

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-76335	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 31-33-29-25	
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: South Pine Ridge
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1873' FSL & 1795' FEL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 31 29S 25E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 5.6 Miles Southeast of La Sal, Utah		12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 815'	16. NUMBER OF ACRES IN LEASE: 160	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1723'	19. PROPOSED DEPTH: 6,534	20. BOND DESCRIPTION: RLB0001191	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6662.9' 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#	2,700	Class G + 2% gel	750sx	2.09 cuft/sx	12.5#
8 3/4	5 1/2	I-80	17#	6,534	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 PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Jevin Croteau TITLE Regulatory Analyst
SIGNATURE [Signature] DATE 2/5/09

(This space for State use only)

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

API NUMBER ASSIGNED: 43-037-31907

RECEIVED

FEB 11 2009

(11/2001)

Federal Approval of this
Action is Necessary

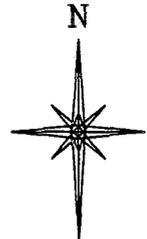
Date: 02-18-09
(See instructions on Reverse Side)

By: [Signature]

DIV. OF OIL, GAS & MINING

R. 25 E.

N 87°28'59" E 5331.18'



SCALE: 1" = 1000'

T. 29 S.

**MIDDLE MESA
FEDERAL
31-33-29-25**

**UNGRADED ELEVATION:
6662.9'**

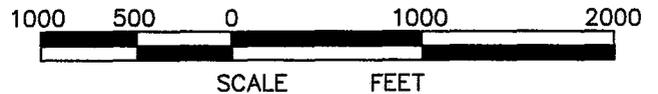
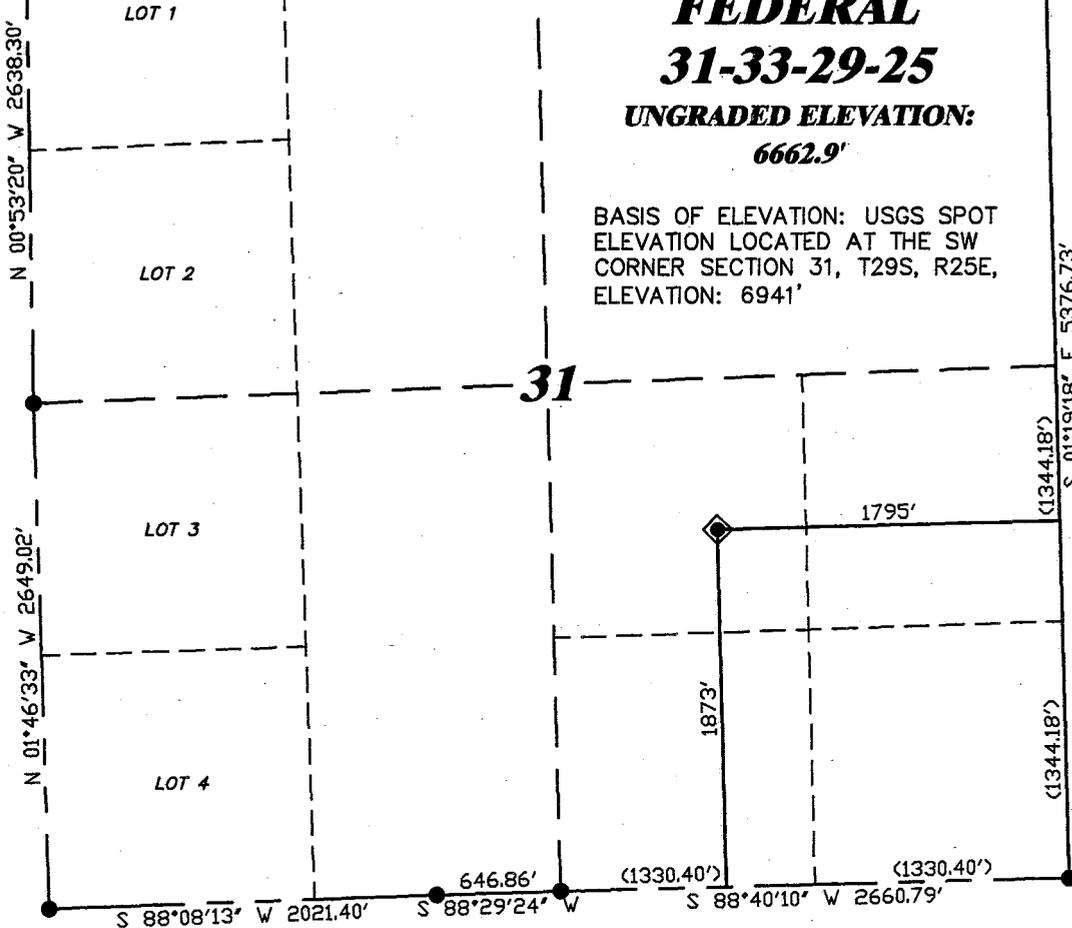
BASIS OF ELEVATION: USGS SPOT
ELEVATION LOCATED AT THE SW
CORNER SECTION 31, T29S, R25E,
ELEVATION: 6941'

LATITUDE (NAD 27)
NORTH 38.235522 DEG.
LONGITUDE (NAD 27)
WEST 109.205067 DEG.

LATITUDE (NAD 83)
NORTH 38.235510 DEG.
LONGITUDE (NAD 83)
WEST 109.205732 DEG.

NORTHING
579337.19
EASTING
2659134.54

DATUM
SPCS UT SOUTH (NAD 27)

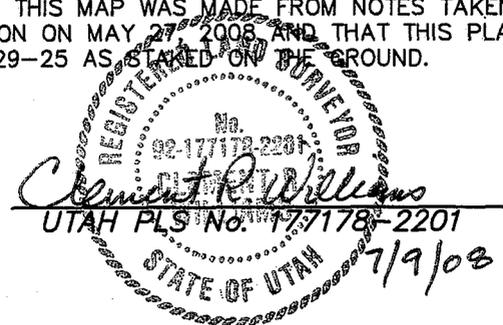


SURVEYOR'S STATEMENT

I, CLEMENT R. WILLIAMS, OF ROCK SPRINGS, WYOMING, HEREBY STATE: THIS MAP WAS MADE FROM NOTES TAKEN DURING AN ACTUAL FIELD SURVEY DONE UNDER MY DIRECT SUPERVISION ON MAY 27, 2008, AND THAT THIS PLAT CORRECTLY SHOWS THE LOCATION OF MIDDLE MESA FEDERAL 31-33-29-25 AS STATED ON THE GROUND.

NOTES

- ◆ WELL LOCATION
- FOUND MONUMENT (BC)



DRG RIFFIN & ASSOCIATES, INC. (307) 362-6028 1414 ELK ST., ROCK SPRINGS, WY 82901	
DRAWN: 7/9/08 - ADB	SCALE: 1" = 1000'
REVISED: N/A	DRG JOB No. 16537
WELL PLAT	EXHIBIT 1

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

**1873' F/SL & 1795' F/EL, SECTION 31,
T. 29 S., R. 25 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 JERRY D. OLDS
Executive Director *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.

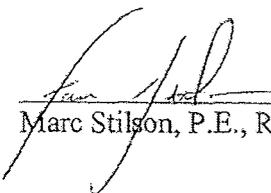
Inasmuch as this application proposes to divert water from a surface source, the applicant is required to contact the Stream Alteration Section of the Division of Water Rights at 801-538-7240 to obtain a Stream Alteration permit in addition to this Temporary Change Application.

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

ONSHORE ORDER No. 1
EnCana Oil & Gas (USA), Inc.
Middle Mesa Fed 31-33-29-25
1873' FSL & 1795' FEL (surface)
Section 31-T29S-R25E
1873' FSL & 1795' FEL (bottom hole)
Section 31-T29S-R25E
San Juan County, Utah

Lease No. UTU-76335

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	6663
Entrada	1122	5561
Navajo	1385	5298
Kayenta	1922	4761
Wingate	2138	4545
Chinle	2445	4238
Cutler	2753	3930
Honaker Trail	4552	2131
La Sal	5958	725
La Sal Shale	6299	384
Hatch	6384	299
TD	6534	149

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	4552
Gas	La Sal	5958
Gas	La Sal Shale	6299

ONSHORE ORDER No. 1
EnCana Oil & Gas (USA), Inc.
Middle Mesa Fed 31-33-29-25
1873' FSL & 1795' FEL (surface)
Section 31-T29S-R25E
1873' FSL & 1795' FEL (bottom hole)
Section 31-T29S-R25E
San Juan County, Utah

Lease No. UTU-76335

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.

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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'-2700'	12-1/4"	9-5/8"	36#	J-55	ST&C	New
Production	0'-6534'	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
0-2700'	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'-6534'	1000 sx Class G 50/50 Poz, 1.43 cuft/sx yield, 13 ppg

- q. The BLM in Moab, Utah should be notified, with sufficient lead time, in order to have a BLM

Drilling Program

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
0-4400'	Water	+/- 8.5	+/- 27	N.C.
4400'-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:

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

Drilling Program

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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 or Recompletion Report and Log".

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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, or resumes production in the case of a well which has been off production for more than

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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 surface restoration. Final abandonment will not be approved until the surface reclamation

ONSHORE ORDER No. 1

EnCana Oil & Gas (USA), Inc.

Middle Mesa Fed 31-33-29-25

1873' FSL & 1795' FEL (surface)

Section 31-T29S-R25E

1873' FSL & 1795' FEL (bottom hole)

Section 31-T29S-R25E

San Juan County, Utah

Lease No. UTU-76335

Drilling Program

Page 9

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:

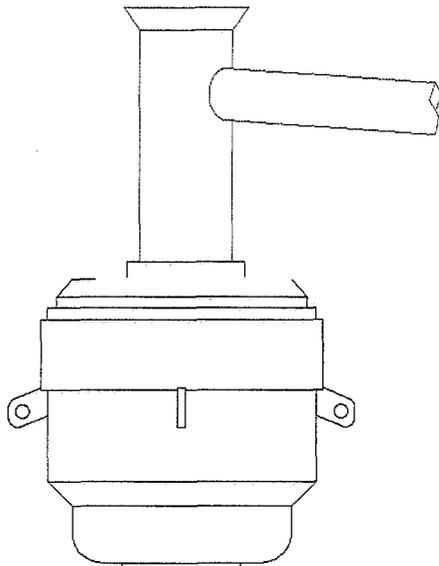
Address: 82 East Dogwood Ave. Phone: 435-259-2100
Moab, Utah 84532

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

After Hours:

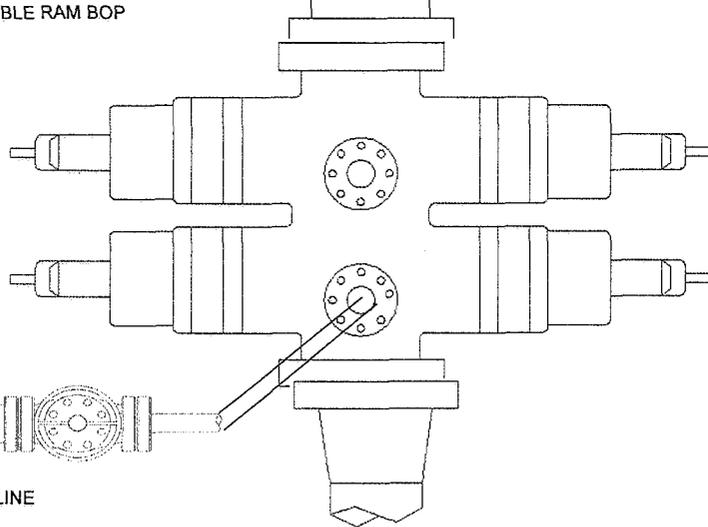
Jack Johnson	Engineering Technician	435-259-2129
Eric Jones	Petroleum Engineer	435-259-2117

3M ANNULAR

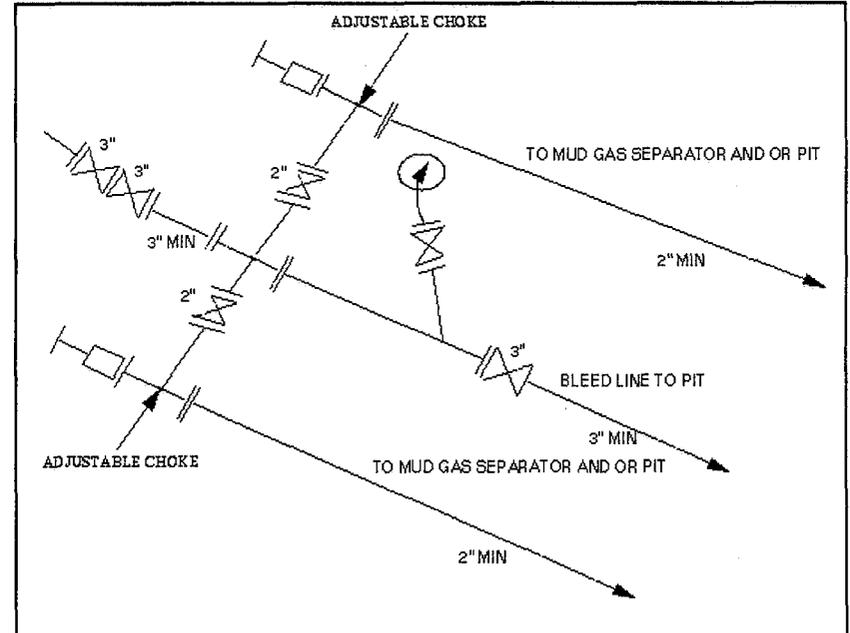


3" CHOKE LINE FROM
OUTLET ON BOTTOM
SIDE OF RAMS

3M DOUBLE RAM BOP



2" KILL LINE



3M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY
[54 FR 39528, Sept 27, 1989]

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/11/2009

API NO. ASSIGNED: 43-037-31907

WELL NAME: MIDDLE MESA FED 31-33-29-25
 OPERATOR: ENCANA OIL & GAS (USA) (N2175)
 CONTACT: JEVIN CROTEAU

PHONE NUMBER: 720-876-5339

PROPOSED LOCATION:

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

NWSE 31 290S 250E
 SURFACE: 1873 FSL 1795 FEL
 BOTTOM: 1873 FSL 1795 FEL
 COUNTY: SAN JUAN
 LATITUDE: 38.23544 LONGITUDE: -109.2050
 UTM SURF EASTINGS: 657099 NORTHINGS: 4233256
 FIELD NAME: SOUTH PINE RIDGE (457)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-76335
 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: _____

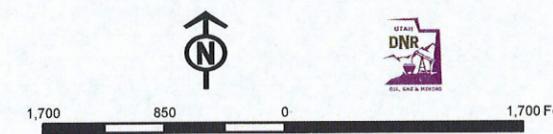
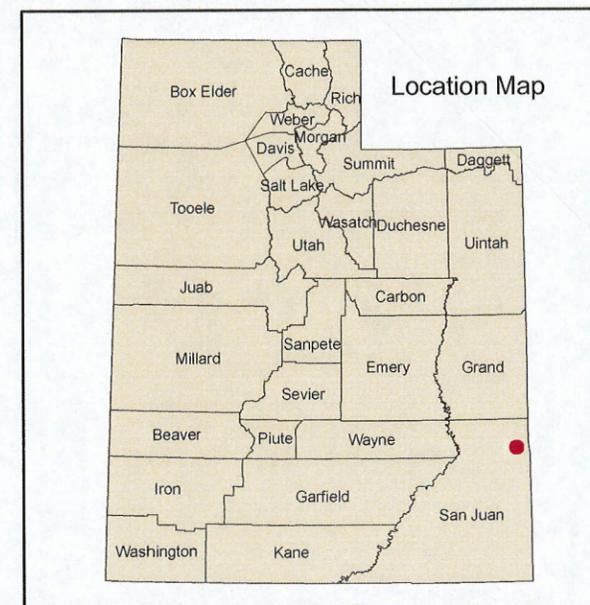
STIPULATIONS: _____

1- Federal Approval
2- Spacing Strip

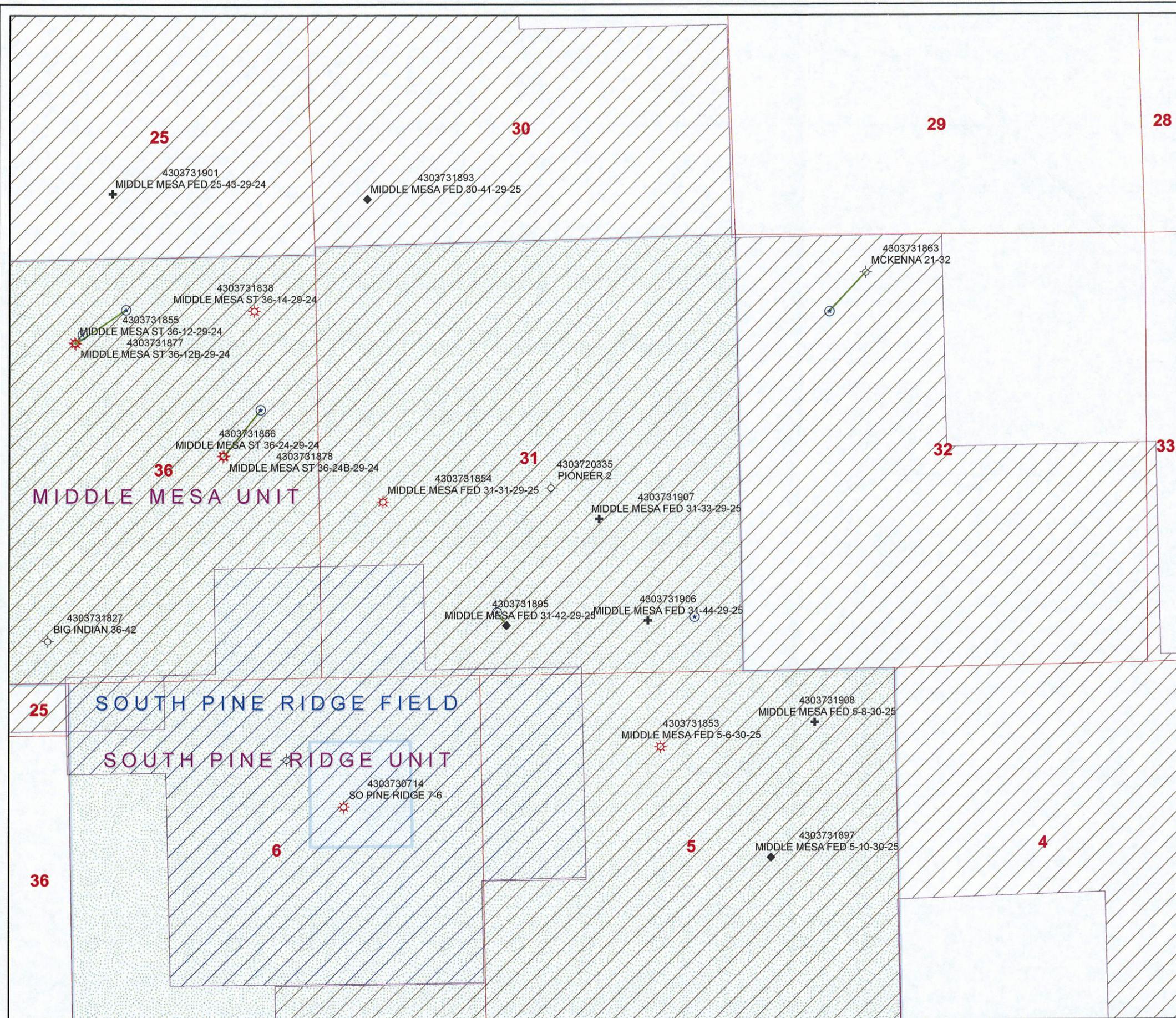
API Number: 4303731907
Well Name: MIDDLE MESA FED 31-33-29-25
Township 29.0 S Range 25.0 E Section 31
Meridian: SLBM
Operator: ENCANA OIL & GAS (USA) INC

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 |



1:15,560



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 31-33-29-25 Well, 1873' FSL, 1795' FEL, NW SE, Sec. 31,
T. 29 South, R. 25 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 43-037-31907.

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 31-33-29-25

API Number: 43-037-31907

Lease: UTU-76335

Location: NW SE Sec. 31 T. 29 South R. 25 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. 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

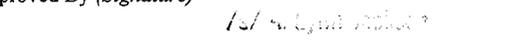
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-76335
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EnCana Oil & Gas (USA) Inc.		7. If Unit or CA Agreement, Name and No. Middle Mesa, UTU-82680X
3a. Address 370 17th St., Suite 1700, Denver CO 80202		8. Lease Name and Well No. Middle Mesa Fed 31-33-29-25
3b. Phone No. (include area code) 720-876-5339		9. API Well No. 4303731907
4. Location of well (Report location clearly and in accordance with any State requirements.)* At surface 1873' FSL & 1795' FEL At proposed prod. zone		10. Field and Pool, or Exploratory South Pine Ridge
14. Distance in miles and direction from nearest town or post office* Approximately 5.6 Miles Southeast of La Sal, UT		11. Sec., T., R., M., or Blk. And Survey or Area Sec. 31, T29S-R25E
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 160.00	12. County or Parish San Juan
815' 1894'	17. Spacing Unit dedicated to this well 40 acres	13. State Utah
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1723'	19. Proposed Depth 6534' TVD	20. BLM/ BIA Bond No. on file UT1005
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6662.9' 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 1/5/2010
Title Assistant Field Manager, Division of Resources		
Office Division of Resources Mcab 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.

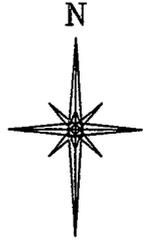
(Continued on page 2)

(Instructions on page 2)

RECEIVED
JAN 11 2010
CONDITIONS OF APPROVAL ATTACHED
DIV. OF OIL, GAS & MINING

R. 25 E.

N 87°28'59" E 5331.18'



SCALE: 1" = 1000'

T. 29 S.

**MIDDLE MESA
FEDERAL
31-33-29-25**

**UNGRADED ELEVATION:
6662.9'**

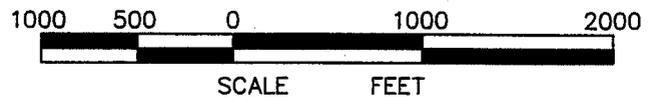
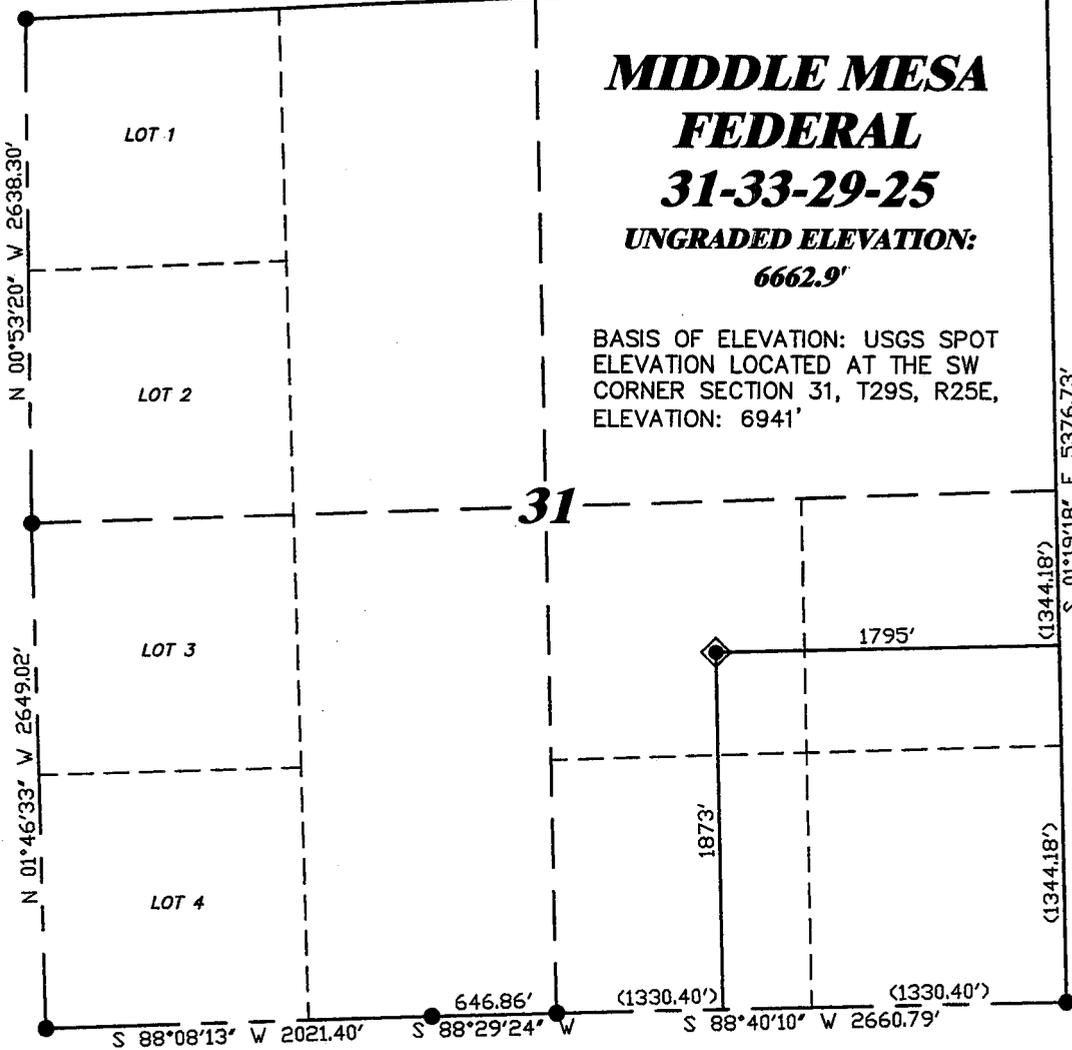
BASIS OF ELEVATION: USGS SPOT
ELEVATION LOCATED AT THE SW
CORNER SECTION 31, T29S, R25E,
ELEVATION: 6941'

LATITUDE (NAD 27)
NORTH 38.235522 DEG.
LONGITUDE (NAD 27)
WEST 109.205067 DEG.

LATITUDE (NAD 83)
NORTH 38.235510 DEG.
LONGITUDE (NAD 83)
WEST 109.205732 DEG.

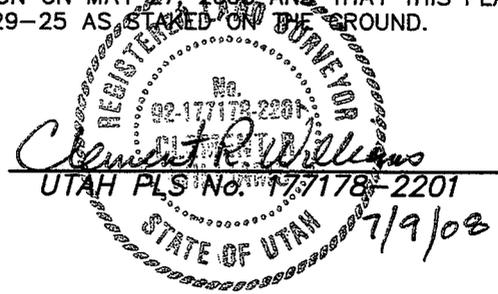
NORTHING
579337.19
EASTING
2659134.54

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 FIELD SURVEY DONE UNDER MY DIRECT SUPERVISION ON MAY 27, 2008, AND THAT THIS PLAT CORRECTLY SHOWS THE LOCATION OF MIDDLE MESA FEDERAL 31-33-29-25 AS STATED ON THE GROUND.



