

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 Aneth J229 LDVL SWD				
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 GREATER ANETH				
4. TYPE OF WELL Water Disposal Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME ANETH				
6. NAME OF OPERATOR RESOLUTE NATURAL RESOURCES						7. OPERATOR PHONE 303 534-4600				
8. ADDRESS OF OPERATOR 1675 Boradway Ste 1950, Denver, CO, 80202						9. OPERATOR E-MAIL pflynn@resoluteenergy.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) I-149-IND-8839-A			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input 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') Navajo			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		2021 FNL 503 FWL		SWNW	29	40.0 S	25.0 E	S		
Top of Uppermost Producing Zone		2021 FNL 503 FWL		SWNW	29	40.0 S	25.0 E	S		
At Total Depth		2021 FNL 503 FWL		SWNW	29	40.0 S	25.0 E	S		
21. COUNTY SAN JUAN			22. DISTANCE TO NEAREST LEASE LINE (Feet) 0			23. NUMBER OF ACRES IN DRILLING UNIT 0				
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 0			26. PROPOSED DEPTH MD: 7467 TVD: 7467				
27. ELEVATION - GROUND LEVEL 4812			28. BOND NUMBER B001252			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 09-1428				
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	20	13.375	0 - 90	68.0	C-75 Casing/Tubing	9.4	Unknown	92	1.17	15.8
I1	16.75	11.75	0 - 1300	47.0	J-55 ST&C	9.4	Class G	443	1.14	15.8
							Class G	443	1.14	15.8
							Class G	443	1.14	15.8
							Class G	443	443.0	15.8
Prod	9.5	7.625	0 - 7467	26.4	L-80 LT&C	13.7	50/50 Poz	412	1.14	15.8
			7467 - 7467	26.4	P-110 LT&C	13.7	Class G	412	1.14	15.8
			7467 - 7467	33.7	S-95 LT&C	13.7	50/50 Poz	312	1.14	15.8
							Class G	312	1.14	15.8
Open	6.5	0	0 - 8093	0.0	No Pipe Used	8.6	No Used	0	0.0	0.0
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 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 Brian Wood				TITLE Consultant			PHONE 505 466-8120			
SIGNATURE				DATE 11/21/2010			EMAIL brian@permitswest.com			

<p>API NUMBER ASSIGNED 43037500070000</p>	<p>APPROVAL</p> <p></p> <p>Permit Manager</p>
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LOCATION OF LATERAL NUMBER 1	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 7035	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
Top of Uppermost Producing Zone	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
At Total Depth	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
COUNTY SAN JUAN	DISTANCE TO NEAREST LEASE LINE (Feet) 436						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) -591570	PROPOSED DEPTH MD: 8107 TVD: 7287						

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Open	6.5	0	0 - 8107	0.0	No Pipe Used	8.6	No Used	0	0.0	0.0

LOCATION OF LATERAL NUMBER 2	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 7055	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
Top of Uppermost Producing Zone	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
At Total Depth	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
COUNTY SAN JUAN	DISTANCE TO NEAREST LEASE LINE (Feet) 718						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 5280	PROPOSED DEPTH MD: 8093 TVD: 7252						

Hole, Casing, and Cement Information

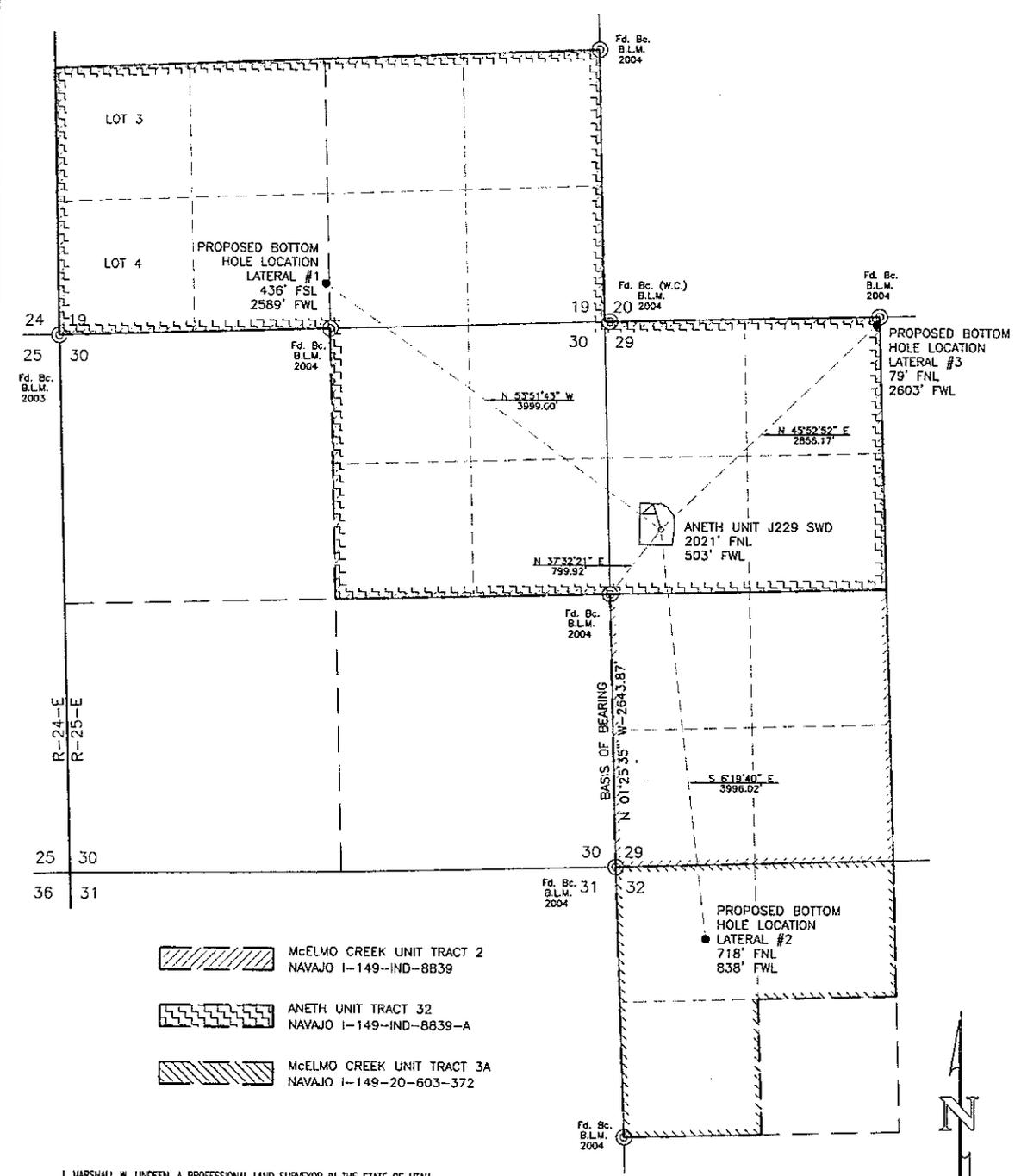
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Open	6.5	0	0 - 8093	0.0	No Pipe Used	8.6	No Used	0	0.0	0.0

LOCATION OF LATERAL NUMBER 3	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
Location At Kickoff Point Depth: 7015	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
Top of Uppermost Producing Zone	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
At Total Depth	2021 FNL	503 FWL	SWNW	29	40.0 S	25.0 E	S
COUNTY SAN JUAN	DISTANCE TO NEAREST LEASE LINE (Feet) 79						
DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 5280	PROPOSED DEPTH MD: 7590 TVD: 7272						

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Open	6.5	0	0 - 7590	0.0	No Pipe Used	8.6	No Used	0	0.0	0.0

RESOLUTE NATURAL RESOURCES COMPANY
 ANETH UNIT J229 LDVL SWD
 PROPOSED BOTTOM HOLE LOCATIONS
 SECTIONS 19, 29, 30 & 32, T-40-S, R-25-E, S.L.M.
 SAN JUAN COUNTY, UTAH

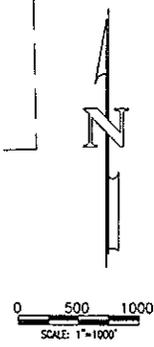


- McELMO CREEK UNIT TRACT 2
NAVAJO I-149-IND-8839
- ANETH UNIT TRACT 32
NAVAJO I-149-IND-8839-A
- McELMO CREEK UNIT TRACT 3A
NAVAJO I-149-20-603-372

I, MARSHALL W. LINDEEN, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THIS PLAT ACCURATELY REPRESENTS THE PROPOSED ANETH UNIT J229 SWD SURFACE LOCATION AND PROPOSED BOTTOM HOLE LATERAL LOCATIONS.

Marshall W. Lindeen
 MARSHALL W. LINDEEN
 6217687
 12-19-10
 STATE OF UTAH

MARSHALL W. LINDEEN P.L.S. DATE

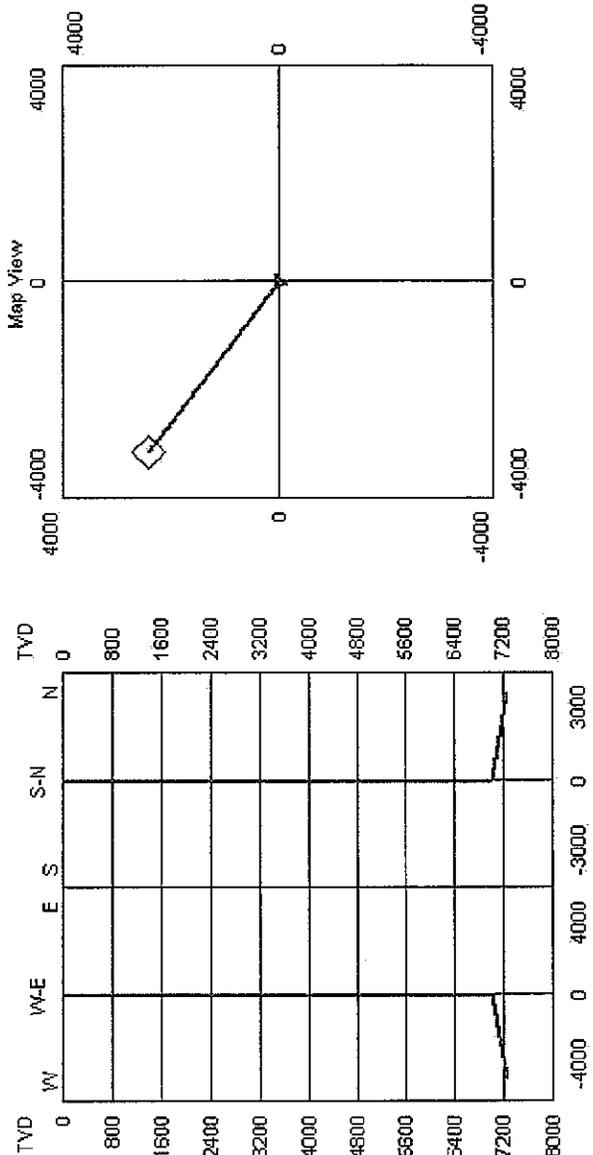
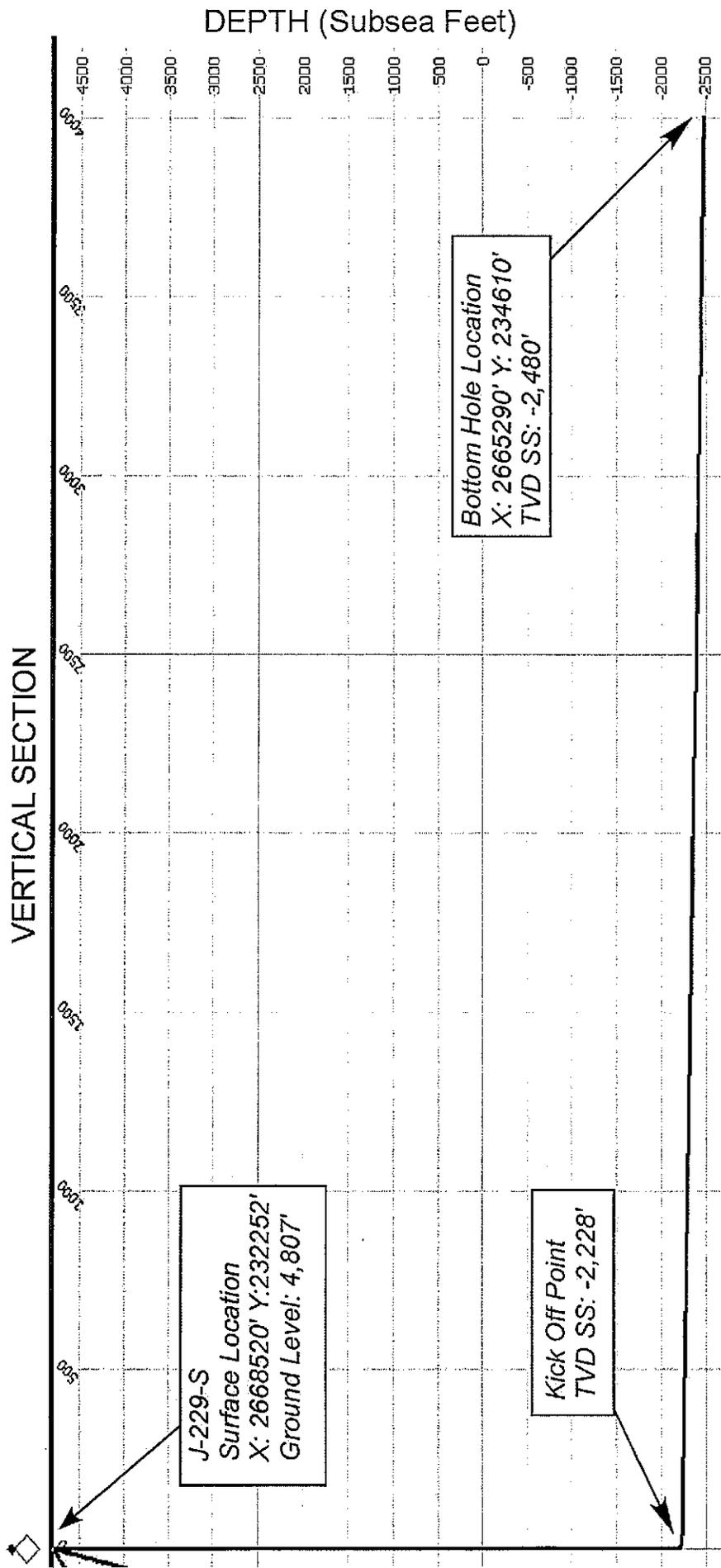


NOTES:
 1. BASIS OF BEARING: MONUMENTED WEST LINE OF THE SW/4 OF SECTION 29, T-40-S, R-25-E, SALT LAKE MERIDIAN, SAN JUAN COUNTY, UTAH.
 BEARS: N 01°25'35" W-2643.87'
 2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE UTAH STATE PLANE COORDINATE SYSTEM, SOUTH ZONE, NAD 27, IN U.S. SURVEY FEET.
 (CONDENSED SCALE FACTOR: 0.9997593)

RESOLUTE NATURAL RESOURCES	
DRAWN BY: C.B.	DATE DRAWN: 11/17/10 FILE NAME: 960BMO1
P.O. BOX 3651 FARMINGTON, NH 07429 OFFICE: (505)354-0408	

