATER DISPOSAL WELL
740' FNL, 1665' FEL, SEC 13, T40S, R23E, SALT LAKE MERIDIAN
SAN JUAN COUNTY, UTAH
NAD 27 UTAH SOUTH X: 2628993.60 Y: 243119.30

RESOLUTE
NATURAL RESOURCES

ATTACHMENT 2 (b)

TABULATED WELL DATA WITHIN THE AOR

18 desc

Location ??
S26 T38S R26E

TABLE I
WELL DATA AND CORRECTIVE ACTION PLAN
WELLS LOCATED WITHIN THE AREA OF REVIEW
Resolute Natural Resources Company Aneth Unit C-113 LDVL SWD

API Number	Well Name	Location				Type	Status	Operator	Date Drilled	Producing Formation	Select Formation Tops									Total Drilled Depth	Corrective Action & Comments
		QTR	SEC	TWN	RNG						Navajo	Chinle	Shina-rump	Moenkopi	Cutler	DeChelly	Hermosa	Paradox	Desert Creek		
430371628300	E207	SWNW	7	40S	24E	Water Injector	Shut In	Resolute Natural Resources	4/19/1961	DSCR								6073		6164	N/A
430371541200	E307	NWSW	7	40S	24E	Water Injector	Active	Resolute Natural Resources	11/29/1956	PRDX		1780	2600	2670			4830			6067	N/A
430373071500	E407	SWSW	7	40S	24E	Water Injector	Active	Resolute Natural Resources	3/28/1982				2308		2445		4290		5582	5700 ±	N/A 1982
430373138600	E407SW	SWSW	7	40S	24E	Oil Well	Producing	Resolute Natural Resources	3/22/1989	DSCR	980	1535				2950	4890		5860	6099	N/A
430373011500	F307	NESW	7	40S	24E	Oil Well	Producing	Resolute Natural Resources	7/5/1973	IS-DC		1388	2510	2710		2802	4714		5738	5600	N/A
430371541500	F407	SESW	7	40S	24E	Water Injector	Active	Resolute Natural Resources	10/8/1956	PRDX		1528	2323	2408		2637	4557			5790	N/A
430371610000	G307	NWSE	7	40S	24E	Water Injector	Active	Resolute Natural Resources	2/19/1959	HRMS	891	1727	2477			2834	4752			5864	N/A
430373015100	G407	SWSE	7	40S	24E	Oil Well	Producing	Resolute Natural Resources	2/24/1974	DSCR									5556	5780	N/A
430371042400	GULF-AZTEC-ISMAY-FED 5	NWNW	7	40S	24E	Dry Hole	P&A	GULF OIL CORPORATION	7/12/1957				2860	2948		3180	5122			6327	N/A ~800'
430371603400	C411	SWSE	11	40S	23E	Oil Well	Shut In	Resolute Natural Resources	7/29/1957	DSCR		1985	2757	2829	3070		5012	5697		6169	N/A
430371603700	D311	NESE	11	40S	23E	Oil Well	P&A	Resolute Natural Resources	12/16/1957	DSCR	1272	2150	2930	3020		3230	5211			6305 ±	N/A 1958 ~800'
430371582200	A412	SWSW	12	40S	23E	Oil Well	Producing	Resolute Natural Resources	6/3/1957	DSCR		1785	2565	2685	2785			5816		5816	N/A
430371627200	B312	NESW	12	40S	23E	Water Injector	Active	Resolute Natural Resources	7/10/1957	DSCR		1865	2673	2745	2875		4895	5911		6109	N/A
430373153700	B412	SESW	12	40S	23E	Oil Well	Producing	Resolute Natural Resources	1/23/1991	DSCR									5858	5990	N/A
430371627400	C112	NWNE	12	40S	23E	Water Injector	Shut In	Resolute Natural Resources	9/8/1957	DSCR		2112	2900	3005			5143			6324	N/A ~800'
430373011200	C312	NWSE	12	40S	23E	Water Injector	Active	Resolute Natural Resources	6/5/1973	DSCR			2648			2885	4802		5830	6035	N/A
430371582900	C412	SWSE	12	40S	23E	Oil Well	Producing	Resolute Natural Resources	9/15/1957	DSCR		1816	2523	2685	2812		4829	5850		5850	N/A
430371627800	D212	SENE	12	40S	23E	Water Injector	Active	Resolute Natural Resources	7/3/1962	DSCR		2115	2820	2982	3094		5136	6164	6181	6290	N/A ~800'
430371583100	D312	NESE	12	40S	23E	Oil Well	Producing	Resolute Natural Resources	8/19/1957	DSCR		1819	2602	2722	2792			5846		5846	N/A
430373004900	D412	SESE	12	40S	23E	Water Injector	Active	Resolute Natural Resources	6/30/1970	PRDX										6050	N/A
430373011900	A113	NWNW	13	40S	23E	Water Injector	Active	Resolute Natural Resources	9/12/1973	DSCR			2432	2602		2720	4616		5644	5835	N/A
430371582100	A213	SWNW	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	8/8/1957	DSCR		1540	2338	2442	2580	2630	4568	5575		5575	N/A
430373029900	A313	NWSW	13	40S	23E	Water Injector	Active	Resolute Natural Resources	9/5/1976	DSCR	302	1135				2670	4520		5627	5790	N/A
430371582300	A413	SWSW	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	10/29/1957	DSCR		1560	2355	2432	2545		4562	5577		5577	N/A
430373107600	ANETH UNIT C313SE	C-SE	13	40S	23E	Oil Well	P&A	Resolute Natural Resources	11/10/1984	IS-DC		1616				2740	4660		5681	5930	N/A
430371582400	B113	NENW	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	10/18/1957	DSCR		1625	2388	2531	2622			5653		5761	N/A
430371582500	B213	SENW	13	40S	23E	Water Injector	Active	Resolute Natural Resources	2/23/1959	IS-DC		1640	2431	2570	2620		4578	5673		5868	N/A
430371582600	B313	NESW	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	12/6/1957	DSCR		1580	2390	2495	2622			5625	5644	6740	N/A ~400
430373029700	B413	SESW	13	40S	23E	Water Injector	Active	Resolute Natural Resources	8/12/1976	DSCR	740	1610				2735	4630		5664	5845	N/A
430371582700	C113	NWNE	13	40S	23E	Water Injector	Active	Resolute Natural Resources	9/29/1957	IS-DC		1603	2275	2460	2628		4612	5623		5770	N/A
430373017300	C213	SWNE	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	6/18/1974	DSCR						2780	4506		5722	5927	N/A
430371582800	C313	NWSE	13	40S	23E	Water Injector	Active	Resolute Natural Resources	9/3/1957	PRDX		1623	2418	2497	2614		4646	5673	5684	5885	N/A
430373029800	C413	SWSE	13	40S	23E	Oil Well	TA	Resolute Natural Resources	8/14/1976	DSCR	755	1610				2710	4640		5670	5879	N/A
430373017400	D113	NENE	13	40S	23E	Water Injector	Active	Resolute Natural Resources	11/14/1974	DSCR						2794	4666		5726	5899	N/A
430373138200	D113SE	SENE	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	4/5/1989	DSCR	980	1555				2940	4900		5850	6051	N/A
430371583000	D213	SENE	13	40S	23E	Water Injector	Active	Resolute Natural Resources	6/28/1957	DSCR		1785	2561	2672	2780		4776	5810		6020	N/A
430373138300	D213SE	NESE	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	10/23/1989	DSCR	1040	1840				2940	4890		5870	6075	N/A
430373016200	D313	NESE	13	40S	23E	Oil Well	Producing	Resolute Natural Resources	7/17/1974	DSCR						2974	4100		5902	6118	N/A
430371627900	D413	SESE	13	40S	23E	Water Injector	Active	Resolute Natural Resources	11/23/1957	PRDX		1587	2393	2500	2638			5633		5775	N/A
430373063600	C114	NWNE	14	40S	23E	Oil Well	Producing	Resolute Natural Resources	3/25/1981	DSCR	794	1462				2527	4650		5712	5861	N/A
430371603300	C214	SWNE	14	40S	23E	Water Injector	Active	Resolute Natural Resources	5/13/1957	PRDX			2473		2684		4680	5355		5865	N/A
430373063700	C314	NWSE	14	40S	23E	Oil Well	Producing	Resolute Natural Resources	4/16/1981	DSCR	798	1416				2786	4640		5664	5835	N/A
430371603500	C414	SWSE	14	40S	23E	Water Injector	Active	Resolute Natural Resources	7/31/1957	PRDX							4598	5557		5743	N/A
430371627700	D114	NENE	14	40S	23E	Water Injector	Active	Resolute Natural Resources	10/7/1956	PRDX			2473				4680	5355		5806	N/A
430373063800	D214	SENE	14	40S	23E	Oil Well	Producing	Resolute Natural Resources	3/12/1981	DSCR	714	1412				2468	4563		5638	5781	N/A
430371603800	D314	NESE	14	40S	23E	Water Injector	Active	Resolute Natural Resources	6/24/1957	PRDX		1635	2413		2550		4628	5340		5794	N/A
430373063900	D414	SESE	14	40S	23E	Oil Well	Producing	Resolute Natural Resources	4/6/1981	DSCR	738	1355				2712	4584		5602	5787	N/A
430373014200	E217	SWNW	17	40S	24E	Oil Well	Producing	Resolute Natural Resources	1/25/1974	IS-DC						2455	3800		5402	5638	N/A

48

TABLE I
WELL DATA AND CORRECTIVE ACTION PLAN
WELLS LOCATED WITHIN THE AREA OF REVIEW
Resolute Natural Resources Company Aneth Unit C-113 LDVL SWD

API Number	Well Name	Location				Type	Status	Operator	Date Drilled	Producing Formation	Select Formation Tops									Total Drilled Depth	Corrective Action & Comments
		QTR	SEC	TWN	RNG						Navajo	Chinle	Shina-rump	Moenkopi	Cutler	DeChelly	Hermosa	Paradox	Desert Creek		
430371604900	E117	NWNW	17	40S	24E	Water Injector	Active	Resolute Natural Resources	10/29/1957	DSCR	600					2610	4525	5714		5769	N/A
430371606200	E317	NWSW	17	40S	24E	Water Injector	Active	Resolute Natural Resources	11/30/1957	DSCR	533					2499	4405	5573		5634	N/A
430373153400	ANETH E407SE	NENW	18	40S	24E	Oil Well	P&A	Resolute Natural Resources	12/29/1990	DSCR	707	1617				2628	4136		5602	5780	N/A
430371541300	E118	NWNW	18	40S	24E	Water Injector	Active	Resolute Natural Resources	8/2/1956	PRDX		1830	2667	2702		2934	4835	5602		6076	N/A
430373013700	ANETH U E218	SWNW	18	40S	24E	Water Injector	Active	Resolute Natural Resources	12/8/1973	IS-DC										6100	N/A
430373016500	ANETH U E418	SWSW	18	40S	24E	Oil Well	Shut In	Resolute Natural Resources	5/18/1974	DSCR						5984	4964		5968	6190	N/A ~900'
430373015500	ANETH U F118	NENW	18	40S	24E	Water Injector	Active	Resolute Natural Resources	3/30/1974	DSCR						2664	4062		5586	5780	N/A 1974
430373016900	ANETH U F318	NESW	18	40S	24E	Oil Well	Producing	Resolute Natural Resources	6/27/1974	DSCR		1536				2674	4606		5660	5850	N/A
430373013100	ANETH U G218	SWNE	18	40S	24E	Oil Well	Shut In	Resolute Natural Resources	11/4/1973	DSCR									5481	5675	N/A
430373013200	ANETH U G418	SWSE	18	40S	24E	Oil Well	Producing	Resolute Natural Resources	11/28/1973	DSCR									5438	5660	N/A
430373015700	ANETH U H118	NENE	18	40S	24E	Oil Well	Producing	Resolute Natural Resources	3/14/1974	IS-DC									5840	5743	N/A
430373107700	ANETH UNIT E118SE	SWNW	18	40S	24E	Oil Well	Producing	Resolute Natural Resources	12/2/1984	DSCR		1846				2947	4900		5864	6082	N/A
430373138500	ANETH UNIT E218SE	NWSW	18	40S	24E	Water Injector	Producing	Resolute Natural Resources	10/5/1989	DSCR	1050	1850				2950	4900		5870	6076	N/A
430371606300	E318	NWSW	18	40S	24E	Water Injector	Active	Resolute Natural Resources	1/14/1959	PRDX	1014	1800	2614			2968	4877			6040	N/A
430371628700	F218	SENW	18	40S	24E	Water Injector	Active	Resolute Natural Resources	10/5/1958	PRDX	800	1644					4670	5860		5867	N/A
430371508300	F418	SESW	18	40S	24E	Water Injector	Active	Resolute Natural Resources	12/11/1958	PRDX	679	1437				2640	4548			5691	N/A
430371609000	G118	NWNE	18	40S	24E	Water Injector	Active	Resolute Natural Resources	12/12/1958	PRDX	610	1462				2568	4490			5633	N/A
430371610400	G318	NWSE	18	40S	24E	Water Injector	Active	Resolute Natural Resources	2/17/1957	PRDX						2564	4484	5664		5720	N/A
430371612000	H218	SENE	18	40S	24E	Water Injector	Active	Resolute Natural Resources	2/28/1957	PRDX						2275	4438	5622		5677	N/A
430373019700	ANETH U F119	NENW	19	40S	24E	Oil Well	Producing	Resolute Natural Resources	10/29/1974	DSCR						2642	4474		5580	5787	N/A
430371628000	E119	NWNW	19	40S	24E	Water Injector	Active	Resolute Natural Resources	4/1/1959	PRDX	728	1720				2704	4695			5756	N/A
430371627500	C124	NWNE	24	40S	23E	Water Injector	Active	Resolute Natural Resources	12/6/1956	PRDX		1510	2289			2516	4643	5664		5953	N/A
430371570100	D124	NENE	24	40S	23E	Oil Well	Producing	Resolute Natural Resources	3/27/1960	DSCR		1570	2393	2481	2580	2685	4609	5632		5685	N/A
430371627000	A124	NWNW	24	40S	23E	Water Injector	Active	Resolute Natural Resources	7/18/1958	PRDX		1583	2380	2450	2561	2664	4575	5588		5712	N/A

24

72 total ???

48
24
72

ATTACHMENT 2 (c)

REFERENCES

REFERENCES

Howells, L, 1990, Base of Moderately Saline Ground Water in San Juan County, Utah: Utah Department of Natural Resources Technical Publication No. 94, 35 p.

Spangler, LE, 1992, Records of Wells in Sandstone and Alluvial Aquifers and Chemical Data for Water from Selected Wells in the Navajo Aquifer in the Vicinity of the Greater Aneth Oil Field, San Juan County, Utah: US Geological Survey Open File Report 92-124, 52 p.

Spangler, LE, Naftz, DL, and Peterman, ZE, 1995, Hydrology of the Aquifer System in Meozoic and Upper Paleozoic Formations and Use of Geochemical Techniques to Identify Sources of Salinity to the Navajo Aquifer in the Vicinity of the Greater Aneth Oil Field, San Juan County, Utah: Draft US Geological Survey Water-Resources Investigations Report 95-XXXX, 148 p.

Uribe & Associates, 1992, Preliminary Evaluation of Potential Impacts of Abandoned Wells o n Groundwater Quality in the Aneth Oil Field Area, San Juan County, Utah: Prepared for the UIC Section, Water Management Division, US Environmental Protection Agency Region IX.

ATTACHMENT 2 (d)

ANALYSIS OF PRODUCED WATER TO BE INJECTED

Rocky Mountain Region
1675 Broadway, Suite 1500
Denver, CO 80202
(303) 573-2772
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	RESOLUTE OIL COMPANY	Sales RDT:	44200
Region:	ROCKY MOUNTAINS	Account Manager:	ALLAN MASHBURN (435) 828-3351
Area:	FARMINGTON, NM	Sample #:	221770
Lease/Platform:	ANETH UNIT	Analysis ID #:	51601
Entity (or well #):	WATER PLANT	Analysis Cost:	$40.00
Formation:	UNKNOWN		
Sample Point:	INJECTION PUMP DISCHARGE		

Summary	
Sampling Date:	5/12/05
Analysis Date:	5/31/05
Analyst:	STACEY SMITH
TDS (mg/l or g/m3):	91010.2
Density (g/cm3, tonne/m3):	1.064
Anion/Cation Ratio:	1
Carbon Dioxide:	
Oxygen:	
Comments:	

Analysis of Sample 221770 @ 75 °F

Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	55413.0	1563.	Sodium:	25465.9	1107.71
Bicarbonate:	177.0	2.9	Magnesium:	1466.0	120.6
Carbonate:	0.0	0.	Calcium:	6813.0	339.97
Sulfate:	962.0	20.03	Strontium:	231.0	5.27
Phosphate:			Barium:	0.3	0.
Borate:			Iron:	5.0	0.18
Silicate:			Potassium:	477.0	12.2
			Aluminum:		
Hydrogen Sulfide:		10 PPM	Chromium:		
pH at time of sampling:		7	Copper:		
pH at time of analysis:		6.98	Lead:		
pH used in Calculation:		7	Manganese:		
			Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4 \cdot 2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.69	13.14	-0.17	0.00	-0.20	0.00	0.14	36.86	0.36	0.00	0.13
100	0	0.76	15.06	-0.21	0.00	-0.18	0.00	0.13	35.26	0.18	0.00	0.17
120	0	0.83	17.31	-0.24	0.00	-0.13	0.00	0.14	36.22	0.03	0.00	0.22
140	0	0.90	19.55	-0.26	0.00	-0.05	0.00	0.15	39.42	-0.10	0.00	0.28

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

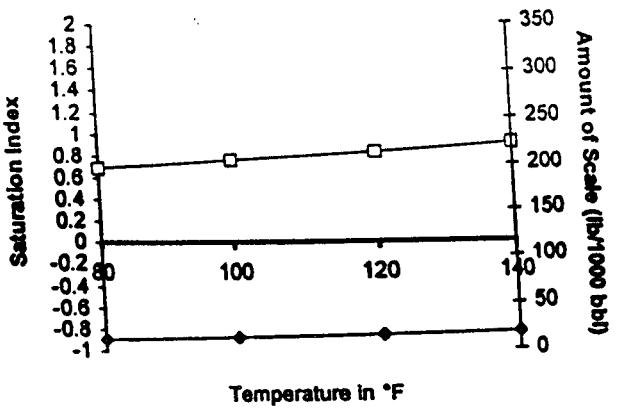
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

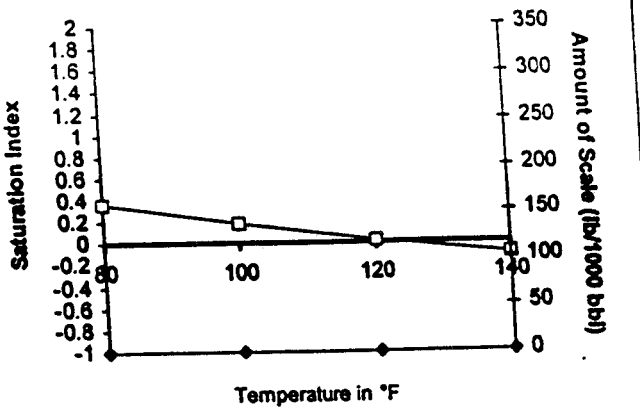
Scale Predictions from Baker Petrolite

Analysis of Sample 221770 @ 75 °F for RESOLUTE OIL COMPANY, 6/31/06

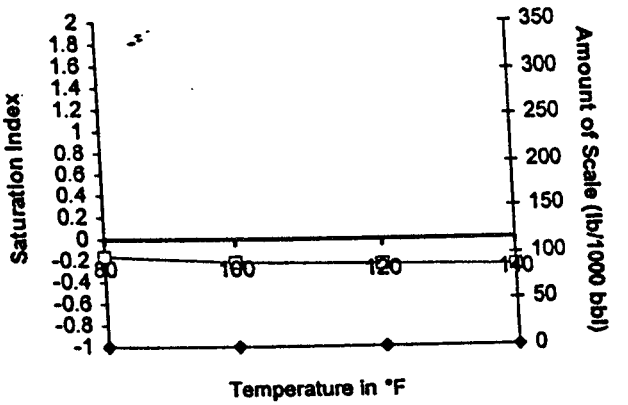
Calcite - CaCO3



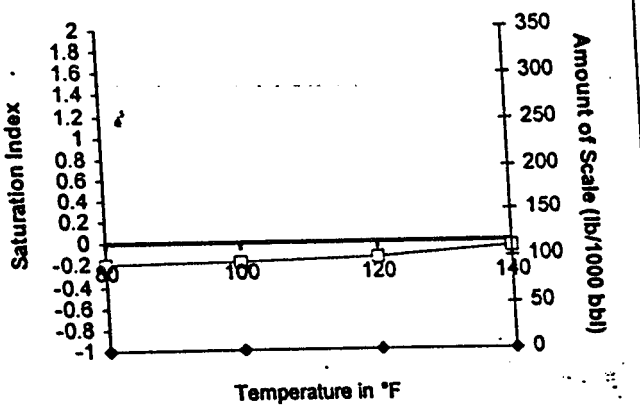
Barite - BaSO4



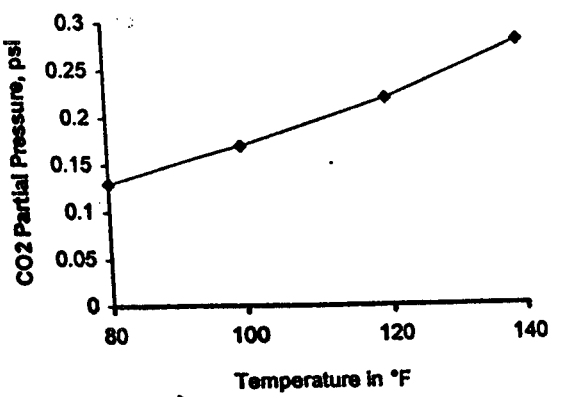
Gypsum - CaSO4*2H20



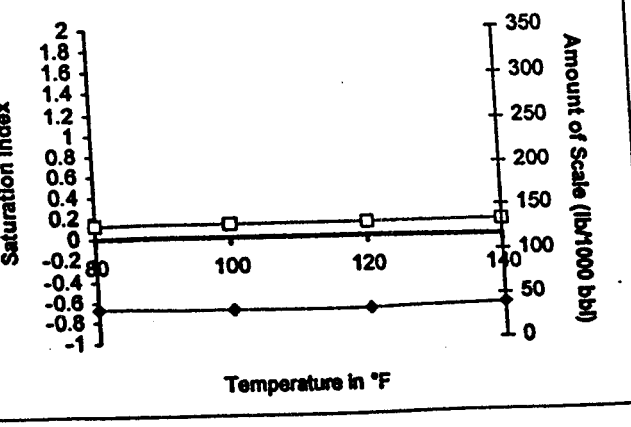
Anhydrite - CaSO4



Carbon Dioxide Partial Pressure



Celestite - SrSO4



RESOLUTE
NATURAL RESOURCES

Dwight E. Mallory
Environmental Health & Safety Coordinator
(303) 534-4600 x165
dmallory@rnrc.net

April 2, 2007

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

RECEIVED
APR 0 6 2007
DIV. OF OIL, GAS & MINING

Re: Aneth Unit C-113 LDVL Class IID Injection Well UIC Permit Application

Dear Mr. Kierst:

Resolute Natural Resources Company has prepared the enclosed materials in response to your request concerning certain deficiencies in the data submitted in support of our UIC Form 1 application for a Class IID produced water disposal well permit for the Aneth C-113 LDVL well, located in Section 13, Township 40 South and Range 23 East in San Juan County. Resolute has submitted similar materials to Mr. Jim Walker of the US Environmental Protection Agency and Mr. Bill Freeman of the Navajo Nation EPA in support of UIC permit applications filed with those agencies.

The following pages reference the requirements of R649-5-2 and include a discussion of the data being submitted in the attachments to this letter. Based on our prior conversation, I am confident that the enclosed materials will satisfy the requirements of R649-5 and will result in a finding of administratively complete in reference to Resolute's UIC permit application. Resolute looks forward to working with the DOGM staff to complete the technical review of the proposed injection project. I suggest any questions you might have concerning the pressure falloff and injection step-rate tests be directed to Mr. Dave Clouatre, Resolute's Manager of Engineering. In the meantime, please call me if you require additional information.

Sincerely,
RESOLUTE NATURAL RESOURCES COMPANY

Dwight E. Mallory
Environmental, Health & Safety Coordinator

Attachments

State of Utah - DOGM
Supplemental Information to UIC Form 1 for Aneth Unit C-113 LDVL

R649-5-2

§ 2. The application for an injection well shall include a properly completed UIC Form 1…

A completed UIC Form 1 is enclosed as Attachment 1.

§ 2.1. A plat showing the location of the injection well, all abandoned or active wells within a one-half mile radius of the proposed well, and the surface owner and the operator of any lands or producing leases, respectively, within a one-half mile radius of the proposed injection well.

Revised maps of the C-113 LDVL well location and the area of review are included in Attachment 2 and include all of the information listed in R649-5-2 (2.1).

§ 2.2. Copies of electrical or radioactive logs, including gamma ray logs, for the proposed well run prior to the installation of casing and indicating resistivity, spontaneous potential, caliper, and porosity.

§ 2.3. A copy of a cement bond or comparable log run for the proposed injection well after casing was set and cemented.

No copy Tendered Yet ck 5/14/07

§ 2.4. Copies of logs already on file with the division should be referenced, but need not be refiled.

Attachment 9 contains copies of the well logs.

§ 2.5. A description of the casing or proposed casing program of the injection well and of the proposed method for testing the casing before use of the well.

Intermediate + production Casing was cemented to surface ??? verify

The proposed casing program was included in the drilling program submitted with the application for permit to drill on May 9, 2006. A copy of the Casing, Liner and Cement report for the completed well are included in Attachment 4.

§ 2.6. A statement as to the type of fluid to be used for injection, its source and estimated amounts to be injected daily.

Fluid injected in the C-113 LDVL will be produced water sourced from various oil and gas wells producing from the Desert Creek Member of the Paradox Formation operated by Resolute in the Aneth Unit. The proposed average and maximum injection rates are 7,500 barrels of water per day (bwpd) and 10,000 bwpd respectively.

§ 2.7. Standard laboratory analyses of:

§ 2.7.1. The fluid to be injected,

§ 2.7.2 Analyses of the fluid in the formation into which the fluid is being injected.

§ 2.7.3. The compatibility of the fluids.

Laboratory analytical reports for the water to be injected and for water samples collected from the proposed injection formation are included in Attachment 5. The water samples collected from the Leadville were found to contain total dissolved solids (TDS) ranging from 39,650 milligrams per liter (Mg/L) to 69,179 Mg/L. TDS concentrations in the water to be injected are approximately 91,000 Mg/L.

§ 2.8. The proposed average and maximum injection pressures.

The proposed average and maximum operating pressures are 3,250 psi and 4,000 psi respectively. The maximum operating pressure proposed was revised from the original proposed 5,950 psi for reasons explained below.

§ 2.9. Evidence and data to support a finding that the proposed injection well will not initiate fractures through the overlying strata or a confining interval that could enable the injected fluid or formation fluid to enter any fresh water strata.

Resolute performed injection rate and pressure falloff tests in both the vertical well and the first horizontal section of the Leadville formation. An analysis of each test was completed and it was concluded that a fracture was not initiated during any of the testing. The raw test data and analytical results are presented in Attachment 6 and are discussed below.

The Leadville formation was perforated in the vertical wellbore on Nov. 7th, 2006. Prior to fracture testing, the well was swabbed and tested for fluid recoveries. During this phase salt water and a small amount of CO2 was recovered. Following completion of the swab test, the well was shut-in for 19 hours and then acidized. After two aborted attempts due to lubricator problems, the first injection test was conducted and was followed by a falloff test. Note that only a one rate injection test was performed due to wellbore concerns. The results of the initial step rate and falloff tests were modeled and analyzed using Fekete "FAST" software. As displayed in Attachment 6, a fairly good match was achieved in both tests. The estimated permeability from the single rate injection test is 3.7 md while the falloff test yields a permeability of 2.3 md. These values were in line with our original expectations. In addition there is no evidence of fracture initiation in the injection rate or falloff test.

Following the completion of the vertical well test procedures described above, the first horizontal lateral was commenced. This lateral reached a total length of 3060' in a south-southeasterly direction on Jan. 13th, 2007. At this point and prior to any stimulation, two step rate injection tests were performed. The first test (Step Rate Test # 1) was conducted on Jan 15th. It should be noted that several hours after this test began there were lubricator problems that forced the test to be aborted and then restarted. The second test (Step Rate Test # 2/ Falloff Test) was conducted on Jan. 20th. The data from both step rate tests (along with the injection test in the vertical wellbore) do not give sufficient evidence for fracture initiation. In fact the step rate tests produced some anomalous behavior. This behavior could indicate the wellbore continued to clean-up during the testing or simply the injected water was filling the existing natural fractures. A "FAST" analysis was also performed on the falloff test following the 2nd step rate test in Lateral #1. This analysis was conducted in a similar manner as the vertical wellbore falloff test except a dual porosity model was also used to analyze the data. Both analyses show similar permeability, in the range of 1.2 – 1.5 md and a negative skin indicating a stimulated wellbore. Neither analysis indicated an induced fracture. The analysis and the input data from the Lateral #1 test are also included in Attachment 6.

In summary the step-rate tests produced anomalous results and neither the step rate or falloff tests gave an indication of fracture initiation. The anomalous results can be explained as discussed above. However, an accurate estimate of the Leadville formation's fracture pressure could not be achieved. Because of the anomalous test results, Resolute chose to have the data reviewed by two experienced, independent consultants. Analysis of the test data by these consultants returned results consistent with those discussed above.

Absent a reliable estimate of fracture pressure from the step-rate tests or falloff tests, Resolute reviewed recent work performed in the overlying Desert Creek formation. The Desert Creek, present at approximately 5,600-ft in the Aneth Unit C-113 LDVL well, has a fracture gradient of approximately 1.3 psi per ft. This equates to a surface injection pressure of 4,750 psi and a bottom hole pressure of approximately 7,300 psi. Assuming a similar fracture gradient for the Leadville formation would result in an anticipated surface fracture pressure of approximately 6,200 psi. Accordingly, Resolute recommends the maximum surface pressure for the proposed Aneth Unit C-113 LDVL well be established at a relatively conservative 4,000 psi. Resolute believes this pressure will not initiate fractures through the overlying formations or enable fluid to enter any shallow fresh water aquifers.

§ 2.10. Appropriate geological data on the injection interval with confining beds clearly labeled,

Resolute proposes the Mississippian Leadville formation as the injection zone in the Aneth Unit C-113 LDVL well. Geological data is discussed below and supporting documentation is included in Attachment 7.

§ 2.10.1. Nearby Underground Sources of Drinking Water, including the geologic formation name.

Based on a review of reports prepared by the US Geological Survey and others addressing hydrogeologic conditions in southeastern San Juan County, Utah, the principal USDWs in the area include the Entrada Sandstone, Navajo Sandstone, and Wingate Sandstone, which collectively comprise the Navajo aquifer. The overlying Morrison aquifer and isolated Dakota and Alluvial aquifers may also be present.

According to information contained in the literature and comments from USEPA Region IX staff, the Chinle Formation separates the fresh water aquifers above from non-usable saline ground water aquifers below and is generally accepted to represent the base of potential USDWs in the Greater Aneth Area. The base of the Chinle formation, is present in the C-113 LDVL at 1,614-ft TVD, approximately 5,400-ft above the top of the Leadville formation and over 5,600-ft above the proposed lower Leadville injection zone. Much of the stratigraphic interval located between the Chinle and the Leadville comprises impermeable shales, lime mudstones, and salts.

2.10.2. Lithologic descriptions, thicknesses, depths, water quality, and lateral extent;

The Leadville formation is 404 feet (ft) thick, extending from 7,008-ft to 7,412-ft true vertical depth (TVD). The Leadville includes an upper member composed of lime mudstone and lime wackestone and a lower member comprising very fine- to fine-crystalline dolostone. The proposed injection zone is within the 178-ft thick crystalline dolostone lower member, which is present between 7,234-ft and 7,412-ft TVD.

Confining layers overlying the Leadville include a 286-ft thick interval of non-porous limestone and shale comprising the Molas Shale and Pinkerton Trail formation. The Molas Shale and Pinkerton Trail formation can each be correlated within 20 miles in each direction, leaving little doubt as to the regional nature of the shale. These formations are in turn overlain by a 719-ft thick section of the Paradox Salt.

§ 2.10.3. Information relative to geologic structure near the proposed well that may effect the conveyance and/or storage of the injected fluids.

There are indications that faulting may exist in the vicinity of the Resolute C-113 LDVL wellbore, based on data from three offset vertical seismic profiles (OVSP) acquired around the well. Only OVSP3, oriented up-dip and to the ENE of the surface location, is interpreted to exhibit faulting. Two of these normal faults are interpreted to extend from strata below the Leadville to just above the Pennsylvanian Ismay, terminating at depths between 5,000 and 5,500 ft. Two other faults appear to cut only the Leadville and older strata.

Several factors suggest that these potential faults do not act as migration pathways between the Leadville and shallow aquifers such as the Jurassic Navajo Sandstone. First, there is no evidence that the faults cut high enough in the section to connect the Leadville with the shallow aquifers. Secondly, the faults exhibit vertical separation much smaller than the thickness of the Paradox Salt section. Thus, salt is always juxtaposed against salt. Salt flowage would most likely result in healing of any fractures and of the fault surface itself, leaving the salt section as a highly effective seal over the Mississippian section. Good evidence to support this interpretation is that CO2, which is known to be naturally occurring in the Leadville in the area, is not found to be naturally occurring in the section above the Paradox Salt. Since CO2 is less dense and more mobile than saltwater, it follows that it would be highly unlikely that dense brines injected into the Leadville would be able to migrate up these faults.

These observations provide a compelling argument that saltwater brines which Resolute proposes to inject into the Leadville will be contained in the Leadville and will not contaminate near-surface, freshwater aquifers. The information in Attachment 7 includes a structure contour map of the top of the proposed injection zone and a cross section with the injection and confining zones labeled.

§ 2.11. A review of the mechanical condition of each well within a one-half mile radius of the proposed injection well to assure that no conduit exists that could enable fluids to migrate up or down the wellbore and enter improper intervals.

There are no wells within a one-half mile radius that penetrate the proposed zone of injection. A list of wells within a one-half mile radius was included with the original UIC permit application and a map showing all well penetrating the Leadville formation is included in Attachment 2.

§ 2.12. An affidavit certifying that a copy of the application has been provided to all operators, owners, and surface owners within a one-half mile radius of the proposed injection well.

Attachment 8 includes a notarized affidavit certifying that all known operators or owners and surface owners within a one-half mile radius have been provided a copy of the petition for injection.

Affidavit lacks "1/2 mile AOR" language

§ 2.13. Any other additional information that the board or division may determine is necessary to adequately review the application.

Surety Rider No. 4 and the Schedule A well list associated with Resolute's UIC Bond No. B001252 have been amended to include the Aneth Unit C113 LDVL well. A copy of the amended bond is presented in Attachment 3.

ATTACHMENT 1

UIC FORM 1

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

UIC FORM 1

APPLICATION FOR INJECTION WELL

Name of Operator	Utah Account Number	Well Name and Number
Resolute Natural Resources Company	N 2700	C-113 LDVL
Address of Operator	**Phone Number**	**API Number**
1675 Broadway #1950 CITY Denver STATE CO ZIP 80202	(303) 534-4600	4303731852
Location of Well		**Field or Unit Name**
Footage : 740' FNL and 1665' FEL County : San Juan		Aneth Unit
QQ, Section, Township, Range: NWNE 13 40S 23E State : UTAH		**Lease Designation and Number** 8910077380

Is this application for expansion of an existing project?		Yes ☑	No ☐
Will the proposed well be used for:	Enhanced Recovery?	Yes ☐	No ☐
	Disposal?	Yes ☑	No ☐
	Storage?	Yes ☐	No ☐
Is this application for a new well to be drilled?		Yes ☑	No ☐
If this application is for an existing well, has a casing test been performed?		Yes ☐	No ☐

Date of test: _____

Proposed injection interval: from 7,100 to 7,600

Proposed maximum injection: rate 10,000 bpd pressure 4,000 psig

Proposed injection zone contains oil ☐, gas ☐, and / or fresh water ☐ within ½ mile of the well.

List of attachments: Topographic map, well logs, water analysis, falloff & step rate data, geologic data, contour map and cross-section, affidavit of owner operator notification and ammended UIC bond.

ATTACH ADDITIONAL INFORMATION AS REQUIRED BY CURRENT UTAH OIL AND GAS CONSERVATION GENERAL RULES

I hereby certify that this report is true and complete to the best of my knowledge.