NOTES

- ◆ WELL LOCATION
- FOUND MONUMENT (BC)

DRG RIFFIN & ASSOCIATES, INC.
(307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

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

DRAWN: 7/9/08 - ADB

SCALE: 1" = 1000'

REVISED: N/A

DRG JOB No. 16537

WELL PLAT

EXHIBIT 1

**1873' F/SL & 1795' F/EL, SECTION 31,
T. 29 S., R. 25 E., SALT LAKE B.M.
SAN JUAN COUNTY, UTAH**

EnCana Oil & Gas (USA), Inc.
Middle Mesa Federal 31-33-29-25
Lease UTU-76335
Middle Mesa Unit (UTU-82680-X)
NW/SE Section 31, T29S, R25E
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 exceed 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, unneeded 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

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-76335

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Middle Mesa Unit

8. WELL NAME and NUMBER:
Middle Mesa Fed 31-33-29-25

9. API NUMBER:
4303731907

10. FIELD AND POOL, OR WLD CAT:
South Pine Ridge

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

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

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

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1873' FSL & 1795' FEL COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 31 29S 25E S STATE: UTAH

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

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

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

COPY SENT TO OPERATOR
Date: 1-21-2010
Initials: KS

NAME (PLEASE PRINT) Jevin Croteau TITLE Regulatory Analyst

SIGNATURE [Signature] DATE 1/13/10

(This space for State use only)

RECEIVED
JAN 19 2010
DIV. OF OIL, GAS & MINING

RESET

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

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

API: 4303731907
Well Name: Middle Mesa Fed 31-33-29-25
Location: 1873' FSL & 1795' FEL, Sec. 31, T29S, R25E, 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

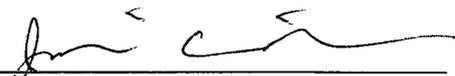
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

11/13/10

Date

Title: Regulatory Analyst

Representing: EnCana Oil & Gas (USA) Inc.

RECEIVED

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
- 4a. Is the new operator registered in the State of Utah: Business Number: 7655540-0161
- 5a. (R649-9-2)Waste Management Plan has been received on: * * requested 9/27/10
- 5b. Inspections of LA PA state/fee well sites complete on: * * requested 9/27/10
- 5c. 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
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number RLB0013207 & B006008
- 3b. 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 WILDCAT:

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> 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. *RFB 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)

RECEIVED
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

RECEIVED

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

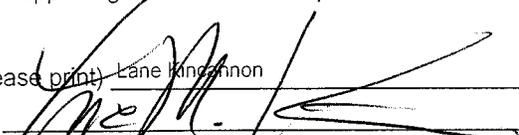
(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Middle Mesa Fed 31-33-29-25
API number:	4303731907
Location:	Qtr-Qtr: NWSE Section: 31 Township: 29S Range: 25E
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input 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>RLB0013207</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) Lane Kingannon Title Vice-President, Land & Business Development
 Signature  Date 5/4/10
 Representing (company name) Patara 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-76335
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 31-33-29-25
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000
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: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE 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"/>

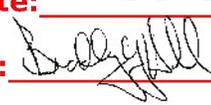
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Patara Oil & Gas, LLC requests the extension of the above mentioned APD for the maximum time allowable. The federal approval is valid until January 5, 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 43037319070000

API: 43037319070000

Well Name: MIDDLE MESA FED 31-33-29-25

Location: 1873 FSL 1795 FEL QTR NWSE SEC 31 TWP 290S RNG 250E 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 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335
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 31-33-29-25
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000
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: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE 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: 7/15/2011 <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 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.
 Please see attached document for clarifications to changes in the BHL, hole sizes, casing program, and cement program. Please note the additional changes to the wellsite layout. Please send copies of all correspondence to either Danielle Gavito or David Banko at Banko Petroleum Management 385 Inverness Parkway, Suite 420, Englewood, CO 80112 or to danielle@banko1.com or dave@banko1.com respectively. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: 08/01/2011
 By: 

NAME (PLEASE PRINT) Kimberly J. Rodell	PHONE NUMBER 303 820-4480	TITLE Permit Agent
SIGNATURE N/A	DATE 6/20/2011	

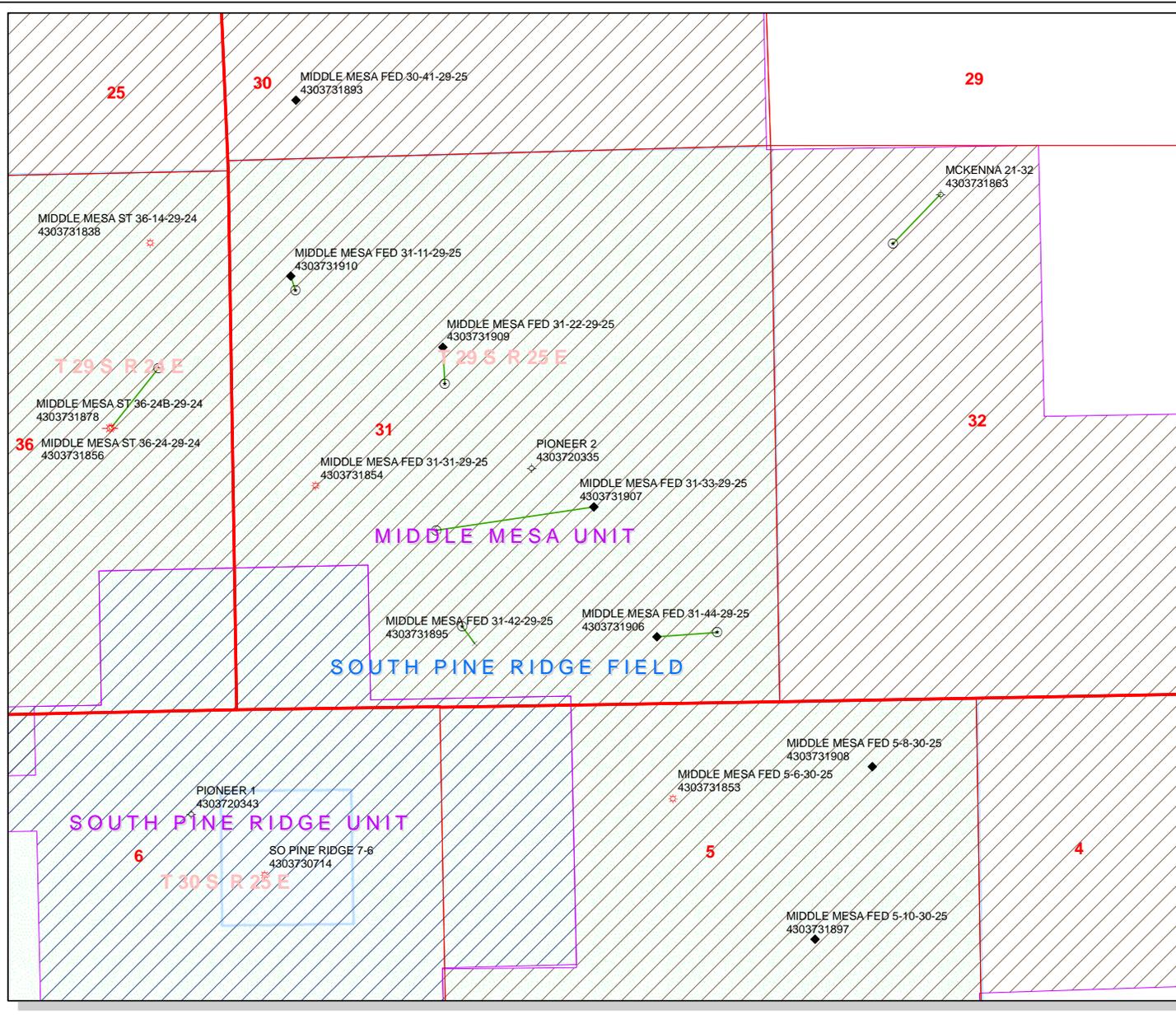
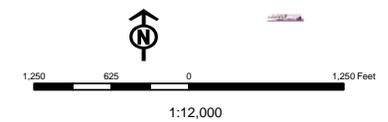
API Number: 4303731907
Well Name: MIDDLE MESA FED 31-33-29-25
 Township T2.9 . Range R2.5 . Section 31
Meridian: SLBM
 Operator: PATARA OIL & GAS, LLC

Map Prepared:
 Map Produced by Diana Mason

Units STATUS	Wells Query Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	OPS - Operation Suspended
PP GEOTHERML	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
	SGW - Shut-in Gas Well
	SOW - Shut-in Oil Well
	TA - Temp. Abandoned
	TW - Test Well
	WDW - Water Disposal
	WIW - Water Injection Well
	WSW - Water Supply Well

Fields STATUS
Unknown
ABANDONED
ACTIVE
COMBINED
INACTIVE
STORAGE
TERMINATED

Sections
Township



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)

July 1, 2011

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2011 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 well has had a change in the bottom hole location. The well is planned for calendar year 2011 within the Middle Mesa Unit, San Juan County, Utah.

API#	WELL NAME	LOCATION
	(Proposed PZ Hatch)	
43-037-31907	Middle Mesa Fed	31-33-29-25 Sec 31 T29S R25E 1873 FSL 1795 FEL BHL Sec 31 T29S R25E 1670 FSL 1987 FWL

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

Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management, ou=Branch
of Minerals, email=Michael_Coulthard@blm.gov, c=US
Date: 2011.07.01 08:48:54 -06'00'

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

MCoulthard:mc:7-1-11

RECEIVED Jun. 20, 2011



Patara Oil & Gas LLC

Dominion Towers • 600 17th Street, Suite 1900S • Denver, CO 80202

Phone (303) 825-0685 • Fax: (720) 235-4560

July 20, 2011

Ms. Diana Mason
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Rule R649-3-11. Directional Drilling
Middle Mesa No. 31-33-29-25 Well
Middle Mesa Unit Federal Unit
San Juan County, Utah

Dear Ms. Mason:

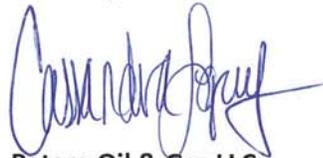
Reference is made to that certain application for permit to drill (APD) covering the captioned well, which well is presently surface located 1,873' FSL and 1,795' FEL of Section 31, T29S, R25E, and bottomhole located 1,670' FSL and 1,987' FWL of said section, in San Juan County, Utah (surveyor plats enclosed). The bottomhole location for this step out well targeting the Honaker Trail formation is located outside the 400 feet square "window" provided for under state rule R649-3-2. In accordance with state rule R649-3-11, Patara hereby respectfully requests an exception to said Location and Siting Wells rule and provides the following information in support thereof:

- 1.) Surface location is covered under Federal Oil and Gas Lease bearing the serial number UTU-76335 and the bottomhole under UTU-84217;
- 2.) All lands located within a 460' radius of the bottomhole location and all points along the intended wellbore are committed to the Middle Mesa Federal Exploratory Unit, case number UTU-82680X. The Unit Agreement serves to unitize all formations under the separate unit tracts forming one unit area to effectively and efficiently develop the unitized zones;
- 3.) Pursuant to the Unit Operating Agreement of the above referenced unit, Patara, as Unit Operator, is the designated agent for those lands committed to the unit area;

RECEIVED Jun. 20, 2011

In consideration of the foregoing, we therefore respectfully request an exception to rule R649-3-2 for purposes of drilling the captioned well with a bottomhole at the location set forth in the revised APD. Should you have any questions, regarding this matter, please do not hesitate to give me a call at 303-563-5375.

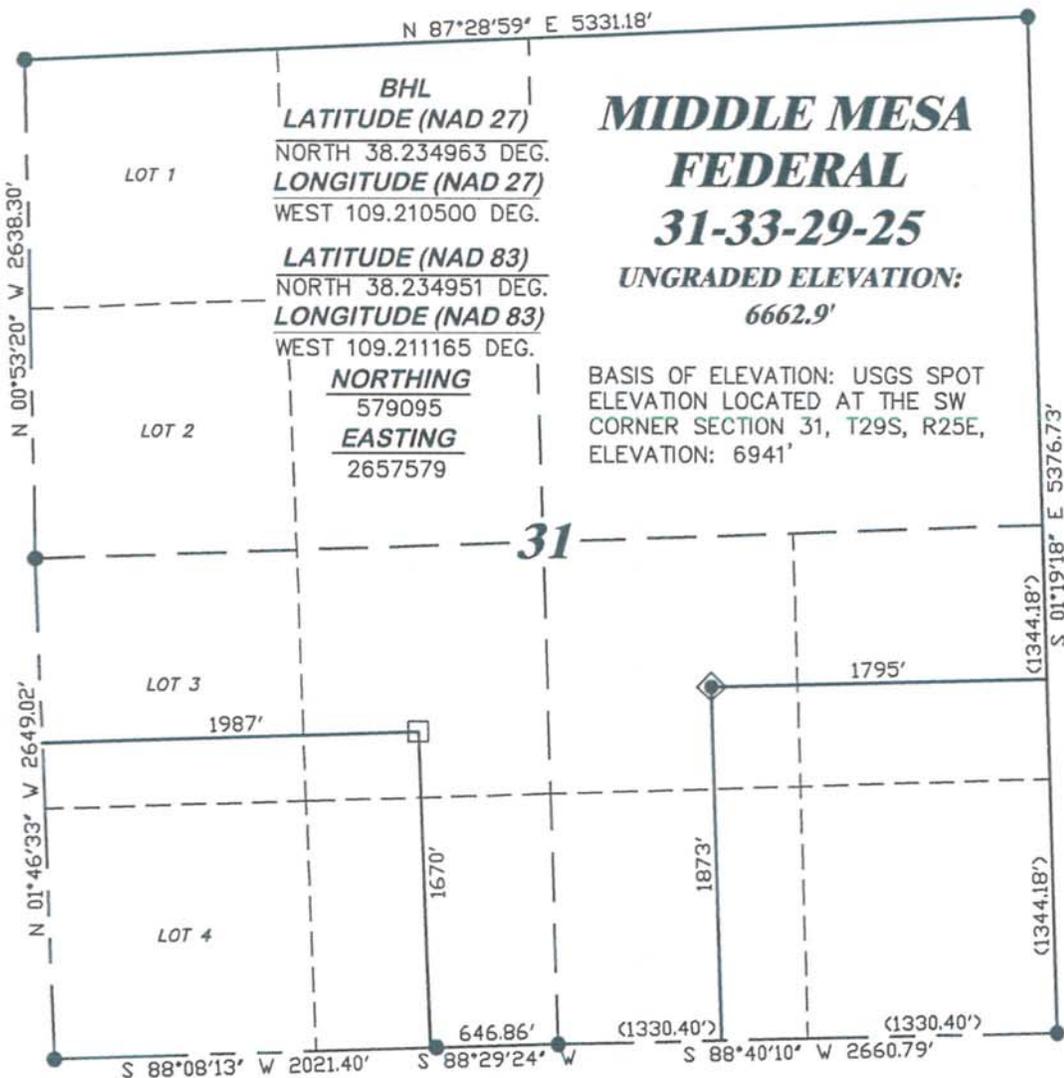
Sincerely,

A handwritten signature in blue ink, appearing to read "Cassandra Squyres", with a long horizontal flourish extending to the right.

Patara Oil & Gas LLC
Cassandra Squyres
Land Consultant

Enclosure

R. 25 E.



SCALE: 1" = 1000'

T. 29 S.

LATITUDE (NAD 27)
 NORTH 38.235522 DEG.
LONGITUDE (NAD 27)
 WEST 109.205067 DEG.

LATITUDE (NAD 83)
 NORTH 38.235510 DEG.
LONGITUDE (NAD 83)
 WEST 109.205732 DEG.

NORTHING
 579337.19
EASTING
 2659134.54

DATUM
 SPCS UT SOUTH (NAD 27)

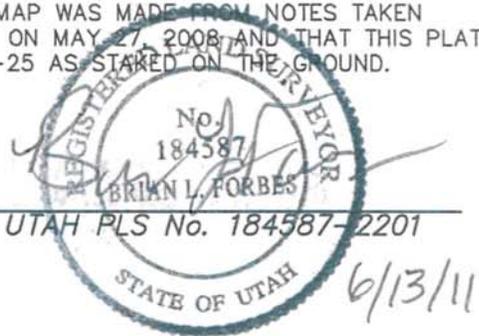


SURVEYOR'S STATEMENT

I, BRIAN L. FORBES, OF ROCK SPRINGS, WYOMING, HEREBY STATE: THIS MAP WAS MADE FROM NOTES TAKEN DURING AN ACTUAL FIELD SURVEY DONE UNDER MY DIRECT SUPERVISION ON MAY 27, 2008 AND THAT THIS PLAT CORRECTLY SHOWS THE LOCATION OF MIDDLE MESA FEDERAL 31-33-29-25 AS STAKED ON THE GROUND.

LEGEND

- ◆ WELL LOCATION
- BOTTOM HOLE LOC. (APPROX)
- FOUND MONUMENT
- ▲ PREVIOUSLY FOUND MONUMENT
- CALCULATED CORNER

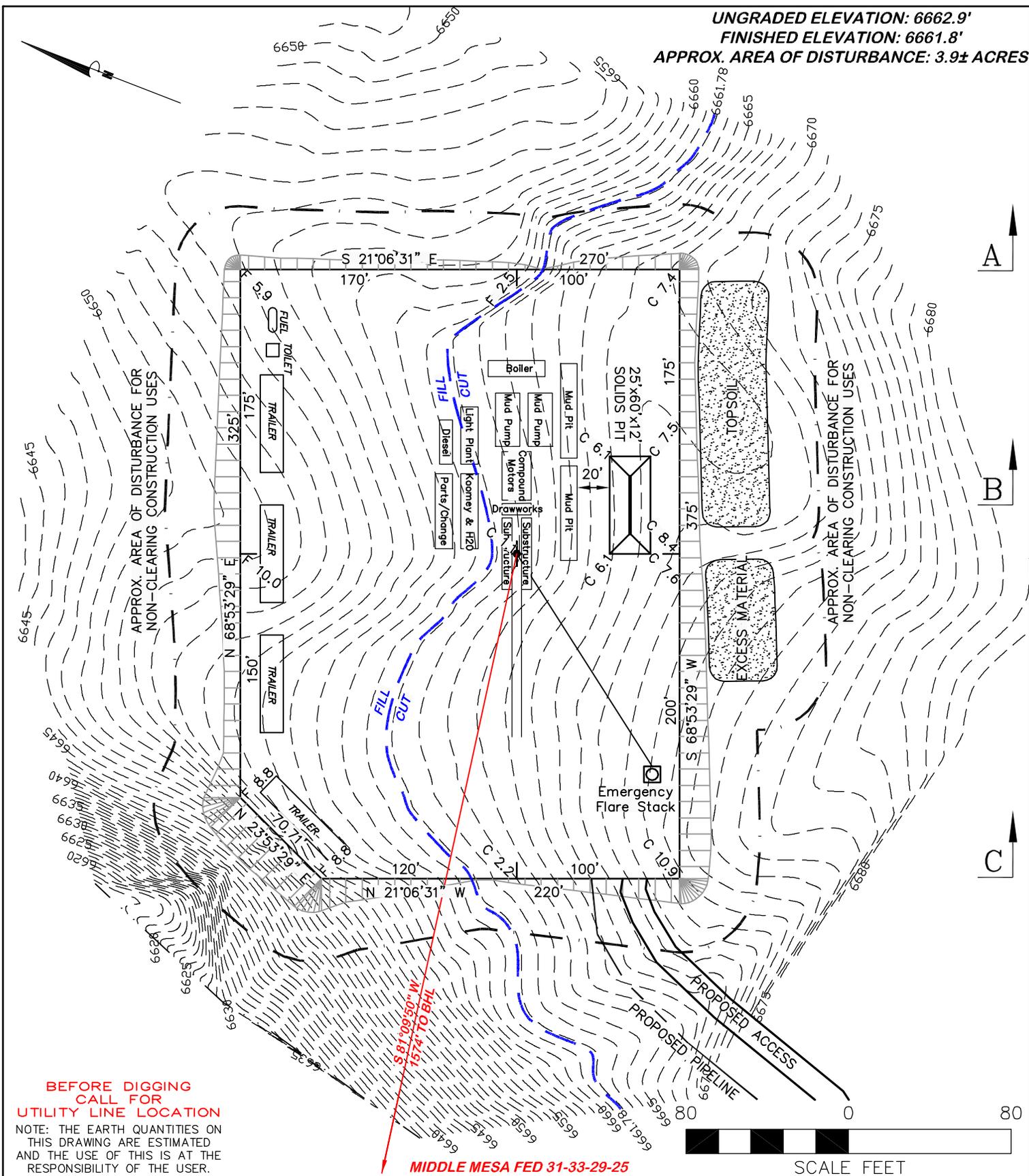


DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

DRAWN: 7/9/08 - ADB	SCALE: 1" = 1000'
REVISED: 6/13/11 - TCM	DRG JOB No. 16537
NEW BHL	EXHIBIT 1

**PLAT OF DRILLING LOCATION
 FOR
 PATARA OIL & GAS, LLC.**

**1873' F/SL & 1795' F/EL, NWSE, SECTION 31,
 T. 29 S., R. 25 E., SALT LAKE B.M.
 SAN JUAN COUNTY, UTAH**



UNGRADED ELEVATION: 6662.9'
FINISHED ELEVATION: 6661.8'
APPROX. AREA OF DISTURBANCE: 3.9± ACRES

**BEFORE DIGGING
 CALL FOR
 UTILITY LINE LOCATION**
 NOTE: THE EARTH QUANTITIES ON
 THIS DRAWING ARE ESTIMATED
 AND THE USE OF THIS IS AT THE
 RESPONSIBILITY OF THE USER.

MIDDLE MESA FED 31-33-29-25

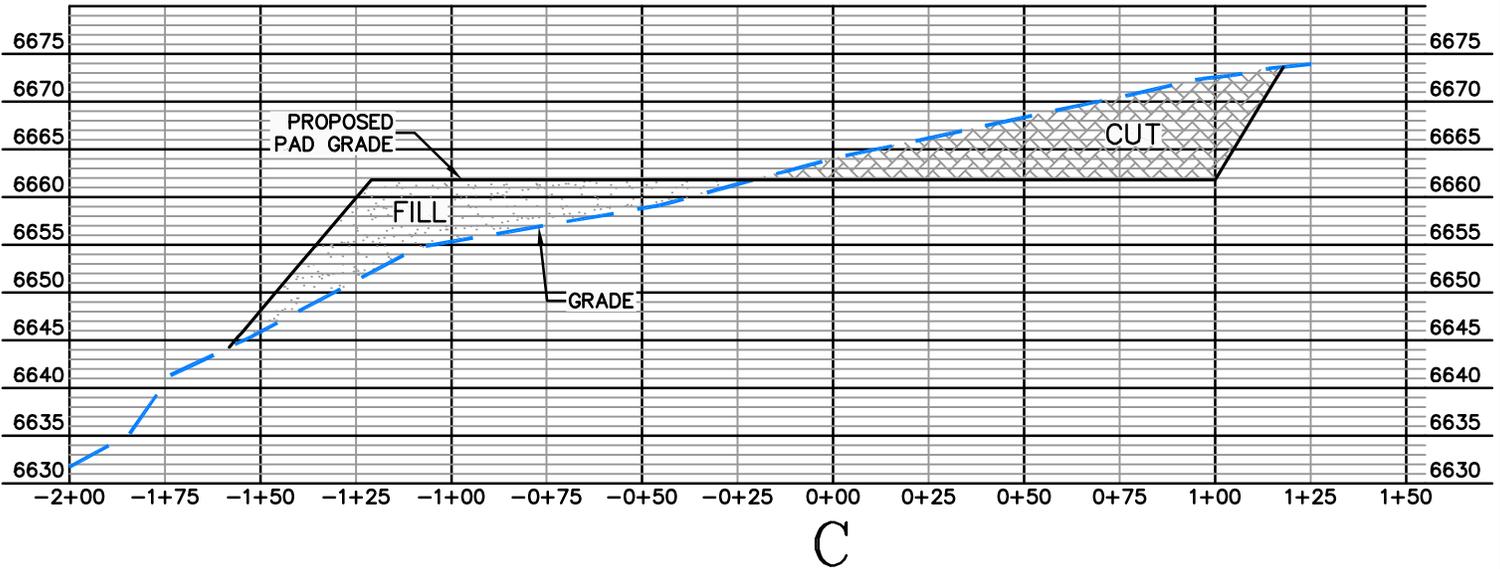
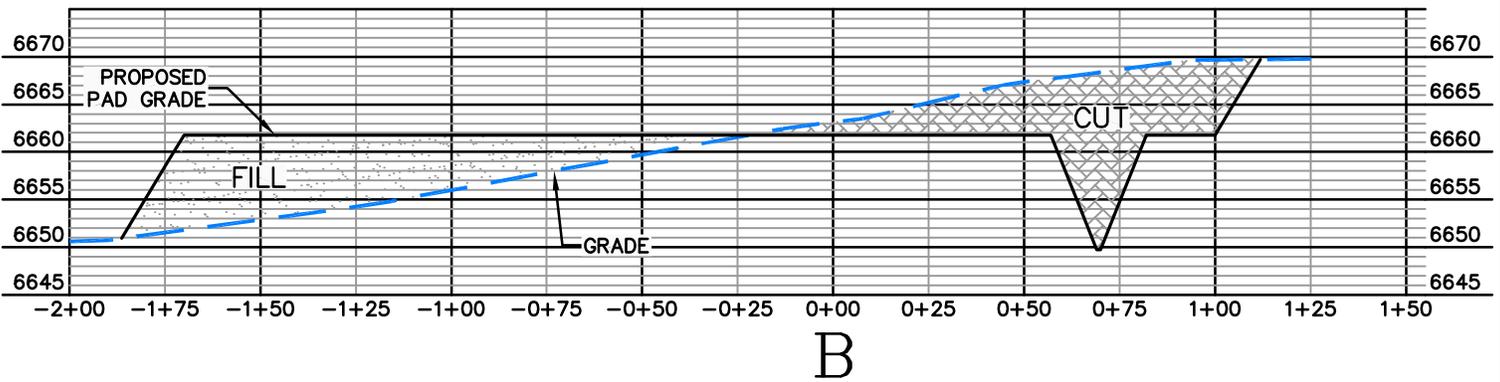
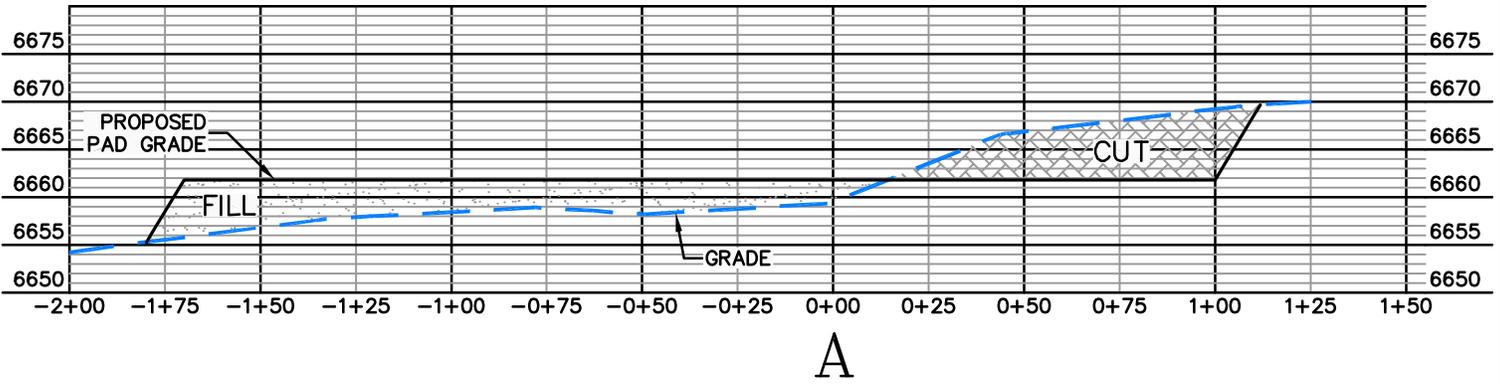


 1414 ELK ST., ROCK SPRINGS, WY 82901 (307) 362-5028		PATARA OIL & GAS, LLC. MIDDLE MESA FED 31-33-29-25 SECTION 31, T29S, R24E, SALT LAKE B.M.			
		ESTIMATED EARTHWORK			
ITEM	CUT	FILL	TOPSOIL	EXCESS	
PAD	10,397 CY	8,450 CY	1,852 CY	95 CY	
PIT	341 CY			341 CY	
TOTALS	10,738 CY	8,450 CY	1,852 CY	436 CY	

DRAWN: 7/8/08 - ADB
REVISED: 6/13/11 - TCM
NEW BHL

SCALE: 1" = 80'
DRG JOB No. 16537
EXHIBIT 2

RECEIVED Jun. 20, 2011



MIDDLE MESA FED 31-33-29-25

DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

DRAWN: 7/9/08	HORZ. 1" = 50' VERT. 1" = 20'
REVISED: 6/2/11 - TCM	DRG JOB No. 16537
NEW PROFILES	EXHIBIT 3

PATARA OIL & GAS, LLC
MIDDLE MESA FED 31-33-29-25
SECTION 31, T29S, R24E, SALT LAKE B.M.

