

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>						1. WELL NAME and NUMBER Aneth C-123				
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 Oil 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) UTSL 071010			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input 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')			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		815 FNL 1970 FEL		NWNE	23	40.0 S	23.0 E	S		
Top of Uppermost Producing Zone		815 FNL 1970 FEL		NWNE	23	40.0 S	23.0 E	S		
At Total Depth		815 FNL 1970 FEL		NWNE	23	40.0 S	23.0 E	S		
21. COUNTY SAN JUAN			22. DISTANCE TO NEAREST LEASE LINE (Feet) 815			23. NUMBER OF ACRES IN DRILLING UNIT 640				
27. ELEVATION - GROUND LEVEL 4687			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1260			26. PROPOSED DEPTH MD: 5776 TVD: 5776				
28. BOND NUMBER UTB000169			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 09-1428							
<b>Hole, Casing, and Cement Information</b>										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Cond	24	16	0 - 0	65.0	C-75 Casing/Tubing	8.3	Unknown	134	1.25	26.0
Surf	14.75	10.75	0 - 1650	40.5	J-55 ST&C	9.4	Premium Lite High Strength	464	1.88	12.5
							Premium Plus	133	1.16	15.8
Prod	9.875	7	0 - 5558	26.0	J-55 LT&C	10.2	50/50 Poz	490	1.9	12.4
							Type V	72	1.31	13.5
							50/50 Poz	660	1.88	12.5
							Type V	28	1.15	15.8
Open	6.125	0	0 - 0	0.0	No Pipe Used	0.0	No Used	0	0.0	0.0
<b>ATTACHMENTS</b>										
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 type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Sara Bohl			TITLE Regulatory Analyst			PHONE 303 534-4600				
SIGNATURE			DATE 10/16/2012			EMAIL sbohl@ResoluteEnergy.com				
API NUMBER ASSIGNED 43037500360000			APPROVAL			 Permit Manager				

**Geology - Anticipated Geologic Markers**

<b>Resolute</b> Geologic Program				
Date	11-Jun-12			
AFE #	After AFE			
Prospect				
Project/Area	Aneth Unit			
Operator	Resolute			
Well Name	C-123			
County/State	San Juan			UT
GL / KB	GL	4,698.0	KB	4,718.0
Spot/Sect/Twnshp/Rng	NWNE, 815' FNL, 1970' FEL	23	40S	23E
RNRC working interest	After AFE			
Vert/deviated/horiz?	Vertical - infill producer well			
Projection	Utah South (NAD 27)			
Surface XY Location	X after survey		Y after survey	
Latitude / Longitude	Lat 34.3002235		Long -109.355448	
Proposed Total Depth	TVD	5,776.0	Subsea	-1,058.0
Geologic Tops (MD, TVD, SS)	<b>Name</b>	<b>(sub-KB)</b>	<b>Subsea TVD</b>	<b>Objective?</b>
	Navajo	767	3,951	
	Chinle	1,625	3,093	
	Organ Rock	2,875	1,843	
	Hermosa	4,715	3	
	Ismay	5,455	-737	
	Gothic Shale	5,608	-890	
	Desert Creek I	5,627	-909	Primary
	Desert Creek II	5,673	-955	Primary
	Desert Creek III	5,719	-1,001	
	Chimney Rock	5,766	-1,048	
Key Offset Correlation Logs	<b>Well Name</b>	<b>Location</b>	<b>API #</b>	<b>Horizon: Depth</b>
	B-123	NENW Sec. 23	43-037-16271	DC-I: 5649.8
				DC-II: 5681.9
	D-414	SESE Sec, 14	43-037-30639	CHNL: 1596
			NVJO: 738	
Contact Information				
RNRC Geologist	Jason Burris		Office	303-573-4886 x1335
	Home	303-274-0746	Cell	303-763-0998
	Alternate: Sean Smith		Office	303-573-4886 x1215
			Cell	303-902-3772

### **Project Overview**

The target formation for the proposed Aneth Unit C123 is the Desert Creek formation. The purpose for the proposed well is to complete a producing oil well in the Greater Aneth Area. A vertical well will be drilled to TD (5776') in the Desert Creek formation and a full suite of logs will be run. Anticipated start date of project is September 2012 ending October 2012. Anticipated duration of project from spud to completion is 48 days.

### **Well Location**

Surface Location: NW/NE 1970' FEL & 815' FNL

SEC 23, T40S, R23E

Lat 37.29986 Long -109.35615

Surface Elevation: 4687' GL

Proposed Depth: 5776'

### **Target Formation & Anticipated Water, Oil, Gas and Mineral Resources**

The target formation for the Aneth Unit C-123 is the Desert Creek formation.

The principal underground sources of drinking water USDW 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 in the proposed well is at a depth of 767 feet. The overlying Morrison aquifer and isolated Dakota and Alluvial aquifers may also be present. The top of 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 1,625 feet below ground level in the proposed well.

Intermediate casing in the proposed well will be set and cemented from surface through the top of the Chinle to protect the USDW above.

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.

Production casing in the proposed well will be cemented from TD to surface in 2 stages.

### **Anticipated Reservoir Pressures and Temperatures**

The Ismay and Desert Creek zones are expected to be normally 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. Two offset injection wells will be shut-in as soon as the well is spud to allow pressure within the reservoir to dissipate. It is anticipated that Production casing

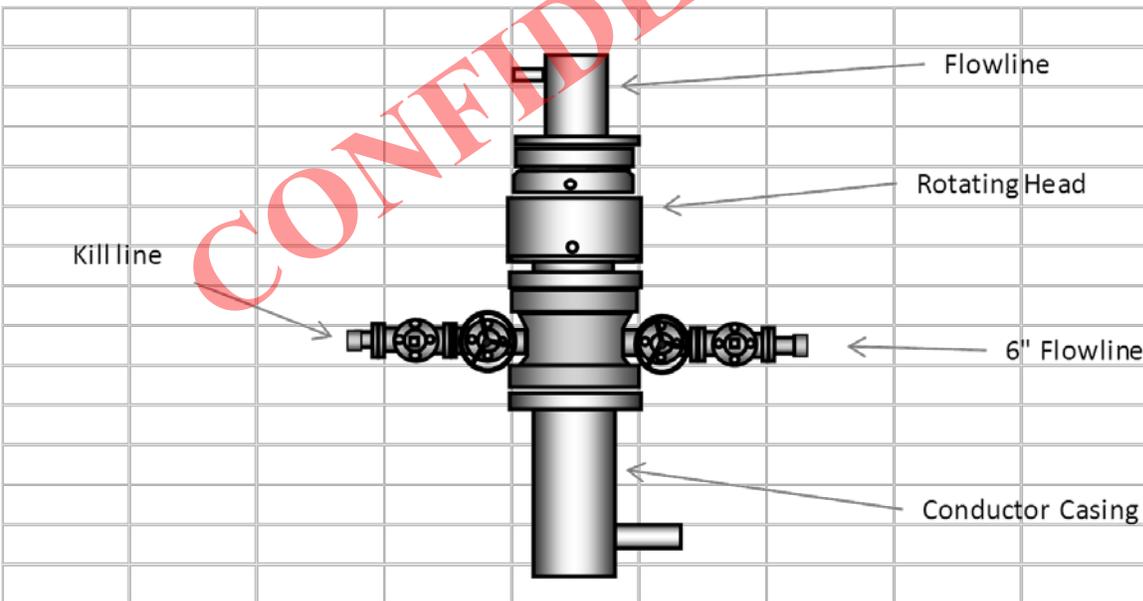
will be set in the Lower Ismay formation and that all the portions of the Ismay and all of Dessert Creek members will be drilled open hole using a nitrogen underbalanced system.

### **BOPE Specifications**

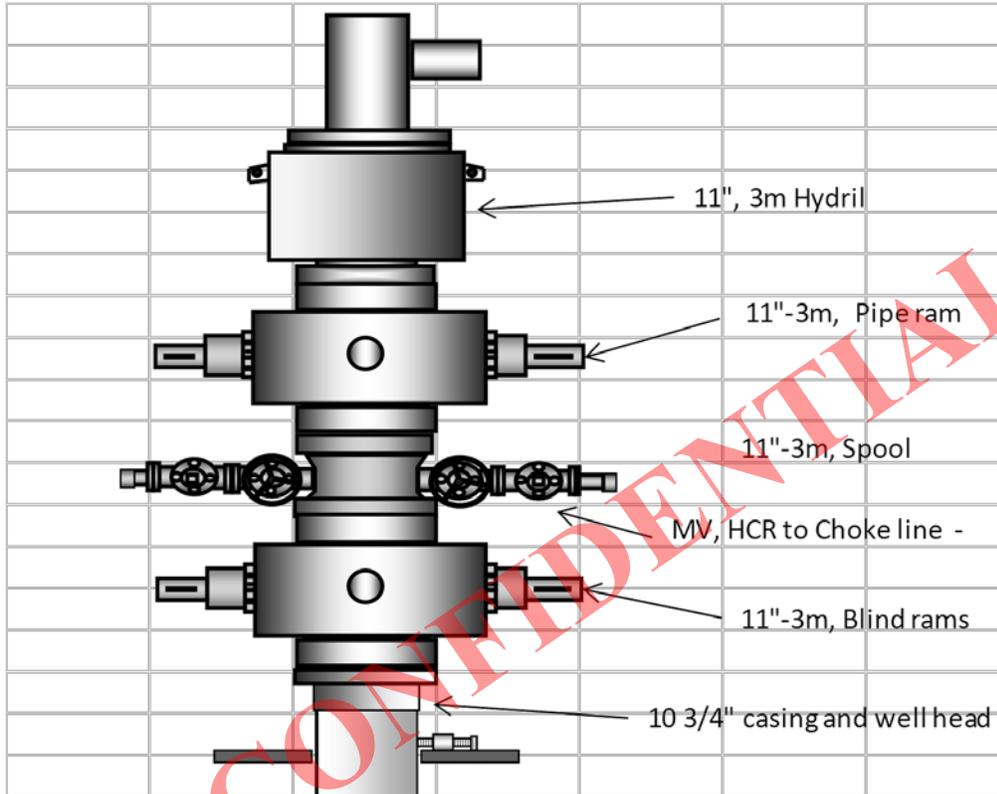
#### **Well Pressure Control Equipment and Procedures:**

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.

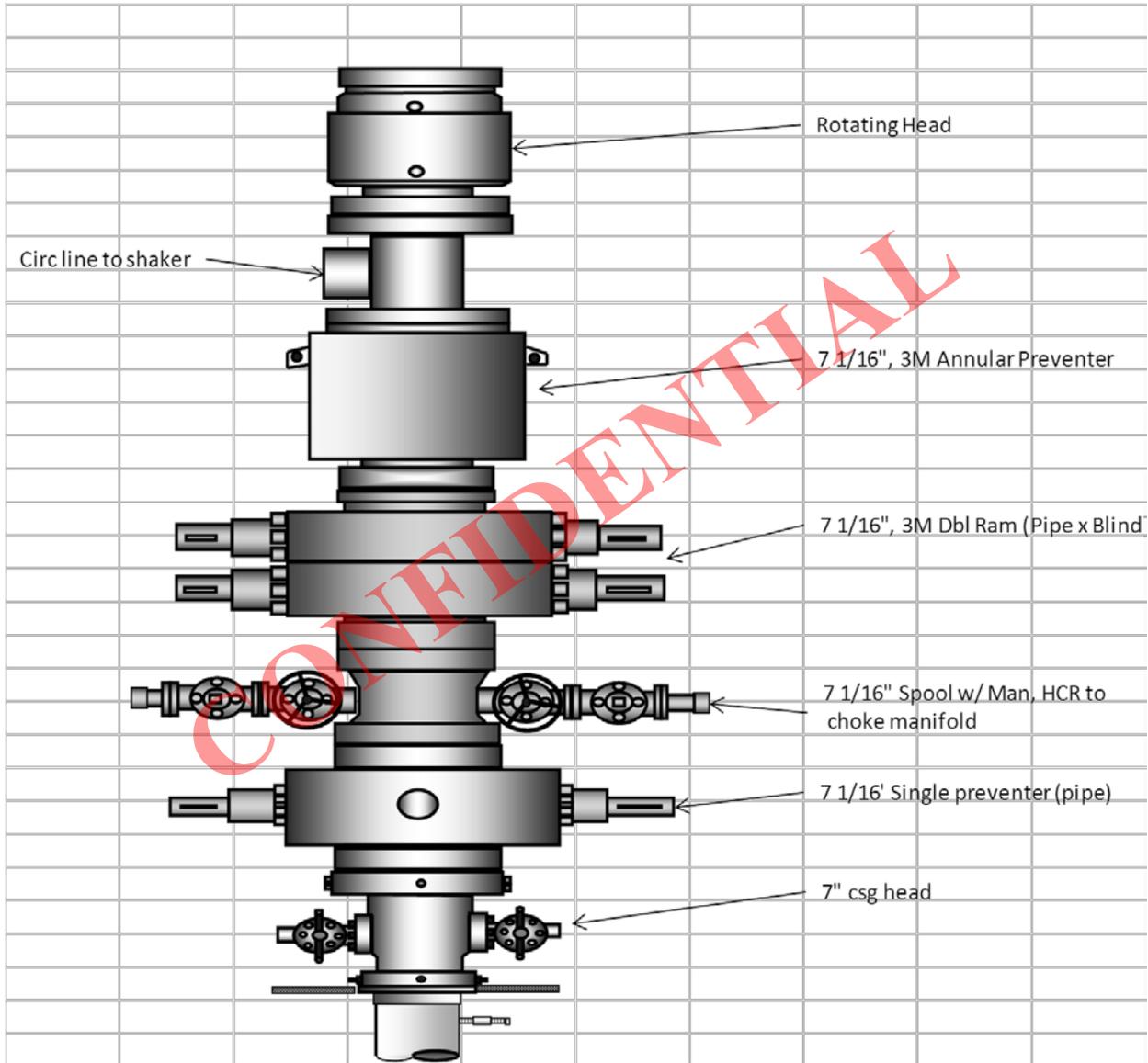
#### **Conductor Pipe Diverter System**



A diverter system as illustrated above will be installed to control well flows encountered at relatively shallow depths from  $\pm 90$  to  $\pm 1,675'$  feet. The diverter system includes a conductor pipe, 350 psi working pressure rotating head with 6 inch full opening hydraulic valve and 6" minimum diameter divert line. The divert line valve is kept open so that flow cannot be impeded to tanks and emergency pit. 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 150 psi minimum working pressure.