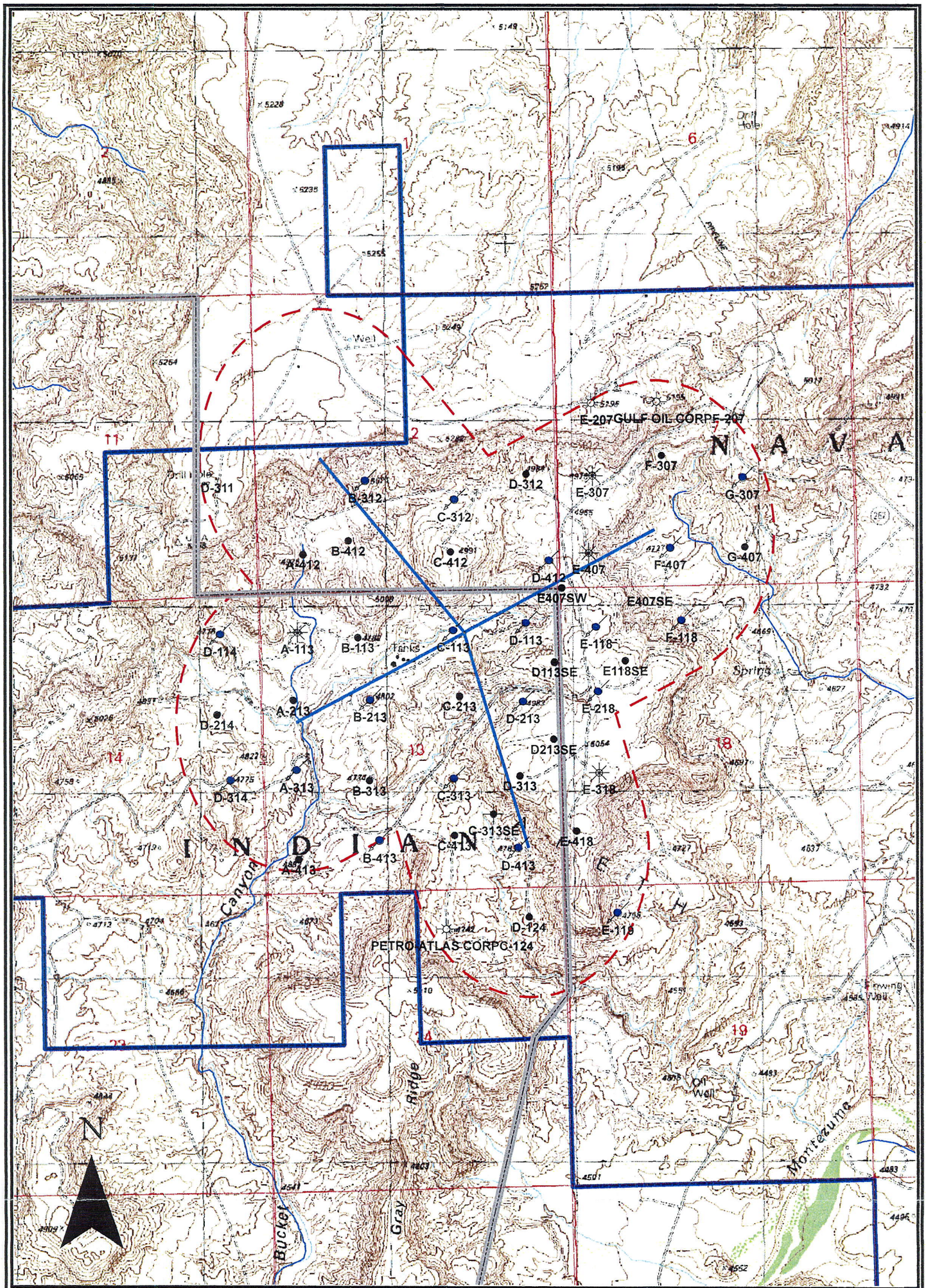
Name (Please Print) Dwight E Mallory Title EH&S Coordinator

Signature _____ Date 3/29/2007

(5/2002)

ATTACHMENT 2

LOCATION MAPS



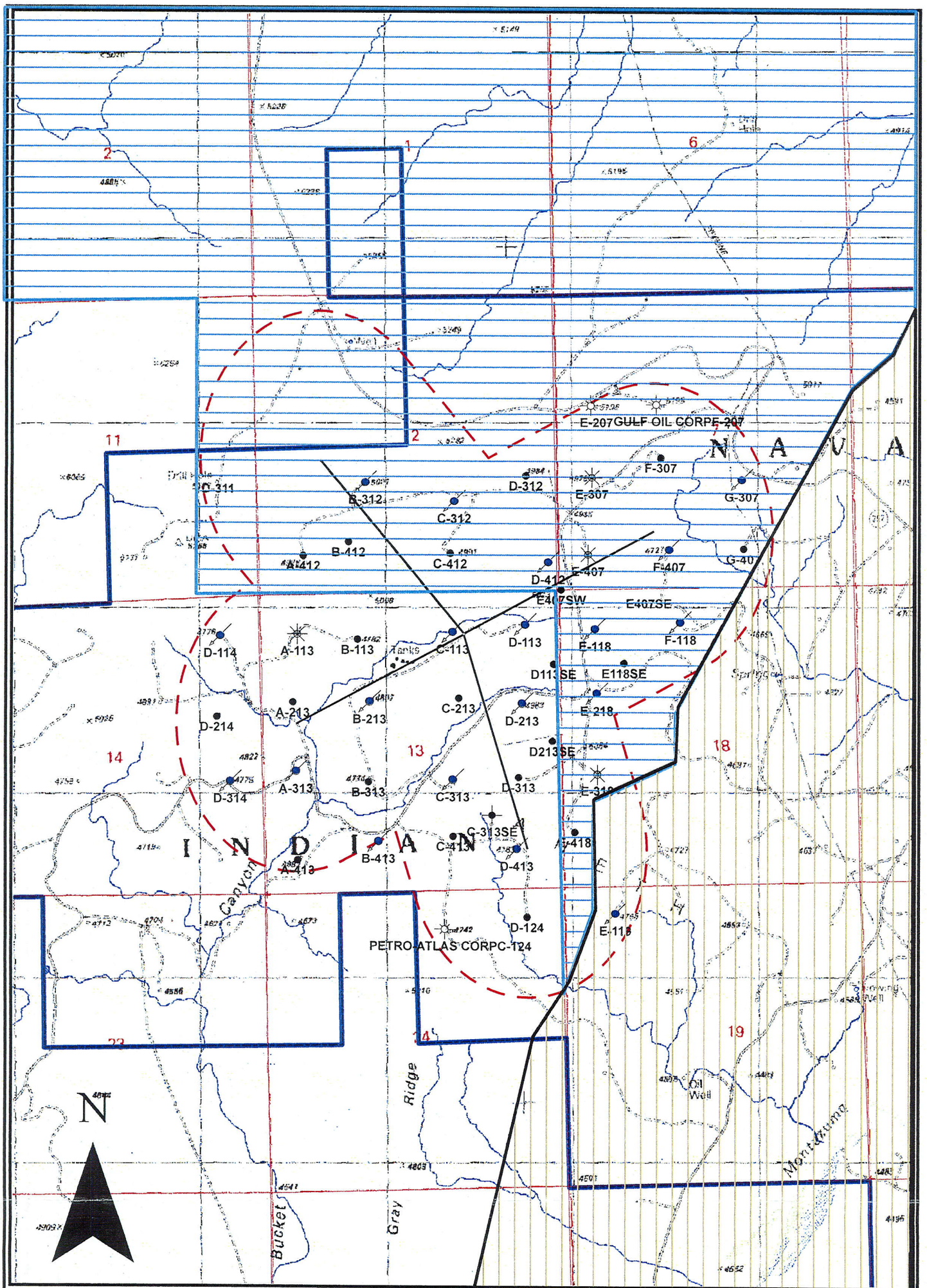
Aneth Unit C-113 LDVL Area of Review
NWNE SEC 13-T40S-R23E SLM

0 1,150 2,300 4,600 Feet

LEGEND

- C-113 LDVL WELLBORE
- C-113 LDVL SWD AREA OF REVIEW
- ABANDONED OIL WELL
- ABANDONED INJECTION WELL
- INJECTION WELL
- OIL WELL
- SHUT IN INJECTION WELL
- PRIVATE WATER WELL
- PUBLIC WATER WELL
- AGRICULTURAL WELL

* All Wells operated by Resolute Natural Resources unless otherwise noted

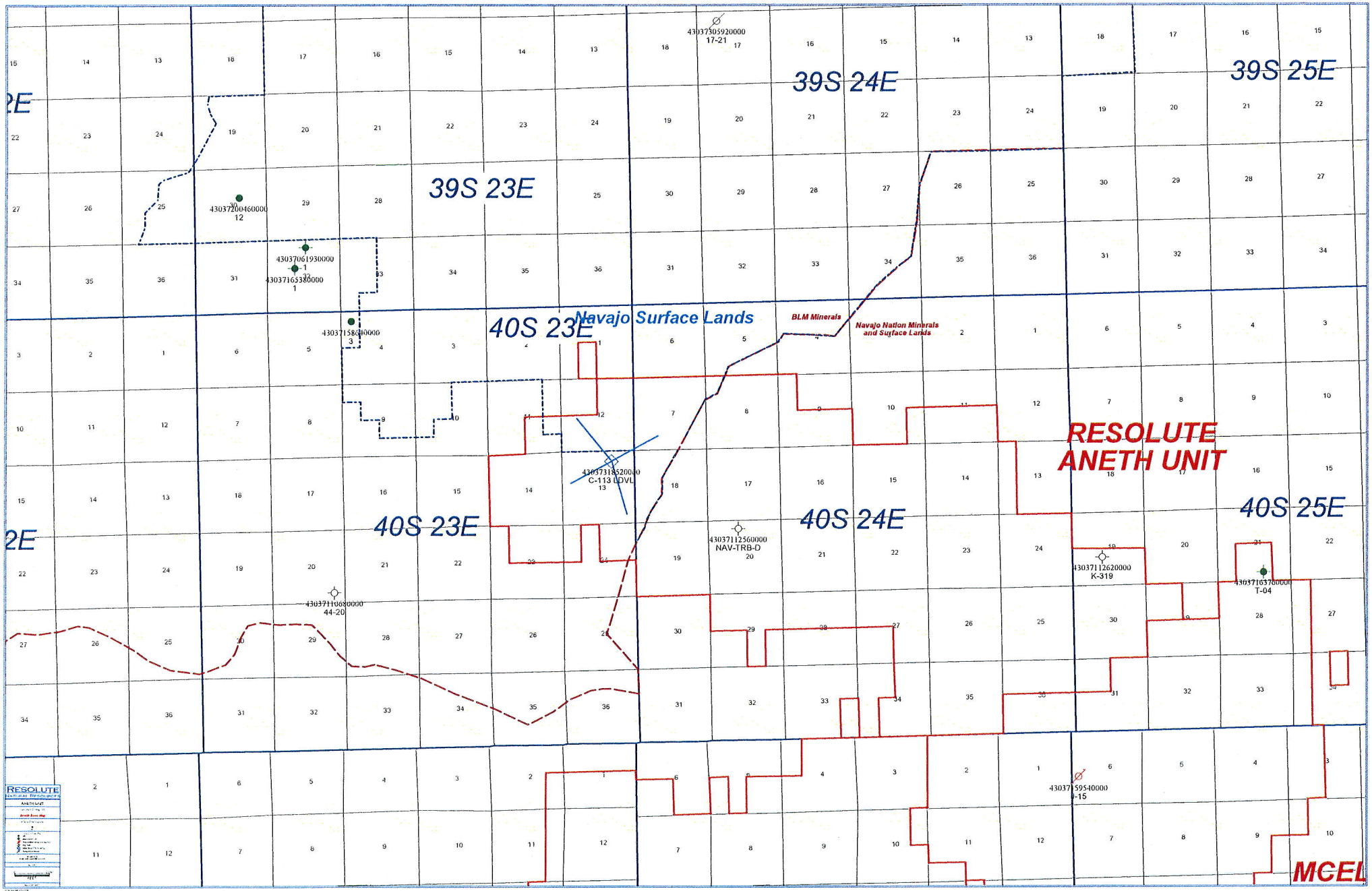


Aneth Unit C-113 LDVL Area of Review
NWNE SEC 13-T40S-R23E SLM

0 1,150 2,300 4,600 Feet

- C-113 LDVL WELLBORE
- C-113 LDVL SWD AREA OF REVIEW
- NAVAJO SURFACE & MINERALS
- NAVAJO SURFACE, BLM MINERALS
- BLM SURFACE & MINERALS
- ABANDONED OIL WELL
- ABANDONED INJECTION WELL
- INJECTION WELL
- OIL WELL
- SHUT IN INJECTION WELL
- PRIVATE WATER WELL
- PUBLIC WATER WELL
- AGRICULTURAL WELL

* All active wells operated by Resolute Natural Resources.



39S 23E
39S 24E
39S 25E
40S 23E
40S 24E
40S 25E
Navajo Surface Lands
BLM Minerals
Navajo Nation Minerals and Surface Lands
RESOLUTE ANETH UNIT
MCEL
43037305920000
17-21
43037200460000
12
43037061930000
-1
43037165380000
1
43037158640000
3
43037318520000
C-113 LDVL
13
43037112560000
NAV-TRB-D
20
43037110680000
44-20
43037112620000
K-319
43037163760000
T-04
43037159540000
J-15
RESOLUTE

ATTACHMENT 3

AMENDED EPA UIC BOND NO. B001252

SURETY RIDER NO. 4

To be attached to and form a part of Bond No. B001252 on behalf of Resolute Natural Resources Company and Resolute Aneth, LLC, as Principal and executed by U.S. Specialty Insurance Company, as Surety.

Executed date of bond: December 2, 2004
Effective date of change: March 8, 2007

In consideration of the mutual agreement contained herein, the Principal and the Surety hereby consent to the following changes:

The ***number of wells*** (per attached Schedule A) has increased from:

Three Hundred Twenty Eight (328) wells

to:

Three Hundred Twenty Nine (329) wells

Nothing contained herein shall vary, alter or extend any provision, term or condition of this bond except as expressly stated herein.

SIGNED, SEALED AND DATED THIS: 8th day of March, 2007.

PRINCIPAL:
Resolute Natural Resources Company
and Resolute Aneth, LLC

Signature

Janet Pasque, VP-Land
(Name and title)

SURETY:
U.S. Specialty Insurance Company

Signature

W. Russell Brown, Jr.
Attorney-in-Fact

Schedule A

Operator	Field	Well Number	Qtr/Qtr	Section	Twnshp	Range	State	Lease Number	API Number	Owner
Texaco Expl. & Prod. Inc.	ANETH	B312	NESW	12	40S	23E	UTAH	SL070968A	430371627200S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	C312	SWSE	12	40S	23E	UTAH	SL070968A	430373011200S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	D212	SENE	12	40S	23E	UTAH	SL070968A	430371627800S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	D412	SESE	12	40S	23E	UTAH	SL070968A	430373004900S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E116	NWNW	16	40S	24E	UTAH	ML3156	430371583200S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	E117	NWNW	17	40S	24E	UTAH	I149IND8835	430371604900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E118	NWNW	18	40S	24E	UTAH	SL067807	430371541300S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E119	NWNW	19	40S	24E	UTAH	I149IND8836	430371628000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E120	NWNW	20	40S	24E	UTAH	I149IND8836	430371605000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E121	NWNW	21	40S	24E	UTAH	I149IND8836	430371605100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E122	NWNW	22	40S	24E	UTAH	I149IND8836	430373021500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E126	NWNW	26	40S	24E	UTAH	I149IND8838	430371605400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E128	NWNW	28	40S	24E	UTAH	14206032056	430371622200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E129	NWNW	29	40S	24E	UTAH	14206034030A	430371605500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E136	NWNW	36	40S	24E	UTAH	14206035444	430371548500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E213	SWNW	13	40S	24E	UTAH	I149IND8837	430371593800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E214	SWNW	14	40S	24E	UTAH	I149IND8837	430371593900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E218	SWNW	18	40S	24E	UTAH	SL067807	430373138500S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E307	NWSW	7	40S	24E	UTAH	SL067807	430371541200S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E308	NWSW	8	40S	24E	UTAH	I149IND8834	430371606000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E315	NWSW	15	40S	24E	UTAH	I149IND8834	430373021300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E316	NWSW	16	40S	24E	UTAH	ML3156	430373009400S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	E317	NWSW	17	40S	24E	UTAH	I149IND8835	430371606200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E318	NWSW	18	40S	24E	UTAH	I149IND8835	430371606300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E320	NWSW	20	40S	24E	UTAH	I149IND8836	430371606500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E321	NWSW	21	40S	24E	UTAH	I149IND8836	430371606600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E322	NWSW	22	40S	24E	UTAH	I149IND8836	430371606700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E323	NWSW	23	40S	24E	UTAH	I149IND8838	430371606800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E324	NWSW	24	40S	24E	UTAH	I149IND8838	430371606900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E325	NWSW	25	40S	24E	UTAH	I149IND8838	430371607000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E326	NWSW	26	40S	24E	UTAH	I149IND8838	430371607100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E407	SWSW	7	40S	24E	UTAH	SL067807	430373138600S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	E411	SWSW	11	40S	24E	UTAH	I149IND8837	430371594000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E413	SWSW	13	40S	24E	UTAH	I149IND8837	430371594100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	E414	SWSW	14	40S	24E	UTAH	I149IND8837	430371642100S1	Navajo Tribal Trust Land

Texaco Expl. & Prod. Inc.	ANETH	F114	NENW	14	40S	24E	UTAH	I149IND8837	43037164220OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F115	NENW	15	40S	24E	UTAH	I149IND8834	43037160740OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F116	NENW	16	40S	24E	UTAH	ML3156	43037162850OS1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	F118	NENW	18	40S	24E	UTAH	SL067807	43037301550OS1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	F123	NENW	23	40S	24E	UTAH	I149IND8838	43037302350OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F208	SENW	8	40S	24E	UTAH	I149IND8834	43037160760OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F217	SENW	17	40S	24E	UTAH	I149IND8835	43037162860OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F218	SENW	18	40S	24E	UTAH	I149IND8835	43037162870OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F219	SENW	19	40S	24E	UTAH	I149IND8836	43037160770OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F220	SENW	20	40S	24E	UTAH	I149IND8836	43037162880OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F221	SENW	21	40S	24E	UTAH	I149IND8836	43037160780OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F222	SENW	22	40S	24E	UTAH	I149IND8836	43037303730OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F223	SENW	23	40S	24E	UTAH	I149IND8838	43037160790OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F224	SENW	24	40S	24E	UTAH	I149IND8838	43037162890OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F225	SENW	25	40S	25E	UTAH	I149IND8838	43037160800IS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F226	SENW	26	40S	24E	UTAH	I149IND8838	43037162900OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F229	SENW	29	40S	24E	UTAH	14206034030A	43037162920OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F235	SENW	35	40S	24E	UTAH	14206032059	43037162930OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F236	SENW	36	40S	24E	UTAH	14206035444	43037162940OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F314	NESW	14	40S	24E	UTAH	I149IND8837	43037159420OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F315	NESW	15	40S	24E	UTAH	I149IND8834	43037162960OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F316	NESW	16	40S	24E	UTAH	ML3156	43037162970OS1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	F407	SESW	7	40S	24E	UTAH	SL067807	43037154150OS1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	F408	SESW	8	40S	24E	UTAH	I149IND8834	43037162980OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F409	SESW	9	40S	24E	UTAH	I149IND8834	43037160820OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F416	SESW	16	40S	24E	UTAH	ML3156	43037303330OS1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	F417	SESW	17	40S	24E	UTAH	I149IND8835	43037162990OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F418	SESW	18	40S	24E	UTAH	I149IND8835	43037150830OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F420	SESW	20	40S	24E	UTAH	I149IND8836	43037163000OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F421	SESW	21	40S	24E	UTAH	I149IND8836	43037160840OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F422	SESW	22	40S	24E	UTAH	I149IND8836	43037160850OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F423	SESW	23	40S	24E	UTAH	I149IND8838	43037160860OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F424	SESW	24	40S	24E	UTAH	I149IND8838	43037160870OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	F425	SESW	25	40S	24E	UTAH	I149IND8838	43037163010OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G116	NWNE	16	40S	24E	UTAH	ML3156	43037303440OS1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	G117	NWNE	17	40S	24E	UTAH	I149IND8835	43037160890OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G118	NWNE	18	40S	24E	UTAH	I149IND8835	43037160900OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G119	NWNE	19	40S	24E	UTAH	I149IND8836	43037160910OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G120	NWNE	20	40S	24E	UTAH	I149IND8833	43037160920OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G121X	NWNE	21	40S	24E	UTAH	I149IND8836	43037303350OS1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G122	NWNE	22	40S	24E	UTAH	I149IND8836	43037304250OS1	Navajo Tribal Trust Land

Texaco Expl. & Prod. Inc.	ANETH	G123	NWNE	23	40S	24E	UTAH	I149IND8838	430371630600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G125	NWNE	25	40S	24E	UTAH	I149IND8838	430371609501S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G126X	NWNE	26	40S	24E	UTAH	I149IND8838	430373037200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G127	NWNE	27	40S	24E	UTAH	14206032056	430371630700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G128	NWNE	28	40S	24E	UTAH	14206032056	430371622400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G129	NWNE	29	40S	24E	UTAH	14206034030A	430371609700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G136	NWNE	36	40S	24E	UTAH	14206035443	430371548600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G307	NWSE	7	40S	24E	UTAH	SL067807	430371610000S1	NTT Land (surface only)
Texaco Expl. & Prod. Inc.	ANETH	G308	NWSE	8	40S	24E	UTAH	I149IND8833	430371610100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G316	NWSE	16	40S	24E	UTAH	ML3156	430373010700S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	G317	NWSE	17	40S	24E	UTAH	I149IND8835	430371610300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G318	NWSE	18	40S	24E	UTAH	I149IND8835	430371610400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G319	NWSE	19	40S	24E	UTAH	I149IND8836	430371630900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G320	NWSE	20	40S	24E	UTAH	I149IND8836	430371610500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G321X	NWSE	21	40S	24E	UTAH	I149IND8836	430373009500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G322X	NWSE	22	40S	24E	UTAH	I149IND8836	430372023100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G324	NWSE	24	40S	24E	UTAH	I149IND8838	430371611100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G326	NWSE	26	40S	24E	UTAH	I149IND8838	430371611300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G411	SWSE	11	40S	24E	UTAH	I149IND8837	4303715944015 1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G414	SWSE	14	40S	24E	UTAH	I149IND8837	430371594500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G415	SWSE	15	40S	24E	UTAH	I149IND8834	430371611600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H122	NENE	22	40S	24E	UTAH	I149IND8836	430371617700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H208	SENE	8	40S	24E	UTAH	I149IND8834	430371611900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H216	SENE	16	40S	24E	UTAH	ML3156	430371631200S1	NTT Land (exchange w/ Utah)
Texaco Expl. & Prod. Inc.	ANETH	H217	SENE	17	40S	24E	UTAH	I149IND8833	430371631300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H218	SENE	18	40S	24E	UTAH	I149IND8835	430371612000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H219	SENE	19	40S	24E	UTAH	I149IND8836	430371612100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H220	SENE	20	40S	24E	UTAH	I149IND8833	430371631400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H221	SENE	21	40S	24E	UTAH	I149IND8836	430371612200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H222	SENE	22	40S	24E	UTAH	I149IND8836	430373024200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H223	SENE	23	40S	24E	UTAH	I149IND8838	430371612300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H225	SENE	25	40S	24E	UTAH	I149IND8838	430371612400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H226	SENE	26	40S	24E	UTAH	I149IND8838	430371631600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H227	SENE	27	40S	24E	UTAH	14206032056	430371631700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H229	SENE	29	40S	24E	UTAH	14206034030A	430371631800S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H234	SENE	34	40S	24E	UTAH	14206032056	430371631900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H235	SENE	35	40S	24E	UTAH	14206032059	430371632000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H314X	NESE	14	40S	24E	UTAH	I149IND8837	430373138100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H315	NESE	15	40S	24E	UTAH	I149IND8834	430373031200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H407	SESE	7	40S	24E	UTAH	I149IND8835	430371632200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H408	SESE	8	40S	24E	UTAH	I149IND8833	430371632300S1	Navajo Tribal Trust Land

Texaco Expl. & Prod. Inc.	ANETH	H416	SESE	16	40S	24E	UTAH	I149IND8834	430372023000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H417	SESE	17	40S	24E	UTAH	I149IND8833	430371632600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H418	SESE	18	40S	24E	UTAH	I149IND8835	430371632700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H420	SESE	20	40S	24E	UTAH	I149IND8836	430371632900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H421	SESE	21	40S	24E	UTAH	I149IND8836	430371633000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H423	SESE	23	40S	24E	UTAH	I149IND8838	430371612801S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H424	SESE	24	40S	24E	UTAH	I149IND8838	430371633100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H425	SESE	25	40S	24E	UTAH	I149IND8838	430371612900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H426	SESE	26	40S	24E	UTAH	I149IND8838	430371633200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	H427	SESE	27	40S	24E	UTAH	14206032056	430371633300S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	J130	NWNW	30	40S	25E	UTAH	I149IND8839A	430371613200S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	J131	NWNW	31	40S	25E	UTAH	1420603372A	430371594600S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	J330	NWSW	30	40S	25E	UTAH	I149IND8839	430371613400S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	K230	SENW	30	40S	25E	UTAH	I149IND8839A	430371613500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	K231	SENW	31	40S	25E	UTAH	1420603372A	430371633500S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	K430	SESW	30	40S	25E	UTAH	I149IND8839A	430371613700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	L330	NWSE	30	40S	25E	UTAH	I149IND8839A	430371613900S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	L419	SWSE	19	40S	25E	UTAH	I149IND8839A	430371614000S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	M230	SENE	30	40S	25E	UTAH	I149IND8839A	430371614100S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	M430	SESE	30	40S	25E	UTAH	I149IND8839A	430371633700S1	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	G215	SWNE	15	40S	24E	UTAH	I149IND8834	40303730066	Navajo Tribal Trust Land
Texaco Expl. & Prod. Inc.	ANETH	C113	NWNE	13	40S	23E	UTAH	UTSL070968A	43037318520000	Navajo Tribal Trust Land

PA001252

POWER OF ATTORNEY

(To be used with bonds issued on behalf of U. S. SPECIALTY INSURANCE COMPANY)

Know All Men by These Presents That, **U. S. SPECIALTY INSURANCE COMPANY** (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Edwin H. Frank III, W. Russell Brown, Jr.

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed Ten Million Nine Hundred Dollars ($10,900,000)** and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the U. S. Specialty Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted by unanimous written consent in lieu of meeting on July 7, 2003.)

In Witness Whereof, **U. S. SPECIALTY INSURANCE COMPANY** has caused these presents to be signed by its **President,** and its corporate seal to be hereto affixed this 3rd day of May, 2006.

Corporate Seal

U. S. SPECIALTY INSURANCE COMPANY
By

State of Texas

County of Harris ss:

Michael J. Schell, President

On this 3rd day of May, 2006 before me personally came Michael J. Schell, to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of U. S. SPECIALTY INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.

Notary Seal

MICHELE C. CORTEZ
Notary Public, State of Texas
My Commission Expires
February 13, 2007

Michele C Cortez, **Notary Public**

My commission expires 2/13/07

I, Charles C. McDaniel, Assistant Vice President of U. S. SPECIALTY INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said Company at Houston, Texas this 8th day of **March**, 2007.

Corporate Seal

Charles C. McDaniel, Assistant Vice President

ATTACHMENT 4

CASING & CEMENT REPORT

RESOLUTE
NATURAL RESOURCES

Casing, Liner and Cement report

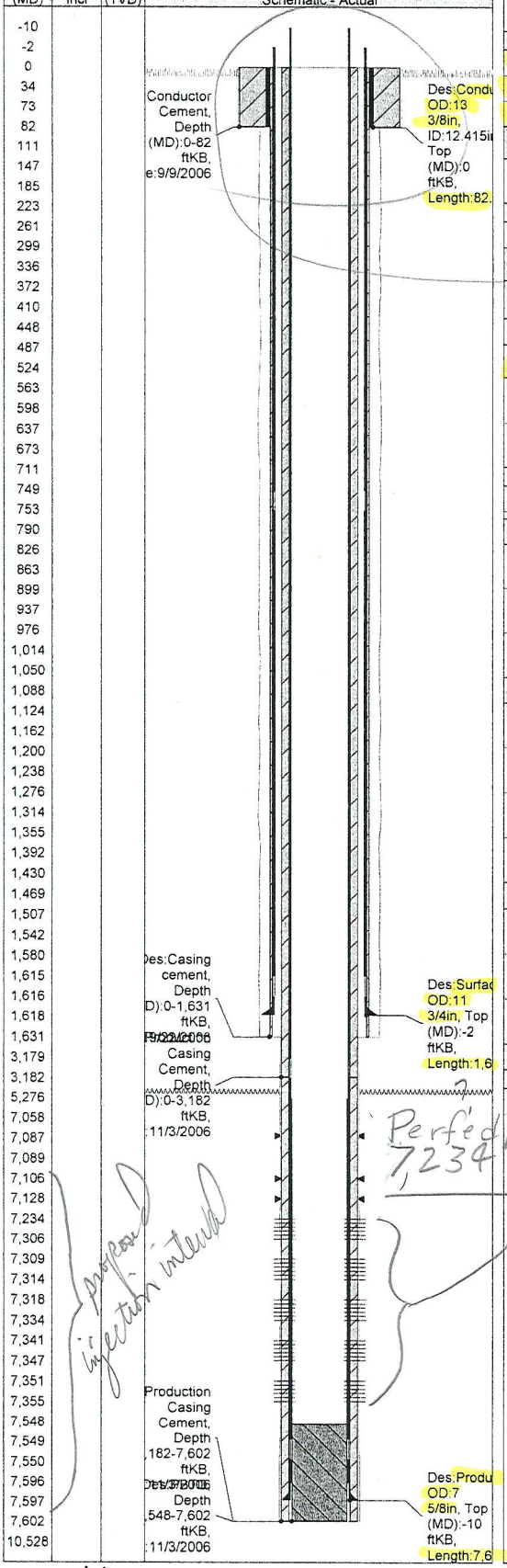
Conductor

Well Name: C113SWD Aneth Unit

API Number	Section	Township	Range	Field Name	License No.	State/Province	Wellbore Config
43037318520000	13	T40S	R23E	Aneth		UT/U.S.	

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Well Spud Date/Time	Rig Release Date/Time
4,794.00	4,794.00	16.00	16.00	9/9/2006 00:00	4/2/2007 16:00

Wellbore Config: - Original Hole, 4/4/2007 9:37:11 AM



Wellbore

Wellbore Name	Profile Type	Kick Off Depth (ftKB)	Vertical Section Direction (°)
Original Hole	Vertical		

Section	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
Conductor	20	0.0	82.0
Surface	14 3/4	82.0	1,631.0
Production	9 1/2	1,631.0	7,602.0

Wellhead

Type: 13 3/8" x 11

Description	Make	Model	SN	Top WP (psi)

Last Mud Check

Date	Type	Depth (ftKB)	Dens (lb/gal)	Vis (s/qt)	Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100ft²)	PV OR (cp)	YP OR (lbf/100ft²)
00:00				54				

Casing

Casing Description	Run Date/Time	Set Depth (ftKB)	Wellbore
Conductor	9/9/2006 16:30	82.0	Original Hole

Centralizers: 0 | Scratchers:

Jts	Item Description	OD (in)	ID (in)	Wt (lbs/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
2	Casing Joints	13 3/8	12.415	68.00	C-75	82.00	0.0	82.0

Cement: Conductor Cement

Cementing Start Date	Cementing End Date	Wellbore
9/9/2006	9/9/2006	

Evaluation Method: | Cement Evaluation Results:

Comment:

Cement Stages: Conductor Cement

Top (ftKB)	Bottom (ftKB)	Full Return?	Cmnt Rtrn...	Top Plug?	Bottom Plug?
0.0	82.0				

Q (start) (bbl/min)	Q (end) (bbl/min)	Q (avg) (bbl/min)	P (final) (psi)	P (bump) (psi)

Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)

Depth tagged (ftKB)	Tag Method	Plug Depth (ftKB)	Drill Out Diameter (in)	Drill Out Date/Time

Cement Fluids: Conductor Cement

Fluid Type	Fluid Description	Amount (s...	Class	Volume Pumped (bbl)

Estimated Top (ftKB)	Estimated Bottom (ftKB)	Yield (ft³/sack)	Mix H20 Ratio (gal/sack)	Free Water (%)

Density (lb/gal)	Plastic Viscosity (cp)	Thickening Time (hrs)	1st Compressive Strength (psi)

Cement Fluid Additives

Add	Type	Conc

Scanned image #140

Casing + Cementing information is incomplete in both this and the daily drilling reports 4/3/07

RESOLUTE
NATURAL RESOURCES

Casing, Liner and Cement report

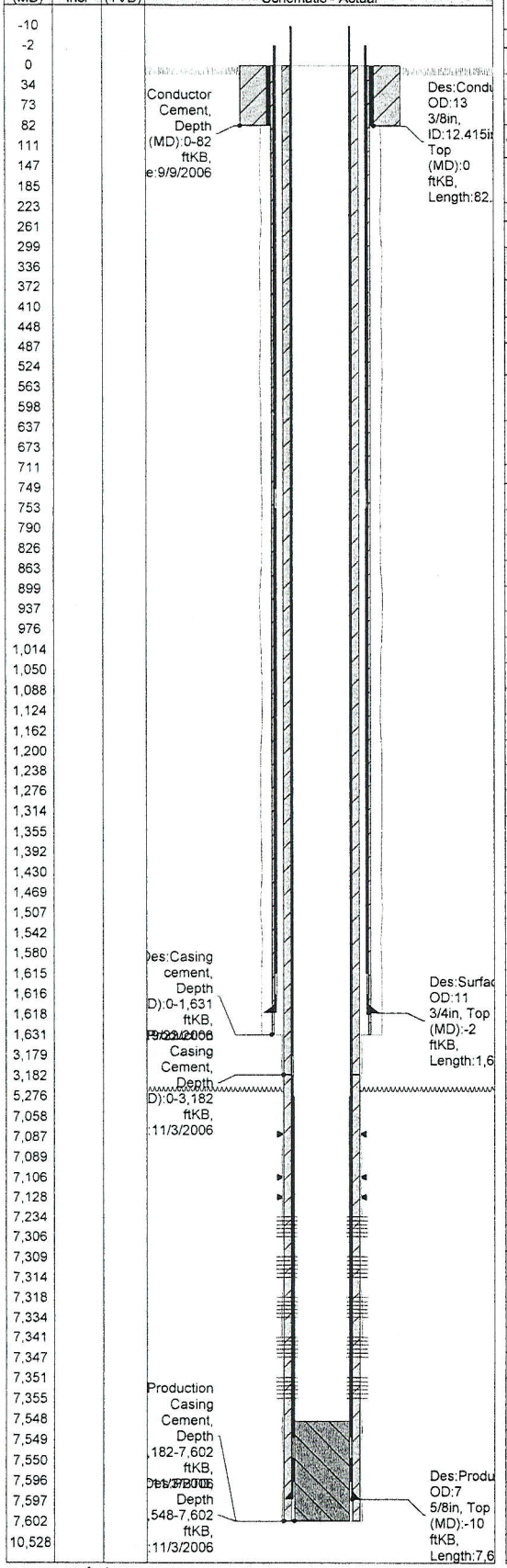
Surface

Well Name: C113SWD Aneth Unit

API Number	Section	Township	Range	Field Name	License No.	State/Province	Wellbore Config
43037318520000	13	T40S	R23E	Aneth		UT/U.S.	

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Well Spud Date/Time	Rig Release Date/Time
4,794.00	4,794.00	16.00	16.00	9/9/2006 00:00	4/2/2007 16:00

Wellbore Config: - Original Hole, 4/4/2007 9:37:11 AM



Wellbore

Wellbore Name	Profile Type	Kick Off Depth (ftKB)	Vertical Section Direction (°)
Original Hole	Vertical		

Section	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
Conductor	20	0.0	82.0
Surface	14 3/4	82.0	1,631.0
Production	9 1/2	1,631.0	7,602.0

Wellhead

Type: 13 3/8" x 11

Description	Make	Model	SN	Top WP (psi)

Last Mud Check

Date	Type	Depth (ftKB)	Dens (lb/gal)	Vis (s/qt)	Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100ft²)	PV OR (cp)	YP OR (lbf/100ft²)
00:00				54				

Casing

Casing Description	Run Date/Time	Set Depth (ftKB)	Wellbore
Surface	9/22/2006 01:30	1,618.0	Original Hole

Centralizers: 11

Scratchers:

Jts	Item Description	OD (in)	ID (in)	Wt (lbs/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.25	-2.4	33.9
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.60	33.9	72.5
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.50	72.5	111.0
1	Casing Joints	11 3/4	11.000	47.00	J-55	35.67	111.0	146.6
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.15	146.6	184.8
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.35	184.8	223.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.60	223.1	260.7
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.00	260.7	298.7
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.35	298.7	336.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.00	336.1	372.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.40	372.1	410.5
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.60	410.5	448.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.45	448.1	486.5
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.90	486.5	524.4
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.47	524.4	562.9
1	Casing Joints	11 3/4	11.000	47.00	J-55	35.30	562.9	598.2
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.90	598.2	637.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.00	637.1	673.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.70	673.1	710.8
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.30	710.8	749.1
1	Stage Tool	11 3/4				4.00	749.1	753.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.88	753.1	790.0
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.41	790.0	826.4
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.36	826.4	862.8
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.35	862.8	899.1
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.20	899.1	937.3
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.45	937.3	975.8
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.10	975.8	1,013.9
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.15	1,013.9	1,050.0
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.55	1,050.0	1,087.6
1	Casing Joints	11 3/4	11.000	47.00	J-55	36.40	1,087.6	1,124.0
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.47	1,124.0	1,162.4
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.80	1,162.4	1,200.2
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.59	1,200.2	1,237.8
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.78	1,237.8	1,275.6
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.10	1,275.6	1,313.7
1	Casing Joints	11 3/4	11.000	47.00	J-55	40.95	1,313.7	1,354.7
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.80	1,354.7	1,392.5
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.10	1,392.5	1,430.6
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.95	1,430.6	1,468.5
1	Casing Joints	11 3/4	11.000	47.00	J-55	37.95	1,468.5	1,506.5
1	Casing Joints	11 3/4	11.000	47.00	J-55	35.60	1,506.5	1,542.1

RESOLUTE
NATURAL RESOURCES

Casing, Liner and Cement report

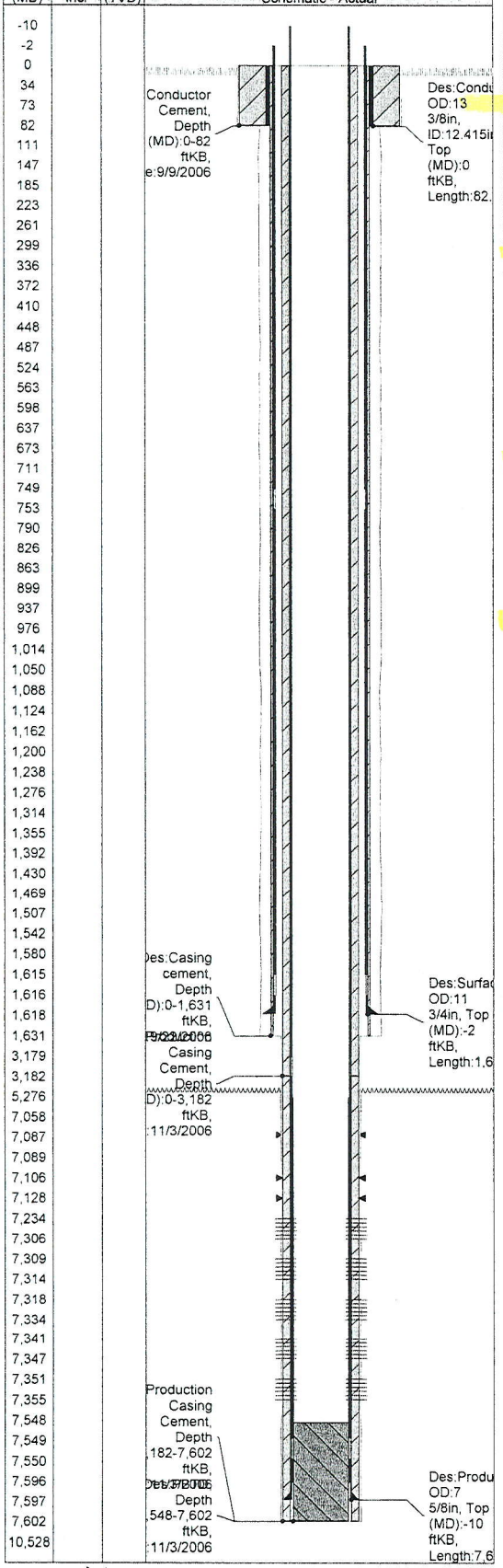
Surface

Well Name: C113SWD Aneth Unit

API Number	Section	Township	Range	Field Name	License No.	State/Province	Wellbore Config
43037318520000	13	T40S	R23E	Aneth		UT/U.S.	

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Well Spud Date/Time	Rig Release Date/Time
4,794.00	4,794.00	16.00	16.00	9/9/2006 00:00	4/2/2007 16:00

Wellbore Config: - Original Hole, 4/4/2007 9:37:11 AM



Jts	Item Description	OD (in)	ID (in)	Wt (lbs/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
1	Casing Joints	11 3/4	11.000	47.00	J-55	38.10	1,542.1	1,580.2
1	Casing Joints	11 3/4	11.000	47.00	J-55	34.35	1,580.2	1,614.5
1	Float Collar	11 3/4				2.00	1,614.5	1,616.5
1	Guide Shoe	11 3/4				1.50	1,616.5	1,618.0

Cement: Surface

Cementing Start Date	Cementing End Date	Wellbore
9/22/2006	9/22/2006	

Evaluation Method	Cement Evaluation Results

Comment

Cement Stages: Surface

Top (ftKB)	Bottom (ftKB)	Full Return?	Cmnt Rtrn...	Top Plug?	Bottom Plug?
0.0	1,631.0	No		No	No

Q (start) (bbl/min)	Q (end) (bbl/min)	Q (avg) (bbl/min)	P (final) (psi)	P (bump) (psi)

Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)
No			No	

Depth tagged (ftKB)	Tag Method	Plug Depth (ftKB)	Drill Out Diameter (in)	Drill Out Date/Time

Cement Fluids: Surface

Fluid Type	Fluid Description	Amount (s...	Class	Volume Pumped (bbl)

Estimated Top (ftKB)	Estimated Bottom (ftKB)	Yield (ft³/sack)	Mix H20 Ratio (gal/sack)	Free Water (%)
0.0	1,631.0			

Density (lb/gal)	Plastic Viscosity (cp)	Thickening Time (hrs)	1st Compressive Strength (psi)

Cement Fluid Additives

Add	Type	Conc

RESOLUTE
NATURAL RESOURCES

Casing, Liner and Cement report

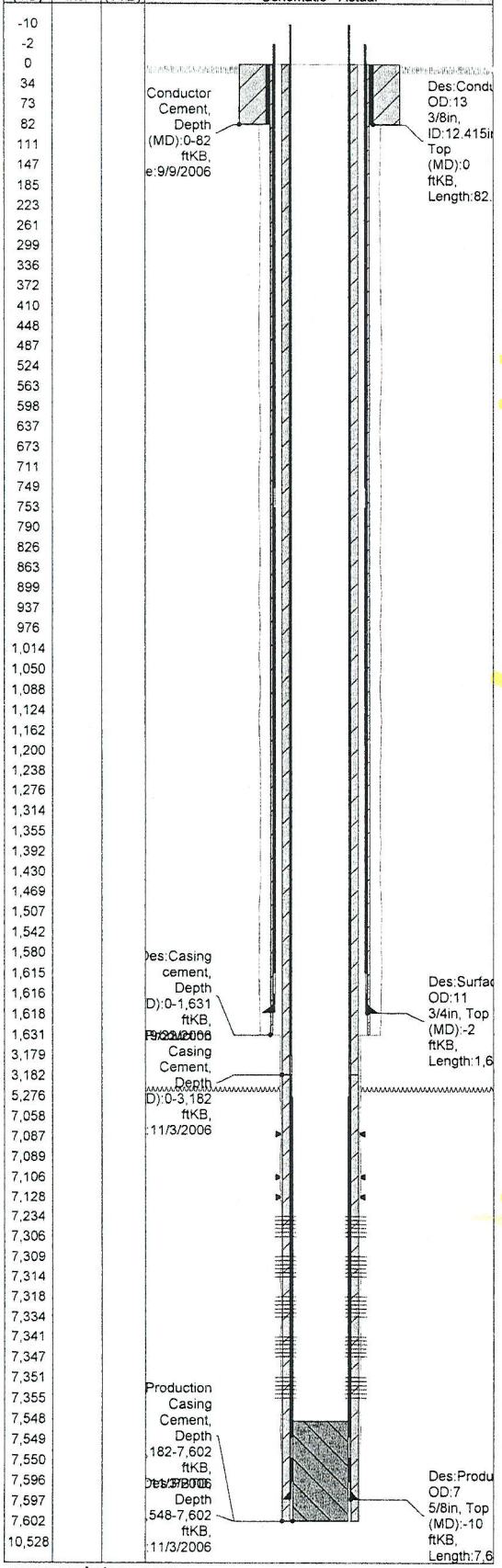
Production

Well Name: C113SWD Aneth Unit

API Number	Section	Township	Range	Field Name	License No.	State/Province	Wellbore Config
43037318520000	13	T40S	R23E	Aneth		UT/U.S.	

