

CONFIDENTIAL TIGHT HOLE

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: UTU-77538	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: Middle Mesa Unit	
2. NAME OF OPERATOR: EnCana Oil & Gas (USA) Inc.		9. WELL NAME and NUMBER: Middle Mesa Fed 26-23-29-24	
3. ADDRESS OF OPERATOR: 370 17th St, Suite 1700 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (720) 876-5339	10. FIELD AND POOL, OR WLD CAT: WLD CAT Undersignate
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2157' FNL & 2036' FEL AT PROPOSED PRODUCING ZONE: 1970' FNL & 2057' FEL		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 26 29S 24E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4.0 Miles South of La Sal, Utah		12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 665' BHL	16. NUMBER OF ACRES IN LEASE: 1120	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) N/A	19. PROPOSED DEPTH: 6,046	20. BOND DESCRIPTION: RLB0001191	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6810.5' GR	22. APPROXIMATE DATE WORK WILL START: 6/1/2009	23. ESTIMATED DURATION: 30 Days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4	9 5/8 J-55 36#	2,800	Class G + 2% gel 750sx 2.09 cuft/sx 12.5#
8 3/4	5 1/2 I-80 17#	6,046	Class G 50/50 Poz 1000sx 1.43 cuft/sx 13#

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Jevin Croteau TITLE Regulatory Analyst

SIGNATURE [Signature] DATE 2/5/09

(This space for State use only)

API NUMBER ASSIGNED: 43037-31905 APPROVAL:

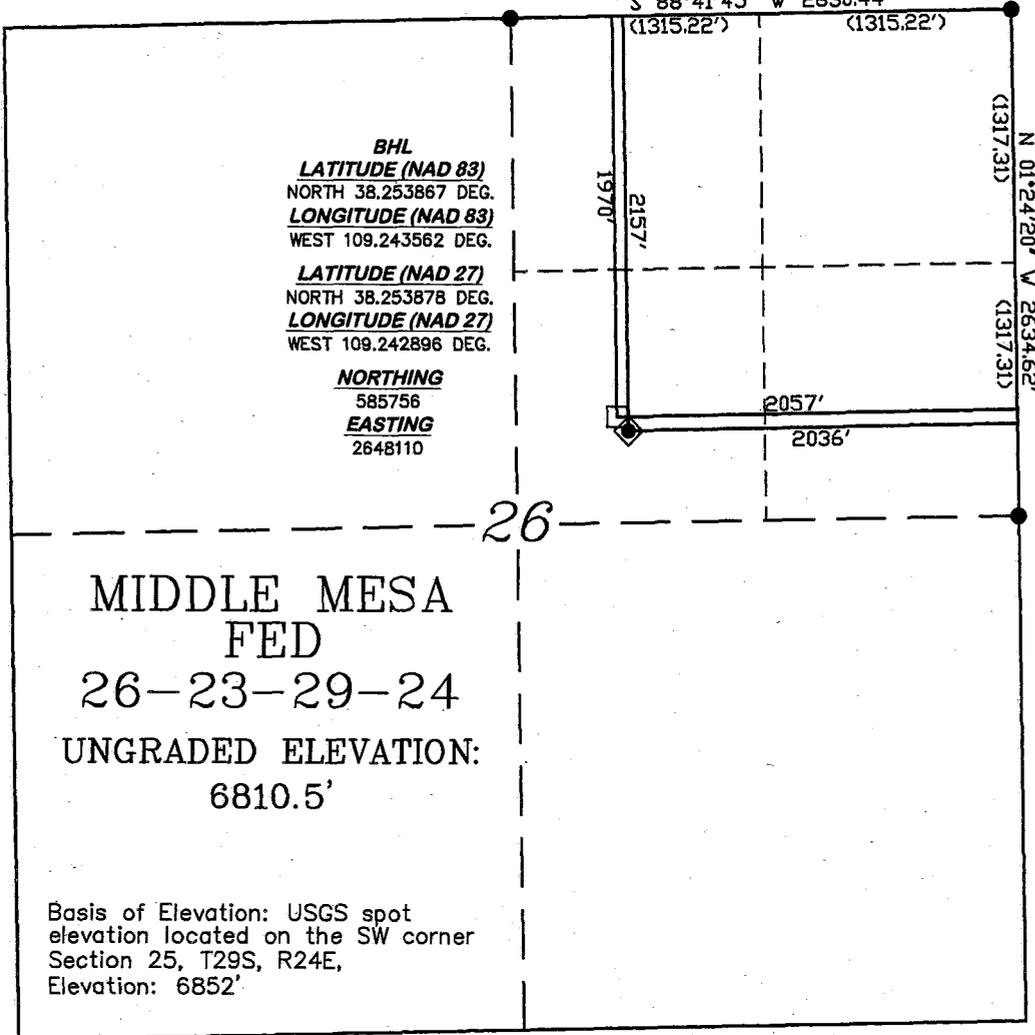
Date: 02-18-09
By: [Signature]

(11/2001) **Federal Approval of this Action is Necessary**

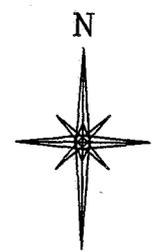
RECEIVED
FEB 11 2009
DIV. OF OIL, GAS & MINING

R. 24 E.

S 88°41'45" W 2630.44'
(1315.22') (1315.22')



BHL
LATITUDE (NAD 83)
 NORTH 38.253867 DEG.
LONGITUDE (NAD 83)
 WEST 109.243562 DEG.
LATITUDE (NAD 27)
 NORTH 38.253878 DEG.
LONGITUDE (NAD 27)
 WEST 109.242896 DEG.
NORTHING
 585756
EASTING
 2648110



SCALE: 1" = 1000'

T. 29 S.

LATITUDE (NAD27)
 NORTH 38.253365 DEG.
LONGITUDE (NAD27)
 WEST 109.242821 DEG.

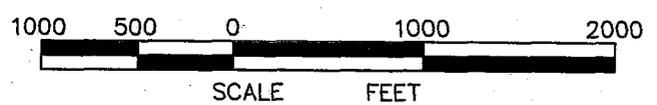
LATITUDE (NAD83)
 NORTH 38.253353 DEG.
LONGITUDE (NAD83)
 WEST 109.243486 DEG.

NORTHING
 585569.27
EASTING
 2648136.37

MIDDLE MESA
 FED
 26-23-29-24
 UNGRADED ELEVATION:
 6810.5'

Basis of Elevation: USGS spot
 elevation located on the SW corner
 Section 25, T29S, R24E,
 Elevation: 6852'

BASIS OF BEARING/DATUM
 SPCS UT SOUTH (NAD 27)



SURVEYOR'S STATEMENT

I, Clement R. Williams, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on OCTOBER 23, 2008, and it correctly shows the location of MIDDLE MESA FEDERAL 26-23-29-24.

NOTES

- ◆ WELL LOCATION
- BOTTOM HOLE LOC. (APPROX.)
- FOUND MONUMENT (BC)

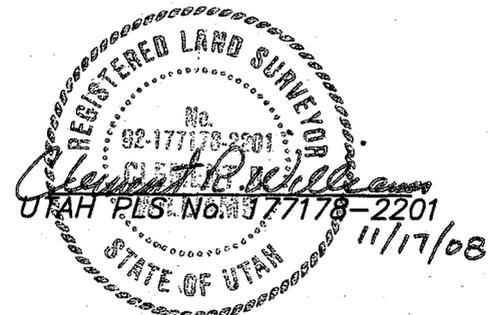


EXHIBIT 1

DRG RIFFIN & ASSOCIATES, INC.

**PLAT OF DRILLING LOCATION
 FOR
 ENCANA OIL & GAS (USA) INC.**

1414 ELK ST., SUITE 202
 ROCK SPRINGS, WY 82901
 (307) 362-5028

SCALE: 1" = 1000'
 JOB No. 15802
 REVISED: 11/13/08 - JMB

**2157' F/NL & 2036' F/EL, SECTION 26,
 T. 29 S., R. 24 E., SALT LAKE B.M.
 SAN JUAN COUNTY, UTAH**



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES
Division of Water Rights

MICHAEL R. STYLER
Executive Director

JERRY D. OLDS
State Engineer/Division Director

ORDER OF THE STATE ENGINEER

For Temporary Change Application Number 05-6 (t34402)

Temporary Change Application Number 05-6 (t34402) in the name of Charles Hardison Redd was filed on May 5, 2008, to change the point of diversion, place of use and change the nature of use of 20.00 acre-feet (af) of water as evidenced by Water Right Number 05-6. Heretofore, the water has been diverted from a surface source located North 3,420 feet and West 2,851 feet from the SE Corner of Section 7, T28S, R25E, SLB&M. The water has been used for the irrigation of 5.00 acres from April 1 to October 31. The water was used in all or portion(s) of Section 35, T28S, R25E, SLB&M; Section 2 and 11, T29S, R24E, SLB&M.

Hereafter, it is proposed to divert 20.00 acre-feet of water from surface source located North 712 feet and East 627 feet from the SW Corner of Section 8, T28S, R25E, SLB&M. The water is to be used for drilling work for oil and gas wells and road construction and maintenance. The place of use of the water is being changed to all or portion(s) of Sections 2, 8, 11, 14 and 27, T29S, R24E, SLB&M; Section 8, T29S, R26E, SLB&M and Sections 4, 9, 10, 14 and 15, T30S, R25E, SLB&M.

Notice of this temporary change application was not published in a newspaper. It is the opinion of the State Engineer that it meets the criteria of Section 73-3-3 of the Utah Code for the approval of temporary change applications.

It is the opinion of the State Engineer that this change application can be approved without adversely affecting existing rights. The applicant is put on notice that diligence must be shown in pursuing the development of this application which can be demonstrated by the completion of the project as proposed in the change application.

It is, therefore, **ORDERED** and Temporary Change Application Number 05-6 (t34402) is hereby **APPROVED** subject to prior rights.

This temporary change application shall expire one year from the date hereof.

It is the applicant's responsibility to maintain a current address with this office and to update ownership of their water right. Please notify this office immediately of any change of address or for assistance in updating ownership.

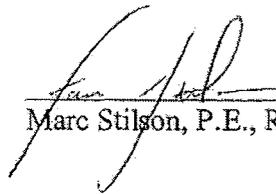
Inasmuch as this application proposes to divert water from a surface source, the applicant is required to contact the Stream Alteration Section of the Division of Water Rights at 801-538-7240 to obtain a Stream Alteration permit in addition to this Temporary Change Application.

ORDER OF THE STATE ENGINEER
Temporary Change Application Number
05-6 (t34402)
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Your contact with this office, should you need it, is with the Southeastern Regional Office. The telephone number is 435-613-3750.

This Order is subject to the provisions of Administrative Rule R655-6-17 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code which provide for filing either a Request for Reconsideration with the State Engineer or an appeal with the appropriate District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this Order. However, a Request for Reconsideration is not a prerequisite to filing a court appeal. A court appeal must be filed within 30 days after the date of this Order, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Dated this 9 day of June, 2008.



Marc Stilson, P.E., Regional Engineer

Mailed a copy of the foregoing Order this 9 day of June, 2008 to:

Charles Hardison Redd
P.O.Box 278
La Sal UT 84530

BY: _____
Kelly K. Horne, Applications/Records Secretary

Drilling Program

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

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

1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

Formation	Depth (TVD)	Subsea
Burro Canyon	Surface	6810
Entrada	954	5876
Navajo	1217	5613
Kayenta	1754	5076
Wingate	1970	4860
Chinle	2277	4553
Cutler	2585	4245
Honaker Trail	4181	2649
La Sal	5570	1260
La Sal Shale	5911	919
Hatch	5996	834
TD	6046	784

2. ANTICIPATED DEPTH OF WATER, OIL & GAS

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

Substance	Formation	Depth (TVD)
Gas	Honaker Trail	4181
Gas	La Sal	5570
Gas	La Sal Shale	5911

Drilling Program

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All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All indications of usable water (10,000 ppm or less TDS) shall be reported to the Durango Field Office prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. BOP EQUIPMENT/REQUIREMENTS

EnCana Oil & Gas (USA), Inc.'s minimum specification for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

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

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

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

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

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

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

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

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

Drilling Program

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BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Moab, Utah shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. CASING AND CEMENTING PROGRAMS

- a. The BLM in Moab, Utah shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.
- b. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- c. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- d. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data).
- e. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- f. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- g. All casing except the conductor casing, shall be new or reconditioned and tested used

Drilling Program

casing that meets or exceeds API standards for new casing.

- h. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- i. All indication of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- j. Surface casing shall have centralizers on the bottom 3 joints of casing (a minimum of one centralizer per joint starting with the shoe joint).
- k. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- l. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective actions shall be taken.
- m. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- n. The proposed casing program will be as follows:

Purpose	Depth (MD)	Hole Size	O.D.	Weight	Grade	Type	New/Used
Surface	0'-2804'	12-1/4"	9-5/8"	36#	J-55	ST&C	New
Production	0'-6052'	8-3/4"	5-1/2"	17#	I-80	LT&C	New

o. Casing design subject to revision based on geologic conditions encountered.

p. The cement program will be as follows:

Surface	Type and Amount
0-2804'	Lead: 550 sx Class G 50/50 Poz + 2% gel, 2.09 cuft/sx yield, 12.5 ppg Tail: 200 sx Class G, 1.15 cuft/sx yield, 15.8 ppg
Production	Type and Amount
4000'-6052'	1000 sx Class G 50/50 Poz, 1.43 cuft/sx yield, 13 ppg

Drilling Program

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

5. MUD PROGRAM

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

Interval (MD)	Mud Type	Mud Wt.	Visc.	F/L
0-4100'	Water	+/- 8.5	+/- 27	N.C.
4100'-TD	LSND	+/- 9.0	+/- 40-50	+/- 8

- b. Mud monitoring equipment to be used is as follows: Periodic checks of the mud system will be made each tour. The mud level will be checked visually.
 - 1. There will be sufficient mud on location to ensure well control.
 - 2. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss and Ph.
- c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling testing or completion operations.

6. EVALUATION PROGRAM – TESTING, LOGGING AND CORING

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

Drilling Program

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

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

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

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

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

- b. The logging program will be made up of two runs. The first will consist of a GR/AIT/NEUT-DEN w/ PE from TD to base of the surface casing. The second will consist of a Dipole Sonic from TD to base of the surface casing.
- c. No whole cores are anticipated. Depending upon evaluation of the open hole logs, several sidewall cores may be obtained in formations of interest.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work over, and/or completions, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:
Perforate zones of interest, fracture stimulate as necessary and place on production.

7. ABNORMAL PRESSURES AND H₂S GAS

- a. The maximum expected bottom hole pressure is 2400 psi (pressure gradient of 0.396 psi/ft). Source of pressure estimate was from data obtained for the La Sal geological formation in the Middle Mesa State 36-14-29-24 (well is located approx. 2 miles northwest of the proposed location).
- b. No hydrogen sulfide gas is anticipated; no abnormal pressures or temperatures are anticipated.
- c. As per Onshore Order No. 6, III.A.2b., if hydrogen sulfide is present the "operator shall initially test the H₂S concentration of the gasstream for each well or production facility ..." Submit the results of this test within 30 days of filing Form 3160-4, "Well Completion

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or Recompletion Report and Log”.

8. OTHER INFORMATION AND NOTIFICATION REQUIREMENTS

- a. The BLM in Moab (435-259-2100) shall be notified at least 24 hours prior to:
 1. Spudding the well
 2. Running the casing strings and cementing
 3. BOP tests/casing pressured tests.
- b. Within 30 days of completion of the well as a dry hole or producer, a copy 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, work over, and/or completions operations will be filed with a Completion Report (Form 3160-4), in triplicate. Submit casing/cementing reports and other subsequent reports via Sundry Notice Form 3160-5.
- c. In accordance with 43 CFR 3162.4-3, this well shall be reported on MMS Form 3160, “Monthly Report of Operations”, starting with the month in which drilling operations commence, and continuing each month until the well is physically plugged and abandoned.
- d. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- e. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during the initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized period.
- f. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d), shall be submitted to the appropriate District Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4).
- g. Off-lease measurement and commingling of production must be approved by the authorized officer.
- h. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that “not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site,

Drilling Program

or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

- i. The BLM in Moab (435-259-2100) shall be notified within 5 business days of production start-up if either of the following two conditions occur:
 1. The well is placed on production, or
 2. The well resumes production after being off of production for more than 90 days."Placed on production" means shipment or sales of hydrocarbons from temporary tanks, production into permanent facilities or measurement through permanent facilities. Notification may be written or verbal with written follow-up within 15 days.
 - j. Drilling is planned to commence upon approval. Completion will begin approximately 30 days after drilling is completed.
 - k. It is anticipated that the drilling of this well will take approximately 10-15 days.
 - l. No location will be constructed or moved, no well will be plugged, and no drilling or work over equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
 - m. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
 - n. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
 - o. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- If underground injection is proposed, an EPA or State UIC permit shall also be required and submitted to this office.
- p. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of

ONSHORE ORDER No. 1

EnCana Oil & Gas (USA), Inc.

Middle Mesa Fed 26-23-29-24

2157' FNL & 2036' FEL (surface)

Section 26-T29S-R24E

1970' FNL & 2057' FEL (bottom hole)

Section 26-T29S-R24E

San Juan County, Utah

Lease No. UTU-77538

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surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

q. As per 43 CFR 3162.6, each drilling producing or abandoned well shall be identified with the operator's name, the lease serial number, the well number, and the surveyed description of the well (either footages or the quarter-quarter section, the section, township and range). The Indian lessor's name may also be required. All markings shall be legible and in a conspicuous place.

r. Bureau of Land Management, Moab Field Office Address and Contacts:

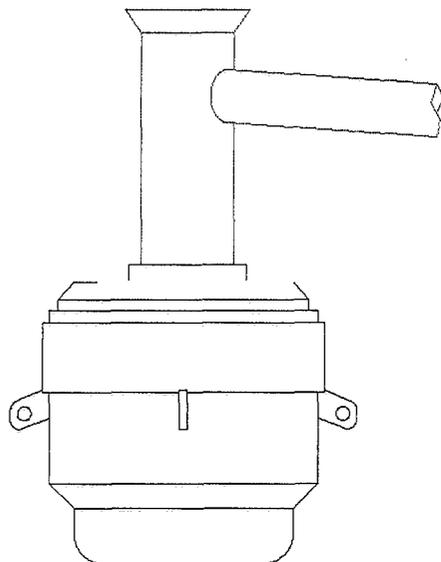
Address: 82 East Dogwood Ave. Phone: 435-259-2100
Moab, Utah 84532

Business Hours: 7:45 a.m. to 4:30 p.m. (Mountain Time), Mon-Fri.

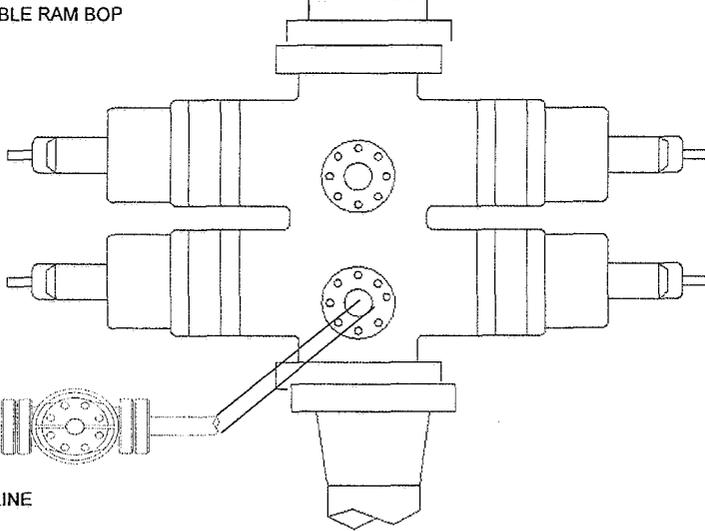
After Hours:

Jack Johnson	Engineering Technician	435-259-2129
Eric Jones	Petroleum Engineer	435-259-2117

3M ANNULAR

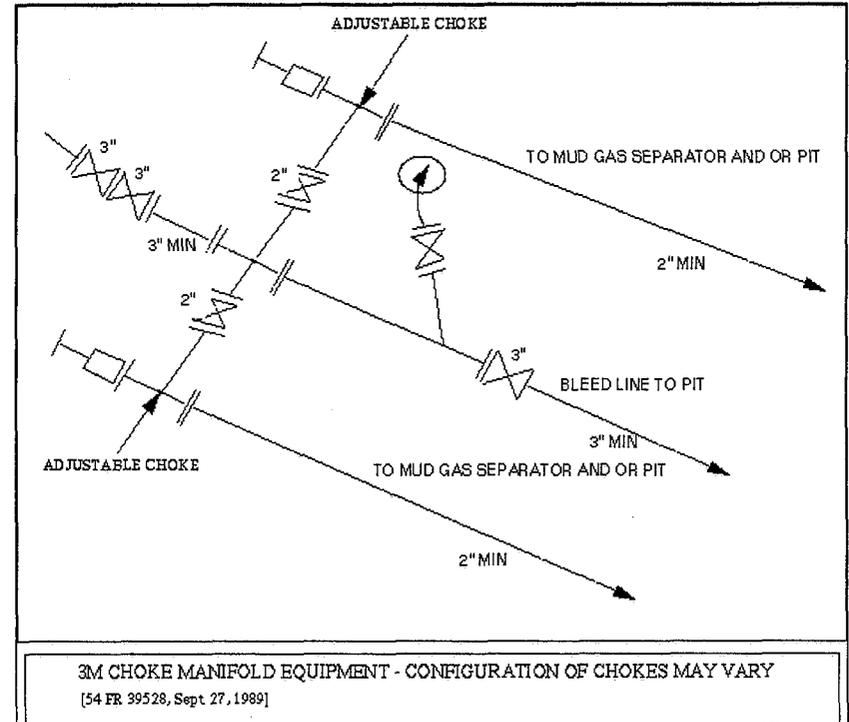


3M DOUBLE RAM BOP



2" KILL LINE

3" CHOKE LINE FROM
OUTLET ON BOTTOM
SIDE OF RAMS



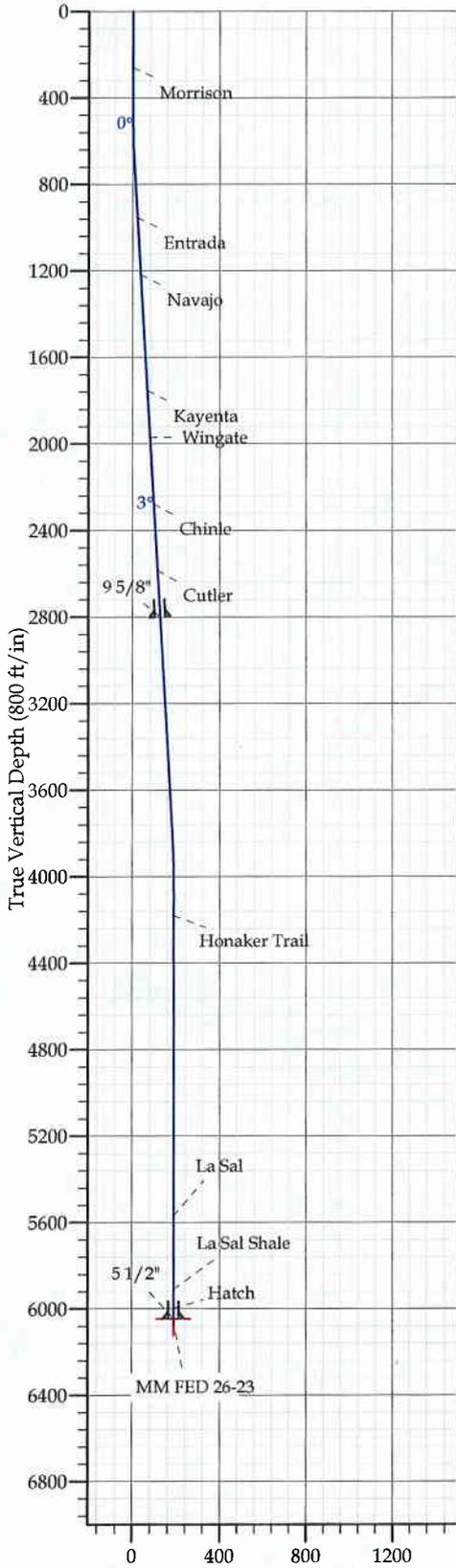
Co-ordinate (N/E) Reference: Well Well #1, Grid North
 Vertical (TVD) Reference: RKB @ 6830.5ft (TBD)
 Section (VS) Reference: Site Centre (0.0N, 0.0E)
 Measured Depth Reference: RKB @ 6830.5ft (TBD)
 Calculation Method:

WELL DETAILS: Well #1

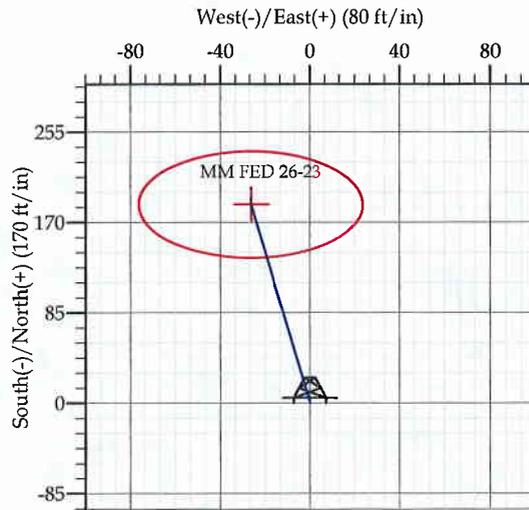
+N/-S	+E/-W	Northing	Ground Level:	6810.5	Slot
0.0	0.0	585569.27	Easting	2648136.3711° 59' 47.117 N	08° 55' 55.574 W

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	500.0	0.00	0.00	500.0	0.0	0.0	0.00	0.00	0.0	
3	661.2	3.22	351.96	661.1	4.5	-0.6	2.00	351.96	4.5	
4	3854.1	3.22	351.96	3848.9	182.2	-25.7	0.00	0.00	184.1	
5	4015.2	0.00	0.00	4010.0	186.7	-26.4	2.00	180.00	188.6	
6	6051.2	0.00	0.00	6046.0	186.7	-26.4	0.00	0.00	188.6	MM FED 26-23



Vertical Section at 351.96° (800 ft/in)



FORMATION TOP DETAILS

TVDPath	MDPath	Formation
260.0	260.0	Morrison
954.0	954.5	Entrada
1217.0	1218.0	Navajo
1754.0	1755.8	Kayenta
1970.0	1972.2	Wingate
2277.0	2279.6	Chinle
2585.0	2588.1	Cutler
4181.0	4186.2	Honaker Trail
5570.0	5575.2	La Sal
5910.0	5915.2	La Sal Shale
5996.0	6001.2	Hatch

CASING DETAILS

TVD	MD	Name	Size
2800.0	2803.5	9 5/8"	9.625
6046.0	6051.2	5 1/2"	5.500

EnCana Corporation
Planning Report

Database: EDM
Company: DJ/Paradox/WTX
Project: La Sal
Site: Middle Mesa Fed 26-23-29-24
Well: Well #1
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference: Well Well #1
TVD Reference: RKB @ 6830.5ft (TBD)
MD Reference: RKB @ 6830.5ft (TBD)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Project	La Sal		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Southern Zone		

Site	Middle Mesa Fed 26-23-29-24				
Site Position:		Northing:	585,569.27 ft	Latitude:	11° 59' 47.117 N
From:	Map	Easting:	2,648,136.37 ft	Longitude:	108° 55' 55.574 W
Position Uncertainty:	ft	Slot Radius:	in	Grid Convergence:	1.57 °

Well	Well #1					
Well Position	+N-S	0.0 ft	Northing:	585,569.27 ft	Latitude:	11° 59' 47.117 N
	+E-W	0.0 ft	Easting:	2,648,136.37 ft	Longitude:	108° 55' 55.574 W
Position Uncertainty		ft	Wellhead Elevation:	ft	Ground Level:	6,810.5 ft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF200510	01/07/2009	(°)	(°)	(nT)
			8.25	34.24	36,053

Design	Design #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD)	+N-S	+E-W	Direction
	(ft)	(ft)	(ft)	(°)
	0.0	0.0	0.0	351.96

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N-S	+E-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(ft)	(ft)	Rate	Rate	Rate	(°)	
(ft)			(ft)			(°/100ft)	(°/100ft)	(°/100ft)		
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.00	0.00	0.00	0.00	
661.2	3.22	351.96	661.1	4.5	-0.6	2.00	2.00	0.00	351.96	
3,854.1	3.22	351.96	3,848.9	182.2	-25.7	0.00	0.00	0.00	0.00	
4,015.2	0.00	0.00	4,010.0	186.7	-26.4	2.00	-2.00	0.00	180.00	
6,051.2	0.00	0.00	6,046.0	186.7	-26.4	0.00	0.00	0.00	0.00	MM FED 26-23

EnCana Corporation
Planning Report

Database: EDM
Company: DJ/Paradox/WTX
Project: La Sal
Site: Middle Mesa Fed 26-23-29-24
Well: Well #1
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference: Well Well #1
TVD Reference: RKB @ 6830.5ft (TBD)
MD Reference: RKB @ 6830.5ft (TBD)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00	
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00	
260.0	0.00	0.00	260.0	0.0	0.0	0.0	0.00	0.00	0.00	
Morrison										
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00	
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00	
600.0	2.00	351.96	600.0	1.7	-0.2	1.7	2.00	2.00	0.00	
661.2	3.22	351.96	661.1	4.5	-0.6	4.5	2.00	2.00	0.00	
700.0	3.22	351.96	699.9	6.6	-0.9	6.7	0.00	0.00	0.00	
800.0	3.22	351.96	799.7	12.2	-1.7	12.3	0.00	0.00	0.00	
900.0	3.22	351.96	899.5	17.8	-2.5	18.0	0.00	0.00	0.00	
954.5	3.22	351.96	954.0	20.8	-2.9	21.0	0.00	0.00	0.00	
Entrada										
1,000.0	3.22	351.96	999.4	23.4	-3.3	23.6	0.00	0.00	0.00	
1,100.0	3.22	351.96	1,099.2	28.9	-4.1	29.2	0.00	0.00	0.00	
1,200.0	3.22	351.96	1,199.1	34.5	-4.9	34.8	0.00	0.00	0.00	
1,218.0	3.22	351.96	1,217.0	35.5	-5.0	35.8	0.00	0.00	0.00	
Navajo										
1,300.0	3.22	351.96	1,298.9	40.1	-5.7	40.5	0.00	0.00	0.00	
1,400.0	3.22	351.96	1,398.7	45.6	-6.4	46.1	0.00	0.00	0.00	
1,500.0	3.22	351.96	1,498.6	51.2	-7.2	51.7	0.00	0.00	0.00	
1,600.0	3.22	351.96	1,598.4	56.8	-8.0	57.3	0.00	0.00	0.00	
1,700.0	3.22	351.96	1,698.3	62.3	-8.8	62.9	0.00	0.00	0.00	
1,755.8	3.22	351.96	1,754.0	65.4	-9.2	66.1	0.00	0.00	0.00	
Kayenta										
1,800.0	3.22	351.96	1,798.1	67.9	-9.6	68.6	0.00	0.00	0.00	
1,900.0	3.22	351.96	1,898.0	73.5	-10.4	74.2	0.00	0.00	0.00	
1,972.2	3.22	351.96	1,970.0	77.5	-10.9	78.2	0.00	0.00	0.00	
Wingate										
2,000.0	3.22	351.96	1,997.8	79.0	-11.2	79.8	0.00	0.00	0.00	
2,100.0	3.22	351.96	2,097.6	84.6	-11.9	85.4	0.00	0.00	0.00	
2,200.0	3.22	351.96	2,197.5	90.2	-12.7	91.1	0.00	0.00	0.00	
2,279.6	3.22	351.96	2,277.0	94.6	-13.4	95.5	0.00	0.00	0.00	
Chinle										
2,300.0	3.22	351.96	2,297.3	95.7	-13.5	96.7	0.00	0.00	0.00	
2,400.0	3.22	351.96	2,397.2	101.3	-14.3	102.3	0.00	0.00	0.00	
2,500.0	3.22	351.96	2,497.0	106.9	-15.1	107.9	0.00	0.00	0.00	
2,588.1	3.22	351.96	2,585.0	111.8	-15.8	112.9	0.00	0.00	0.00	
Cutler										
2,600.0	3.22	351.96	2,596.8	112.4	-15.9	113.5	0.00	0.00	0.00	
2,700.0	3.22	351.96	2,696.7	118.0	-16.7	119.2	0.00	0.00	0.00	
2,800.0	3.22	351.96	2,796.5	123.6	-17.4	124.8	0.00	0.00	0.00	
2,803.5	3.22	351.96	2,800.0	123.8	-17.5	125.0	0.00	0.00	0.00	
9 5/8"										
2,900.0	3.22	351.96	2,896.4	129.1	-18.2	130.4	0.00	0.00	0.00	
3,000.0	3.22	351.96	2,996.2	134.7	-19.0	136.0	0.00	0.00	0.00	
3,100.0	3.22	351.96	3,096.1	140.3	-19.8	141.7	0.00	0.00	0.00	
3,200.0	3.22	351.96	3,195.9	145.8	-20.6	147.3	0.00	0.00	0.00	
3,300.0	3.22	351.96	3,295.7	151.4	-21.4	152.9	0.00	0.00	0.00	
3,400.0	3.22	351.96	3,395.6	157.0	-22.2	158.5	0.00	0.00	0.00	
3,500.0	3.22	351.96	3,495.4	162.5	-23.0	164.1	0.00	0.00	0.00	

EnCana Corporation
Planning Report

Database: EDM
Company: DJ/Paradox/WTX
Project: La Sal
Site: Middle Mesa Fed 26-23-29-24
Well: Well #1
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference: Well Well #1
TVD Reference: RKB @ 6830.5ft (TBD)
MD Reference: RKB @ 6830.5ft (TBD)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
3,600.0	3.22	351.96	3,595.3	168.1	-23.7	169.8	0.00	0.00	0.00	
3,700.0	3.22	351.96	3,695.1	173.7	-24.5	175.4	0.00	0.00	0.00	
3,800.0	3.22	351.96	3,794.9	179.2	-25.3	181.0	0.00	0.00	0.00	
3,854.1	3.22	351.96	3,848.9	182.2	-25.7	184.1	0.00	0.00	0.00	
3,900.0	2.30	351.96	3,894.8	184.4	-26.0	186.3	2.00	-2.00	0.00	
4,000.0	0.30	351.96	3,994.8	186.7	-26.4	188.5	2.00	-2.00	0.00	
4,015.2	0.00	0.00	4,010.0	186.7	-26.4	188.6	2.00	-2.00	0.00	
4,100.0	0.00	0.00	4,094.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,186.2	0.00	0.00	4,181.0	186.7	-26.4	188.6	0.00	0.00	0.00	
Honaker Trail										
4,200.0	0.00	0.00	4,194.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,300.0	0.00	0.00	4,294.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,400.0	0.00	0.00	4,394.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,500.0	0.00	0.00	4,494.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,600.0	0.00	0.00	4,594.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,700.0	0.00	0.00	4,694.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,800.0	0.00	0.00	4,794.8	186.7	-26.4	188.6	0.00	0.00	0.00	
4,900.0	0.00	0.00	4,894.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,000.0	0.00	0.00	4,994.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,100.0	0.00	0.00	5,094.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,200.0	0.00	0.00	5,194.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,300.0	0.00	0.00	5,294.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,400.0	0.00	0.00	5,394.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,500.0	0.00	0.00	5,494.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,575.2	0.00	0.00	5,570.0	186.7	-26.4	188.6	0.00	0.00	0.00	
La Sal										
5,600.0	0.00	0.00	5,594.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,700.0	0.00	0.00	5,694.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,800.0	0.00	0.00	5,794.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,900.0	0.00	0.00	5,894.8	186.7	-26.4	188.6	0.00	0.00	0.00	
5,915.2	0.00	0.00	5,910.0	186.7	-26.4	188.6	0.00	0.00	0.00	
La Sal Shale										
6,000.0	0.00	0.00	5,994.8	186.7	-26.4	188.6	0.00	0.00	0.00	
6,001.2	0.00	0.00	5,996.0	186.7	-26.4	188.6	0.00	0.00	0.00	
Hatch										
6,051.2	0.00	0.00	6,046.0	186.7	-26.4	188.6	0.00	0.00	0.00	
5 1/2"										

Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hi/miss target									
- Shape									
MM FED 26-23	0.00	0.00	6,046.0	186.7	-26.4	585,756.00	2,648,110.00	11° 59' 48.809 N	108° 55' 55.768 W
- plan hits target									
- Circle (radius 50.0)									

EnCana Corporation
Planning Report

Database: EDM
Company: DJ/Paradox/WTX
Project: La Sal
Site: Middle Mesa Fed 26-23-29-24
Well: Well #1
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference: Well Well #1
TVD Reference: RKB @ 6830.5ft (TBD)
MD Reference: RKB @ 6830.5ft (TBD)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Casing Points						
Measured Depth (ft)	Vertical Depth (ft)		Name	Casing Diameter (in)	Hole Diameter (in)	
6,051.2	6,046.0	5 1/2"		5.500	8.750	
2,803.5	2,800.0	9 5/8"		9.625	12.250	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
260.0	260.0	Morrison		0.00		
954.5	954.0	Entrada		0.00		
1,218.0	1,217.0	Navajo		0.00		
1,755.8	1,754.0	Kayenta		0.00		
1,972.2	1,970.0	Wingate		0.00		
2,279.6	2,277.0	Chinle		0.00		
2,588.1	2,585.0	Cutler		0.00		
4,186.2	4,181.0	Honaker Trail		0.00	0.00	
5,575.2	5,570.0	La Sal		0.00	0.00	
5,915.2	5,910.0	La Sal Shale		0.00	0.00	
6,001.2	5,996.0	Hatch		0.00	0.00	

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/11/2009

API NO. ASSIGNED: 43-037-31905

WELL NAME: MIDDLE MESA FED 26-23-29-24
 OPERATOR: ENCANA OIL & GAS (USA) (N2175)
 CONTACT: JEVIN CROTEAU

PHONE NUMBER: 720-876-5339

PROPOSED LOCATION:

SWNE 26 290S 240E
 SURFACE: 2157 FNL 2036 FEL
 BOTTOM: 1970 FNL 2057 FEL
 COUNTY: SAN JUAN
 LATITUDE: 38.25344 LONGITUDE: -109.2427
 UTM SURF EASTINGS: 653762 NORTHINGS: 4235189
 FIELD NAME: UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-77538
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: HATCH
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. RLB0001191)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 05-6)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: _____

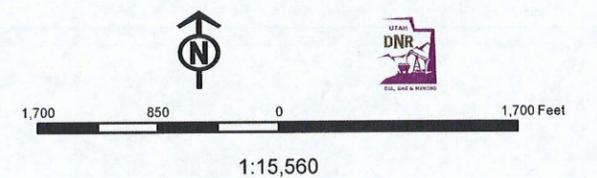
STIPULATIONS: _____

1- Federal Approval
2- Spacing Strip

API Number: 4303731905
Well Name: MIDDLE MESA FED 26-23-29-24
Township 29.0 S Range 24.0 E Section 26
Meridian: SLBM
Operator: ENCANA OIL & GAS (USA) INC

Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------|---------------------------|
| Units | Wells Query Events |
| STATUS | ✕ <all other values> |
| ACTIVE | GIS_STAT_TYPE |
| EXPLORATORY | <Null> |
| GAS STORAGE | ◆ APD |
| NF PP OIL | ⊙ DRL |
| NF SECONDARY | ⊙ GI |
| PI OIL | ⊙ GS |
| PP GAS | ⊙ LA |
| PP GEOTHERML | ⊕ NEW |
| PP OIL | ⊕ OPS |
| SECONDARY | ⊕ PA |
| TERMINATED | ⊕ PGW |
| Fields | ⊕ POW |
| STATUS | ⊕ RET |
| ACTIVE | ⊕ SGW |
| COMBINED | ⊕ SOW |
| Sections | ⊕ TA |
| | ⊕ TW |
| | ⊕ WD |
| | ⊕ WI |
| | ⊕ WS |





EnCana Oil & Gas (USA) Inc.