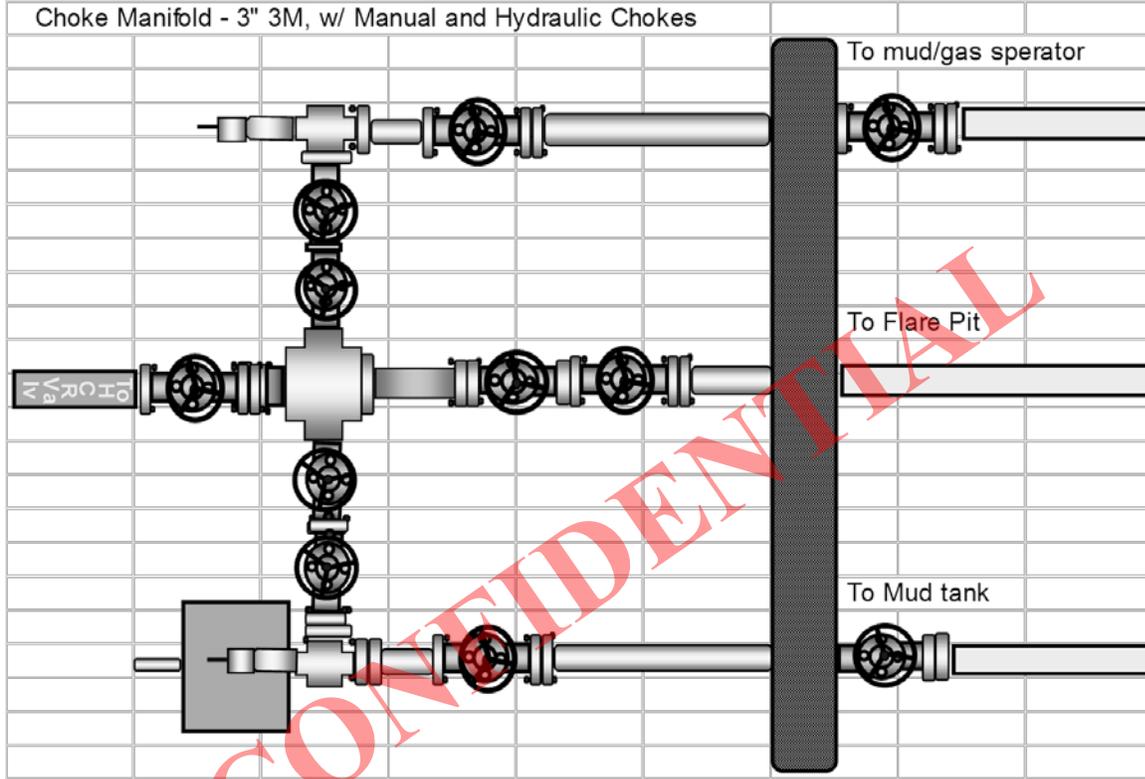
**Surface Casing BOPE System****RSRA System w/HCR Valve and Choke Manifold**

A RSRA system with HCR valve and rotating head as illustrated above will be installed to control well flows encountered during drilling from 1,675' feet to 7" casing setting depth (5,558' +/-). 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

**Production Casing BOPE System****RSRRA System w/Rotating Head, HCR Valve and Choke Manifold**

A RSRRA system with HCR valve and rotating head as illustrated above will be installed to control well flows encountered during drilling from 5,558' to 5,776' or TD. 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

**Choke Manifold**



**Casing Program & Cement Program**

<b>Conductor Casing / Cementing</b>								
<b>Condcutor</b>	Hole Size	Depth	Mud Wt	Hyd Press	Cement Wt	Cmt Hyd Press	Delta Press	
	24	90	8.30	38.84	26.00	121.68	82.84	
	Casing Siz	Grade	Cplg	Wt/ft	Collapse	Internal Yield	Joint Strength	Pipe Yield
	16.00	C-75	PE	65.00	740	1730	322,000	541,000
SF= Collapse 1.125, Internal Press 1.00, joint Stength 1.80, Pipe Yield 1.25								
		Type	Wt	Yield	Vol-Cu Yds	Additives		
<b>Cement</b>	Lead	Redi-mix	26	Grout	5.82			
	Tail							
<b>Stg Tool</b>								
	Lead					Additives		
	Tail							
<b>Shoe</b>	Notched collar							
<b>Cntrlzrs</b>	None							
<b>Other</b>								

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<b>Surface Casing and Cement</b>								
<b>Surface</b>	Hole Size	Depth	Mud Wt	Mud Hyd Press	Cement Wt	Cmt Hyd Press	Delta Press	
	14.750	1675.00	9.00	783.90	12.4/15.8	1120.37	336.47	
	Casing Size	Grade	Cplg	Wt/ft	Collapse	Internal Yield	Joint Strength	Pipe Yield
	10.750	J-55	STC Rd	40.50	1580	3130	420,000	629,000
SF= Collapse 1.125, Internal Press 1.00, joint Stength 1.80, Pipe Yield 1.25								
	Type	Wt	Yield	Vol-bbl	Vol-Sks	Additives		
<b>Cement</b>	Lead	Prm Light	12.50	1.88	155.32	463.88	5 lbm/sk Kol-Seal, 2% CaCl, .125 lbm/sk Poly-E-Flake	
	Tail	Premium	15.80	1.16	27.38	132.54	.125 lbm/sk Poly-E-Flake	
<b>Stg Tool</b>	Stage Tool: none							
	Lead							
	Tail							
<b>Shoe</b>	HES Trophy, Auto fill							
<b>Cntrlzrs</b>	API 10 3/4, (12): 3 on bottom jt, 1 every 4th joint to surface							
<b>Other</b>								

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<b>Production Casing and Cement</b>									
<b>Prod</b>	Hole Size	Depth	Mud Wt	Hyd Press	Cement Wt	Cmt Hyd Press	Delta Press		
	9.875	5558	10.00	2890.16	12.4/15.8	3621.57	731.41		
	Casing Siz	Grade	Cplg	Wt/ft	Collapse	Internal Yield	Joint Strength	Pipe Yield	
	7.000	J-55	LTC Rd	26.00	4320	4980	367,000	415,000	
SF= Collapse 1.125, Internal Press 1.00, joint Stength 1.80, Pipe Yield 1.25									
		Type	Wt	Yield	Vol-bbl	Vol -Sks	Additives		
<b>Cement</b>	Lead	50/50 poz	12.40	1.90	165.65	489.52	5 lbm/sk Gilsonite, .125 lbm/sk Poly-E-flake, 4% Halad® 9		
	Tail	Type V	13.50	1.31	16.62	71.24	.125 lbm/sk Poly-E-Flake, .3% Halad R 9		
<b>Stg Tool</b>	HES Type P ES Stage Cementing Tool Set @ 2,500' (+,-)								
	Lead	50/50 Poz	12.50	1.88	220.86	659.63	5 lbm/sk Gilsonite, .125 lbm/sk Poly-E-flake		
	Tail	Type V	15.80	1.15	27.30	133.28	.125 lbm/sk Poly-E-Flake, .3% Halad R9		
<b>Shoe</b>	HES float shoe & HES float collar,								
<b>Cntrlzrs</b>	API 7", (46): 2 on bottom jt, 1 every 4th joint to stage tool, one either side of stage tool, then 1 every 4th jt to surface								
<b>Other</b>									

### Mud Program & Under Balanced or Air/Gas Drilling

Drilling fluids as specified below will be used to maintain well control during drilling. Sufficient quantities of drilling fluids will be kept onsite and tests to determine density, viscosity, gel strength, filtration, and pH will be performed daily. Kill Weight Brine(10 ppg) will be on hand in volume to kill well if necessary.

- 1) Conductor and Surface Casing  
 Depth: 90' to  $\pm 1,675'$   
 Bit Size: 20" – 14 3/4"  
 Mud Type: FW/Spud mud  
 Hole Volume: 280 bbls  
 Pit Volume: 500 bbls

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

- 2) Vertical Well Bore  
 Depth:  $\pm 1,675'$  to  $\pm 5,558'$  picked by Mud logger.  
 Bit Size: 9 7/8"  
 Mud Type: FW/gel/PHPA/ LSND  
 Hole Volume: 300 bbls  
 Pit Volume: 500 bbls

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

- 3) Open Hole Well Bore  
 Depth:  $\pm 5,558'$  to  $\pm 5,776'$  TD  
 Bit Size: 6 1/8" with Underreamer 12" OD  
 Mud Type: N2  
 Hole Volume: bbls  
 Pit Volume: bbls

Mud Properties	Minimum	Maximum	Units
Mud Weight	8.8 – Formation KW	10.2	#/gal
Drill Solids	na	na	
pH	na	na	
Plastic Viscosity	na	na	
Yield Point	na	na	
Funnel Viscosity	Na	Na	
Fluid Loss	na	na	

Weatherford International will supply Nitrogen for the Underbalanced portion of open hole from 5,558' to 5,776'. The package consist of 2 Ariel compressors with 1350SCFM capacity and one N2 membrane Unit with 1500 SCFM capacity. These units will rig up directly in front of the Dog House on the Location Layout diagram

### **Logging, Testing, Coring Program**

Logging of the vertical well bore will include Induction or Laterlog, Density/Neutron, Sonic (possible Dipole). No other logs or test are anticipated.

### **Anticipated Drilling Hazards**

In addition to the general hazards listed in the table below: Hydrogen sulfide (H<sub>2</sub>S) in excess of 100 ppm is anticipated in the Desert Creek zone. Potential for exposure to H<sub>2</sub>S near areas of fluid breakout (i.e. flowline, shaker, floor connections, etc.) will be minimized by having an overbalanced mud system. An H<sub>2</sub>S Drilling Operations Plan has been developed and is attached to this drilling plan.

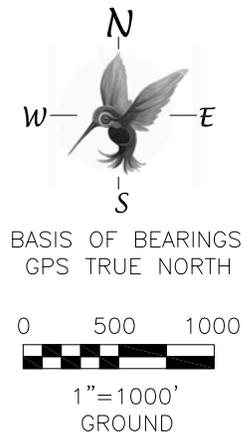
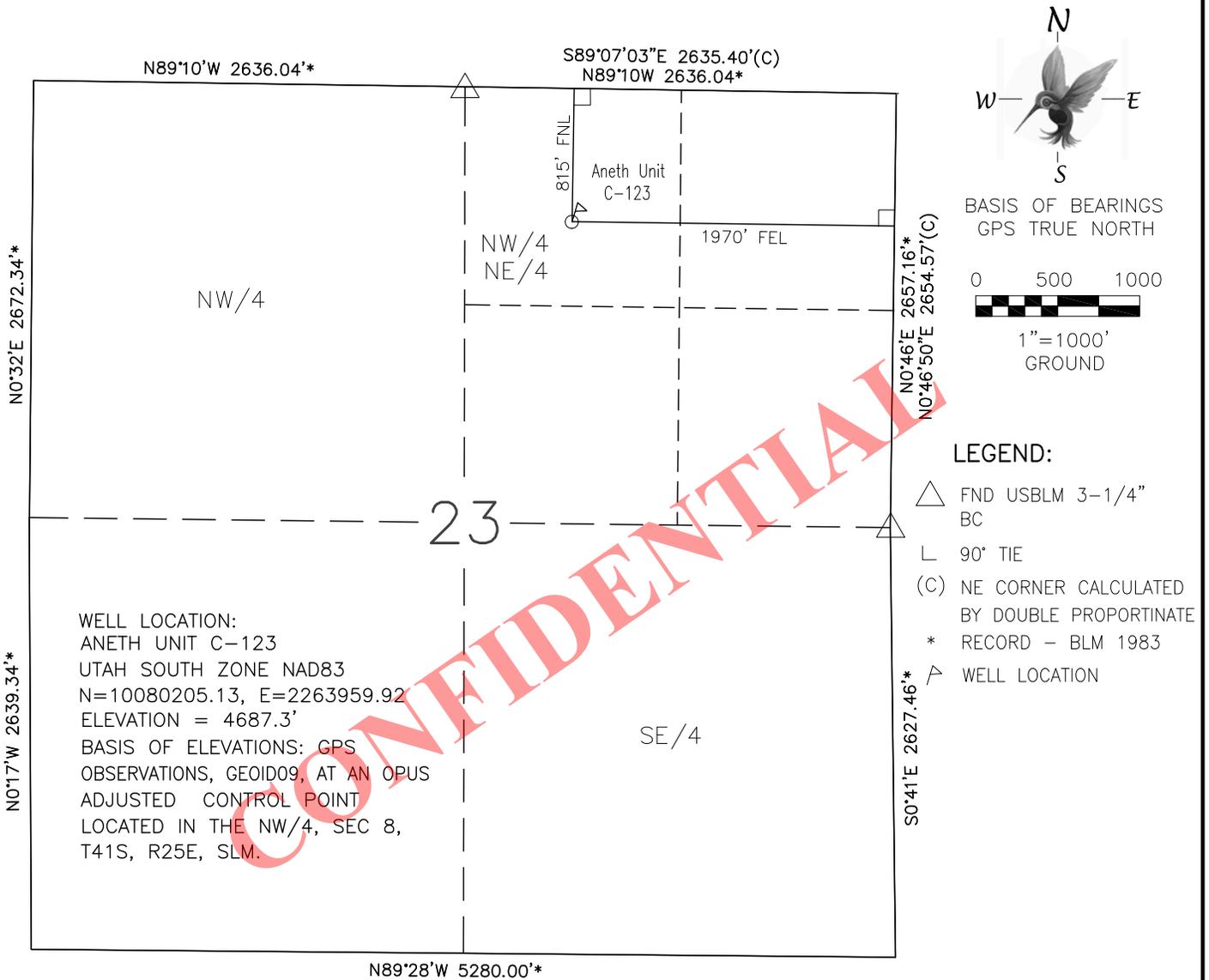
Potential Hazards	Preventive/Corrective Measures
Water flow between ±767' and ±1,625'	Have conductor set, increase mud weight and use diverter to divert flow from around substructure to pit
Pressure kick when drilling into the Ismay formation.	Maintain mud weight to avoid kick around. 10.6 #/gal minimum
Corrosion from H <sub>2</sub> S in Ismay	A thin coating amine will be run as a corrosion inhibitor to protect downhole equipment
Possible differential sticking from nearby production from Desert Creek	If sticking occurs, consider using spotting acid to break free
Low fracture gradient	Use two stage cement job on long string

### Drilling Tools

Conventional rotary drilling tools will be used to drill the proposed well. This will included Tri-Cone roller bits as well as PDCs in conjunction with nominal sized Drill collars appropriate to hole size and weight on bit needs. Conventional Drill Pipe will be used for all drilling operations appropriate to hole size.

Drilling Tools by Interval				
0-90'				
Tool	Size	Length-Ft	Weight-lbs	Description
Bit	20"	2	560	Mill tooth Tri-Cone bit
Drill Collars	8"	90	14400	Smooth Drill Collars 160#/ft
90' to 1675'				
Bit	14 3/4"	1.5	225	Mill tooth Tri-Cone bit
Drill Collars	8"	180	28800	Smooth Drill Collars 160#/ft
Drill Collars	6 1/2"	300	30600	Smooth Drill Collars 102#/ft
1675' to 5558'				
Bit	9 7/8"	1	80	Tri-Cone TCI bits and PDC
Drill Collars	6 1/2"	540	55080	Smooth Drill Collars 102#/ft
5558' to 5776'				
Bit	6 1/8"	1	22	Tri-Copne TCI bit
Hole Opener	43/4"x12"	4.5	75	Hole opener(underreamer) 16#/ft
Drill Collars	4 3/4"	240	6480	Smooth Drill Collars 24#/ft

# Well Location - Aneth Unit C-123



- LEGEND:**
- △ FND USBLM 3-1/4" BC
  - L 90° TIE
  - (C) NE CORNER CALCULATED BY DOUBLE PROPORTINATE
  - \* RECORD - BLM 1983
  - ▲ WELL LOCATION

WELL LOCATION:  
 ANETH UNIT C-123  
 UTAH SOUTH ZONE NAD83  
 N=10080205.13, E=2263959.92  
 ELEVATION = 4687.3'  
 BASIS OF ELEVATIONS: GPS  
 OBSERVATIONS, GEOID09, AT AN OPUS  
 ADJUSTED CONTROL POINT  
 LOCATED IN THE NW/4, SEC 8,  
 T41S, R25E, SLM.