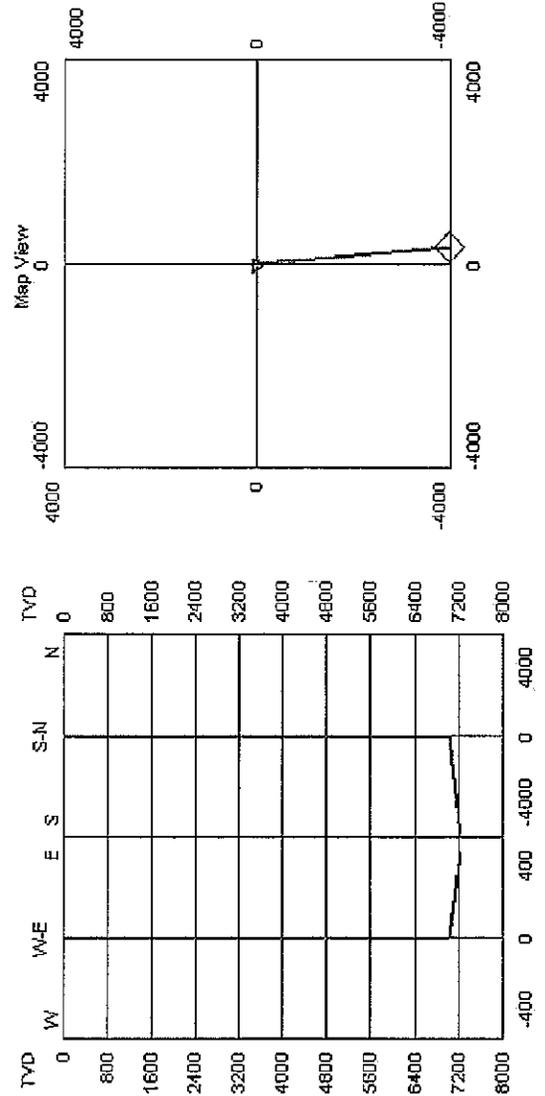
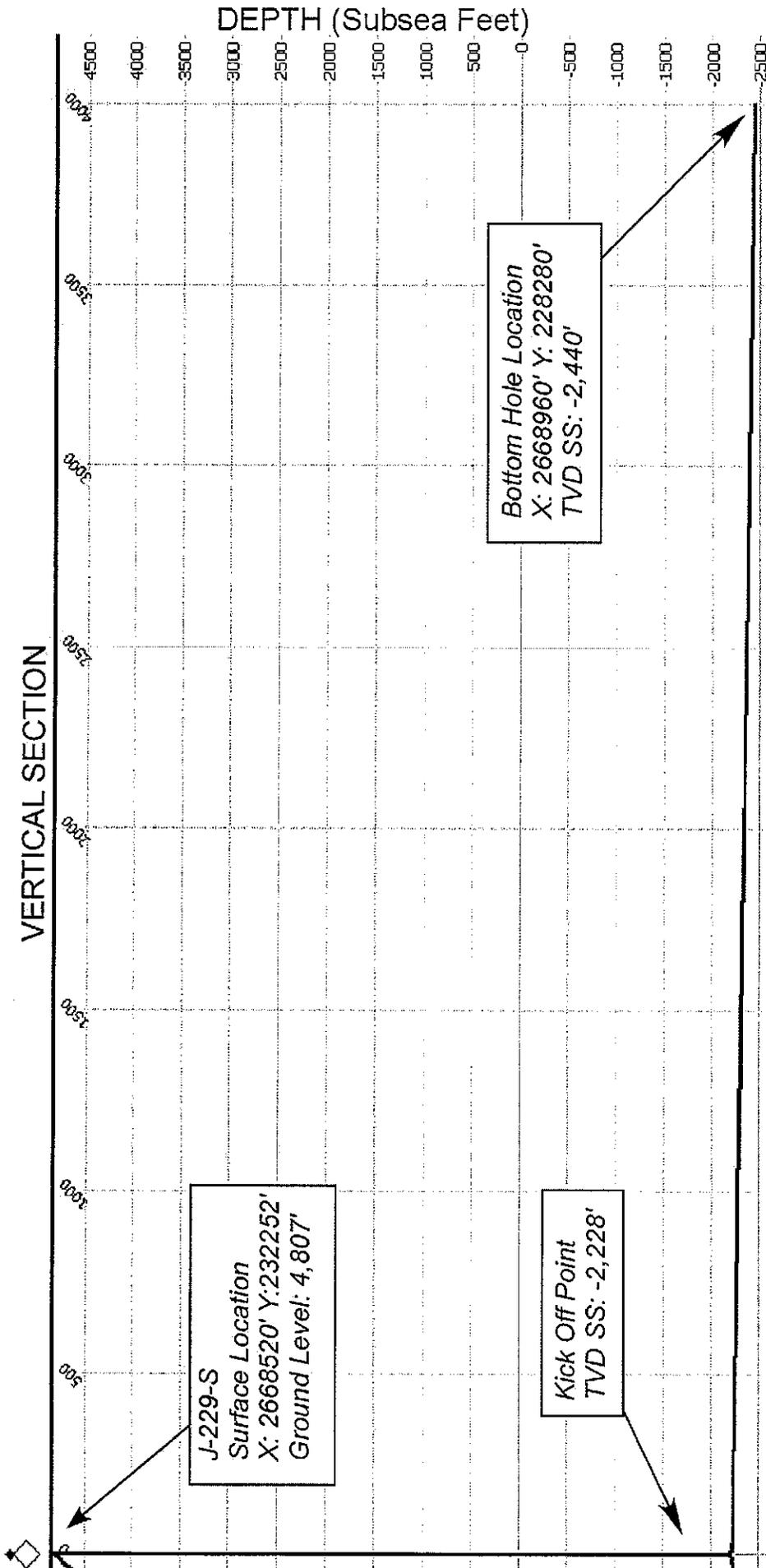
Proposed J-229-S Lateral 1

VERTICAL SECTION



Proposed J-229-S Lateral 2

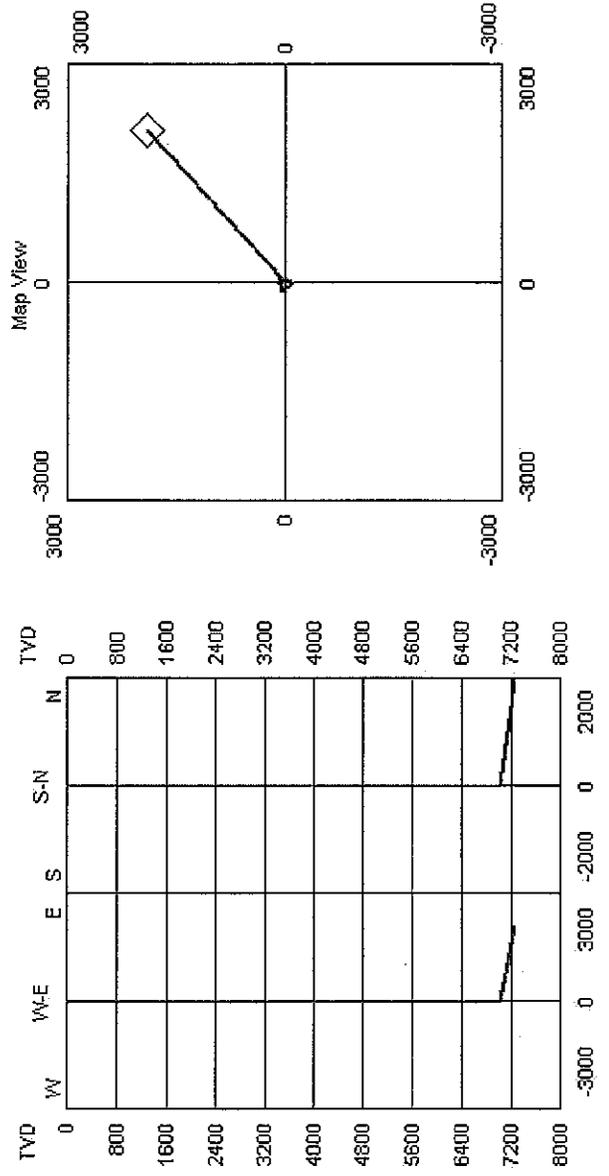
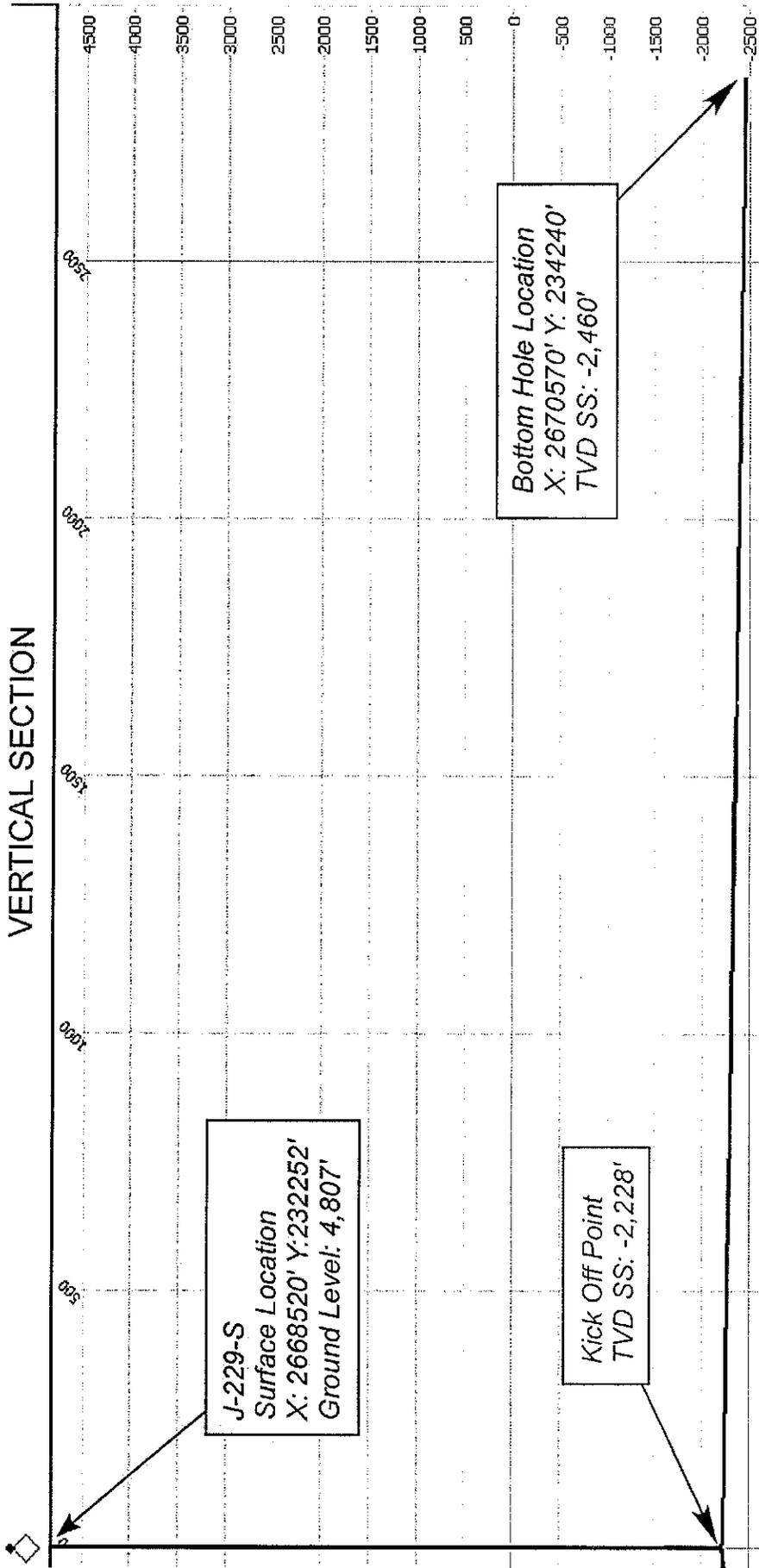
VERTICAL SECTION



Proposed J-229-S Lateral 3

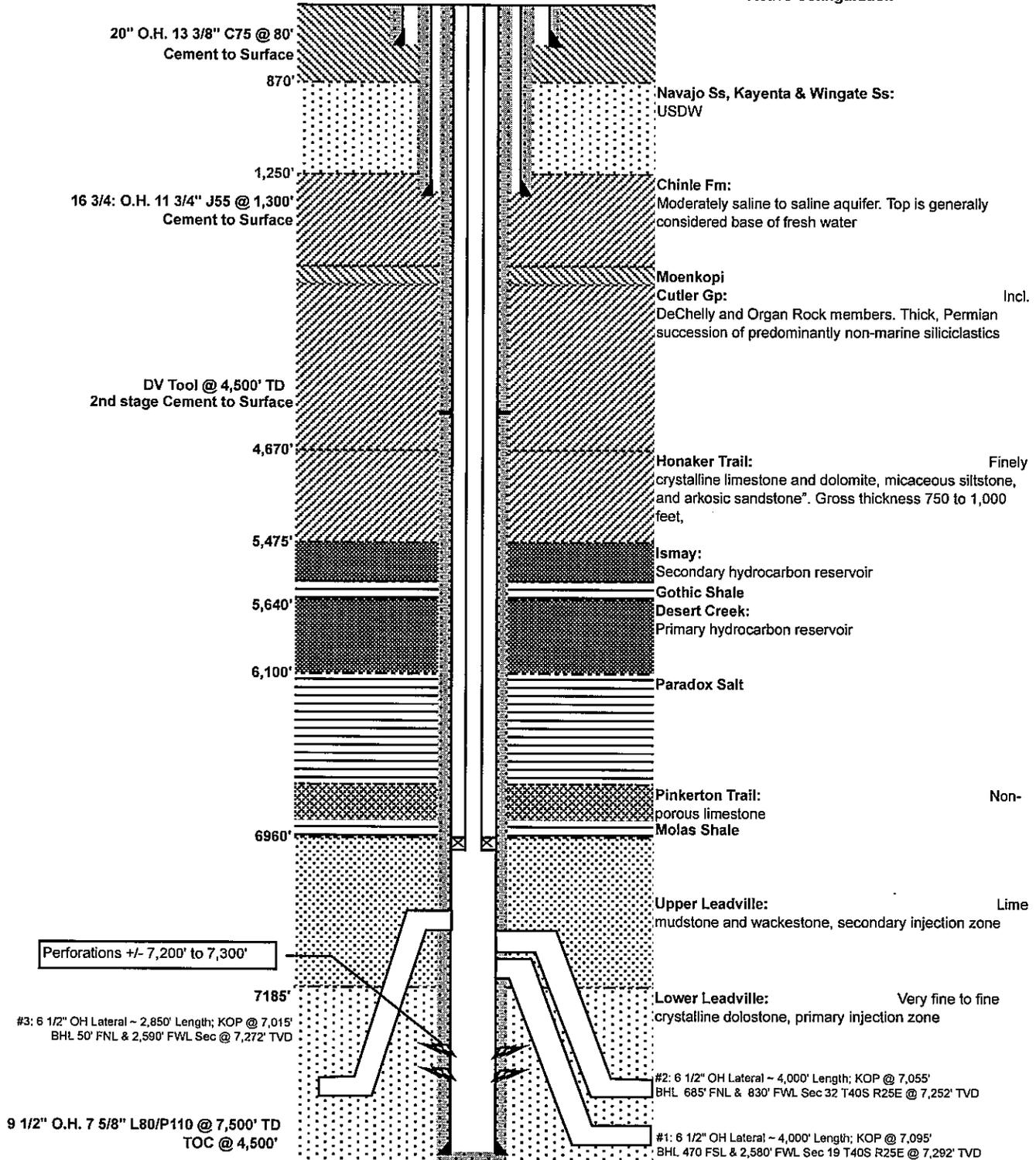
VERTICAL SECTION

DEPTH (Subsea Feet)



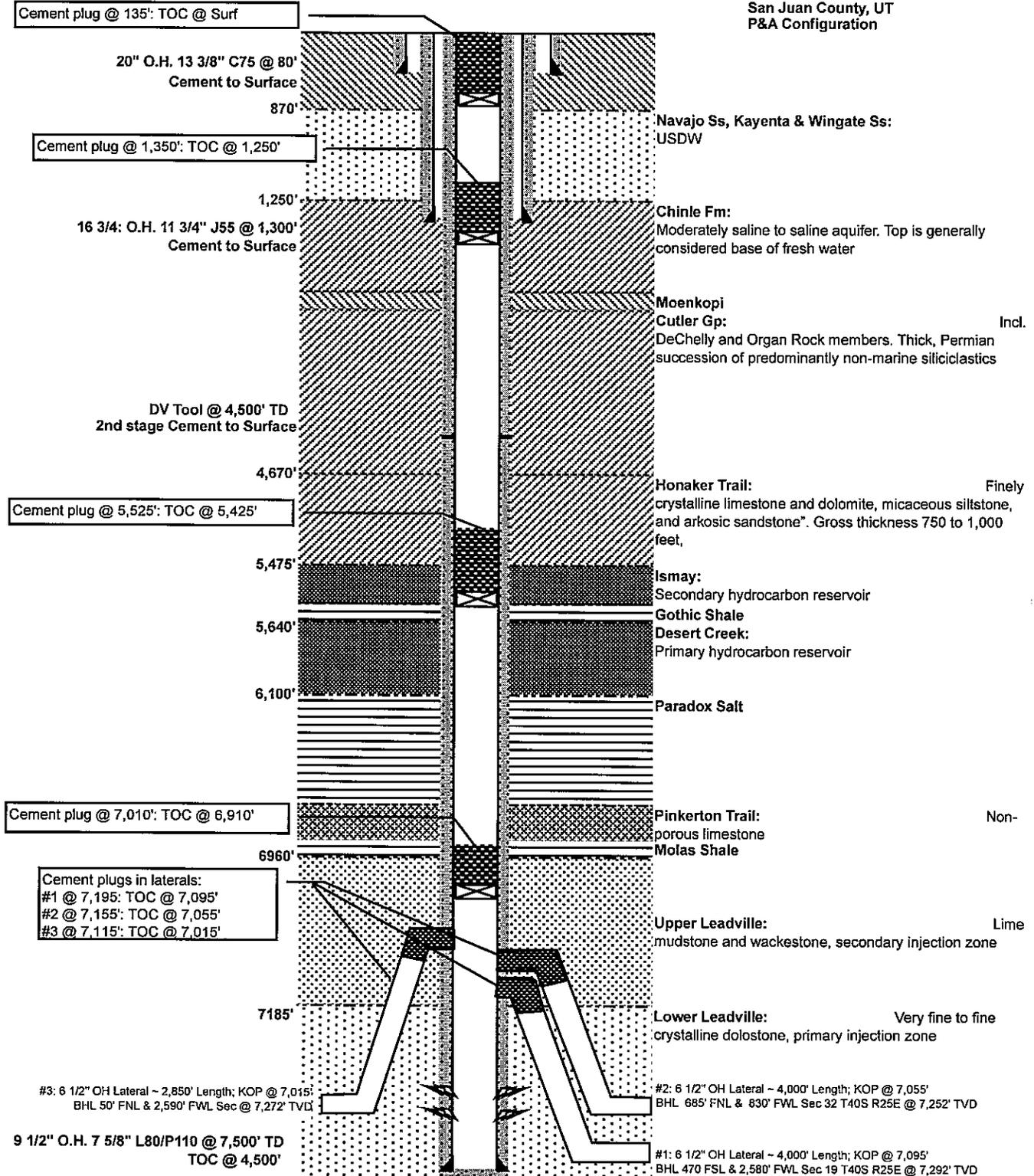
Resolute

J-229 LDVL
 2,021' FNL and 503' FWL
 Sec. 29, T40S, R25E
 San Juan County, UT
 Active Configuration



Resolute

J-229 LDVL
 2,021' FNL and 503' FWL
 Sec. 29, T40S, R25E
 San Juan County, UT
 P&A Configuration



Resolute Aneth, LLC
 Aneth J229 LDVL SWD
 2021' FNL & 503' FWL
 Sec. 29, T. 40 S., R. 25 E.
 San Juan County, Utah

PAGE 1

Drilling Program

The target formation for the Aneth J-229 LDVL is the Mississippian Leadville formation. The purpose for the proposed well is to complete a Class II D salt water disposal well for disposal of oil field brine from Resolute's oil wells in the Greater Aneth Oil Field. A vertical well will be drilled to TD in the Leadville and a full suite of logs will be run. Resolute will then drill up to three open-hole laterals ranging from 2,800 to 4,000 feet in horizontal displacement at varying azimuths to maximize reservoir exposure and thus disposal capability.