EnCana Oil & Gas (USA) Inc. tel: 720-876-5339
370 – 17th Street
Suite 1700 fax: 720-876-6339
Denver, CO 80202

www.encana.com

February 3, 2009

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

RE: Middle Mesa Fed 26-23-29-24
Section 26, T29S R24E
San Juan County, UT

Dear Ms. Mason:

EnCana Oil & Gas (USA) Inc. is requesting approval to directionally drill the subject well per the Utah Department of Natural Resources, Division of Oil, Gas and Mining Applicable Rules R649-3-11. Please find the following information as required for our proposed Middle Mesa Fed 26-23-29-24 well:

- EnCana Oil & Gas (USA) Inc., own all oil & gas within 460' of the intended well bore.
- Surface and Bottom Hole located on Federal Lease No. UTU-77538 and within the Middle Mesa Unit.
- SWNE, Section 26, T29S R24E, San Juan County, Utah.
- Location plat with surface and bottom hole locations attached.
- Proposed Directional Report attached.

EnCana is drilling this well as a directional well do to geologic conditions above the bottom hole target.

If you have any questions or need additional information, I can be reached at (720) 876-5339.

Sincerely,

Jevin Croteau
Regulatory Analyst

Attachment

RECEIVED
FEB 11 2009
DIV. OF OIL, GAS & MINING

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

February 17, 2009

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Middle Mesa Unit, San Juan
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2009 within the Middle Mesa Unit, San Juan County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Hatch)		
43-037-31901	Middle Mesa Fed 25-43-29-24	Sec 25 T29S R24E 0759 FSL 2531 FEL
43-037-31902	Middle Mesa Fed 25-41-29-24	Sec 25 T29S R24E 0360 FSL 0960 FWL
43-037-31903	Middle Mesa Fed 25-31-29-24	Sec 25 T29S R24E 2361 FSL 0900 FWL
		BHL Sec 25 T29S R24E 2422 FSL 1133 FWL
43-037-31904	Middle Mesa Fed 26-34-29-24	Sec 26 T29S R24E 2011 FSL 0789 FEL
		BHL Sec 26 T29S R24E 1961 FSL 0782 FEL
43-037-31905	Middle Mesa Fed 26-23-29-24	Sec 26 T29S R24E 2157 FNL 2036 FEL
		BHL Sec 26 T29S R24E 1970 FNL 2057 FEL
43-037-31906	Middle Mesa Fed 31-44-29-25	Sec 31 T29S R25E 0587 FSL 1207 FEL
		BHL Sec 31 T29S R25E 0620 FSL 0612 FEL
43-037-31907	Middle Mesa Fed 31-33-29-25	Sec 31 T29S R25E 1873 FSL 1795 FEL
43-037-31908	Middle Mesa Fed 05-08-30-25	Sec 05 T30S R25E 0722 FNL 1034 FEL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File – Middle Mesa Unit
 Division of Oil Gas and Mining
 Central Files
 Agr. Sec. Chron
 Fluid Chron



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

February 18, 2009

Encana Oil & Gas (USA) Inc.
370 17th St., Ste. 1700
Denver, CO 80202

Re: Middle Mesa Federal 26-23-29-24 Well, Surface Location 2157' FNL, 2036' FEL,
SW NE, Sec. 26, T. 29 South, R. 24 East, Bottom Location 1970' FNL, 2057' FEL,
SW NE, Sec. 26, T. 29 South, R. 24 East, San Juan County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31905.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: Encana Oil & Gas (USA) Inc.
Well Name & Number Middle Mesa Federal 26-23-29-24
API Number: 43-037-31905
Lease: UTU-77538

Surface Location: SW NE **Sec.** 26 **T.** 29 South **R.** 24 East
Bottom Location: SW NE **Sec.** 26 **T.** 29 South **R.** 24 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284

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

- Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

3. Reporting Requirements

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

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

CONFIDENTIAL TIGHT HOLE

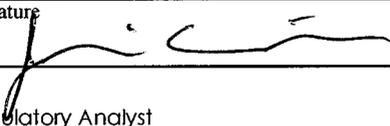
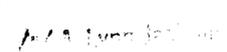
FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. UTU-77538		6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. Middle Mesa, UTU-82680X		8. Lease Name and Well No. Middle Mesa Fed 26-23-29-24	
9. API Well No. 4303731905		10. Field and Pool, or Exploratory Wildcat	
11. Sec., T., R., M., or Blk. And Survey or Area Sec. 26, T29S-R24E		12. County or Parish San Juan	
13. State Utah		14. Distance in miles and direction from nearest town or post office* Approximately 4.0 Miles South of La Sal, UT	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any)		16. No. of Acres in lease	
665' BHL 4934' BHL		1120.00	
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. N/A	
19. Proposed Depth 6046' TVD		20. BLM/ BIA Bond No. on file UT1005	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6810.5' GR		22. Aproximate date work will start* 01-Jun-09	
23. Estimated Duration 30 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:

- | | |
|--|--|
| <ul style="list-style-type: none"> 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 must be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by 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 BLM. |
|--|--|

25. Signature 	Name (Printed/ Typed) Jevin Croteau	Date 2/5/09
Title Regulatory Analyst		
Approved By (Signature) 	Name (Printed/ Typed) Assistant Field Manager	Date 1/6/2010
Title Assistant Field Manager, Division of Resources	Office Division of Resources Meab 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.

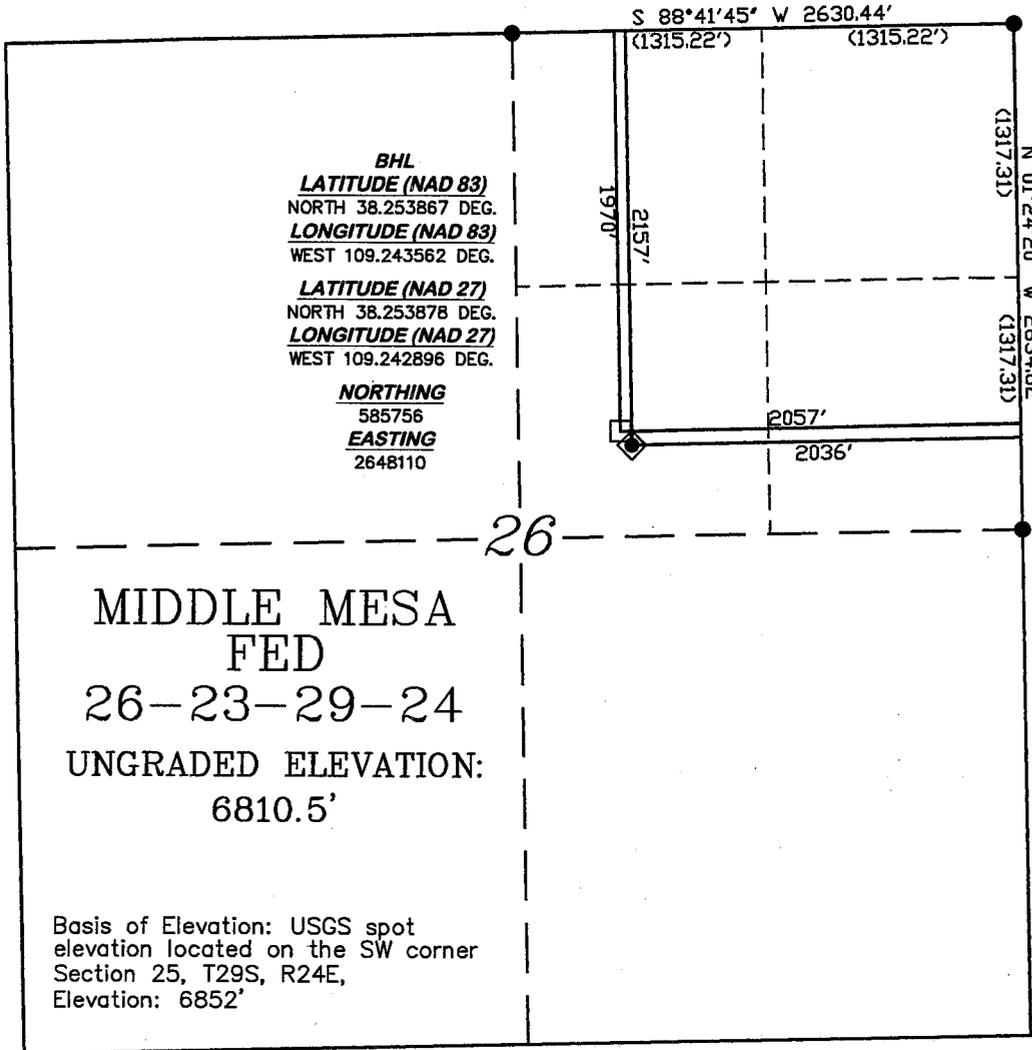
(Continued on page 2)

(Instructions on page 2)

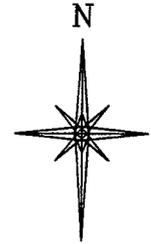
RECEIVED
CONDITIONS OF APPROVAL ATTACHED
JAN 11 2010

DIV. OF OIL, GAS & MINING

R. 24 E.



BHL
LATITUDE (NAD 83)
 NORTH 38.253867 DEG.
LONGITUDE (NAD 83)
 WEST 109.243562 DEG.
LATITUDE (NAD 27)
 NORTH 38.253878 DEG.
LONGITUDE (NAD 27)
 WEST 109.242896 DEG.
NORTHING
 585756
EASTING
 2648110



SCALE: 1" = 1000'

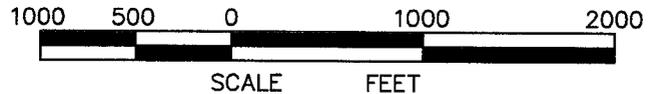
T. 29 S.

LATITUDE (NAD27)
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LONGITUDE (NAD27)
 WEST 109.242821 DEG.
LATITUDE (NAD83)
 NORTH 38.253353 DEG.
LONGITUDE (NAD83)
 WEST 109.243486 DEG.
NORTHING
 585569.27
EASTING
 2648136.37

MIDDLE MESA
 FED
 26-23-29-24
 UNGRADED ELEVATION:
 6810.5'

Basis of Elevation: USGS spot
 elevation located on the SW corner
 Section 25, T29S, R24E,
 Elevation: 6852'

BASIS OF BEARING/DATUM
 SPCS UT SOUTH (NAD 27)



SURVEYOR'S STATEMENT

I, Clement R. Williams, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on OCTOBER 23, 2008, and it correctly shows the location of MIDDLE MESA FEDERAL 26-23-29-24.

NOTES

- ◆ WELL LOCATION
- BOTTOM HOLE LOC. (APPROX.)
- FOUND MONUMENT (BC)



EXHIBIT 1

DRG RIFFIN & ASSOCIATES, INC.

**PLAT OF DRILLING LOCATION
 FOR
 ENCANA OIL & GAS (USA) INC.**

1414 ELK ST., SUITE 202
 ROCK SPRINGS, WY 82901
 (307) 362-5028

SCALE: 1" = 1000'
 JOB No. 15802
 REVISED: 11/13/08 - JMB

**2157' F/NL & 2036' F/EL, SECTION 26,
 T. 29 S., R. 24 E., SALT LAKE B.M.
 SAN JUAN COUNTY, UTAH**

EnCana Oil & Gas (USA), Inc.
Middle Mesa Federal 26-23-29-24
Lease UTU-77538
Middle Mesa Unit (UTU-82680-X)
SW/NE Section 26, T29S, R24E
San Juan County, Utah

A COMPLETE COPY OF THIS APPROVED PERMIT and Conditions of Approval shall be maintained on location during all construction and drilling operations, 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 EnCana Oil & Gas (USA), Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UT1005** (Principal – EnCana Oil & Gas (USA), Inc.) via surety consent as provided for in 43 CFR 3104.2.

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

This permit will be valid for a period of two years from the date of approval. An extension of this permit will be considered only if a written request is received prior to APD expiration. 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. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

A. DRILLING PROGRAM

1. The proposed 3M BOP system is adequate for anticipated conditions. Testing to 2M standards is acceptable. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGGM) is required before conducting any surface disturbing activities.
3. Drilling reports, which describe the activities of each day, shall be submitted to the BLM Moab Field Office on a weekly, or more frequent, basis. In addition to a daily summary of activities, drilling reports shall include the drilling fluid weight, details of casing and cement, water flows, lost circulation zones and any other information that would contribute to our understanding of drilling conditions.
4. Submit a Well Completion Report (Form 3160-4) within 30 days of completing the well. Please invest the necessary energy to thoroughly and accurately describe the well completion.

B. Surface

Site Specific COAs

Middle Mesa Federal 25-43-29-24

1. Due to a raptor nest, no permanent facilities shall be constructed/installed on this location. Facilities shall be located on an adjacent or nearby location.

Middle Mesa Federal 31-11-29-25

1. The operator shall maintain a 50' undisturbed vegetated buffer from the drainage to the SE corner of the pad.

Middle Mesa Federal 31-22-29-25

1. All earth moving activities associated with construction of the access corridor servicing the well in T29S R25E Section 31 will be monitored by an archeologist who meets or exceeds the qualification standards recommended by the Secretary of the Interior. The Bureau has identified this area as containing the potential for buried cultural deposits.

The archeologist shall notify the BLM, Moab Field Office of date they intend to monitor the aforementioned areas, no less than three days in advance. The BLM will require the submission of two copies of a monitoring report within 30 days of the completion of work.

In the event previously unidentified archaeological materials are identified within the project area the standard stipulations apply for documentation of archaeological deposits.

2. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Middle Mesa Federal 31-33-29-25

1. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was

previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.

- If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Middle Mesa Federal 31-42-29-25

1. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Middle Mesa Federal 31-44-29-25

1. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Middle Mesa Federal 5-8-30-25

1. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Middle Mesa Federal 5-10-30-25

1. Due to a raptor nest, no permanent facilities shall be constructed/installed on this location. Facilities shall be located on an adjacent or nearby location.
2. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Middle Mesa Federal 4-20-30-25

1. All earth moving activities that are associated with the initial construction of the well pad will be monitored by an archeologist who meets or exceeds the qualification standards recommended by the Secretary of the Interior. The Bureau has identified this area as containing the potential for buried cultural deposits. Additionally, a temporary fence will be erected on the southeast portion of this well pad during construction to eliminate damage to a sensitive area.

The archeologist shall notify the BLM, Moab Field Office of date they intend to monitor the aforementioned areas, no less than three days in advance. The BLM will require the submission of two copies of a monitoring report within 30 days of the completion of work.

In the event previously unidentified archaeological materials are identified within the project area the standard stipulations apply for documentation of archaeological deposits.

2. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

Bull Horn Federal 9-13-30-25

1. This well location is in a geologic formation that has yielded scientifically significant fossils. To minimize the possibility of damaging fossil remains, a paleontological survey or paleontological monitoring shall be performed.
 - A paleontological survey, if conducted, must include the well location and access road. The survey report must be submitted to the BLM for review prior to conducting surface disturbing activities (Note: A paleontological survey was previously conducted on the Middle Mesa No. 5-10 well and access, with negative findings). Depending on the findings of a paleontological survey, monitoring may also be needed.
 - If a paleontological survey is not conducted, monitoring must be performed. The monitor must be on-site during construction of the well pad and access road to identify any vertebrate paleontological remains that may be uncovered. If a discovery is made, work must stop in the vicinity of the find. Work may continue at a distance of 100 feet away from the discovery point. The BLM must be notified promptly upon discovery of paleontological remains. An assessment of the discovery will determine its significance, and the actions necessary for protection.

General COAs

Other required approvals

1. This approval does not authorize non-federal actions. State and county permits may be required prior to any construction activity.

Cultural

1. Should any cultural resources be unearthed, surface-disturbing activities would be re-routed to avoid or halted until the cultural sites/artifacts can be evaluated for significance, and a mitigation/salvage plan be formulated. These actions would successfully mitigate possible impacts to cultural resources such that detailed analysis is not required.

Paleontological Resources

1. Paleontological resources are not likely to be encountered, except for those site listed previously, but could be discovered during construction. Because of this the operator shall; (1) with contractors, go over procedures for stopping work and notifying BLM if paleontological resources were found while working on the project, (2) notify the contractor of his responsibilities for informing employees/sub-contractors of the potential for prosecution if paleontological resources were disturbed.

Wildlife

1. In order to protect nesting raptors, no road or well pad construction, drilling or well completion operations, or construction of production facilities will be authorized between March 1 and August 31. No permanent facilities or construction activities would be allowed that could cause permanent abandonment of established nest sites if facility or construction removed a nest or permanently interfered with nesting activity. Most raptors typically require a ½ mile buffer except burrowing owls which require a ¼ mile buffer to protect nest site and nest activity. Raptor surveys would be required during breeding and nesting season by a qualified biologist. Breeding season surveys must be updated each year prior to surface disturbing activities. The restriction would reduce potential impacts to other bird species when the young would be raised. The limitation does not apply to maintenance and operation of producing wells. Exceptions will be granted to this limitation and will be specified in writing by the Moab Field Office.
2. In order to protect mule deer on crucial winter range no road or well pad construction, drilling or well completion operations, or construction of production facilities will be authorized between November 15 and April 15 to reduce the potential impacts to mule deer. The restriction would not apply to the maintenance and operation of producing wells. The dates and provisions for producing wells would be consistent with the oil and gas stipulation for deer winter range in the MFO RMP.

Well Pad/Road Construction/Maintenance

1. All soil and gravel brought in from off site for road or pad construction need to come from a pit free of invasive, non-native species.
2. Impacts from new well pad and road construction would be minimized by appropriate drainage control (ie. water bars, low water crossings in ephemeral drainages, etc). If the wells go into production, mitigation of impacts to soils would include 1) upgrading roads to BLM Gold Book standards and 2) reclamation of any unused areas (ie. wellpads,

unneded road access). If the wells are not produced, then reclamation would mitigate and reduce impacts to soils.

3. The operator shall maintain the existing roads in a safe, usable condition, as directed by the Moab Field Office. The maintenance program shall include, but is not limited to, blading, ditching, installing culverts, and if needed, surfacing the road with rock materials. The operator shall conduct all activities associated with the San Juan County roads within the existing surface disturbances of the maintained roads. The operator shall repair all damages to the county roads resulting from traffic associated with constructing, drilling, and producing the well.
4. The operator shall not block access to roads that intersect with the main roads being used to drill these wells. If blading the road for maintenance, the operator must make sure to remove any windrow that crosses another road.
5. The operator shall salvage the topsoil from entire disturbed area of the location prior to construction of the pad. This includes removal of topsoil from the areas where spoil piles will be stored.
6. Gates and cattle guards shall be maintained to at least existing condition or better.
7. New roads constructed shall be signed Administrative use Only.

Wastes

1. All Federal and State laws would be followed regarding use, storage and disposal of hazardous materials and solid wastes.
2. No produced water or other fluids will be disposed on the well pad or roads.

Soils/Dust

1. Dust control will be provided during construction and drilling operations by spraying fresh water on new road construction, roads being maintained or utilized, and the well pad as needed.

Fuels/Fire

1. During the activities of road maintenance, new road construction, or the construction of well pads, if any standing live or dead trees were damaged, cut down, or knocked over by grading or construction equipment; actions would be taken to mitigate the fuel loads from slash generated from these activities. In areas where reclamation of the site would be expected and slash would be utilized to help reclaim the site, temporary piling of slash until termination of activities would be acceptable. In areas where reclamation is not planned in the foreseeable future, disposal of slash would be required.

Acceptable disposal actions include the chipping of materials on site with dispersal along the road or pad edge. Hauling of materials would also be acceptable with the following stipulations:

- a. BLM would pre-approve the disposal location.
- b. Piled vegetation would not be within fifteen feet of standing live trees.

- c. Because downed trees would provide an opportunity for public firewood cutting and collection, piles must be located adjacent to and accessible by road.
- d. All burning of materials would be conducted by BLM specialists.

Reclamation

1. Drill pads and new roads to non-producing wells will be reclaimed. Reclamation will include removal of new road and the incorporation of a seed mix that will provide a vegetation structure as close to the existing plant community as possible.
2. At the end of drilling operations and prior to reclamation of the reserve pit, the top of the pit will be covered with netting of one inch or less to prevent access by birds while the pit is drying.
3. The pit will not be left open for more than 6 months from the completion of drilling activities. If necessary the pit fluids will be drained and then closed prior to the 1 year deadline.
4. Interim reclamation shall be commenced within 6 months of completion of the well. Interim reclamation will include the reclamation of all the portions of the pad not required for everyday production.
5. For Interim Reclamation the operator will drill seed on the contour to a depth of 0.5 inch, followed by cultipaction to compact the seedbed, preventing soil and seed losses. To maintain quality and purity, the current years tested, certified seed with a minimum germination rate of 80% and a minimum purity of 90% will be used. Use the following seed mix:

Species – Cultivar	% in Mix	Lbs PLS*
Indian Ricegrass	50	5
Slender wheatgrass	40	4
Four-wing saltbush	40	4
Totals	100%	10.00 lbs/acre

*PLS = pure live seed

*Double this rate if broadcast seeding

6. Slopes too steep for machinery may be hand broadcast and raked with twice the specified amount of seed.

Noxious/Invasive Weeds

1. To reduce the opportunity to transport invasive and/or noxious weeds, the operator will be required to wash all vehicles and equipment before mobilizing into the project area to begin any dirt work or drilling activities.
2. The operator will be responsible for weed control on the disturbed areas within the limits of the well pad and road construction. The operator will be responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

3. The operator will monitor for noxious weeds that might move onto the location. If any are discovered an Integrated Pest Management Plan will be created and need BLM approval prior to beginning any treatment program.

Air Quality

1. All new and replacement internal combustion oil and gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 grams of NOx per horsepower-hour. This requirement does not apply to oil and gas field engines of less than or equal to 40 design-rated horsepower;
2. All new and replacement internal combustion oil and gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gram of NOx per horsepower-hour.

Other

1. Please contact Ben Kniola, Natural Resource Specialist, @ (435) 259-2127, Bureau of Land Management, Moab, if there are any questions concerning these surface use COAs.

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 spud. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spud, 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 Moab Field Office is to be notified.

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

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

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

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

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

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

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

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

TABLE 1

NOTIFICATIONS

Notify Ben Kniola (435-259-2127) or Dave Skinner (435-259-2145) BLM Moab Field Office:

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

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

1 day prior to spud;

50 feet prior to reaching the surface casing setting depth;

3 hours prior to testing BOPE.

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

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

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

CONFIDENTIAL

<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>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.</p>		<p>5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538</p>
		<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</p>
		<p>7. UNIT or CA AGREEMENT NAME: Middle Mesa Unit</p>
<p>1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____</p>		<p>8. WELL NAME and NUMBER: Middle Mesa Fed 26-23-29-24</p>
<p>2. NAME OF OPERATOR: EnCana Oil & Gas (USA) Inc.</p>		<p>9. API NUMBER: 4303731905</p>
<p>3. ADDRESS OF OPERATOR: 370 17th Street, Suite 1700 CITY Denver STATE CO ZIP 80202</p>	<p>PHONE NUMBER: (720) 876-5339</p>	<p>10. FIELD AND POOL, OR WILDCAT: Undesignated</p>
<p>4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157' FNL & 2036' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 26 29S 24E S</p>		<p>COUNTY: San Juan STATE: UTAH</p>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>6/1/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Request APD Extension</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

EnCana Oil & Gas (USA) Inc. is requesting an extension on the approved Application for Permit to Drill for the subject well. Nothing has changed on the approved application.

Please find the APD Request for Permit Extension Validation Form attached as required.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 1.21.2010
Initials: KS

Date: 01-20-10
By: [Signature]

NAME (PLEASE PRINT) <u>Jevin Croteau</u>	TITLE <u>Regulatory Analyst</u>
SIGNATURE <u>[Signature]</u>	DATE <u>1/13/10</u>

(This space for State use only)

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JAN 19 2010

RESEI

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

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

API: 4303731905
Well Name: Middle Mesa Fed 26-23-29-24
Location: 2157' FNL & 2036' FEL, Sec. 26, T29S, R24E, SLPM
Company Permit Issued to: EnCana Oil & Gas (USA) Inc.
Date Original Permit Issued: 2/18/2009

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

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

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

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

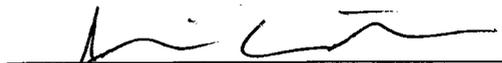
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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



Signature

1/13/10

Date

Title: Regulatory Analyst

Representing: EnCana Oil & Gas (USA) Inc.

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JAN 19 2010
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

5/14/2010

FROM: (Old Operator): N2175-EnCana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, CO 80202 Phone: 1 (303) 623-2300	TO: (New Operator): N3670-Patara Oil & Gas, LLC 333 Clay Street, Suite 3960 Houston, TX 77002 Phone: 1 (713) 357-7171
---	--

CA No.

Unit:

MIDDLE MESA

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/11/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/11/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/11/2010
- a. Is the new operator registered in the State of Utah: Business Number: 7655540-0161
- a. (R649-9-2) Waste Management Plan has been received on: * * requested 9/27/10
- b. Inspections of LA PA state/fee well sites complete on: * * requested 9/27/10
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: 6/28/2010 & 9/2/2010
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010
 Lisbon B-816 only

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/14/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/14/2010
- Bond information entered in RBDMS on: 9/14/2010
- Fee/State wells attached to bond in RBDMS on: 9/14/2010
- Injection Projects to new operator in RBDMS on: 9/14/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: 5/11/2010

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000428
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number RLB0013207 & B006008
- b. The **FORMER** operator has requested a release of liability from their bond on: not yet

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: ENCANA OIL & GAS (USA) INC. <i>N2175</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 370 17th Street, Suite 1700 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 623-2300		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached List COUNTY:		8. WELL NAME and NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		9. API NUMBER:
		10. FIELD AND POOL, OR WLD/CAT:

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

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

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

Effective May 4, 2010 Patara Oil & Gas LLC, 333 Clay Street, Suite 3960, Houston, TX 77002, will take over completions and operations and is designated as agent operator for the subject wells on the attached list.

Bond coverage for all activities will be covered by Patara's BLM Statewide Oil & Gas Bond No. UTB000428 and UDOGM Bond No. Pending. *RIB 0013207 + B 006008*

Patara Oil & Gas LLC, Lane M. Kincannon, Vice-President, Land & Business Development *N3670*

Signature *[Signature]* Date 5/4/2010

NAME (PLEASE PRINT) Ricardo D. Gallegos TITLE Attorney-in-Fact
SIGNATURE *[Signature]* DATE 5/4/2010

(This space for State use only)

APPROVED 9/14/2010
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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May 11 2010 ER
DIV. OF OIL, GAS & MINING

ENCANA O-G (N2175) to PATARA O-G (N3670)
effective May 4, 2010
MIDDLE MESA

well_name	sec	twp	rng	api	entity	lease	well	stat	C
BIG INDIAN 35-24	35	290S	240E	4303731829	14409	Federal	GW	S	
MIDDLE MESA ST 36-14-29-24	36	290S	240E	4303731838	15076	State	GW	P	
MIDDLE MESA FED 5-6-30-25	05	300S	250E	4303731853	16375	Federal	GW	P	
MIDDLE MESA FED 31-31-29-25	31	290S	250E	4303731854	15721	Federal	GW	P	
MIDDLE MESA ST 36-12-29-24	36	290S	240E	4303731855	16187	State	GW	P	
MIDDLE MESA ST 36-24-29-24	36	290S	240E	4303731856	16186	State	GW	S	
MIDDLE MESA ST 36-12B-29-24	36	290S	240E	4303731877	15076	State	GW	P	
MIDDLE MESA ST 36-24B-29-24	36	290S	240E	4303731878	16834	State	GW	P	
MIDDLE MESA FED 30-41-29-25	30	290S	250E	4303731893		Federal	GW	APD	C
MIDDLE MESA FED 31-42-29-25	31	290S	250E	4303731895		Federal	GW	APD	C
MIDDLE MESA FED 5-10-30-25	05	300S	250E	4303731897		Federal	GW	APD	
MIDDLE MESA FED 4-20-30-25	04	300S	250E	4303731898		Federal	GW	APD	C
MIDDLE MESA FED 25-43-29-24	25	290S	240E	4303731901		Federal	GW	APD	C
MIDDLE MESA FED 25-31-29-24	25	290S	240E	4303731903		Federal	GW	APD	C
MIDDLE MESA FED 26-34-29-24	26	290S	240E	4303731904		Federal	GW	APD	C
MIDDLE MESA FED 26-23-29-24	26	290S	240E	4303731905		Federal	GW	APD	C
MIDDLE MESA FED 31-44-29-25	31	290S	250E	4303731906		Federal	GW	APD	C
MIDDLE MESA FED 31-33-29-25	31	290S	250E	4303731907		Federal	GW	APD	C
MIDDLE MESA FED 5-8-30-25	05	300S	250E	4303731908		Federal	GW	APD	C
MIDDLE MESA FED 31-22-29-25	31	290S	250E	4303731909		Federal	GW	APD	
MIDDLE MESA FED 31-11-29-25	31	290S	250E	4303731910		Federal	GW	APD	
**Moved 7/14/2010									
MIDDLE MESA FED 25-41-29-24	25	290S	240E	4303731902		Federal	GW	APD	C



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO
3180
UT-922

June 28, 2010

David M. Laramie
Patara Oil & Gas, LLC
621 17th Street, Suite 1345
Denver, CO 80293

Re: Successor Operator
Middle Mesa Unit
UTU82680X
San Juan County, Utah

Dear Mr. Laramie:

On June 25, 2010, we received an indenture dated May 4, 2010, whereby EnCana Oil & Gas (USA), Inc. resigned as Unit Operator and Patara Oil & Gas, LLC was designated as Successor Unit Operator for the Middle Mesa Unit, San Juan County, Utah. The indenture was executed by both parties and the signatory parties (working interest owners) have complied with Sections 5 and 6 of the unit agreement.

The instrument is hereby approved effective June 28, 2010. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Middle Mesa Unit Agreement.

Your statewide oil and gas BLM Bond No. UTB000428 will be used to cover unit operations.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

If you have any questions, contact Leslie Wilcken of this office at (801) 539-4112.

Sincerely,

/s/ Roger L. Bankert

Roger L. Bankert
Chief, Branch of Minerals

Enclosure

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JUL 06 2010

DIV. OF OIL, GAS & MINING

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Middle Mesa Fed 26-23-29-24
API number:	4303731905
Location:	Qtr-Qtr: SWNE Section: 26 Township: 29S Range: 24E
Company that filed original application:	EnCana Oil & Gas (USA) Inc.
Date original permit was issued:	02/18/2009
Company that permit was issued to:	EnCana Oil & Gas (USA) Inc.

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		✓
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. <u>RLB0013207</u>	X	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Lane Kinnannon Title Vice-President, Land & Business Development
 Signature  Date 5/4/10
 Representing (company name) Pafara Oil & Gas LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

RECEIVED
May 11 2010 ER
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: MIDDLE MESA
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: MIDDLE MESA FED 26-23-29-24
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319050000
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	PHONE NUMBER: 303 825-0685 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FNL 2036 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 26 Township: 29.0S Range: 24.0E Meridian: S	9. FIELD and POOL or WILDCAT: UNDESIGNATED COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/1/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Patara Oil & Gas, LLC requests the extension of the above mentioned APD for the maximum time allowable. The federal approval is valid until January 6, 2012. Please contact Christopher A. Noonan at Banko Petroleum Management, Inc. at 303-820-4480, or at bob@banko1.com with any questions or concerns.

Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: 02/15/2011

By: 

NAME (PLEASE PRINT) Christopher A. Noonan	PHONE NUMBER 303 820-4480	TITLE Permit Agent
SIGNATURE N/A		DATE 2/10/2011



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037319050000

API: 43037319050000

Well Name: MIDDLE MESA FED 26-23-29-24

Location: 2157 FNL 2036 FEL QTR SWNE SEC 26 TWP 290S RNG 240E MER S

Company Permit Issued to: PATARA OIL & GAS, LLC

Date Original Permit Issued: 2/18/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

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

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

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

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

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

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

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

Signature: Christopher A. Noonan

Date: 2/10/2011

Title: Permit Agent

Representing: PATARA OIL & GAS, LLC

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME: MIDDLE MESA
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC		8. WELL NAME and NUMBER: MIDDLE MESA FED 26-23-29-24
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202		9. API NUMBER: 43037319050000
PHONE NUMBER: 303 563-5364 Ext		9. FIELD and POOL or WILDCAT: UNDESIGNATED
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FNL 2036 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 26 Township: 29.0S Range: 24.0E Meridian: S		COUNTY: SAN JUAN
		STATE: UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

Patara Oil & Gas LLC requests an extension to the approved APD for the maximum allowable time. The Federal approval for the APD is valid until January 6, 2014. The State of Utah's APD is approved until February 18, 2012. We do not anticipate being able to commence drilling operations prior to September 1, 2012. Please contact Danielle Gavito at (303)563-5378 or at dgavito@pataraog.com with any questions or concerns. Thank you.

**Approved by the
Utah Division of
Oil, Gas and Mining**
January 23, 2012

Date: _____

By: _____

NAME (PLEASE PRINT) Danielle Gavito	PHONE NUMBER 303 563-5378	TITLE Regulatory Technician
SIGNATURE N/A	DATE 1/17/2012	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037319050000

API: 43037319050000

Well Name: MIDDLE MESA FED 26-23-29-24

Location: 2157 FNL 2036 FEL QTR SWNE SEC 26 TWNP 290S RNG 240E MER S

Company Permit Issued to: PATARA OIL & GAS, LLC

Date Original Permit Issued: 2/18/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

Signature: Danielle Gavito

Date: 1/17/2012

Title: Regulatory Technician Representing: PATARA OIL & GAS, LLC

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	
1. TYPE OF WELL Gas Well	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	7. UNIT or CA AGREEMENT NAME: MIDDLE MESA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FNL 2036 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 26 Township: 29.0S Range: 24.0E Meridian: S	8. WELL NAME and NUMBER: MIDDLE MESA FED 26-23-29-24
PHONE NUMBER: 303 563-5364 Ext	9. API NUMBER: 43037319050000
9. FIELD and POOL or WILDCAT: UNDESIGNATED	COUNTY: SAN JUAN
STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2013	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Request APD extension"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

Patara Oil & Gas LLC wishes to request an extension to the already approved State APD. This proposed well has an approved Federal APD which is valid until 1/6/2014. Due to wildlife stipulations, we do not anticipate being able to commence drilling operations until after 9/1/2013. Patara wishes to request an extension for the maximum allowable time. If you have any questions or concerns please contact Ryan Calhoun at 303-563-5373 or at ryancahoun@pataraog.com.

Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: February 19, 2013

By:

NAME (PLEASE PRINT) Danielle Gavito	PHONE NUMBER 303 563-5378	TITLE Regulatory Technician
SIGNATURE N/A	DATE 1/23/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037319050000

API: 43037319050000

Well Name: MIDDLE MESA FED 26-23-29-24

Location: 2157 FNL 2036 FEL QTR SWNE SEC 26 TWNP 290S RNG 240E MER S

Company Permit Issued to: PATARA OIL & GAS, LLC

Date Original Permit Issued: 2/18/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

Signature: Danielle Gavito

Date: 1/23/2013

Title: Regulatory Technician Representing: PATARA OIL & GAS, LLC

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

11/1/2012

FROM: (Old Operator): N3670- Patara Oil & Gas, LLC 600 17th Street, Suite 1900S Denver, CO 80202 Phone: 1 (303) 825-0685	TO: (New Operator): N3645- CCI Paradox Upstream, LLC 600 17th Street, Suite 1900S Denver, CO 80202 Phone: 1 (303) 825-0685
---	--

WELL NAME	CA No.	SEC	TWN	RNG	Unit:	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List					Middle Mesa					

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 1/23/2013
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/7/2013
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/12/2013
- Is the new operator registered in the State of Utah: _____ Business Number: 8523441-0161
- (R649-9-2) Waste Management Plan has been received on: Not Yet
- Inspections of LA PA state/fee well sites complete on: N/A
- Reports current for Production/Disposition & Sundries on: 2/12/2013
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA N/A
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: Not Yet
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 2/12/2013
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/12/2013
- Bond information entered in RBDMS on: 2/7/2013
- Fee/State wells attached to bond in RBDMS on: 2/12/2013
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: 2/4/2013

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: 105865919
- Indian well(s) covered by Bond Number: N/A
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 105865922
- The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

Patara Oil Gas, LLC (N3670) to CCI Paradox Upstream, LLC (N3945)

Effective 11/1/2012

Middle Mesa Unit

Well Name	Section	TWN	RNG	API Number	Entity	Lease Type	Well Type	Well Status
MIDDLE MESA FED 30-41-29-25	30	290S	250E	4303731893		Federal	GW	APD
MIDDLE MESA FED 25-43-29-24	25	290S	240E	4303731901		Federal	GW	APD
MIDDLE MESA FED 26-23-29-24	26	290S	240E	4303731905		Federal	GW	APD
MIDDLE MESA FED 31-22-29-25	31	290S	250E	4303731909		Federal	GW	APD
MIDDLE MESA FED 31-11-29-25	31	290S	250E	4303731910		Federal	GW	APD
Middle Mesa Fed 31-42-29-25	31	290S	250E	4303750021		Federal	GW	APD
Middle Mesa Federal 5-8-30-25	05	300S	250E	4303750026		Federal	GW	APD
BIG INDIAN 35-24	35	290S	240E	4303731829	14409	Federal	GW	P
MIDDLE MESA ST 36-14-29-24	36	290S	240E	4303731838	15076	State	GW	P
MIDDLE MESA FED 5-6-30-25	05	300S	250E	4303731853	16375	Federal	GW	P
MIDDLE MESA FED 31-31-29-25	31	290S	250E	4303731854	15076	Federal	GW	P
MIDDLE MESA ST 36-12-29-24	36	290S	240E	4303731855	15076	State	GW	P
MIDDLE MESA ST 36-24-29-24	36	290S	240E	4303731856	15076	State	GW	P
MIDDLE MESA ST 36-12B-29-24	36	290S	240E	4303731877	15076	State	GW	P
MIDDLE MESA ST 36-24B-29-24	36	290S	240E	4303731878	15076	State	GW	P
MIDDLE MESA FED 5-10-30-25	05	300S	250E	4303731897	18802	Federal	GW	P
MIDDLE MESA FED 25-41-29-24	25	290S	240E	4303731902	17717	Federal	GW	P
MIDDLE MESA FED 25-31-29-24	25	290S	240E	4303731903	18159	Federal	GW	P
MIDDLE MESA FED 26-34-29-24	26	290S	240E	4303731904	18118	Federal	GW	P
MIDDLE MESA FED 31-44-29-25	31	290S	250E	4303731906	18213	Federal	GW	P
MIDDLE MESA FED 31-33-29-25	31	290S	250E	4303731907	18170	Federal	GW	P
MIDDLE MESA FED 4-20-30-25	04	300S	250E	4303750010	18193	Federal	GW	P

RECEIVED

JAN 23 2013

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL: OIL WELL, GAS WELL, OTHER Multiple Well Transfer
2. NAME OF OPERATOR: Patara Oil & Gas LLC
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S Denver CO 80202
4. LOCATION OF WELL: FOOTAGES AT SURFACE: n/a, COUNTY: San Juan, UT, STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER: n/a
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
7. UNIT or CA AGREEMENT NAME: n/a
8. WELL NAME and NUMBER: Multiple
9. API NUMBER: n/a
10. FIELD AND POOL, OR WILDCAT: n/a

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

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for NOTICE OF INTENT, SUBSEQUENT REPORT, and various actions like ACIDIZE, ALTER CASING, OPERATOR CHANGE, etc.

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

Patara Oil & Gas LLC (Patara) hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, being effective November 1, 2012; CCI Paradox Upstream LLC (CCI).

Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed.