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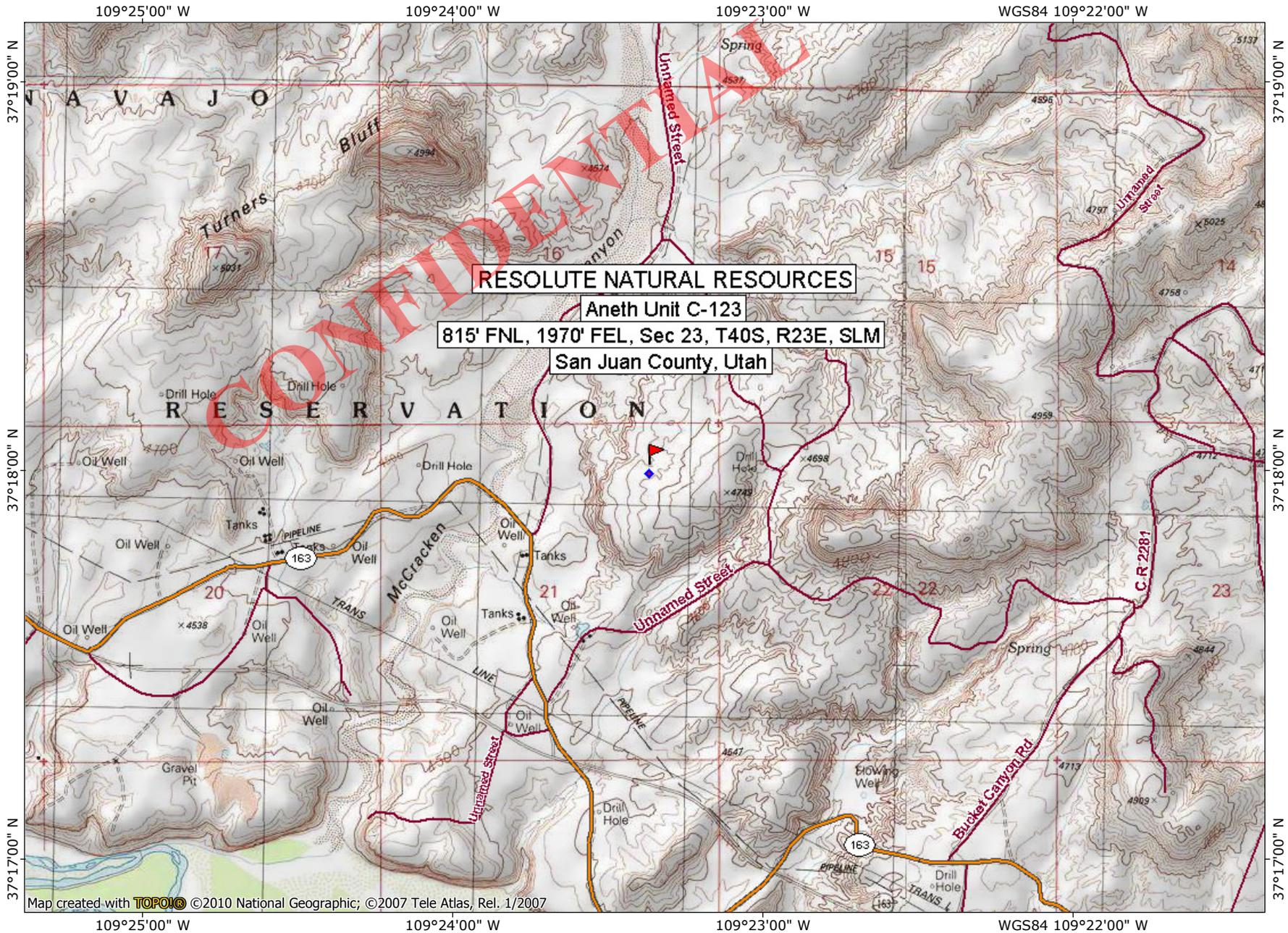
I, Gerald G. Huddleston, do hereby certify that I am a registered Utah land surveyor holding certificate number 161297 as prescribed under the laws of the State of Utah, and I further certify that under authority of the owner I have surveyed the well location as shown hereon and that the same is correct and true to the best of my knowledge and belief.



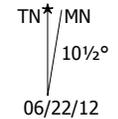
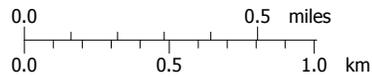
EXHIBIT A

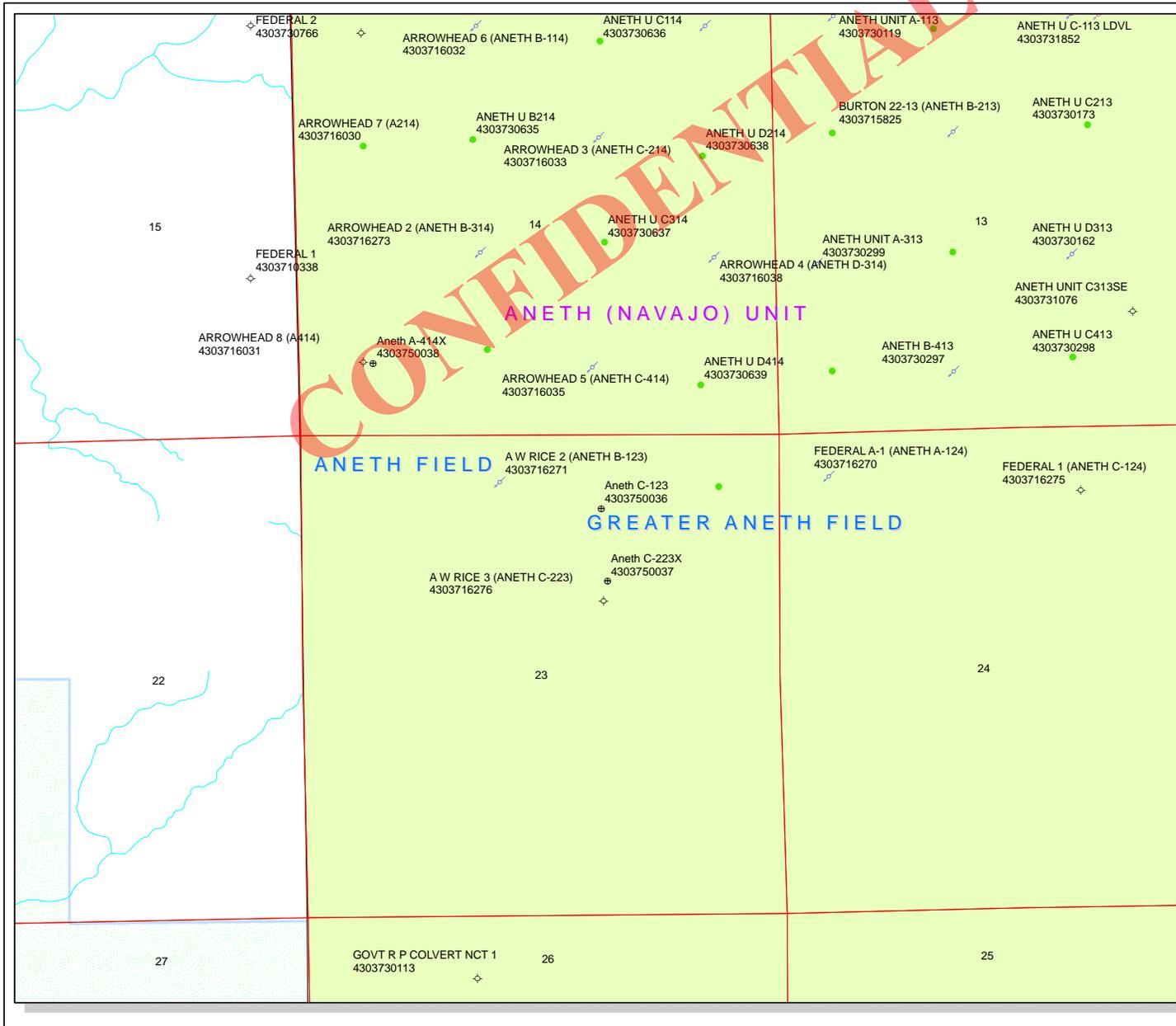
FOOTAGE: 815' FNL      1970' FEL	<b>RESOLUTE</b> NATURAL RESOURCES		
SEC 23, T40S, R23E, SLM, SAN JUAN COUNTY, UT			
LAT: N 37.29986°    LON: W 109.35615°    (NAD83)	SURVEYED: 06/16/12		
	DRAWN BY: GEL	DATE: 06/22/12	
ELEVATION: 4687.3' at top of bottom flange (NAVD88)	NOTE:		

HUMMINGBIRD SURVEYING, LLC --- P.O. Box 416 Montezuma Creek, UT 84534 --- 970-570-5108



Map created with TOPO! © 2010 National Geographic; © 2007 Tele Atlas, Rel. 1/2007

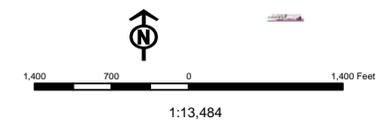
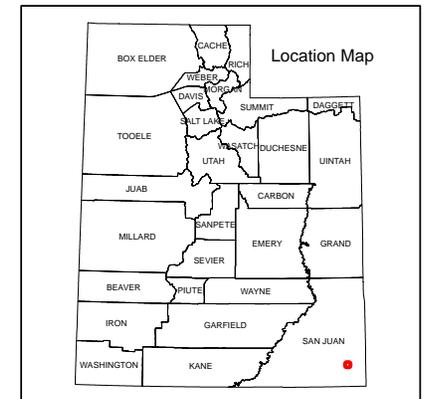




**API Number: 4303750036**  
**Well Name: Aneth C-123**  
**Township T40.0S Range R23.0E Section 23**  
**Meridian: SLBM**  
 Operator: RESOLUTE NATURAL RESOURCES

Map Prepared:  
 Map Produced by Diana Mason

Units STATUS	Wells Query Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LOC - New Location
P1 OIL	OPS - Operation Suspended
PP GAS	PA - Plugged/Abandoned
PP GEOTHERM.	PGW - Producing Gas Well
PP OIL	POW - Producing Oil Well
SECONDARY	SGW - Shut-in Gas Well
TERMINATED	SOW - Shut-in Oil Well
Unknown	TA - Temp. Abandoned
ABANDONED	TW - Test Well
ACTIVE	WDW - Water Disposal
COMBINED	WW - Water Injection Well
INACTIVE	WSW - Water Supply Well
STORAGE	Bottom Hole Location - Oil/Gas/Dib
TERMINATED	



## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/16/2012

API NO. ASSIGNED: 43037500360000

WELL NAME: Aneth C-123

OPERATOR: RESOLUTE NATURAL RESOURCES (N2700)

PHONE NUMBER: 303 534-4600

CONTACT: Sara Bohl

PROPOSED LOCATION: NWN 23 400S 230E

Permit Tech Review: 

SURFACE: 0815 FNL 1970 FEL

Engineering Review: 

BOTTOM: 0815 FNL 1970 FEL

Geology Review: 

COUNTY: SAN JUAN

LATITUDE: 37.29988

LONGITUDE: -109.35612

UTM SURF EASTINGS: 645695.00

NORTHINGS: 4129406.00

FIELD NAME: GREATER ANETH

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTSL 071010

PROPOSED PRODUCING FORMATION(S): DESERT CREEK

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

## RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - UTB000169
- 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

Commingle 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

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 C-123  
**API Well Number:** 43037500360000  
**Lease Number:** UTSL 071010  
**Surface Owner:** FEDERAL  
**Approval Date:** 11/1/2012

### 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 DESERT 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.

### 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 in a cursive style.

For John Rogers  
Associate Director, Oil & Gas

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTSL 071010
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<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> ANETH
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<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> Aneth C-123
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<b>2. NAME OF OPERATOR:</b> RESOLUTE NATURAL RESOURCES	<b>9. API NUMBER:</b> 43037500360000
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<b>3. ADDRESS OF OPERATOR:</b> 1675 Boradway Ste 1950 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 534-4600 Ext	<b>9. FIELD and POOL or WILDCAT:</b> GREATER ANETH
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<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0815 FNL 1970 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> SAN JUAN  <b>STATE:</b> UTAH
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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"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>11/13/2013</b>  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b> <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.

Resolute proposes to amend the casing and cementing program submitted with the original permit for the subject well. Attached are amended program details.

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

**Date:** August 09, 2013

**By:** *Derek Quist*

<b>NAME (PLEASE PRINT)</b> Sherry Glass	<b>PHONE NUMBER</b> 303 573-4886	<b>TITLE</b> Sr Regulatory Technician
<b>SIGNATURE</b> N/A		<b>DATE</b> 7/31/2013

## AU C123 Casing Change Sundry Information

Depth	Hole Diameter	Casing Diameter	Casing Weight, Grade, Condition	◆ Safety Factor (Sf <sub>B</sub> , Sf <sub>C</sub> , Sf <sub>T</sub> )	Cement
<b>Conductor Pipe</b> 0' – 90' TVD	20"	16"	65 ppf H-40 (drift: 15.06")  <u>Properties:</u> Collapse: 670 psi Burst: 1,640 psi Body Yield: 736,000 lbs		Ready Mix Cement Back to Surface
<b>Surface Casing</b> 0' – 1,675' TVD	12-1/4"	9-5/8"	36 ppf J-55 STC R3 New (drift: 8.765")  <u>Properties:</u> Collapse: 2,020 psi Burst: 3,520 psi Jt. Strength: 639,000 lbs Body Yield: 564,000 lbs	Sf <sub>C</sub> – 2.8 Sf <sub>B</sub> – 2.2 Sf <sub>T</sub> – 11.0	<b>(Cement back to Surface)*</b> <b>Lead: ~ 400 sx</b> Halliburton Light Premium yield: 1.97 ft <sup>3</sup> /sx wt: 12.3-ppg  <b>Tail: ~100 sx</b> Premium Class G Cement yield: 1.15 ft <sup>3</sup> /sx wt: 15.8-ppg
<b>Production Casing</b> 0' – 5,558' TVD	8-3/4"	7.0"	26 ppf J-55 LTC R3 New (drift: 6.151")  <u>Properties</u> Collapse: 4,320 psi Burst: 4,980 psi Jt. Strength: 490,000 lbs Body Yield: 415,000 lbs	Sf <sub>C</sub> - 1.6 Sf <sub>B</sub> - 1.78 Sf <sub>T</sub> – 3.0	<b>(Cement back to Surface)*</b> <b>First Stage Lead: ~ 260 sx</b> Halliburton Light Class G Premium yield: 1.95 ft <sup>3</sup> /sx mix fluid: 10.04 gal/sx wt: 12.3-ppg  <b>Second Stage Tail:</b> <b>~100sx</b> Halliburton Light Premium Class G yield: 1.15 ft <sup>3</sup> /sx mix fluid: 4.96 gal/sx wt: 15.80 ppg DV Tool @ 6,500' TVD
<b>OH Section</b> 5,558' – 5,776'	6-1/8"				

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> 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.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTSL 071010
		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
		<b>7. UNIT or CA AGREEMENT NAME:</b> ANETH
<b>1. TYPE OF WELL</b> Oil Well		<b>8. WELL NAME and NUMBER:</b> Aneth C-123
<b>2. NAME OF OPERATOR:</b> RESOLUTE NATURAL RESOURCES		<b>9. API NUMBER:</b> 43037500360000
<b>3. ADDRESS OF OPERATOR:</b> 1675 Boradway Ste 1950 , Denver, CO, 80202		<b>9. FIELD and POOL or WILDCAT:</b> GREATER ANETH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0815 FNL 1970 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> SAN JUAN
		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<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: 8/21/2013	<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"/> 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: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Resolute spud the referenced well on 8-17-13, drilling report to 8-21-13 is attached.		
<b>Accepted by the          Utah Division of          Oil, Gas and Mining          FOR RECORD ONLY          August 21, 2013</b>		
<b>NAME (PLEASE PRINT)</b> Shery Glass	<b>PHONE NUMBER</b> 303 573-4886	<b>TITLE</b> Sr Regulatory Technician
<b>SIGNATURE</b> N/A		<b>DATE</b> 8/21/2013



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 20.00	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time	

Job Category Drilling	Primary Job Type Drilling - original	Secondary Job Type
Start Date 8/15/2013	End Date	AFE Number 10012002

Objective  
Drill and complete a vertical producer and possible infill location analogous to the B-414.

