

Designation of Agent
(Submit in triplicate)

43-037-50003

The undersigned is, on the records of the Bureau of Land Management, Unit Operator under the Threemile Unit Agreement, San Juan County, Utah, No. UTU-84722X , approved and effective on 3/4/2010 and hereby designates:

Name: Stone Energy Corporation
Address: 625 E. Kaliste Saloom Road
Lafayette, LA 70508

as its agent, with full authority to act on its behalf in complying with the terms of this unit agreement and regulations applicable thereto and on whom the Authorized Officer or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, and completing Threemile Unit Well No. 16-17 in the NE1/4SW1/4, Sec. 16, T.29S, R.22E, San Juan County, Utah. Bond coverage will be provided under Nationwide Bond No. RLB0005762.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

The Unit Operator agrees to promptly notify the Authorized Officer of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement. A designated agent may not designate another party as agent.

This Designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this Designation of Agent is limited to the field operations performed while drilling and completing the specified well and does not include administrative actions requiring specific authorization of the Unit Operator. This designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Bureau of Land Management all reports and a Well Completion Report and Log (Form 3160-4) as required by the approved Application for Permit to Drill for the specified well.

In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well for and submittal of the form to the appropriate office of the Authorized Officer.

WHITING OIL AND GAS CORPORATION
Unit Operator

RECEIVED

JUN 07 - 2010

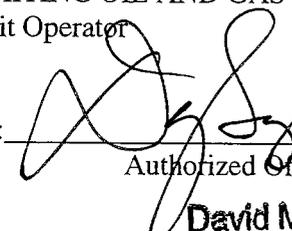
DIV. OF OIL, GAS & MINING

5-20-2010

APPROVED - EFFECTIVE JUN 4 2010

Reginald Banker

By:



Authorized Officer

David M. Seery
Vice President - Land

UNIT OPERATOR

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER Threemile 16-17		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT WILDCAT		
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO				5. UNIT or COMMUNITIZATION AGREEMENT NAME THREEMILE		
6. NAME OF OPERATOR STONE ENERGY CORPORATION				7. OPERATOR PHONE 337 237-0410		
8. ADDRESS OF OPERATOR 625 East Kaliste Saloom Rd, Lafayette, LA, 70508				9. OPERATOR E-MAIL WenzelJF@StoneEnergy.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-51129		11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
Top of Uppermost Producing Zone	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
At Total Depth	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
21. COUNTY SAN JUAN		22. DISTANCE TO NEAREST LEASE LINE (Feet) 843		23. NUMBER OF ACRES IN DRILLING UNIT 40		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 0		26. PROPOSED DEPTH MD: 7900 TVD: 7900		
27. ELEVATION - GROUND LEVEL 5871		28. BOND NUMBER RLB0013146.		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 05-6 (Charles Hardison Redd)		

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 type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input checked="" type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Don Hamilton	TITLE Agent	PHONE 435 719-2018
SIGNATURE	DATE 07/15/2010	EMAIL starpoint@etv.net
API NUMBER ASSIGNED 43037500030000	APPROVAL  Permit Manager	

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
I1	12.25	9.625	0	5180		
Pipe	Grade	Length	Weight			
	Grade HCN-80 LT&C	5180	40.0			

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Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
I2	8.75	7	0	7780		
Pipe	Grade	Length	Weight			
	Grade HCN-80 LT&C	7780	32.0			

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Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	17.5	13.375	0	1690		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	1690	54.5			

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Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
L1	6	4.5	0	10545		
Pipe	Grade	Length	Weight			
	Grade P-110 LT&C	2450	13.5			
	Grade P-110 LT&C	4140	13.5			

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Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
L1	6	4.5	0	12190		
Pipe	Grade	Length	Weight			
	Grade P-110 LT&C	2450	13.5			
	Grade P-110 LT&C	4140	13.5			

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T29S, R22E, S.L.B.&M.

STONE ENERGY CORPORATION

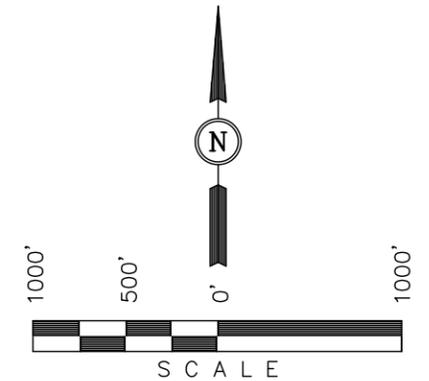
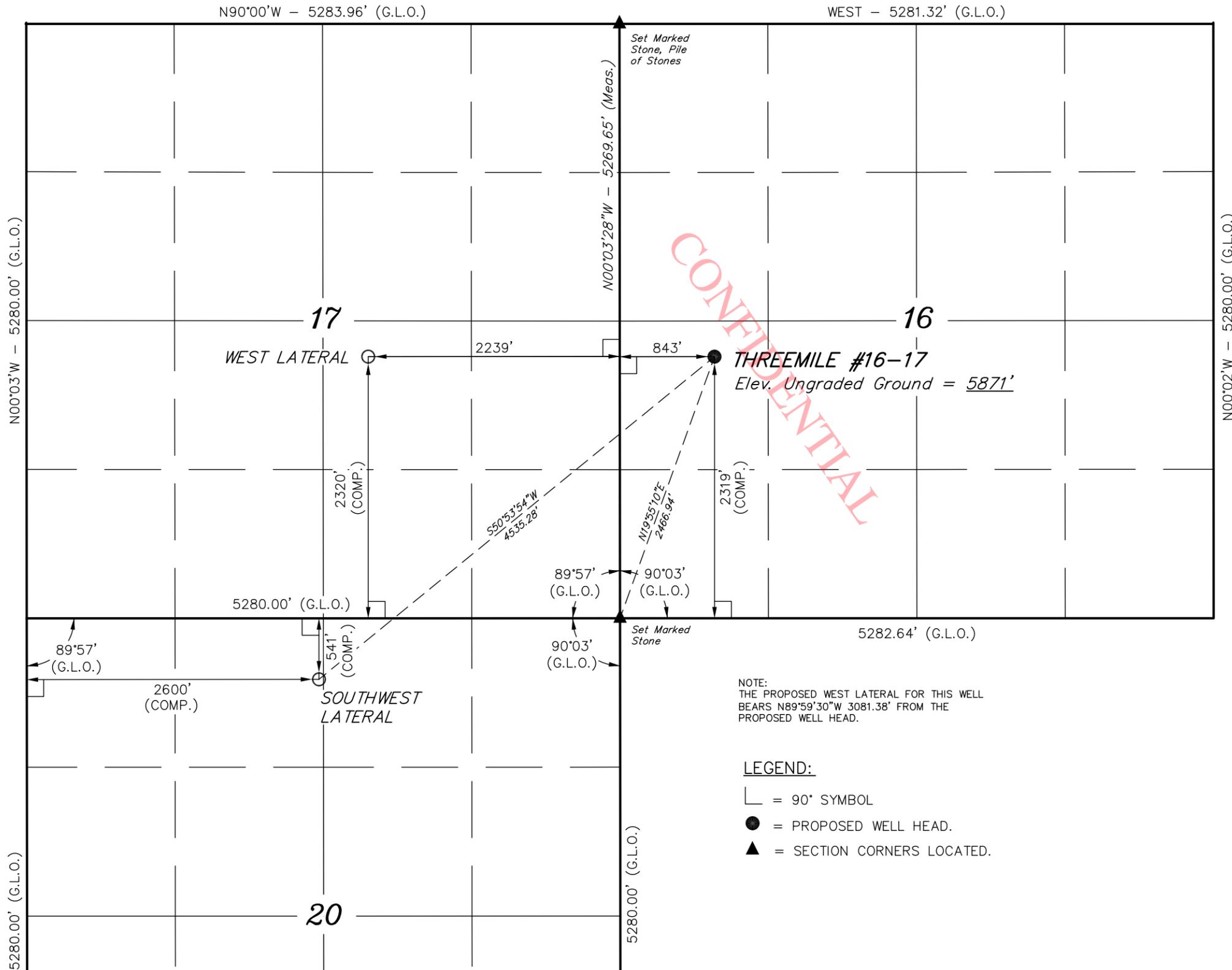
Well location, THREEMILE #16-17, located as shown in the NW 1/4 SW 1/4 of Section 16, T29S, R22E, S.L.B.&M., San Juan County, Utah.

BASIS OF ELEVATION

EIGHTMILE ROCK TRIANGULATION STATION LOCATED IN THE SW 1/4 OF SECTION 13, T29S, R21E, S.L.B.&M. TAKEN FROM THE EIGHTMILE ROCK, QUADRANGLE, UTAH, SAN JUAN COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6416 FEET.

BASIS OF BEARINGS

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



NOTE:
THE PROPOSED WEST LATERAL FOR THIS WELL BEARS N89°59'30"W 3081.38' FROM THE PROPOSED WELL HEAD.

LEGEND:

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

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 06-22-10

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

SCALE 1" = 1000'	DATE SURVEYED: 05-12-10	DATE DRAWN: 05-13-10
PARTY T.A. J.J. C.H.	REFERENCES G.L.O. PLAT	FILE STONE ENERGY CORPORATION
WEATHER WARM		

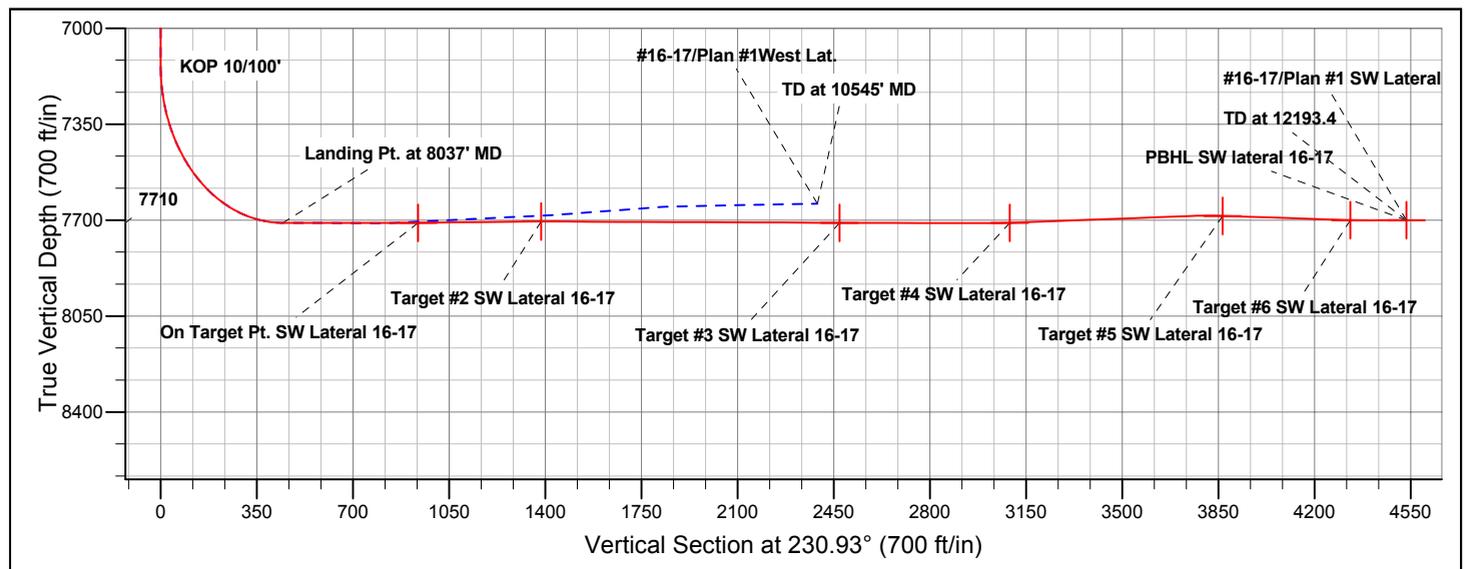
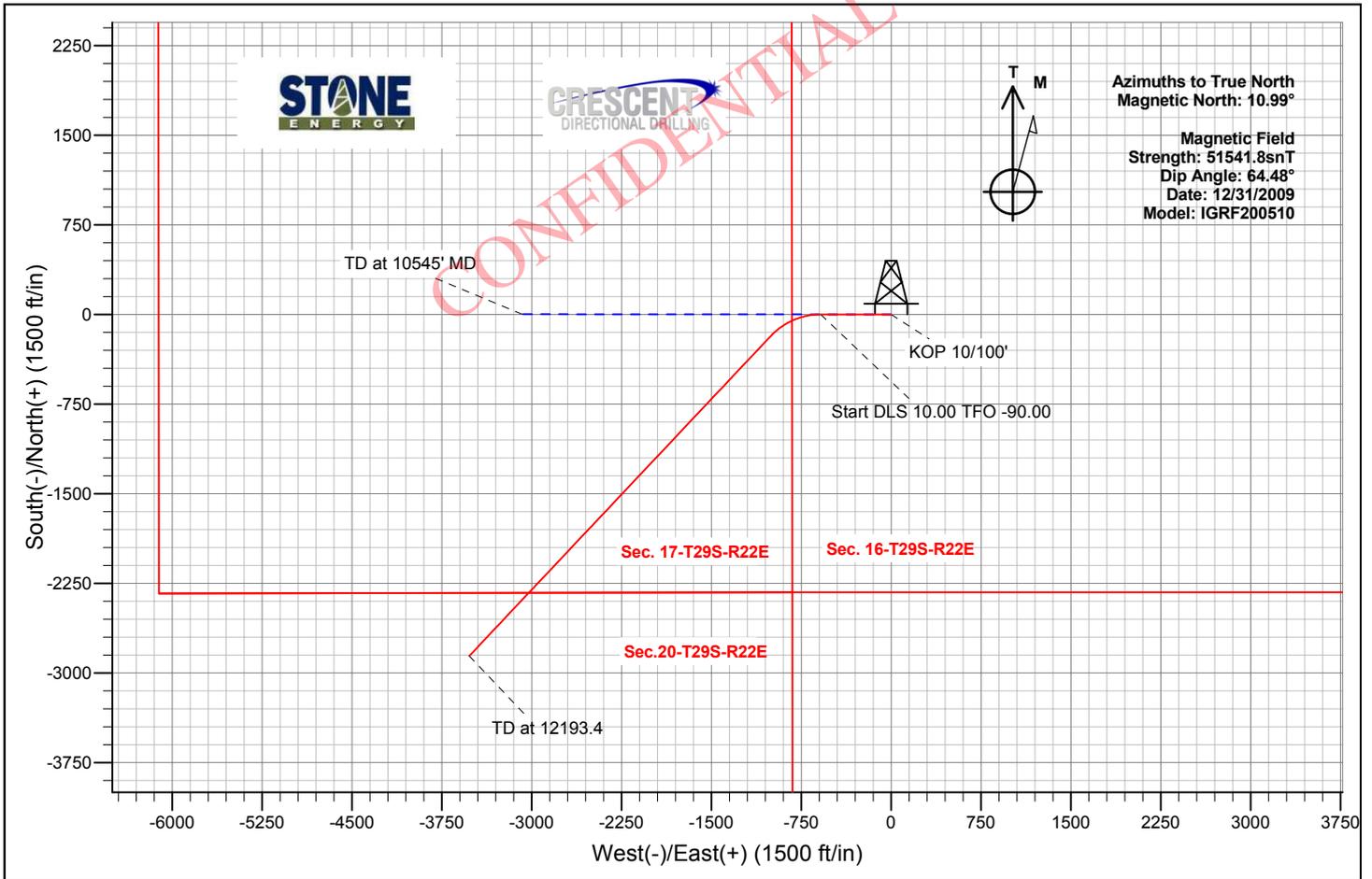
NAD 83 (SOUTHWEST LATERAL)	NAD 83 (WEST LATERAL)	NAD 83 (SURFACE LOCATION)
LATITUDE = 38°16'13.56" (38.270433)	LATITUDE = 38°16'41.83" (38.278286)	LATITUDE = 38°16'41.81" (38.278281)
LONGITUDE = 109°31'25.58" (109.523772)	LONGITUDE = 109°31'20.07" (109.522242)	LONGITUDE = 109°30'41.44" (109.511511)
NAD 27 (SOUTHWEST LATERAL)	NAD 27 (WEST LATERAL)	NAD 27 (SURFACE LOCATION)
LATITUDE = 38°16'13.61" (38.270446)	LATITUDE = 38°16'41.88" (38.278300)	LATITUDE = 38°16'41.86" (38.278294)
LONGITUDE = 109°31'23.16" (109.523100)	LONGITUDE = 109°31'17.65" (109.521569)	LONGITUDE = 109°30'39.02" (109.510839)

**Stone Energy
Wellbore #1 SW Lateral**

**San Juan Co., Utah
Three Mile
#16-17**
Latitude 38° 16' 41.858 N
Longitude 109° 30' 39.020 W
WELL @ 5903.0ft (RKB Elev. (est.))
Ground Level 5873.0
Utah South 4303
NAD 1927 (NADCON CONUS)
Magnetic North is 10.99° East of True North (Magnetic Declination)

SECTION DETAILS SW LATERAL

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	8050.0	90.00	270.04	7710.0	0.4	-585.9	0.00	0.00	454.6	
2	8518.2	90.00	223.22	7710.0	-180.2	-1003.8	10.00	-90.00	892.9	PBHL SW lateral 16-17
3	8538.7	90.61	223.22	7709.9	-195.1	-1017.9	3.00	0.00	913.2	
4	8986.0	90.61	223.22	7705.1	-521.0	-1324.2	0.00	0.00	1356.5	
5	9015.2	89.74	223.22	7705.0	-542.3	-1344.2	3.00	180.00	1385.4	Target #2 SW Lateral 16-17
6	9015.2	89.74	223.22	7705.0	-542.4	-1344.2	3.00	180.00	1385.4	
7	10101.5	89.74	223.22	7710.0	-1333.9	-2088.1	0.00	0.00	2461.8	
8	810110.2	90.00	223.22	7710.0	-1340.3	-2094.1	3.00	0.00	2470.5	Target #3 SW Lateral 16-17
9	910113.5	89.90	223.22	7710.0	-1342.7	-2096.4	3.00	-180.00	2473.8	
10	1010671.0	89.90	223.22	7711.0	-1748.9	-2478.1	0.00	0.00	3026.2	
11	1110735.3	91.83	223.22	7710.0	-1795.8	-2522.2	3.00	0.00	3090.0	Target #4 SW Lateral 16-17
12	1210746.8	92.18	223.22	7709.6	-1804.1	-2530.0	3.00	0.00	3101.3	
13	1311384.4	92.18	223.22	7685.4	-2268.4	-2966.3	0.00	0.00	3732.7	
14	1411517.9	88.17	223.22	7685.0	-2365.7	-3057.8	3.00	180.00	3865.0	Target #5 SW Lateral 16-17
15	1511987.4	88.17	223.22	7700.0	-2707.6	-3379.1	0.00	0.00	4330.0	Target #6 SW Lateral 16-17
16	1612061.8	90.40	223.22	7700.9	-2761.8	-3430.0	3.00	0.00	4403.7	PBHL SW lateral 16-17
17	1712193.4	90.40	223.22	7700.0	-2857.7	-3520.2	0.00	0.00	4534.2	PBHL SW lateral 16-17





Stone Energy

San Juan Co., Utah

Three Mile

#16-17

Wellbore #1 SW Lateral

Plan: Plan #1 SW Lateral

Standard Planning Report

24 June, 2010

CONFIDENTIAL





Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 SW Lateral		
Design:	Plan #1 SW Lateral		

Project	San Juan Co., Utah		
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	Three Mile				
Site Position:		Northing:	597,750.60 ft	Latitude:	38° 17' 32.600 N
From:	Lat/Long	Easting:	2,557,599.58 ft	Longitude:	109° 33' 25.711 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	1.19 °

Well	#16-17					
Well Position	+N/-S	0.0 ft	Northing:	592,898.20 ft	Latitude:	38° 16' 41.858 N
	+E/-W	0.0 ft	Easting:	2,570,995.71 ft	Longitude:	109° 30' 39.020 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	ft	Ground Level:	5,873.0ft

Wellbore	Wellbore #1 SW Lateral				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/09	10.99	64.48	51,542

Design	Plan #1 SW Lateral			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	8,050.0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.0	0.0	0.0	230.93





Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 SW Lateral		
Design:	Plan #1 SW Lateral		

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
8,050.0	90.00	270.04	7,710.0	0.4	-585.9	0.00	0.00	0.00	0.00	
8,518.2	90.00	223.22	7,710.0	-180.2	-1,003.8	10.00	0.00	-10.00	-90.00	PBHL SW lateral 16
8,538.7	90.61	223.22	7,709.9	-195.1	-1,017.9	3.00	3.00	0.00	0.00	
8,986.0	90.61	223.22	7,705.1	-521.0	-1,324.2	0.00	0.00	0.00	0.00	
9,015.2	89.74	223.22	7,705.0	-542.3	-1,344.2	3.00	-3.00	0.00	180.00	Target #2 SW Later
9,015.2	89.74	223.22	7,705.0	-542.4	-1,344.2	3.00	-3.00	0.00	180.00	
10,101.5	89.74	223.22	7,710.0	-1,333.9	-2,088.1	0.00	0.00	0.00	0.00	
10,110.2	90.00	223.22	7,710.0	-1,340.3	-2,094.1	3.00	3.00	0.00	0.00	Target #3 SW Later
10,113.5	89.90	223.22	7,710.0	-1,342.7	-2,096.4	3.00	-3.00	0.00	-180.00	
10,671.0	89.90	223.22	7,711.0	-1,748.9	-2,478.1	0.00	0.00	0.00	0.00	
10,735.3	91.83	223.22	7,710.0	-1,795.8	-2,522.2	3.00	3.00	0.00	0.00	Target #4 SW Later
10,746.8	92.18	223.22	7,709.6	-1,804.1	-2,530.0	3.00	3.00	0.00	0.00	
11,384.4	92.18	223.22	7,685.4	-2,268.4	-2,966.3	0.00	0.00	0.00	0.00	
11,517.9	88.17	223.22	7,685.0	-2,365.7	-3,057.8	3.00	-3.00	0.00	180.00	Target #5 SW Later
11,987.4	88.17	223.22	7,700.0	-2,707.6	-3,379.1	0.00	0.00	0.00	0.00	Target #6 SW Later
12,061.8	90.40	223.22	7,700.9	-2,761.8	-3,430.0	3.00	3.00	0.00	0.00	PBHL SW lateral 16
12,193.4	90.40	223.22	7,700.0	-2,857.7	-3,520.2	0.00	0.00	0.00	0.00	PBHL SW lateral 16



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 SW Lateral		
Design:	Plan #1 SW Lateral		

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)	
8,050.0	90.00	270.04	7,710.0	0.4	-585.9	454.6	0.00	0.00	0.00	
Start Turn 10/100' TFO 90 Left										
8,500.0	90.00	225.04	7,710.0	-167.1	-991.2	874.9	10.00	0.00	-10.00	
8,518.2	90.00	223.22	7,710.0	-180.2	-1,003.8	892.9	10.00	0.00	-10.00	
Nudge										
8,538.7	90.61	223.22	7,709.9	-195.1	-1,017.9	913.2	3.00	3.00	0.00	
8,558.1	90.61	223.22	7,709.7	-209.3	-1,031.2	932.5	0.00	0.00	0.00	
On Target Pt. SW Lateral 16-17										
8,986.0	90.61	223.22	7,705.1	-521.1	-1,324.2	1,356.5	0.00	0.00	0.00	
Nudge										
9,000.0	90.19	223.22	7,705.0	-531.3	-1,333.8	1,370.3	3.00	-3.00	0.00	
9,015.2	89.74	223.22	7,705.0	-542.3	-1,344.2	1,385.4	3.00	-3.00	0.00	
Target #2 SW Lateral 16-17										
9,500.0	89.74	223.22	7,707.2	-895.6	-1,676.2	1,865.8	0.00	0.00	0.00	
10,000.0	89.74	223.22	7,709.5	-1,259.9	-2,018.6	2,361.3	0.00	0.00	0.00	
10,101.5	89.74	223.22	7,710.0	-1,333.9	-2,088.1	2,461.9	0.00	0.00	0.00	
Nudge										
10,110.2	90.00	223.22	7,710.0	-1,340.3	-2,094.1	2,470.5	3.01	3.01	0.00	
Nudge - Target #3 SW Lateral 16-17										
10,113.5	89.90	223.22	7,710.0	-1,342.7	-2,096.4	2,473.8	2.99	-2.99	0.00	
10,500.0	89.90	223.22	7,710.7	-1,624.3	-2,361.0	2,856.8	0.00	0.00	0.00	
10,671.0	89.90	223.22	7,711.0	-1,748.9	-2,478.1	3,026.2	0.00	0.00	0.00	
Nudge										
10,735.3	91.83	223.22	7,710.0	-1,795.8	-2,522.2	3,090.0	3.00	3.00	0.00	
Nudge - Target #4 SW Lateral 16-17										
10,746.8	92.18	223.22	7,709.6	-1,804.1	-2,530.0	3,101.3	3.01	3.01	0.00	
11,000.0	92.18	223.22	7,700.0	-1,988.5	-2,703.3	3,352.1	0.00	0.00	0.00	
11,384.4	92.18	223.22	7,685.4	-2,268.4	-2,966.4	3,732.7	0.00	0.00	0.00	
Nudge										
11,500.0	88.71	223.22	7,684.5	-2,352.6	-3,045.5	3,847.3	3.00	-3.00	0.00	
11,517.9	88.17	223.22	7,685.0	-2,365.7	-3,057.8	3,865.0	3.00	-3.00	0.00	
Target #5 SW Lateral 16-17										
11,987.4	88.17	223.22	7,700.0	-2,707.6	-3,379.1	4,330.0	0.00	0.00	0.00	
Nudge - Target #6 SW Lateral 16-17										
12,000.0	88.55	223.22	7,700.4	-2,716.8	-3,387.8	4,342.5	3.00	3.00	0.00	
12,061.8	90.40	223.22	7,700.9	-2,761.8	-3,430.0	4,403.7	3.00	3.00	0.00	
12,193.4	90.40	223.22	7,700.0	-2,857.7	-3,520.2	4,534.1	0.00	0.00	0.00	
TD at 12193' MD - PBHL SW lateral 16-17										



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 SW Lateral		
Design:	Plan #1 SW Lateral		

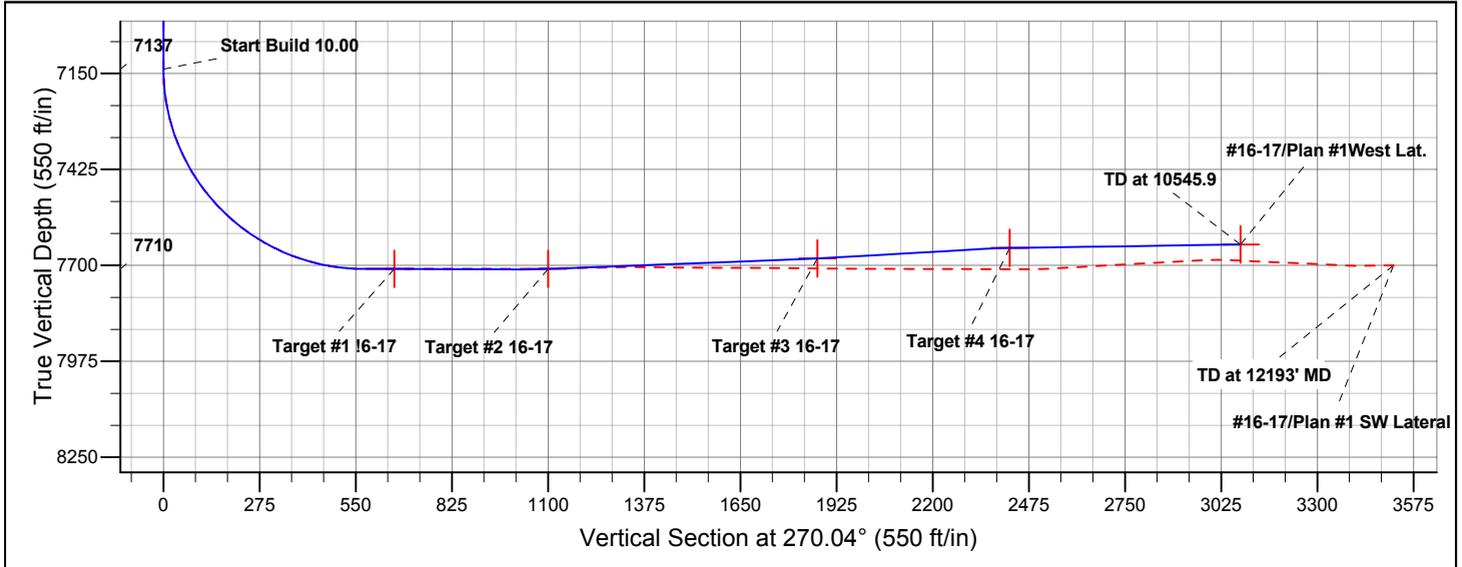
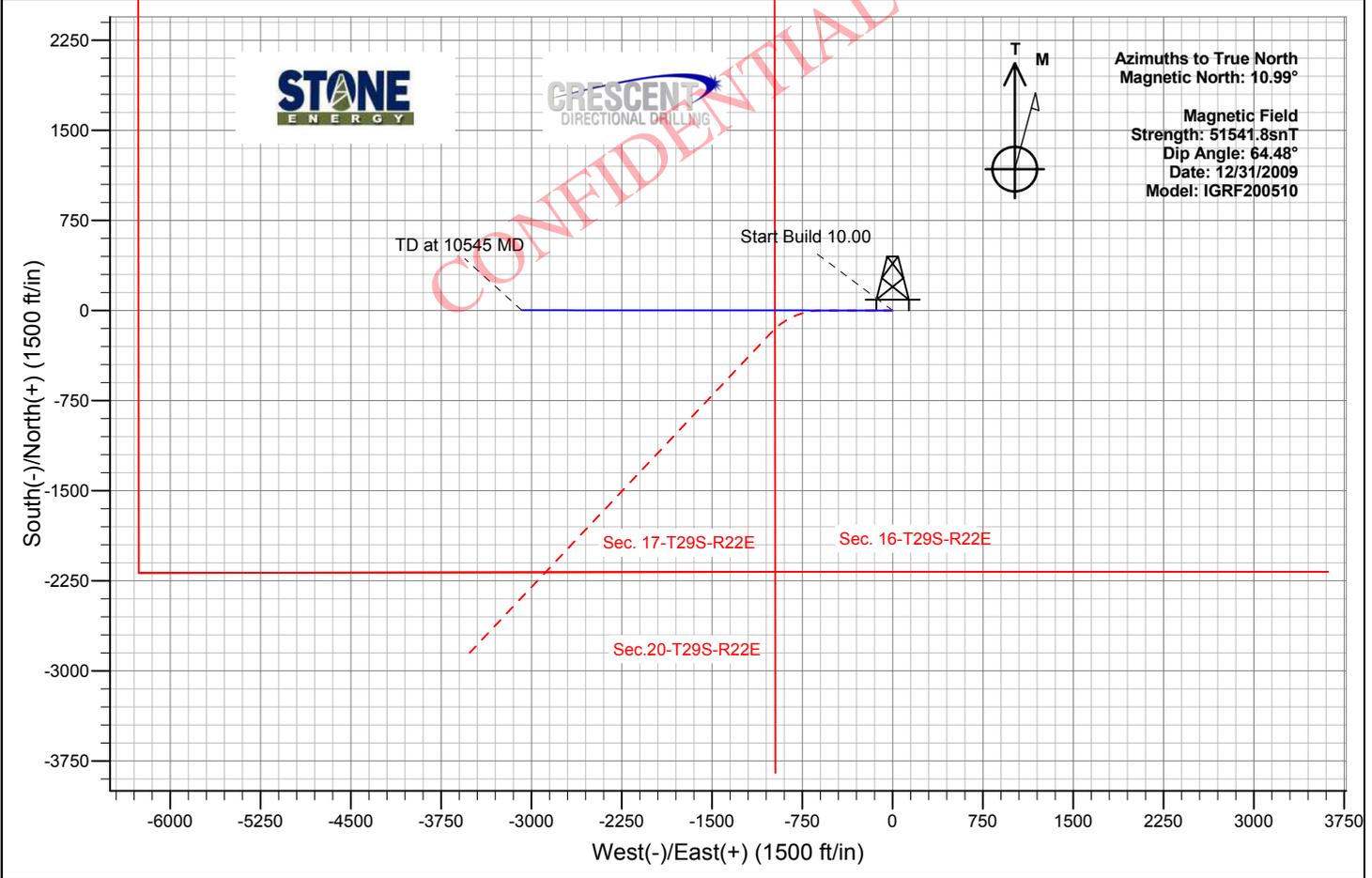
Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
Target #6 SW Lateral - plan hits target center - Point		0.00	7,700.0	-2,707.6	-3,379.1	590,119.32	2,567,674.95	38° 16' 15.090 N	109° 31' 21.391 W
Target #5 SW Lateral - plan hits target center - Point		0.00	7,685.0	-2,365.7	-3,057.8	590,468.01	2,567,988.95	38° 16' 18.470 N	109° 31' 17.362 W
Target #2 SW Lateral - plan hits target center - Point		0.00	7,705.0	-542.3	-1,344.2	592,327.40	2,569,663.36	38° 16' 36.497 N	109° 30' 55.877 W
On Target Pt. SW Lat - plan misses target center by 36.4ft at 8558.1ft MD (7709.7 TVD, -209.3 N, -1031.2 E) - Point		0.00	7,710.0	-184.3	-1,057.7	592,691.40	2,569,942.13	38° 16' 40.036 N	109° 30' 52.285 W
PBHL SW lateral 16-1 - plan hits target center - Point	0.00	0.00	7,700.0	-2,857.7	-3,520.2	589,966.23	2,567,537.09	38° 16' 13.606 N	109° 31' 23.160 W
Target #3 SW Lateral - plan hits target center - Point		0.00	7,710.0	-1,340.3	-2,094.1	591,513.70	2,568,930.61	38° 16' 28.608 N	109° 31' 5.279 W
Target #4 SW Lateral - plan hits target center - Point		0.00	7,710.0	-1,795.8	-2,522.2	591,049.19	2,568,512.31	38° 16' 24.105 N	109° 31' 10.647 W

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment
8,050.0	7,710.0	0.4	-585.9	Start Turn 10/100' TFO 90 Left
8,518.2	7,710.0	-180.2	-1,003.8	Nudge
8,986.0	7,705.1	-521.1	-1,324.2	Nudge
10,101.5	7,710.0	-1,333.9	-2,088.1	Nudge
10,110.2	7,710.0	-1,340.3	-2,094.1	Nudge
10,671.0	7,711.0	-1,748.9	-2,478.1	Nudge
10,735.3	7,710.0	-1,795.8	-2,522.2	Nudge
11,384.4	7,685.4	-2,268.4	-2,966.4	Nudge
11,987.4	7,700.0	-2,707.6	-3,379.1	Nudge
12,193.4	7,700.0	-2,857.7	-3,520.2	TD at 12193' MD

Stone Energy
Wellbore #1 West Lateral

San Juan Co., Utah
Three Mile
#16-17
Latitude 38° 16' 41.858 N
Longitude 109° 30' 39.020 W
WELL @ 5903.0ft (RKB Elev. (est.))
Ground Level 5873.0
Utah South 4303
NAD 1927 (NADCON CONUS)
Magnetic North is 10.99° East of True North (Magnetic Declination)

SECTION DETAILS WEST LATERAL										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	7137.0	0.00	0.00	7137.0	0.0	0.0	0.00	0.00	0.0	
3	8037.0	90.00	270.04	7710.0	0.4	-573.0	10.00	270.04	573.0	
4	8124.1	90.00	270.04	7710.0	0.5	-660.0	0.00	0.00	660.0	Target #1 16-17
5	8131.8	89.77	270.04	7710.0	0.5	-667.7	3.00	180.00	667.7	
6	8482.0	89.77	270.04	7711.4	0.7	-1017.9	0.00	0.00	1017.9	
7	8564.1	92.23	270.04	7710.0	0.8	-1100.0	3.00	0.00	1100.0	Target #2 16-17
8	8564.7	92.21	270.04	7710.0	0.8	-1100.6	3.00	180.00	1100.6	
9	9304.4	92.21	270.04	7681.4	1.3	-1839.7	0.00	0.00	1839.7	
10	9334.7	93.12	270.04	7680.0	1.3	-1870.0	3.00	0.00	1870.0	Target #3 16-17
11	9340.7	93.30	270.04	7679.7	1.3	-1876.0	3.00	-0.47	1876.0	
12	9804.4	93.30	270.04	7653.0	1.6	-2338.9	0.00	0.00	2338.9	
13	9885.5	90.87	270.06	7650.0	1.7	-2420.0	3.00	179.53	2420.0	Target #4 16-17
14	10545.9	90.87	270.06	7640.0	2.4	-3080.3	0.00	0.00	3080.3	PBHL TM #16-17





Stone Energy

San Juan Co., Utah

Three Mile

#16-17

Wellbore #1 West Lateral

Plan: Plan #1 West Lat.

Standard Planning Report

24 June, 2010





Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 West Lateral		
Design:	Plan #1West Lat.		

Project	San Juan Co., Utah		
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	Three Mile				
Site Position:		Northing:	597,750.60 ft	Latitude:	38° 17' 32.600 N
From:	Lat/Long	Easting:	2,557,599.58 ft	Longitude:	109° 33' 25.711 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	1.19 °

Well	#16-17					
Well Position	+N/-S	0.0 ft	Northing:	592,898.20 ft	Latitude:	38° 16' 41.858 N
	+E/-W	0.0 ft	Easting:	2,570,995.71 ft	Longitude:	109° 30' 39.020 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	ft	Ground Level:	5,873.0 ft

Wellbore	Wellbore #1 West Lateral				
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Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/09	10.99	64.48	51,542

Design	Plan #1West Lat.			
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Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.0	0.0	0.0	270.04

Plan Sections										
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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	
7,137.0	0.00	0.00	7,137.0	0.0	0.0	0.00	0.00	0.00	0.00	
8,037.0	90.00	270.04	7,710.0	0.4	-573.0	10.00	10.00	0.00	270.04	
8,124.1	90.00	270.04	7,710.0	0.5	-660.0	0.00	0.00	0.00	0.00	Target #1 16-17
8,131.8	89.77	270.04	7,710.0	0.5	-667.7	3.00	-3.00	0.00	180.00	
8,482.0	89.77	270.04	7,711.4	0.7	-1,017.9	0.00	0.00	0.00	0.00	
8,564.1	92.23	270.04	7,710.0	0.8	-1,100.0	3.00	3.00	0.00	0.00	Target #2 16-17
8,564.7	92.21	270.04	7,710.0	0.8	-1,100.6	3.00	-3.00	0.00	180.00	
9,304.4	92.21	270.04	7,681.4	1.3	-1,839.7	0.00	0.00	0.00	0.00	
9,334.7	93.12	270.04	7,680.0	1.3	-1,870.0	3.00	3.00	0.00	0.00	Target #3 16-17
9,340.7	93.30	270.04	7,679.7	1.3	-1,876.0	3.00	3.00	-0.02	-0.47	
9,804.4	93.30	270.04	7,653.0	1.6	-2,338.9	0.00	0.00	0.00	0.00	
9,885.5	90.87	270.06	7,650.0	1.7	-2,420.0	3.00	-3.00	0.02	179.53	Target #4 16-17
10,545.9	90.87	270.06	7,640.0	2.4	-3,080.3	0.00	0.00	0.00	0.00	PBHL TM #16-17



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 West Lateral		
Design:	Plan #1West Lat.		

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	
7,137.0	0.00	0.00	7,137.0	0.0	0.0	0.0	0.00	0.00	0.00	
KOP 10/100'										
7,500.0	36.30	270.04	7,476.2	0.1	-111.2	111.2	10.00	10.00	0.00	
8,000.0	86.30	270.04	7,708.8	0.4	-535.9	535.9	10.00	10.00	0.00	
8,037.0	90.00	270.04	7,710.0	0.4	-573.0	573.0	10.00	10.00	0.00	
Landing Pt. at 8037' MD										
8,124.1	90.00	270.04	7,710.0	0.5	-660.0	660.0	0.00	0.00	0.00	
Nudge - Target #1 16-17										
8,131.8	89.77	270.04	7,710.0	0.5	-667.7	667.7	3.00	-3.00	0.00	
8,482.0	89.77	270.04	7,711.4	0.7	-1,017.9	1,017.9	0.00	0.00	0.00	
Nudge										
8,500.0	90.31	270.04	7,711.4	0.7	-1,035.9	1,035.9	3.00	3.00	0.00	
8,564.1	92.23	270.04	7,710.0	0.8	-1,100.0	1,100.0	3.00	3.00	0.00	
Target #2 16-17										
8,564.7	92.21	270.04	7,710.0	0.8	-1,100.6	1,100.6	3.00	-3.00	0.00	
9,000.0	92.21	270.04	7,693.2	1.1	-1,535.6	1,535.6	0.00	0.00	0.00	
9,304.4	92.21	270.04	7,681.4	1.3	-1,839.7	1,839.7	0.00	0.00	0.00	
Nudge										
9,334.7	93.12	270.04	7,680.0	1.3	-1,870.0	1,870.0	3.00	3.00	0.00	
Nudge - Target #3 16-17										
9,340.7	93.30	270.04	7,679.7	1.3	-1,876.0	1,876.0	3.00	3.00	-0.02	
9,500.0	93.30	270.04	7,670.5	1.4	-2,035.0	2,035.0	0.00	0.00	0.00	
9,804.4	93.30	270.04	7,653.0	1.6	-2,338.9	2,338.9	0.00	0.00	0.00	
Nudge										
9,885.5	90.87	270.06	7,650.0	1.7	-2,420.0	2,420.0	3.00	-3.00	0.02	
Target #4 16-17										
10,000.0	90.87	270.06	7,648.3	1.8	-2,534.5	2,534.5	0.00	0.00	0.00	
10,500.0	90.87	270.06	7,640.7	2.3	-3,034.4	3,034.4	0.00	0.00	0.00	
10,545.9	90.87	270.06	7,640.0	2.4	-3,080.3	3,080.3	0.00	0.00	0.00	
TD at 10545' MD - PBHL TM #16-17										

CONFIDENTIAL



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well #16-17
Company:	Stone Energy	TVD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Project:	San Juan Co., Utah	MD Reference:	WELL @ 5903.0ft (RKB Elev. (est.))
Site:	Three Mile	North Reference:	True
Well:	#16-17	Survey Calculation Method:	Minimum Curvature
Wellbore:	Wellbore #1 West Lateral		
Design:	Plan #1West Lat.		

Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
Target #4 16-17 - plan hits target center - Point	0.00	0.00	7,650.0	1.7	-2,420.0	592,848.42	2,568,576.23	38° 16' 41.874 N	109° 31' 9.368 W
Target #1 !6-17 - plan hits target center - Point	0.00	0.00	7,710.0	0.5	-660.0	592,884.62	2,570,335.85	38° 16' 41.863 N	109° 30' 47.297 W
PBHL TM #16-17 - plan hits target center - Point	0.00	0.00	7,640.0	2.4	-3,080.3	592,835.04	2,567,916.04	38° 16' 41.880 N	109° 31' 17.648 W
Target #2 16-17 - plan hits target center - Point	0.00	0.00	7,710.0	0.8	-1,100.0	592,875.57	2,569,895.95	38° 16' 41.866 N	109° 30' 52.815 W
Target #3 16-17 - plan hits target center - Point	0.00	0.00	7,680.0	1.3	-1,870.0	592,859.73	2,569,126.11	38° 16' 41.871 N	109° 31' 2.471 W

Plan Annotations					
Measured Depth	Vertical Depth	Local Coordinates		Comment	
(ft)	(ft)	+N/-S	+E/-W		
		(ft)	(ft)		
7,137.0	7,137.0	0.0	0.0	KOP 10/100'	
8,037.0	7,710.0	0.4	-573.0	Landing Pt. at 8037' MD	
8,124.1	7,710.0	0.5	-660.0	Nudge	
8,482.0	7,711.4	0.7	-1,017.9	Nudge	
9,304.4	7,681.4	1.3	-1,839.7	Nudge	
9,334.7	7,680.0	1.3	-1,870.0	Nudge	
9,804.4	7,653.0	1.6	-2,338.9	Nudge	
10,545.9	7,640.0	2.4	-3,080.3	TD at 10545' MD	

DRILLING PROGNOSIS

STONE ENERGY
Three Mile 16 - 17
Section 16-Township 29S-Range 22E
San Juan County, Utah

June 25, 2010

GENERAL

DISCUSSION:

- This well is to be drilled as a tight hole. Unauthorized personnel are not to be allowed on the rig floor, and all information is to be kept confidential.
- This location is situated on land administered by the BLM. The Moab office of the BLM (435-259-2100) must be notified 24 hrs prior to spud and of cementing and plugging operations.
- No smoking on pits or rig floor. Smoking area will be provided at a predetermined location.
- Safety meetings will be held on a regular basis to discuss upcoming operations and procedures.
- Proposed well plan is to drill a 17-1/2" hole to 1500' and set 13-3/8" surface casing. Due to the presence of solid rock at the surface, the 17-1/2" hole will be drilled with air and a hammer. A 12-1/4" hole will then be drilled with air and a hammer (if limited water influx will allow so) to the clastic below the first Paradox Salt. Intermediate casing (9-5/8") will then be set and a pilot hole (8-1/2") will be drilled with oil-based mud to TD. If warranted, the well will be plugged back and drilled horizontally throughout the Cane Creek Shale. A second intermediate 7" casing string will be set at 8,200 feet md and a 6" hole will then be drilled to 10,545 ft est md. A 4 1/2", 2,450' production liner will be run at that point and completion operations will follow. A second +/- 4,140 ft lateral may be drilled and cased similarly dependent upon drilling results on the first lateral.
- From drilling experience in the Cane Creek Unit, it was noted that a pressure transition was present below the Cane Creek Shale. The Shale itself has required 16.5 ppg mud to adequately control; yet below the shale, circulation was lost and an injection pressure of 13.55 ppg was ultimately observed. For this reason, the amount of rathole drilled should be minimized prior to logging the well.
- The expected bottom hole pressure could be a 16.5 ppg MW equivalent or 6600 psi. (The highest mud weight required to drill the nearby Whiting Three Mile 43 - 18 H was 15.3 ppg.)
- H2S is not expected to be encountered based upon offset drilling records and our drilling plan.

Surface Location: Section 16 -T29S-R22E (Exact location to be determined)

API Number: TBD

Proposed TD: ±7900 ft (TVD - pilot hole)

Elevation: 5871' GL

Drilling Rig: To be determined. As extreme pressures will possibly be encountered while drilling this well, a 10,000 psi WP BOP stack will be required. Generally speaking, rigs with adequate substructure height to accommodate a 10M stack, are equipped with triplex pumps, versatile mud system to include pill and trip tanks, extensive solids control equipment, and premium drill pipe.

MECHANICAL

Casing Design:

<u>SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>DESCRIPTION</u>
20"	0' - 60'	60'	Conductor (0.25"WT)
13-3/8"	0' - 1,690'	1,690'	54.5#, J-55, STC
9-5/8"	0' - 5,180'	5,180'	40#, HCL-80, LTC
7"	0' - 7,780'	8,200'	32#, HCL-80, LTC
4 1/2 "lat 1	8,150' - 10,545' est	2,450'	13.5 #, P - 110, LTC
4 1/2 "lat 2	8,100' - 12,190' est	4,140'	13.5 #, P - 110, LTC
2-7/8"	0' - 7,570'	7,750'	6.5#, N-80, EUE

NOTE:

1. Please refer to the attached casing design criteria.
2. Casing design subject to change, pending material availability and cost. If mud weight exceeds 9.5 ppg on surface or intermediate hole, or 18.0 ppg at TD, casing design may be altered. Baker-Lock float shoe and the bottom of the collar of the second joint on surface and intermediate strings of casing. Clean and drift all strings of casing prior to running. Remove all thread sealant (Kindex) prior to running. Unload all casing and tubing strings with a forklift.

CEMENT

<u>CASING/HOLE SIZE</u>	<u>CEMENT SLURRY</u>	<u>SX</u>	<u>PPG</u>	<u>YIELD</u>
20"/26"	Redi-mix			Approximately 4 yds

NOTE: Conductor casing may require pressure cementing, depending on the presence of ground water.

13-3/8" - 17-1/2"	Lead: CBM Light Type III cement + 10 pps gilsonite (LCM) + 2% CaCl ₂ (accelerator)	300	10.5	4.20
	Tail: Type V cement + 1/4 pps Flocele (cellophane flake) + 1% CaCl ₂ (accelerator)	700	15.8	1.16

NOTE: Load hole with water prior to cementing. Use city water for mixing cement. Have 100 sx neat cement and one-inch tubing on location for topping-off. Cement design may be altered, depending on the presence of lost circulation. Cement volume has been calculated using a 100% excess factor.

9-5/8" - 12-1/4"	Lead: Foamed cement (foamed with Nitrogen to 10.0 ppg, Elastiseal System) + 5 pps silicalite compacted + 20% SSA-1 + 0.1% Versaset + 1.5% FDP-C760	700	14.35	2.16
	Tail: Elastiseal System + 5 pps silicalite compacted + 20% SSA-1 + 0.1% Versaset + 1.5% FDP-C760	400	14.35	2.16

NOTE: Prior to cementing, attempt to load hole with water. Record fluid level while logging. Lead cement may be omitted if fluid level is below 2500'. If lead cement is omitted, the nitrified slurry will be pumped from surface after setting the casing slips and nipping up the BOP. Cement

volumes may change depending on where the fluid level is measured. Precede cement with 20 bbl water and 10 bbl Super Flush. Cement volume was calculated assuming TOC @ surface + 25% excess; however, actual cement volume will be determined from caliper log and fluid level. Run pilot tests on proposed cement with actual make-up water. Cement design may be altered depending on actual bottom hole temperatures and the presence of lost circulation. Do not move the casing (under any circumstances) while setting the casing slips.

7" – 8-3/4"	Premium AG cement + 30 pps Hi-Dense #4 + 15% salt + 0.6% Halad-413 (fluid loss additive) + 0.4% CFR-3 (dispersant), + 0.4% D-AIR (Defoamer) + 0.6% HR-5 (retarder) + 0.4% Super CBL (expander)	500	16.8	1.49
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NOTE: Precede cement with 20 bbl water and 10 bbl Super Flush. Cement top contingent upon the presence of potentially producing intervals. Cement volume was calculated assuming TOC @ 4000' + 25% excess; however, actual cement volume will be determined from caliper log. Run pilot tests on proposed cement with actual make-up water. Cement design may be altered depending on actual bottomhole temperatures and the presence of lost circulation. Do not move the casing (under any circumstances) while setting the casing slips.

CEMENTING ACCESSORIES

- Surface Casing:
- 1) Guide shoe with insert float one joint above shoe. (Utilize longest available joint of casing as shoe joint).
 - 2) Top wiper plug (rubber).
 - 3) Centralizer with stop ring in middle of shoe joint.
 - 4) Centralizers over collars on first three connections, omitting float collar.
 - 5) Use a total of 10-12 centralizers.
- Intermediate Casing:
- 1) Differential-fill float collar located one joint above differential-fill float shoe.
 - 2) Top and bottom wiper plug.
 - 3) Centralizer with stop-ring in the middle of shoe joint.
 - 4) Centralizers over collars on first five connections, excluding float collar. Centralize through and 100' on either side of potentially productive intervals.
 - 5) Thread-lock all connections through float collar and use API casing dope on all remaining connections.
 - 6) Stage cementing tool may be run depending on the presence of lost circulation and/or potentially productive horizons.
 - 7) Centralize above and below stage cementing tool.
- Production Casing:
- 1) Differential-fill float collar located one joint above differential-fill float shoe.
 - 2) Top and bottom wiper plug.
 - 3) Centralizer with stop-ring in the middle of shoe joint.
 - 4) Centralizers over collars on first five connections, excluding float collar. Centralize through and 100' on either side of potentially productive intervals.
 - 5) Thread-lock all connections through float collar and use API casing dope on all remaining connections.

WELLHEAD

Casing Head: 13-3/8" x 13-5/8" (5,000 psi WP) slip-on weld casing head with two-2" LP outlets. Outlets equipped with one-2" 5,000 psi WP ball valve, and one-2" x 5,000 psi WP bull plug on the outlets. Use bowl protector when drilling out of casing head.

Casing Spool: 13-5/8" (5,000 psi) x 11" (10,000 psi WP) casing spool with 2-1/16" x 10,000 psi WP studded outlets. Outlets equipped with two 2-1/16" x 10,000 psi WP gate valves.

Tubing Head: 11" x 7-1/16" x 10,000 psi WP tubing spool with 2-1/16" studded outlets. Outlets equipped with 2-1/16" x 10,000 psi WP gate valves.

Upper Half: To be determined.

MUD PROGRAM

<u>INTERVAL</u>	<u>WEIGHT (PPG)</u>	<u>VISCOSITY (SEC)</u>	<u>WL (CCS)</u>
0' - 1,690'	Air mist.		

Spud well with air mist and a hammer. Maintain adequate air rate to ensure hole will be adequately cleaned. It is anticipated that 3200-4200 scfm and 60 gpm will be required. Operator is usually responsible for providing corrosion rings and adequate inhibition to maintain corrosion rates of less than 1.5 lb/ft²/year.

<u>INTERVAL</u>	<u>WEIGHT (PPG)</u>	<u>VISCOSITY (SEC)</u>	<u>WL (CCS)</u>
1,690' – 5,180'	Air mist/aerated water		

After drilling out surface casing, continue drilling with air mist and a hammer. Maintain adequate air rate to ensure hole will be adequately cleaned. It is anticipated that 4200 scfm and 60 gpm will be required. The amount of air and liquid volume will be dictated by fluid influx. Be prepared for water flows at all times. Keep reserve pit low as volume may be required in the event of a water flow. Run corrosion rings and inhibitor as described above. A description of the planned air drilling equipment from Northwestern Air Services is included as an attachment.

If fluid influx so dictates, mud up with formation water and aerate same to maintain pit volume. If mud-up is eventually required, mud up with 8-10 ppb gel, 1/2-3/4 ppb PHPA polymer, and 1.0-1.25 ppb PAC material. Treat out hardness to less than 200 mg/l with soda ash. Keep trip speeds down to reduce surge-swab pressure. Keep hole full at all times. Sweep hole as dictated by hole conditions. Keep the drill pipe moving at all times. Monitor the system for the presence of bacteria and treat out accordingly. Fluid loss may be reduced (with the addition of PAC material) if sloughing shales become a persistent problem.

<u>INTERVAL</u>	<u>WEIGHT (PPG)</u>	<u>VISCOSITY (SEC)</u>	<u>WL (CCS)</u>
5,180' - 7,900'	15.5-16.5 ppg	50-55 sec	5.0 (HTHP)

Drill out intermediate casing with water. Mix and spot gel pill on bottom and perform FIT to 17.5 ppg equivalent. After performing FIT, circulate out water and resume drilling with 15.5 ppg relaxed emulsion oil-based mud (80/20 oil/water ratio). Keep hole full and drill pipe moving at all times. Sweep hole as dictated by hole conditions. If tight connections become a persistent problem, control activity and chloride concentrations of water phase. Monitor pit level constantly as lost circulation and water flows/gas kicks should be expected at all times. Early kick detection is imperative, as prevention of contamination of the oil-based mud with salt water and well control are of paramount concern. Maintain a good cross-section of lost circulation material on hand. Combat losses with sweeps of calcium carbonate, mica and sawdust. Keep trip speeds down to reduce surge-swab pressure. Keep hole full at all times. Monitor hydraulics closely to ensure that the hole is being adequately cleaned. Drill salt sections with laminar flow opposite

the drill collars. Utilize all available solids control equipment, which is anticipated to include: barite recovery, and linear motion shale shakers. Pressure control and auxiliary equipment is anticipated to include: vacuum-type degasser, OBM collection system, OBM Vacuum System, Super Chokes, and Gas Buster. A mud / gas separator will be used.

Oil mud will be stored in auxiliary tanks located on location and in the active mud system. Cuttings will be deposited in a separate pit for solidification and burial or disposal. Drying shakers and centrifuges will be used in conjunction with rig equipment.

DEVIATION

Deviation tendencies in this area can be severe, and prudent drilling practices should be adhered to at all times. Extreme care should be taken to set conductor casing as near to vertical as possible. Surface hole surveys should be run at ±90 ft intervals, unless otherwise indicated. Run 250 ft-surveys in the intermediate and production holes. When drilling salts, back off on bit weight to avoid putting severe dog legs in the hole. The intermediate (12-1/4") hole will be drilled utilizing a pendulum or packed-pendulum assembly, unless deviation becomes severe. If this occurs, a steerable drilling assembly will possibly be utilized. If necessary, a radio-telemetry MWD system may be utilized in the aerated-mud drilled portion of the hole. A pilot hole will be drilled and plugged back and up to two horizontal legs will be drilled as per the attached directional program.

WELL CONTROL EQUIPMENT

<u>INTERVAL</u>	<u>EQUIPMENT</u>
0' - 1500'	20" diverter
1,500' – 5,180'	13-5/8" x 5,000 psi WP rotating head (Washington), 13-5/8" x 5,000 psi WP annular BOP, and 13-5/8" x 5,000 psi WP double-gate BOP with blind and 5" pipe rams. Rig should be equipped with upper and lower kelly cocks, as well as stabbing valve (have wrench available at all times). BOP equipment will be tested after nipple-up and every 30 days thereafter. (Notify BLM representative prior to testing). Close pipe rams daily and blind rams on trips, recording results on tour sheets.
5,180' – 7,900'	11" x 10,000 psi WP rotating head (Washington), 11" x 10,000 psi WP annular BOP, 11" x 10,000 psi WP double-gate BOP with blind and 5" pipe rams, and 11" x 10,000 psi WP single gate BOP with 5" pipe rams. Rig should be equipped with upper and lower kelly cocks, as well as stabbing valve (have wrench available at all times). BOP equipment will be tested after nipple-up and every 30 days thereafter. (Notify BLM representative prior to testing). Close pipe rams daily and blind rams on trips, recording results on tour sheets.

GEOLOGICAL

Geologist/Mud Logger: A two – man mud logging unit with hot wire and Chromatograph will be utilized from a depth of 1500' to TD. Notify prior to spud and after setting surface casing.

Electric Logging:

RUN #1: <u>Log Type</u>	2" Scale		5" Scale	
	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>

<u>GR-SP-DIL-SFL-ML</u>	<u>Surf. Csg</u>	<u>5180'</u>	<u>Surf. Csg</u>	<u>5180'</u>
<u>GR-CALI-FDC/CNL</u>	<u>Surf. Csg.</u>	<u>5180'</u>	<u>Surf. Csg</u>	<u>5180'</u>
<u>Sonic (BHC)</u>	<u>Surf. Csg.</u>	<u>5180'</u>	<u>Surf. Csg</u>	<u>5180'</u>
<u>Mud Log</u>	<u>Surf. Csg.</u>	<u>5180'</u>	<u>Surf. Csg</u>	<u>5180'</u>

RUN #2:	2" Scale		5" Scale	
<u>Log Type</u>	<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>
<u>GR-SP-DIL-SFL-ML</u>	<u>5180'</u>	<u>7900'</u>	<u>5180'</u>	<u>7900'</u>
<u>GR-CALI-FDC/CNL</u>	<u>5180'</u>	<u>7900'</u>	<u>5180'</u>	<u>7900'</u>
<u>Sonic (Dipole)</u>	<u>5180'</u>	<u>7900'</u>	<u>5180'</u>	<u>7900'</u>
<u>Borehole Imager (CBIL)</u>	<u>5180'</u>	<u>7900'</u>	<u>5180'</u>	<u>7900'</u>
<u>Mud Log</u>	<u>5180'</u>	<u>7900'</u>	<u>5180'</u>	<u>7900'</u>

Formation	Lithology	Top	Sub Sea	Thickness	water, oil, gas, other(poss)
Navajo	SS	Surface	5903'	200	Possible Water
Kayenta	SS	200'	5703'	200	Water
Wingate	SS	480'	5423'	300	Water
Chinle	SltSt, Mudst	740'	5163'	600	
Moenkopi	Red Beds,SS,Sh	1340'	4563'	330'	Possible oil,gas
Honaker Tr	Ls,Ss	2993'	2910'		
La Sal Ls	Ls	4213'	1690'		
Ismay	Ls,Sh,Dol,Anhy	4818'	1085'		
Salt 4	salt,Ha	5023'	880'		
Salt 6	salt,potash,Ha	5198'	705'	350'	potash
Barker Cr	Do,Sh,Anhy	6096'	-193'		
Clastic 13	Do,Sh,Ls	6363'	-460'	45'	oil,gas
Clastic 19	Do,Sh,Ls	7304'	-1401'	37'	oil,gas
Cane Creek	Do,Sh,Ls	7740'	-1887'	62'	oil,gas,water

Note: 1) All formations containing water, oil, gas, or minerals will be protected by pipe
2) Depths as measured from K.B.

Estimated TD Pilot hole	7900'
Lateral 1	10,545' MD est
Lateral 2	12,190' MD est

Samples: Catch and save 30' samples from surface to 4,940', and 10' samples from 4,940' to TD. More frequent samples may be caught at the geologist's request. Five sets of dry cut samples should be retained.

Drillstem Testing: No DSTs are anticipated; however, if a test is required, recommended DST times are as follows: **IF** (15 min.), **ISI** (60 min.), **FF** (60-90 min., depending on blow at surface), and **FSI** (2 x **FF**). Keep length of anchor to a minimum while testing. Test string should include dual packers, top and bottom pressure recorders, jars, safety joint, sample chamber, and reverse circulating sub (pressure and bar-activated). Monitor fluid entry throughout test with echometer.

MISCELLENEOUS

1. From drilling experience in the area, it has been noted that a pressure transition can exist below the Cane Creek Shale. The Shale itself may require 16.5 ppg mud to adequately control; yet below the shale, circulation can be lost with mud weight as low as 13.5 ppg. For this reason, the amount of rathole drilled should be minimized prior to logging the well.
2. Pump carbide lag prior to running surface casing and prior to drilling out shoe. Pump efficiencies will be calculated from this information. Run frequent carbide lags while drilling to determine degree of hole washout.
3. Monitor mud hydraulics closely. An in-gauge hole is extremely critical to achieve open-hole packer seats, interpretable logs, and a good cement bond.
4. Drill pipe is to be inspected prior to spud. Only premium-class used drill pipe will be run in the hole. Maintain drill string design to provide 100,000# minimum over-pull at all times.
5. All tools and pipe run in the hole is to be callipered. OD, ID, and length are to be recorded and available on the rig floor.
6. An inventory of rental equipment is to be maintained by the Drilling Consultant and turned into Stone Energy's Denver Office at the end of the well.
7. Morning reports are to be submitted by 7:00 am MDT.
8. If severe lost circulation is encountered, cement or diesel/gel/water (gunk) plugs may be spotted to provide a more permanent cure to the problem.
9. In general, the above prognosis is presented as a guideline only; and is subject to change as dictated by hole conditions and geological interpretation.

PERSONNEL

OFFICE

HOME

CELL

Dan Hall, Consultant

303-969-9610

303-838-9675

303-618-1877

Kim Overcash, Consultant

303-718-9832

303-721-1757

303-718-9832

Designation of Agent

(Submit in triplicate)

The undersigned is, on the records of the Bureau of Land Management, Unit Operator under the Threemile Unit Agreement, San Juan County, Utah, No. UTU-84722X , approved and effective on 3/4/2010 and hereby designates:

Name: Stone Energy Corporation
Address: 625 E. Kaliste Saloom Road
Lafayette, LA 70508

as its agent, with full authority to act on its behalf in complying with the terms of this unit agreement and regulations applicable thereto and on whom the Authorized Officer or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, and completing Threemile Unit Well No. 12-7 in the NW1/4SE1/4, Sec. 12, T.29S, R.21E, San Juan County, Utah. Bond coverage will be provided under Nationwide Bond No. RLB0005762.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

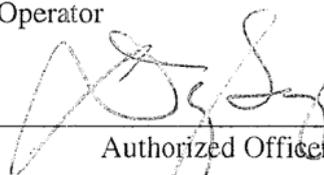
The Unit Operator agrees to promptly notify the Authorized Officer of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement. A designated agent may not designate another party as agent.

This Designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this Designation of Agent is limited to the field operations performed while drilling and completing the specified well and does not include administrative actions requiring specific authorization of the Unit Operator. This designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Bureau of Land Management all reports and a Well Completion Report and Log (Form 3160-4) as required by the approved Application for Permit to Drill for the specified well.

In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well for and submittal of the form to the appropriate office of the Authorized Officer.

WHITING OIL AND GAS CORPORATION
Unit Operator

By: 
Authorized Officer
David M. Seery
Vice President - Land

5-18-2010

Date

Designation of Agent
(Submit in triplicate)

The undersigned is, on the records of the Bureau of Land Management, Unit Operator under the Threemile Unit Agreement, San Juan County, Utah, No. UTU-84722X , approved and effective on 3/4/2010 and hereby designates:

Name: Stone Energy Corporation
Address: 625 E. Kaliste Saloom Road
Lafayette, LA 70508

as its agent, with full authority to act on its behalf in complying with the terms of this unit agreement and regulations applicable thereto and on whom the Authorized Officer or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, and completing Threemile Unit Well No. 16-17 in the NE1/4SW1/4, Sec. 16, T.29S, R.22E, San Juan County, Utah. Bond coverage will be provided under Nationwide Bond No. RLB0005762.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

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WHITING OIL AND GAS CORPORATION
Unit Operator

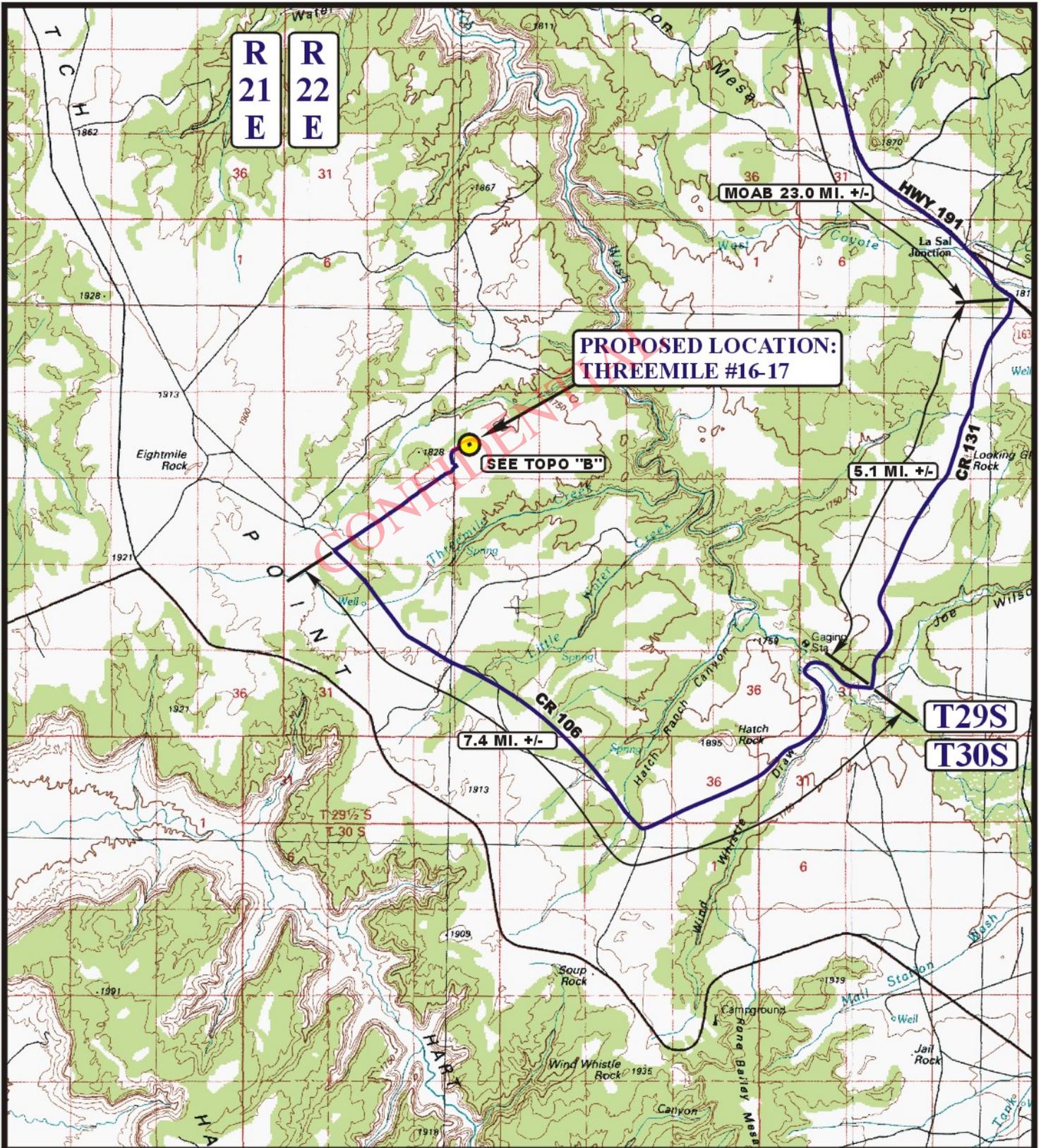
By: _____

Authorized Officer

David M. Seery
Vice President - Land

5-20-2010

Date



**PROPOSED LOCATION:
THREEMILE #16-17**

SEE TOPO "B"

MOAB 23.0 MI. +/-

5.1 MI. +/-

7.4 MI. +/-

T29S

T30S

LEGEND:

PROPOSED LOCATION

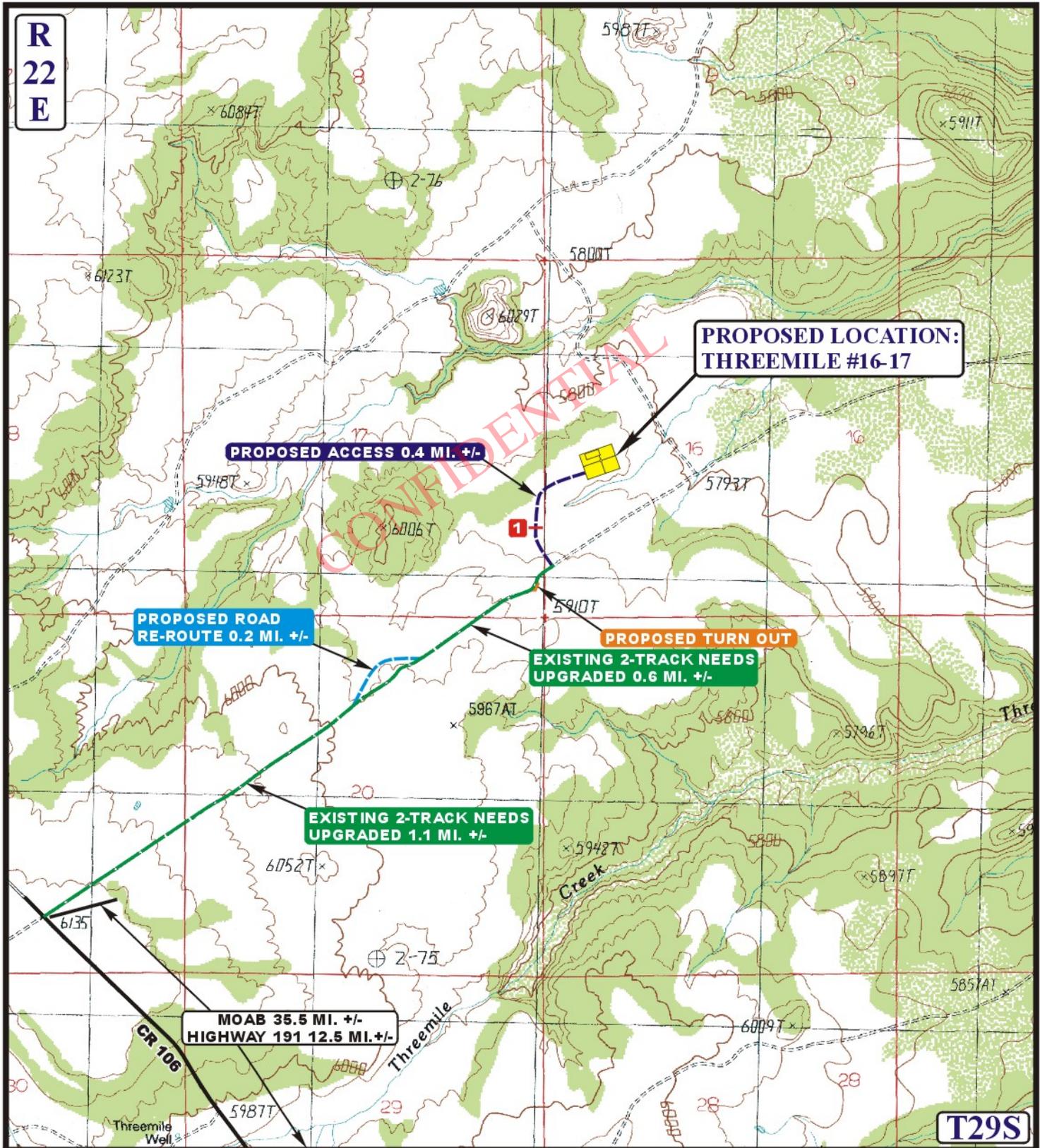
STONE ENERGY CORPORATION

**THREEMILE #16-17
SECTION 16, T29S, R22E, S.L.B.&M.
2319' FSL 843' FWL**

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



TOPOGRAPHIC MAP **05 13 10**
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 06-16-10 **TOPO**



**PROPOSED LOCATION:
THREEMILE #16-17**

PROPOSED ACCESS 0.4 MI. +/-

**PROPOSED ROAD
RE-ROUTE 0.2 MI. +/-**

PROPOSED TURN OUT

**EXISTING 2-TRACK NEEDS
UPGRADED 0.6 MI. +/-**

**EXISTING 2-TRACK NEEDS
UPGRADED 1.1 MI. +/-**

**MOAB 35.5 MI. +/-
HIGHWAY 191 12.5 MI. +/-**

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED
- PROPOSED TURN OUT
- PROPOSED ROAD RE-ROUTE
- 18" CMP REQUIRED

STONE ENERGY CORPORATION

**THREEMILE #16-17
SECTION 16, T29S, R22E, S.L.B.&M.
2319' FSL 843' FWL**



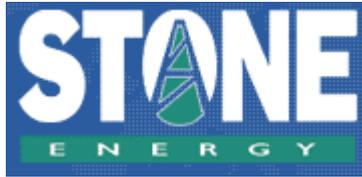
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP 05 13 10
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 06-22-10





SURFACE USE PLAN

Name of Operator: Stone Energy Corporation
Address: Lafayette Office (Headquarters)
625 East Kaliste Saloom Rd.
Lafayette, LA 70508
Well Location: Threemile 16-17
2,319' FSL & 843' FWL, NW/4 SW/4,
Section 16, T29S, R22E, SLB&M
San Juan County, UT

The surface owner or surface owner representative and dirt contractor would be provided with an approved copy of the surface use plan of operations and approved conditions of approval before initiating construction. The BLM Authorized Officer would be notified at least four days prior to beginning construction for scheduling of a preconstruction meeting.

The well site is located on BLM surface and mineral. All construction work would be accomplished in coordination with the BLM and a Sundry Notice (Form 3160-5) would be submitted and approved by the BLM prior to construction of any new surface disturbance activity on federal surface not specified in this document.

An **Emissions Inventory** has been completed for this project and is attached as Exhibit "H" immediately following this plan.

A Federal permit and a DOGM permit must be in place prior to initiating any construction activities.

The BLM onsite inspection for the referenced well was conducted on Friday, May 21, 2010 at 11:15 am. The following were present for the onsite inspection:

Ben Kniola	Natural Resources Protection Specialist	Moab BLM
Pam Riddle	Wildlife Biologist	Moab BLM
Charlie Harrison	Harrison Oil Field Services, Inc.	Stone Energy
Don Hamilton	Agent	Stone Energy

1. Location of Existing Roads:

- a. The proposed well site is located approximately 14.5 miles west of La Sal, Utah.
- b. Proposed access would utilize 12.5 miles of the existing gravel/native-surfaced San Juan County maintained CR 131 and 106 (Looking Glass Rock Road to Eightmile Rock Road) from the UDOT maintained SR-191 paved-surface. Existing access then continues northeast along an existing two-track BLM road for 1.9 miles to a point where proposed access begins. (See Exhibit "A and B").
- c. A 0.2 mile re-route along entirely new disturbance is proposed across federal surface to insure avoidance of a known cultural resource within the NW/4 NE/4, Section 20, T29S, R22E, SLB&M. (see Exhibit "B").
- d. The re-route would be constructed to the same specifications as the proposed access road.
- e. The existing paved-surface SR-191 would not be upgraded or maintained. No upgrades are proposed to CR 131 or 106 but spot gravel replacement and routine blading may be required to accommodate increased traffic. The existing segments of the 1.9 miles of BLM roads would be widened to a 14' travel surface with gravel installations and routine blading completed as required to accommodate increased traffic.
- f. Turnouts would be installed as reflected within Exhibit "B" and at inter-visible locations or every 1,000' along the access road utilizing existing disturbance to the extent possible.
- g. Approximately 200' of the 1.7 miles of two-track road proposed for upgrade is located within State Section 16, T29S, R22E, SLB&M under the management of the SITLA with the balance of the existing / new road located on federal surface.
- h. The use of roads under State, San Juan County and BLM Road Department maintenance are necessary to access the wellsite.
- i. All existing roads would be maintained and kept in good repair during all phases of operation.
- j. Vehicle operators would obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- k. Signs would to be installed along the single lane segments of the existing access enforcing strict conformance with road width requirements.
- l. Use of the paved Anticline BLM Road with heavy trucks would be strictly monitored with trespass tickets issued since the last drilling effort damaged the road in many places. Signs would be placed informing truck drivers of the restriction in several areas where a short-cut to the paved road exists (Eightmile rock, west shortcut, Looking Glass road, etc.).

2. Planned Access Roads:

- a. From the existing two-track access road 0.4 miles of new disturbance is proposed trending north then east the proposed well site (see Exhibit "B"). The proposed new access road begins and terminates on SITLA surface and crosses approximately 1,000' of federal surface.
- b. A road design plan is not anticipated at this time.
- c. The proposed access road would consist of a 14' travel surface within a 30' disturbed area across BLM and SITLA surface.
- d. A maximum grade of 8% would be maintained throughout the project.
- e. One turnout is proposed since adequate site distance exists along much of the route.
- f. No low-water crossings and one culvert where the access road enters the well pad is anticipated. Adequate drainage structures would be incorporated into the road.
- g. No surfacing material would come from federal lands.
- h. One cattlegaurd / cow gate combination would be installed at the existing gate location near CR 106.
- i. Surface disturbance and vehicular travel would be limited to the approved location access road.
- j. Signs would to be installed along the single lane segments of the proposed access enforcing strict conformance with road width requirements.
- k. All access roads and surface disturbing activities would conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (Gold Book –Fourth Edition - Revised 2007).
- l. The operator would be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. There are no existing wells within a one mile radius of the proposed location.

4. Location of Existing and/or Proposed Production Facilities:

- a. All permanent structures would be painted a flat, non-reflective Beetle Green to match the standard environmental colors. All facilities would be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.

- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 would be adhered to.
- c. A gas meter run would be constructed and located on lease within 500 feet of the wellhead. Meter runs would be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery would be constructed on this lease, it would be surrounded by a dike of sufficient capacity to contain 150% of the storage capacity of the largest tank. All loading lines and valves would be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits would be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads would be maintained as necessary to prevent erosion and accommodate year-round traffic. The road would be maintained in a safe useable condition.
- g. The site would require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A pipeline corridor has been considered for this well but would be applied for once production is achieved.

5. Location and Type of Water Supply:

- a. The water supply for construction, drilling and operations would be provided under a direct purchase agreement with Charles Hardison Redd utilizing Water Right No. 05-6 (Certificate of Water Right No. 1002) through a pending temporary change application for 10 acre-feet of water. Water Right No. 1002 appropriates 2.6 cfs of water.
- b. The source of water is La Sal creek at a point N 3420 ft W 2851 from SE cor, Sec. 07, T28S, R25E, SLB&M.
- c. Approximately 5 acre-feet of water is anticipated for dust suppression, drilling and completion of the project.
- d. No water pipelines would be laid for this well.
- e. No water well would be drilled for this well.

- f. Drilling water for this would be hauled on the road(s) shown in Exhibits A and B.
- g. Should additional water sources be pursued they would be properly permitted through the State of Utah – Division of Water Rights and a federal sundry notice submitted amending this document.

6. Source of Construction Material:

- a. The use of materials would conform to 43 CFR 3610.2-3.
- b. No construction materials would be removed from BLM lands.
- c. If any gravel is used, it would be obtained from a state approved gravel pit.

7. Methods of Handling Waste:

- a. All wastes associated with this application would be contained and disposed of utilizing approved facilities.
- b. Drill cuttings would be contained and buried on site within the 60' X 60 X 10' cuttings pit.
- c. Oil mud would be stored in auxiliary tanks located on this well pad and would be an integral part of the active mud system. Cuttings would be deposited in the cuttings pit for solidification and burial or disposal. Drying shakers and centrifuges would be used in conjunction with rig equipment.
- d. The reserve pit would be located outboard of the location and along the north side of the pad.
- e. The reserve pit would be constructed so as not to leak, break, or allow any discharge.
- f. The reserve pit would be lined with 16 mil minimum thickness plastic nylon reinforced liner material. The liner would overlay a felt liner pad only if rock is encountered during excavation. The pit liner would overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner would be disposed of in the pit. Pit walls would be sloped no greater than 2:1. A minimum 2-foot freeboard would be maintained in the pit at all times during the drilling and completion operation.
- g. The reserve pit has been located in cut material. Three sides of the reserve pit would be fenced before drilling starts. The fourth side would be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production would be rehabilitated.
- h. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds would be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or

completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.

- i. Trash would be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container would be hauled off periodically to an approved Grand or San Juan County landfill.
 - j. Produced fluids from the well other than water would be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids would be cleaned up and removed.
 - k. After initial clean-up, a 400 bbl tank would be installed to contain produced waste water. This water would be transported from the tank to an approved disposal well for disposal.
 - l. Produced water from the production well would be disposed in accordance with Onshore Order #7.
 - m. Any salts and/or chemicals, which are an integral part of the drilling system, would be disposed of in the same manner as the oil mud drilling fluid.
 - n. Sanitary facilities would be on site at all times during operations. Sewage would be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Moab or Monticello Wastewater Treatment Facility in accordance with state and county regulations.
8. Ancillary Facilities:
- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
 - b. No camps, airstrips or staging areas are proposed with this application.
9. Well Site Layout: (See Exhibit B)
- a. The well would be properly identified in accordance with 43 CFR 3162.6.
 - b. Access to the well pad would be from the southwest.
 - c. The pad and road designs are consistent with BLM specifications.
 - d. A pre-construction meeting with responsible company representative, contractors and the BLM would be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road would be

construction-staked prior to this meeting.

- e. The pad has been staked at its maximum size; however it would be constructed smaller if possible, depending upon rig availability. Should the layout change, this application would be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, would be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes would be such that stability can be maintained for the life of the activity.
- h. Blasting would be required for the pit area and attempts would be made to avoid blasting of the pad area.
- i. Diversion ditches around the well site would only be constructed if necessary to prevent surface waters from entering the well site area.
- j. The site surface would be graded to drain away from the pit to avoid pit spillage during large storm events.
- k. The stockpiled topsoil (first 6 inches or maximum available) would be stored in a discontinuous windrow around the perimeter of the location and not stored in one large pile. This storage method would prevent any possible contamination and decreased spreading distance would minimize topsoil loss during future reclamation efforts. All topsoil would be stockpiled for reclamation in such a way as to prevent soil loss, sterilization and contamination.
- l. Pits would remain fenced until site cleanup.
- m. The blooie line would be located at least 100 feet from the well head.
- n. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):

- a. Site reclamation for a producing well would be accomplished for portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations would be re-contoured to the approximate natural contours.
- c. Following BLM published Best Management Practices the interim reclamation would be completed within 90 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the

area.