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Well Spud Date/Time	Rig Release Date/Time
4,794.00	4,794.00	16.00	16.00	9/9/2006 00:00	4/2/2007 16:00

Wellbore Config: - Original Hole, 4/4/2007 9:37:11 AM



Wellbore

Wellbore Name	Profile Type	Kick Off Depth (ftKB)	Vertical Section Direction (°)
Original Hole	Vertical		

Section	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
Conductor	20	0.0	82.0
Surface	14 3/4	82.0	1,631.0
Production	9 1/2	1,631.0	7,602.0

Wellhead

Type: 13 3/8" x 11

Description	Make	Model	SN	Top WP (psi)

Last Mud Check

Date	Type	Depth (ftKB)	Dens (lb/gal)	Vis (s/qt)	Gel (10s) (lbf/100ft²)	Gel (10m) (lbf/100ft²)	PV OR (cp)	YP OR (lbf/100ft²)
11/1/2006			10.40	60				

Casing

Casing Description	Run Date/Time	Set Depth (ftKB)	Wellbore
Production	11/2/2006 17:00	7,597.0	Original Hole

Centralizers: | Scratchers:

Jts	Item Description	OD (in)	ID (in)	Wt (lbs/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
73	Casing Joints	7 5/8	6.969	26.40	L-80	3,189.36	-9.8	3,179.5
1	Stage Tool	7 5/8	6.969	26.40	L-80	2.62	3,179.5	3,182.1
46	Casing Joints	7 5/8	6.969	26.40	L-80	2,094.14	3,182.1	5,276.3
50	Casing Joints	7 5/8	6.765	33.70	P-110	2,272.51	5,276.3	7,548.8
1	Float Collar	7 5/8				0.97	7,548.8	7,549.8
1	Casing Joints	7 5/8	6.765	33.70	P-110	46.13	7,549.8	7,595.9
1	Float Shoe	7 5/8				1.12	7,595.9	7,597.0

Cement: Production Casing Cement

Cementing Start Date	Cementing End Date	Wellbore
11/3/2006	11/3/2006	

Evaluation Method: | Cement Evaluation Results:

Comment:

Cement Stages: Production Casing Cement

Top (ftKB)	Bottom (ftKB)	Full Return?	Cmnt Rtrn...	Top Plug?	Bottom Plug?
3,182.0	7,602.0				

Q (start) (bbl/min)	Q (end) (bbl/min)	Q (avg) (bbl/min)	P (final) (psi)	P (bump) (psi)

Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)

Depth tagged (ftKB)	Tag Method	Plug Depth (ftKB)	Drill Out Diameter (in)	Drill Out Date/Time

Cement Fluids: Production Casing Cement

Fluid Type	Fluid Description	Amount (s...	Class	Volume Pumped (bbl)

Estimated Top (ftKB)	Estimated Bottom (ftKB)	Yield (ft³/sack)	Mix H20 Ratio (gal/sack)	Free Water (%)
3,182.0	7,602.0			

Density (lb/gal)	Plastic Viscosity (cp)	Thickening Time (hrs)	1st Compressive Strength (psi)

Cement Fluid Additives

Add	Type	Conc

Cement Stages: Production Casing Cement

Top (ftKB)	Bottom (ftKB)	Full Return?	Cmnt Rtrn...	Top Plug?	Bottom Plug?
0.0	3,182.0				

Q (start) (bbl/min)	Q (end) (bbl/min)	Q (avg) (bbl/min)	P (final) (psi)	P (bump) (psi)

Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)

Depth tagged (ftKB)	Tag Method	Plug Depth (ftKB)	Drill Out Diameter (in)	Drill Out Date/Time

RESOLUTE
NATURAL RESOURCES

Casing, Liner and Cement report

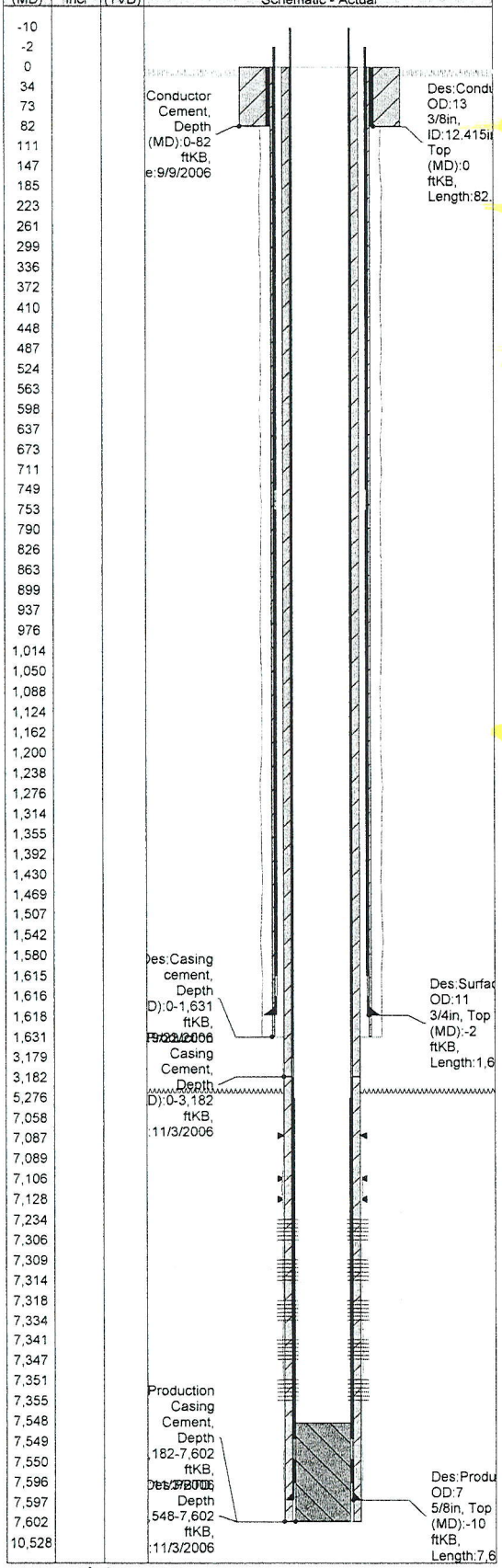
Production

Well Name: C113SWD Aneth Unit

API Number	Section	Township	Range	Field Name	License No.	State/Province	Wellbore Config
43037318520000	13	T40S	R23E	Aneth		UT/U.S.	

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Well Spud Date/Time	Rig Release Date/Time
4,794.00	4,794.00	16.00	16.00	9/9/2006 00:00	4/2/2007 16:00

Wellbore Config: - Original Hole, 4/4/2007 9:37:11 AM



Cement Fluids: Production Casing Cement

Fluid Type	Fluid Description	Amount (s...	Class	Volume Pumped (bbl)

Estimated Top (ftKB)	Estimated Bottom (ftKB)	Yield (ft³/sack)	Mix H20 Ratio (gal/sack)	Free Water (%)
0.0	3,182.0			

Density (lb/gal)	Plastic Viscosity (cp)	Thickening Time (hrs)	1st Compressive Strength (psi)

Cement Fluid Additives

Add	Type	Conc

Cement: PBTD

Cementing Start Date	Cementing End Date	Wellbore
11/3/2006	11/3/2006	

Evaluation Method	Cement Evaluation Results

Comment

Cement Stages: PBTD

Top (ftKB)	Bottom (ftKB)	Full Return?	Cmnt Rtrn...	Top Plug?	Bottom Plug?
7,548.0	7,602.0				

Q (start) (bbl/min)	Q (end) (bbl/min)	Q (avg) (bbl/min)	P (final) (psi)	P (bump) (psi)

Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)

Depth tagged (ftKB)	Tag Method	Plug Depth (ftKB)	Drill Out Diameter (in)	Drill Out Date/Time

Cement Fluids: PBTD

Fluid Type	Fluid Description	Amount (s...	Class	Volume Pumped (bbl)

Estimated Top (ftKB)	Estimated Bottom (ftKB)	Yield (ft³/sack)	Mix H20 Ratio (gal/sack)	Free Water (%)

Density (lb/gal)	Plastic Viscosity (cp)	Thickening Time (hrs)	1st Compressive Strength (psi)

Cement Fluid Additives

Add	Type	Conc

ATTACHMENT 5

FORMATION WATER ANALYSIS

Rocky Mountain Region
1675 Broadway, Suite 1500
Denver, CO 80202
(303) 573-2772
Lab Team Leader - Sheila Hernandez
(432) 495-7240

Water Analysis Report by Baker Petrolite

Company:	RESOLUTE OIL COMPANY	Sales RDT:	44200
Region:	ROCKY MOUNTAINS	Account Manager:	ALLAN MASHBURN (435) 828-3351
Area:	FARMINGTON, NM	Sample #:	221770
Lease/Platform:	ANETH UNIT	Analysis ID #:	51601
Entity (or well #):	WATER PLANT	Analysis Cost:	$40.00
Formation:	UNKNOWN		
Sample Point:	INJECTION PUMP DISCHARGE		

Summary	
Sampling Date:	5/12/05
Analysis Date:	5/31/05
Analyst:	STACEY SMITH
TDS (mg/l or g/m3):	91010.2
Density (g/cm3, tonne/m3):	1.064
Anion/Cation Ratio:	1
Carbon Dioxide:	
Oxygen:	
Comments:	

Analysis of Sample 221770 @ 75 °F

Anions	mg/l	meq/l
Chloride:	**55413.0**	**1563.**
Bicarbonate:	**177.0**	**2.9**
Carbonate:	**0.0**	**0.**
Sulfate:	**962.0**	**20.03**
Phosphate:		
Borate:		
Silicate:		
Hydrogen Sulfide:		10 PPM
pH at time of sampling:		7
pH at time of analysis:		6.98
pH used in Calculation:		**7**

Cations	mg/l	meq/l
Sodium:	**25465.9**	**1107.71**
Magnesium:	**1466.0**	**120.6**
Calcium:	**6813.0**	**339.97**
Strontium:	**231.0**	**5.27**
Barium:	**0.3**	**0.**
Iron:	**5.0**	**0.18**
Potassium:	477.0	12.2
Aluminum:		
Chromium:		
Copper:		
Lead:		
Manganese:		
Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite $CaCO_3$		Gypsum $CaSO_4*2H_2O$		Anhydrite $CaSO_4$		Celestite $SrSO_4$		Barite $BaSO_4$		CO_2 Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.69	13.14	-0.17	0.00	-0.20	0.00	0.14	36.86	0.36	0.00	0.13
100	0	0.76	15.06	-0.21	0.00	-0.18	0.00	0.13	35.26	0.18	0.00	0.17
120	0	0.83	17.31	-0.24	0.00	-0.13	0.00	0.14	36.22	0.03	0.00	0.22
140	0	0.90	19.55	-0.26	0.00	-0.05	0.00	0.15	39.42	-0.10	0.00	0.28

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

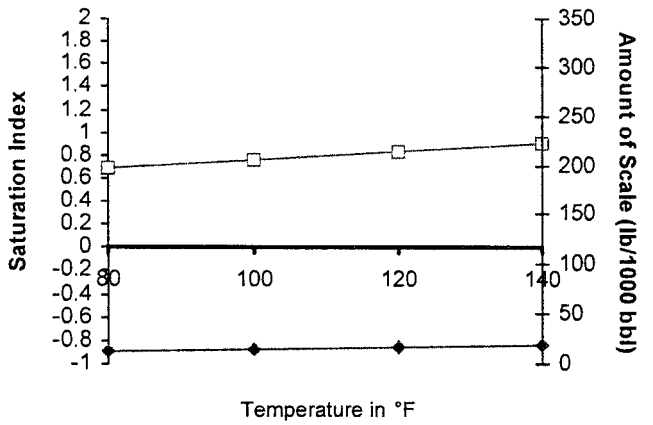
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

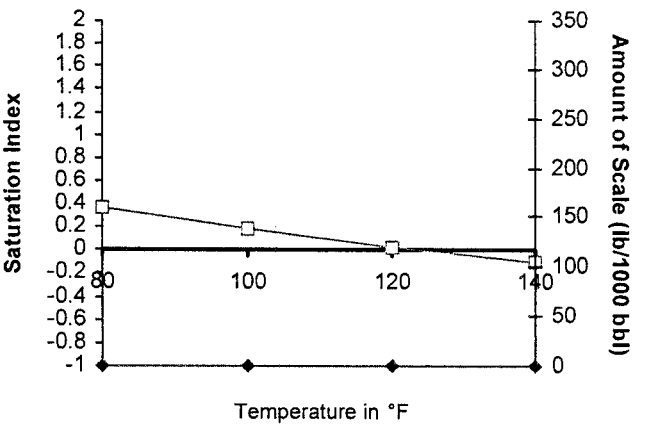
Scale Predictions from Baker Petrolite

Analysis of Sample 221770 @ 75 °F for RESOLUTE OIL COMPANY, 5/31/05

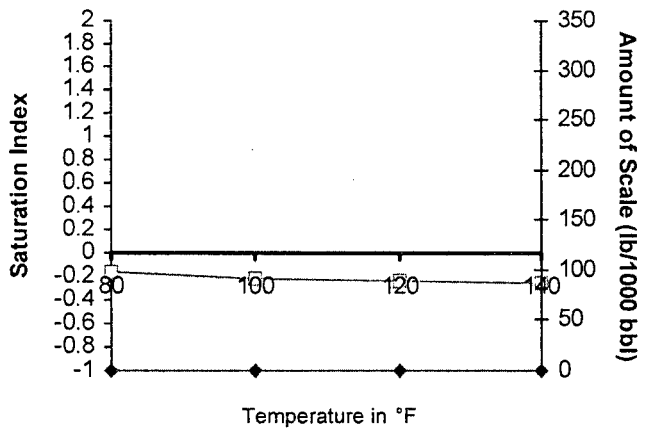
Calcite - CaCO3



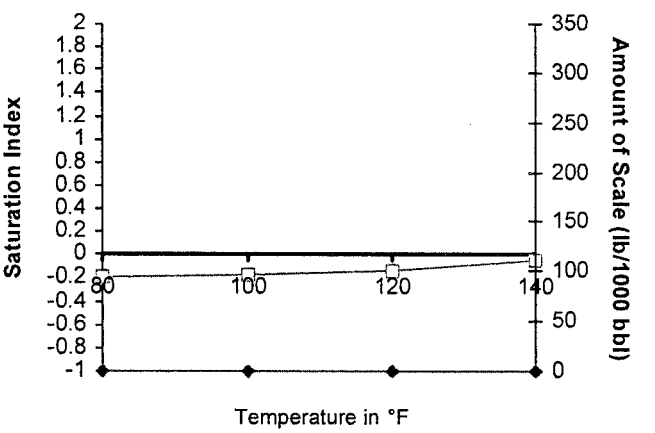
Barite - BaSO4



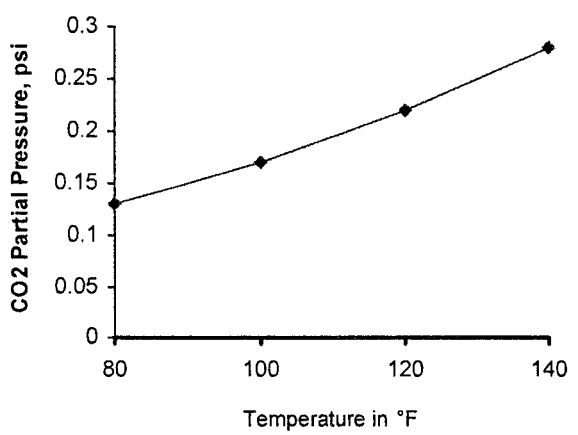
Gypsum - CaSO4*2H20



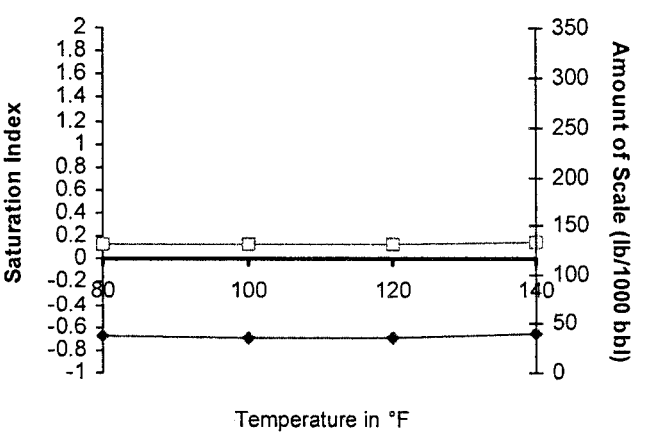
Anhydrite - CaSO4



Carbon Dioxide Partial Pressure



Celestite - SrSO4



HALLIBURTON

Water Analysis Report

To:	Resolute	Date:	11/9/2006
Submitted by:	Halliburton Energy Services	Date Rec:	11/9/2006
Attention:	Matt Roberts	Report #:	FLMM690A
Well Name:	C-113	Formation:	Leadville
Time:	2:45am on 11/8		

Specific Gravity	1.050	
pH	6.7	
Resistivity	0.19	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	540	Mg / L
Sodium (Na)	26022	Mg / L
Calcium (Ca)	152	Mg / L
Magnesium (Mg)	5	Mg / L
Chlorides (Cl)	38800	Mg / L
Sulfates (SO4)	0	Mg / L
Carbonates (CO3)	0	Mg / L
Bicarbonates (HCO3)	3660	Mg / L
Total Dissolved Solids	69179	Mg / L

Respectfully: Colt A. Kalcich

Title: Lab Technician

Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use.

HALLIBURTON

Water Analysis Report

To:	Resolute	Date:	11/9/2006
Submitted by:	Halliburton Energy Services	Date Rec:	11/9/2006
Attention:	Matt Roberts	Report #:	FLMM690A
Well Name:	C-113	Formation:	Leadville
Time:	10:30am on 11/8		

Specific Gravity	1.030	
pH	7.1	
Resistivity	0.30	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	110	Mg / L
Sodium (Na)	15260	Mg / L
Calcium (Ca)	48	Mg / L
Magnesium (Mg)	22	Mg / L
Chlorides (Cl)	23000	Mg / L
Sulfates (SO4)	600	Mg / L
Carbonates (CO3)	0	Mg / L
Bicarbonates (HCO3)	610	Mg / L
Total Dissolved Solids	39650	Mg / L

Respectfully: Colt A. Kalcich

Title: Lab Technician

Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use.

HALLIBURTON

Water Analysis Report

To:	Resolute	Date:	11/9/2006
Submitted by:	Halliburton Energy Services	Date Rec:	11/9/2006
Attention:	Matt Roberts	Report #:	FLMM690A
Well Name:	C-113	Formation:	Leadville
Time:	6:50am on 11/9		

Specific Gravity	1.035	
pH	6.7	
Resistivity	0.24	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	420	Mg / L
Sodium (Na)	16159	Mg / L
Calcium (Ca)	188	Mg / L
Magnesium (Mg)	7	Mg / L
Chlorides (Cl)	23400	Mg / L
Sulfates (SO4)	0	Mg / L
Carbonates (CO3)	0	Mg / L
Bicarbonates (HCO3)	3904	Mg / L
Total Dissolved Solids	44078	Mg / L

Respectfully: Colt A. Kalcich

Title: Lab Technician

Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use.

HALLIBURTON

Water Analysis Report

To:	Resolute	Date:	11/9/2006
Submitted by:	Halliburton Energy Services	Date Rec:	11/9/2006
Attention:	Matt Roberts	Report #:	FLMM690A
Well Name:	C-113	Formation:	Leadville
Time:	8:30am on 11/9		

Specific Gravity	1.035	
pH	6.7	
Resistivity	0.26	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	420	Mg / L
Sodium (Na)	16454	Mg / L
Calcium (Ca)	168	Mg / L
Magnesium (Mg)	5	Mg / L
Chlorides (Cl)	23600	Mg / L
Sulfates (SO4)	0	Mg / L
Carbonates (CO3)	0	Mg / L
Bicarbonates (HCO3)	4270	Mg / L
Total Dissolved Solids	44917	Mg / L

Respectfully: Colt A. Kalcich

Title: Lab Technician

Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use.

HALLIBURTON

Water Analysis Report

To:	Resolute	Date:	11/9/2006
Submitted by:	Halliburton Energy Services	Date Rec:	11/9/2006
Attention:	Matt Roberts	Report #:	FLMM690A
Well Name:	C-113	Formation:	Leadville
Time:	10:45am on 11/9		

Specific Gravity	1.030	
pH	6.8	
Resistivity	0.20	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	400	Mg / L
Sodium (Na)	16086	Mg / L
Calcium (Ca)	220	Mg / L
Magnesium (Mg)	5	Mg / L
Chlorides (Cl)	23200	Mg / L
Sulfates (SO4)	0	Mg / L
Carbonates (CO3)	0	Mg / L
Bicarbonates (HCO3)	4107	Mg / L
Total Dissolved Solids	44018	Mg / L

Respectfully: Colt A. Kalcich

Title: Lab Technician

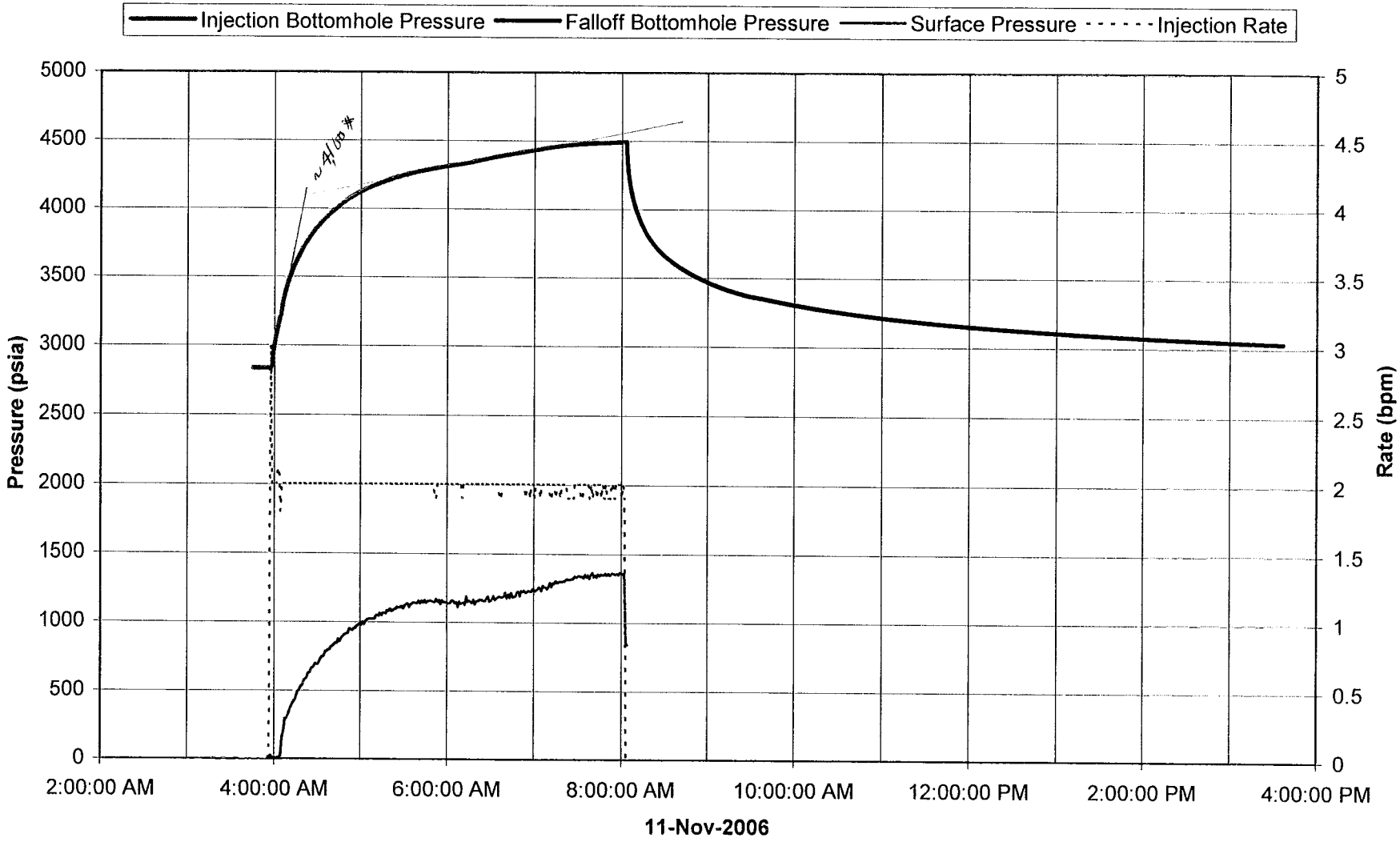
Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use

ATTACHMENT 6

PRESSURE FALLOFF AND STEP-RATE TEST RESULTS

C-113 LDVL
Falloff Test - Vertical Well



Vertical Water Well Model

Case Name : C113 Vertical Injection

Model Parameters

Water Permeability (k_w)	3.727 md
Gas Permeability (k_g)	md
Skin (s)	-1.574
Total Mobility (k/μ_t)	6.55 md/cp
Total Transmissivity (kh/μ_t)	844.54 md.ft/cp
Wellbore Storage Constant Dim. (C_D)	298.79
Reservoir Length (X_e)	10000.000 ft
Reservoir Width (Y_e)	10000.000 ft
Active Well At (X_w)	5000.000 ft
Active Well At (Y_w)	5000.000 ft

Formation Parameters

Net Pay (h)	129.000 ft
Total Porosity (Φ_t)	10.30 %
Water Saturation (S_w)	50.00 %
Oil Saturation (S_o)	50.00 %
Gas Saturation (S_g)	0.00 %
Wellbore Radius (r_w)	0.30 ft
Formation Temperature (T)	140.0 °F
Formation Compressibility (c_f)	4.803e-6 psi^{-1}
Total Compressibility (c_t)	5.626e-5 psi^{-1}

Fluid Properties

Water Compressibility (c_w)	2.90791e-6 psi^{-1}
Water Formation Volume Factor (B_w)	1.011
Water Viscosity (μ_w)	0.569 cp
Solution Gas Ratio (R_{sw})	0 scf/bbl
Specific Gravity (G)	1.070
PVT Reference Pressure (p_{PVT})	2883.00 psi

Production and Pressure

Q_tB_t	-2853.726 bbl/d
Final Water Rate	-2823.840 bbl/d
Final Gas Rate	MMCF/D
Final Flowing Pressure (p_{wfo})	4480.63 psi
Final Measured Pressure	3020.88 psi
Cumulative Water Production	-482.423 bbl

Synthesis Results

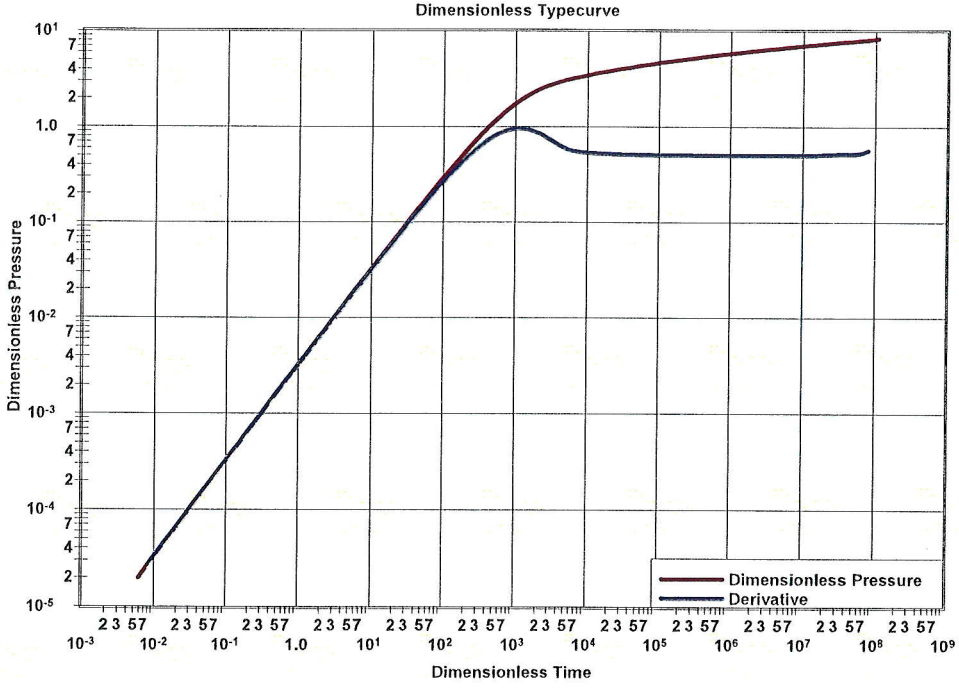
Average Error	0.27 %
Synthetic Initial Pressure (p_i)	2782.69 psi
Extrapolated Pressure at Specified Time	2782.80 psi
Pressure Drop Due To Skin (Δp_s)	psi
Flow Efficiency (FE)	1.437
Damage Ratio (DR)	0.696

Forecasts

Forecast Flowing Pressure (P_{flow})	4480.63 psi
3 - Month Constant Rate Forecast @ Curr. Skin	-1493.157 bbl/d
6 - Month Constant Rate Forecast @ Curr. Skin	-1419.990 bbl/d
Forecast Flow Duration (t_{flow})	12.00 month
Constant Rate Forecast @ Curr. Skin	-1353.061 bbl/d
PI / II (Actual)	0.837 bbl/d/psi
Constant Rate Forecast @ Skin=0	-1116.470 bbl/d
PI / II (Ideal)	0.685 bbl/d/psi
Constant Rate Forecast @ Skin=-4	-2009.456 bbl/d

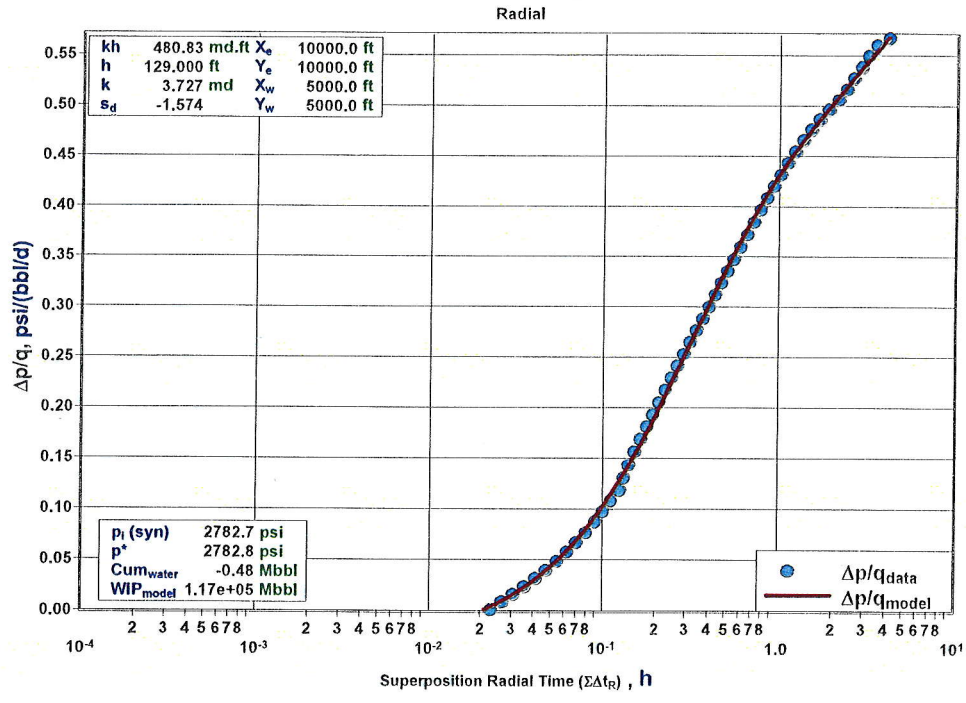
C113 Vertical Injection

Dimensionless Typecurve



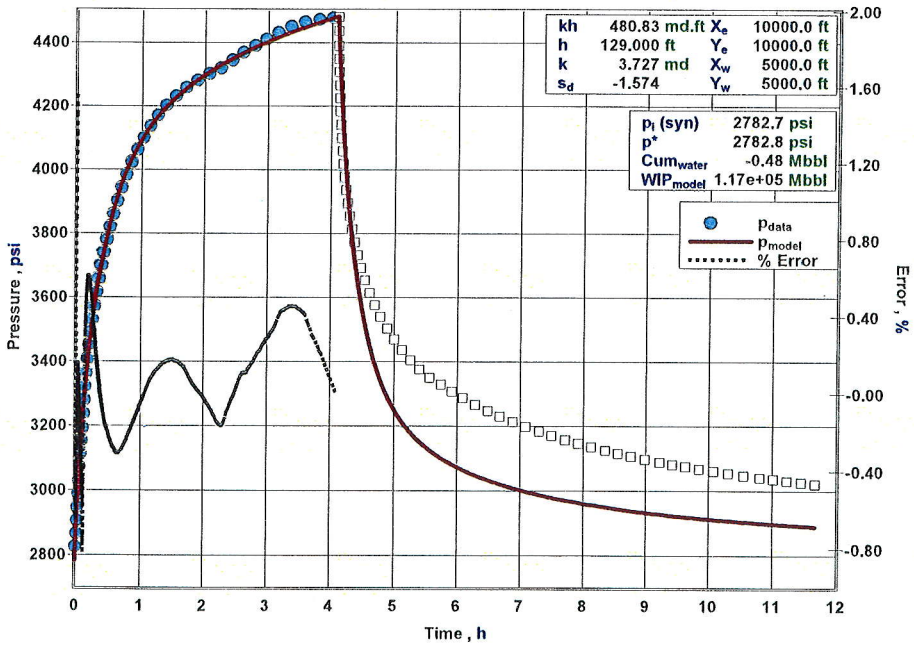
C113 Vertical Injection

Radial



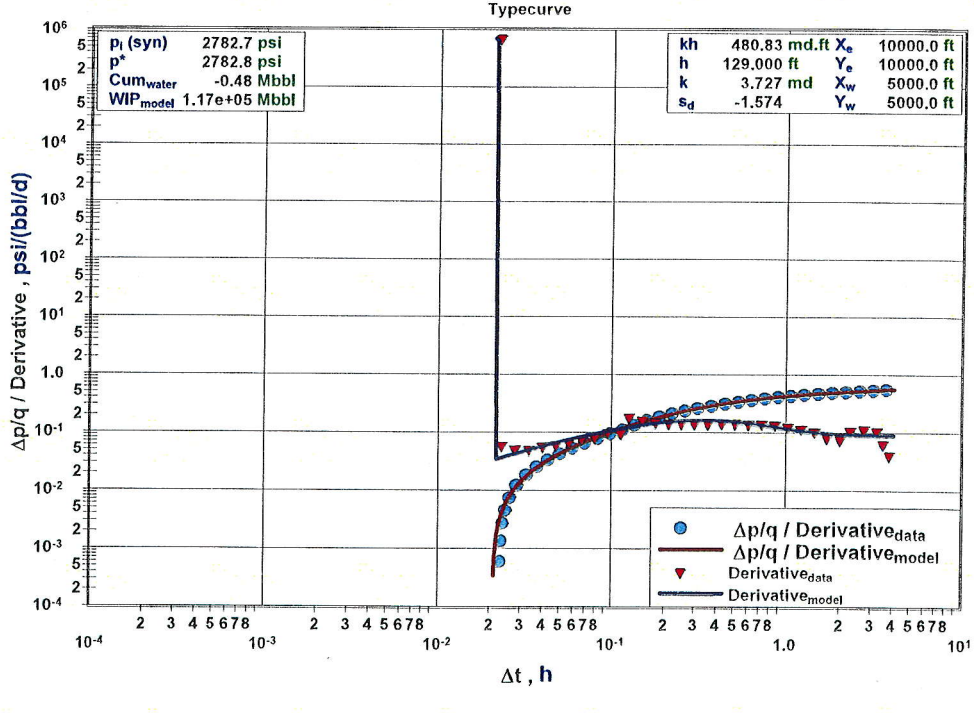
C113 Vertical Injection

Total Test



C113 Vertical Injection

Typecurve



Vertical Water Well Model

Case Name : C113 Vertical Falloff

Model Parameters

Water Permeability (k_w)	2.302 md
Gas Permeability (k_g)	md
Skin (s)	-2.901
Total Mobility (k/μ_t	4.04 md/cp
Total Transmissivity (kh/μ_t	521.52 md.ft/cp
Wellbore Storage Constant Dim. (C_D)	52.33

Reservoir Length (X_e)	10000.000 ft
Reservoir Width (Y_e)	10000.000 ft
Active Well At (X_w)	5000.000 ft
Active Well At (Y_w)	5000.000 ft

Formation Parameters

Net Pay (h)	129.000 ft
Total Porosity (Φt)	10.30 %
Water Saturation (S_w)	50.00 %
Oil Saturation (S_o)	50.00 %
Gas Saturation (S_g)	0.00 %
Wellbore Radius (r_w)	0.30 ft
Formation Temperature (T)	140.0 °F
Formation Compressibility (c_f)	3.200e-6 psi^{-1}
Total Compressibility (c_t)	5.465e-5 psi^{-1}

Fluid Properties

Water Compressibility (c_w)	2.90791e-6 psi^{-1}
Water Formation Volume Factor (B_w)	1.011
Water Viscosity (μ_w)	0.569 cp
Solution Gas Ratio (R_{sw})	0 scf/bbl
Specific Gravity (G)	1.070
PVT Reference Pressure (p_{PVT})	2883.00 psi

Production and Pressure

Q_tB_t	-2853.726 bbl/d
Final Water Rate	-2823.840 bbl/d
Final Gas Rate	MMCF/D
Final Flowing Pressure (p_{wfo})	4480.63 psi
Final Measured Pressure	3020.88 psi
Cumulative Water Production	-482.423 bbl

Synthesis Results

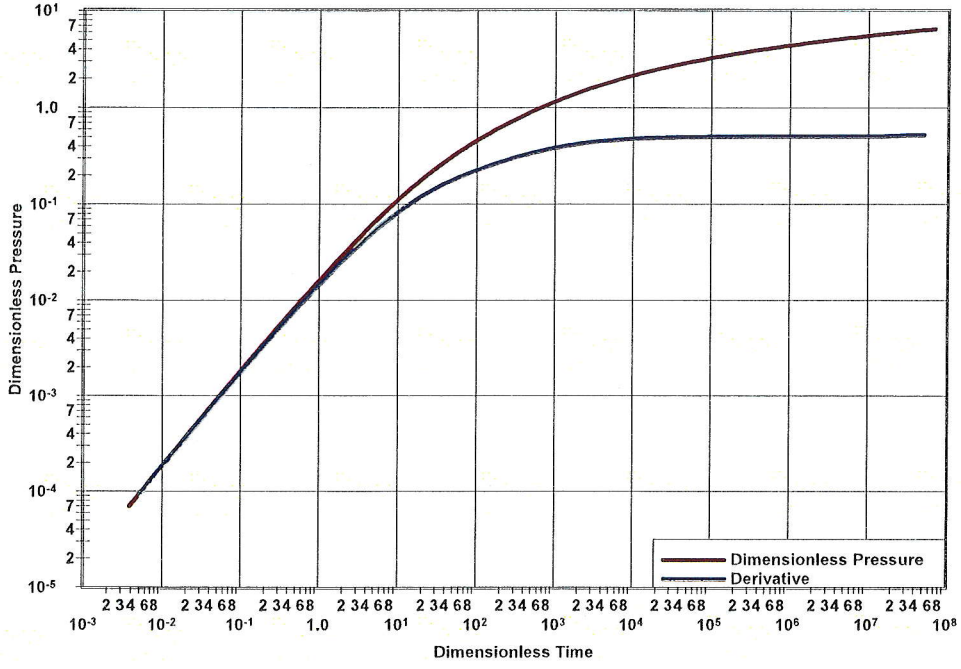
Average Error	0.11 %
Synthetic Initial Pressure (p_i)	2877.10 psi
Extrapolated Pressure at Specified Time	2877.29 psi
Pressure Drop Due To Skin (Δp_s)	psi
Flow Efficiency (FE)	2.372
Damage Ratio (DR)	0.422

Forecasts

Forecast Flowing Pressure (P_{flow})	4480.63 psi
3 - Month Constant Rate Forecast @ Curr. Skin	-1132.006 bbl/d
6 - Month Constant Rate Forecast @ Curr. Skin	-1060.988 bbl/d
Forecast Flow Duration (t_{flow})	12.00 month
Constant Rate Forecast @ Curr. Skin	-998.401 bbl/d
PI / II (Actual)	0.663 bbl/d/psi
Constant Rate Forecast @ Skin=0	-668.179 bbl/d
PI / II (Ideal)	0.434 bbl/d/psi
Constant Rate Forecast @ Skin=-4	-1228.394 bbl/d

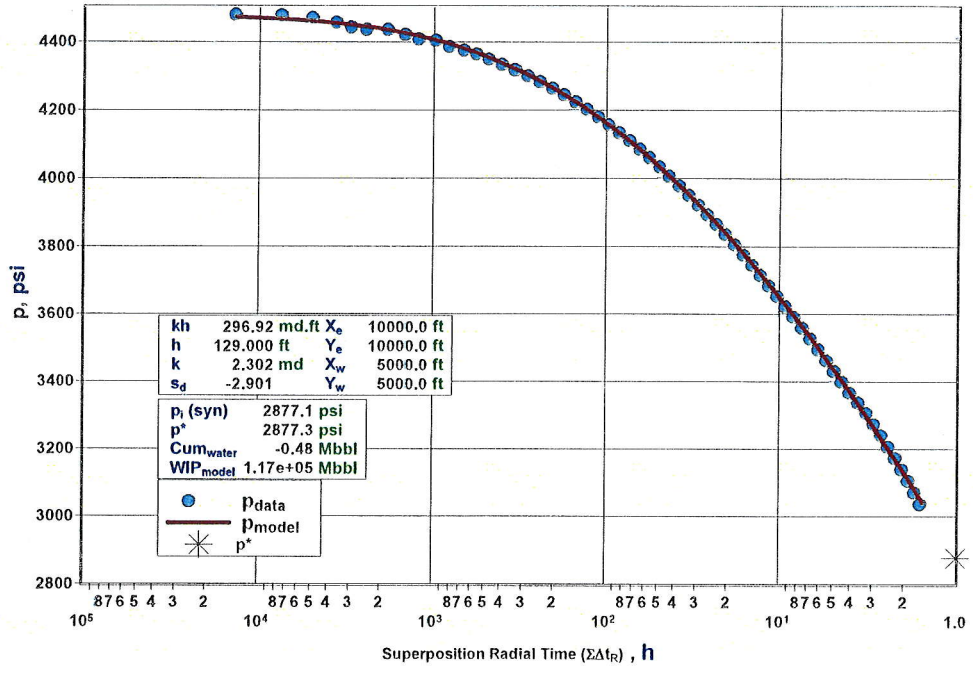
C113 Vertical Falloff

Dimensionless Typecurve



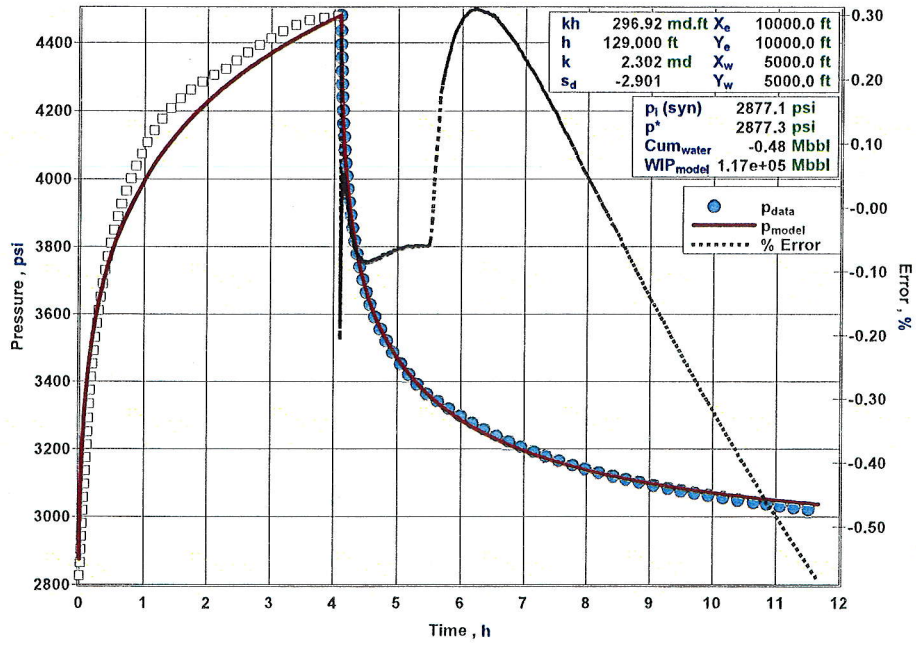
C113 Vertical Falloff

Radial



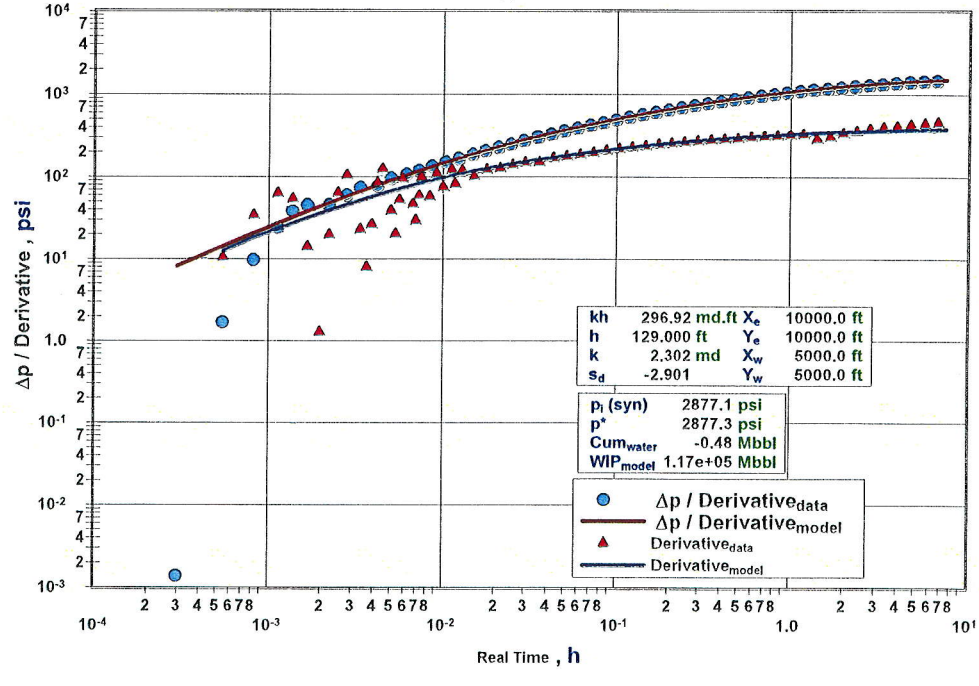
C113 Vertical Falloff

Total Test



C113 Vertical Falloff

Typecurve



Horizontal Water Well Model

Case Name : C113 Jan20 Falloff

Model Parameters

Permeability in X Direction (k_x)	1.200 md
Permeability in Y Direction (k_y)	1.200 md
Permeability in Z Direction (k_z)	1.208 md
Skin (s)	-2.255
Total Mobility ($k/\mu)_t$	2.60 md/cp
Total Transmissivity ($kh/\mu)_t$	334.99 md.ft/cp
Wellbore Storage Constant Dim. (C_D)	0.57