Contractor D&J	Rig Number 1	Rig Type
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Report Start Date 8/15/2013	Report End Date 8/16/2013	Operations Summary Wait on Triple S trucking to attend Resolute orientation prior to moving rig. Move rig F/AU H263 A - T/AU C-123, Spot in and R/U equipment, Raise derrick @ 15:30, Weld flange on 16" conductor casing, R/U gas buster, choke manifold and fabricate flow line with welder.
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Dur (hrs)	Comment
4.00	Wait on Triple S trucking to attend Resolute orientation prior to moving rig.
4.00	Move rig F/AU H263 A - T/AU C-123
11.00	Spot in & R/U equipment, raise derrick @15:30, Weld on 13 5/8" x 3000# flange on 16" conductor casing.
2.00	N/U 13 5/8" annular stack.
3.00	R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder.

Report Start Date 8/16/2013	Report End Date 8/17/2013	Operations Summary Continue R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder. Lay out hard lines to lay down tank and reserve pit. P/U swivel and kelly, Drl rat and mouse hole, Drlg 12 1/4" surface hole F/80' T/514'
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Note: Repaired rig mud pit while laying out hard lines, (No down time)

Dur (hrs)	Comment
8.00	Continue R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder. Lay out hard lines to lay down tank and reserve pit.
	Note: Repaired rig mud pit while laying out hard lines, (No down time)
1.50	P/U swivel and M/U & P/U kelly
1.00	P/U 12 1/4" bit and mud motor.
1.50	Drlg rat and mouse hole, L/D mud motor.
1.00	P/U bit, bit sub, shock sub, 1 - 8" DC, Kelly and tag cement at 80'
1.50	Drlg F/80' - T/150, SPM 90, GPM 331, RPM 120, ROP 46'/hr, SPP 97
1.00	Pull flow nipple and install drlg head rubber
1.50	Drlg F/150' - T/211, SPM 112, GPM 409, RPM 120, ROP 40'/hr, SPP 208
0.50	Wireline survey @ 171' = 1*
5.00	Drlg F/211' - T/483', SPM 113, GPM 412, RPM 120, ROP 54'/hr, SPP 366
0.50	Wireline survey @ 443' = 1*
1.00	Drlg F/483' - T/514', SPM 116, GPM 423, RPM 120, ROP 31'/hr, SPP 442

Report Start Date 8/17/2013	Report End Date 8/18/2013	Operations Summary Drlg F/878' - T/1002', WLS @ 713' = 1 1/4 deg, Install Pason upgrades, Drlg F/755' - T/878', WLS @ 837' = 1 1/4 deg, Drlg F/878' - T/1002', WLS @ 961' = 1/2 *, Drlg F/1002' - T/1095', WLS @ 1054' = 1 deg, Drlg F/1095' - T/1377', WLS @ 1337' = 3/4 deg, Drlg F/1377' - T/1672'.
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Note: While drilling have been losing fluid @ 76 bbls/hr since 700', Mixing LCM to help control. TD for surface hole will be 1685'.

Dur (hrs)	Comment
4.00	Drlg F/514' - T/755', SPM 117, GPM 411, RPM 120, ROP 60'/hr, SPP 527
0.50	Wireline survey @ 713' = 1 1/4 *
2.50	Install Pason upgrades
0.50	Drlg F/755' - T/878', SPM 116, GPM 408, RPM 120, ROP 244'/hr, SPP 543
0.50	Wireline survey @ 837' = 1 1/4 *
2.00	Drlg F/878' - T/1002', SPM 117, GPM 411, RPM 120, ROP 62'/hr, SPP 559
0.50	Wireline survey @ 961' = 1/2 *
0.50	Drlg F/1002' - T/1095', SPM 117, GPM 411, RPM 120, ROP 186'/hr, SPP 571
0.50	Wireline survey @ 1054' = 1 *
5.50	Drlg F/1095' - T/1377', SPM 115, GPM 420, RPM 120, ROP 51'/hr, SPP 610
0.50	Wireline survey @ 1337' = 3/4 *
6.50	Drlg F/1377' - T/1672', SPM 115, GPM 420, RPM 120, ROP 45'/hr, SPP 613



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 20.00	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time	

Report Start Date 8/18/2013	Report End Date 8/19/2013	Operations Summary Drlg F/1672' - T/1685', Circulate, WLS @ 1643' = 2*, Short trip (No fill), LDDP and BHA, PJSM w/casing crew, Run 40 jts 9 5/8" 36#, J55 Set at 1684.1', Circulate and reciprocate casing on bottom. Spot in Halliburton equipment, PJSM, Cement surface casing, FCP 326, Bump plug @ 22:58 on 8-18-13, Check floats, Bleed back .5 bbl to tank, Pressure test casing @ 1500 psi for 30 min, Check floats. 37 bbls cement returns to surface. WOC, clean tanks, Cement fell back, Perform top out cmt job.
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Dur (hrs)

Comment

- 0.50 Drlg F/1672' - T/1677', SPM 115, GPM 420, RPM 120, ROP 10/hr, SPP 613  
 1.00 Circulate and condition hole, Pump high vis sweep.  
 0.50 Wireline survey @ 1643' = 2 \*  
 1.00 Drlg F/1677' - T/1685', SPM 116, GPM 424, RPM 120, ROP 8/hr, SPP 832  
 1.00 Circulate and condition hole, Spot 80 bbl high vis LCM pill.  
 1.50 POOH F/1685' - T/77'  
 1.50 RIH F/77' - T/1685', No fill  
 3.00 LDDP, BHA  
 0.50 PJSM w/casing crew, R/U casing crew  
 3.00 Run 40 jts 9 5/8" 36#, J55 casing as follows, Float shoe, 1- jt 9 5/8" 36#, J55, Float collar, 39 jts 9 5/8" 36#, J55, Set at 1684.1'.  
 2.00 Circulate and reciprocate casing on bottom. Spot in Halliburton equipment  
 2.00 PJSM, Cement as follows, Pressure test lines to 2500 psi, Pump 10bbl FW spacer, Pump 10bbl Flush spacer, Pump 10bbl FW spacer, Pump 480 sks @ 12.3#, 1.97 yield (168.4 bbls) lead Halliburton premium lite-SBM cement with 5 lbm Kol-Seal bulk, 0.125 lbm Poly-E-Flake, 2% Calcium Chloride with FW @ 10.17 gal/sk, Pump 100 sks @ 15.8#, 1.15 yield, (20.5 bbls) tail cement with, 94 lbm Premium-Class G Reg, 0.125 lbm Poly-E-Flake with FW @ 4.95 gal/sk, Shut down, Drop plug, Displace with 128 bbls FW, FCP 326, Bump plug @ 22:58 on 8-18-13, Check floats, Bleed back .5 bbl to tank, Pressure test casing @ 1500 psi for 30 min, Check floats. 37 bbls cement returns to surface.  
 6.00 WOC, Clean mud tanks, Cement fell back  
 0.50 Perform top out cement job

Report Start Date 8/19/2013	Report End Date 8/20/2013	Operations Summary Top out cement as follows: Pump .5 bbls FW, Pump 80 sks (16 bbls) @ 15.8 ppg, Yield 1.15 with 9.5 gal/sks, 1 bbl cement to surface, RD Halliburton cementers. Calculated cement top @ 154', WOC, clean mud tanks. LD cement head, rough cut surface casing. ND annular, cut off conductor casing. Final cut surface casing, weld on wellhead type 11" x 3000, C22 bowl. NU 11" BOP, annular, rotating head and stinger to choke, pressure test 11" BOPE.
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Dur (hrs)

Comment

- 1.00 Top out cement as follows, Pump .5 bbls FW, Pump 80 sks (16 bbls) @ 15.8 ppg, Yield 1.15 with 9.5 gal/sks, 1bbls cement to surface, R/D Halliburton cementers. Calculated cement top @ 154'  
 4.00 WOC, clean mud tanks.  
 16.00 L/D cement head, Rough cut surface casing, N/D down annular, cut off conductor casing, Final cut surface casing, Weld on Wellhead type 11" x 3000, C22 bowl, N/U 11" BOP, Annular, Rotating head and stinger to choke.  
 3.00 Pressure test BOPE, Pipe rams, all choke valves, blind rams 250 psi low F/5 min., 3000 psi high, Test annular 1500 psi

Report Start Date 8/20/2013	Report End Date 8/21/2013	Operations Summary Finish pressure test BOPE, PU directional BHA, Orientate MWD tools. RIH w/singles to 1174', PU kelly, displace hole w/mud, service rig. Continue RIH w/10 jts drill pipe to 1610', PU kelly, tag cement at 1622'. Drl 8 3/4" shoe track, drlg 8 3/4" hole F/1685' - T/1704'. FIT, pressured up 175 psi, bleed back to 130 psi in 15 min. EMW @ shoe 9.5 ppg. Drlg F/1704' - T/2598'.
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Dur (hrs)

Comment

- 1.00 Finish pressure test BOPE, Pipe rams, all choke valves, blind rams 250 psi low F/5 min., 3000 psi high F/10 min, Test annular 1500 psi  
 4.50 Lay out & P/U directional BHA, Orientate MWD tools, RIH hole w/3 stds 6 1/4" DC's from derrick. P/U 16 jts 4 1/2" HWDP.  
 0.50 P/U 16 jts 4 1/2" drill pipe to 1174', P/U kelly  
 0.50 Displace fresh water with drilling mud.  
 0.50 Service rig, grease swivel, check brake linkage and pins.  
 0.50 Continue RIH w/10 jts drill pipe to 1610', P/U kelly tag cement at 1622'.  
 1.50 Drl cement, Float collar, Shoe jt and float shoe.  
 0.50 Drlg 8 3/4" intermediate hole F/1685' - T/1704' SPM 101, GPM 369, RPM 50, MTR RPM 103, Dif pressure 584, ROP 38/hr, SPP 806 psi  
 0.50 FIT, pressured up 175psi bleed back to 130 psi in 15 min. EMW @ shoe 9.5 ppg.  
 8.00 Drilling 8-3/4" Intermediate hole section W/8-3/4" PCD Bit and 1.50 deg motor & MWD, Rotate F/1704' T/1768' Slide F/1768' T/1778', Rotate F/1778' T/2106'  
 WOB 14-18, SPP 16516 psi, Pump rate 625 gpm. RPM 60,  
 0.50 Service rig, grease swivel, check brake pins and linkage



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 20.00	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time	

Dur (hrs)	Comment
5.50	Drilling 8-3/4" Intermediate hole section W/8-3/4" PCD Bit and 1.50 deg motor & MWD, Rotate F/1768' T/2598' WOB 7-9, SPP 1570 psi, Pump rate 478 gpm. RPM 60, Mtr RPM 134

**CONFIDENTIAL**

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company; RESOLUTE NATURAL RESOURCES

Well Name: ANETH C-123

Api No: 43-037-50036 Lease Type FEDERAL

Section 23 Township 40S Range 23E County SAN JUAN

Drilling Contractor D & J DRILLING RIG # 1

**SPUDED:**

Date 08/16/2013

Time \_\_\_\_\_

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by DEE GILES

Telephone # (970) 250-0586

Date 08/16/2013 Signed CHD

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTSL 071010	
<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>7. UNIT or CA AGREEMENT NAME:</b> ANETH	
<b>8. WELL NAME and NUMBER:</b> Aneth C-123	
<b>9. API NUMBER:</b> 43037500360000	
<b>9. FIELD and POOL or WILDCAT:</b> GREATER ANETH	
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0815 FNL 1970 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S	
<b>3. ADDRESS OF OPERATOR:</b> 1675 Boradway Ste 1950 , Denver, CO, 80202	
<b>PHONE NUMBER:</b> 303 534-4600 Ext	
<b>2. NAME OF OPERATOR:</b> RESOLUTE NATURAL RESOURCES	
<b>1. TYPE OF WELL</b> Oil Well	

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: 9/6/2013	<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.