UNGRADED ELEVATION: 6662.9'
 FINISHED ELEVATION: 6661.8'

RECEIVED Jun. 20, 2011

Patara Oil & Gas, LLC

San Juan County, UT

Section 31-T29S-R25E

Middle Mesa Federal 31-33-29-25

Wellbore #1

Plan: Preliminary Directional Plan for APD 06-10-11

Standard Planning Report

10 June, 2011



Crescent Directional Drilling, IP

Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well Middle Mesa Federal 31-33-29-25
Company:	Patara Oil & Gas, LLC	TVD Reference:	WELL @ 6662.9ft (Original Well Elev)
Project:	San Juan County, UT	MD Reference:	WELL @ 6662.9ft (Original Well Elev)
Site:	Section 31-T29S-R25E	North Reference:	True
Well:	Middle Mesa Federal 31-33-29-25	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Preliminary Directional Plan for APD 06-10-11		

Project	San Juan County, UT		
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	Section 31-T29S-R25E				
Site Position:		Northing:	579,337.36ft	Latitude:	38° 14' 7.879 N
From:	Lat/Long	Easting:	2,659,134.41ft	Longitude:	109° 12' 18.241 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	1.41 °

Well	Middle Mesa Federal 31-33-29-25					
Well Position	+N/-S	0.0 ft	Northing:	579,337.36 ft	Latitude:	38° 14' 7.879 N
	+E/-W	0.0 ft	Easting:	2,659,134.41 ft	Longitude:	109° 12' 18.241 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	ft	Ground Level:	0.0 ft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	IGRF2010	05/25/11	10.70	64.46	51,386

Design	Preliminary Directional Plan for APD 06-10-11			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(ft)	(ft)	(ft)	(°)
	0.0	0.0	0.0	261.85

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
200.0	0.00	0.00	200.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,069.3	26.08	262.56	1,039.6	-25.2	-192.8	3.00	3.00	0.00	262.56	
3,764.5	26.08	262.56	3,460.4	-178.5	-1,367.7	0.00	0.00	0.00	0.00	
4,633.8	0.00	0.00	4,300.0	-203.7	-1,560.5	3.00	-3.00	0.00	180.00	MM 31-33 Target 1
6,833.8	0.00	0.00	6,500.0	-203.7	-1,560.5	0.00	0.00	0.00	0.00	

Crescent Directional Drilling, IP

Planning Report



Database: EDM 2003.16 Single User Db
Company: Patara Oil & Gas, LLC
Project: San Juan County, UT
Site: Section 31-T29S-R25E
Well: Middle Mesa Federal 31-33-29-25
Wellbore: Wellbore #1
Design: Preliminary Directional Plan for APD 06-10-11

Local Co-ordinate Reference: Well Middle Mesa Federal 31-33-29-25
TVD Reference: WELL @ 6662.9ft (Original Well Elev)
MD Reference: WELL @ 6662.9ft (Original Well Elev)
North Reference: True
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
KOP 3/100'									
300.0	3.00	262.56	300.0	-0.3	-2.6	2.6	3.00	3.00	0.00
400.0	6.00	262.56	399.6	-1.4	-10.4	10.5	3.00	3.00	0.00
500.0	9.00	262.56	498.8	-3.0	-23.3	23.5	3.00	3.00	0.00
600.0	12.00	262.56	597.1	-5.4	-41.4	41.7	3.00	3.00	0.00
700.0	15.00	262.56	694.3	-8.4	-64.5	65.1	3.00	3.00	0.00
800.0	18.00	262.56	790.2	-12.1	-92.7	93.5	3.00	3.00	0.00
900.0	21.00	262.56	884.4	-16.4	-125.8	126.8	3.00	3.00	0.00
1,000.0	24.00	262.56	976.8	-21.4	-163.7	165.1	3.00	3.00	0.00
1,069.3	26.08	262.56	1,039.6	-25.2	-192.8	194.4	3.00	3.00	0.00
EOB Hold 26.08 Deb									
1,100.0	26.08	262.56	1,067.2	-26.9	-206.2	207.9	0.00	0.00	0.00
1,200.0	26.08	262.56	1,157.0	-32.6	-249.8	251.9	0.00	0.00	0.00
1,300.0	26.08	262.56	1,246.8	-38.3	-293.4	295.8	0.00	0.00	0.00
1,400.0	26.08	262.56	1,336.6	-44.0	-337.0	339.8	0.00	0.00	0.00
1,500.0	26.08	262.56	1,426.4	-49.7	-380.6	383.8	0.00	0.00	0.00
1,600.0	26.08	262.56	1,516.3	-55.4	-424.1	427.7	0.00	0.00	0.00
1,700.0	26.08	262.56	1,606.1	-61.1	-467.7	471.7	0.00	0.00	0.00
1,800.0	26.08	262.56	1,695.9	-66.7	-511.3	515.6	0.00	0.00	0.00
1,900.0	26.08	262.56	1,785.7	-72.4	-554.9	559.6	0.00	0.00	0.00
2,000.0	26.08	262.56	1,875.5	-78.1	-598.5	603.5	0.00	0.00	0.00
2,100.0	26.08	262.56	1,965.4	-83.8	-642.1	647.5	0.00	0.00	0.00
2,200.0	26.08	262.56	2,055.2	-89.5	-685.7	691.5	0.00	0.00	0.00
2,300.0	26.08	262.56	2,145.0	-95.2	-729.3	735.4	0.00	0.00	0.00
2,400.0	26.08	262.56	2,234.8	-100.9	-772.9	779.4	0.00	0.00	0.00
2,500.0	26.08	262.56	2,324.6	-106.6	-816.5	823.3	0.00	0.00	0.00
2,600.0	26.08	262.56	2,414.5	-112.3	-860.1	867.3	0.00	0.00	0.00
2,700.0	26.08	262.56	2,504.3	-118.0	-903.6	911.2	0.00	0.00	0.00
2,800.0	26.08	262.56	2,594.1	-123.7	-947.2	955.2	0.00	0.00	0.00
2,900.0	26.08	262.56	2,683.9	-129.3	-990.8	999.2	0.00	0.00	0.00
2,917.9	26.08	262.56	2,700.0	-130.4	-998.6	1,007.0	0.00	0.00	0.00
8 5/8"									
3,000.0	26.08	262.56	2,773.7	-135.0	-1,034.4	1,043.1	0.00	0.00	0.00
3,100.0	26.08	262.56	2,863.5	-140.7	-1,078.0	1,087.1	0.00	0.00	0.00
3,200.0	26.08	262.56	2,953.4	-146.4	-1,121.6	1,131.0	0.00	0.00	0.00
3,300.0	26.08	262.56	3,043.2	-152.1	-1,165.2	1,175.0	0.00	0.00	0.00
3,400.0	26.08	262.56	3,133.0	-157.8	-1,208.8	1,218.9	0.00	0.00	0.00
3,500.0	26.08	262.56	3,222.8	-163.5	-1,252.4	1,262.9	0.00	0.00	0.00
3,600.0	26.08	262.56	3,312.6	-169.2	-1,296.0	1,306.9	0.00	0.00	0.00
3,700.0	26.08	262.56	3,402.5	-174.9	-1,339.6	1,350.8	0.00	0.00	0.00
3,764.5	26.08	262.56	3,460.4	-178.5	-1,367.7	1,379.2	0.00	0.00	0.00
Start Drop -3/100									
3,800.0	25.01	262.56	3,492.4	-180.5	-1,382.8	1,394.5	3.00	-3.00	0.00
3,900.0	22.01	262.56	3,584.1	-185.7	-1,422.4	1,434.4	3.00	-3.00	0.00
4,000.0	19.01	262.56	3,677.8	-190.2	-1,457.2	1,469.4	3.00	-3.00	0.00
4,100.0	16.01	262.56	3,773.1	-194.1	-1,487.0	1,499.5	3.00	-3.00	0.00
4,200.0	13.01	262.56	3,869.9	-197.4	-1,511.8	1,524.5	3.00	-3.00	0.00
4,300.0	10.01	262.56	3,967.9	-199.9	-1,531.6	1,544.5	3.00	-3.00	0.00
4,400.0	7.01	262.56	4,066.8	-201.9	-1,546.3	1,559.3	3.00	-3.00	0.00
4,500.0	4.01	262.56	4,166.3	-203.1	-1,555.8	1,568.9	3.00	-3.00	0.00

Crescent Directional Drilling, IP

Planning Report



Database: EDM 2003.16 Single User Db
Company: Patara Oil & Gas, LLC
Project: San Juan County, UT
Site: Section 31-T29S-R25E
Well: Middle Mesa Federal 31-33-29-25
Wellbore: Wellbore #1
Design: Preliminary Directional Plan for APD 06-10-11

Local Co-ordinate Reference: Well Middle Mesa Federal 31-33-29-25
TVD Reference: WELL @ 6662.9ft (Original Well Elev)
MD Reference: WELL @ 6662.9ft (Original Well Elev)
North Reference: True
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)
4,600.0	1.01	262.56	4,266.2	-203.7	-1,560.2	1,573.3	3.00	-3.00	0.00
4,633.8	0.00	262.56	4,300.0	-203.7	-1,560.5	1,573.6	3.00	-3.00	0.00
EOD Hold 0 Degrees - MM 31-33 Target 1									
4,700.0	0.00	0.00	4,366.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
4,800.0	0.00	0.00	4,466.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
4,900.0	0.00	0.00	4,566.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,000.0	0.00	0.00	4,666.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,100.0	0.00	0.00	4,766.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,200.0	0.00	0.00	4,866.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,300.0	0.00	0.00	4,966.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,400.0	0.00	0.00	5,066.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,500.0	0.00	0.00	5,166.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,600.0	0.00	0.00	5,266.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,700.0	0.00	0.00	5,366.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,800.0	0.00	0.00	5,466.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
5,900.0	0.00	0.00	5,566.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,000.0	0.00	0.00	5,666.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,100.0	0.00	0.00	5,766.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,200.0	0.00	0.00	5,866.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,300.0	0.00	0.00	5,966.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,400.0	0.00	0.00	6,066.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,500.0	0.00	0.00	6,166.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,600.0	0.00	0.00	6,266.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,700.0	0.00	0.00	6,366.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,800.0	0.00	0.00	6,466.2	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00
6,833.8	0.00	0.00	6,500.0	-203.7	-1,560.5	1,573.6	0.00	0.00	0.00

TD = 6,834' MD

Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
MM 31-33 Target 1 - hit/miss target - Shape	0.00	0.00	4,300.0	-203.7	-1,560.5	579,095.42	2,657,579.40	38° 14' 5.865 N	109° 12' 37.799 W
- plan hits target center - Circle (radius 50.0)									

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
2,917.9	2,700.0	8 5/8"	8-5/8	12-1/4

Crescent Directional Drilling, IP

Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well Middle Mesa Federal 31-33-29-25
Company:	Patara Oil & Gas, LLC	TVD Reference:	WELL @ 6662.9ft (Original Well Elev)
Project:	San Juan County, UT	MD Reference:	WELL @ 6662.9ft (Original Well Elev)
Site:	Section 31-T29S-R25E	North Reference:	True
Well:	Middle Mesa Federal 31-33-29-25	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Preliminary Directional Plan for APD 06-10-11		

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
200.0	200.0	0.0	0.0	KOP 3/100'
1,069.3	1,039.6	-25.2	-192.8	EOB Hold 26.08 Deb
3,764.5	3,460.4	-178.5	-1,367.7	Start Drop -3/100
4,633.8	4,300.0	-203.7	-1,560.5	EOD Hold 0 Degrees
6,833.8	6,500.0	-203.7	-1,560.5	TD = 6,834' MD

Middle Mesa Fed 31-33 Drilling Sundry Changes
Ryan Calhoun – 6/14/11

Hole Size Changes

Surface Hole to 2700'

Production Hole to 6834' MD, 6500' TVD

8-3/4" to 7-7/8"

Casing Changes

Surface Casing

9-5/8" 36# J-55 ST&C to 8-5/8" 32# ST&C

Production Casing

5-1/2" 17# L-80 LT&C to 4-1/2" 11.60# N-80 LT&C

Cement Volumes and Tops

Surface Cement

Surface Lead and Tail volumes will remain as permitted (TOC @ Surface) (TOC @ 2700')

Production Cement

540 sxs of Type III 35/65 Poz + 6% Gel, 12.5 ppg, 2.16 cuft/sx yield (TOC @ 2400', 300' above 8-5/8" surface csg shoe)

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

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76335
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Middle Mesa - UTU82680X
2. NAME OF OPERATOR: Patara Oil & Gas LLC		8. WELL NAME and NUMBER: Middle Mesa Fed 31-33-29-25
3. ADDRESS OF OPERATOR: 600 17th St. Suite 1900S CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4303731907
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1873FSL 1795FEL COUNTY: San Juan County, UT QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 31 29S 25E S STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Pine Ridge South

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>8/3/2011</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 checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Patara Oil & Gas LLC (Patara) proposes the following changes to the approved Application for Permit to Drill: Patara will not utilize a reserve pit, and will drill the well with a closed loop drilling system.

Patara wishes to stockpile drilled solids on a corner 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.

If there are any questions with this request, please contact Patara Drilling Engineer Ryan Calhoun at 303-563-5373. Thank you.

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

FOR RECORD ONLY

NAME (PLEASE PRINT) <u>Christopher A. Noonan</u>	TITLE <u>Production Technician</u>
SIGNATURE	DATE <u>7/27/2011</u>

(This space for State use only)

**Federal Approval of this
Action is Necessary**

RECEIVED

AUG 01 2011

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU76335

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 - UTU82680X

1. TYPE OF WELL
OIL WELL [] GAS WELL [x] OTHER []

8. WELL NAME and NUMBER:
Middle Mesa Fed 31-33-29-25

2. NAME OF OPERATOR:
Patara Oil & Gas LLC

9. API NUMBER:
4303731907

3. ADDRESS OF OPERATOR:
600 17th St. Suite 1900S CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 825-0685

10. FIELD AND POOL, OR WILDCAT:
Pine Ridge South

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1873FSL 1795FEL

COUNTY: San Juan County, UT

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 31 29S 25E S

STATE:
UTAH

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, DEEPEN, REPERFORATE CURRENT FORMATION, etc.

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

Patara Oil & Gas LLC (Patara) spud the Middle Mesa Fed 31-33-29-25 gas well with Frontier Rig 4 at 09:30 PM on August 9, 2011.

Please contact Christopher Noonan with Patara with any questions. Thank you.

NAME (PLEASE PRINT) Christopher A. Noonan

TITLE Production Technician

SIGNATURE [Handwritten Signature]

DATE 8/10/2011

RECEIVED

(This space for State use only)

AUG 15 2011

DIV. OF OIL, GAS & MINING

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU76335

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Middle Mesa - UTU82680X

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 [x] OTHER []

8. WELL NAME and NUMBER:
Middle Mesa Fed 31-33-29-25

2. NAME OF OPERATOR:
Patara Oil & Gas LLC

9. API NUMBER:
4303731907

3. ADDRESS OF OPERATOR:
600 17th St. Suite 1900S CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 825-0685

10. FIELD AND POOL, OR WILDCAT:
Pine Ridge South

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1873FSL 1795FEL

COUNTY: San Juan County, UT

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 31 29S 25E S

STATE:
UTAH

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, DEEPEN, REPERFORATE CURRENT FORMATION, etc.

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

Patara Oil & Gas LLC (Patara) anticipates the need to lay the pipeline for this wellsite along the access road on the surface, in opposition to burying the pipeline as stated in the original Application for Permit to Drill.

A 6" trunkline is buried along the access road leading from the Middle Mesa Fed 5-6-30-25 wellsite, and progresses North to the intersection with County Road 191, aka Coyote Wash Road. Patara requests authorization to install 4" STD wall, ERW, non-coated pipe, on the surface, along the access road leading from the wellsite to the tie in point with the trunkline.

This is necessary due to solid rock encountered beneath the topsoil. All other wells in the area have been installed with pipelines laid in this manner.

Please see attached pipeline map.

Please contact Christopher Noonan with Patara with any questions. Thank you.

NAME (PLEASE PRINT) Christopher A. Noonan

TITLE Production Technician

SIGNATURE [Handwritten Signature]

DATE 8/9/2011

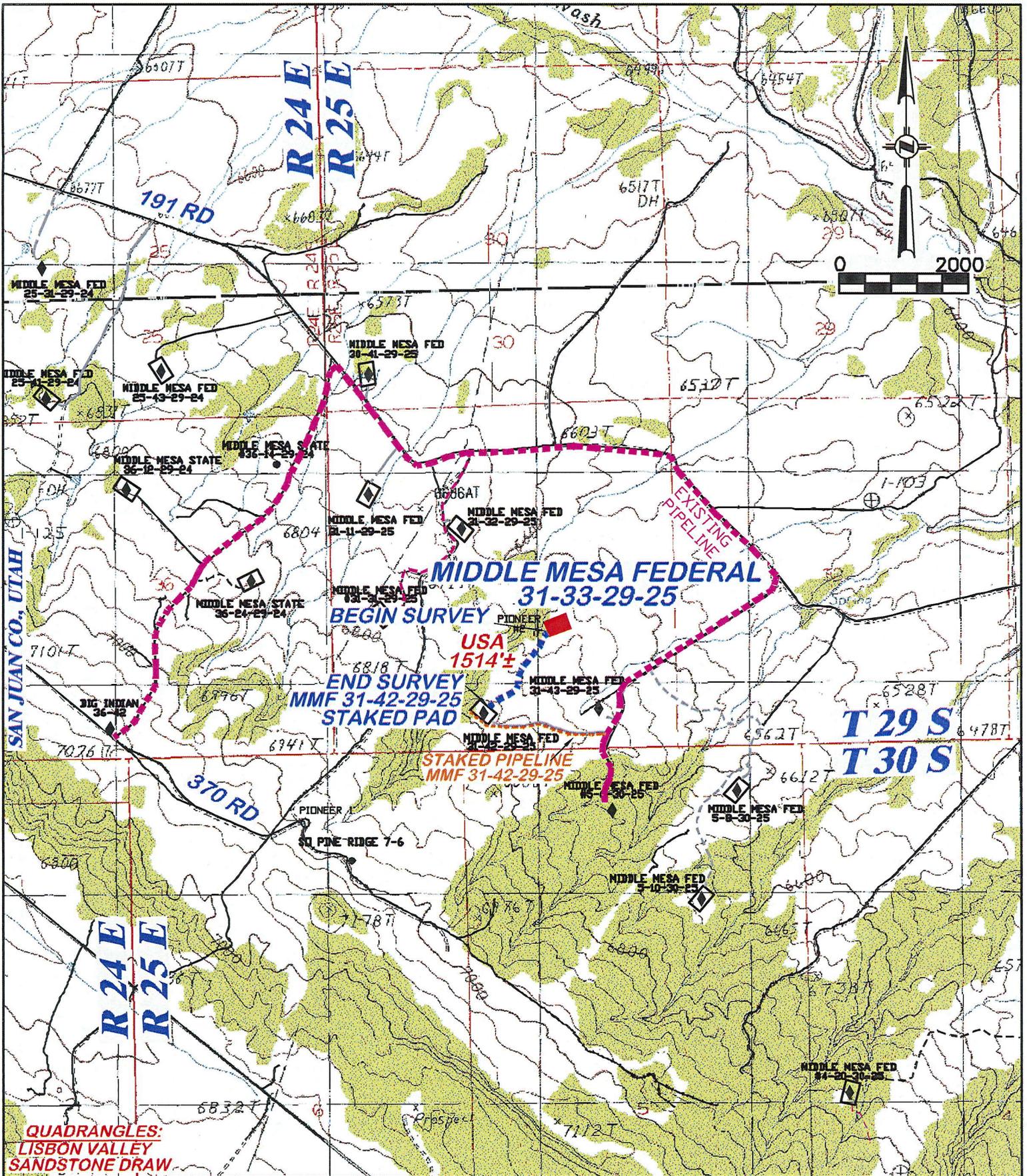
RECEIVED RECEIVED AUG 17 2011

(This space for State use only)

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

Federal Approval Of This
Action Is Necessary

AUG 17 2011
DIV. OF OIL, GAS & MINING
DIV. OF OIL, GAS & MINING



QUADRANGLES:
LISBON VALLEY
SANDSTONE DRAW

DRG RIFFIN & ASSOCIATES, INC.
 (307) 362-5028 1414 ELK ST., ROCK SPRINGS, WY 82901

DRAWN: 7/09/08	SCALE: 1" = 2000'
REVISED: 6/2/11 - TCM	DRG JOB No. 16537
TITLE BLOCK	EXHIBIT 4A

PROPOSED PIPELINE
PATARA OIL & GAS, LLC
MIDDLE MESA FEDERAL 31-33-29-25
SECTION 31, T29S, R24E, SALT LAKE B.M.

TOTAL PROPOSED LENGTH: 1514±

PROPOSED PIPELINE	EXISTING ROAD
-------------------	---------------

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335																														
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 31-33-29-25																															
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000																															
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	PHONE NUMBER: 303 825-0685 Ext	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE																														
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/21/2011	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; border: none;"><input type="checkbox"/> ACIDIZE</td> <td style="width: 33%; border: none;"><input type="checkbox"/> ALTER CASING</td> <td style="width: 33%; border: none;"><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td style="border: none;"><input type="checkbox"/> CHANGE TUBING</td> <td style="border: none;"><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> CHANGE WELL STATUS</td> <td style="border: none;"><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td style="border: none;"><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> DEEPEN</td> <td style="border: none;"><input type="checkbox"/> FRACTURE TREAT</td> <td style="border: none;"><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> OPERATOR CHANGE</td> <td style="border: none;"><input type="checkbox"/> PLUG AND ABANDON</td> <td style="border: none;"><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td style="border: none;"><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td style="border: none;"><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td style="border: none;"><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td style="border: none;"><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> TUBING REPAIR</td> <td style="border: none;"><input type="checkbox"/> VENT OR FLARE</td> <td style="border: none;"><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> WATER SHUTOFF</td> <td style="border: none;"><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td style="border: none;"><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td style="border: none;"><input type="checkbox"/> OTHER</td> <td style="border: none;">OTHER: <input style="width: 100px;" type="text"/></td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<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 type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Middle Mesa Fed 31-33-29-25 reached total depth on August 21, 2011 with Frontier Rig 4 at 6,247 feet. The rig was moved off location on August 24, 2011.																																
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY																																
NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Production Technician																														
SIGNATURE N/A	DATE 8/30/2011																															

ENTITY ACTION FORM

Operator: Patara Oil & Gas LLC Operator Account Number: N 3670
 Address: 600 17th Street, Suite 1900S
city Denver
state CO zip 80202 Phone Number: (303) 825-0685

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303731907	Middle Mesa Fed 31-33-29-25		NWSE	31	29S	25E	San Juan
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	18170	8/9/2011		8/25/11		
Comments: Please assign this well to the Middle Mesa Unit. The well is targeting the Honaker Trail Formation.							

CONFIDENTIAL

CONFIDENTIAL

Well 2

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

Well 3

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

RECEIVED
AUG 15 2011

ACTION CODES:

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

DIV. OF OIL, GAS & MINING

Christopher A. Noonan

Name (Please Print)

Signature

Production Technician

Title

8/10/2011

Date

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335
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 31-33-29-25	
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000	
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	PHONE NUMBER: 303 825-0685 Ext	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 9/2/2011	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT
	<input type="checkbox"/> OPERATOR CHANGE	<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: <input type="text"/>
		<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
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Please find the attached monthly drilling update for the subject well. Thank you.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Production Technician
SIGNATURE N/A		DATE 9/2/2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 0 CUM. DRLG. HRS. 0
 PRESENT OPERATION Welding on Conductor pipe. CUM. DAYS (FROM SPUD) 0

TIME BREAKDOWNS

Drilling _____ Trips _____ Surveys _____ Rig Repair _____
 PU tools _____ Circ _____ Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU 24

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition T B G	Ft/Hr
Sundry Number: 18131 API Well Number: 43037319070000											

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.3 Vis _____ WL _____ Filtr Ck _____ /32 pH _____ Oil% _____ Water, % 98
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand _____ calcium, ppm _____ Chlorides _____ Other _____
 Mud mixed last 24 hrs. Fresh water

DRILLING ASSEMBLY

BHA _____

W.O.B. _____ RPM _____ PSI _____ GPM _____ AV_{DP}/AV_{DC} _____
 Pump #1: Liner 5 1/2 Stroke Length 10 SPM _____
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM _____ Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY		CUMULATIVE			DAILY		CUMULATIVE	
Road & Location (gravel)					Mud				
Rig Cost					Trucking-Mud				
Fuel					Trucking				
Casing (Surface)					Super.				
Cementing					Mud Logging				
Bits					Geologist				
Downhole Rental					Pason				
Directional Equipment					Closed Loop				
Sur, Rentals					Liv, Qtrs,				
Directional					W/H equipment				
Hot Shot					Casing crew				
Water					Float equipment				
Mob/demob					Welding & Misc,				
Communication					Total Cost				

DETAILS:

Start	End	Hrs	Description
6:00	18:00	12.00	Tear Down Move Rig To New Location Set In Equipment and camps and drill mud Chemicals. WestRoc Trucking 14 Hrs, Rig Down Move & Rig Up On New Loc,
18:00	6:00	12.00	Ready Derrick spool on drill line, Hook up Electrical lines, Raise derrick, Rig Up Mud Tanks, Pumps Rig floor, Fill rig water tanks & pits w/ 1100 bbl's fresh water, Install new rotary table (8 hr's) Start dressing conductor to weld on.