Surface Location:	2,021' FNL and 503' FWL Sec. 29-T40S-R25E X: 2668520' Y: 232252' San Juan County, Utah
Surface Elevation - GL:	4,807' (graded)
Bottom Hole Locations:	Vertical Well bore: 2,021' FNL and 503' FWL 29-40s-25e X: 2668520' Y: 232252' Depth 7,467' TVD-GL, -2660' TVD-SS
Lateral #1:	436' FSL and 2589' FWL 19-40s-25e X: 2665290' Y: 234610' Depth: 7,287' TVD-GL, -2480' TVD-SS
Lateral #2:	718' FNL and 838' FWL 32-40s-25e X: 2668960' Y: 228280' Depth: 7,247' TVD-GL, -2440' TVD-SS
Lateral #3:	79' FNL and 2,603' FWL 29-40s-25e X: 2670570' Y: 234240' Depth: 7,267' TVD-GL, -2460' TVD-SS

Resolute Aneth, LLC
 Aneth J229 LDVL SWD
 2021' FNL & 503' FWL
 Sec. 29, T. 40 S., R. 25 E.
 San Juan County, Utah

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1. FORMATION TOPS

The estimated tops of important geologic markers are:

<u>Formation</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Morrison Formation	0'	15'	*+4,807'
Navajo Sandstone	867'	882'	+3,940'
Chinle Shale	1,242'	1,257'	+3,565'
Hermosa Shale	4,667'	4,782'	+140'
Upper Ismay Limestone/Dolomite	5,472'	5,487'	-665'
Desert Creek Limestone/Dolomite	5,637'	5,652'	-830'
Top of the salt	5,877'	5,892'	-1,070'
Upper Leadville Lime mud & wack stones	6,957'	6,972'	-2,150'
Lower Leadville Dolostone	7,182'	7,197'	-2,375'
Total Depth (TVD)	7,467'	7,482'	-2,660'

*graded elevation

2. NOTABLE ZONES

The principal underground sources of drinking water (USDWs) in the Greater Aneth area include the Entrada Sandstone, Navajo Sandstone, and Wingate Sandstone, which collectively comprise the Navajo aquifer. The projected top of the Navajo Aquifer in the proposed well is at a depth of 867 feet.

The Chinle formation separates the fresh water aquifers above from non-usable saline ground water aquifers below and is generally accepted as the base of fresh water in the Greater Aneth area. The top of the Chinle formation is projected at a depth of 1,242 feet in the proposed well.

The well bore will be cased and cemented to prevent migration of fluids out of the target formation and into formations containing fresh water. This includes intermediate casing, which will be set 50 feet below the top of the Chinle and cemented to surface to protect the USDW above.

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

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Resolute has submitted, under separate cover, an application for a Class II D Underground Injection Control (UIC) permit to the Navajo Nation Environmental Protection Agency (NNEPA) and United States Environmental Protection Agency (USEPA). Construction and operation of the proposed well will be subject to the requirements of a UIC permit(s) issued by these agencies and the applicable requirements of 40 CFR, Parts 144, 146 and 147, which are designed to protect current and future USDWs.

Potential oil, gas and mineral resources to be encountered include the Ismay and Desert Creek zones of the Paradox formation, which are the primary hydrocarbon reservoirs in the southern Paradox Basin. The Mississippian Leadville formation is also a reservoir for hydrocarbons and CO₂ in other areas of the Paradox Basin. However, flow testing and fluid analyses conducted in the C-113 LDVL well, drilled by Resolute in 2006 and located approximately 3 miles northwest of the proposed well, indicated that economically producible quantities of hydrocarbons and CO₂ were not present.

Production casing in the proposed well will be cemented from TD to surface in 2 stages in order to prevent communication of the target injection zone with the Ismay and Desert Creek zones. Fluid analysis and flow testing similar to that conducted in the C-113 LDVL well will be conducted on the proposed well and the results will be provided prior to its conversion to injection.

3. PRESSURE CONTROL

The reservoir pressure in the Leadville formation is anticipated to be at a normal pressure gradient with a bottom hole pressure of 3,200 psi at 7,320 feet. The Ismay and Desert Creek zones are expected to be abnormally pressured as a result of the ongoing waterflood in the Aneth Unit. Current pressures are 3,000 to 3,200 psi at 5,500 to 5,700 feet. BOP system diagrams and procedures follow on the next two pages.

Resolute Aneth, LLC
 Aneth J229 LDVL SWD
 2021' FNL & 503' FWL
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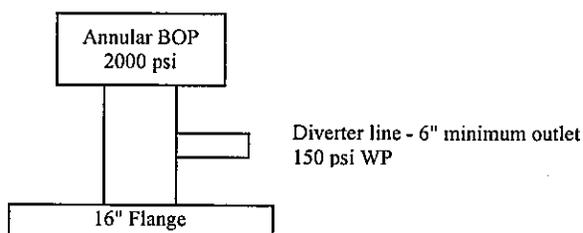
Well Pressure Control Equipment and Procedures:

Blowout preventer equipment (BOPE) as discussed below will be installed and tested prior to drilling of the surface casing shoe and for each subsequent phase of drilling operations. Accumulators will be tested for pre-charge pressure and for holding pressure on the manifold prior to connection to the stack.

Annular BOPs will be tested on nipple up and every 7 days thereafter, first to 200 psi, to simulate field well control situations, and then to the rated working pressure. Each test will be held for 15 minutes. The choke manifold will be operated and circulated through for kill rate pressures with each change of bottom hole assembly (BHA), but at least daily, using 2 slow pump rates, one at idle and one 10 strokes above that.

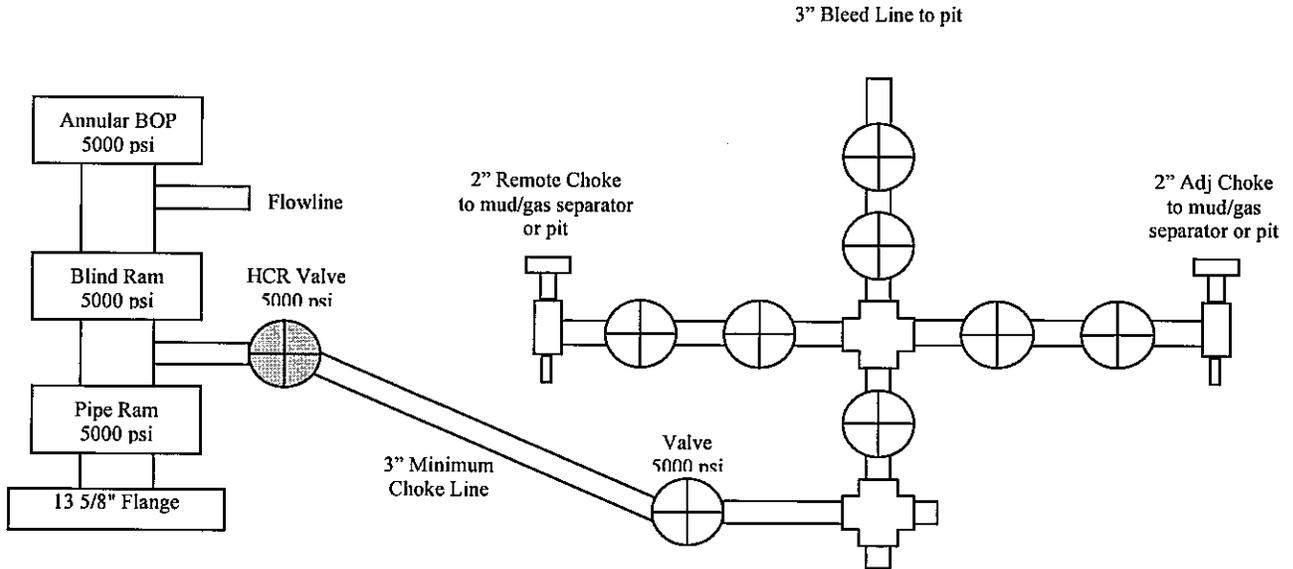
All BOPE testing will be recorded and a copy of the pressure charts maintained with the tour sheet or drilling log.

Conductor Pipe Diverter System



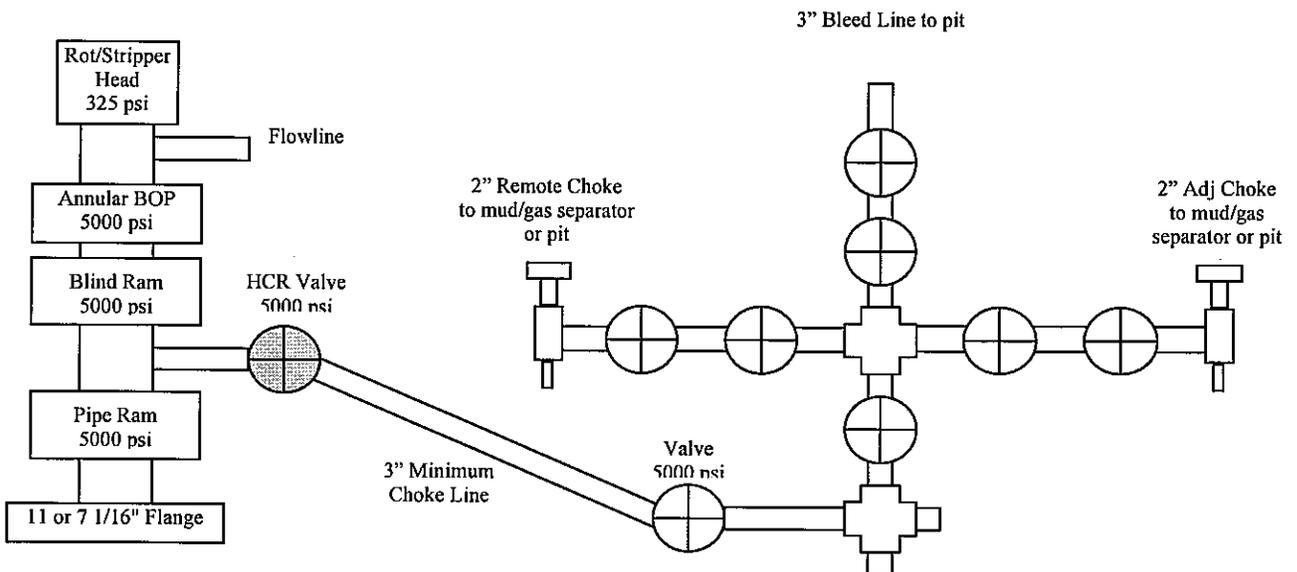
A diverter system as illustrated above will be installed to control well flows encountered at relatively shallow depths from ± 90 to $\pm 1,300$ feet. The diverter system includes a conductor pipe, 2,000 psi annular preventer and 6 inch minimum diameter diverter line. The diverter line is kept open so that flow can be immediately diverted by shutting the preventer. All diverter lines will be securely staked and will be straight lines or will use tee blocks or are targeted with running tees. All diverter line valves and other components will be 1,500 psi minimum working pressure.

RSRA System w/HCR Valve and Choke Manifold



A Pipe Ram-Spool-Blind Ram-Annular Preventer (RSRA) system with HCR valve as illustrated above will be installed to control well flows encountered at depths from $\pm 1,300$ feet to $\pm 7,500$ TVD in the vertical well bore. This arrangement will allow for the well to be shut in and maintain access to well bore below the blind rams in the event killing the well is necessary. Full-opening, flanged valves will be used on all outlets, flowlines and the choke manifold. Kill and choke lines will be constructed as straight lines or will use tee blocks or running tees. Kill and choke lines will have minimum diameters of 2 and 3 inches respectively.

RSRA System w/Rotating Head, HCR Valve and Choke Manifold



A RSRA system with HCR valve and rotating head as illustrated above will be installed to control well flows encountered during drilling of the laterals at depths from $\pm 7,500$ feet to 11,500 feet MD. Full-opening, flanged valves will be used on all outlets, flowlines and the choke manifold. Kill and choke lines will be constructed as straight lines or will use tee blocks or running tees. Kill and choke lines will have minimum diameters of 2 and 3 inches respectively.

Resolute Aneth, LLC
 Aneth J229 LDVL SWD
 2021' FNL & 503' FWL
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4. CASING & CEMENT

Surface Casing: 0' to $\approx 90'$ x 20" O. D. hole

Size/Grade: 13-3/8" 68# C-75

Cement: Circulate to surface with at least 108 cubic feet ready mix mixed at 1.17 cubic feet per sack & 15.6 pounds per gallon. Pack with pea gravel down back side and leave good cap of cement.

Intermediate Casing: 0' to $\approx 1,300'$ x 16-3/4" O. D. hole

Size/Grade: 11-3/4" 47# J-55 S T & C

Centralizers: 3 on bottom joint then 1 on very fourth joint to surface

Cement (Stage tool at $\approx 650'$): Circulate to surface with $\approx 2,020$ cubic feet (100% excess) mixed at 1.14 cubic feet per sack and 15.8 pounds per gallon

First Lead - 50/50 Class 'G'/Poz with 3% sodium metasilicate + 5 pounds per sack kolite + 0.25 pounds per sack cello flake + 0.8 D111

First Tail - Class 'G' neat with 2% CaCl₂ + 0.25 pounds per sack cello flake

Second Lead - 50/50 Class 'G'/Poz with 3% sodium metasilicate + 5 pounds per sack kolite + 0.25 pounds per sack cello flake + 0.8 D111

Second Tail - Class 'G' neat with 2% CaCl₂ + 0.25 pounds per sack cello flake

Production Casing: 0' to TD - Vertical Hole (9-1/2" O. D.)

Casing: 7 5/8" 33.7# S-95 and 26.4# P-110 and L-80 L T & C

Centralizers: 2 on bottom joint then 1 on every fourth joint to DV tool, 1 on either side of DV tool, and then 1 on every fourth joint to surface,

Cement (Stage tool at $\approx 3,200'$): Circulate to surface with $\approx 1,650$ cubic feet (25% excess) mixed at 1.14 cubic feet per sack and 15.8 pounds per gallon

First Stage - Lead: 50/50 Class 'G'/Poz with 3% D79 + 3.0 pounds per sack D42 + 0.25 pounds per sack D29

First Stage - Tail: Class 'G' with 0.8% D156 + 0.2% D65 + 5 pounds per sack D42

Second Stage - Lead: 50/50 Class 'G'/Poz with 3% D79 + 3.0 pounds per sack D42 + 0.25 pounds per sack D29

Second Stage - Tail: Class 'G' with 0.8% D156 + 0.2% D65 + 5 # per sack D42

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Aneth J229 LDVL SWD
2021' FNL & 503' FWL
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Laterals will be completed as 6-1/2" O. D. open holes.

5. MUD PROGRAM

Drilling fluids as specified below will be used to maintain well control during drilling. Sufficient quantities of drilling fluids will be kept on site. Tests to determine density, viscosity, gel strength, filtration, and pH will be performed daily.