Effective Horizontal Well Length (L_e)	2700.000 ft
Reservoir Length (X_e)	10000.000 ft
Reservoir Width (Y_e)	10000.000 ft
Reservoir Thickness (Z_e)	129.00 ft
Active Well At (X_w)	5000.000 ft
Active Well At (Y_w)	5000.000 ft
Height of Horizontal Well From Base (Z_w)	17.18 ft

Formation Parameters

Net Pay (h)	129.00 ft
Total Porosity (Φt)	10.30 %
Oil Saturation (S_o)	50.00 %
Gas Saturation (S_g)	0.00 %
Water Saturation (S_w)	50.00 %
Wellbore Radius (r_w)	0.27 ft
Formation Temperature (T)	140.0 °F
Formation Compressibility (c_f)	3.200e-6 psi^{-1}
Total Compressibility (c_t)	5.465e-5 psi^{-1}

Production and Pressure

Q_tB_t	-41617.980 bbl/d
Final Water Rate	-41325.706 bbl/d
Final Gas Rate	MMCF/D
Final Flowing Pressure (p_{wfo})	4867.62 psi
Final Measured Pressure	3032.06 psi
Cumulative Water Production	-5058.811 bbl

Synthesis Results

Average Error	0.19 %
Synthetic Initial Pressure (p_i)	2830.33 psi
Extrapolated Pressure at Specified Time	2832.50 psi
Pressure Drop Due To Skin (Δp_s)	psi
Flow Efficiency (FE)	1.912
Damage Ratio (DR)	0.523

Fluid Properties

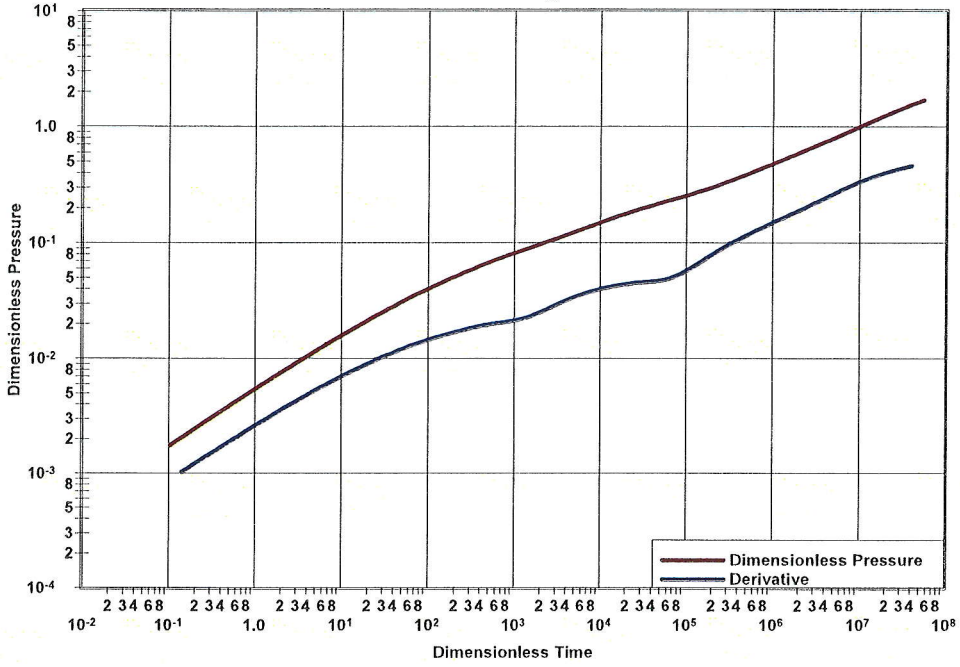
Water Compressibility (c_w)	2.90791e-6 psi^{-1}
Oil Compressibility (c_o)	1.00000e-4 psi^{-1}
Gas Compressibility (c_g)	3.07788e-4 psi^{-1}
Water Formation Volume Factor (B_w)	1.007
Gas Formation Volume Factor (B_g)	0.000870 bbl/scf
Water Viscosity (μ_w)	0.463 cp
Gas Viscosity (μ_g)	0.0191 cp
Solution Gas Ratio (R_{sw})	0 scf/bbl
Specific Gravity (G)	1.070
PVT Reference Pressure (p_{PVT})	2883.00 psi

Forecasts

Forecast Flowing Pressure (P_{flow})	4867.62 psi
3 - Month Constant Rate Forecast @ Curr. Skin	-6678.055 bbl/d
6 - Month Constant Rate Forecast @ Curr. Skin	-5318.901 bbl/d
Forecast Flow Duration (t_{flow})	12.00 month
Constant Rate Forecast @ Curr. Skin	-4230.635 bbl/d
PI / II (Actual)	2.758 bbl/d/psi
Constant Rate Forecast @ Skin=0	-3863.283 bbl/d
PI / II (Ideal)	2.449 bbl/d/psi
Constant Rate Forecast @ Skin=-4	-4584.234 bbl/d

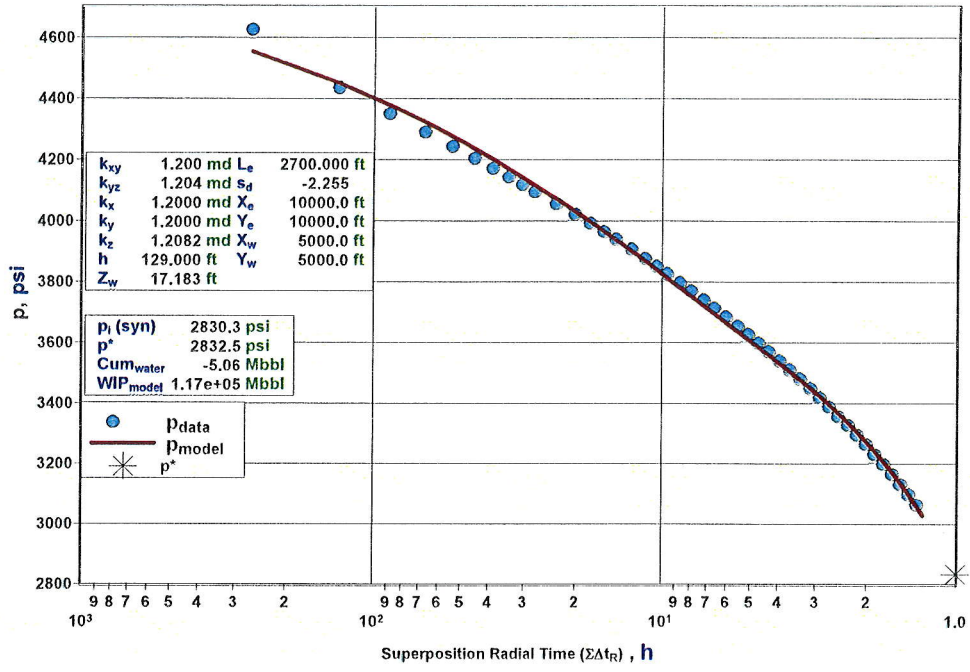
C113 Jan20 Falloff

Dimensionless Typecurve



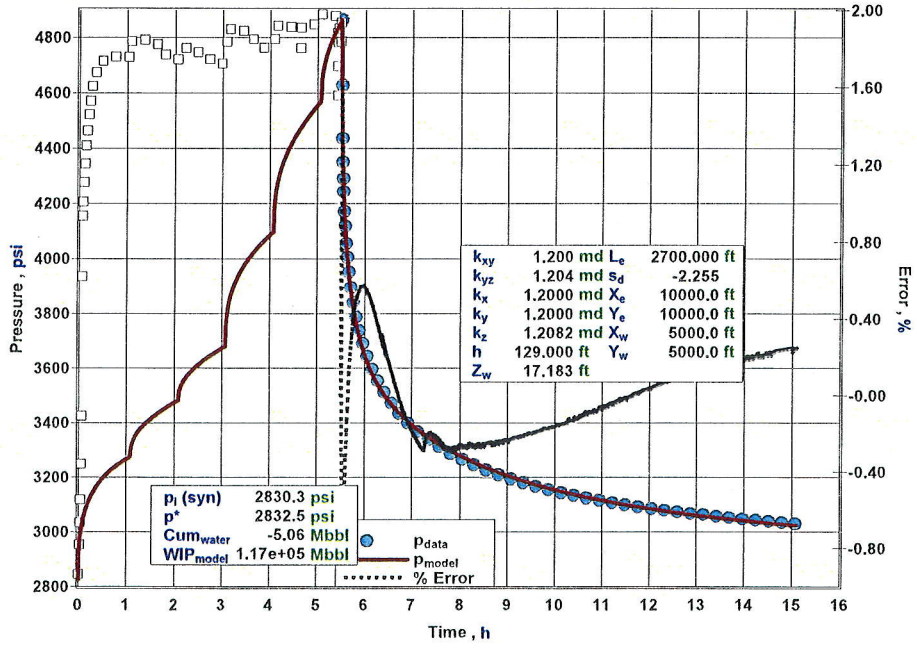
C113 Jan20 Falloff

Radial



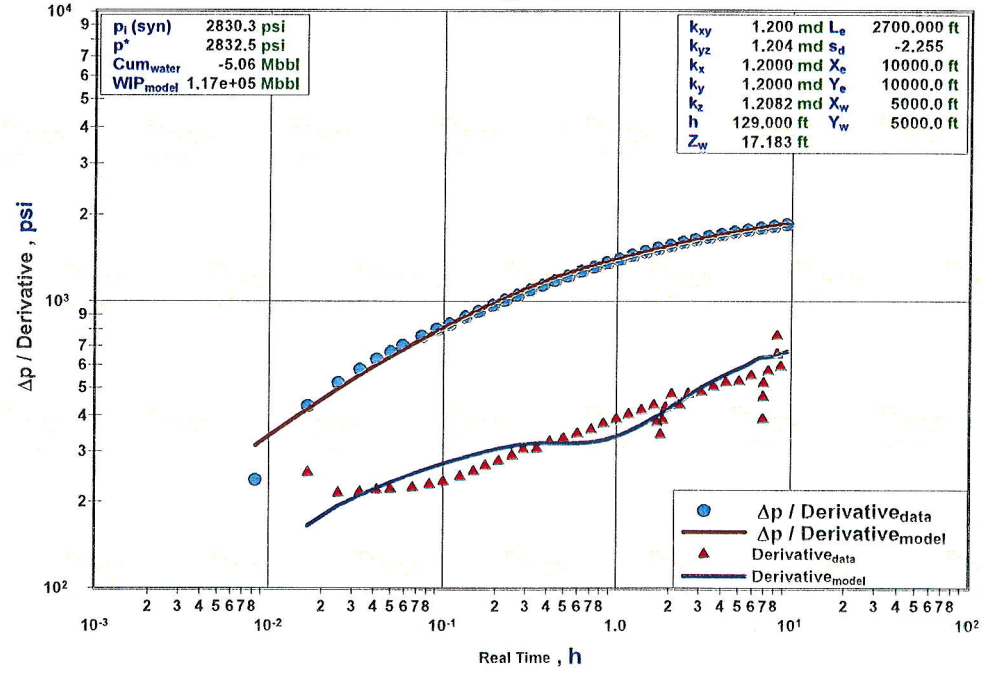
C113 Jan20 Falloff

Total Test



C113 Jan20 Falloff

Typecurve



Horizontal Water Well Model

Case Name : C113 Jan20 Falloff Dual Porosity

Model Parameters

Permeability in X Direction (k_x)	1.500md
Permeability in Y Direction (k_y)	1.500md
Permeability in Z Direction (k_z)	1.439md
Skin (s)	-2.730
Total Mobility (k/μ_t)	3.19md/cp
Total Transmissivity (kh/μ_t)	412.09md.ft/cp
Wellbore Storage Constant Dim. (C_D)	0.63
Effective Horizontal Well Length (L_e)	2700.000ft
Reservoir Length (X_e)	10000.000ft
Reservoir Width (Y_e)	10000.000ft
Reservoir Thickness (Z_e)	129.00ft
Active Well At (X_w)	5000.000ft
Active Well At (Y_w)	5000.000ft
Height of Horizontal Well From Base (Z_w)	26.17ft

Formation Parameters

Net Pay (h)	129.00ft
Total Porosity (Φ_t)	10.30%
Oil Saturation (S_o)	50.00%
Gas Saturation (S_g)	0.00%
Water Saturation (S_w)	50.00%
Wellbore Radius (r_w)	0.27ft
Formation Temperature (T)	140.0°F
Formation Compressibility (c_f)	3.200e-6psi^{-1}
Total Compressibility (c_t)	5.465e-5psi^{-1}

Production and Pressure

Q_tB_t	-41617.980bbl/d
Final Water Rate	-41325.706bbl/d
Final Gas Rate	MMCF/D
Final Flowing Pressure (p_{wfo})	4867.62psi
Final Measured Pressure	3032.06psi
Cumulative Water Production	-5058.811bbl

Synthesis Results

Average Error	0.14%
Synthetic Initial Pressure (p_i)	2837.75psi
Extrapolated Pressure at Specified Time	2840.09psi
Pressure Drop Due To Skin (Δp_s)	psi
Flow Efficiency (FE)	1.919
Damage Ratio (DR)	0.521

Fluid Properties

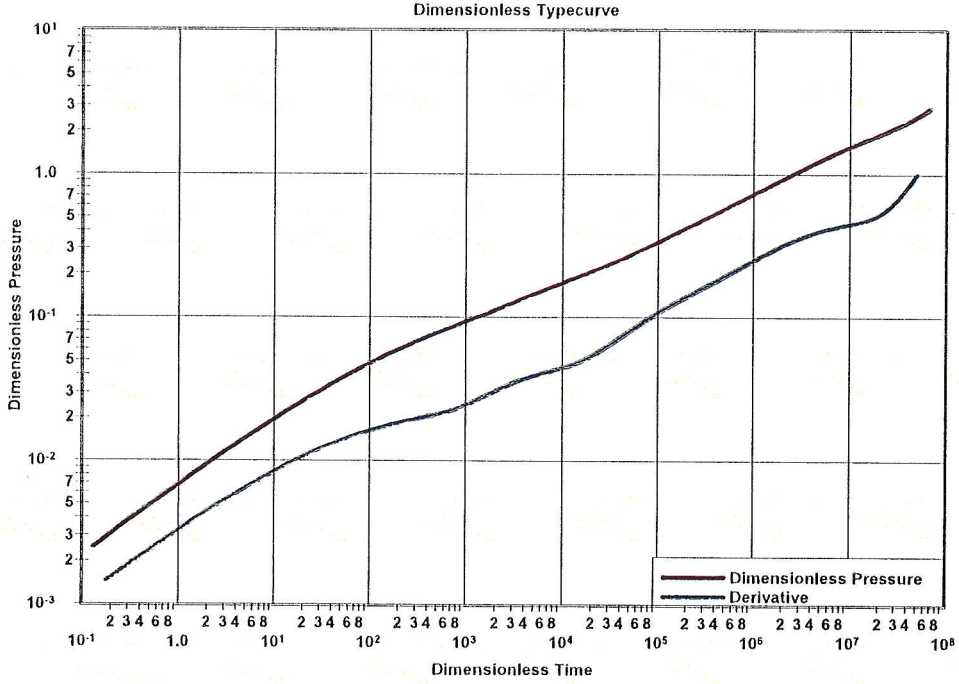
Water Compressibility (c_w)	2.90791e-6psi^{-1}
Oil Compressibility (c_o)	1.00000e-4psi^{-1}
Gas Compressibility (c_g)	3.07788e-4psi^{-1}
Water Formation Volume Factor (B_w)	1.007
Gas Formation Volume Factor (B_g)	0.000870bbl/scf
Water Viscosity (μ_w)	0.463cp
Gas Viscosity (μ_g)	0.0191cp
Solution Gas Ratio (R_{sw})	0scf/bbl
Specific Gravity (G)	1.070
PVT Reference Pressure (p_{PVT})	2883.00psi

Forecasts

Forecast Flowing Pressure (P_{flow})	4867.62psi
3 - Month Constant Rate Forecast @ Curr. Skin	-4941.148bbl/d
6 - Month Constant Rate Forecast @ Curr. Skin	-3982.973bbl/d
Forecast Flow Duration (t_{flow})	12.00month
Constant Rate Forecast @ Curr. Skin	-3279.201bbl/d
PI / II (Actual)	2.086bbl/d/psi
Constant Rate Forecast @ Skin=0	-3054.206bbl/d
PI / II (Ideal)	1.905bbl/d/psi
Constant Rate Forecast @ Skin=-4	-3399.196bbl/d

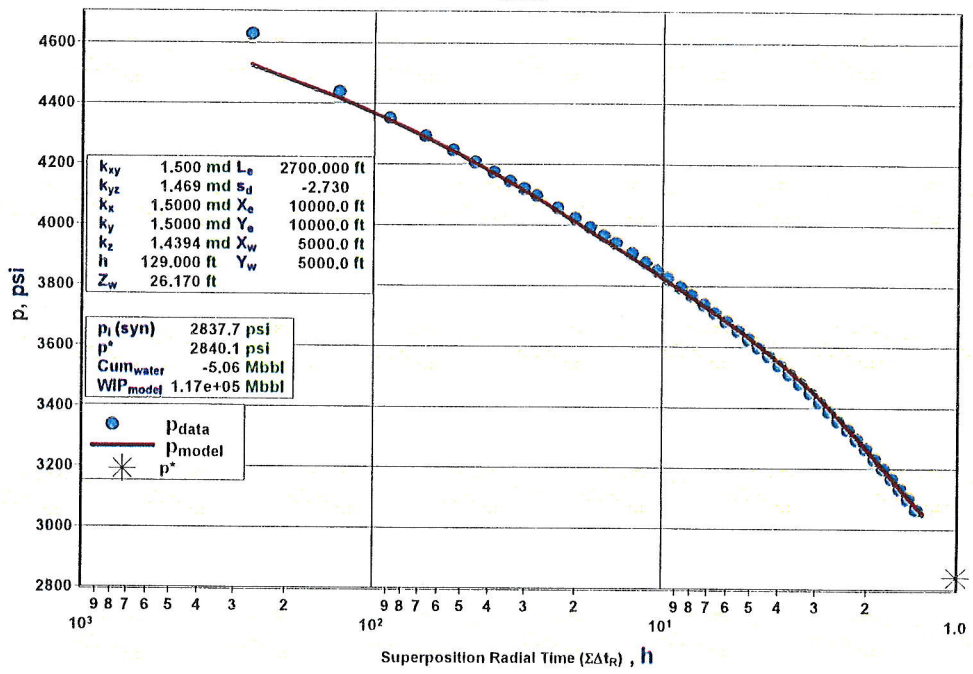
C113 Jan20 Falloff Dual Porosity

Dimensionless Typecurve



C113 Jan20 Falloff Dual Porosity

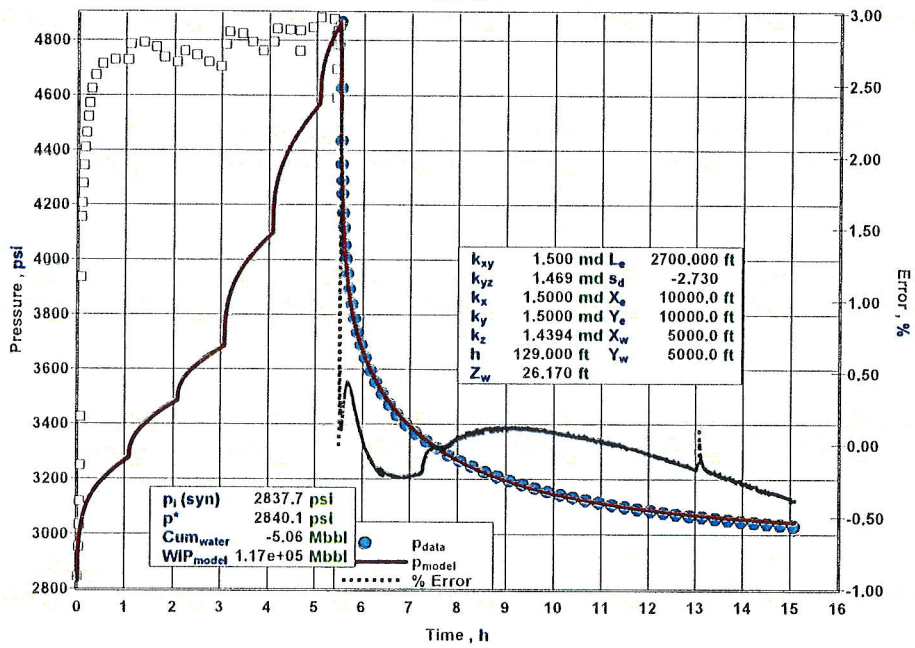
Radial



Omega = 0.39
Lambda = 2.5e-11

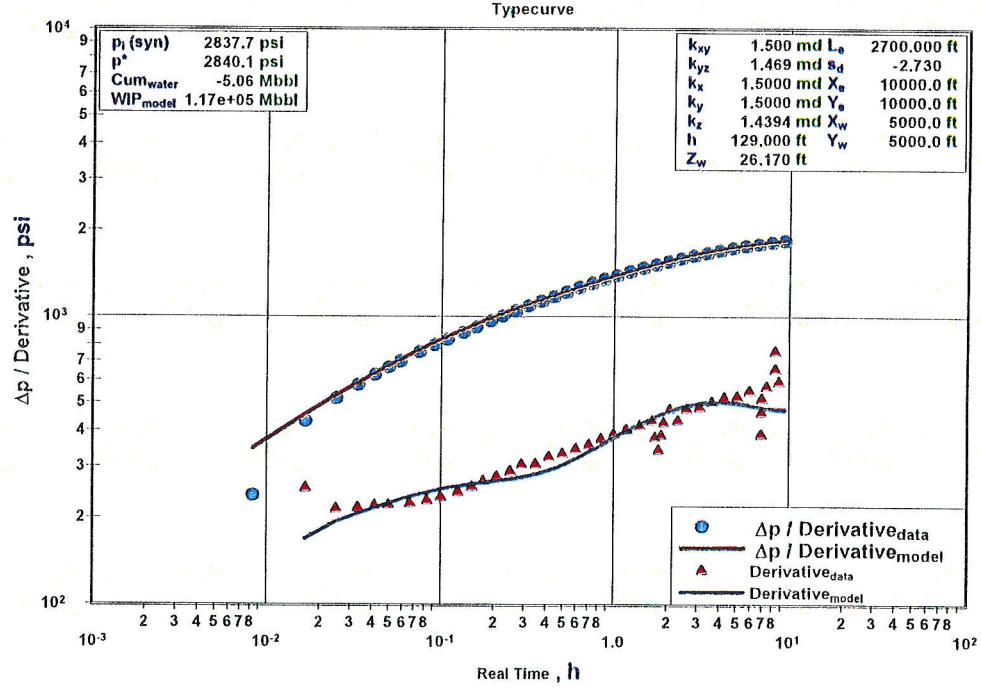
C113 Jan20 Falloff Dual Porosity

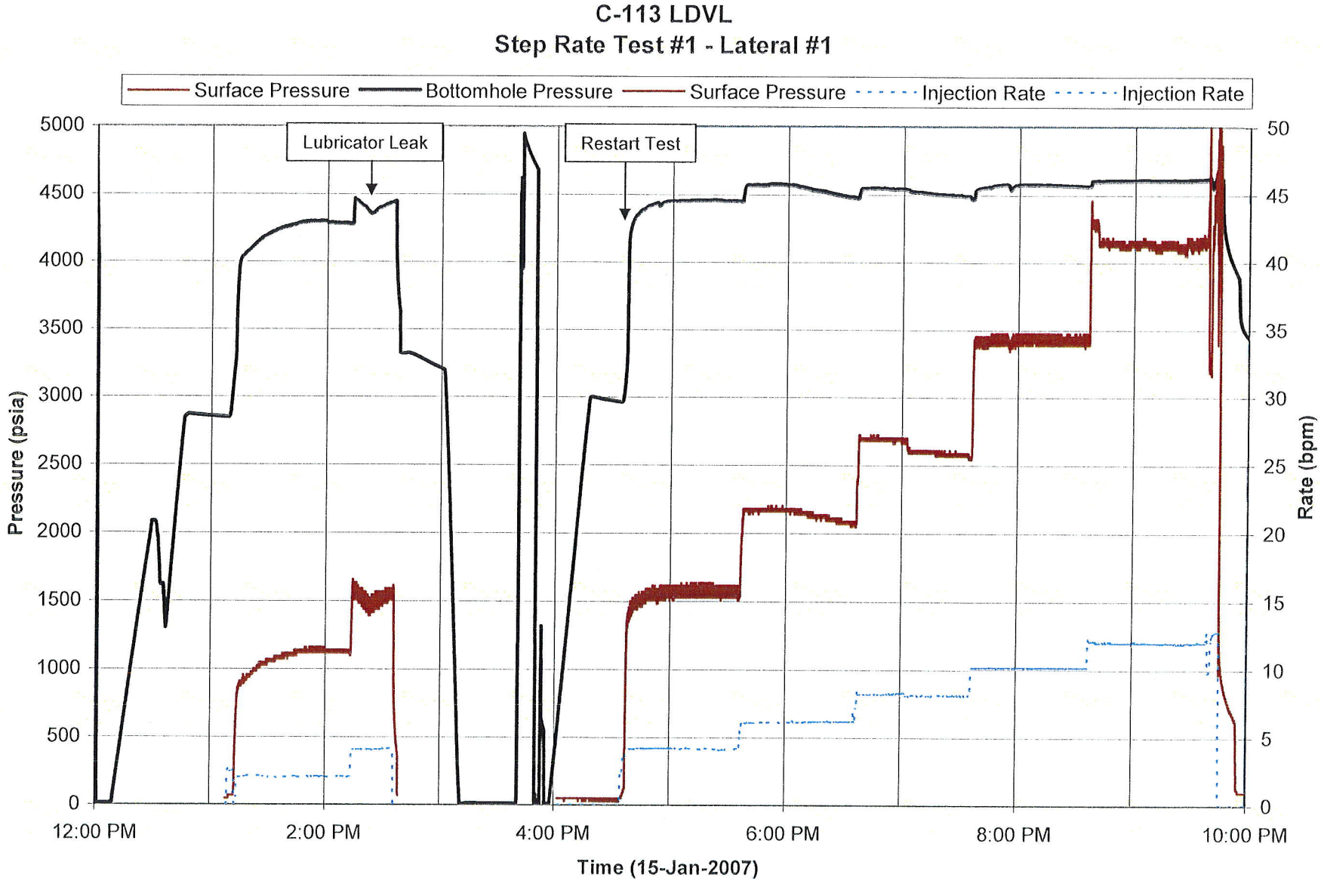
Total Test

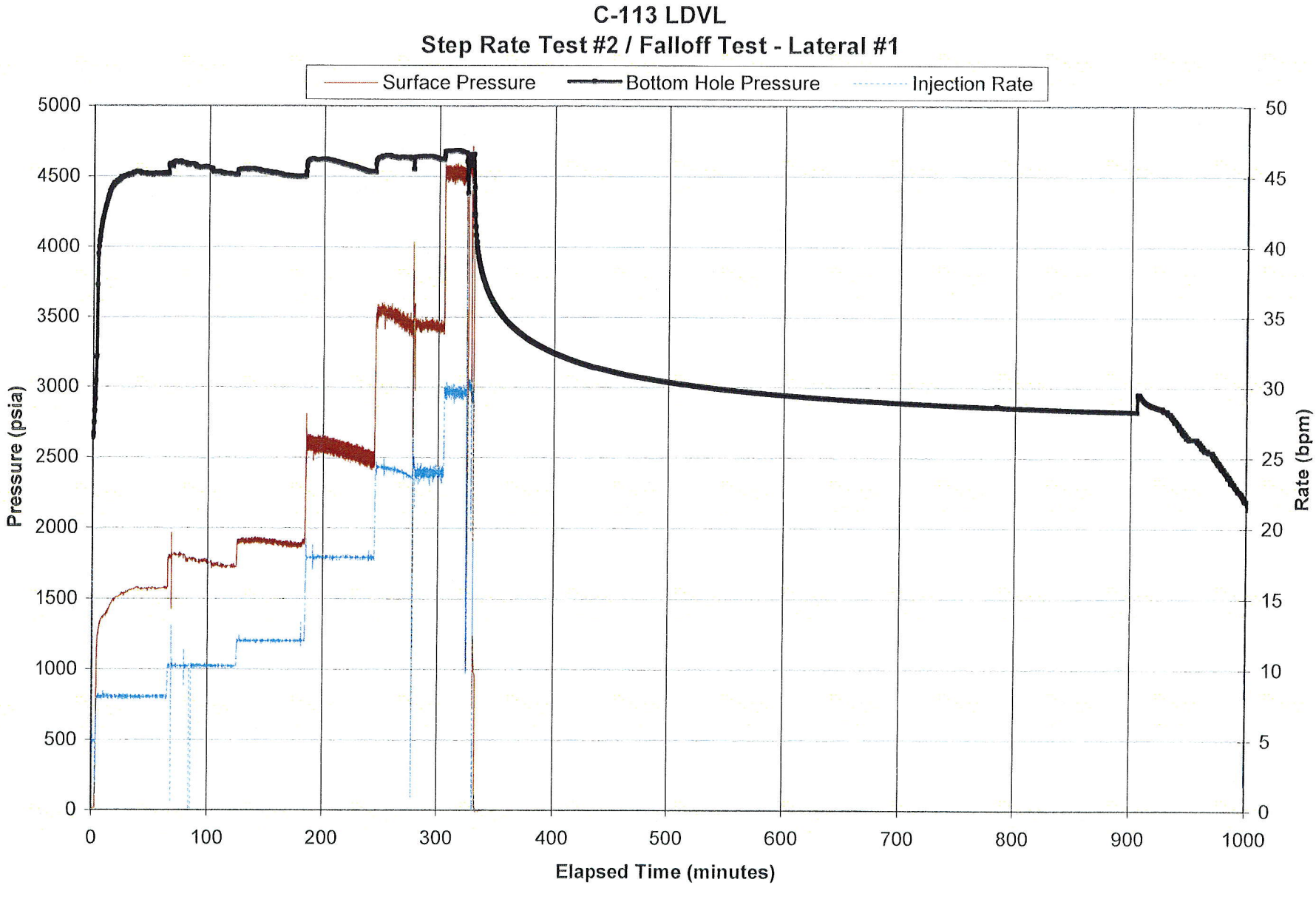


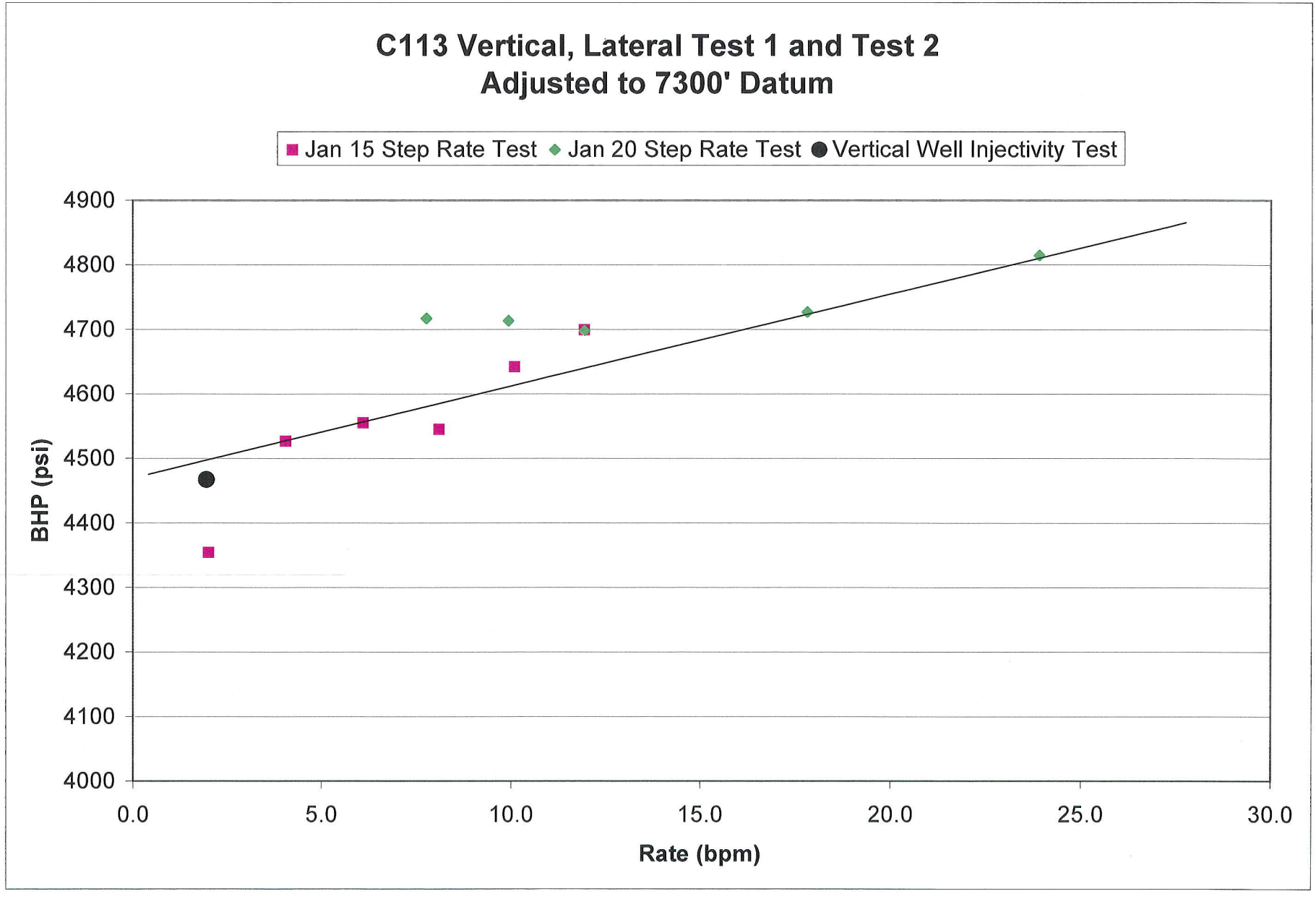
C113 Jan20 Falloff Dual Porosity

Typecurve




C-113 LDVL
Step Rate Test #1 - Lateral #1
Surface Pressure
Bottomhole Pressure
Surface Pressure
Injection Rate
Injection Rate
Lubricator Leak
Restart Test
Pressure (psia)
Rate (bpm)
Time (15-Jan-2007)
5000
4500
4000
3500
3000
2500
2000
1500
1000
500
0
50
45
40
35
30
25
20
15
10
5
0
12:00 PM
2:00 PM
4:00 PM
6:00 PM
8:00 PM
10:00 PM


C-113 LDVL
Step Rate Test #2 / Falloff Test - Lateral #1
Surface Pressure
Bottom Hole Pressure
Injection Rate
Pressure (psia)
Rate (bpm)
Elapsed Time (minutes)
5000
4500
4000
3500
3000
2500
2000
1500
1000
500
0
50
45
40
35
30
25
20
15
10
5
0
0
100
200
300
400
500
600
700
800
900
1000


C113 Vertical, Lateral Test 1 and Test 2
Adjusted to 7300' Datum
Jan 15 Step Rate Test
Jan 20 Step Rate Test
Vertical Well Injectivity Test
BHP (psi)
4900
4800
4700
4600
4500
4400
4300
4200
4100
4000
0.0
5.0
10.0
15.0
20.0
25.0
30.0
Rate (bpm)

ATTACHMENT 7

GEOLOGIC DATA

Resolute C-113 LDVL - SWD

WIRELINE LOG FORMATION TOPS

The well was spudded in lower part of Jurassic Morrison Fm.

Bluff Sandstone:	332'
Wanakah Fm/Entrada Ss Undiff:	530'
Navajo Sandstone:	745'
Kayenta Fm:	1156'
Wingate Sandstone:	1220'
Chinle Fm:	1614'
Shinarump Sandstone:	2355'
Moenkopi Fm:	2408'
Permian Hoskinnini Sandstone:	2632'
De Chelly Sandstone:	2712'
Cutler Undiff:	2796'
Honaker Trail Fm:	4578'
Upper Ismay Stage:	5490'
Lower Ismay Stage:	5610'
Gothic Shale:	5642'
Desert Creek Stage:	5658'
Chimney Rock Shale:	5820'
Akah Stage:	5845'
Top/Salt:	5876'
Barker Creek Stage:	6204'
Base/Salt:	6595'
Pinkerton Trail Fm:	6722'
Molas Fm:	6908'
Top/ Leadville "karst":	6968'
Base/ Leadville "karst":	7008'
Unweathered Leadville:	7044'
Lower Leadville:	7234'
Ouray Ls:	7412'
Elbert Fm:	7518'

Lowest ① Lateral 7,138'(?) to 7,160'(?)
② Lateral 7,106' - 7,120'
③ Lateral (drilled yet?)
④ Lateral (drilled yet?)

6908
6722
186 = Pinkerton
6908
6908
60 = Molas

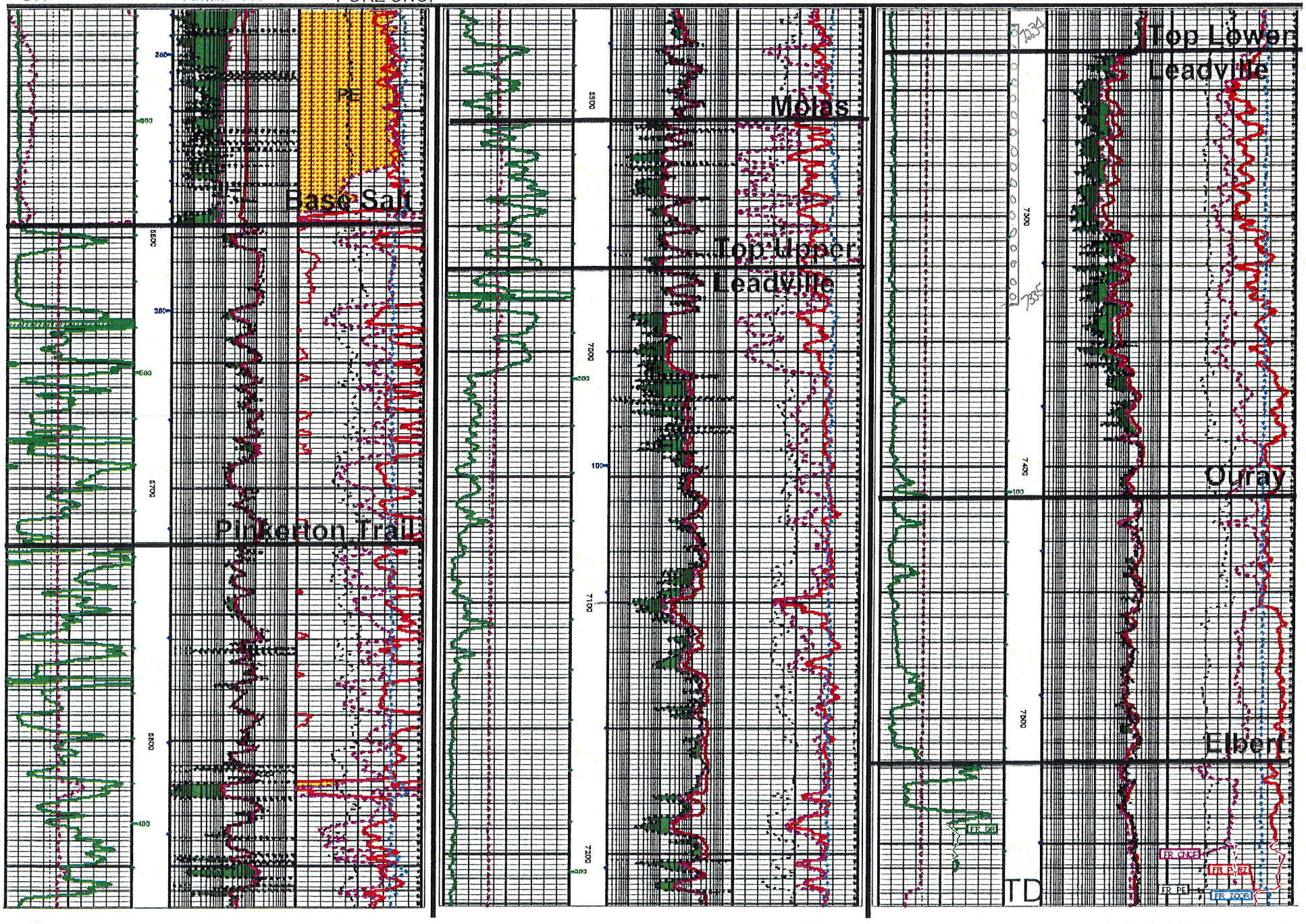
186
60
246

40' of karst

T/injection interval (7,100')

B/injection interval (7,600')

Resolute C-113 LDVL - SWD



Resolute C-113 LDVL - SWD

The Mississippian Leadville is the recipient formation for the saltwater disposal. The Leadville formation is overlain by the Pennsylvanian Molas Formation, the Pennsylvanian Pinkerton Trail Formation and the Pennsylvanian Paradox Salt (each described below). The top and bottom seals, as well as the reservoir formation, are regional in nature, as described below.