RECEIVED _____

Total 24.00

Report by Steve Record Date August 9, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 252 CUM. DRLG. HRS. 7.5
 PRESENT OPERATION Drilling Surface @ 302' CUM. DAYS (FROM SPUD) 0

TIME BREAKDOWNS

Drilling 7.5 Trips 1.5 Surveys _____ Rig Repair 10
 PU tools 1 Circ _____ Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU 4

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	RMB	CD517	305770	50		252	7	3X20		36.0

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.3 Vis 28 WL _____ Fitr Ck _____ /32 pH _____ Oil% _____ Water, % 98
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand _____ calcium, ppm _____ Chlorides _____ Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 12 1/4 Bit -1.50 =1-8" motor-27.42=1-8"-F Sub- 3.00 = 1-8"Shock Sub-9.80 = 1-8"ubho, -2.44= 1-8"nmdc-28.97 = 1-8" nmdc- 30.74
2-8" dc,-60.19 = 1-4 1/2 xh- to - 6 5/8 reg x/o sub-3.00 = 3- 6 2/5 - dc- 92.00 = 259.06 ft,

W.O.B. 25 RPM 28 PSI 800 GPM 567 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 75
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 100 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY		CUMULATIVE			DAILY		CUMULATIVE	
Road & Location (gravel)					Mud				
Rig Cost					Trucking-Mud				
Fuel					Trucking				
Casing (Surface)					Super.				
Cementing					Mud Logging				
Bits					Geologist				
Down hole Rental					Pason				
Directional Equipment					Closed Loop				
Sur, Rentals					Liv, Qtrs,				
Directional					W/H equipment				
Hot Shot					Casing crew				
Water					Float equipment				
Mob/demob					Welding & Misc,				
Communication					Total Cost				

DETAILS:

Start	End	Hrs	
6:00	7:00	1.00	Dress conductor and weld up
7:00	8:00	1.00	RU, Set catwalk and pipe racks
8:00	18:00	10.00	Lost Hydraulic pump, Work on Hydraulic system and Trouble shot Wait on New pump and rig up Change out #1 pumps Liners from 5 1/2" to 6 1/2" (2 hrs)
18:00	20:00	2.00	Ru, install new Hydraulic pump, Pre spud test pumps, and check for leaks on string out Geronimo line.
20:00	21:30	1.50	PU Bit #1 12.25" Mtr, and shock sub Tagged cement @ 50'
21:30	0:30	3.00	Spud MMF 31-33 @ 21:30 Drill cement f/ 50' t/ 60' and formation f/ 60' t/ 120'
0:30	1:30	1.00	PU / Mwd tool and orientated tools
1:30	6:00	4.50	Drill f/ 120' t/ 302'

RECEIVED _____

Total 24.00

Report by Steve Record Date August 10, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 1022' CUM. DRLG. HRS. 29
 PRESENT OPERATION Drilling @ 1324' CUM. DAYS (FROM SPUD) 1

TIME BREAKDOWNS

Drilling 22 Trips _____ Surveys _____ Rig Repair 0.5
 PU tools _____ Circ 1 Rig service 0.5 NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition T B G	Ft/Hr
1	12.25	RMB	CD517	305770	50		1324	7	3X20		36.0

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.5 Vis 33 WL 18 Fitr Ck _____ /32 pH 9.50 Oil% _____ Water, % 98
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand _____ calcium, ppm _____ Chlorides _____ Other _____
 Mud mixed last 24 hrs. nov carb c 24sks/ nov phpa 11 pails,

DRILLING ASSEMBLY

BHA 12.25" bit 1.00'/ 1 Mtr 28.87'/ 1 8" shock sub 9.73'/ 1 8" nmpc 8.38'/ 1 8" ubho 2.69'/ 1 8" nmhc 30.74'/ 1 8" nmhc 30.48'
2 8" dc 59.37'/ 1 6 5/8" x 4 1/2" xo 2.68'/ 6 6" dc 184.59'/ 24 4 1/2" hwdp 737.84'/ total bha 1097.87'
3 STDS DP 190.52 KELLY DOWN 38' = 1324.96'

W.O.B. 42 RPM 28 PSI 1763 GPM 567 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 80
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 100 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY		CUMULATIVE			DAILY		CUMULATIVE	
Road & Location (gravel)					Mud				
Rig Cost					Trucking-Mud				
Fuel					Trucking				
Casing (Surface)					Super.				
Cementing					Mud Logging				
Bits					Geologist				
Down hole Rental					Pason				
Directional Equipment					Closed Loop				
Sur, Rentals					Liv, Qtrs,				
Directional					W/H equipment				
Hot Shot					Casing crew				
Water					Float equipment				
Mob/demob					Welding & Misc, Inspec				
Communication					Total Cost				

DETAILS:

Start	End	Hrs	
6:00	16:00	10.00	Drill & Slide f/ 302' t/ 735'
16:00	16:30	0.50	Rig Service
16:30	22:30	6.00	Drill & Slide f/ 735' t/ 995'
22:30	23:00	0.50	Work on #2 pump Pop-off Replace
23:00	1:00	2.00	Drill & Slide f/ 995' t/ 1105'
1:00	1:30	0.50	Circulate Hi vis sweep around
1:30	2:30	1.00	Drill & Slide f/ 1105' t/ 1199'
2:30	3:00	0.50	Circulate pump catch tank volume back to mud pits heavy sand blinding off screens
3:00	6:00	3.00	Drill & Slide f/ 1199' to 1324' survey @ 1128' 26.6 inc, azm 261.5 tvd 1199'
			Install corrosion ring in 1jt above HWDP.
			PU 79-K ROT 70-K SO 60

RECEIVED _____

Total 24.00

Report by Steve Record Date August 11, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 0 CUM. DRLG. HRS. 40.5
 PRESENT OPERATION Working stuck pipe @ 1959' CUM. DAYS (FROM SPUD) 2

TIME BREAKDOWNS

Drilling 11.5 Trips _____ Other 12 Rig Repair _____
 PU tools _____ Circ _____ Rig service 0.5 NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
<u>1</u>	<u>12.25</u>	<u>RMB</u>	<u>CD517</u>	<u>305770</u>	<u>50</u>		<u>1941</u>	<u>40.5</u>	<u>3X20</u>		<u>36.0</u>

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.6 Vis 42 WL 18 Filtr Ck 18 /32 pH 9.50 Oil% _____ Water, % 98
 PV 3 YP 3 Gels 2/3 Alkalinity, ppm 0.01 Salt _____ #/bbl
 Solids 1 %Sand _____ calcium, ppm _____ Chlorides 1000 Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 12.25" bit 1.00' / 1 Mtr 28.87' / 1 8" shock sub 9.73' / 1 8" nmpc 8.38' / 1 8" ubho 2.69' / 1 8" nmcd 30.74' / 1 8" nmcd 30.48'
2 8" dc 59.37' / 1 6 5/8" x 4 1/2" xo 2.68' / 6 6" dc 184.59' / 24 4 1/2" hwdp 737.84' / total bha 1097.87'
13 STDS DP 825.58 & 1 SINGLE 31.97' KELLY DOWN 38' = 1991.42'

W.O.B. 42 RPM 28 PSI 1763 GPM 610 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 80
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 100 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Mud Logging		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	
<u>6:00</u>	<u>11:30</u>	<u>5.50</u>	<u>Drill & Slide f/ 1324' t/ 1707'</u>
<u>11:30</u>	<u>12:00</u>	<u>0.50</u>	<u>Rig Service</u>
<u>12:00</u>	<u>18:00</u>	<u>6.00</u>	<u>Drill & Slide f/ 1707' t/ 1991'</u>
<u>18:00</u>	<u>6:00</u>	<u>12.00</u>	<u>Stuck in hole making connection driller pulled 80-k over string wt and stuck pipe,</u> <u>Thought it could be Differentially stuck also pumped 30bbls diesel to check for differential sticking no release of pipe,</u> <u>Mud up with gel to 46 vis, work pipe and wait for surface jars.</u>

PU 105-K ROT 84-K SO 62-K

RECEIVED

Total 24.00

Report by Steve Record Date August 12, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 0 CUM. DRLG. HRS. 40.5
 PRESENT OPERATION Mixing Black Magic Spotting fluid CUM. DAYS (FROM SPUD) 3

TIME BREAKDOWNS

Drilling _____ Trips _____ Fishing 24 Rig Repair _____
 PU tools _____ Circ _____ Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
<u>1</u>	<u>12.25</u>	<u>RMB</u>	<u>CD517</u>	<u>305770</u>	<u>50</u>		<u>1941</u>	<u>40.5</u>	<u>3X20</u>		<u>47.9</u>

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.6 Vis 42 WL 18 Fitr Ck 18 /32 pH 9.50 Oil% _____ Water, % 97
 PV 10 YP 5 Gels 1/3 Alkalinity, ppm 0.01 Salt _____ #/bbl _____
 Solids 1 %Sand .025 calcium, ppm _____ Chlorides 10,000 MBT 10

Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 12.25" bit 1.00' / 1 Mtr 28.87' / 1 8" shock sub 9.73' / 1 8" nmpc 8.38' / 1 8" ubho 2.69' / 1 8" nmhc 30.74' / 1 8" nmhc 30.48'
2 8" dc 59.37' / 1 6 5/8" x 4 1/2" xo 2.68' / 6 6" dc 184.59' / 24 4 1/2" hwdp 737.84' / total bha 1097.87'
13 STDS DP 825.58 & 1 SINGLE 31.97' KELLY DOWN 38' = 1991.42'

W.O.B. 0 RPM 0 PSI 266 GPM 220 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 60
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM _____ Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Mud Logging		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	Description
<u>6:00</u>	<u>17:30</u>	<u>11.50</u>	<u>Work stuck pipe wait on fishing tools and wire line</u>
<u>17:30</u>	<u>18:00</u>	<u>0.50</u>	<u>Rig Service</u>
<u>18:00</u>	<u>22:30</u>	<u>4.50</u>	<u>Held safety meeting w / crews and Rig up surface jars and attempt to jar free stuck pipe w 150-k down stoke no movement in pipe, rig down jars and ru wire line and retrieve MWD tool, ran back in to establishes free point @ 1617'</u>
<u>22:30</u>	<u>6:00</u>	<u>7.50</u>	<u>Pull out wait on black magic and a load of diesel, Kelly up circulating w/ rig pump, start mixing Bio-spot treatment.</u>

RECEIVED

Total 24.00

Report by Steve Record

Date August 13, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 0 CUM. DRLG. HRS. 40.5
 PRESENT OPERATION Dir. Work MU Bit #2 CUM. DAYS (FROM SPUD) 4

TIME BREAKDOWNS

Drilling _____ Trips _____ Fishing 24 Rig Repair _____
 PU tools _____ Circ _____ Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
<u>1</u>	<u>12.25</u>	<u>RMB</u>	<u>CD517G</u>	<u>305770</u>	<u>50</u>	<u>1991</u>	<u>1941</u>	<u>40.5</u>	<u>3X20</u>	<u>4/1E/1</u>	<u>47.9</u>
<u>2</u>	<u>12.25</u>	<u>RMB</u>	<u>CW517GX</u>	<u>171</u>	<u>1991'</u>		<u>0</u>	<u>0</u>	<u>4X18</u>		

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.6 Vis 38 WL 7 Filtr Ck 2 /32 pH 10.00 Oil% _____ Water, % 97.5
 PV 14 YP 13 Gels 3/4 Alkalinity, ppm 0.05 Salt _____ #/bbl
 Solids 2.5 %Sand Trace calcium, ppm _____ Chlorides 12,000 MBT 7.5
 Mud mixed last 24 hrs. Black Magic & Diesel

DRILLING ASSEMBLY

BHA 12.25" bit 1.00' / 1 Mtr 28.87' / 1 8" shock sub 9.73' / 1 8" nmpc 8.38' / 1 8" ubho 2.69' / 1 8" nmhc 30.74' / 1 8" nmhc 30.48'
2 8" dc 59.37' / 1 6 5/8" x 4 1/2" xo 2.68' / 6 6" dc 184.59' / 24 4 1/2" hwdp 737.84' / total bha 1097.87'
13 STDS DP 825.58 & 1 SINGLE 31.97' KELLY DOWN 38' = 1991.42'

W.O.B. 0 RPM 0 PSI 266 GPM 220 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 60
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM _____ Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Wire Line		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	Description
<u>6:00</u>	<u>14:00</u>	<u>8.00</u>	<u>Circulate spot 50 bbls of Black Magic around BHA and let soak 4 hrs, set kelly back and pick up</u> <u>Surface jars, jarring w/ 150-k down no movement, LD surface jars, RU wire line and ran in hole to</u> <u>establish free point and back off @ 1615', Inspect Drk after working surface jars (ok)</u>
<u>14:00</u>	<u>16:00</u>	<u>2.00</u>	<u>Trip all dp and hwdp + 1 6" dc and LD 6" shot connection</u>
<u>16:00</u>	<u>18:30</u>	<u>2.50</u>	<u>Pu fishing tools, screw in sub, Bumper sub, Hyd- Jars, 24 Jts HWDP, Energizer,</u>
<u>18:30</u>	<u>19:00</u>	<u>0.50</u>	<u>Kelly & Circulate to top of fish Clear connection,</u>
<u>19:00</u>	<u>19:30</u>	<u>0.50</u>	<u>Screw in to fish and start jarring w/ 260-k jar 20 times up and fish came free</u>
<u>19:30</u>	<u>21:30</u>	<u>2.00</u>	<u>Trip with fish to 1050' pulled into tight spot up to 150-k.</u>
<u>21:30</u>	<u>23:00</u>	<u>1.50</u>	<u>Kelly up and work through tight spot circulating Sapp and walnut to clear bit balling.</u>
<u>23:00</u>	<u>5:00</u>	<u>6.00</u>	<u>Trip, LD fishing tools, 1 shot 6" DC, and std back BHA break UBHO sub and clean out cuttings,</u>
<u>5:00</u>	<u>6:00</u>	<u>1.00</u>	<u>Break bit and MU bit #2, Dir.work.</u>

RECEIVED

Total 24.00

Report by Steve Record Date August 14, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 475 CUM. DRLG. HRS. 54.5
 PRESENT OPERATION Drilling @ 2466' CUM. DAYS (FROM SPUD) 5

TIME BREAKDOWNS

Drilling 14 Trips 6 Wash & Ream 0.5 Rig Repair _____
 PU tools _____ Circ 1.5 Rig service 0.5 NU BOP _____
 WOC _____ Other 1.5 BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	RMB	CD517G	305770	50	1991	1941	40.5	3X20	4/1E/1	47.9
2	12.25	RMB	CW517GX	171	1991'		475	14	4X18		33.9

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS: 2364.00', incl 30.40, azm 261.10, tvd 2175.98

MUD PROPERTIES

Mud Wt. 8.5 Vis 42 WL 16 Fitr Ck _____ /32 pH 9.50 Oil% _____ Water, % 97.5
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand _____ calcium, ppm _____ Chlorides _____ MBT _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 12.25" bit 1.00' / 1 Mtr 28.87' / 1 8" shock sub 9.73' / 1 8" nmpc 8.38' / 1 8" ubho 2.69' / 1 8" nmhc 30.74' / 1 8" nmhc 30.48'
2 8" dc 59.37' / 1 6 5/8" x 4 1/2" xo 2.68' / 6 6" dc 185.54' / 24 4 1/2" hwdp 737.84' / total bha 1098.82'
13 STDS DP 825.58 & 1 SINGLE 31.97' KELLY DOWN 38' = 1991.42'

W.O.B. 0 RPM 0 PSI 266 GPM 610 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 80
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 100 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA _____

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Mud Logging		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	8:00	2.00	Trip, Dir. Work trip in to 1098'
8:00	8:30	0.50	Visually inspect derrick, sheaves, shackles and lighting after Jarring down hole.
8:30	9:00	0.50	Rig service
9:00	12:30	3.50	Trip in hole to 1928'
12:30	13:00	0.50	Wash & Ream f/ 1928' t/ 1991'
13:00	14:30	1.50	Circulate & Condition mud Displace 277 bbl's from hole clean pits out and fill w/ fresh water
14:30	20:30	6.00	Drill & Slide f/ 1991' t/ 2213'
20:30	21:00	0.50	Trip 2 std's to retrieve pipe screen.
21:00	1:30	4.50	Drill & Slide f/ 2213' t/ 2403'
1:30	2:30	1.00	Change out Pason depth tracer on fast line sheave in crown.
2:30	6:00	3.50	Drill & Slide f/ 2403' t/ 2466'

RECEIVED

Total 24.00

Report by Steve Record Date August 15, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 249 CUM. DRLG. HRS. 55.5
 PRESENT OPERATION M/U Shoe Trac 8-5/8" csg 32# J-55 CUM. DAYS (FROM SPUD) 6

TIME BREAKDOWNS

Drilling 10.5 Trips 5.5 Wash & Ream _____ Rig Repair 2.5
 Run csg & Cmmt 1.5 Circ 2 Rig service 0.5 NU BOP _____
 WOC _____ Dir.work 1.5 BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	RMB	CD517G	305770	50	1991	1941	24.5	3X20	4/1E/1	79.2
2	12.25	RMB	CW517GX	171	1991'	2715	724	26	4X18	1/1E/1	27.8

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 9.0 Vis 42 WL 12 Fitr Ck _____ /32 pH 10.00 Oil% _____ Water, % 97.5
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand _____ calcium, ppm _____ Chlorides 2,200 MBT 7.5
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 12.25" bit 1.00' / 1 Mtr 28.87' / 1 8" shock sub 9.73' / 1 8" nmpc 8.38' / 1 8" ubho 2.69' / 1 8" nmhc 30.74' / 1 8" nmhc 30.48'
2 8" dc 59.37' / 1 6 5/8" x 4 1/2" xo 2.68' / 6 6" dc 185.54' / 24 4 1/2" hwdp 737.84' / total bha 1098.11'
25 Std's 1584.73 Kelly down 33' = 2715'

W.O.B. 0 RPM 0 PSI 2080 GPM 610 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 80
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 100 Date of B.O.P. Test _____
 SLM: Board 2715 Talley 2715 Correction 0 Hours on BHA 146.5

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Mud Logging		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	Description
6:00	7:00	1.00	Rig repair change out 2" stand pipe valve, (washed out)
7:00	9:30	2.50	Drill & Slide f/ 2466' t/ 2530'
9:30	10:30	1.00	Rig repair work on butterfly valve on suction line to #2 pump (broken Valve)
10:30	13:00	2.50	Drill & Slide f/ 2530' t/ 2593'
13:00	13:30	0.50	Rig Service
13:30	14:00	0.50	Repair rig #1 pump motor clutch air selonoid and change 2 valves on pumps
14:00	19:30	5.50	Drill & Slide f/ 2593' t/ 2715'
19:30	20:30	1.00	Circulate & Condition well mix slug and pump
20:30	22:00	1.50	Short Wiper trip 25 std's SLM dp.
22:00	23:00	1.00	TIH
23:00	0:00	1.00	Circulate & Condition well mix slug and pump
0:00	4:30	4.50	Trip, LD 8" BHA,
4:30	5:30	1.00	Held safety meeting w/ crew & Rig up csg crew
5:30	6:30	1.00	M/U Shoe trac

RECEIVED

Total 24.50

Report by Steve Record

Date August 16, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 0 CUM. DRLG. HRS. 55.5
 PRESENT OPERATION Wait on welder had leak in weld in spacer spool between binds and well head CUM. DAYS (FROM SPUD) 7
Frontier spacer spool,

TIME BREAKDOWNS

Drilling _____ Trips _____ Wash & Ream _____ Rig Repair _____
 Run csg & Cmmt 7 Circ 1 Rig service _____ NU BOP 2
 WOC 6 Dir.work _____ Test BOP 8 MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
<u>1</u>	<u>12.25</u>	<u>RMB</u>	<u>CD517G</u>	<u>305770</u>	<u>50'</u>	<u>1991'</u>	<u>1941'</u>	<u>24.5</u>	<u>3X20</u>	<u>4/1E/1</u>	<u>79.2</u>
<u>2</u>	<u>12.25</u>	<u>RMB</u>	<u>CW517GX</u>	<u>171</u>	<u>1991'</u>	<u>2715'</u>	<u>724'</u>	<u>26</u>	<u>4X18</u>	<u>1/1E/1</u>	<u>27.8</u>

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.6 Vis 40 WL 12 Fitr Ck _____ /32 pH 10.00 Oil% _____ Water, % 97.5
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand _____ calcium, ppm _____ Chlorides 2,200 MBT 7.5
 Mud mixed last 24 hrs. Displace with potassium format to drill out.

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00' / 1 Mtr 28.87' / 1 8" / 1 8" nmpc 8.38' / 1 8" ubho 2.69' / 1 8" nmcd 30.74' / 1 8" nmcd 30.48'
2 8" dc 59.37' / 1 6 5/8" x 4 1/2" xo 2.68' / 6 6" dc 185.54' / 24 4 1/2" hwdp 737.84' / total bha 1098.11'
25 Std's 1584.73 Kelly down 33' = 2715'

W.O.B. 0 RPM 0 PSI _____ GPM _____ AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM _____
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM _____ Date of B.O.P. Test 8/17/2011
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 0

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud Disposl		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Wire line		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	Description
<u>6:00</u>	<u>10:15</u>	<u>4.25</u>	<u>Run 60 jt's 8 5/8" 32# J-55 ST&C to 2010' float collar 2664', Centralizers f 1st jt middle and every other jt to 133'</u>
<u>10:15</u>	<u>11:15</u>	<u>1.00</u>	<u>Circulate with rig pump, Held safety meeting with crews, R/U cementers</u>
<u>11:15</u>	<u>14:00</u>	<u>2.75</u>	<u>Cement test lines to 2500 psi, pump 20 bbl's water spacer, Start cement lead slurry mix 425 sks of Premium lite cmt to 11.6 ppg a yield of 2.81 ft3, mix gps 16.15 total slurry of 212 bbl's total mix water 163 bbl's'</u> <u>Start Tail cement mix 125 sks type II cement w/ additives to 14.2 ppg a yield of 1.47 ft3, 7.35 gps, total 32.77 bbl's mix water total 21 bbls, drop plug and displace w/ 162.3 bbl's fresh water, 44 bbls cement to surface, full returns, Bump plug to 1055 psi held 5 min and released . 5 bbl's flow back floats held, End job 2:00 pm</u> <u>Pump rate of cement 6.5 bpm, displace @ 5 bpm</u>
<u>14:00</u>	<u>20:00</u>	<u>6.00</u>	<u>Wait on cement and transfer 579 bbl's drilling mud to disposal Ream trucking pound 80, Clean mud pits w/ Riley's, cut of conductor and 8 5/8" csg 17.85', dress csg cut off and weld on a WG.W2BP, 11" 5M x 8-5/8" CSGHD,</u>
<u>20:00</u>	<u>22:00</u>	<u>2.00</u>	<u>N/U BOP,</u>
<u>22:00</u>	<u>6:00</u>	<u>8.00</u>	<u>R/U Single Jack tester, test upper and lower Kelly valves to 250 low 5 min 3000 Hi 10 min and Floor safety valves, Test pipe rams, inside kill line valve, outside check valve, HCR, choke manifold valves, and supper choke, all test 250 low 5 min and 3000 Hi 10 min,</u> <u>BLM Jeff Brown on-site</u>

RECEIVED

Total 24.00

Report by Steve Record

Date August 17, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 181 CUM. DRLG. HRS. 59.5
 PRESENT OPERATION Drilling @ 2896' CUM. DAYS (FROM SPUD) 8

TIME BREAKDOWNS

Drilling 4 Trips 2.5 Wash & Ream 2 Rig Repair 12
 Other _____ Circ _____ Rig service 0.5 NU BOP _____
 WOC _____ Dir.work 1.5 Test BOP 1.5 MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	RMB	CD517G	305770	50'	1991'	1941'	24.5	3X20	4/1E/1	79.2
2	12.25	RMB	CW517GX	171	1991'	2715'	724'	26	4X18	1/1E/1	27.8

Sundry Number: 18131 API Well Number: 43037319070000

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.5 Vis 36 WL 10 Fitr Ck _____ /32 pH 9.50 Oil% _____ Water, % 97.5
 PV _____ YP _____ Gels _____ Alkalinity, ppm _____ Salt _____ #/bbl
 Solids _____ %Sand .02 calcium, ppm _____ Chlorides 900 MBT 7.5
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00' / 1 Mtr 28.87' / 1 6.25" / 1 6.5" nmpc 9.42' / 1 6.5" ubho 2.59' / 1 6.25" nmcd 29.70' / 1 6.25" nmcd 30.43'
6 6" dc 184.83' / 24 4 1/2" hwdp 737.84' / total bha 1022.00'
29 Std's 1838.49 Kelly down 37' = 2898.20'

W.O.B. 0 RPM 0 PSI 1650 GPM 530 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 70
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 90 Date of B.O.P. Test 8/17/2011
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 6

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud Disposl		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Wire line		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	Description
6:00	18:00	12.00	Repair Rig Nipple down do to leak in frontier drilling spool blew a hole through the weld while testing Wait on new spool. Spool arrived and nipple back up
18:00	19:30	1.50	Finished testing BOP test, tested blind 250 low 5 min & Tested casing to 1500 psi 30 min all tests Witnessed by BLM Jeff Brown.
19:30	20:00	0.50	Set wear bushing
20:00	21:30	1.50	P/U Dir. Tools and orient tools.
21:30	0:00	2.50	TIH T/ 2644' displace hole with potassium format mud
0:00	2:00	2.00	Wash & Ream Float collar f 2663' to 2664' ream cement f/ 2664' to 2710' drill shoe, ream to 2715'
2:00	6:00	4.00	Drill f/ 2715' t/ 2896'

RECEIVED

Total 24.00

Report by Steve Record

Date August 18, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25 / API# 43-037-31907 CONTRACTOR Frontier #4
 T.D. AT REPORT _____ FOOTAGE 1359 CUM. DRLG. HRS. 78
 PRESENT OPERATION Drilling @ 4255' CUM. DAYS (FROM SPUD) 9

TIME BREAKDOWNS

Drilling 23.5 Trips _____ Wash & Ream _____ Rig Repair _____
 Other _____ Circ _____ Rig service 0.5 NU BOP _____
 WOC _____ Dir.work _____ Test BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	RMB	CD517G	305770	50'	1991'	1941'	24.5	3X20	4/1E/1	79.2
2	12.25	RMB	CW517GX	171	1991'	2715'	724'	26	4X18	1/1E/1	27.8
3	7 7/8"	Halliburton	FX64D	11525563	2715'	4715'	1540'	27.5	6x16		56.0

SURVEYS: 4133' inc 16.20 azm 267.0 tvd 3830.86' n-s -147.90 e-w -1423.58 vs 1430.75
 Sundry Number: 18131 APT well Number: 43037319070006

MUD PROPERTIES

Mud Wt. 8.6 Vis 40 WL 10 Fitr Ck 2 /32 pH 9.50 Oil% _____ Water, % 98.5
 PV 10 YP 14 Gels 7 Alkalinity, ppm 1 Salt _____ #/bbl
 Solids 1.34 %Sand .02 Potassium, % 3 Chlorides 2,800 MBT 2.5
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00' / 1 Mtr 28.87' / 1 6.25" / 1 6.5" nmpc 9.42' / 1 6.5" ubho 2.59' / 1 6.25" nmcd 29.70' / 1 6.25" nmcd 30.43'
6 6" dc 184.83' / 24 4 1/2" hwdp 737.84' / total bha 1022.00'
50 Std's 3163.44, 1- Single 31.68' Kelly down 38' = 4255'

W.O.B. 18 RPM 35/86=121 PSI 2000 GPM 530 AV_{DP}/AV_{DC} 316/584
 Pump #1: Liner 6 1/2 Stroke Length 10 SPM 70
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 90 Date of B.O.P. Test 8/17/2011
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 6

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud Disposl		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Wire line		
Bits			Geologist		
Down hole Rental			Pason		
Directional Equipment			Closed Loop		
Sur, Rentals			Liv, Qtrs,		
Directional			W/H equipment		
Hot Shot			Casing crew		
Water			Float equipment		
Mob/demob			Welding & Misc, Inspect		
Communication			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	15:00	9.00	Drill & Slide f/ 2896' t/ 3591'
15:00	15:30	0.50	Circulate clean hole
15:30	18:00	2.50	Drill & Slide f/ 3591' t/ 3687'
18:00	6:00	12.00	Drill & Slide f/ 3687' t/ 4255'