Conductor & Surface Casing (80' - 1,300')

Mud Type: fresh water spud mud
Hole Volume = 280 barrels
Pit Volume = 500 barrels
Mud Weight: 8.3 - 9.4 pounds per gallon
Drill Solids: 4 - 6%
pH: 9 - 9.5
Funnel Viscosity: 26 - 40 seconds per quart
Fluid Loss: NC

Vertical Well Bore (1,300' - 2,500')

Mud Type: fresh water gel with PHPA
Hole Volume = 300 barrels
Pit Volume = 500 barrels
Mud Weight: 8.2 - 9.7 pounds per gallon
Drill Solids: 4 - 6%
pH: 9 - 10
Funnel Viscosity: 26 - 45
Fluid Loss: NC

Vertical Well Bore (2,500' - 4,600')

Mud Type: LSND
Hole Volume = 400 barrels
Pit Volume = 500 barrels

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

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Mud Weight: 9.7 - 10.2 pounds per gallon
Drill Solids: 4 - 6%
pH: 9 - 10
Plastic Viscosity: 4 - 10
Yield Point: 6 - 12
Funnel Viscosity: 35 - 40 seconds per quart
Fluid Loss: 12 - 15 cc/30 min

Vertical Well Bore (4,600' to TD)

Mud Type: LSND/salt gel
Hole Volume = 650 barrels
Pit Volume = 500 barrels
Mud Weight: 10.0 - 13.7 pounds per gallon
Drill Solids: 4 - 6%
pH: 9 - 10
Plastic Viscosity: 4 - 12
Yield Point: 6 - 14
Funnel Viscosity: 35 - 60
Fluid Loss: 15 - 20 cc/30 min

Horizontal Laterals

Mud Type: CaCO₃ brine
Hole Volume = 350 barrels
Pit Volume = 500 barrels
Mud Weight: 8.3 - 8.6 pounds per gallon
Drill Solids: 4 - 6
pH: 9 - 10
Funnel Viscosity: 32 - 38 seconds per quart
Fluid Loss: 20 - 30 cc/30 min

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Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
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6. CORES, LOGS, & TESTS

No cores or drill stem tests are currently planned. Induction or laterlog, density/neutron, sonic (possible dipole) logs will be in the vertical portion of the well. No logs will be run in the horizontal laterals.

7. DOWN HOLE CONDITIONS

Pressures are discussed on PAGE 3. The bottom hole temperature is expected to be $\approx 150^{\circ}$ F.

Hydrogen sulfide (H₂S) in excess of 100 ppm is known to be present in the Desert Creek zone, with concentrations as high as 4,300 ppm being recorded from other wells in Section 29. Pressure concerns and the potential for exposure to H₂S will be minimized by maintaining an overbalanced mud system while the Ismay and Desert Creek intervals are exposed. A thin coating amine will be run as a corrosion inhibitor to protect down hole equipment. Drilling operations will be conducted according to Resolute's standard H₂S Drilling Operations and Contingency Plan (see Resolute's Aneth E221SE LDVL APD (43-037-31882)).

Large water flows could be encountered between $\approx 700'$ and $\approx 1,300'$ (Navajo aquifer). Resolute will have conductor pipe set, increase mud weight, and use a diverter to divert flow from around the substructure to the reserve pit.

A pressure kick could occur when drilling into the Desert Creek formation. Resolute will maintain mud weight to avoid a kick. Mud weight will be increased from 10 to at least 10.6 pounds per gallon and, if needed, to 13.7.

Possible differential sticking could occur in the Desert Creek due to nearby production. If sticking occurs, spotting acid will be used to break free.

A two stage cement job will be used on the production casing to avoid

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

PAGE 10

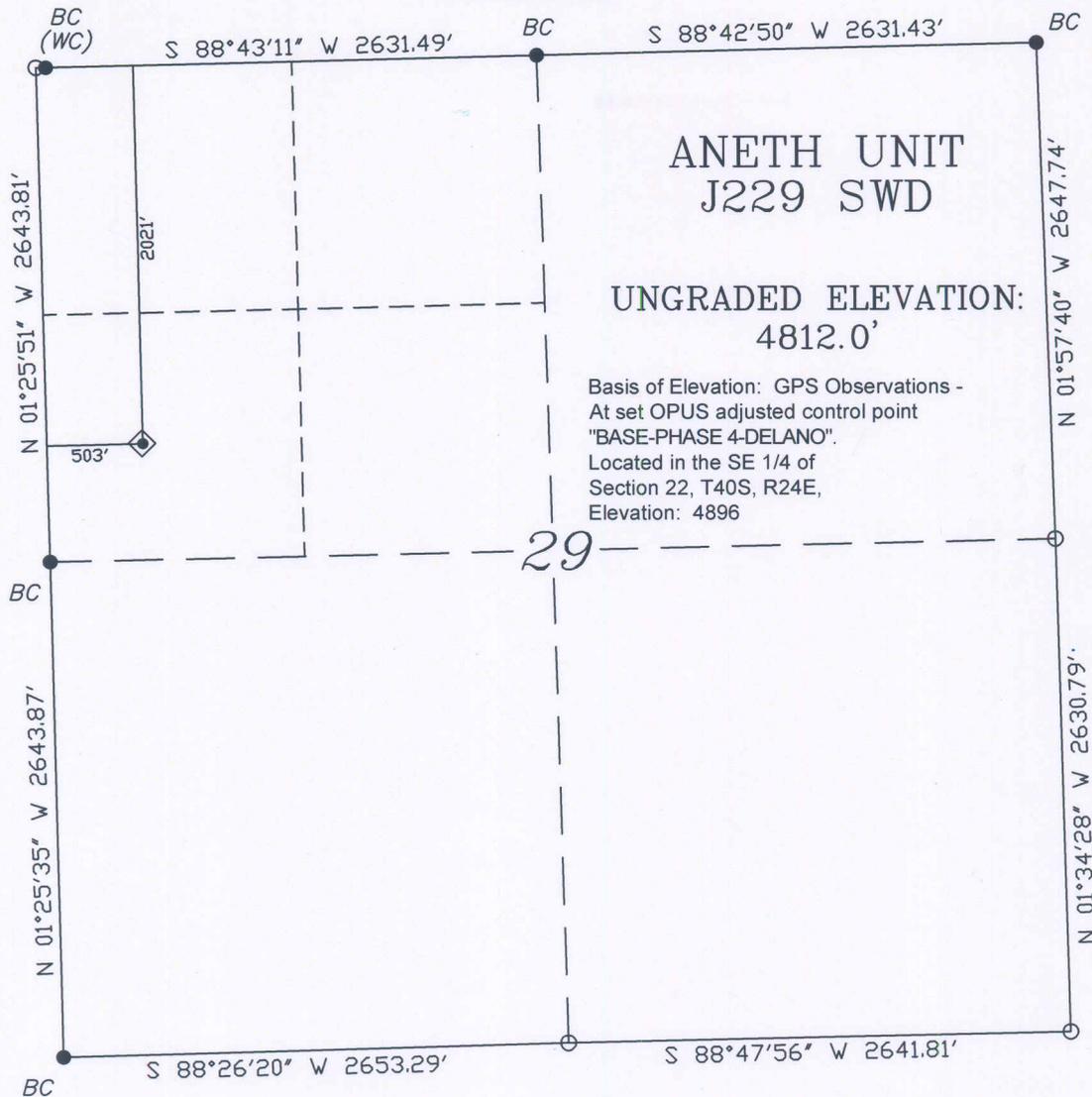
problems due to a low fracture gradient.

The Paradox Salt will be dealt with by using salt saturated mud and cement appropriate to cover the salt interval along with casing designed with a 1.25 design factor for collapse.

8. OTHER INFORMATION

The anticipated spud date is February 1, 2011. It is expected it will take \approx 7 weeks to drill and \approx 4 weeks to complete the well.

R. 25 E.



SCALE: 1" = 1000'

**ANETH UNIT
J229 SWD**

**UNGRADED ELEVATION:
4812.0'**

Basis of Elevation: GPS Observations -
At set OPUS adjusted control point
"BASE-PHASE 4-DELANO".
Located in the SE 1/4 of
Section 22, T40S, R24E,
Elevation: 4896

T. 40 S.

LATITUDE
NORTH 37.281970 DEG.
LONGITUDE
WEST 109.202092 DEG.

NORTHING
232251.68
EASTING
2668519.57

DATUM
UTAH SP SOUTH (1927)



SURVEYOR'S STATEMENT:

I, Marshall W. Lindeen, of Farmington, New Mexico, hereby state: This map was made from notes taken during an actual survey under my direct supervision on APRIL 1, 2010, and it correctly shows the location of ANETH UNIT J229 SWD.

NOTES

- ◆ PROPOSED WELL LOCATION
- FOUND MONUMENT
- CALCULATED POSITION

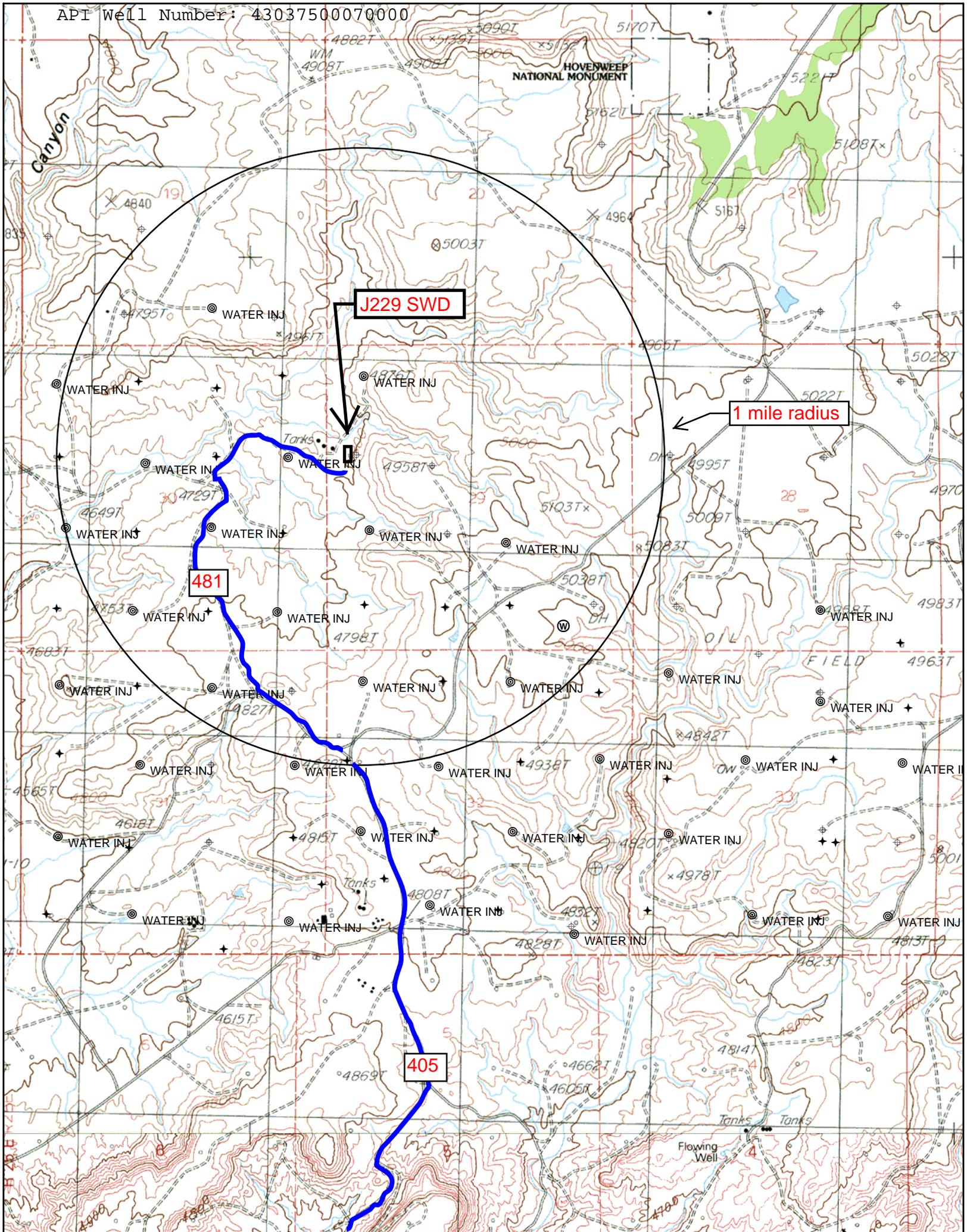


**PLAT OF PROPOSED SWD WELL LOCATION
FOR
RESOLUTE NATURAL RESOURCES COMPANY**

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

SCALE: 1" = 1000'
JOB No. 9608
DATE: 4/02/10

**2021' F/NL & 503' FWL, SECTION 29,
T. 40 S, R. 25 E, SALT LAKE MERIDIAN
SAN JUAN COUNTY, UTAH**



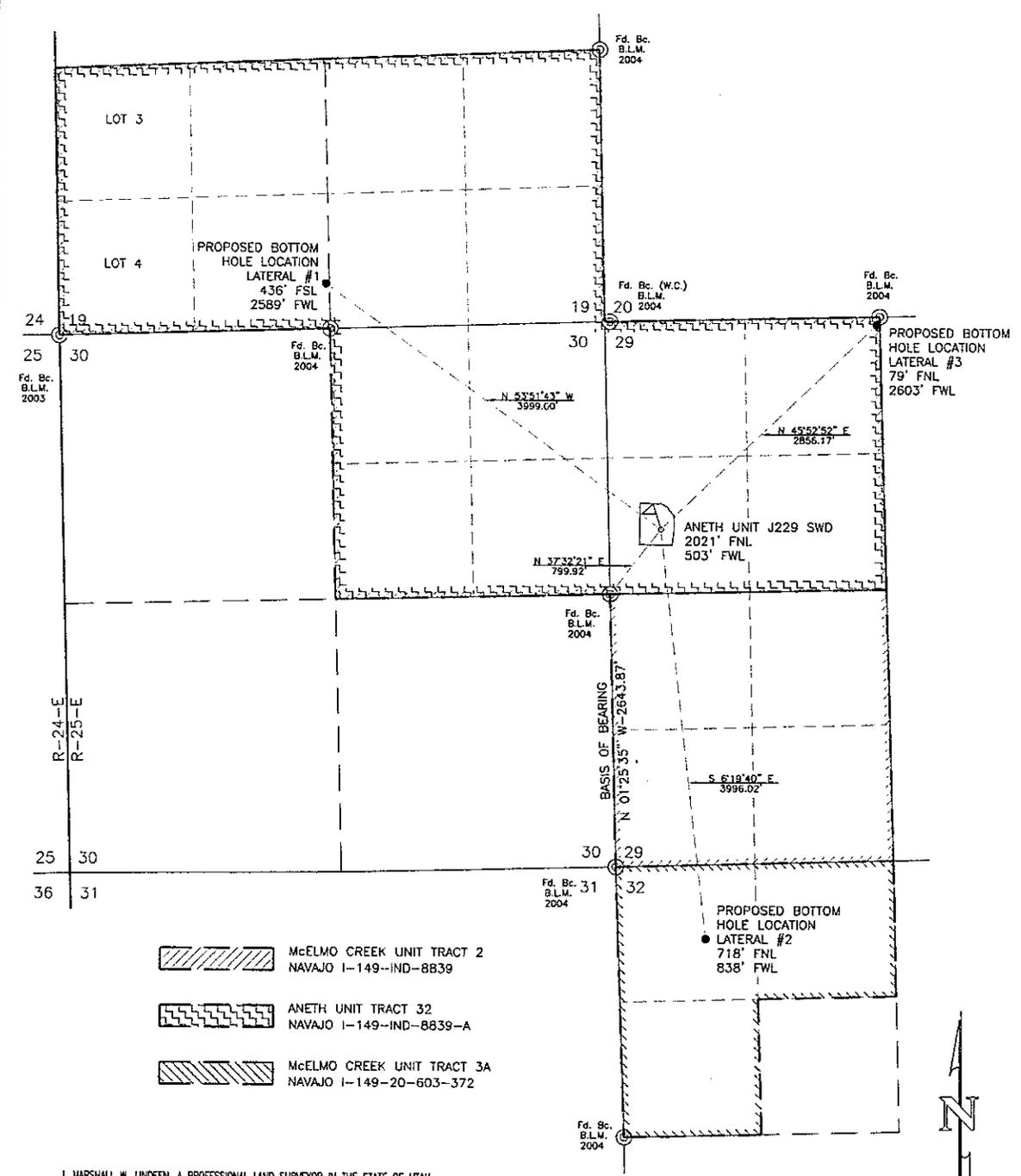
J229 SWD

1 mile radius

481

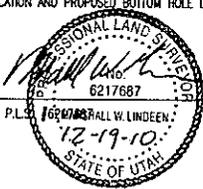
405

RESOLUTE NATURAL RESOURCES COMPANY
ANETH UNIT J229 LDVL SWD
PROPOSED BOTTOM HOLE LOCATIONS
 SECTIONS 19, 29, 30 & 32, T-40-S, R-25-E, S.L.M.
 SAN JUAN COUNTY, UTAH

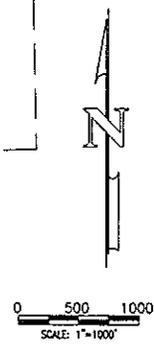


-  McELMO CREEK UNIT TRACT 2
NAVAJO I-149-IND-8839
-  ANETH UNIT TRACT 32
NAVAJO I-149-IND-8839-A
-  McELMO CREEK UNIT TRACT 3A
NAVAJO I-149-20-603-372

I, MARSHALL W. LINDEEN, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THIS PLAT ACCURATELY REPRESENTS THE PROPOSED ANETH UNIT J229 SWD SURFACE LOCATION AND PROPOSED BOTTOM HOLE LATERAL LOCATIONS.