- a. All equipment and debris would be removed from the area proposed for interim reclamation and the pit area would be backfilled and re-contoured.
- b. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well would be re-contoured to blend with the surrounding area and reseeded at 12 lbs /acre with the following native grass seeds:

BLM Seed Mix: 12 lbs/acre

- | | |
|---|----------------|
| o Sand dropseed – <i>Sporobolus cryptandurs</i> | (3 lbs / acre) |
| o Fourwing Saltbush – <i>Atriplex canescens</i> | (3 lbs / acre) |
| o Needle and Thread Grass - | (4 lbs / acre) |
| o Indian Rice Grass – <i>Achnatherum himenoides</i> | (4 lbs / acre) |
- c. Reclaimed areas receiving incidental disturbance during the life of the producing well would be re-contoured and reseeded as soon as practical.
 - d. The Operator would control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
 - e. Prior to final abandonment of the site, all disturbed areas, including the access road, would be scarified and left with a rough surface. The site would then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix would be detailed within their approval documents.
 - f. A final abandonment notice would be submitted to BLM when the reclamation activities (as presented in this document) are complete and new vegetation is established. Should there be any deviation from these planned reclamation activities, the surface owner would be notified and a Sundry Notice would be submitted to BLM for approval of the new closure and reclamation activities.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2135.
- b. Mineral Ownership – Federal under the management of the Bureau of Land Management - Moab Field Office, 82 East Dogwood, Moab, Utah 84532; 435-259-2135.

12. Other Information:

a. Company Representatives:

Kim Overcash 303-718-9832 (office)
Stone Energy Corporation
6000 S. Lima Way
Englewood, CO 80111
overcashkj@comcast.net

Kent Davis 303-350-0409 (office)
Stone Energy Corporation
58 Toppler Drive
Castle Rock, CO 80108
davisks@stoneenergy.com

b. Company Agent

Don Hamilton 435-718-2018 (office)
Buys & Associates, Inc
2580 Creekview Road,
Moab, Utah 84532
starpoint@etv.net

c. Montgomery Archaeological Consultants has conducted a Class III archeological survey. A copy of the clearance report is pending at this time and will be submitted under separate cover in the future.

d. Biological clearance surveys were not requested at the onsite visit and not anticipated at this time.

e. An **Emissions Inventory** has been completed for this project and is attached as Exhibit "H" immediately following this plan. With respect to the development of the proposed well, the primary source of air emissions to the atmosphere would be the drill rig engines and related activity. The single well pad would be constructed using typical construction equipment and techniques and would potentially include the use of a bulldozer, front end loader and grader. Tail pipe emissions from the mobilization and operation of the construction equipment would be negligible in comparison to the emissions related to drilling operations. Fugitive dust emissions would occur as a result of construction activities; however the magnitude of these emissions would be highly dependent upon the time of the year the construction activity occurred, and the frequency of precipitation events or snow cover. If necessary, fugitive dust would be controlled with the application of fresh water. Given the exploratory nature of the proposed well, emissions related to completion and production operations are very speculative.

Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exists; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein would be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under Stone Energy Corporation's BLM bond (RLB0005762). These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

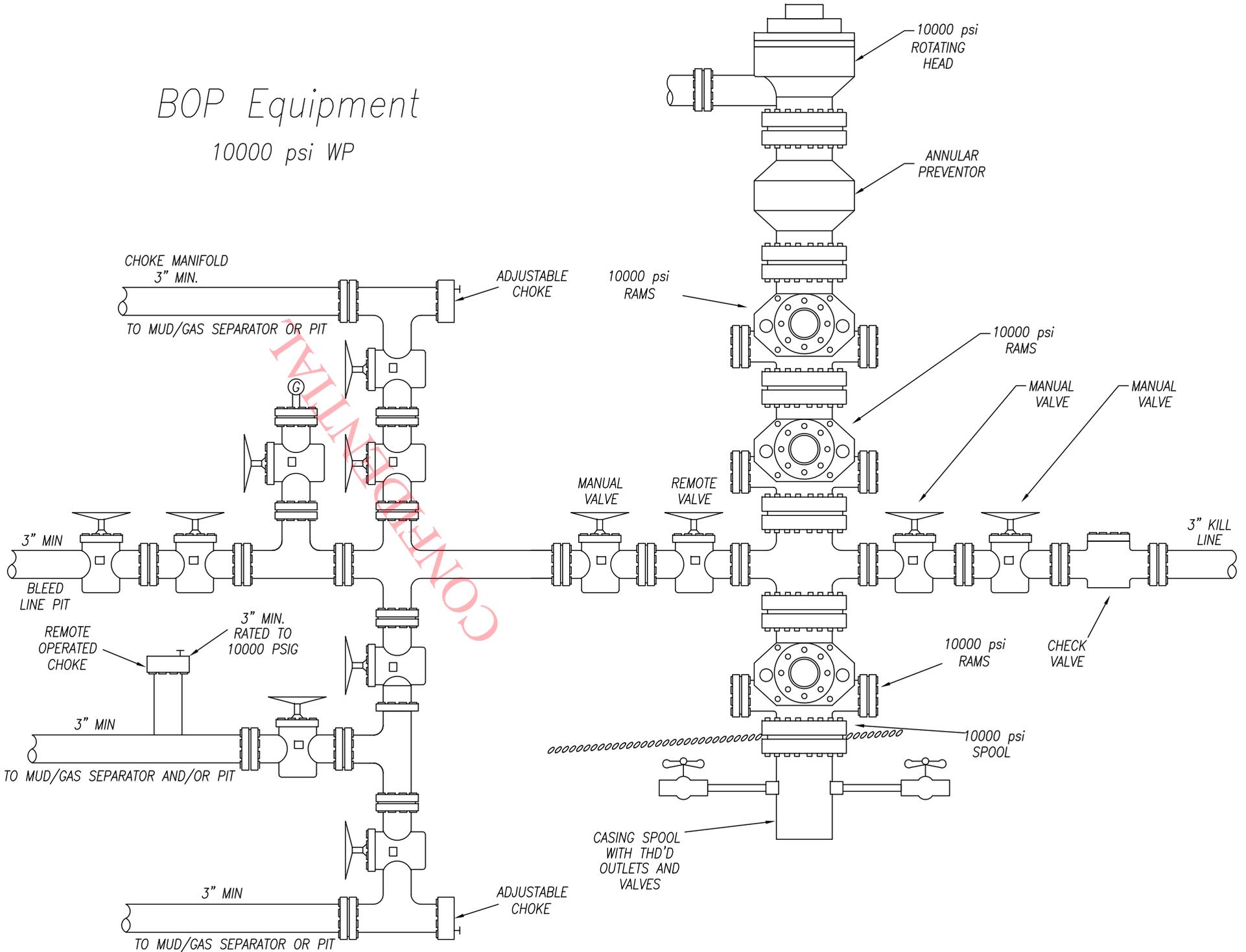
Executed this 25th day of June, 2010.

Don Hamilton - Agent
Buys & Associates, Inc
2580 Creekview Road,
Moab, Utah 84532
starpoint@etv.net

435-719-2018 (office)

BOP Equipment

10000 psi WP



'APIWellNo:43037500030000'

EXHIBIT "F"



2580 Creekview Road
Moab, Utah 84532
435/719-2018

July 15, 2010

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Stone Energy Corporation – **Threemile 16-17**
Surface Location: 2,319 FSL & 843' FWL, NW/4 SW/4, Section 16,
West Lateral Target Location: 2,320' FSL & 2,239' FEL, NW/4 SE/4, Section 17,
Southwest Lateral Target Location: 541' FNL & 2,600 FWL, NE/4 NW/4, Section 20,
T29S, R22E, SLB&M, San Juan County, Utah

Dear Diana:

Stone Energy Corporation (Stone) respectfully submits this request for exception to spacing based on topography. The proposed surface location, lateral target locations and all points along the intended wellbore paths are within 460' of the Threemile Unit boundary. Stone Energy Corporation is the designated Agent of Whiting Oil and Gas Corporation (Whiting) for the drilling of the Threemile Unit 16-17 well. Stone is also a signatory to an Exploration Agreement with Whiting Oil and Gas Corporation dated effective 3/4/10, whereby Whiting has granted Stone the right to drill and earn a portion of Whiting's leasehold within Threemile Unit. All such operations are governed by the Exploration Agreement and the Threemile Unit Operating Agreement dated 1/16/07. All working interest owners within the spacing unit have joined the Threemile Unit Operating Agreement.

Thank you very much for your timely consideration of this application. Please feel free to contact me at 435-719-2018 if you have any questions or need additional information.

Sincerely,


Don Hamilton
Agent for Stone Energy Corporation

cc: Kent Davis, Stone Energy Corporation

T29S, R22E, S.L.B.&M.

STONE ENERGY CORPORATION

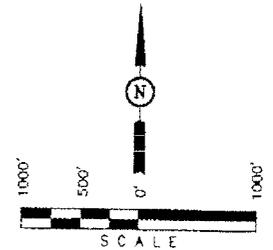
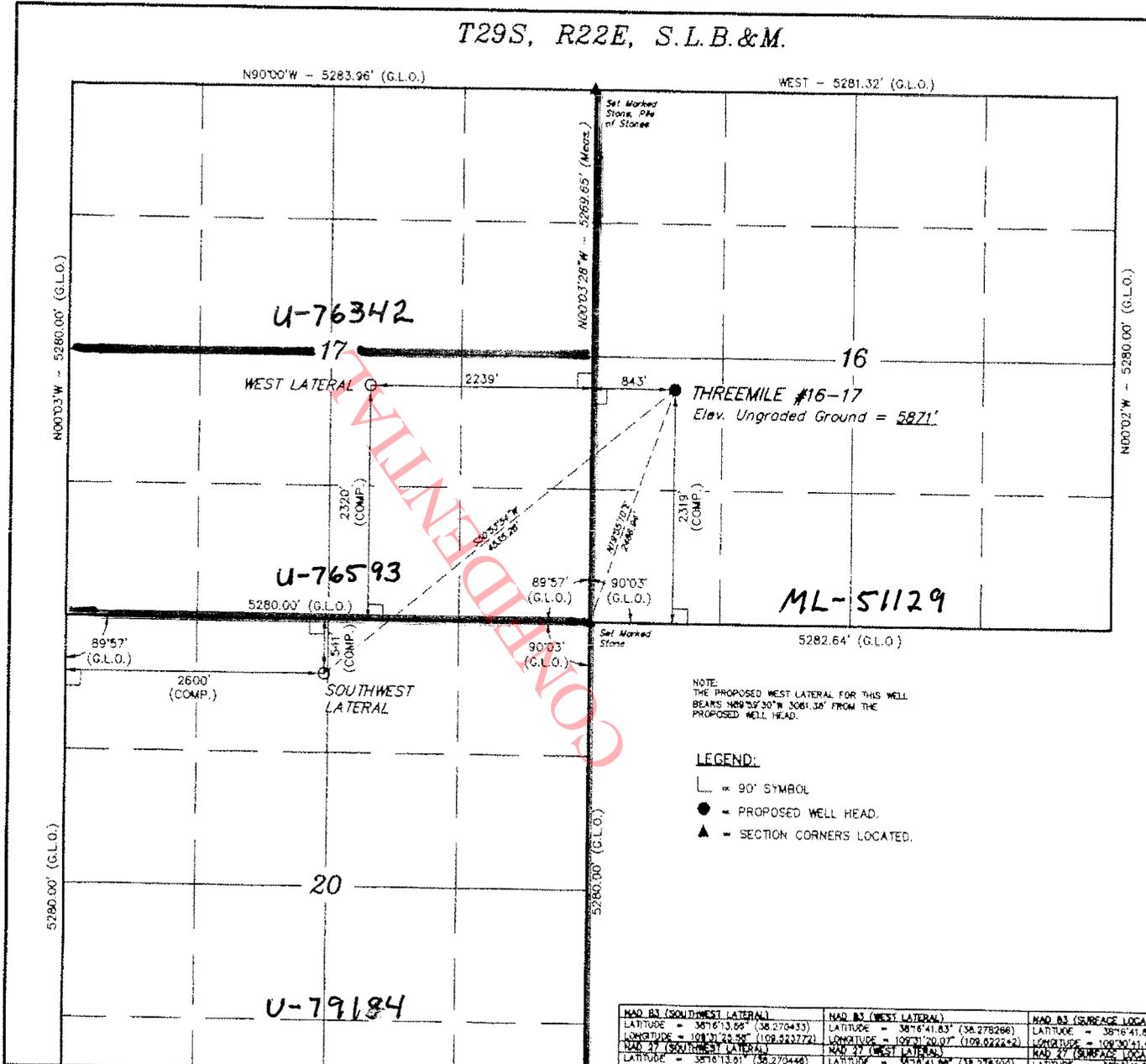
Well location, THREEMILE #16-17, located as shown in the NW 1/4 SW 1/4 of Section 16, T29S, R22E, S.L.B.&M., San Juan County, Utah.

BASIS OF ELEVATION

EIGHTMILE ROCK TRIANGULATION STATION LOCATED IN THE SW 1/4 OF SECTION 13, T29S, R21E, S.L.B.&M. TAKEN FROM THE EIGHTMILE ROCK, QUADRANGLE, UTAH, SAN JUAN COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6416 FEET.

BASIS OF BEARINGS

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



NOTE:
THE PROPOSED WEST LATERAL FOR THIS WELL
BEARS N89°30'30"W 3061.38' FROM THE
PROPOSED WELL HEAD.

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

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND CORRECT COPY OF THE ORIGINAL FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 481314
STATE OF UTAH

Revised: 08-22-10

UTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 05-12-10	DATE DRAWN: 05-13-10
PARTY T.A. J.J. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE STONE ENERGY CORPORATION	

WAD 03 (SOUTHWEST LATERAL) LATITUDE = 387613.65' (38.370433) LONGITUDE = 1013123.58' (101.523772)	WAD 04 (WEST LATERAL) LATITUDE = 387641.83' (38.278286) LONGITUDE = 1027170.07' (102.822252)	WAD 05 (SURFACE LOCATION) LATITUDE = 387641.81' (38.278281) LONGITUDE = 10230711.44' (102.511211)
WAD 07 (SOUTHWEST LATERAL) LATITUDE = 387613.61' (38.270444) LONGITUDE = 1023123.10' (102.523100)	WAD 08 (WEST LATERAL) LATITUDE = 387641.80' (38.278300) LONGITUDE = 1027171.05' (102.822282)	WAD 09 (SURFACE LOCATION) LATITUDE = 387641.80' (38.278294) LONGITUDE = 1023070.02' (102.510931)

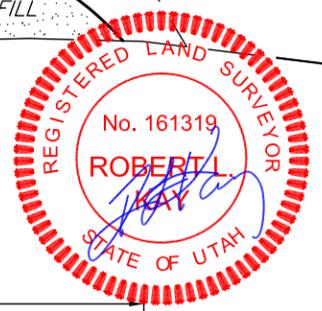
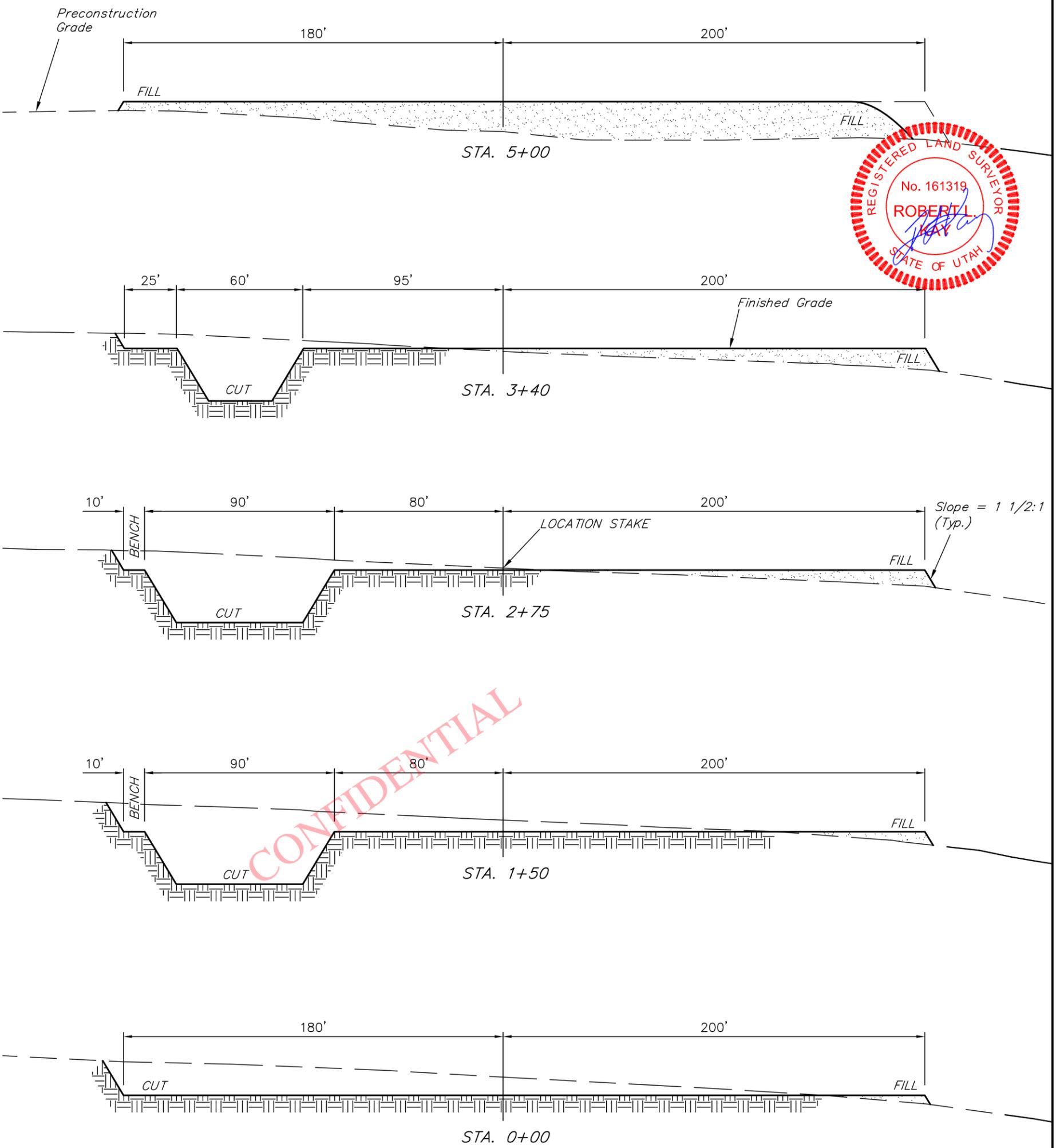
APIWellNo: 43037500030000

STONE ENERGY CORPORATION
 TYPICAL CROSS SECTION FOR
 THREEMILE #16-17
 SECTION 16, T29S, R22E, S.L.B.&M.
 2319' FSL 843' FWL

FIGURE #2

X-Section Scale
 1" = 20'
 1" = 50'

DATE: 06-18-10
 DRAWN BY: C.H.
 REV: 07-19-10



CONFIDENTIAL

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

APPROXIMATE ACREAGES
 WELL SITE DISTURBANCE = ± 5.153 ACRES
 ACCESS ROAD DISTURBANCE = ± 1.321 ACRES
 TOTAL = ± 6.474 ACRES

* NOTE:
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

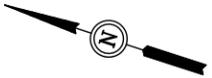
(6") Topsoil Stripping	=	3,800	Cu. Yds.
Remaining Location	=	15,020	Cu. Yds.
TOTAL CUT	=	18,820	CU.YDS.
FILL	=	10,480	CU.YDS.

EXCESS MATERIAL	=	8,340	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	6,910	Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	1,480	Cu. Yds.

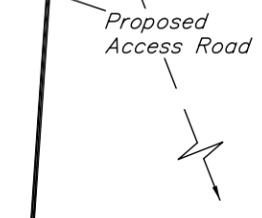
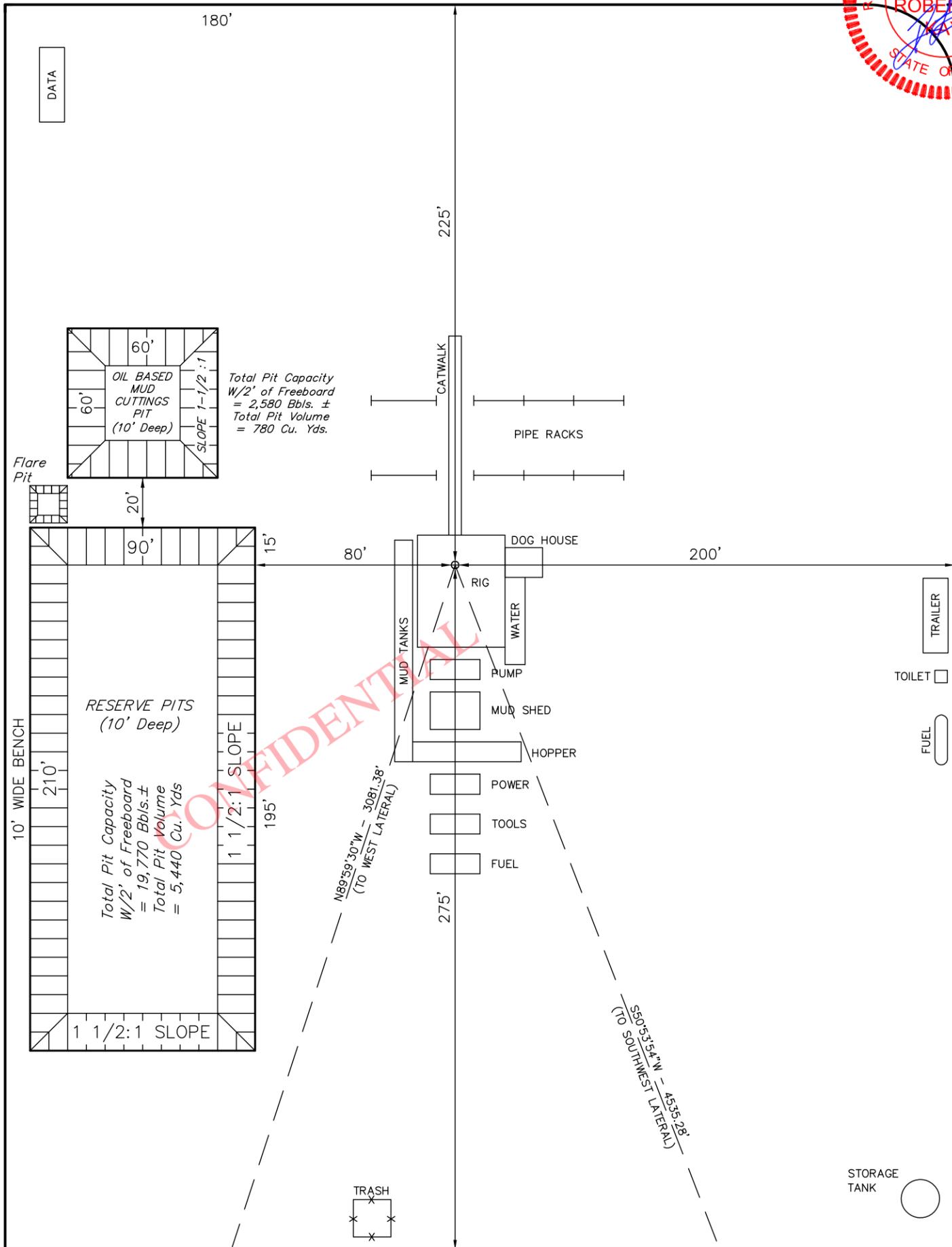
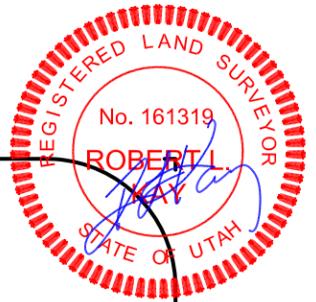
STONE ENERGY CORPORATION
 TYPICAL RIG LAYOUT FOR
 THREEMILE #16-17
 SECTION 16, T29S, R22E, S.L.B.&M.
 2319' FSL 843' FWL

FIGURE #3

SCALE: 1" = 50'
 DATE: 06-18-10
 DRAWN BY: C.H.
 REV: 07-19-10



NOTE:
 Flare Pit is to
 be located a min.
 of 100' from the
 Well Head.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

Bureau of Land Management

CONFIDENTIAL

IN REPLY REFER TO:

3160

(UT-922)

July 26, 2010

Memorandum

To: Assistant Field Office Manager Resources, Moab District

From: Michael Coulthard, Petroleum Engineer

Subject: 2010 Plan of Development Threemile 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 is planned for calendar year 2010 within the Threemile Unit, San Juan County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Cane Creek)

43-037-50003	Threemile 16-17 Sec 16 T29S R22E 2319 FSL 0843 FWL
	Lateral 1 Sec 17 T29S R22E 2320 FSL 2239 FEL
	Lateral 2 Sec 20 T29S R22E 0541 FNL 2600 FWL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:7-26-10

Designation of Agent

(Submit in triplicate)

The undersigned is, on the records of the Bureau of Land Management, Unit Operator under the Threemile Unit Agreement, San Juan County, Utah, No. UTU-84722X , approved and effective on 3/4/2010 and hereby designates:

Name: Stone Energy Corporation
Address: 625 E. Kaliste Saloom Road
Lafayette, LA 70508

as its agent, with full authority to act on its behalf in complying with the terms of this unit agreement and regulations applicable thereto and on whom the Authorized Officer or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing, and completing Threemile Unit Well No. 16-17 in the NE1/4SW1/4, Sec. 16, T.29S, R.22E, San Juan County, Utah. Bond coverage will be provided under Nationwide Bond No. RLB0005762.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

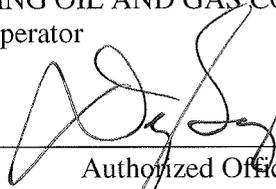
The Unit Operator agrees to promptly notify the Authorized Officer of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement. A designated agent may not designate another party as agent.

This Designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this Designation of Agent is limited to the field operations performed while drilling and completing the specified well and does not include administrative actions requiring specific authorization of the Unit Operator. This designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Bureau of Land Management all reports and a Well Completion Report and Log (Form 3160-4) as required by the approved Application for Permit to Drill for the specified well.

In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well for and submittal of the form to the appropriate office of the Authorized Officer.

WHITING OIL AND GAS CORPORATION
Unit Operator

By: 
Authorized Officer

David M. Seery
Vice President - Land

5-20-2010
APPROVED - EFFECTIVE JUN 4 2010

CHIEF, BRANCH OF MINERALS
BUREAU OF LAND MANAGEMENT

Bureau of Land Management

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL

1. WELL NAME and NUMBER
Threemile 16-17

2. TYPE OF WORK

DRILL NEW WELL REENTER P&A WELL DEEPEN WELL 3. FIELD OR WILDCAT
HATCH POINT

4. TYPE OF WELL

Oil Well Coalbed Methane Well: NO

5. UNIT or COMMUNITIZATION AGREEMENT NAME
THREEMILE

6. NAME OF OPERATOR

STONE ENERGY CORPORATION

7. OPERATOR PHONE
337 237-0410

8. ADDRESS OF OPERATOR

625 East Kaliste Saloom Rd, Lafayette, LA, 70508

9. OPERATOR E-MAIL
WenzelJF@StoneEnergy.com10. MINERAL LEASE NUMBER
(FEDERAL, INDIAN, OR STATE)

UTU-76593 (west) UTU

11. MINERAL OWNERSHIP

FEDERAL INDIAN STATE FEE

12. SURFACE OWNERSHIP

FEDERAL INDIAN STATE FEE

13. NAME OF SURFACE OWNER (if box 12 = 'fee')

14. SURFACE OWNER PHONE (if box 12 = 'fee')

15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')

16. SURFACE OWNER E-MAIL (if box 12 = 'fee')

17. INDIAN ALLOTTEE OR TRIBE NAME
(if box 12 = 'INDIAN')18. INTEND TO COMMINGLE PRODUCTION FROM
MULTIPLE FORMATIONSYES (Submit Commingling Application) NO

19. SLANT

VERTICAL DIRECTIONAL HORIZONTAL

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
Top of Uppermost Producing Zone	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
At Total Depth	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S

21. COUNTY

SAN JUAN

22. DISTANCE TO NEAREST LEASE LINE (Feet)

843

23. NUMBER OF ACRES IN DRILLING UNIT

40

25. DISTANCE TO NEAREST WELL IN SAME POOL
(Applied For Drilling or Completed)

0

26. PROPOSED DEPTH

MD: 7900 TVD: 7900

27. ELEVATION - GROUND LEVEL

5871

28. BOND NUMBER

RLB0005762

29. SOURCE OF DRILLING WATER /
WATER RIGHTS APPROVAL NUMBER IF APPLICABLE
05-6 (Charles Hardison Redd)

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade&Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	17.5	13.375	0-1690	54.5	J-55 ST&C	9.5	CBM Lite	300	4.2	10.5
							Type V	700	1.16	15.8
I1	12.25	9.625	0-5180	40.0	HCN-80 LT&C	9.5	Premium Foamed	700	2.16	14.35
							Premium Foamed	400	2.16	14.35
I2	8.75	7	0-7780	32.0	HCN-80 LT&C	16.5	Premium AG300	500	1.49	16.8

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORCANCE 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 type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input checked="" type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER	
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP	
NAME Don Hamilton	TITLE Agent	PHONE 435 719-2018
SIGNATURE	DATE 07/26/2010	EMAIL starpoint@etv.net
API NUMBER ASSIGNED 43037500030000		APPROVAL

LOCATION OF LATERAL NUMBER1	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth:7137	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
Top of Uppermost Producing Zone	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
At Total Depth	2320 FSL 2239 FEL	NWSE	17	29.0 S	22.0 E	S
COUNTY SAN JUAN		DISTANCE TO NEAREST LEASE LINE (Feet) 843				
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 0		PROPOSED DEPTH MD: 10545 TVD: 7640				

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade&Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
L1	6	4.5	0-10545	13.5	P-110 LT&C	16.5	None	0	0.0	0.0

LOCATION OF LATERAL NUMBER2	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth:8050	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
Top of Uppermost Producing Zone	2319 FSL 843 FWL	NWSW	16	29.0 S	22.0 E	S
At Total Depth	541 FNL 2600 FWL	NENW	20	29.0 S	22.0 E	S
COUNTY SAN JUAN		DISTANCE TO NEAREST LEASE LINE (Feet) 843				
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 0		PROPOSED DEPTH MD: 12190 TVD: 7700				

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade&Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
L1	6	4.5	0-12190	13.5	P-110 LT&C	16.5	None	0	0.0	0.0

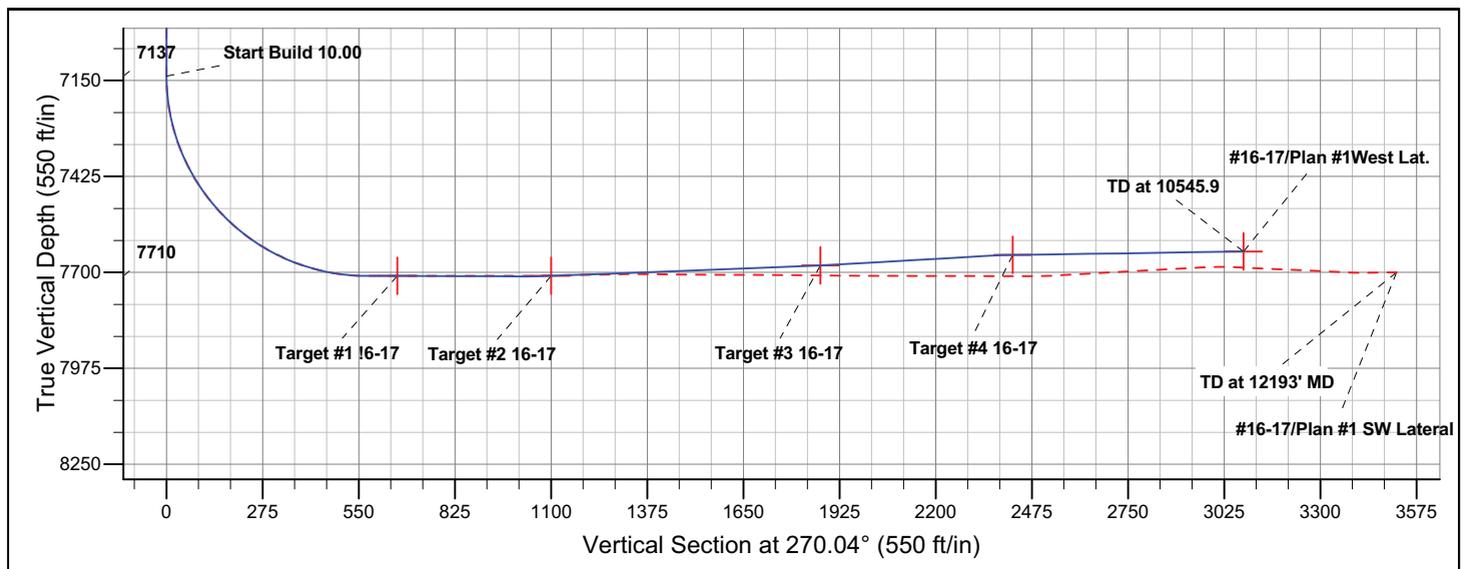
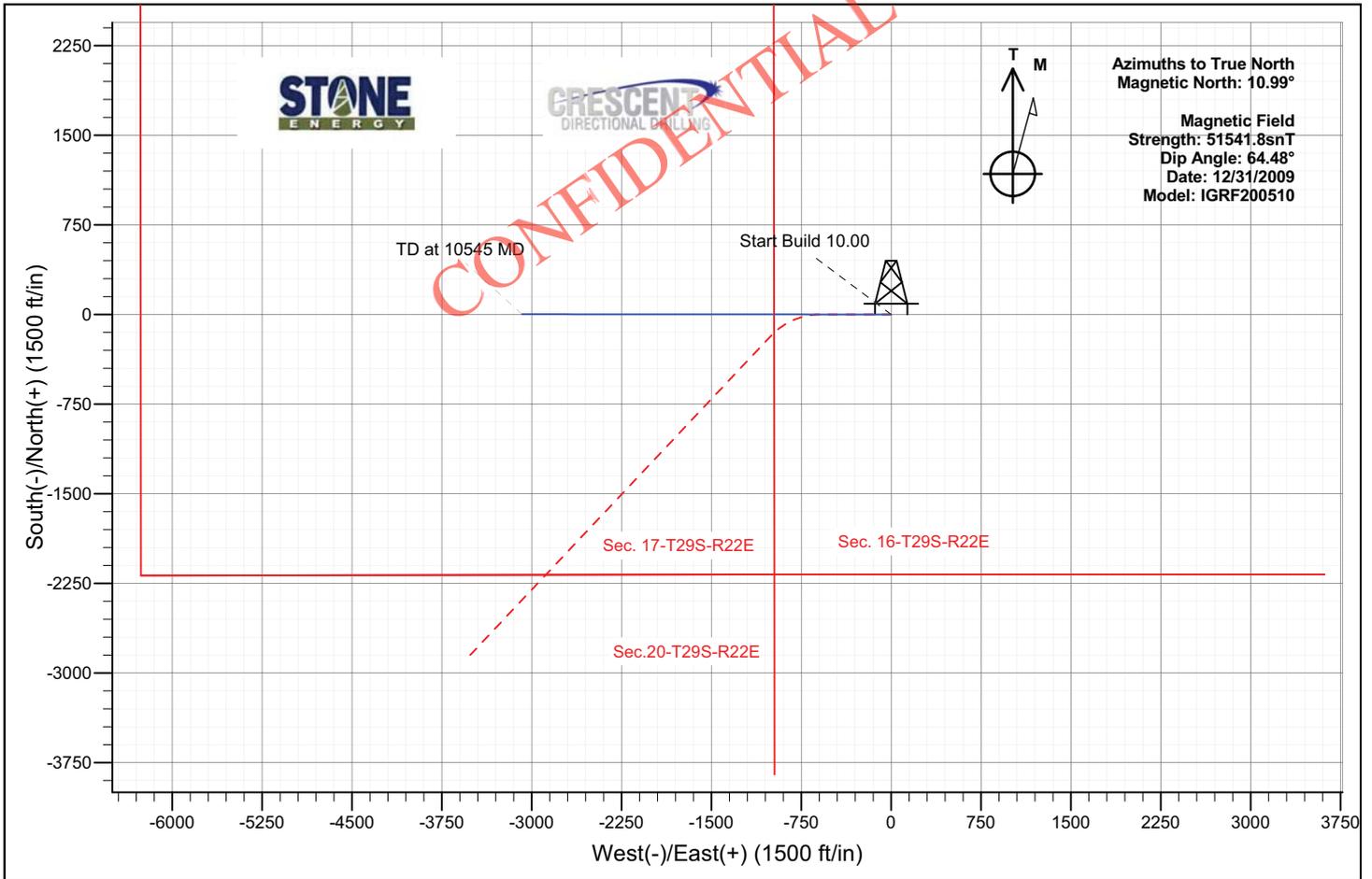
**Stone Energy
Wellbore #1 West Lateral**

San Juan Co., Utah
Three Mile
#16-17
Latitude 38° 16' 41.858 N
Longitude 109° 30' 39.020 W
WELL @ 5903.0ft (RKB Elev. (est.))
Ground Level 5873.0
Utah South 4303
NAD 1927 (NADCON CONUS)
Magnetic North is 10.99° East of True North (Magnetic Declination)

**Bureau of Land Management
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SECTION DETAILS WEST LATERAL

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	7137.0	0.00	0.00	7137.0	0.0	0.0	0.00	0.00	0.0	
3	8037.0	90.00	270.04	7710.0	0.4	-573.0	10.00	270.04	573.0	
4	8124.1	90.00	270.04	7710.0	0.5	-660.0	0.00	0.00	660.0	Target #1 16-17
5	8131.8	89.77	270.04	7710.0	0.5	-667.7	3.00	180.00	667.7	
6	8482.0	89.77	270.04	7711.4	0.7	-1017.9	0.00	0.00	1017.9	
7	8564.1	92.23	270.04	7710.0	0.8	-1100.0	3.00	0.00	1100.0	Target #2 16-17
8	8564.7	92.21	270.04	7710.0	0.8	-1100.6	3.00	180.00	1100.6	
9	9304.4	92.21	270.04	7681.4	1.3	-1839.7	0.00	0.00	1839.7	
10	9334.7	93.12	270.04	7680.0	1.3	-1870.0	3.00	0.00	1870.0	Target #3 16-17
11	9340.7	93.30	270.04	7679.7	1.3	-1876.0	3.00	-0.47	1876.0	
12	9804.4	93.30	270.04	7653.0	1.6	-2338.9	0.00	0.00	2338.9	
13	9885.5	90.87	270.06	7650.0	1.7	-2420.0	3.00	179.53	2420.0	Target #4 16-17
14	10545.9	90.87	270.06	7640.0	2.4	-3080.3	0.00	0.00	3080.3	PBHL TM #16-17



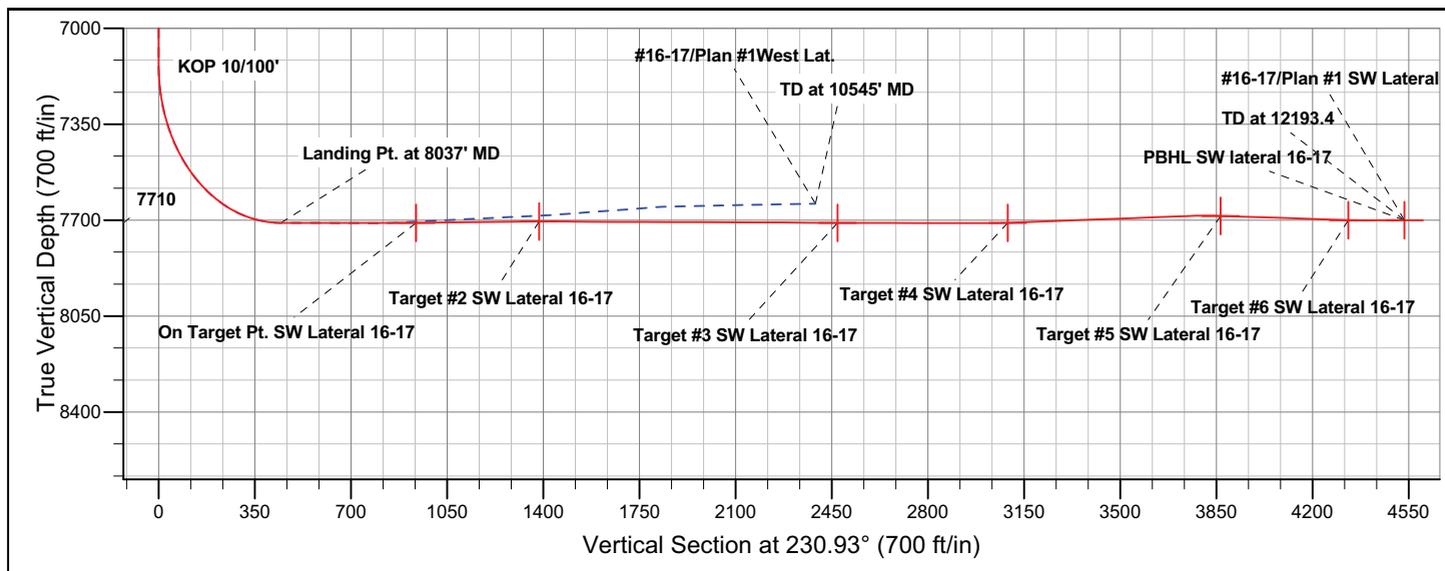
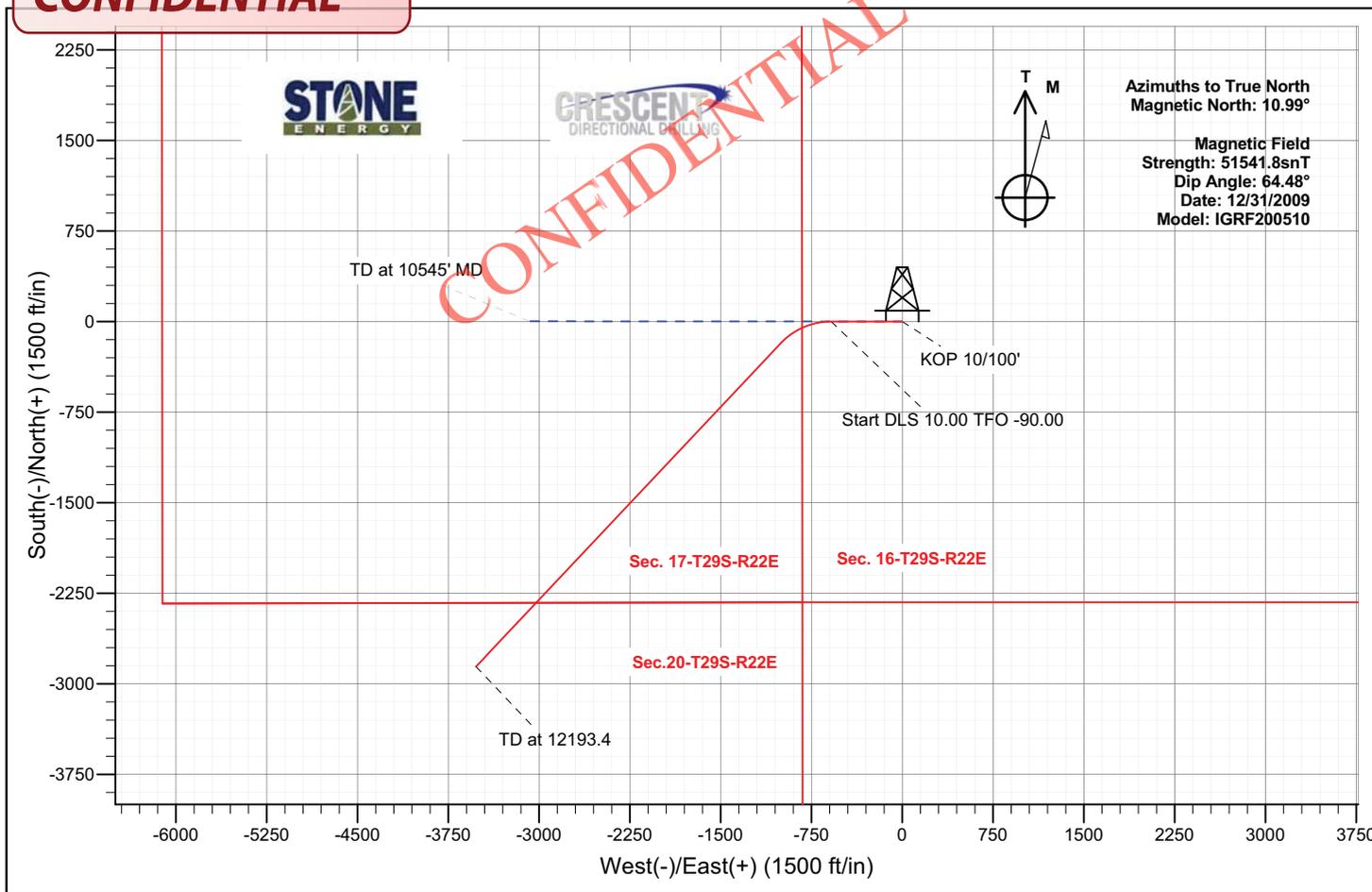
SECTION DETAILS SW LATERAL

Stone Energy
Wellbore #1 SW Lateral

San Juan Co., Utah
Three Mile
#16-17
Latitude 38° 16' 41.858 N
Longitude 109° 30' 39.020 W
WELL @ 5903.0ft (RKB Elev. (est.))
Ground Level 5873.0
Utah South 4303
NAD 1927 (NADCON CONUS)
Magnetic North is 10.99° East of True North (Magnetic Declination)

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	8050.0	90.00	270.04	7710.0	0.4	-585.9	0.00	0.00	454.6	
2	8518.2	90.00	223.22	7710.0	-180.2	-1003.8	10.00	-90.00	892.9	PBHL SW lateral 16-17
3	8538.7	90.61	223.22	7709.9	-195.1	-1017.9	3.00	0.00	913.2	
4	8986.0	90.61	223.22	7705.1	-521.0	-1324.2	0.00	0.00	1356.5	
5	9015.2	89.74	223.22	7705.0	-542.3	-1344.2	3.00	180.00	1385.4	Target #2 SW Lateral 16-17
6	9015.2	89.74	223.22	7705.0	-542.4	-1344.2	3.00	180.00	1385.4	
7	10101.5	89.74	223.22	7710.0	-1333.9	-2088.1	0.00	0.00	2461.8	
8	810110.2	90.00	223.22	7710.0	-1340.3	-2094.1	3.00	0.00	2470.5	Target #3 SW Lateral 16-17
9	910113.5	89.90	223.22	7710.0	-1342.7	-2096.4	3.00	-180.00	2473.8	
10	1010671.0	89.90	223.22	7711.0	-1748.9	-2478.1	0.00	0.00	3026.2	
11	1110735.3	91.83	223.22	7710.0	-1795.8	-2522.2	3.00	0.00	3090.0	Target #4 SW Lateral 16-17
12	1210746.8	92.18	223.22	7709.6	-1804.1	-2530.0	3.00	0.00	3101.3	
13	1311384.4	92.18	223.22	7685.4	-2268.4	-2966.3	0.00	0.00	3732.7	
14	1411517.9	88.17	223.22	7685.0	-2365.7	-3057.8	3.00	180.00	3865.0	Target #5 SW Lateral 16-17
15	1511987.4	88.17	223.22	7700.0	-2707.6	-3379.1	0.00	0.00	4330.0	Target #6 SW Lateral 16-17
16	1612061.8	90.40	223.22	7700.9	-2761.8	-3430.0	3.00	0.00	4403.7	PBHL SW lateral 16-17
17	1712193.4	90.40	223.22	7700.0	-2857.7	-3520.2	0.00	0.00	4534.2	PBHL SW lateral 16-17

Bureau of Land Management
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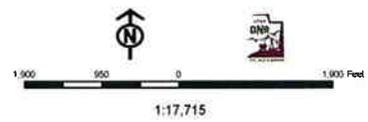
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API Number: 4303750003
Well Name: Threemile 16-17
Township 29.0 S Range 22.0 E Section 16
Meridian: SLBM
Operator: STONE ENERGY CORPORATION

Map Prepared:
 Map Produced by Diana Mason

- | | |
|-----------------------------|------------------------------------|
| Units | Wells Query |
| STATUS | X - all other values |
| EXPLORATORY | APD - Approved Permit |
| GAS STORAGE | DCL - Spudded (Drilling Commenced) |
| NP PP OIL | GW - Gas Injection |
| NP SECONDARY | GS - Gas Storage |
| PP OIL | LA - Location Abandoned |
| PP GAS | LCC - New Location |
| PP GEOTHERM | OPS - Operation Suspended |
| PP OIL | PA - Plugged Abandoned |
| SECONDARY | PSW - Producing Gas Well |
| TERMINATED | RET - Returned APD |
| Fields | SOW - Shut-in Gas Well |
| Section | SOW - Shut-in Oil Well |
| Township | TA - Temp Abandoned |
| Bottom Hole Location - AGRC | TW - Test Well |
| | WOW - Water Disposal |
| | WW - Water Injection Well |
| | WSW - Water Supply Well |





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Utah Division of Water Rights



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Please direct questions and comments regarding the map server to: leeschler@utah.gov.