RECEIVED _____

Total 24.00

Report by Steve Record Date August 19, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas Middle Mesa Fed, 31-33-29-25/ ap # 43-037-31907 CONTRACTOR Frontier 4#
 T.D. AT REPORT 5185' FOOTAGE 930' CUM. DRLG. HRS. 118
 PRESENT OPERATION Drilling @ 5185 CUM. DAYS (FROM SPUD) 11

TIME BREAKDOWNS

Drilling 23.5 Trips _____ Surveys _____ Rig Repair _____
 PU tools _____ Circ _____ Rig service 0.5 NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition T B G	Ft/Hr
1	12.25	Rmd	cd517g	305770	50'	1991'	1941'	41	3x20	4/1e/1	47.0
2	12.25	Rmd	Cw517gx	171	1991'	2715'	724'	26	4x18	1/1e/1	27.0
3	7-7/8"	Haliburton	FX64m	11525563	2715'	43037319070000	2470'	51	6x16		49.4

SURVEYS: 4988'-inc,-2.50-azm,-232.50 = 5019'-inc,-2.00-azm,-216.10=5050'-inc,-1.80 -azm,-213.00

MUD PROPERTIES

Mud Wt. 8.9 Vis 40 WL 10 Filtr Ck 2 /32 pH 9.50 Oil% _____ Water, % 98.5
 PV 10 YP 14 Gels 7 Alkalinity, ppm 0.9 Salt _____ #/bbl
 Solids 1.5 %Sand 0 calcium, ppm _____ Chlorides 2,800 Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00' /1mtr, 28.87'/1 16.25" / 1 6.5" nmpc 9.42/ 1 6.5" ubbo 2.59/ 1 6.25" nmcd 29.70/ 1 6.25" nmcd 30.43'
6 6"dc 184.83/ 24 4 1/2 hwdp 737.84' / total bha 1022.00

W.O.B. 1 RPM 35 PSI 1642 GPM 571 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 5 1/2 Stroke Length 10 SPM 86
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 85 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 29.5

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud disposal		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			Wire Line		
Bits			Geologist		
Downhole Rental			Pason		
Directional Equipment			Zeco		
Sur,Rentals			liv, qtrs,		
Directional			W/H equipment		
Water			Casing crew		
Mob/demob			Float equipment		
Communication			Weldin & misc, inspection		
			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	11:00	5.00	Drill & Slide F/4255' T/4508'
11:00	11:30	0.50	Rig Service
11:30	15:00	3.50	Drill & Slide F/4580' T/4622'
15:00	16:00	1.00	Circulate Work Pipe Change Liners No 1 # Pump T/ 5 1/2
16:00	18:00	2.00	Drill F/4622' T/4730'
18:00	6:00	12.00	Drill & Slide F/4730' T/5185'

RECEIVED _____

Total 24.00

Report by Jim hogue Date August 20, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas MMF, 31-33 29-25 CONTRACTOR Frontier 4#
 T.D. AT REPORT 5856' FOOTAGE 671' CUM. DRLG. HRS. 140.5
 PRESENT OPERATION Drilling & Sliding @ 5856' CUM. DAYS (FROM SPUD) 12
Formation Honaker 1#

TIME BREAKDOWNS

Drilling 22.5 Trips _____ Surveys _____ Rig Repair _____
 PU tools _____ Circ 1.5 Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	rmd	Cd517g	305770	50'	1991'	1941'	41	3x20		47.0
2	12.25	rmd	Cw517gx	171	1991'	2715'	724'	26	4x18		27.0
3	7/7/2008	Haliburton	FX648	1152563	2715'	3141'	3141'	73.5	6x16		42.7

SURVEYS: 5651'-inc,-3.30 -azm,-220.30 = 5683'-inc,-3.60 -azm, -209.00 = 5714' -inc,-3.70-azm,-202.10

MUD PROPERTIES

Mud Wt. 8.9 Vis 41 WL 8 Fitr Ck 2 /32 pH 9.00 Oil% _____ Water, % 97
 PV 10 YP 16 Gels 11 Alkalinity, ppm 0.8 Salt _____ #/bbl
 Solids 3 %Sand .05 calcium, ppm _____ Chlorides 3,500 Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00 / 1,mtr,28.87' /1-16.25 /1 6.5"nmcp, 9.42 / 1 6.5"ubbo, 2.59 / 1 6.25"nmcd 29.70 / 1 6.25"nmcd 30.43'
6 - 6" dc,-184.83 / 24 - 4 1/2 hwdp 737.84' total, bha, = 1022.00

W.O.B. 25 RPM 35 PSI 1800 GPM 576 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 5 1/2 Stroke Length 10 SPM 85
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 85 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 52

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud disposal		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			wire line		
Bits			Geologist		
Downhole Rental			Pason		
Directional Equipment			zeco		
sur, rentals			liv, qtrs,		
Directional			W/H equipment		
Water			Casing crew		
Mob/demob			Float equipment		
Communication			welding & misc, insp,		
			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	8:30	2.50	Drig, & Slide F/5185 T/5270
8:30	10:00	1.50	Circulate & Cond, Rig Service
10:00	18:00	8.00	Drig, & Slide F/5270 T/5520
18:00	6:00	12.00	Drig, & Slide F/5520 T/5868'

Working Pipe & Reaming Dog Legs & Tight Spots @ Connections When Needed

RECEIVED

Total 24.00

Report by Jim Hogue Date August 21, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas MMF, 31-33 29-25 CONTRACTOR Frontier 4#
 T.D. AT REPORT 6247' FOOTAGE 391' CUM. DRLG. HRS. 149
 PRESENT OPERATION weatherford wireline rigup run loggs, CUM. DAYS (FROM SPUD) 13
loggs went to bottom okay

TIME BREAKDOWNS

Drilling 8.5 Trips 9.5 Surveys _____ Rig Repair _____
 wireline logs 4 Circ 2 Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	rmd	Cd517g	305770	50'	1991'	1941'	41	3x20		47.0
2	12.25	rmd	Cw517gx	171	1991'	2715'	724'	26	4x18		27.0
3	7/7/2008	Haliburton	FX548	11525563	2715'	6247'	3532'	82	6x16		43.1

SURVEYS:

MUD PROPERTIES

Mud Wt. 9.1 Vis 42 WL 8 Filtr Ck 2 /32 pH 9.00 Oil% _____ Water, % 96
 PV 11 YP 17 Gels 11 Alkalinity, ppm 0.8 Salt _____ #/bbl
 Solids 4 %Sand .03 calcium, ppm _____ Chlorides 3,300 Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00 / 1,mtr,28.87' /1-16.25 /1 6.5"nmpr, 9.42 / 1 6.5"ubbo, 2.59 / 1 6.25"nmcd 29.70 / 1 6.25"nmcd 30.43'
6 - 6" dc,-184.83 / 24 - 4 1/2 hwdp 737.84' total, bha, = 1022.00

W.O.B. 25 RPM 35 PSI 1800 GPM 576 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 5 1/2 Stroke Length 10 SPM 85
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 85 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 60.5

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud disposal		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			wire line		
Bits			Geologist		
Downhole Rental			Pason		
Directional Equipment			zeco		
sur, rentals			liv, qtrs,		
Directional			W/H equipment		
Water			Casing crew		
Mob/demob			Float equipment		
Communication			welding & misc, insp,		
			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	14:30	8.50	Drig & slide F/5856' T/6247' Stop 33' Short Mud Motor Failure
14:30	15:30	1.00	Pump Sweep & Circulate
15:30	18:00	2.50	Short Trip 25 Stands @ 4680'
18:00	19:00	1.00	td, 6247' Circulate & Pump pill
19:00	2:00	6.00	Trip Out of hole for logs, straping out lay down m, motor & dirc, tools
2:00	6:00	4.00	rigup weatherford wireline & run loggs

RECEIVED

Total 23.00

Report by Jim Hogue Date August 22, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas MMF, 31-33 29-25 CONTRACTOR Frontier 4#
 T.D. AT REPORT 6247' FOOTAGE _____ CUM. DRLG. HRS. 149
 PRESENT OPERATION Laying Down Drill Pipe CUM. DAYS (FROM SPUD) 14

TIME BREAKDOWNS

Drilling _____ Trips 8 Surveys _____ Rig Repair _____
 wireline logs 14.5 Circ 1.5 Rig service _____ NU BOP _____
 WOC _____ WOC _____ BOP _____ MI&RU _____

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition	Ft/Hr
1	12.25	rmd	Cd517g	305770	50'	1991'	1941'	41	3x20		47.0
2	12.25	rmd	Cw517gx	171	1991'	2715'	724'	26	4x18		27.0
3	7/7/2008	Haliburton	FX648	11525563	2715'	6247'	3532'	82	6x16		43.1

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.9 Vis 40 WL 8 Filtr Ck 2 /32 pH 9.00 Oil% _____ Water, % 97
 PV 11 YP 13 Gels 9 Alkalinity, ppm 0.8 Salt _____ #/bbl
 Solids 3 %Sand .02 calcium, ppm _____ Chlorides 3,000 Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00 / 1 mtr, 28.87' / 1-16.25 / 1 6.5"nmcp, 9.42 / 1 6.5"ubbo, 2.59 / 1 6.25"nmcd 29.70 / 1 6.25"nmcd 30.43'
6 - 6" dc, -184.83 / 24 - 4 1/2 hwdp 737.84' total, bha, = 1022.00

W.O.B. 25 RPM 35 PSI 1800 GPM 576 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 5 1/2 Stroke Length 10 SPM 85
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 85 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 60.5

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud disposal		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			wire line		
Bits			Geologist		
Downhole Rental			Pason		
Directional Equipment			zeco		
sur, rentals			liv, qtrs,		
Directional			W/H equipment		
Water			Casing crew		
Mob/demob			Float equipment		
Communication			welding & misc, insp,		
			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	18:00	12.00	Weatherford Run Wireline Loggs Tag @ 6243' Wireline measurement
18:00	20:30	2.50	Finish Running Loggs, & Rig Down Weatherford
20:30	2:30	6.00	Trip In Hole w/ Bit Kelly UP Circ & Condition Hole T/ Run Pipe
2:30	4:00	1.50	Circulate & Rig Up Lay Down Machine
4:00	6:00	2.00	Laying Down Drill Pipe

RECEIVED

Total 24.00

Report by Jim Hogue Date August 23, 2011

PLANTSERVICES DAILY DRILLING REPORT

WELL NAME Patara Oil & Gas MMF, 31-33 29-25 CONTRACTOR Frontier 4#
 T.D. AT REPORT 6247' FOOTAGE _____ CUM. DRLG. HRS. 149
 PRESENT OPERATION Release Rig 6:00 Am, 8-24-11 CUM. DAYS (FROM SPUD) 15
Bump Plug @ 20:40 Pm Set Casing Slips

TIME BREAKDOWNS

Drilling _____ Trips 3.5 Surveys _____ Rig Repair _____
 run csg 10.5 Circ 1 Rig service _____ NU BOP 6.5
 WOC _____ WOC _____ BOP _____ MI&RU 2.5

BIT SUMMARY

Bit No.	Size	Make	Type	Serial No.	Depth In	Depth Out	Footage Drilled	Rotating Hours	Nozzle Size	Condition T B G	Ft/Hr
1	12.25	rmd	Cd517g	305770	50'	1991'	1941'	41	3x20		47.0
2	12.25	rmd	Cw517gx	171	1991'	2715'	724'	26	4x18		27.0
3	7/7/2008	Haliburton	FX648	1152563	2715'	6247'	3532'	82	6x16		43.1

SURVEYS:

MUD PROPERTIES

Mud Wt. 8.9 Vis 40 WL 8 Fitr Ck 2 /32 pH 9.00 Oil% _____ Water, % 97
 PV 11 YP 13 Gels 9 Alkalinity, ppm 0.8 Salt _____ #/bbl
 Solids 3 %Sand .02 calcium, ppm _____ Chlorides 3,000 Other _____
 Mud mixed last 24 hrs. _____

DRILLING ASSEMBLY

BHA 7 7/8" bit 1.00 / 1,mtr,28.87' /1-16.25 /1 6.5"nmpr, 9.42 / 1 6.5"ubbo, 2.59 / 1 6.25"nmcd 29.70 / 1 6.25"nmcd 30.43'
6 - 6" dc,-184.83 / 24 - 4 1/2 hwdp 737.84' total, bha, = 1022.00

W.O.B. 25 RPM 35 PSI 1800 GPM 576 AV_{DP}/AV_{DC} _____
 Pump #1: Liner 5 1/2 Stroke Length 10 SPM 85
 Pump #2: Liner 5 1/2 Stroke Length 10 SPM 85 Date of B.O.P. Test _____
 SLM: Board _____ Talley _____ Correction _____ Hours on BHA 60.5

DAILY COSTS

	DAILY	CUMULATIVE		DAILY	CUMULATIVE
Road & Location (gravel)			Mud		
Rig Cost			Trucking-Mud disposal		
Fuel			Trucking		
Casing (Surface)			Super.		
Cementing			wire line		
Bits			Geologist		
Downhole Rental			Pason		
Directional Equipment			zeco		
sur, rentals			liv, qtrs,		
Directional			W/H equipment		
Water			Casing crew		
Mob/demob			Float equipment		
Communication			welding & misc, insp,		
			Total Cost		

DETAILS:

Start	End	Hrs	
6:00	9:30	3.50	Lay Down Drill Pipe & dcs, pull wear ring
9:30	11:00	1.50	rig up american boring & casing hold safety meeting
11:00	16:00	5.00	run 151 joints of casing shoe @ 6232' float collar @ 6191'
16:00	18:00	2.00	rig down casing equipment
18:00	21:00	3.00	cement /safety meeting press test t/ 4200# pump 10 bbls h2o spacer / 20bbls mud cleaner 10 bblss, h2o spacer 496 sxs, cement/slurry wgt, 12.5 yield 2.15 11.36 water 6 gpm, 134.43 bbls, mix water f/total 326.53 bbls, slurry pumped droped plug displacement 96.1 bbls treated water bumped plug @ 1600 psi held 5 min 1 bbl bleed back rig down cementers
21:00	3:00	6.50	nipple down bop set slips w/76000 # tension cut casing instaall tubing head & test,
3:00	6:00	3.00	start rigging down get ready f/ trucks
			release rig 6:00 this am,

RECEIVED

Total 24.50

Report by Jim Hogue Date August 24, 2011

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335
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 31-33-29-25
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000
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: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE 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: 9/9/2011 <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 checked="" 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.

Patara Oil & Gas LLC (Patara) intends to begin completion operations on the subject well, and proposes the following procedures: Perforate the La Sal Sandstone 6,152 - 6,158 feet - 2spf 6,131 - 6,135 feet - 2spf 6,116 - 6,128 feet - 2spf Drop 44 bio-balls. Fracture stimulate well with 66,000lbs N2 foam with 3,000#/ft 20/40 proppant. Set frac plug at 5,900 feet. Perforate the Honaker Trial 1 Sandstone 5,775 - 5,779 feet - 2spf 5,745 - 5,764 feet - 2spf 5,607 - 5,611 feet - 2spf Drop 54 bio-balls. Fracture stimulate well with 67,500lbs CO2foam with 2,500#/ft 20/40 proppant. Shut in well 12 hours prior to commencing flowback. Tubing to be hung at 5,550 feet. A completion report will follow shortly. Please see attached documents for further detail. Work is scheduled to begin September 9, 2011. Please contact Christopher Noonan with Patara with any questions. Thank you.

Accepted by the Utah Division of Oil, Gas and Mining

Date: 09/20/2011

By: *Dark K. Quist*

NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Production Technician
SIGNATURE N/A	DATE 9/1/2011	

**MIDDLE MESA 31-33-29-25
NW SE Section 31-T29N-R25E
San Juan County, Utah**

Perforation and Fracture Stimulation Recommendation

La Sal Sandstone

Perforate 2 spf w/ hollow carrier csg gun at 120 degree phasing:

6152 - 6158'	6'	12 holes	MFT showed 2374 psi
6131 - 6135'	4'	8 holes	MFT tested tight
6116 - 6128'	$\frac{12'}{22'}$	$\frac{24}{44}$ holes	MFT tested tight

Recommend 70Q N2 foam frac using 3000#/ft 20/40 proppant (66,000#).
Want to pump 44 bio-balls w/ foam to break down perms prior to pad.
All water to be used will be 6% KCL.
SD 1 hr if necessary if complete ball off.
Tag Pad & 1 ppg, 2 ppg, 3&4 ppg stages w/ 3 isotopes.
Flush w/ N2 foam

Operator will install frac plug @ 5900' +/-.

Honaker Trail 1 Sandstone

Perforate 2 spf w/ hollow carrier csg gun at 120 degree phasing:

5775 - 5779'	4'	8 holes	MFT bad test
5745 - 5764'	19'	38 holes	MFT showed 1709 psi
5607 - 5611'	$\frac{4'}{27'}$	$\frac{8}{54}$ holes	MFT showed tight

Recommend 70Q CO2 foam frac using 2500#/ft 20/40 proppant (67,500#).
Want to pump 54 bio-balls w/ foam to break down perms prior to pad.
All water to be used will be 6% KCL.
SD 1 hr if necessary if complete ball off.
Tag Pad & 1 ppg, 2 ppg, 3&4 ppg stages w/ 3 isotopes.
Flush w/ CO2 foam

**MIDDLE MESA 31-33-29-25
NW SE Section 31-T29N-R25E
San Juan County, Utah**

**Recommended Completion Procedure
J. Warren 8/30/2011**

Well Data:

KB: 6685'

GL: 6663'

Surface Casing: 8 5/8" J-55 32#/ft set at 2715 ft.
Cemented w/ 425 sxs Premium Lite 11.6 ppg followed by 125 sxs Type II
14.2 ppg w/ returns to surface.

Production Casing: 4 1/2" N-80 11.60#/ft LT&C set at 6500 ft.
Cemented w/ 496 sxs 12.5 ppg cement.
Capacity: 0.0155 bbls/ft

CBL to be run by Lone Wolf on 8/30/2011.

Tubing head: Wood Group
11" 5K x 4 1/16" 10K, tested at 5000 psi.
2 – 2 1/16" 10K ball valves.

Recommended Completion Procedure

1. Fill cellar and rat / mouse holes. Blade location. Hole is full of treated water. Weatherford ran the open hole logs and should provide a copy to the field. RU Lone Wolf and run a CBL from PBSD to TOC. RU rig pump and pressure up on casing to 2000 psi. Make a 2nd pass on the CBL from PBSD to surface pipe. RD Lone Wolf Wireline. Keep a copy of the CBL on site for later use.
2. Unload 6300' of 2 3/8" J-55 4.7#/ft 8rd EUE tubing to be shipped from Bourland & Leverich (Chad Grimes 970-324-0454).
3. RU Monument workover rig and equipment. NU BOPE. MU 4 1/2" csg scraper and TIH on tbg to PBSD.
4. RU N2 Unit and unload fluid from hole. TOO H w/ tbg and LD csg scraper. ND BOPE and NU frac head.
5. RU Lone Wolf Wireline. RU lubricator and pressure up on well to 1000 psi w/ N2. RIH w/ hollow carrier casing guns and perforate the La Sal Sandstone 2 spf w/ 120 degree phasing:

6152 – 6158'	6'	12 holes	MFT showed 2374 psi
6131 – 6135'	4'	8 holes	MFT tested tight
6116 – 6128'	<u>12'</u>	<u>24</u> holes	MFT tested tight
	22'	44	

6. RD Lone Wolf Wireline and the N2 Unit.
7. MU SN, 4' sub, retrievable pkr and TIH. Set packer at 6100' +/-.
8. RU Phoenix Wireline and RIH w/ BHP recorders. Take gradients every 1000'. Shut in well for a 72 hr buildup. **Note: Frac date is the 9th of September so need to plan to pull recorders in time to meet that date and NU well for frac.**
9. Set frac tanks and fill w/ 6% KCL as designated by the Baker Hughes frac recommendation. Set BJ's sandmaster and fill with 20/40 brown sand for both stages of the upcoming job.
10. Remove BHP recorders taking gradients every 1000' to FL then every 500' thereafter. Have Phoenix send the data and plots to the Denver office.
11. RU workover rig. Kill well if necessary using 6% KCL water. TOOHD tubing and packer. ND BOPE and NU frac head. RD rig.
12. RU Baker Hughes frac equipment, ProTechnics isotopes and Lone Wolf Wireline. Lone Wolf Wireline should have perforating guns and 4 ½" Halliburton Obsidian frac plug for the next stage. RU N2 trucks for stage 1 and have CO2 trucks on standby for stage 2.
13. Frac the La Sal Sandstone per the frac procedure. Breakdown the formation with 6% KCL water and 44 bio-balls. Surge balls if necessary. ProTechnics is to tag the pad & 1 ppg, 2 ppg and the 3 & 4 ppg stages with three isotopes. Maximum pressure limit is to be 6600 psi. Flush to perms with N2 foam.
14. RIH w/ frac plug and perforating guns. Set frac plug at 5900 ft +/- . Perforate the Honaker Trail 1 formation w/ 2 spf at 120 degree phasing:

○ 5775 - 5779'	4'	8 holes	MFT bad test
○ 5745 - 5764'	19'	38 holes	MFT showed 1709 psi
○ 5607 - 5611'	<u>4'</u>	<u>8</u> holes	MFT showed tight
	27'	54	
15. Switch out N2 trucks w/ CO2 transports. Breakdown the formation with 6% KCL water and 54 bio-balls. Surge balls if necessary. ProTechnics is to tag the pad & 1 ppg, 2 ppg and the 3 & 4 ppg stages with three isotopes. Maximum pressure limit is to be 6600 psi.

Flush to perfs with CO2 foam. Take ISIP, 5 min, 10 min and 15 min pressure readings. SI well for 12 hrs. RD Baker Hughes, ProTechnics and Lone Wolf Wireline.

16. RU flow testers. Open well to clean up frac load. Record hourly readings of volumes and rates.
17. When N2 and CO2 rates decline and fluid rates can be handled through the site production equipment, turn well to sales.
18. Once cleaned up, RU Lone Wolf Wireline and Monument workover rig. MU kill plug and set above the Honaker Trail perfs at 5560 ft +/- . Blow down well. RD Lone Wolf. MU bit, pump off mandrel, SN, one jt tbg, SN and TIH. Drill out kill plug and frac plug. Push remnants to btm. PU tbg to 5550 ft and pump off bit. ND BOPE and NU tree. Hookup sand trap and flowline. Return well to sales. Obtain oil sample and send to BJ for analysis.
19. RD rig and clear location. Hook up diesel tanks and injection equipment to inject down the annulus. Commence scheduled paraffin cutting operations.
20. After a few weeks, RU ProTechnics and RIH w/ a Scanalog and Completion Profiler. Be sure that ProTechnics is looking for all three phases: oil, gas and water.
21. Will plan to leave the tbg hung at 5550' until such time that there is intent to open the Honaker Trail 2 & 3 sands.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU84218

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
Middle Mesa Fed 31-33-29-25

9. API NUMBER:
4303731907

10. FIELD AND POOL, OR WILDCAT
Pine Ridge South

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWSE 31 29S 25E S

12. COUNTY
San Juan

13. STATE
UTAH

14. DATE SPUDDED: **8/9/2011**

15. DATE T.D. REACHED: **8/21/2011**

16. DATE COMPLETED: **9/13/2011** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6662 GL

18. TOTAL DEPTH: MD **6,247** TVD **5,932.3**

19. PLUG BACK T.D.: MD **6,205** TVD **5,891**

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
2

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
LOGS WILL BE SEND TO THE DOGM

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
16	16 Con		0	60		G 50		0 CIR	
12.25	8.625 J-55	32	0	2,710		Pm Lt 525		0 CIR	
7.875	4.5 N-80	11.6	0	6,232		III 497		1160 CBL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2.375	5,507							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Honaker Trail	5,607	5,779		
(B) La Sal	6,116	6,158		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
5,607 5,611	.34	9	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
5,745 5,764	.34	39	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
5,775 5,779	.34	9	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
6,116 6,128	.34	25	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5607 - 5611	FRAC TREATED W/65,069# 20/40 SAND AND N2 FOAM. 9/10/2011
5745 - 5764	FRAC TREATED W/65,069# 20/40 SAND AND N2 FOAM. 9/10/2011
5775 - 5779	FRAC TREATED W/65,069# 20/40 SAND AND N2 FOAM. 9/10/2011

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:

PR

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 9/13/2011		TEST DATE: 9/12/2011		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 79	GAS - MCF: 700	WATER - BBL: 34	PROD. METHOD: Flow
CHOKE SIZE: 32/64	TBG. PRESS.	CSG. PRESS. 170	API GRAVITY 0.71	BTU - GAS	GAS/OIL RATIO 8,860	24 HR PRODUCTION RATES: →	OIL - BBL: 79	GAS - MCF: 700	WATER - BBL: 34	INTERVAL STATUS: Open

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.)

Sold

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.