NAME (PLEASE PRINT) Christopher A. Noonan
TITLE Regulations & Production Reporting Supervisor
SIGNATURE [Signature]
DATE 1/18/13

(This space for State use only)

APPROVED

FEB 12 2013

DIV. OF OIL, GAS & MINING

(See Instructions on Reverse Side)

BY: Rachel Medina

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Multiple Well Transfer</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: n/a
2. NAME OF OPERATOR: CCI Paradox Upstream LLC <u>N3945</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>n/a</u>		8. WELL NAME and NUMBER: <u>Multiple</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: n/a
		10. FIELD AND POOL, OR WILDCAT: n/a
		COUNTY: <u>San Juan, UT</u>
		STATE: <u>UTAH</u>

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

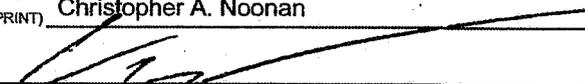
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <u>11/1/2012</u>	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

CCI Paradox Upstream LLC (CCI), hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, CCI, being effective November 1, 2012. The assets were previously operated by Patara Oil & Gas LLC (Patara) prior to sale.

Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed.

Bond Number:
Blm: 105865919
State: 105865922

NAME (PLEASE PRINT) <u>Christopher A. Noonan</u>	TITLE <u>Regulations & Production Reporting Supervisor</u>
SIGNATURE 	DATE <u>2/6/2012</u>

(This space for State use only)

APPROVED

FEB 12 2013

DIV. OIL GAS & MINING

BY: Rachel Medina

RECEIVED

FEB 07 2013

Div. of Oil, Gas & Mining

Exhibit I

BLM Form 3160-5 Transfer of Operator

Utah Form 9 Transfer of Operator

State of Utah Upstream Assets

01/09/2013

API Well Number	Operator	Well Name	Well Status	Well Type	Field Name	County	Qtr/Qtr	Section	Township-Range)
✓ 43-037-15049-00-00	PATARA OIL & GAS LLC	LISBON D-616	Shut-In	Oil Well	LISBON	SAN JUAN	NENE	16	30S-24E 1
✓ 43-037-15123-00-00	PATARA OIL & GAS LLC	LISBON B-615	Producing	Oil Well	LISBON	SAN JUAN	NENW	15	30S-24E 2
✓ 43-037-15769-00-00	PATARA OIL & GAS LLC	LISBON B912	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	12	30S-24E 3
✓ 43-037-16219-00-00	PATARA OIL & GAS LLC	BIG INDIAN UNIT 1	Shut-In	Oil Well	BIG INDIAN (MADISON)	SAN JUAN	SENE	33	29S-24E 4
✓ 43-037-16221-00-00	PATARA OIL & GAS LLC	BIG INDIAN 4	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSW	14	30S-25E 5
✓ 43-037-16237-00-00	PATARA OIL & GAS LLC	LISBON A-715	Inactive	Water Disposal Well	LISBON	SAN JUAN	SWNW	15	30S-24E 6
✓ 43-037-16240-00-00	PATARA OIL & GAS LLC	LISBON B-613	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	13	30S-24E 7
✓ 43-037-16242-00-00	PATARA OIL & GAS LLC	LISBON B-616	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	16	30S-24E 8
✓ 43-037-16244-00-00	PATARA OIL & GAS LLC	BELCO ST 4 (LISBON B-816)	Active	Water Disposal Well	LISBON	SAN JUAN	NESW	16	30S-24E 9
✓ 43-037-16245-00-00	PATARA OIL & GAS LLC	LISBON C-69	Shut-In	Oil Well	LISBON	SAN JUAN	NWNE	9	30S-24E 10

✓ 43-037-16247-00-00	PATARA OIL & GAS LLC	LISBON C-94	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	4	30S-24E 11
✓ 43-037-16250-00-00	PATARA OIL & GAS LLC	LISBON UNIT D-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	4	30S-24E 12
✓ 43-037-16251-00-00	PATARA OIL & GAS LLC	LISBON D-89	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	9	30S-24E 13
43-037-16469-00-00	PATARA OIL & GAS LLC	LISBON U B-610	Producing	Oil Well	LISBON	SAN JUAN	NENW	10	30S-24E 14
43-037-16471-00-00	PATARA OIL & GAS LLC	NW LISBON USA A-2 (D-810)	Producing	Gas Well	LISBON	SAN JUAN	NESE	10	30S-24E 15
43-037-30054-00-00	PATARA OIL & GAS LLC	LISBON B-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	4	30S-24E 16
43-037-30082-00-00	PATARA OIL & GAS LLC	LISBON B-814	Active	Water Disposal Well	LISBON	SAN JUAN	NESW	14	30S-24E 17
43-037-30317-00-00	PATARA OIL & GAS LLC	FEDERAL 15-25	Shut-In	Gas Well	WILSON CANYON	SAN JUAN	SWSE	25	29S-23E 18
43-037-30693-00-00	PATARA OIL & GAS LLC	LISBON C-99	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	9	30S-24E 19
43-037-30694-00-00	PATARA OIL & GAS LLC	LISBON U D-610	Shut-In	Gas Well	LISBON	SAN JUAN	NENE	10	30S-24E 20
43-037-30695-00-00	PATARA OIL & GAS LLC	LISBON B-94	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	4	30S-24E 21
43-037-31014-00-00	PATARA OIL & GAS LLC	LISBON UNIT A-911	Producing	Gas Well	LISBON	SAN JUAN	SWSW	11	30S-24E 22
43-037-31034-00-00	PATARA OIL & GAS LLC	LISBON UNIT D-716	Shut-In	Oil Well	LISBON	SAN JUAN	SENE	16	30S-24E 23
43-037-31323-00-00	PATARA OIL & GAS LLC	LISBON C-910	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	10	30S-24E 24
43-037-31351-00-00	PATARA OIL & GAS LLC	LISBON B-614A	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E 25
43-037-31433-00-00	PATARA OIL & GAS LLC	LISBON B-810	Producing	Oil Well	LISBON	SAN JUAN	NESW	10	30S-24E 26

43-037-31829-00-00	PATARA OIL & GAS LLC	BIG INDIAN 35-24	Shut-In	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	35	29S-24E 7
43-037-31831-00-00	PATARA OIL & GAS LLC	BULL HORN U 10-43	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSE	10	30S-25E 8
43-037-31838-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-14-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENE	36	29S-24E 9
43-037-31843-00-00	PATARA OIL & GAS LLC	BULL HORN FED 9-14-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	9	30S-25E 30
43-037-31848-00-00	PATARA OIL & GAS LLC	BULL HORN FED 15-14-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E 1
43-037-31849-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-21-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E 2
43-037-31850-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 14-21-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 3
43-037-31853-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 5-6-30-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	LOT6	5	30S-25E 4
43-037-31854-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-31-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	31	29S-25E 5
43-037-31855-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-12-29-24	Shut-In	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E 6
43-037-31856-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-24-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E 7
43-037-31859-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 15-24-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 8
43-037-31860-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 14-42-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	14	30S-25E 9
43-037-31861-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-42-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	10	30S-25E 40
43-037-31864-00-00	PATARA OIL & GAS LLC	BULL HORN FED 10-31-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E 1
43-037-31877-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-12B-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E 2

43-037-31878-00-00	PATARA OIL & GAS LLC	MIDDLE MESA ST 36-24B-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E 3
43-037-31883-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 15-24B-30-25	Shut-In	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E 4
43-037-31884-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 23-13B-30-25	Approved permit (APD); not yet spudded	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E 5
43-037-31885-00-00	PATARA OIL & GAS LLC	BIG INDIAN FED 23-13-30-25	Approved permit (APD); not yet spudded	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E 6
43-037-31891-00-00	PATARA OIL & GAS LLC	BULL HORN FED 15-13-30-25	Producing	Gas Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E 7
43-037-31893-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 30-41-29-25	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWSW	30	29S-25E 8
43-037-31897-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 5-10-30-25	Spudded (Drilling commenced: Not yet completed)	Gas Well	SOUTH PINE RIDGE	SAN JUAN	LT10	5	30S-25E 9
43-037-31901-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-43-29-24	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWSE	25	29S-24E 10
43-037-31902-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-41-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SWSW	25	29S-24E 1
43-037-31903-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-31-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	25	29S-24E 2
43-037-31904-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 26-34-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NESW	26	29S-24E 3

43-037-31905-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 26-23-29-24	Approved permit (APD); not yet spudded	Gas Well	UNDESIGNATED	SAN JUAN	SWNE	26	29S-24E 4
43-037-31906-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-44-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SESE	31	29S-25E 5
43-037-31907-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-33-29-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWSE	31	29S-25E 4
43-037-31909-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-22-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SENW	31	29S-25E 7
43-037-31910-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-11-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWNW	31	29S-25E 8
43-037-50008-00-00	PATARA OIL & GAS LLC	CISCO STATE 36-13	Temporarily-Abandoned	Gas Well	WILDCAT	SAN JUAN	NWNE	36	31S-24E 9
43-037-50010-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 4-20-30-25	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SWNW	4	30S-25E 60
43-037-50012-00-00	PATARA OIL & GAS LLC	Lisbon 11-32MC	Returned APD (Unapproved)	Oil Well	UNDESIGNATED	SAN JUAN	SWNE	11	30S-24E 1
43-037-50013-00-00	PATARA OIL & GAS LLC	Lisbon 14-11MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E 2
43-037-50014-00-00	PATARA OIL & GAS LLC	Lisbon 10-44MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E 3

43-037-50015-00-00	PATARA OIL & GAS LLC	Lisbon 3-32MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NESE	4	30S-24E	4
43-037-50016-00-00	PATARA OIL & GAS LLC	Lisbon 11-33MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E	5
43-037-50017-00-00	PATARA OIL & GAS LLC	Lisbon 11-21MC	Approved permit (APD); not yet spudded	Gas Well	LISBON	SAN JUAN	NWSE	10	30S-24E	6
43-037-50018-00-00	PATARA OIL & GAS LLC	Lisbon 3-43MC	Approved permit (APD); not yet spudded	Oil Well	LISBON	SAN JUAN	SESE	3	30S-24E	7
43-037-50019-00-00	PATARA OIL & GAS LLC	Lisbon 10-33MC	Spudded (Drilling commenced: Not yet completed)	Oil Well	LISBON	SAN JUAN	NWSE	10	30S-24E	8
43-037-50021-00-00	PATARA OIL & GAS LLC	Middle Mesa Fed 31-42-29-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	SESW	31	29S-25E	9
43-037-50026-00-00	PATARA OIL & GAS LLC	Middle Mesa Federal 5-8-30-25	Approved permit (APD); not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NENE	5	30S-25E	10

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

Request to Transfer Application or Permit to Drill

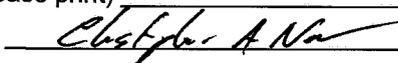
(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Middle Mesa Fed 26-23-29-24
API number:	4303731905
Location:	Qtr-Qtr: SWNE Section: 26 Township: 29S Range: 24E
Company that filed original application:	Patara Oil & Gas LLC
Date original permit was issued:	01/23/2012
Company that permit was issued to:	Patara Oil & Gas LLC

Check one	Desired Action:
	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>105865922</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Christopher Noonan Title Regulations & Production Reporting Supervisor
 Signature  Date 1/31/2013
 Representing (company name) CCI Paradox Upstream LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	
1. TYPE OF WELL Gas Well	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
2. NAME OF OPERATOR: CCI PARADOX UPSTREAM, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900S , Denver, CO, 80202	7. UNIT or CA AGREEMENT NAME: MIDDLE MESA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FNL 2036 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 26 Township: 29.0S Range: 24.0E Meridian: S	8. WELL NAME and NUMBER: MIDDLE MESA FED 26-23-29-24
PHONE NUMBER: 303 563-5364 Ext	9. API NUMBER: 43037319050000
9. FIELD and POOL or WILDCAT: UNDESIGNATED	COUNTY: SAN JUAN
STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2014	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

CCI Paradox Upstream LLC requests an extension to the approved APD for the maximum allowable time. The federal approval will be valid until February 2016. The State of Utah's approved APD is valid until February 18, 2014. CCI does not anticipate being able to commence drilling operations until after September 1, 2014. Please contact Chrissy Schaffner at(303)563-5378 or at chriss.schaffner@cci.com with any questions or concerns. Thank you.

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

Date: January 29, 2014

By:

NAME (PLEASE PRINT) Chrissy Lawson	PHONE NUMBER 303 563-5378	TITLE Regulatory Specialist
SIGNATURE N/A	DATE 1/28/2014	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037319050000

API: 43037319050000

Well Name: MIDDLE MESA FED 26-23-29-24

Location: 2157 FNL 2036 FEL QTR SWNE SEC 26 TWNP 290S RNG 240E MER S

Company Permit Issued to: CCI PARADOX UPSTREAM, LLC

Date Original Permit Issued: 2/18/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

Signature: Chrissy Lawson

Date: 1/28/2014

Title: Regulatory Specialist Representing: CCI PARADOX UPSTREAM, LLC

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538	
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: MIDDLE MESA	
1. TYPE OF WELL Gas Well		8. WELL NAME and NUMBER: MIDDLE MESA FED 26-23-29-24	
2. NAME OF OPERATOR: CCI PARADOX UPSTREAM, LLC		9. API NUMBER: 43037319050000	
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900S , Denver, CO, 80202	PHONE NUMBER: 303 563-5364 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FNL 2036 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 26 Township: 29.0S Range: 24.0E Meridian: S		COUNTY: SAN JUAN	
		STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/15/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>CCI Paradox Upstream LLC (CCI) proposes the following changes to the approved APD: CCI will not utilize a reserve pit, and will drill the well with a closed loop drilling system (see attached plat). CCI wishes to stockpile drilled solids on bermed cuttings area of the permitted pad, will allow cuttings to dry, and upon completion of the well, will spread the solids over the pad and utilize as a base for interim reclamation (see attached plat). Please see attached drilling plan and SUPO documents for clarifications to changes for clarifications to changes in the TVD and targeted formations (Honaker Trail, La Sal, Hatch, and Ismay). If there are any questions with this request, please contact Chrissy Schaffner, Regulatory Specialist, at 303-563-5378. Thank you.</p>			
<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 11, 2014</p>			
NAME (PLEASE PRINT) Chrissy Lawson	PHONE NUMBER 303 563-5378	TITLE Regulatory Specialist	
SIGNATURE N/A		DATE 2/28/2014	

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101

IN REPLY REFER TO:
3160
(UT-922)

February 28, 2014

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2014 Plan of Development Middle Mesa Unit
San Juan County, Utah.

Pursuant to email between Eric Jones, Moab Field Office, and Mickey Coulthard, Utah State Office, the following well is being re-permitted with a new bottom hole location (please refer to our memo dated February 17, 2009.) The well is planned for calendar year 2014 within the Middle Mesa Unit, San Juan County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Honaker Trail)		
43-037-31905	Middle Mesa 26-23	Sec 26 T29S R24E 2157 FNL 2036 FEL BHL Sec 26 T29S R24E 2332 FNL 2342 FWL

Please be advised that effective October 1, 2013, the Middle Mesa Unit contracted to lands in or entitled to be in a participating area. The final participating area boundaries are still being determined. It cannot be determined at this time if the subject well is in the contracted unit area.

This office has no objection to permitting the well at this time.

Form 3160-3
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

5. Lease Serial No. UTU-77538	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. Middle Mesa, UTU-82680X	
8. Lease Name and Well No. Middle Mesa Fed 26-23-29-24	
9. API Well No. 4303731905	
10. Field and Pool, or Exploratory Undetermined	11. Sec., T. R. M. or Blk. and Survey or Area Sec. 26, T29S-R24E
12. County or Parish San Juan	13. State UT
14. Distance in miles and direction from nearest town or post office* Approximately 8.9 miles south of La Sal, UT	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx 620' (SHL)	16. No. of acres in lease 1120.00
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. Approx 2075' from proposed MM 26-14 BHL	19. Proposed Depth 6645.76'
20. BLM/BIA Bond No. on file UTB000557	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6806.2' GL	22. Approximate date work will start* 09/01/2013
23. Estimated duration 30 days	

24. Attachments

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

- | | |
|---|---|
| <ul style="list-style-type: none"> 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 must be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 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 BLM. |
|---|---|

25. Signature 	Name (Printed Typed) Chrissy Schaffner	Date 11/26/2013
--	--	---------------------------

Title Regulatory Specialist		
---------------------------------------	--	--

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.

CCI Paradox Upstream LLC/New Tech Global

San Juan Co., Utah (NAD 27)

Sec.26-T29S-R24E NAD27

Middle Mesa Federal 26-23-29-24(Nad27)

Wellbore #1

Plan: Design #4

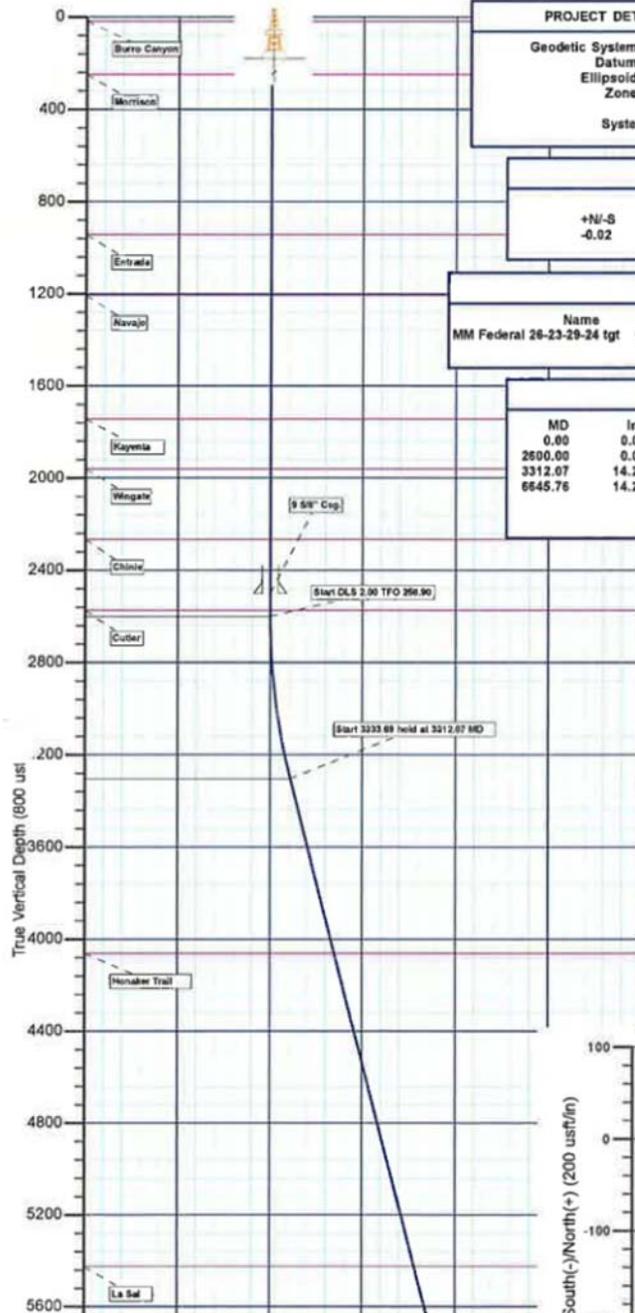
Standard Planning Report

14 November, 2013

**CCI Paradox
Upstream LLC
/ New Tech
Global**

Project: San Juan Co., Utah (NAD 27)
 Site: Sec.26-T29S-R24E NAD27
 Well: Middle Mesa Federal 26-23-29-24(Nad27)
 Wellbore: Wellbore #1
 Design: Design #4
 Latitude: 38° 15' 12.114 N
 Longitude: 109° 14' 34.156 W
 Ground Level: 6810.50
 WELL @ 6831.50usft (Original Well Elev)

Archer



PROJECT DETAILS: San Juan Co., Utah (NAD 27)

Geodetic System: US State Plane 1927 (Exact solution)
 Datum: NAD 1927 (NADCON CONUS)
 Ellipsoid: Clarke 1866
 Zone: Utah South 4303
 System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (NE) Reference: Site Sec.26-T29S-R24E NAD27, Grid North
 Vertical (TVD) Reference: WELL @ 6831.50usft (Original Well Elev)
 Section (VS) Reference: Slot - (-0.02N, 0.00E)
 Measured Depth Reference: WELL @ 6831.50usft (Original Well Elev)
 Calculation Method: Minimum Curvature

WELL DETAILS: Middle Mesa Federal 26-23-29-24(Nad27)

+N/-S	+E/-W	Northing	Ground Level:	6810.50	Latitude	Longitude	Slot
-0.02	0.00	685569.276	Easting	2648136.278	38° 15' 12.114 N	109° 14' 34.156 W	

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

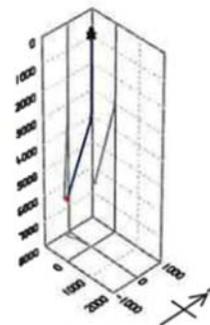
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
MM Federal 26-23-29-24 tgt	6536.00	-174.86	-891.16	685394.440	2647245.117	38° 15' 10.598 N	109° 14' 45.377 W	Point

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Diag	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	
2600.00	0.00	0.00	2600.00	-0.02	0.00	0.00	0.00	0.00	Start DLS 2.00 TFO 258.90
3312.07	14.24	259.90	3304.76	-16.97	-86.39	2.00	259.90	88.04	Start 3333.69 hold at 3312.07 MD
6645.76	14.24	259.90	6536.00	-174.86	-891.16	0.00	0.00	908.15	TD at 6645.76

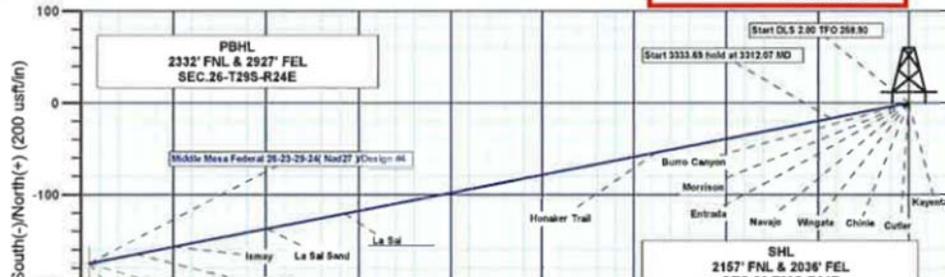
FORMATION TOP DETAILS

TVDPath	MDPath	Formation
20.00	20.00	Burro Canyon
250.00	250.00	Morrison
944.00	944.00	Entrada
1207.00	1207.00	Navajo
1744.00	1744.00	Kayenta
1960.00	1960.00	Wingate
2267.00	2267.00	Chinle
2575.00	2575.00	Cutler
4063.00	4094.35	Honaker Trail
5425.00	5499.53	La Sal
5761.00	5846.19	La Sal Sand
5835.00	5922.53	Hatch
6164.00	6261.96	Ismay
6329.00	6432.20	Hovenweep Shale



Azimuths to Grid North
 True North: -1.38°
 Magnetic North: 9.02°

Magnetic Field
 Strength: 51199.2snT
 Dip Angle: 64.43°
 Date: 2013/10/31
 Model: IGRF200510



Archer
Planning Report

Archer

Database: EDMDBBW	Local Co-ordinate Reference: Site Sec.26-T29S-R24E NAD27	Company: CCI Paradox Upstream LLC/New Tech Global	TVD Reference: WELL @ 6831.50usft (Original Well Elev)
Project: San Juan Co., Utah (NAD 27)	MD Reference: WELL @ 6831.50usft (Original Well Elev)	Site: Sec.26-T29S-R24E NAD27	Grid: Grid
Well: Middle Mesa Federal 26-23-29-24(Nad27)	North Reference: Minimum Curvature	Wellbore: Wellbore #1	
Design: Design #4	Survey Calculation Method:		

Project San Juan Co., Utah (NAD 27)			
Map System: US State Plane 1927 (Exact solution)	System Datum: Mean Sea Level		
Geo Datum: NAD 1927 (NADCON CONUS)			
Map Zone: Utah South 4303			

Site Sec.26-T29S-R24E NAD27			
Site Position:	Northing: 585,569.296 usft	Latitude: 38° 15' 12.114 N	
From: Lat/Long	Easting: 2,648,136.277 usft	Longitude: 109° 14' 34.156 W	
Position Uncertainty: 0.00 usft	Slot Radius: 13-3/16"	Grid Convergence: 1.38 °	

Well Middle Mesa Federal 26-23-29-24(Nad27)			
Well Position	+N/-S -0.02 usft	Northing: 585,569.276 usft	Latitude: 38° 15' 12.114 N
	+E/-W 0.00 usft	Easting: 2,648,136.278 usft	Longitude: 109° 14' 34.156 W
Position Uncertainty	0.00 usft	Wellhead Elevation: usft	Ground Level: 6,810.50 usft

Wellbore Wellbore #1					
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2013/10/31	10.40	64.43	51,199

Design Design #4				
Audit Notes:				
Version:	Phase: PLAN	Tie On Depth: 0.00		
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	-0.02	0.00	258.90

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	0.00	
2,600.00	0.00	0.00	2,600.00	-0.02	0.00	0.00	0.00	0.00	0.00	
3,312.07	14.24	258.90	3,304.76	-16.97	-86.39	2.00	2.00	-14.20	258.90	
6,645.76	14.24	258.90	6,536.00	-174.86	-891.16	0.00	0.00	0.00	0.00	MM Federal 26-23-29

Archer
Planning Report

Archer

Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Bulld Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	0.00
Burro Canyon									
20.00	0.00	0.00	20.00	-0.02	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	-0.02	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	-0.02	0.00	0.00	0.00	0.00	0.00
Morrison									
250.00	0.00	0.00	250.00	-0.02	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	-0.02	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	-0.02	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	-0.02	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	-0.02	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	-0.02	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	-0.02	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	-0.02	0.00	0.00	0.00	0.00	0.00
Entrada									
944.00	0.00	0.00	944.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	-0.02	0.00	0.00	0.00	0.00	0.00
Navajo									
1,207.00	0.00	0.00	1,207.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	-0.02	0.00	0.00	0.00	0.00	0.00
Kayenta									
1,744.00	0.00	0.00	1,744.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	-0.02	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	-0.02	0.00	0.00	0.00	0.00	0.00
Wingate									
1,960.00	0.00	0.00	1,960.00	-0.02	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	-0.02	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	-0.02	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	-0.02	0.00	0.00	0.00	0.00	0.00
Chinle									
2,267.00	0.00	0.00	2,267.00	-0.02	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	-0.02	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	-0.02	0.00	0.00	0.00	0.00	0.00
9 5/8" Csg.									
2,500.00	0.00	0.00	2,500.00	-0.02	0.00	0.00	0.00	0.00	0.00

Archer
Planning Report



Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Buid Rate (°/100usft)	Turn Rate (°/100usft)
3,312.07	14.24	258.90	3,304.76	-16.97	-86.39	88.04	2.00	2.00	0.00
3,400.00	14.24	258.90	3,389.99	-21.13	-107.62	109.67	0.00	0.00	0.00
3,500.00	14.24	258.90	3,486.92	-25.87	-131.76	134.27	0.00	0.00	0.00
3,600.00	14.24	258.90	3,583.84	-30.61	-155.90	158.87	0.00	0.00	0.00
3,700.00	14.24	258.90	3,680.77	-35.34	-180.04	183.47	0.00	0.00	0.00
3,800.00	14.24	258.90	3,777.70	-40.08	-204.18	208.07	0.00	0.00	0.00
3,900.00	14.24	258.90	3,874.62	-44.81	-228.32	232.68	0.00	0.00	0.00
4,000.00	14.24	258.90	3,971.55	-49.55	-252.46	257.28	0.00	0.00	0.00
Honaker Trail									
4,094.35	14.24	258.90	4,063.00	-54.02	-275.24	280.49	0.00	0.00	0.00
4,100.00	14.24	258.90	4,068.48	-54.29	-276.60	281.88	0.00	0.00	0.00
4,200.00	14.24	258.90	4,165.40	-59.02	-300.74	306.48	0.00	0.00	0.00
4,300.00	14.24	258.90	4,262.33	-63.76	-324.88	331.08	0.00	0.00	0.00
4,400.00	14.24	258.90	4,359.26	-68.50	-349.02	355.68	0.00	0.00	0.00
4,500.00	14.24	258.90	4,456.18	-73.23	-373.17	380.28	0.00	0.00	0.00
4,600.00	14.24	258.90	4,553.11	-77.97	-397.31	404.88	0.00	0.00	0.00
4,700.00	14.24	258.90	4,650.04	-82.70	-421.45	429.48	0.00	0.00	0.00
4,800.00	14.24	258.90	4,746.96	-87.44	-445.59	454.08	0.00	0.00	0.00
4,900.00	14.24	258.90	4,843.89	-92.18	-469.73	478.68	0.00	0.00	0.00
5,000.00	14.24	258.90	4,940.82	-96.91	-493.87	503.28	0.00	0.00	0.00
5,100.00	14.24	258.90	5,037.74	-101.65	-518.01	527.88	0.00	0.00	0.00
5,200.00	14.24	258.90	5,134.67	-106.38	-542.15	552.48	0.00	0.00	0.00
5,300.00	14.24	258.90	5,231.60	-111.12	-566.29	577.08	0.00	0.00	0.00
5,400.00	14.24	258.90	5,328.52	-115.86	-590.43	601.68	0.00	0.00	0.00
La Sal									
5,499.53	14.24	258.90	5,425.00	-120.57	-614.46	626.17	0.00	0.00	0.00
5,500.00	14.24	258.90	5,425.45	-120.59	-614.57	626.29	0.00	0.00	0.00
5,600.00	14.24	258.90	5,522.38	-125.33	-638.71	650.89	0.00	0.00	0.00
5,700.00	14.24	258.90	5,619.31	-130.06	-662.85	675.49	0.00	0.00	0.00
5,800.00	14.24	258.90	5,716.23	-134.80	-686.99	700.09	0.00	0.00	0.00
La Sal Sand									
5,846.19	14.24	258.90	5,761.00	-136.99	-698.14	711.45	0.00	0.00	0.00
5,900.00	14.24	258.90	5,813.16	-139.54	-711.13	724.69	0.00	0.00	0.00
Hatch									
5,922.53	14.24	258.90	5,835.00	-140.60	-716.57	730.23	0.00	0.00	0.00
6,000.00	14.24	258.90	5,910.09	-144.27	-735.27	749.29	0.00	0.00	0.00
6,100.00	14.24	258.90	6,007.01	-149.01	-759.41	773.89	0.00	0.00	0.00
6,200.00	14.24	258.90	6,103.94	-153.75	-783.55	798.49	0.00	0.00	0.00
Ismay									
6,281.96	14.24	258.90	6,164.00	-156.68	-798.51	813.73	0.00	0.00	0.00
6,300.00	14.24	258.90	6,200.87	-158.48	-807.69	823.09	0.00	0.00	0.00
6,400.00	14.24	258.90	6,287.70	-163.22	-831.83	847.69	0.00	0.00	0.00

Archer
Planning Report

Archer

Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Design Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape									
MM Federal 26-23-29-24	0.00	0.00	6,536.00	-174.86	-891.16	585,394.440	2,647,245.117	38° 15' 10.598 N	109° 14' 45.377 W
- plan hits target center									
- Point									

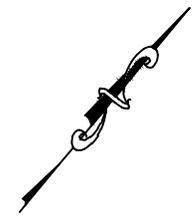
Casing Points					
Measured Depth	Vertical Depth	Name	Casing Diameter	Hole Diameter	
(usft)	(usft)		(")	(")	
2,500.00	2,500.00	9 5/8" Csg.	9-5/8	12-1/4	
6,645.76	6,536.00	5 1/2"	5-1/2	8-3/4	

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(usft)	(usft)			(°)	(°)	
20.00	20.00	Burro Canyon		0.00		
250.00	250.00	Morrison		0.00		
944.00	944.00	Entrada		0.00		
1,207.00	1,207.00	Navajo		0.00		
1,744.00	1,744.00	Kayenta		0.00		
1,960.00	1,960.00	Wingate		0.00		
2,267.00	2,267.00	Chinle		0.00		
2,575.00	2,575.00	Cutler		0.00		
4,094.35	4,063.00	Honaker Trail		0.00		
5,499.53	5,425.00	La Sal		0.00		
5,846.19	5,761.00	La Sal Sand		0.00		
5,922.53	5,835.00	Hatch		0.00		
6,261.96	6,164.00	Ismay		0.00		
6,432.20	6,329.00	Hovenweep Shale		0.00		

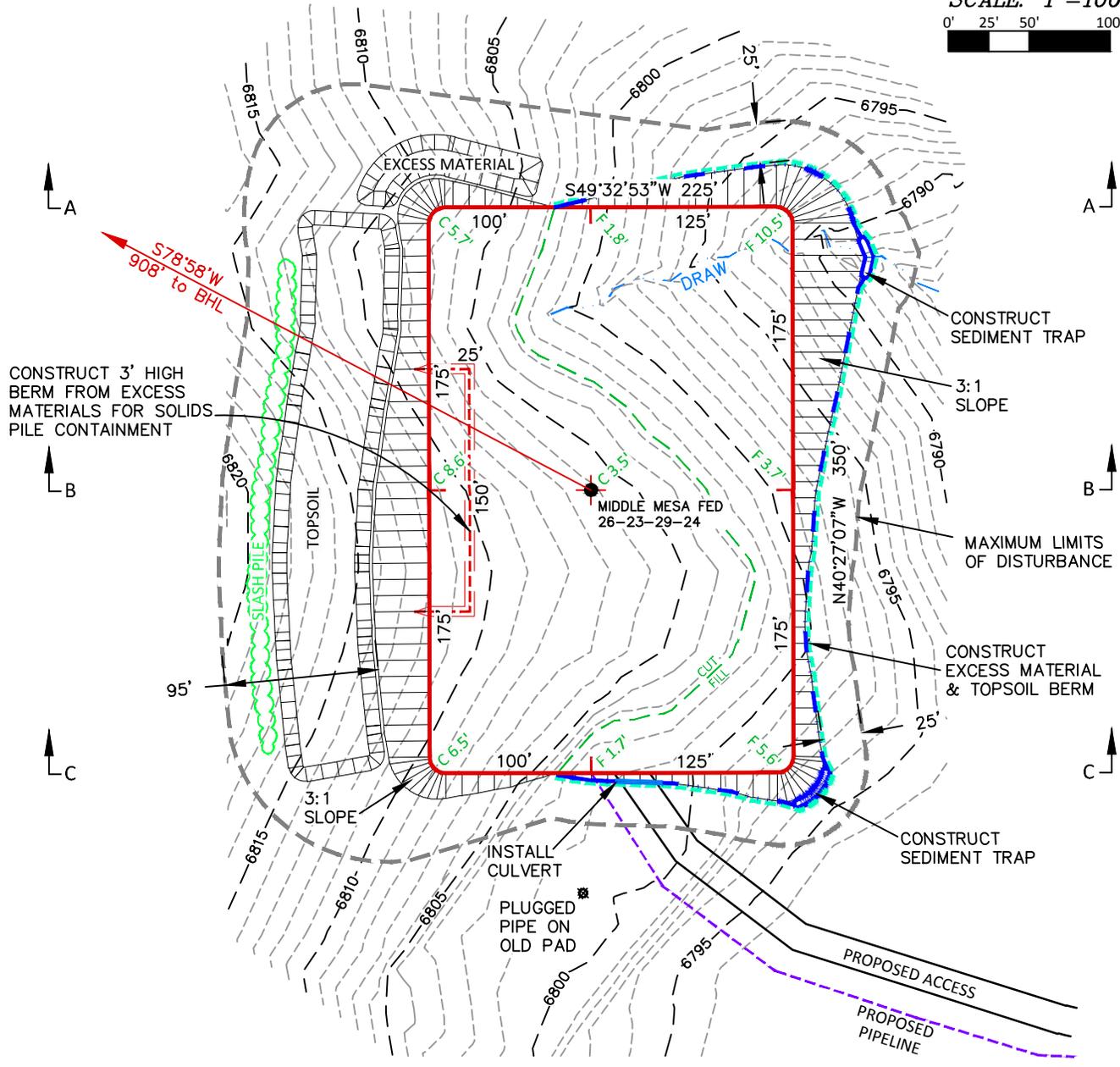
Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates		Comment	
(usft)	(usft)	+N/-S	+E/-W		
		(usft)	(usft)		
2,600.00	2,600.00	-0.02	0.00	Start DLS 2.00 TFO 258.90	
3,312.07	3,304.76	-16.97	-86.39	Start 3333.69 hold at 3312.07 MD	

Sundry Number: 48220 API Well Number: 43037319050000

UNGRADED ELEVATION: 6806.2'
 FINISHED ELEVATION: 6802.7'
 MAXIMUM AREA OF DISTURBANCE: 4.1± ACRES
 DRAINS TOWARDS COYOTE WASH
 BASIS OF ELEVATIONS: NAVD88



SCALE: 1"=100'
 0' 25' 50' 100'



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MMF 26-23-29-24 PAD



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 SURVEYING CONSULTANTS
 550 EAST SECOND NORTH PHONE: 307-875-3638
 GREEN RIVER, WY 307-875-3639
 www.whsmithpc.com

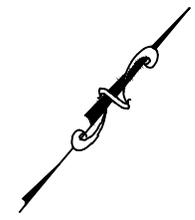
CASTLETON COMMODITIES INTERNATIONAL, LLC
 MIDDLE MESA FED 26-23-29-24
 SW4NE4 SECTION 26, T29S, R24E, SLM. SAN JUAN COUNTY, UTAH
 ESTIMATED EARTHWORK VOLUMES IN CUBIC YARDS

ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	7,909 CY	5,929 CY	1,900 CY	80 CY
PIT	NONE			0 CY
TOTAL	7,909 CY	5,929 CY	1,900 CY	80 CY

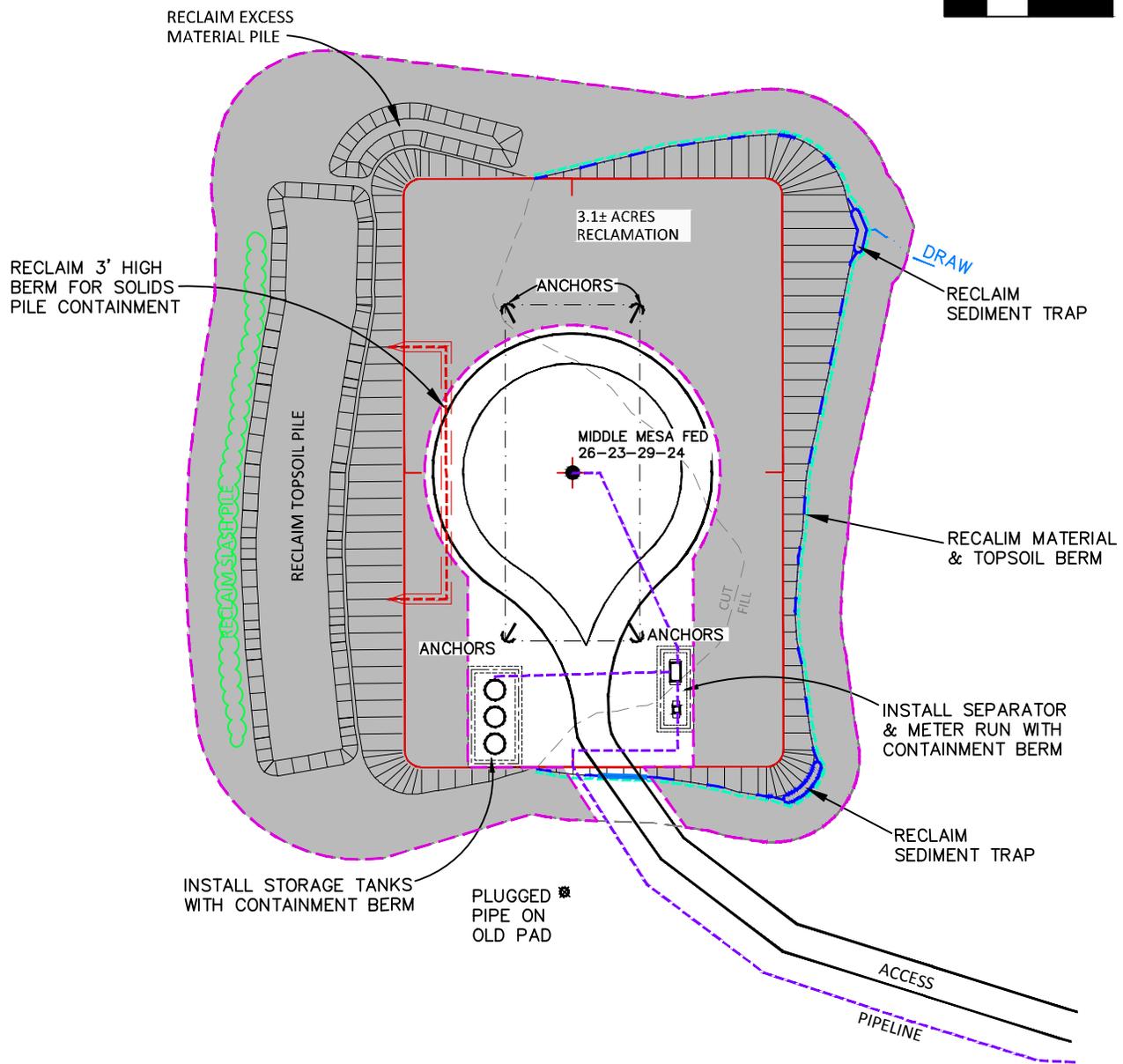
JOB NO: 2011900.016
 REVISIONS: Revise BHL position. 11/13/13 rr