Resolute spud this well on 8-15-13, this drilling report attached shows the well was TD'd on 8-30-13, well completion report will be submitted when flowback testing is complete.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 October 02, 2013

<b>NAME (PLEASE PRINT)</b> Shery Glass	<b>PHONE NUMBER</b> 303 573-4886	<b>TITLE</b> Sr Regulatory Technician
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/6/2013	



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Job Category Drilling		Primary Job Type Drilling - original	Secondary Job Type
Start Date 8/15/2013		End Date 9/1/2013	AFE Number 10012002
Objective Drill and complete a vertical producer and possible infill location analogous to the B-414.			
Contractor D&J		Rig Number 1	Rig Type Drilling - Double
Report Start Date 8/6/2013	Report End Date 8/6/2013	Operations Summary Engineering consultant service	
Report Start Date 8/12/2013	Report End Date 8/12/2013	Operations Summary hauled 4 Jts of pipe, use forklift and trailer, loaded and took to location	
Report Start Date 8/14/2013	Report End Date 8/14/2013	Operations Summary load and haul 2 40' wooden seals to location unload and return to yard	
Report Start Date 8/15/2013	Report End Date 8/16/2013	Operations Summary Wait on Triple S trucking to attend Resolute orientation prior to moving rig. Move rig F/AU H263 A - T/AU C-123, Spot in and R/U equipment, Raise derrick @ 15:30, Weld flange on 16" conductor casing, R/U gas buster, choke manifold and fabricate flow line with welder.	
Dur (hrs)		Comment	
		4.00 Wait on Triple S trucking to attend Resolute orientation prior to moving rig. 4.00 Move rig F/AU H263 A - T/AU C-123 11.00 Spot in & R/U equipment, raise derrick @15:30, Weld on 13 5/8" x 3000# flange on 16" conductor casing. 2.00 N/U 13 5/8" annular stack. 3.00 R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder.	
Report Start Date 8/16/2013	Report End Date 8/17/2013	Operations Summary Continue R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder. Lay out hard lines to lay down tank and reserve pit. P/U swivel and kelly, Drlg rat and mouse hole, Drlg 12 1/4" surface hole F/80' T/514'	
		Note: Repaired rig mud pit while laying out hard lines, (No down time)	
Dur (hrs)		Comment	
		8.00 Continue R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder. Lay out hard lines to lay down tank and reserve pit.  Note: Repaired rig mud pit while laying out hard lines, (No down time)  1.50 P/U swivel and M/U & P/U kelly 1.00 P/U 12 1/4" bit and mud motor. 1.50 Drlg rat and mouse hole, L/D mud motor. 1.00 P/U bit, bit sub, shock sub, 1 - 8" DC, Kelly and tag cement at 80' 1.50 Drlg F/80' - T/150, SPM 90, GPM 331, RPM 120, ROP 46'/hr, SPP 97 1.00 Pull flow nipple and install drlg head rubber 1.50 Drlg F/150' - T/211, SPM 112, GPM 409, RPM 120, ROP 40'/hr, SPP 208 0.50 Wireline survey @ 171' = 1* 5.00 Drlg F/211' - T/483', SPM 113, GPM 412, RPM 120, ROP 54'/hr, SPP 366 0.50 Wireline survey @ 443' = 1* 1.00 Drlg F/483' - T/514', SPM 116, GPM 423, RPM 120, ROP 31'/hr, SPP 442	
Report Start Date 8/17/2013	Report End Date 8/18/2013	Operations Summary Drlg F/878' - T/1002', WLS @ 713' = 1 1/4 deg, Install Pason upgrades, Drlg F/755' - T/878', WLS @ 837' = 1 1/4 deg, Drlg F/878' - T/1002', WLS @ 961' = 1/2 *, Drlg F/1002' - T/1095', WLS @ 1054' = 1 deg, Drlg F/1095' - T/1377', WLS @ 1337' = 3/4 deg, Drlg F/1377' - T/1672'.	
		Note: While drilling have been losing fluid @ 76 bbls/hr since 700', Mixing LCM to help control. TD for surface hole will be 1685'.	
Dur (hrs)		Comment	
		4.00 Drlg F/514' - T/755', SPM 117, GPM 411, RPM 120, ROP 60'/hr, SPP 527 0.50 Wireline survey @ 713' = 1 1/4 * 2.50 Install Pason upgrades 0.50 Drlg F/755' - T/878', SPM 116, GPM 408, RPM 120, ROP 244'/hr, SPP 543 0.50 Wireline survey @ 837' = 1 1/4 * 2.00 Drlg F/878' - T/1002', SPM 117, GPM 411, RPM 120, ROP 62'/hr, SPP 559 0.50 Wireline survey @ 961' = 1/2 * 0.50 Drlg F/1002' - T/1095', SPM 117, GPM 411, RPM 120, ROP 186'/hr, SPP 571 0.50 Wireline survey @ 1054' = 1 * 5.50 Drlg F/1095' - T/1377', SPM 115, GPM 420, RPM 120, ROP 51'/hr, SPP 610 0.50 Wireline survey @ 1337' = 3/4 *	



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Dur (hrs)		Comment
6.50		Drig F/1377' - T/1672', SPM 115, GPM 420, RPM 120, ROP 45/hr, SPP 613
Report Start Date 8/18/2013	Report End Date 8/19/2013	Operations Summary Drig F/1672' - T/1685', Circulate, WLS @ 1643' = 2*, Short trip (No fill()), LDDP and BHA, PJSM w/casing crew, Run 40 jts 9 5/8" 36#, J55 Set at 1684.1', Circulate and reciprocate casing on bottom. Spot in Halliburton equipment, PJSM, Cement surface casing, FCP 326, Bump plug @ 22:58 on 8-18-13, Check floats, Bleed back .5 bbl to tank, Pressure test casing @ 1500 psi for 30 min, Check floats. 37 bbls cement returns to surface. WOC, clean tanks, Cement fell back, Perform top out cmt job.
Dur (hrs)		Comment
0.50		Drig F/1672' - T/1677', SPM 115, GPM 420, RPM 120, ROP 10/hr, SPP 613
1.00		Circulate and condition hole, Pump high vis sweep.
0.50		Wireline survey @ 1643' = 2 *
1.00		Drig F/1677' - T/1685', SPM 116, GPM 424, RPM 120, ROP 8/hr, SPP 832
1.00		Circulate and condition hole, Spot 80 bbl high vis LCM pill.
1.50		POOH F/1685' - T/77'
1.50		RIH F/77' - T/1685', No fill
3.00		LDDP, BHA
0.50		PJSM w/casing crew, R/U casing crew
3.00		Run 40 jts 9 5/8" 36#, J55 casing as follows, Float shoe, 1- jt 9 5/8" 36#, J55, Float collar, 39 jts 9 5/8" 36#, J55, Set at 1684.1'.
2.00		Circulate and reciprocate casing on bottom. Spot in Halliburton equipment
2.00		PJSM, Cement as follows, Pressure test lines to 2500 psi, Pump 10bbl FW spacer, Pump 10bbl Flush spacer, Pump 10bbl FW spacer, Pump 480 sks @ 12.3#, 1.97 yield (168.4 bbls) lead Halliburton premium lite-SBM cement with 5 lbm Kol-Seal bulk, 0.125 lbm Poly-E-Flake, 2% Calcium Chloride with FW @ 10.17 gal/sk, Pump 100 sks @ 15.8#, 1.15 yield, (20.5 bbls) tail cement with, 94 lbm Premium-Class G Reg, 0.125 lbm Poly-E-Flake with FW @ 4.95 gal/sk, Shut down, Drop plug, Displace with 128 bbls FW, FCP 326, Bump plug @ 22:58 on 8-18-13, Check floats, Bleed back .5 bbl to tank, Pressure test casing @ 1500 psi for 30 min, Check floats. 37 bbls cement returns to surface.
6.00		WOC, Clean mud tanks, Cement fell back
0.50		Perform top out cement job
Report Start Date 8/19/2013	Report End Date 8/20/2013	Operations Summary Top out cement as follows: Pump .5 bbls FW, Pump 80 sks (16 bbls) @ 15.8 ppg, Yield 1.15 with 9.5 gal/sks, 1 bbl cement to surface, RD Halliburton cementers. Calculated cement top @ 154', WOC, clean mud tanks. LD cement head, rough cut surface casing. ND annular, cut off conductor casing. Final cut surface casing, weld on wellhead type 11" x 3000, C22 bowl. NU 11" BOP, annular, rotating head and stinger to choke, pressure test 11" BOPE.
Dur (hrs)		Comment
1.00		Top out cement as follows, Pump .5 bbls FW, Pump 80 sks (16 bbls) @ 15.8 ppg, Yield 1.15 with 9.5 gal/sks, 1bbls cement to surface, R/D Halliburton cementers. Calculated cement top @ 154'
4.00		WOC, clean mud tanks.
16.00		L/D cement head, Rough cut surface casing, N/D down annular, cut off conductor casing, Final cut surface casing, Weld on Wellhead type 11" x 3000, C22 bowl, N/U 11" BOP, Annular, Rotating head and stinger to choke.
3.00		Pressure test BOPE, Pipe rams, all choke valves, blind rams 250 psi low F/5 min., 3000 psi high, Test annular 1500 psi
Report Start Date 8/20/2013	Report End Date 8/21/2013	Operations Summary Finish pressure test BOPE, P/U directional BHA, Orientate MWD tools, RIH w/singles, to 1174', P/U kelly, Displace hole w/mud, Service rig, Continue RIH w/10 jts drill pipe to 1610', P/U kelly tag cement at 1622', Drl 8 3/4" shoe track, Drig 8 3/4" hole F/1685' - T/1704', FIT, pressured up 175 psi bleed back to 130 psi in 15 min. EMW @ shoe 9.5 ppg. Drig F/1704' - T/2598'
Dur (hrs)		Comment
1.00		Finish pressure test BOPE, Pipe rams, all choke valves, blind rams 250 psi low F/5 min., 3000 psi high F/10 min, Test annular 1500 psi
4.50		Lay out & P/U directional BHA, Orientate MWD tools, RIH hole w/3 stds 6 1/4" DC's from derrick. P/U 16 jts 4 1/2" HWDP.
0.50		P/U 16 jts 4 1/2" drill pipe to 1174', P/U kelly
0.50		Displace fresh water with drilling mud.
0.50		Service rig, grease swivel, check brake linkage and pins.
0.50		Continue RIH w/10 jts drill pipe to 1610', P/U kelly tag cement at 1622'.
1.50		Drl cement, Float collar, Shoe jt and float shoe.
0.50		Drig 8 3/4" intermediate hole F/1685' - T/1704' SPM 101, GPM 369, RPM 50, MTR RPM 103, Dif pressure 584, ROP 38/hr, SPP 806 psi
0.50		FIT, pressured up 175psi bleed back to 130 psi in 15 min. EMW @ shoe 9.5 ppg.



## Daily Activity Report

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Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Dur (hrs)	Comment	
8.00	Drilling 8-3/4" Intermediate hole section W/8-3/4" PCD Bit and 1.50 deg motor & MWD, Rotate F/1704' T/1768' Slide F/1768' T/1778', Rotate F/1778' T/2106'  WOB 14-18, SPP 16516 psi, Pump rate 625 gpm. RPM 60,  0.50 Service rig, grease swivel, check brake pins and linkage 5.50 Drilling 8-3/4" Intermediate hole section W/8-3/4" PCD Bit and 1.50 deg motor & MWD, Rotate F/1768' T/2598' WOB 7-9, SPP 1570 psi, Pump rate 478 gpm. RPM 60, Mtr RPM 134	
Report Start Date 8/21/2013	Report End Date 8/22/2013	Operations Summary Drilling 8-3/4" Intermediate hole section F/2598' - T/4085'
Dur (hrs)	Comment	
6.00	Drilling 8-3/4" Intermediate hole section Rotate F/2598' T/3024' WOB 16 - 20.8, SPP 1687 psi, 478 gpm. RPM 60, MTR RPM 134, ROP 71'/HR  2.00 Drilling 8-3/4" Intermediate hole section Rotate F/3024' T/3181' WOB 15.7 - 23, SPP 1743 psi, 471 gpm. RPM 60, MTR RPM 132, ROP 78.5'/HR  0.50 Service rig, grease swivel, check brake pins and linkage 6.00 Drilling 8-3/4" Intermediate hole section Slide F/3181' T/3193', Rotate F/3193' - T/3571 WOB 28 - 30, SPP 1854, 471 GPM. RPM 60, MTR RPM 132, ROP 65'/HR  6.00 Drilling 8-3/4" Intermediate hole section Rotate F/3571' T/3584', Slide F/3584' - T/3592', Rotate F/3592' - T/3769', Slide F/3769' - T/3779', Rotate F/3779' - T/3874' WOB 25 - 28, SPP 1948, 471 GPM. RPM 60, MTR RPM 132, ROP 50'/HR  3.50 Drilling 8-3/4" Intermediate hole section Rotate F/3874' - T/3952', Slide F/3952' - T/3964', Rotate F/3964' - T/4085' WOB 25 - 28, SPP 2010, 471 GPM. RPM 60, MTR RPM 132, ROP 60'/HR	
Report Start Date 8/22/2013	Report End Date 8/23/2013	Operations Summary Drilling 8-3/4" Intermediate hole section F/4085' - T/5088'
Dur (hrs)	Comment	
6.50	Drilling 8-3/4" Intermediate hole section Rotate F/4085' - T/4422', Slide F/4422' - T/4436' WOB 18-19, SPP 1747, 460 GPM. RPM 67, MTR RPM 129, ROP 54'/HR  6.00 Drilling 8-3/4" Intermediate hole section Rotate F/4436' - T/4516', Slide F/4516' - T/4530', Rotate F/4530' - T/4674' WOB 28 -31, SPP 1933, 456 GPM. RPM 67, MTR RPM 127, ROP 39'/HR  6.00 Drilling 8-3/4" Intermediate hole section Rotate F/4674' - T/4769', Slide F/4769' - T/4783', Rotate F/4783' - T/4889' WOB 27 -29, SPP 1898, 456 GPM. RPM 67, MTR RPM 127, ROP 35'/HR  5.50 Drilling 8-3/4" Intermediate hole section Rotate F/4889' - T/4894', Slide F/4894' - T/4908', Rotate F/4908' - T/5088' WOB 21 - 24, SPP 1983, 456 GPM. DIF 298, RPM 67, MTR RPM 127, ROP 36'/HR	
Report Start Date 8/23/2013	Report End Date 8/24/2013	Operations Summary Drilling 8-3/4" Intermediate hole section Rotate F/5088' - T/5555', Circulate, TOOH F/5555' - T/2843', Work through tight spot F/3150' - T/3087' and tight @ 2843', P/U kelly, break circulation, pump high vis sweep and work through tight spot @ 2843'
Dur (hrs)	Comment	
6.00	Drilling 8-3/4" Intermediate hole section Rotate F/5088' - T/5238', Slide F/5238' - T/5254' WOB 25 - 26, SPP 1808, 438 GPM. DIF 140, RPM 67, MTR RPM 122, ROP 27'/HR  6.00 Drilling 8-3/4" Intermediate hole section Rotate F/5254' - T/5332', Slide F/5332' - T/5348', Rotate F/5348' - T/5389' WOB 25 - 27, SPP 1891, 442 GPM. DIF 251, RPM 60, MTR RPM 123, ROP 23'/HR  7.00 Drilling 8-3/4" Intermediate hole section Rotate F/5389' - T/5426', Slide F/5426' - T/5440', Rotate F/5440' - T/5555' WOB 26 - 28, SPP 1891, 388 GPM. DIF 279, RPM 60, MTR RPM 108, ROP 23'/HR  2.00 Circulate & pump 2 high vis sweeps, Flow check (No flow) 2.00 TOOH F/5555' - T/2843', Work through tight spot F/3150' - T/3087' and tight @ 2843' 1.00 P/U kelly, circulate and pump high vis sweep.	
Report Start Date 8/24/2013	Report End Date 8/25/2013	Operations Summary Finish TOH, LD Direc Tools, Rig up Open hole loggers, RIH, Tag bridge @ 3233. POH RD loggers, RIH W clean out assembly, Bridge 2620' trip in hole wash/ream f/ 5419' t/ td 5555, circ, 2 high vis sweeps, TOH f/ logs. Log run #1 induction/gamma f/ loggers td 5550' back to int csg shoe 1684'
Dur (hrs)	Comment	
3.00	TOH, for logs, (SLM), lay down directional tools. 1.50 Clean floor, Safety Meeting, Rig up Weatherford Open Hole loggers. 2.00 Run in hole w/ logging tools, tag solid bridge @ 3233', pull out of hole w/ logging tools, 6.50 Make up 8-3/4" tricone, Trip in hole, (break circ after BHA, then every 30 stds thereafter), tag bridge 2654', break circ wash through w/ no problems, continue trip in hole, tag 5419', wash and ream to bottom 5555', 1.50 Circ @ TD 5555' 420 gpm 1080 psi Vis 37 MW 9.9 ppg, WL-7.0, pump 2 high vis lcm/poly sweeps, up wt 104k, Dn wt-100k, Rot wt-102k 5.00 TOH w/ Logs. 4.50 Safety meeting, Rig up Weatherford RIH w/ log run #1 tag- loggers TD 5550', log f/ 5550' up to shoe 1684',	