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From: Jim Davis
To: Bonner, Ed; Hamilton, Don; Hill, Brad; Mason, Diana
CC: Curry, Kristine; Garrison, LaVonne
Date: 10/7/2010 11:40 AM
Subject: Well approval- Stone Energy

The APD for the Threemile 16-17 (4303750003) has been approved by SITLA. This approval includes paleo clearance and arch clearance with the following arch stipulation:

For Threemile 16-17 [API #4303750003] (U-10-MQ-0370b,s), there are two significant sites - 42Sa26943, located in the access, and 42Sa28748, located at the northern edge of the proposed well pad. Judging from the APD, it looks as if Stone Energy is planning on re-routing the road around the first site, which will avoid it. If both sites are avoided, then the well can be considered cleared for cultural resources.

Don, if Stone Energy needs any more information about this stipulation, the precise areas where construction must be avoided etc. please contact Kristine Curry at (801) 538-5181 or e-mail her at kristinecurry@utah.gov .

Thanks.

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator STONE ENERGY CORPORATION
Well Name Threemile 16-17
API Number 43037500030000 **APD No** 2812 **Field/Unit** WILDCAT
Location: 1/4,1/4 NWSW **Sec** 16 **Tw** 29.0S **Rng** 22.0E 2319 FSL 843 FWL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Nicole Nielson-Division of Wildlife Resources (DWR), Chris Fausett-Trust Lands Administration (SITLA), Don Hamilton-Buys and Associates, Inc, Charlie Harrison-Harrison Oil Field Services

Regional/Local Setting & Topography

Proposed project site is located ~19 miles south of Moab Utah, in San Juan County Utah. On a regional setting the proposed project is located in the Canyonlands Region of the Colorado Plateau. The Canyonlands Region is renowned for its red rock canyons and spectacular views. Tourism is a growing industry in the region. In close proximity to the proposed project site, Aches National Park and Canyonlands National Park are popular destinations along with the community of Moab Utah. On a local scale the proposed project site is located on Hatch Point. Local points of interest include Wilson Arch, Looking Glass Rock, Wind Whistle Rock, Needles Overlook and Anticline Overlook. Topography on Hatch Point is typical of the Canyonlands Region: a series of large sandy mesa's abruptly falling off into steep canyons comprised of alternating layers of sandstone and shale. Climatic conditions within the region are arid, and vegetation is typically sparse. The proposed project site is located near mid slop of a finger mesa adjacent to Threemile Creek in a 12-14" precept zone. Soils are dominated by Eolian deposits and are predominantly unstable sands and sandy loams. Vegetation would be described as mixed Pinion/Juniper woodlands and Wyoming Sage/Blue grama grass communities. Water drainage is to the east, entering Hatch Wash within 2 miles and the Colorado River within 26 miles. No perennial water sources where observed in close proximity to the project site.

Surface Use Plan

Current Surface Use

Grazing
 Recreational
 Wildlife Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.1	Width 380 Length 500		NAVA

Ancillary Facilities

Mobile trailers for company personal, rig crews, mud engineer, geologist and directional drilling hands.

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Flora

Grass: Blue grama grass, sand dropseed, curly galleta, Indian rice grass, needle and thread grass

Forbs: Purslane, annual wire lettuce, sunflower spp, Indian blanket, apricot globe mallow, prime rose spp, aster spp.

Shrubs: Wyoming sage, broom snakeweed, four wing salt brush, winter fat

Fauna: Antelope, wintering mule deer, mountain lion, bobcat, rig tailed cat, coyote, kit fox, gray fox.

Seasonal use by migrating birds such as sage sparrow, cassin finch, house finch, pinion jay, white crowned sparrow, gray crowned rosy finch, blue gray knat catcher, Bewick's wren, black throated sparrow, black capped chickadee, Brewers sparrow, bushtit, western kingbird, chipping sparrow, common nighthawk, Coppers hawk, sharp shin hawk, red tailed hawk, ruff legged hawk, golden eagle, turkey vulture, Downey wood pecker, juniper titmouse, northern shrike, mountain bluebird, mourning dove, pine siskin, sage thrasher, western blue bird, and western meadow lark. . Host of small rodents and reptiles possible such as: Black tailed rabbit, cottontail rabbit, woodrat spp, kangaroo rat spp., deer mouse, pinion mouse, rock squirrel, spotted skunk, and antelope squirrel.

Soil Type and Characteristics

Ignacio-Leanto fine sandy loams. Fine grained orange sands and sandy loams.

Erosion Issues Y

Soils prone to wind erosion. Interim seeding to be completed on top soil piles and well pad first winter following construction.

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? Y

Access road, well pad, and topsoil pile require seeding the first winter following construction. Seed mixture: Blue flax .5 lb, four wing salt brush 1 lb, blue grama 1 lb acre, winterfat 1 lb, needle & thread, 1.5 lb, Indian ricegrass

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources? Y

Reserve Pit

Site-Specific Factors	Site Ranking
Distance to Groundwater (feet)	20
Distance to Surface Water (feet)	>1000 0
Dist. Nearest Municipal Well (ft)	>5280 0
Distance to Other Wells (feet)	>1320 0
Native Soil Type	High permeability 20
Fluid Type	Oil Base Mud Fluid 15
Drill Cuttings	Salt or Detrimental 10
Annual Precipitation (inches)	10 to 20 5
Affected Populations	

Presence Nearby Utility Conduits	Not Present	0	
	Final Score	70	1 Sensitivity Level

Characteristics / Requirements

Proposed drilling system includes the use of an oil based mud drilling system to stabilize hole through Paradox salt zones. As such a 210' x 90' x 10' reserve pit is being proposed along with a 60' x 60' x 10' cutting pit. Proposed drilling program includes a 7780' vertical hole followed by two laterals of 4550' & 3200'. Duration to complete drilling program is anticipated to exceed 120 days. Reserve pits at sites with comparable drilling programs have had TDS in excess of 50,000 mg/l.

Surface formations are members of the Glen Canyon group and are capable of containing fresh water aquifers. Permeability of soils and underlying sandstones is medium to high. Pit liner of 30 mils with bedding of sand or felt will be required to protect potential fresh water aquifers.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 30 Pit Underlayment Required? Y

Other Observations / Comments

Proposed project is within the Threemile unit. As such well is proposed on SITLA surface in section 16 with a vertical hole of 7780'. Two horizontal legs will be drilled into Federal sections: a 4450' lateral into section 20 and a 3200' lateral into section 17. Drilling program is expected to exceed 120 days. The Moab BLM office will complete an EA as part of NEPA requirements for Federal action on access and drilling of the horizontal laterals into Federal minerals. SITLA and DOGM will maintain jurisdiction over actions on Trust Lands surface.

A second well could be drilled at the site as a test hole for Potash. Details are not available at the time of on-site evaluation as an official proposal hasn't been submitted. Likely potash zones are below 7000' and anticipated drilling lengths of 45 days are expected.

Access road is proposed as a 14' running surface with turnouts. Minimal construction will be completed until well is deemed capable of commercial production. Pit run will be placed at wash crossing and portions of road requiring maintenance during drilling operations. Road has been re-routed at wash crossing to avoid potential conflicts with cultural sites.

DWR classifies proposed project site as antelope fawning habitat. Recommendations for no activity April 15 th-June 15 th. Raptor inventory has been completed on portions of Federal surface, limited potential for raptor nesting was observed on SITLA surface at on-site evaluation.

DOGM noted significant concerns regarding reserve/cuttings pit lining, management and reclamation. Pit contents in excess of 50,000 mg/l are anticipated, as such additional stipulations and precautions will be required. Top 6-12" of top soils should be saved and stockpile on the east and west sides of the well pad. All disturbed soils shall be seeded the first winter following disturbance.

Bart Kettle
Evaluator

9/1/2010
Date / Time

Application for Permit to Drill Statement of Basis

10/7/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2812	43037500030000	LOCKED	OW	S	No
Operator	STONE ENERGY CORPORATION		Surface Owner-APD		
Well Name	Threemile 16-17		Unit	THREEMILE	
Field	WILDCAT		Type of Work	DRILL	
Location	NWSW 16 29S 22E S 2319 FSL 843 FWL	GPS Coord (UTM)	630256E	4237531N	

Geologic Statement of Basis

This location is situated on very permeable soil formed on Quaternary eolian deposits covering the Jurassic/Trassic age Glen Canyon Group (Navajo Sandstone). No underground water rights have been filed within a mile of this location. The subject well will use a benign water based mud system to 1,690' (into Moenkopi Formation). Surface pipe will likely be set into the Moenkopi Formation. The proposed surface casing and cementing program should adequately isolate any zones of fresh water that may be penetrated.

Chris Kierst
APD Evaluator

9/16/2010
Date / Time

Surface Statement of Basis

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Nicole Nielson-Division of Wildlife Resources (DWR), Chris Fausett-Trust Lands Administration (SITLA), Don Hamilton-Buys and Associates, Inc, Charlie Harrison-Harrison Oil Field Services, David Skinner-Moab BLM. Invited and choosing not to attend: Liz Thomas-Southern Utah Wilderness Alliance.

Proposed project is located in an environmentally controversial location. Several large environmental organizations maintain operations less than 45 minutes from project site in Moab Utah. National Parks, slick rock trails, river rafting and scenic views attract thousands of tourists to the region annually. Due to recent awareness of mineral exploration in the area it is reasonable to expect scrutiny of drilling operations for proposed project. Operator instructed to monitor drilling operations and ROW activity closely. Problems should be addressed immediately to prevent additional scrutiny of future operations.

Moab BLM will complete EA to satisfy requirements of NEPA for federal actions associated with access road and drilling of horizontal laterals into Federal minerals. SITLA will maintain jurisdiction over activity on Trust Lands Administration surface.

DWR recommending season closure for antelope fawning of April 15th to June 15th.

DOGM requiring additional precautions for reserve pit and cuttings pits proposed to contain oil based drilling medium and salt cuttings. Slopes of pit walls should not exceed 2:1. Pits shall be lined as determined by site evaluation ranking. The geomembrane shall consist of 30 mil string reinforced LDPE or equivalent liner. The geomembrane liner should be composed of an impervious synthetic material resistant to hydrocarbons, salts and alkaline solutions. Blasting is anticipated for reserve pit, fractured rock should be properly bedded with sand and a felt liner. Liner edges should be secured. Liner should be protected from fluid force or mechanical damage at points of discharge or suction.

Due to anticipated prolonged drilling operations precautions should be taken to prevent punctures from drilling related activities. Weekly inspection of liner should be conducted. Surface water runoff should not be allowed to enter pits.

Application for Permit to Drill Statement of Basis

10/7/2010

Utah Division of Oil, Gas and Mining

Page 2

While drilling three sides of pits should be fenced. Fencing should include reinforced corner braces, 42" woven net wire on the bottom and two strands of barbed wire on top spaced at 6" apart. Following completion of drilling activities pits will require fencing on the fourth side, removal of free standing oil and netting to prevent entry by water fowl.

Pits will require reclamation to be completed one year following the removal of drilling rig. Reclamation measures shall be submitted to DOGM for approval following analysis of pit contents.

Bart Kettle
Onsite Evaluator

9/1/2010
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A geomembrane liner with a minimum thickness of 30 mils shall be properly installed and maintained in the reserve pit. The geomembrane liner shall consist of a string reinforced impervious synthetic material, resistant to hydrocarbons, salts and alkaline solutions.
Pits	Fractured rock shall be properly bedded with sand and a felt liner.
Pits	Liner edges must be secured.
Pits	The liner shall be protected from fluid force or mechanical damage at points of discharge or suction.
Pits	Weekly inspections of pits and liners shall be conducted and documented until reclaimed.
Surface	The reserve pit shall be fenced and netted upon completion of drilling operations.
Surface	The Division shall be consulted prior to reclamation of reserve pit and cuttings pit.
Surface	Slopes of pit walls shall not exceed 2:1
Surface	All free standing oil shall be removed from pits.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 7/15/2010

API NO. ASSIGNED: 43037500030000

WELL NAME: Threemile 16-17

OPERATOR: STONE ENERGY CORPORATION (N2745)

PHONE NUMBER: 435 719-2018

CONTACT: Don Hamilton

PROPOSED LOCATION: NWSW 16 290S 220E

Permit Tech Review:

SURFACE: 2319 FSL 0843 FWL

Engineering Review:

BOTTOM: 2319 FSL 0843 FWL

Geology Review:

COUNTY: SAN JUAN

LATITUDE: 38.27825

LONGITUDE: -109.51084

UTM SURF EASTINGS: 630256.00

NORTHINGS: 4237531.00

FIELD NAME: WILDCAT

LEASE TYPE: 3 - State

LEASE NUMBER: ML-51129

PROPOSED PRODUCING FORMATION(S): CANE CREEK

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT**
- Bond:** STATE/FEE - RLB0013146.
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** 05-6 (Charles Hardison Redd)
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

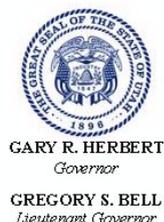
Commingling Approved

LOCATION AND SITING:

- R649-2-3.**
 - Unit:** THREEMILE
 - R649-3-2. General**
 - R649-3-3. Exception**
 - Drilling Unit**
 - Board Cause No:** R649-3-2
 - Effective Date:**
 - Siting:**
 - R649-3-11. Directional Drill**
-

Comments: Presite Completed
HAS MULTI LATS: LAT 1 2320 FSL 2239 FEL; SEC 17; LAT 2 SEC 20:

Stipulations: 4 - Federal Approval - dmason
5 - Statement of Basis - bhll
23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Threemile 16-17
API Well Number: 43037500030000
Lease Number: ML-51129
Surface Owner: STATE
Approval Date: 10/7/2010

Issued to:

STONE ENERGY CORPORATION, 625 East Kaliste Saloom Rd, Lafayette, LA 70508

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the CANE CREEK Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

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.

Conditions of Approval:

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

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.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before

performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



For John Rogers
Associate Director, Oil & Gas

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	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
2. NAME OF OPERATOR: STONE ENERGY CORPORATION	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 625 East Kaliste Saloom Rd , Lafayette, LA, 70508	7. UNIT or CA AGREEMENT NAME: THREEMILE
PHONE NUMBER: 337 237-0410 Ext	8. WELL NAME and NUMBER: THREEMILE 16-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S	9. API NUMBER: 43037500030000
	9. FIELD and POOL or WILDCAT: WILDCAT
	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: 3/9/2011	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width:50px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Stone Energy Corporation respectfully requests permission to make the following changes to their approved plan for the referenced well: • Utilize the 10M flex choke line currently on the Frontier Rig 7 in place of pipe. The flex choke line will be anchored to prevent whip and reduce vibration. • Utilize a 5,000 psi rated rotating head on the 10,000 psi BOP stack. • Forego the formation integrity test of the surf casing shoe because of low expected pressures at the intermediate casing shoe.

CONFIDENTIAL - TIGHT HOLE

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Agent	DATE 3/9/2011
SIGNATURE N/A			

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

Date: 03/10/2011
By: *Don Hamilton*

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-51129

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:
THREEMILE

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
THREEMILE 16-17

2. NAME OF OPERATOR:
STONE ENERGY CORPORATION

9. API NUMBER:
43037500030000

3. ADDRESS OF OPERATOR:
625 East Kaliste Saloom Rd , Lafayette, LA, 70508

PHONE NUMBER:
337 237-0410 Ext

9. FIELD and POOL or WILDCAT:
WILDCAT

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2319 FSL 0843 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E 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"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 3/9/2011	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

The Threemile 16-17 was spud on Wednesday, March 9, 2011 at 12:00 hours utilizing Pete Martin Jr.

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

NAME (PLEASE PRINT)
Don Hamilton

PHONE NUMBER
435 719-2018

TITLE
Agent

SIGNATURE
N/A

DATE
3/17/2011

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: STONE ENERGY CORPORATION

Well Name: THREEMILE 16-17

Api No: 43-037-50003 Lease Type STATE

Section 16 Township 29S Range 22E County SAN JUAN

Drilling Contractor PETE MARTIN JR. DRLG RIG # BUCKET

SPUDDED:

Date 03/09/2011

Time 12:00 NOON

How DRY

Drilling will Commence: _____

Reported by DON HAMILTON

Telephone # (435) 719-2018

Date 03/17/2011 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Stone Energy Corporation Operator Account Number: N 2745
 Address: 625 East Kaliste Saloom Rd.
city Lafayette
state LA zip 70508 Phone Number: (303) 718-9832

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4303750003	Threemile 16-17		NWSW	16	29S	22E	San Juan
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17984	3/9/2011			3/23/11	
Comments: <u>CNCR</u> The Threemile 16-17 was spud on Wednesday, March 9, 2011 at 12:00 hours utilizing Pete Martin Jr.							

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:							

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)

Don Hamilton

Name (Please Print)

Signature

Agent for Stone Energy Corp. 3/17/2011

Title

Date

RECEIVED

MAR 17 2011

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
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: THREEMILE
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: THREEMILE 16-17
2. NAME OF OPERATOR: STONE ENERGY CORPORATION	9. API NUMBER: 43037500030000
3. ADDRESS OF OPERATOR: 625 East Kaliste Saloom Rd , Lafayette, LA, 70508	PHONE NUMBER: 337 237-0410 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: WILDCAT 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: 3/21/2011 <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 checked="" 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.

Stone Energy Corporation hereby requests permission to alter the surface casing setting depth from 1,690' to a depth up to 2,200' (based on formation depths encountered during drilling) in an attempt to isolate a potential lost circulation zone. It is hereby proposed to set up to 2,200' of 13-3/8", 54.5#, K-55, BTC casing. It will then be cemented to surface with 770 sx Versa Cem cement containing 0.25 pps Polyflake and 1.0 pps PhenoSeal mixed at 11.5 ppg (2.98 cf/sx) and 450 sx VersaCem cement containing 0.25 pps Polyflake and 1.0 pps PhenoSeal mixed at 13.5 ppg (1.80 cf/sx). Cement will be preceded with 20 bbls Superflush containing 0.5 ppb Tough Fiber, 5 bbl fresh water, 10 bbl CaCl2 water, 20 bbl Superflush containing 0.5 ppb Tough Fiber and 5 bbls fresh water. Cement volume has been calculated on 100% excess. - Confidential - Tight Hole

Approved by the Utah Division of Oil, Gas and Mining

Date: 03/29/2011

By: *Dark K. Duff*

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Agent
SIGNATURE N/A	DATE 3/17/2011	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
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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: 4/21/2011	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
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	<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: 50px;" type="text"/>

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

Stone Energy Corporation requests approval to change the southwest lateral bottom hole location (trajectory and distance) to accommodate new information acquired during drilling. The new bottom hole location will be 1660' FNL & 2158' FWL, SE/4 NW/4, Section 20, T29S, R22E, SLB&M. Attached please find an updated directional drilling plan details. All other aspects of the drilling plan and all aspects of the proposed west lateral remain unchanged.

Approved by the Utah Division of Oil, Gas and Mining

Date: 04/21/2011

By: *Dark K. Quist*

Confidential - Tight Hole

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Agent
SIGNATURE N/A	DATE 4/16/2011	

From: Diana Mason
To:
Subject: Re: Stone Threemile 16-17 BHL revision

Eric,

There are no concerns from reservoir management.

Pretty subtle change to be based on sidewall cores.

Thank you,

Mickey

Michael L. Coulthard
Petroleum Engineer
Bureau of Land Management
Phone (801) 539-4042
Fax (801) 539-4261

Eric
Jones/MFO/UT/BLM/
DOI
04/19/2011 11:14 AM
Michael
Coulthard/UTSO/UT/BLM/DOI@BLM
cc
To
Subject
Stone Threemile 16-17 BHL revision

Mickey,

We received a SN request from Stone proposing to revise the BHL of the southwest lateral, presumable based on analysis of the sidewall cores that were taken in the pilot (vertical) hole last week.

The revised BHL would be: 1660' fnl and 2158' fwl of Section 20.

The original BHL was: 541' fnl and 2600' fwl of Section 20.

All of Section 20 is within Fed lease UTU79184.

The Moab FO does not have any concern with this revision.

Please advise whether this proposal raises any reservoir management issues.

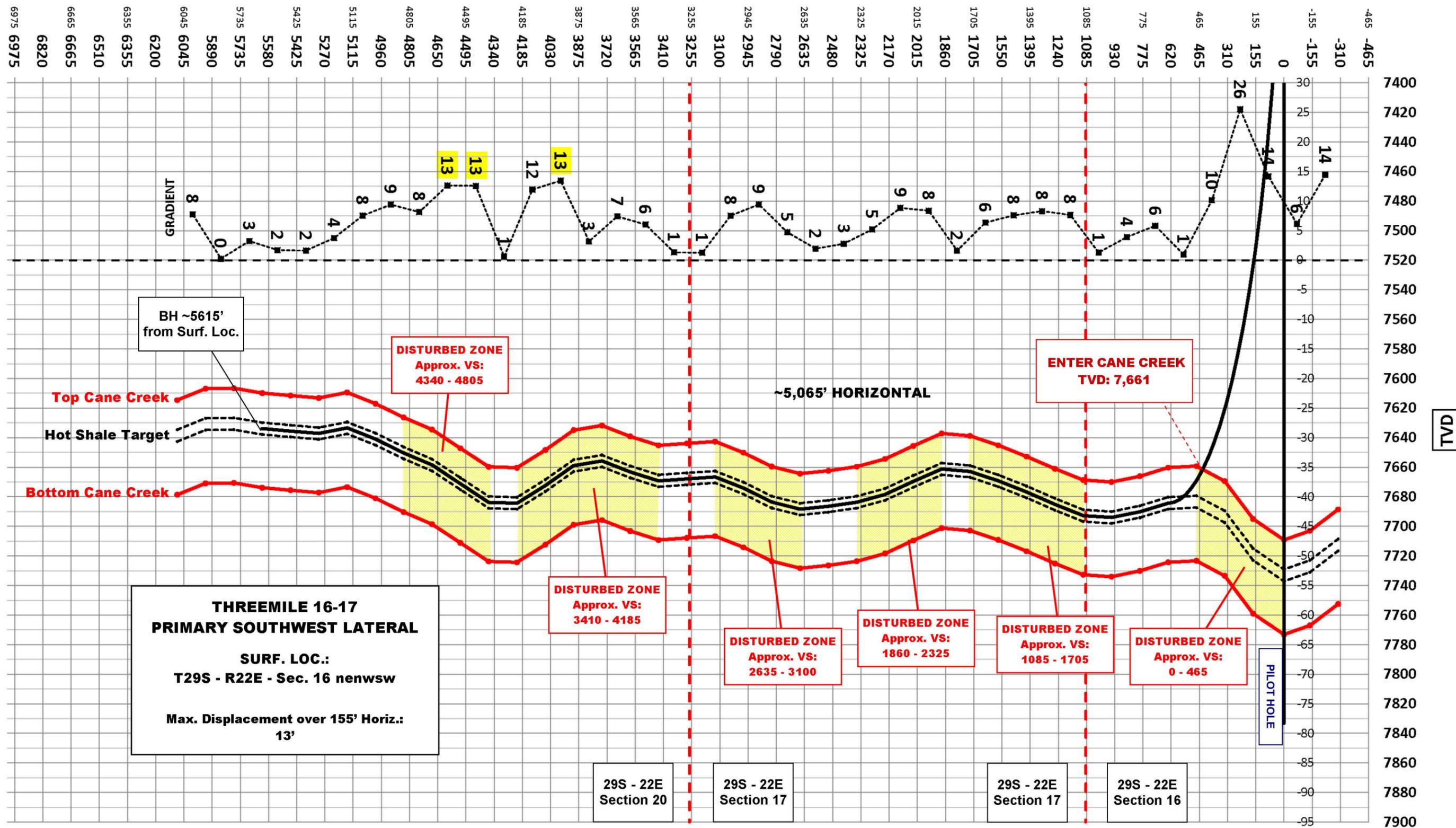
Thanks,

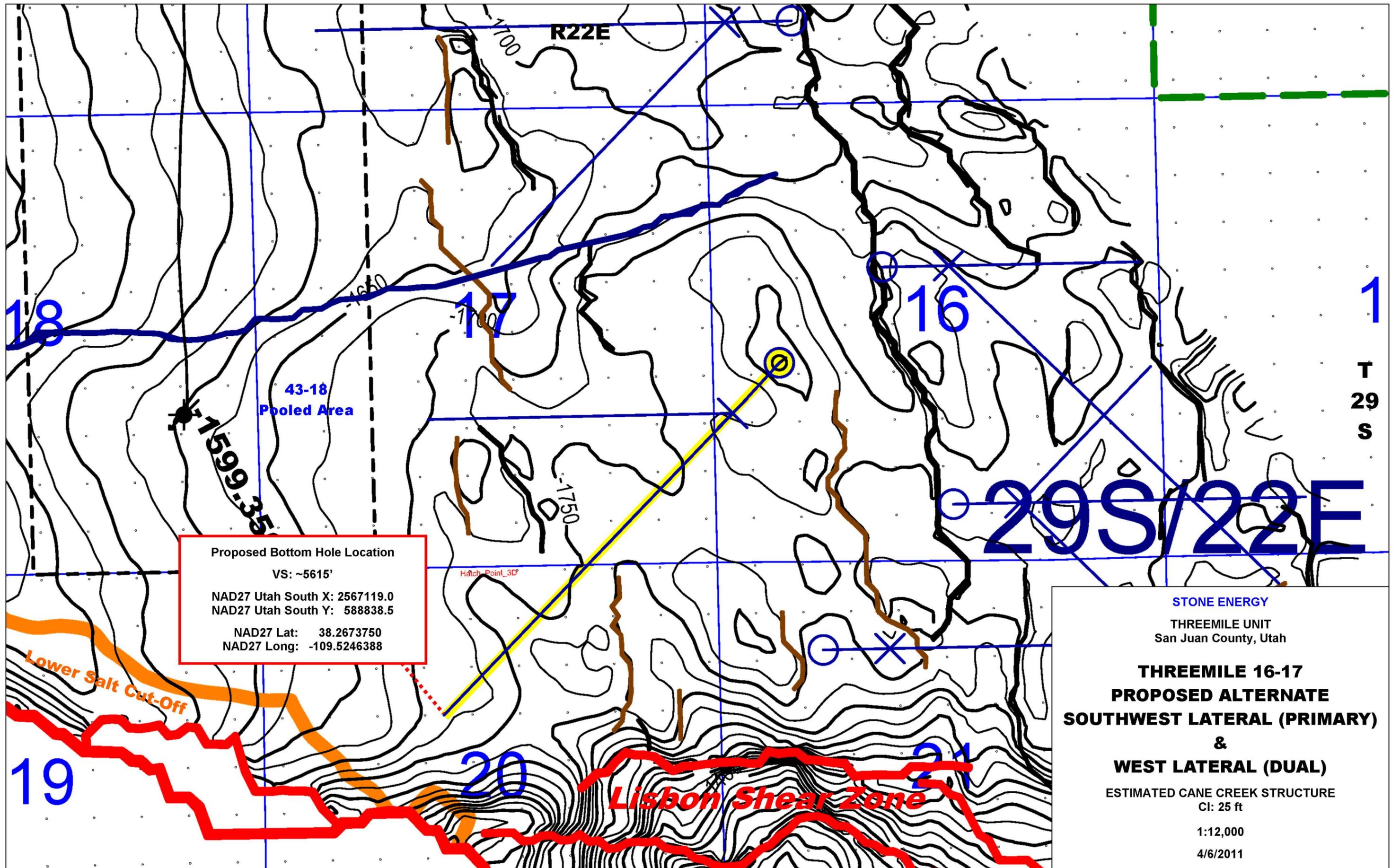
ecj

Eric Jones
Petroleum Engineer
BLM Moab Field Office
435-259-2117

THREEMILE 16-17 ALTERNATE SOUTHWEST LATERAL: CANE CREEK DIRECTIONAL PLAN

DISTANCE FROM SURFACE LOCATION





Proposed Bottom Hole Location
 VS: ~5615'
 NAD27 Utah South X: 2567119.0
 NAD27 Utah South Y: 588838.5
 NAD27 Lat: 38.2673750
 NAD27 Long: -109.5246388

STONE ENERGY
 THREEMILE UNIT
 San Juan County, Utah

**THREEMILE 16-17
 PROPOSED ALTERNATE
 SOUTHWEST LATERAL (PRIMARY)
 &
 WEST LATERAL (DUAL)**

ESTIMATED CANE CREEK STRUCTURE
 CI: 25 ft

1:12,000
 4/6/2011

THREEMILE 16-17 PRIMARY SW LATERAL

4/6/2011

NOTE: E-W and N-S OFFSETS are WITH RESPECT TO GRID NORTH (NOT TRUE NORTH)

UWI	TVD	NAD27 UTS X	NAD27 UTS Y	EW Offset	NS Offset
Threemile16-17ALTSW	0.000	2570995.38	592900.38	0	0
Threemile16-17ALTSW	7184.294	2570995.38	592900.38	0	0
Threemile16-17ALTSW	7340.419	2570973.87	592876.93	-21.51	-23.45
Threemile16-17ALTSW	7402.239	2570952.36	592853.48	-43.02	-46.90
Threemile16-17ALTSW	7447.685	2570930.85	592830.03	-64.53	-70.35
Threemile16-17ALTSW	7484.294	2570909.34	592806.58	-86.04	-93.80
Threemile16-17ALTSW	7515.013	2570887.84	592783.14	-107.55	-117.25
Threemile16-17ALTSW	7541.365	2570866.33	592759.69	-129.05	-140.69
Threemile16-17ALTSW	7564.261	2570844.82	592736.24	-150.56	-164.14
Threemile16-17ALTSW	7584.294	2570823.31	592712.79	-172.07	-187.59
Threemile16-17ALTSW	7601.876	2570801.80	592689.34	-193.58	-211.04
Threemile16-17ALTSW	7617.307	2570780.29	592665.89	-215.09	-234.49
Threemile16-17ALTSW	7630.808	2570758.78	592642.44	-236.60	-257.94
Threemile16-17ALTSW	7642.552	2570737.27	592618.99	-258.11	-281.39
Threemile16-17ALTSW	7652.669	2570715.76	592595.54	-279.62	-304.84
Threemile16-17ALTSW	7661.264	2570694.25	592572.09	-301.13	-328.29
Threemile16-17ALTSW	7668.417	2570672.75	592548.65	-322.64	-351.74
Threemile16-17ALTSW	7674.192	2570651.24	592525.20	-344.14	-375.18
Threemile16-17ALTSW	7678.637	2570629.73	592501.75	-365.65	-398.63
Threemile16-17ALTSW	7681.788	2570608.22	592478.30	-387.16	-422.08
Threemile16-17ALTSW	7683.669	2570586.71	592454.85	-408.67	-445.53
Threemile16-17ALTSW	7684.294	2570565.20	592431.40	-430.18	-468.98
Threemile16-17ALTSW	7690.105	2570457.50	592319.20	-537.88	-581.18
Threemile16-17ALTSW	7694.020	2570349.70	592206.90	-645.68	-693.48
Threemile16-17ALTSW	7692.713	2570242.00	592094.70	-753.38	-805.68
Threemile16-17ALTSW	7685.061	2570134.30	591982.40	-861.08	-917.98
Threemile16-17ALTSW	7676.768	2570026.60	591870.20	-968.78	-1030.18
Threemile16-17ALTSW	7669.172	2569918.90	591757.90	-1076.48	-1142.48
Threemile16-17ALTSW	7662.822	2569811.20	591645.70	-1184.18	-1254.68
Threemile16-17ALTSW	7661.183	2569703.50	591533.50	-1291.88	-1366.88
Threemile16-17ALTSW	7669.554	2569595.80	591421.20	-1399.58	-1479.18
Threemile16-17ALTSW	7678.406	2569488.10	591309.00	-1507.28	-1591.38
Threemile16-17ALTSW	7683.622	2569380.40	591196.70	-1614.98	-1703.68
Threemile16-17ALTSW	7686.395	2569272.70	591084.50	-1722.68	-1815.88
Threemile16-17ALTSW	7688.337	2569165.00	590972.20	-1830.38	-1928.18
Threemile16-17ALTSW	7683.584	2569057.20	590860.00	-1938.18	-2040.38
Threemile16-17ALTSW	7674.147	2568949.50	590747.70	-2045.88	-2152.68
Threemile16-17ALTSW	7666.618	2568841.80	590635.50	-2153.58	-2264.88
Threemile16-17ALTSW	7667.888	2568734.10	590523.20	-2261.28	-2377.18
Threemile16-17ALTSW	7669.218	2568626.40	590411.00	-2368.98	-2489.38
Threemile16-17ALTSW	7663.174	2568518.70	590298.70	-2476.68	-2601.68
Threemile16-17ALTSW	7655.762	2568411.00	590186.50	-2584.38	-2713.88
Threemile16-17ALTSW	7658.942	2568303.30	590074.30	-2692.08	-2826.08

Threemile16-17ALTSW	7672.395	2568195.60	589962.00	-2799.78	-2938.38
Threemile16-17ALTSW	7684.345	2568087.90	589849.80	-2907.48	-3050.58
Threemile16-17ALTSW	7683.731	2567980.20	589737.50	-3015.18	-3162.88
Threemile16-17ALTSW	7671.164	2567872.50	589625.30	-3122.88	-3275.08
Threemile16-17ALTSW	7658.532	2567764.80	589513.00	-3230.58	-3387.38
Threemile16-17ALTSW	7650.377	2567657.00	589400.80	-3338.38	-3499.58
Threemile16-17ALTSW	7640.968	2567549.3	589288.5	-3446.08	-3611.88
Threemile16-17ALTSW	7633.432	2567441.6	589176.3	-3553.78	-3724.08
Threemile16-17ALTSW	7637.180	2567333.9	589064.0	-3661.48	-3836.38
Threemile16-17ALTSW	7635.546	2567226.2	588951.8	-3769.18	-3948.58
Threemile16-17ALTSW	7633.851	2567118.5	588839.5	-3876.88	-4060.88



2580 Creekview Road
Moab, Utah 84532
435/719-2018

April 16, 2011

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Stone Energy Corporation – **Threemile 16-17**
Surface Location: 2,319' FSL & 843' FWL, NW/4 SW/4, Section 16,
West Lateral Target Location: 2,320' FSL & 2,239' FEL, NW/4 SE/4, Section 17,
Southwest Lateral Target Location: 1660' FNL & 2158' FWL, SE/4 NW/4, Section 20,
T29S, R22E, SLB&M, San Juan County, Utah

Dear Diana:

Stone Energy Corporation (Stone) respectfully submits this request for exception to spacing based on topography. The proposed surface location, lateral target locations and all points along the intended wellbore paths are within 460' of the Threemile Unit boundary. Stone Energy Corporation is the designated Agent of Whiting Oil and Gas Corporation (Whiting) for the drilling of the Threemile Unit 16-17 well. Stone is also a signatory to an Exploration Agreement with Whiting Oil and Gas Corporation dated effective 3/4/10, whereby Whiting has granted Stone the right to drill and earn a portion of Whiting's leasehold within Threemile Unit. All such operations are governed by the Exploration Agreement and the Threemile Unit Operating Agreement dated 1/16/07. All working interest owners within the spacing unit have joined the Threemile Unit Operating Agreement.

Thank you very much for your timely consideration of this application. Please feel free to contact me at 435-719-2018 if you have any questions or need additional information.

Sincerely,

A handwritten signature in cursive script that reads 'Don Hamilton'.