MARSHALL W. LINDEEN P.L.S. _____ DATE

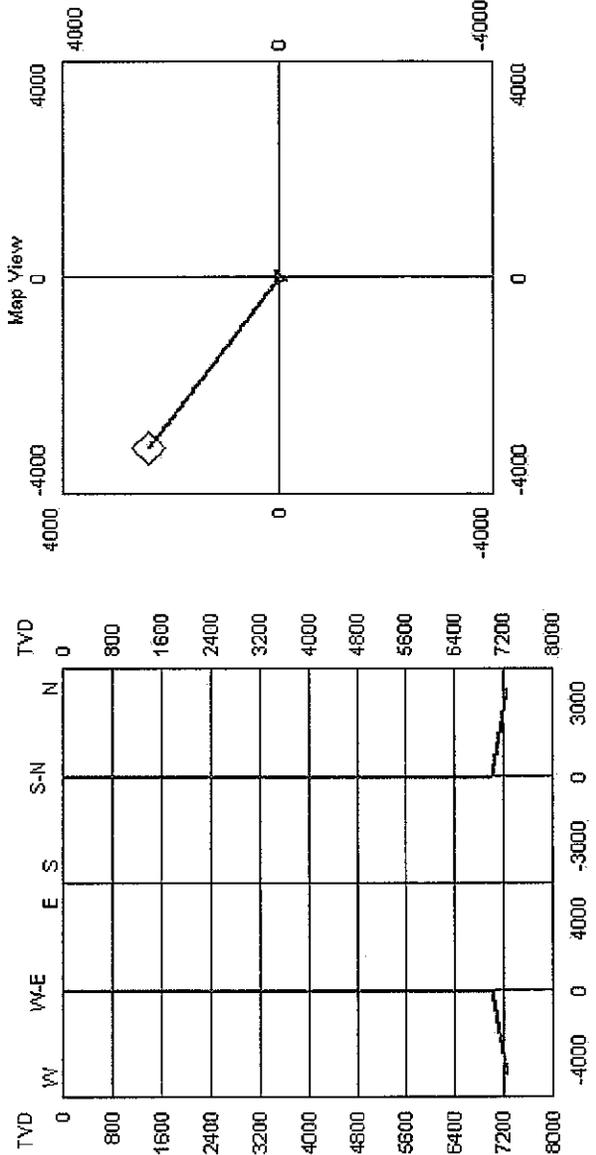
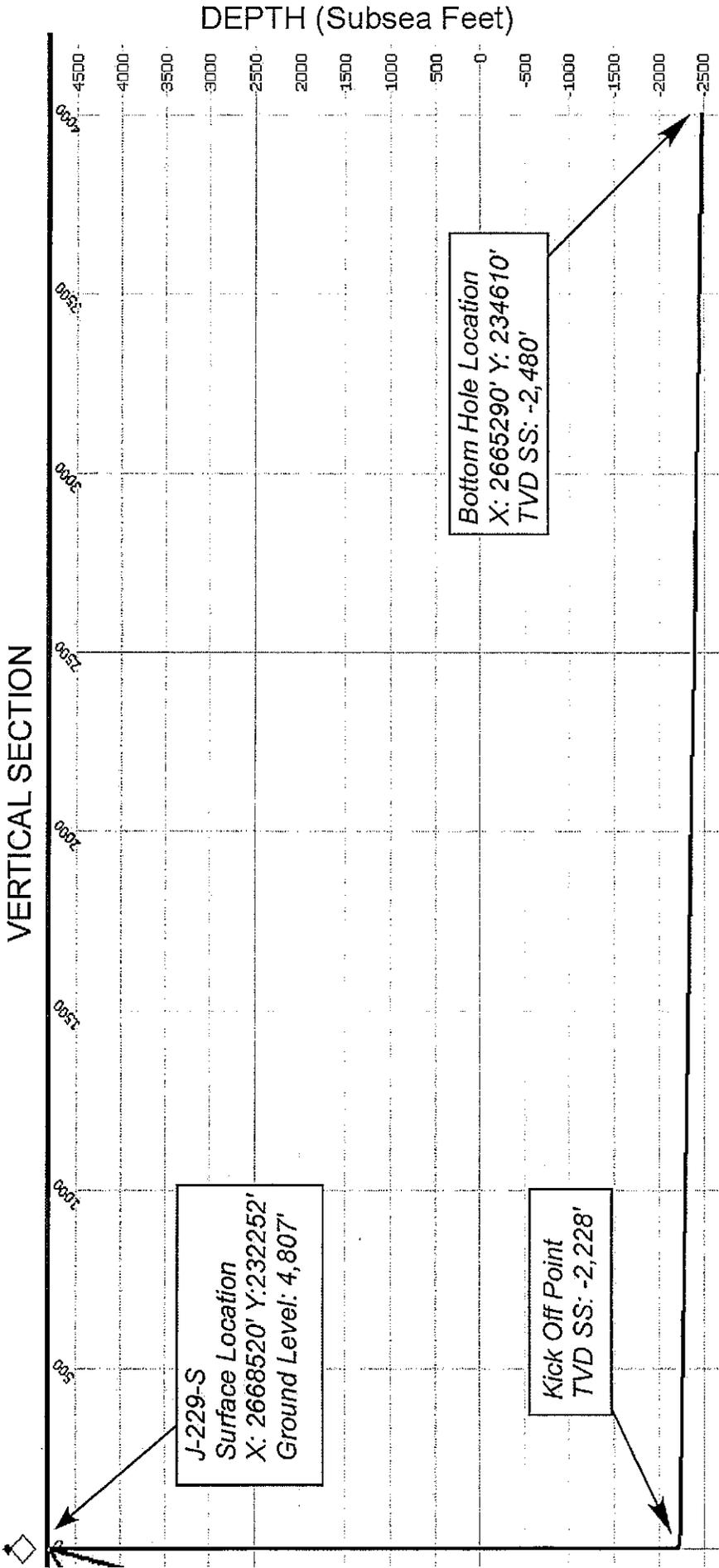


NOTES:
 1. BASIS OF BEARING: MONUMENTED WEST LINE OF THE SW/4 OF SECTION 29, T-40-S, R-25-E, SALT LAKE MERIDIAN, SAN JUAN COUNTY, UTAH.
 BEARS: N 01°25'35\"/>

RESOLUTE NATURAL RESOURCES	
DRAWN BY: C.B.	DATE DRAWN: 11/17/10 FILE NAME: 960BMO1
	P.O. BOX 3651 FARMINGTON, NH 07429 OFFICE: (505)354-0408

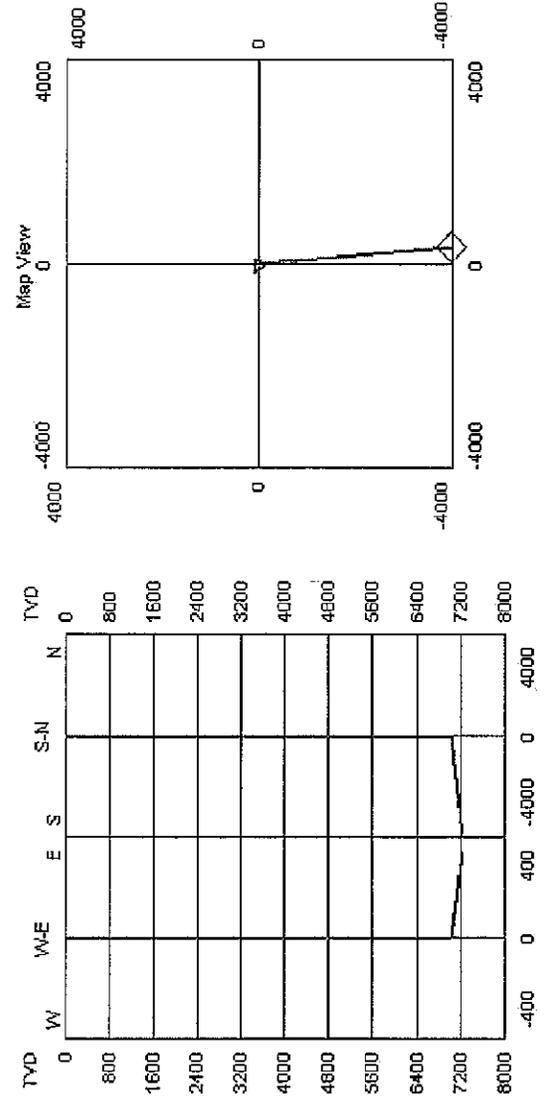
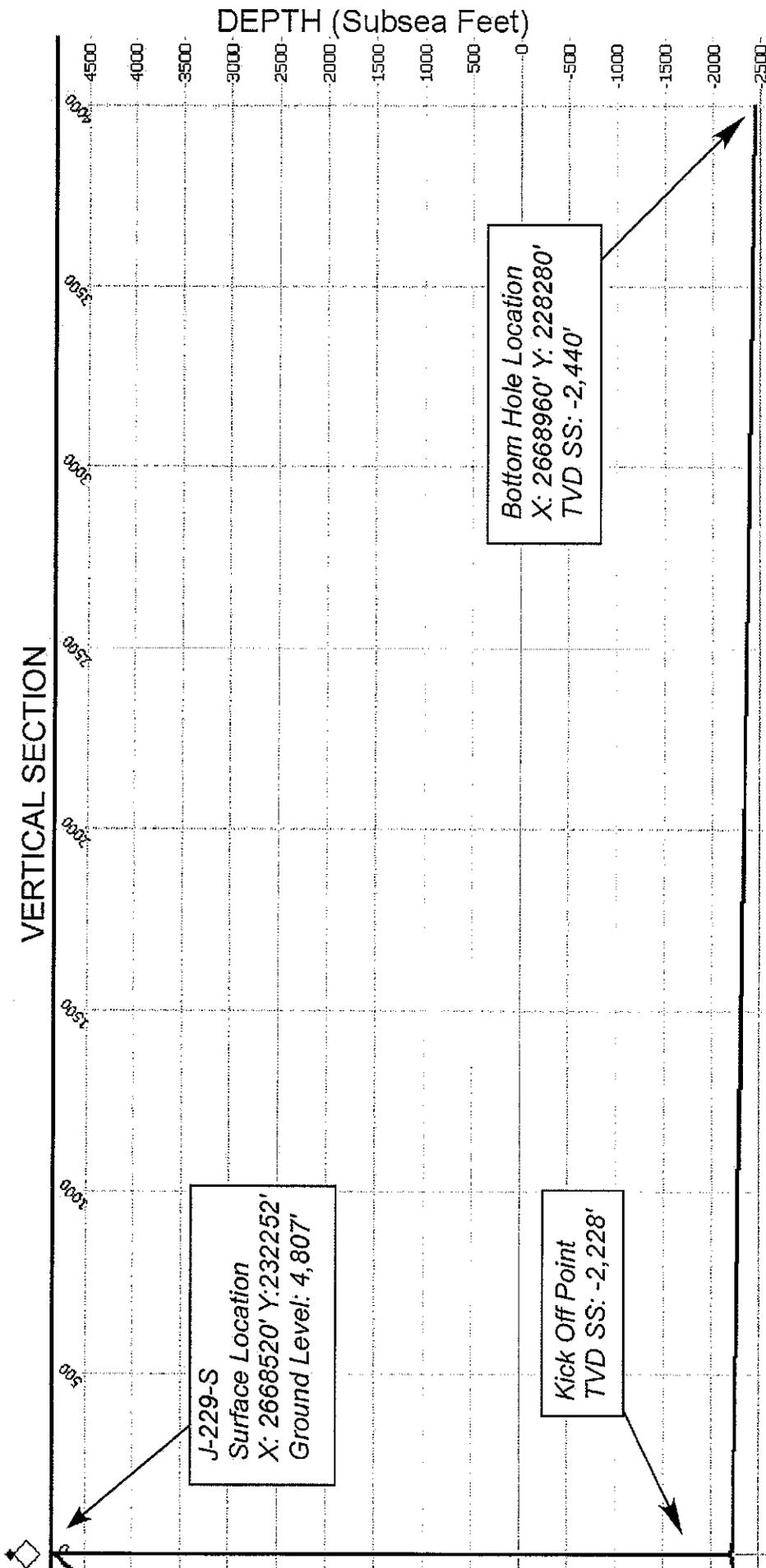
Proposed J-229-S Lateral 1

VERTICAL SECTION



Proposed J-229-S Lateral 2

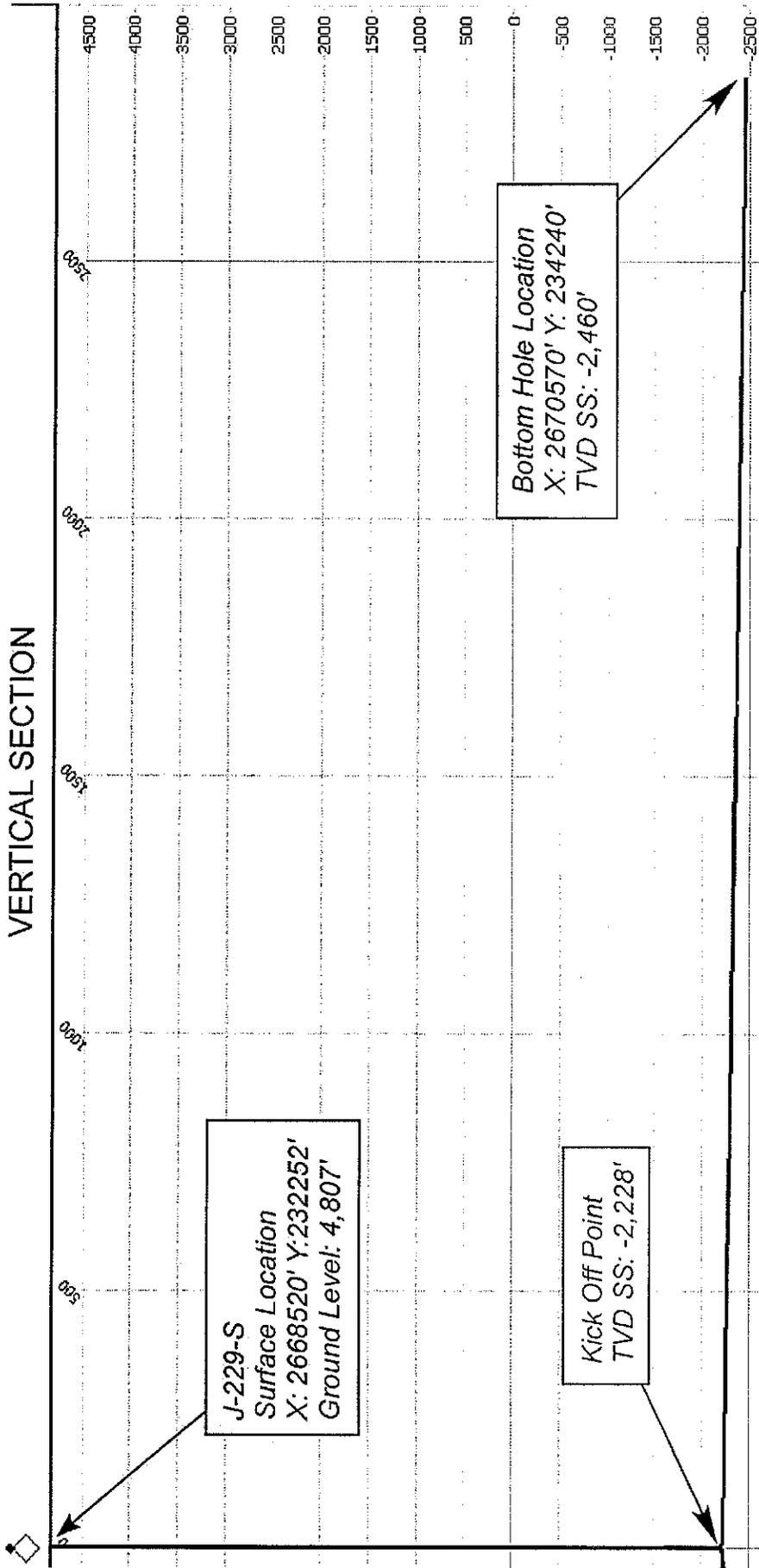
VERTICAL SECTION



Proposed J-229-S Lateral 3

VERTICAL SECTION

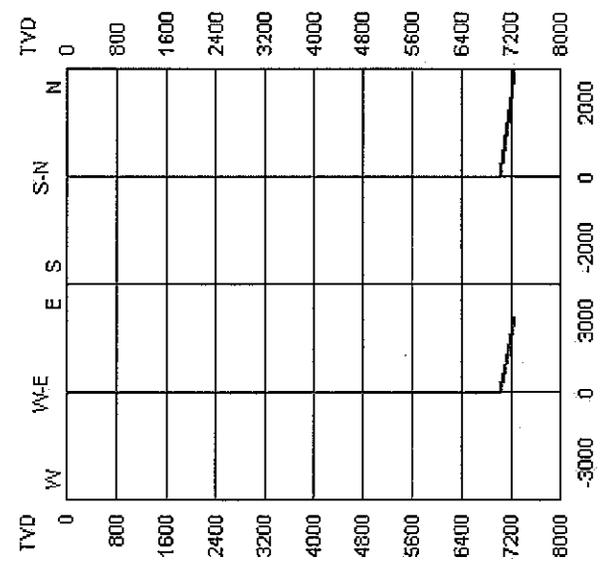
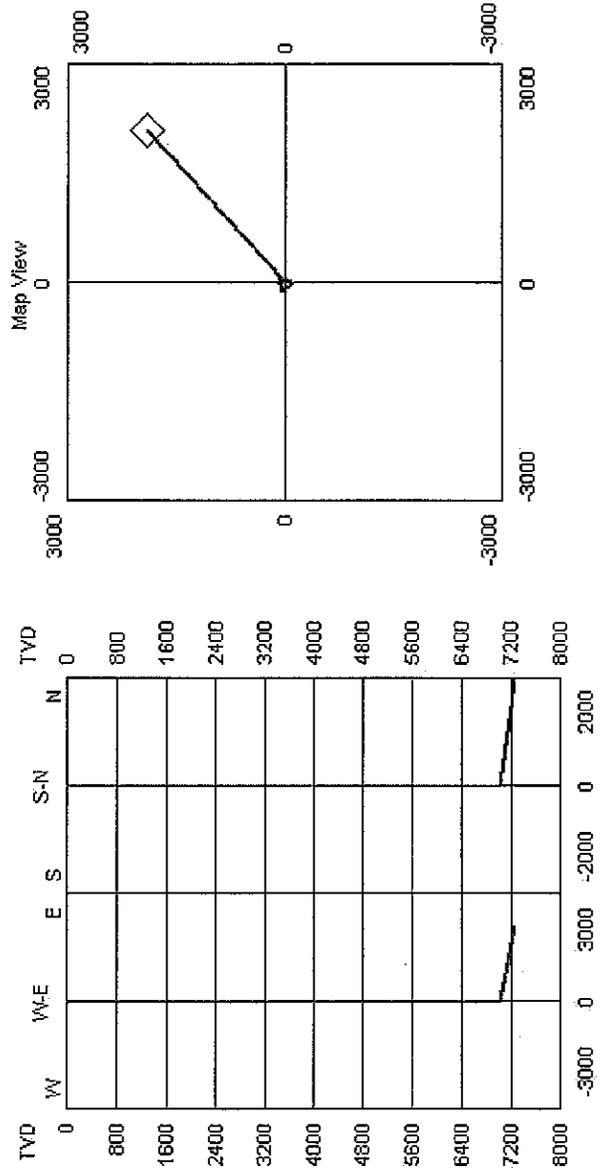
DEPTH (Subsea Feet)