DATE DRAWN - BY: 10/28/13 - rcr
 SCALE: 1" = 100'
 EXHIBIT 2

UNGRADED ELEVATION: 6806.2'
 FINISHED ELEVATION: 6802.7'
 MAXIMUM AREA OF DISTURBANCE: 4.1± ACRES
 RECLAMATION AREA: 3.1± ACRES
 DRAINS TOWARDS COYOTE WASH



SCALE: 1"=100'
 0' 25' 50' 100'



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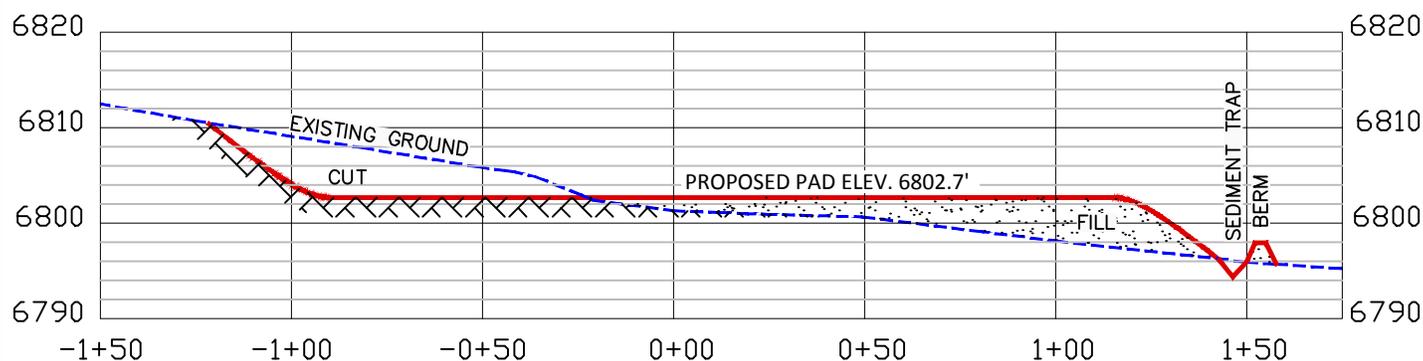
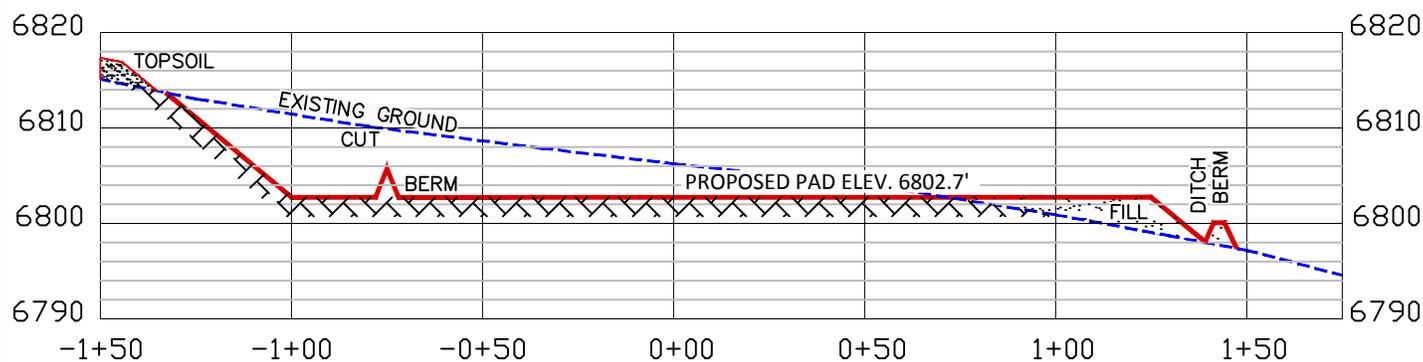
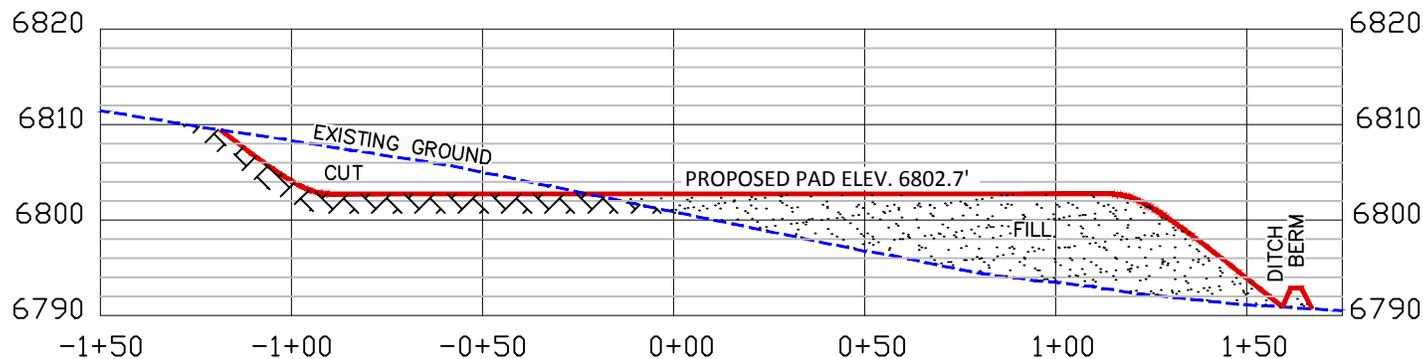
MMF 26-23-29-24 PAD



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PROPOSED RECLAMATION
CASTLETON COMMODITIES INTERNATIONAL, LLC
MIDDLE MESA FED 26-23-29-24
 SW4NE4 SECTION 26
 T. 29 S., R. 24 E., SALT LAKE P.M.
 SAN JUAN COUNTY, UTAH

JOB NO: 2011900.016	DATE DRAWN - BY: 10/28/13 - rcr
REVISIONS:	SCALE: 1" = 100'
	EXHIBIT 2 PAGE 3 OF 3



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MMF 26-23-29-24 PAD



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 GREEN RIVER, WY 307-875-3639
 www.whsmithpc.com

PAD CROSS SECTIONS
CASTLETON COMMODITIES INTERNATIONAL, LLC
MIDDLE MESA FED 26-23-29-24
SW4NE4 SECTION 26
T. 29 S., R. 24 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

JOB NO: 2011900.016

DATE DRAWN - BY: 10/28/13 - rcr

REVISIONS:

SCALE: 1" = 50' HORIZONTAL, 1" = 20' VERTICAL
 EXHIBIT 3 PAGE 1 OF 1



WELL LOCATION LOOKING NORTH
OCTOBER 26, 2013



WELL LOCATION LOOKING SOUTH
OCTOBER 26, 2013



WELL LOCATION LOOKING EAST
OCTOBER 26, 2013



WELL LOCATION LOOKING WEST
OCTOBER 26, 2013

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MMF 26-23-29-24 PAD



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GREEN RIVER, WY 307-875-3639
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LOCATION PHOTOS
CASTLETON COMMODITIES INTERNATIONAL, LLC
MIDDLE MESA FED 26-23-29-24
SW4NE4 SECTION 26
T. 29 S., R. 24 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

JOB NO: 2011900.016

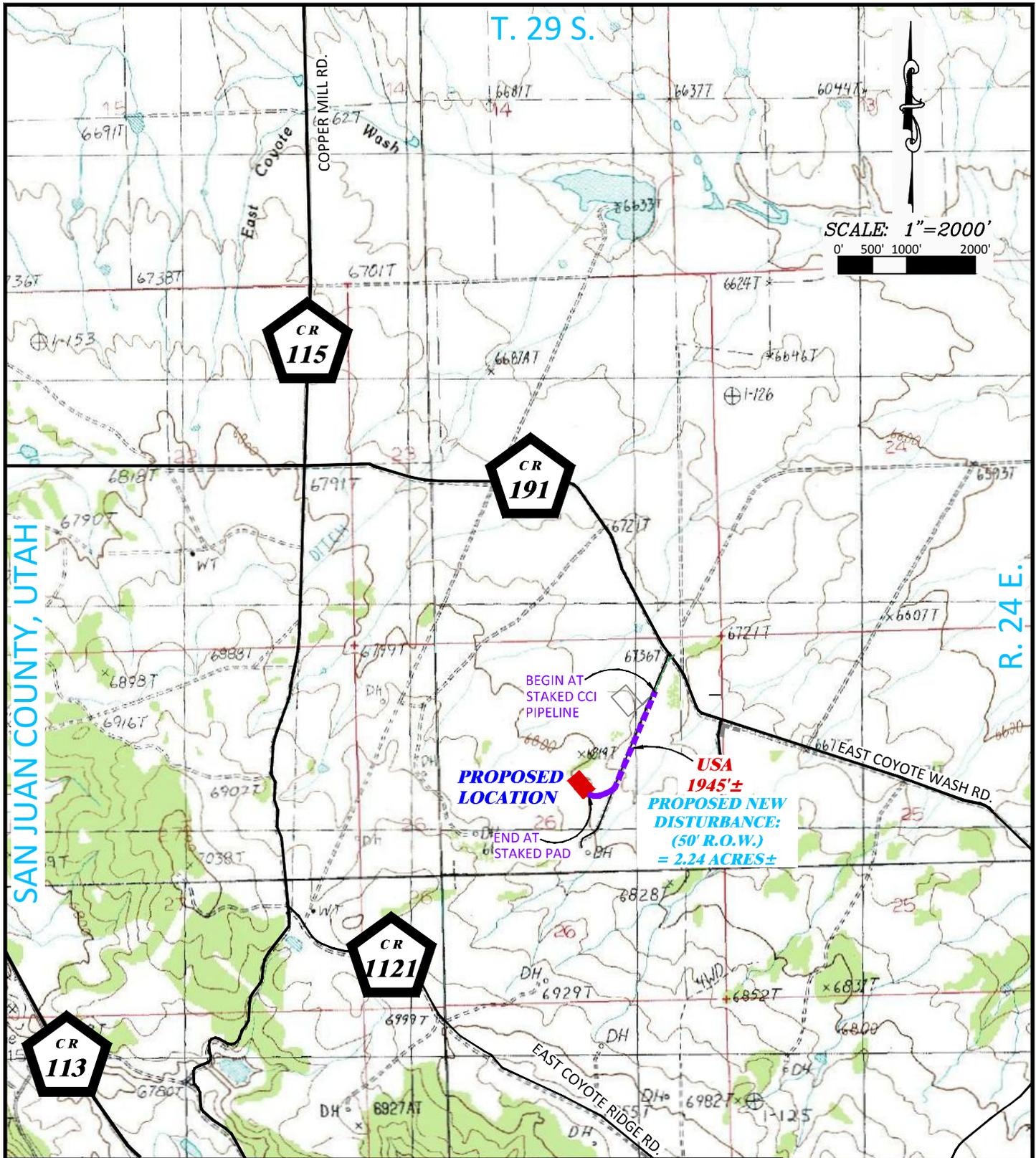
DATE DRAWN - BY: 10/28/13 - rcr

REVISIONS:

SCALE: NOT TO SCALE

EXHIBIT 4

PAGE 1 OF 1



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 GREEN RIVER, WY 307-875-3639
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PROPOSED PIPELINE
CASTLETON COMMODITIES INTERNATIONAL, LLC
MIDDLE MESA FED 26-23-29-24
TOTAL PROPOSED LENGTH: 1945'±

JOB NO: 2011900.016

DATE DRAWN - BY: 10/28/13 - rcr

REVISIONS:

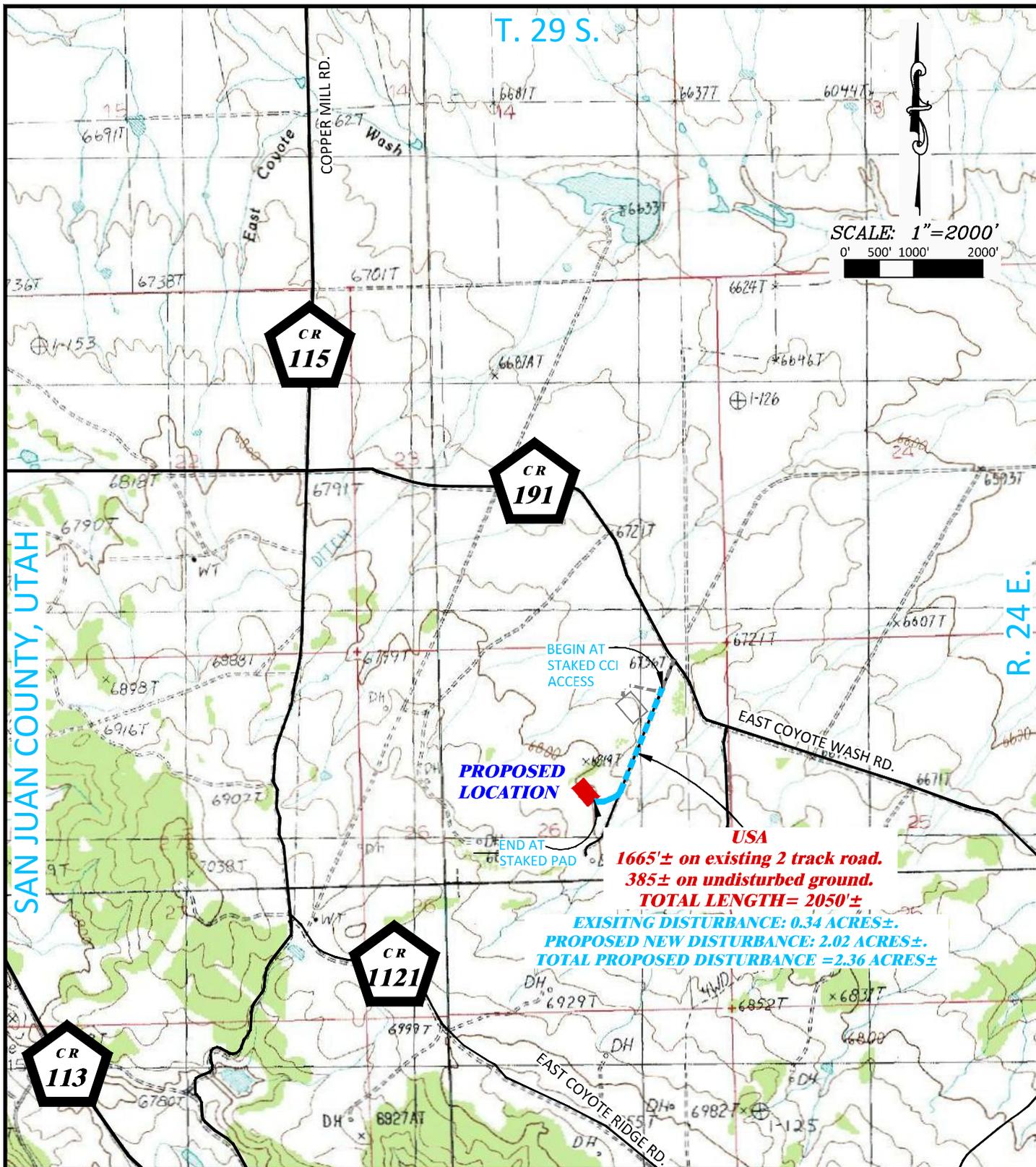
SCALE: 1" = 2000'
 EXHIBIT 5

PAGE 1 OF 1

EXISTING ROAD
 PROPOSED PIPELINE

LEGEND





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MMF 26-23-29-24 PAD



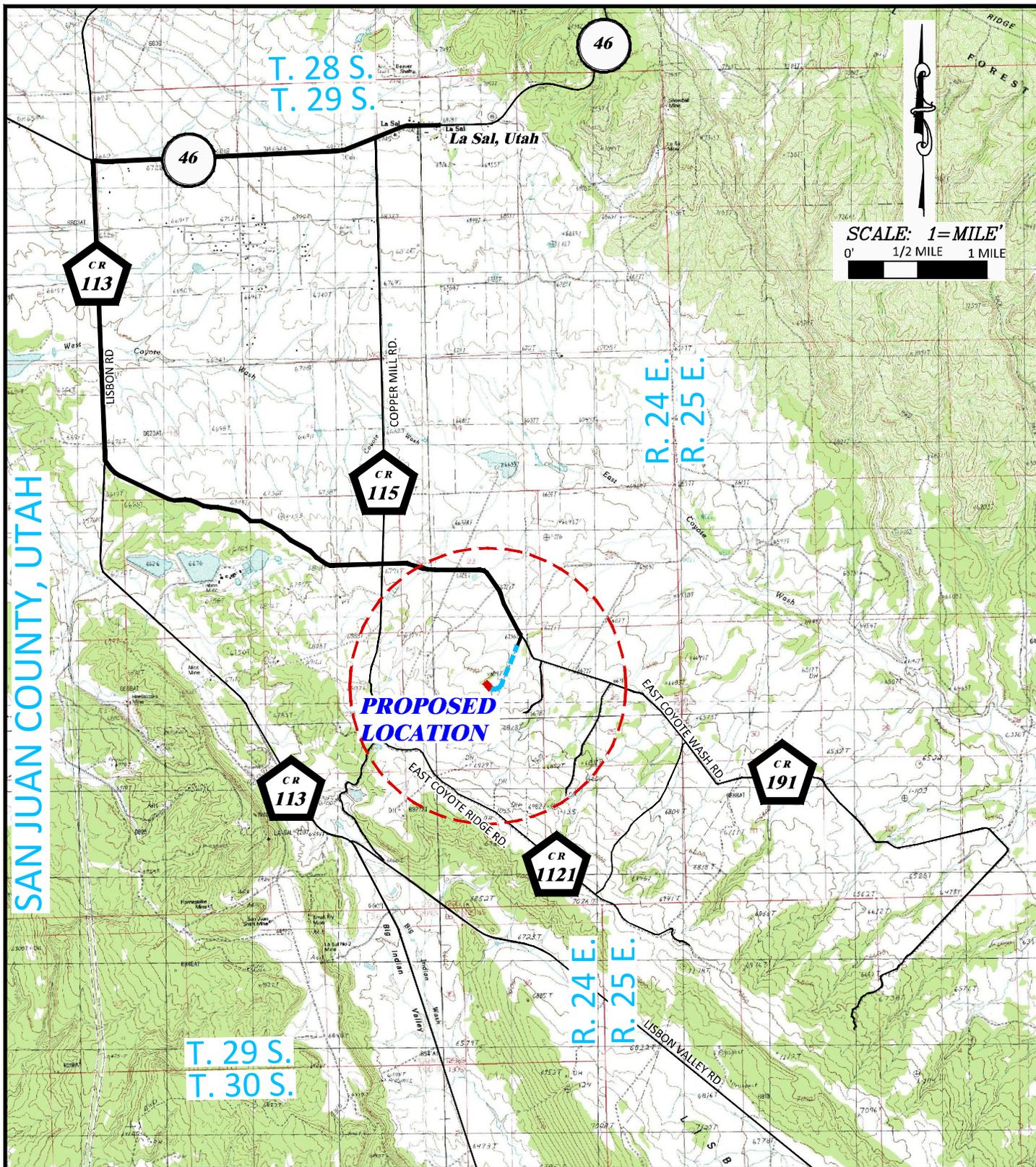
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 GREEN RIVER, WY 307-875-3639
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PROPOSED ACCESS
CASTLETON COMMODITIES INTERNATIONAL, LLC
MIDDLE MESA FED 26-23-29-24
TOTAL PROPOSED LENGTH: 2050± (1665' on 2 track rd.)

JOB NO: 2011900.016
 REVISIONS:

DATE DRAWN - BY: 10/28/13 - rcr
 SCALE: 1" = 2000'
 EXHIBIT 6 PAGE 1 OF 1

LEGEND
 EXISTING ROAD _____
 PROPOSED ACCESS -----



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MMF 26-23-29-24 PAD



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 GREEN RIVER, WY 307-875-3639
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PROPOSED ACCESS
CASTLETON COMMODITIES INTERNATIONAL, LLC
 MIDDLE MESA FED 26-23-29-24
 SW4NE4 SECTION 26, T.29S., R.24E., SLM

JOB NO: 2011900.016
 REVISIONS:

DATE DRAWN - BY: 10/28/13 - rcr
 SCALE: 1" = 5280'
 EXHIBIT 7 PAGE 1 OF 1

LEGEND
 EXISTING ROAD _____
 PROPOSED ACCESS - - - - -

DIRECTIONS

CASTLETON COMMODITIES INTERNATIONAL, LLC
MIDDLE MESA FED 26-23-29-24
SW1/4 OF THE NE1/4 SECTION 26, T29S, R24E, SLM
SAN JUAN COUNTY, UTAH
OCTOBER 28, 2013

Starting at the town of La Sal, Utah, travel westerly on State Highway no. 46 for 2.6 miles to its intersection with County Road 113.

Then turn left and travel south on County Road 113 for 2.2 miles to its intersection with County Road 191, aka East Coyote Wash Road.

Then turn left and travel east, then southeasterly on County Road 191 for 3.55 miles to its intersection with the staked access road for the Middle Mesa Fed 23-42-29-24 well.

Then turn right and travel southwesterly on the staked access road for 0.1 mile to the staked access for the Middle Meas Fed 26-23-29-24 location.

Then continue southwesterly on the Middle Mesa Fed 26-23-29-24 staked access 0.4 mile to the location.

CCI-Paradox Upstream LLC

Middle Mesa Federal 26-23-29-24

SHL: 2157' FNL & 2036' FEL, Section 26, T29S, R24E

Latitude (NAD27): 38°, 15', 12.114" North

Longitude (NAD 27): 109°, 14', 34.15560" West

Northing: 585,569.27 usft. (NAD 27)

Easting: 2,648,136.37 usft. (NAD 27)

BHL: 2332' FNL & 2342' FWL, Section 26, T29S, R24E

Latitude (NAD 27): 38°, 15', 10.3854" North

Longitude (NAD 27) 109°, 14', 45.33264" West

Northing: 585,373 us ft. (NAD27)

Easting: 2,647,250 us ft. (NAD 27)

San Juan County, Utah

Federal Lease Number: UTU-77538

Onshore Oil & Gas Order No. 1 & No. 2

Drilling Plan

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1 and 2, and the approved plan of operations. The operator is fully responsible for the actions of the subcontractors. A copy of these conditions will be furnished with the field representative to ensure compliance.

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated per Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. This NOS process included an onsite meeting, prior to the submittal of this application at which time the specific concerns of CCI Paradox Upstream LLC and the BLM were discussed. All specific concerns of the BLM representatives are addressed herein, as are specific stipulations from the BLM.

Company Contact: Mr. John Warren, CCI Paradox Upstream LLC 303-563-5369- Vice President of Operations. For specific questions or concerns regarding this Drilling Program contact company contact.

1 Formation Tops

Finished GL = 6810', GL to KBm= 21 ft., KBm Elevation = 6831' Formation Tops are at referenced at KBm.

Formation Tops	Measured Depth MD –ft. (KBm. Ref.)	True Vertical Depth (TVD ft. (Kbm. Ref.)	O/G/FW Bearing
Burro Canyon	20	20	
Morrison	250	250	
Entrada	944	944	
Navajo	1207	1207	
Kayenta	1744	1744	
Wingate	1960	1960	FW
Chinle	2267	2267	
Cutler	2575	2575	
Honaker Trail	4094	4063	G/O
La Sal	5500	5425	G/O
La Sal Sand	5846	5761	
Hatch	5922	5835	G/O
Ismay	6262	6164	G/O
Hovenweep Shale	6432	6329	
TD	6646	6536	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All indications of usable water (10,000 ppm or less TDS) shall be reported to the BLM Moab Field Office prior to running the next string of casing or before plugging orders are requested, whichever occurs first. If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

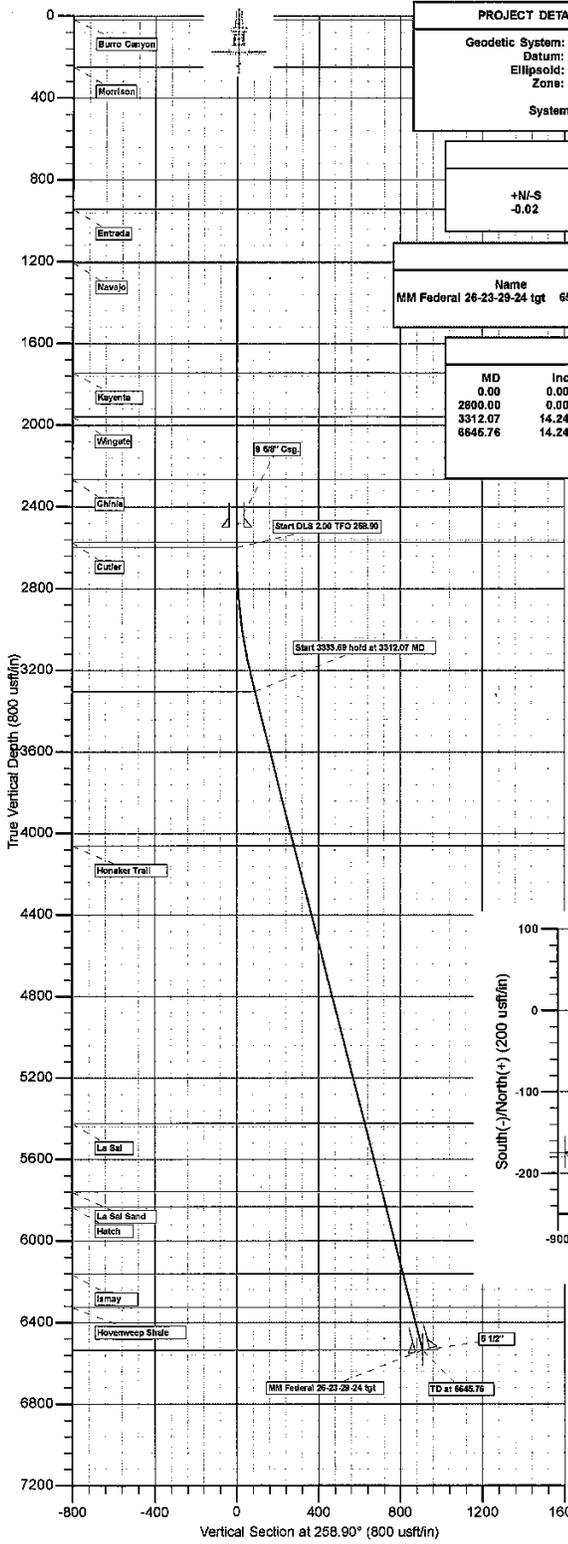
DIRECTIONAL DRILLING PROGRAM

See attached directional plan labeled as Design # 4 November 14, 2013 dated shown below.

**CCI Paradox
Upstream LLC
/ New Tech
Global**

Project: San Juan Co., Utah (NAD 27)
Site: Sec.26-T29S-R24E NAD27
Well: Middle Mesa Federal 26-23-29-24(Nad27)
Wellbore: Wellbore #1
Design: Design #4
Latitude: 38° 15' 12.114 N
Longitude: 109° 14' 34.156 W
Ground Level: 6810.50
WELL @ 6831.50usft (Original Well Elev)

Archer



PROJECT DETAILS: San Juan Co., Utah (NAD 27)

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: Utah South 4303
System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Site Sec.26-T29S-R24E NAD27, Grid North
Vertical (TVD) Reference: WELL @ 6831.50usft (Original Well Elev)
Section (VS) Reference: Slot - (-0.02N, 0.00E)
Measured Depth Reference: WELL @ 6831.50usft (Original Well Elev)
Calculation Method: Minimum Curvature

WELL DETAILS: Middle Mesa Federal 26-23-29-24(Nad27)

+N/-S	+E/-W	Ground Level:	6810.50	Latitude	Longitude	Slot
-0.02	0.00	Northing	585569.278	38° 15' 12.114 N	109° 14' 34.156 W	
		Easting	2848138.278			

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

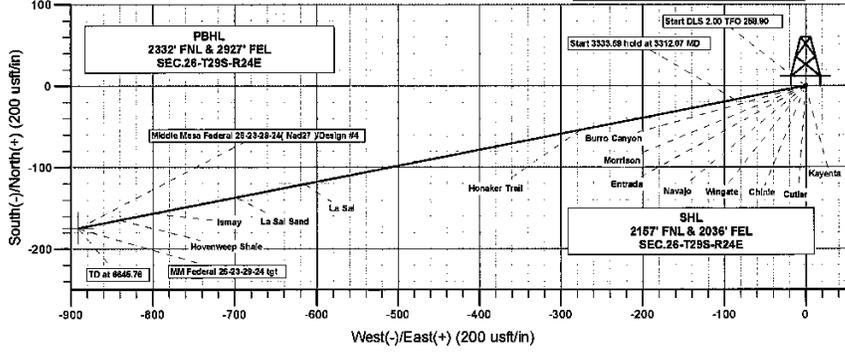
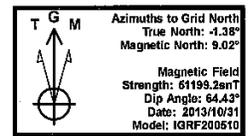
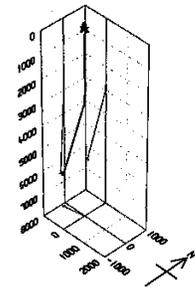
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
MM Federal 26-23-29-24 tgt	6535.00	-174.86	-891.16	585394.440	2647245.117	38° 15' 10.598 N	109° 14' 45.377 W	Point

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dlog	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	
2800.00	0.00	0.00	2800.00	-0.02	0.00	0.00	0.00	0.00	Start DLS 2.00 TFO 258.90
3312.07	14.24	258.90	3304.76	-15.97	-86.39	2.00	258.90	88.04	Start 3335.69 hold at 3312.07 MD
6646.76	14.24	258.90	6636.00	-174.86	-891.16	0.00	0.00	908.15	TD at 6646.76

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
20.00	20.00	Burro Canyon
250.00	250.00	Morrison
944.00	944.00	Entrada
1207.00	1207.00	Navajo
1744.00	1744.00	Kayenta
1960.00	1960.00	Wingate
2267.00	2267.00	Chinle
2575.00	2575.00	Cutler
4063.00	4094.35	Honaker Trail
5425.80	5499.53	La Sal
5761.00	5846.19	La Sal Sand
5835.90	5922.53	Hatch
6164.80	6261.96	Ismay
6329.00	6432.20	Hovenweep Shale



Plan: Design #4 (Middle Mesa Federal 26-23-29-24(Nad27)/Wellbore #1)
Created By: Ricky Osburn Date: 9:59, November 14 2013

- a. Kick-Off-Point (KOP) is estimated to be at $\pm 2600'$ MD. Build rate $2.0^\circ/100$ ft. to 14.24° inclination at 258.90° Azimuth will be reached at $3304'$ TVD ($3312'$ MD) and hold angle & bearing.
- b. The degree of inclination will hold at 14.24° inclination and 258.90° Azimuth to TD of $\pm 6536'$ TVD ($6646'$ MD).

*See detailed **Directional Plan of Middle Mesa Federal 26-23-29-24 well design # 4 in Exhibit A.**

2 Casing Program

Plan : Drill a 12-1/4" hole to 2500' MD, run 9-5/8" surface casing & cement back to surface and then drill out of surface with 8-3/4" bit down to TD (6646' MD/ 6536' TVD) and run 5-1/2" casing back to surface and do a single stage cement job placing cement slurry back to surface.

Conductor: 16", 65 #/ft., H-40, ST&C set to +/-60' MD.

	Surface Casing.	Production Casing
Depths Run (ft.):	2,500' MD	6646' MD
Hole Size:	12.25	8.75
OD (in):	9.625	5.5
Weight (lb. /ft.):	36	17
Grade:	J-55	N-80
Pipe ID (in):	8.921	4.892
Pipe Drift ID (in):	8.765	4.767
Burst Pressure (psi):	3520	7740
Collapse (psi):	2020	6280
Body Yield (kips):	564	397
Joint Strength (kips):	453	348
Connection:	LTC	LTC
Coupling OD (in):	10.625	6.05
Min Make up torque (ft-lb):	3400	2610
Opt Make up torque (ft-lb):	4530	3480
Max Make up torque (ft-lb)	5660	4350
Safety Factors- Calculated-BLM Model-Casing Evacuated to Air gradient		
Collapse Factor (DF=1.125)	1.766	1.893
Burst Factor (DF=1.000)	1.400	2.917
Tension Factor (DF = 1.8)	5.033	3.080

Please find attached the casing design for each phase of the table shown above. Please see attached **Exhibits B & C** for calculations of casing design safety factors.

Wellhead:

Casing Head – 11" x 9-5/8" SOW 5M

Tubing Head – 11" x 7-1/16" 5M

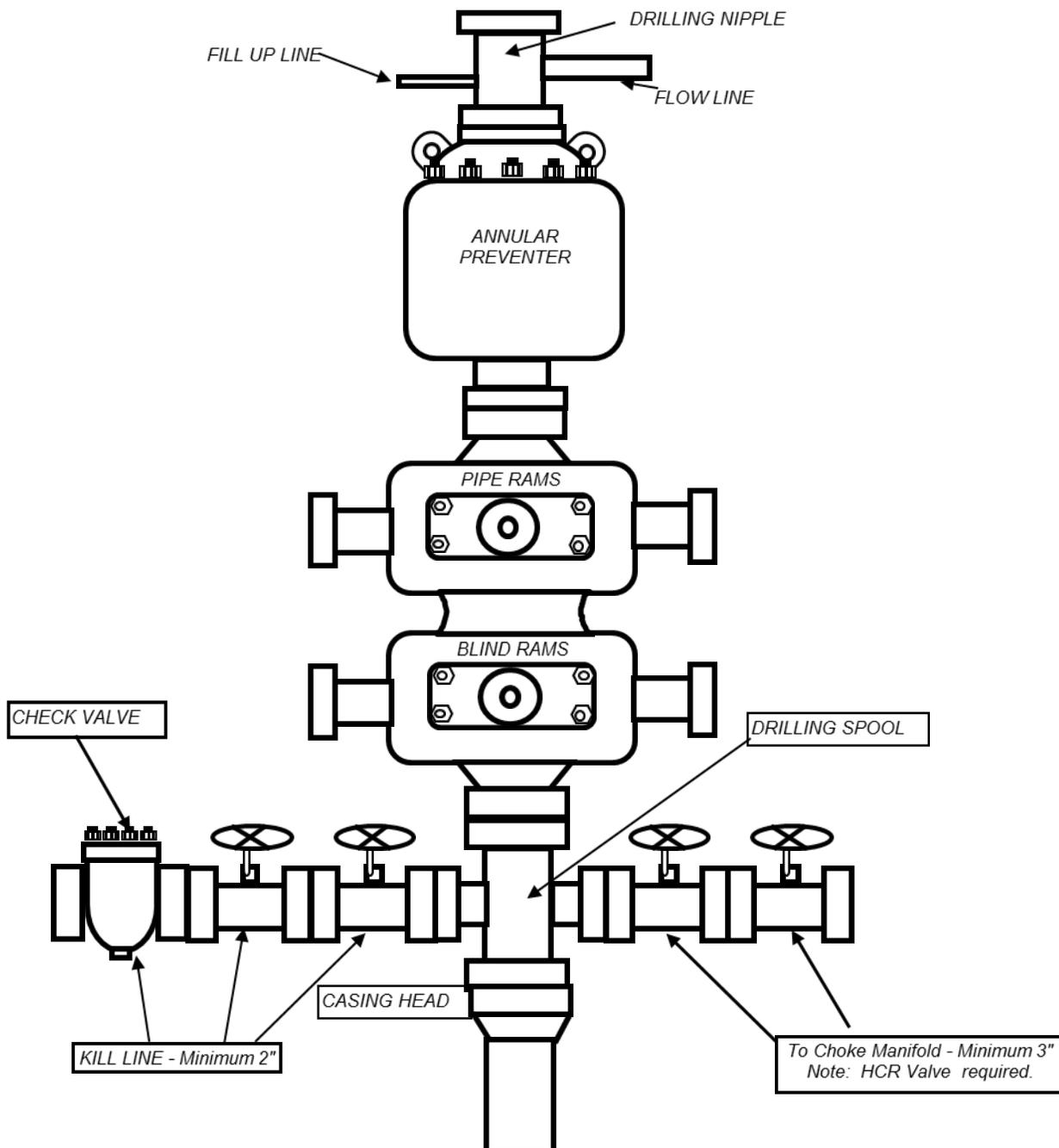
3 BOP Specification

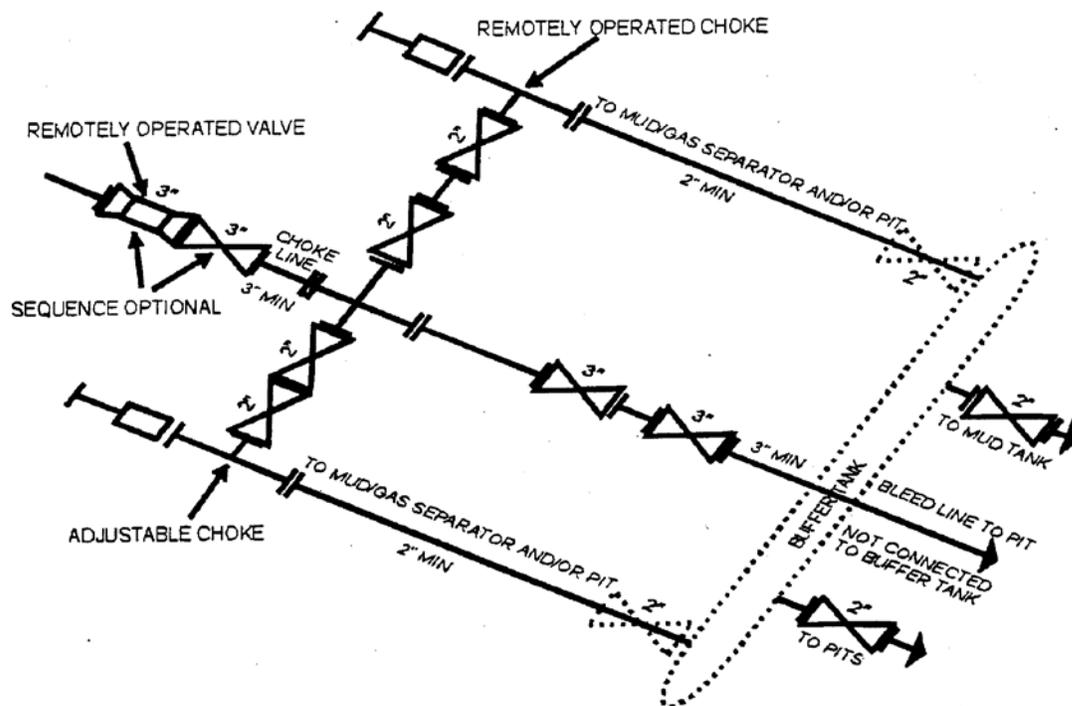
Pressure control equipment rating will be 5,000 psi. This equipment will be nipped up on the surface casing and tested to 5000 psi high prior to drilling out. The choke manifold equipment, upper and lower Kelly cock, and floor safety valves will be tested to 5000 psi high. The annular preventer will be tested to 5000 psi also. Surface casing will be tested to 1500 psi prior to drill out. BOP equipment will be tested after any repairs to equipment and at 30 day intervals. The pipe rams and blind rams shall be activated each trip. Weekly BOP drills will be held by each crew.