Don Hamilton
Agent for Stone Energy Corporation

cc: Kent Davis, Stone Energy Corporation

RECEIVED Apr. 16, 2011

CONFIDENTIAL

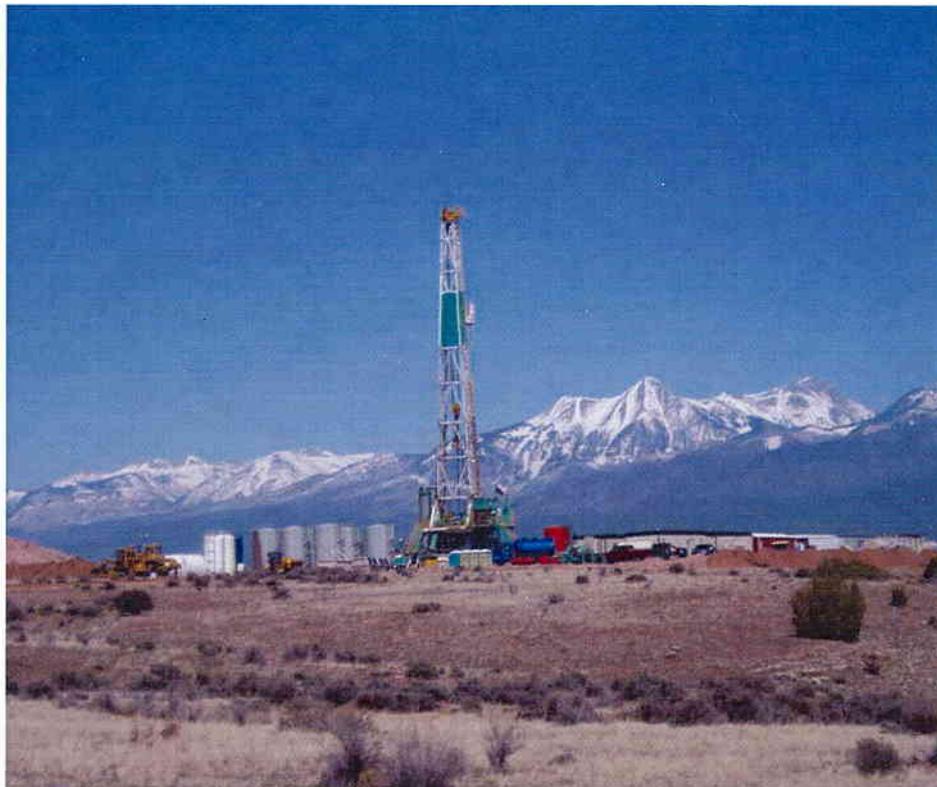
43-037-50003
16 29S 22E

STONE ENERGY CORPORATION

THREEMILE # 16-17

NW/SE SEC 16 T29S, R22E

SAN JUAN COUNTY, UTAH



GEOLOGY REPORT
by

Hal Schmidt
Consulting Geologist
Hal Schmidt LLC
10 Heather Way
Golden, Colorado 80401
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Sam Spencer
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RECEIVED
JUN 06 2011
DIV. OF OIL, GAS & MINING

WELL DATA SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

OPERATOR: STONE ENERGY CORPORATION

ADDRESS: 625 East Kaliste Saloom Rd.
Lafayette, LA 70508

WELL NAME: THREEMILE # 16-17

API #: 43-037-50003-000

SURFACE LOCATION: NW/SW Section 16, T29S, R22E
San Juan County, Utah

FIELD: Wildcat-Hatch Point

COUNTY, STATE: San Juan, Utah

BASIN: Paradox

WELL TYPE: Horizontal Pennsylvanian Cane Creek

BASIS OF PROSPECT: Production from Cane Creek in distant wells

ELEVATION: GL: 5,871' KB: 5,893'

SPUD DATE: March 20, 2011

HORIZONTAL TARGET: Cane Creek

KICK-OFF POINT: 7,600'

BOTTOM HOLE LOCATION: 3190.52' S, 3212.11' W

FINAL VERTICAL SECTION: 4527.38'

FINAL AZIMUTH: 226.5

WHIPSTOCK # 1 SET AT 8,166'

BOTTOM HOLE LOCATION
SIDETRACK # 1: 10,325' MD, Rectangular coordinates -1737.06' S, -2199.35' W

FINAL VERTICAL SECTION 2741.5'

FINAL AZIMUTH SIDETRACK # 1: 243.64 Deg.

WHIPSTOCK #2 SET AT 9748'

BOTTOM HOLE LOCATION
SIDETRACK # 2: 12,030' MD Rectangular coordinates -1944.54' S, -3926.76' W

FINAL VERTICAL SECTION 4381.86'

FINAL AZIMUTH SIDETRACK # 2: Drilled along 243.64 Deg.

WELL DATA SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

TOTAL DRILLING DAYS 62 Total Days
STATUS OF WELL: Waiting Completion

CONTRACTOR: Frontier Drilling Rig #7

TOOLPUSHER: Mark Underwood, Dean Slaugh, Jeff Jarimillo, Jay Underwood

FIELD SUPERVISORS: Chester Chaisson, Mark Lewis, Wendel Greenlee

MUD COMPANY: NOV Bariod

MUD TYPE: Water/air to 4,866' Water to 5,090' Oil Base Mud to TD

WELLSITE GEOLOGISTS: Hal Schmidt Sam Spencer

PROSPECT GEOLOGIST: Roger TeSelle & Kim Overcash

ROCK SAMPLING: 30' Lagged Samples to Cane Creek
10' and 30' Lagged Samples in Cane Creek
Five sets of dry cut samples were collected.
Samples for Geochem work were collected in organic rich Shales.

DIRECTIONAL DRILLERS: Crescent Directional
Billy Howell Joe Mcintosh

MWD: Crescent Directional
Kenny Haslam Joe Herzog

CASING: production liner to 12,030'

HOLE SIZE: 17 1/2" base 20" conductor to 2072'
12 1/4" ' to 5,090'
8 1/2" 5,090' to 8,331' Vertical pilot hole
8 1/2" Kick off point 6,900', Curve to landing point 8,037'
6" 8,037' to 12,065" TD Lateral

SIDETRACK # 1 6" 8,166' to 10,325' Could not steer directional tools
SIDETRACK # 2 6" 9,738' to 12,030'

CORES and DST's: Core # 1, 7,683' to 7,744' Cut 61' with Full recovery
Core was handled by Weatherford Labs, Golden, Colorado

WIRELINE: Schlumberger Vernal, Utah, Yating Wang, Saurabh Dass,
Engineers

KEY OFFSET WELLS: Whiting
Threemile 43-18H
NE/SE Sec 18, T29S, R22E
San Juan, Utah

GEOLOGICAL INTRODUCTION

The Stone Energy Corporation, Three Mile # 16-17, located in NW SW, Section 16, T29S, R22E. San Juan County, Utah was spudded in Jurassic age sediments on March 20, 2011. Geological supervision and lagged sample collection began at 3950'. The well was drilled with air/ water, using a hammer bit to 3986' where the hammer bit watered out. A tri-cone bit and mudmotor, using aerated water as a drilling medium, were used to drill to 5090'. Surface 9 5/8" diameter casing was then set and cemented @ 5084'. The mud system was changed over to Oil Base Mud and drilling continued. Gas detection began at 3986'. A QGM type gas trap and a Mudlogging Systems, Gas Chromatograph were used to obtain mud gas readings. The gas detector was calibrated to known quantities of gases with Methane, Ethane, Propane, Iso Butane, Normal Butane and CO2 being recorded.

The 8 1/2" pilot hole was drilled to 7683' in the Pennsylvanian, Paradox Cane Creek Shale. The Cane Creek was cored from 7683' to 7744' with 100% recovery. Drilling then continued with the hole bottoming in the Paradox Formation, Clastic # 22 on April 8, 2011. The vertical pilot hole was plugged back to ~6800' in order to kick off and drill a horizontal lateral in a defined target within the Cane Creek Shale.

The 8 1/2' lateral hole was drilled at a build rate of 10 to 14 degrees per 100'. The curve was landed at 89.3 degrees at a measured depth of 8037' and a TVD OF 7645'. Casing with a diameter of 7" was run and cemented at 7692'. A 6" horizontal SW Lateral was then drilled in the Cane Creek at an azimuth of 217 deg. to total depth of 12,064'. Due to lack of significant fracture development a whipstock was set at 8166' and Sidetrack #1 was drilled at an azimuth of 243 deg. with the objective of crossing a fault block defined by seismic. Due to deviation problems associated with a mud motor failure, this sidetrack was abandoned from 9748' to 10,325' total depth. A second whipstock was set at 9748' and Sidetrack #2 was then drilled to total depth of 12,030'.

PILOT HOLE

Surface rocks at this well are Jurassic Age sediments equivalent to the Entrada-Carmel Formations. Using air/water/foam as a drilling medium a 17 1/2" hole was drilled to 2072' where 13 3/8" surface casing was set and cemented. A 12 1/4" hole was then drilled using air/foam & aerated water to 4865' where, air injection ceased and drilling continued using a water based mud system to 5090'. At this

depth, electric logs were run and 9 5/8" intermediate casing was set and cemented at 5084'. Geological consulting and sample examination began at a depth of 3950' in the Pennsylvanian, Honaker Trail Formation. Samples were caught as fluid exited the blowie line muffler, where surging and slugging of air, foam and water was detrimental to accurate sample collecting. Upon conversion to a water based drilling mud system, gas detection (which was poor before) became reliable. A dual gas detection setup was initiated, with both gas traps positioned in the same possum belly. The primary detector was a Mudlogging Systems gas chromatograph, while the secondary gas detector was a Pason-T-Gas System, which records only total gas.

HONAKER TRAIL FORMATION

3950' to 4547' Near top LaSal Limestone to Ismay

The top of the La Sal Limestone was picked at 4062' based on drill time correlation to offset wells. Electric logs indicate the top is at 4029'. The LaSal is composed of limestone, light gray-brown, cream, micro crystalline, dense, hard and tight. A thin white very fine grained, very calcareous, sandstone is present near the top as picked by electric log. The interval from the LaSal to the Ismay is largely limestone, light gray to gray-brown in color, crypto to micro crystalline, dense, hard, argillaceous in part with traces of chert. Some minor amounts of dolomitic limestone was noted as well as thin interbeds of medium to dark gray shale in the lower half of the interval. Samples were generally poor from 4490' to 4866' due to excessive amounts of foam which prevented cuttings from dropping out in the sample bucket.

PARADOX FORMATION

ISMAY MEMBER 4547' TO 4842'

The upper 50' feet of the Ismay is interbedded limestone, shale and dolomite. The limestone is dark gray-brown, micro-crystalline, hard & dense. Dolomite is white to light gray, micro-sucrosic, dense, hard and tight. Shale is medium to dark gray, blocky and calcareous to dolomitic. From 4792' to 4646' the Ismay is largely anhydrite, based on the samples recovered. The anhydrite is white, light clear to opaque, micro-crystalline to slightly soft. Electric logs indicate over 40 feet of salt

is present in the middle of this anhydrite zone, but due to drilling with fresh water mud, no salt was recovered in the samples.

The Hovenweep, from 4646' to 4780' is primarily shale, black, platy to fissile, hard, brittle, calcareous with a lower limestone that is white to light gray, micro crystalline, dense and tight.

The Gothic shale was drilled from 4780' to 4842'. The Gothic is largely composed of shale, black to dark gray, organic, platy to blocky and slightly calcareous.

DESERT CREEK MEMBER 4842' TO 5131'

Bedded salt #4 was encountered at 4863' based on penetration rate. No salt was present in the samples due to drilling the interval with water based mud. Clastic #4 was picked at 4920' on drill time and lithology. Limestone, white, light gray in color, micro crystalline to dense, hard and tight was present along with some light-brown-gray siltstone. Dark gray-black, splintery shale was logged which yielded a gas increase of 73 units.

Salt #5 at 4954' was again picked on the penetration rate as no salt was present in samples. The Chimney Rock Shale was encountered at 5061' to 5131'. The interval was composed of Siltstone, light gray-brown, blocky and calcareous; Shale, medium gray in color, earthy, silty and Anhydrite, white soft to firm, massive and crystalline. Intermediate 9 5/8" casing was set and cemented at 5084' near the middle of the shale. At this depth, the water based mud system was replaced by changing to an oil base mud system.

AKAH MEMBER 5131' TO 5945'

The Akah member includes approximately the interval from Salt #6 through Salt #10. *Note: Salt in the samples is generally white, opaque to sometimes transparent and clear. In interpreting the lithology in this well, we equated orange, red or pink salt to be reflective of Potash Salt. This appears to be generally correct, but it could be that some of the traces of colored salt seen in the samples may not be Potash as common Halite salt can be colored by other minerals. In addition some Potash salt may not be colored, so definite identification of Potash should be confirmed by electric logs or chemical analysis.*

Potash may be present in the lower half of Salt #6 at 5250' to 5340' based on traces of orange and brownish salt in samples and slightly increased radioactivity of the gamma ray curve as shown on the electric log.

The Akah interval is made up of massive thick salt sequences that are interrupted by thin clastic 10' to 30' thick shale breaks. The clastic breaks are composed not only of shale but also anhydrite. Shales vary from being black, carbonaceous and organic to light, medium gray, silty and calcareous. Anhydrite is off-white to yellow-cream to light gray, blocky and firm to soft. Anhydrites generally drill slowly while the black, organic, sooty shales drill fast. Minor 50 to 100 unit gas increases were generally noted in the shale breaks.

BARKER CREEK MEMBER 5945' TO 7226'

Clastic #10 through Salt #19 is included in the Barker Creek member. A gas increase of 250 units was recorded at 5952' in Clastic #10 near the top of the Barker Creek member. Methane, & ethane were present in the gas stream. The gas correlates with black, carbonaceous, organic shale.

An 830 unit gas increase was recorded from black, organic shale in Clastic #13 from 6198' to 6213'. This same clastic zone had good shows in the Whiting 34-18 H well and appears to have potential for oil and gas production.

The balance of the Barker Creek member consisted of massive thick salt with thin interbedded black shale cycles which gave minor gas increases of 140 units or less when drilled.

Several zones of Potash are indicated by increased radioactivity as shown by electric logs. Potash is indicated at 6566' to 6596' by an increase in gamma ray radioactivity, while peach colored salt was noted in samples in this interval. Another zone of Potash is interpreted from the gamma ray at 6930' to 7010'. No indications were present in samples.

ALKALI GULCH MEMBER 7226' TO 7870'- TD PILOT HOLE

Over 430 units of gas was recorded from a 13 foot zone composed of organic shale at 7232' in the upper half of Clastic #19. At 7362', 124 units of gas was recorded from a thin black shale in Clastic #20. The interval from the base of Clastic #20 to 7679' consisted of massive Salt #21.

Potash is indicated by electric log at 7430' to 7450' in the upper part of Salt #21. Samples indicate potash by the presence of peach colored salt. Mud weight while drilling at this depth was 14.3 ppg. Some scattered crystals of peach and orange colored salt was noted in the samples to 7550' but potash was only confirmed by the gamma ray log in the interval noted above.

The interval from 7679' to 7766' is the Cane Creek Shale, which is discussed in detail below, and is the horizontal drilling target for this prospect.

The section drilled below the Cane Creek Shale consists of Salt #22 and Clastic #22. A gas increase of 192 units was recorded at 7830' from a black carbonaceous shale or fracture in Salt #22. A 205 unit gas increase was recorded from a black shale in Clastic #22 at 7866'. Total depth was called at 7870'

CANE CREEK SHALE 7679' TO 7766'

The Cane Creek shale was cored from 7683' to 7744'. A total of 61 feet was cored and recovery was 100%. The core was cut into 3 foot segments for ease of handling by Weatherford Co. who are processing the core in their laboratory in Golden, CO. The bulk of the core was encased in an aluminum sleeve and was not visible for field examination. Small chips of the core were taken every three feet, where the core was cut. These samples were examined and described in the field as follows:

7683', ANHYDRITE: black, fibrous/needle like crystals, dense, very hard but can be scratched.

7686', 7689', 7692', DOLOMITE: gray-brown, micro-crystalline, limey in part, dense, hard, trace healed fractures

7695', 7698', SHALE: black, dolomitic, fissle, organic, moderately hard

7701', 7704', DOLOMITE: brown-gray, micro-crystalline, moderately hard, the 04' sample is argillaceous and can be scratched by fingernail

7707', SHALE: dark gray, slightly brown, dolomitic

7710', 7713', SHALY DOLOMITE: light gray, micro-crystalline, argillaceous in part, can scratch to powder with fingernail, some intercrystalline porosity

7716', ANHYDRITE: light gray, micro-crystalline, hard, dense

7719', DOLOMITE: light gray-brown, micro-crystalline, limey

7722', SHALE: black, limey, dolomitic, massive

7725', 7728', DOLOMITE: light gray-brown, brown-gray, micro-crystalline, calcareous, some inter crystalline porosity, some salt and anhydrite healed fractures

7731', ANHYDRITE: light gray-white, hard, crystalline, massive

7734', 7737', DOLOMITE: gray, brown-gray, micro-crystalline, argillaceous, can scratch with fingernail, contact with black organic shale in 37' sample

7740', 7743', ANHYDRITE: black, hard, fibrous in part, to light gray-white, micro-crystalline in part, crushes to white powder

7744', SHALE: black, fissle to thin bedded, dolomitic

Interbedded gray –brown dolomite, anhydrite and black, carbonaceous, organic shale are the dominate lithologies in the Cane Creek Shale. On the gamma ray log, two radioactive black shale marker beds are present at 7700', termed "warm" shale and at 7707' termed "hot" shale. Thin 1' to 3' anhydrite layers, partly consisting of nodules of anhydrite encased in gray-brown dolomite, occur above and below these marker beds.

An informal nomenclature given to the upper half of this interval in order to facilitate directional steering and discussions with management are in descending order: A-1,A-2, "Warm" shale, A-3, "Hot" shale, 3a, A-4, and A-5. The A stands for anhydrite all of which appear to be thin and partly made up of anhydrite nodules encased in gray argillaceous dolomite with the exception of A-4, which is bedded anhydrite 4 feet thick, and A-5. Tops of these various beds as picked on the gamma ray curve in the pilot hole are: A-1-7688', A-2-7692', "Warm" Shale-7700', A-3-7703', "Hot" Shale-7707', 3a- 7718, A-4-7733' and A-5-7745'. These depths are picked from the gamma ray log at the maximum CPS for black shale and the minimum CPS for anhydrite.

The drilling characteristics of the varied lithologies is generally as follows: Anhydrite drills slow, while Black Shale drills fast. Gray dolomite, is somewhere in between with drill rate slower if anhydrite nodules are present and faster drill rate in the proximity of black shale. Gamma ray counts are 160 to 175 in the "Hot" shale and 200 in the "Warm" shale as measured in the core taken in the pilot hole. Gas shows as seen in the pilot hole are 100 units.

Electric log correlation of the Cane Creek Shale section is good with the Whiting 43-18H control well, located approximately one mile to the west.

SOUTHWEST LATERAL

The vertical pilot hole was plugged back to 6800' in order to drill a southwest oriented, horizontal lateral in the Cane Creek Shale. Cement was drilled to 7062' where the bit was kicked off into massive salt. Drilling of the curve continued through massive salt and clastic beds #19 and #20 with the Cane Creek shale topped at 7823' md, 7614' tvd. The hole was landed at 8037' md, 7645' tvd. Hole inclination at this point was 89.3 degrees. Drilling was halted to run and cement 7 inch intermediate casing at 7962' md.

A 6 inch diameter horizontal lateral was then drilled, which penetrated into what is probably the "Warm" Shale at 8190' md. With mud weight of 15.7 ppg, variable gas increases of 260 to 545 units were recorded while drilling black shale and dolomite to 8610' md.

Gas increases of 300 to 400 units were recorded from 8900' to 9100' md, which were associated with thin black shale beds, the bulk of the lithology being composed of anhydrite and dolomite. Mud weight varied from 16.0 to 15.6 ppg.

An increase in gamma ray radioactivity from 9270' to 9350' md was associated with black shale and a gas increase to 557 units. This zone appears to be the "HOT" Shale. Mud weight was 15.5 ppg.

Black shale, high gamma ray readings and gas increases up to 350 units were periodically recorded from 9860' to 10300' md. These are thought to be equivalent to either the "Warm" or "Hot" Shale zones. Mud weight varied from 15.4 to 15.3 in this interval.

Gas increases of 758 to 200 units were recorded from a similar, black shale, high gamma ray count in the interval from 10470' to 10,900' md., Mud weight was 15.2 ppg throughout this zone.

High gamma ray count, black shale and periodic gas increases to 244 units were present from 11,430' to 11820', while mud weight was 15.0 ppg.

There was a lack of significant hydrocarbon charged fracturing and no major gas increases in this lateral. As a result, it was decided to pull back and drill Sidetrack #1 in a more westerly direction in order to evaluate fracturing and hydrocarbon potential of a faulted structure mapped by seismic.

SIDETRACK #1

A whipstock was set at 8166'. The original plan called for it to be set at 8582' but hole conditions were such that the driller was unable to reach that depth. Drilling proceeded from 8166' to 8360' in an interval of generally high gamma ray radioactivity and black carbonaceous shale, along with a 370 unit gas increase, all of which generally occur together when drilling in the Cane Creek, Black shale target zones. Mud weight was 14.9 ppg while drilling this interval.

From 8940' to 9240' gas increases varied from 794 units to periodic 161 to 235 units. The 794 unit gas show coincides with black shale but the gamma ray did not show the usual increase in radioactivity. The gamma ray was fairly steady at 120 cps with some sharp decreases in radioactivity which coincided with an increase in anhydrite in the samples. Mud weight was 14.75 in this zone.

High gamma ray readings along with black shale and gas increases of 350 to 400 units were periodically present from 9240' to 9850', while mud weight varied from 14.7 to 14.55 ppg. Possible identifications are: "Warm" Shale 9630', A-3 Anhydrite 9770' and "Hot" Shale? 9820'.

At 9850' the well path deviated downward, drilling stratigraphically lower in the section below the "Hot" Shale? target. As the bit drilled downwards, the underlying A-3a anhydrite was penetrated at 9930', black shale and a 351 gas increase was drilled at 9960' and the A-4 anhydrite was penetrated at 10,050'. As drilling continued, black shale, an increase in gamma ray count and a gas increase of 410 units was present at 10,090' and the A-5 anhydrite was topped at 10150'. At 10,280', 491 units of gas was recorded from a black shale underlying the A-5 anhydrite. Mud weight averaged 14.55 ppg throughout this interval.

From 9850' to 10,325' the ability to control the orientation of the well path was slowly lost. (subsequently found to be due to a damaged mud motor). Numerous slides were partially to non effective in halting the downward angle of the bit as it drilled deeper into the formation and out of the target zone. A trip at 10,199' found the bent section of the articulated motor had come loose and rotated 120 degrees which was causing the problem. A new 1.5 degree fixed motor was run in the hole but subsequent drilling and surveys revealed that the deviation was so bad it was not possible to achieve the desired objective. As a result the last 577' of Sidetrack #1 was abandoned, and a whipstock was set at 9748' where Sidetrack #2 was kicked off.

SIDETRACK #2

Predominately black shale and dolomite with minor amounts of anhydrite were drilled from 9748' to 10,310'. Periodic gas increases from 379 to 250 units, generally coinciding with high gamma ray readings and black organic shale were recorded in this interval. Mud weight was predominately 15.4 ppg throughout this interval.

At 10310' to 10510', low gas and gamma ray readings along with abundant anhydrite were present.

While drilling up structure from 10510' to 10780' following the formation dip, the gamma readings increased along with black shale and dolomite, while the amount of anhydrite decreased. Gas increases from 94 to 272 units were recorded while drilling this section. Mud weight was 15.4 ppg.

At approximately 10780' the bit drilled into a possible down faulted graben which was filled with salt. Another interpretation is that a thick fracture filled with salt was penetrated. At 10850' normal marine sediments of black shale and dolomite were drilled, the bit having possibly crossed the western boundary fault of the graben or out of the salt filled fracture.

From 10850' to 10950' the interval drilled contained argillaceous dolomite with some black shale. At 10950' anhydrite was again encountered and this lithology continued to be dominate to 11040'. The eastern bounding fault of the "objective" fault block structure, interpreted from 3-D seismic, was penetrated when the lithology abruptly changed from anhydrite to argillaceous dolomite and black shale. This interpretation is also verified by the abrupt increase in gamma ray radioactivity along with an increase in background gas and periodic gas increases.

As drilling progressed paralleling the formation dip across the top of this up-faulted block, the lithology was largely argillaceous dolomite and black shale with a very minor amount of nodular anhydrite. Gas increases varied from 100 to 300 units, again generally associated with the presence of black shale. Interpretation from seismic and the lithology drilled, indicates that this zone is probably the "Hot" Shale. Mud weight was 15.6 ppg.

At approximately 11960' the lithology changed abruptly from the black shale/dolomite facies to anhydrite. This change coincides with the seismic interpretation which shows a downthrown fault and the western limit of the "objective" fault block at this location.

Drilling continued to 12030' where total depth was called. A 4 ½ inch liner will be run for a completion attempt.

DAILY DRILLING SUMMARY
 STONE ENERGY CORPORATION
 THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
1	20-Mar	85	800	1	Spud well at 06:00 Hrs. 20-Mar, 2011. Air mist Drlg f/ base conductor pipe 85' to 302' work on rotating head clamp. Drlg f/ 302' to 732, change out rotating head, weld on blouie line, service rig. Drlg f/ 732' to 885' have 5 compressors on line due to slow ROP	Entrada
2	21-Mar	885	1017	1	Air mist Drlg f/ 885' to 985' wireline survey 3/4 deg. Air mist Drlg f/ 985' to 1,504' wireline survey @ 1,450' 3/4 deg. Rig service. Air mist Drlg f/ 1,504' to 1,598' work on air package. Air mist hammer Drlg f/ 1,598' to 1,623' circ hole clean. Weld blouie line leak. Air/mist hammer drlg f/ 1,623' to 1,841' fix leak blouie line. Air mist, hammer drlg f/ 1,841' to 1,902'	Entrada
3	22-Mar	1902	179	1/2R R	Air mist, hammer Drlg f/ 1,902' to 2,081' Pump sweep 3 times. 15 min apart. Circ w/ air mist. Survey @ 1,950' 1 deg. POOH Ld 3 jts DP. Pull rotating head. LD bit sub. TIH w/ bit # 2RR to 2,081' 10' fill. Circ 600 bbl water. Pump 5 gal polymer down DP. circ another 600 bbl. no returns. mix / pump 3 70 bbl hi vis sweeps. POOH run 13 3/8" casing PJSM w/ casing crew. run 54 50# J-55/ K-55 BTC to 2,081'	Entrada
4	23-Mar	2081	0		Finish running 13 3/8" csg. To 2,073' PJSM test lines to 3000 psi. pump H2O spacers mix / pump lead 700 sx lead/410 sx tail CMT. Displaced 315 bbl, Bump plug. Pressure up to 1,500 psi. tested casing to 1,500 psi. test OK. WOC. LCM pill No 1 top job 100 sx 12.5 ppg slurryt volume 34.6 bbl. WOC LCM pill top job # 2 100 sx 12.5 ppg slurry volume 34.6 bbl. WOC. R/D cement head. Rough cut 20" conductor rough cut 13 3/8" L/D same. center 13 3/8" R/U Halliburton pump 19 bbl cmt 54 sx WOC. R/U flare lines. make final cuts on 20" and 13 3/8" csg. install FMC wellhead. 13 3/8"	Navajo/ Kayenta

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
5	24-Mar	2081	0		Welded wellhead, 13 3/8" SOW x 13 3/8" 5M. Tested to 900 psi. (Good). Install split base plate to wellhead. N/U 13 5/8" BOP and equipment. Test BOP's. Lower kelly valve, upper kelly valve. Inside BOP valve. Dart valve 250 psi low. 5000 psi high 5 min. low test 10 min. function test koomey usable fluid test 1250 nitrogen precharge 800 psi. Pump test annular open HCR 1 min 15 sec. test all valves. rams, choke manifold to 250 psi low for 5 min and 5000 psi high for 10 min. Hydrill 250 low and 2500 psi high. R/U bypass lines for air jammers, kill line, fill up line, clean location organize. Wait on Schlumberger	Wingate/ Chinle
6	25-Mar	2081	37	3RR/ 2	Wait on SLB. Remove 17 1/2" bit 7 5/8" bit sub from stand of 8" DC's. M/U 6 5/8" reg bit sub. And 12 1/4" it. Install wear bushing. (ID 12 5/8"). Center BOP. Set pipe racks, tally 30 jts 4 1/2" DP. PJSM w/ SLB run IBC Isolation Scanning Tool. Logged f/ 2,000' to surface. R/D SLB. TIH w/ 12 1/4" bit 3RR tag cmt @ 2,025' dfrill cmt float collar @ 2,031' and shoe @ 2,073'. Drill 20' new hole. f/ 2,081' to 2,101'. POOH. LD bit # 3RR. P/U NUMA hammer bit # 2 TIH Hammer drill f/ 2,101' to 2,118'	Wingate/ Chinle
7	26-Mar	2118	795	2	Air mist hammer drlg f/ 2,118' to 2,493', clean hole POOH 5 STDS L/D string float, RIH to 2,442' wireline survey @ 2,440' 1/2 deg. Rig Service, Air mist hammer drill f/ 2,493' to 2,961' POOH 4 STDS. move string float, RIH wireline survey @ 2,913' 1/2 deg	Wingate/ Chinle
8	27-Mar	2913	421	2	Air mist hammer drlg f/ 2,118' to 2,493', clean hole POOH 5 STDS L/D string float, RIH to 2,442' wireline survey @ 2,440' 1/2 deg. Rig Service, Air mist hammer drill f/ 2,493' to 2,961' POOH 4 STDS. move string float, RIH wireline survey @ 2,913' 1/2 deg. Air mist hammer drlg f/ 2,961' to 3,334'	Honaker trail

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
9	28-Mar	3334	652	2	Air mist hammer drlg f/ 3,334' to 3,459', clean hole. POOH 5 STDS move string float. Found kelly and DP backed off. POOH 10 STDS. Re torque all connections. TIH survey@ 3,408' 1/2 deg. Air mist hammer drlg f/ 3,459' to to 3,955'. POOH 5 STDS move string float. TIH survey @ 3,905' 3/4 deg. unload hole, air mist hammer drlg f/ 3,955' to 3,986' Hammer watered out. POOH L/D hammer, bit, P/U Bit # 5 motor shock sub, 5-8" DC's	Honaker trail
10	29-Mar	3986	374	5	RIH w/ BHA move jars from 6 1/4" DC's to 4 1/2" HWDP. Floor hand injured back pulling slips, wait on EMS San Juan County. Install rotating head. RIH to 3,904, load hole w/ Areated fluid. Wash and ream . Areate motor drlg f/ 3,986' to 4,080' Rig service. Drlg f/ 4,080' to 4,162' Replace broken fan belt #1 mud pump. drlg f/ 4,162' to 4,360'	La Sal LS
11	30-Mar	4360	506	5	Areate motor Drlg f/ 4,360' to 4,452' change out rotating head rubber element.Drlg f/ 4,452' to 4,483' clean hole, POOH 5 STDS. Move string float RIN Survey @ 4,404' 1/4 deg. Rig service. Drlg f/ 4,483' to 4,866'	La Sal LS
12	31-Mar	4866	224	5	Circ bottoms up. POOH 5 STDS. Move string float. Tih lower active pit volume, transfer 400 bbl waterto pits. Mix caustic/gel salt, to 36 vis. 9.2 ppg. Displace areated mud w/ 9.2 mud. Change 8" valve on flow line washed out from air drlg. Drlg 12 1/4" hole f/ 4,866' to 5,090' TD 12 1/4" hole section. circ pump slug, Short trip 32 STDS to Casing shoe RIH to Bottom, circ, Pump slug, drop survey, TOOH for logs	Honaker trail
13	1-Apr	5090	0		POOH for logs, PJSM L/D 2 8" DC's, 8" Shock sub, 8" mudmotor, bit, pull wear bushing, R/U SLB loggers. 1st pass Platform Express (Sonic,Nutron,Resistivity, GR) R/D SLB, Make up 12 1/4" bit, RIH circ, no fill,pump sweep, pump slug, TOOH, L/D bit, PJSM w/ Casers, R/U Casers. slip and cut 110' drlg line. Run 9 5/8" CSG.	Chimney Rock Shale

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
14	2-Apr	5090	0		Run 9 5/8" csg, 53#/ft L-80 BTC to 5,084' R/D Casers. PJSM w/ Cementers, R/U Halliburton, Circ, pump 680 sx lead 12.5ppg 282.2 bbl. Yield 2.33 12.61 ppg. Tail 400 sx 15.8 ppg cmt, slurry volume 89.8 bbl. Yield 1.26 5.24 gal/sz water. . Displace w/ 351 bbl water. bump plug to 1750 psi. full returns, check float. well static. 20 bbl contaminated cmt. 10.7 ppg. wash out BOP. R/U BOP winches, lift BOP set 210k on slips, drain 9 5/8" csg ang rough cut. L/D cut joint set BOP on wellhead remove BOP winches and nipple down BOP. make final cut install well head. Test csg to 2500 psi. OK. N/U 11" 10M BOP	Chimney Rock Shale
15	3-Apr	5090	0	6	Nipple up, PJSM w/ testers R/U quick test test BOB. 250psi low 10000psi hi. Test 9 5/8" csg - 1500psi. Install orbit valve in flow line, install wear bushing, PJSM p/u bit/motor, NMDC' MWD, surface test MWD, TIH	Paradox Salt Section
16	4-Apr	5090	380	6	TIH, Drill float equip, cmt, shoe and 10' formation f/ 5,090'-5,100' circ, Perform FIT 18.02 # MWE. Clean mud pits, pump diesel spacer, Fill pits w/ Oil Base Mud, Drlg f/ 5,100' to 5,470	Paradox Salt Section
17	5-Apr	5470	570	6	Drlg f/ 5,470' -6,034' MWD failed Circ bottoms up, pump slug, TOOH Change out MWD. TIH Drlg f/ 6,034' - 6,040'	Paradox Salt Section
18	6-Apr	6040	1023	6	Drlg f/ 6,040' to 6,066' work on hydraulic pump on floor motor # 1. drlg f/ 6,066' to 7,063	Paradox Salt Section
19	7-Apr	7063	620	6/7	Drlg f/ 7,063' - 7,683' Circ bottoms up Core Point # 1. TOOH. LD directional tools. PU core barrels, core bit, TIH, to 3,430' #2 floor motor down, transmission/torque conveter down, TIH,	Cane Creek

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
20	8-Apr	7683	61	7	TIH to 4,927' change out rotating head ruber. Change transmission on #2 drawworks engine. TIH wash and ream f/ 7,601' to 7,683'. Cut core 4"x8 1/2" 7,683' to 7,744', circulate bottoms up, flow check. No flow. TOOH w/ core # 1	Cane Creek
21	9-Apr	7744	0	8RR	TOOH w/ core # 1 LD core # 1 full recovery. LD core #1. PU Bit 8RR TIH wash and ream 7,683'-7,744' Drlg f/ 7,744' to 7,868' TD vertical pilot hole, Circulate bottoms up. TOOH LD 3 61/4" DC's bit sub and bit. PJSM w/ SLB. RU Schlumberger. Run logs, GR, Resistivity, Density, nuetron Porosity, Pex Ait. Run # 2 Side wall cores	Paradox Salt Section
22	10-Apr	7744	-944		Run side wall cores, cut 10 recovered 9. Run # 3 OBMI, RD SLB. PJSM handling tubing. PU 39 JTS Tubing, TIH w/ 4 1/2" DP to 7,835' Circulate bottoms up. PJSM w/ Halliburton. RU Cementers, mix and pump 400 sx 16.3 ppg cement. 70.5 bbl, displace w/ 94 bbl OBM, RD Cementers, POOH to 6,808' circulate 1 1/2X bottoms clean out drill string/tubing,	Paradox Salt Section
23	11-Apr	6800	240	9	TOOH LD 2 3/8" tubing, LD 33 jts 4 1/2 DP. PU bit, motor, NMDC's MWD TIH, to 5030' Slip and cut 120' drlg line, TIH tag cmt @ 6,815' dress CMT to 7,040'	Paradox Salt Section
24	12-Apr	7040	20	9	KOP kick off time drill 7,040'-7,060'	Paradox Salt Section
25	13-Apr	7060	207	9	Time drill f/ 7,060'- 7,072' Rig srevic. Slide drill f/ 7,072' to 7,267'	Paradox Salt Section

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
26	14-Apr	7267	218	9	Slide drill f/ 7,267' to 7,383' Rig service. Rotate/Slide drill f/ 7,383' to 7,485	Paradox Salt Section
27	15-Apr	7485	302	9	Rotate/slide drill f/ 7,485' to 7,602' Rig service. Rotate/Slide drill f/ 7,602' to 7,737' Repair mud pumps. Rotate/slide f/ 7,737' to 7,787'	Paradox Salt Section
28	16-Apr	7787	95	9/10	Rotate/Slide f/ 7,787' to 7,792' Circulate bottoms up. Build slug, slug pipe, TOOH for bit.LD 1 jt DP. Change out bit. TIH test MWD. TIH fill pipe @ 1,406 & 4,942'. TIH No Fill. Rotate/slide f/ 7,792' to 7,882'	Cane Creek
29	17-Apr	7882	16	10	Rotate/slide f/ 7,882' to 7,913' Rig service. Rotate/slide f/ 7,913' to 7,998'	Cane Creek
30	18-Apr	7898	139	10/1 1RR	Rotate slide drill f/ 7,898 to 8,037'. TD 8 1/2" hole section. Circ bottoms up. Pump slug TOOH. L/D directional tools. Clean floor. P/U Bit TIH. w/ bit # 11RR. Fill pipe every 25 stds. TIH to 87,827, PU 3 jts DP. Wash f. 7,920' to 8,037'. Circ bottoms up. R/U Franks L/D Machine.	Cane Creek
31	19-Apr	8037	0		PJSM w/ Frank's. pump slug, POOH, LD 4 1/2" DP. 4 1/2" HWDP. 4 1/2" kelly. Pull wear bushing, R/U Franks casing crew, PJSM w/ Franks casing crew. Change out gate paddle in 4" isolation valve Pump # 2. P/u and run 7" casing. P-110 LTC. w/ turbolizers and bow spring centralizers. to 7,953' try to work pipe past thght spot. Casing won't go past 7,953' 84' from TD at 90 deg, wait on Halliburton for Chemicals from Dallas Tx.	Cane Creek
32	20-Apr	8037	0		Circulate w/ fillup. Tools casing tagged tight spot, work tight spot, NO GO, Casing @ 7,962, RD Franks. Circ w/ rig pump. PJSM w/ B&C RU winches, PJSM w/ Halliburton. RU cementers. Test lines to 5,000 psi. mix 40 bbl tuned spacer. Mix 510 sx cmt @ 15.5 ppg. 210 sx with out well life added.Pump all cmt, Pump plug, displace w/ 281 bbl mud. did not bump plug. release pressure f/ float holding. full returns while cementing. ND BOP's PU stack. Set slips w/ 195k down on slips. Make rough cut on csg. Set stack back. LD cut jt csg. RD winches and casing tools. ND rotating head and orbit valve. PU BOP. Make final cut on csg. Remove spacer spool. Install wellhead. and DSA set BOP on DSA torque bolts	Cane Creek

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
33	21-Apr	8037	0	12	Finish torqueing bolts on well head. Das and BOP's. NU rotating head, orbit valve, LD kelly. PU slim hole kelly. Fonction BOP's Test well head to 5600 psi for 15 mins. Test 7" csg to 2500 psi for 30 mins hold on chart. Test upper/lower kelly valves 250 psi low, 10000 psi high. test rams well head/ all breaks to choke 250 psi low, 10000 psi hi. Lay out directional tools on catwalk, 180 joints 4" xp39 DP. 45 jts HWDP, Install wear bushing. lock in wear bushing. PU bit BHA, surface test BOP. PU 27 jts pipe w/o franks. PJSM w/ franks pick up machine. PU DP, PUsH pipe, TIH to 3,149'	Cane Creek
34	22-Apr	7962	213	12	Fill pipe test MWD, Torque Kelly, install screen sub and lower kelly valve, PU 80 jts xt39 4" DP. PU HWDP, Tag cmt @ 7,916' RD lay down machine. PU kelly and rotating head rubber. install katch can on BOP's. drill cement, float equip, wiper plug, float, and shoe, f/ 7,916' to 7,962' wash to 8,037' Drill f/ 8,037' to 8,053' rig service. Drilling and Slide f/ 8,053' to 8,175'	Cane Creek
35	23-Apr	8175	278	12	Drill slide/ f/ 8,175' to 8,309' service rig, repair gasket hammer union high on stand pipe. Drlg f/ 8,309' to 8,348' POOH 4 stands into 7" casing. Repair rig, hammer union high on stand pipe, weld it solid. Test union to 3,000 psi. RIH 4 stands, Drlg f/ 8,348' to 8,453' raise mud wt f/ 15.8 - 16.0	Cane Creek
36	24-Apr	8453	486	12	Drlg/ slide as needed f/ 8,453' to 8,684' Rig service, Drlg slide as needed f/ 8,684' to 8,939'	Cane Creek
37	25-Apr	8939	396	12	Drill slide f/ 8,939' to 9,189' Rig service. Circ bottoms up, mix slug due to broken strands on Drilling line. POOH 9,189' to 7,940' into 7" casing. Rig up circulating swedge. Hang blocks, slip and cut 803' Drlg line. TIH Drlg f/ 9,189' to 9,335'	Cane Creek
38	26-Apr	9335	674	12	Drlg f/ 9,335' to 9,660', Service rig, Drlg f/ 9,660' to 10,009'	Cane Creek
39	27-Apr	10009	556	12	Drill / slide as needed f/ 10,009' to 10,236'. Rig service. Drlg f/ 10,236' to 10,565	Cane Creek
40	28-Apr	10565	532	12	Drill / Slide f/ 10,565' to 10,832' Rig Service. Drlg f/ 10,832' to 11,097'	Cane Creek

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
41	29-Apr	11097	473	12	Drill slide f/ 11,097' to 11,339' Rig Service. Drlg f/ 11,339' to 11,570'	Cane Creek
42	30-Apr	11570	365	12	Drlg slide/ f/ 11,570' to 11,780'. Rig service. Drlg f/ 11,780' to 11,935'	Cane Creek
43	1-May	11935	0	12	Drlg slide f/ 11,935' to 12,064' Circulate bottoms up. RU Weatherford Laydown Machine. Pump slug. LD 108 JTS 4" DP. RD weatherford laydown machine. POOH. LD bit and motor. Pull wear bushing. PU whipstick. w/ MWD. TIH slow	Cane Creek
44	2-May	8151	0	13	Whipstock tagged at 8,166' Planned to set @ 8,582' Set whipstock @ 8,166', Set @ 68 deg right @ 90 deg inc. shear pin mill side track 8,152' - 8,161' Slug pipe. LD 15 jts DP. POOH. LD Smith mill and tools, clean floor. install wear bushing lock in wear bushing. PU directional tools, motor, bit, TIH to 1,500' fill pipe and test MWD. TIH to 8,162' tag circulate	Cane Creek
45	3-May	8162	10	13	Drill and slide sidetrack f/ 8,168' to 8,241' Rig service, Drill and slide f/ 8,241' to 8,595'	Cane Creek
46	4-May	8595	410		Drill/ slide f/ 8,595' to 8,746' Rig service. Drill/ slide f/ 8,746' to 9,005'	Cane Creek
47	5-May	9005	151	13 / 14	Circ bottoms up, pump slug, POOH, LD motor/bit, PU new bit/motor, TIH, slip and cut drlg line 108' Rig Service. TIH Drlg f/ 9,005' to 9,156'	Cane Creek
48	6-May	9156	474	14	Drill and slide f/ 9,156' to 9,315' Rig service. Drill and slide f, 9,315' to 9,630'	Cane Creek
49	7-May	9630	411	14	Drill and slide f/ 9,630' to 9,819' Rig service, Drlg f/ 9,819' to 10,041'	Cane Creek