## Daily Activity Report

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Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Report Start Date 8/25/2013	Report End Date 8/26/2013	Operations Summary OH logs Run #2, TIH w/ clean out assembly, Circ and Cond @ TD 5555', TOH LD DP&DC. Change rams, ru casing crew, Run 7" Csg . ( Notify Monticello Utah BLM Jeff Brown, left message, Utah DOG, Carrol Daniels, left message, @ 15:30 8/24/2013 of intent to run and cement 7" Int csg in 2 stages)
Dur (hrs)		Comment
<p>4.50 Logging run #2, Rig down same.</p> <p>4.50 Stage in hole w/ 8-3/4" clean out assembly, Break circ every 35 stds, Clean out 8' of fill, to td 5555'</p> <p>2.50 Circ @ TD 5555' 400 GPM 1050 Psi, Vis 47, MW-9.8, pump 2 high vis sweeps, shakers clean. Safety Meeting w/ Casing crew.</p> <p>5.00 Lay down DP to baskets, LD BHA to racks.</p> <p>1.50 Safety Meeting, RU Casing Tools. Change rams to 7",</p> <p>6.00 Run 7" 26#, J-55, LT&amp;C Int csg, run Float Shoe, (thread locked) single jt, Float Collar,thread locked, continue running casing, break circ every 30 jts, make up HES Type P ES stage tool on top of jt 69. (ran 33- 7"X 8.75" bow type centralizers, 1 clamped in middle of jt 1, on jt 2 and 3, then every 4th jt to surface.)</p>		
Report Start Date 8/26/2013	Report End Date 8/27/2013	Operations Summary Run 7" csg to tag 5540', wash csg to bottom 5555, circ, Csg landed shoe @ 5555', FC @ 5507' Mechanical DV Tool @ 2506', ran 126 jts, RU HES, Cement 1st stage w/ 90 bbls lead slurry gone, lost driveline on mixing pumps system.Circ out cement and bypass w/ rig pump, wait on replacement equip and cement. Cement 1st stage, Plg Dn 17:30 8/26/2013, open Stage Tool, circ 20 bbls cmt to surf. Circ 4 hrs between stages. Cement 2nd stage. Plg Dn @ 23:30, 8/26/2013, Circ 12 bbls cmt to surf. ND BOP's, Set 7" csg slips, remove 11" BOP Stack install Tubing head. NU 7-1/16" BOP'S, Clean pits. change pistons and liners in both pumps to 5".
Dur (hrs)		Comment
<p>2.00 Running 7" csg to tag @ 5540', rig up circ equipment wash csg f/ 5540' t/ td 5555' w/ 250 gpm 350 psi, Circ csg @ 5555' Shoe @ 5555', FC @ 5507', Mechanical Stage Tool @ 250', Ran Total of 126 jts, Rig down casing crew</p> <p>1.00 Circ csg @ 5555' 250 gpm, 300 psi, Rig up Halliburton held safety meeting. Up wt 106K, Dn wt 102K</p> <p>2.00 Cement 1st stage as follows. Test pumps and lines to 3500 psi, Start @ 5 bpm 30 bbls Chem wash,lead cement Halliburton lite, mixed @ 12.3 ppg, YD 1.98, after 100 bbls slurry gone Halliburton pump truck lost drive line to mixing pumps, displace lines to rig floor with FW, RD Hes, Rig up rig pump @ 4.5 bpm Circ and bypass preflush and cement to catch tank, Continue circ csg w/ rig pump</p> <p>4.50 Circ w/ rig pump waiting on replacement truck and cement to be delivered f/ Farmington NM.</p> <p>3.00 Held Safety Meeting Cement 1st stage as follows, Test pumps and lines to 3500 psi, Start @ 5 BPM 5 bbls FW, 20 bbls Mud Flush ~3~ 5 bbls FW,Lead Slurry 344 Sx (121 bbls) Halliburton Premium Lite mixed @ 12.3 ppg, YD 1.98, water 10.17 gal/sx, Additives: 5 Lbm Kol-Seal, 0.125 Lbm Poly-E-Flake, 0.3% Hr-5, 2% CaCl., Tail in w/ 100 sx (20 bbls) ~G~ Mixed @ 15.8 ppg, YD-1.15, Water 4.96 gal/sx, Additives 0.1% Halad 9, 0.125 Lbm Pole-E-Flake, Drop dart wiper, Displace w/ 130 bbls water and 81 bbls mud, Bump plug @ 17:30 8/26/2013 @ 2 bpm to 1480 psi, press prior 930 psi, check floats, bled back 1.25 bbl, floats held. Drop free fall opening bomb, let fall f/ 20 min pressure up open Stage tool @ 880 psi, circ bottoms up circ 20 bbls cement to pit.turn circ over to rig</p> <p>3.00 Circ between stages @ 250 gpm 150 psi,</p> <p>2.00 Held Safety Meeting Cement 2nd stage as follows, Test pumps and lines to 3500 psi, Start @ 5 BPM 5 bbls FW, 20 bbls Mud Flush ~3~ 5 bbls FW,Lead Slurry 215 Sx (74 bbls) Halliburton Premium Lite mixed @ 12.3 ppg, YD 1.94, water 10.04 gal/sx, Additives: 5 Lbm Kol-Seal, 0.125 Lbm Poly-E-Flake, Tail in w/ 100 sx (20 bbls) ~G~ Mixed @ 15.8 ppg, YD-1.15, Water 4.98 gal/sx, Additives 0.1% Halad 9, Drop top wiper, Displace w/ 95 bbls water land plug @ 22:30 8/26/2013 @ 2 bpm to 2500 psi, press prior 850 psi, close Stage Tool, check floats, bled back 1.25 bbl, Circ 12 bbls cement to surface. Rig HES down same. Rinse out BOP stack and flowline.</p> <p>4.00 ND BOP'S, pick up, Set 7" casing slips w/ 110K, Make rough cut, Remove BOP stack out of Substructure. Make final cut, install 11" 3M X 7-1/16" 5M "B" section, test secondary seal to 2500 psi, (Held OK) transfer mud f/ active to storage tanks. Cleaning pits</p> <p>2.50 NU 7-1/16" 5M BOP, Change pistons and liners in both pumps 5"</p>		
Report Start Date 8/27/2013	Report End Date 8/28/2013	Operations Summary NU Prod 7-1/16" BOP Stack Annular, ru choke Manifold, Testing BOP'S and Csg, Trip in hole w/ clean out assembly.Drlg cmt and Stage Tool @ 2506', trip in hole tag cmt 5498', circ BU, Test csg 1500 psi w/ rig pump.
Dur (hrs)		Comment
<p>2.00 NU 7-1/16" BOP'S; Annular, HCR, Choke manifold, function test all equip.</p> <p>5.00 Safety Meeting, Rig up High Tech Testers, make up test plug on jt of 3-1/2" DP, Pressure Test pipe rams, Blind rams Kill valves and all choke valves 200 psi low 10 min, 3000 psi high 10 min, test annular 1500 psi 10 min, all held OK, all tests charted.</p> <p>1.00 Pull test plug shut blind rams, test casing 1500 psi 30 min, Held OK.</p> <p>2.00 Rack and strap BHA and 100 jts of 3-1/2" DP</p> <p>7.00 Make up RR tricone insert bit, Bit Sub (w/ float), PU 20 3-1/2" spiral HWDP, ( 27 lb/ft), continue picking up 3-1/2" DP to Tag cmt @ 2479'</p> <p>1.50 Drlg cmt f/ 2479' t/ Stage tool @ 2507' t/ 2510', circ hole clean</p> <p>4.50 Continue single in hole w/ 3-1/2" DP t/ Tag cmt @ 5498'</p> <p>1.00 Circulate hole clean. Pressure test csg to 1500 psi w/ rig pump for 30 min. (Held OK)</p>		



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Report Start Date 8/28/2013	Report End Date 8/29/2013	Operations Summary Drlg cmt f/ 5498' t/ FC @ 5507', drlg shoe trax, shoe @ 5555', Drlg 6-1/8" open hole f/ 5555 t/ 5560', circ BU, Transfer water f/ active pit. add 11.6ppg mud to active, displace water f/ hole w/ mud. TOH w/ Clean out assembly, TIH, Drlg 6-8" Prod f/ 5555' t/ 5610'
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Dur (hrs)

Comment

- 0.50 Test Casing t/ 1500 psi, (held ok)
- 3.50 Drlg Cement f/ 5498', Drlg FC @ 5507', shoe trax, Shoe 5555', Drlg 6-1/8" prod f/ 5555' t/ 5560', Circ BU.
- 3.50 Transfer water f/ active pit's, suck bottoms. transfer 11.6 ppg mud to active, Displace hole w/ Mud, Circ water to storage.
- 4.00 TOH w/ clean assembly, Make up prod assembly, TIH w/ Hughes STX 30 (3-14's) Bit sub w/ float, 20 jts Spiral HWDP, DP, PU kelly break circ wash to bottom no fill.
- 1.00 Circ @ 5555', BOP Drill, Slow pump rates both pumps. work on PVT, (1 ball stuck on bottom),
- 11.50 Drlg 6-1/8" Prod F/ 5555' T/ 5610' w/ 10-14K WOB, 70 Rotary, 250 gpm Vis 37, MW-11.7, PH-9.5

Report Start Date 8/29/2013	Report End Date 8/30/2013	Operations Summary Drlg 6-1/8" Prod f/ 5310' t/ TD 5798' (TD Prod Section @ 04:30 8/30/2013) Circ w/ sweeps.
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Dur (hrs)

Comment

- 21.50 Drlg 6-1/8" Prod F/ 5610' T/ TD 5798' w/ 10-14K WOB, 70 Rotary, 250 gpm Vis 37, MW-11.6, PH-9.5 (TD Prod Sec @ 04:30 8/30/2013)
- 2.50 Circ @ TD 5798' 250 GPM, 1700 psi, pumped 2 high vis lcm sweeps.

Report Start Date 8/30/2013	Report End Date 8/31/2013	Operations Summary Short Trip back up t/ 7" shoe 5555', Flow check. Rig serv, TIH no fill hole slick, Circ BU gas @ 132 units (Pason Gas) TOH. RU Weatherford OH logs, (triple combo 2 runs), RU Blue Jet, RIH w/ 7" Arrow set 1X packer Set packer 5481' KB Run CBL f/ 5465' t/ Surf, Trip in hole w/ drill string and lay dn same. Change rams, RU Casing crew. RIH w/ on off tools on 2-7/8" tubing.
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Dur (hrs)

Comment

- 0.50 Short trip back up to 7" shoe @ 5555',
- 1.00 Flow Check, Rig Service. operate pipe rams.
- 1.00 TIH no fill, Circ BU gas 132 units( Pason Gas),
- 2.50 TOH f/ Logs.
- 5.50 Safety Meeting, Wireline and rig crew. Rig up Weatherford OH log equip. RIH w/ Log run #1-Gamma/Induction, Tag-loggers TD 5798' pull f/ 5798' to ICS @ 5555', Log run #2 run N-Density, Caliper same. Rig down Weatherford
- 4.50 PJSM: Rig up Blujet Cased hole logging truck. RIH w/ Weatherford 7" Arrow set 1X Packer. Correlate @ DV, continue in hole Correlate @ Float Collar 5508', pull collar strip, make -8' correction. line up packer elements @ 5486' top of packer 5481' RD same.
- 0.50 Shut blind rams pressure test csg/packer @ 5481' t/ 500 psi. (held ok)
- 6.50 RIH w/BHA & Drill String, Lay down to baskets same.
- 1.00 Change rams 2-7/8", Rig up casing crew and tools. Pick up 1 jt tbg make up Packer RIH 30', Test pipe rams BOP's 1000 psi.(held ok)
- 1.00 Make up 7" X 2-7/8" T-2 on off tool and Single in hole w/ prod tubing.

Report Start Date 8/31/2013	Report End Date 9/1/2013	Operations Summary Single in hole w/ 2-7/8" prod tTbg, tag packer @ 5491'. J-off, circ dn tbg w/ 8.4 ppg packer fluid, displace mud. Space out, land tbg in packer. Test annulus 500 psi, 30 min. ND BOP's, install 2 way check and TIW. RD rig, clean pits. Rig Released to the Aneth Unit C 223 X, @ 06:00 9/1/2013. Final drilling report.
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Dur (hrs)

Comment

- 3.50 Single in hole w/ 2-7/8" Prod tbg, Tag top of packer @5491'.
- 2.00 Jay off pick up 1', Circ dn tubing 8.4 ppg Packer fluid, displace 11.6 ppg drlg mud. 197 bbls. lay down tag jts, space out, while making up tbg hanger top connection gaulded.
- 2.50 Wait on replacement tubing hanger.
- 1.00 Make up Hanger, lower and land tbg, EOT @ 5500', Ran total 174 jts, 2.25" "F" profile npl (w/ plug in place), Top @ 5491', 2.25" "R" profile npl @ 5500', (see Wellview tally) lock hanger in test annulus to 500 psi. (Held ok) BHA 2-7/8" Wireline ReEntry guide Top @ 5500.72  
7" x 2-7/8" Arrow set 1X  
Production PKR ( RHS-RHR)top @ 5491' 7" X 2-7/8 T-2 on/off tool w/ 2.25" ~F~ profile seal top @ 5490'
- 3.50 Npl down bops, install 2 way check in hanger, make up TIW Valve.
- 11.50 Transfer 420 bbls mud to mud plant, Clean pits, Rig down rig and equipment,



## Daily Activity Report

Well Name: C123 Aneth Unit

API Number 43037500360000	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Well Spud Date/Time 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Report Start Date 9/5/2013	Report End Date 9/5/2013	Operations Summary MIRU Tefteller & flowback tank. Tie in flowline to frac tank. Wait on Press truck & LOTO to be removed by production from tree. SITP 0 psig. SICP 0 psig. RIH w/probe to 5,300'. Press tbg to 1,500 psig. RIH & puncture plug @ 5,465 WL depth. Press drpd to 1,300 psig. POOH. RIH w/retrieving tl to 5,465' WL depth. Latch 2.25 plug. POOH w/ 2.25 plug. RDMO Tefteller WLU. Tbg press drpd to 600 psig. Press up flowlines from WH. Leaking almost every fitting. All piping not tight. Put together w/teflon tape only. Broke out all piping. Had one nipple & 3" 3K check vlv with seized threads. Donnie delivered parts. Had to use forklift, boomers, & chains to get piping back together. Had to tighten w/2 36" pipe wrenches to get piping even close for unions to line up. Tested piping to 500 psig to flowline on edge of loc. No leaks. Total press drop when opened to test underground piping. Opened vlv to flowback tank. Steady small flow to flowback tank. Start flow @ 1733 hrs. SI for 10 min. 450 psig build up on tbg. Small buildup on csg fr heat. Leave open to cellar. Flow to flowback tank. Flowback 70 bbls.
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Dur (hrs)

Comment

- 0.25 JSA. Tailgate safety mtg. (Stop the job, wireline awareness)
- 0.50 MIRU Tefteller
- 0.25 SITP 0 psig. SICP 0 psig
- 0.75 MIRU flowback tank. Tie in flowline to frac tank.
- 1.00 Wait on Press truck & LOTO to be removed by production from tree.
- 1.00 RIH w/probe to 5,300'. Press tbg to 1,500 psig. RIH & puncture plug @ 5,465 WL depth. Press drpd to 1,300 psig. POOH. RIH w/retrieving tl to 5,465' WL depth. Latch 2.25 plug. POOH w/ 2.25 plug.
- 0.25 RDMO Tefteller
- 3.75 Tbg press drpd to 600 psig. Press up flowlines from WH. Leaking almost every fitting. All piping not tight. Put together w/teflon tape only. Broke out all piping. Had one nipple & 3" 3K check vlv with seized threads. Donnie delivered parts. Had to use forklift, boomers, & chains to get piping back together. Had to tighten w/2 36" pipe wrenches to get piping even close for unions to line up.
- 0.25 Tested piping to 500 psig to flowline on edge of loc. No leaks.
- 6.50 Flowback well to flowback tank

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTSL 071010
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
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.		<b>7. UNIT or CA AGREEMENT NAME:</b> ANETH
<b>1. TYPE OF WELL</b> Oil Well		<b>8. WELL NAME and NUMBER:</b> Aneth C-123
<b>2. NAME OF OPERATOR:</b> RESOLUTE NATURAL RESOURCES		<b>9. API NUMBER:</b> 43037500360000
<b>3. ADDRESS OF OPERATOR:</b> 1675 Boradway Ste 1950 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 534-4600 Ext	<b>9. FIELD and POOL or WILDCAT:</b> GREATER ANETH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0815 FNL 1970 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> SAN JUAN
		<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/23/2013	<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 checked="" 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.