PRESSURE CONTROL

- See blowout preventer diagram.

TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER



PRESSURE CONTROL• 5 M Manifold Layout

5M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY

Although not required for any of the choke manifold systems, buffer tanks are sometimes installed downstream of the choke assemblies for the purpose of manifolding the bleed lines together. When buffer tanks are employed, valves shall be installed upstream to isolate a failure or malfunction without interrupting flow control. Though not shown on 2M, 3M, 10M, OR 15M drawings, it would also be applicable to those situations.

[54 FR 39528, Sept. 27, 1989]

BOP REQUIREMENTS

Bureau of Land Management's minimum specification for pressure control equipment are as follows:

- a. Ram Type 11" Hydraulic double ram at 5000 psi and annular section at 5,000 psi working pressure.
- b. Ram type preventers and associated equipment shall be tested to approve stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.
- c. As a minimum, the above test shall be performed:
 - i. when initially installed
 - ii. whenever any seal subject to test pressure is broken
 - iii. following related repairs and
 - iv. at 30 day intervals

- d. Valves shall be tested from working pressure side during BOPE tests with all downstream valves open.
- e. When testing the kill line valve(s) shall be held open or the ball removed.
- f. Annular preventers (if used) shall be functionally operated at least weekly.
- g. Pipe rams, blind rams, or annular preventer shall be activated each trip; however, this function need not be performed more than once a day.
- h. A BOPE pit level drill shall be conducted weekly for each drilling crew.

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

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM Field Office in Moab, Utah shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s) to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

Statement of Accumulator System and Location of Hydraulic Controls

The drilling rig has not been selected for this well. Selection will take place after approval of this application is granted. Manual and/or hydraulic controls will be in compliance with OSO #2 for 5,000 psi system.

A remote accumulator will be used. Pressures, capacities, location of remote hydraulic and manual controls will be identified at the time of the BLM supervised BOP test.

During drilling operations, CCI Paradox Upstream LLC follows the API Diller's Method for kick control in the event of a gas kick.

Please see attached exhibit - **General Guidelines – BOP Control - Driller's Method for details.**

4 Cementing Program

Conductor string 16" set at 60'MD in a 26" dia. hole size.

2.29 cuft/ft. x 60 ft. = 137 cuft x 1.3(30 % excess) = 179 cuft –Annular Vol. capacity
179 cuft / 1.18 cuft/sk (Yield)= 150 sacks of Type I (class A cement) with 1 % calcium chloride, slurry weight 15.6 ppg and slurry yield of 1.18 cuft/sack, circulates cement to surface..

Surface casing 9-5/8" set at 2500'MD in a 12-1/4" dia. hole size.

Lead Slurry: 2300 ft. x .3132 cuft/ft. x 1.7 (70 % excess)= 1225 cuft / 2.09 cuft/sk(Yield) = 586 sacks of Premium Lite FM cement blend with 1 % bwoc Potassium Chloride + 8 % bwoc Bentonite + 0.5 % bwoc Sodium Metasilicate + fresh water.

Tail Slurry: 200 ft. x .3132 cuft/ft. x 1.7 (70 % excess) = 106 cuft/ 1.47 cuft/sk (Yield) = 72 sacks of Type III cement with 1 % bwoc Potassium Chloride + fresh water.

Lead slurry: slurry weight 12.1 ppg, slurry Yield 2.09 cuft/sk, Amount of mix water 11.66 gps, 4 hr pump ability.

Tail slurry: slurry weight 14.2 ppg, slurry Yield 1.47 cuft/sk, amount of water mix 7.36 gps

Production casing – 5-1/2" string set at 6646' MD with a single stage cement job in an 8-3/4" Dia. hole.

Lead Slurry: 4000 ft. x .2526 cuft/ft. x 1.2 (20% excess)= 1212 cuft/ 2.63 cuft/sk(Yield)= 461 sk of Type III cement + 0.3% bwoc R-3 (Retarder) + .25 lbs./sk Cello flake + 5 lbs./sk LCM-1 (asphaltite) + 3 % bwoc Sodium Metasilicate (accelerator) + fresh water.

Tail Slurry: 2646 ft. x .2526 cuft/ft. x 1.2 (20% excess) = 802 cuft / 1.47 cuft/sk(Yield) = 546 sk of Class G cement with 0.25 lbs./sk Cello flake + 5 lbs./sack LCM-1 (Asphaltite) + 0.3 % bwoc FL-52A(fluid loss additive) + fresh water.

Lead slurry: slurry weight 11.7ppg, slurry, Yield 2.63 cuft/sk, Amount of mix water 15.31 gps,

Tail slurry: slurry weight 14.2 ppg, slurry Yield 1.47 cuft/sk, amount of water mix 6.82 gps.

**See Exhibit D for descriptions of all chemical additives in the cement slurries.*

Casing / Centralizers

After reaching each casing points on any string and after logging run has been completed TIH to TD or may already be at TD at casing point, perform flow check, circulate bottoms up, pump sweep, circulate at least 3x surface to surface volume while conditioning hole for casing, reduced mud viscosity to 36-40 sec/qt to minimize risk of cement channeling. Slug pipe, SLM out of hole. Check all casing equipment and baker lock on the float shoe and float collar and one joint above float collar. Place one centralizer (bow spring type) 10' above shoe and then every other joint back to surface on the surface casing string. On the production string place the centralizers on every joint back to 4000'MD and above 4000'MD back to surface spread out the centralizers back to surface every third joint back to surface.

When pumping cement slurry try to maintain 5 to 7 BPM rate and slow down the last 10 bbls. before bumping the plug upon the float collar or closing the DV tool. Bump plug to 1000 to 1500 psi above

final pump pressure. Slowly release pressure to 0 psi, ensuring floats are holding, double check if in doubted.

- a. **The BLM in Moab, Utah will be notified, 24 hours prior, in order to have a BLM representative on location while running all casing strings and cementing.**
- b. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC times shall be recorded in the driller's log.

5 Drilling Fluids

Recommended Drilling Fluids Properties									
Surface – 12.25" hole									
Depth	Mud Type	Fluid Density	Funnel Viscosity	API Filtrate	pH	Plastic Vis	Yield Point	MBT	Low Gravity Solids
(ft.)	Spud Mud Gel & PHPA Sweeps	(ppg)	(sec/qt)	(ml)		(cP)	(lbs./100ft ²)	ppb	(% by Vol)
60'- 2,500'			8.4 – 8.6	27 -29	NA	8.7 – 8.9	-	–	<7.5
Surface casing: 9 5/8" casing set around 2,500' MD									
Production – 8.75" hole									
Depth	Mud Type	Fluid Density	Funnel Viscosity	HPHT @250	K+	Plastic Vis	Yield Point	LGS	
(ft.)	Potassium Formate	(ppg)	(sec/qt)	(ml)	% by Vol	(cP)	(lbs./100ft ²)	% by Vol	
2,500' – TD'			8.6 – 9.2	35 - 38	4 - 6	2-3	16 - 24	12-16	< 7
Production casing: 5 1/2" set @ TD									

Fresh Water Mud (FWM): Gyp water with PHPA and High Vis sweeps will be used from surface to surface casing shoe point at 2500' MD.

Fresh Water Mud (FWM): Potassium formate with PHPA, Pac, Xan-D, Soda Ash and various LCM products will be the mud system used between .surface shoe and TD.

Circulate as necessary until the mud has the desired properties. **Under no circumstances drill ahead with mud that is not "in shape".**

Mud Engineer will make up daily tower sheets; what is required in the system per tower and guide the derrick hand on what to mix to get the desired mud properties needed.

- a. Mud monitoring equipment to be used is as follows:
 - Periodic checks of the mud systems will be made each tour. The mud level will be checked visually.
 - i. There will be sufficient mud on location to ensure well control. There will be approximately 350 bbls of mud in reserve. The mud system will be run utilizing a closed loop system.
 - ii. A mud test shall be performed every 24 hours after mudding to determine, as applicable, density, viscosity, gel strength, static filtration loss and Ph.

- iii. Hazardous substances specifically listed by the EPA as hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

6 Auxiliary Equipment

PVT equipment measuring mud volume, pump strokes and percent flow will be installed after cementing surface casing and installing BOP. This system includes alarms and remote terminals located on the rig floor.

- A) Mud logger with gas monitor – BSC to TD, sampling interval of 50'
- B) Choke manifold with remote control choke
- C) Full opening floor valve with drill pipe thread
- D) Upper and lower kelly cock
- E) PVT monitor on pit level, audio and visual BSC
- F) Gas buster
- G) Closed loop mud system will be utilized in drilling this well. Cuttings will be stored in surface containers and hauled & disposed at a legal disposal site (see Surface Use Plan – Methods for Handling Waste).

7 Logging/Coring/Formation Testing

Mud Loggers will start at base of surface casing and go thru to TD and be released after post open hole logging is finished.

Logs	Interval
Quad Combo (GR/AIT/NEUT-DEN w/ PE w/ BHC Sonic)	Base of surface casing shoe to TD 6646'MD / 6536'TVD
Surface casing CBL	0-2500'MD
Coring	None anticipated
DST/RST	None anticipated

8 Abnormal Pressure, Temperature, Potential Hazards

- a) Abnormal Pressure: The maximum anticipated bottom hole pressure is 6536'TVD x .44psi/ft. = 2876 psi and will be controlled with mud weight and BOP equipment. The fracture gradient is anticipated to be 0.85 – 0.90 psi/ft.
- b) Temperature: The anticipated bottom hole temperature is 180°F.
- c) Potential Hazards: Hydrogen sulfide gas is NOT potentially present in this field. No lost circulation zones were encountered during drilling of offset well. If lost circulation is encountered, lost circulation materials will be used to try and mitigate losses. Wellbore geometry has been designed for a 5-1/2" Production casing string.

9 Anticipated Agenda

Operations are expected to commence soon after a permit is issued, subject to rig availability. Drilling operations will last about 21 days. If data indicate that this is a commercial well, then production casing will be run. Surface Cased hole CBL will be run with the open hole logs in the drilling phase and the Production casing CBL will be during the completion phase of the well. Perforate zones of interest, fracture stimulate as necessary and place on production. Quantities of each frac stage used; will be determined on the amount of pay section shown on the open hole logs. The operations are anticipated to last 21 days. Completion Approval for further action will be requested on a Sundry Notice. CCI Paradox Upstream LLC anticipates spudding the Middle Mesa Federal 26-23-29-24 well in Summer to Fall of 2014.

- **The BLM in Moab, Utah shall be notified at least 24 hours prior to:**
 - **Spudding the well**
 - **Running the casing strings and cementing**
 - **BOP test/casing pressured tests**
- Within 30 days of completion of the well as a dry hole or producer, a copy 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 completions operations will be filed with a Completion Report (Form 3160-4) via the WIS portal, with casing/cementing reports and other required reports as attachments.

The BLM in Moab, Utah shall be notified within 5 business days of production startup if either of the following two conditions occur:

- The well is placed on production, or
- The well resumes production after being off of production for more than 90 days.

CCI Paradox Upstream LLC/New Tech Global

San Juan Co., Utah (NAD 27)

Sec.26-T29S-R24E NAD27

Middle Mesa Federal 26-23-29-24(Nad27)

Wellbore #1

Plan: Design #4

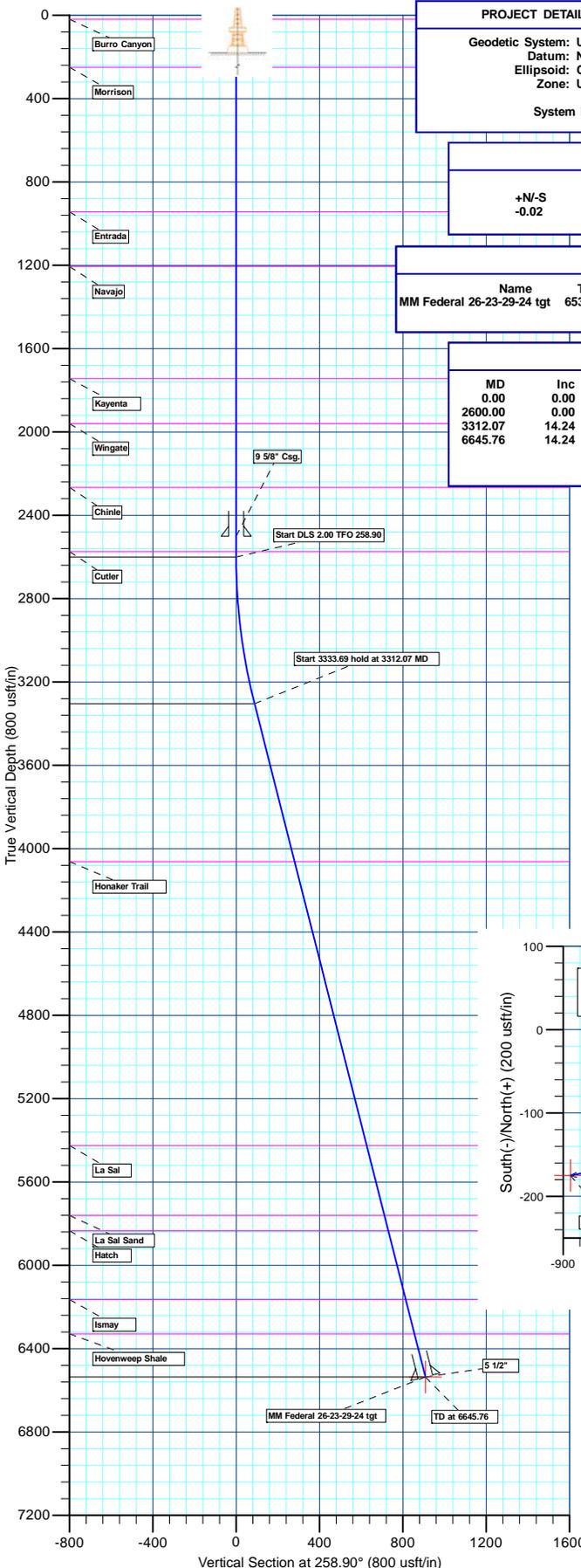
Standard Planning Report

14 November, 2013

Archer

**CCI Paradox
Upstream LLC
/ New Tech
Global**

Project: San Juan Co., Utah (NAD 27)
 Site: Sec.26-T29S-R24E NAD27
 Well: Middle Mesa Federal 26-23-29-24(Nad27)
 Wellbore: Wellbore #1
 Design: Design #4
 Latitude: 38° 15' 12.114 N
 Longitude: 109° 14' 34.156 W
 Ground Level: 6810.50
 WELL @ 6831.50usft (Original Well Elev)



PROJECT DETAILS: San Juan Co., Utah (NAD 27)

Geodetic System: US State Plane 1927 (Exact solution)
 Datum: NAD 1927 (NADCON CONUS)
 Ellipsoid: Clarke 1866
 Zone: Utah South 4303
 System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Site Sec.26-T29S-R24E NAD27, Grid North
 Vertical (TVD) Reference: WELL @ 6831.50usft (Original Well Elev)
 Section (VS) Reference: Slot - (-0.02N, 0.00E)
 Measured Depth Reference: WELL @ 6831.50usft (Original Well Elev)
 Calculation Method: Minimum Curvature

WELL DETAILS: Middle Mesa Federal 26-23-29-24(Nad27)

+N-S	+E-W	Northing	Ground Level: Easting	6810.50	Latitude	Longitude	Slot
-0.02	0.00	585569.276	2648136.278		38° 15' 12.114 N	109° 14' 34.156 W	

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

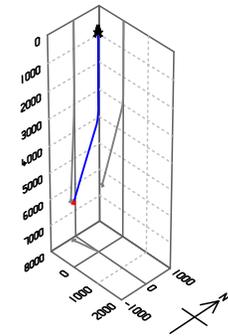
Name	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude	Shape
MM Federal 26-23-29-24 tgt	6536.00	-174.86	-891.16	585394.440	2647245.117	38° 15' 10.598 N	109° 14' 45.377 W	Point

SECTION DETAILS

MD	Inc	Azi	TVD	+N-S	+E-W	Dleg	TFace	Vsect	Annotation
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	
2600.00	0.00	0.00	2600.00	-0.02	0.00	0.00	0.00	0.00	Start DLS 2.00 TFO 258.90
3312.07	14.24	258.90	3304.76	-16.97	-86.39	2.00	258.90	88.04	Start 3333.69 hold at 3312.07 MD
6645.76	14.24	258.90	6536.00	-174.86	-891.16	0.00	0.00	908.15	TD at 6645.76

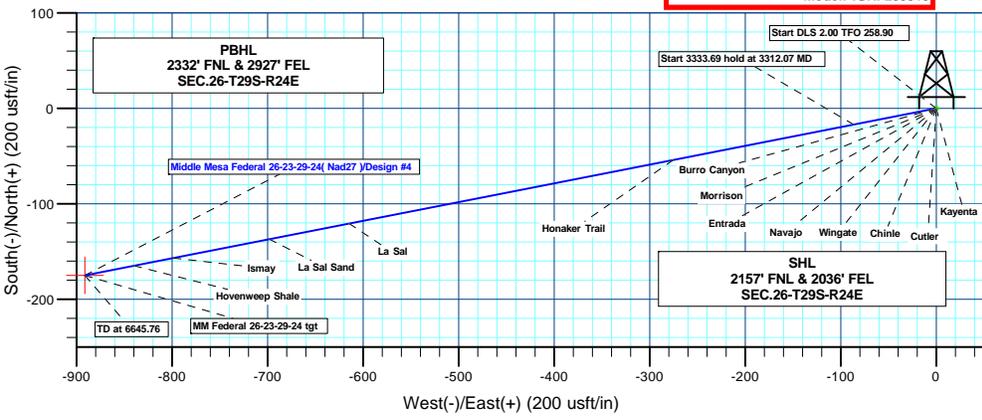
FORMATION TOP DETAILS

TVDPath	MDPath	Formation
20.00	20.00	Burro Canyon
250.00	250.00	Morrison
944.00	944.00	Entrada
1207.00	1207.00	Navajo
1744.00	1744.00	Kayenta
1960.00	1960.00	Wingate
2267.00	2267.00	Chinle
2575.00	2575.00	Cutler
4063.00	4094.35	Honaker Trail
5425.00	5499.53	La Sal
5761.00	5846.19	La Sal Sand
5835.00	5922.53	Hatch
6164.00	6261.96	Ismay
6329.00	6432.20	Hovenweep Shale



TGM Azimuths to Grid North
 True North: -1.38°
 Magnetic North: 9.02°

Magnetic Field
 Strength: 51199.2snT
 Dip Angle: 64.43°
 Date: 2013/10/31
 Model: IGRF200510



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Planning Report



Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Project	San Juan Co., Utah (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah South 4303		

Site	Sec.26-T29S-R24E NAD27				
Site Position:		Northing:	585,569.296 usft	Latitude:	38° 15' 12.114 N
From:	Lat/Long	Easting:	2,648,136.277 usft	Longitude:	109° 14' 34.156 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16"	Grid Convergence:	1.38 °

Well	Middle Mesa Federal 26-23-29-24(Nad27)					
Well Position	+N/-S	-0.02 usft	Northing:	585,569.276 usft	Latitude:	38° 15' 12.114 N
	+E/-W	0.00 usft	Easting:	2,648,136.278 usft	Longitude:	109° 14' 34.156 W
Position Uncertainty		0.00 usft	Wellhead Elevation:	usft	Ground Level:	6,810.50 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2013/10/31	10.40	64.43	51,199

Design	Design #4			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	-0.02	0.00	258.90

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	0.00	
2,600.00	0.00	0.00	2,600.00	-0.02	0.00	0.00	0.00	0.00	0.00	
3,312.07	14.24	258.90	3,304.76	-16.97	-86.39	2.00	2.00	-14.20	258.90	
6,645.76	14.24	258.90	6,536.00	-174.86	-891.16	0.00	0.00	0.00	0.00	MM Federal 26-23-29

Archer
Planning Report



Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Burro Canyon										
20.00	0.00	0.00	20.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Morrison										
250.00	0.00	0.00	250.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Entrada										
944.00	0.00	0.00	944.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Navajo										
1,207.00	0.00	0.00	1,207.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Kayenta										
1,744.00	0.00	0.00	1,744.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Wingate										
1,960.00	0.00	0.00	1,960.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Chinle										
2,267.00	0.00	0.00	2,267.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8" Csg.										
2,500.00	0.00	0.00	2,500.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Cutler										
2,575.00	0.00	0.00	2,575.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
Start DLS 2.00 TFO 258.90										
2,600.00	0.00	0.00	2,600.00	-0.02	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	2.00	258.90	2,699.98	-0.36	-1.71	1.75	2.00	2.00	2.00	0.00
2,800.00	4.00	258.90	2,799.84	-1.36	-6.85	6.98	2.00	2.00	2.00	0.00
2,900.00	6.00	258.90	2,899.45	-3.04	-15.40	15.69	2.00	2.00	2.00	0.00
3,000.00	8.00	258.90	2,998.70	-5.39	-27.36	27.88	2.00	2.00	2.00	0.00
3,100.00	10.00	258.90	3,097.47	-8.40	-42.71	43.52	2.00	2.00	2.00	0.00
3,200.00	12.00	258.90	3,195.62	-12.07	-61.43	62.60	2.00	2.00	2.00	0.00
3,300.00	14.00	258.90	3,293.06	-16.40	-83.50	85.10	2.00	2.00	2.00	0.00
Start 3333.69 hold at 3312.07 MD										

Archer
Planning Report

Archer

Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
3,312.07	14.24	258.90	3,304.76	-16.97	-86.39	88.04	2.00	2.00	0.00	
3,400.00	14.24	258.90	3,389.99	-21.13	-107.62	109.67	0.00	0.00	0.00	
3,500.00	14.24	258.90	3,486.92	-25.87	-131.76	134.27	0.00	0.00	0.00	
3,600.00	14.24	258.90	3,583.84	-30.61	-155.90	158.87	0.00	0.00	0.00	
3,700.00	14.24	258.90	3,680.77	-35.34	-180.04	183.47	0.00	0.00	0.00	
3,800.00	14.24	258.90	3,777.70	-40.08	-204.18	208.07	0.00	0.00	0.00	
3,900.00	14.24	258.90	3,874.62	-44.81	-228.32	232.68	0.00	0.00	0.00	
4,000.00	14.24	258.90	3,971.55	-49.55	-252.46	257.28	0.00	0.00	0.00	
Honaker Trail										
4,094.35	14.24	258.90	4,063.00	-54.02	-275.24	280.49	0.00	0.00	0.00	
4,100.00	14.24	258.90	4,068.48	-54.29	-276.60	281.88	0.00	0.00	0.00	
4,200.00	14.24	258.90	4,165.40	-59.02	-300.74	306.48	0.00	0.00	0.00	
4,300.00	14.24	258.90	4,262.33	-63.76	-324.88	331.08	0.00	0.00	0.00	
4,400.00	14.24	258.90	4,359.26	-68.50	-349.02	355.68	0.00	0.00	0.00	
4,500.00	14.24	258.90	4,456.18	-73.23	-373.17	380.28	0.00	0.00	0.00	
4,600.00	14.24	258.90	4,553.11	-77.97	-397.31	404.88	0.00	0.00	0.00	
4,700.00	14.24	258.90	4,650.04	-82.70	-421.45	429.48	0.00	0.00	0.00	
4,800.00	14.24	258.90	4,746.96	-87.44	-445.59	454.08	0.00	0.00	0.00	
4,900.00	14.24	258.90	4,843.89	-92.18	-469.73	478.68	0.00	0.00	0.00	
5,000.00	14.24	258.90	4,940.82	-96.91	-493.87	503.28	0.00	0.00	0.00	
5,100.00	14.24	258.90	5,037.74	-101.65	-518.01	527.88	0.00	0.00	0.00	
5,200.00	14.24	258.90	5,134.67	-106.38	-542.15	552.48	0.00	0.00	0.00	
5,300.00	14.24	258.90	5,231.60	-111.12	-566.29	577.08	0.00	0.00	0.00	
5,400.00	14.24	258.90	5,328.52	-115.86	-590.43	601.68	0.00	0.00	0.00	
La Sal										
5,499.53	14.24	258.90	5,425.00	-120.57	-614.46	626.17	0.00	0.00	0.00	
5,500.00	14.24	258.90	5,425.45	-120.59	-614.57	626.29	0.00	0.00	0.00	
5,600.00	14.24	258.90	5,522.38	-125.33	-638.71	650.89	0.00	0.00	0.00	
5,700.00	14.24	258.90	5,619.31	-130.06	-662.85	675.49	0.00	0.00	0.00	
5,800.00	14.24	258.90	5,716.23	-134.80	-686.99	700.09	0.00	0.00	0.00	
La Sal Sand										
5,846.19	14.24	258.90	5,761.00	-136.99	-698.14	711.45	0.00	0.00	0.00	
5,900.00	14.24	258.90	5,813.16	-139.54	-711.13	724.69	0.00	0.00	0.00	
Hatch										
5,922.53	14.24	258.90	5,835.00	-140.60	-716.57	730.23	0.00	0.00	0.00	
6,000.00	14.24	258.90	5,910.09	-144.27	-735.27	749.29	0.00	0.00	0.00	
6,100.00	14.24	258.90	6,007.01	-149.01	-759.41	773.89	0.00	0.00	0.00	
6,200.00	14.24	258.90	6,103.94	-153.75	-783.55	798.49	0.00	0.00	0.00	
Ismay										
6,261.96	14.24	258.90	6,164.00	-156.68	-798.51	813.73	0.00	0.00	0.00	
6,300.00	14.24	258.90	6,200.87	-158.48	-807.69	823.09	0.00	0.00	0.00	
6,400.00	14.24	258.90	6,297.79	-163.22	-831.83	847.69	0.00	0.00	0.00	
Hovenweep Shale										
6,432.20	14.24	258.90	6,329.00	-164.74	-839.61	855.61	0.00	0.00	0.00	
6,500.00	14.24	258.90	6,394.72	-167.95	-855.97	872.29	0.00	0.00	0.00	
6,600.00	14.24	258.90	6,491.65	-172.69	-880.11	896.89	0.00	0.00	0.00	
TD at 6645.76										
6,645.76	14.24	258.90	6,536.00	-174.86	-891.16	908.15	0.00	0.00	0.00	

Archer
Planning Report

Archer

Database:	EDMDBBW	Local Co-ordinate Reference:	Site Sec.26-T29S-R24E NAD27
Company:	CCI Paradox Upstream LLC/New Tech Global	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Project:	San Juan Co., Utah (NAD 27)	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	North Reference:	Grid
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #4		

Design Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
- Shape									
MM Federal 26-23-29-24	0.00	0.00	6,536.00	-174.86	-891.16	585,394.440	2,647,245.117	38° 15' 10.598 N	109° 14' 45.377 W
- plan hits target center									
- Point									

Casing Points					
Measured Depth	Vertical Depth	Name	Casing Diameter	Hole Diameter	
(usft)	(usft)		(")	(")	
2,500.00	2,500.00	9 5/8" Csg.	9-5/8	12-1/4	
6,645.76	6,536.00	5 1/2"	5-1/2	8-3/4	

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(usft)	(usft)			(°)	(°)	
20.00	20.00	Burro Canyon		0.00		
250.00	250.00	Morrison		0.00		
944.00	944.00	Entrada		0.00		
1,207.00	1,207.00	Navajo		0.00		
1,744.00	1,744.00	Kayenta		0.00		
1,960.00	1,960.00	Wingate		0.00		
2,267.00	2,267.00	Chinle		0.00		
2,575.00	2,575.00	Cutler		0.00		
4,094.35	4,063.00	Honaker Trail		0.00		
5,499.53	5,425.00	La Sal		0.00		
5,846.19	5,761.00	La Sal Sand		0.00		
5,922.53	5,835.00	Hatch		0.00		
6,261.96	6,164.00	Ismay		0.00		
6,432.20	6,329.00	Hovenweep Shale		0.00		

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates		Comment	
(usft)	(usft)	+N/-S	+E/-W		
		(usft)	(usft)		
2,600.00	2,600.00	-0.02	0.00	Start DLS 2.00 TFO 258.90	
3,312.07	3,304.76	-16.97	-86.39	Start 3333.69 hold at 3312.07 MD	
6,645.76	6,536.00	-174.86	-891.16	TD at 6645.76	



SIMPLE CHECK OF CASING DESIGN SAFETY FACTORS (NO TRIAXIAL STRESS, NO BOUYANCY, ECT.)

DATE: 4/9/2013

Well Name: Middle Mesa Fed 26-23-29-24 Operator: CCI Paradox Upstream LLC

Location: SHL: 2157' FNL & 2036' FEL
 Sec 26, T29S, R24E, Salt Lake P.M.
 San Juan County, Utah

Surface Casing	Size	Weight	Grade	Connection
9 5/8", 36#, J55, LTC	9 5/8"	36.00	J55	LTC

INPUTS

Top of Surface Casing:	0'	MD(KB)	
Surface Casing Set At:	2,500'	MD(KB)	
Previous Casing Shoe:		MD(KB)	
TD of Next Hole Section:	6,646'	MD(KB)	
Surface Casing run in this Mud Weight:	8.8	ppg @ ' MD(KB)	
MW At TD of Next Hole Section :	9.2	ppg @ 6,646' MD(KB) =	0.48 psi/ft
Mud Gradient At Next TD w/ 9.2 ppg mud:	0.48	psi/ft	
Assumed Pore Pressure Gradient At Next TD:	0.10	psi/ft	(Use: 0.10 psi/ft for TD's < 12,000', 0.15 psi/ft for TD's > 12,000')

CASING

9 5/8", 36#, J55, LTC

100% STRENGTHS

COLLAPSE	BURST	TENSION	BODY YIELD	ID	DRIFT	WALL
2,020 psi	3,520 psi	453 Mlbs	564 Mlbs	8.921"	8.765"	0.352"

DESIGN SAFETY FACTORS

COLLAPSE:	1.125
BURST:	1.000
TENSION:	1.800

CALCULATED SAFETY FACTORS

COLLAPSE:	1.766	COLLAPSE OK
BURST:	1.400	BURST OK
TENSION:	5.033	TENSION OK

CALCULATED SAFETY FACTORS

COLLAPSE CALCULATION:

ASSUMES:

- Surface Casing Consists Of A Single Size, Weight, and Grade Of Casing. No Mixed Weights/Grades.
- Total Evacuation Inside Of Surface Casing From Surface To TD
- Nothing Inside of the Surface Casing (Hydrostatic Head = 0 psi)
- Full Mud Column Of 8.8 ppg Mud In The Annulus Outside Of The Surface Casing (0' - 2,500')

Mud Weight Outside Of Surface Casing	8.8	ppg
Mud Column Outside Of Surface Casing (0' - 2,500')	2,500'	
Hydrostatic Pressure Outside Of Surface Casing	1,144	psi
9 5/8", 36#, J55, LTC Collapse Resistance	2,020	psi
Calculated Design Factor = 2,020 psi / 1,144 psi	1.766	
Design Safety Factor	1.125	

CALC'D COLLAPSE SAFETY FACTOR IS GREATER THAN DESIGN SAFETY FACTOR. DESIGN IS ACCEPTABLE.



BURST CALCULATION:

ASSUMES:

- Surface Casing Consists Of A Single Size, Weight, and Grade Of Casing. No Mixed Weights/Grades.
- No Mud Hydrostatic Head Outside Of Surface Casing From Surface To TD
- 100% Mud Evacuation Inside of the Surface Casing w/ Full Gas Column Of 0.10 psi/ft, From Next Section TD = 6,646'
- No Additional Pressure Imposed At Surface (Surface Pressure = 0 psi)

Hydrostatic Head Outside Of Surface Casing	0	psi
Gas Gradient Inside Of Surface Casing (0' - 6,646')	0.10	psi/ft
Hydrostatic Pressure Inside Of Surface Casing	665	psi
Formation Pressure At TD = 6,646' w/ Gradient of 0.48 psi/ft	3,179	psi
Burst Pressure Imposed At Surface	2,515	psi
Surface Casing Burst Resistance	3,520	psi
Calculated Design Factor = 3,520 psi / 2,515 psi	1.400	
Design Safety Factor	1.000	

CALC'D BURST SAFETY FACTOR IS GREATER THAN DESIGN SAFETY FACTOR. DESIGN IS ACCEPTABLE.

TENSION CALCULATION:

ASSUMES:

- Surface Casing Consists Of A Single Size, Weight, and Grade Of Casing. No Mixed Weights/Grades.
- Total Evacuation Inside Of COLLAPSE CALCULATION: From Surface To TD
- Nothing Inside of the COLLAPSE CALCULATION: (Hydrostatic Head = 0 psi)
- Full Mud Column Of .0 ppg Mud In The Annulus Outside Of The COLLAPSE CALCULATION: (0' - ')

Surface Casing Set At	2,500'	MD(KB)
Weight Of 2,500' of 9%", 36#, J55, LTC, In Air	90,000	lbs
Tensional Streghth Of 9%", 36#, J55, LTC	453,000	lbs
Calculated Design Factor = 453,000 lbs / 90,000 lbs	5.033	
Design Safety Factor	1.800	

CALC'D TENSION SAFETY FACTOR IS GREATER THAN DESIGN SAFETY FACTOR. DESIGN IS ACCEPTABLE.



SIMPLE CHECK OF CASING DESIGN SAFETY FACTORS (NO TRIAXIAL STRESS, NO BOUANCY, ECT.)

DATE: 4/9/2013

Well Name: Middle Mesa Fed 26-23-29-24 Operator: CCI Paradox Upstream LLC

Location: SHL: 2157' FNL & 2036' FEL
 Sec 26, T29S, R24E, Salt Lake P.M.
 San Juan County, Utah

Production Casing	Size	Weight	Grade	Connection
5½", 17#, N80, LTC	5 1/2"	17.00	N80	LTC

INPUTS

Top of Production Casing: 0' MD(KB)
 Production Casing Set At: 6,646' MD(KB)
 Previous Casing Shoe: 2,500' MD(KB)
 TD of Next Hole Section: 6,646' MD(KB)

Production Casing run in this Mud Weight: 9.6 ppg @ 2,500' MD(KB)
 MW At TD of Next Hole Section : 9.6 ppg @ 6,646' MD(KB) = 0.50 psi/ft

Mud Gradient At Next TD w/ 9.6 ppg mud: 0.50 psi/ft
 Assumed Pore Pressure Gradient At Next TD: 0.10 psi/ft (Use: 0.10 psi/ft for TD's < 12,000', 0.15 psi/ft for TD's > 12,000')

CASING

5½", 17#, N80, LTC

100% STRENGTHS

COLLAPSE	BURST	TENSION	BODY YIELD	ID	DRIFT	WALL
6,280 psi	7,740 psi	348 Mlbs	397 Mlbs	4.892"	4.767"	0.304"

DESIGN SAFETY FACTORS	CALCULATED SAFETY FACTORS
COLLAPSE: 1.125	COLLAPSE: 1.893 COLLAPSE OK
BURST: 1.000	BURST: 2.917 BURST OK
TENSION: 1.800	TENSION: 3.080 TENSION OK

CALCULATED SAFETY FACTORS

COLLAPSE CALCULATION:

ASSUMES:

- Production Casing Consists Of A Single Size, Weight, and Grade Of Casing. No Mixed Weights/Grades.
- Total Evacuation Inside Of Production Casing From Surface To TD
- Nothing Inside of the Production Casing (Hydrostatic Head = 0 psi)
- Full Mud Column Of 9.6 ppg Mud In The Annulus Outside Of The Production Casing (0' - 6,646')

Mud Weight Outside Of Production Casing	9.6	ppg
Mud Column Outside Of Production Casing (0' - 6,646')	6,646'	
Hydrostatic Pressure Outside Of Production Casing	3,318	psi
5½", 17#, N80, LTC Collapse Resistance	6,280	psi
Calculated Design Factor = 6,280 psi / 3,318 psi	1.893	
Design Safety Factor	1.125	

CALC'D COLLAPSE SAFETY FACTOR IS GREATER THAN DESIGN SAFETY FACTOR. DESIGN IS ACCEPTABLE.

**BURST CALCULATION:**

ASSUMES:

- Production Casing Consists Of A Single Size, Weight, and Grade Of Casing. No Mixed Weights/Grades.
- No Mud Hydrostatic Head Outside Of Production Casing From Surface To TD
- 100% Mud Evacuation Inside of the Production Casing w/ Full Gas Column Of 0.10 psi/ft, From Next Section TD = 6,646'
- No Additional Pressure Imposed At Surface (Surface Pressure = 0 psi)

Hydrostatic Head Outside Of Production Casing	0	psi
Gas Gradient Inside Of Production Casing (0' - 6,646')	0.10	psi/ft
Hydrostatic Pressure Inside Of Production Casing	665	psi
Formation Pressure At TD = 6,646' w/ Gradient of 0.50 psi/ft	3,318	psi
Burst Pressure Imposed At Surface	2,653	psi
Production Casing Burst Resistance	7,740	psi
Calculated Design Factor = 7,740 psi / 2,653 psi	2.917	
Design Safety Factor	1.000	

CALC'D BURST SAFETY FACTOR IS GREATER THAN DESIGN SAFETY FACTOR. DESIGN IS ACCEPTABLE.

TENSION CALCULATION:

ASSUMES:

- Production Casing Consists Of A Single Size, Weight, and Grade Of Casing. No Mixed Weights/Grades.
- Total Evacuation Inside Of COLLAPSE CALCULATION: From Surface To TD
- Nothing Inside of the COLLAPSE CALCULATION: (Hydrostatic Head = 0 psi)
- Full Mud Column Of .0 ppg Mud In The Annulus Outside Of The COLLAPSE CALCULATION: (0' - ')

Production Casing Set At	6,646'	MD(KB)
Weight Of 6,646' of 5½", 17#, N80, LTC, In Air	112,982	lbs
Tensional Strength Of 5½", 17#, N80, LTC	348,000	lbs
Calculated Design Factor = 348,000 lbs / 112,982 lbs	3.080	
Design Safety Factor	1.800	

CALC'D TENSION SAFETY FACTOR IS GREATER THAN DESIGN SAFETY FACTOR. DESIGN IS ACCEPTABLE.

CEMENT PRODUCT DESCRIPTIONS USED IN THE CEMENT SLURRY

Bentonite

Commonly called gel, it is a clay material used as a cement extender and to control excessive free water.

CD-32

A patented, free-flowing, water soluble polymer that is an efficient and effective dispersant for primary and remedial cementing.

CSE-2

An additive which contributes to low density, high compressive strength development of cement slurries at all temperature ranges. This material also controls free water without the need for standard extenders.

Calcium Chloride

A powdered, flaked or pelletized material used to decrease thickening time and increase the rate of strength development.

Cello Flake

Graded (3/8 to 3/4 inch) cellophane flakes used as a lost circulation material.

Class G Cement

Intended for use as a basic cement from surface to 8000 ft. as manufactured, or can be used with accelerators and retarders to cover a wide range of well depths and temperatures.

FL-52A

A water soluble, high molecular weight fluid loss additive used in medium to low density slurries. It is functional from low to high temperature ranges.

LCM-1

A graded (8 to 60 mesh) naturally occurring hydrocarbon, asphaltite. It is used as a lost circulation material at low to moderate temperatures and will act as a slurry extender. Cement compressive strength is reduced.

Mud Clean II

A water-base mud wash designed for use ahead of cement slurries to aid in mud and drilling debris removal and to prevent contamination of the cement slurry. It should be used only when water-base mud is used.

Premium Lite FM

P397

Premium Lite High Strength FM

P397

Potassium Chloride

At low concentrations, it is used as an accelerator for cement slurries. At high concentrations, it is used for formation compatibility, Potash Ash .