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
50	8-May	10041	158	14	Drill and slide f/ 10,041' to 10,199' motor not yielding angle or direction, circulate bottoms up. Pump slug. POOH. LD bit motor was found to be ~120 deg out from the 1.5 deg settin. Locking ring was broke. LD dammaged motor. PU new 1.5 fixed mudmotor. RR bit orient MWD. test MWD. TIH fill pipe every 25 stands.	Cane Creek
51	9-May	10199	126	14	TIH Drlg f/ 10,199' to 10,325'. Circulate. WOO. Wellpath was to dieviated to make directional plan. Pump slug, POOH LD 73JTS DP. TOO H for reaming assembly prior to setting whipstock.	Cane Creek
52	10-May	10325	0	15	Wait on tools for reaming, TOO H stand back MWD NMDC's. Make up 6" milltooth bit, 3 reamers. TIH ream 6" hole f/ 7,962' to 8,810	Cane Creek
53	11-May	8810	979	15	Ream open hole f/ 8,810' to 9,597' Rig Service, Reaming open hole f/ 9,597' to 9,789'. For Whipstock run. Circulate bottoms up, Mix and pump slug. POOH, PU Smith open hole Whipstock, Orient MWD tools, TIH w/ Whipstock @ 3 min/stand	Cane Creek
54	12-May	9789	0	15/ 14RR	TIH w/ Smith open hole Whipstock. 3 min / STD. to 9,748' Orient whipstock 62 deg right. Had problems setting packer multicycle bypass valve malfunction. Set whipstock. Circulate slug out of hole, Drill pilot hole f/ 9,721' to 9,738'. Work pipe . Pump slug, TOO H LD Smith Whipstock tools. PU PDC BIT, 1.38 deg motor, MWD, NMDC's. TIH	Cane Creek
55	13-May	9738	313	14RR	TIH slip and cut drlg line 150', TIH Drlg/slide f/ 9,738' to 9,850'. Rig service, Work tight pipe @ 9,850'-9,818' hole packed off, BLACK SHALE caving. Work free, rotate, pulled 100k over string wt. Ream 9,818'-9,850' 5-6 times. Drlg f/ 9,850' to 10,051'	Cane Creek

DAILY DRILLING SUMMARY
STONE ENERGY CORPORATION
THREEMILE # 16-17

DAY	DATE 2011	DEPTH 06:00 HRS	24 HR FOOTAGE	BIT #	24 HR ACTIVITY	FORMATION
56	14-May	10051	374	14RR	Drill and slide f/ 10,051' to 10,230' Rig service. Drlg f/ 10,230' to 10,425'	Cane Creek
57	15-May	10425	335	14RR	Slide and drill f/ 10,425' to 10,760'	Cane Creek
58	16-May	10760	150	14RR	Drill and slide f/ 10,760' to 10,768' MWD pulse quit working. Pump 28 bbl diesel sweep. Circulate, mix and pump slug, POOH LD MWD inspect bit and motor, PU new MWD TIH. Fill pipe every 25 stds. Wash and ream f/ 10,708' to 10,768' Drill/ slide f/ 10,768' to 10,910'	Cane Creek
59	17-May	10910	394	14RR	Drill slide f/ 10,910' to 11,052'. Rig service. Drill slide f/ 11,052' to 11,304'	Cane Creek
60	18-May	11304	437	14RR	Drill/ Slide f/ 11,304' to 11,430' Rig service. Drill/slide f/ 11,430' to 11,462' service light plant generator. Get EDR back on line 2 hrs. Drill slide f/ 11,462' to 11,741'	Cane Creek
61	19-May	11,741	289	14RR	Drill/ slide f/ 11,741' to 11,967'. Rig service, Drilling f/ 11,967' to 12,030' TD, Circulate Bottoms up, Short trip to shoe, 7,962' TIH, Circulate. POOH	Cane Creek
62	20-May	12030	0	14RR	POOH LD directional tools, Geologists released	Cane Creek
63	21-May	12030	0			Cane Creek

BIT RECORD
STONE ENERGY
THREEMILE # 16-17

OPERATOR: ENERGY CORPORATION
WELL NAME: HREEMILE # 16-17
LOCATION: V Section 16, T29S, R22E
San Juan County, Utah

CONTRACTOR: Frontier Drilling Rig #7
RIG MAKE: 131' Derrick DW OIME 750 HP
PUMPS: China F100 5.5X10

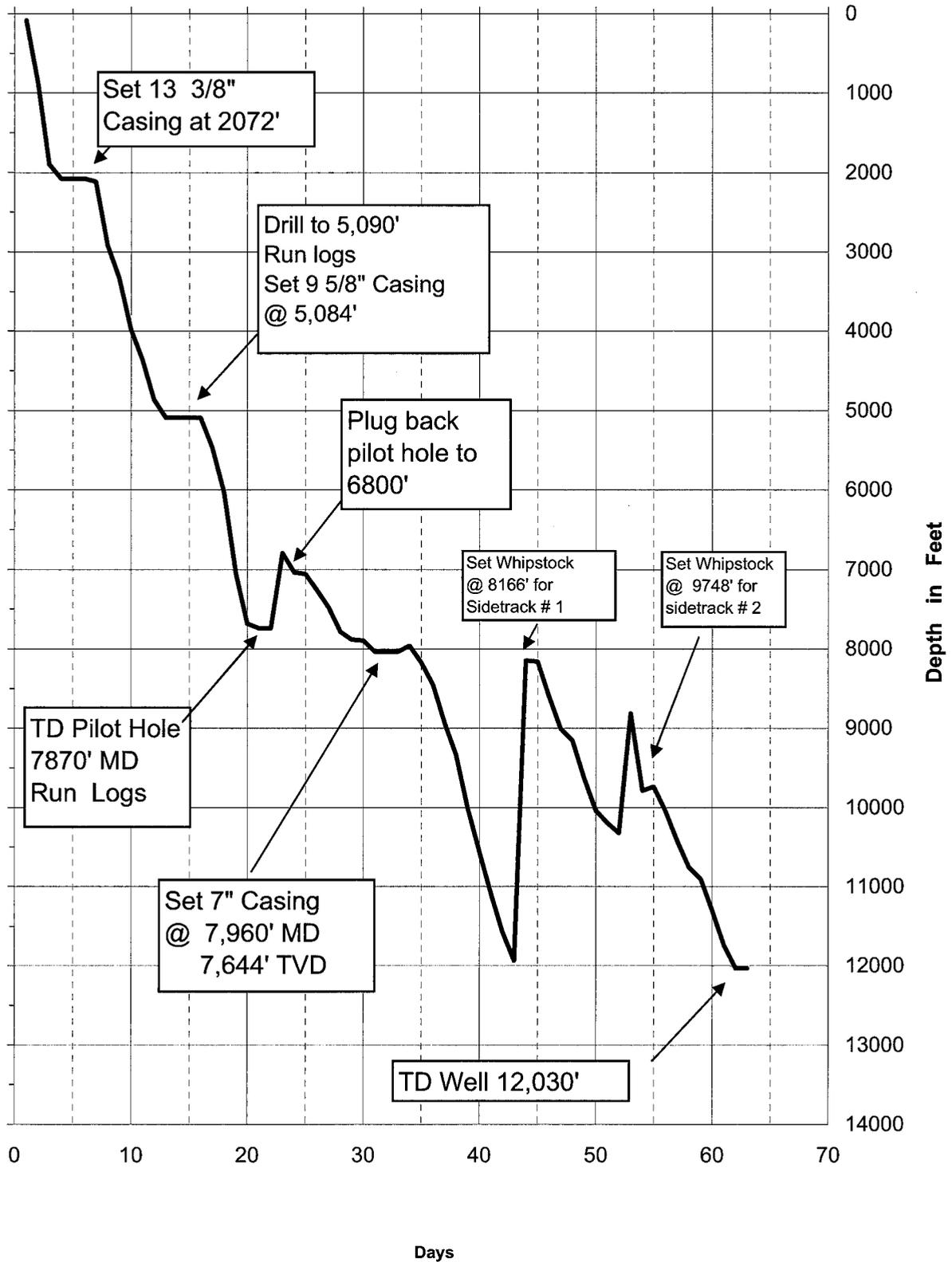
SPUD DATE: March 20, 2011

TD DEPTH/ DATE March 2,2011

GROUND
LEVEL: 5,825'
KELLY
BUSHING: 5,847'

Bit #	Size	Make	Type	Jets	Serial #	Depth In	Depth Out	Ftg	Hours	Ft/Hr	Vert. Dev.
1	17 1/2"	NUMA	H1209	1x26	185220	85	2,081'	1996	42	47.5	.5
2RR	17 1/2"	NUMA	H1209	1x26	185220	2081	2,081'	0	0	0.0	1
3RR	12 1/2	RMB	re tip	16 14 open	126066	2081	2,114'	33	1	33.0	1/2
4	12 1/4	NUMA	N125	1x28	182824	2114	3,986'	1872	34.5	54.3	1
5	12 1/4	HTC	GX 30	3x20	5176220	3989	5,090'	1101	45.5	24.2	1
6	8 1/2	RMB	MS68X	8x14	70883	5090	7,683'	2593	59	43.9	0.75
7	8 1/2	Quest	Core Head			7683	7,744'	61	10.5	5.8	1
8RR	8 1/2	RMB	MS68X	8x14	70883	7744	7,870'	126	3	42.0	1
9	8 1/2	HTC	GX28DXO	3X22	5165518	7,040'	7,792'	752	93	8.1	Curve
10	8 1/2	HTC	GX 28	3x22	5140836	7,792'	8,037'	245	47	5.2	Curve
11RR	8 1/2	HTC	GX 28	3x22	5178676	8,037'	8,037'	0	0	0.0	Clean out
12	6	SEC	FX64	6x18	11527837	7,962'	12,065'	4103	194	21.1	Lateral
13	6	SEC	FX64	6x18	11504327	8,175'	9,005'	830	47	17.7	Side Track Lateral
14	6	SEC	FX74	6x20	11333166	9,005'	10,325'	1320	80	16.5	Side Track Lateral
15	6	HTC	Milltooth	Open		0'	0'	0	0	0.0	Reaming Side Track
14RR	6	SEC	FX74	6x20	11333166	9,738'	12,030'	2292	127.5	18.0	Lateral

TIME VS DEPTH
STONE ENERGY CORPORATION
THREEMILE # 16-17



FORMATION TOPS
STONE ENERGY CORPORATION
THREEMILE # 16-17

Well Name:	Stone Energy Threemile 16-17					Whiting 43-18H		
Location:	Sec 16, T29S R22E					Sec 18, T29S, R22E		
Elevation:	KB:	5893'				KB:	5961'	
FORMATION	Prognosis	Prognosis Subsea	Sample top	E Log tops	Subsea E Logs	Log Depth	Subsea	
/ ZONE								
Entrada	Surface							
Carmel								
Navajo								
Kayenta								
Wingate								
Chinle								
Moenkopi	1,234'	4,658'				1,094'	4,867'	
Elenphant Canyon	1,945'	3,947'				1,805'	4,156'	
Honaker Trail	2,957'	2,935'				2,817'	3,144'	
La Sal Limestone	4,177'	1,715'	4,062'	4,029'	1,864'	4,037'	1,924'	
Hovenweep SH	4,782'	1,110'	4646'?	4,654'	1,239'	4,510'	1,451'	
Salt # 4 (1st Salt)	4,987'	905'	4,863'	4,863'	1,030'	4,805'	1,156'	
Salt #6	5,876'	-29'	5,131'	5,143'	750'	5,092'	869'	
Clastic 10	6,060'	-168'	5,945'	5,942'	-49'	5942'	19'	
Clastic 13	6,327'	-435'	6,192'	6,194'	-301'	6,186'	-225'	
Clastic 19	7,268'	-1,376'	7,226'	7,230'	-1,337'	7,130'	-1,169'	
Cane Creek	7,704'	-1,812'	7,679'	7,678'	-1,785'	7,562'	-1,603'	
Cane Creek Base	7766	-1,874'	7,766'	7,768'	-1,875'	7,652'	-1,698'	
Clastic 22			7,860'	7,860'	-1,967'			
TD	7860	-1,968'	7,872'	7,873'	-1,980'	7,730'	-1,769'	

STONE ENERGY
INVERT MUD REPORTS
THREEMILE 3 16-17

DATE 2011	DEPTH	Flow Line Temp	WT	FV	PV	YP	GELS	API FILT	OIL/WATER	ELECT STABILITY	NaCl %/wt	CaCl2 %wt	TOTAL HARDNESS	CaCl2 mg/l
3-Apr	5210	80	14.20	70	20	10	6/9	4.8	88.9/11.1	875	6.3	26	2	341,472
4-Apr	6027	100	14.20	56	20	10	6/9	5	87.3/12.7	1016	6	24.37	2.9	283,051
5-Apr	6775	89	14.50	53	21	11	7/9	5	87.1/12.9	870	9.75	19.16	2.3	164,366
6-Apr	7400	85	14.30	54	29	10	8/11	3	88.9/11.1	911	1.61	35.67	2.6	484,433
7-Apr	7740	80	15.10	60	23	11	8/10	5	88.4/11.6	1200	4.88	27.29	2.8	353,100
8-Apr	7744	na	15.10	60	23	11	8/10	5	88.6/11.4	1200	4.88	27.29	2.8	341,550
9-Apr	7850	na	15.00	60	23	11	8/10	3.6	88.6/11.4	1200	4.88	27.29	2.8	341,550
10-Apr	7870	na	15.00	60	23	11	8/10	3.6	88.6/11.4	1200	4.88	27.29	2.8	341,550
11-Apr	7055	95	15.30	53	24	11	7/10/11	3.6	86.8/13.2	1050	5.12	26.84	3.2	346,649
12-Apr	7216	99	15.30	54	23	10	7/10/11	3	87/13	1140	4.42	28.23	3.4	367,106
13-Apr	7440	115	15.30	54	24	11	7/12/12	3	86.8/13.2	1100	5.13	26.84	2.9	346,632
14-Apr	7724	115	15.30	57	27	11	8/15/17	3	88.2/11.8	1132	4.15	28.82	2.7	375,935
15-Apr	7845	110	15.50	61	28	12	8/15/19	2.2	88.1/11.9	1060	3.2	31.02	2.6	409,522
16-Apr	7914	114	15.30	58	27	13	9/15	3	89.7/10.3	984	2.01	34.32	2.6	462,046
17-Apr	8035	117	15.30	58	27	12	9/17	2.5	89.7/10.3	955	2.81	32.02	2.4	425,208
18-Apr	8037	na	15.30	58	27	12	9/17	2.5	89.7/10.3	955	2.81	32.02	2.4	425,208
19-Apr	7960	na	15.30	56	27	12	9/17	3	89.7/10.3	986	3.12	31.22	2.2	412,666
20-Apr	7964	na	15.30	56	27	12	9/17	3	89.7/10.3	986	3.12	31.22	2.2	412,666
21-Apr	7911	na	15.30	56	27	12	9/17	3	89.7/10.3	986	3.12	31.22	2.2	412,666
22-Apr	8275	95	15.80	80	33	22	14/16	3	89.7/10.3	894	2.81	32.02	2.5	425,213
23-Apr	8590	93	16.20	88	35	22	14/30	3	89.4/10.6	676	3.81	29.57	2.8	387,215
24-Apr	9180	95	15.60	75	30	19	16/34	3	88.1/11.9	702	8.33	21.22	2.2	246,149
25-Apr	9845	95	15.50	96	33	21	16/38	3	89.4/10.6	762	4.22	28.71	2.6	374,258
26-Apr	10445	90	15.30	107	34	23	17/39	3	88.4/11.6	682	7.1	23.2	2.3	294,595

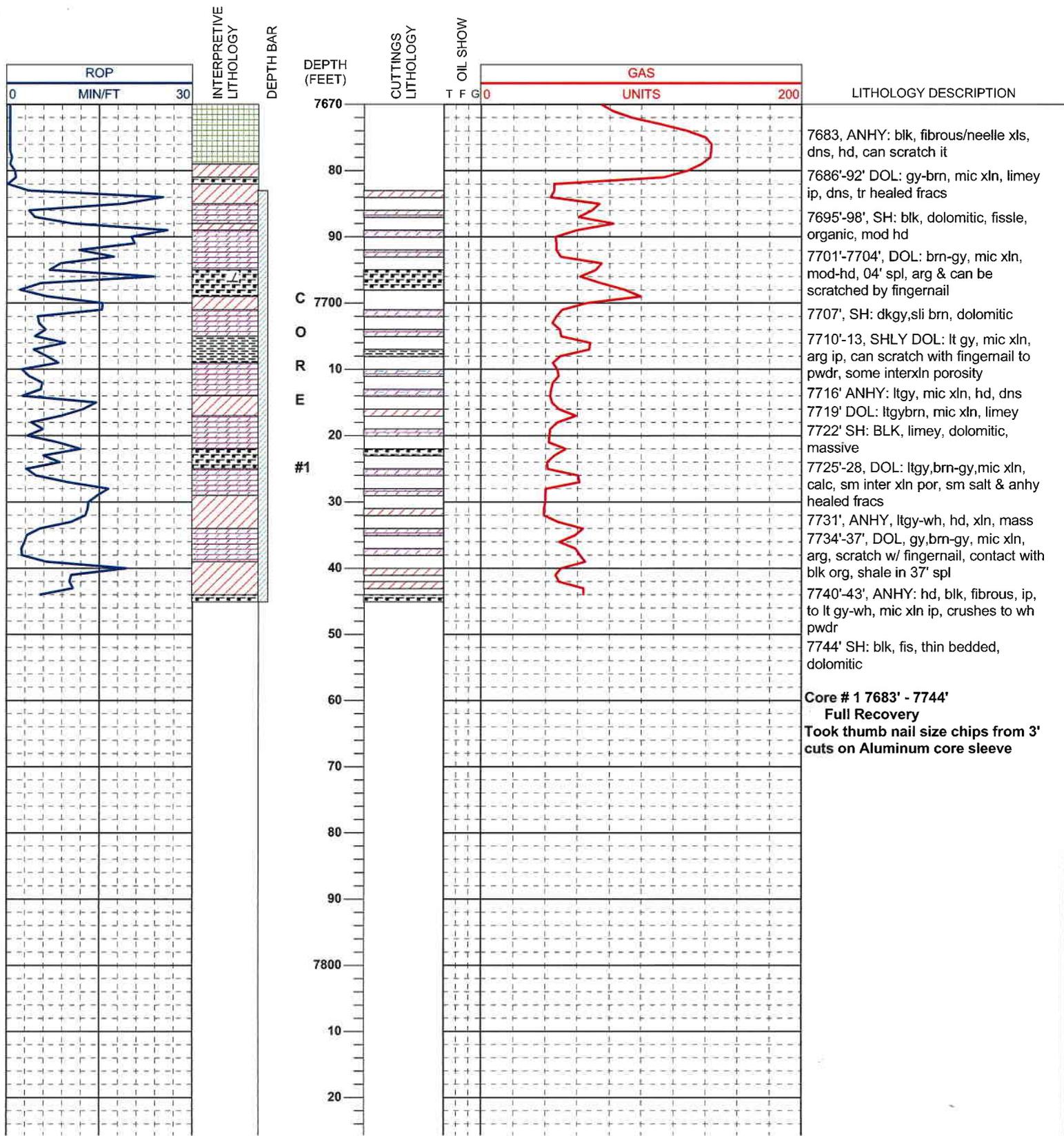
STONE ENERGY
INVERT MUD REPORTS
THREEMILE 3 16-17

27-Apr	10980	99	15.20	82	38	24	20/40	3	88.4/11.6	712	5.24	26.61	2.9	280,447
28-Apr	11470	102	15.00	83	39	21	21/42	3	88.6/11.4	698	5.74	25.68	2.6	329,851
29-Apr	11875	101	15.00	84	38	21	15/39	3	90/10	603	4.22	28.71	2.1	374,258
30-Apr	12064	na	15.00	84	38	21	15/39	3	90/10	603	4.22	28.71	2.1	374,258
1-May	8166	na	15.00	84	38	21	15/39	3	90/10	603	4.22	28.71	2.1	374,258
2-May	8402	103	15.00	86	36	26	20/44	3	91.4/8.6	660	3.81	29.57	2.4	387,227
3-May	8747	105	14.90	79	38	27	18/44	3	90/10	968	4.61	27.84	2.2	361,282
4-May	9005	106	14.60	73	36	21	13/23	3	85.7/14.3	747	5.5	21.16	2.4	261,040
5-May	9272	105	14.70	75	35	25	12/33	3	87.1/12.9	818	8.59	20.87	2.3	262,598
6-May	9762	108	14.55	70	37	21	11/18	3	84.5/15.5	791	6.72	18.18	2.2	220,611
7-May	10132	109	14.55	67	34	18	12/31	3	87.9/12.1	822	3.64	27.12	2.9	347,341
8-May	10282	101	14.50	73	34	18	11/33	3	87.4/12.6	829	3.8	29.09	2.4	332,969
9-May	10325	102	15.50	92	41	25	13/44	3	87.4/12.6	829	3.8	29.09	2.4	332,969
10-May	9122	89	15.50	92	41	25	13/44	3	87.4/12.6	829	3.8	29.09	2.4	332,969
11-May	9782	94	15.65	102	40	22	13/46	3	88.1/11.9	768	7.68	22.33	2.1	282,567
12-May	9945	95	15.40	84	35	13	8/21	3	91/9	819	3.08	31.35	2.6	400,987
13-May	10370	95	15.40	77	39	18	9/39	3	89.7/10.3	795	4.62	27.84	2.3	361,263
14-May	10522	100	15.40	80	38	19	9/34	3	89.6/10.4	805	5.65	25.78	2.4	307,184
15-May	10768	102	15.40	79	38	15	9/40	3	89.7/10.3	856	5.05	26.95	2.4	348,156
16-May	11021	102	15.50	78	38	19	11/40	3	89.7/10.3	981	7.13	23.19	2.1	294,538
17-May	11362	103	15.60	85	41	21	12/40	3	89.7/10.3	958	7.11	23.2	2.1	294,584
18-May	11842	101	15.70	90	44	21	13/36	3	89.6/10.4	979	4.85	25.88	2.4	294,781

LOG created using L PLOT VH Version 3.0, April 09, 2011, Copyright (C) 1999-2009 Pason Systems Corp.

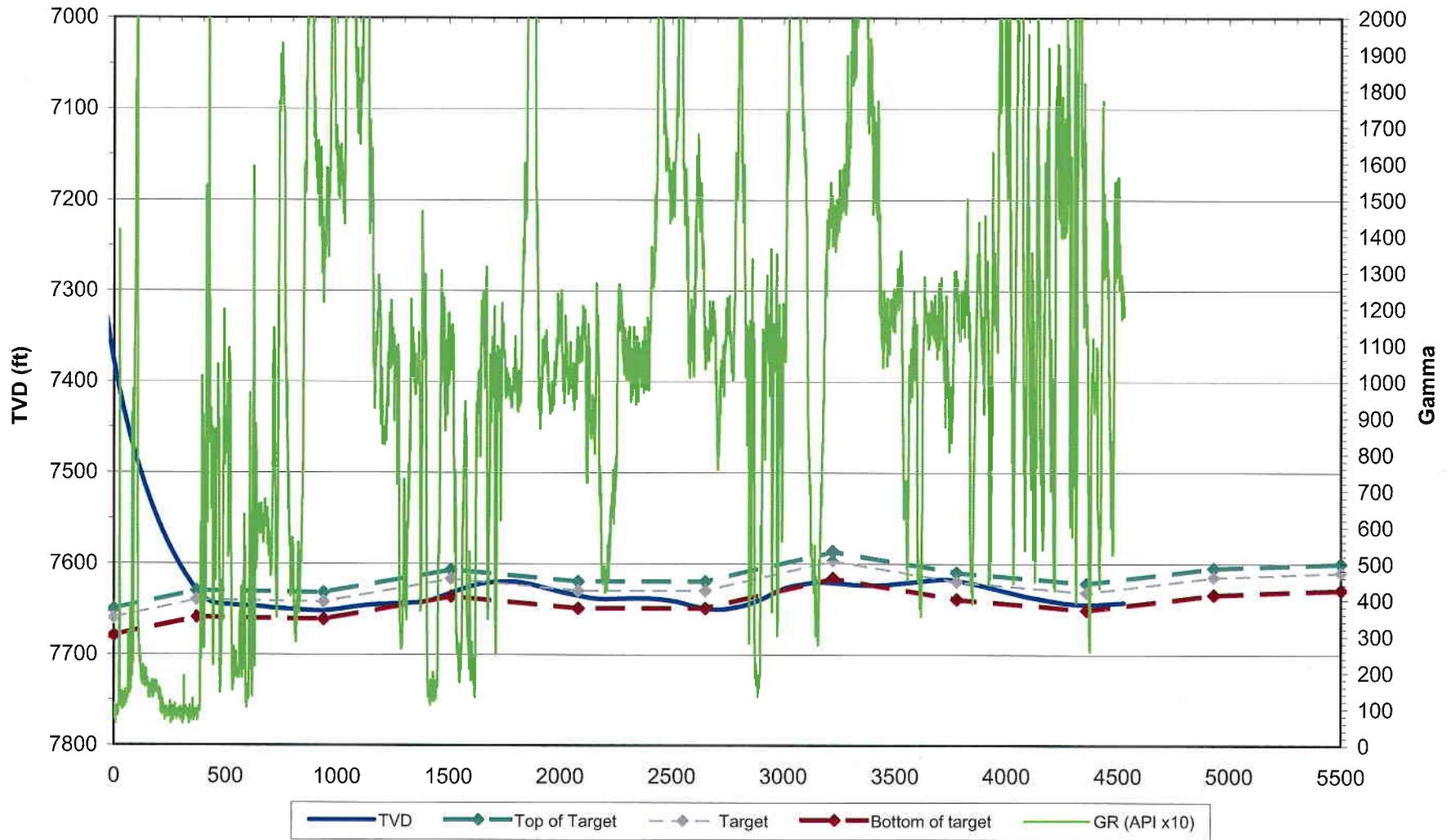
OPERATOR: **STONE ENERGY CORP**
 WELL: **THREE MILE, 16-17 CORE LOG**
 PRINT DATE: **4/9/2011 7:30:20 AM**

LOCATION:
 COUNTY: **SAN JUAN**
 STATE: **UTAH**

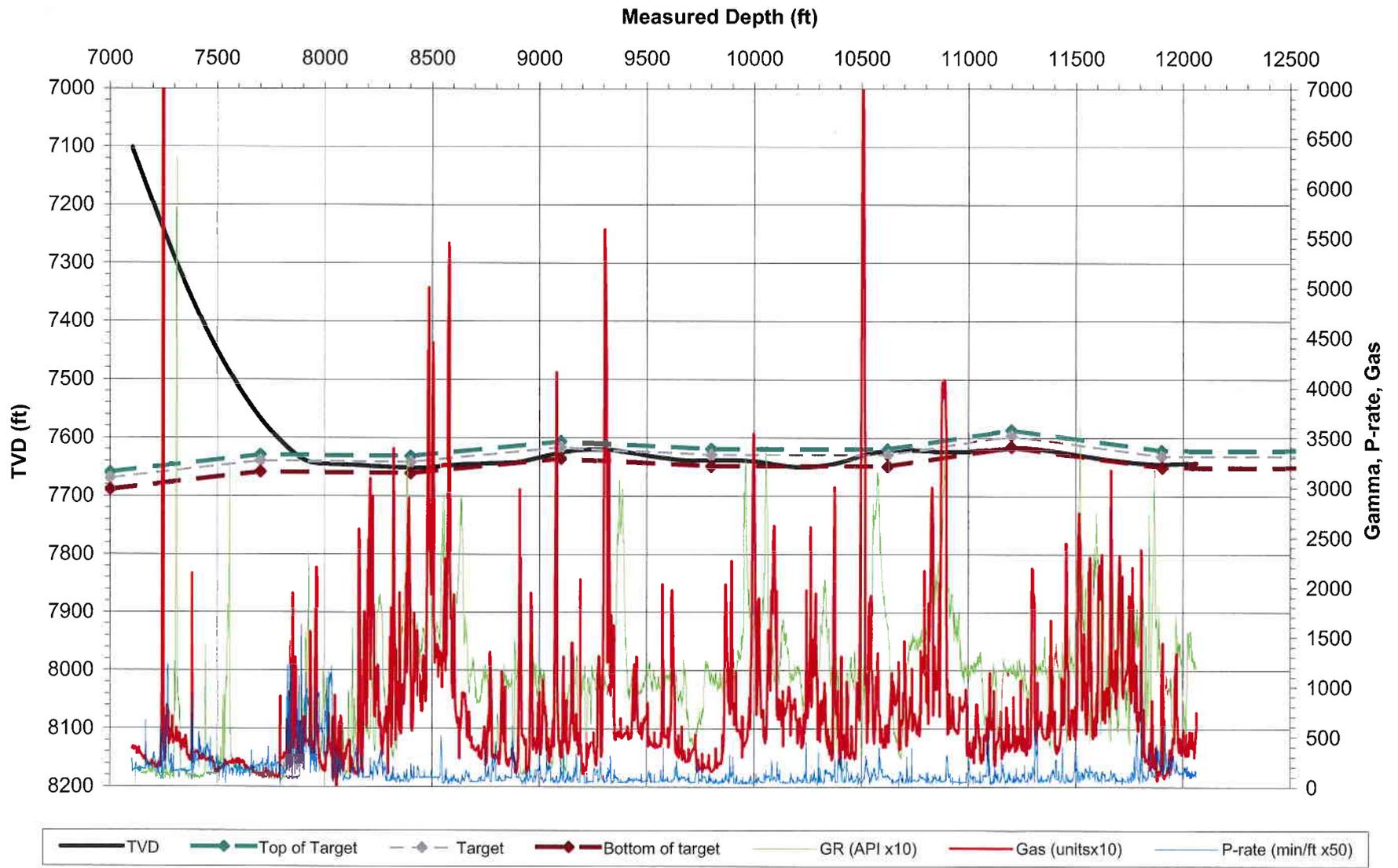


Threemile # 16-17 SW LATERAL

Vertical Section (Ft)

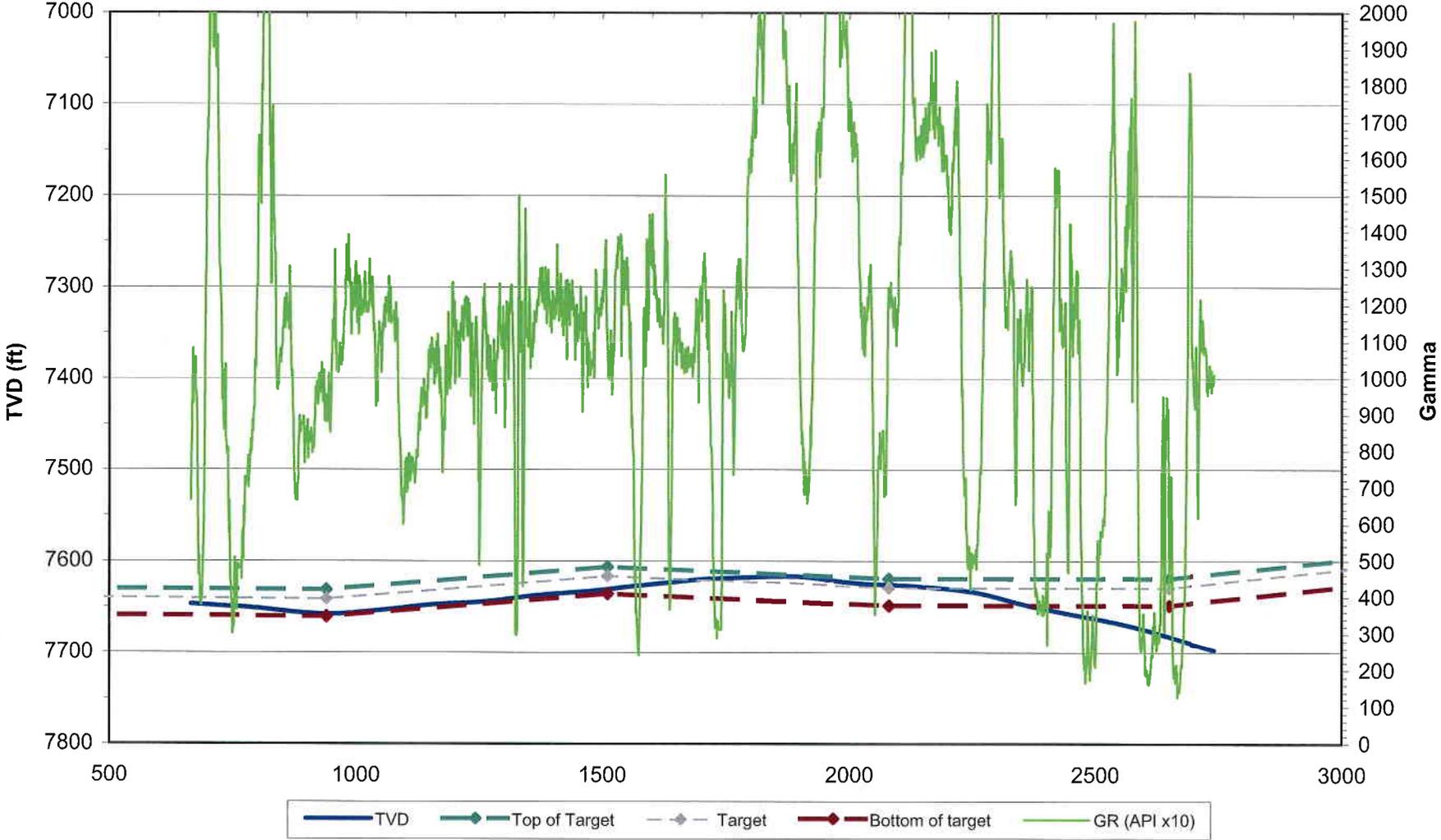


Threemile # 16-17 SW LATERAL



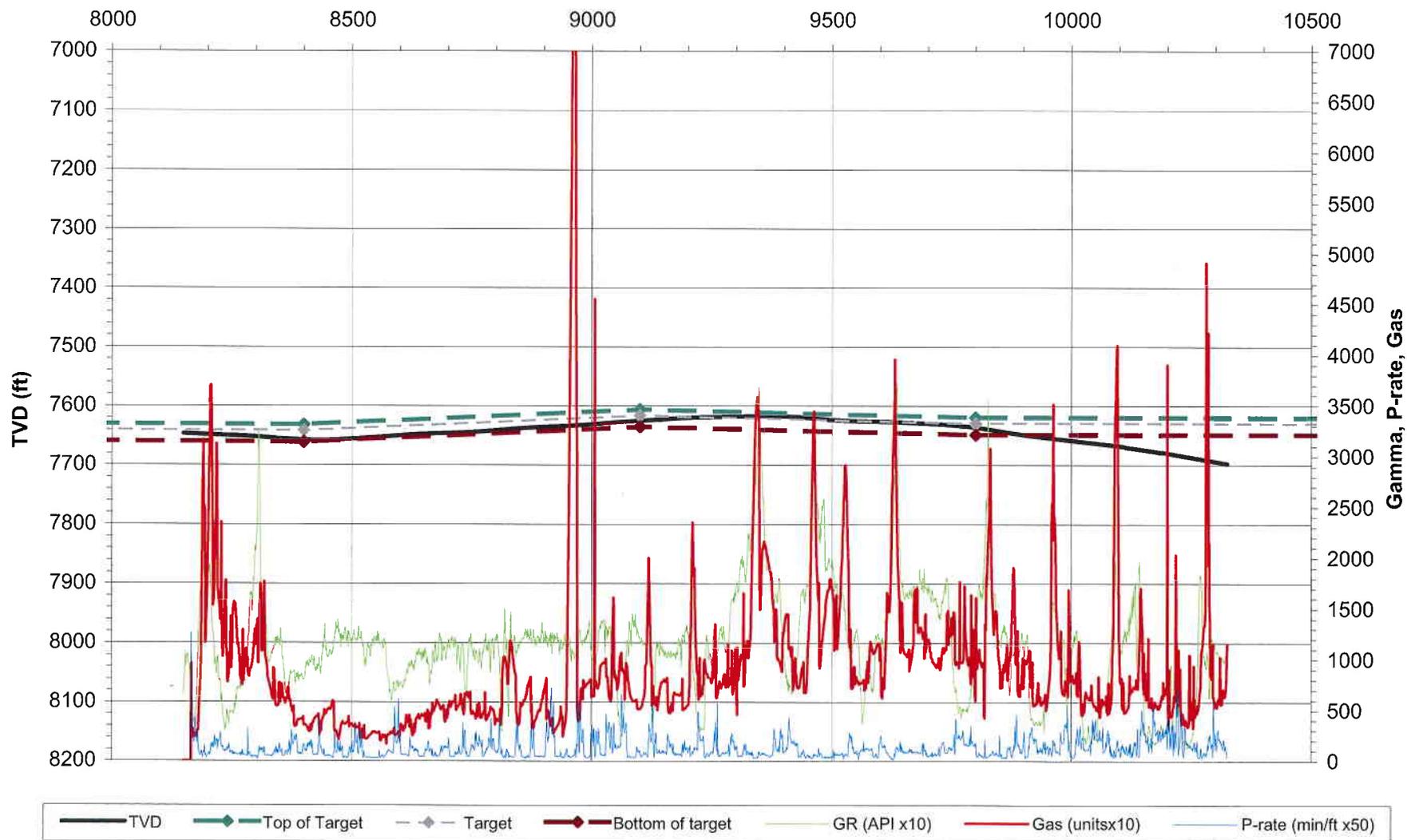
Threemile # 16-17 SIDETRACK # 1 SW LATERAL

Vertical Section (Ft)



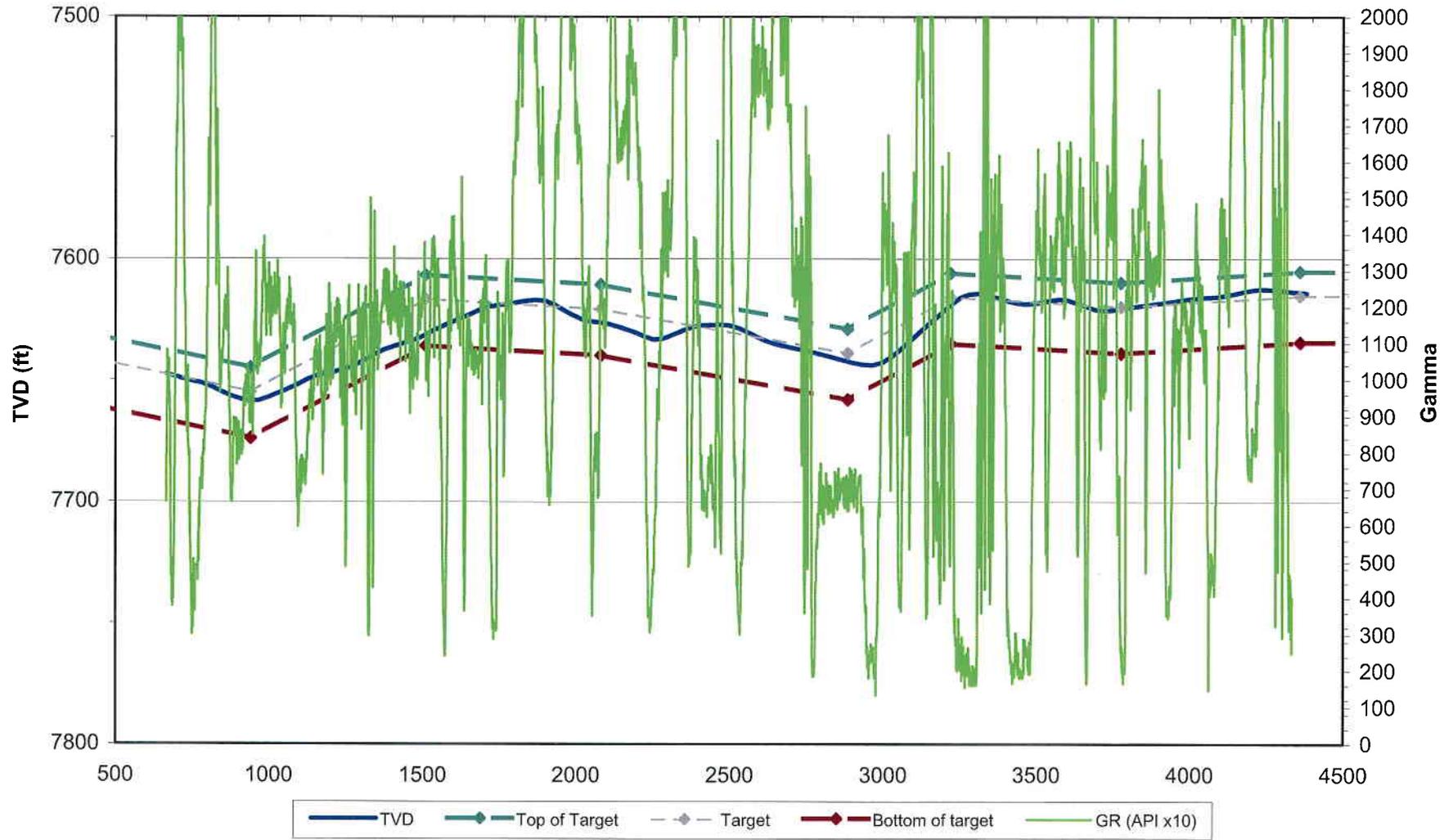
Thremile # 16-17 SIDETRACK # 1 SW LATERAL

Measured Depth (ft)