Resolute completed this offset well to AU C223X and began production 11-8-13. The form 8 has been submitted as of 1-8-14.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY  
January 09, 2014**

<b>NAME (PLEASE PRINT)</b> Shery Glass	<b>PHONE NUMBER</b> 303 573-4886	<b>TITLE</b> Sr Regulatory Technician
<b>SIGNATURE</b> N/A	<b>DATE</b> 1/8/2014	



## Daily Activity Summary

Well Name: C123 Aneth Unit

API Number 4303750036	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	
Job Category Drilling & Completion		Primary Job Type Drilling - original				
Start Date 8/15/2013		End Date 10/17/2013				

Objective  
Drill and complete a vertical producer and possible infill location analogous to the B-414.

Contractor D&J	Rig Number 1	Rig on Report Date 8/15/2013	Rig off report date 9/25/2013
Contractor Basic Energy Services	Rig Number	Rig on Report Date 9/25/2013	Rig off report date 9/25/2013
Contractor TOPPS	Rig Number 6	Rig on Report Date 10/10/2013	Rig off report date 10/17/2013

Report Number	Start Date	End Date	Summary
1	8/6/2013	8/6/2013	Engineering consultant service
2	8/12/2013	8/12/2013	hauled 4 Jts of pipe, use forklift and trailer, loaded and took to location
3	8/14/2013	8/14/2013	load and haul 2 40' wooden seals to location unload and return to yard
4	8/15/2013	8/16/2013	Wait on Triple S trucking to attend Resolute orientation prior to moving rig. Move rig F/AU H263 A - T/AU C-123, Spot in and R/U equipment, Raise derrick @ 15:30, Weld flange on 16" conductor casing, R/U gas buster, choke manifold and fabricate flow line with welder.
5	8/16/2013	8/17/2013	Continue R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder. Lay out hard lines to lay down tank and reserve pit. P/U swivel and kelly, Drl rat and mouse hole, Drlg 12 1/4" surface hole F/80' T/514'  Note: Repaired rig mud pit while laying out hard lines, (No down time)
6	8/17/2013	8/18/2013	Drlg F/878' - T/1002', WLS @ 713' = 1 1/4 deg, Install Pason upgrades, Drlg F/755' - T/878', WLS @ 837' = 1 1/4 deg, Drlg F/878' - T/1002', WLS @ 961' = 1/2 *, Drlg F/1002' - T/1095', WLS @ 1054' = 1 deg, Drlg F/1095' - T/1377', WLS @ 1337' = 3/4 deg, Drlg F/1377' - T/1672'.  Note: While drilling have been losing fluid @ 76 bbls/hr since 700', Mixing LCM to help control. TD for surface hole will be 1685'.
7	8/18/2013	8/19/2013	Drlg F/1672' - T/1685', Circulate, WLS @ 1643' = 2*, Short trip (No fill()), LDDP and BHA, PJSM w/casing crew, Run 40 jts 9 5/8" 36#, J55 Set at 1684.1', Circulate and reciprocate casing on bottom. Spot in Halliburton equipment, PJSM, Cement surface casing, FCP 326, Bump plug @ 22:58 on 8-18-13, Check floats, Bleed back .5 bbl to tank, Pressure test casing @ 1500 psi for 30 min, Check floats. 37 bbls cement returns to surface. WOC, clean tanks, Cement fell back, Perform top out cmt job.
8	8/19/2013	8/20/2013	Top out cement as follows: Pump .5 bbls FW, Pump 80 sks (16 bbls) @ 15.8 ppg, Yield 1.15 with 9.5 gal/sks, 1 bbl cement to surface, RD Halliburton cementers. Calculated cement top @ 154', WOC, clean mud tanks. LD cement head, rough cut surface casing. ND annular, cut off conductor casing. Final cut surface casing, weld on wellhead type 11" x 3000, C22 bowl. NU 11" BOP, annular, rotating head and stinger to choke, pressure test 11" BOPE.
9	8/20/2013	8/21/2013	Finish pressure test BOPE, P/U directional BHA, Orientate MWD tools, RIH w/singles, to 1174', P/U kelly, Displace hole w/mud, Service rig, Continue RIH w/10 jts drill pipe to 1610', P/U kelly tag cement at 1622', Drl 8 3/4" shoe track, Drlg 8 3/4" hole F/1685' - T/1704', FIT, pressured up 175 psi bleed back to 130 psi in 15 min. EMW @ shoe 9.5 ppg. Drlg F/1704' - T/2598'
10	8/21/2013	8/22/2013	Drilling 8-3/4" Intermediate hole section F/2598' - T/4085'
11	8/22/2013	8/23/2013	Drilling 8-3/4" Intermediate hole section F/4085' - T/5088'
12	8/23/2013	8/24/2013	Drilling 8-3/4" Intermediate hole section Rotate F/5088' - T/5555', Circulate, TOOH F/5555' - T/2843', Work through tight spot F/3150' - T/3087' and tight @ 2843', P/U kelly, break circulation, pump high vis sweep and work through tight spot @ 2843'
13	8/24/2013	8/25/2013	Finish TOH, LD Direc Tools, Rig up Open hole loggers, RIH, Tag bridge @ 3233. POH RD loggers, RIH W clean out assembly, Bridge 2620' trip in hole wash/ream f/ 5419' t/ td 5555, circ, 2 high vis sweeps, TOH f/ logs. Log run #1 induction/gamma f/ loggers td 5550' back to int csg shoe 1684'
14	8/25/2013	8/26/2013	OH logs Run #2, TIH w/ clean out assembly, Circ and Cond @ TD 5555', TOH LD DP&DC. Change rams, ru casing crew, Run 7" Csg . ( Notify Monticello Utah BLM Jeff Brown, left message, Utah DOG, Carrol Daniels, left message, @ 15:30 8/24/2013 of intent to run and cement 7" Int csg in 2 stages)
15	8/26/2013	8/27/2013	Run 7" csg to tag 5540', wash csg to bottom 5555, circ, Csg landed shoe @ 5555', FC @ 5507' Mechanical DV Tool @ 2506', ran 126 jts, RU HES, Cement 1st stage w/ 90 bbls lead slurry gone, lost driveline on mixing pumps system. Circ out cement and bypass w/ rig pump, wait on replacement equip and cement. Cement 1st stage, Plg Dn 17:30 8/26/2013, open Stage Tool, circ 20 bbls cmt to surf. Circ 4 hrs between stages. Cement 2nd stage. Plg Dn @ 23:30, 8/26/2013, Circ 12 bbls cmt to surf. ND BOP's, Set 7" csg slips, remove 11" BOP Stack install Tubing head. NU 7-1/16" BOP'S, Clean pits. change pistons and liners in both pumps to 5".
16	8/27/2013	8/28/2013	NU Prod 7-1/16" BOP Stack Annular, ru choke Manifold, Testing BOP'S and Csg, Trip in hole w/ clean out assembly. Drlg cmt and Stage Tool @ 2506', trip in hole tag cmt 5498', circ BU, Test csg 1500 psi w/ rig pump.



## Daily Activity Summary

Well Name: C123 Aneth Unit

Report Number	Start Date	End Date	Summary
17	8/28/2013	8/29/2013	Drig cmt f/ 5498' t/ FC @ 5507', drlg shoe trax, shoe @ 5555'. Drlg 6-1/8" open hole f/ 5555' t/ 5560', circ BU, Transfer water f/ active pit. add 11.6ppg mud to active, displace water f/ hole w/ mud. TOH w/ Clean out assembly, TIH, Drlg 6-1/8" Prod f/ 5555' t/ 5610'
18	8/29/2013	8/30/2013	Drig 6-1/8" Prod f/ 5310' t/ TD 5798' (TD Prod Section @ 04:30 8/30/2013) Circ w/ sweeps.
19	8/30/2013	8/31/2013	Short Trip back up t/ 7" shoe 5555', Flow check. Rig serv, TIH no fill hole slick, Circ BU gas @ 132 units (Pason Gas) TOH. RU Weatherford OH logs, (triple combo 2 runs), RU Blue Jet, RIH w/ 7" Arrow set 1X packer Set packer 5481' KB Run CBL f/ 5465' t/ Surf, Trip in hole w/ drill string and lay dn same. Change rams, RU Casing crew. RIH w/ on off tools on 2-7/8" tubing.
20	8/31/2013	9/1/2013	Single in hole w/ 2-7/8" prod tTbg, tag packer @ 5491'. J-off, circ dn tbg w/ 8.4 ppg packer fluid, displace mud. Space out, land tbg in packer. Test annulus 500 psi, 30 min. ND BOP's, install 2 way check and TIW. RD rig, clean pits. Rig Released to the Aneth Unit C 223 X, @ 06:00 9/1/2013. Final drilling report.
21	9/5/2013	9/5/2013	MIRU Tefteller & flowback tank. Tie in flowline to frac tank. Wait on Press truck & LOTO to be removed by production from tree. SITP 0 psig. SICP 0 psig. RIH w/probe to 5,300'. Press tbg to 1,500 psig. RIH & puncture plug @ 5,465 WL depth. Press drpd to 1,300 psig. POOH. RIH w/retrieving tl to 5,465' WL depth. Latch 2.25 plug. POOH w/ 2.25 plug. RDMO Tefteller WLU. Tbg press drpd to 600 psig. Press up flowlines from WH. Leaking almost every fitting. All piping not tight. Put together w/teflon tape only. Broke out all piping. Had one nipple & 3" 3K check vlv with seized threads. Donnie delivered parts. Had to use forklift, boomers, & chains to get piping back together. Had to tighten w/2 36" pipe wrenches to get piping even close for unions to line up. Tested piping to 500 psig to flowline on edge of loc. No leaks. Total press drop when opened to test underground piping. Opened vlv to flowback tank. Steady small flow to flowback tank. Start flow @ 1733 hrs. SI for 10 min. 450 psig build up on tbg. Small buildup on csg fr heat. Leave open to cellar. Flow to flowback tank. Flowback 70 bbls.
22	9/6/2013	9/6/2013	Flowback 80 BPW. Haul PW to D6. SWI. MIRU Tefteller WLU. SITP 350 psig. SICP 0 psig. RIH w/SBHP t/s. Stops @ surface, 1,000', 2,000', 3,000', 4,000', 5,000'. RIH to 5,400' and leave @ 5,400' for 2 hrs. POOH w/SBHP t/s. SWI. Getting back oil from Surface. Pkr @ 5,465 WL Depth. Notify Verlin La nsing that the well is ready for them to put down line. I opened the vlv for him. Pressure drpd quickly. Asked if we had check, told him they didn't install Choke. Leave loc.
23	9/25/2013	9/25/2013	RIH w/ CT down, tag @ 5791', work CT, solid tag, no fill or trash on return. Continue to work CT up/down open 5491' to 5791'. Safety mtg w/13 people on location. Pressure test lines to 4500 psi, pump 2 bbls ahead of 28 bbls 20% acid @ 9.18 ppg slurry, .7 bpm, 3185 psi, flush 10.5 bbls. SD, pump pressure dropped 226 psi for 30 min soak. Psi level out 226 psi. Continue pumping 20% acid, 66 bbls, 1 bpm @ 4224 psi. Working CT up/down open-hole. Flush w/13 bbls FW, ISIP 316 psi, 5 min 248 psi, 10 min 226 psi, 15 min 226 psi. CT unit over displaced another 30 bbls.
24	10/4/2013	10/4/2013	
25	10/10/2013	10/10/2013	Move in and RU, flow well back.
26	10/11/2013	10/11/2013	Kill tubing, release on/off tool, circulate 10# brine.
27	10/14/2013	10/14/2013	Bleed and kill well. Tooh with packer, tih with bit.
28	10/15/2013	10/15/2013	Clean out to PBTD @ 5798'.
29	10/16/2013	10/16/2013	Install and run ESP equipment.
30	10/17/2013	10/17/2013	Tail gate, JSA. set up equipment, transformer and VSD, set up transformer, to install pressure wire and pull i/o cable terminal wire, made up jumper on high side, 5 KVA
31	10/17/2013	10/17/2013	Kill well, install master valve. Rig down and move off.
32	10/18/2013	10/18/2013	Tail gate, JSA, had to energize pad mount transformer and grave work, hook up pump and install riser
33	10/19/2013	10/19/2013	Locate lines and fittings at MCU, then dig trench from chemical tray to wellhead and connect tubing, pick up 1/2" 90 and 1/2" nipple from AU and finish chemical line. back fill. tighten up leaking 3" hammer union, turn well on, clean up and haul fittings to AU
34	10/21/2013	10/21/2013	Parts for wellhead at AU c-123
35	10/23/2013	10/23/2013	Clean location

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTSL 071010
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
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.		<b>7. UNIT or CA AGREEMENT NAME:</b> ANETH
<b>1. TYPE OF WELL</b> Oil Well		<b>8. WELL NAME and NUMBER:</b> Aneth C-123
<b>2. NAME OF OPERATOR:</b> RESOLUTE NATURAL RESOURCES		<b>9. API NUMBER:</b> 43037500360000
<b>3. ADDRESS OF OPERATOR:</b> 1675 Boradway Ste 1950 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 534-4600 Ext	<b>9. FIELD and POOL or WILDCAT:</b> GREATER ANETH
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0815 FNL 1970 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S		<b>COUNTY:</b> SAN JUAN
		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:  <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/8/2013  <input type="checkbox"/> SPUD REPORT Date of Spud:  <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <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"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
		<input type="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.		
Resolute completed this well on 10/23/13 and put it to production on 11/8/13. Completion report has been filed.		
<b>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 15, 2014</b>		
<b>NAME (PLEASE PRINT)</b> Shery Glass	<b>PHONE NUMBER</b> 303 573-4886	<b>TITLE</b> Sr Regulatory Technician
<b>SIGNATURE</b> N/A		<b>DATE</b> 1/15/2014