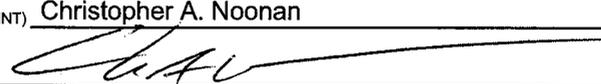
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Honaker Trail	4,371	5,784		Honaker Trail	4,371
La Sal	5,784	6,190		La Sal	5,784

35. ADDITIONAL REMARKS (Include plugging procedure)

6131 - 6135, 2SPF, 9 holes, 68,345# 20/40 sand & N2 foam / 6152 - 6158, 2SPF, 13 holes, 68,345# 20/40 sand & N2 foam

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

NAME (PLEASE PRINT) Christopher A. Noonan TITLE Production Technician
 SIGNATURE  DATE 10/6/2011

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801
 Phone: 801-538-5340
 Fax: 801-359-3940

Patara Oil & Gas, LLC

San Juan County, UT

Section 31-T29S-R25E

Middle Mesa Federal 31-33-29-25

Frontier #4

Survey: Final Survey Report

Standard Survey Report

05 October, 2011



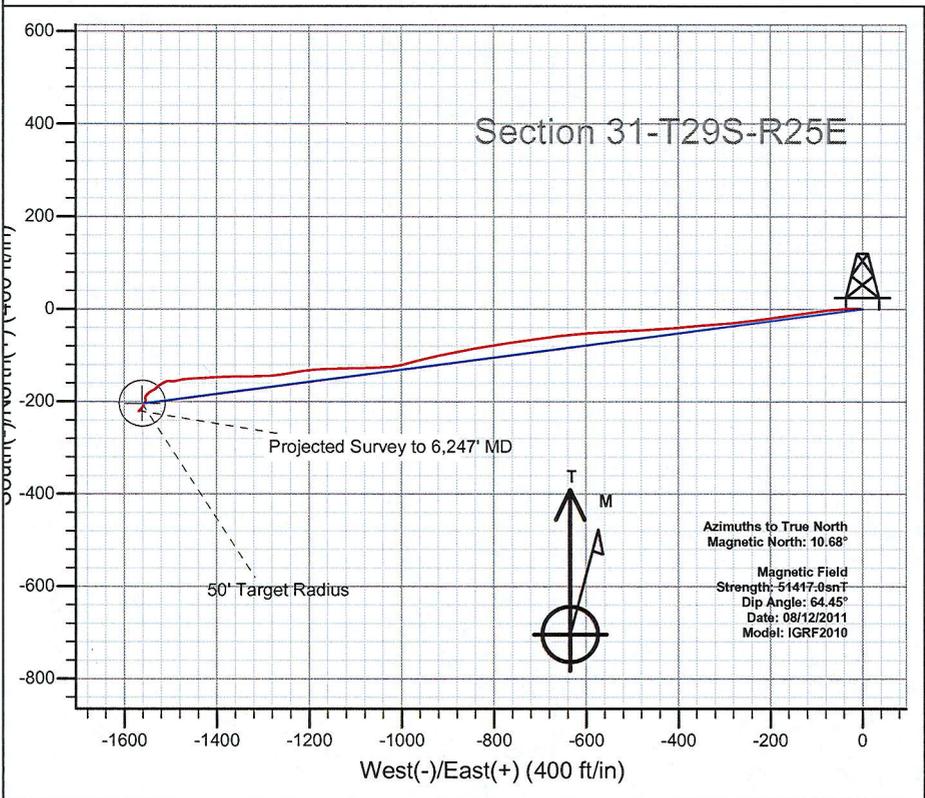
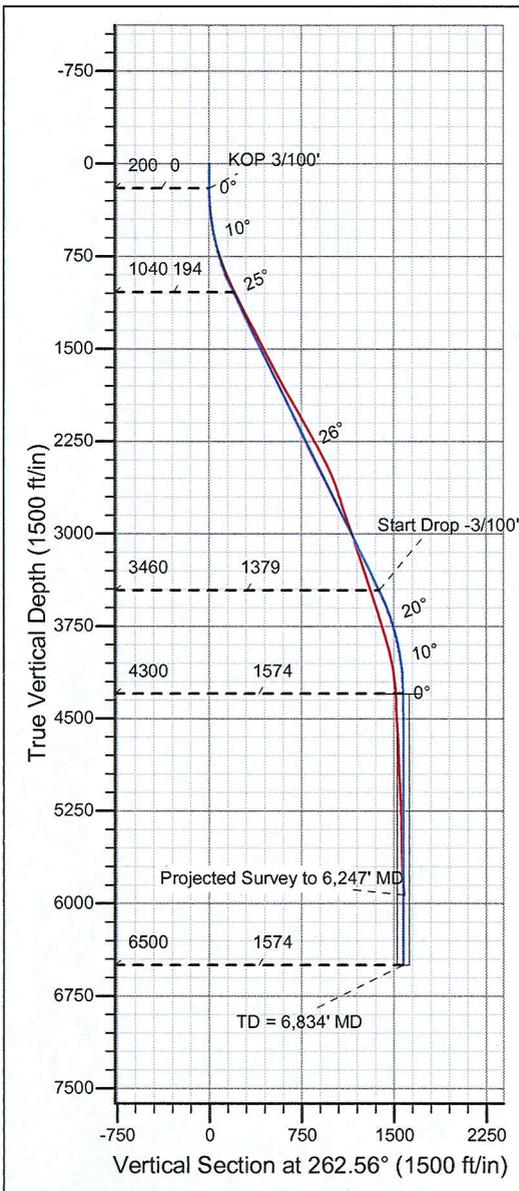
**Patara Oil & Gas, LLC
Middle Mesa Federal 31-33-29-25
San Juan County, UT**



**Geodetic System: US State Plane 1927 (Exact solution)
Zone: Utah South 4303
WELL @ 0.0ft (Original Well Elev)
Ground Level: 0.0
Latitude: 38° 14' 7.879 N
Longitude: 109° 12' 18.241 W
Magnetic North is 10.68° East of True North (Magnetic Declination)**

SECTION DETAILS										
MD	Inc	Azi	TVD	+N-S	+E-W	DLeg	TFace	VSec	Target	
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0		
200.0	0.00	0.00	200.0	0.0	0.0	0.00	0.00	0.0		
1069.3	26.08	262.56	1039.6	-25.2	-192.8	3.00	262.56	194.4		
3764.5	26.08	262.56	3460.4	-178.5	-1367.7	0.00	0.00	1379.3		
4633.8	0.00	0.00	4300.0	-203.7	-1560.5	3.00	180.00	1573.7		
6833.8	0.00	0.00	6500.0	-203.7	-1560.5	0.00	0.00	1573.7		

WELLBORE TARGET DETAILS (LAT/LONG)							
Name	TVD	+N-S	+E-W	Latitude	Longitude	Shape	
MM 31-33 Target 1	4300.0	-203.7	-1560.5	38° 14' 5.865 N	109° 12' 37.799 W	Circle (Radius: 50.0)	



Plan: Approved Plan (Middle Mesa Federal 31-33-29-25/Frontier #4)

Created By: Mike Kirby Date: 11:48, October 05 2011

Checked: _____ Date: _____

Reviewed: _____ Date: _____

Approved: Ryan Calhoun Date: July 12, 2011

Crescent Directional Drilling, LP

Survey Report



Company: Patara Oil & Gas, LLC
Project: San Juan County, UT
Site: Section 31-T29S-R25E
Well: Middle Mesa Federal 31-33-29-25
Wellbore: Frontier #4
Design: Frontier #4

Local Co-ordinate Reference: Well Middle Mesa Federal 31-33-29-25
TVD Reference: WELL @ 0.0ft (Original Well Elev)
MD Reference: WELL @ 0.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Project	San Juan County, UT		
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 Section 31-T29S-R25E
Site Position:
From: Lat/Long
Position Uncertainty: 0.0 ft

Northing:	579,337.34 ft	Latitude:	38° 14' 7.879 N
Easting:	2,659,134.43 ft	Longitude:	109° 12' 18.241 W
Slot Radius:	"	Grid Convergence:	1.41 °

Well Middle Mesa Federal 31-33-29-25
Well Position

+N/-S	0.0 ft	Northing:	579,337.34 ft	Latitude:	38° 14' 7.879 N
+E/-W	0.0 ft	Easting:	2,659,134.43 ft	Longitude:	109° 12' 18.241 W
Position Uncertainty	0.0 ft	Wellhead Elevation:	ft	Ground Level:	0.0 ft

Wellbore Frontier #4

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	08/12/11	10.68	64.45	51,417

Design Frontier #4
Audit Notes:
Version: 1.0
Phase: ACTUAL
Tie On Depth: 0.0
Vertical Section:

Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
0.0	0.0	0.0	262.56

Survey Program Date 10/05/11

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
110.0	6,247.0	Final Survey Report (Frontier #4)	MWD	

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
110.0	0.60	312.70	110.0	0.4	-0.4	0.4	0.55	0.55	0.00
139.0	0.30	218.00	139.0	0.4	-0.6	0.5	2.39	-1.03	-326.55
173.0	0.50	257.60	173.0	0.3	-0.8	0.7	0.97	0.59	116.47
204.0	1.20	293.10	204.0	0.4	-1.2	1.1	2.72	2.26	114.52
233.0	1.60	285.60	233.0	0.7	-1.9	1.8	1.51	1.38	-25.86
265.0	2.20	284.50	265.0	0.9	-2.9	2.8	1.88	1.87	-3.44
295.0	2.80	280.00	294.9	1.2	-4.2	4.0	2.10	2.00	-15.00
327.0	3.70	274.90	326.9	1.4	-6.0	5.7	2.95	2.81	-15.94
357.0	4.40	275.40	356.8	1.6	-8.1	7.8	2.34	2.33	1.67
388.0	5.30	272.80	387.7	1.8	-10.7	10.4	2.99	2.90	-8.39
418.0	6.30	273.10	417.5	2.0	-13.7	13.4	3.33	3.33	1.00
449.0	7.30	269.40	448.3	2.0	-17.4	17.0	3.52	3.23	-11.94

Crescent Directional Drilling, LP

Survey Report



Company: Patara Oil & Gas, LLC
Project: San Juan County, UT
Site: Section 31-T29S-R25E
Well: Middle Mesa Federal 31-33-29-25
Wellbore: Frontier #4
Design: Frontier #4

Local Co-ordinate Reference: Well Middle Mesa Federal 31-33-29-25
TVD Reference: WELL @ 0.0ft (Original Well Elev)
MD Reference: WELL @ 0.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

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)
480.0	8.30	268.50	479.0	1.9	-21.6	21.2	3.25	3.23	-2.90
511.0	9.50	267.70	509.7	1.8	-26.4	25.9	3.89	3.87	-2.58
541.0	10.60	266.50	539.2	1.5	-31.6	31.2	3.73	3.67	-4.00
572.0	11.70	266.50	569.6	1.2	-37.6	37.1	3.55	3.55	0.00
603.0	12.90	264.50	599.9	0.6	-44.2	43.7	4.11	3.87	-6.45
634.0	14.30	264.50	630.0	-0.1	-51.5	51.0	4.52	4.52	0.00
664.0	15.60	265.30	659.0	-0.8	-59.2	58.8	4.39	4.33	2.67
695.0	16.80	265.00	688.8	-1.5	-67.8	67.4	3.88	3.87	-0.97
726.0	17.90	264.30	718.4	-2.3	-77.0	76.6	3.61	3.55	-2.26
756.0	18.90	263.40	746.8	-3.4	-86.4	86.1	3.47	3.33	-3.00
787.0	19.90	262.70	776.1	-4.6	-96.6	96.4	3.31	3.23	-2.26
818.0	20.70	262.50	805.2	-6.0	-107.3	107.2	2.59	2.58	-0.65
849.0	21.70	261.80	834.1	-7.5	-118.4	118.4	3.33	3.23	-2.26
879.0	22.50	261.60	861.9	-9.2	-129.6	129.7	2.68	2.67	-0.67
910.0	23.30	261.90	890.4	-10.9	-141.5	141.7	2.61	2.58	0.97
941.0	24.20	262.80	918.8	-12.6	-153.9	154.2	3.13	2.90	2.90
972.0	24.50	262.50	947.0	-14.2	-166.5	167.0	1.05	0.97	-0.97
1,003.0	24.70	261.90	975.2	-15.9	-179.3	179.9	1.03	0.65	-1.94
1,034.0	25.40	261.90	1,003.3	-17.8	-192.3	193.0	2.26	2.26	0.00
1,064.0	25.80	261.60	1,030.4	-19.6	-205.2	206.0	1.40	1.33	-1.00
1,128.0	26.80	261.50	1,087.7	-23.8	-233.2	234.3	1.56	1.56	-0.16
1,160.0	27.30	262.20	1,116.2	-25.9	-247.6	248.9	1.85	1.56	2.19
1,191.0	27.20	263.60	1,143.8	-27.6	-261.7	263.1	2.09	-0.32	4.52
1,223.0	26.50	265.00	1,172.3	-29.1	-276.1	277.5	2.95	-2.19	4.37
1,255.0	26.70	266.20	1,201.0	-30.2	-290.4	291.8	1.79	0.62	3.75
1,286.0	27.30	265.90	1,228.6	-31.1	-304.4	305.9	1.98	1.94	-0.97
1,318.0	27.90	265.80	1,256.9	-32.2	-319.2	320.7	1.88	1.87	-0.31
1,349.0	28.50	265.50	1,284.3	-33.3	-333.8	335.3	1.99	1.94	-0.97
1,381.0	29.10	264.60	1,312.3	-34.7	-349.1	350.7	2.31	1.87	-2.81
1,413.0	28.80	264.90	1,340.3	-36.1	-364.6	366.2	1.04	-0.94	0.94
1,445.0	27.40	264.70	1,368.5	-37.4	-379.6	381.2	4.38	-4.37	-0.62
1,477.0	26.70	264.60	1,397.0	-38.8	-394.1	395.8	2.19	-2.19	-0.31
1,508.0	26.40	264.80	1,424.8	-40.1	-407.9	409.6	1.01	-0.97	0.65
1,540.0	26.10	266.00	1,453.5	-41.2	-422.0	423.8	1.91	-0.94	3.75
1,572.0	26.50	266.10	1,482.1	-42.2	-436.1	437.9	1.26	1.25	0.31
1,604.0	27.30	265.80	1,510.7	-43.2	-450.6	452.4	2.54	2.50	-0.94
1,636.0	27.90	266.20	1,539.0	-44.2	-465.3	467.2	1.96	1.87	1.25
1,666.0	28.50	266.70	1,565.5	-45.1	-479.5	481.3	2.15	2.00	1.67
1,698.0	27.70	266.90	1,593.7	-46.0	-494.5	496.3	2.52	-2.50	0.62
1,730.0	27.70	267.60	1,622.0	-46.7	-509.4	511.2	1.02	0.00	2.19
1,762.0	28.30	268.30	1,650.3	-47.2	-524.4	526.1	2.14	1.87	2.19
1,794.0	28.70	267.40	1,678.4	-47.8	-539.7	541.3	1.83	1.25	-2.81
1,825.0	27.40	266.70	1,705.8	-48.5	-554.2	555.9	4.33	-4.19	-2.26
1,857.0	27.30	265.90	1,734.2	-49.5	-568.9	570.5	1.19	-0.31	-2.50
1,888.0	27.90	265.50	1,761.7	-50.6	-583.2	584.9	2.03	1.94	-1.29
1,920.0	28.30	266.00	1,789.9	-51.7	-598.3	599.9	1.45	1.25	1.56
1,952.0	28.90	265.30	1,818.0	-52.8	-613.5	615.2	2.15	1.87	-2.19
1,984.0	29.50	265.10	1,845.9	-54.1	-629.1	630.8	1.90	1.87	-0.62
2,016.0	29.80	264.20	1,873.7	-55.6	-644.8	646.6	1.68	0.94	-2.81
2,047.0	30.20	263.30	1,900.6	-57.3	-660.3	662.1	1.94	1.29	-2.90
2,079.0	30.40	262.40	1,928.2	-59.3	-676.3	678.3	1.55	0.62	-2.81
2,110.0	30.70	262.30	1,954.9	-61.4	-691.9	694.0	0.98	0.97	-0.32
2,142.0	29.90	262.00	1,982.5	-63.6	-707.9	710.2	2.54	-2.50	-0.94
2,174.0	28.60	261.80	2,010.5	-65.8	-723.4	725.8	4.07	-4.06	-0.62

Crescent Directional Drilling, LP

Survey Report



Company: Patara Oil & Gas, LLC
Project: San Juan County, UT
Site: Section 31-T29S-R25E
Well: Middle Mesa Federal 31-33-29-25
Wellbore: Frontier #4
Design: Frontier #4

Local Co-ordinate Reference: Well Middle Mesa Federal 31-33-29-25
TVD Reference: WELL @ 0.0ft (Original Well Elev)
MD Reference: WELL @ 0.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

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)
2,205.0	28.30	261.20	2,037.7	-68.0	-738.0	740.6	1.34	-0.97	-1.94
2,236.0	28.70	261.10	2,065.0	-70.3	-752.6	755.4	1.30	1.29	-0.32
2,268.0	29.30	261.30	2,092.9	-72.7	-767.9	770.9	1.90	1.87	0.62
2,300.0	29.90	261.00	2,120.8	-75.1	-783.5	786.7	1.93	1.87	-0.94
2,332.0	30.60	261.60	2,148.4	-77.5	-799.5	802.8	2.38	2.19	1.87
2,364.0	30.40	261.10	2,176.0	-80.0	-815.5	819.0	1.01	-0.62	-1.56
2,395.0	29.60	260.50	2,202.8	-82.4	-830.8	834.5	2.76	-2.58	-1.94
2,427.0	29.00	260.70	2,230.7	-85.0	-846.3	850.2	1.90	-1.87	0.62
2,459.0	28.80	259.00	2,258.7	-87.7	-861.5	865.6	2.64	-0.62	-5.31
2,490.0	28.90	258.20	2,285.9	-90.7	-876.2	880.5	1.29	0.32	-2.58
2,522.0	28.40	257.60	2,314.0	-93.9	-891.2	895.8	1.80	-1.56	-1.87
2,554.0	27.30	256.80	2,342.3	-97.2	-905.7	910.7	3.63	-3.44	-2.50
2,586.0	26.20	256.20	2,370.8	-100.6	-919.7	925.0	3.54	-3.44	-1.87
2,644.0	24.90	257.10	2,423.2	-106.4	-944.1	949.9	2.34	-2.24	1.55
2,742.0	24.30	255.50	2,512.3	-116.0	-983.7	990.5	0.91	-0.61	-1.63
2,774.0	23.30	257.20	2,541.6	-119.1	-996.3	1,003.3	3.79	-3.12	5.31
2,805.0	21.50	259.70	2,570.2	-121.4	-1,007.8	1,015.1	6.57	-5.81	8.06
2,837.0	19.90	261.70	2,600.2	-123.3	-1,019.0	1,026.4	5.47	-5.00	6.25
2,869.0	18.90	264.30	2,630.3	-124.6	-1,029.5	1,037.0	4.13	-3.12	8.12
2,900.0	18.70	266.50	2,659.7	-125.4	-1,039.5	1,047.0	2.38	-0.65	7.10
2,932.0	18.70	268.50	2,690.0	-125.8	-1,049.7	1,057.2	2.00	0.00	6.25
2,964.0	18.50	268.70	2,720.3	-126.1	-1,059.9	1,067.3	0.66	-0.62	0.62
2,996.0	18.10	268.00	2,750.7	-126.4	-1,070.0	1,077.3	1.43	-1.25	-2.19
3,027.0	18.60	268.30	2,780.1	-126.7	-1,079.7	1,087.1	1.64	1.61	0.97
3,058.0	19.20	270.20	2,809.5	-126.8	-1,089.8	1,097.0	2.77	1.94	6.13
3,090.0	19.30	270.40	2,839.7	-126.7	-1,100.3	1,107.5	0.37	0.31	0.62
3,122.0	19.10	269.50	2,869.9	-126.8	-1,110.9	1,117.9	1.12	-0.62	-2.81
3,153.0	18.60	267.80	2,899.2	-127.0	-1,120.9	1,127.9	2.40	-1.61	-5.48
3,216.0	18.80	267.00	2,958.9	-127.9	-1,141.0	1,148.0	0.52	0.32	-1.27
3,279.0	19.20	268.50	3,018.5	-128.7	-1,161.5	1,168.4	1.00	0.63	2.38
3,343.0	18.40	265.70	3,079.1	-129.7	-1,182.1	1,189.0	1.88	-1.25	-4.37
3,407.0	18.20	264.00	3,139.8	-131.5	-1,202.1	1,209.1	0.89	-0.31	-2.66
3,469.0	18.10	260.70	3,198.7	-134.1	-1,221.3	1,228.4	1.67	-0.16	-5.32
3,532.0	18.00	260.20	3,258.6	-137.3	-1,240.5	1,247.9	0.29	-0.16	-0.79
3,564.0	17.30	259.30	3,289.1	-139.1	-1,250.1	1,257.6	2.35	-2.19	-2.81
3,596.0	17.50	261.70	3,319.7	-140.6	-1,259.5	1,267.1	2.33	0.62	7.50
3,627.0	17.90	265.20	3,349.2	-141.7	-1,268.9	1,276.5	3.67	1.29	11.29
3,658.0	18.20	266.50	3,378.7	-142.4	-1,278.5	1,286.1	1.62	0.97	4.19
3,690.0	18.00	266.20	3,409.1	-143.0	-1,288.4	1,296.0	0.69	-0.62	-0.94
3,722.0	17.90	264.70	3,439.5	-143.8	-1,298.2	1,305.9	1.48	-0.31	-4.69
3,753.0	18.10	267.50	3,469.0	-144.5	-1,307.8	1,315.5	2.86	0.65	9.03
3,785.0	18.40	270.20	3,499.4	-144.7	-1,317.8	1,325.4	2.80	0.94	8.44
3,817.0	18.50	271.20	3,529.8	-144.6	-1,327.9	1,335.4	1.04	0.31	3.12
3,848.0	18.50	270.50	3,559.2	-144.4	-1,337.7	1,345.2	0.72	0.00	-2.26
3,880.0	18.40	269.50	3,589.5	-144.4	-1,347.9	1,355.2	1.04	-0.31	-3.12
3,911.0	18.20	269.00	3,618.9	-144.5	-1,357.6	1,364.9	0.82	-0.65	-1.61
3,943.0	18.10	268.90	3,649.4	-144.7	-1,367.6	1,374.8	0.33	-0.31	-0.31
3,974.0	17.70	269.20	3,678.9	-144.9	-1,377.1	1,384.3	1.32	-1.29	0.97
4,006.0	17.50	268.10	3,709.4	-145.1	-1,386.8	1,393.9	1.21	-0.62	-3.44
4,038.0	17.20	266.30	3,739.9	-145.6	-1,396.3	1,403.4	1.92	-0.94	-5.62
4,069.0	17.00	265.10	3,769.5	-146.3	-1,405.4	1,412.5	1.31	-0.65	-3.87
4,101.0	16.60	263.60	3,800.2	-147.2	-1,414.6	1,421.7	1.84	-1.25	-4.69
4,133.0	16.20	267.00	3,830.9	-147.9	-1,423.6	1,430.8	3.25	-1.25	10.62
4,164.0	16.00	269.10	3,860.6	-148.2	-1,432.2	1,439.3	1.99	-0.65	6.77

Crescent Directional Drilling, LP

Survey Report



Company: Patara Oil & Gas, LLC
Project: San Juan County, UT
Site: Section 31-T29S-R25E
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Wellbore: Frontier #4
Design: Frontier #4

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MD Reference: WELL @ 0.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

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)
4,196.0	15.80	268.70	3,891.4	-148.4	-1,440.9	1,448.0	0.71	-0.62	-1.25
4,228.0	15.60	267.70	3,922.2	-148.6	-1,449.6	1,456.6	1.05	-0.62	-3.12
4,259.0	14.70	265.40	3,952.2	-149.1	-1,457.7	1,464.7	3.49	-2.90	-7.42
4,291.0	13.30	262.40	3,983.2	-149.9	-1,465.4	1,472.5	4.93	-4.37	-9.37
4,323.0	12.40	260.10	4,014.4	-151.0	-1,472.4	1,479.6	3.23	-2.81	-7.19
4,354.0	10.80	258.70	4,044.8	-152.2	-1,478.5	1,485.8	5.24	-5.16	-4.52
4,386.0	9.50	258.00	4,076.3	-153.3	-1,484.1	1,491.4	4.08	-4.06	-2.19
4,417.0	8.10	258.40	4,106.9	-154.3	-1,488.7	1,496.1	4.52	-4.52	1.29
4,449.0	7.60	265.40	4,138.6	-154.9	-1,493.0	1,500.5	3.37	-1.56	21.87
4,481.0	7.40	272.60	4,170.3	-155.0	-1,497.2	1,504.6	3.00	-0.62	22.50
4,513.0	6.40	273.00	4,202.1	-154.8	-1,501.0	1,508.4	3.13	-3.12	1.25
4,545.0	5.40	270.20	4,233.9	-154.7	-1,504.3	1,511.7	3.25	-3.12	-8.75
4,576.0	4.10	262.60	4,264.8	-154.8	-1,506.9	1,514.2	4.65	-4.19	-24.52
4,608.0	2.80	254.60	4,296.8	-155.2	-1,508.8	1,516.1	4.32	-4.06	-25.00
4,613.9	2.65	254.02	4,302.7	-155.2	-1,509.0	1,516.4	2.56	-2.51	-9.89
MM 31-33 Target 1									
4,640.0	2.00	250.40	4,328.7	-155.6	-1,510.0	1,517.5	2.56	-2.50	-13.86
4,702.0	2.40	238.40	4,390.7	-156.6	-1,512.2	1,519.7	0.98	0.65	-19.35
4,765.0	3.50	239.50	4,453.6	-158.3	-1,514.9	1,522.7	1.75	1.75	1.75
4,797.0	3.80	236.40	4,485.5	-159.4	-1,516.7	1,524.5	1.12	0.94	-9.69
4,829.0	4.30	239.80	4,517.5	-160.5	-1,518.6	1,526.6	1.73	1.56	10.62
4,860.0	4.40	240.40	4,548.4	-161.7	-1,520.6	1,528.8	0.35	0.32	1.94
4,892.0	3.90	236.20	4,580.3	-162.9	-1,522.6	1,530.9	1.83	-1.56	-13.12
4,924.0	3.70	237.50	4,612.2	-164.1	-1,524.4	1,532.8	0.68	-0.62	4.06
4,956.0	3.50	240.40	4,644.1	-165.1	-1,526.1	1,534.6	0.85	-0.62	9.06
4,988.0	2.50	232.50	4,676.1	-166.0	-1,527.5	1,536.1	3.37	-3.12	-24.69
5,019.0	2.00	216.10	4,707.1	-166.9	-1,528.4	1,537.1	2.61	-1.61	-52.90
5,050.0	1.80	213.00	4,738.1	-167.7	-1,528.9	1,537.8	0.73	-0.65	-10.00
5,082.0	2.00	222.90	4,770.0	-168.6	-1,529.6	1,538.5	1.20	0.62	30.94
5,114.0	2.20	224.60	4,802.0	-169.4	-1,530.4	1,539.5	0.65	0.62	5.31
5,145.0	1.30	226.30	4,833.0	-170.1	-1,531.1	1,540.2	2.91	-2.90	5.48
5,176.0	1.40	241.40	4,864.0	-170.5	-1,531.7	1,540.8	1.19	0.32	48.71
5,208.0	2.50	239.90	4,896.0	-171.0	-1,532.6	1,541.9	3.44	3.44	-4.69
5,240.0	3.60	235.20	4,927.9	-172.0	-1,534.0	1,543.4	3.52	3.44	-14.69
5,272.0	3.80	235.60	4,959.9	-173.1	-1,535.7	1,545.2	0.63	0.62	1.25
5,303.0	3.60	236.80	4,990.8	-174.2	-1,537.4	1,547.0	0.69	-0.65	3.87
5,334.0	3.70	237.00	5,021.7	-175.3	-1,539.1	1,548.8	0.33	0.32	0.65
5,366.0	3.20	240.60	5,053.7	-176.3	-1,540.7	1,550.6	1.70	-1.56	11.25
5,398.0	3.00	246.50	5,085.6	-177.1	-1,542.2	1,552.2	1.18	-0.62	18.44
5,429.0	2.70	235.50	5,116.6	-177.8	-1,543.6	1,553.6	2.01	-0.97	-35.48
5,461.0	3.10	230.70	5,148.6	-178.8	-1,544.9	1,555.0	1.46	1.25	-15.00
5,493.0	3.10	225.50	5,180.5	-180.0	-1,546.2	1,556.5	0.88	0.00	-16.25
5,525.0	3.30	227.50	5,212.5	-181.2	-1,547.5	1,557.9	0.72	0.62	6.25
5,556.0	3.20	216.30	5,243.4	-182.5	-1,548.6	1,559.2	2.07	-0.32	-36.13
5,588.0	2.60	229.30	5,275.4	-183.7	-1,549.7	1,560.4	2.77	-1.87	40.62
5,620.0	3.00	229.20	5,307.3	-184.7	-1,550.9	1,561.8	1.25	1.25	-0.31
5,651.0	3.30	220.30	5,338.3	-185.9	-1,552.1	1,563.1	1.85	0.97	-28.71
5,683.0	3.60	209.00	5,370.2	-187.5	-1,553.2	1,564.4	2.32	0.94	-35.31
5,714.0	3.70	202.10	5,401.2	-189.3	-1,554.0	1,565.4	1.45	0.32	-22.26
5,746.0	3.20	190.40	5,433.1	-191.1	-1,554.6	1,566.2	2.69	-1.56	-32.56
5,778.0	2.40	170.20	5,465.1	-192.6	-1,554.6	1,566.5	3.93	-2.50	-63.12
5,809.0	1.30	155.50	5,496.1	-193.6	-1,554.4	1,566.3	3.84	-3.55	-47.42
5,841.0	1.20	148.50	5,528.0	-194.2	-1,554.0	1,566.1	0.57	-0.31	-21.87
5,873.0	1.30	162.10	5,560.0	-194.9	-1,553.7	1,565.9	0.98	0.31	42.50
5,904.0	1.70	179.40	5,591.0	-195.6	-1,553.6	1,565.9	1.94	1.29	55.81

Crescent Directional Drilling, LP

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North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