- **Paradox Salt: 5876 – 6595 ft (719' thick);** A thick salt containing few beds of black shale, dolomite and anhydrite. Little to no porosity in this section. (Top Seal)

- **Pinkerton Trail Fm: 6722 – 6908 ft (186' thick)**; this interval consists of alternating thin beds of dark lime mudstone and black to dark gray silty "shales" with occasional interbedded, tight limestone. The Pinkerton Trail can be correlated within 20 miles in each direction, leaving little doubt as to the regional nature of the shale. Little to no porosity in this section. (Top Seal)

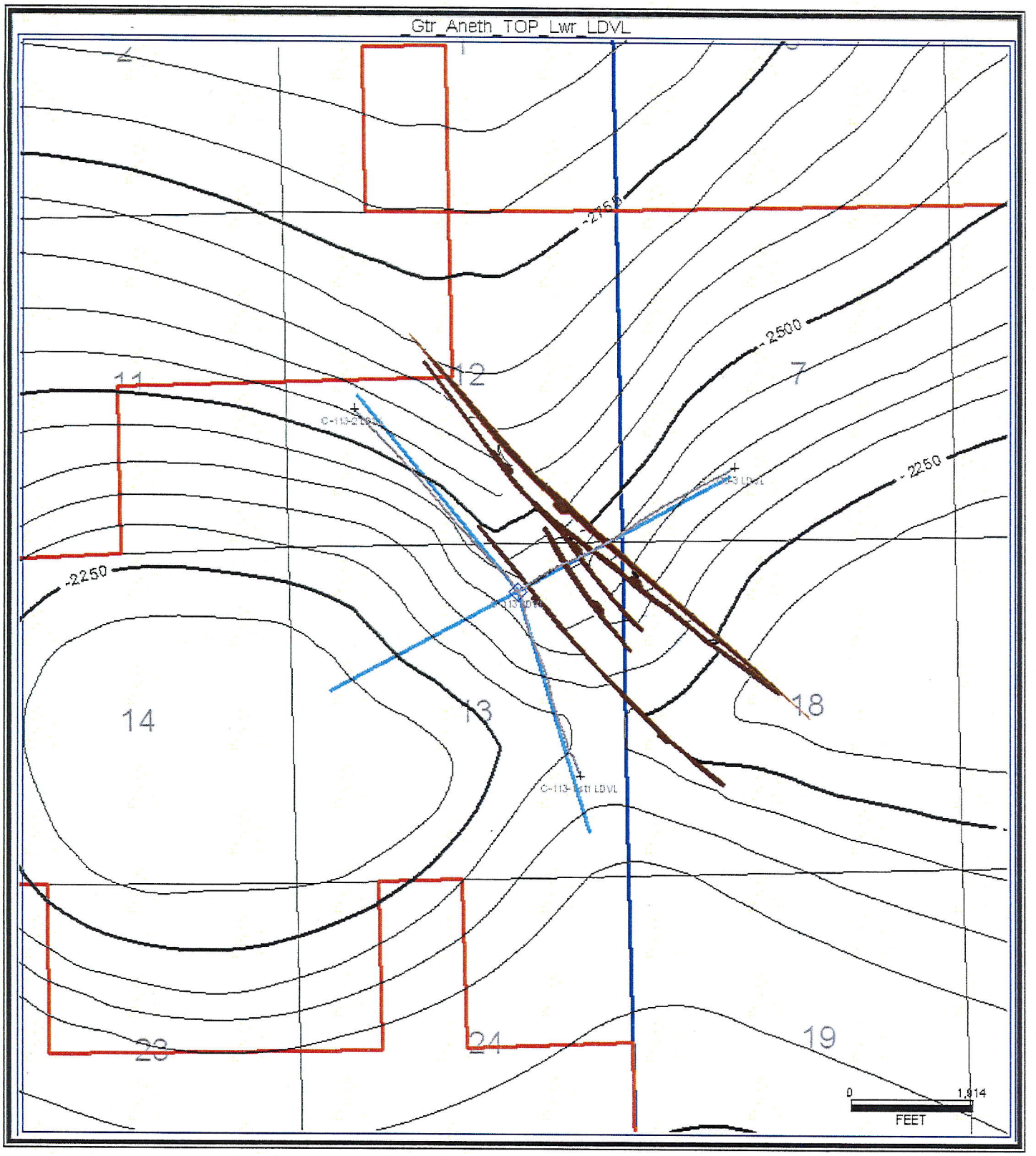
- **Molas Shale: 6908 – 7008' (100' thick)**; the Molas Shale consists of poorly stratified red siltstones and sandstones which contain angular lithoclasts of the underlying Leadville Fm. The Molas Shale can be correlated within 20 miles in each direction, leaving little doubt as to the regional nature of the shale. Little to no porosity in this section. (Top Seal)

- **Upper Leadville Fm: 7008 – 7234 ft (226' thick)**; The upper member is primarily a white to tan colored lime mudstone to peloidal to crinoidal lime wackestone. Minor intercrystalline porosity scattered in the upper 100 ft (see 7040 – 7050').

- **Lower Leadville Fm: 7234 – 7412 ft (178' thick)**; The lower member is a tan to cream-colored dolostone, with a rather fine to very-fine crystalline pore network. The formation is extensive and has been mapped across the entire Paradox Basin (Parker and Roberts, AAPG, Vol 50, No.11).

- **Ouray Fm: 7412 – 7518 ft (106' thick)**; The Ouray Fm is a fine silty to micaceous light-green shale, plus a minor change from dolo-limestone in the basal Leadville to non-descript clean white to gray brown limestone in the Ouray. The formation is extensive and found from Central Utah to Central Colorado (Parker and Roberts, AAPG, Vol 50, No.11). This interval is extremely tight with no shows. (Bottom Seal)

- **Elbert Fm: 7518 – 7602' (TD) (>84' thick)**; The upper member of the Elbert Fm consists of a distinctive "apple-green, waxy, non-calcareous shale" and thin-bedded limestone and dolomite that are commonly sandy and silty, with occasional glauconitic sandstones and pink fine-grained sands and siltstones. There were no shows in this interval.



50 ft Interval Structure Contour – Top of Lower Leadville – AU C-113 LDVL

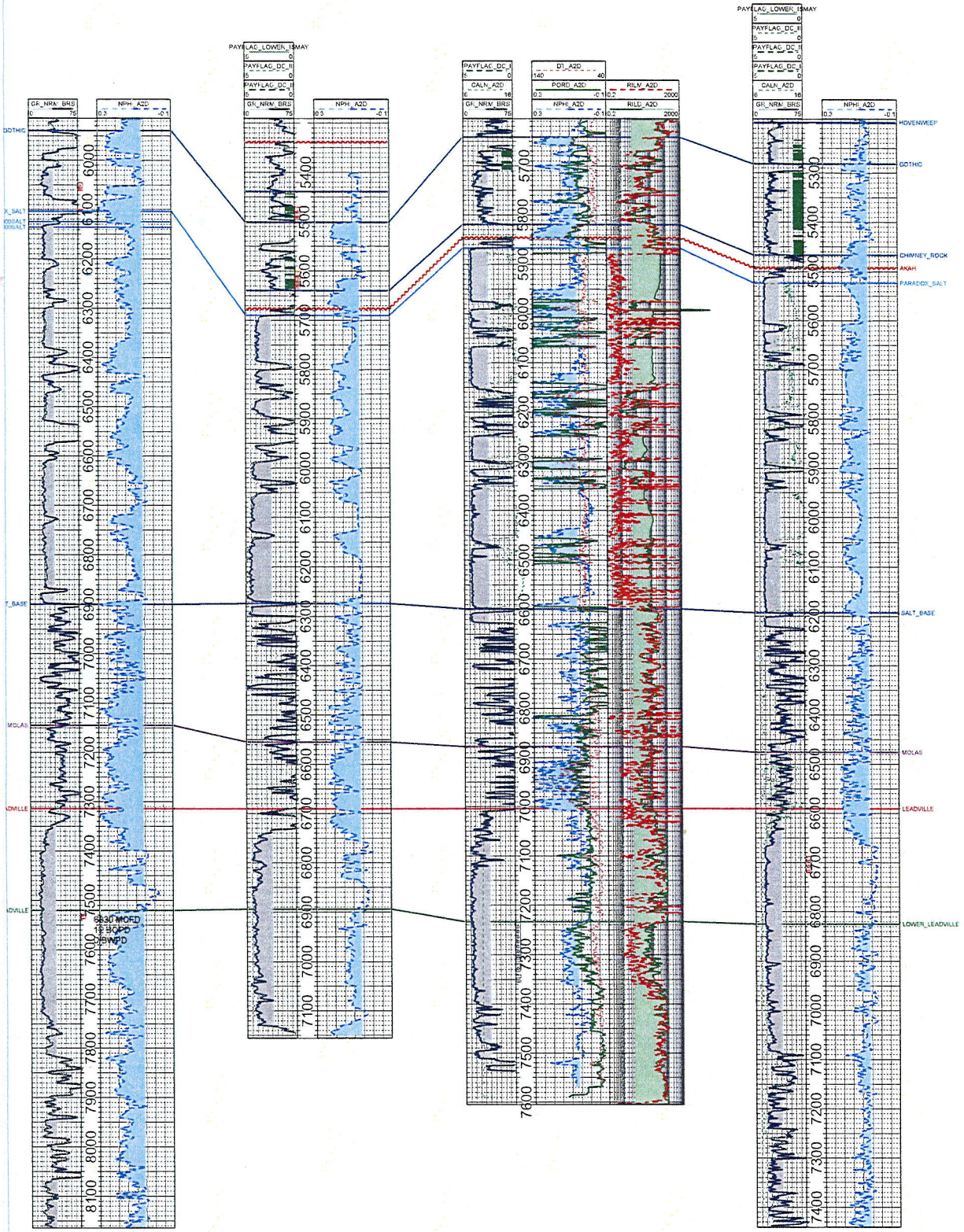
Aneth Unit, San Juan County, Utah

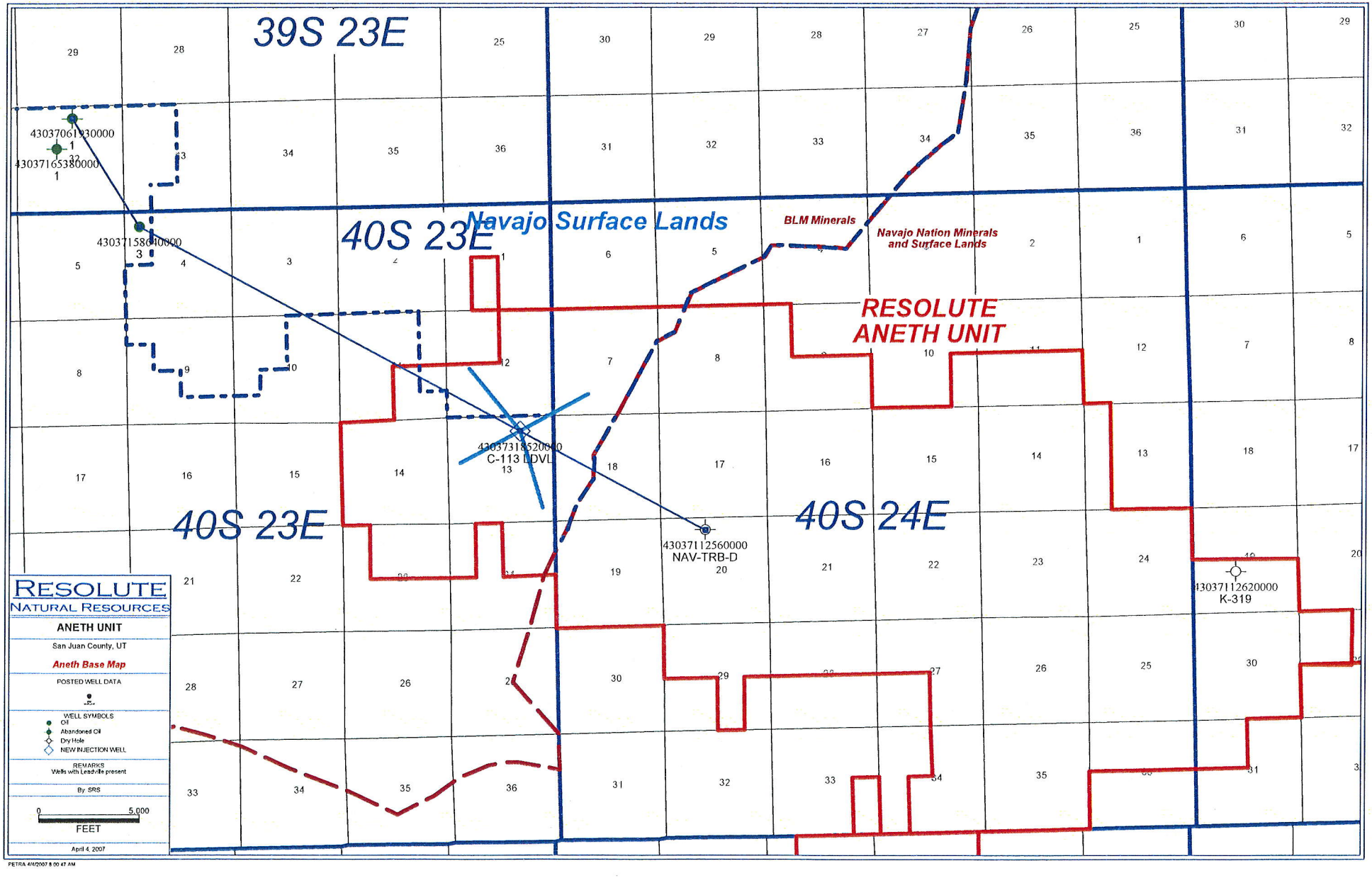
1
SHELL OIL CO
T39S R23E S32
ELEV_KB : 5,385
TD : 8,762
5/10/1951

3
BASIN EXPL
T40S R23E S4
ELEV_KB : 4,767
TD : 7,156
5/17/1956

C-113 LDVL
Resolute Natural Resources
ELEV_KB : 4,810
TD : 7,605
9/9/2006

NAV-TRB-D
TEXACO E&P
T40S R24E S20
ELEV_KB : 4,532
TD : 7,887
3/24/1962




39S 23E
40S 23E
40S 23E
40S 24E
Navajo Surface Lands
BLM Minerals
Navajo Nation Minerals and Surface Lands
RESOLUTE ANETH UNIT
43037061930000
43037165380000
43037158630000
43037318520000
C-113 LDVL
43037112560000
NAV-TRB-D
43037112620000
K-319
RESOLUTE
NATURAL RESOURCES
ANETH UNIT
San Juan County, UT
Aneth Base Map
POSTED WELL DATA
WELL SYMBOLS
Oil
Abandoned Oil
Dry Hole
NEW INJECTION WELL
REMARKS
Wells with Leadville present
By: SRS
0
5,000
FEET
April 4, 2007
PETRA 4/4/2007 8:00:47 AM

ATTACHMENT 8

AFFIDAVIT OF OWNER, OPERATOR & SURFACE OWNER NOTIFICATION

Affidavit of Owner/Operator Notification

To whom it may concern:

A copy of the State of Utah, Division of Oil Gas and Mining *UIC Form 1, Application for Injection Well* for the Aneth Unit C-113 LDVL has been provided to the following recipients.

Offset Operators:

None

Surface Owners:

United States Department of Interior
Bureau of Land Management
435 North Main
Monticello, UT 84535

Navajo Nation Department of Natural Resources
Land Department, Utah Agency
P.O. Box 410
Montezuma Creek, UT 84534

Mineral Owners:

United States Department of Interior
Bureau of Land Management
435 North Main
Monticello, UT 84535

Navajo Nation Department of Natural Resources
Land Department, Utah Agency
P.O. Box 410
Montezuma Creek, UT 84534

Signed: _____ Date: 3/30/07

Dwight E. Mallory, EH&S Coordinator

STATE OF COLORADO)
COUNTY OF DENVER) ss.

Notary: Joan E. Zak

My Commission Expires: 2/8/08

JOAN E. ZAK NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 2-8-2008

ATTACHMENT 9

AU C-113 LDVL WELL LOGS

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

IN THE MATTER OF THE APPLICATION OF RESOLUTE NATURAL RESOURCES FOR ADMINISTRATIVE APPROVAL OF THE ANETH U C-113 LDVL WELL LOCATED IN SECTION 13, TOWNSHIP 40 SOUTH, RANGE 23 EAST, SAN JUAN COUNTY, UTAH, AS A CLASS II INJECTION WELL	:	NOTICE OF AGENCY ACTION CAUSE NO. UIC 333

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division of Oil, Gas and Mining (the "Division") is commencing an informal adjudicative proceeding to consider the application of Resolute Natural Resources for administrative approval of the Aneth U C-113 LDVL well, located in NW/4 NE/4 Section 13, Township 40 South, Range 23 East, San Juan County, Utah, for conversion to a Class II injection well. This well is located in the Aneth Unit. The adjudicative proceeding will be conducted informally according to Utah Admin.Rule R649-10, Administrative Procedures.

Selective zones in the Missippian Formation will be used for water injection. The maximum requested injection pressure and rate will be determined based on fracture gradient information submitted by Resolute Natural Resources.

Any person desiring to object to the proposed application or otherwise intervene in the proceeding, must file a written protest or notice of intervention with the Division within fifteen days following publication of this notice. The Division's Presiding Officer for this proceeding is Gil Hunt, Associate Director at PO Box 145801, Salt Lake City, Utah 84114-5801, phone number (801) 538-5340. If such a protest or notice of intervention is received, a hearing will be scheduled in accordance with the aforementioned administrative procedure rule. Protestants and/or interveners should be prepared to demonstrate at the hearing how this matter affects their interests.

Dated this 11th day of May, 2007.

STATE OF UTAH
DIVISION OF OIL, GAS & MINING

Gil Hunt
Associate Director

Resolute Natural Resources
Aneth U C-113 LDVL
Cause No. UIC 333

Publication Notices were sent to the following:

Resolute Natural Resources
1675 Broadway, Suite 1950
Denver, CO 80202

via E-Mail and Facsimile (435) 587-2277
San Juan Recorder
49 S Main
Monticello, UT 84535-0879

via E-Mail and Facsimile (801) 237-2577)
Salt Lake Tribune
PO Box 45838
Salt Lake City, UT 84145

Moab Office
Bureau of Land Management
82 East Dogwood
Moab, UT 84532

San Juan County Planning
PO Box 490
Monticello, UT 84535

Dan Jackson
US EPA Region VIII, MS 8P-W-GW
1595 Wynkoop St
Denver, CO 80202-1129

Earlene Russell
Engineering Technician
May 14, 2007

From: Bill Boyle <sjrnews@frontiernet.net>
To: "Earlene Russell" <earlenerussell@utah.gov>
Date: 5/17/2007 9:19 AM
Subject: Re: UIC 333

Earlene,
Your ad will run May 23.
Thank you,
Bill Boyle
San Juan Record

On Monday, May 14, 2007, at 11:14 AM, Earlene Russell wrote:

> <Public Notice.doc>
San Juan Record
435-587-2277
Bill Boyle, Publisher

Earlene Russell - UIC 333

From: Earlene Russell
To: San Juan Record
Date: 5/14/2007 11:14 AM
Subject: UIC 333
Attachments:

Please let me know when this will be published.

Thanks.

Earlene Russell
Division of Oil, Gas & Mining
PO Box 145801
Salt Lake City, UT 84114-5801
or
1594 W North Temple, Suite 1210
Salt Lake City, UT 84116
Phone (801) 538-5336
Fax (801) 359-3940
e-mail earlenerussell@utah.gov

TRANSACTION REPORT

P.01

MAY-14-2007 MON 10:56 AM

FOR: OIL, GAS & MINING 801 359 3940

DATE START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAY-14 10:55 AM	14355872277	1'18"	2	SEND	OK	508	

TOTAL : 1M 18S PAGES: 2

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

May 14, 2007

SENT VIA E-MAIL AND FAX (435) 587-2277

San Juan Recorder
49 S Main
Monticello, UT 84535-0879

Re: Notice of Agency Action - Cause No. UIC 333

Gentlemen:

Enclosed is a copy of the referenced Notice of Agency Action. Please publish the Notice, once only, as soon as possible. Please send proof of publication and billing to the Division of Oil, Gas and Mining, Suite 1210, PO Box 145801, Salt Lake City, Utah 84114-5801.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

May 14, 2007

SENT VIA E-MAIL AND FAX (435) 587-2277

San Juan Recorder
49 S Main
Monticello, UT 84535-0879

Re: Notice of Agency Action - Cause No. UIC 333

Gentlemen:

Enclosed is a copy of the referenced Notice of Agency Action. Please publish the Notice, once only, as soon as possible. Please send proof of publication and billing to the Division of Oil, Gas and Mining, Suite 1210, PO Box 145801, Salt Lake City, Utah 84114-5801.

Sincerely,

Earlene Russell

Earlene Russell
Engineering Technician

encl.

Earlene Russell - RE: UIC 333

From: "NAC Legal"
To: "'Earlene Russell'"
Date: 5/14/2007 11:29 AM
Subject: RE: UIC 333

Please check the paper on May 17.

Cost is $140.00. Ad # 820383L0.

Thank you.

From: Earlene Russell [mailto:earlenerussell@utah.gov]
Sent: Monday, May 14, 2007 11:15 AM
To: SL Tribune
Subject: UIC 333

Please let me know when this will be published.

Thanks.

Earlene Russell
Division of Oil, Gas & Mining
PO Box 145801
Salt Lake City, UT 84114-5801
or
1594 W North Temple, Suite 1210
Salt Lake City, UT 84116
Phone (801) 538-5336
Fax (801) 359-3940
e-mail earlenerussell@utah.gov

TRANSACTION REPORT

P.01

MAY-14-2007 MON 10:58 AM

FOR: OIL, GAS & MINING 801 359 3940

DATE START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAY-14 10:56 AM	2372577	1'24"	2	SEND	OK	509	

TOTAL : 1M 24S PAGES: 2

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

May 14, 2007

SENT VIA E-MAIL AND FAX (801) 237-2577

Salt Lake Tribune
PO Box 45838
Salt Lake City, UT 84145

Re: Notice of Agency Action - Cause No. UIC 333

Gentlemen:

Enclosed is a copy of the referenced Notice of Agency Action. Please publish the Notice, once only, as soon as possible. Please send proof of publication and billing for **account #D5385340L** to the Division of Oil, Gas and Mining, Suite 1210, PO Box 145801, Salt Lake City, Utah 84114-5801.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

May 14, 2007

SENT VIA E-MAIL AND FAX (801) 237-2577

Salt Lake Tribune
PO Box 45838
Salt Lake City, UT 84145

Re: Notice of Agency Action - Cause No. UIC 333

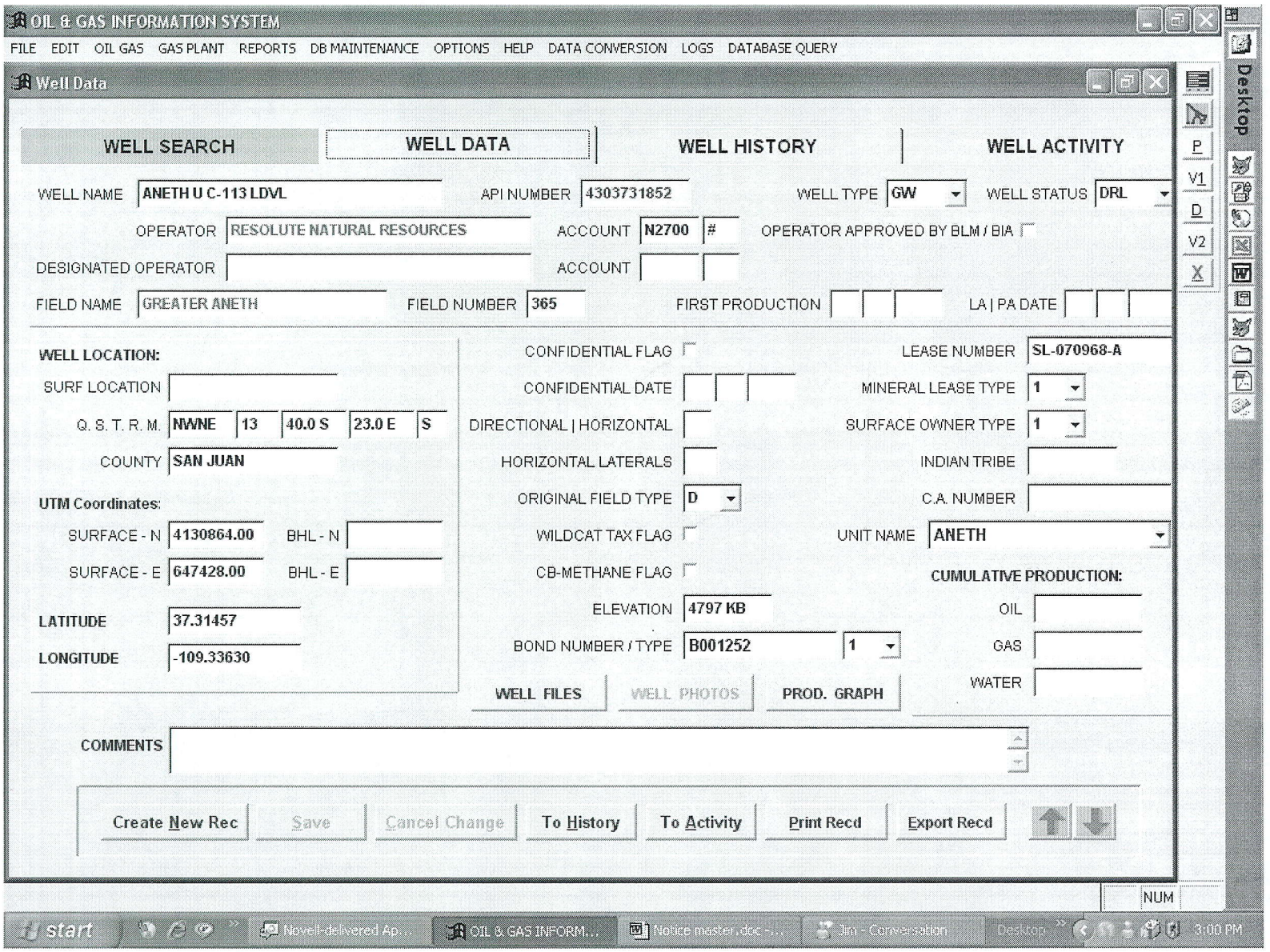
Gentlemen:

Enclosed is a copy of the referenced Notice of Agency Action. Please publish the Notice, once only, as soon as possible. Please send proof of publication and billing for **account #D5385340L** to the Division of Oil, Gas and Mining, Suite 1210, PO Box 145801, Salt Lake City, Utah 84114-5801.

Sincerely,

Earlene Russell
Engineering Technician

encl.


OIL & GAS INFORMATION SYSTEM
FILE EDIT OIL GAS GAS PLANT REPORTS DB MAINTENANCE OPTIONS HELP DATA CONVERSION LOGS DATABASE QUERY
Well Data
WELL SEARCH
WELL DATA
WELL HISTORY
WELL ACTIVITY
WELL NAME ANETH U C-113 LDVL
API NUMBER 4303731852
WELL TYPE GW
WELL STATUS DRL
OPERATOR RESOLUTE NATURAL RESOURCES
ACCOUNT N2700 #
OPERATOR APPROVED BY BLM / BIA
DESIGNATED OPERATOR
ACCOUNT
FIELD NAME GREATER ANETH
FIELD NUMBER 365
FIRST PRODUCTION
LA | PA DATE
WELL LOCATION:
SURF LOCATION
Q. S. T. R. M. NWNE 13 40.0 S 23.0 E S
COUNTY SAN JUAN
UTM Coordinates:
SURFACE - N 4130864.00
BHL - N
SURFACE - E 647428.00
BHL - E
LATITUDE 37.31457
LONGITUDE -109.33630
CONFIDENTIAL FLAG
CONFIDENTIAL DATE
DIRECTIONAL | HORIZONTAL
HORIZONTAL LATERALS
ORIGINAL FIELD TYPE D
WILDCAT TAX FLAG
CB-METHANE FLAG
ELEVATION 4797 KB
BOND NUMBER / TYPE B001252 1
WELL FILES
WELL PHOTOS
PROD. GRAPH
LEASE NUMBER SL-070968-A
MINERAL LEASE TYPE 1
SURFACE OWNER TYPE 1
INDIAN TRIBE
C.A. NUMBER
UNIT NAME ANETH
CUMULATIVE PRODUCTION:
OIL
GAS
WATER
COMMENTS
Create New Rec
Save
Cancel Change
To History
To Activity
Print Recd
Export Recd
NUM
start
Novell-delivered Ap...
OIL & GAS INFORM...
Notice master .doc -...
Jim - Conversation
Desktop
3:00 PM

From: Chris Kierst
To: Earlene Russell
Date: 5/10/2007 11:58 AM
Subject: Noticing Documentation; Resolute Natural Resources C-113 LDVL Salt Water Disposal Application

Please draft the Noticing documentation for the Resolute Natural Resources C-113 LDVL SWD application. The well API# is 4303731852 and the Cause # is UIC-333.2. The well is in S. 13, T. 40 S., R. 23 E., San Juan County. The operator proposes to inject produced water into the Missippian age Leadville Limestone in an interval from 7,100' to 7,600'.

RESOLUTE
NATURAL RESOURCES

May 11, 2006

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

4303731852 S.13, T40S, R23E

Re: Aneth Unit - C-113 LDVL Application for Permit to Drill and UIC Class IID Permit

Resolute Natural Resources Company (Resolute) has prepared an Application for Permit to Drill (APD) and an application to permit a Class IID well for disposal of produced water derived from Resolute's operations in the Aneth Unit. Produced water from the Aneth Unit is currently re-injected into the Desert Creek formation for enhanced oil recovery. Drilling and completion of one or more salt water disposal (SWD) wells is an integral part of Resolute's overall development plan to expand the CO_2 flood in the Aneth Unit.

The expanded CO_2 flood will enhance oil recovery from the field by several million barrels. However, the process requires that Resolute inject CO_2 instead of water for some period of time and then alternate the injection of CO_2 and water. The net result is that an increasing portion of the field's injection volume will be CO_2, but the produced water volume will remain unchanged, at least until the CO_2 starts to work through the reservoir. Therefore, to enable the expansion of the CO_2 injection program, Resolute must dispose of the excess produced water into a formation other than the Desert Creek.

Resolute intends to drill a new well, designated the C-113 LDVL, into the Mississippian Lower Leadville formation. The primary objective is completion of the C-113 LDVL as a SWD well. A secondary objective is to determine the Leadville reservoir properties, including fluid content. The drilling plan is to drill the vertical hole through the Leadville formation, log the well, then set a whipstock and kickoff in the Upper Leadville with the end of the curve in the middle of the Lower Leadville. The directional tool will have a Gamma Ray MWD and we will run the following open-hole tools:

- ☐ Laterolog (due to salt based mud)
- ☐ Density/Neutron
- ☐ Sonic
- ☐ Rotary Cores
- ☐ Formation Imaging Log

RECEIVED
MAY 17 2006
DIV. OF OIL, GAS & MINING

lateral drilled). The orientation of the laterals, but not their maximum length, may be altered based on the results of the vertical wellbore logging program and information, including injectivity data, obtained during drilling of the first lateral (Lateral A). A Drilling Plan and wellbore schematic are included in Attachment 1 (b).

Materials Being Filed

Laterals A and C, bearing southwest and southeast of the vertical wellbore respectively, as well as the C-113 LDVL surface location are positioned entirely on lands owned by the US Bureau of Land Management (BLM). Underground Injection Control (UIC) program management on BLM lands is administered by the State of Utah, Division of Oil, Gas and Mining (DOGM). The proposed paths of laterals B and D extend beyond the Navajo Nation surface boundary are therefore subject to additional approvals from the US Environmental Protection Agency (USEPA) and Navajo Nation EPA (NNEPA) who administer the UIC program on Navajo lands.

The enclosed APD and UIC permit applications are being submitted concurrently to the BLM and the DOGM. BLM Form 3160-3, Application for Permit to Drill is enclosed as Attachment 1. Attachments 1 (a) through 1 (e) include the APD supporting documentation specified by BLM Onshore Oil and Gas Order 1. We believe the materials being submitted are complete, with the exception of Attachment 1 (c) Surface Use Plan. Resolute has contracted Permits West, Inc. of Santa Fe, New Mexico to coordinate the environmental and cultural assessments needed for the Surface Use Plan and proposes to submit a complete Surface Use Plan after the onsite inspection.

DOGM UIC Form 1, UIC permit application is enclosed as Attachment 2. Attachments 2 (a) through 2 (e) include supporting documentation specified by the State of Utah guidance document *Permitting a Class II Injection Well*. Separate UIC permit applications for laterals B and D are being submitted to USEPA and NNEPA on forms required by those agencies.

Area of Review

The method used to determine the Area of Review (AOR) for this application was to assume a fixed radius of one-half mile around the proposed Aneth Unit C-113 LDVL wellbore. The AOR was then expanded to include a one-half mile "buffer" around all of the proposed laterals. A map depicting the Aneth Unit C-113 LDVL location, intended lateral orientation and the AOR is presented in Attachment 2 (a).

Wells present within the AOR include 37 producing oil wells, 35 active Class IIR injection wells, 6 shut in or temporarily abandoned wells and 4 permanently plugged and abandoned wells. There are no water source wells in the AOR. All of the Active wells present in the AOR are completed in the Desert Creek member of the Paradox Formation and are operated by Resolute. None of the wells present in the AOR penetrated the Leadville Formation. The table included in Attachment 2 (b) summarizes each well's type, date drilled, depth, formation tops picked from electric logs, and other information.

Name and Depth of USDWs

Based on a review of reports prepared by the US Geological Survey and others addressing hydrogeologic conditions in southeastern San Juan County, Utah, the principal fresh water USDWs in the Greater Aneth Area include the Entrada Sandstone, Navajo Sandstone, and Wingate Sandstone, which collectively comprise the Navajo aquifer. The overlying Morrison aquifer and isolated Dakota and Alluvial aquifers may also be present. References are included as Attachment 2 (c).

Water quality within the Alluvial, Morrison, and Navajo aquifers in the Greater Aneth Area reportedly varies from fresh to saline, ranging from less than 500 to as much as 10,000 or more milligrams per liter (mg/L) Total Dissolved Solids (TDS). These aquifer units are underlain by moderately saline to saline aquifers of the Cutler, DeChelly, and Redwall aquifers, with TDS ranging from approximately 3,000 mg/L TDS to in excess of 10,000 mg/L TDS. According to information contained in the literature and comments from USEPA Region IX staff, the Chinle Formation generally separates relatively fresh water aquifers above from non-usable saline ground water aquifers below. Anticipated formation tops to be encountered include:

☐ Navajo	1000'
☐ Chinle	1600'
☐ Upper Ismay	5473'
☐ Gothic Shale	5634'
☐ Desert Creek IA	5659'
☐ Desert Creek IIA	5702'
☐ Chimney Rock	5813'
☐ Upper Leadville	7094'
☐ Lower Leadville	7349'

Geologic Data

The Leadville formation is composed of carbonate limestone and dolomite. Both the Upper Leadville (limestone) and Lower Leadville (dolomite) are potential reservoirs for SWD with the primary target being the Lower Leadville dolomite. The Upper Leadville has an estimated gross thickness of 200 to 300 feet and is expected to be encountered at an approximate depth of 7,120 feet below surface. The Lower Leadville has a gross thickness of about 150 to 200 feet and will be encountered at approximately 7,400 feet. The average reservoir parameters are 5 millidarcys (md) permeability and 10 percent porosity. Reservoir fracture pressure for the Leadville is estimated at 1 to 1.2 psi per foot (7100 – 8500 psi). Actual fracture pressures will be determined following the logging program and completion of a step-rate test.

Operating Data

- ☐ The proposed average and maximum injection rates are 7,500 barrels of water per day (bwpd) and 10,000 bwpd respectively.
- ☐ The maximum anticipated injection pressure is 5950 psi. Actual formation fracture pressures and operating parameters will be determined following the logging program and completion of a step-rate test.

- ☐ The annulus fluid will be packer fluid composed of injection water and corrosion inhibitor.
- ☐ Fluid injected in the C-113 LDVL will be produced water sourced from various oil and gas wells producing from the Desert Creek Member of the Paradox Formation operated by Resolute in the Aneth Unit. An analysis of the injection fluid is included as Attachment 2 (d).

Plugging and Abandonment Plan

After it has fulfilled its use as a Class IID disposal well, the C-113 LDVL will be plugged and abandoned (P&A) according to applicable DOGM, USEPA, NNEPA, and BLM requirements. A Plugging and Abandonment Plan is being prepared for USEPA and NNEPA on forms required by those agencies.

Necessary Resources

A copy of Resolute's Surety Performance Bond for all UIC wells operated by Resolute in the Aneth Unit is included as Attachment 1 (d).

Description of Business

Resolute Natural Resources Company (Resolute) is an independent oil and gas exploration and production company that owns a majority working interest in and is the operator of the Aneth Unit. The proposed Aneth Unit C-113 LDVL SWD Class IID saltwater disposal well will be used for noncommercial disposal of produced water derived from various producing wells in the Aneth Unit.

Resolute appreciates your assistance in preparing this permit application and we look forward to moving forward quickly with this project in order to maximize recovery of oil at the Aneth Unit. Please call me with any questions or comments.

Sincerely,
RESOLUTE NATURAL RESOURCES COMPANY

Dwight E. Mallory
Regulatory Coordinator

Cc: Jeff Brown, US BLM

ATTACHMENT 1

US BLM FORM 3160-3 APD

ATTACHMENT 1 (c)

SURFACE USE PLAN

ATTACHMENT 1 (d)

SURETY PERFORMANCE BOND

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

VIA CERTIFIED MAIL NO.
RETURN RECEIPT REQUESTED #7000 0520 0021 6108 2978

Pat Flynn
Environmental Health and Safety Manager
Resolute Natural Resources Company
1675 Broadway, Suite 1950
Denver, CO 80202

RECEIVED
JUL 0 2 2007
DIV. OF OIL, GAS & MINING

Re: Aneth Unit C-113 LDVL Class IID Injection Well
Northwest and Northeast Lateral Extensions
Section 12, Township 40 South, Range 23 East
San Juan County, Utah

Dear Mr. Flynn:

We are writing to notify you of our determination that Resolute Natural Resources Company (Resolute) violated the Safe Drinking Water Act's (SDWA) Underground Injection Control (UIC) regulations by failing to obtain a UIC Class II injection well permit from the United States Environmental Protection Agency Region 9 (EPA) prior to drilling horizontal extensions of a UIC well under Navajo surface tribal trust lands in Section 12, Township 40S, Range 23E. An EPA permit was required under the SDWA for this action pursuant to 40 C.F.R. §§ 144.11 and 144.31(a).

EPA learned of this violation during a meeting with Resolute's representatives on February 21, 2007. We understood from this meeting that on February 5, 2007, Resolute had completed its drilling of a northwestern lateral of its C-113 LDVL UIC well approximately 2900 feet under Navajo lease lands. We also learned that Resolute was in the process of drilling a northeastern lateral of this UIC well that would also extend under Navajo lease lands (which activity has since been completed). We are particularly troubled that these violations occurred after my staff made clear during discussion with you prior to your August 2006 permit application for the C-113 LDVL well that although a vertical UIC well drilled outside of Navajo land would be subject only to the State of Utah's UIC permitting authority, a lateral well drilled from the C-113 LDVL well that extended under Navajo lands *would* require a EPA UIC permit prior to drilling. Also, we note that EPA provided written confirmation to Resolute, in a letter dated December 1, 2006, of the need for an additional UIC permit prior to drilling laterals in existing injection wells. While that letter specifically addressed existing Class IIR wells in the Aneth Unit, the letter provided additional notice that Resolute required an EPA permit for extensions to Class IID injection wells, such as the C-113 LDVL well, which is also located within the Aneth Unit.

As you know, on April 3, 2007, EPA issued a Notice of Administrative Completeness for the C-113 LDVL UIC permit. However, Resolute's failure to secure UIC permit authorization before it drilled the C-113 LDVL laterals into Navajo lease lands resulted in a violation of the SDWA. Pursuant to Section 1423(c) of the SDWA, 42 U.S.C. § 300h-2(c), and 40 C.F.R. § 19.4, EPA may issue an order requiring compliance and assessing an administrative civil penalty for the violations discussed above of not more than $11,000 for each day of each violation, up to a maximum penalty of $157,500, against any person who violates the SDWA or any requirement of an applicable UIC program.

If you have any questions about this matter, please contact one of my staff, either Dave Basinger at (415) 972-3506 or Jim Walker at (505) 599-6317.

Sincerely,

David Albright
Manager, Ground Water Office
June 22, 2007

cc:

Stephen B. Etsitty, Executive Director, NNEPA
William Freeman, Program Manager, NNEPA UIC Program
Steve Henke, Manager, Farmington Field Office, Bureau of Land Management
Bertha Spencer, Regional Realty Officer, Bureau of Indian Affairs, Navajo Region
Jim Walker, EPA
✓Chris Kierst, UT CDOGM

From: "Dwight Mallory" <dmallory@rnrc.net>
To: <chriskierst@utah.gov>
Date: 08/14/2007 12:12 PM
Subject: C-113 LDVL UIC Permit Application
Attachments: Salt_Maps.pdf

Duplicate ?

Mr. Kierst:

In reference to our conversation last week: The attached .pdf file contains a base structure map and isopach thickness map of the Paradox Salt in the vicinity of the C-113 LDVL well. I am mailing a hard copy and a CD that includes this file, as well as a .pdf copy of the cement bond log and the .LAS file. If you require a printed copy of the bond log, please let me know and I will get you one as soon as possible.