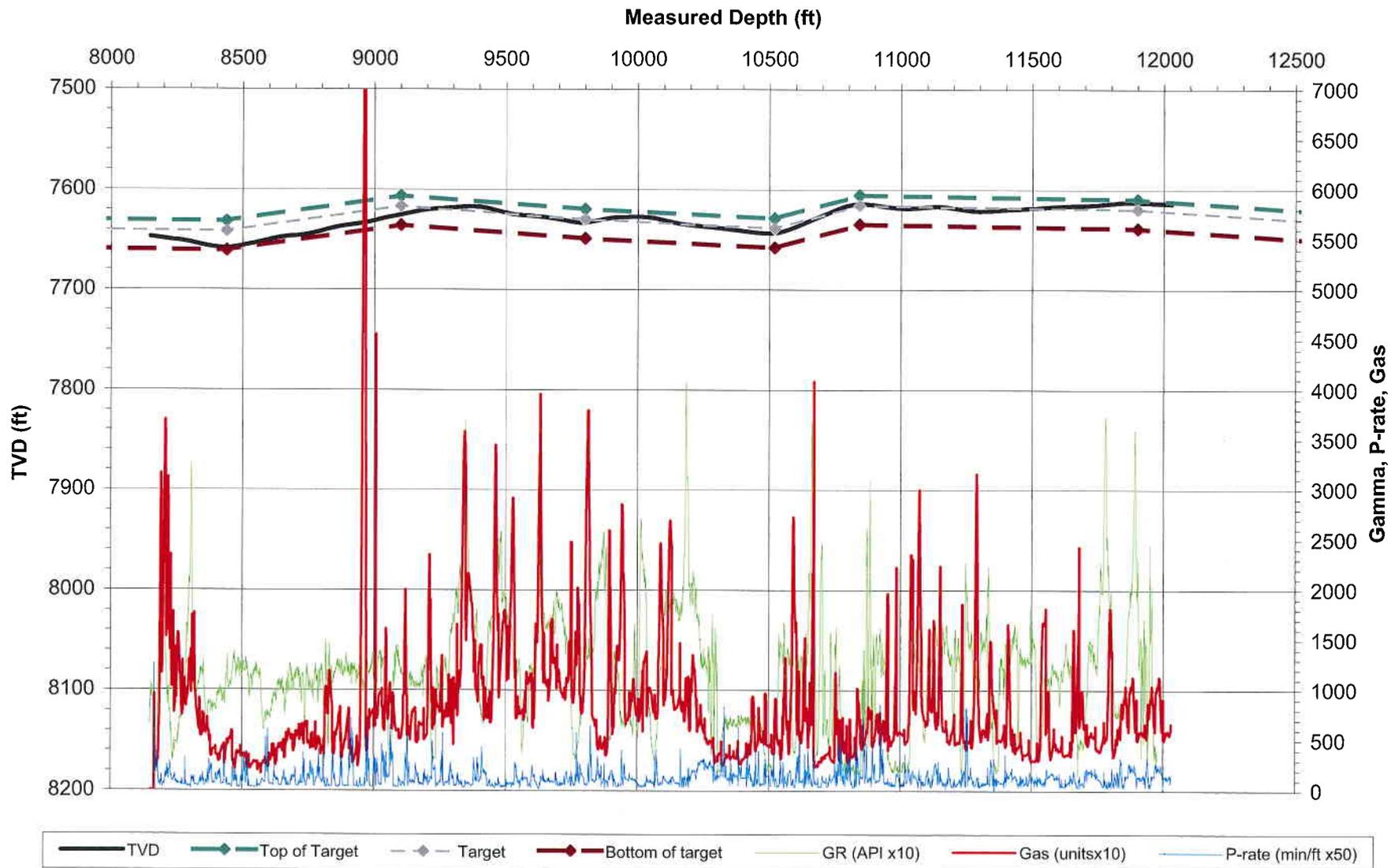


Threemile # 16-17 SIDETRACK # 1& 2 SW LATERAL

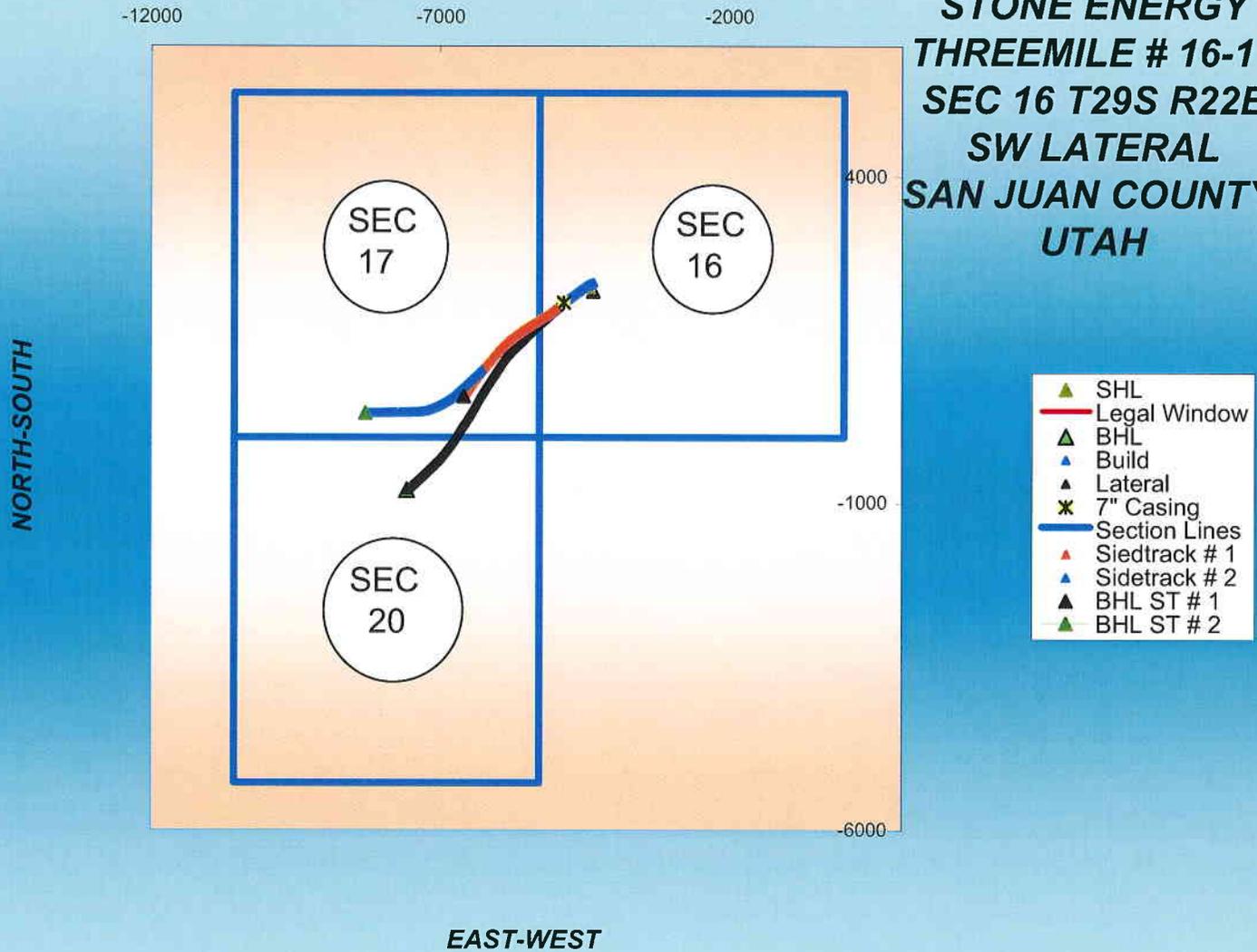
Vertical Section (Ft)

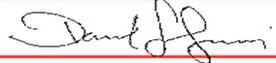


Threemile # 16-17 SIDETRACK # 1 & # 2 SW LATERAL



**STONE ENERGY
THREEMILE # 16-17
SEC 16 T29S R22E
SW LATERAL
SAN JUAN COUNTY,
UTAH**



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: ML-51129	
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: THREEMILE	
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: THREEMILE 16-17	
2. NAME OF OPERATOR: STONE ENERGY CORPORATION		9. API NUMBER: 43037500030000	
3. ADDRESS OF OPERATOR: 625 East Kaliste Saloom Rd , Lafayette, LA, 70508	PHONE NUMBER: 337 237-0410 Ext	9. FIELD and POOL or WILDCAT: WILDCAT	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		COUNTY: SAN JUAN	
		STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/15/2012 <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 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="Pit Reclamation"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
Stone Energy Corporation respectfully submits this request to complete cuttings and reserve pit reclamation on the Threemile 16-17 and submits the attached plan for review and approval.		Approved by the Utah Division of Oil, Gas and Mining Date: <u>April 04, 2012</u> By: <u></u>	
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Agent	
SIGNATURE N/A		DATE 3/29/2012	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43037500030000

1: The reclamation work will be completed within 30 days of approval. 2: A minimum of 36 inches of fill will be required over clay lens

Pit Reclamation Procedure

Stone Energy Corporation

Threemile 16-17

Background:

Stone Energy Corporation has previously drilled and completed the Threemile 16-17 well on state surface and state and federal mineral in San Juan County, Utah. The Threemile 16-17 is currently pending completion results with the pad proposed for a future additional horizontal lateral. As such, the Threemile 16-17 pad is not proposed for full interim reclamation at this time. Should the one year anniversary of the completion of the well occur without the additional horizontal lateral being drilled interim reclamation, as specified within the approval documents, should be implemented. The pad currently has an open reserve pit and cuttings pit with required netting that Stone Energy Corporation has proposed for closure and interim reclamation. Both pits presently contain cuttings and drilling waste, and some surface water.

Initial clean-up efforts at the Threemile 16-17 resulted in truck transportation of available liquid waste from both pits and some of the cuttings from the cuttings pit being transported by truck to the RICRA permitted E&P commercial waste disposal facility operated by Reams Construction near Naturita, Colorado. Cuttings were solidified with available pit subsoil material until a transportable consistency was achieved. Required sampling of the contents of both pits has been completed with the results being previously reported electronically to the State of Utah – Division of Oil, Gas and Mining and Bureau of Land Management – Moab Field Office.

The following procedures would be implemented following approval and published guidelines to remediate and reclaim both pits and any remaining contaminated soils at the Threemile 16-17.

Backfill Procedure:

Stone Energy Corporation proposes to close and reclaim the cuttings and reserve pits at the Threemile 16-17 well site as soon as State of Utah – Division of Oil, Gas and Mining and Bureau of Land Management – Moab Field Office approval is given. Both pits would initially be cleared of visible trash or construction debris and the refuse transported to a State approved solid waste repository. Remaining fluids (water and/or hydrocarbons) would be removed by evaporation or truck transportation to the Reams permitted commercial waste water disposal facility consistent with applicable regulations.

The remaining contents of the cuttings pit would initially be mixed and solidified to a uniform consistency while adding subsoil, as necessary, to a consistency that allows truck transportation. The contents of the cuttings pit would then be loaded into trucks and transported to an approved solid waste repository. The entire contents of the pit would be removed or until sampling of the remaining contents met the criteria outlined within page 10 of the Division of Oil, Gas and Mining published Environmental Handbook (January 1996) as outlined below:

Salinity Content:

- Electrical Conductivity <4 mmho/cm which approximates TDS of 2560 mg/l
- Exchangeable sodium percentage ESP <15%
- Sodium adsorption ratio SAR <12

Hydrocarbon Content:

- 1% or 10,000 ppm TPH

The existing cuttings pit liner would then be removed and transported to a State approved solid waste repository. Soils below the existing liner would be visually inspected for contamination and removed until all contaminated material is removed from the cuttings pit area.

The remaining contents of the reserve pit may be blended with a track hoe bucket to a uniform consistency while adding additional subsoil, powder, as necessary, until a weight bearing and stabilized consistency is achieved. The existing reserve pit liner would be torn and perforated with excess pit liner being folded in on itself and topped with subsoil until a level and stable surface is achieved. The pit contents would then be covered with a minimum of 6-inches of commercial clay cover and compacted to provide an impermeable layer that minimize potential capillary action to the surface.

Native material may then be added until both pits are estimated as being six (6) inches below grade. This elevation would allow for topsoil installation below the final reclaimed grade of the pit area. Six (6) inches of adjacent native topsoil would then be placed over the subsoil. The final contour would be mounded over the top elevation of the reserve and cuttings pits to promote surface water drainage from the pit and allow for natural settling.

Solid Waste Repository:

A permitted landfill would be utilized for the final disposition of solid waste associated with the Threemile 16-17. The State of Utah permitted Class V landfill (Permit #9422R1) operated by Environmental, L.C. would be utilized as a primary solid waste repository. Reams Construction Company may also be utilized as a solid waste repository following review and approval of their pending Colorado landfill permit by Division of Oil, Gas and Mining and Stone Energy Corporation staff. Application has been made by Reams Construction Company but a final permit has not been received at the time of this submittal and would not be utilized until additional approval is granted. Utilization of the Reams facility would reduce trucking costs associated with the primary solid waste repository

Reclamation Procedure:

The subsoil would be compacted on both pits to the extent possible. The cuttings pit and the reserve pit and any portion of the pad not needed for future operations / production facilities would then be re-contoured to the approximate natural contours utilizing the existing subsoil. Topsoil would be spread evenly across the entire pit area and portion of the pad. Topsoil previously salvaged from the pits area would be graded to a depth optimum to maintain topsoil viability, seeded with the landowner prescribed seed mixture and, if available, covered with mulch for protection from wind and water erosion and to discourage the invasion of weeds.

The interim reclamation would be completed as soon as the pit is backfilled to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area. All equipment and debris would be removed from the area proposed for reseeding. The area not proposed for future operations and other disturbed areas not needed for future operations would be re-contoured to blend with the surrounding area and reseeded at 12 lbs /acre with the following native grass seeds:

Hatch Point area Seed Mix: 12 lbs/acre

- o Sand dropseed – *Sporobolus cryptandurs* (3 lbs / acre)
- o Fourwing Saltbush – *Atriplex canescens* (3 lbs / acre)
- o Needle and Thread Grass - (4 lbs / acre)
- o Indian Rice Grass – *Achnatherum himenoides* (4 lbs / acre)

The entire reclaimed area may be fenced to prevent entry onto the closed pits, excessive grazing and minimize the incidental disturbance for a period of two years. Reclaimed areas receiving incidental disturbance during the life of the project would be re-contoured and reseeded as soon as practical. The operator would monitor reclamation success and control noxious weeds within the reclaimed area or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the County Extension Office.

Photos:



Existing cuttings pit at the Threemile 16-17



Existing reserve pit at the Threemile 16-17

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-51129

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:
THREEMILE

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
THREEMILE 16-17

2. NAME OF OPERATOR:
STONE ENERGY CORPORATION

9. API NUMBER:
43037500030000

3. ADDRESS OF OPERATOR:
625 East Kaliste Saloom Rd , Lafayette, LA, 70508

PHONE NUMBER:
337 237-0410 Ext

9. FIELD and POOL or WILDCAT:
WILDCAT

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2319 FSL 0843 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E 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: 9/11/2012 <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="Pits Closure"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Stone Energy Corporation has completed the reserve pit and cuttings pit remediation and closure for the Threemile 16-17 well following the submitted plan approved on April 4, 2012 and will complete interim reclamation and reseeding when conditions are acceptable during early winter. Following please find two photos of the completed pits closure.

NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Agent
SIGNATURE N/A	DATE 10/29/2012	

Stone Energy Corporation – Threemile 16-17 (Pits Closure Completion)



Threemile 16-17 Pits looking northeast (9-11-2012)



Threemile 16-17 Pits looking Southwest (9-11-2012)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: STONE ENERGY CORPORATION		7. UNIT or CA AGREEMENT NAME: THREEMILE
3. ADDRESS OF OPERATOR: 625 East Kaliste Saloom Rd , Lafayette, LA, 70508		8. WELL NAME and NUMBER: THREEMILE 16-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		9. API NUMBER: 43037500030000
PHONE NUMBER: 337 237-0410 Ext		9. FIELD and POOL or WILDCAT: WILDCAT
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"/> 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"/> WILDCAT WELL DETERMINATION <input checked="" type="checkbox"/> OTHER	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/11/2012	<input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Pits Closure"/>	
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Stone Energy Corporation has completed the reserve pit and cuttings pit remediation and closure for the Threemile 16-17 well following the submitted plan approved on April 4, 2012 and will complete interim reclamation and reseeding when conditions are acceptable during early winter. Following please find two photos of the completed pits closure.		
Accepted by the Utah Division of Oil, Gas and Mining		Date: <u>November 20, 2012</u>
By: <u></u>		
NAME (PLEASE PRINT) Don Hamilton	PHONE NUMBER 435 719-2018	TITLE Agent
SIGNATURE N/A	DATE 10/29/2012	

Stone Energy Corporation – Threemile 16-17 (Pits Closure Completion)



Threemile 16-17 Pits looking northeast (9-11-2012)



Threemile 16-17 Pits looking Southwest (9-11-2012)

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APR 08 2013

FORM 9

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

DIV. OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-51129

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Threemile Unit

8. WELL NAME and NUMBER:
Threemile 16-17

9. API NUMBER:
4303750003

10. FIELD AND POOL, OR WILDCAT:
Wildcat

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 Shut-in

2. NAME OF OPERATOR:
Stone Energy Corporation

3. ADDRESS OF OPERATOR:
625 E. Kaliste Saloom Road CITY Lafayette STATE LA ZIP 70508

PHONE NUMBER:
(303) 718-9832

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2,319' FSL, 843' FWL COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 29S 22E S STATE: UTAH

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

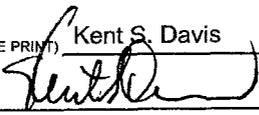
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input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

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No operations have been performed on the well bore since the well was shut-in.

NAME (PLEASE PRINT) Kent S. Davis TITLE Consulting Landman

SIGNATURE  DATE 4/4/2013

(This space for State use only)

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

MAY 10 2013

CONFIDENTIAL
FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-51129

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Threemile Unit

8. WELL NAME and NUMBER:
Thre16-17

9. API NUMBER:
4303750003

10. FIELD AND POOL, OR WILDCAT:
Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

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OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Stone Energy Corporation

3. ADDRESS OF OPERATOR:
625 E. Kaliste Saloom Road CITY **Lafayette** STATE **LA** ZIP **70508**
PHONE NUMBER: **(303) 718-9832**

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2,319' FSL, 843' FWL** COUNTY: **San Juan**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 16 29S 22E S** STATE: **UTAH**

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

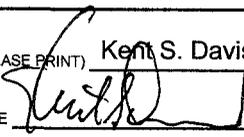
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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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

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No operations have been performed on the well bore since the well was shut in.

NAME (PLEASE PRINT) **Kent S. Davis** TITLE **Consulting Landman**

SIGNATURE  DATE **5/6/2013**

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

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JUN 06 2013

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
2. NAME OF OPERATOR: Stone Energy Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 625 E Kaliste Saloom Road CITY Lafayette STATE LA ZIP 80108		7. UNIT or CA AGREEMENT NAME: Threemile Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,319' FSL, 843' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 29S 22E S		8. WELL NAME and NUMBER: Threemile 16-17
PHONE NUMBER: (303) 718-9832		9. API NUMBER: 4303750003
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

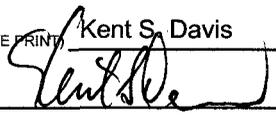
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<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Status Update</u>
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No operations have been performed on the well bore since the well was shut in.

NAME (PLEASE PRINT) <u>Kent S. Davis</u>	TITLE <u>Consulting Landman</u>
SIGNATURE 	DATE <u>6/3/2013</u>

(This space for State use only)

Reset Form

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

DIV. OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-51129

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT OR CA AGREEMENT NAME:
Threemile Unit

8. WELL NAME AND NUMBER:
Threemile 16-17

9. API NUMBER:
4303750003

10. FIELD AND POOL, OR WILDCAT:
Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

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Stone Energy Corporation

3. ADDRESS OF OPERATOR:
625 E Kaliste Saloom Road CITY **Lafayette** STATE **LA** ZIP **80108**

PHONE NUMBER:
(303) 718-9832

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **2,319' FSL, 843' FWL** COUNTY: **San Juan**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 16 29S 22E S** STATE: **UTAH**

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

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<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
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No operations have been performed on the well bore since the well was shut in.

NAME (PLEASE PRINT) Kent S. Davis TITLE Consulting Landman

SIGNATURE  DATE 7/3/2013

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

OCT 10 2013

FORM 9

DIV. OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-51129

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

SUNDRY NOTICES AND REPORTS ON WELLS

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7. UNIT or CA AGREEMENT NAME:

Threemile Unit

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

Threemile 16-17

2. NAME OF OPERATOR:
Stone Energy Corporation

9. API NUMBER:

4303750003

3. ADDRESS OF OPERATOR:
625 E Kaliste Saloom Road CITY Lafayette STATE LA ZIP 70508

PHONE NUMBER:
(303) 718-9832

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2,319' FSL, 843' FWL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 29S 22E S

STATE: UTAH

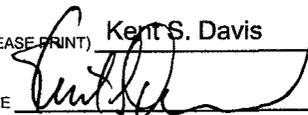
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NAME (PLEASE PRINT) Kent S. Davis TITLE Consulting Landman
SIGNATURE  DATE 10/4/2013

(This space for State use only)

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: ML-51129
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1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Threemile Unit
2. NAME OF OPERATOR: Stone Energy Corporation		8. WELL NAME and NUMBER: Threemile 16-17
3. ADDRESS OF OPERATOR: 625 E. Kaliste Saloom Road CITY Lafayette STATE LA ZIP 70508		9. API NUMBER: 4303750003
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,319' FSL, 843' FWL		10. FIELD AND POOL, OR WILDCAT: Wildcat
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 29S 22E S		COUNTY: San Juan
		STATE: UTAH

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RECEIVED
NOV 04 2013
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Kent S. Davis</u>	TITLE <u>Consulting Landman</u>
SIGNATURE	DATE <u>11/1/13</u>

(This space for State use only)

RECEIVED

JAN 13 2014

CONFIDENTIAL

FORM 9

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

SUNDRY NOTICES AND REPORTS ON WELLS

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5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: Threemile Unit
8. WELL NAME and NUMBER: Threemile 16-17
9. API NUMBER: 4303750003
10. FIELD AND POOL, OR WILDCAT: Wildcat
1. TYPE OF WELL: OIL WELL [checked]
2. NAME OF OPERATOR: Stone Energy Corporation
3. ADDRESS OF OPERATOR: 625 E. Kaliste Saloom Road, Lafayette, LA 70508
PHONE NUMBER: (303) 718-9832
4. LOCATION OF WELL: FOOTAGES AT SURFACE: 2,319' FSL, 843' FWL
COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 29S 22E S
STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION: NOTICE OF INTENT (Submit in Duplicate)
SUBSEQUENT REPORT (Submit Original Form Only)
TYPE OF ACTION: ACIDIZE, ALTER CASING, CASING REPAIR, CHANGE TO PREVIOUS PLANS, CHANGE TUBING, CHANGE WELL NAME, CHANGE WELL STATUS, COMMINGLE PRODUCING FORMATIONS, CONVERT WELL TYPE, DEEPEN, FRACTURE TREAT, NEW CONSTRUCTION, OPERATOR CHANGE, PLUG AND ABANDON, PLUG BACK, PRODUCTION (START/RESUME), RECLAMATION OF WELL SITE, RECOMPLETE - DIFFERENT FORMATION, REPERFORATE CURRENT FORMATION, SIDETRACK TO REPAIR WELL, TEMPORARILY ABANDON, TUBING REPAIR, VENT OR FLARE, WATER DISPOSAL, WATER SHUT-OFF, OTHER: Status Update [checked]

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NAME (PLEASE PRINT) Kent S. Davis
TITLE Consulting Landman
SIGNATURE [Signature]
DATE 1/9/14

(This space for State use only)

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: **11/1/2013**

FROM: (Old Operator): Stone Energy Corporation (N2745) PO BOX 52807 LAFAYETTE, LA 70505 Phone: 1 (337) 521-2114	TO: (New Operator): Fidelity E&P Company (N3155) 1700 Lincoln Street Denver, CO 80203 Phone: 1 (303) 893-3133
--	---

WELL NAME	CA No.	SEC	TWN	RNG	Unit:	API NO	Entity NO	Threemile Unit	LEASE TYPE	WELL TYPE	WELL STATUS
THREEMILE 16-17	16	290S	220E			4303750003	17984		State	OW	OPS
Threemile 12-7	12	290S	210E			4303750001	17837		Federal	OW	P

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: 2/6/2014
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/26/2014
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/26/2014
- a. Is the new operator registered in the State of Utah: _____ Business Number: 4917099-0143
- a. (R649-9-2)Waste Management Plan has been received on: Yes
- b. Inspections of LA PA state/fee well sites complete on: N/A
- c. Reports current for Production/Disposition & Sundries on: 2/6/2014
- 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: 2/26/2014
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/26/2014
- Bond information entered in RBDMS on: 2/26/2014
- Fee/State wells attached to bond in RBDMS on: 2/26/2014
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: 190-018-958
- Indian well(s) covered by Bond Number: N/A
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 190017646/104891324
- b. 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:

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: See attached Exhibit
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached Exhibit
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: See attached Exhibit
		8. WELL NAME and NUMBER: See attached Exhibit
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	9. API NUMBER: See attach	
2. NAME OF OPERATOR: Fidelity Exploration & Production Company		10. FIELD AND POOL, OR WILDCAT: See attached Exhibit
3. ADDRESS OF OPERATOR: 1700 Lincoln St CITY Denver STATE CO ZIP 80203	PHONE NUMBER: (303) 893-3133	

4. LOCATION OF WELL
FOOTAGES AT SURFACE: See attached Exhibit for all wells and details COUNTY: San Juan
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

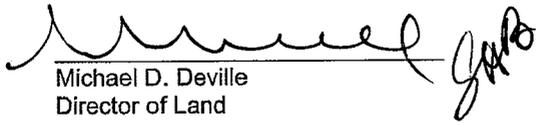
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

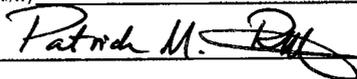
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective November 1, 2013, Stone Energy Corporation resigned as Operator of the wells listed on the attached Exhibit and Fidelity Exploration & Production Company has been designated as successor Operator. Utah State Bond number 190-018-958 will be used to cover operations by Fidelity Exploration & Production Company.

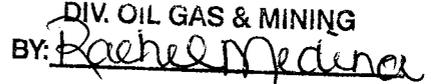
Stone Energy Corporation


Michael D. Deville
Director of Land

RECEIVED
FEB 06 2014
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Patrick M. Rutty	TITLE Vice President - Exploration/New Ventures
SIGNATURE 	DATE 1/31/2014

(This space for State use only)

APPROVED
FEB 26 2014
DIV. OIL GAS & MINING
BY: 

Exhibit

Wells

Field	Well Name	API Number	Unit Name	Unit Number	Footages	Qtr-Qtr	Section	Township	Range	County	State
Hatch Point	La Sal 29-28	43-037-50002	LaSal Unit	UTU-87718X	743 FSL 738 FEL	SESE	26	29S	23E	San Juan	Utah
Hatch Point	Threemile 12-7	49-037-50001	Threemile Unit	UTU-84722X	2140 FSL 1925 FEL	NWSE	12	29S	21E	San Juan	Utah
Hatch Point	Threemile 16-17	43-037-50003	Threemile Unit	UTU-84722X	2319 FSL 843 FWL	NWSW	16	29S	22E	San Juan	Utah



GARY R. HERBERT
Governor

SPENCER J. COX
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

June 9, 2014

Certified Mail No.7003 2260 0003 2358 7189

Ms. Laurie Tur
Fidelity E & P Company
1700 Lincoln St, Ste 2800
Denver, CO 80203

43 037 50003
Threemile 16-17
16 29S 22E

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

Dear Ms. Tur:

As of April 2014, Fidelity E & P Company has one (1) State Lease Well (see attachment A) that is currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT.

Page 2
Fidelity E & P Company
June 9, 2014

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

cc: Compliance File
Well File
LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	THREEMILE 16-17	43-037-50003	ML-51129	3 years 1 month

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Oil Well		7. UNIT or CA AGREEMENT NAME: THREEMILE
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		8. WELL NAME and NUMBER: THREEMILE 16-17
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		9. API NUMBER: 43037500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
		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: 2/1/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text" value="Status Update"/>

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

Please see attached.

REQUEST DENIED
Utah Division of
Oil, Gas and Mining

Date: August 28, 2014

By: *D. K. Quist*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Sandi Stocker	PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A	DATE 7/23/2014	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43037500030000

Insufficient data provided to approve request. Please see R649-3-22 for requirements for extended SI/TA.

Threemile 16-17

The Threemile 16-17 well was spudded 3/9/2011 by Stone Energy Corporation.

The well was drilled to total measured depth of 12,030' on 5/9/11 with 7 inch casing run and cemented to a measured depth of 7,962', as well as an un-cemented 4-1/2" casing string with multiple swelling packer from surface into the lateral open hole. Although the well was intended to be fully completed by Stone Energy Corporation, the well was shut-in pending an evaluation of conventional core rock properties of a fracture stimulation design.

Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in. As such, Fidelity has not had sufficient time to evaluate the full potential of this well, and requests an extension of the SI status.

Fidelity would like to request an extension of 18 months in order to conduct a proper evaluation on the possible future completion and or stimulation of the well.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
1. TYPE OF WELL Oil Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: FIDELITY E&P COMPANY	7. UNIT or CA AGREEMENT NAME: THREEMILE
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202	8. WELL NAME and NUMBER: THREEMILE 16-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S	9. API NUMBER: 43037500030000
9. FIELD and POOL or WILDCAT: WILDCAT	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: 4/20/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input checked="" 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"/>

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

Fidelity E&P respectfully requests an extension for a continuation of SI on the captioned well. Additional requested data has been compiled and attached herein. Thank you,

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

Date: January 29, 2015
By: *D. K. Duff*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Sandi Stocker	PHONE NUMBER 720 931-9637	TITLE Engineering Tech
SIGNATURE N/A	DATE 11/20/2014	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037500030000

API: 43037500030000

Well Name: THREEMILE 16-17

Location: 2319 FSL 0843 FWL QTR NWSW SEC 16 TWNP 290S RNG 220E MER S

Company Permit Issued to: FIDELITY E&P COMPANY

Date Original Permit Issued: 10/7/2010

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: Wes Adams

Date: 11/20/2014

Title: Land Tech Representing: FIDELITY E&P COMPANY



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43037500030000

Periodic monitoring of the casing pressures and fluid levels should be conducted and recorded and reported to the Division on Sundry Notice on a quarterly basis. If pressures or fluid levels change, contact the Division immediately, remedial action may be necessary.

Threemile 16-17

The Threemile 16-17 well was spudded 3/9/2011 by Stone Energy Corporation.

The well was drilled to total measured depth of 12,030' on 5/9/11 with 7 inch casing run and cemented to a measured depth of 7,962', as well as an un-cemented 4-1/2" casing string with multiple swelling packer from surface into the lateral open hole. Although the well was intended to be fully completed by Stone Energy Corporation, the well was shut-in pending an evaluation of conventional core rock properties of a fracture stimulation design.

Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in. As such, Fidelity has not had sufficient time to evaluate the full potential of this well, and requests an extension of the SI status.

Fidelity would like to request an extension of 18 months in order to conduct a proper evaluation on the possible future completion and or stimulation of the well.

Three Mile Unit 16-17

- (1) Wellbore diagram – See attachment
- (2) Copy of recent casing pressure test – See attachment
- (3) Current pressures on the wellbore – Current casing pressure is at 0 psi
- (4) Fluid level in the wellbore – Current fluid level is at surface
- (5) An explanation of how the submitted information proves integrity – The purpose of a mechanical integrity test is to ensure there are no significant leaks in the well, and that the mechanical components of the well function in manner protective of the environment and human health. The pressure chart shows the pressure run up from 0 psi to 800 psi, holding for 20 minutes, and then pressuring down to 0 psi. For the duration of the mechanical integrity test, the casing pressure held with no leak off. Because there was no leak off in pressure, this indicates there are no issues with mechanical integrity of the wellhead seals, casing, and any other downhole equipment. This test proves the stability of the Three Mile Unit 16-17 wellbore.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		9. API NUMBER: 43037500030000
PHONE NUMBER: 720 917-3026 Ext		9. FIELD and POOL or WILDCAT: WILDCAT
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"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/17/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<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"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 17, 2015		
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A	DATE 6/17/2015	

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PHONE NUMBER: 720 917-3026 Ext		9. FIELD and POOL or WILDCAT: WILDCAT
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<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/2/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> WATER SHUTOFF	
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	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY July 06, 2015		
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A	DATE 7/2/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		7. UNIT or CA AGREEMENT NAME: THREEMILE
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		8. WELL NAME and NUMBER: THREEMILE 16-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		9. API NUMBER: 43037500030000
9. FIELD and POOL or WILDCAT: WILDCAT		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"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/10/2015	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<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	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 11, 2015		
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A	DATE 8/10/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5.LEASE DESIGNATION AND SERIAL NUMBER: ML-51129	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7.UNIT or CA AGREEMENT NAME: THREEMILE	
8. WELL NAME and NUMBER: THREEMILE 16-17	
9. API NUMBER: 43037500030000	
9. FIELD and POOL or WILDCAT: WILDCAT	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E 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"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 9/9/2015	<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"/>

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

Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.

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

NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A	DATE 9/9/2015	

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: ML-51129	
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: THREEMILE	
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: THREEMILE 16-17		
2. NAME OF OPERATOR: FIDELITY E&P COMPANY	9. API NUMBER: 43037500030000		
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202	PHONE NUMBER: 720 917-3026 Ext	9. FIELD and POOL or WILDCAT: WILDCAT	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E 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: 10/6/2015	<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 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.			
<p>Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.</p>			
<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 08, 2015</p>			
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist	
SIGNATURE N/A		DATE 10/6/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129			
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
		7. UNIT or CA AGREEMENT NAME: THREEMILE			
1. TYPE OF WELL Oil Well		8. WELL NAME and NUMBER: THREEMILE 16-17			
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		9. API NUMBER: 43037500030000			
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		9. FIELD and POOL or WILDCAT: WILDCAT			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E 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: 12/8/2015	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <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 </td> <td style="width: 33%; vertical-align: top;"> <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 </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> </td> </tr> </table>		<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 type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<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 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.					
Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.					
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY December 08, 2015					
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist			
SIGNATURE N/A	DATE 12/8/2015				

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: ML-51129
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: THREEMILE
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: THREEMILE 16-17	
2. NAME OF OPERATOR: FIDELITY E&P COMPANY	9. API NUMBER: 43037500030000	
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202	PHONE NUMBER: 720 917-3026 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E 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: 1/5/2016	<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"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.</p> <div style="text-align: right; font-weight: bold; font-size: 1.2em;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 06, 2016 </div>		
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A	DATE 1/5/2016	

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: ML-51129
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: THREEMILE
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: THREEMILE 16-17	
2. NAME OF OPERATOR: FIDELITY E&P COMPANY	9. API NUMBER: 43037500030000	
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202	PHONE NUMBER: 720 917-3026 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		COUNTY: SAN JUAN
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/22/2015 <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 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: quarterly fluid and pressure	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
On 12/22/2015 the fluid level was at 2430ft and casing pressure was 25psi.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 19, 2016		
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A	DATE 1/15/2016	

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: ML-51129
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		7. UNIT or CA AGREEMENT NAME: THREEMILE
2. NAME OF OPERATOR: FIDELITY E&P COMPANY		8. WELL NAME and NUMBER: THREEMILE 16-17
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202		9. API NUMBER: 43037500030000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S		9. FIELD and POOL or WILDCAT: WILDCAT
		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"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 2/9/2016	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CHANGE WELL NAME	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<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"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
Since Fidelity became operator of the Threemile 16-17 well as of 11/1/13, no operations have been performed on the well, and it has remained shut-in.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 09, 2016		
NAME (PLEASE PRINT) Renee Kendrick	PHONE NUMBER 720 956-5752	TITLE Project Specialist
SIGNATURE N/A		DATE 2/9/2016

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	
5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: THREEMILE	8. WELL NAME and NUMBER: THREEMILE 16-17
1. TYPE OF WELL Oil Well	9. API NUMBER: 43037500030000
2. NAME OF OPERATOR: FIDELITY E&P COMPANY	9. FIELD and POOL or WILDCAT: WILDCAT
3. ADDRESS OF OPERATOR: 1801 California St. Ste 2500 , Denver, CO, 80202	PHONE NUMBER: 720 917-3026 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S	COUNTY: SAN JUAN STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/31/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input checked="" 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"/>

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

Fidelity respectfully requests an extension to the SI description and justification is attached.

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

Date: April 13, 2016

By: 

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Mike Keller	PHONE NUMBER 720 956-5724	TITLE Project Specialist
SIGNATURE N/A	DATE 3/29/2016	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43037500030000

Periodic monitoring of the casing pressures and fluid levels should be conducted and recorded and reported to the Division on Sundry Notice on a quarterly basis. If pressures or fluid levels change, contact the Division immediately, remedial action may be necessary.

Three Mile Unit #16-17

The Three Mile 16-17 well was spud 3/9/2011 by Stone Energy Corporation.

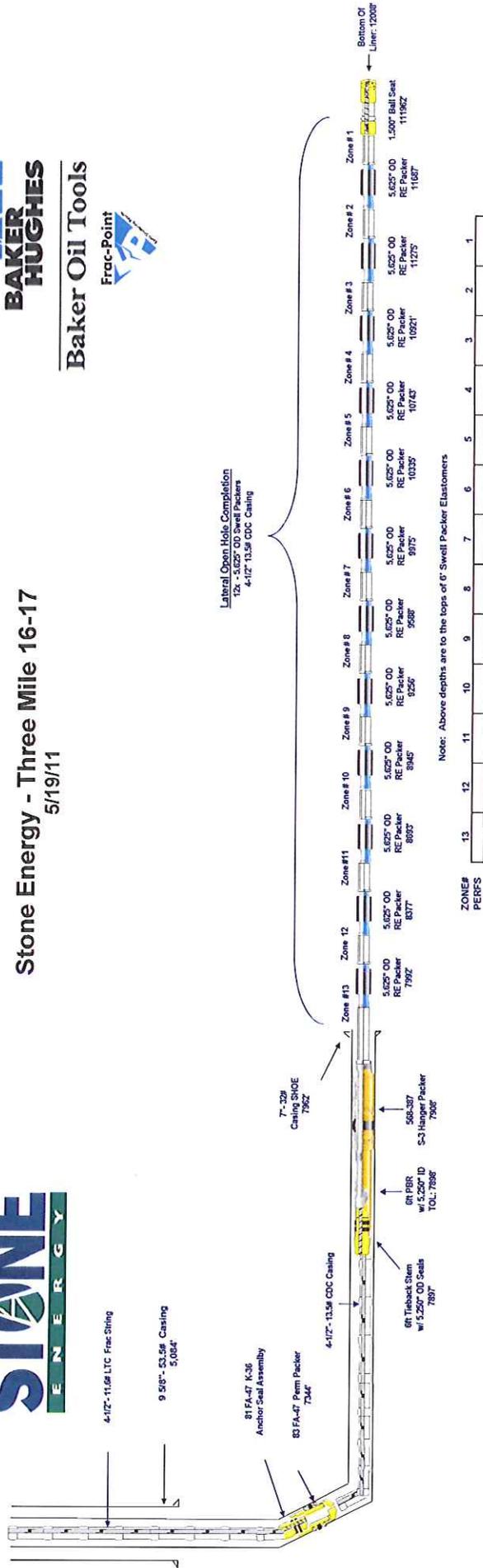
The well was drilled to total measured depth of 12,030' on 5/9/11 with 7 inch casing run and cemented to a measured depth of 7,962'. In preparation for completion and fracture stimulation, an un-cemented 4-1/2" casing string with multiple swelling packers was run from surface into the lateral open hole to a depth of 12,008'. Although the well was intended to be fully completed by Stone Energy Corporation, the well was shut-in pending evaluation of rock properties through core analysis for fracture stimulation design.

Since Fidelity became operator of the Three Mile 16-17 on 11/1/13, no operations have been performed in this well, and it has remained shut-in. Following a successful pressure test to demonstrate mechanical integrity, a request for permit extension was granted in November 2014 to enable Fidelity sufficient time to evaluate the full potential of this well. We have continued to monitor surface casing pressure (see attached) to ensure no conditions develop that could be hazardous to ground water.

As has been publicly announced, Fidelity is in the process of selling our assets in the Paradox Basin and would like to request an additional shut in extension of 12 months to enable transfer of ownership of this property to a new operator, and allow sufficient time for completion of fracture stimulation evaluation and planning. Stimulation efforts carried out in the Cane Creek Unit last year have demonstrated the potential of this technique as a completion method for the Cane Creek formation, and the TMU 16-17 is considered a potentially good candidate for application of this method. In addition, another APD has been submitted for this location; as necessary the TMU 16-17 borehole could be utilized as a sidetrack candidate to replace this second proposed well.