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)
5,936.0	2.10	180.50	5,623.0	-196.7	-1,553.6	1,566.0	1.26	1.25	3.44
5,967.0	2.70	191.70	5,654.0	-198.0	-1,553.8	1,566.3	2.45	1.94	36.13
5,999.0	3.60	202.30	5,685.9	-199.7	-1,554.3	1,567.1	3.34	2.81	33.12
6,031.0	4.40	206.90	5,717.9	-201.7	-1,555.3	1,568.3	2.69	2.50	14.37
6,063.0	4.80	210.00	5,749.8	-203.9	-1,556.5	1,569.8	1.47	1.25	9.69
6,094.0	5.40	214.20	5,780.6	-206.3	-1,557.9	1,571.5	2.28	1.94	13.55
6,126.0	5.90	216.00	5,812.5	-208.8	-1,559.8	1,573.7	1.66	1.56	5.62
6,157.0	6.40	217.40	5,843.3	-211.5	-1,561.7	1,576.0	1.68	1.61	4.52
6,188.0	6.70	217.80	5,874.1	-214.3	-1,563.9	1,578.5	0.98	0.97	1.29
6,247.0	6.80	217.80	5,932.7	-219.8	-1,568.2	1,583.4	0.17	0.17	0.00

Projected Survey to TD

Targets

Target Name

- hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- Shape									
MM 31-33 Target 1	0.00	0.00	4,300.0	-203.7	-1,560.5	579,095.40	2,657,579.40	38° 14' 5.865 N	109° 12' 37.799 W
- survey misses target center by 70.7ft at 4613.9ft MD (4302.7 TVD, -155.2 N, -1509.0 E)									
- Circle (radius 50.0)									

Survey Annotations

Measured Depth (ft)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment
6,247.0	5,932.7	-219.8	-1,568.2	Projected Survey to TD

Checked By: _____ Approved By: _____ Date: _____



JOB NO.:	CA-11580	Report Time:	2400	15 of 15
Company:	Patara Oil and Gas	API JOB #		
LOCATION:	Lasal	WORK ORDER#		
RIG NAME:	Frontier # 4	FIELD:	LaSal	
STATE:	Utah	Township:	29S	
COUNTY:	San Juan	SECT\	31	25E
WELL NAME:	Middle Mesa Federal 31-33-29-25			

From Monday, August 22, 2011 at 0000 to Monday, August 22, 2011 at 2400

DRILLING SUMMARY				Drilling Parameters							
Start Depth	6247.00	Rotary Hours	0.00	WOB	22	Pick UP	165	Slack Off	70	SPM	
End Depth	6247.00	Circulating Hours	0.00	RAB	105	SPP	1850	FlowRate	520 - 520	150	
Total Drilled:	0.00	Avg. Total ROP:	NA	Mud Data							
Total Rotary Drilled:	0.00	Avg. Rotary ROP:	NA	Type	K Formate	PV	10	SOLID	0.83		
Total Drilled Sliding:	0.00	Avg. Slide ROP:	NA	Weight	8.5	GAS	0	YP	12	BHT°	118
Slide Hours:	0.00	Percent Rotary:	NA	Viscosity	42	SAND	0.02	PH	9.5	Flow T°	90
Below Rotary Hrs.	1.00	Percent Slide:	NA	Chlorides	2800	WL	0	Oil %		0	
PERSONNEL				CASING			BHA				
Lead Directional :	Billy Howell			Size	Lb/ft	Set Depth	BHA # 3:7 7/8 FX64D, 1.5 Fixed, 6.25 NMPC, 6.5 UBHO, 6.25 NMDC, 6.25 NMDC, 6 - 6" DC, (24) Spiral HWDP,				
Second Directional :	Joe McIntosh			Signature:							
MWD Operator1	Ryan Mahoney										
MWD Operator2											
Directional Company:	Crescent Directional										
Geologist:											
Company Man:	Steve Record			Daily Cost			\$9,725.00				
Incl. In:	6.7	Azm. In:	217.8	Incl. Out:	6.7	Azm. Out:	217.8	Cumulative Cost:			\$132,118.75

GENERAL COMMENT

Date	Start Time	End Time	Hours	Start Depth	End Depth	Activity Code	COMMENT
22-Aug-11	00:00	01:00	1.00	6247	6247	POOH	POOH
22-Aug-11	01:00	24:00	23.00	6247	6247	Standby	Standby

CEMENT JOB REPORT



CUSTOMER PATARA OIL & GAS LLC		DATE 16-AUG-11		F.R. # 1001843618		SERV. SUPV. CHASE M MURCHISON									
LEASE & WELL NAME Middle Mesa Federal 31-33-29-25 - API 43037319070				LOCATION 31-29S-25E		COUNTY-PARISH-BLOCK San Juan Utah									
DISTRICT Grand Junction		DRILLING CONTRACTOR RIG # Frontier 4				TYPE OF JOB Surface									
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES											
8-5/8" Top Cem Plug, Nitrile cvr, Phe		Float Collar, Al Flap, 8-5/8 - 8rd		SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER					
		Float Shoe 8-5/8 - 8rd													
MATERIALS FURNISHED BY BJ															
Fresh Water					8.4					20					
Premium Lite Cement					425	11.6	2.81	16.15		212.62	163.46				
Type III w/ additives					125	14.2	1.47	7.35		32.77	21.88				
Water						8.34				162.3					
Available Mix Water <u>800</u> Bbl.				Available Displ. Fluid <u>560</u> Bbl.		TOTAL				<u>427.69</u>	<u>185.35</u>				
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS								
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE					
8.625		2713	8.625	32	CSG	2700	J-55	2713	2669						
LAST CASING		PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID						
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE	DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.				
16	42.05		60	no packer	0			8.625	8RND	WATER BASED MU	9				
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER				
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator					
162.3	BBS	Water	8.34	468	0	0	0	0	3930	3144	rig tank				
Circulation Prior to Job															
Circulated Well: Rig <input checked="" type="checkbox"/> BJ <input type="checkbox"/>				Circulation Time:				Circulation Rate: BPM							
Mud Density In: LBS/GAL				Mud Density Out: LBS/GAL				PV & YP Mud In:				PV & YP Mud Out:			
Gas Present: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>				Units:				Solids Present at End of Circulation: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>							
Displacement And Mud Removal															
Displaced By: Rig <input type="checkbox"/> BJ <input type="checkbox"/>				Amount Bled Back After Job: BBS											
Returns During Job: <input type="checkbox"/> NONE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FULL				Method Used to Verify Returns:											
Cement Returns at Surface: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO				Were Returns Planned at Surface: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES											
Pipe Movement: <input type="checkbox"/> ROTATION <input type="checkbox"/> RECIPROCATION <input type="checkbox"/> NONE <input type="checkbox"/> UNABLE DUE TO STUCK PIPE															
Centralizers: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Quantity:				Type: <input type="checkbox"/> BOW <input type="checkbox"/> RIGID							
Job Pumped Through: <input type="checkbox"/> CHOKE MANIFOLD <input type="checkbox"/> SQUEEZE MANIFOLD <input type="checkbox"/> MANIFOLD <input type="checkbox"/> NO MANIFOLD															
Plugs															
Number of Attempts by BJ:				Competition:				Wiper Balls Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Quantity:			
Plug Catcher Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Parabow Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES											
Was There a Bottom: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Top of Plug: FT				Bottom of Plug: FT							
Squeezes (Update Original Treatment Report for Primary Job)															
BLOCK SQUEEZE <input type="checkbox"/> SHOE SQUEEZE <input type="checkbox"/> TOP OF LINER SQUEEZE <input type="checkbox"/> PLANNED <input type="checkbox"/> UNPLANNED <input type="checkbox"/>															
Liner Packer: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Bond Log: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				PSI Applied:				Fluid Weight: LBS/GAL			
Casing Test (Update Original Treatment Report for Primary Job)															
Casing Test Pressure: PSI				With LBS/GAL Mud				Time Held: Hours Minutes							
Shoe Test (Update Original Treatment Report for Primary Job)															
Depth Drilled out of Shoe: FT				Target EMW: LBS/GAL				Actual EMW: LBS/GAL							
Number of Times Tests Conducted:				Mud Weight When Test was Conducted: LBS/GAL											
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:															

CEMENT JOB REPORT



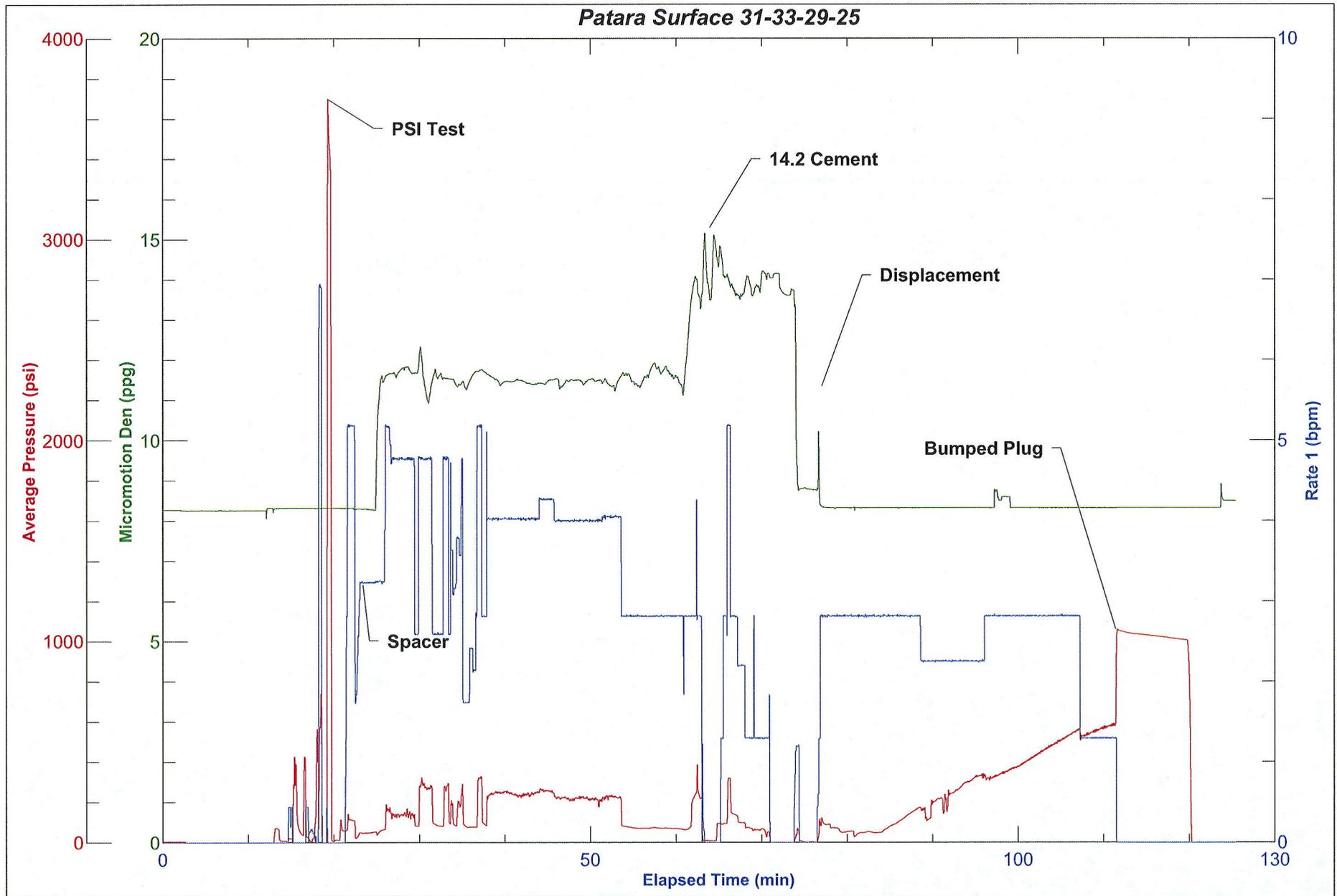
Problems Before Job (I.E. Running Casing, Circulating Well, ETC)

Problems During Job (I.E. Lost Returns, Equipment Failure, Bulk Delivery, Foaming, ETC)

Problems After Job (I.E. Gas at Surface, Float Equipment Failed, ETC)

PRESSURE/RATE DETAIL						EXPLANATION	
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES 3740 PSI	
						CIRCULATING WELL - RIG <input checked="" type="checkbox"/> BJ <input type="checkbox"/>	
06:00						safty meeting	
06:15						leave yard	
09:15						arive loc	
10:50						spot trucks	
11:00						rig up meeting/ rig up	
12:00						safty meeting	
12:22	3740					psi test	
12:26	41		5	20	H2O	spacer	
12:28						batch up	
12:31	281		5.6	50	SLURRY	cement 11.6 ppg	
12:47	260		6.5	100	SLURRY	cement 11.6 ppg	
12:55	230		6.5	150	SLURRY	cement 11.6 ppg	
13:04	241		6.5	200	SLURRY	cement 11.6 ppg	
13:10	239		5	20	SLURRY	tail cement 14.2 ppg	
13:14	243		5	38	SLURRY	tail cement 14.2 ppg	
13:20						drop plug	
13:22	76		5	10	H2O	displacment	
13:39	332		5	100	H2O	displacment	
13:54	1055		2	162	H2O	bump plug 1/2 bbl back	

BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL.CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	Service Supervisor Signature:
<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	1055	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	44	420	0	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	



CEMENT JOB REPORT



CUSTOMER Patara Oil & Gas, LLC			DATE 23-AUG-11		F.R. # 1001845398		SERV. SUPV. CHASE M MURCHISON					
LEASE & WELL NAME MIDDLE MESA FEDERAL #31-33-29-25 - API 430373			LOCATION 31-29S-25E			COUNTY-PARISH-BLOCK San Juan Utah						
DISTRICT Grand Junction			DRILLING CONTRACTOR RIG # Frontier 4			TYPE OF JOB Long String						
SIZE & TYPE OF PLUGS			LIST-CSG-HARDWARE			PHYSICAL SLURRY PROPERTIES						
4-1/2" Top Cem Plug, Nitrile cvr, Phe			Float Collar, AI Flap, 4-1/2 - 8rd			SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT ³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER
			Float Shoe 4-1/2 - 8rd									
MATERIALS FURNISHED BY BJ												
Surfactant Wash							8.34				10	
35:65:6 Type III						497	12.5	2.15	11.36		190.43	134.43
Treated Water							8.4				96.1	
Mud Clean I							8.34				20	
Surfactant Wash							8.34				10	
Available Mix Water 400 Bbl.			Available Displ. Fluid 170 Bbl.			TOTAL					326.53	134.43
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS					
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE		
7.875		6232	4.5	11.6	CSG	6500	P-110	6232	6189			
LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID		
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
8.625	32		2700	no packer		0			4.5	8RND	WATER BASED MU	9
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER	
VOLUME	UOM	TYPE		WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator	
96.1	BBLS	Treated Water		8.4	1446	0	0	0	0	10690	8552	water tank

EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:

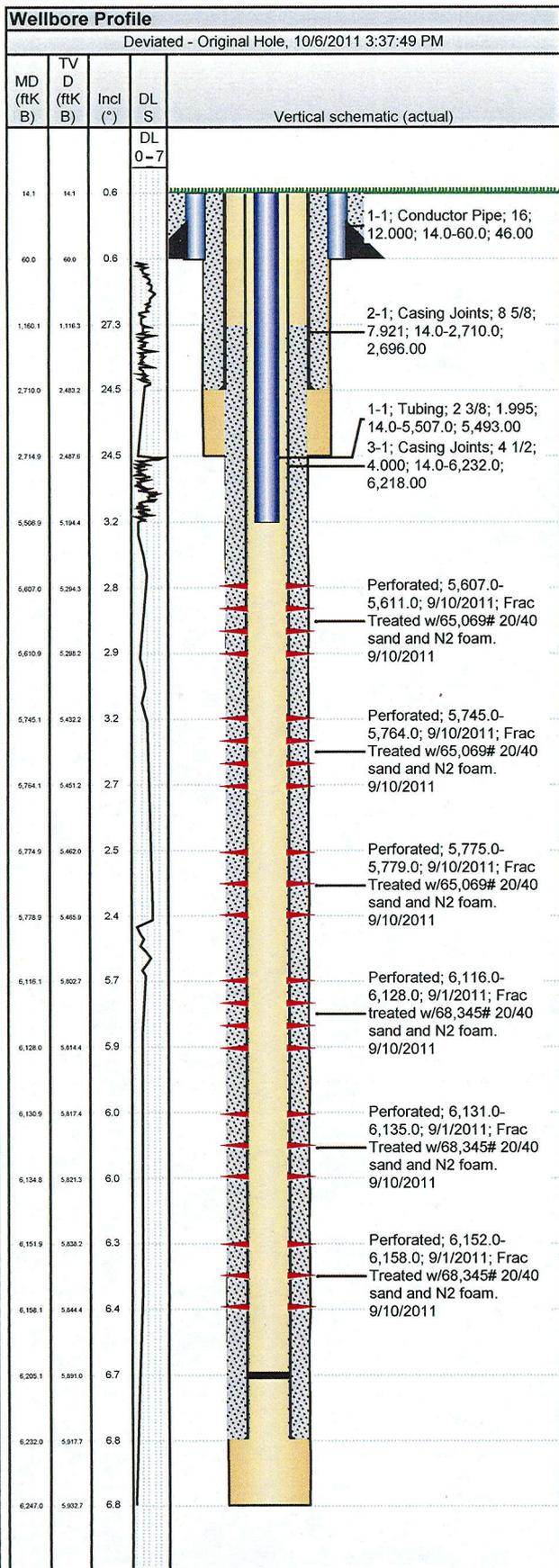
PRESSURE/RATE DETAIL						EXPLANATION					
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW		CO. REP.			
	PIPE	ANNULUS				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
						TEST LINES 4200 PSI		CIRCULATING WELL - RIG		<input checked="" type="checkbox"/>	BJ <input type="checkbox"/>
09:45						safty meeting					
10:00						leave yard					
13:00						arive loc					
17:00						spot trucks					
17:15						rig up meeting / rig up					
18:10						safty meeting					
18:20						stab head					
18:39	4200					psi test					
18:40	208		3	10	H2O	spacer					
18:49	250		5	20	H2O	mud clean					
18:51	251		5	10	H2O	spacer					
18:58	22		3.5	25	SLURRY	cement 12.5 ppg					
19:10	176		5	75	SLURRY	cement 12.5 ppg					
19:25	220		5	125	SLURRY	cement 12.5 ppg					
19:40	71		2.8	175	SLURRY	cement 12.5 ppg					
20:10	75		2.8	200	SLURRY	cement 12.5 ppg					
20:18						drop plug					
20:20	82		5	10	H2O	displacement					
20:27	600		5.5	50	H2O	displacement					
20:40	1600			96.1	H2O	bump plug 1 bbl back shut down/ rig down					

2040
cm



Well Name: Middle Mesa Federal 31-33-29-25

API/UWI 43-037-31907	Surface Legal Location Sec. 31 T29S R25E	Lease Code UTU84218	Field Name Pine Ridge South	State/Province Utah	Well Configuration Type Deviated
Original KB Elevation (ft) 6,677.00	KB-Ground Distance (ft) 14.00	Spud Date 8/9/2011 21:30	Rig Release Date 8/24/2011 00:00	PBTD (All) (ftKB) Original Hole - 6,205.0	Total Depth All (TVD) (ftKB) Original Hole - 5,932.7



Wellbore Drilling Summary

Section Des	Size (in)	Act Top (ftKB)	Act Btm (ftKB)	Start Date	End Date	Act Top (TVD) (ftKB)	Act Btm (TVD) (ftKB)
Conductor	16	14.0	60.0	7/19/2011	7/20/2011		
Surface	12 1/4	60.0	2,715.0	8/10/2011	8/17/2011		2,487.7
Production	7 7/8	2,715.0	6,247.0	8/18/2011	8/21/2011	2,487.7	5,932.7

Casing Strings

Csg Des	OD (in)	Wt/Len (lb/ft)	Grade	Set Depth (ftKB)	Set Depth (TVD) (ftKB)
Conductor	16	0.25	Cond	60.0	
Surface	8 5/8	32.00	J-55	2,710.0	2,483.1
Production	4 1/2	11.60	N-80	6,232.0	5,917.8

Cement

Conductor Cement, Casing, 7/19/2011 06:00

Fluid	Est Top (ftKB)	Est Btm (ftKB)	Est Top (TVD) (ftKB)	Est Btm (TVD) (ftKB)	Class	Amount (sacks)	Yield (ft³/sack)	Dens (lb/gal)
Lead	14.0	60.0			G	50		

Surface Casing Cement, Casing, 8/16/2011 06:00

Fluid	Est Top (ftKB)	Est Btm (ftKB)	Est Top (TVD) (ftKB)	Est Btm (TVD) (ftKB)	Class	Amount (sacks)	Yield (ft³/sack)	Dens (lb/gal)
Lead	14.0	2,400.0	2,207.2	2,207.2	Prem Lite	425	2.81	11.60
Tail	2,400.0	2,710.0	2,207.2	2,483.1	Type III	100	1.47	14.20

Production Casing Cement, Casing, 8/23/2011 06:00

Fluid	Est Top (ftKB)	Est Btm (ftKB)	Est Top (TVD) (ftKB)	Est Btm (TVD) (ftKB)	Class	Amount (sacks)	Yield (ft³/sack)	Dens (lb/gal)
Lead	1,160.0	6,232.0	1,116.2	5,917.8	Type III	497	2.16	12.50

Producing Formations

Zone Name	Wellbore	Top Depth (ftKB)	Bottom Depth (ftKB)	Btm - Top (ftKB)
Honaker Trail 1	Original Hole	4,371.0	5,784.0	1,413.0

Status Date: 9/13/2011 Status: Flowing Fluid Type: Gas

Zone Name	Wellbore	Top Depth (ftKB)	Bottom Depth (ftKB)	Btm - Top (ftKB)
La Sal Sandstone	Original Hole	5,784.0	6,190.0	406.0

Perforation & Frac Summary

Date	Top (ftKB)	Btm (ftKB)	Zone	Shot Dens...	Calculated...
9/10/2011	5,607.0	5,611.0	Honaker Trail 1, Original Hole	2.0	9

Comment
Frac Treated w/65,069# 20/40 sand and N2 foam. 9/10/2011

Date	Top (ftKB)	Btm (ftKB)	Zone	Shot Dens...	Calculated...
9/10/2011	5,745.0	5,764.0	Honaker Trail 1, Original Hole	2.0	39

Comment
Frac Treated w/65,069# 20/40 sand and N2 foam. 9/10/2011

Date	Top (ftKB)	Btm (ftKB)	Zone	Shot Dens...	Calculated...
9/10/2011	5,775.0	5,779.0	Honaker Trail 1, Original Hole	2.0	9

Comment
Frac Treated w/65,069# 20/40 sand and N2 foam. 9/10/2011

Date	Top (ftKB)	Btm (ftKB)	Zone	Shot Dens...	Calculated...
9/1/2011	6,116.0	6,128.0	La Sal Sandstone, Original Hole	2.0	25

Comment
Frac treated w/68,345# 20/40 sand and N2 foam. 9/10/2011

Date	Top (ftKB)	Btm (ftKB)	Zone	Shot Dens...	Calculated...
9/1/2011	6,131.0	6,135.0	La Sal Sandstone, Original Hole	2.0	9

Comment
Frac Treated w/68,345# 20/40 sand and N2 foam. 9/10/2011

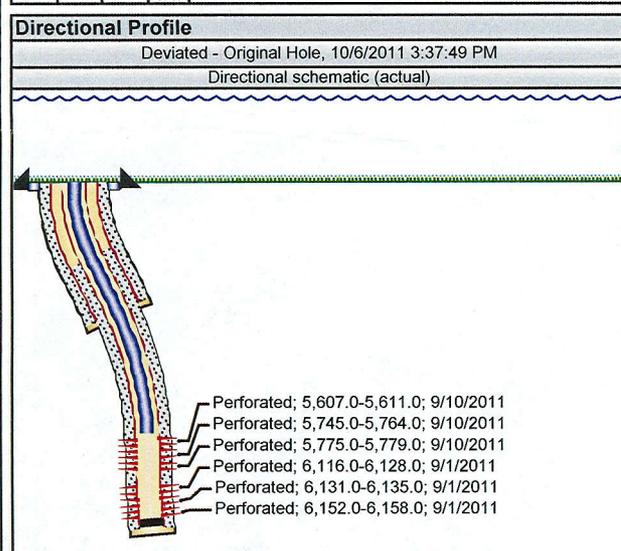
Date	Top (ftKB)	Btm (ftKB)	Zone	Shot Dens...	Calculated...
9/1/2011	6,152.0	6,158.0	La Sal Sandstone, Original Hole	2.0	13

Tubing Strings

Tubing Description	Run Date	String Length (ft)	Set Depth (ftKB)
Tubing - Production	9/20/2011	5,493.00	5,507.0

Production Volumes Test Date

Start Date: 9/12/2011	End Date: 9/13/2011
Gas Volume Over Test Date	Product Type: Reservoir Gas
Volume (MCF): 700.000	Volume (MCF): 700.000
Liquid Volumes Over Test Date	Production Type: Oil
Volume (bbl): 79.0	Volume (bbl): 79.0
Production Type: Water	Volume (bbl): 34.0



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335
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 31-33-29-25	
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000	
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	PHONE NUMBER: 303 825-0685 Ext	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/6/2011 <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 checked="" 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" value="Site security"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>Patara Oil & Gas has completed the placement of surface production equipment on the subject well, and the well is now, and/or has been, producing a continuous flow of hydrocarbons. Clean produced water is being hauled via truck to the disposal well located at Patara's Lisbon Gas Plant in Sal, UT. Dirty produced water is being hauled via truck to the Ream's Construction 80 Ponds Treatment and Recycling Facility located in Naples, CO. Any produced oil from the well is trucked off lease to a sales point and is sold to market. Please retain the attached site security diagrams and water haul maps for your records. Please contact Christopher Noonan with Patara with any questions or concerns.</p>		
NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Production Technician
SIGNATURE N/A	DATE 12/6/2011	