J-229-S
Surface Location
X: 2668520' Y: 232252'
Ground Level: 4,807'

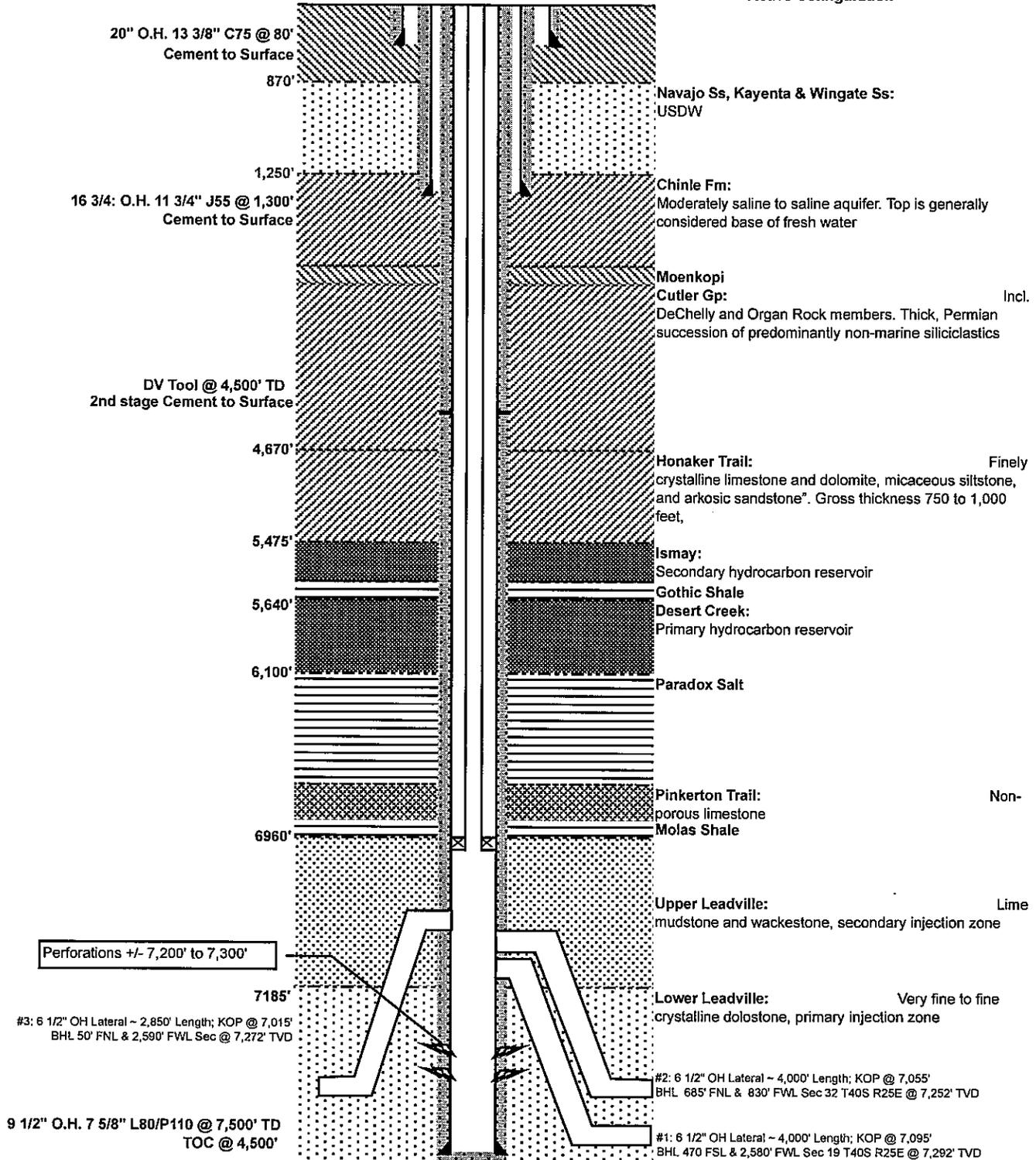
Bottom Hole Location
X: 2670570' Y: 234240'
TVD SS: -2,460'

Kick Off Point
TVD SS: -2,228'



Resolute

J-229 LDVL
 2,021' FNL and 503' FWL
 Sec. 29, T40S, R25E
 San Juan County, UT
 Active Configuration



Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

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Surface Use Plan

1. DIRECTIONS & EXISTING ROADS (See PAGES 16 & 17)

From the Aneth gas station ...

Go Northwest 1.7 miles on U-262 to the equivalent of Mile Post 20.7

Then turn right and go North 2.7 miles on County Road 405

Then bear left and go Northwest 1.5 miles on County Road 481

Then turn right and go Northeast 0.6 miles to the P & A J229 pad

Roads will be maintained to a standard at least equal to their present condition.

2. ROAD TO BE UPGRADED OR BUILT

Upgrading will be limited to blading out ruts. No new road is needed. The road will not be widened or realigned.

3. EXISTING WELLS (See PAGE 17)

There are 13 injection wells, 10 oil wells, 6 plugged wells, and 1 water well within a mile radius of the center stake. There are no existing gas wells within a mile.

4. PROPOSED PRODUCTION FACILITIES (See PAGES 18 & 19)

Surface equipment may include a pump, tanks, and water filters. They will be painted a flat Carlsbad tan color. A 57.24' long $\approx 4\text{-}1/2$ " O. D. steel water pipeline will be buried west to Resolute's Battery 29. A 53.77' long overhead

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

PAGE 12

raptor safe 3 phase power line will be built west to Battery 29. Both the pipeline and power line will be in the same 40' wide corridor.

5. WATER SUPPLY

Resolute will use Montezuma Well Service's already permitted existing water well in NWNE 36-40s-23e (09-1428; A60998) or Resolute's existing water wells in 31-40s-24e (Navajo Department of Water Resources Water Use Permit Numbers 06.0015 - 06.0020) for fresh water. If brine is needed, then Resolute will truck it from Montezuma Well Service's evaporation ponds on Bluff Bench.

6. CONSTRUCTION MATERIALS & METHODS (See PAGES 20 & 21)

Blue Stakes of Utah Utility Notification Center, Inc. will be called (1-800-622-4111) at least 2 business days before construction starts. Notice can also be given on line via <http://www.bluestakes.org/HTML/DoItYourself.htm>

There is no topsoil on the existing pad. Soil and brush from the reserve pit will be piled west of the pit. Soil will be piled west of a drainage. A ditch will be cut on the east side of the pad to drain north and south.

The reserve pit will be dug so that at least half of its capacity is in cut. The reserve will be lined with a minimum 20 mil liner and/or at least 30 tons of commercial bentonite worked into 3:1 sides. If a liner alone is used, then it will be padded with geotextile fabric. The pit will be fenced 48" high on 3 sides with 32" high woven wire topped with 2 smooth wire stands 4" and 16" above the woven wire. Steel posts will be set $\approx 16.5'$ apart. Corner posts will be $\geq 6"$ O. D. wood and anchored with a dead man. The fourth side will be fenced the same when drilling stops. The fence will be kept in good repair while the pit dries. Fence and net will be maintained to prevent animal entry.

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

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7. WASTE DISPOSAL

The reserve pit will be lined. Once dry, contents of the reserve pit will be buried in place. Human waste will be disposed of in chemical toilets, which will be hauled to a state approved dump station. All trash will be placed in a portable trash cage and hauled to the county landfill. No trash will be buried or burned.

8. ANCILLARY FACILITIES

There will be no air strip or camp. Camper trailers will be on location for the company man, tool pusher, and mud loggers.

9. WELL SITE LAYOUT

See PAGES 20 and 21 for depictions of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. RECLAMATION & VEGETATION

Reclamation starts once the reserve pit is dry, at which point it will be back filled. Liner top will be folded over the pit and covered with at least 48" of dirt. Initially, the reserve pit, pipeline route, and any areas not needed for work overs will be reclaimed. Water bars will be installed in cut and skewed to drain on the pipeline route. A tear drop pattern centered on the well head will be left after interim reclamation. Once the well is plugged, the remainder of the pad and road will be reclaimed.

All reclamation will leave the terrain with a natural shape, slopes will be no

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

PAGE 14

steeper than 3 to 1, all compacted areas will be ripped ≥ 12 " deep with the contour, seeded, and mulched with straw. A seed mix will be broadcast as prescribed by the BLM, BIA, or Navajo Nation.

Noxious weeds will be controlled in accordance with Navajo Nation EPA requirements. Call Glenna Lee at (928) 871-6447 for a list of approved herbicides and applicators.

11. SURFACE OWNER

Construction will be all on Navajo Tribal trust surface and lease. Tribal Project Review Office address is P. O. Box 9000, Window Rock, AZ 86515. Their phone number is (928) 871-6447.

12. OTHER INFORMATION

Bertha Spencer (BIA) and Charles Black (Permits West) attended the August 17, 2010 on site inspection.

The nearest (≈ 15 minute drive) health care is the Montezuma Creek Clinic. Its phone number is (435) 651-3291. The nearest hospital is a $\approx 3/4$ hour drive to Blanding at 802 South 200 West. Hospital phone number is (435) 678-3993. Or dial 1-800-332-1911 from anywhere in the county.

Proposed well head will be 41' south of a P & A marker. The original well was drilled as a 5,810' deep oil well in 1981 and plugged and abandoned in 2004.

13. REPRESENTATION & CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have

Resolute Aneth, LLC
Aneth J229 LDVL SWD
2021' FNL & 503' FWL
Sec. 29, T. 40 S., R. 25 E.
San Juan County, Utah

PAGE 15

inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; 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 will 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. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of false statements. Executed this 5th day of November, 2010.



Brian Wood, Consultant
Permits West, Inc.

37 Verano Loop, Santa Fe, NM 87508

(505) 466-8120

FAX: (505) 466-9682

Cellular: (505) 699-2276

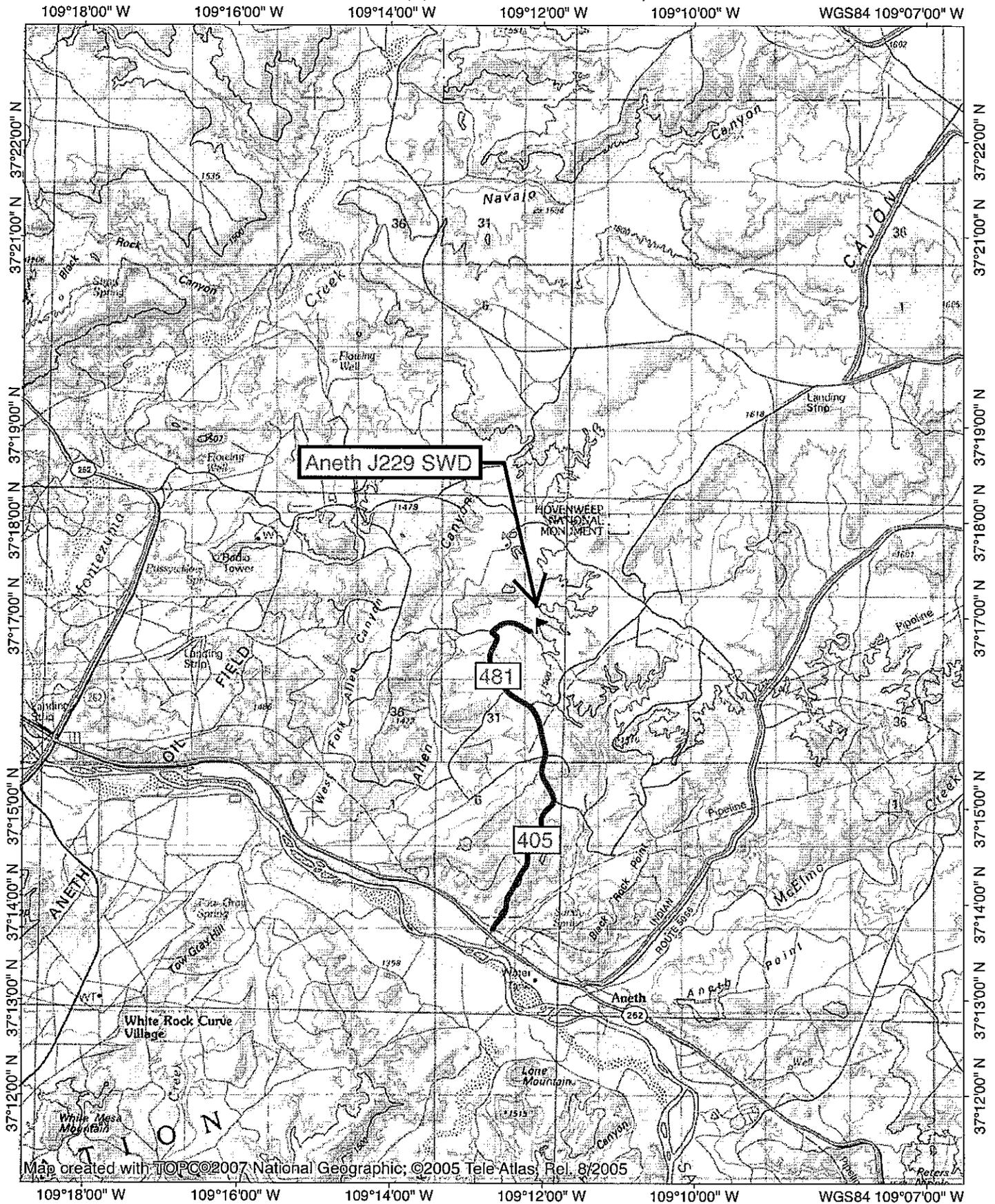
The field representative will be:

Dwight Mallory
Resolute Aneth, LLC
1675 Broadway, Suite 1950
Denver, CO 80202
(303) 573-4886, Extension 1165

or

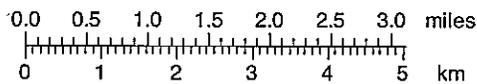
Donnie Trimble
Resolute Aneth, LLC
P. O. Drawer G
Cortez, CO 81321
(970) 371-6753

TOPO! map printed on 10/25/10 from ".tpo"