Stone Energy - Three Mile 16-17
5/19/11



Division of Oil, Gas and Mining
 Operator Change/Name Change Worksheet-for State use only

Effective Date: 3/1/2016

FORMER OPERATOR: Fidelity E&P Company N3155 1801 Californa Street, Suite 2500 Denver, CO 80202	NEW OPERATOR: Wesco Operating, Inc. N4030 PO Box 1650 Casper, WY 82602
CA Number(s):	Unit(s): Cane Creek Threemile

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

OPERATOR CHANGES DOCUMENTATION:

- Sundry or legal documentation was received from the **FORMER** operator on: 4/12/2016
- Sundry or legal documentation was received from the **NEW** operator on: 4/12/2016
- New operator Division of Corporations Business Number: 8742016-0143

REVIEW:

- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: 4/12/2016
- Receipt of Acceptance of Drilling Procedures for APD on: 4/12/2016
- Reports current for Production/Disposition & Sundries: 4/19/2016
- OPS/SI/TA well(s) reviewed for full cost bonding: 4/19/2016
- UIC5 on all disposal/injection/storage well(s) approved on: 4/13/2016
- Surface Facility(s) included in operator change: Blue Hills Gas Plant
Dead House Lateral Pipeline
Dubinky Booster Station
Long Canyon Facility
- Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB0000685
- Indian well(s) covered by Bond Number: N/A
- State/fee well(s) covered by Bond Number(s): RLB0016443

DATA ENTRY:

- Well(s) update in the **OGIS** on: 4/21/2016 ✓
- Entity Number(s) updated in **OGIS** on: 4/21/2016
- Unit(s) operator number update in **OGIS** on: 4/21/2016
- Surface Facilities update in **OGIS** on: 4/21/2016
- State/Fee well(s) attached to bond(s) in **RBDMS** on: 4/21/2016
- Surface Facilities update in **RBDMS** on: 4/21/2016

LEASE INTEREST OWNER NOTIFICATION:

- The **NEW** operator of the Fee (Mineral) 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:

From: Fidelity Exploration Production Company N3155

To: Wesco Operating, Inc. N4030

Effective: 3/1/2016

Well Name	Section	TWN	RNG	API Numner	Entity	Mineral	Surface	Type	Status	Unit
KANE SPRINGS 16-1	16	250S	180E	4301931341	11484	State	State	WD	A	CANE CREEK
CANE CREEK UNIT 2-2-25-18	2	250S	180E	4301950044		State	State	OW	APD	CANE CREEK
Cane Creek Unit 25-1-25-19	25	250S	190E	4301950048		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 6-1-25-19	6	250S	190E	4301950052		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 29-1-25-19	29	250S	190E	4301950053		Federal	Federal	OW	APD	CANE CREEK
Cane Creek 10-1-25-19	10	250S	190E	4301950054		Federal	Federal	OW	APD	
Cane Creek Unit 30-1-25-19	30	250S	190E	4301950055		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 19-2-26-20	19	260S	200E	4301950056		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 14-1-25-19	14	250S	190E	4301950057		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 2-3-25-18	2	250S	180E	4301950058		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 16-3-25-18	16	250S	180E	4301950059		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 19-1-25-19	19	250S	190E	4301950060		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 32-2-25-19	32	250S	190E	4301950061		State	State	OW	APD	CANE CREEK
Cane Creek Unit 17-1-25-19	17	250S	190E	4301950062		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 16-4-25-18	16	250S	180E	4301950063		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 2-4-25-18	2	250S	180E	4301950064		Federal	State	OW	APD	CANE CREEK
Cane Creek Unit 5-1-25-18	5	250S	180E	4301950065		Federal	Federal	OW	APD	CANE CREEK
8-2-26-20	8	260S	200E	4301950068		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 19-3-26-20	19	260S	200E	4301950069		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 21-1-25-19	21	250S	190E	4301950070		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 12-2-26-19	12	260S	190E	4301950071		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 26-4-25-19	26	250S	190E	4301950072		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 21-1-25-18	21	250S	180E	4301950073		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 9-1-25-18	9	250S	180E	4301950074		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 7-1-25-19	7	250S	190E	4301950075		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 5-2-25-18	5	250S	180E	4301950076		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 7-1-25-18	7	250S	180E	4301950077		Federal	Federal	OW	APD	CANE CREEK
Cane Creek Unit 13-1-25-18	13	250S	180E	4301950078		Federal	Federal	OW	APD	CANE CREEK
Three Mile Unti 12-3-29-21	12	290S	210E	4303750070		Federal	Federal	OW	APD	THREEMILE
Three Mile Unit 16-2-29-22	16	290S	220E	4303750071		Federal	State	OW	APD	THREEMILE
Cane Creek Unit 7-2-26-20	7	260S	200E	4301950051	19706	Federal	Federal	OW	OPS	CANE CREEK
THREEMILE 16-17	16	290S	220E	4303750003	17984	State	State	OW	OPS	THREEMILE
Three Mile Unit 12-2-29-21	12	290S	210E	4303750069	19646	Federal	Federal	OW	OPS	THREEMILE
KANE SPRINGS FED 27-1	27	250S	190E	4301931310	14505	Federal	Federal	OW	P	CANE CREEK
KANE SPRINGS FED 19-1A	19	260S	200E	4301931324	14505	Federal	Federal	OW	P	CANE CREEK
KANE SPRINGS FED 10-1	10	250S	180E	4301931331	14509	Federal	Federal	OW	P	CANE CREEK
KANE SPRINGS FED 25-19-34-1	34	250S	190E	4301931334	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK 2-1	2	260S	190E	4301931396	14505	State	State	OW	P	CANE CREEK
CANE CREEK UNIT 12-1	12	260S	190E	4301950009	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT 7-1	7	260S	200E	4301950010	18923	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT# 26-2	26	250S	190E	4301950011	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT #18-1	18	260S	200E	4301950012	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK U #13-1	13	260S	190E	4301950014	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT 26-3	26	250S	190E	4301950019	14505	Federal	Federal	OW	P	CANE CREEK
CANE CREEK UNIT 28-2	28	250S	190E	4301950020	18681	Federal	Federal	OW	P	
Cane Creek Unit 17-1	17	260S	200E	4301950028	18980	Federal	Federal	OW	P	CANE CREEK
Cane Creek Unit 36-1	36	250S	190E	4301950030	14505	State	State	OW	P	CANE CREEK
Cane Creek Unit 36-2H	36	250S	190E	4301950033	14505	State	State	OW	P	CANE CREEK
Cane Creek Unit 24-2H	24	260S	190E	4301950034	19342	Federal	Federal	OW	P	CANE CREEK
Cane Creek Unit 36-3H	36	250S	190E	4301950035	19528	State	State	OW	P	CANE CREEK
CANE CREEK UNIT 2-1-25-18	2	250S	180E	4301950036	19343	Federal	State	OW	P	CANE CREEK
Cane Creek Unit 32-1-25-19	32	250S	190E	4301950037	19396	State	State	OW	P	
Cane Creek Unit 28-3	28	250S	190E	4301950045	19767	Federal	Federal	OW	P	CANE CREEK
Cane Creek 32-1-25-20	32	250S	200E	4301950049	19588	State	State	OW	P	
HATCH POINT 1	14	290S	210E	4303731658	11356	Federal	Federal	OW	P	
THREEMILE 43-18H	18	290S	220E	4303731857	17276	Federal	Federal	OW	P	
LONG CANYON 1	9	260S	200E	4301915925	674	Federal	Federal	OW	S	
CANE CREEK 1-1	1	260S	190E	4301931446	14505	Federal	Federal	OW	S	CANE CREEK

From: Fidelity Exploration Production Company N3155

To: Wesco Operating, Inc. N4030

Effective: 3/1/2016

CANE CREEK 24-1	24	260S	190E	4301931447	14505	Federal	Federal	OW	S	CANE CREEK
CANE CREEK 8-1	8	260S	200E	4301931449	16464	Federal	Federal	OW	S	CANE CREEK
Cane Creek Unit 18-2	18	260S	200E	4301950027	14505	Federal	Federal	OW	S	CANE CREEK
Cane Creek Unit 17-2	17	260S	200E	4301950032	14505	Federal	Federal	OW	S	CANE CREEK
Cane Creek 36-1-25-18	36	250S	180E	4301950038	19440	State	State	OW	S	
CHEVRON FED 1	24	290S	230E	4303730005	975	Federal	Federal	OW	S	
Threemile 12-7	12	290S	210E	4303750001	17837	Federal	Federal	OW	S	THREEMILE
LA SAL 29-28	29	290S	230E	4303750002	17920	Federal	Federal	OW	S	
CANE CREEK UNIT 16-2-25-18	16	250S	180E	4301950046	19512	State	State	OW	TA	CANE CREEK

WESCO OPERATING, INC.

O I L & G A S O P E R A T I O N S

April 8, 2016

John Rogers
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210 Box 145801
Salt Lake City, Utah 84114

RECEIVED
APR 12 2016
DIV. OF OIL, GAS & MINING

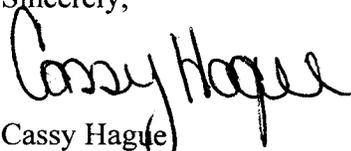
RE: Change of Operator

- A) Wells
 - B) APD'S
 - C) Dubinky Booster Station
 - D) Blue Hills Gas Plant
 - E) Dead Horse Lateral Pipeline
 - F) Authority to Inject
- Sundry Notices

Dear John Rodgers,

Please find enclosed the following documents from Fidelity Exploration & Production Company to Wesco Operating, Inc for your further handing. If you have any further questions please contact us..

Sincerely,



Cassy Hague
307-577-5337

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:
See Attached Exhibit

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
See Attached Exhibit

7. UNIT or CA AGREEMENT NAME:
See Attached Exhibit

8. WELL NAME and NUMBER:
See Attached Exhibit

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:
See Attached Exhibit

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 _____

2. NAME OF OPERATOR:
Fidelity Exploration & Production Company

3. ADDRESS OF OPERATOR:
1801 California St., STE 250 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 893-3133

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **See attached exhibit for all wells and details** COUNTY: **Grand**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: **UTAH**

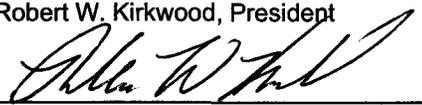
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>3/1/2016</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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.
Effective March 1, 2016, Fidelity Exploration & Production Company (Operator Number N1355) resigns as Operator of the wells listed on the attached exhibit and Wesco Operating, Inc. has been designated as successor Operator.

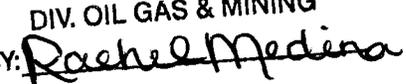
Wesco Operating, Inc.
P.O. Box 1650
Casper, Wyoming 82602
Phone 307-265-5178

Fidelity Exploration & Production Company
1801 California Street, Suite 2500
Denver, Colorado 80202
Phone 303-893-3133

Wesco Operating, Inc.
Robert W. Kirkwood, President

Signature

NAME (PLEASE PRINT) Darwin Subart TITLE Chief Financial Officer
SIGNATURE  DATE 4/4/2016

(This space for State use only) **BLM:**

APPROVED
APR 21 2016
DIV. OIL GAS & MINING
BY: 

Fidelity Exploration & Production Company Paradox Well & APD List

<u>Entity #</u>	<u>API #</u>	<u>Permitted Well Name</u>	<u>AKA Well Name</u>	<u>Township</u>	<u>Range</u>	<u>Section(s)</u>	<u>County</u>	<u>State</u>	<u>Mineral</u>	<u>Surface</u>	<u>Well Type</u>	<u>Well Status</u>
14506	4301931310	KANE SPRINGS FED 27-1	KANE SPRINGS FED 27-1-25-19	25S	19E	27	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301931324	KANE SPRINGS FED 19-1A	KANE SPRINGS FED 19-1A-ST-26-20	26S	20E	19	GRAND	UT	Federal	Federal	OW	P ✓
14509	4301931331	KANE SPRINGS FED 10-1	KANE SPRINGS FED 10-1-25-18	25S	18E	10	GRAND	UT	Federal	Federal	OW	P ✓
14506	4301931334	KANE SPRINGS FED 25-19-34-1	KANE SPRINGS FED 25-19-34-1	25S	19E	34	GRAND	UT	Federal	Federal	OW	P ✓
	4301931341	KANE SPRINGS 16-1-25-18	Disposal Well	25S	18E	16	GRAND	UT	State	State	SWD	P ✓
14505	4301931396	CANE CREEK 2-1	CANE CREEK UNIT 2-1-26-19	26S	19E	2	GRAND	UT	State	State	OW	P ✓
14505	4301931446	CANE CREEK 1-1	CANE CREEK UNIT 1-1-26-19	26S	19E	1	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950009	CANE CREEK UNIT 12-1	CANE CREEK UNIT 12-1-26-19	26S	19E	12	GRAND	UT	Federal	Federal	OW	P ✓
18923	4301950010	CANE CREEK UNIT 7-1	CANE CREEK UNIT 7-1-26-20	26S	20E	7	GRAND	UT	Federal	Federal	OW	P ✓
14506	4301950011	CANE CREEK UNIT# 26-2	CANE CREEK UNIT 26-2-25-19	25S	19E	26	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950012	CANE CREEK UNIT #18-1	CANE CREEK UNIT 18-1-26-20	26S	20E	18	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950014	CANE CREEK U #13-1	CANE CREEK UNIT 13-1-26-19	26S	19E	13	GRAND	UT	Federal	Federal	OW	P ✓
14506	4301950019	CANE CREEK UNIT 26-3	CANE CREEK UNIT 26-3-25-19	25S	19E	26	GRAND	UT	Federal	Federal	OW	P ✓
18681	4301950020	CANE CREEK UNIT 28-2	CANE CREEK UNIT 28-2-25-19	25S	19E	28	GRAND	UT	Federal	Federal	OW	P ✓
14505	4301950027	Cane Creek Unit 18-2	CANE CREEK UNIT 18-2-26-20	26S	20E	18	GRAND	UT	Federal	Federal	OW	P ✓
18980	4301950028	Cane Creek Unit 17-1	CANE CREEK UNIT 17-1-26-20	26S	20E	17	GRAND	UT	Federal	Federal	OW	P ✓
19057	4301950030	Cane Creek Unit 36-1	CANE CREEK UNIT 36-1-25-19	25S	19E	36	GRAND	UT	State	State	OW	P ✓
14505	4301950032	Cane Creek Unit 17-2	CANE CREEK UNIT 17-2-26-20	26S	20E	17	GRAND	UT	Federal	Federal	OW	P ✓
19527	4301950033	Cane Creek Unit 36-2H	CANE CREEK UNIT 36-2H-25-19	25S	19E	36	GRAND	UT	State	State	OW	P ✓
19342	4301950034	Cane Creek Unit 24-2H	CANE CREEK UNIT 24-2-26-19	26S	19E	24	GRAND	UT	Federal	Federal	OW	P ✓
19528	4301950035	Cane Creek Unit 36-3H	CANE CREEK UNIT 36-3H-25-19	25S	19E	36	GRAND	UT	State	State	OW	P ✓
19396	4301950037	Cane Creek Unit 32-1-25-19	CANE CREEK UNIT 32-1-25-19	25S	19E	32	GRAND	UT	State	State	OW	P ✓
19767	4301950045	Cane Creek Unit 28-3	CANE CREEK UNIT 28-3-25-19	26S	19E	28	GRAND	UT	Federal	Federal	OW	P ✓
19588	4301950049	Cane Creek 32-1-25-20	CANE CREEK 32-1-25-20	25S	20E	32	GRAND	UT	State	State	OW	P ✓
11356	4303731658	HATCH POINT 1	HATCH POINT FEDERAL 1	29S	21E	14	SAN JUAN	UT	Federal	Federal	OW	P ✓ 26-P
17276	4303731857	THREEMILE 43-18H	THREEMILE UNIT 43-18H-29-22	29S	22E	18	SAN JUAN	UT	Federal	Federal	OW	P ✓
19706	4301950051	Cane Creek Unit 7-2-26-20	CANE CREEK UNIT 7-2-26-20	26S	20E	7	GRAND	UT	Federal	Federal	OW	OPS ✓
17984	4303750003	THREEMILE 16-17	THREEMILE UNIT 16-17-29-22	29S	22E	16	SAN JUAN	UT	State	State	OW	OPS ✓ 3 OPS
19646	4303750069	Three Mile Unit 12-2-29-21	THREE MILE UNIT 12-2-29-21	29S	21E	12	SAN JUAN	UT	Federal	Federal	OW	OPS ✓
19343	4301950036	CANE CREEK UNIT 2-1-25-18	CANE CREEK UNIT 2-1-25-18	25S	18E	2	GRAND	UT	Federal	State	OW	TA ✓ 2TA
19512	4301950046	CANE CREEK UNIT 16-2-25-18	CANE CREEK UNIT 16-2-25-18	25S	18E	16	GRAND	UT	State	State	OW	TA ✓
674	4301915925	LONG CANYON 1	LONG CANYON 1	26S	20E	9	GRAND	UT	Federal	Federal	OW	S ✓
14505	4301931447	CANE CREEK 24-1	CANE CREEK UNIT 24-1-26-19	26S	19E	24	GRAND	UT	Federal	Federal	OW	S ✓
16464	4301931449	CANE CREEK 8-1	CANE CREEK UNIT 8-1-26-20	26S	20E	8	GRAND	UT	Federal	Federal	OW	S ✓
19440	4301950038	Cane Creek 36-1-25-18	CANE CREEK 36-1-25-18	25S	18E	36	GRAND	UT	State	State	OW	S ✓
975	4303730005	CHEVRON FED 1	CHEVRON FEDERAL 1H	29S	23E	24	SAN JUAN	UT	Federal	Federal	OW	S ✓ 7-S
17837	4303750001	Threemile 12-7	THREEMILE UNIT 12-7-29-21	29S	21E	12	SAN JUAN	UT	Federal	Federal	OW	S ✓
17920	4303750002	LA SAL 29-28	LA SAL UNIT 29-28-29-23	29S	23E	29	SAN JUAN	UT	Federal	Federal	OW	S ✓
	4301950044	CANE CREEK UNIT 2-2-25-18		250S	180E	2	GRAND	UT	State	State	OW	APD ✓
	4301950048	Cane Creek Unit 25-1-25-19		250S	190E	25	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950052	Cane Creek Unit 6-1-25-19		250S	190E	6	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950053	Cane Creek Unit 29-1-25-19		250S	190E	29	GRAND	UT	Federal	Federal	OW	APD ✓ 2APD
	4301950054	Cane Creek 10-1-25-19		250S	190E	10	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950055	Cane Creek Unit 30-1-25-19		250S	190E	30	GRAND	UT	Federal	Federal	OW	APD ✓
	4301950056	Cane Creek Unit 19-2-26-20		260S	200E	19	GRAND	UT	Federal	Federal	OW	APD ✓

<u>Entity #</u>	<u>API #</u>	<u>Permitted Well Name</u>	<u>AKA Well Name</u>	<u>Township</u>	<u>Range</u>	<u>Section(s)</u>	<u>County</u>	<u>State</u>	<u>Mineral</u>	<u>Surface</u>	<u>Well Type</u>	<u>Well Status</u>
4301950057		Cane Creek Unit 14-1-25-19		250S	190E	14	GRAND	UT	Federal	Federal	OW	APD ✓
4301950058		Cane Creek Unit 2-3-25-18		250S	180E	2	GRAND	UT	Federal	State	OW	APD ✓
4301950059		Cane Creek Unit 16-3-25-18		250S	180E	16	GRAND	UT	Federal	State	OW	APD ✓
4301950060		Cane Creek Unit 19-1-25-19		250S	190E	19	GRAND	UT	Federal	Federal	OW	APD ✓
4301950061		Cane Creek Unit 32-2-25-19		250S	190E	32	GRAND	UT	State	State	OW	APD ✓
4301950062		Cane Creek Unit 17-1-25-19		250S	190E	17	GRAND	UT	Federal	Federal	OW	APD ✓
4301950063		Cane Creek Unit 16-4-25-18		250S	180E	16	GRAND	UT	Federal	State	OW	APD ✓
4301950064		Cane Creek Unit 2-4-25-18		250S	180E	2	GRAND	UT	Federal	State	OW	APD ✓
4301950065		Cane Creek Unit 5-1-25-18		250S	180E	5	GRAND	UT	Federal	Federal	OW	APD ✓
4301950068		8-2-26-20		260S	200E	8	GRAND	UT	Federal	Federal	OW	APD ✓
4301950069		Cane Creek Unit 19-3-26-20		260S	200E	19	GRAND	UT	Federal	Federal	OW	APD ✓
4301950070		Cane Creek Unit 21-1-25-19		250S	190E	21	GRAND	UT	Federal	Federal	OW	APD ✓
4301950071		Cane Creek Unit 12-2-26-19		260S	190E	12	GRAND	UT	Federal	Federal	OW	APD ✓
4301950072		Cane Creek Unit 26-4-25-19		250S	190E	26	GRAND	UT	Federal	Federal	OW	APD ✓
4301950073		Cane Creek Unit 21-1-25-18		250S	180E	21	GRAND	UT	Federal	Federal	OW	APD ✓
4301950074		Cane Creek Unit 9-1-25-18		250S	180E	9	GRAND	UT	Federal	Federal	OW	APD ✓
4301950075		Cane Creek Unit 7-1-25-19		250S	190E	7	GRAND	UT	Federal	Federal	OW	APD ✓
4301950076		Cane Creek Unit 5-2-25-18		250S	180E	5	GRAND	UT	Federal	Federal	OW	APD ✓
4301950077		Cane Creek Unit 7-1-25-18		250S	180E	7	GRAND	UT	Federal	Federal	OW	APD ✓
4301950078		Cane Creek Unit 13-1-25-18		250S	180E	13	GRAND	UT	Federal	Federal	OW	APD ✓
4303750070		Three Mile Unti 12-3-29-21		290S	210E	12	SAN JUAN	UT	Federal	Federal	OW	APD ✓
4303750071		Three Mile Unit 16-2-29-22		290S	220E	16	SAN JUAN	UT	Federal	State	OW	APD ✓
4301950036		CANE CREEK UNIT 2-1-25-18H2		25S	18E	2	GRAND	UT	Federal	State	OW	APD ✓

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:	See attached well list
API number:	
Location:	Qtr-Qtr: Section: Township: Range:
Company that filed original application:	Fidelity Exploration & Production Company
Date original permit was issued:	
Company that permit was issued to:	Fidelity Exploration & Production Company

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"/>
<input 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. _____	<input 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) Robert W. Kirkwood Title President
 Signature *Robert W. Kirkwood* Date 4/4/10
 Representing (company name) Wesco Operating, Inc.

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.

Fidelity Exploration & Production Company Paradox APD List

<u>Date Issued</u>	<u>API #</u>	<u>Permitted Well Name</u>	<u>Township</u>	<u>Range</u>	<u>Section(s)</u>	<u>County</u>	<u>State</u>	<u>Mineral</u>	<u>Surface</u>	<u>Well Type</u>	<u>Well Status</u>
3/4/2014	4301950044	CANE CREEK UNIT 2-2-25-18	250S	180E	2	GRAND	UT	State	State	OW	APD
2/19/2015	4301950048	Cane Creek Unit 25-1-25-19	250S	190E	25	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950052	Cane Creek Unit 6-1-25-19	250S	190E	6	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950053	Cane Creek Unit 29-1-25-19	250S	190E	29	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950054	Cane Creek 10-1-25-19	250S	190E	10	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950055	Cane Creek Unit 30-1-25-19	250S	190E	30	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950056	Cane Creek Unit 19-2-26-20	260S	200E	19	GRAND	UT	Federal	Federal	OW	APD
6/26/2014	4301950057	Cane Creek Unit 14-1-25-19	250S	190E	14	GRAND	UT	Federal	Federal	OW	APD
7/21/2014	4301950058	Cane Creek Unit 2-3-25-18	250S	180E	2	GRAND	UT	Federal	State	OW	APD
8/6/2014	4301950059	Cane Creek Unit 16-3-25-18	250S	180E	16	GRAND	UT	Federal	State	OW	APD
8/6/2014	4301950060	Cane Creek Unit 19-1-25-19	250S	190E	19	GRAND	UT	Federal	Federal	OW	APD
9/22/2014	4301950061	Cane Creek Unit 32-2-25-19	250S	190E	32	GRAND	UT	State	State	OW	APD
7/30/2014	4301950062	Cane Creek Unit 17-1-25-19	250S	190E	17	GRAND	UT	Federal	Federal	OW	APD
8/12/2014	4301950063	Cane Creek Unit 16-4-25-18	250S	180E	16	GRAND	UT	Federal	State	OW	APD
9/24/2014	4301950064	Cane Creek Unit 2-4-25-18	250S	180E	2	GRAND	UT	Federal	State	OW	APD
9/2/2014	4301950065	Cane Creek Unit 5-1-25-18	250S	180E	5	GRAND	UT	Federal	Federal	OW	APD
11/25/2014	4301950068	8-2-26-20	260S	200E	8	GRAND	UT	Federal	Federal	OW	APD
12/19/2014	4301950069	Cane Creek Unit 19-3-26-20	260S	200E	19	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950070	Cane Creek Unit 21-1-25-19	250S	190E	21	GRAND	UT	Federal	Federal	OW	APD
1/13/2015	4301950071	Cane Creek Unit 12-2-26-19	260S	190E	12	GRAND	UT	Federal	Federal	OW	APD
1/13/2015	4301950072	Cane Creek Unit 26-4-25-19	250S	190E	26	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950073	Cane Creek Unit 21-1-25-18	250S	180E	21	GRAND	UT	Federal	Federal	OW	APD
1/20/2015	4301950074	Cane Creek Unit 9-1-25-18	250S	180E	9	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950075	Cane Creek Unit 7-1-25-19	250S	190E	7	GRAND	UT	Federal	Federal	OW	APD
1/20/2015	4301950076	Cane Creek Unit 5-2-25-18	250S	180E	5	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950077	Cane Creek Unit 7-1-25-18	250S	180E	7	GRAND	UT	Federal	Federal	OW	APD
1/14/2015	4301950078	Cane Creek Unit 13-1-25-18	250S	180E	13	GRAND	UT	Federal	Federal	OW	APD
7/8/2014	4303750070	Three Mile Unti 12-3-29-21	290S	210E	12	SAN JUAN	UT	Federal	Federal	OW	APD
10/2/2014	4303750071	Three Mile Unit 16-2-29-22	290S	220E	16	SAN JUAN	UT	Federal	State	OW	APD
12/16/2014	4301950036	Cane Creek Unit 2-1-25-18 H2	25S	18E	2	GRAND	UT	Federal	State	OW	APD

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-90108

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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 Blue Hills Gas Plant

8. WELL NAME and NUMBER:
Blue Hills Gas Plant

2. NAME OF OPERATOR:
Fidelity Exploration & Production Company

9. API NUMBER:

3. ADDRESS OF OPERATOR:
1801 California St., STE 2500 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 893-3133

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL
FOOTAGES AT SURFACE: _____ COUNTY: **Grand**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ 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>3/1/2016</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 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.
Effective March 1, 2016, Fidelity Exploration & Production Company (Operator Number N1355) resigns as Operator of the Blue Hills Gas Plant located in T23S-R19E, Sections 20, 29. Wesco Operating, Inc. has been named as successor Operator.

Wesco Operating, Inc.
P.O Box 1650
Casper, Wyoming 82602
Phone 307-265-5178

Fidelity Exploration & Production Company
1801 California Street, Suite 2500
Denver, Colorado 80202
Phone 303-893-3133

Wesco Operating, Inc.
Robert W. Kirkwood, President

Signature *Robert W. Kirkwood*

NAME (PLEASE PRINT) Darwin Subart

TITLE Chief Financial Officer

SIGNATURE *Darwin Subart*

DATE 4/14/2016

(This space for State use only)

APPROVED

APR 21 2016

DIV. OIL GAS & MINING
BY: *Rachael 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.

		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Compressor Booster Station</u>		8. WELL NAME and NUMBER: Dubinky Booster Station
2. NAME OF OPERATOR: Fidelity Exploration & Production Company		9. API NUMBER:
3. ADDRESS OF OPERATOR: 1801 California St., STE 2500 CITY <u>Denver</u> STATE <u>CO</u> ZIP <u>80202</u>		10. FIELD AND POOL, OR WLD/CAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

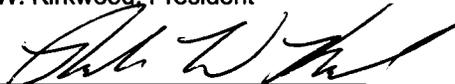
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>3/1/2016</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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.

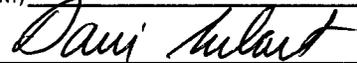
Effective March 1, 2016, Fidelity Exploration & Production Company (Operator Number N1355) resigns as Operator of the Dubinky Booster Station located along Dubinky Road, approximately 18 miles northwest of Moab, 599142 E 4280872 N UTM Zone 12, NAD83. Wesco Operating, Inc. has been named as successor Operator.

Wesco Operating, Inc.
P.O. Box 1650
Casper, Wyoming 82602
Phone 307-265-5178

Fidelity Exploration & Production Company
1801 California Street, Suite 2500
Denver, Colorado 80202
Phone 303-893-3133

Wesco Operating, Inc.
Robert W. Kirkwood, President


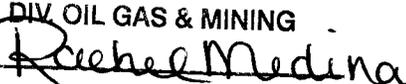
Signature

NAME (PLEASE PRINT) <u>Darwin Subart</u>	TITLE <u>Chief Financial Officer</u>
SIGNATURE 	DATE <u>4/4/2016</u>

(This space for State use only)

APPROVED

APR 21 2016

DIV OIL GAS & MINING
BY: 

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-51129
1. TYPE OF WELL Oil Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: WESCO OPERATING INC	7. UNIT or CA AGREEMENT NAME: THREEMILE
3. ADDRESS OF OPERATOR: PO Box 1650, Casper, WY, 82602	8. WELL NAME and NUMBER: THREEMILE 16-17
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2319 FSL 0843 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 16 Township: 29.0S Range: 22.0E Meridian: S	9. API NUMBER: 43037500030000
PHONE NUMBER: 307 577-5328 Ext	9. FIELD and POOL or WILDCAT: WILDCAT
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: 10/12/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input checked="" 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"/>

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

Wesco Operating, Inc. intends to complete the Three Mile Unit 16-17 well using the attached procedure. The base fluid used for the stimulation will be mineral oil with: gelling agent, crosslinker, breaker and proppant. An estimated pumping schedule can be seen attached, but may change depending on pressure seen during the job. There are no know problems with the existing casing. The flow back will be sold with the oil and any produced water will be taken to the Danish Flats commercial disposal. Upon successful flow back, production equipment will be run. A current WBD is attached. ----DKD Note: Proposed perms 7239' to 7258' - Clastic #19 Paradox, 6206' to 6217' - Clastic #13 Paradox.-----

Approved by the
 October 04, 2016
 Oil, Gas and Mining

Date: _____

By: DKD

NAME (PLEASE PRINT) Thomas C Kirkwood	PHONE NUMBER 307 577-5328	TITLE Projects Engineer
SIGNATURE N/A	DATE 9/29/2016	

Three Mile Unit 16-17

API # 43-037-50003

Wesco Operating Inc.

Complete Well with Gelled Oil Stimulation

Location: NWSW, Sec. 16, T29S, R22E, San Juan County, Utah

Elevations: GL = 5,870' KB = 5,893'

Depths: TD = 12,030' PBTD = 11,962'

Tubular & Equipment:

Surface Casing:	13 3/8", 54.5 lb/ft, J-55 set @1,690'KB, cmt to surf
Intermediate:	9 5/8", N-80, 40 lb/ft, set at 5,084' KB, cmt to surf
Production Casing:	7", HCN-80, 32 lb/ft, set at 7,962' KB, cmt with 500 sxs 16.8# cmt
Liner:	4 1/2", P-110, 13.5 lb/ft, CDC, w/ 12 swell packers S-3 baker liner set at 7898' KB
Liner:	4 1/2" P-110, 13.5 lb/ft, CDC anchor seal in S-3 liner hanger and perm packer at 7344'KB
Tieback Liner:	4 1/2" P-110, 11.6 lb/ft LTC 175 jts with FA-47, K-36 seal assembly

Current Producing Formation: NA

Current Perforations: Cane Creek: NA

Current Status: SI

Proposed Status: Producing

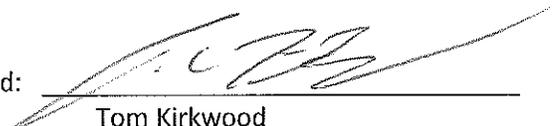
Recommendations:

The Three Mile 16-17 well is currently shut in with a back pressure valve in the well head. As the gas shows in the lateral were limited, it is proposed to complete the well in the Clastic # 13 and Clastic # 18/19 with a 2 stage mineral oil frac.

Procedure:

- 1) Test Rig Anchors, MIRU workover rig, MI pump, flat tank, and 2-500 BBL work tanks. Check for pressure on 7" X 4 1/2" annulus. If no pressure, ND WH and NU 10K BOP on 7 1/16" 10 K WH with 4 1/2" pipe rams. PT BOP to 5000 psi, 5 min low 15 min high test.
- 2) MI Cameron and lubricate out BPV, check for pressure on 4 1/2" casing and bleed off if any. PU 4 1/2" P-110 11.6 LTC landing jt and screw into casing hanger. Un-land casing, pull to neutral and release K-36 seal assembly from FA-27 permanent packer, 10-14 turns to the right, **check with tool hand and confirm release procedure**. Once release, roll hole with water, TOO, LD 175 jts of 4 1/2" 11.6# LTC tie back string with K-36 seal assembly.
- 3) PU 6" bit with scraper sized for 7", 32# casing on 2 7/8" L-80 work string. TIH to permanent packer at 7344' KB. Reverse hole clean with 2 times tbg volume of fresh water. TOO, LD bit and scraper.
- 4) PU 10K CIBP sized for 7" 32# casing on 2 7/8" work string and TIH, set CIBP at ~7300' KB. pressure test casing to 2500 psi with fresh water. Roll hole with 263 BBLs of diesel, TOO, LD 2 7/8" work string. LD CIBP setting tool.
- 5) MIRU wireline unit, PU and RIH with CBL/CCL/ GR tool and log from CIBP at 7300' KB to above 5000' KB or the TOC. POOH, LD logging tools. PU bailer and dump bail ~ 15 ft, ~3 cf of cement on top of CIBP. POOH with bailer and LD same. PU perforating gun and RIH, perforate from: 7257'-58', 7250'-54', and 7239'-44' KB as seen on SLB Compensated Neutron/Litho-Density log dated 4-9-11 with 3 spf 120 degree phasing premium charge. POOH and LD gun, note any increase in pressure. PU 7" 32# 10 K composite frac plug on WL and RIH, set plug at ~7000'KB (ensure not to set the plug in a collar). Pending well head pressure, PU wireline set tubing retrieve full opening hornet packer sized for 7" 32# casing and 3 1/2" tubing as follows:
 - a. 3 1/2" WL re-entry guide
 - b. 3 1/2" XN Nipple with pump through plug
 - c. 6' X 3 1/2" L-80 pup
 - d. 7", 32# WL set, tbg retrieve full opening hornet packerRIH and set hornet packer at ~6000' KB (ensure not to set in a collar). POOH, LD setting tool, RDMO wireline unit. Blow down casing to tank
- 6) MIRU hydrtester, PU L10 on/off tool on 3 1/2" L-80 frac string and test in hole to 9000 psi. Tag up packer, space out and pup up, latch onto packer and land tbg in well head with ~ 15 K on packer. Pressure test backside to 2000 psi. ND BOP and NU frac tree. RDMO workover rig.
- 7) MIRU slick line unit and pull pump through plug. Monitor pressure and flow well to tank if possible. Flow hole volume and catch sample, SWI, and monitor SI pressure.
- 8) MIRU frac equipment, pump job per design ~ 32,000 lbs of 30/50 sand with ~ 400 BBLs SF-200 mineral oil, drop ball to seat frac plug. RU perforators, RIH and perforate from 6206'-10' and 6214'-7' KB as seen on SLB Compensated Neutron/Litho-Density log dated 4-9-16 with 3 spf 120 degree phasing premium charge. POOH with perf gun, RDMO wireline unit.
- 9) Pump second stage as designed with ~ 32,000 lbs of 30/50 sand with 400 BBLs SF-200 gelled mineral oil. SWI with frac valve and RDMO frac equipment, flow back well per flow back design, monitor: rates, pressures and sand.

Prepared: _____


Tom Kirkwood

Date: _____

8/13/16

Approved: Brad Lane
Brad Lane

Date: 8-15-16

Approved: Robert Kirkwood
Robert Kirkwood

Date: 8/15/16

Schedule	Total Clean (gal)	Total Clean (bbls)	100 mesh (lbs)	30/50 Econo prop (lbs)					Total Proppant (lbs)	
1	35,110	836	300	65,000					65,300	
Stage #	Stage Name	Design Clean Volume (gal)	Design Clean Volume (bbls)	Slurry Flow Rate 1 (bpm)	Proppant Conc. 1 (lb/gal)	Proppant Type	Stage Proppant (lbs)	Cum. Proppant (lbs)	Cum. Fluid (BBLs)	Cum. Time (min)
1	Pad	3400	81.0	15.00	0.000		0	0	81	5.4
2	0.50 ppg 100 mesh Sand Slug	300	7.1	15.00	0.500	100 mesh	150	150	88	5.9
3	Pad	550	13.1	15.00	0.000		0	150	101	6.7
4	1.00 ppg 30/50 Econoprop	1500	35.7	15.00	1.000	30/50 Econo prop	1500	1,650	137	9.1
5	2.00 ppg 30/50 Econoprop	2000	47.6	15.00	2.000	30/50 Econo prop	4000	5,650	185	12.3
6	3.00 ppg 30/50 Econoprop	2500	59.5	15.00	3.000	30/50 Econo prop	7500	13,150	244	16.3
7	4.00 ppg 30/50 Econoprop	1500	35.7	15.00	4.000	30/50 Econo prop	6000	19,150	280	18.7
8	5.00 ppg 30/50 Econoprop	1500	35.7	15.00	5.000	30/50 Econo prop	7500	26,650	315	21.0
9	6.00 ppg 30/50 Econoprop	1000	23.8	15.00	6.000	30/50 Econo prop	6000	32,650	339	22.6
10	Flush	4080	97.1	15.00	0.000		0	32,650	436	29.1
11	Perf	0	0.0	0.00	0.000	0	0	0	0	0.0
12	Pad	3400	81.0	15.00	0.000		0	0	81	5.4
13	0.50 ppg 100 mesh Sand Slug	300	7.1	15.00	0.500	100 mesh	150	150	88	5.9
14	Pad	550	13.1	15.00	0.000		0	150	101	6.7
15	1.00 ppg 30/50 Econoprop	1500	35.7	15.00	1.000	30/50 Econo prop	1500	1,650	137	9.1
16	2.00 ppg 30/50 Econoprop	2000	47.6	15.00	2.000	30/50 Econo prop	4000	5,650	185	12.3
17	3.00 ppg 30/50 Econoprop	2500	59.5	15.00	3.000	30/50 Econo prop	7500	13,150	244	16.3
18	4.00 ppg 30/50 Econoprop	1500	35.7	15.00	4.000	30/50 Econo prop	6000	19,150	280	18.7
19	5.00 ppg 30/50 Econoprop	1500	35.7	15.00	5.000	30/50 Econo prop	7500	26,650	315	21.0
20	6.00 ppg 30/50 Econoprop	1000	23.8	15.00	6.000	30/50 Econo prop	6000	32,650	339	22.6
21	Flush	2530	60.2	15.00	0.000		0	32,650	400	26.6

Sundry Number : 74814 API Well Number : 43037500030000

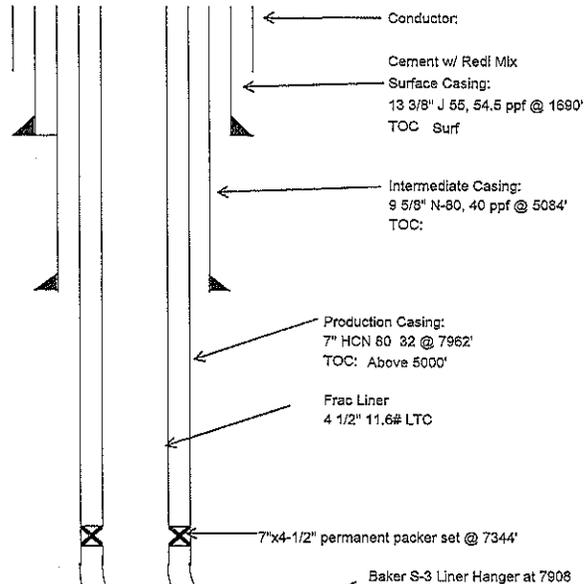
TMU 16-17 Current

WELL NAME:	TMU 16-17	SECTION, TOWNSHIP, RANGE:	T29S, R22E, Sec. 16
FIELD:	Three Mile Unit	SHL:	2319' FSL, 843' FWL
LOCATION:	San Juan County	SURFACE LAT (NAD27):	38 deg 34' 17" 32.6" NAD 27
API#:	43-037-50003	SURFACE LONG (NAD27):	109 deg 30' 25.711" NAD 27
AFE NUMBER:		KB:	23.4
SPUD DATE:	03/20/2011	GL:	5870
REVISION DATE:	08/06/2016	UPDATED BY:	TCK

PIPE	Size	Grade	Weight	CONN	OD (")	ID (")	Drift Dia (")	Burst	Collapse	TOC (')	TOP (')	BTM (')
Conductor	20											
Surf Csg	13 3/8"	J-55	54.5	STC	13.373	12.615	12.459	2,730	1,130	Surface	26.5	1,690
Inter Csg	9 5/8"	HC N-80	40.0	LTC	9.625	8.681	8.325	5,750	3,090		25.7	5,084
Prod Csg	7"	HCN-80	32.0	LTC	7.000	6.184	6.059	9,060	8,600		26.5	7,962
Liner	4.5"	HCP 110	18.5	CDC	4.500	3.920	3.795	12,410	10,670		7344	12,008
liner	4.5	P-110	11.5	LTC	4.500	4.000	3.875	10,690	7,560		surf	7,344

Sleeve Depth		Swell Packer Depth	
Ball Sleeve 1	0	Packer 1	11,667
Ball Sleeve 2	0	Packer 2	11,275
Ball Sleeve 3	0	Packer 3	10,921
Ball Sleeve 4	0	Packer 4	10,743
Ball Sleeve 5	0	Packer 5	10,335
Ball Sleeve 6	0	Packer 6	9,975
Coil Sleeve 1	0	Packer 7	9,588
Coil Sleeve 2	0	Packer 8	9,256
Coil Sleeve 3	0	Packer 9	8,945
Coil Sleeve 4	0	Packer 10	8,693
Coil Sleeve 5	0	Packer 11	8,377
Coil Sleeve 6	0	Packer 12	7,992
		Packer 13	0
		Packer 14	0
		Packer 15	0
		Packer 16	0
		Packer 17	0
		Packer 18	0
		Packer 19	0
		Packer 20	0
		Packer 21	0
		Packer 22	0
		Packer 23	0
		Packer 24	0

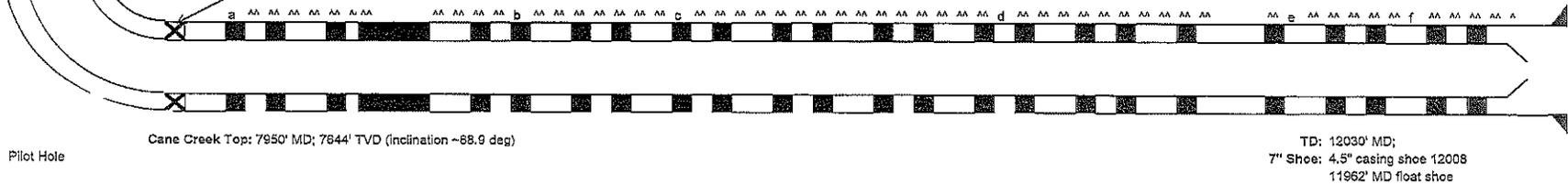
Current Status: SI with BPV in the WH



****TCP Completion**
Perforations (underbalanced TCP perforations per 05/02/14) completion)

Top (MD)	Btm (MD)	Top (TVD)	Btm (TVD)	Net Int (MD)	Size inch	SPP #	Phase deg	Holes #	Status	Blank (MD) feet
a		~7,510		0	0.35	5	60	0	proposed	
b				0	0.35	5	60	0	"	0
c				0	0.35	5	60	0	"	0
d				0	0.35	5	60	0	"	0
e				0	0.35	5	60	0	"	0
f				0	0.35	5	60	0	"	0
g				0				0	"	0
h				0				0	"	0
i										
j										
Gross:		0		0				0		0

KOP: -6830'



TD: 12030' MD;
7" Shoe: 4.5" casing shoe 12008
11962' MD float shoe