Sodium Metasilicate

An accelerator used to decrease the thickening time of cement slurries.

Sodium Metasilicate

An extender used to produce economical, low density cement slurry.

Type III Cement

P044

General guidelines BOP Control Driller's Method

GENERAL:

Use a float sub on all wells. A Baker FC type of float sub will be sufficient.

Check that TIW valve, in open position, is on rig floor and available for immediate use.

Test BOP's after running each string of casing. Work BOP's after running each string of casing. Work BOP's and flush choke lines on every trip.

Inspect measure and caliper all subsurface tools prior to running in hole.

When necessary to work pipe in open hole, rotate and reciprocate as possible.

Hold BOP drills for crews, and record on IADC-API report.

Inspect BHA every 300 hours when applicable.

1. SHUT-IN PROCEDURES WHILE DRILLING

1. Pick up the Kelley to clear the lower Kelley cock valve above rotary.
2. Close annular BOP (hydraulic choke should already be closed).
3. Adjust annulus pressure to allow pipe to be worked slowly.
4. Record SI pressures and Kick size.
5. Check for Leaks and check for actual mud weight in pits.
6. Lie up annulus to closed choke.
7. **Kill the well using the driller's method.**

NOTE: Drill with adjustable hydraulic choke open and HCR valve closed.

2. SHUT-IN PROCEDURE WHILE TRIPPING

1. Install full open safety valve in the opened position, close the valve.
2. Open the choke line valve (HCR valve) on the stack.
3. Close designated BOP.
4. Notify company personnel.
5. Pick up and install Kelly or circulating swedge, open full open safety valve. If no float is in use, make sure surface equipment is full before opening safety valve.
6. Read and record SITP, SICP each minute.

NOTE: When tripping, or if the Kelley is off, it is important to close in the drill pipe before shutting the annular preventor or rams to keep the mud from back flowing. If the Annulus is shut-in before the drill pipe, the backflow up to the drill pipe could be so strong that it would be impossible to stab the safety valve or Kelley.

3. WELL CONTROL DRILLS

Tool pusher should initiate unscheduled drills at least four times a week for each crew, making sure each crew member knows it is only a drill and thoroughly knows his responsibilities and work stations. This will eliminate confusion if a kick occurs. Initiate by lifting a pit level device float, or equivalent.

One long blast on air horn for actual or simulated well control drills.

A well control plan shall be prepared for each rig outlining the assignment of each crewmember. The total time for the crew to complete the entire well control assignment shall be measured and recorded on the Driller's Log as "Well Control Drill". Well control drills will be developed to cover on-bottom drilling and tripping.

RIG CREW ASSIGNMENT (ON-BOTTOM DRILLING)

DRILLER'S ASSIGNMENT:

1. Sound the alarm immediately when mud volume increase is detected.
2. Stop rotary and hoist Kelley above rotary table.
3. Stop circulation.
4. Make sure choke is closed.
5. Open hydraulic and/or manual valve to manifold.
6. Close either Annular preventor or pipe rams.
7. Record pipe shut-in pressure.
8. Record casing shut-in pressure.
9. Record pit volume increase.
10. Complete pressure control worksheet.
11. Determine course of action (if tool pusher is not available).

DERRICKMAN ASSIGNMENT:

1. Measure pit gain and mark new level in each pit.
2. Estimate volume remaining in pits.
3. Weigh mud in suction pit.
4. Report to the driller with fluid volumes and mud weight.

NUMBER ONE ROTARY HELPER ASSIGNMENT:

1. Open choke line valves (if closed).
2. Open manifold valve (if manual).
3. Stop all welding operations.

4. Turn off derrick lights, floor lights, pipe rack lights, and substructure lights (unless dark).
5. Report to driller.

MOTORMAN ASSIGNMENT:

1. Make sure all escape routes are clear.
2. Notify all service personnel.
3. Remove any unnecessary vehicles away from the vicinity of well bore.
4. Report to driller.

TOOLPUSHER ASSIGNMENT:

1. Report to floor.
2. Have meeting with all crewmembers.
3. Compile and summarize all information.
4. Complete pressure control worksheet with driller.
5. See that proper well procedures are put into action.

RIG CREW ASSIGNMENT (WHILE TRIPPING)

Initiate the drill by lifting a pit level device float, or equivalent.
One long blast on air horn for actual or simulated well control drills.

DRILLER'S ASSIGNMENTS:

1. Sound the alarm immediately when mud volume increase is detected.
2. Position the upper tool joint just above the rotary table and set slips.
3. Install safety valve; close safety valve.
4. Make sure choke is closed.
5. Open hydraulic and/or manual valve to manifold.
6. Close PIPE RAMS (unless collars are in BOP).
7. Record shut-in casing pressure.
8. Record estimated volume increase.
9. Determine course of action (if tool pusher is not available).

DERRICKMAN ASSIGNMENT:

1. Remain in derrick and be prepared to go back into hole.

NUMBER ONE ROTARY HELPER ASSIGNMENT:

1. Pick up full opening safety valve and stab into tool joint above rotary table (with No. 2 helper).
2. Tighten valve with make-up tongs.
3. Close safety valve.
4. Pick up and install inside BOP (with No. 2 helper)
5. Open safety valve.
6. Open choke line valves (if closed).
7. Open manifold valve (if manual).
8. Check all valves on choke manifold and BOP stack for leaks.
9. Check flow line and choke exhaust lines for flow.
10. Read accumulator pressure.
11. Report to driller.

NUMBER TWO ROTARY HELPER ASSIGNMENT:

1. Pick up full opening safety valve and stab in to tool joint above rotary table (with No. 1 helper)
2. Position back-up tongs on drill pipe.
3. Tighten valve with tongs.
4. Pick up and install inside BOP (with No. 1 helper)
5. Notify the tool pusher and operator representative (if present).
6. Check for open fires and extinguish.
7. Stop all welding operations.
8. Report to driller.

MOTORMAN ASSIGNMENT:

1. Make sure all escape routes are clear.
2. Notify all service personnel.
3. Remove any unnecessary vehicles away from the vicinity of the well bore.
4. Report to driller.

TOOLPUSHER ASSIGNMENT:

1. Report to floor.
2. Have meeting with all crew members
3. Compile and summarize all information.
4. See that proper stripping procedures are put into action.

CCI Paradox Upstream LLC
 Middle Mesa Fed 26-23-29-24
 SWNE Section 26, T29S-R24E
 San Juan County, Utah

Lease No. UTU-77538

12-POINT SURFACE USE PLAN OF OPERATIONS

The Middle Mesa Fed 26-23-29-24 is to be drilled by CCI Paradox Upstream LLC (CCI) from a new location in San Juan County, Utah. All road, well pad, and pipeline construction and operation will take place on lease # UTU-77538. All operations connected with construction, drilling, completion, and production will conform to applicable federal, state, and local regulations, including all Onshore Orders. Construction and maintenance operations will be performed in consideration of best management practices (BMPs) provided in the Bureau of Land Management's (BLM) Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development, 4th Edition (Gold Book, 2007).

The onsite inspection for the subject location was conducted on September 30, 2008. In attendance at the onsite inspection were the following individuals:

Name	Position	Organization
Richard Bullen	Surveyor	D.R. Griffin & Assoc., Inc.
Carol DeFrancia	Archeologist	4-Corners Archeological Svs.
Theresa Garcia	EH&S Technician	EnCana (currently CCI)
Ben Kniola	NRS	BLM
Dan Morby	Surveyor	D.R. Griffin & Assoc., Inc.
Pam Riddle	Wildlife Biologist	BLM
Joe Tuomey	Archeologist	BLM
Danny White	Lease Operator	EnCana (currently CCI)

The Middle Mesa Fed 26-23-29-24 location, originally proposed by EnCana Oil & Gas Inc., was previously evaluated and approved in the Middle Mesa Wells Environmental Assessment (DOI-BLM-UT-060-2009-0033-EA, Decision Record signed 1/5/2010). Subsequently, the Middle Mesa 26-23-29-24 APD was approved 1/6/2010. This location was set to expire prior to when CCI planned to drill this location, and thus, the approved APD was rescinded and an APD resubmitted to the BLM.

1. EXISTING ROADS

- A. The proposed well site is located approximately 4.0 miles south of the town of La Sal in San Juan County, Utah.
- B. The location can be reached by following the directions below.

From La Sal, travel State Highway 46 in a westerly direction for 2.6 miles to its intersection with County Road 113. Then turn left and travel south on County Road 113 for 2.2 miles to its intersection with County Road 191 (East Coyote Wash Road). Then turn left and travel east, then southeasterly on County Road 191 for 3.55 miles to its intersection with the staked access road for the Middle Mesa 23-42-29-24 well. Then turn right and travel southwesterly on the staked

- access road for 0.1 mile to the staked access for the Middle Mesa Fed 26-23-29-24 location. Then continue southwesterly on the Middle Mesa Fed 26-23-29-24 staked access for 0.4 mile to the location.
- C. CCI will obtain any permits needed from the San Juan County Road Department before any construction activities commence. CCI will repair all damages to the County roads resulting from traffic associated with constructing, drilling, and producing the well.
 - D. CCI will improve or maintain existing roads in a condition that is the same as or better than before operations began. Upgraded roads will be maintained to the resource road standard during drilling, completion, and production operations, until final abandonment.
 - E. Access will not be blocked to roads that intersect with the main roads bring used to drill the Middle Mesa Fed 26-23-29-24.
 - F. Dust control measures will be implemented during construction and drilling operations during dry weather conditions by periodic application of water, surfactant, and/or road-surfacing material. CCI will obtain approval from the Authorized Office (AO) prior to using materials other than water.

2. NEW OR RECONSTRUCTED ACCESS ROADS

- A. All new, reconstructed, or upgraded roads will be located, designed, and maintained to meet the standards of the BLM during drilling, completion, and production operations. The new and reconstructed roads will conform to resource road standards specified in BLM Road Manual 9113, employing the minimum guidelines and BMPs contained the Gold book. Road designs have been based on the road safety requirements, traffic characteristics, environmental conditions, and the vehicles the road is intended to carry.
- B. For access roads, refer to Exhibit 6.
- C. There will be approximately 2050 feet of access road, of which, 1665 feet will be on existing two-track and 385 feet will be new disturbance.
- D. The new access will be constructed initially for drilling purposes to a maximum width of 25 feet. If production is established, the maximum total disturbed width will be 40 feet and the maximum travel surface width will be 25 feet.

Type of Road Construction	Length (feet)	Initial Disturbance (acres)	Residual Disturbance (acres)
Existing two-track road that will require upgrades	1665	1.5	1.0
New construction on undisturbed ground	385	0.4	0.2
Total access road length	2050	1.9	1.2

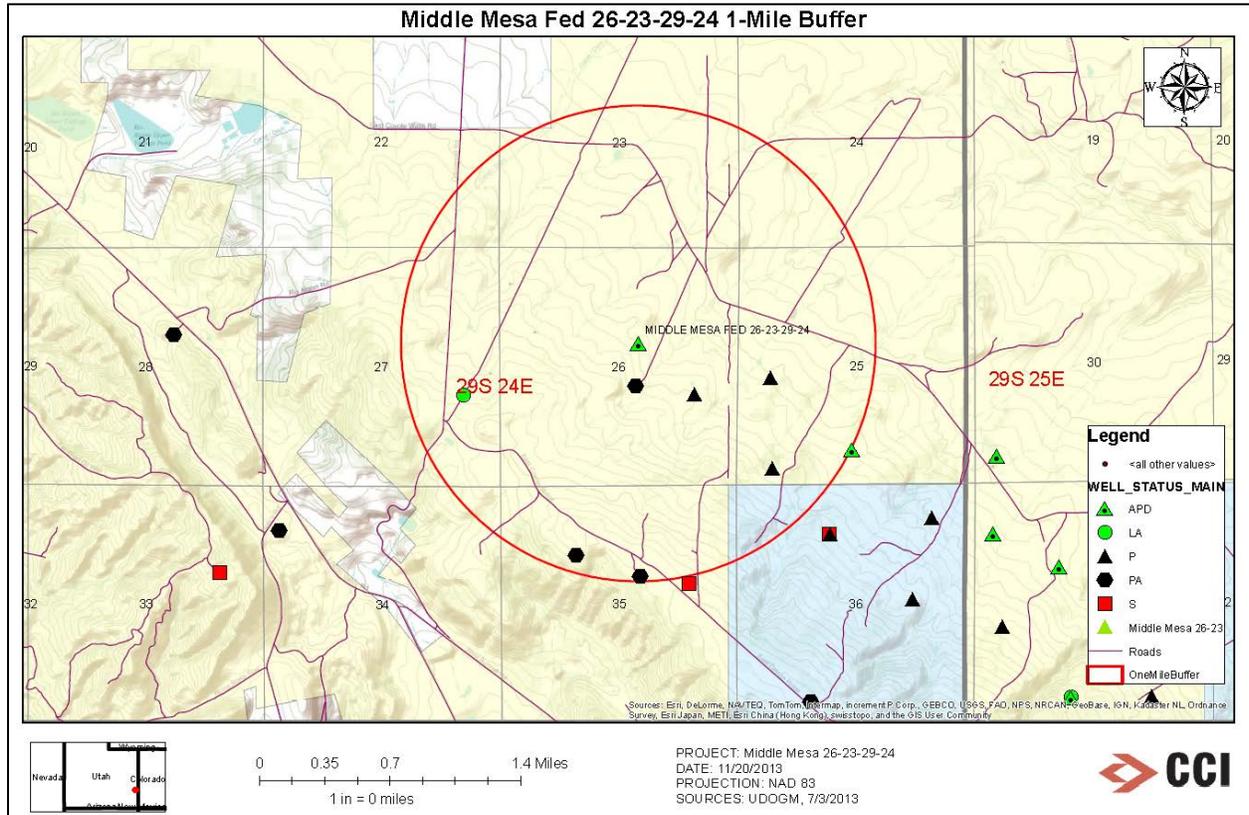
- E. The maximum grade of the new access road will be 2%.
- F. No turnouts will be necessary.
- G. All surface materials needed for construction will be procured from a commercial source, except those materials that will be generated during construction activities for this well (e.g., excess fill).
- H. The roads shall be maintained reasonably smooth, and free of ruts, soft spots, chuckholes, rocks, slides, and washboards. All weather surfacing will be required if the well becomes a producer. Road construction and maintenance will include, but is not limited to, blading, ditching, culvert maintenance, gravel surfacing where excessive rutting or erosion may occur and dust control, as necessary to ensure safe operating conditions. Salvaging and spreading topsoil will not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment. CCI will maintain the access road as necessary to prevent soil erosion, and accommodate year-round all-weather traffic. If blading the road for maintenance, the windrow that crosses another road will be removed.
- I. Culverts or low water crossings will be installed where deemed necessary by the dirt contractor.
- J. No fence cuts or cattle guards will be necessary unless specified by the BLM.
- K. A road and pipeline right-of-way will not be required from the BLM. Both the access road and pipeline will be entirely on Lease UTU-77538 and within the Middle Mesa Unit.
- L. All vehicular traffic, personnel movement, construction/restoration operations will be confined to the approved area, including the well pad and approved pipeline/access route. No pullouts or off-road parking will be allowed unless specifically approved by the AO. Creation of short-cuts by vehicles operated by CCI or its contractors on roads not approved as an access road in the APD will not be allowed. "Keep vehicles on road surface" signs will be installed to assist with compliance.
- M. The new access road will be signed "Administrative Use Only."
- N. No surface disturbing activities shall take place on the subject pipeline/access route until the associated APD is approved. CCI will adhere to the conditions of approval in the approved APD, relevant to access routes.
- O. A right-of-way shall be secured in the event of any boundary adjustments in the lease or unit to include that portion of the facility no longer contained within the lease or unit. In the event of a right-of-way grant, the prior on-lease/unit conditions of approval of the facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate, shall be calculated based on the conditions of this grant and the regulations in effect at the time of the boundary adjustment.
- P. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligations determined by the BLM.

- Q. Dust will be controlled on the access road and well pad as needed by periodic application of water, surfactant, and/or road-surfacing material. CCI will obtain approval from the AO prior to using materials other than water.
- R. Snow removal and drainage ditch maintenance will be performed on an as-needed basis to accommodate safe travel and maintain functionality. Removed snow may be stored on the approved well pad and/or at the spatial extent of approved disturbance boundaries to facilitate snow removal for the remainder of the season. The access road will be kept free of trash during all operations.
- S. If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If this time frame cannot be met, the AO will be notified so that temporary drainage control can be installed along the access road. If upgraded, the access road must be maintained at these standards until the well is properly abandoned.
- T. All brush, limbs, and other woody material will be stockpiled separately from the topsoil along the roadway, or near the well pad. The upper six inches of topsoil will be stockpiled near the well pad for future reclamation. If the soil stockpile is not used within six months it will be seeded to ensure topsoil integrity and prevent erosion.
- U. Impacts from new road and well pad construction would be minimized by appropriate drainage control (i.e., water bars, low water crossings in ephemeral drainages, etc.). Gold Book BMPs, erosion control measures received as direction from the AO, and procedures detailed in CCI's Master Stormwater Management Plan, Paradox Basin (2010), will be followed in the construction and operation of the access road, well pad, and pipeline. The Master Stormwater Management Plan is incorporated as part of this APD in its entirety and is attached. Erosion control measures will be implemented to reduce sediment laden run-off and accelerated erosion from unstable soils resulting from construction or reclamation activities. Erosion control may include water bars, lateral furrows, wing ditches, or other appropriate measures. Borrow ditches will be backsloped 3:1 or less. Drainage control features will be constructed or installed prior to commencing other operations, including drilling operations or facilities placement, and will be maintained until adequate vegetation is established to stabilize the soil surface.
- V. All heavy equipment will be pressure washed at an offsite location prior to entering the project area. This is a preventative measure for reducing noxious weed infestation and pertains to heavy equipment such as motor graders, bulldozers, backhoes, etc. Pickup trucks and passenger vehicles will not be pressure washed prior to entering the project area.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS

- A. See below illustration of the following:
 - i. Water Wells – 0 (Source: Utah Division of Water Rights, 11/20/2013)
 - ii. Injection or Disposal Wells – 0
 - iii. Location Abandoned – 1

- iv. Producing Wells – 3
- v. Proposed Wells – 2
- vi. Shut-in Wells – 0
- vii. Plugged and Abandoned Wells – 3



4. LOCATION OF PRODUCTION FACILITIES

- A. If the well is productive, all production facilities will be located on the well pad. The proposed facilities to be located on the well pad will be a typical tank battery, which includes a separator, meter run, two to three 400 barrel tanks, one 500 gallon tank, a methanol pump a gas production unit, and if needed, a heater treater.
- B. If a tank battery is constructed on the well pad, it will be surrounded by a berm of sufficient capacity to contain 110 percent of the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7 and Onshore Oil and Gas Order No. 4.
- C. A berm will be constructed to surround production vessels, including production fluid storage tanks and the separator. Secondary containment trays will also be installed for all chemical containers and will be promptly emptied of spills or precipitation. Trays will be equipped with protection devices to prevent animals

from gaining access to contents. All chemical containers will be properly labeled and Material Safety Data Sheets placed at the containers.

- D. The oil and gas measurement facilities will be installed on the well location. The gas flowline will be buried from the wellhead to the meter and downstream until it leaves the pad. Meter runs will be housed. Oil and gas meters will be calibrated prior to first sales and quarterly thereafter. A copy of the meter calibration reports will be submitted to the BLM Moab Field Office. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7, Onshore Oil and Gas Order No. 5 and the American Gas Association (AGA) Report No. 3
- E. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM Moab Field Office.
- F. The proposed gas gathering line will be buried from the well head to the battery site, and then buried along the access route to the tie-in point at County Road 119. The total length of the pipeline is approximately 1945 feet on BLM surface. See Exhibit 5.
- G. All product lines entering and leaving hydrocarbon storage tanks will be sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- H. The tallest structure will be no greater than 20 feet in height.
- I. Open stacks/vents shall be appropriately screened to prevent entry by birds.
- J. Venting or flaring of gas will be done in accordance with Notice of Lessees (NTL) 4A after receipt of approval from the AO.
- K. All undesirable events (fires, accidents, blowouts, spills, discharges) will be reported to the AO according to NTL-3A. Major events will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production (43 CFR 3160-6).
- L. All site security guidelines identified in 43 SFR 3162.7-5 and specified in Onshore Oil and Gas Order No. 3 shall be adhered to.
- M. All above ground permanent structures (onsite for six months or longer) will be painted Pantone Supplemental Environmental Color Covert Green, or as specified by the AO, to blend with the surrounding landscape. Facilities required for compliance with Occupation Health and Safety Act (OSHA) will be excluded from this painting requirement.

5. LOCATION AND TYPES OF WATER SUPPLY

- A. The source water for drilling purposes will be obtained from either Redd-Agra (Lat: 38.30946°N, 109.24696°W, NAD 83) or the Lisbon Gas Plant (Lat: 38.160833, Lon: 109.277780) under existing permits.
- B. Water used for completion purposes will be obtained from Reams Construction from Naturita, Colorado (Lat: 38.21895°N, Lon: 108.54380°W or Lat: 38.22653°N, Lon: 108.50467°W, NAD 83) under existing permits. CCI will notify the AO if a source other than those identified in this SUPO may need to be used. Water will be transported by truck over roads shown on Exhibit 7.

- C. Approximately 2,000 barrels of fresh water will be used for drilling operations and 1,500 barrels for completion operations, or 3,500 barrels in total.

6. CONSTRUCTION MATERIALS

- A. Construction operations will be completed with native materials found on location. Access road and well pad surfacing materials will be obtained from available permitted sources and consist of pit gravel.
- B. All-weather gravel surfacing will be distributed on the well pad surface used by vehicles and, if necessary, the area of the well pad on which the production equipment will be installed.
- C. No gravel or other related minerals from new or existing pits on Federal land will be used in the construction of roads, well pads, etc. without prior approval from the BLM.
- D. All soil and gravel brought in from off site for road or pad construction will come from a pit free of invasive, non-native species.
- E. The use of material under BLM jurisdiction will conform to 43 CFR 3610.2-3.

7. METHODS FOR HANDLING WASTE

- A. All Federal and State laws would be followed regarding use, storage and disposal of hazardous materials and solid wastes.
- B. A closed loop drilling system will be used. A solids pile will be constructed on the southwest side of the well pad to temporarily store drill cuttings. It will be surrounded on all sides by a 2-foot berm to provide total containment (see Exhibit 2, pages 1 and 2). When drilling operations are complete, the cuttings will be tested for suitability for use in interim reclamation operations. If determined to be unsuitable, the cuttings will be transported by truck to an approved disposal facility.
- C. Natural gas from completion/testing operations will be flared from a stack located on the west corner of the well pad, located a minimum of 100 feet from the wellbore.
- D. Fluids produced during drilling, completion, and testing operations will be placed in test tanks on the well pad. Disposal of produced fluids will be done in accordance with Onshore Oil and Gas Order No. 7. CCI will not dispose of produced water unless and until approval is obtained from the BLM AO. All produced water will be disposed of using an acceptable method approved by the AO. No produced water or other fluids will be disposed on the well pad or roads.
- E. Slash would be utilized to help reclaim the site; however if disposal of slash is required, acceptable disposal actions include the chipping of materials on site with dispersal along the road or pad edge. Otherwise, materials will be hauled with BLM pre-approval. Piled vegetation for hauling will be located adjacent to and accessible by road and will not be within 15 feet of standing live trees.
- F. Sewage disposal will be in accordance with state and local Regulations. Sewage may not be buried on location or put in a borehole. Utah Department of Health (UDH) Regulations prevent this unless a UDH Permit is obtained. Chemical porta-toilets will be furnished and their contents hauled to an approved disposal site.

- G. Garbage will be collected in a portable trash cage. The trash cage will be self-contained and fully-enclosed with small mesh wire to prevent wind scattering and wildlife entry. Upon drilling/completion operations, the accumulated trash will be disposed of at an approved disposal site. At no time will trash will be burned on location or placed in bore holes.
- H. Upon release of the drilling rig, rathole and mousehole will be filled. Debris and equipment not required for production will be removed.

8. ANCILLARY FACILITIES

- A. Ancillary facilities are not planned for this well.

9. WELL SITE LAYOUT

- A. The well pad would be newly constructed using native materials to an approximate size of 4.1 acres, including the area needed for cut, fill, excess material storage, topsoil storage, and stormwater management (see Exhibit 2, page 1).
- B. The well pad is sized to accommodate the drill rig and associated equipment and supplies, and permit safe drilling and completion operations (see Exhibit 2, page 2).
- C. A maximum 8.6 foot cut and 10.5 foot fill (approximate) will be required to construct the well pad (see Exhibit 2, page 1).
- D. Topsoil will be stripped to a minimum depth of 6 inches or to the depth of all growth medium above sub-soils. Topsoil storage will take the form of a perimeter berm and will be seeded to maintain viability. Approximately 6 inches of topsoil, or the amount available, will be stockpiled separate from excess materials. The distinct stockpiles will be clearly separated. Slash will be placed adjacent to the topsoil pile. Trees cleared from the well site will be reserved within the maximum disturbed area for use during interim and final reclamation.
- E. Impacts from new well construction would be minimized by appropriate drainage control (i.e., water bars, low water crossings in ephemeral drainages, etc.).
- F. Sediment traps will be constructed from residual construction. Sediment traps will be inspected to ensure that their integrity is maintained and will be cleaned out as needed to retain functionality.
- G. A berm will be constructed to surround a solids pile (drill cuttings) located on the southwest side of the well pad.
- H. The BLM will be contacted prior to construction of production facilities. See Exhibit 2, page 3 showing the anticipated production facilities layout.
- I. Prior to rigging up, a one-foot high berm will be constructed around the perimeter of the well pad to contain all storm events/spills from going downstream of the well pad. The need for the berm will be reassessed upon completion of the well and after production is established.
- J. The closed loop mud system is shown on Exhibit 2, page 2.
- K. One-to-three trailers may be required on location during drilling operations, for use by the drilling crew. The trailers will be placed adjacent to the drilling rig at a safe

minimum distance from all operational equipment and will be removed if the well is put on production. No permanent living facilities are planned.

- L. CCI will install a sign or marker at the entrance of the well pad with the name of the operator, lease serial number, well number, and legal location of the well.

10. PLANS FOR SURFACE RECLAMATION

- B. The goal of interim and final reclamation is to achieve, to the extent possible, final reclamation standards, including the development of a self-sustaining, vigorous native and/or desirable vegetation community with a density sufficient to provide a stable soil surface and inhibit the growth of noxious and/or invasive species. Reclamation operations will be designed to return the disturbed area to productive use and meet the resource objectives of the land.
- C. Surface reclamation will be conducted in two phases: interim and final. Interim reclamation will be performed following well completion and extends through the period of production. Interim reclamation will be performed on disturbed areas not required for production operations. Final reclamation will be performed following plugging and abandoning the well. Reclamation operations in both phases may include, but is not limited to, the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, topsoil and/or excess material redistribution, seeding and weed control. Earthwork for interim and/or final reclamation will be completed within six months of well completion or abandonment, weather permitting.
- D. If any nocuous weeds are moved onto the location, an Integrated Pest Management Plan will be developed and need BLM approval prior to beginning any treatment program.
- E. The following seed mixture will be used for reclamation operations, unless modified by the AO:

Species	Pure Live Seed (PLS) lbs./acre
Indian ricegrass	4.0
Crested wheatgrass	4.0
Four-wing saltbush	4.0
Alfalfa	0.5
Total Seeding Rate	12.5 lbs./acre

F. Interim Reclamation

- i. Interim reclamation will reduce the size of the well pad to the minimum needed to conduct production operations (See Exhibit 2, page 3). It will be conducted on all areas of the new access road not required for vehicle travel and will include the area along the pipeline route.
- ii. If the well is put on production, the excess materials pile and the solids pile on the southwest side of the drill pad will be used, if suitable, to restore the portion of the well pad not needed for production operations to approximate original contours. The drainage ditch to the west side of the well pad will remain in place. The berms constructed for drilling operations will also remain in place;

however, a new berm will be constructed on the southeast side of the well pad after interim reclamation reduces the spatial extent of the well pad. Approximately 3.1 acres will be reclaimed during interim reclamation operations, leaving 1.0 acre in use for production operations. See Exhibit 2, page 3.

- iii. Procedurally, interim reclamation operations will be conducted in the following sequence:
 - a. Solids pile will be eliminated as stated in Section G – Methods for Handling Wastes.
 - b. The area not needed for production operations will be re-contoured utilizing excess material to achieve the original contour and grade or blend with the surrounding topography. Storm water management, re-vegetation requirements and visual resources shall be considered in re-contouring the site. Slopes will be reduced to 3:1 or shallower.
 - c. If necessary prior to spreading topsoil (limited top soil available), the seedbed will be prepared by ripping the rough grade to a depth of 18 - 24 inches on 12 - 24 inch spacing. The last pass will be ripped on the contour to promote water infiltration. No depressions will be left that would cause water to pool or pond.
 - d. All salvaged top soil will be spread and seeded, including cut/fill slopes and borrow ditches. If top soil remains in a stock pile after being spread over reclaimed areas, the topsoil pile will be seeded to promote soil viability. If the salvaged top soil volume is inadequate to cover the entire reclaimed area, it will be spread in the following priority: south slopes, west slopes, east slopes, north slopes, and shallow slopes.
 - e. Final seedbed preparation will depend on the condition of the soil surface and will include scarifying a crusted soil surface or roller packing an excessively loose soil surface.
 - f. Seeding will occur no more than 24 hours after final seedbed preparation. Seed will be certified weed free, minimum germination rate of 80 percent, and minimum purity of 90 percent. Seed may be drilled or broadcast. Seed drills will be operated on the contour. If seed is broadcast the seeding rate will be doubled and the seed covered with some type of drag. Seed will be planted to the appropriate depth for the species, generally ¼ to ½ inch deep.
 - g. Trees cleared during site preparation and large rocks excavated during construction will be scattered across the interim reclamation area.
 - h. If noxious weeds become established along access roads, pipelines, or within the well pad disturbance, CCI will treat and control weeds with an approved herbicide. All control activities will be coordinated with the BLM prior to treatment.

G. Final Reclamation

- i. Final reclamation will be performed on areas disturbed for the access road and the well pad where interim reclamation does not meet the standards for final

reclamation. Procedurally, final reclamation operations will be conducted in the following sequence:

- a. All weather surfacing material on the well pad and access road will be removed.
- b. As appropriate, top soil will be salvaged and reserved for final reclamation.
- c. Re-contouring, spreading of salvaged top soil, seed bed preparation, seeding, and scattering trees (woody debris) will be conducted as described for interim reclamation section.
- d. Ripping of the rough grade, spreading salvaged top soil, seed bed preparation, seeding, erosion control, and scattering trees (woody debris) will be conducted as for interim reclamation.
- e. Slash would be utilized to help reclaim the site; however if disposal of slash is required, acceptable disposal actions include the chipping of materials on site with dispersal along the road or pad edge.
- f. If necessary or as directed by the AO, reclaimed areas will be protected from livestock grazing by installing fences according to Gold Book stands (page 18) for two years or until vegetation becomes firmly established.
- g. If noxious weeds become established within reclaimed areas, CCI will treat and control weeds with an approved herbicide. All control activities will be coordinated with the BLM prior to treatment.

H. Reclamation Monitoring and Assessment

- i. CCI will monitor interim and final reclamation efforts and document the results in a reclamation monitoring report to be submitted to the AO annually. The report will:
 - a. Document if reclamation objectives have been met or if objectives are likely to be met within a reasonable time.
 - b. Identify additional actions that may be required to meet reclamation objectives within a reasonable time.
 - c. Document the acreage for: initial disturbance, successful interim reclamation, and successful final reclamation.
- ii. Interim and final reclamation will be considered successful if all of the following criteria are met:
 - a. Seventy percent vegetative cover (basal for grasses; canopy for shrubs) of a comparable adjacent area.
 - b. Ninety percent of the vegetative cover consists of species included in the seed mix or native species of the area.
 - c. The vegetation established on the site provides erosion control where water naturally infiltrates into the soil, and gullyng, headcutting, slumping, and deep or excessive drilling is not observed (Gold Book, page 43).
- iii. If additional reclamation efforts are identified in the reclamation report, CCI will coordinate these efforts in advance with the AO.

11. SURFACE OWNERSHIP

- A. Well Site
 - i. Bureau of Land Management, Moab Field Office
82 East Dogwood
Moab, UT 84532
Phone: 435-259-2100
- B. Roads
 - i. All access roads are located or maintained by the State or County road departments or are on lands managed by the BLM.

12. OTHER INFORMATION

- A. A Class III archeological survey has been conducted by 4 Corners Archeological Services for the surface location, access road and pipeline corridor and was provided to BLM under separate cover.
- B. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the BLM Field Office. Within five working days, the BLM will inform the operator as to:
 - i. Whether the materials appear eligible for the National Register of Historic Places;
 - ii. The mitigation measures we will likely have to undertake before the site can be used (assuming the situ preservation is not necessary); and
 - iii. A time frame for the BLM to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.
- C. If the operator wishes, at the time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with the process, the BLM will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.
- D. Paleontological resources are not likely to be encountered for the Middle Mesa 26-23-29-24 pad and access/pipeline route, but could be discovered during construction. Because of this the operator shall, with contractors, go over procedures for stopping work and notify BLM if paleontological resources were found while working on the project, and notify the contractor of his responsibilities for informing employees/sub-contractors of the potential for prosecution if paleontological resources were disturbed.
- E. CCI would require that their personnel, contractors, and subcontractors to comply with federal regulations intended to protect archeological and cultural resources.

- F. Project personnel and contractors would be educated on and subject to the following requirements:
- i. No dogs or firearms within the Project Area.
 - ii. No littering within the Project Area.
 - iii. Smoking within the Project Area would only be allowed in off-operator active locations or in specifically designated smoking areas. All cigarette butts would be placed in appropriate containers and not thrown on the ground or out windows of vehicles; personnel and contractors would abide by all fire restriction orders.
 - iv. Campfires or uncontained fires of any kind would be prohibited.
 - v. Portable generators used in the Project Area would have spark arrestors.
- G. CCI will notify the BLM Moab Field Office AO and nearest U.S. Fish and Wildlife Service (USFWS) Law Enforcement office within 24 hours, if a dead or injured federally-protected species (i.e., migratory bird species, bald or golden eagle, or species listed by the USFWS as threatened or endangered under the Endangered Species Act of 1973) is discovered in or adjacent to a trench, tank, exhaust stack, or fence. If CCI is unable to contact the USFWS Law Enforcement office, the nearest USFWS Ecological Services office will be contacted.
- H. In order to protect nesting raptors, no road or well pad construction, drilling or well completion operations, or construction of production facilities will be authorized between March 1 and August 31. No permanent facilities or construction activities would be allowed that could cause permanent abandonment of established nest sites if facility or construction removed a nest or permanently interfered with nesting activity. Most raptors typically require a ½ mile buffer except burrowing owls which require a ¼ mile buffer to protect nest site and nest activity. Raptor surveys would be required during breeding and nesting season by a qualified biologist. Breeding season surveys must be updated each year prior to surface disturbing activities. The restriction would reduce potential impacts to other bird species when the young would be raised. The limitation does not apply to maintenance and operation of producing wells. The BLM may grant exceptions to this limitation and will be specified in writing by the BLM Moab Field Office.
- I. In order to protect mule deer on crucial winter range, no road or well pad construction, drilling or well completion, or construction of production facilities will be authorized between November 15 and April 15 to reduce potential impacts to mule deer. The restriction would not apply to the maintenance and operation of producing wells. The dates and provisions for producing wells would be consistent with the oil and gas stipulation for deer winter range in the Moab Field Office Resource Management Plan, 2008.
- J. All new and replacement internal combustion oil and gas field engines of less than or equal to 300 design-rated horsepower will not emit more than 2 grams of NO_x per horsepower-hour. This requirement does not apply to oil and gas field engines of less than or equal to 40 design-rated horsepower. All new and replacement internal combustion oil and gas field engines of greater than 300 design-rated horsepower will not emit more than 1.0 gram of NO_x per horsepower-hour.
- K. The BLM Moab Field Office will be contacted no earlier than 15 days and no later than three working days prior to commencement of construction activities.

L. "Sundry Notice and Report of Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

M. Company representatives

- i. Chrissy Schaffner – Regulatory Affairs
CCI Paradox Upstream LLC
600 17th Street, Suite 1900S
Denver, CO 80202
303-563-5378 (office)
303-906-1257 (mobile)
- ii. Danny White – Pumper
CCI Paradox Upstream LLC
741 County Road U29E
Redvale, CO 81431
970-864-4511 (office)
970-739-8894 (mobile)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: MIDDLE MESA
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: MIDDLE MESA FED 26-23-29-24
2. NAME OF OPERATOR: CCI PARADOX UPSTREAM, LLC	9. API NUMBER: 43037319050000
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900S , Denver, CO, 80202	PHONE NUMBER: 303 728-2222 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FNL 2036 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 26 Township: 29.0S Range: 24.0E Meridian: S	9. FIELD and POOL or WILDCAT: UNDESIGNATED COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/7/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 50px;" type="text"/>

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

CCI Paradox Upstream LLC intends to change the METHOD OF DRILLING on this well from fluid to air mist. CCI will be using a dust buster to contain all dust from air mist drilling, and no blouie pit will be constructed. The surface on this well will be @ 2500'. Please contact John Warren @ 303-728-2226 (john.warren@cci.com) with any questions.

Accepted by the
Utah Dept. of
Oil, Gas and Mining

Date: _____
 By: Dark Ount

NAME (PLEASE PRINT) Pamella Hill	PHONE NUMBER 303 728-2228	TITLE Reservior Technician
SIGNATURE N/A	DATE 7/23/2014	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
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3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900S , Denver, CO, 80202	PHONE NUMBER: 303 728-2222 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED
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		STATE: UTAH
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
The well was spud at 07:00 on 08/11/2014.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 11, 2014		
NAME (PLEASE PRINT) Pamella Hill	PHONE NUMBER 303 728-2228	TITLE Reservior Technician
SIGNATURE N/A	DATE 8/11/2014	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/12/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input style="width:100px;" type="text" value="Water Flow Encountered"/>

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

Per the COA's on the drilling of the Middle Mesa 26-23 well, CCI Paradox Upstream reports that during the drilling of the surface hole, a water flow was encountered at 1237' from the Navajo formation flowing at 200 bbls/hr. The air/mist drilling system was able to handle the flow during drilling operations. The zone was sealed off behind surface casing and cement.