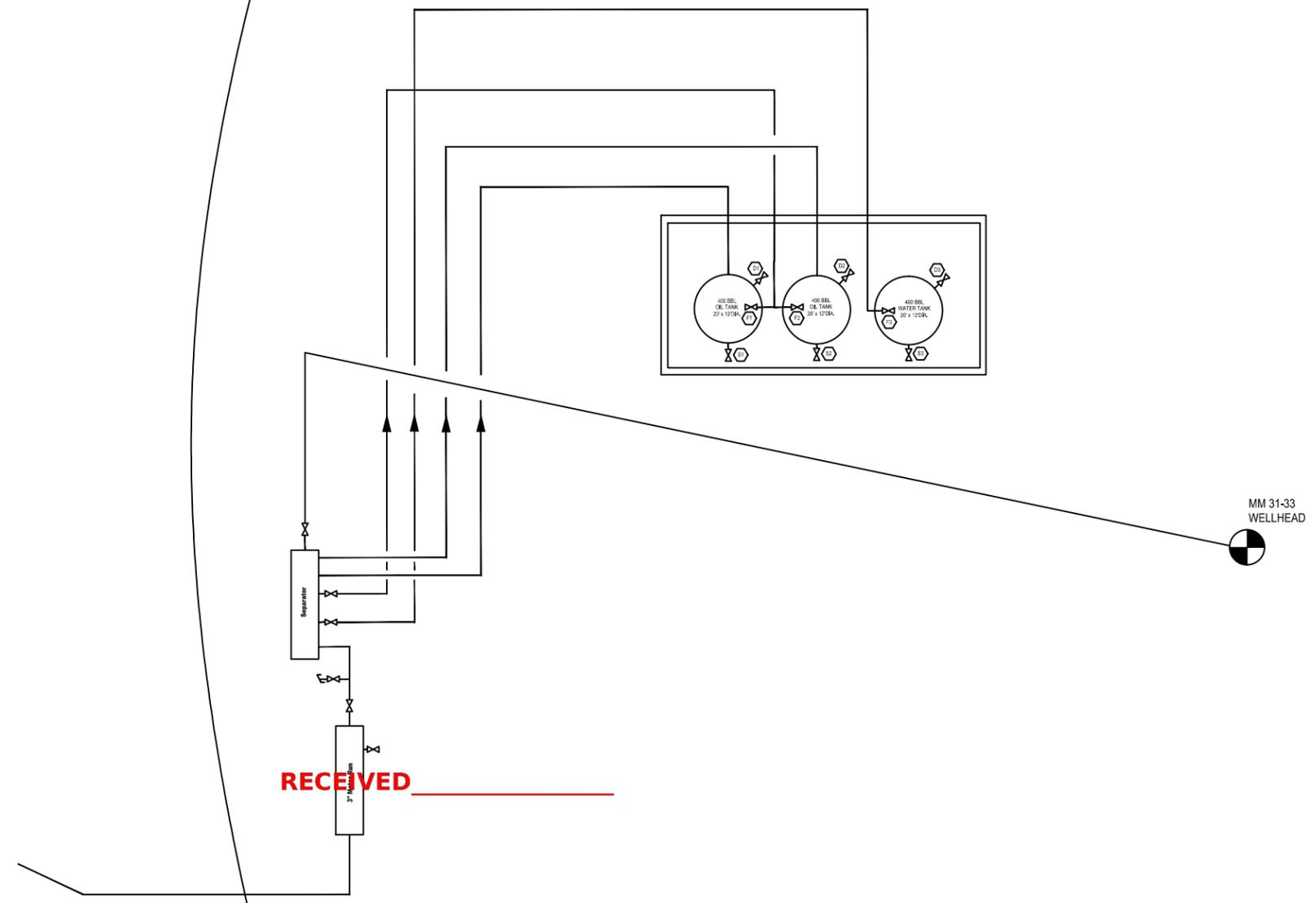
**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

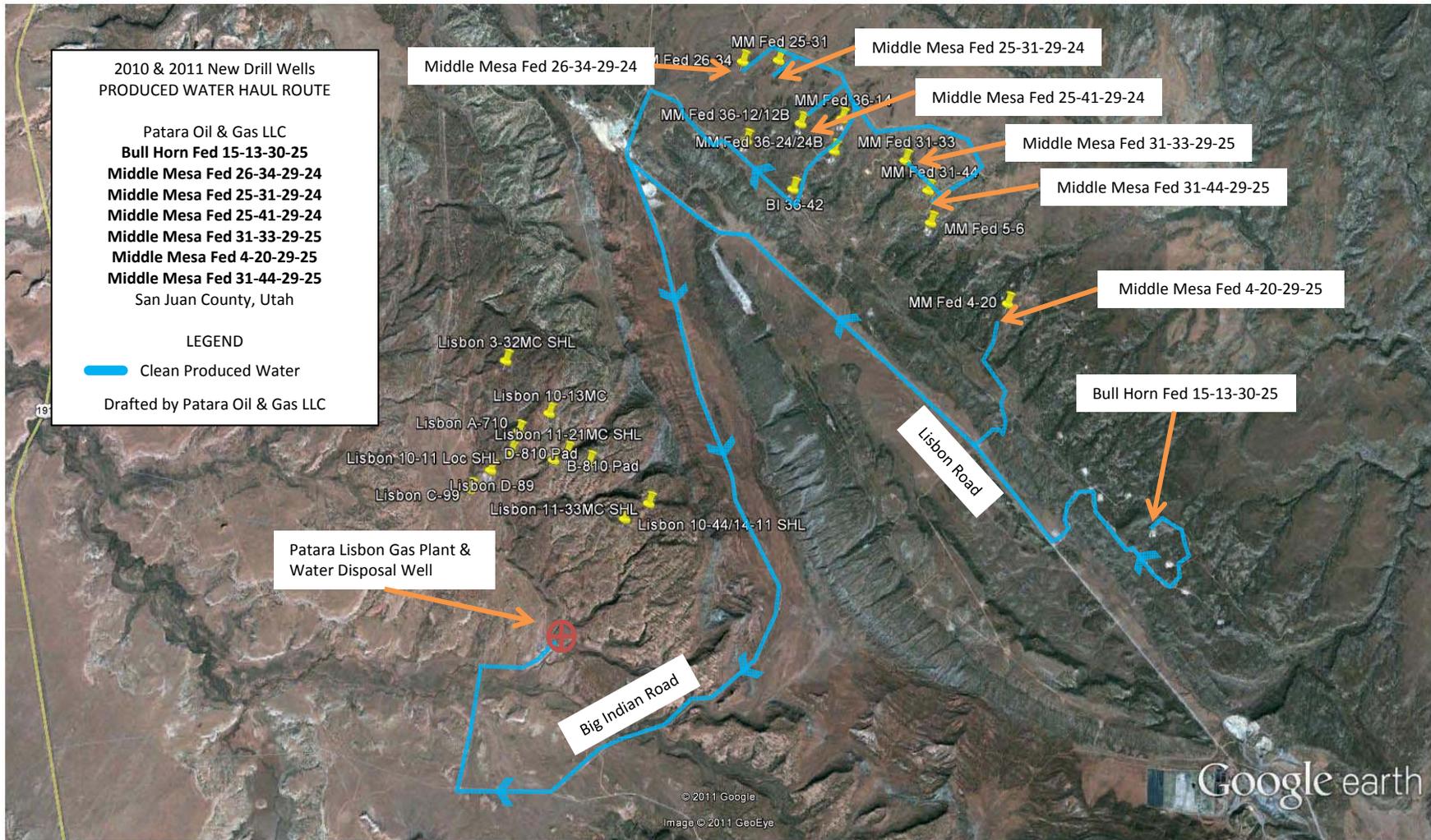
DATARA
OIL & GAS LLC
Patara Oil & Gas USA, Inc.
Site Security Diagram
Wellbore: Middle Mesa 31-33
NENE Rec: 15, 7305, R25E
San Juan County, Utah
AP#
Lessee:
Date Drawn:
Filename: MM 31-33 SSD.dwg

NOTE:
1. DRAWING IS NOT TO SCALE
2. ACTUAL PHYSICAL LOCATION OF UNDERGROUND FLOW LINES MAY NOT BE ACCURATELY 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:
Patara Oil and Gas USA, Inc.
Lisbon Plant
7 Barstow Road
La Sal, Utah 84530

GENERAL SEALING OF VALVES-SALES BY TANK GAUGING:
Production Phase: All drain valves, D1 & D2, and sales valves, S1 & S2, will be sealed closed during production. D3 will be closed, but not sealed.
Sales Phase: Drain valves D1 & D2, and fill valves F1 & F2, will be sealed closed during sales. D3 will be closed, but not sealed. The sales valves S1 & S2, will be closed and re-sealed after completion of sales activities.
Draining Phase (from OIL TANKS): Sales valves, S1 & S2, will be sealed closed during draining. The drain valves D1 & D2 will be closed and re-sealed after completion of draining activities. D3 will be closed after completion of draining activities, but not sealed.
Draining Phase (from WATER TANK): Drain valves, D1 & D2, will be sealed closed during draining. D3 will be closed, but not sealed. The sales valves S1 & S2 will be closed and re-sealed after completion of draining activities.
Site diagram and plan are available during normal working hours.





Patara Oil & Gas LLC





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		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335
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2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000	
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	PHONE NUMBER: 303 825-0685 Ext	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/6/2011 <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 checked="" 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" value="Site security"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>Patara Oil & Gas has completed the placement of surface production equipment on the subject well, and the well is now, and/or has been, producing a continuous flow of hydrocarbons. Clean produced water is being hauled via truck to the disposal well located at Patara's Lisbon Gas Plant in Sal, UT. Dirty produced water is being hauled via truck to the Ream's Construction 80 Ponds Treatment and Recycling Facility located in Naughton, CO. Any produced oil from the well is trucked off lease to a sales point and is sold to market. Please retain the attached site security diagrams and water haul maps for your records. Please contact Christopher Noonan with Patara with any questions or concerns.</p>		
NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Production Technician
SIGNATURE N/A	DATE 12/6/2011	

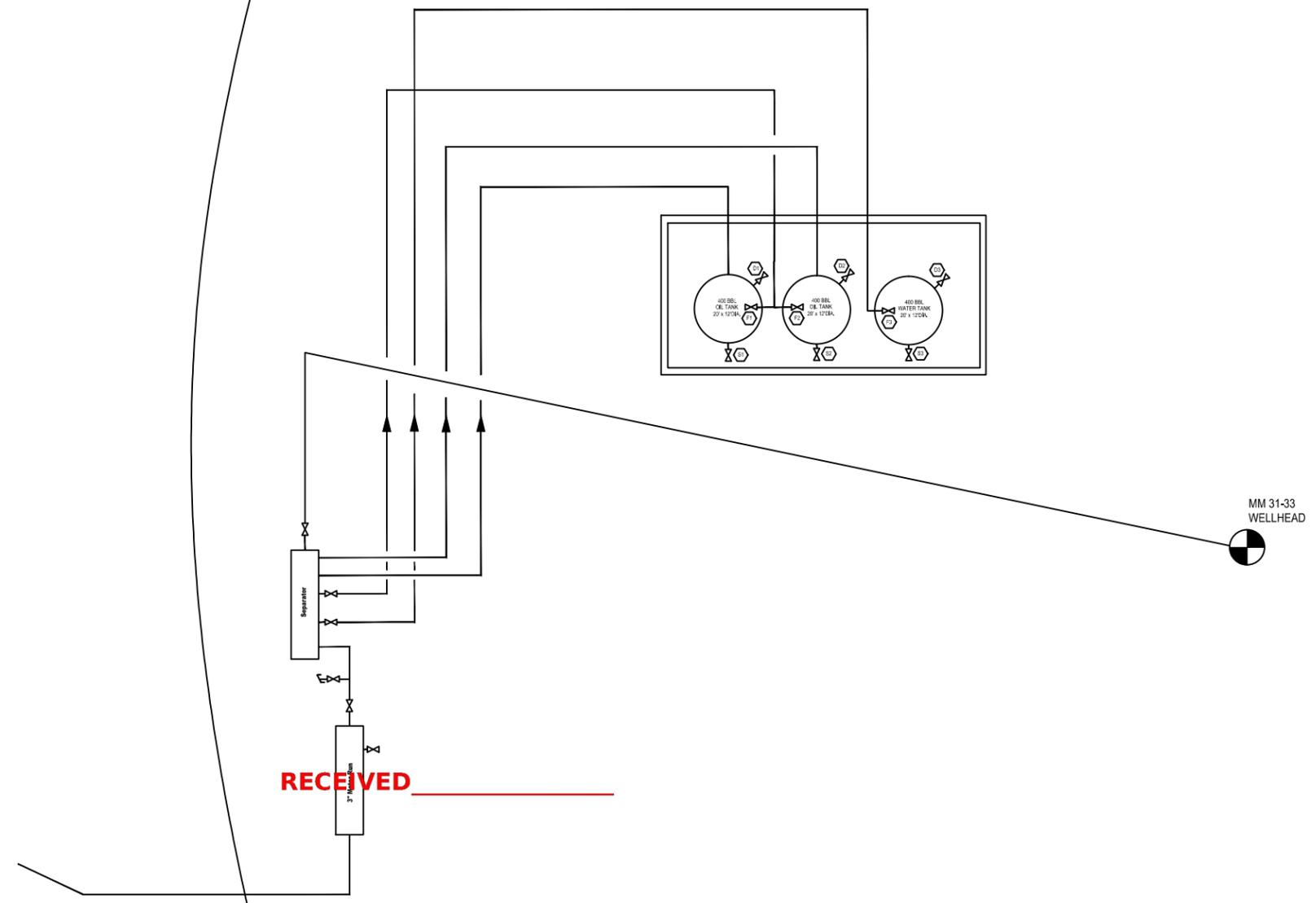
**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

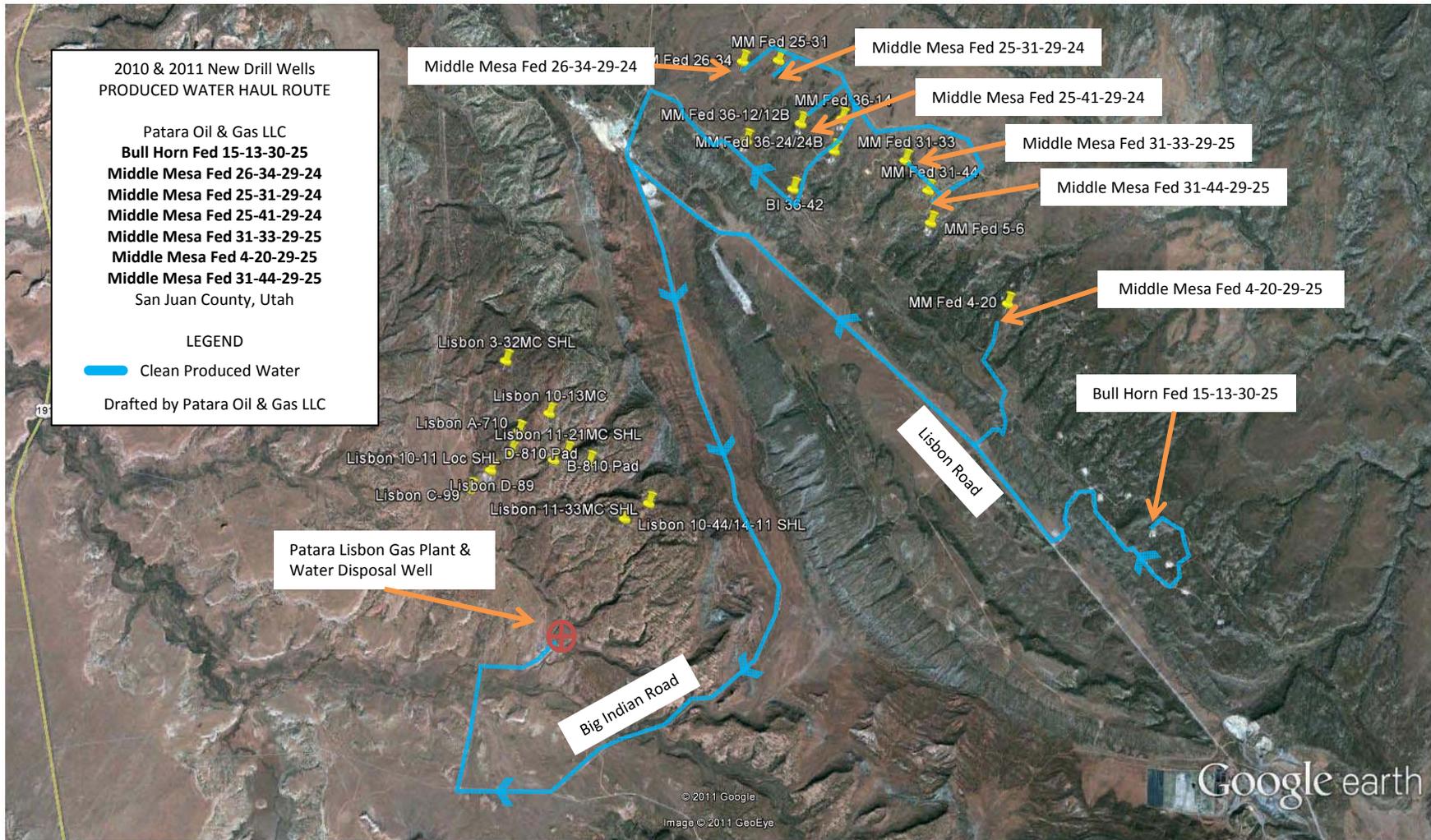
DATARA
OIL & GAS LLC
Patara Oil & Gas USA, Inc.
Site Security Diagram
Well: Middle Mesa 31-33
NEHE Rec: 15, 7305, R25E
San Juan County, Utah
AP#
Lessee:
Date Drawn:
Filename: MM 31-33 SSD.dwg

NOTE:
1. DRAWING IS NOT TO SCALE
2. ACTUAL PHYSICAL LOCATION OF UNDERGROUND FLOW LINES MAY NOT BE ACCURATELY 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:
Patara Oil and Gas USA, Inc.
Lisbon Plant
7 Barstow Road
La Sal, Utah 84530

GENERAL SEALING OF VALVES-SALES BY TANK GAUGING:
Production Phase: All drain valves, D1 & D2, and sales valves, S1 & S2, will be sealed closed during production. D3 will be closed, but not sealed.
Sales Phase: Drain valves D1 & D2, and fill valves F1 & F2, will be sealed closed during sales. D3 will be closed, but not sealed. The sales valves S1 & S2, will be closed and re-sealed after completion of sales activities.
Draining Phase (from OIL TANKS): Sales valves, S1 & S2, will be sealed closed during draining. The drain valves D1 & D2 will be closed and re-sealed after completion of draining activities. D3 will be closed after completion of draining activities, but not sealed.
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Site diagram and plan are available during normal working hours.





Patara Oil & Gas LLC



RECEIVED Dec. 06, 2011



Highway 46

Highway 90

Highway 141

Highway 191

Middle Mesa Fed 26-34-29-24
 Middle Mesa Fed 25-31-29-24
 Middle Mesa Fed 25-41-29-24
 Middle Mesa Fed 31-33-29-25
 Middle Mesa Fed 31-44-29-25

Middle Mesa Fed 4-20-29-25

Bull Horn Fed 15-13-30-25

Reams Construction 80
 Ponds Treatment &
 Recycling Facility

Patara Lisbon Gas Plant &
 Water Disposal Well

2010 & 2011 New Drill Wells
 PRODUCED WATER HAUL ROUTE

Patara Oil & Gas LLC
Bull Horn Fed 15-13-30-25
Middle Mesa Fed 26-34-29-24
Middle Mesa Fed 25-31-29-24
Middle Mesa Fed 25-41-29-24
Middle Mesa Fed 31-33-29-25
Middle Mesa Fed 4-20-29-25
Middle Mesa Fed 31-44-29-25
 San Juan County, Utah

LEGEND

 Dirty Produced Water

Drafted by Patara Oil & Gas LLC



Patara Oil & Gas LLC

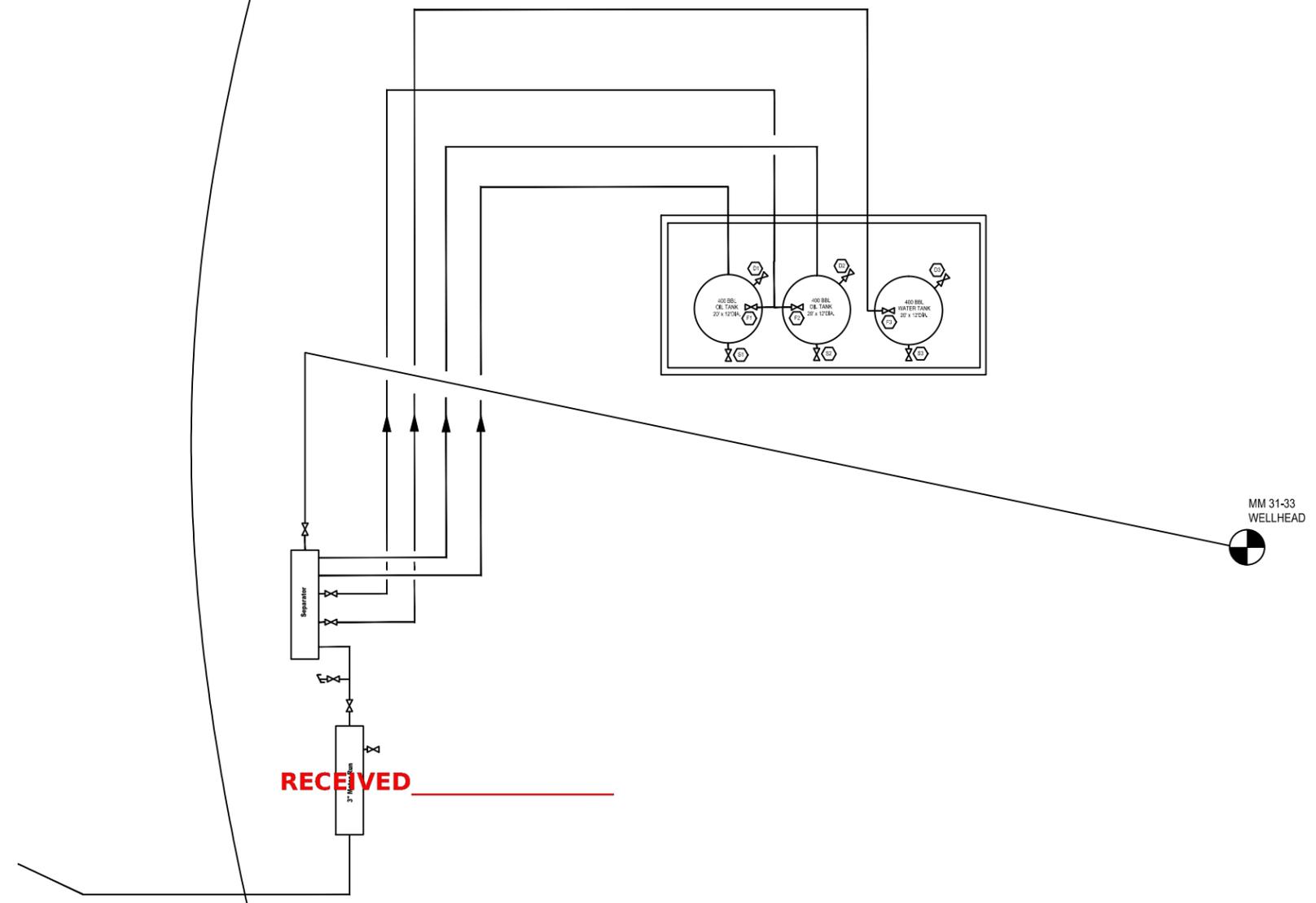
STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76335
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter 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 31-33-29-25	
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC	9. API NUMBER: 43037319070000	
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S , Denver, CO, 80202	PHONE NUMBER: 303 825-0685 Ext	9. FIELD and POOL or WILDCAT: SOUTH PINE RIDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1873 FSL 1795 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 31 Township: 29.0S Range: 25.0E Meridian: S		COUNTY: SAN JUAN
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
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NAME (PLEASE PRINT) Christopher Noonan	PHONE NUMBER 303 563-5377	TITLE Production Technician
SIGNATURE N/A	DATE 12/6/2011	

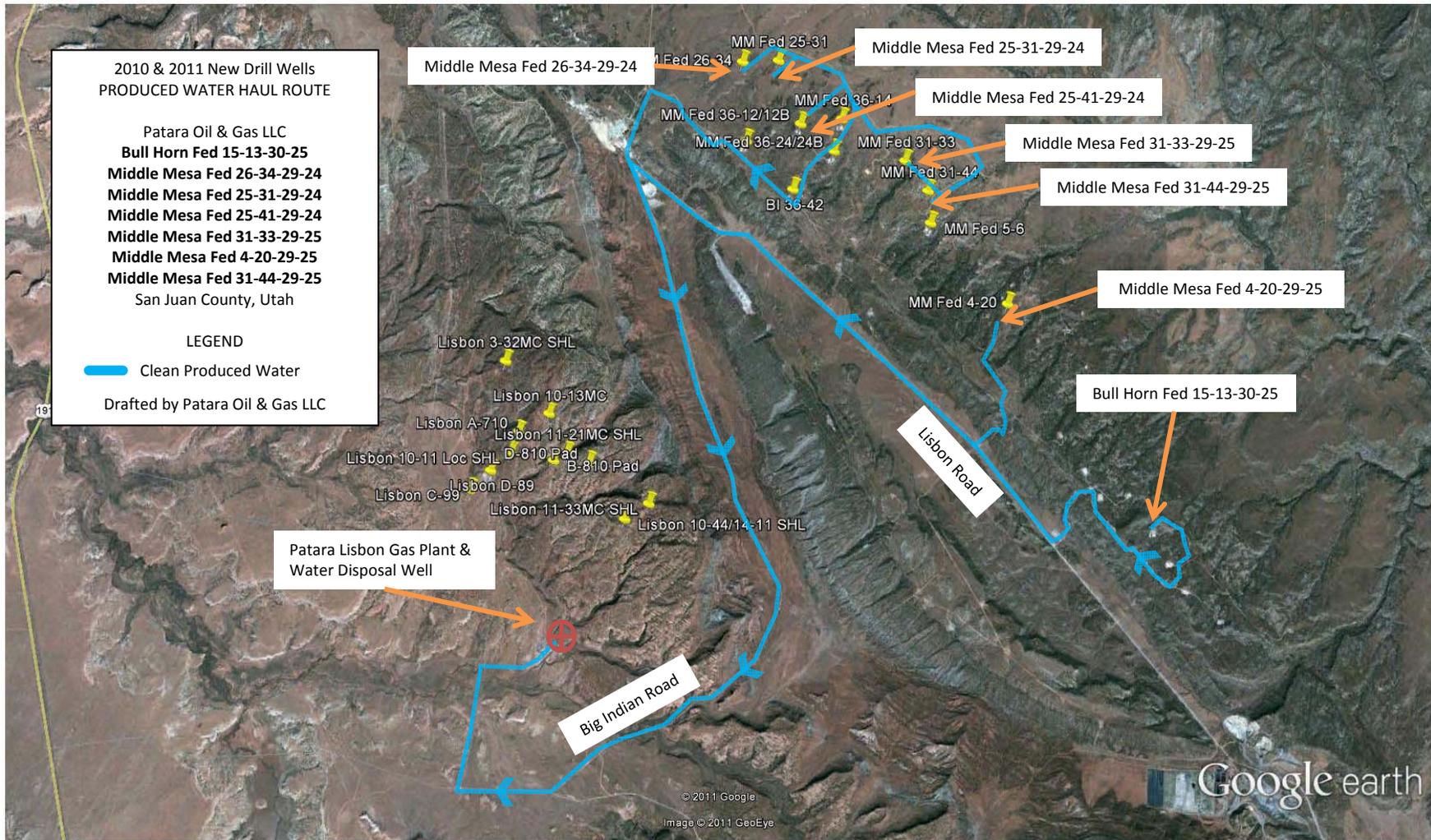
DATARA
OIL & GAS LLC
Patara Oil & Gas USA, Inc.
Site Security Diagram
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Patara Oil & Gas LLC





Highway 46

Highway 90

Highway 141

Highway 191

Middle Mesa Fed 26-34-29-24
 Middle Mesa Fed 25-31-29-24
 Middle Mesa Fed 25-41-29-24
 Middle Mesa Fed 31-33-29-25
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Middle Mesa Fed 31-33-29-25
Middle Mesa Fed 4-20-29-25
Middle Mesa Fed 31-44-29-25
 San Juan County, Utah

LEGEND

 Dirty Produced Water

Drafted by Patara Oil & Gas LLC



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	Middle Mesa	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List											

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, DEEPEN, 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>

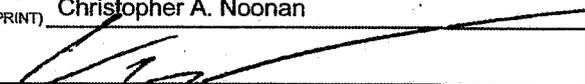
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> 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



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 (UTU82680A)
UT-922200

FEB 06 2015

RECEIVED

FEB 11 2015

DIV. OF OIL, GAS & MINING

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