Thanks,

The attached structure contour map is not on the Base/Paradox Salt, but over 600' below on the Top/Lower Cadodilla, which is the proposed injection interval. We have decided to accept the isopach of the Paradox Salt as demonstrating the continuity of the upper confining interval in the area around the subject well.
CK 8/15/07 - in consultation w/ Brad Hill

Dwight Mallory

Environmental, Health & Safety Coordi

Resolute Natural Resources Company

1675 Broadway, Suite 1950

Denver, CO 80202

Phone (303) 573-4886 X 1165

Fax (303) 623-3628

THIS COMMUNICATION AND ANY ATTACHMENTS ARE CONFIDENTIAL AND PROPRIETARY INFORMATION INTENDED FOR THE ADDRESSED PARTY ONLY, AND MAY BE PRIVILEGED UNDER LAW. IF YOU ARE NOT THE INTENDED RECIPIENT YOU ARE HEREBY NOTIFIED THAT ANY FURTHER REVIEW OR DISSEMINATION OF THIS MESSAGE AND ANY ATTACHMENTS IS PROHIBITED BY LAW . IN SUCH EVENT YOU SHOULD DELETE THIS COMMUNICATION AND ALL ATTACHMENTS AND DESTROY ANY PRINTED COPIES. PLEASE NOTIFY THE SENDER OF ANY ERRONEOUS TRANSMISSION OF THIS EMAIL. THANK YOU.

From: "Dwight Mallory" <dmallory@rnrc.net>
To: <chriskierst@utah.gov>
Date: 08/14/2007 12:12 PM
Subject: C-113 LDVL UIC Permit Application
Attachments: Salt_Maps.pdf

Duplicate ?

Mr. Kierst:

In reference to our conversation last week: The attached .pdf file contains a base structure map and isopach thickness map of the Paradox Salt in the vicinity of the C-113 LDVL well. I am mailing a hard copy and a CD that includes this file, as well as a .pdf copy of the cement bond log and the .LAS file. If you require a printed copy of the bond log, please let me know and I will get you one as soon as possible.

Thanks,

Dwight Mallory

Environmental, Health & Safety Coordinator

Resolute Natural Resources Company

1675 Broadway, Suite 1950

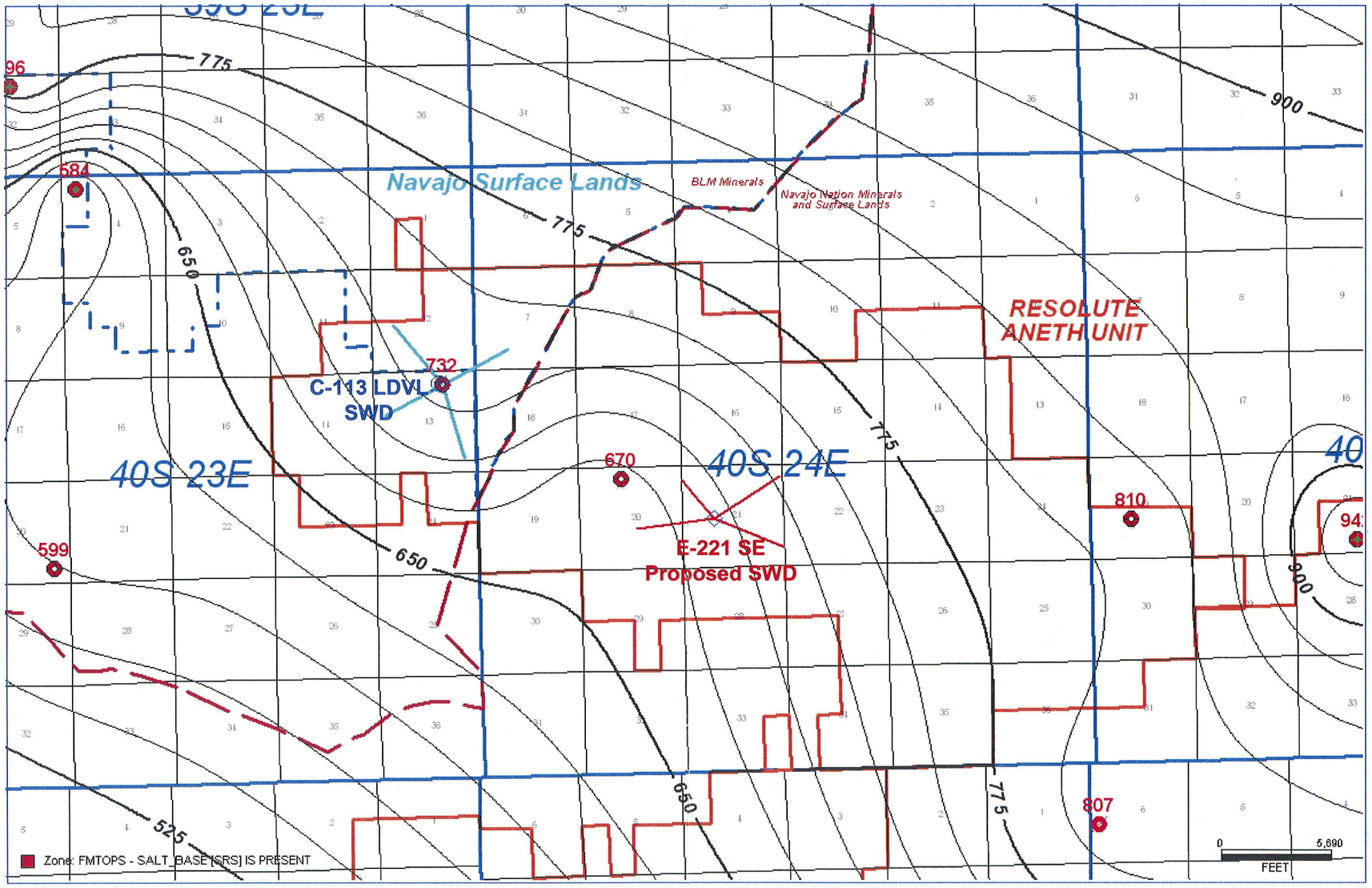
Denver, CO 80202

Phone (303) 573-4886 X 1165

Fax (303) 623-3628

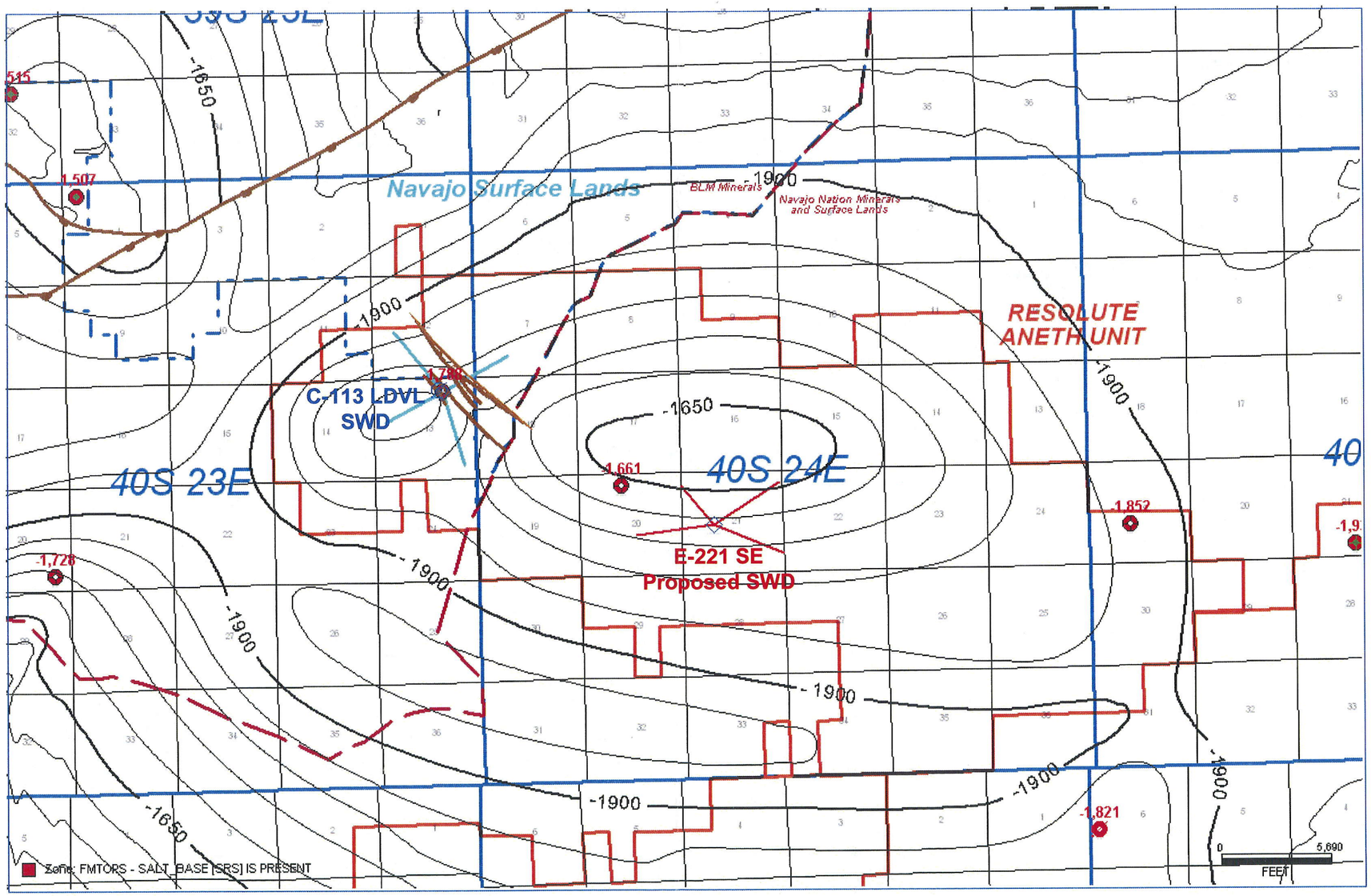
THIS COMMUNICATION AND ANY ATTACHMENTS ARE CONFIDENTIAL AND PROPRIETARY INFORMATION INTENDED FOR THE ADDRESSED PARTY ONLY, AND MAY BE PRIVILEGED UNDER LAW. IF YOU ARE NOT THE INTENDED RECIPIENT YOU ARE HEREBY NOTIFIED THAT ANY FURTHER REVIEW OR DISSEMINATION OF THIS MESSAGE AND ANY ATTACHMENTS IS PROHIBITED BY LAW . IN SUCH EVENT YOU SHOULD DELETE THIS COMMUNICATION AND ALL ATTACHMENTS AND DESTROY ANY PRINTED COPIES. PLEASE NOTIFY THE SENDER OF ANY ERRONEOUS TRANSMISSION OF THIS EMAIL. THANK YOU.

Greater Aneth
Isopach Thickness Map: Top Salt – Base Salt



Salt Thickness Posted

Greater Aneth
Structure Map: Base Salt



Subsea Top Lower Leadville Posted

Dwight E. Mallory
Environmental Health & Safety Coordinator
(303) 534-4600 x165
dmallory@rnrc.net

August 13, 2007

Mr. Chris Kierst
State of Utah
Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

Re: Aneth Unit C-113 LDVL Class IID Injection Well Application

Dear Mr. Kierst:

The materials on the enclosed CD are being submitted in support of the referenced UIC application and in response to your request via telephone on August 10, 2007. Included are:

- A structure map of the base of the Paradox Salt confining zone in the vicinity of the subject well;
- An isopach thickness map of the Paradox Salt in the vicinity of the subject well;
- A copy of the cement bond log of the subject well; and
- A copy of the .LAS file for the cement bond log.

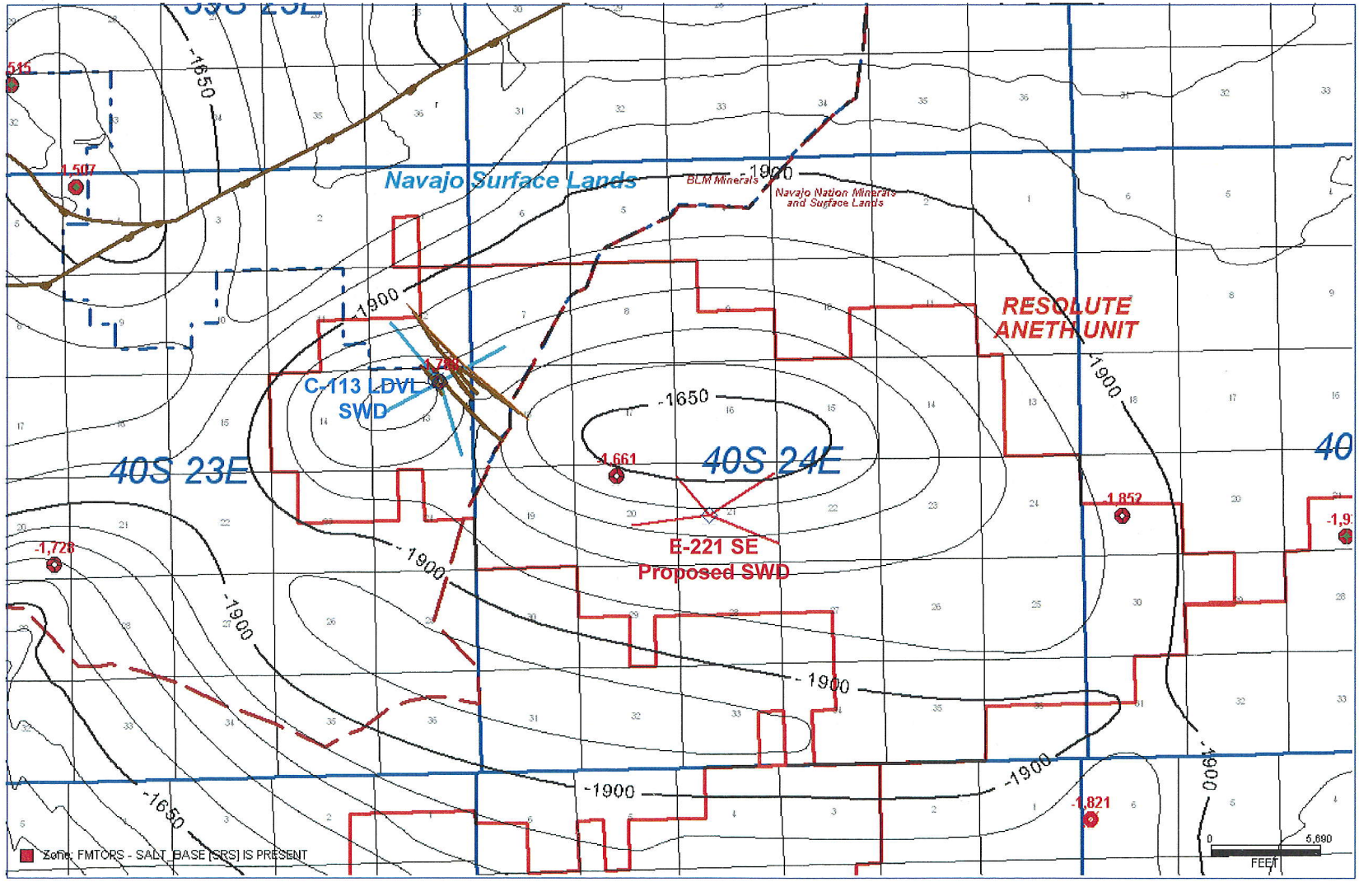
Please let me know if you require any additional information.

Sincerely,
RESOLUTE NATURAL RESOURCES COMPANY

Dwight E. Mallory
Environmental, Health & Safety Coordinator

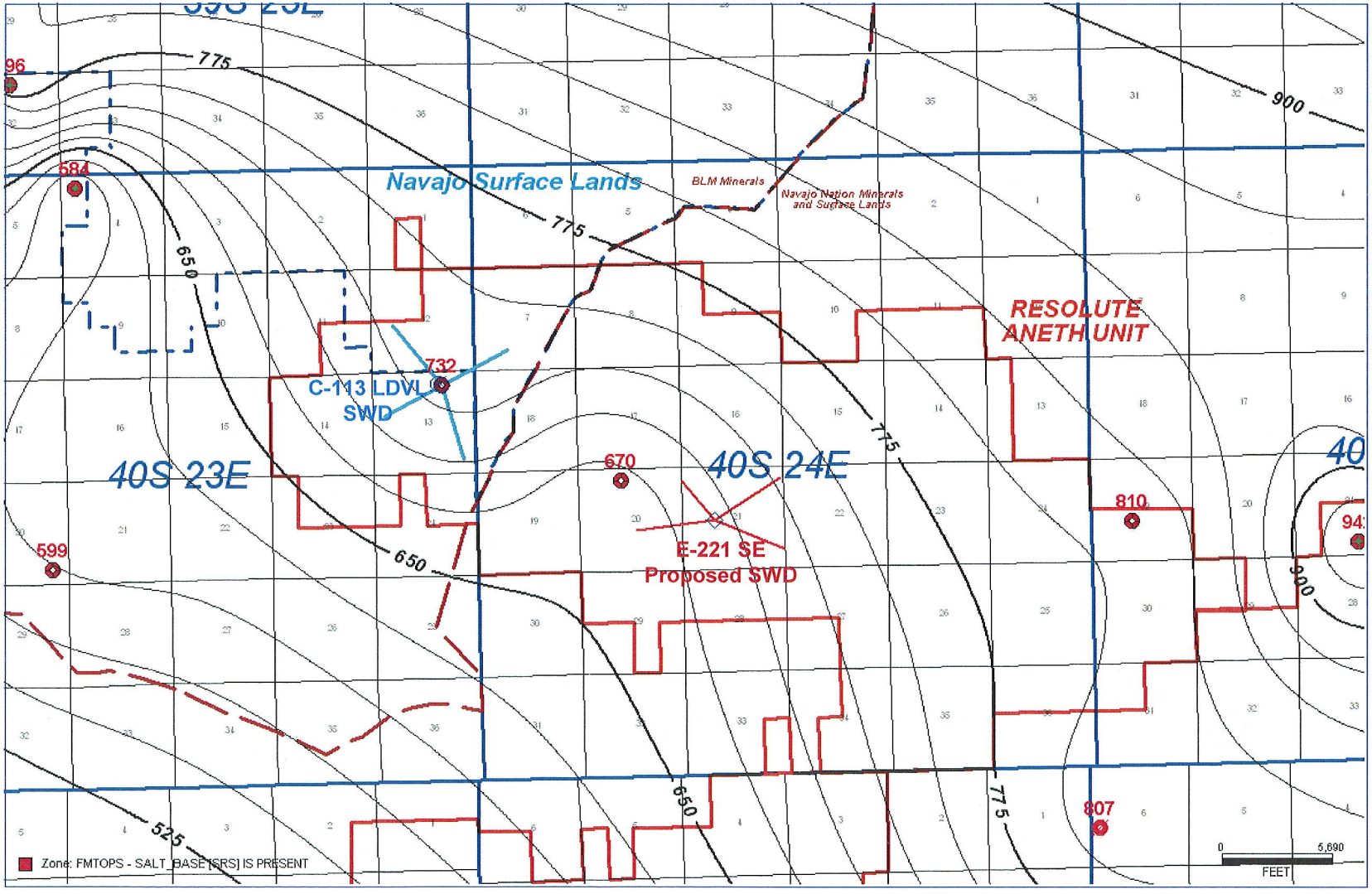
RECEIVED
AUG 15 2007
DIV. OF OIL, GAS & MINING

Greater Aneth
Structure Map: Base Salt



Subsea Top Lower Leadville Posted

Greater Aneth
Isopach Thickness Map: Top Salt – Base Salt



Salt Thickness Posted

Date: 8/15/07

Bureau of Land Management
Moab Field Office
82 East Dogwood Avenue
Moab, Utah 84532
Phone: (435) 259-2100 Fax: (435) 259-2106

Fax Cover Sheet

To: Chris Kierst

Phone: _____ Fax: 801-359-3940

Office: DOGM

From: Marie McGann

Phone: 435-259-2135

Number of pages including cover sheet: 2

Remarks: Attached is the bond abstract for Resolute.

RECEIVED
AUG 15 2007
DIV. OF OIL, GAS & MINING

Run Date: 08/15/07
Page 1 of 1

UNITED STATES DEPT OF INTERIOR

BUREAU OF LAND MANAGEMENT

BOND ABSTRACT

BLM BOND NO: UTB000169
DOCUMENT ID: B001263
CASE TYPE: 310434 O&G BOND ALL LANDS

DISPOSITION: ACCEPTED

NAME AND ADDRESS OF BOND PARTIES

B20050027 BONDED PRINCIPAL
RESOLUTE NATURAL RESOURCES
RESOLUTE ANETH LLC
1675 BROADWAY STE 1950
DENVER CO 80202

NAME AND ADDRESS OF SURETY PARTIES

S20030005001 SURETY
U.S. SPECIALTY INSURANCE
COMPANY
13403 NORTHWEST FREEWAY
HOUSTON TX 770406094

SERIAL NUMBER(s):

BOND AREA: STATEWIDE
TYPE OF LAND: FEDERAL-PUBLIC
BOND TYPE: SURETY

STATES COVERED: UT
BOND AMOUNT:$25,000

BONDED ACTIVITY/PURPOSE

GENERAL LSE/DRILLING

COMMODITY(IES)

OIL & GAS L

ACTION CODE	ACTION DATE	ACTION TAKEN	ACTION REMARKS	PENDING
468	01/24/2005	BOND FILED	6/88 EDITION 3000-4	UT92213
469	01/24/2005	BOND ACCEPTED	EFF 01/08/2004	

GENERAL REMARKS

LINE # REMARK

RECEIVED
AUG 15 2007
DIV. OF OIL, GAS & MINI

DIVISION OF OIL, GAS AND MINING
UNDERGROUND INJECTION CONTROL PROGRAM

PERMIT
STATEMENT OF BASIS

Applicant: Resolute Natural Resources **Well:** Aneth Unit C-113-LDVL SWD #1

Location: T40S, R23E, S13, San Juan County, Utah **API:** 4303731852

Ownership Issues:

This well is proposed as a horizontally drilled UIC Class II Salt Water Disposal (SWD) well having four injectable horizontal laterals. Its surface location and two of the laterals are located on Federal land administered by the Bureau of Land Management. The other two legs pass onto Navajo Tribal lands administered by the Bureau of Indian Affairs and those legs fall therefore within under the primacy of Region IX of the United States Environmental Protection Agency (EPA) as regards approval of their fitness for injection. In consultation with the staff of the EPA it was decided that EPA would cede the lead of permitting this well to the Utah Division of Oil, Gas and Mining (DOGM) and would review the perfected permit and approve or amend it as needed for their purposes.

The operator, Resolute Natural Resources, tendered an application due diligence package on 5/17/2006. It was reviewed and Application Analysis Form commentary was provided them on 6/21/2006 indicating serious fatal deficiencies existed in the package, which would result in DOGM refusing to further process the application. Having a drilling permit, the operator proceeded with the drilling of the well, including all the laterals, without addressing any of the specified deficiencies in the UIC application package. Issues subsequently arose between the operator, the tribe and USEPA Region IX. The operator was focused on curing these issues until an additional mailing was received by DOGM on 4/6/2007, which addressed the specified deficiencies. This was reviewed and the package was subsequently found to be sufficiently acceptable to initiate the DOGM Noticing process. The Noticing documents were issued on 5/11/2007. The Noticing period ran until mid June of this year with no protestants forthcoming. On 5/29/2007 the Division received a Well Completion Report for this well documenting that all four laterals were drilled. Lateral #1 started at 7,128' and bottomed at 7,239' TVD. Lateral #2 started at 7,102' and bottomed at 7,379' TVD. Lateral #3 started at 7,083' and bottomed at 7,212' TVD. Lateral #4 started at 7,058' and bottomed at 7,349' TVD.

The operator has provided the Division an Affidavit of Mailing specifying that a copy of the application for a Class II Injection Well permit was sent to all operators, owners and surface owners of the proposed injection well. The affidavit does not specifically include language to the effect that it deals specifically with the area within the half-mile Area of Review (AoR), but this was deemed to not present an obstacle to its acceptability for the Division's

purposes.

Well Integrity:

Description of the Casings and Cement:

CASING PROGRAM

String Type	Hole Size	Depth	Feet	Casing Diameter	Weight	Grade	Connection Type
Conductor	20"	82'	82'	13 3/8"	68#/Ft	C-75	-
Surface	14¾"	1631'	~1,618'	11¾"	47#/Ft	J-55	-
Production	9½"	7,602'	7,597'	7 5/8"	26.4 & 33.7#/Ft	L-80/P-110	-

CEMENT PROGRAM

String Type	DV Depth	Stage Lead/Tail	Cement Bottom	Cement Top	Number Sacks	Cement Type	Cement Yield	Cement Weight PPG
Conductor	-	-	82'	Surface	100	G	-	-
Surface	-	-	1,631'	Surface	136	G	-	-
Production	-	1- lead	-	-	-	-	-	-
	-	1-tail	3,182'	Surface	352(bbl)	G	-	12.8
	-	2- lead	-	-	-	-	-	-
	-	2-tail	7,602'	3,182(cal)	276(bbl)	G	-	15.8

Ground Water Protection:

The operator proposes to inject an Aneth Unit produced water mixture through four unlined horizontally drilled laterals into the Mississippian age lower Leadville Limestone for the purpose of salt-water disposal. The lithology of the lower Leadville Limestone is stated to be dolomite. Aneth Unit produced water is obtained from the Desert Creek Member of the Paradox Formation. The depth of the injection interval is stated to be between 7,100' and 7,600' TD. A representative produced water sample, which was taken from the Aneth Unit Water Plant, was tested and found to have a Total Dissolved Solids (TDS) concentration of 91,010.2 mg/l. The operator perforated the Leadville Limestone in the vertical hole from 7,234' to 7,335' TD to sample the connate water. An analysis of the connate waters of the perforated portion of the proposed injection interval of the subject well indicated TDS concentrations in the Leadville Limestone ranging from 39,650 mg/l to 69,179 mg/l, respectively. It is likely that the true connate water TDS concentration is in the area of the low 40,000s because the high value was the first sample and the subsequent samples were more closely clustered around the suggested concentration. It is unlikely that a high quality water resource is to be found in the Leadville Limestone in this area and, particularly, at the depths penetrated in the subject well.

On the original UIC Form 1 the operator requested permission to inject at a Maximum Allowable Surface Injection Pressure of 5,950 psig at a maximum injection rate of 10,000 barrels per day. They subsequently amended their requested Maximum Allowable Surface Injection Pressure to 4,000 psig on the latest UIC Form 1.

Step Rate Tests were performed on 1/15/2007 and on 1/20/2007. Analysis of the results indicated that a formation parting pressure was not documented in either test although the bottom hole pressure during the tests reached and possibly surpassed the requested maximum injection pressure of 4,000 psig according to the operator's processed Step Rate Test presentation.

An analysis of the Basin Well Logging Cement Bond Log dated 11/6/06) was undertaken to evaluate the quality of the bond over the confining interval in the well. The log was available in both PDF and LAS formats although the LAS file didn't include the VDL data. The cement in the vertical hole appears to be excellent for some considerable distance above the proposed injection interval with "cycle skipping" frequently in evidence on the travel time curve and generally excellent VDL log characteristics in the area of confining interval. However, the log presented some other issues. The LAS file values for the amplitude curve indicated that the lowest end of the range of readings was irrationally low and included negative numbers. This is the critical end of the readings from which the Bond Index is determined. The Bond Index formula includes taking logarithms so this precluded the use of the formula. The matter was overcome by getting an empirically determined value (2.6 mV) for 100 % bonded, 33.7 #/foot, P-110, 7 5/8" casing (Class H, 3000 psi compressive strength cement) as an anchor point to enter the EPA Bond Index chart and making a curve that was anchored at the "free pipe" end of the chart by the table value for "free pipe", which was reasonably supported by values from the LAS file. This produced a chart-determined 80% Bond Index value of 5 mV. Using this cutoff, there appears to be over 100' of cumulative discontinuous 80% bonded cement in the first 200' of strata above the proposed injection interval (top @ 7,100') in the Leadville Limestone. This methodology was implemented after consultation with Mr. Dana McGarrh of Basin Well Logging. The longest continuous acceptably bonded interval was about 17'. The CBL was run at 1,000 psi to minimize the effects of any microannulus. The cement bonding above the top of the proposed injection interval should be adequate to prevent inter-zone communication.

It is noted that the proposed injection interval includes Devonian age strata of the Ouray Limestone and the Elbert Formation. The Noticing document specified that injection would be into selective zones in the Leadville Limestone. None of the laterals drifted from the Leadville Limestone. The proposed confining layers for the injection interval are the impermeable limestone and shale of the superjacent Pennsylvanian age Molas and Pinkerton Trail Formations, which are collectively 246' thick and closely overlain by massive salt in the lower Paradox Formation. The operator construes the Ouray Limestone to be the lower confining unit. An essentially east-west running cross section provided by the operator demonstrates the continuity of the upper confining layers in the area.

In this area, the Leadville Limestone is not considered an Underground Source of Drinking Water (USDW; a water source containing less than 10,000 mg/l, total dissolved solids).

There are no subsurface water rights filed within a mile of the Resolute Aneth Unit C-113 LDVL SWD.

A review of the well records of the Division of Oil, Gas and Mining revealed that 57 wells are found within the one-half mile regulatory Area of Review (AoR). Since some lie just out of the search buffer it is possible that slight changes in the position of the more complex cloverleaf shaped buffer area could pick these up. I used ArcGIS software to research the wells within the AoR rather than the RBDMS because the RBDMS function can't handle lateral arrangements. I didn't have precise information about the length, geometry and position of the laterals and I don't know the exact methodology used by the operator. I estimated the length and position of the laterals by extending them from an origin at the subject well to endpoints visually triangulated from the relative position of nearby wells in the GIS. I then formed a buffer area around the laterals in the GIS and selected included vgbhwells from the "Wells" layer using the buffer area. In his discussion of the AoR the operator essentially states that there are eighty-two other wells within the AoR. Thirty-seven of these are currently classed as oil producers and thirty-five are classed as enhanced recovery water injection wells. Six are classed as Shut-in and 4 are classed as P&A. However, he provides a tabular list of the included wells and it lists 72 wells. I have compared my list of included wells with the operator's and, while many wells are common to both lists, there are discrepancies on both. I include four wells not on his list and he has 18 wells that I don't include. The operator's list indicates that most wells listed reached total depth about 1,000' above the proposed injection interval. However, there is one well that was drilled to about 400' above it and several others that are a bit less than 1,000' above it. My list includes the well to about 400' above and a few others a bit less than 1,000' above it. All the rest are about 1,000' above. Attempting to reconcile both lists, it appears that the nearest vertical distance any other drilling within the AoR comes to the injection level of the subject well is about 400', which is in the Paradox Formation salt.

All the operator's active, shut in or formerly active wells are listed as completed in the Paradox Formation or the Desert Creek and/or Ismay oil producing zones of the Paradox Formation except for one well which is apparently producing from the essentially Pennsylvanian age Hermosa Group, which includes the Paradox Formation.

The Base of Moderately Saline Ground Water in this area is at an elevation of about 2,400', which occurs at a depth of about 2,400' in the well. This would place it at the base of the Triassic age Chinle Formation.

Oil/Gas & Other Mineral Resources Protection:

In this area oil is the only mineral resource that is currently being exploited in the strata that have been penetrated in this well.

Bonding:

Resolute Natural Resources has posted a Surety Performance Bond B001252 in the amount of $10,816,000.00 with the EPA for the plugging of injection wells. In addition, the operator has filed Statewide Bond UTB000169 in the amount of $25,000.00 with the Bureau of Land Management for the purpose of bonding for General Lease/Drilling activity. Specific information regarding+ the details of the bonds is obtainable from those agencies.

Actions Taken and Further Approvals Needed:

Notice of this application was published in the Salt Lake Tribune and the San Juan Recorder, Monticello, Utah. In addition, copies of the notice were provided to EPA Region 8, the BLM Moab District Office, San Juan County Planning and the operator. The notice stated the proposed interval for injection to be selective zones in the Mississippian Formation. Any future injection into a formation other than that permitted will require administrative approval after appropriate sampling and testing.

After reviewing their documentary submission and application, it is my conclusion that Resolute Natural Resources ought to be granted a permit to utilize the Aneth Unit C-113 LDVL SWD well for injecting unit produced water into the proposed formation. The proposed operations would not result in any meaningful diminution in the quality of the noxious formation water. No negative impacts on any superjacent high quality ground water resource are anticipated resultant of the subject permitted operations.

A properly designed and constructed injection well, combined with periodic mechanical integrity tests (MIT), demonstrably poses no threat to fresh or useable groundwater supplies.

Note: Applicable technical publications concerning water resources in the general vicinity of this project have been reviewed and taken into consideration during the permit review process.

Reviewer(s): Christopher J. Kierst Date: 8/15/2007

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 12, 2007

Dwight Mallory
Resolute Natural Resources
1675 Broadway, Suite 1950
Denver, CO 80202

Re: Aneth Unit C-113 LDVL Township 40 South, Range 23 East, San Juan County, Utah

Dear Mr. Mallory:

Pursuant to Utah Admin. Code R649-5-3-3, the Division of Oil, Gas and Mining (the "Division") issues its administrative approval for conversion of the referenced well to a Class II salt water disposal well. Accordingly, the following stipulations shall apply for full compliance with this approval:

1. Compliance with all applicable requirements for the operation, maintenance and reporting for Underground Injection Control ("UIC") Class II injection wells pursuant to Utah Admin. Code R649-1 et seq.

2. Conformance with all conditions and requirements of the complete application submitted by Resolute Natural Resources.

3. Injection is permitted within a Maximum Allowable Surface Pressure of 4,000 psig into selective zones in the Mississippian (Leadville Limestone) Formation.

4. This document is only an Approval to Convert the well to a Salt Water Disposal well. It is not an Injection Permit and does not grant permission to inject produced water. A final Injection Permit will be issued subsequently with stipulations governing the granting of permission to inject produced water.

If you have any questions regarding this approval or the necessary requirements, please contact Christopher Kierst at (801) 538-5337 at this office.

Sincerely,

Gil Hunt
Associate Director

CK:pab

cc: Dan Jackson, Environmental Protection Agency, Region VIII
Dave Basinger, Environmental Protection Agency, Region IX
Eric Jones, BLM Moab Regional Office
San Juan County Planning

From: "Dwight Mallory" <dmallory@rnrc.net>
To: <Basinger.David@epa.gov>, "Patrick Flynn" <pflynn@rnrc.net>
CC: <Walker.Jim@epamail.epa.gov>, <chriskierst@utah.gov>, <Albright.David@ep...
Date: 09/24/2007 1:18 PM
Subject: RE: Status on the C113 SWD Application

David:

I did speak with Chris Kierst on September 12 and we have received an authorization to convert letter from the State of Utah dated the same. It is my understanding that we need to schedule a Mechanical Integrity Test to be witnessed by the State of Utah, as well as US EPA, but I was under the impression that we needed a similar authorization to convert letter from your office before we could proceed with the conversion and schedule the MIT.

If we may proceed with setting the MIT, please let me know and I will pass that along to our field engineering staff and have them schedule with Jim and Chris. If there is additional authorization we need from your office prior to the MIT, please let me know that as well.

In the meantime, I will pass the question regarding horizontal well pressure build-up simulations and modeling to our Reservoir Engineering Manager, Dave Clouatre.

Thanks.

Dwight Mallory
Environmental, Health & Safety Coordinator
Resolute Natural Resources Company
1675 Broadway, Suite 1950
Denver, CO 80202
Phone (303) 573-4886 X 1165
Fax (303) 623-3628

THIS COMMUNICATION AND ANY ATTACHMENTS ARE CONFIDENTIAL AND PROPRIETARY INFORMATION INTENDED FOR THE ADDRESSED PARTY ONLY, AND MAY BE PRIVILEGED UNDER LAW. IF YOU ARE NOT THE INTENDED RECIPIENT YOU ARE HEREBY NOTIFIED THAT ANY FURTHER REVIEW OR DISSEMINATION OF THIS MESSAGE AND ANY ATTACHMENTS IS PROHIBITED BY LAW . IN SUCH EVENT YOU SHOULD DELETE THIS COMMUNICATION AND ALL ATTACHMENTS AND DESTROY ANY PRINTED COPIES. PLEASE NOTIFY THE SENDER OF ANY ERRONEOUS TRANSMISSION OF THIS EMAIL. THANK YOU.

-----Original Message-----
From: Basinger.David@epa.gov [mailto:Basinger.David@epa.gov]
Sent: Monday, September 24, 2007 12:03 PM
To: Patrick Flynn
Cc: Dwight Mallory; Walker.Jim@epamail.epa.gov; chriskierst@utah.gov; Albright.David@epamail.epa.gov
Subject: Re: Status on the C113 SWD Application

Jim Walker is out of the office this week and will return next Monday. As our primary Navajo contact, Jim would give you the best estimate of how soon we might have our permit for you.

Good Morning:

Can you tell me where we stand with our AU C113 SWD application and an idea of when we might have approval?

Thanks - Pat

Patrick E. Flynn
Environmental Health & Safety Manager
Resolute Natural Resources Company
1675 Broadway, Suite 1950
Denver, CO 80202
Phone: 303.534.4600 X1145
Fax: 303.623.3628
Cell: 303.941.0389

THIS COMMUNICATION AND ANY ATTACHMENTS ARE CONFIDENTIAL AND PROPRIETARY INFORMATION INTENDED FOR THE ADDRESSED PARTY ONLY, AND MAY BE PRIVILEGED UNDER LAW. IF YOU ARE NOT THE INTENDED RECIPIENT YOU ARE HEREBY NOTIFIED THAT ANY FURTHER REVIEW OR DISSEMINATION OF THIS MESSAGE AND ANY ATTACHMENTS IS PROHIBITED BY LAW . IN SUCH EVENT YOU SHOULD DELETE THIS COMMUNICATION AND ALL ATTACHMENTS AND DESTROY ANY PRINTED COPIES. PLEASE NOTIFY THE SENDER OF ANY ERRONEOUS TRANSMISSION OF THIS EMAIL. THANK YOU.

From: "Donnie Trimble" <dtrimble@rnrc.net>
To: <chriskierst@utah.gov>, <danjarvis@utah.gov>, <walker.jim@epa.gov>, <nne...
CC: "Bob Brady" <bbrady@rnrc.net>, "Dale Cantwell" <dcantwell@rnrc.net>, "Dw...
Date: 09/26/2007 9:12 AM
Subject: MIT for AU C113 LDVL (disposal well)

Gentlemen,

As discussed we propose to perform the MIT on the above well on Thursday, October 4th @ 10:00 a.m. Mr. Walker is presently out of the Office until Monday the 1st of October and if this time and date works for him we will proceed with the MIT as above. After contacting Mr. Walker Monday I will re-send and e-mail with an affirmation of the date and time.

Thanks to all.