Map created with TOPO! ©2007 National Geographic; ©2005 Tele-Atlas; Rel. 8/2005

109°18'00" W 109°16'00" W 109°14'00" W 109°12'00" W 109°10'00" W WGS84 109°07'00" W

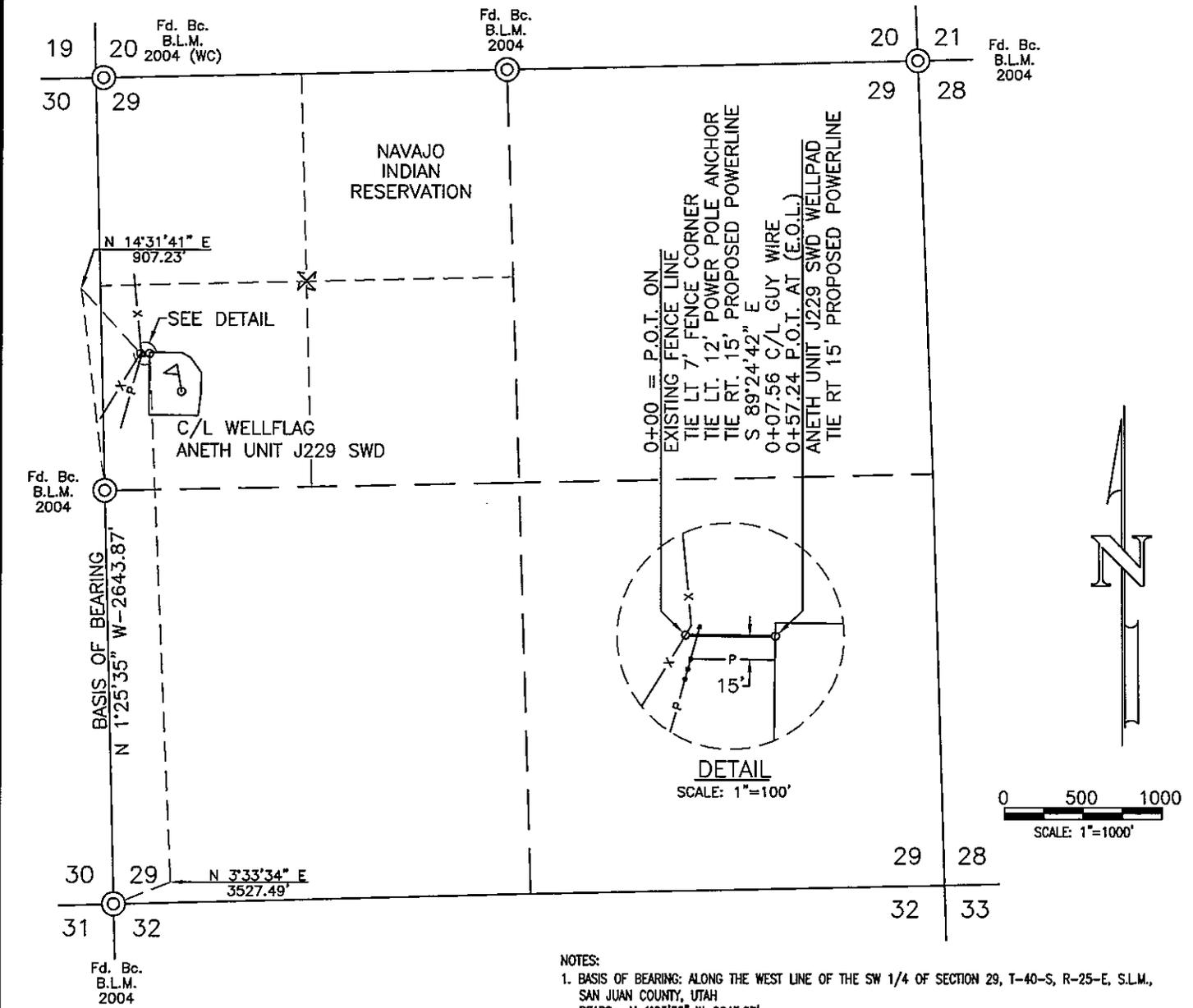


TN ↑ MN
10.5°
10/25/10

RESOLUTE NATURAL RESOURCES COMPANY

ANETH UNIT J229 SWD PROPOSED WATER LINE

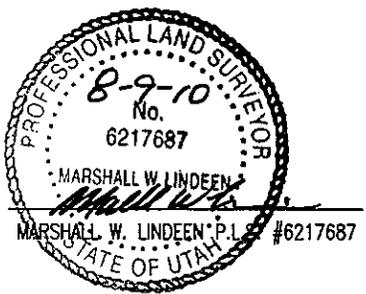
NW/4 SEC.29, T-40-S, R-25-E, S.L.M.,
SAN JUAN COUNTY, UTAH



- NOTES:**
1. BASIS OF BEARING: ALONG THE WEST LINE OF THE SW 1/4 OF SECTION 29, T-40-S, R-25-E, S.L.M., SAN JUAN COUNTY, UTAH
BEARS: N 1°25'35" W-2643.87'
 2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE UTAH COORDINATE SYSTEM, SOUTH ZONE, NAD 27 (COMBINED SCALE FACTOR: 0.9997644)

OWNER	STATION	FEET/RODS
NAVAJO INDIAN RESERVATION	0+00 TO 0+57.24	57.24/3.469

I, MARSHALL W. LINDEEN, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THE SURVEY REPRESENTED BY THIS PLAT WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT ACCURATELY REPRESENTS THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.



RESOLUTE

NATURAL RESOURCES

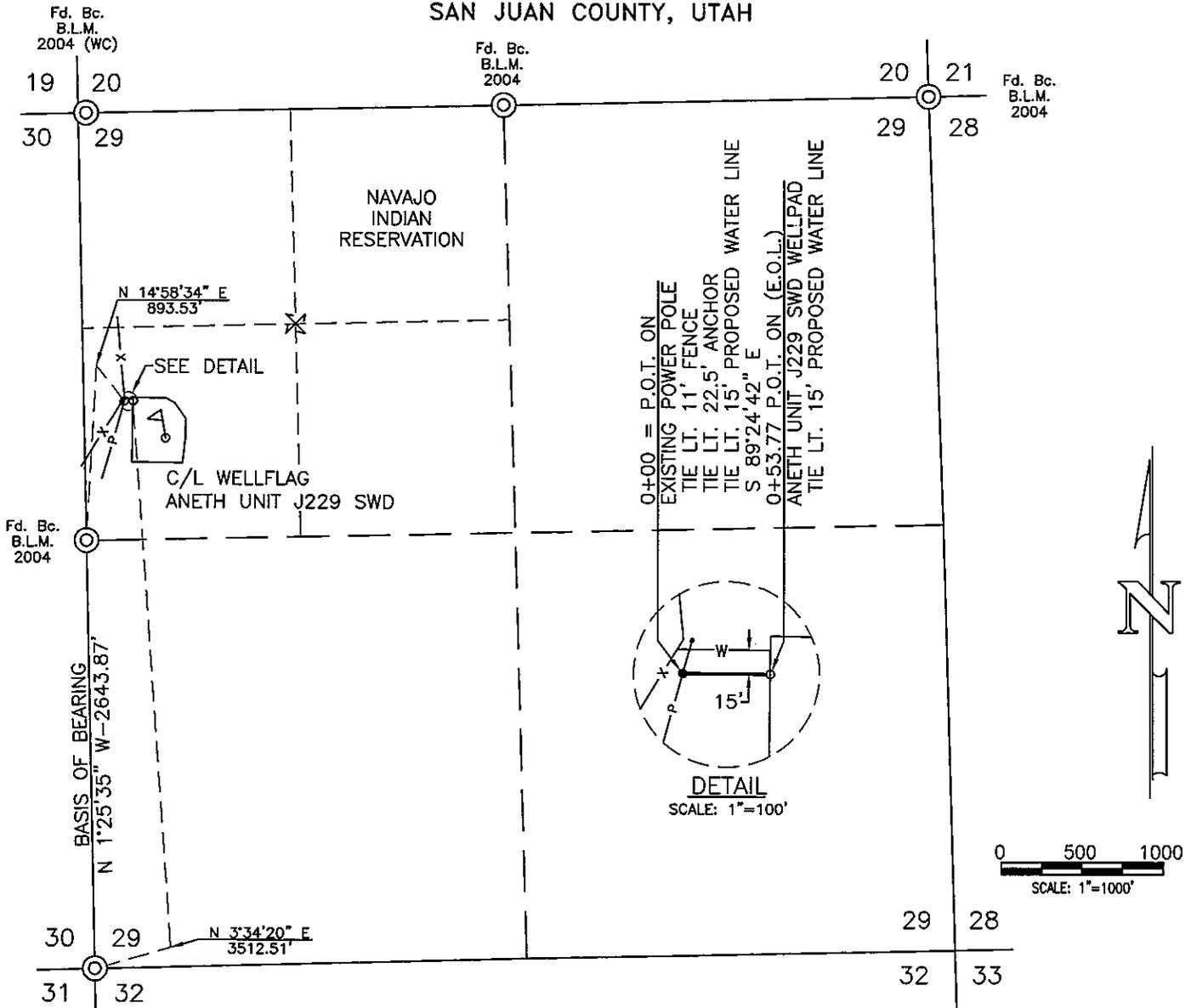
SURVEYED: 7/09/10	REV. DATE: 8/05/10	APP. BY: M.W.L.
DRAWN BY: H.S.	DATE DRAWN: 7/14/10	FILE NAME: 960BP04

P.O. BOX 3651
FARMINGTON, NM 87499
OFFICE: (505)334-0408

RESOLUTE NATURAL RESOURCES COMPANY

ANETH UNIT J229 SWD PROPOSED POWERLINE

NW/4 SEC.29, T-40-S, R-25-E, S.L.M.,
SAN JUAN COUNTY, UTAH

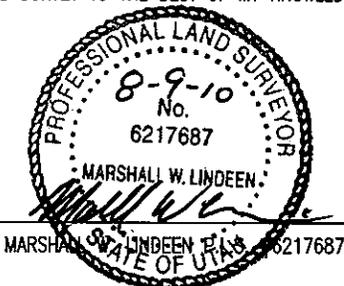


NOTES:

1. BASIS OF BEARING: ALONG THE WEST LINE OF THE SW 1/4 OF SECTION 29, T-40-S, R-25-E, S.L.M., SAN JUAN COUNTY, UTAH
BEARS: N 1°25'35" W-2643.87'
2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE UTAH COORDINATE SYSTEM, SOUTH ZONE, NAD 27 (COMBINED SCALE FACTOR: 0.9997644)

OWNER	STATION	FEET/RODS
NAVAJO INDIAN RESERVATION	0+00 TO 0+53.77	53.77/3.259

I, MARSHALL W. LINDEEN, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF UTAH, DO HEREBY CERTIFY THAT THE SURVEY REPRESENTED BY THIS PLAT WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT ACCURATELY REPRESENTS THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.



RESOLUTE

NATURAL RESOURCES

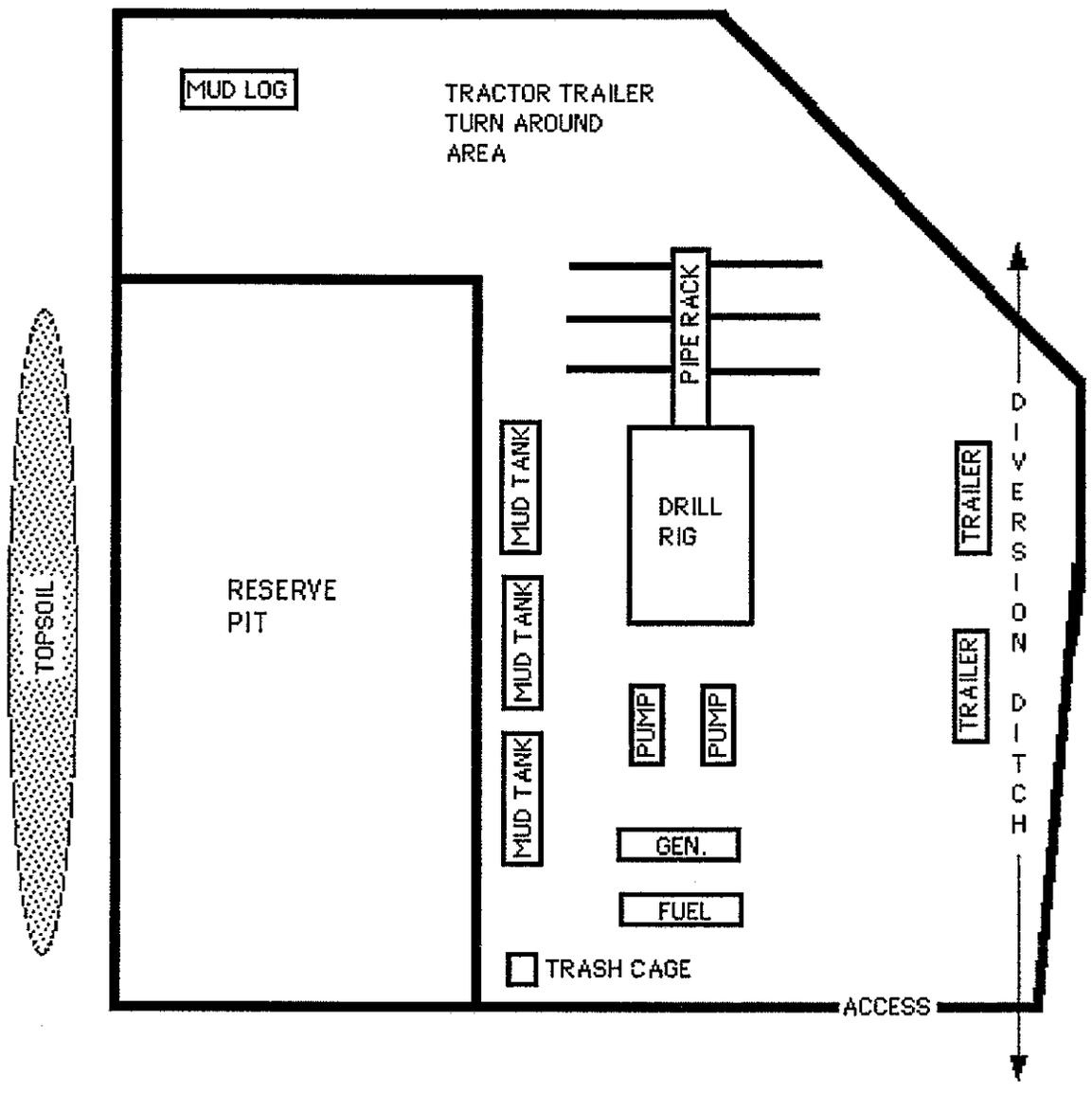
SURVEYED: 7/09/10	REV. DATE: 8/05/10	APP. BY: M.W.L.
DRAWN BY: H.S.	DATE DRAWN: 7/13/10	FILE NAME: 9608P03

P.O. BOX 3651
 FARMINGTON, NM 87499
 OFFICE: (505)334-0408

NORTH



1" = 75'



Resolute Aneth, LLC
 Aneth J229 LDVL SWD
 2021' FNL & 503' FWL
 Sec. 29, T. 40 S., R. 25 E.
 San Juan County, Utah

PAGE 4

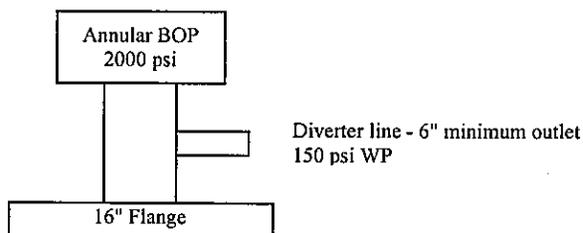
Well Pressure Control Equipment and Procedures:

Blowout preventer equipment (BOPE) as discussed below will be installed and tested prior to drilling of the surface casing shoe and for each subsequent phase of drilling operations. Accumulators will be tested for pre-charge pressure and for holding pressure on the manifold prior to connection to the stack.

Annular BOPs will be tested on nipple up and every 7 days thereafter, first to 200 psi, to simulate field well control situations, and then to the rated working pressure. Each test will be held for 15 minutes. The choke manifold will be operated and circulated through for kill rate pressures with each change of bottom hole assembly (BHA), but at least daily, using 2 slow pump rates, one at idle and one 10 strokes above that.

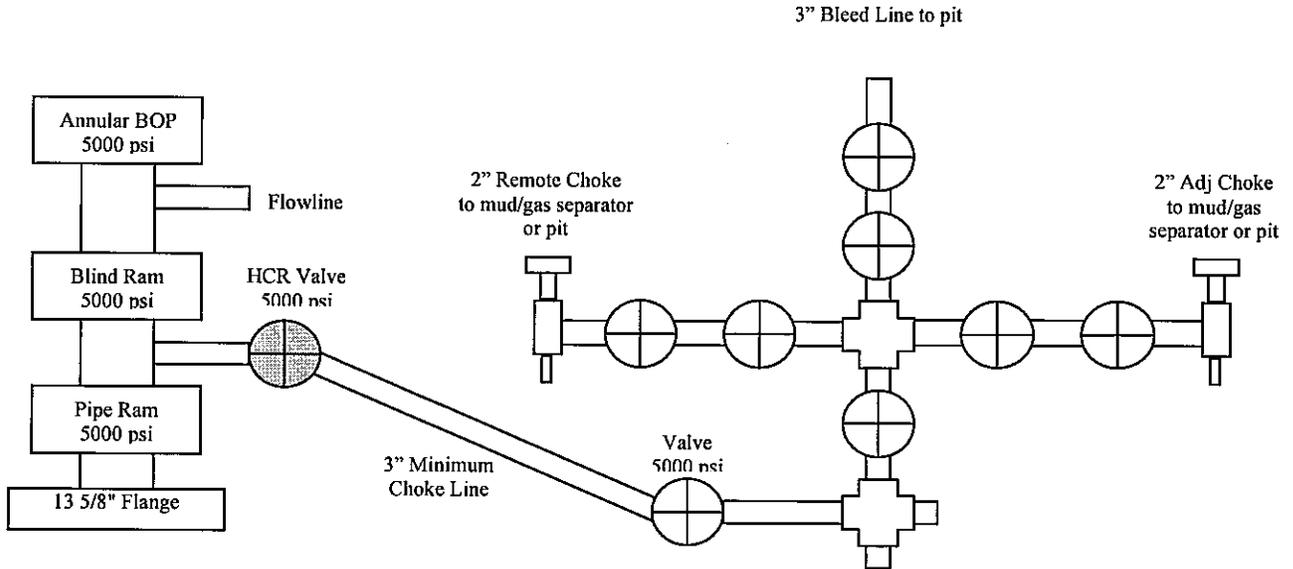
All BOPE testing will be recorded and a copy of the pressure charts maintained with the tour sheet or drilling log.