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

Date: _____
 By: August 28, 2014

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Pamella Hill	PHONE NUMBER 303 728-2228	TITLE Reservior Technician
SIGNATURE N/A	DATE 8/19/2014	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43037319050000

Please complete and submit a Form 7 and include a description of the quality of the water or submit water analysis report if done.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77538
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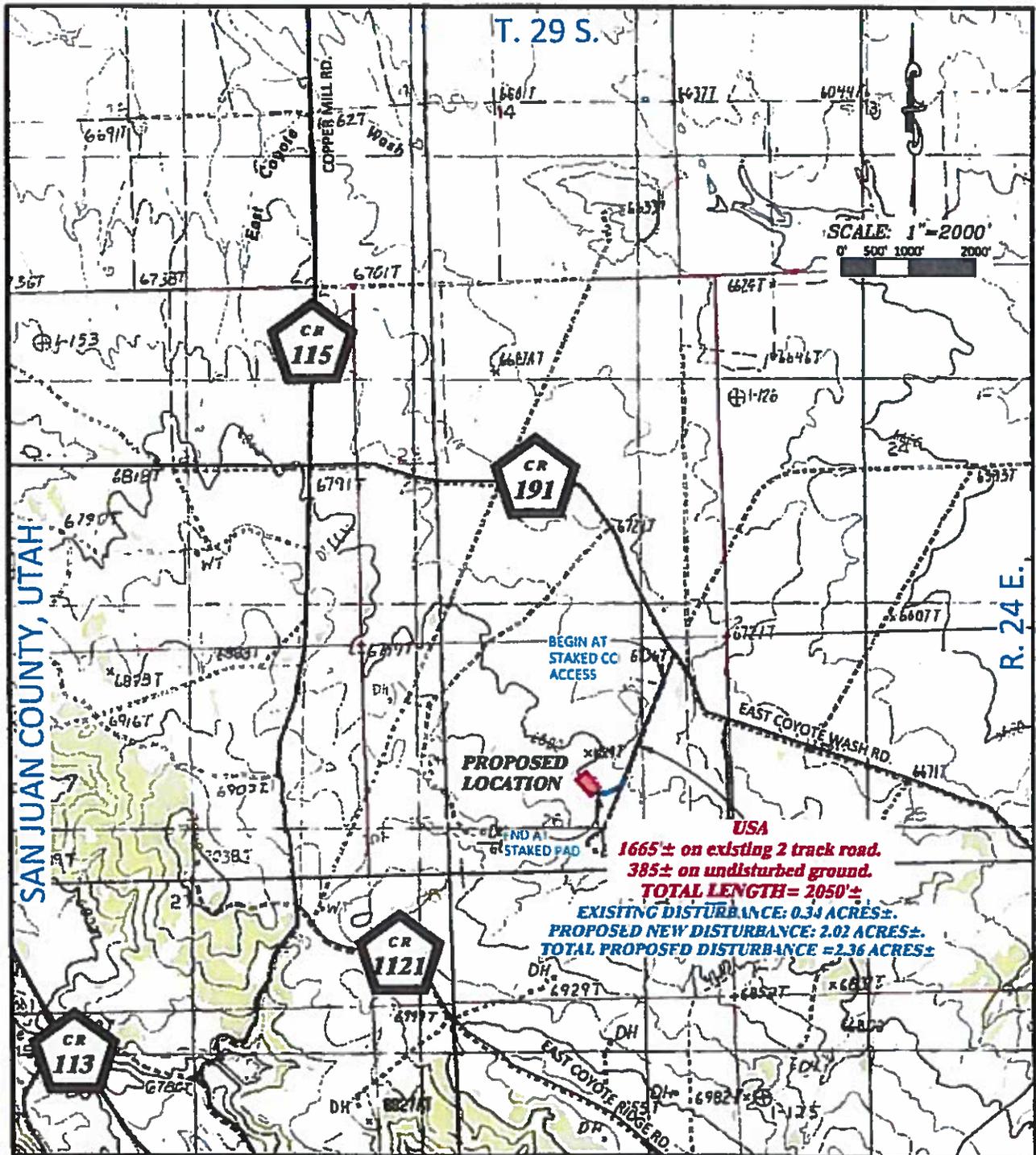
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/3/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

CCI Paradox Upstream, LLC intends to commence construction of the gas pipeline on the Middle Mesa 26-23 well. The pipeline will consist of 2950' of 4 1/2" above ground pipeline built along the lease road and 1500' of 6 5/8" buried pipeline that will tie into the existing Middle Mesa gathering system. Attached are the pipeline ROW plots for the MM 26-23 and MM 26-14 wells that were staked and arc'd. The MM 26-14 well has not been drilled and therefore the first leg of the pipeline had yet to be constructed. The pipeline follows the route designed by the BLM which is designed to minimize disturbance. The 6 5/8" pipeline on the MM 26-14 route was placed on the north side of the East Coyote Wash Road due to the existence of eligible prehistoric open camp on the south side of the road.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 August 28, 2014**

NAME (PLEASE PRINT) Pamella Hill	PHONE NUMBER 303 728-2228	TITLE Reservior Technician
SIGNATURE N/A	DATE 8/27/2014	



USA
 1665± on existing 2 track road.
 385± on undisturbed ground.
TOTAL LENGTH = 2050±
 EXISTING DISTURBANCE: 0.34 ACRES±.
 PROPOSED NEW DISTURBANCE: 2.02 ACRES±.
TOTAL PROPOSED DISTURBANCE = 2.36 ACRES±

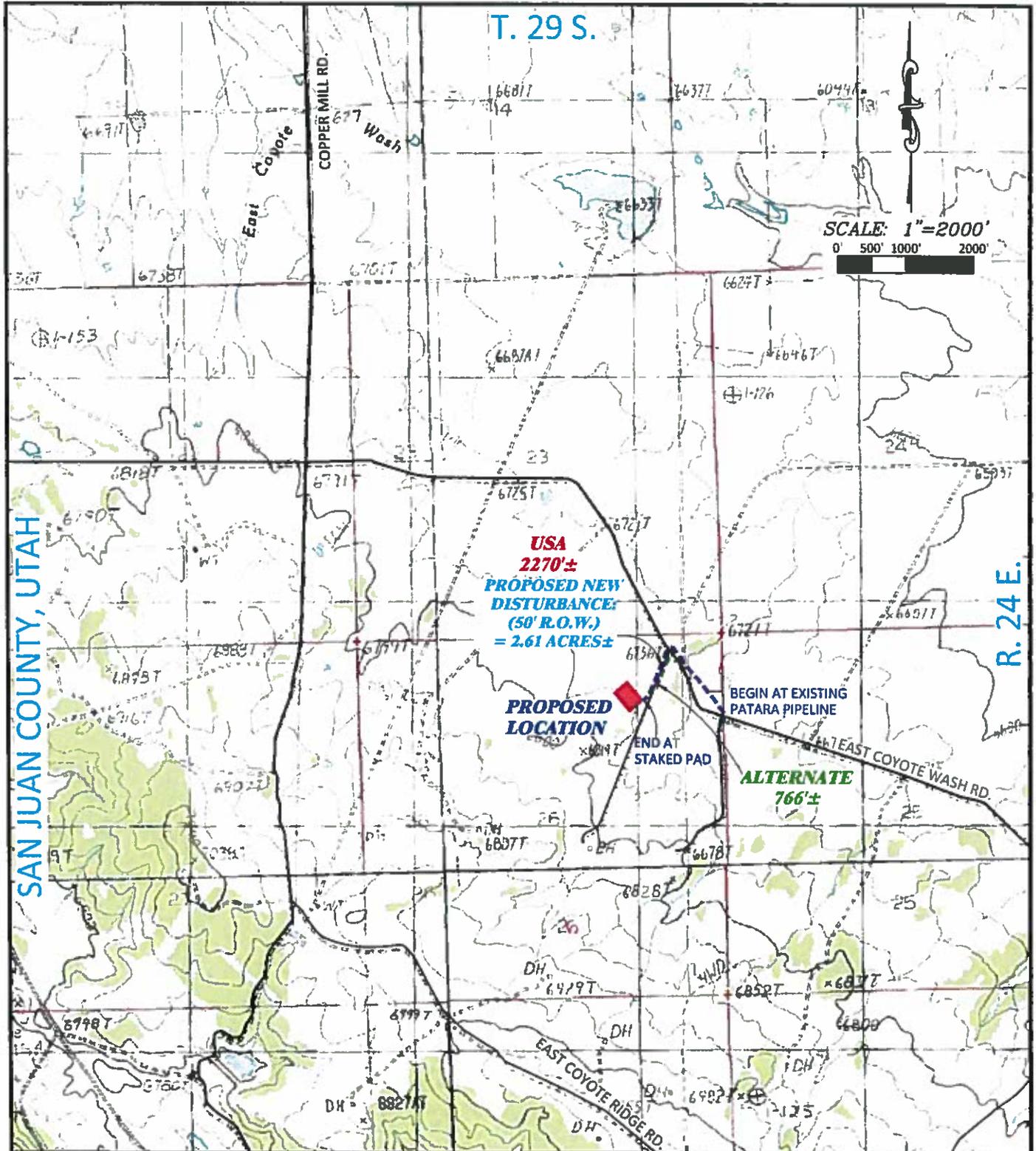
CONFIDENTIALITY NOTES:

The information contained in this plat is legally privileged and confidential information intended only for the use of the recipients. If you are not the intended recipients, you are hereby notified that any use, dissemination, distribution or copying of this information is strictly prohibited.

MMF 26-23-29-24 PAD

	WILLIAM H. SMITH & ASSOCIATES P.C. SURVEYING CONSULTANTS 550 EAST SECOND NORTH PHONE: 307-875-3638 GREEN RIVER, WY 307-875-3639	
	www.whsmithpc.com DATE DRAWN - BY: 10/28/13 - rgr	
JOB NO: 2011300.016 REVISIONS:	SCALE: 1" = 2000' EXHIBIT 6	

PROPOSED ACCESS CASTLETON COMMODITIES INTERNATIONAL, LLC MIDDLE MESA FED 26-23-29-24 TOTAL PROPOSED LENGTH: 2050± (1665' on 2 track rd.)
LEGEND EXISTING ROAD ————— PROPOSED ACCESS - - - - -



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MMF 26-14-29-24 PAD

WILLIAM H. SMITH & ASSOCIATES P.C.
 SURVEYING CONSULTANTS
 550 EAST SECOND NORTH PHONE: 307-875-3638
 GREEN RIVER, WY 307-875-3639
www.whsmithpc.com

JOB NO: 2011900.001 DATE DRAWN - BY: 11/20/11 - rcr
 REVISIONS: 5/11/12 - REVISE SCALE: 1" = 2000'
 PIPELINE, ADD ALTERNATE ROUTE EXHIBIT 5 PAGE 1 OF 1

PROPOSED PIPELINE
PATARA OIL & GAS, LLC
MIDDLE MESA FED 26-14-29-24
TOTAL PROPOSED LENGTH: 2270'±

LEGEND
 EXISTING ROAD —————
 PROPOSED PIPELINE - - - - -



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Moab Field Office
82 East Dogwood
Moab, Utah 84532
<http://www.blm.gov/ut/st/en/fo/moab.html>

SEP 16 2014

RECEIVED

SEP 19 2014

DIV. OF OIL, GAS & MINING

In Reply Refer To:
3160
UTU-77538
(UTY-012)

CERTIFIED MAIL NO. 7012 3460 0002 5528 4111
RETURN RECEIPT REQUESTED

43 037 31905
26 29S 24E

CCI Paradox Upstream LLC
Attn: Ms. Chrissy Schaffner
600 17th Street, Suite 1900S
Denver, Colorado 80202

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

NOTICE OF INCIDENT OF NONCOMPLIANCE (INC)

Dear Ms. Schaffner:

The Bureau of Land Management (BLM) received a Sundry Notice (Form 3160-5) from CCI Paradox Upstream LLC (CCI) dated September 4, 2014, which proposed to modify the approved pipeline route to the Middle Mesa Well 26-23-29-24. Middle Mesa Well 26-23-29-24 is located on Federal Lease UTU-77538 within T29S, R24E, section 26. Subsequent discussions between the BLM and CCI revealed that surface disturbance associated with the proposed pipeline modification had been created prior to receiving BLM approval of the work.

This activity is a violation of the Middle Mesa Well 26-23-29-24 approved Application for Permit to Drill (APD). The approved APD contains a Condition of Approval which states "Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163." The violation is specifically described as follows:

INC No. 14001DR: On September 11, 2014, the BLM conducted an inspection of the site and observed surface disturbance within an area measuring approximately 1,300 feet long by 50 feet wide, or approximately 1.5 acres. A trench measuring approximately six feet deep by three feet wide was observed along the entire length of the disturbance area. In addition, a four-strand barbed wire fence that had crossed the disturbance area appeared to have been cut and moved from the site. CCI did not obtain BLM approval for the surface disturbance and therefore, is in noncompliance with the following regulation:

43 CFR 3162.3-3 – *Prior to commencing any operation on the leasehold which will result in additional surface disturbance, other than those authorized under § 3162.3-1 or § 3162.3-2 of this title, the operator shall submit a proposal on Form 3160-5 to the authorized officer for approval. The proposal shall include a surface use plan of operations.*

- **Corrective Actions:**
 - Repair or replace the barbed wire fence.
 - Have a qualified archaeologist conduct a damage assessment of the disturbance area upon which the construction equipment was operated and submit a report to the BLM.
 - Submit a proposal on Form 3160-5 for the pipeline modification, including surface disturbance already created.

No later than seven calendar days after receipt of this Notice, you must comply with the corrective actions for the identified violation, in accordance with § 3162.1(a). If you fail to comply within the time frame specified, you may be subject to an assessment or additional enforcement actions as deemed necessary to gain compliance. A written request for extension of this timeframe may be granted if necessary to complete the archaeological damage assessment.

Incidents of Noncompliance and reporting time frames begin upon receipt of the Notice or seven business days after the date it is mailed, whichever is earlier. Each problem or violation must be corrected within the prescribed time from receipt of this Notice and reported to the BLM office at the address shown above.

If you do not comply as noted above under “Corrective Action,” you may incur assessment under § 3163.1 and may also incur Civil Penalties (§ 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

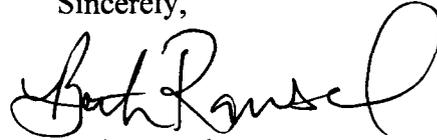
Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at § 3163.2(f)(1), provides that any person who “knowingly or willfully” prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting an order of the authorized officer or violation must request a State Director Review of the Order or Incident of Noncompliance. This request must be filed within 20 working days of receipt of the Incident of Noncompliance with the Utah State Director, BLM, 440 West 200 South, Suite 500, Salt Lake City, Utah 84101 (see § 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, MS 300-QC, Arlington, Virginia, 22203 (see § 3165.4). Contact the above listed BLM office for further information.

If you have any questions, please contact Doug Rowles at (435) 259-2145, or at the above address.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth Ransel". The signature is fluid and cursive, with a large loop at the end of the last name.

Beth Ransel
Field Manager
Moab Field Office

cc: Utah Department of Natural Resources
Division of Oil, Gas and Mining
Attn: Mr. Dustin Doucet
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
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	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Please be aware that a previous notification of spud was submitted with an erroneous date, the actual date Middle Mesa Fed 26-23-29-24 was 08/11/2014. Thank you		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 07, 2015		
NAME (PLEASE PRINT) Ashley Noonan	PHONE NUMBER 303 728-2232	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 1/6/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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		STATE: UTAH

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

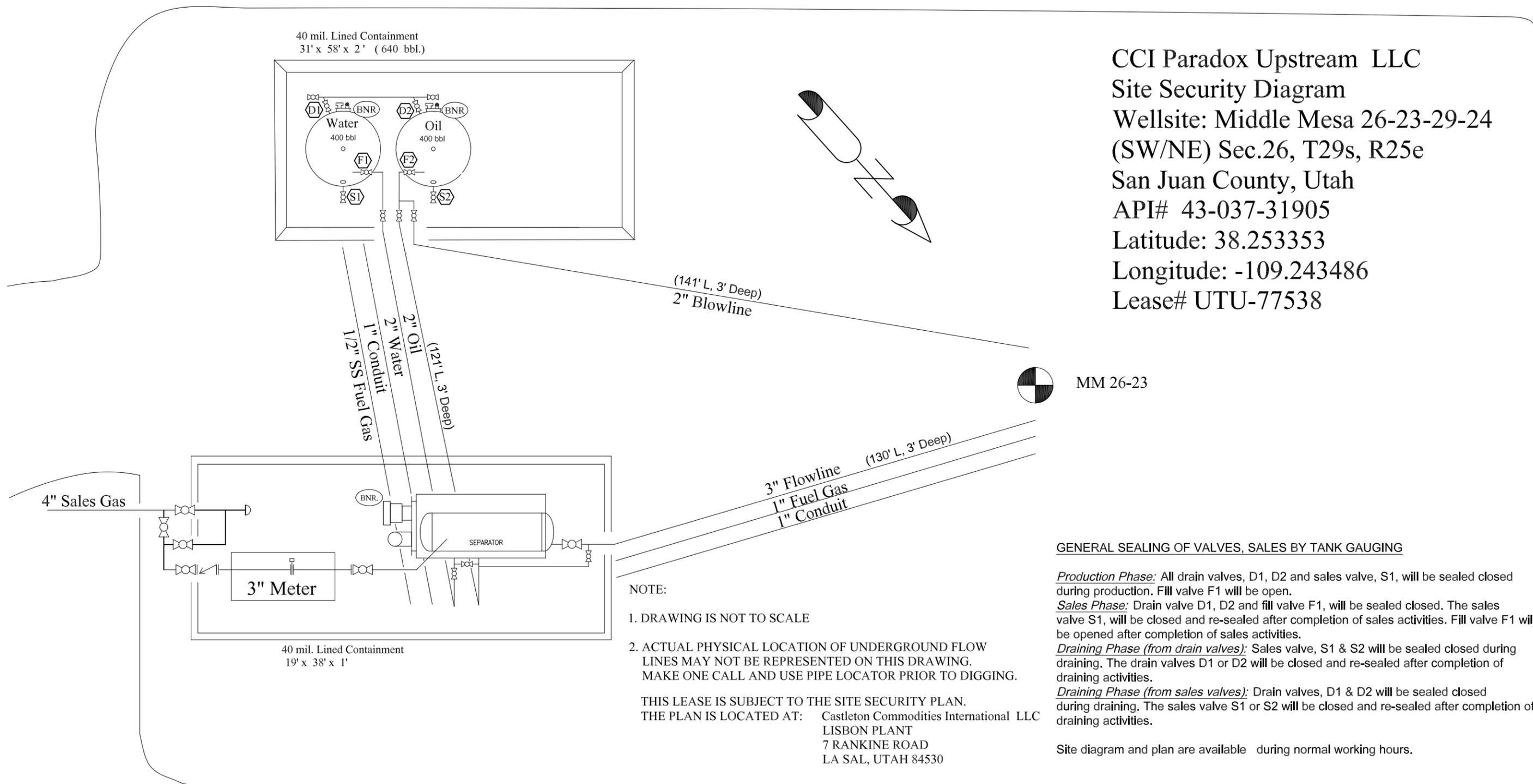
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/1/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="FIRST PRODUCTION"/>

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

THE MIDDLE MESA FED 26-23-29-24 WAS FIRST PRODUCED ON 10/01/2014. DURING A 20 HOUR TEST PERIOD, THE WELL PRODUCED 0 BBLS OF OIL, 1 MCF OF GAS, AND 0 BBLS WATER ON 20/64 CHOKE. FIRST GAS SALES DATE: 11/3/2014. PLEASE SEE COMPLETION REPORT FOR DETAILS TO FOLLOW SHORTLY. THANK YOU.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 09, 2015**

NAME (PLEASE PRINT) Ashley Noonan	PHONE NUMBER 303 728-2232	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 1/6/2015	



CCI Paradox Upstream LLC
 Site Security Diagram
 Wellsite: Middle Mesa 26-23-29-24
 (SW/NE) Sec.26, T29s, R25e
 San Juan County, Utah
 API# 43-037-31905
 Latitude: 38.253353
 Longitude: -109.243486
 Lease# UTU-77538

GENERAL SEALING OF VALVES, SALES BY TANK GAUGING

Production Phase: All drain valves, D1, D2 and sales valve, S1, will be sealed closed during production. Fill valve F1 will be open.
Sales Phase: Drain valve D1, D2 and fill valve F1, will be sealed closed. The sales valve S1, will be closed and re-sealed after completion of sales activities. Fill valve F1 will be opened after completion of sales activities.
Draining Phase (from drain valves): Sales valve, S1 & S2 will be sealed closed during draining. The drain valves D1 or D2 will be closed and re-sealed after completion of draining activities.
Draining Phase (from sales valves): Drain valves, D1 & D2 will be sealed closed during draining. The sales valve S1 or S2 will be closed and re-sealed after completion of draining activities.

Site diagram and plan are available during normal working hours.

NOTE:
 1. DRAWING IS NOT TO SCALE
 2. ACTUAL PHYSICAL LOCATION OF UNDERGROUND FLOW LINES MAY NOT BE REPRESENTED ON THIS DRAWING. MAKE ONE CALL AND USE PIPE LOCATOR PRIOR TO DIGGING.
 THIS LEASE IS SUBJECT TO THE SITE SECURITY PLAN.
 THE PLAN IS LOCATED AT: Castleton Commodities International LLC
 LISBON PLANT
 7 RANKINE ROAD
 LA SAL, UTAH 84530

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-77538

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
MIDDLE MESA

8. WELL NAME and NUMBER
MIDDLE MESA FED 26-23-29-8

9. API NUMBER
4303731905

10. FIELD AND POOL, OR WILDCAT
EXPLORATORY

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN
SWNE 26 29S 24E S

12. COUNTY
SAN JUAN

13. STATE
UTAH

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

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

2. NAME OF OPERATOR
CCI PARADOX UPSTREAM LLC

3. ADDRESS OF OPERATOR: **600 17TH STREET, SU# CITY DENVER STATE CO ZIP 80202** PHONE NUMBER: **(303) 728-2217**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **2157' FNL & 2036' FEL S26-T29S-R24E**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **~ 2226.1 FNL & 2966.83 FWL S26-T29S-R24E**
AT TOTAL DEPTH: **2349.83' FNL & 2489.08 FWL S26-T29S-R24E**

14. DATE SPUNDED: **8/11/2014** 15. DATE T D REACHED: **8/27/2014** 16. DATE COMPLETED: **11/3/2014** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6831.50 GL

18. TOTAL DEPTH: MD **6,035** TVD **5,938** 19. PLUG BACK T D: MD **5,876** TVD **5,761** 20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD **5,700** PLUG SET: TVD **5,615**

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
FULL SUITE

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 (#/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
26	24	COND	0	60					
12.25	9 5/8 J-55	36	0	2,533		LEAD	197	2533'-880'	
						TAIL 351		2533'-880'	
						Type III	13	129'-0	
7 7/8	5 1/2 L-80	17	0	6,035		CIG 438		6035-4057	
						prem lit 552		4057-0	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	4,983							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Honaker Trail 3	4,089	5,483			4,760 4,772	.34	48	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Honaker Trl 2&1	4,089	5,483			5,025 5,316	.34	139	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C) La Sal Carb	5,483	5,796			5,504 5,545	.34	52	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

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

WAS WELL HYDRAULICALLY FRACTURED? YES NO IF YES - DATE FRACTURED: **9/18/2014**

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5025'-5058'	Frac 149,000 # 20/40 and 86,000 gal 70Q lightening 20
5306'-5316'	Frac 51,000 # 20/40 and 42,000 gal 70Q lightening 20
5504'- 5545'	Acidize w/ 9000 gal 20% gelled acid and 5500 gal KCL

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:
Producing

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED 10/1/2014		TEST DATE 10/1/2014		HOURS TESTED: 20		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF 1, 3	WATER - BBL: 0	PROD. METHOD: FL
CHOKE SIZE 20/64	TBG PRESS.	CSG. PRESS. 1,000	API GRAVITY	BTU - GAS	GAS/OIL RATIO 1	24 HR PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF 1, 3	WATER - BBL: 0	INTERVAL STATUS: FL

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.)

FLARED

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)
CUTLER	2,529	4,089		CUTLER	2,529
HONAKER TRL	4,089	5,483		HONAKER TRL	4,089
LA SAL	5,483	5,741		LA SAL	5,483
LA SAL SAND	5,741	5,796			
HATCH	5,796			HATCH	5,796

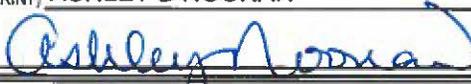
35. ADDITIONAL REMARKS (Include plugging procedure)

Additional cement 7 7/8 csg CIG 22 sks (4057'-0). Well was SI waiting on construction of PL until Nov. 1st (First Sales Date)

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

NAME (PLEASE PRINT) ASHLEY B NOONAN

TITLE REGULATORY ANALYST

SIGNATURE 

DATE 1/5/2014

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

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

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: MIDDLE MESA 26-23-29-24

API number: 4303731905

Well Location: QQ SWNW Section 26 Township 29S Range 24E County SAN JUAN

Well operator: CCI PARADOX UPSTREAM LLC

Address: 600 17TH STREET, SUITE 1900S

city DENVER state CO zip 80202

Phone: (303) 728-2222

Drilling contractor: FRONTIER DRILLING, LLC

Address: 1608 NE EXPRESSWAY, SUITE 102

city OKLAHOMA CITY state OK zip 73118

Phone: (405) 745-7700

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,267	1,331	200	FRESH

Formation tops: (Top to Bottom)

1	<u>CUTLER 2529-4089</u>	2	<u>Honaker trl 4089-5483</u>	3	<u>LA SAL 5483-5741</u>
4	<u>La Sal Snd 5741-5796</u>	5	_____	6	_____
7	_____	8	_____	9	_____
10	_____	11	_____	12	_____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Ashley B Noonan

TITLE Regulatory Analyst

SIGNATURE *Ashley Noonan*

DATE 1/6/2015

CCI Paradox Upstream LLC

San Juan Co., Utah (NAD 27)

Sec.26-T29S-R24E NAD27

Middle Mesa Federal 26-23-29-24(Nad27)

Wellbore #1

Survey: Survey #1

Standard Survey Report

27 August, 2014

Archer

Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL@ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL@ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Project	San Juan Co., Utah (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Colorado South 503		

Site	Sec.26-T29S-R24E NAD27				
Site Position:		Northing:	585,569.291 usft	Latitude:	38° 15' 12.029 N
From:	Lat/Long	Easting:	2,648,136.277 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	1.38 °

Well	Middle Mesa Federal 26-23-29-24(Nad27)					
Well Position	+N/-S	0.00 usft	Northing:	585,569.271 usft	Latitude:	38° 15' 12.029 N
	+E/-W	0.00 usft	Easting:	2,648,136.278 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty		0.00 usft	Wellhead Elevation:	usft	Ground Level:	6,810.50 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF200510	2013/10/31	(°) 7.52	(°) 65.47	(nT) 51,896

Design	Wellbore #1				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(usft)	(usft)	(usft)	(°)	
	0.00	0.00	0.00	261.36	

Survey Program	Date	2014/08/27			
From	To	Survey (Wellbore)	Tool Name	Description	
(usft)	(usft)				
2,531.00	6,035.00	Survey #1 (Wellbore #1)	MWD	MWD - Standard	

Survey										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate	
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	0.00	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	0.00	0.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250.00	0.00	0.00	250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
350.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
550.00	0.00	0.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	
750.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	
850.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	0.00	0.00	
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	
950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,050.00	0.00	0.00	1,050.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,150.00	0.00	0.00	1,150.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,250.00	0.00	0.00	1,250.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,350.00	0.00	0.00	1,350.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,450.00	0.00	0.00	1,450.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,550.00	0.00	0.00	1,550.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,650.00	0.00	0.00	1,650.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,750.00	0.00	0.00	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,850.00	0.00	0.00	1,850.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,950.00	0.00	0.00	1,950.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,050.00	0.00	0.00	2,050.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,150.00	0.00	0.00	2,150.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,250.00	0.00	0.00	2,250.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,350.00	0.00	0.00	2,350.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,450.00	0.00	0.00	2,450.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
First Archer Survey										
2,531.00	0.00	0.00	2,531.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,550.00	0.23	258.87	2,550.00	-0.01	-0.04	0.04	1.20	1.20	0.00	
2,600.00	0.63	275.49	2,600.00	-0.06	-0.45	0.45	0.84	0.80	37.24	
2,650.00	1.48	258.78	2,649.99	-0.21	-1.38	1.40	1.82	1.71	-37.43	
2,700.00	2.34	254.87	2,699.96	-0.54	-2.90	2.95	1.73	1.72	-3.82	
2,750.00	2.96	256.56	2,749.91	-1.11	-5.20	5.30	1.23	1.22	3.38	
2,800.00	3.91	262.50	2,799.82	-1.68	-8.07	8.23	2.03	1.90	11.88	
2,850.00	4.47	267.53	2,849.69	-1.91	-11.70	11.85	1.34	1.13	10.06	
2,900.00	5.07	265.57	2,899.52	-2.16	-15.81	15.96	1.25	1.21	-3.92	
2,950.00	6.32	265.99	2,949.27	-2.53	-20.73	20.88	2.49	2.48	0.83	
3,000.00	8.31	265.47	2,998.85	-2.99	-27.17	27.31	3.99	3.99	-1.04	
3,050.00	9.41	266.08	3,048.25	-3.59	-34.88	35.02	2.21	2.20	1.22	
3,100.00	10.57	261.61	3,097.50	-4.41	-43.43	43.60	2.78	2.31	-8.94	
3,150.00	11.75	259.71	3,146.55	-6.09	-53.01	53.33	2.48	2.37	-3.80	
3,200.00	12.28	258.62	3,195.44	-8.01	-63.30	63.79	1.15	1.06	-2.18	

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
3,250.00	13.41	258.75	3,244.18	-10.19	-74.23	74.92	2.26	2.26	0.26	
3,300.00	14.13	258.87	3,292.75	-12.52	-85.88	86.79	1.44	1.44	0.25	
3,350.00	14.42	258.61	3,341.17	-14.73	-98.13	99.23	0.61	0.59	-0.53	
3,400.00	14.97	258.51	3,389.56	-17.37	-110.47	111.82	1.11	1.11	-0.21	
3,450.00	15.33	257.65	3,437.82	-19.95	-123.26	124.86	0.84	0.71	-1.72	
3,500.00	14.70	255.13	3,486.10	-22.97	-135.90	137.81	1.82	-1.27	-5.03	
3,550.00	14.92	253.36	3,534.48	-26.51	-148.04	150.34	1.01	0.46	-3.54	
3,600.00	14.56	251.63	3,582.83	-30.33	-160.18	162.92	1.14	-0.73	-3.46	
3,650.00	13.94	252.67	3,631.29	-34.15	-171.89	175.08	1.34	-1.23	2.08	
3,700.00	14.06	250.16	3,679.82	-37.98	-183.28	186.91	1.24	0.24	-5.02	
3,750.00	14.54	249.94	3,728.26	-42.28	-194.92	199.06	0.97	0.97	-0.44	
3,800.00	14.17	249.89	3,776.69	-46.47	-206.62	211.26	0.75	-0.75	-0.09	
3,850.00	14.46	249.03	3,825.14	-50.91	-218.15	223.32	0.72	0.58	-1.72	
3,900.00	14.04	251.21	3,873.58	-55.12	-229.79	235.46	1.36	-0.84	4.36	
3,950.00	14.41	252.83	3,922.06	-58.83	-241.47	247.57	1.08	0.74	3.23	
4,000.00	14.53	253.14	3,970.45	-62.54	-253.49	260.01	0.29	0.24	0.62	
4,050.00	14.07	254.51	4,018.92	-65.94	-265.29	272.19	1.14	-0.92	2.73	
4,100.00	14.31	255.27	4,067.38	-69.10	-277.17	284.41	0.61	0.48	1.53	
4,150.00	14.05	254.71	4,115.86	-72.28	-289.01	296.59	0.59	-0.52	-1.12	
4,200.00	13.45	256.75	4,164.42	-75.21	-300.55	308.44	1.54	-1.20	4.07	
4,250.00	13.41	257.92	4,213.06	-77.75	-311.83	319.97	0.55	-0.07	2.34	
4,300.00	13.55	258.91	4,261.70	-79.95	-323.19	331.53	0.54	0.28	1.99	
4,350.00	13.50	258.84	4,310.31	-82.23	-334.69	343.25	0.10	-0.10	-0.15	
4,400.00	13.40	258.21	4,358.94	-84.51	-346.09	354.86	0.35	-0.20	-1.25	
4,450.00	13.57	256.13	4,407.56	-87.10	-357.46	366.48	1.03	0.33	-4.17	
4,500.00	13.90	258.13	4,456.14	-89.82	-369.00	378.30	1.16	0.67	3.99	
4,550.00	14.08	256.24	4,504.65	-92.51	-380.78	390.36	0.98	0.35	-3.78	
4,600.00	13.84	253.07	4,553.18	-95.73	-392.39	402.32	1.60	-0.48	-6.33	
4,650.00	14.41	254.80	4,601.68	-99.13	-404.04	414.35	1.42	1.14	3.46	
4,700.00	14.75	254.61	4,650.07	-102.44	-416.20	426.87	0.69	0.69	-0.38	
4,750.00	15.40	254.60	4,698.35	-105.89	-428.71	439.75	1.30	1.30	-0.03	
4,800.00	15.12	253.35	4,746.59	-109.52	-441.36	452.81	0.86	-0.56	-2.50	
4,850.00	14.96	253.43	4,794.88	-113.26	-453.78	465.64	0.33	-0.33	0.16	
4,900.00	14.66	253.92	4,843.21	-116.86	-466.08	478.34	0.65	-0.59	1.00	
4,950.00	15.11	259.23	4,891.55	-119.81	-478.50	491.07	2.87	0.90	10.61	
5,000.00	15.40	260.54	4,939.76	-122.04	-491.56	504.32	0.89	0.57	2.63	
5,050.00	14.81	260.06	4,988.04	-124.23	-504.40	517.34	1.20	-1.17	-0.96	
5,100.00	14.65	258.23	5,036.41	-126.65	-516.82	529.98	0.99	-0.32	-3.67	
5,150.00	14.82	259.47	5,084.75	-129.01	-529.37	542.74	0.72	0.33	2.49	
5,200.00	14.54	255.76	5,133.10	-131.61	-541.83	555.45	1.96	-0.55	-7.43	
5,250.00	13.97	253.09	5,181.57	-135.11	-553.59	567.61	1.74	-1.14	-5.34	
5,300.00	14.19	254.91	5,230.07	-138.37	-565.29	579.66	0.98	0.43	3.63	
5,350.00	14.00	254.73	5,278.55	-141.56	-577.10	591.82	0.38	-0.37	-0.36	
5,400.00	13.95	252.53	5,327.08	-145.04	-588.63	603.74	1.07	-0.11	-4.40	
5,450.00	14.26	251.82	5,375.58	-148.77	-600.19	615.73	0.72	0.63	-1.41	
5,500.00	16.12	254.59	5,423.90	-152.60	-612.47	628.44	3.98	3.71	5.54	
5,550.00	16.91	259.94	5,471.88	-155.94	-626.14	642.47	3.43	1.59	10.70	
5,600.00	17.17	257.59	5,519.57	-158.21	-640.97	657.46	1.47	0.52	-4.70	
5,650.00	17.12	259.91	5,567.37	-160.85	-655.39	672.12	1.37	-0.10	4.62	
5,700.00	16.87	255.60	5,615.17	-163.97	-669.73	686.76	2.57	-0.51	-8.61	
5,750.00	16.32	254.62	5,663.08	-167.51	-683.60	701.00	1.24	-1.11	-1.97	
5,800.00	15.32	252.91	5,711.19	-171.34	-696.65	714.48	2.21	-2.00	-3.41	
5,850.00	15.13	251.44	5,759.45	-175.34	-709.10	727.39	0.86	-0.38	-2.95	
5,900.00	15.15	249.80	5,807.71	-179.67	-721.42	740.22	0.86	0.05	-3.28	

Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL@ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL@ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
5,950.00	15.41	248.67	5,855.95	-184.35	-733.70	753.07	0.79	0.51	-2.27	
Last Archer Survey										
5,983.00	15.64	248.08	5,887.75	-187.60	-741.91	761.68	0.85	0.71	-1.78	
MM Federal 26-23-29-24 tgt										
6,000.00	15.64	248.08	5,904.12	-189.31	-746.16	766.14	0.00	0.00	0.00	

Survey Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
2,531.00	2,531.00	0.00	0.00	First Archer Survey	
5,983.00	5,887.75	-187.60	-741.91	Last Archer Survey	
6,035.00	5,937.82	-192.83	-754.92	PTB	

Checked By: _____	Approved By: _____	Date: _____
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STATE OF UTAH
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: MIDDLE MESA 26-23-29-24

API number: 4303731905

Well Location: QQ SWNW Section 26 Township 29S Range 24E County SAN JUAN

Well operator: CCI PARADOX UPSTREAM LLC

Address: 600 17TH STREET, SUITE 1900S

city DENVER state CO zip 80202

Phone: (303) 728-2222

Drilling contractor: FRONTIER DRILLING, LLC

Address: 1608 NE EXPRESSWAY, SUITE 102

city OKLAHOMA CITY state OK zip 73118

Phone: (405) 745-7700

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,267	1,331	200	FRESH

Formation tops: (Top to Bottom)

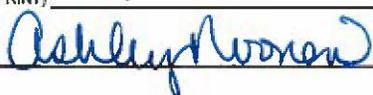
1	<u>CUTLER 2529-4089</u>	2	<u>Honaker trl 4089-5483</u>	3	<u>LA SAL 5483-5741</u>
4	<u>La Sal Snd 5741-5796</u>	5	_____	6	_____
7	_____	8	_____	9	_____
10	_____	11	_____	12	_____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Ashley B Noonan

TITLE Regulatory Analyst

SIGNATURE 

DATE 1/6/2015

CCI Paradox Upstream LLC

San Juan Co., Utah (NAD 27)

Sec.26-T29S-R24E NAD27

Middle Mesa Federal 26-23-29-24(Nad27)

Wellbore #1

Survey: Survey #1

Standard Survey Report

27 August, 2014

Archer

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL@ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL@ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Project	San Juan Co., Utah (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Colorado South 503		

Site	Sec.26-T29S-R24E NAD27				
Site Position:		Northing:	585,569.291 usft	Latitude:	38° 15' 12.029 N
From:	Lat/Long	Easting:	2,648,136.277 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	1.38 °

Well	Middle Mesa Federal 26-23-29-24(Nad27)					
Well Position	+N/-S	0.00 usft	Northing:	585,569.271 usft	Latitude:	38° 15' 12.029 N
	+E/-W	0.00 usft	Easting:	2,648,136.278 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty		0.00 usft	Wellhead Elevation:	usft	Ground Level:	6,810.50 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF200510	2013/10/31	(°) 7.52	(°) 65.47	(nT) 51,896

Design	Wellbore #1				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(usft)	(usft)	(usft)	(°)	
	0.00	0.00	0.00	261.36	

Survey Program	Date	2014/08/27			
From	To	Survey (Wellbore)	Tool Name	Description	
(usft)	(usft)				
2,531.00	6,035.00	Survey #1 (Wellbore #1)	MWD	MWD - Standard	

Survey										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate	
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	0.00	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	0.00	0.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250.00	0.00	0.00	250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
350.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
550.00	0.00	0.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Archer
Survey Report

Archer

Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
750.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
850.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,050.00	0.00	0.00	1,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,150.00	0.00	0.00	1,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,250.00	0.00	0.00	1,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,350.00	0.00	0.00	1,350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,450.00	0.00	0.00	1,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,550.00	0.00	0.00	1,550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,650.00	0.00	0.00	1,650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,750.00	0.00	0.00	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,850.00	0.00	0.00	1,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,950.00	0.00	0.00	1,950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,050.00	0.00	0.00	2,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,150.00	0.00	0.00	2,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,250.00	0.00	0.00	2,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,350.00	0.00	0.00	2,350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,450.00	0.00	0.00	2,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Archer Survey										
2,531.00	0.00	0.00	2,531.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,550.00	0.23	258.87	2,550.00	-0.01	-0.04	0.04	1.20	1.20	0.00	0.00
2,600.00	0.63	275.49	2,600.00	-0.06	-0.45	0.45	0.84	0.80	37.24	0.00
2,650.00	1.48	258.78	2,649.99	-0.21	-1.38	1.40	1.82	1.71	-37.43	0.00
2,700.00	2.34	254.87	2,699.96	-0.54	-2.90	2.95	1.73	1.72	-3.82	0.00
2,750.00	2.96	256.56	2,749.91	-1.11	-5.20	5.30	1.23	1.22	3.38	0.00
2,800.00	3.91	262.50	2,799.82	-1.68	-8.07	8.23	2.03	1.90	11.88	0.00
2,850.00	4.47	267.53	2,849.69	-1.91	-11.70	11.85	1.34	1.13	10.06	0.00
2,900.00	5.07	265.57	2,899.52	-2.16	-15.81	15.96	1.25	1.21	-3.92	0.00
2,950.00	6.32	265.99	2,949.27	-2.53	-20.73	20.88	2.49	2.48	0.83	0.00
3,000.00	8.31	265.47	2,998.85	-2.99	-27.17	27.31	3.99	3.99	-1.04	0.00
3,050.00	9.41	266.08	3,048.25	-3.59	-34.88	35.02	2.21	2.20	1.22	0.00
3,100.00	10.57	261.61	3,097.50	-4.41	-43.43	43.60	2.78	2.31	-8.94	0.00
3,150.00	11.75	259.71	3,146.55	-6.09	-53.01	53.33	2.48	2.37	-3.80	0.00
3,200.00	12.28	258.62	3,195.44	-8.01	-63.30	63.79	1.15	1.06	-2.18	0.00