Resolute Natural Resources

Donnie Trimble

Drilling & Workover Superintendent

P.O. Drawer G Office: 970-564-5200 x 2120

23429 County Road G Fax: 970-564-5234

Cortez, Co. 81321 Cell: 970-739-8786

dtrimble@rnrc.net Cell: 505-701-0028

ANNULAR PRESSURE TEST
(Mechanical Integrity Test)

Operator Resolute Natural Resources **Date of Test** 10-4-07

Well Name AU C113 LDVL **EPA Permit No.**

Location NWNE Sec. 13 T40S R23E **~~Tribal~~ Lease No.** #SL-070968-A

State and County San Juan County, Utah

Continuous Recorder? YES ☑ NO ☐ **Pressure Gauge?** YES ☑ NO ☐

Bradenhead Opened? YES ☐ NO ☒ **Fluid Flow?** YES ☐ NO ☐

TIME	ANNULUS PRESSURE, psi		TUBING PRESSURE, psi
	Recorder	Gauge	
1:30	1450	1300	750
1:45	1450	1300	
2:00	1430	1290	
12:15	1420	1290	
12:30	1410	1290	
12:55	1410	1280 9	
1:00	1400	1300 ~~1290~~	750

MAX. INJECTION PRESSURE: 4000 **PSI**

MAX. ALLOWABLE PRESSURE CHANGE: 65 **PSI (TEST PRESSURE X 0.05)**

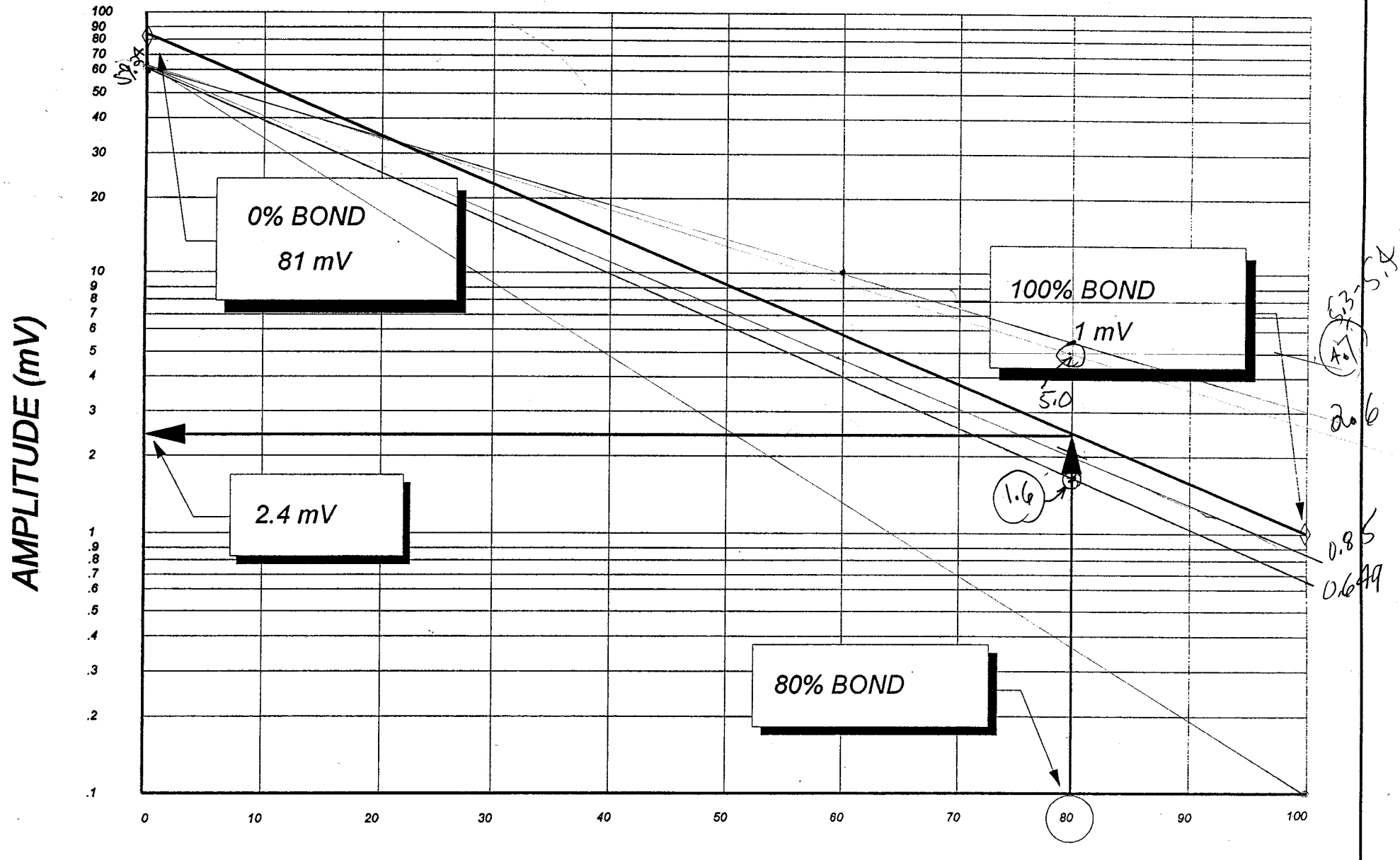
REMARKS: **Passed? Failed? If failed, cease injection until well passes MIT (40CFR§144.21(c)(6)).**

J-E Jacobs CO_2 Contractor installing lines
Bradenhead Buried

Lyron J Begay — **COMPANY REPRESENTATIVE:** (Print and Sign) — 10 4 07 **DATE**

Leroy Lee — **INSPECTOR:** (Print and Sign) — 10-4-07 **DATE**

10 mV



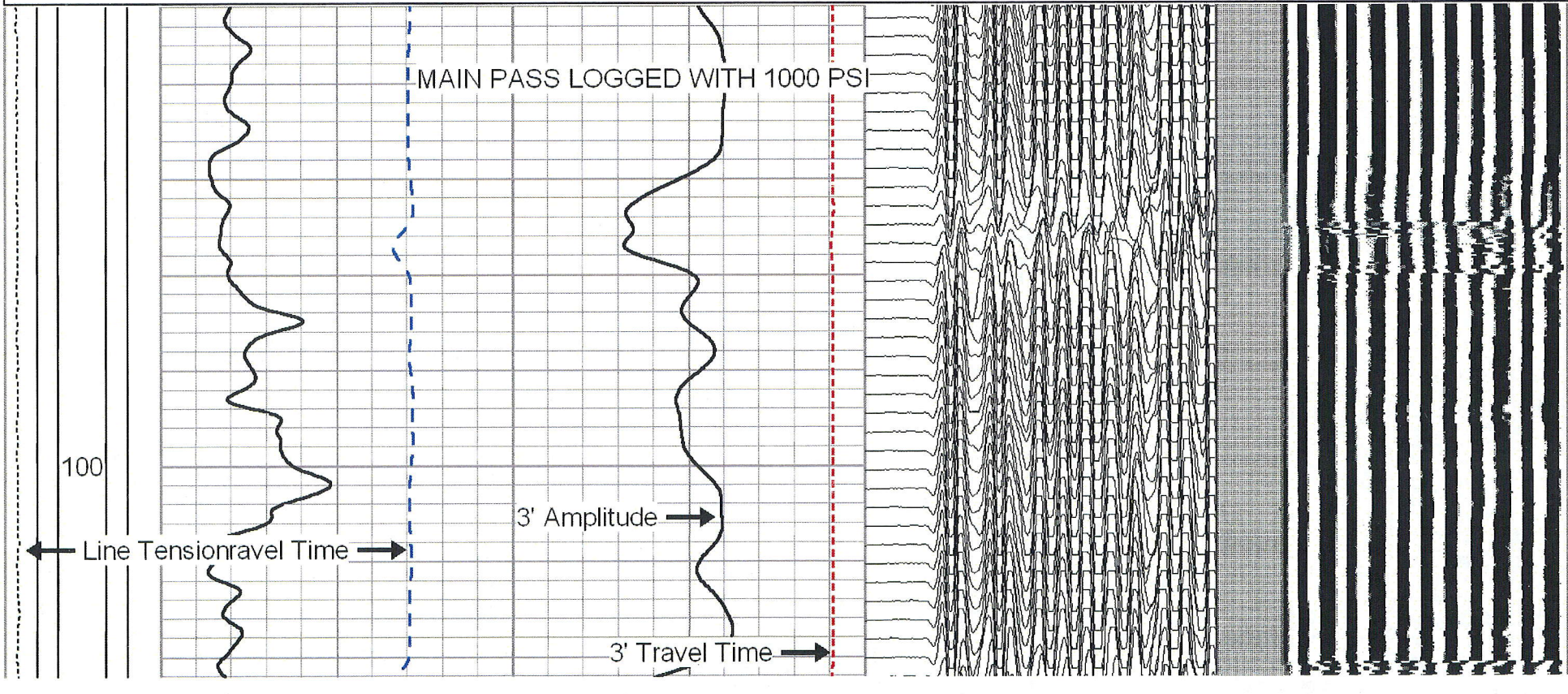
Resolute Natural Resources C-113 LDVL SWD (Vertical Hole) 43-037-31852

S.13, T40S, R23E

Basin Well Logging
(505) 327-5244

Database File:	c113swdw.db
Dataset Pathname:	aneth/c113swdw/run1/pass6.4
Presentation Format:	cbl_dr
Dataset Creation:	Mon Nov 06 20:05:27 2006 by Calc Std Casedhole 06040
Charted by:	Depth in Feet scaled 1:240

LTEN	Gamma Ray (GAPI)	TT3 (usec)	CBL5	Variable Density
0 (lb) 2000	0 150	1200 200	200 1200	200 1200
	360 Travel Time (usec) 260	0 Amplitude (mV) 100		
		Amplified Amplitude 0 (mV) 20		



ANNULAR PRESSURE TEST
(Mechanical Integrity Test)

Operator [illegible] Natural Resources Date of Test 10-4-07

Well Name [illegible] EPA Permit No. _____

Location [illegible] Tribal Lease No. #SL-070968-A

State and County [illegible] County, Utah

Continuous Recorder? YES ☑ NO ☐ Pressure Gauge? YES ☑ NO ☐

Bradenhead Opened? YES ☐ NO ☑ Fluid Flow? YES ☐ NO ☐

TIME	ANNULUS PRESSURE, psi Recorder	ANNULUS PRESSURE, psi Gauge	TUBING PRESSURE, psi
[illegible]	1450	1300	750
[illegible]	1450	1300	
[illegible]	1430	1290	
[illegible]	1420	1290	
[illegible]	1410	1290	
[illegible]	1410	1290	
[illegible]	1400	1300 ~~1290~~	750

MAX. INJECTION PRESSURE: 4000 PSI

MAX. ALLOWABLE PRESSURE CHANGE: 65 PSI (TEST PRESSURE X 0.05)

REMARKS: Passed? Failed? If failed, cease injection until well passes MIT (40CFR§144.21(c)(6)).

[illegible] CO_2 Contractor installing lines
[illegible] Buried

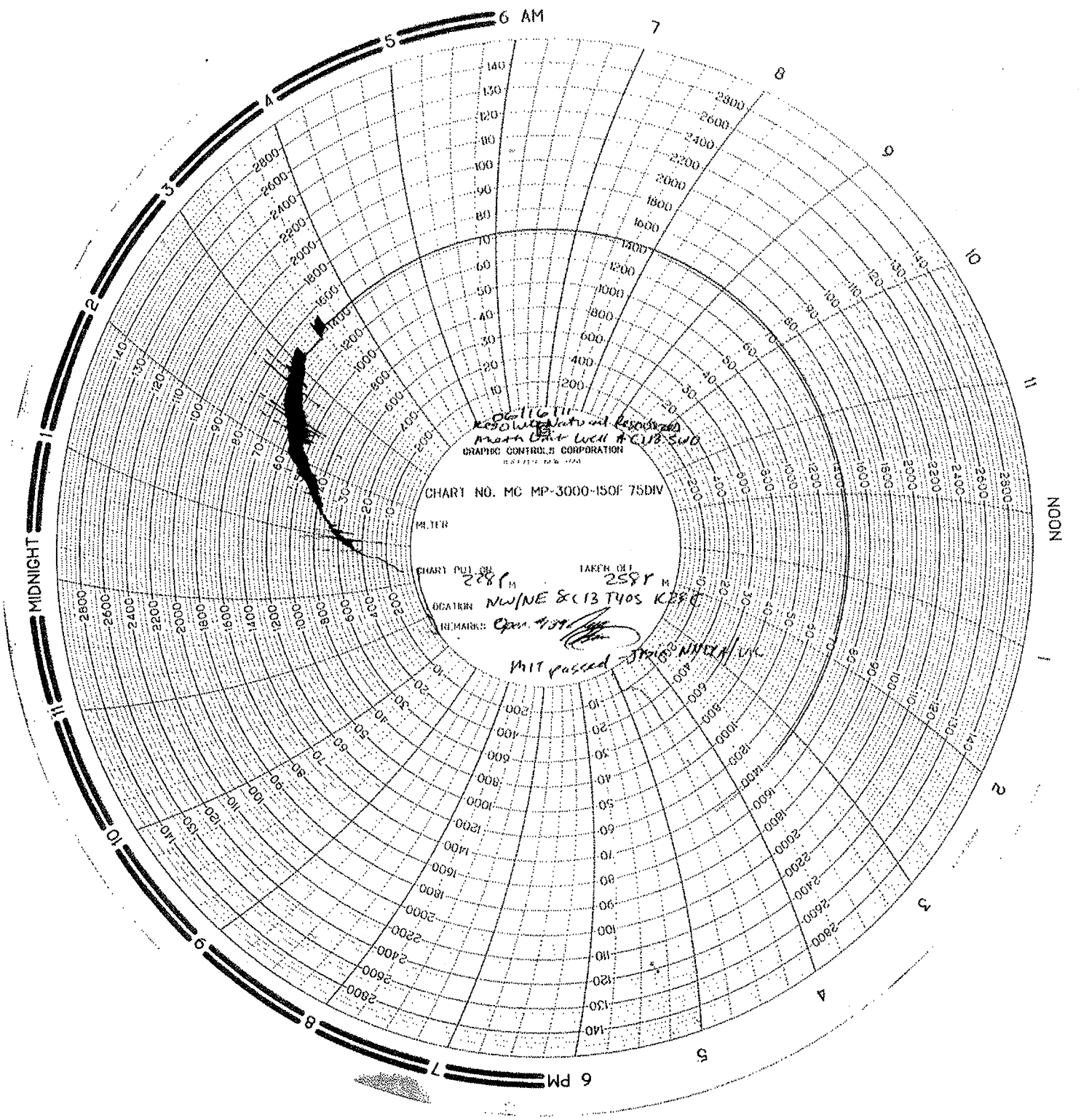
[illegible] [illegible] 10-4-07

COMPANY REPRESENTATIVE: (Print and Sign) DATE

[illegible] [illegible] 10-4-07

INSPECTOR: (Print and Sign) DATE

REGION-IX-FORM-935 (6/13/96) *USEPA - Region IX (White)* *NEPA-GPCP (Yellow)* *Operator (Pink)*


6 AM
NOON
MIDNIGHT
6 PM
GRAPHIC CONTROLS CORPORATION
CHART NO. MC MP-3000-150F 75DIV
METER
CHART PUT ON
TAKEN OFF
LOCATION
REMARKS:

Chris Kierst - Aneth C113swd

From: "Lynn Begay" <lbegay@rnrc.net>
To: <chriskierst@utah.gov>, <danjarvis@utah.gov>
Date: 10/05/2007 11:58 AM
Subject: Aneth C113swd
CC: "Donnie Trimble" <dtrimble@rnrc.net>

Gentlemen,

As mention in our phone conversation on the attachment (charted M.I.T. test) for your records.

Thank-you as always

From: <Walker.Jim@epamail.epa.gov>
To: <chriskierst@utah.gov>
CC: <Basinger.David@epa.gov>
Date: 10/10/2007 4:19 PM
Subject: Fw: MIT for AU C113 LDVL (disposal well)
Attachments: lynn's circle diagram.pdf

Chris,

The MIT chart is attached at the bottom of this message from Lynn Begay. I was present to witness the MIT and the well passed based on EPA standards of no more than a 5% change in annulus pressure in 30 minutes. There was a 30 minute delay in starting the test as it took that long to pressure up the annulus to the test pressure.

The chart shows a test pressure of approximately 1450 psig while the gauge on the annulus indicated 1300 psig as the initial test pressure. We would have preferred a 1500 psig chart, but the pump operator didn't have one for the test. We relied on the gauge pressure as the more accurate measure of the annulus pressure. The tubing pressure remained at 750 psig before and throughout the test, which is believed to be an indication of gas (CO2?) in the tubing. We can fax or mail you a copy of the MIT report if needed.

Jim Walker
Environmental Engineer
US EPA Region 9
Ground Water Office
Navajo UIC Program
Farmington Field Office
(505) 599-6317

----- Forwarded by Jim Walker/R9/USEPA/US on 10/10/2007 04:04 PM -----

"Lynn Begay" <lbegay@rnrc.net>
10/05/2007 11:41 AM

To: Jim Walker/R9/USEPA/US@EPA
cc:
Subject: RE: MIT for AU C113 LDVL (disposal well)

Jim, per our conversation on charted M.I.T., in full color,.. attachment....

-----Original Message-----
From: Walker.Jim@epamail.epa.gov [mailto:Walker.Jim@epamail.epa.gov]
Sent: Thursday, September 27, 2007 10:22 AM
To: Donnie Trimble
Cc: Bob Brady; Bruce Christianson; chriskierst@utah.gov; danjarvis@utah.gov; Dale Cantwell; Dwight Mallory; Ivan Benally; Lynn Begay; Matt Roberts; nnepauic@frontiernet.net; Rached Hindi; Basinger.David@epa.gov
Subject: Re: MIT for AU C113 LDVL (disposal well)

Donnie,

I am back in the office today, earlier than previously planned. I am available to witness the MIT on Oct. 4th, although my presence may not be necessary since the vertical section of the well is under the State of Utah UIC permitting authority. Nonetheless, I plan to be present to witness the MIT. Please let me know if the time and/or date for the MIT changes.

Jim Walker
Environmental Engineer
US EPA Region 9
Ground Water Office
Navajo UIC Program
Farmington Field Office
(505) 599-6317

"Donnie Trimble" <dtrimble@rnrc.net>
09/26/2007 09:13 AM

To: <chriskierst@utah.gov>, <danjarvis@utah.gov>, Jim Walker/R9/USEPA/US@EPA, <nnepauic@frontiernet.net>

cc: "Bob Brady" <bbrady@rnrc.net>, "Dale Cantwell" <dcantwell@rnrc.net>, "Dwight Mallory" <dmallory@rnrc.net>, "Lynn Begay" <lbegay@rnrc.net>, "Ivan Benally" <ibenally@rnrc.net>, "Matt Roberts" <mroberts@rnrc.net>, "Bruce Christianson" <BChristianson@rnrc.net>, "Rached Hindi" <RHindi@rnrc.net>

Subject: MIT for AU C113 LDVL (disposal well)

Gentlemen,
As discussed we propose to perform the MIT on the above well on Thursday, October 4th @ 10:00 a.m. Mr. Walker is presently out of the Office until Monday the 1st of October and if this time and date works for him we will proceed with the MIT as above. After contacting Mr. Walker Monday I will re-send and e-mail with an affirmation of the date and time.

Thanks to all.

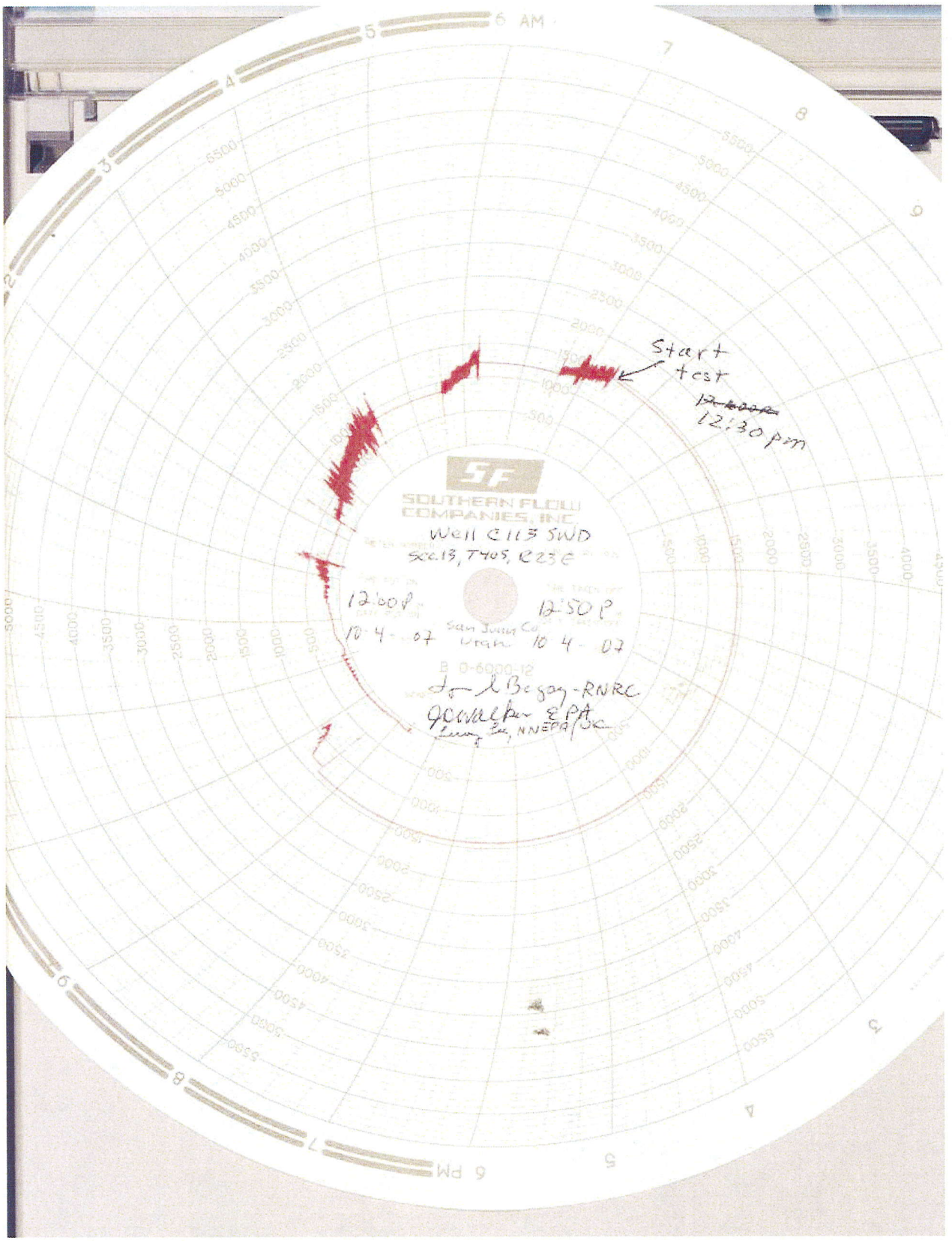
Resolute Natural Resources

Donnie Trimble
Drilling & Workover Superintendent

P.O. Drawer G
23429 County Road G
Cortez, Co. 81321
dtrimble@rnrc.net Cell: 505-701-0028

Office: 970-564-5200 x 2120
Fax: 970-564-5234
Cell: 970-739-8786

(See attached file: lynn's circle diagram.pdf)


Start test
12:30 pm
SOUTHERN FLOW COMPANIES, INC.
Well C113 SWD
Sec.13, T40S, R23E
12:00 P
10-4-07
12:50 P
10-4-07
San Juan Co
Utah
B 0-6000-12
J. Begay - RNRC
J. Walker EPA
NNEPA/UK

From: <Basinger.David@epa.gov>
To: <Harper.Jim@epamail.epa.gov>
CC: <Walker.Jim@epamail.epa.gov>, <chriskierst@utah.gov>
Date: 10/10/2007 4:15 PM
Subject: Utah Resolute field injection totals, 2004-2006

Jim, as discussed

Chris Kierst, Senior Petroleum Geologist of the Utah Division of Oil, Gas and Mining, had asked if we might be able to provide injection totals for the Resolute Utah fields for the years 2004 to 2006. He's had problems getting that information from the operator.

According to Chris, whatever format is relatively easy for you is probably acceptable; he thought a spreadsheet would be great.

Chris's email address is in the cc list to this email. His phone number is (801) 538.5337

Dave Basinger
Environmental Engineer, Underground Injection Control
Water Division, Mail Code WTR-9
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105-3901
office 415.972.3506
fax 415.947.3545 (include name and mail code)

From: Chris Kierst
To: Brad Hill
Date: 10/11/2007 12:10 PM
Subject: Resolute C-113 LDVL maximum Surface Injection Pressure

They request 4,000 # maximum interval injection pressure. The SRT went to 4,000 # without demonstrating initiation of fracture (T/Perfed Interval @ 7,234'). This equates to a pressure gradient of ~0.5529 psi/ft. without demonstrating initiation of fracture. Using this, and adjusting the pressure for a depth to open hole (highest lateral window in casing) of 7,058', that yields an injection pressure maximum of ~3,903 psi. Rounding off, that gives them an injection pressure of 3,900 psi at their interval and equates to ~847 psi maximum surface injection pressure. I would round this to 850 psi. With 3,900 psi at depth and 850 psi at the surface is this sufficient margin of error for comfort or would you like to tweak it lower?

From: Brad Hill
To: Kierst, Chris
Date: 10/11/2007 1:05 PM
Subject: Re: Resolute C-113 LDVL maximum Surface Injection Pressure

Go ahead and use that.

RESOLUTE
NATURAL RESOURCES

RECEIVED
OCT 17 2007
DIV. OF OIL, GAS & MINING

October 15, 2005

Mr. David Albright
Ground Water Office Manager
US Environmental Protection Agency, Region IX
75 Hawthorne Street, Mail Code WTR-9
San Francisco, CA 94105-3901

Re: Emergency Class IID Permit: Aneth Unit C-113 LDVL

Dear Mr. Albright:

As provided by 40 CFR 144.34(a)(3), Resolute Natural Resources Company (Resolute) requests that an emergency Class IID underground injection permit be granted for the C-113 LDVL well located in the NWNE of Section 13, Township 40 South, Range 23 East in the Aneth Unit in San Juan County, Utah. Resolute believes that issuance of an emergency permit for the C-113 LDVL is consistent with 40 CFR 144.34(a)(3) because it will allow the company to avoid significant production delays as explained below and, as has been demonstrated by data previously submitted, will not result in the movement of fluids into a USDW.

Issuance of an emergency permit would help mitigate further delays to oil production associated with expansion of the CO2 flood in the Aneth Unit. Resolute has invested approximately $54MM of a total estimated project cost of $74MM to expand CO2 injection at the Aneth Unit and urgently needs the ability to dispose of produced water in order to inject the CO2. The disposal well itself cost approximately $14MM to drill and construct and sits idle while we await an approved permit to inject. Every day we are delayed from disposing of water results in a loss of approximately 2,200 barrels of incremental oil production from the Phase II area of the Aneth CO2 expansion. With an oil price of $80 per barrel, this accounts for approximately $5.4 MM in lost revenue per month and the loss of significant associated tax and royalty revenue to the Navajo Nation and the U.S. Minerals Management Service.

In addition, all of the produced water in the Aneth Unit is currently re-injected into the Desert Creek producing formation for enhanced oil recovery. The water cut from production in the Aneth Unit is more than 90 percent and, under current operating conditions, there is frequently an inability to handle all of the produced water. Therefore, producing wells must be shut-in until the injection system can be brought back into balance. The requested emergency permit would allow Resolute to begin injecting excess produced water into the Leadville formation for disposal, thereby eliminating the need to shut in production.

RESOLUTE NATURAL RESOURCES COMPANY
1675 BROADWAY, SUITE 1950, DENVER, CO 80202
VOICE: 303.534.4600 FAX: 303.623.3628

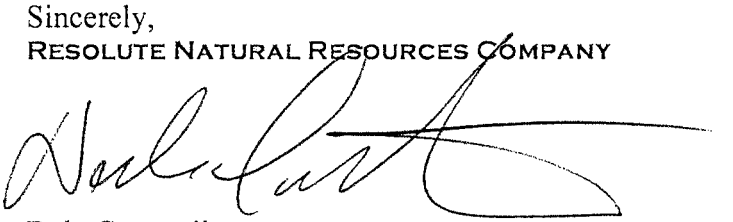
As required by 40 CFR 144.34(b)(3), Resolute has submitted an application for a Class IID injection permit to the US Environmental Protection Agency (USEPA) and has been notified by USEPA that the application is administratively complete. A Class IID permit application has also been submitted to the State of Utah Division of Oil, Gas and Mining (UTDOGM) and UTDOGM representatives have indicated that a final permit authorizing injection has been issued and was mailed to Resolute on October 12, 2007.

Thank you in advance for your prompt attention to this request for an emergency injection permit. Please call Patrick Flynn or Dwight Mallory at 303-534-4600 with any questions you may have.

CERTIFICATION STATEMENT

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,
RESOLUTE NATURAL RESOURCES COMPANY



Dale Cantwell
Vice President – Operations

Cc: Jim Walker, USEPA
William E. Freeman, NNEPA
Chris Kierst, Utah DOGM

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

AMENDED*
UNDERGROUND INJECTION CONTROL PERMIT

Cause No. UIC-333.2

Operator: Resolute Natural Resources

Well: Aneth C-113 LDVL

Location: Section 13, Township 40 South, Range 23 East (SLBM), San Juan County, Utah

API No.: 43-037-31852

Well Type: Salt Water Disposal Well

Stipulations of Permit Approval

1. Maximum Allowable Surface Injection Pressure: *4000 psia
2. Corresponding Maximum Allowable Injection Interval Injection Pressure: *7,056 psig
3. Corresponding Injection Rate: Limited by pressure.
4. Injection Interval: Selective perforations in the interval from 7,058' to 7,600'.

Approved by: _____ 10-23-07
Gil Hunt — Date
Associate Director

cc: Dan Jackson, Environmental Protection Agency, Region VIII
Dave Basinger, Environmental Protection Agency, Region IX
Eric Jones, BLM Moab Regional Office
San Juan County Planning

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

From: "Patrick Flynn" <pflynn@rnrc.net>
To: "Chris Kierst" <chriskierst@utah.gov>, <Basinger.David@epa.gov>, <walker...
Date: 10/23/2007 1:16 PM
Subject: RE: Amended Aneth Unit C-113 LDVL UIC Class II Permit

We did receive the attachment.

Thanks - Pat

-----Original Message-----
From: Chris Kierst [mailto:chriskierst@utah.gov]
Sent: Tuesday, October 23, 2007 11:44 AM
To: Basinger.David@epa.gov; walker.jim@epa.gov; Patrick Flynn
Subject: Amended Aneth Unit C-113 LDVL UIC Class II Permit

Attached please find the subject permit. Please inform me if the attachment is not received.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

AMENDED*
UNDERGROUND INJECTION CONTROL PERMIT

Cause No. UIC-333.2

Operator: Resolute Natural Resources

Well: Aneth C-113 LDVL

Location: Section 13, Township 40 South, Range 23 East (SLBM), San Juan County, Utah

API No.: 43-037-31852

Well Type: Salt Water Disposal Well

Stipulations of Permit Approval

1. Maximum Allowable Surface Injection Pressure: *4000 psia
2. Corresponding Maximum Allowable Injection Interval Injection Pressure: *7,056 psig
3. Corresponding Injection Rate: Limited by pressure.
4. Injection Interval: Selective perforations in the interval from 7,058' to 7,600'.

Approved by: _____ 10-23-07
Gil Hunt — Date
Associate Director

cc: Dan Jackson, Environmental Protection Agency, Region VIII
Dave Basinger, Environmental Protection Agency, Region IX
Eric Jones, BLM Moab Regional Office
San Juan County Planning

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

Amended

UNDERGROUND INJECTION CONTROL PERMIT

Cause No. UIC-333.2

Operator: Resolute Natural Resources

Well: Aneth C-113 LDVL

Location: Section 13, Township 40 South, Range 23 East (SLBM), San Juan County, Utah

API No.: 43-037-31852

Well Type: Salt Water Disposal Well

Stipulations of Permit Approval

1. Maximum Allowable Surface Injection Pressure: ~~850~~ 4000 psia
2. Corresponding Maximum Allowable Injection Interval Injection Pressure: ~~3,900~~ 7056 psig
3. Corresponding Injection Rate: Limited by pressure.
4. Injection Interval: Selective perforations in the interval from 7,058` to 7,600`.

Approved by: _____ 10-16-07
Gil Hunt
Associate Director
Date

cc: Dan Jackson, Environmental Protection Agency, Region VIII
Dave Basinger, Environmental Protection Agency, Region IX
Eric Jones, BLM Moab Regional Office
San Juan County Planning

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

UTAH DNR OIL, GAS & MINING

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

UNDERGROUND INJECTION CONTROL PERMIT

Cause No. UIC-333.2

Operator: Resolute Natural Resources

Well: Aneth C-113 LDVL

Location: Section 13, Township 40 South, Range 23 East (SLBM), San Juan County, Utah

API No.: 43-037-31852

Well Type: Salt Water Disposal Well

Stipulations of Permit Approval

1. Maximum Allowable Surface Injection Pressure: 850 psia
2. Corresponding Maximum Allowable Injection Interval Injection Pressure: 3,900 psig
3. Corresponding Injection Rate: Limited by pressure.
4. Injection Interval: Selective perforations in the interval from 7,058' to 7,600'.

Approved by: _____ 10-16-07

Gil Hunt
Associate Director

Date

cc: Dan Jackson, Environmental Protection Agency, Region VIII
Dave Basinger, Environmental Protection Agency, Region IX
Eric Jones, BLM Moab Regional Office
San Juan County Planning

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

From: <Basinger.David@epa.gov>
To: <chriskierst@utah.gov>
CC: <Walker.Jim@epamail.epa.gov>
Date: 11/01/2007 11:03 AM
Subject: Fw: C113 Temporary Emergency Permit signed pdf attached
Attachments: C113 em permit 31oct07.pdf

fyi

Dave Basinger
Environmental Engineer, Underground Injection Control
Water Division, Mail Code WTR-9
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105-3901
office 415.972.3506
fax 415.947.3545 (include name and mail code)
----- Forwarded by David Basinger/R9/USEPA/US on 11/01/2007 09:59 AM

David Basinger/R9/USEPA/US
10/31/2007 02:54 PM

To: "Patrick Flynn" <pflynn@rnrc.net>
cc: David Albright/R9/USEPA/US@EPA, Jim Walker/R9/USEPA/US@EPA, "nnepauic" <nnepauic@frontiernet.net>
Subject: C113 Temporary Emergency Permit signed pdf attached(Document link: David Basinger)

the attached pdf is of the signed emergency permit, effective today (October 31)
(See attached file: C113 em permit 31oct07.pdf)

as the public notice will detail, this is essentially the same permit with the same conditions as the anticipated public draft of the final permit (which will also be issued this week). The only difference is the permit number and some language revisions in Part I, Authorization to Operate and Inject

if you have any questions, please let us know.

Dave Basinger

Environmental Engineer, Underground Injection Control
Water Division, Mail Code WTR-9
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105-3901
office 415.972.3506
fax 415.947.3545 (include name and mail code)

"Patrick Flynn"
<pflynn@rnrc.net
>
10/31/2007 11:51 AM

To
Jim Walker/R9/USEPA/US@EPA
cc
David Albright/R9/USEPA/US@EPA,
David Basinger/R9/USEPA/US@EPA,
"nnepauic"
<nnepauic@frontiernet.net>
Subject
RE: Temp Emergency Permit

Jim,

I'll get with the bond company and have the appropriate changes made and sent to EPA by week end. In the meantime, please email a pdf of the temp permit to me as soon as its available.

Thanks - Pat

Sent by GoodLink (www.good.com)

-----Original Message-----
From: Walker.Jim@epamail.epa.gov [mailto:Walker.Jim@epamail.epa.gov]
Sent: Wednesday, October 31, 2007 12:16 PM Mountain Standard Time
To: Patrick Flynn
Cc: Albright.David@epamail.epa.gov; Basinger.David@epa.gov; nnepauic
Subject: RE: Temp Emergency Permit

Pat,

The surety bond is ok, but Schedule A should be amended to clearly indicate that Resolute is the operator, not Texaco, and the well number should be changed to C-113 LDVL to avoid confusion with the existing C-113 injection well in Section 13-40S-R23 E that is a Desert Creek injector. Also, the existing Standby Trust Agreement needs to be

amended to add the C-113 LDVL well to Schedule A and to reference and describe the surety bond for that well in Schedule B of that document. A separate Schedule A and B could be created for the existing agreement, or a separate Standby Trust Agreement could be created for the C-113 LDVL well if you prefer that option. A Standby Trust Agreement amendment form is attached for your use, but please delete the name of the Region 5 UIC Branch Chief on that form.

We are preparing to issue the temporary emergency permit effective Nov. 1. It can be issued without the above changes to the surety bond and Standby
Trust Agreement in effect, but it would be best to get those to us as soon as possible.

Jim Walker
Environmental Engineer
US EPA Region 9
Ground Water Office
Navajo UIC Program
Farmington Field Office
(505) 599-6317

(See attached file: amendsta.pdf)

"Patrick Flynn"
<pflynn@rnrc.ne
t>

To
Jim Walker/R9/USEPA/US@EPA

10/31/2007
10:03 AM

cc
David Albright/R9/USEPA/US@EPA,
David Basinger/R9/USEPA/US@EPA,
"nnepauic"
<nnepauic@frontiernet.net>

Subject
RE: Temp Emergency Permit

Jim et al:

Attached is a scanned copy of the AU C113 LDVL SWD UIC bond. I'll Fedex the original to you for delivery tomorrow. Please call me with any questions or if we anticipate any delay to issuing the temporary emergency permit effective tomorrow.

Thanks - Pat

-----Original Message-----
From: Walker.Jim@epamail.epa.gov [mailto:Walker.Jim@epamail.epa.gov]
Sent: Tuesday, October 30, 2007 3:17 PM
To: Patrick Flynn
Cc: Albright.David@epamail.epa.gov; Basinger.David@epa.gov; nnepauic
Subject: Re: Temp Emergency Permit

Pat,

The surety company called me this morning with a couple of questions about the bond. She (Wendy S.) asked about the form for a UIC surety performance bond and whether it could be an individual bond or added as a rider to existing bond for the Greater Aneth Field injection wells. I suggested that an individual bond for the C-113 well would be preferable to EPA. She asked if the $117,000 amount was acceptable and I answered in the affirmative. We are on track to issue the temporary emergency permit effective Nov. 1. The draft permit will be issued for public comment concurrently with the temporary permit.

Jim Walker
Environmental Engineer
US EPA Region 9
Ground Water Office
Navajo UIC Program
Farmington Field Office
(505) 599-6317

"Patrick Flynn"
<pflynn@rnrc.ne
t>
To
Jim Walker/R9/USEPA/US@EPA
10/30/2007
02:53 PM
cc
Subject
Temp Emergency Permit

Jim,

The UIC bond will be delivered to me tomorrow, at which I will send you

a scanned copy. I'll then overnight the bond to you for Thursday delivery. With this being said, are we still on track to get the temp. emergency permit effective November 1st?

Thanks - Pat

Patrick E. Flynn
Environmental Health & Safety Manager
Resolute Natural Resources Company
1675 Broadway, Suite 1950
Denver, CO 80202
Phone: 303.534.4600 X1145
Fax: 303.623.3628
Cell: 303.941.0389

THIS COMMUNICATION AND ANY ATTACHMENTS ARE CONFIDENTIAL AND PROPRIETARY INFORMATION INTENDED FOR THE ADDRESSED PARTY ONLY, AND MAY BE PRIVILEGED UNDER LAW. IF YOU ARE NOT THE INTENDED RECIPIENT YOU ARE HEREBY NOTIFIED THAT ANY FURTHER REVIEW OR DISSEMINATION OF THIS MESSAGE AND ANY ATTACHMENTS IS PROHIBITED BY LAW . IN SUCH EVENT YOU SHOULD DELETE THIS COMMUNICATION AND ALL ATTACHMENTS AND DESTROY ANY PRINTED COPIES. PLEASE NOTIFY THE SENDER OF ANY ERRONEOUS TRANSMISSION OF THIS EMAIL. THANK YOU.
(See attached file: AUC113 UIC Bond.pdf)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION IX (EPA)
UNDERGROUND INJECTION CONTROL (UIC) PROGRAM

TEMPORARY EMERGENCY PERMIT

Class IID Water Injection Well

Permit No. NN207000004

Well Name: Aneth Unit C-113 LDVL SWD

San Juan County, Utah

Navajo Nation

API No. 4303731852

Issued to:

Resolute Natural Resources Company

1675 Broadway, Suite 1950

Denver, Colorado 80202

TABLE OF CONTENTS

PART I. AUTHORIZATION TO OPERATE AND INJECT 4

PART II. SPECIFIC PERMIT CONDITIONS 5

A. WELL CONSTRUCTION 5
1. Casing and Cementing 5
2. Formation Logging and Testing 5
3. Monitoring Devices 5
4. Proposed Changes and Workovers 5

B. CORRECTIVE ACTION 6

C. WELL OPERATION 6
1. Mechanical Integrity 6
(a) Method for Demonstrating Mechanical Integrity 6
(b) Prohibition without Demonstration 7
(c) Subsequent Mechanical Integrity Demonstrations 7
(d) Loss of Mechanical Integrity 7
2. Injection Intervals 8
3. Injection Pressure Limitation 8
4. Injection Volume (Rate) Limitation 8
5. Injection Fluid Limitation 9

D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS 9
1. Injection Well Monitoring Program 9
2. Monitoring Information 9
3. Recordkeeping 10
4. Reporting 10

E. PLUGGING AND ABANDONMENT 11
1. Notice of Plugging and Abandonment 11
2. Plugging and Abandonment Plan 11
3. Cessation of Injection Activities 11
4. Plugging and Abandonment Report 11

F. FINANCIAL RESPONSIBILITY 12
1. Demonstration of Financial Responsibility 12
2. Insolvency of Financial Institution 12
3. Insolvency of Owner or Operator 12

PART III. GENERAL PERMIT CONDITIONS 13

A. EFFECT OF PERMIT 13

B. PERMIT ACTIONS 13
1. Modification, Revocation and Re-issuance, or Termination 13
2. Transfers 13

C. SEVERABILITY 13

D. CONFIDENTIALITY 14

E. GENERAL DUTIES AND REQUIREMENTS 14
1. Duty to Comply 14
2. Penalties for Violations of Permit Conditions 14
3. Need to Halt or Reduce Activity not a Defense 14
4. Duty to Mitigate 14
5. Proper Operation and Maintenance 14
6. Duty to Provide Information 15
7. Inspection and Entry 15
8. Records of the Permit Application 15
9. Signatory Requirements 15
10. Reporting of Noncompliance 15
(a) Anticipated Noncompliance 15
(b) Compliance Schedules 15
(c) Twenty-four Hour Reporting 15
(d) Other Noncompliance 16
(e) Other Information 16

APPENDIX A - Plugging and Abandonment Plan (s) 17

APPENDIX B - Reporting Forms and Instructions 18

APPENDIX C - Well Schematic(s) 19

APPENDIX D - Reference Materials 20

PART I. AUTHORIZATION TO OPERATE AND INJECT

Pursuant to the Underground Injection Control Regulations of the U. S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations, Parts 124, 144, 145, 146, 147, and 148,

Resolute Natural Resources Company
1675 Broadway, Suite 1950
Denver, Colorado 80202

is hereby authorized to drill, construct, and operate a new Class IID horizontal water injection well, to be known as the Aneth Unit C-113 LDVL SWD (Salt Water Disposal). The vertical portion of the well will be located on BLM land in Section 13, T40S, R23E, at thirty-seven (37) degrees, eighteen (18) minutes, fifty-two and five-tenths (52.5) seconds latitude and one-hundred-nine (109) degrees, twenty (20) minutes, ten and six-tenths (10.6) seconds longitude, in San Juan County, Utah. Two of the four lateral wellbores will be located partially under Navajo Nation surface trust land in the south-half of Sections 12, T40S, R23E and the southwest quarter of Section 7, T40S, R24E.

Injection shall be for the purpose of disposing of produced water from the Desert Creek and Ismay members of the Paradox Formation into the Mississippian Leadville formation, in accordance with conditions set forth herein; the source of the produced water is from current and future wells operated by the Permittee in the Aneth Unit.

All conditions set forth herein refer to Title 40 Parts 124, 144, 145, 146, 147, and 148 of the Code of Federal Regulations and are regulations that are in effect on the date that this permit becomes effective.

This permit consists of a total of twenty (20) pages and includes all items listed in the Table of Contents. Further, it is based upon representations made by the Permittee and on other information contained in the administrative record. It is the responsibility of the Permittee to read and understand all provisions of this permit.

This temporary permit and the authorization to inject will automatically expire upon issuance or denial of a final permit or ninety (90) days after issuance of the temporary permit, whichever date comes first, unless terminated under the conditions set forth in Part III, Section B of this permit.

Issued and effective this 31st day of October, 2007.

Alexis Strauss
Director, Water Division

PART II. SPECIFIC PERMIT CONDITIONS

A. WELL CONSTRUCTION

1. Casing and Cementing. The construction details submitted with the permit application are incorporated into this permit as APPENDIX C (Well Schematic), and shall be binding on the Permittee. The well was cased and cemented to prevent the movement of fluids in the casing wellbore annulus, from the long string casing shoe at 7602 feet to the surface. The casing shall be maintained throughout the operating life of the well. Advanced notice of casing and cementing remedial operations will be given to EPA[1] so that an EPA representative may be present to monitor those operations.

2. Formation Logging and Testing. A Dual Laterolog (DL), Microlog (ML),Gamma Ray/Compensated Neutron Log/Compensated Density Logs (GR/CNL/CDL), Sonic Log (SL), and Cement Bond Log/Gamma Ray (CBL/GR) logs were run from TD to the bottom of intermediate casing at 1618 feet. A pressure fall-off test will be conducted annually for the determination of the static reservoir pressure and permeability of the injection zone and will be reported to the Director[2] within thirty (30) days of the measurement. The Region 9 EPA guidance document for conducting a fall-off test can be found in Appendix D. The test results and evaluation will be reported to the Director within five (5) days of the test and will be subject to the Director's review and approval. Advance notice of logging and fall off test operations shall be given to the Director, so that an EPA representative may be present to witness/monitor those operations.