Conductor Pipe Diverter System



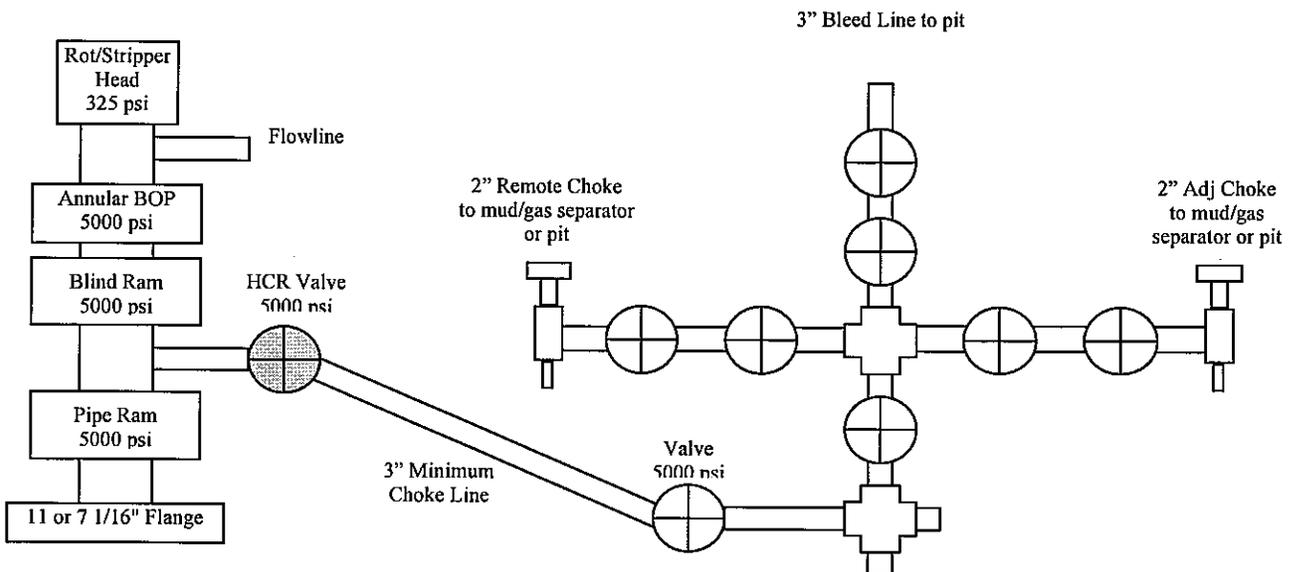
A diverter system as illustrated above will be installed to control well flows encountered at relatively shallow depths from ± 90 to $\pm 1,300$ feet. The diverter system includes a conductor pipe, 2,000 psi annular preventer and 6 inch minimum diameter diverter line. The diverter line is kept open so that flow can be immediately diverted by shutting the preventer. All diverter lines will be securely staked and will be straight lines or will use tee blocks or are targeted with running tees. All diverter line valves and other components will be 1,500 psi minimum working pressure.

RSRA System w/HCR Valve and Choke Manifold



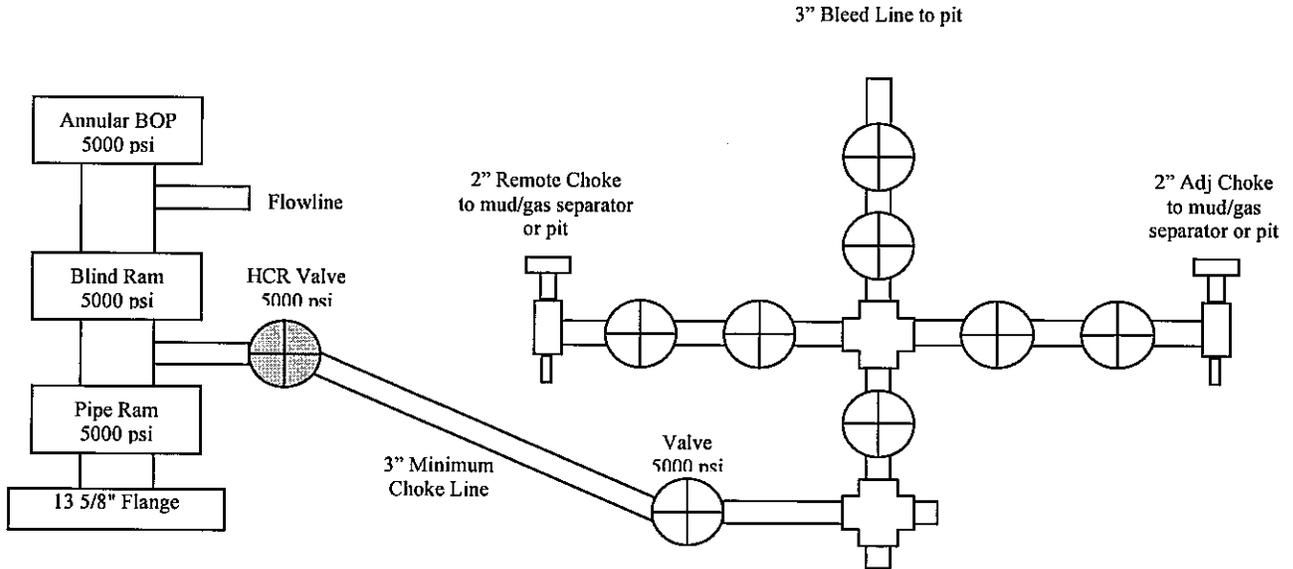
A Pipe Ram-Spool-Blind Ram-Annular Preventer (RSRA) system with HCR valve as illustrated above will be installed to control well flows encountered at depths from $\pm 1,300$ feet to $\pm 7,500$ TVD in the vertical well bore. This arrangement will allow for the well to be shut in and maintain access to well bore below the blind rams in the event killing the well is necessary. Full-opening, flanged valves will be used on all outlets, flowlines and the choke manifold. Kill and choke lines will be constructed as straight lines or will use tee blocks or running tees. Kill and choke lines will have minimum diameters of 2 and 3 inches respectively.

RSRA System w/Rotating Head, HCR Valve and Choke Manifold



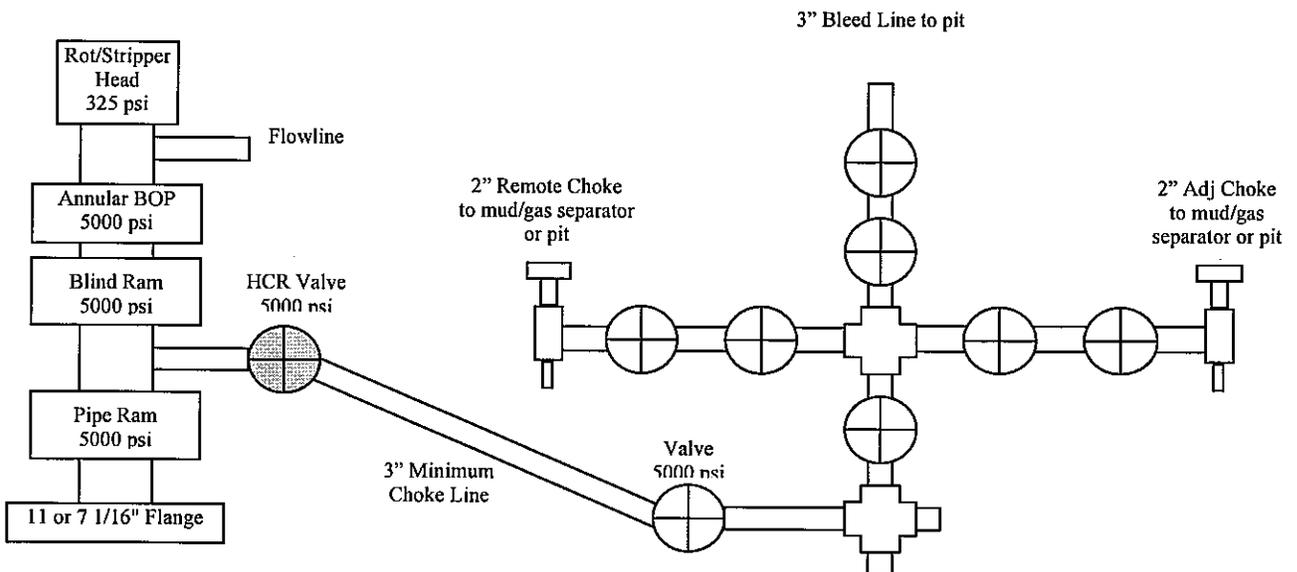
A RSRA system with HCR valve and rotating head as illustrated above will be installed to control well flows encountered during drilling of the laterals at depths from $\pm 7,500$ feet to 11,500 feet MD. Full-opening, flanged valves will be used on all outlets, flowlines and the choke manifold. Kill and choke lines will be constructed as straight lines or will use tee blocks or running tees. Kill and choke lines will have minimum diameters of 2 and 3 inches respectively.

RSRA System w/HCR Valve and Choke Manifold



A Pipe Ram-Spool-Blind Ram-Annular Preventer (RSRA) system with HCR valve as illustrated above will be installed to control well flows encountered at depths from $\pm 1,300$ feet to $\pm 7,500$ TVD in the vertical well bore. This arrangement will allow for the well to be shut in and maintain access to well bore below the blind rams in the event killing the well is necessary. Full-opening, flanged valves will be used on all outlets, flowlines and the choke manifold. Kill and choke lines will be constructed as straight lines or will use tee blocks or running tees. Kill and choke lines will have minimum diameters of 2 and 3 inches respectively.

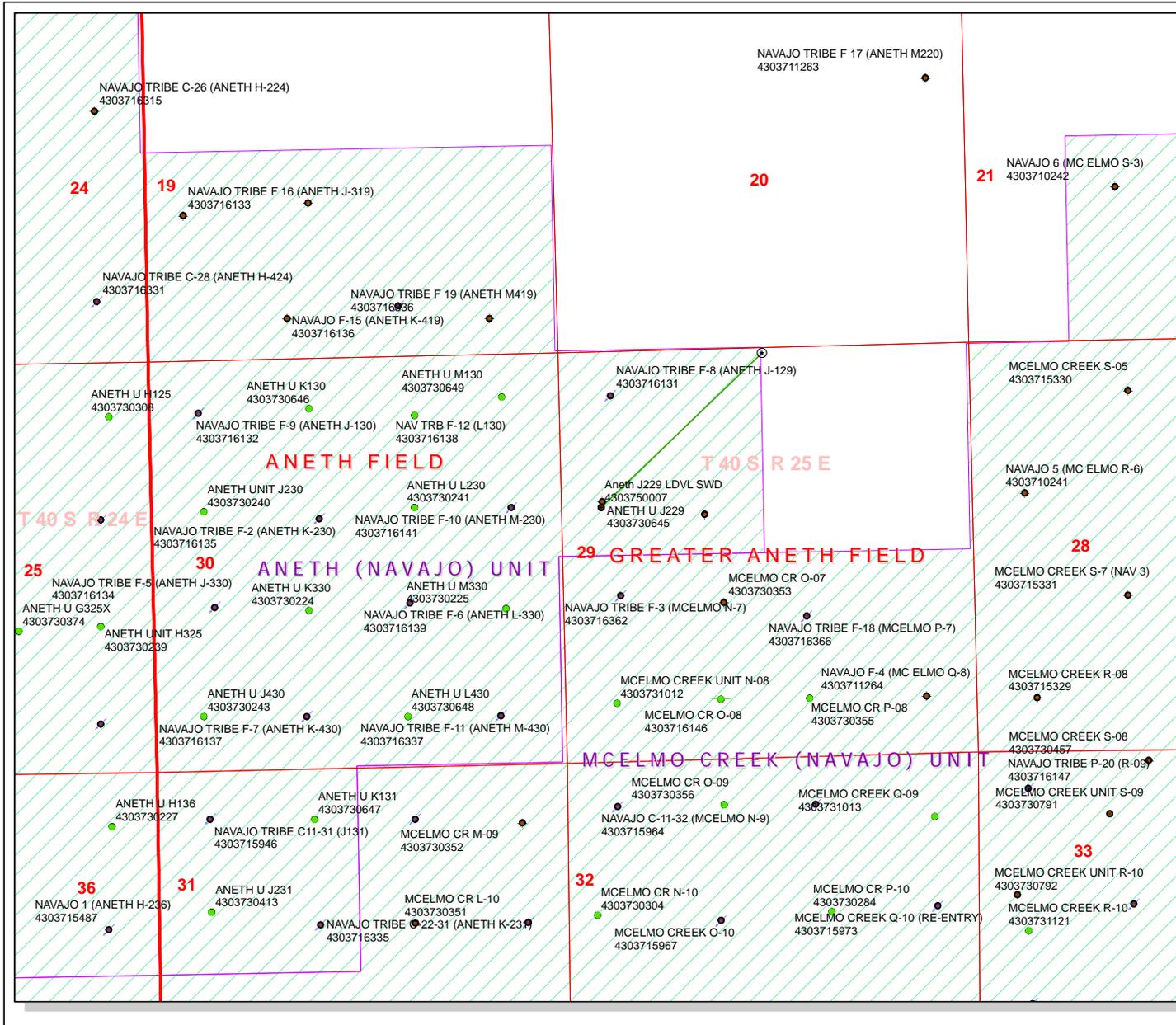
RSRA System w/Rotating Head, HCR Valve and Choke Manifold



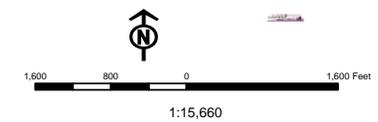
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API Number: 4303750007
Well Name: Aneth J229 LDVL SWD
Township 40.0 S Range 25.0 E Section 29
Meridian: SLBM
 Operator: RESOLUTE NATURAL RESOURCES

Map Prepared:
 Map Produced by Diana Mason



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



WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/21/2010

API NO. ASSIGNED: 43037500070000

WELL NAME: Aneth J229 LDVL SWD

OPERATOR: RESOLUTE NATURAL RESOURCES (N2700)

PHONE NUMBER: 505 466-8120

CONTACT: Brian Wood

PROPOSED LOCATION: SWNW 29 400S 250E

Permit Tech Review:

SURFACE: 2021 FNL 0503 FWL

Engineering Review:

BOTTOM: 2021 FNL 0503 FWL

Geology Review:

COUNTY: SAN JUAN

LATITUDE: 37.28198

LONGITUDE: -109.20267

UTM SURF EASTINGS: 659334.00

NORTHINGS: 4127668.00

FIELD NAME: GREATER ANETH

LEASE TYPE: 2 - Indian

LEASE NUMBER: I-149-IND-8839-A

PROPOSED PRODUCING FORMATION(S): LEADVILLE

SURFACE OWNER: 2 - Indian

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: INDIAN - B001252
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 09-1428
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

LOCATION AND SITING:

- R649-2-3.
- Unit: ANETH
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: Cause 152-7
- Effective Date: 4/22/1998
- Siting: Does not suspend general siting
- R649-3-11. Directional Drill

Comments: Presite Completed
HAS MULTI LATS:120127 TROY @ BLM CALLED GAVE AN APRVL:

Stipulations: 4 - Federal Approval - dmason



GARY R. HERBERT
Governor

GREGORY S. BELL
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

Permit To Drill

Well Name: Aneth J229 LDVL SWD
API Well Number: 43037500070000
Lease Number: I-149-IND-8839-A
Surface Owner: INDIAN
Approval Date: 2/2/2012

Issued to:

RESOLUTE NATURAL RESOURCES, 1675 Boradway Ste 1950, Denver, CO 80202

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 Cause 152-7. The expected producing formation or pool is the LEADVILLE 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.

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 at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at <http://oilgas.ogm.utah.gov>

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:

A handwritten signature in black ink, appearing to read "John Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas



Your message has been discarded. [Undo discard](#)

- Mail
- COMPOSE**
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- New Permits
- Equal
- Follow up
- Misc
- Priority
- Tariq
- More

Expired APDs

Inbox x

Sara Bohl 7:34 AM (4 hours ago) ★

to me, Dwight

Diana,

Thank you for the emails. I will be the point of contact for APD expirations for Resolute Natural Resources Co, LLC. At this time, the two expired permits are not on our list to be drilled this year. It is fine that you expire them.

Thanks again for the heads up!

Sara Bohl
 Regulatory Analyst
Resolute

1675 Broadway, Suite 1950
 Denver, CO 80202
 Office: [303-573-4886](tel:303-573-4886) Extn 1640
 Cell: [303-408-0949](tel:303-408-0949)



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1 of 29

People (2)

sbohl@ResoluteEnergy.com
sbohl@resoluteenergy.com

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GARY R. HERBERT
Governor

GREGORY S. BELL
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

March 27, 2013

Sara Bohl
Resolute Natural Resources
1675 Broadway, Suite 1950
Denver, CO 80202

Re: APD Rescinded – Aneth J229 LDVL SWD, Sec. 29, T. 40S, R. 25E
San Juan County, Utah API No. 43-037-50007

Dear Ms. Bohl:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 2, 2012. On March 27, 2013, you requested that the APD be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 27, 2013.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Monticello