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
3,250.00	13.41	258.75	3,244.18	-10.19	-74.23	74.92	2.26	2.26	0.26	
3,300.00	14.13	258.87	3,292.75	-12.52	-85.88	86.79	1.44	1.44	0.25	
3,350.00	14.42	258.61	3,341.17	-14.73	-98.13	99.23	0.61	0.59	-0.53	
3,400.00	14.97	258.51	3,389.56	-17.37	-110.47	111.82	1.11	1.11	-0.21	
3,450.00	15.33	257.65	3,437.82	-19.95	-123.26	124.86	0.84	0.71	-1.72	
3,500.00	14.70	255.13	3,486.10	-22.97	-135.90	137.81	1.82	-1.27	-5.03	
3,550.00	14.92	253.36	3,534.48	-26.51	-148.04	150.34	1.01	0.46	-3.54	
3,600.00	14.56	251.63	3,582.83	-30.33	-160.18	162.92	1.14	-0.73	-3.46	
3,650.00	13.94	252.67	3,631.29	-34.15	-171.89	175.08	1.34	-1.23	2.08	
3,700.00	14.06	250.16	3,679.82	-37.98	-183.28	186.91	1.24	0.24	-5.02	
3,750.00	14.54	249.94	3,728.26	-42.28	-194.92	199.06	0.97	0.97	-0.44	
3,800.00	14.17	249.89	3,776.69	-46.47	-206.62	211.26	0.75	-0.75	-0.09	
3,850.00	14.46	249.03	3,825.14	-50.91	-218.15	223.32	0.72	0.58	-1.72	
3,900.00	14.04	251.21	3,873.58	-55.12	-229.79	235.46	1.36	-0.84	4.36	
3,950.00	14.41	252.83	3,922.06	-58.83	-241.47	247.57	1.08	0.74	3.23	
4,000.00	14.53	253.14	3,970.45	-62.54	-253.49	260.01	0.29	0.24	0.62	
4,050.00	14.07	254.51	4,018.92	-65.94	-265.29	272.19	1.14	-0.92	2.73	
4,100.00	14.31	255.27	4,067.38	-69.10	-277.17	284.41	0.61	0.48	1.53	
4,150.00	14.05	254.71	4,115.86	-72.28	-289.01	296.59	0.59	-0.52	-1.12	
4,200.00	13.45	256.75	4,164.42	-75.21	-300.55	308.44	1.54	-1.20	4.07	
4,250.00	13.41	257.92	4,213.06	-77.75	-311.83	319.97	0.55	-0.07	2.34	
4,300.00	13.55	258.91	4,261.70	-79.95	-323.19	331.53	0.54	0.28	1.99	
4,350.00	13.50	258.84	4,310.31	-82.23	-334.69	343.25	0.10	-0.10	-0.15	
4,400.00	13.40	258.21	4,358.94	-84.51	-346.09	354.86	0.35	-0.20	-1.25	
4,450.00	13.57	256.13	4,407.56	-87.10	-357.46	366.48	1.03	0.33	-4.17	
4,500.00	13.90	258.13	4,456.14	-89.82	-369.00	378.30	1.16	0.67	3.99	
4,550.00	14.08	256.24	4,504.65	-92.51	-380.78	390.36	0.98	0.35	-3.78	
4,600.00	13.84	253.07	4,553.18	-95.73	-392.39	402.32	1.60	-0.48	-6.33	
4,650.00	14.41	254.80	4,601.68	-99.13	-404.04	414.35	1.42	1.14	3.46	
4,700.00	14.75	254.61	4,650.07	-102.44	-416.20	426.87	0.69	0.69	-0.38	
4,750.00	15.40	254.60	4,698.35	-105.89	-428.71	439.75	1.30	1.30	-0.03	
4,800.00	15.12	253.35	4,746.59	-109.52	-441.36	452.81	0.86	-0.56	-2.50	
4,850.00	14.96	253.43	4,794.88	-113.26	-453.78	465.64	0.33	-0.33	0.16	
4,900.00	14.66	253.92	4,843.21	-116.86	-466.08	478.34	0.65	-0.59	1.00	
4,950.00	15.11	259.23	4,891.55	-119.81	-478.50	491.07	2.87	0.90	10.61	
5,000.00	15.40	260.54	4,939.76	-122.04	-491.56	504.32	0.89	0.57	2.63	
5,050.00	14.81	260.06	4,988.04	-124.23	-504.40	517.34	1.20	-1.17	-0.96	
5,100.00	14.65	258.23	5,036.41	-126.65	-516.82	529.98	0.99	-0.32	-3.67	
5,150.00	14.82	259.47	5,084.75	-129.01	-529.37	542.74	0.72	0.33	2.49	
5,200.00	14.54	255.76	5,133.10	-131.61	-541.83	555.45	1.96	-0.55	-7.43	
5,250.00	13.97	253.09	5,181.57	-135.11	-553.59	567.61	1.74	-1.14	-5.34	
5,300.00	14.19	254.91	5,230.07	-138.37	-565.29	579.66	0.98	0.43	3.63	
5,350.00	14.00	254.73	5,278.55	-141.56	-577.10	591.82	0.38	-0.37	-0.36	
5,400.00	13.95	252.53	5,327.08	-145.04	-588.63	603.74	1.07	-0.11	-4.40	
5,450.00	14.26	251.82	5,375.58	-148.77	-600.19	615.73	0.72	0.63	-1.41	
5,500.00	16.12	254.59	5,423.90	-152.60	-612.47	628.44	3.98	3.71	5.54	
5,550.00	16.91	259.94	5,471.88	-155.94	-626.14	642.47	3.43	1.59	10.70	
5,600.00	17.17	257.59	5,519.57	-158.21	-640.97	657.46	1.47	0.52	-4.70	
5,650.00	17.12	259.91	5,567.37	-160.85	-655.39	672.12	1.37	-0.10	4.62	
5,700.00	16.87	255.60	5,615.17	-163.97	-669.73	686.76	2.57	-0.51	-8.61	
5,750.00	16.32	254.62	5,663.08	-167.51	-683.60	701.00	1.24	-1.11	-1.97	
5,800.00	15.32	252.91	5,711.19	-171.34	-696.65	714.48	2.21	-2.00	-3.41	
5,850.00	15.13	251.44	5,759.45	-175.34	-709.10	727.39	0.86	-0.38	-2.95	
5,900.00	15.15	249.80	5,807.71	-179.67	-721.42	740.22	0.86	0.05	-3.28	

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
5,950.00	15.41	248.67	5,855.95	-184.35	-733.70	753.07	0.79	0.51	-2.27	
Last Archer Survey										
5,983.00	15.64	248.08	5,887.75	-187.60	-741.91	761.68	0.85	0.71	-1.78	
MM Federal 26-23-29-24 tgt										
6,000.00	15.64	248.08	5,904.12	-189.31	-746.16	766.14	0.00	0.00	0.00	

Survey Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
2,531.00	2,531.00	0.00	0.00	First Archer Survey	
5,983.00	5,887.75	-187.60	-741.91	Last Archer Survey	
6,035.00	5,937.82	-192.83	-754.92	PTB	

Checked By: _____ Approved By: _____ Date: _____

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: MIDDLE MESA 26-23-29-24

API number: 4303731905

Well Location: QQ SWNW Section 26 Township 29S Range 24E County SAN JUAN

Well operator: CCI PARADOX UPSTREAM LLC

Address: 600 17TH STREET, SUITE 1900S

city DENVER state CO zip 80202

Phone: (303) 728-2222

Drilling contractor: FRONTIER DRILLING, LLC

Address: 1608 NE EXPRESSWAY, SUITE 102

city OKLAHOMA CITY state OK zip 73118

Phone: (405) 745-7700

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,267	1,331	200	FRESH

Formation tops: (Top to Bottom)

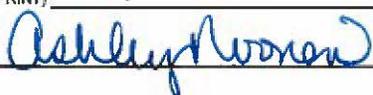
1	<u>CUTLER 2529-4089</u>	2	<u>Honaker trl 4089-5483</u>	3	<u>LA SAL 5483-5741</u>
4	<u>La Sal Snd 5741-5796</u>	5	_____	6	_____
7	_____	8	_____	9	_____
10	_____	11	_____	12	_____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Ashley B Noonan

TITLE Regulatory Analyst

SIGNATURE 

DATE 1/6/2015

CCI Paradox Upstream LLC

San Juan Co., Utah (NAD 27)

Sec.26-T29S-R24E NAD27

Middle Mesa Federal 26-23-29-24(Nad27)

Wellbore #1

Survey: Survey #1

Standard Survey Report

27 August, 2014

Archer

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL@ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL@ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Project	San Juan Co., Utah (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Colorado South 503		

Site	Sec.26-T29S-R24E NAD27				
Site Position:	Northing:	585,569.291 usft	Latitude:	38° 15' 12.029 N	
From:	Lat/Long	Easting:	2,648,136.277 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	1.38 °

Well	Middle Mesa Federal 26-23-29-24(Nad27)					
Well Position	+N/-S	0.00 usft	Northing:	585,569.271 usft	Latitude:	38° 15' 12.029 N
	+E/-W	0.00 usft	Easting:	2,648,136.278 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty	0.00 usft	Wellhead Elevation:	usft	Ground Level:	6,810.50 usft	

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF200510	2013/10/31	(°)	(°)	(nT)
			7.52	65.47	51,896

Design	Wellbore #1				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(usft)	(usft)	(usft)	(°)	
	0.00	0.00	0.00	261.36	

Survey Program	Date	2014/08/27			
From	To	Survey (Wellbore)	Tool Name	Description	
(usft)	(usft)				
2,531.00	6,035.00	Survey #1 (Wellbore #1)	MWVD	MWVD - Standard	

Survey										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate	
(usft)	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(°/100usft)	(°/100usft)	(°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	0.00	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	0.00	0.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250.00	0.00	0.00	250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
350.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
550.00	0.00	0.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
750.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
850.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,050.00	0.00	0.00	1,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,150.00	0.00	0.00	1,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,250.00	0.00	0.00	1,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,350.00	0.00	0.00	1,350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,450.00	0.00	0.00	1,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,550.00	0.00	0.00	1,550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,650.00	0.00	0.00	1,650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,750.00	0.00	0.00	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,850.00	0.00	0.00	1,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,950.00	0.00	0.00	1,950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,050.00	0.00	0.00	2,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,150.00	0.00	0.00	2,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,250.00	0.00	0.00	2,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,350.00	0.00	0.00	2,350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,450.00	0.00	0.00	2,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Archer Survey										
2,531.00	0.00	0.00	2,531.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,550.00	0.23	258.87	2,550.00	-0.01	-0.04	0.04	1.20	1.20	0.00	0.00
2,600.00	0.63	275.49	2,600.00	-0.06	-0.45	0.45	0.84	0.80	37.24	0.00
2,650.00	1.48	258.78	2,649.99	-0.21	-1.38	1.40	1.82	1.71	-37.43	0.00
2,700.00	2.34	254.87	2,699.96	-0.54	-2.90	2.95	1.73	1.72	-3.82	0.00
2,750.00	2.96	256.56	2,749.91	-1.11	-5.20	5.30	1.23	1.22	3.38	0.00
2,800.00	3.91	262.50	2,799.82	-1.68	-8.07	8.23	2.03	1.90	11.88	0.00
2,850.00	4.47	267.53	2,849.69	-1.91	-11.70	11.85	1.34	1.13	10.06	0.00
2,900.00	5.07	265.57	2,899.52	-2.16	-15.81	15.96	1.25	1.21	-3.92	0.00
2,950.00	6.32	265.99	2,949.27	-2.53	-20.73	20.88	2.49	2.48	0.83	0.00
3,000.00	8.31	265.47	2,998.85	-2.99	-27.17	27.31	3.99	3.99	-1.04	0.00
3,050.00	9.41	266.08	3,048.25	-3.59	-34.88	35.02	2.21	2.20	1.22	0.00
3,100.00	10.57	261.61	3,097.50	-4.41	-43.43	43.60	2.78	2.31	-8.94	0.00
3,150.00	11.75	259.71	3,146.55	-6.09	-53.01	53.33	2.48	2.37	-3.80	0.00
3,200.00	12.28	258.62	3,195.44	-8.01	-63.30	63.79	1.15	1.06	-2.18	0.00

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
3,250.00	13.41	258.75	3,244.18	-10.19	-74.23	74.92	2.26	2.26	0.26	
3,300.00	14.13	258.87	3,292.75	-12.52	-85.88	86.79	1.44	1.44	0.25	
3,350.00	14.42	258.61	3,341.17	-14.73	-98.13	99.23	0.61	0.59	-0.53	
3,400.00	14.97	258.51	3,389.56	-17.37	-110.47	111.82	1.11	1.11	-0.21	
3,450.00	15.33	257.65	3,437.82	-19.95	-123.26	124.86	0.84	0.71	-1.72	
3,500.00	14.70	255.13	3,486.10	-22.97	-135.90	137.81	1.82	-1.27	-5.03	
3,550.00	14.92	253.36	3,534.48	-26.51	-148.04	150.34	1.01	0.46	-3.54	
3,600.00	14.56	251.63	3,582.83	-30.33	-160.18	162.92	1.14	-0.73	-3.46	
3,650.00	13.94	252.67	3,631.29	-34.15	-171.89	175.08	1.34	-1.23	2.08	
3,700.00	14.06	250.16	3,679.82	-37.98	-183.28	186.91	1.24	0.24	-5.02	
3,750.00	14.54	249.94	3,728.26	-42.28	-194.92	199.06	0.97	0.97	-0.44	
3,800.00	14.17	249.89	3,776.69	-46.47	-206.62	211.26	0.75	-0.75	-0.09	
3,850.00	14.46	249.03	3,825.14	-50.91	-218.15	223.32	0.72	0.58	-1.72	
3,900.00	14.04	251.21	3,873.58	-55.12	-229.79	235.46	1.36	-0.84	4.36	
3,950.00	14.41	252.83	3,922.06	-58.83	-241.47	247.57	1.08	0.74	3.23	
4,000.00	14.53	253.14	3,970.45	-62.54	-253.49	260.01	0.29	0.24	0.62	
4,050.00	14.07	254.51	4,018.92	-65.94	-265.29	272.19	1.14	-0.92	2.73	
4,100.00	14.31	255.27	4,067.38	-69.10	-277.17	284.41	0.61	0.48	1.53	
4,150.00	14.05	254.71	4,115.86	-72.28	-289.01	296.59	0.59	-0.52	-1.12	
4,200.00	13.45	256.75	4,164.42	-75.21	-300.55	308.44	1.54	-1.20	4.07	
4,250.00	13.41	257.92	4,213.06	-77.75	-311.83	319.97	0.55	-0.07	2.34	
4,300.00	13.55	258.91	4,261.70	-79.95	-323.19	331.53	0.54	0.28	1.99	
4,350.00	13.50	258.84	4,310.31	-82.23	-334.69	343.25	0.10	-0.10	-0.15	
4,400.00	13.40	258.21	4,358.94	-84.51	-346.09	354.86	0.35	-0.20	-1.25	
4,450.00	13.57	256.13	4,407.56	-87.10	-357.46	366.48	1.03	0.33	-4.17	
4,500.00	13.90	258.13	4,456.14	-89.82	-369.00	378.30	1.16	0.67	3.99	
4,550.00	14.08	256.24	4,504.65	-92.51	-380.78	390.36	0.98	0.35	-3.78	
4,600.00	13.84	253.07	4,553.18	-95.73	-392.39	402.32	1.60	-0.48	-6.33	
4,650.00	14.41	254.80	4,601.68	-99.13	-404.04	414.35	1.42	1.14	3.46	
4,700.00	14.75	254.61	4,650.07	-102.44	-416.20	426.87	0.69	0.69	-0.38	
4,750.00	15.40	254.60	4,698.35	-105.89	-428.71	439.75	1.30	1.30	-0.03	
4,800.00	15.12	253.35	4,746.59	-109.52	-441.36	452.81	0.86	-0.56	-2.50	
4,850.00	14.96	253.43	4,794.88	-113.26	-453.78	465.64	0.33	-0.33	0.16	
4,900.00	14.66	253.92	4,843.21	-116.86	-466.08	478.34	0.65	-0.59	1.00	
4,950.00	15.11	259.23	4,891.55	-119.81	-478.50	491.07	2.87	0.90	10.61	
5,000.00	15.40	260.54	4,939.76	-122.04	-491.56	504.32	0.89	0.57	2.63	
5,050.00	14.81	260.06	4,988.04	-124.23	-504.40	517.34	1.20	-1.17	-0.96	
5,100.00	14.65	258.23	5,036.41	-126.65	-516.82	529.98	0.99	-0.32	-3.67	
5,150.00	14.82	259.47	5,084.75	-129.01	-529.37	542.74	0.72	0.33	2.49	
5,200.00	14.54	255.76	5,133.10	-131.61	-541.83	555.45	1.96	-0.55	-7.43	
5,250.00	13.97	253.09	5,181.57	-135.11	-553.59	567.61	1.74	-1.14	-5.34	
5,300.00	14.19	254.91	5,230.07	-138.37	-565.29	579.66	0.98	0.43	3.63	
5,350.00	14.00	254.73	5,278.55	-141.56	-577.10	591.82	0.38	-0.37	-0.36	
5,400.00	13.95	252.53	5,327.08	-145.04	-588.63	603.74	1.07	-0.11	-4.40	
5,450.00	14.26	251.82	5,375.58	-148.77	-600.19	615.73	0.72	0.63	-1.41	
5,500.00	16.12	254.59	5,423.90	-152.60	-612.47	628.44	3.98	3.71	5.54	
5,550.00	16.91	259.94	5,471.88	-155.94	-626.14	642.47	3.43	1.59	10.70	
5,600.00	17.17	257.59	5,519.57	-158.21	-640.97	657.46	1.47	0.52	-4.70	
5,650.00	17.12	259.91	5,567.37	-160.85	-655.39	672.12	1.37	-0.10	4.62	
5,700.00	16.87	255.60	5,615.17	-163.97	-669.73	686.76	2.57	-0.51	-8.61	
5,750.00	16.32	254.62	5,663.08	-167.51	-683.60	701.00	1.24	-1.11	-1.97	
5,800.00	15.32	252.91	5,711.19	-171.34	-696.65	714.48	2.21	-2.00	-3.41	
5,850.00	15.13	251.44	5,759.45	-175.34	-709.10	727.39	0.86	-0.38	-2.95	
5,900.00	15.15	249.80	5,807.71	-179.67	-721.42	740.22	0.86	0.05	-3.28	

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
5,950.00	15.41	248.67	5,855.95	-184.35	-733.70	753.07	0.79	0.51	-2.27	
Last Archer Survey										
5,983.00	15.64	248.08	5,887.75	-187.60	-741.91	761.68	0.85	0.71	-1.78	
MM Federal 26-23-29-24 tgt										
6,000.00	15.64	248.08	5,904.12	-189.31	-746.16	766.14	0.00	0.00	0.00	

Survey Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
2,531.00	2,531.00	0.00	0.00	First Archer Survey	
5,983.00	5,887.75	-187.60	-741.91	Last Archer Survey	
6,035.00	5,937.82	-192.83	-754.92	PTB	

Checked By: _____	Approved By: _____	Date: _____
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STATE OF UTAH
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: MIDDLE MESA 26-23-29-24

API number: 4303731905

Well Location: QQ SWNW Section 26 Township 29S Range 24E County SAN JUAN

Well operator: CCI PARADOX UPSTREAM LLC

Address: 600 17TH STREET, SUITE 1900S

city DENVER state CO zip 80202

Phone: (303) 728-2222

Drilling contractor: FRONTIER DRILLING, LLC

Address: 1608 NE EXPRESSWAY, SUITE 102

city OKLAHOMA CITY state OK zip 73118

Phone: (405) 745-7700

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,267	1,331	200	FRESH

Formation tops: (Top to Bottom)

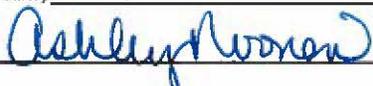
1	<u>CUTLER 2529-4089</u>	2	<u>Honaker trl 4089-5483</u>	3	<u>LA SAL 5483-5741</u>
4	<u>La Sal Snd 5741-5796</u>	5	_____	6	_____
7	_____	8	_____	9	_____
10	_____	11	_____	12	_____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Ashley B Noonan

TITLE Regulatory Analyst

SIGNATURE 

DATE 1/6/2015

CCI Paradox Upstream LLC

San Juan Co., Utah (NAD 27)

Sec.26-T29S-R24E NAD27

Middle Mesa Federal 26-23-29-24(Nad27)

Wellbore #1

Survey: Survey #1

Standard Survey Report

27 August, 2014

Archer

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL@ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL@ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Project	San Juan Co., Utah (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Colorado South 503		

Site	Sec.26-T29S-R24E NAD27				
Site Position:		Northing:	585,569.291 usft	Latitude:	38° 15' 12.029 N
From:	Lat/Long	Easting:	2,648,136.277 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	1.38 °

Well	Middle Mesa Federal 26-23-29-24(Nad27)					
Well Position	+N/-S	0.00 usft	Northing:	585,569.271 usft	Latitude:	38° 15' 12.029 N
	+E/-W	0.00 usft	Easting:	2,648,136.278 usft	Longitude:	103° 14' 34.053 W
Position Uncertainty		0.00 usft	Wellhead Elevation:	usft	Ground Level:	6,810.50 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2013/10/31	7.52	65.47	51,896

Design	Wellbore #1				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)	
	0.00	0.00	0.00	261.36	

Survey Program	Date	2014/08/27			
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description	
2,531.00	6,035.00	Survey #1 (Wellbore #1)	MWD	MWD - Standard	

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	0.00	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	0.00	0.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250.00	0.00	0.00	250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
350.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
550.00	0.00	0.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
750.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
850.00	0.00	0.00	850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
950.00	0.00	0.00	950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,050.00	0.00	0.00	1,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,150.00	0.00	0.00	1,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,250.00	0.00	0.00	1,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,350.00	0.00	0.00	1,350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,450.00	0.00	0.00	1,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,550.00	0.00	0.00	1,550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,650.00	0.00	0.00	1,650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,750.00	0.00	0.00	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,850.00	0.00	0.00	1,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,950.00	0.00	0.00	1,950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,050.00	0.00	0.00	2,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,150.00	0.00	0.00	2,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,250.00	0.00	0.00	2,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,350.00	0.00	0.00	2,350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,450.00	0.00	0.00	2,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Archer Survey										
2,531.00	0.00	0.00	2,531.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2,550.00	0.23	258.87	2,550.00	-0.01	-0.04	0.04	1.20	1.20	0.00	0.00
2,600.00	0.63	275.49	2,600.00	-0.06	-0.45	0.45	0.84	0.80	37.24	0.00
2,650.00	1.48	258.78	2,649.99	-0.21	-1.38	1.40	1.82	1.71	-37.43	0.00
2,700.00	2.34	254.87	2,699.96	-0.54	-2.90	2.95	1.73	1.72	-3.82	0.00
2,750.00	2.96	256.56	2,749.91	-1.11	-5.20	5.30	1.23	1.22	3.38	0.00
2,800.00	3.91	262.50	2,799.82	-1.68	-8.07	8.23	2.03	1.90	11.88	0.00
2,850.00	4.47	267.53	2,849.69	-1.91	-11.70	11.85	1.34	1.13	10.06	0.00
2,900.00	5.07	265.57	2,899.52	-2.16	-15.81	15.96	1.25	1.21	-3.92	0.00
2,950.00	6.32	265.99	2,949.27	-2.53	-20.73	20.88	2.49	2.48	0.83	0.00
3,000.00	8.31	265.47	2,998.85	-2.99	-27.17	27.31	3.99	3.99	-1.04	0.00
3,050.00	9.41	266.08	3,048.25	-3.59	-34.88	35.02	2.21	2.20	1.22	0.00
3,100.00	10.57	261.61	3,097.50	-4.41	-43.43	43.60	2.78	2.31	-8.94	0.00
3,150.00	11.75	259.71	3,146.55	-6.09	-53.01	53.33	2.48	2.37	-3.80	0.00
3,200.00	12.28	258.62	3,195.44	-8.01	-63.30	63.79	1.15	1.06	-2.18	0.00

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
3,250.00	13.41	258.75	3,244.18	-10.19	-74.23	74.92	2.26	2.26	0.26	
3,300.00	14.13	258.87	3,292.75	-12.52	-85.88	86.79	1.44	1.44	0.25	
3,350.00	14.42	258.61	3,341.17	-14.73	-98.13	99.23	0.61	0.59	-0.53	
3,400.00	14.97	258.51	3,389.56	-17.37	-110.47	111.82	1.11	1.11	-0.21	
3,450.00	15.33	257.65	3,437.82	-19.95	-123.26	124.86	0.84	0.71	-1.72	
3,500.00	14.70	255.13	3,486.10	-22.97	-135.90	137.81	1.82	-1.27	-5.03	
3,550.00	14.92	253.36	3,534.48	-26.51	-148.04	150.34	1.01	0.46	-3.54	
3,600.00	14.56	251.63	3,582.83	-30.33	-160.18	162.92	1.14	-0.73	-3.46	
3,650.00	13.94	252.67	3,631.29	-34.15	-171.89	175.08	1.34	-1.23	2.08	
3,700.00	14.06	250.16	3,679.82	-37.98	-183.28	186.91	1.24	0.24	-5.02	
3,750.00	14.54	249.94	3,728.26	-42.28	-194.92	199.06	0.97	0.97	-0.44	
3,800.00	14.17	249.89	3,776.69	-46.47	-206.62	211.26	0.75	-0.75	-0.09	
3,850.00	14.46	249.03	3,825.14	-50.91	-218.15	223.32	0.72	0.58	-1.72	
3,900.00	14.04	251.21	3,873.58	-55.12	-229.79	235.46	1.36	-0.84	4.36	
3,950.00	14.41	252.83	3,922.06	-58.83	-241.47	247.57	1.08	0.74	3.23	
4,000.00	14.53	253.14	3,970.45	-62.54	-253.49	260.01	0.29	0.24	0.62	
4,050.00	14.07	254.51	4,018.92	-65.94	-265.29	272.19	1.14	-0.92	2.73	
4,100.00	14.31	255.27	4,067.38	-69.10	-277.17	284.41	0.61	0.48	1.53	
4,150.00	14.05	254.71	4,115.86	-72.28	-289.01	296.59	0.59	-0.52	-1.12	
4,200.00	13.45	256.75	4,164.42	-75.21	-300.55	308.44	1.54	-1.20	4.07	
4,250.00	13.41	257.92	4,213.06	-77.75	-311.83	319.97	0.55	-0.07	2.34	
4,300.00	13.55	258.91	4,261.70	-79.95	-323.19	331.53	0.54	0.28	1.99	
4,350.00	13.50	258.84	4,310.31	-82.23	-334.69	343.25	0.10	-0.10	-0.15	
4,400.00	13.40	258.21	4,358.94	-84.51	-346.09	354.86	0.35	-0.20	-1.25	
4,450.00	13.57	256.13	4,407.56	-87.10	-357.46	366.48	1.03	0.33	-4.17	
4,500.00	13.90	258.13	4,456.14	-89.82	-369.00	378.30	1.16	0.67	3.99	
4,550.00	14.08	256.24	4,504.65	-92.51	-380.78	390.36	0.98	0.35	-3.78	
4,600.00	13.84	253.07	4,553.18	-95.73	-392.39	402.32	1.60	-0.48	-6.33	
4,650.00	14.41	254.80	4,601.68	-99.13	-404.04	414.35	1.42	1.14	3.46	
4,700.00	14.75	254.61	4,650.07	-102.44	-416.20	426.87	0.69	0.69	-0.38	
4,750.00	15.40	254.60	4,698.35	-105.89	-428.71	439.75	1.30	1.30	-0.03	
4,800.00	15.12	253.35	4,746.59	-109.52	-441.36	452.81	0.86	-0.56	-2.50	
4,850.00	14.96	253.43	4,794.88	-113.26	-453.78	465.64	0.33	-0.33	0.16	
4,900.00	14.66	253.92	4,843.21	-116.86	-466.08	478.34	0.65	-0.59	1.00	
4,950.00	15.11	259.23	4,891.55	-119.81	-478.50	491.07	2.87	0.90	10.61	
5,000.00	15.40	260.54	4,939.76	-122.04	-491.56	504.32	0.89	0.57	2.63	
5,050.00	14.81	260.06	4,988.04	-124.23	-504.40	517.34	1.20	-1.17	-0.96	
5,100.00	14.65	258.23	5,036.41	-126.65	-516.82	529.98	0.99	-0.32	-3.67	
5,150.00	14.82	259.47	5,084.75	-129.01	-529.37	542.74	0.72	0.33	2.49	
5,200.00	14.54	255.76	5,133.10	-131.61	-541.83	555.45	1.96	-0.55	-7.43	
5,250.00	13.97	253.09	5,181.57	-135.11	-553.59	567.61	1.74	-1.14	-5.34	
5,300.00	14.19	254.91	5,230.07	-138.37	-565.29	579.66	0.98	0.43	3.63	
5,350.00	14.00	254.73	5,278.55	-141.56	-577.10	591.82	0.38	-0.37	-0.36	
5,400.00	13.95	252.53	5,327.08	-145.04	-588.63	603.74	1.07	-0.11	-4.40	
5,450.00	14.26	251.82	5,375.58	-148.77	-600.19	615.73	0.72	0.63	-1.41	
5,500.00	16.12	254.59	5,423.90	-152.60	-612.47	628.44	3.98	3.71	5.54	
5,550.00	16.91	259.94	5,471.88	-155.94	-626.14	642.47	3.43	1.59	10.70	
5,600.00	17.17	257.59	5,519.57	-158.21	-640.97	657.46	1.47	0.52	-4.70	
5,650.00	17.12	259.91	5,567.37	-160.85	-655.39	672.12	1.37	-0.10	4.62	
5,700.00	16.87	255.60	5,615.17	-163.97	-669.73	686.76	2.57	-0.51	-8.61	
5,750.00	16.32	254.62	5,663.08	-167.51	-683.60	701.00	1.24	-1.11	-1.97	
5,800.00	15.32	252.91	5,711.19	-171.34	-696.65	714.48	2.21	-2.00	-3.41	
5,850.00	15.13	251.44	5,759.45	-175.34	-709.10	727.39	0.86	-0.38	-2.95	
5,900.00	15.15	249.80	5,807.71	-179.67	-721.42	740.22	0.86	0.05	-3.28	

Archer
Survey Report



Company:	CCI Paradox Upstream LLC	Local Co-ordinate Reference:	Well Middle Mesa Federal 26-23-29-24(Nad27)
Project:	San Juan Co., Utah (NAD 27)	TVD Reference:	WELL @ 6831.50usft (Original Well Elev)
Site:	Sec.26-T29S-R24E NAD27	MD Reference:	WELL @ 6831.50usft (Original Well Elev)
Well:	Middle Mesa Federal 26-23-29-24(Nad27)	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDMDBBW

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
5,950.00	15.41	248.67	5,855.95	-184.35	-733.70	753.07	0.79	0.51	-2.27	
Last Archer Survey										
5,983.00	15.64	248.08	5,887.75	-187.60	-741.91	761.68	0.85	0.71	-1.78	
MM Federal 26-23-29-24 tgt										
6,000.00	15.64	248.08	5,904.12	-189.31	-746.16	766.14	0.00	0.00	0.00	

Survey Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
2,531.00	2,531.00	0.00	0.00	First Archer Survey	
5,983.00	5,887.75	-187.60	-741.91	Last Archer Survey	
6,035.00	5,937.82	-192.83	-754.92	PTB	

Checked By: _____	Approved By: _____	Date: _____
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United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

440 West 200 South, Suite 500

Salt Lake City, UT 84101

<http://www.blm.gov/ut/st/en.html>

FEB 06 2015

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FEB 11 2015

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:
3180 (UTU82680A)
UT-922200

Ms. Kelsey Silipo
CCI Paradox Upstream, LLC
600 17th Street, Suite 1900S
Denver, Colorado 80202

Re: 5th Revision of the Hermosa Group PA
Middle Mesa Unit, San Juan County, Utah

Dear Ms. Silipo:

The 5th Revision of the Hermosa Group Participating Area (PA), Middle Mesa Unit, CRS No. UTU82680A, San Juan County, Utah, is hereby approved effective as of August 1, 2011 (the first of the month Well No. 26-34-29-24, API No. 43-037-31904, located in NE $\frac{1}{4}$ SE $\frac{1}{4}$, of Section 26, Township 29 South, Range 24 East, Federal Lease No. UTU76053 had actual sales) pursuant to Section 11 of the Middle Mesa Unit Agreement.

This revision results in the addition of 200.00 acres to the 4th Revision of the Honaker Trail Participating Area for a total of 739.68 acres and is based upon the completion in the Honaker Trail and Ismay formations of Well No. 31-44-29-25, API No. 43-037-31906, located in SE $\frac{1}{4}$ SE $\frac{1}{4}$, of Section 31, Township 29 South, Range 25 East, Federal Lease No. UTU76335 and the completion in the Honaker Trail formation of Well No. 26-34-29-24, API No. 43-037-31904, located in NE $\frac{1}{4}$ SE $\frac{1}{4}$, of Section 26, Township 29 South, Range 24 East, Federal Lease No. UTU76053. The participating area now covers the entire Hermosa Group. Both wells are capable of producing unitized substances in paying quantities.

The following wells should be reported to the Hermosa Group Participating Area effective August 1, 2011.

API	WELL NAME	Surface Location	LEASE
4303731838	36-14-29-24	0756 FNL 0760 FEL 36 T29.0S R24.0E	ML-37067
4303731853	5-6-30-25	1002 FNL 2284 FWL 05 T30.0S R25.0E	UTU-84218
4303731854	31-31-29-25	2126 FSL 0810 FWL 31 T29.0S R25.0E	UTU-84217
4303731855	36-12-29-24	1097 FNL 2216 FWL 36 T29.0S R24.0E	ST-UT-37067
4303731856	36-24-29-24	2569 FNL 1183 FEL 36 T29.0S R24.0E	ML-37067
4303731877	36-12B-29-24	1105 FNL 2228 FWL 36 T29.0S R24.0E	ST-UT-37067
4303731878	36-24B-29-24	2562 FNL 1172 FEL 36 T29.0S R24.0E	ST-UT-37067
4303731902	25-41-29-24	0360 FSL 0960 FWL 25 T29.0S R24.0E	UTU-76053
4303731903	25-31-29-24	2361 FSL 0900 FWL 25 T29.0S R24.0E	UTU-76053
4303731904	26-34-29-24	2011 FSL 0789 FEL 26 T29.0S R24.0E	UTU-76053
4303731906	31-44-29-25	0587 FSL 1207 FEL 31 T29.0S R25.0E	UTU-76335
4303731907	31-33-29-25	1873 FSL 1795 FEL 31 T29.0S R25.0E	UTU-76335
4303750021	31-42-29-25	0557 FSL 2344 FWL 31 T29.0S R25.0E	UTU-84217

For production and accounting reporting purposes, all submissions pertaining to the Hermosa Group PA shall refer to UTU82680A.

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 5th Revision of the Hermosa Group PA, Middle Mesa Unit, and its effective date.

Please direct any questions concerning this approval to Judy Nordstrom of this office at (801) 539-4108.

Sincerely,



Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
ONRR w/Exhibit B (Attn: Curtis Link)
BLM FOM - Moab w/enclosure



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

440 West 200 South, Suite 500

Salt Lake City, UT 84101-1345

<http://www.blm.gov/ut/st/en.html>

IN REPLY REFER TO:
3180 (UTU82680X)
UT-922000

RECEIVED

APR 28 2015

Ms. Kelsey Silipo
CCI Paradox Upstream, LLC N3945
600 17th Street, Suite 1900S
Denver, Colorado 80202

MAY 01 2015

DIV. OF OIL, GAS & MINING

Re: Automatic Contraction
Middle Mesa Unit
San Juan County, Utah

Dear Ms. Silipo:

Your letter of April 13, 2015, describes the lands automatically eliminated effective October 1, 2013, from the Middle Mesa Unit Area, located in San Juan County, Utah, pursuant to Section 2(e) of the unit agreement and requests our concurrence. The lands you have described contain 8,894.57 acres more or less, and constitute all legal subdivisions, no parts of which are included in the 5th Revision of the Hermosa Group Participating Area and the Initial Hermosa Participating Area "B". As a result of the automatic contraction, the unit is reduced to 899.68 acres.

The following Federal Leases are entirely eliminated from the unit area:

UTU16577	UTU 78735
UTU76327	UTU 80058
UTU76776	UTU 84215
UTU77076	UTU84216
UTU77077	UTU87212
UTU77372	UTU87222
UTU77539	UTU88837*

*Indicates non-committed lease

The following Federal Leases are partially eliminated from the unit area.

UTU84217
UTU84218
UTU76053
UTU76335
UTU77538

You have complied with the requirements of Section 2(e), provided you promptly notify all interested parties.

If you have any questions, please contact Judy Nordstrom of this office at (801) 539-4108.

Sincerely,



for Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
ONRR w/Exhibit "B" (Attn: Curtis Link)
BLM Field Office Manager – Moab (UTY01) w/enclosure

Middle Mesa Unit Contraction
Effective 4/30/2015

Well Name	Section	TWN	RNG	API Number	Type	Status
BIG INDIAN 35-24	35	290S	240E	4303731829	GW	P
MIDDLE MESA FED 26-34-29-24	26	290S	240E	4303731904	GW	P
MIDDLE MESA FED 25-31-29-24	25	290S	240E	4303731903	GW	P
MIDDLE MESA FED 31-33-29-25	31	290S	250E	4303731907	GW	P
MIDDLE MESA FED 4-20-30-25	4	300S	250E	4303750010	GW	P
MIDDLE MESA FED 31-44-29-25	31	290S	250E	4303731906	GW	P
MIDDLE MESA FED 5-10-30-25	5	300S	250E	4303731897	GW	P
MIDDLE MESA FED 26-23-29-24	26	290S	240E	4303731905	GW	P
MIDDLE MESA FED 31-22-29-25	31	290S	250E	4303731909	GW	APD



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

440 West 200 South, Suite 500

Salt Lake City, UT 84101

<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3180 / (UT922)
UTU90534

JUN 06 2016

RECEIVED

JUN 09 2016

DIV. OF OIL, GAS & MINING

Ms. Anna Hudson

CCI Paradox Upstream, LLC

811 Main Street, Suite 1500

Houston, Texas 77002

N3945

Dear Ms. Hudson:

Enclosed is one approved copy of Communitization Agreement No. UTU90534. This agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Hermosa Group Formations, in the SWSWNE, SESENE of Section 26, Township 29 South, Range 24 East, SLB&M, located in San Juan County, Utah. This agreement conforms to the spacing set forth in Order No. 166-08 issued by the Utah Board of Oil, Gas and Mining on April 20, 2016.

This agreement is effective as of October 1, 2014, the date of first production for the Middle Mesa Federal 26-23-29-24 well located on Federal Lease UTU77538. The communitized area covers 20.00 acres.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

Office of Natural Resources Revenue Form MMS-4054 "Oil & Gas Operations Report" must be submitted for this agreement beginning with the month in which drilling operations commenced for the Middle Mesa Federal 26-23-29-24 well, API # 43-037-31905, with the surface location in the SWNE, Section 26, Township 29 South, Range 24 East, SLB&M, San Juan County, Utah. Form MMS-4054 is to be mailed to the Office of Natural Resources Revenue, P.O. Box 25165, Denver, Colorado 80225-0627.

CCI Paradox Upstream, LLC
Comminization Agreement UTU90534
Effective Date: October 1, 2014

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral	Surface	Type	Status
MIDDLE MESA FED 26-34-29-24	26	290S	240E	4303731904	18118	Federal	Federal	GW	P
MIDDLE MESA FED 26-23-29-24	26	290S	240E	4303731905	19635	Federal	Federal	GW	P