3. Monitoring Devices. The operator shall install and maintain in good operating condition:

   (a) A tap on the discharge line between the injection pump and the wellhead for the purpose of obtaining representative samples of the injection fluids;

   (b) Two one-half (½) inch FIP (female) fittings, isolated by plug or globe valves, and positioned to provide for either (1), the permanent attachment of one-half (½) inch MIP (male) gauges, or (2), the attachments for equivalent "quick-disconnect" gauges at the wellhead on the injection tubing and on the tubing/casing annulus. The gauges used shall be of a design to provide (1), a full pressure range of 100 percent greater than the anticipated operating pressure, and (2), a certified deviation accuracy of five (5) percent or less throughout the operating pressure range;

   (c) A flow meter with measured cumulative volumes that are certified for a deviation accuracy of five (5) percent or less throughout the range of injection rates allowed by the permit.

4. Proposed Changes and Workovers. The Permittee shall give advance notice to the Director, as soon as possible, of any planned physical alterations or additions to the permitted injection well. Any changes in the well construction will require prior

[1] "EPA" refers to the Ground Water Office Manager, U.S. Environmental Protection Agency Region IX, with the associated address shown in part II.D.4

[2] "Director" refers to the Water Division Director, EPA Region IX

approval of the Director and a permit modification under the requirements of 40 CFR Part 144.39.

In addition, the Permittee shall provide all records of well completions, workovers, logging, or other subsequent test data, including required mechanical integrity testing, to the Director within thirty (30) days of completion of the activity. Appendix B contains samples of the appropriate reporting forms. Demonstration of mechanical integrity shall be performed within thirty (30) days of completion of workovers or alterations and prior to resuming injection activities in accordance with Part II, Section C.1.(a) of this permit.

B. CORRECTIVE ACTION

No corrective action will be required on the other wells within the 1.25 mile radius area of review (AOR) since those wells do not penetrate the injection zone. The AOR will be reevaluated annually and may be enlarged if the zone of endangering influence (ZEI), to be calculated from log and formation fluid pressure data, exceeds the AOR. Additional wellbores that may penetrate the expanded AOR will then be considered for corrective action in accordance with the provisions of 40 CFR §§ 144.55 and 146.7.

C. WELL OPERATION

1. Mechanical Integrity.

(a) Method for Demonstrating Mechanical Integrity.

(i) All injection wells must have and maintain mechanical integrity consistent with 40 CFR §146.8. The Permittee must show that there are no significant leaks in the casing and tubing and that there is no significant fluid movement into any Underground Sources of Drinking Water (USDWs, per 40 CFR §144.3) through vertical channels adjacent to the injection wellbore or into the casing/wellbore annulus.

(ii) The Permittee will demonstrate that no significant leaks exist by means of a shut-in annular pressure test. The casing/tubing annulus must hold a pressure equal to the maximum allowable injection pressure (3800 psig) for a period of thirty (30) minutes with no more than a five (5) percent change in pressure and a differential of at least three hundred (300) psig pressure must be maintained between the tubing and casing/tubing annulus for the duration of the test. The test pressure may be reduced to 1,000 psig (minimum) but the frequency of testing will be reduced from five (5) to three (3) years and the tubing/casing annulus pressure must be monitored and recorded on a weekly basis.

(iii) The Permittee will fulfill the requirements listed in 40 CFR §146.8 for demonstrating the absence of fluid movement into an underground source of drinking water (USDW) through vertical channels adjacent to the injection wellbore. The Permittee will run a cement bond log to demonstrate the isolation of the injection interval and other formations from underground sources of drinking water. USDWs will be protected

by means of cementing the long string casing/wellbore annulus from 7602 feet to the surface and placement and cementing of surface casing from 82 feet to surface and intermediate casing from 1618 feet to surface in addition to the installation of tubing and packer assemblies through which injection will occur.

(b) Prohibition without Demonstration. Injection into this well may continue after the effective date of this permit only if:

(i) the well has passed a mechanical integrity test (MIT) in accordance with Part II Section C.1.(a) of this permit and

(ii) the Permittee has received written notice from the Director that the MIT demonstration is satisfactory.

The Permittee shall notify the Director of intent to demonstrate mechanical integrity at least thirty (30) days prior to an official test, unless shorter notice is approved by the Director.

(c) Subsequent Mechanical Integrity Demonstrations

(i) A demonstration of mechanical integrity in accordance with provisions of EPA REGION IX MECHANICAL INTEGRITY TEST (MIT) PART I: REQUIREMENTS FOR INTERNAL TEST, a copy of which is contained in Appendix D attached hereto, shall be conducted at least once every five (5) years during the life of the well, or every three (3) years if the well is tested at less than the maximum allowable injection pressure. Mechanical integrity shall also be demonstrated within thirty (30) days of the time that a workover is conducted or the seal is broken at the wellhead assembly, the construction of the well is modified, or when a loss of mechanical integrity becomes evident during operation.

(ii) It shall be the Permittee's responsibility to arrange and conduct the mechanical integrity demonstrations. The Permittee shall notify the Director of intent to demonstrate mechanical integrity at least thirty (30) days in advance of the demonstration, or a shorter time if approved by the Director. A subsequent notification must be given to the Navajo Nation UIC office at least seventy-two (72) hours in advance of the MIT in order to arrange for a representative to witness the MIT. Results of the test shall be submitted to the Director as soon as possible, but not later than sixty (60) days after the demonstration.

(iii) In addition to any demonstration made under paragraph (I) above, the Director may require a demonstration of mechanical integrity at any time during the permitted life of the well.

(d) Loss of Mechanical Integrity. The Permittee shall notify the Director, in accordance with Part III, Section E, paragraph 10 of this permit, under any of the following circumstances:

(i) the well fails to demonstrate mechanical integrity during a test, or

(ii) a loss of mechanical integrity becomes evident during operation, or

(iii) a significant change in the annulus or injection pressure occurs during normal operating conditions.

Furthermore, in the event of (i), (ii), or (iii), injection activities shall be terminated immediately and operation shall not be resumed until the Permittee has taken necessary actions to restore mechanical integrity to the well and the Director gives approval to recommence injection

2. Injection Interval(s). Injection shall be permitted for the Leadville Formation in the gross subsurface interval of 7058 to 7412 feet, based on a review of the wireline log formation tops and depth to the uppermost open-hole window in the casing. Enlarging or changing the injection interval outside of that interval is considered a major permit modification and will require public notice and the Director's approval. Any alteration of the injection interval and other rework operations must be properly reported (EPA Form 7520-12, see Appendix B) and the well must demonstrate mechanical integrity before injection is resumed.

3. Injection Pressure Limitation(s). The injection pressure shall not exceed a surface (wellhead) injection pressure determined from a calculation of maximum allowable injection pressure equal to 1.0 psi/foot multiplied by the actual depth to the top of the injection interval less the hydrostatic pressure of the injection fluid at that depth. The maximum allowable injection pressure may be increased only if a valid step-rate test has been conducted and approved by the EPA. Appendix D contains acceptable step-rate reference materials. The step-rate test will be evaluated and a maximum allowable injection pressure will be determined by EPA, the results of which will be incorporated into this permit as the maximum allowable injection pressure. This will be considered a minor permit modification and will not be open for further public comment. **The initial maximum allowable injection pressure is set at 3800 psig**, based on a depth of 7058 feet to the top of the injection interval and a hydrostatic pressure of 3254 psig (0.461 psi/ft. gradient) at that depth.

4. Injection Volume (Rate) Limitation.

(a) The maximum injection rate shall be limited to 10,000 barrels per day, subject to the maximum allowable injection pressure. The average injection rate will be limited to 7,500 barrels per day or 228,000 barrels per month.

(b) The Permittee may request an increase in the average and maximum rates allowed in paragraph (a). Any such request shall be made in writing and shall be appropriately justified to the Director.

(c) Should any increase in rate be requested, the Permittee shall demonstrate to the satisfaction of the Director that the increase in volume will not cause migration of formation or injected fluids into any USDW above or below the injection zone, nor cause any injected fluids to move beyond the Area of Review. If the increased rate requires an increase in the Area of Review, a major permit modification will be required to authorize the increased injection rate.

5. Injection Fluid Limitation.

(a) The Permittee shall not inject any hazardous wastes as defined by the Resource Conservation and Recovery Act (RCRA, see 40 CFR §261) at any time during the operation of the facility.

(b) The well shall be used only for the injection of water produced in connection with the Paradox formation oil production in the Aneth Unit, and produced only from wells owned and operated by the Permittee.

(c) Fluids to be injected other than those described in paragraph (b) above shall be limited to occasional minor amounts of well treatment fluids such as dilute acids and corrosion inhibiting fluids. Injection of any fluids other than those described in paragraph (b) above shall be reported to the Director within thirty (30) days.

D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS

1. Injection Well Monitoring Program. Samples and measurements shall be representative of the monitored activity. The Permittee shall utilize the applicable analytical methods described in Table I of 40 CFR §136.3 or, in certain circumstances, other methods that have been approved by the EPA Administrator. Monitoring shall consist of:

(a) Annually, or whenever there is a change in injection fluids, the following analyses of injection fluids shall be performed:

(i) Total Dissolved Solids;
(ii) Major ions;
(iii) pH;
(iv) Specific Conductance;
(v) Specific Gravity: and
(vi) Viscosity.

(b) Annually, measurement of static reservoir pressure; and

(c) Weekly, observations of injection pressure, annulus pressure, flow rate and cumulative volume. Written records of these weekly observations shall be made at least monthly.

2. Monitoring Information. Records of any monitoring activity required under this permit shall include:

(a) Date, exact place, and the time of sampling or field measurements;

(b) Name of individual(s) who performed sampling or measurements;

(c) Exact sampling method(s) used;

(d) Date(s) the laboratory analyses were performed;

(e) Name of individual(s) who performed the analyses;

(f) Types of analyses; and

(g) Results of analyses.

3. Recordkeeping.

The Permittee shall retain the following records and shall have them available at all times for examination at the lease facility:

(a) Information on the nature and composition of all injected fluids until three (3) years after the plugging and abandonment has been carried out in accordance with the Plugging and Abandonment Plan shown in Appendix A,

(b) All monitoring information, including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation and copies of all reports required by this permit, for a period of at least five (5) years from the date of the sample, measurement or report throughout the operating life of the well,

(c) Monthly records of weekly observation records as required in Part II, Section D.1(c),

(d) Records and results of MITs or any other tests required by the Director, and

(e) Any well workover records.

The Permittee shall continue to retain such records, including those corresponding to the retention periods specified in paragraphs (a) and (b), unless it delivers the records to the Director or obtains written approval from the Director to discard the records.

4. Reporting.

Annually, the Permittee shall submit a report to the Director summarizing the results of the monitoring required by Part II, Sections A.2, D.1 and 2 of this permit. The results of annual measurement of static reservoir pressure and monthly records of flow rates, volumes, pressures, and injected fluid, and any major changes in the characteristics or sources of injected fluid shall be included in the Annual Report. The first Annual Report shall cover the period from the effective date of the permit through December 31, 2007 and shall be submitted by January 31, 2008. Subsequently, the Annual Report shall cover the period of January 1 through December 31, and shall be submitted by January 31 of the following year. Appendix B contains Form 7520-11, which may be copied and used to submit the annual summary of monitoring.

Monitoring reports and all other reports required by this permit shall be submitted to the following address:

U.S. Environmental Protection Agency, Region IX
Ground Water Office Manager (Mail Code WTR-9)
75 Hawthorne Street
San Francisco, CA 94105-3901

Copies of all reports shall also be provided to the following:

Underground Injection Control Program
Navajo Nation EPA
P.O. Box 1999
Shiprock, NM 87420

E. PLUGGING AND ABANDONMENT

1. Notice of Plugging and Abandonment. The Permittee shall notify the Director forty-five (45) days before further conversion, workover, or abandonment of the well. The Director may require that the plugging and abandonment be witnessed by an EPA representative.

2. Plugging and Abandonment Plan. The Permittee shall plug and abandon the well as provided in the Plugging and Abandonment Plan and Schematic diagram in Appendix A. The EPA reserves the right to change the manner in which the well will be plugged if the well is modified during its permitted life or if the well is not made consistent with EPA requirements for construction and mechanical integrity. The Director may ask the Permittee to estimate and to update the estimated plugging cost periodically. Such estimates shall be based upon costs which a third party would incur to plug the well according to the plan.

3. Cessation of Injection Activities. After a cessation of operations of two (2) years, the Permittee shall plug and abandon the well in accordance with the Plugging and Abandonment Plan, unless it:

   (a) has provided notice to the Director;

   (b) has demonstrated that the well will be used in the future, and

   (c) has described actions or procedures, satisfactory to the Director that will be taken to ensure that the well will not endanger underground sources of drinking water during the period of temporary abandonment.

4. Plugging and Abandonment Report. Within sixty (60) days after plugging the well, the Permittee shall submit a report on Form 7520-14 (Appendix B), or an equivalent form, to the Director. The report shall be certified as accurate by the person who performed the plugging operation and the report shall consist of either: (1) a statement that the well was plugged in accordance with the plan, or (2) where actual plugging differed from the plan, a statement specifying the different procedures followed.

F. FINANCIAL RESPONSIBILITY

1. Demonstration of Financial Responsibility.

The Permittee is required to maintain financial responsibility and resources to close, plug, and abandon the injection well as provided in the plugging and abandonment plan and in accordance with 40 CFR §144.52(a)(7). The Permittee shall not substitute an alternative demonstration of financial responsibility from that which the Director has approved, unless the Permittee has previously submitted evidence of that alternative demonstration to the Director and the Director has notified the Permittee in writing that the alternative demonstration is acceptable.

(a) **Plugging and abandonment costs for the subject well must be covered by an approved financial instrument, to be provided prior to issuance of the final permit.** The beneficiary of said financial instrument shall be the U.S. Environmental Protection Agency.

(b) The financial responsibility mechanism shall be reviewed and updated periodically, upon request of the Director. The Permittee may be required to change to an alternate method of demonstrating financial responsibility, such as an irrevocable standby letter of credit or trust fund which names EPA as the beneficiary. Any such change must be approved in writing by the Director prior to the change.

2. Insolvency of Financial Institution.

The Permittee must submit an alternate instrument of financial responsibility acceptable to the Director within sixty (60) days after either of the following events occurs:

(a) The trustee financial institution issuing the financial instrument files for bankruptcy; or

(b) The authority of the trustee institution to act as trustee, or the authority of the institution issuing the financial instrument, is suspended or revoked.

Failure to submit an acceptable financial demonstration will result in the termination of this permit pursuant to 40 CFR §144.40(a)(1).

3. Insolvency of Owner or Operator.

An owner or operator must notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under U.S. Code Title 11 (Bankruptcy), naming the owner or operator as debtor, within ten (10) business days after the commencement of the proceeding. A guarantor of a corporate guarantee must make such a notification if he/she is named as debtor, as required under the terms of the guarantee.

PART III. GENERAL PERMIT CONDITIONS

A. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection in accordance with the conditions of this permit. The Permittee, as authorized by this permit, shall not construct, operate, maintain, convert, plug, abandon, or conduct any other injection activity in a manner that allows the movement of fluid containing any contaminant into underground sources of drinking water, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR §142 or otherwise adversely affect the health of persons.

Any underground injection activity not authorized in this permit or otherwise authorized by permit or rule is prohibited. Issuance of this permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of State or local law or regulations. Compliance with the terms of this permit does not constitute a defense to any enforcement action brought under the provisions of Section 1431 of the Safe Drinking Water Act (SDWA) or any other law governing protection of public health or the environment for any imminent and substantial endangerment to human health or the environment, nor does it serve as a shield to the Permittee's independent obligation to comply with all UIC regulations.

B. PERMIT ACTIONS

1. Modification, Revocation and Re-issuance, or Termination.

The Director may, for cause or upon request from the Permittee, modify, revoke and reissue, or terminate this permit in accordance with 40 CFR Sections 124.5, 144.12, 144.39, and 144.40. The permit is also subject to minor modifications for cause as specified in 40 CFR §144.41. The filing of a request for a permit modification, revocation and re-issuance, or termination or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any permit condition.

2. Transfers.

This permit may only be transferred after notice is provided to the Director and the Permittee complies with the requirements of 40 CFR §144.38. The Director may require modification or revocation and re-issuance of the permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the SDWA.

C. SEVERABILITY

The provisions of this permit are severable, and if any provision of this permit or the application of any provision of this permit to any circumstance is held invalid, the remainder of this permit shall not be affected.

D. CONFIDENTIALITY

In accordance with 40 CFR Part 2 and 40 CFR §144.5, any information submitted to EPA pursuant to this permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

1. The name and address of the Permittee, or

2. Information which deals with the existence, absence, or level of contaminants in drinking water.

E. GENERAL DUTIES AND REQUIREMENTS

1. Duty to Comply. The Permittee shall comply with all conditions of this permit, except to the extent and for the duration such noncompliance is authorized by an emergency permit. Any permit noncompliance constitutes a violation of the SDWA and is grounds for enforcement action, permit termination, revocation and re-issuance, or modification. Such noncompliance may also be grounds for enforcement action under the Resource Conservation and Recovery Act (RCRA).

2. Penalties for Violations of Permit Conditions. Any person who violates a permit requirement is subject to civil penalties, fines, and other enforcement action under the SDWA and may be subject to such actions pursuant to RCRA. Any person who willfully violates permit conditions may be subject to criminal prosecution.

3. Need to Halt or Reduce Activity not a Defense. It shall not be a defense, for a Permittee in an enforcement action, that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

4. Duty to Mitigate. The Permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this permit.

5. Proper Operation and Maintenance. The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control which are installed or used by the Permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this permit.

6. Duty to Provide Information. The Permittee shall furnish the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

7. Inspection and Entry. The Permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

   (a) enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records are kept under the conditions of this permit;

   (b) have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

   c) inspect at reasonable times any facilities, equipment (including monitoring and control equipment) practices, or operations regulated or required under this permit; and

   (d) sample or monitor, at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

8. Records of the Permit Application. The Permittee shall maintain records of all data required to complete the permit application and any supplemental information submitted for a period of five (5) years from the effective date of this permit. This period may be extended by request of the Director at any time.

9. Signatory Requirements. All reports or other information requested by the Director shall be signed and certified by a responsible corporate officer or duly authorized representative according to 40 CFR §144.32.

10. Reporting of Noncompliance.

   (a) Anticipated Noncompliance. The Permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

   (b) Compliance Schedules. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit shall be submitted no later than thirty (30) days following each schedule date.

   c) Twenty-four Hour Reporting.

      (i) The Permittee shall report to the Director any noncompliance which may endanger health or the environment. Information shall be provided within twenty-four (24) hours from the time the Permittee

becomes aware of the circumstances by telephoning the EPA project officer. The following information shall be included in the verbal report:

(A) Any monitoring or other information which indicates that any contaminant may cause endangerment to an underground source of drinking water.

(B) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

(ii) A written submission shall also be provided within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of non compliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

(d) Other Noncompliance. The Permittee shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted. The reports shall contain the information listed in Part II, Section D.1 and 2 of this permit.

(e) Other Information. Where the Permittee becomes aware that it failed to submit all relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall submit such facts or information within two (2) weeks of the time such information becomes known.

APPENDIX A - Plugging and Abandonment Plan (s)

APPENDIX B - Reporting Forms and Instructions

1. EPA Form 7520 -7:APPLICATION TO TRANSFER PERMIT
2. EPA Form 7520-10:WELL COMPLETION REPORT
3. EPA Form 7520-11:ANNUAL WELL MONITORING REPORT
4. EPA Form 7520-12:WELL REWORK RECORD
5. EPA Form 7520-14:PLUGGING AND ABANDONMENT PLAN

APPENDIX C – Wellbore Schematic

APPENDIX D – Reference Materials

1. MECHANICAL INTEGRITY TEST (MIT) PART I: REQUIREMENTS FOR INTERNAL TEST

2. REGION 9 UIC PRESSURE FALLOFF REQUIREMENTS

3. REGION 9 STEP RATE TEST POLICY – reference Society of Petroleum Engineers (SPE) Paper #16798, Systematic Design and Analysis of Step-Rate Tests to Determine Formation Parting Pressure

ANNULAR PRESSURE TEST
(Mechanical Integrity Test)

Operator Resolute Natural Resources Date of Test 1/14/2009

Well Name Aneth Unit well no. C113 LDVLSW EPA Permit No.

Location SENE Sec 13 T40S R23E Tribal Lease No. 14T2L070968-A

State and County San Juan County Utah

Continuous Recorder? YES ☐ NO ☑ Pressure Gauge? YES ☑ NO ☐

Bradenhead Opened? YES ☐ NO ☑ Fluid Flow? YES ☐ NO ☑

TIME	ANNULUS PRESSURE, psi (0-3000 psi gauge)	TUBING PRESSURE, psi (no gauge)
1:47 Pm	2450	
1:52 Pm	2450	
1:57 Pm	2450	
2:02 Pm	2450	
2:07 Pm	2450	
2:12 Pm	2450	
2:17 Pm	2450	

MAX. INJECTION PRESSURE: 3800 PSI

MAX. ALLOWABLE PRESSURE CHANGE: 100 PSI (TEST PRESSURE X 0.05)

REMARKS: Passed? Failed? If failed, cease injection until well passes MIT (40CFR§144.21(c)(6)).

Workover 1 bg open 0 psi

Bradenhead buried

Passed MIT

[signature] 1-14-09

COMPANY REPRESENTATIVE: (Print and Sign) DATE

Malvina C Clah [signature] 1/14/2009

INSPECTOR: (Print and Sign) DATE

REGION-IX-FORM-935 (6/13/96) *USEPA - Region IX (White)* *NEPA-GPCP (Yellow)* *Operator (Pink)*

ANNULAR PRESSURE TEST
(Mechanical Integrity Test)

Operator Resolute Natural Resources Date of Test 1/14/2009

Well Name Anth Unit well no. CH3LDVESW EPA Permit No.

Location SENE Sec 13 T40S R23E Tribal Lease No. 1420-676968-A

State and County San Juan County Utah

Continuous Recorder? YES ☐ NO ☑ Pressure Gauge? YES ☑ NO ☐

Bradenhead Opened? YES ☐ NO ☑ Fluid Flow? YES ☐ NO ☑

TIME	ANNULUS PRESSURE, psi (0-3000 psi) gauge	TUBING PRESSURE, psi no gauge
1:47 Pm	2450	↓
1:52 Pm	2450	
1:57 Pm	2450	
2:02 Pm	2450	
2:07 Pm	2450	
2:12 Pm	2450	
2:11 Pm	2450	

MAX. INJECTION PRESSURE: 3800 PSI

MAX. ALLOWABLE PRESSURE CHANGE: 50 PSI (TEST PRESSURE X 0.05)

REMARKS: Passed? Failed? If failed, cease injection until well passes MIT (40CFR§144.21(c)(6)).

We kept bg open 0 psi

Bradenhead buried

Passed MIT

[signature] 1-14-09

COMPANY REPRESENTATIVE: (Print and Sign) DATE

Malvina C. Clah [signature] 1/14/2009

INSPECTOR: (Print and Sign) DATE

REGION-IX-FORM-935 (6/13/96) *USEPA - Region IX (White)* *NEPA-GPCP (Yellow)* *Operator (Pink)*

ANNULAR PRESSURE TEST

(Mechanical Integrity Test)

Operator Resolute Natural Resources **Date of Test** 06/16/11

Well Name Aneth Unit well #C113SWD **EPA Permit No.**

Location NW/NE Sec 13 T40S R23E **Tribal Lease No.** SL-070968-A

State and County Utah San Juan County

Continuous Recorder? YES ☒ NO ☐ **Pressure Gauge?** YES ☒ NO ☐

Bradenhead Opened? YES ☐ NO ☐ **Fluid Flow?** YES ☐ NO ☐

TIME	ANNULUS PRESSURE, psi (Chart)	ANNULUS PRESSURE, psi (0-2000)	TUBING PRESSURE, psi (0-4000)
2:28	1440	1420	1145
2:33	1440	1420	1145
2:38	1440	1420	1141
2:43	1440	1420	1141
2:48	1440	1420	1141
2:53	1440	1420	1163
2:58	1440	1420	1151

MAX. INJECTION PRESSURE: 3000 **PSI**

MAX. ALLOWABLE PRESSURE CHANGE: 71 **PSI (TEST PRESSURE X 0.05)**

REMARKS: **Passed? Failed? If failed, cease injection until well passes MIT (40CFR§144.21(c)(6)).**

- csg @ 0 psi, tbg @ 1150 psi
- bradenhead buried
- MIT passed

Terry Maness — 06/16/2011

COMPANY REPRESENTATIVE: (Print and Sign) **DATE**

Jean Bia — 06/16/11

INSPECTOR: (Print and Sign) **DATE**

Resolute

FAX COVER SHEET

DATE: 5-19-11

TO: Dan Jarvis

COMPANY: BLM - Utah

FAX: 801-359-3940

PHONE: 801-538-5338

FROM:

COMPANY: Resolute Energy Corporation

FAX: 435.651.3276

PHONE: 435.651.3277 x 3165 Lynn Regan.

TOTAL NUMBER OF PAGES SENT (INCLUDING COVER PAGE): 1+1

MESSAGE

MIT Chart recorded 5-18-11, FYI on Aneth Unit C113 SWD

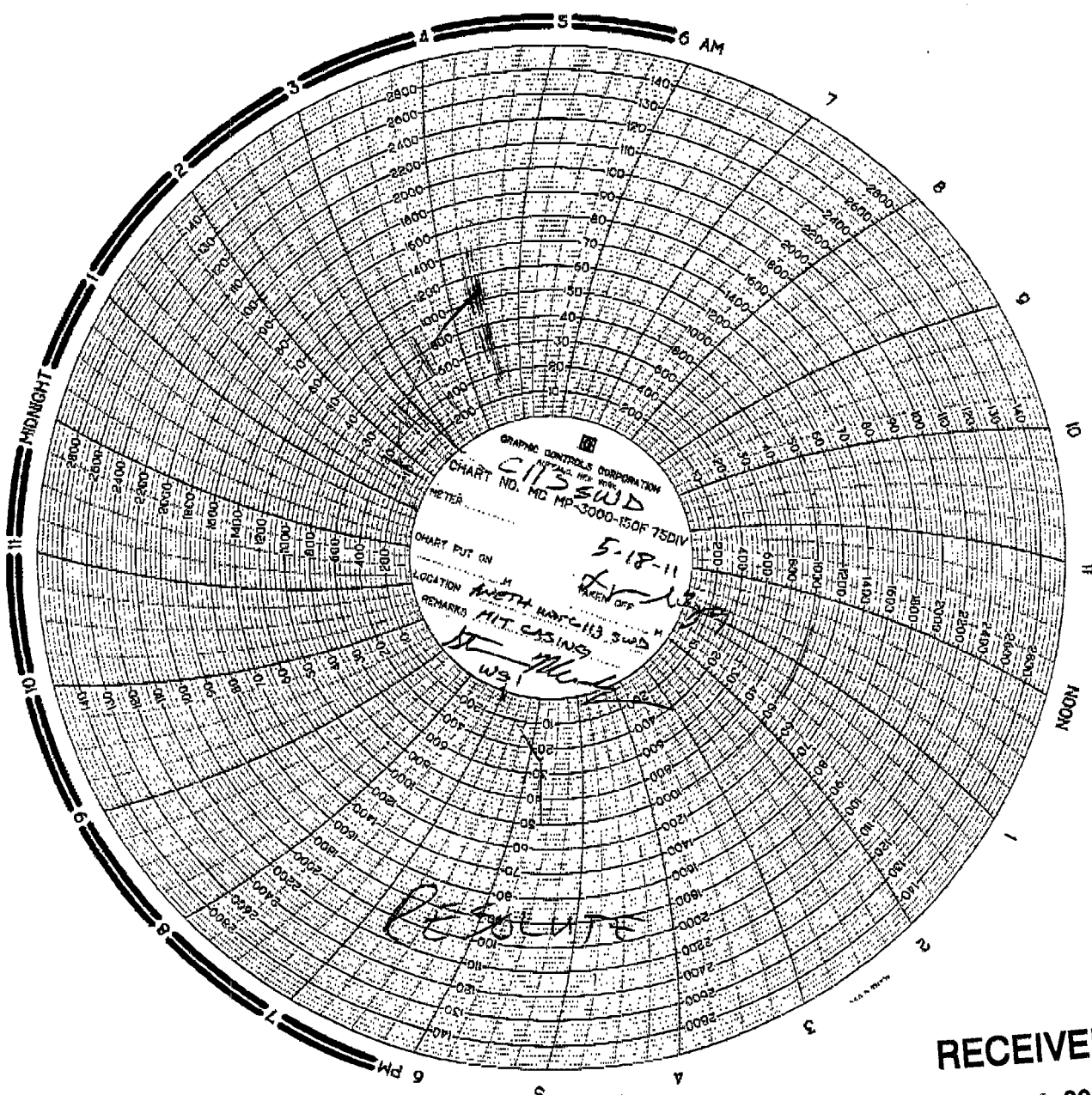
RECEIVED

MAY 19 2011

DIV. OF OIL, GAS & MINING

The information contained in or attached to this FAX message is intended only for the CONFIDENTIAL use of the individual(s) named above. If you are not the named recipient or an agent responsible for delivering it to the named recipient, you are hereby notified that you have received this document in error and that review, dissemination or copying of this communication is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the documents to us by mail. Thank you.

Resolute Natural Resources Company, LLC, 1675 Broadway, Suite 1950, Denver, CO 80202
Voice: 303.534.4600 Fax: 303.623.3820



RECEIVED
MAY 19 2011
DIV. OF OIL, GAS & MINING

Mark Reinbold - Re: Aneth C-113 LDVL First Date of Injection

From: Mark Reinbold
To: Dwight Mallory
Date: 5/16/2011 7:57 AM
Subject: Re: Aneth C-113 LDVL First Date of Injection

Dwight,

I showed this sundry notice to Brad Hill. He is OK with it, but he did ask that you send us copies of all injection reports from the beginning of injection, as well as MIT reports.

If you have any questions, please don't hesitate to contact me.

Mark L. Reinbold, Environmental Scientist
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 W North Temple
PO Box 145801
Salt Lake City, UT 84114-5801
Phone 801-538-5333
Fax 801-539-3940

>>> "Dwight Mallory" <dmallory@ResoluteEnergy.com> 5/13/2011 12:34 PM >>>
Mark,

Attached is the NOI we filed with the Monticello BLM to convert the subject well to injection/disposal. I cannot find a subsequent notice listing the first injection date in the file, but I know it was 12/22/2007 from the daily meter readings in the file.

I hope this helps. Llet me know if you need anything else.

DWIGHT E. MALLORY
ENVIRONMENTAL, HEALTH & SAFETY COORDINATOR
RESOLUTE ENERGY CORPORATION
1675 BROADWAY, SUITE 1950
DENVER, CO 80202
DIRECT: 303-573-4886 X 1165
CELL: 970-302-8620
EMAIL: DMALLORY@RESOLUTEENERGY.COM

Mark Reinbold - Aneth C-113 LDVL First Date of Injection

From: "Dwight Mallory" <dmallory@ResoluteEnergy.com>
To: <markreinbold@utah.gov>
Date: 5/13/2011 12:35 PM
Subject: Aneth C-113 LDVL First Date of Injection
Attachments: C-113 LDVL Convert NOI.pdf

Mark,

Attached is the NOI we filed with the Monticello BLM to convert the subject well to injection/disposal. I cannot find a subsequent notice listing the first injection date in the file, but I know it was 12/22/2007 from the daily meter readings in the file.

I hope this helps. Llet me know if you need anything else.

DWIGHT E. MALLORY
ENVIRONMENTAL, HEALTH & SAFETY COORDINATOR
RESOLUTE ENERGY CORPORATION
1675 BROADWAY, SUITE 1950
DENVER, CO 80202
DIRECT: 303-573-4886 X 1165
CELL: 970-302-8620
EMAIL: DMALLORY@RESOLUTEENERGY.COM

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5 Lease Serial No.
UTSL-070968-A and UTSL-067807

6. If Indian, Allottee or Tribe Name
Navajo Tribe

7 If Unit or CA/Agreement, Name and or No.
Aneth Unit, 8910077380

1 Type of Well
☐ Oil Well ☐ Gas Well ☑ Other

8. Well Name and No.
C-113 LDVL

2. Name of Operator **Resolute Natural Resources Company**

9. API Well No.
43-037-31852

3a. Address
1675 Broadway, Suite 1950, Denver, CO 80202

3b. Phone No. *(include area code)*
303-534-4600

10. Field and Pool, or Exploratory Area
Greater Aneth

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
740' FNL and 1665' FEL, 13, 40S, 23E, SLM

11. County or Parish, State
San Juan, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☑ Convert to Injection	☐ Plug Back	☑ Water Disposal	

13. 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 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.)

On 10/04/2007, Resolute Natural Resources concluded completion operations on the referenced well with a mechanical integrity test (MIT) conducted in accordance with US Environmental Protection Agency (US EPA) and State of Utah Division of Oil, Gas and Mining (DOGM) underground injection control (UIC) regulations. Utah DOGM has issued a UIC permit, authorizing Resolute to operate the subject well as a Class IID injection well and US EPA has issued a draft UIC permit for public comment. Pending final action on the US EPA permit, Resolute has requested a temporary emergency permit from US EPA and we anticipate receipt of a temporary UIC authorization on November 1, 2007.

Upon receipt of the required UIC permits from Utah DOGM and US EPA, Resolute requests BLM approval to convert the subject well to injection for disposal of produced water from our Greater Aneth producing wells. Copies of the DOGM and US EPA emergency and final permits will be provided upon receipt.

Please contact me at 303-573-4886 X 1165 if you need additional data. US EPA and DOGM UIC permit contacts are Jim Walker and Chris Kierst at 505-599-6317 and 801-538-5337 respectively.

14 I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Dwight Mallory — Title **Regulatory Coordinator**

Signature — Date 10/23/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by — Assistant Field Manager, 11/27/07

Conditions of approval, if any, are attached. Approval of this notice 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

Office Division of Resources

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 page 2)

CONDITIONS OF APPROVAL ATTACHED

Conversion of Well to Water Disposal
Resolute Aneth, LLC
Aneth Unit C-113 LDVL
Lease UTSL-070968-A
Aneth Unit
NW/NE Section 13, T40S, R23E (surface location)
San Juan County, Utah

Approval is granted, within the jurisdictional authority of the Bureau of Land Management, to utilize the subject well for the purpose of disposal of produced water. Operation, maintenance and testing of the well shall be in conformance with the respective Underground Injection Control (UIC) permit authorizations from the State of Utah Division of Oil, Gas and Mining (UDOGM) and the US Environmental Protection Agency (EPA).

With the completion of this well, BLM oversight will transfer to the Farmington (New Mexico) Field Office.

Mark Reinbold - RE: Aneth C-113 LDVL First Date of Injection

From: "Dwight Mallory" <dmallory@ResoluteEnergy.com>
To: "Mark Reinbold" <markreinbold@utah.gov>
Date: 5/20/2011 4:48 PM
Subject: RE: Aneth C-113 LDVL First Date of Injection
Attachments: C-113LDVL_2010_NEPA_INJ_RPT.pdf; C-113LDVL_2007_NEPA_INJ_RPT.pdf; C-113LDVL_2008_NEPA_INJ_RPT.pdf; C-113LDVL_2008_UTDOGM_INJ_RPT.pdf; C-113LDVL_2009_NEPA_INJ_RPT.pdf; C-113LDVL_2009_UTDOGM_INJ_RPT.pdf; C-113LDVL_2009_MIT.pdf; C-113LDVL_2007_MIT.pdf

Mark,

Attached are the DOGM and NEPA annual injection reports I found for 2007, 2008, 2009 and 2010. It looks like we filed a Form 4 with you guys for 2008 and 2009, but I don't see anything in the file for 2007 or 2010. I did a little digging and found that when we stopped using Maximo to schedule compliance tasks related to UIC, the Form 4 didn't get transferred to our new compliance schedule. That explains why 2010 wasn't filed, but I don't know about 2007. I have added the Form 4 report back into the system.

Also attached are the NEPA witness forms for the initial MIT in 2007 and the 2009 MIT. What Lynn Begay faxed you yesterday was the chart for an MIT they just did following a packer reset (I think he thought the workover in progress was why I was asking for these records). Lynn told me when I spoke with him yesterday that it appears that somebody has checked out the portion of the file that has our MIT charts. He is looking for the charts, but I didn't want to delay sending the rest of this to you. If Lynn doesn't find his chart copies within a few days, I'll get copies from NEPA and send those. In the meantime, here are the witness forms. I apologize for the copy quality. We get the 3rd layer of the triplicate form from NEPA and they don't scan too well.

Please let me know if you need additional records.

43-037-31852

Thanks.

DWIGHT E. MALLORY
ENVIRONMENTAL, HEALTH & SAFETY COORDINATOR
RESOLUTE ENERGY CORPORATION
1675 BROADWAY, SUITE 1950
DENVER, CO 80202
DIRECT: 303-573-4886 X 1165
CELL: 970-302-8620
EMAIL: DMALLORY@RESOLUTEENERGY.COM

From: Mark Reinbold [mailto:markreinbold@utah.gov]
Sent: Monday, May 16, 2011 10:29 AM
To: Dwight Mallory
Subject: RE: Aneth C-113 LDVL First Date of Injection

Thanks.

Mark L. Reinbold, Environmental Scientist
Utah Department of Natural Resources

Division of Oil, Gas & Mining
1594 W North Temple
PO Box 145801
Salt Lake City, UT 84114-5801
Phone 801-538-5333
Fax 801-539-3940

>>> "Dwight Mallory" <dmallory@ResoluteEnergy.com> 5/16/2011 10:10 AM >>>
I'll get them scanned in and send them your way.

DWIGHT E. MALLORY
ENVIRONMENTAL, HEALTH & SAFETY COORDINATOR
RESOLUTE ENERGY CORPORATION
1675 BROADWAY, SUITE 1950
DENVER, CO 80202
DIRECT: 303-573-4886 X 1165
CELL: 970-302-8620
EMAIL: DMALLORY@RESOLUTEENERGY.COM

From: Mark Reinbold [mailto:markreinbold@utah.gov]
Sent: Monday, May 16, 2011 7:58 AM
To: Dwight Mallory
Subject: Re: Aneth C-113 LDVL First Date of Injection

Dwight,

I showed this sundry notice to Brad Hill. He is OK with it, but he did ask that you send us copies of all injection reports from the beginning of injection, as well as MIT reports.

If you have any questions, please don't hesitate to contact me.

Mark L. Reinbold, Environmental Scientist
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 W North Temple
PO Box 145801
Salt Lake City, UT 84114-5801
Phone 801-538-5333
Fax 801-539-3940

>>> "Dwight Mallory" <dmallory@ResoluteEnergy.com> 5/13/2011 12:34 PM >>>
Mark,

Attached is the NOI we filed with the Monticello BLM to convert the subject well to injection/disposal. I cannot find a subsequent notice listing the first injection date in the file, but I know it was 12/22/2007 from the daily meter readings in the file.

I hope this helps. Llet me know if you need anything else.

DWIGHT E. MALLORY
ENVIRONMENTAL, HEALTH & SAFETY COORDINATOR
RESOLUTE ENERGY CORPORATION

1675 Broadway, Suite 1950
Denver, CO 80202
Direct: 303-573-4886 X 1165
Cell: 970-302-8620
Email: dmallory@ResoluteEnergy.com

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: SL 070968-A & 067807

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME: Aneth Unit

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Water Disposal Well

8. WELL NAME and NUMBER: C-113 LDVL

2. NAME OF OPERATOR: Resolute Natural Resources Company

9. API NUMBER: 4303731852

3. ADDRESS OF OPERATOR: 1675 Broadway, Suite 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 534-4600

10. FIELD AND POOL, OR WILDCAT: Greater Aneth

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 740' FNL and 1665' FEL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 13 40S 23E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
Date of work completion: 10/4/2007	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☑ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Effective 10/4/2007, the subject well passed a mechanical integrity test and was put converted to a water disposal well. A UIC permit (UIC-333.2) was issued by Utah DOGM on 10/23/07. US EPA and Navajo Nation EPA have authorized injection under a temporary emergency permit, which will remain in effect until issuance of the final UIC permit (Permit # NN207000004).

NAME (PLEASE PRINT) Dwight Mallory TITLE EH&S Coordinator

SIGNATURE _____ DATE 11/1/07

(This space for State use only)

RECEIVED
NOV 06 2007
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

However, Jim and I have been discussing this with Chris Kierst of UTDOGM and generally support their approach so far. As I believe you know, we feel it makes sense that Utah takes the lead on this permit, since they have primary authority for the vertical shaft and two of the four laterals. Depending on the specifics of Utah's final permit, we may be able to issue a significantly reduced permit, essentially to act as an amendment to the Utah permit.

I left a voice mail for Chris this morning; when we last spoke 1-2 weeks ago, he thought it might be 1-2 weeks, assuming mechanical integrity has been adequately established for the existing well. Perhaps you or Dwight has heard more recently from Chris?

Currently, we expect to issue our own Statement of Basis to address our specific concerns re: the ZEI determination and to document the basis for our approval of the 4000 psi maximum injection pressure. We will also want a provision in the permit to require annual monitoring of static reservoir pressure, to assess pressure build-up over the life of the well.

Do you know any reliable analytical or numeric models that calculate or simulate pressure build-up in a horizontal well? If you do, we could consider any data generated by such models in our final determination.

Dave Basinger
Environmental Engineer, Underground Injection Control
Water Division, Mail Code WTR-9
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105-3901
office 415.972.3506
fax 415.947.3545 (include name and mail code)

"Patrick Flynn"
<pflynn@rnrc.net
>
09/24/2007 08:31 AM

To
Jim Walker/R9/USEPA/US@EPA, David Basinger/R9/USEPA/US@EPA

cc
"Dwight Mallory"
<dmallory@rnrc.net>

Subject
Status on the C113 SWD Application

Resolute
Sec 13- 405- 23E
070968-A

Graphic Controls LLC

03-10-2015

CHART NO. MC MP-2000-1H

METER Farmington NM

CHART PUT ON 10:15 M

TAKEN OFF 10:50 M

LOCATION Anesth unit #C113

REMARKS 1 line = 1 minute
1 Line = 20 psi

witnessed by
Mark Lowe
UDOGM
3/10/15

43-037-31852
13 40S 23E

Resolute testing test MIT
1010 for 30 minutes

PRINTED IN U.S.A.