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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL71010	
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR: Resolute Natural Resources		7. UNIT or CA AGREEMENT NAME: UTU071010	
3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 195 City Denver STATE CO ZIP 80202		8. WELL NAME and NUMBER: Aneth Unit C-123	
4. LOCATION OF WELL (FOOTAGES): AT SURFACE: 815 FNL, 1970 FEL sec 23-T40S-R23E		9. API NUMBER: 4303750036	
AT TOP PRODUCING INTERVAL REPORTED BELOW: 815FNL, 1970 FEL sec 23-T40S-R23E		10. FIELD AND POOL, OR WILDCAT: Greater Aneth	
AT TOTAL DEPTH: 815 FNL, 1970FEL, SWNE sec 23-T40S-R23E		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 23 40S 23E S	
14. DATE SPUNDED: 8/16/2013		12. COUNTY: San Juan	
15. DATE T.D. REACHED: 8/30/2013		13. STATE: UTAH	
16. DATE COMPLETED: 10/23/2013		17. ELEVATIONS (DF, RKB, RT, GL): 4687' GL	
18. TOTAL DEPTH: MD 5,798 TVD 5,798		20. IF MULTIPLE COMPLETIONS, HOW MANY? *	
19. PLUG BACK T.D.: MD TVD		21. DEPTH BRIDGE PLUG SET: MD TVD	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each): DIL-CDL		23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	9 5/8 J-55	36	80	1,623		Lite-G 580		0	
8 3/4	7 J-55	26	0	5,555		Lite-G 874		0	
6 1/8			5,555	5,798					open hole

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	5,527							

26. PRODUCING INTERVALS					27. PERFORATION RECORD			
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Desert Creek IA	5620				no perms-open hole			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Desert Creek IB	5633							Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C) Desert Creek IC	5644							Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D) Desert Creek IIA	5654							Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5465 to TD (open hole)	pumped 2 bbl FW, acidized open hole with 94 bbls 20% acid, flushed with 13 bbls FW

29. ENCLOSED ATTACHMENTS: <input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> DST REPORT <input checked="" type="checkbox"/> OTHER: schematic tubing detail, survey <input type="checkbox"/> DIRECTIONAL SURVEY	30. WELL STATUS:  producing
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(CONTINUED ON BACK)

31. INITIAL PRODUCTION								INTERVAL A (As shown in Item #26)			
DATE FIRST PRODUCED		TEST DATE		HOURS TESTED		TEST PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	PROD. METHOD
11/8/2013		11/26/2013		24				237	108	2,242	pumping
CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	INTERVAL STATUS
40/64	310	100	40.00					237	108	2,242	producing

INTERVAL B (As shown in Item #26)											
DATE FIRST PRODUCED		TEST DATE		HOURS TESTED		TEST PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	PROD. METHOD
CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	INTERVAL STATUS

INTERVAL C (As shown in Item #26)											
DATE FIRST PRODUCED		TEST DATE		HOURS TESTED		TEST PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	PROD. METHOD
CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	INTERVAL STATUS

INTERVAL D (As shown in Item #26)											
DATE FIRST PRODUCED		TEST DATE		HOURS TESTED		TEST PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	PROD. METHOD
CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →		OIL - BBL	GAS - MCF	WATER - BBL	INTERVAL STATUS

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)  
 sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Desert Creek I	5,621			Navajo	756
Desert Creek II	5,658			Chinle	1,614
				Organ Rock	2,864
				Hermosa	4,704
				Ismay	5,444
				Desert Creek I	5,621
				Desert Creek II	5,658
				Desert Creek III	5,704
				Chimney Rock	5,755

35. ADDITIONAL REMARKS (Include plugging procedure)

Well put to production 11-8-13. Well is open 6-1/8" hole from 5555' to 5798' TD.  
 add'l producing intervals: Desert Creek IIB 5674', Desert Creek IIC 5697'.

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

NAME (PLEASE PRINT) Sherry Glass TITLE Sr Regulatory Technician  
 SIGNATURE *Sherry Glass* DATE 1/8/2014

This report must be submitted within 30 days of

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

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

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

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



Daily Activity Summary

Well Name: C123 Aneth Unit

API Number 4303750036		Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50		KB-Casing Flange Distance (ft)		Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00
Job Category Drilling & Completion			Primary Job Type Drilling - original				
Start Date 8/15/2013			End Date 10/17/2013				
Objective Drill and complete a vertical producer and possible infill location analogous to the B-414.							
Contractor D&J		Rig Number 1	Rig on Report Date 8/15/2013			Rig off report date 9/25/2013	
Contractor Basic Energy Services		Rig Number	Rig on Report Date 9/25/2013			Rig off report date 9/25/2013	
Contractor TOPPS		Rig Number 6	Rig on Report Date 10/10/2013			Rig off report date 10/17/2013	
Report Number	Start Date	End Date	Summary				
1	8/6/2013	8/6/2013	Engineering consultant service				
2	8/12/2013	8/12/2013	hauled 4 jts of pipe, use forklift and trailer, loaded and took to location				
3	8/14/2013	8/14/2013	load and haul 2 40' wooden seals to location unload and return to yard				
4	8/15/2013	8/16/2013	Wait on Triple S trucking to attend Resolute orientation prior to moving rig. Move rig F/AU H263 A - T/AU C-123, Spot in and R/U equipment, Raise derrick @ 15:30, Weld flange on 16" conductor casing, R/U gas buster, choke manifold and fabricate flow line with welder.				
5	8/16/2013	8/17/2013	Continue R/U gas buster, choke manifold and pre fabricate flow line to annular stack with welder. Lay out hard lines to lay down tank and reserve pit. P/U swivel and kelly, Dri rat and mouse hole, Drig 12 1/4" surface hole F/80' T/514'				
Note: Repaired rig mud pit while laying out hard lines, (No down time)							
6	8/17/2013	8/18/2013	Drig F/878' - T/1002', WLS @ 713' = 1 1/4 deg, Install Pason upgrades, Drig F/755' - T/878', WLS @ 837' = 1 1/4 deg, Drig F/878' - T/1002', WLS @ 961' = 1/2 ", Drig F/1002' - T/1095', WLS @ 1054' = 1 deg, Drig F/1095' - T/1377', WLS @ 1337' = 3/4 deg, Drig F/1377' - T/1672'.				
Note: While drilling have been losing fluid @ 76 bbls/hr since 700', Mixing LCM to help control. TD for surface hole will be 1685'.							
7	8/18/2013	8/19/2013	Drig F/1672' - T/1685', Circulate, WLS @ 1643' = 2", Short trip (No fill!), LDDP and BHA, PJSM w/casing crew, Run 40 jts 9 5/8" 36#, J55 Set at 1684.1', Circulate and reciprocate casing on bottom. Spot in Halliburton equipment, PJSM, Cement surface casing, FCP 326, Bump plug @ 22:58 on 8-18-13, Check floats, Bleed back 5 bbl to tank, Pressure test casing @ 1500 psi for 30 min, Check floats. 37 bbls cement returns to surface. WOC, clean tanks, Cement fell back, Perform top out cmt job.				
8	8/19/2013	8/20/2013	Top out cement as follows: Pump 5 bbls FW, Pump 80 sks (16 bbls) @ 15.8 ppg, Yield 1.15 with 9.5 gal/sks, 1 bbl cement to surface, RD Halliburton cementers. Calculated cement top @ 154', WOC, clean mud tanks. LD cement head, rough out surface casing. ND annular, cut off conductor casing. Final cut surface casing, weld on wellhead type 11" x 3000, C22 bowl. NU 11" BOP, annular, rotating head and stinger to choke, pressure test 11" BOPE.				
9	8/20/2013	8/21/2013	Finish pressure test BOPE, P/U directional BHA, Orientate MWD tools, RIH w/singles, to 1174', P/U kelly, Displace hole w/mud, Service rig, Continue RIH w/10 jts drill pipe to 1610', P/U kelly tag cement at 1622', Dri 8 3/4" shoe track, Drig 8 3/4" hole F/1685' - T/1704', FIT, pressured up 175 psi bleed back to 130 psi in 15 min. EMW @ shoe 9.5 ppg. Drig F/1704' - T/2598'				
10	8/21/2013	8/22/2013	Drilling 8-3/4" Intermediate hole section F/2598' - T/4085'				
11	8/22/2013	8/23/2013	Drilling 8-3/4" Intermediate hole section F/4085' - T/5088'				
12	8/23/2013	8/24/2013	Drilling 8-3/4" Intermediate hole section Rotate F/5088' - T/5555', Circulate, TOOH F/5555' - T/2843', Work through tight spot F/3150' - T/3087' and tight @ 2843', P/U kelly, break circulation, pump high vis sweep and work through tight spot @ 2843'				
13	8/24/2013	8/25/2013	Finish TOH, LD Direc Tools, Rig up Open hole loggers, RIH, Tag bridge @ 3233. POH RD loggers, RIH W clean out assembly, Bridge 2620' trip in hole wash/ream f/ 54 19' t/td 5555, circ, 2 high vis sweeps, TOH f/ logs Log run #1 induction/gamma f/ loggers td 5550' back to int csg shoe 1684'				
14	8/25/2013	8/26/2013	OH logs Run #2, TIH w/ clean out assembly, Circ and Cond @ TD 5555', TOH LD DP&DC. Change rams, ru casing crew, Run 7" Csg . ( Notify Monticello Utah BLM Jeff Brown, left message, Utah DOG, Carrol Daniels, left message, @ 15:30 8/24/2013 of intent to run and cement 7" Int csg in 2 stages)				
15	8/26/2013	8/27/2013	Run 7" csg to tag 5540', wash csg to bottom 5555, circ, Csg landed shoe @ 5555', FC @ 5507' Mechanical DV Tool @ 2506', ran 126 jts, RU HES, Cement 1st stage w/ 90 bbls lead slurry gone, lost driveline on mixing pumps system. Circ out cement and bypass w/ rig pump, wait on replacement equip and cement. Cement 1st stage, Plg Dn 17:30 8/26/2013, open Stage Tool, circ 20 bbls cmt to surf. Circ 4 hrs between stages. Cement 2nd stage. Plg Dn @ 23:30, 8/26/2013, Circ 12 bbls cmt to surf. ND BOP's, Set 7" csg slips, remove 11" BOP Stack install Tubing head. NU 7-1/16" BOP'S, Clean pits. change pistons and liners in both pumps to 5".				
16	8/27/2013	8/28/2013	NU Prod 7-1/16" BOP Stack Annular, ru choke Manifold, Testing BOP'S and Csg, Trip in hole w/ clean out assembly. Drig cmt and Stage Tool @ 2506', trip in hole tag cmt 5498', circ BU, Test csg 1500 psi w/ rig pump.				



Daily Activity Summary

Well Name: C123 Aneth Unit

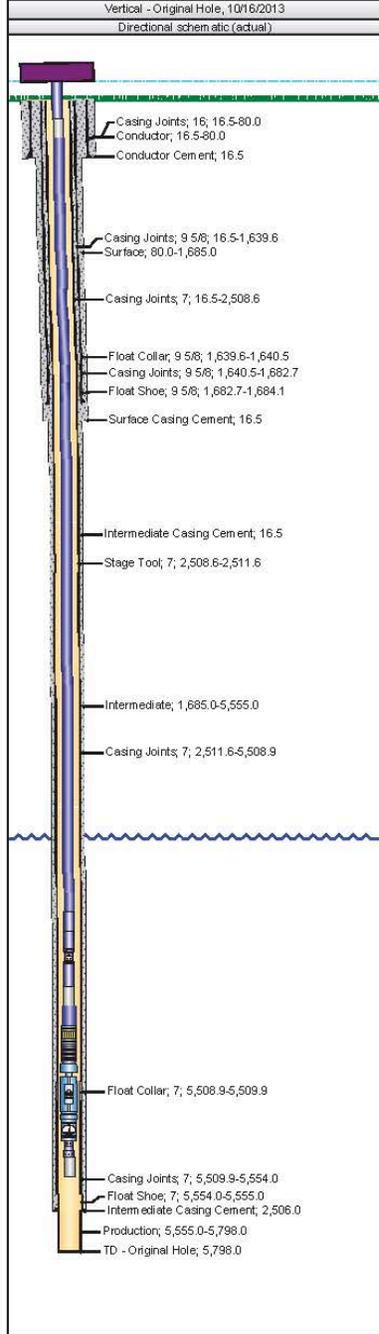
API Number 4303750036	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	

Report Number	Start Date	End Date	Summary
17	8/28/2013	8/29/2013	Drig cmt f/ 5498' t/ FC @ 5507', drig shoe trax, shoe @ 5555', Drig 6-1/8" open hole f/ 5555 t/ 5560', circ BU, Transfer water f/ active pit, add 1.1 bpgg mud to active, displace water f/ hole w/ mud. TOH w/ Clean out assembly, TIH, Drig 6-7/8" Prod f/ 5555' t/ 5610'
18	8/29/2013	8/30/2013	Drig 6-1/8" Prod f/ 5310' t/ TD 5798' (TD Prod Section @ 04:30 8/30/2013) Circ w/ sweeps.
19	8/30/2013	8/31/2013	Short Trip back up t/ 7" shoe 5555', Flow check. Rig serv, TIH no fill hole slick, Circ BU gas @ 132 units (Pason Gas) TOH, RU Weatherford OH logs, (triple combo 2 runs), RU Blue Jet, RIH w/ 7" Arrow set 1X packer Set packer 5481' KB Run CBL f/ 5465' t/ Surf, Trip in hole w/ drill string and lay dn same. Change rams, RU Casing crew. RIH w/ on off tools on 2-7/8" tubing.
20	8/31/2013	9/1/2013	Single in hole w/ 2-7/8" prod t/bg, tag packer @ 5491'. J-off, circ dn tbg w/ 8.4 ppg packer fluid, displace mud. Space out, land tbg in packer. Test annulus 500 psi, 30 min. ND BOP's, install 2 way check and TIW. RD rig, clean pits. Rig Released to the Aneth Unit C 223 X, @ 06:00 9/1/2013. Final drilling report.
21	9/5/2013	9/5/2013	MIRU Tefteller & flowback tank. Tie in flowline to frac tank. Wait on Press truck & LOTO to be removed by production from tree. SITP 0 psig. SICP 0 psig. RIH w/probe to 5,300'. Press tbg to 1,500 psig. RIH & puncture plug @ 5,465 WL depth. Press drpd to 1,300 psig. POOH. RIH w/retrieving tl to 5,465' WL depth. Latch 2.25 plug. POOH w/ 2.25 plug. RDMO Tefteller WLU. Tbg press drpd to 600 psig. Press up flowlines from WH. Leaking almost every fitting. All piping not tight. Put together w/teflon tape only. Broke out all piping. Had one nipple & 3" 3K check vlv with seized threads. Donnie delivered parts. Had to use forklift, boomers, & chains to get piping back together. Had to tighten w/2 3/8" pipe wrenches to get piping even close for unions to line up. Tested piping to 500 psig to flowline on edge of loc. No leaks. Total press drop when opened to test underground piping. Opened vlv to flowback tank. Steady small flow to flowback tank. Start flow @ 1733 hrs. SI for 10 min. 450 psig build up on tbg. Small buildup on csg fr heat. Leave open to cellar. Flow to flowback tank. Flowback 70 bbls.
22	9/6/2013	9/6/2013	Flowback 80 BPV. Haul PW to D6, SWI. MIRU Tefteller WLU. SITP 350 psig. SICP 0 psig. RIH w/SBHP t/s. Stops @ surface, 1,000', 2,000', 3,000', 4,000', 5,000'. RIH to 5,400' and leave @ 5,400' for 2 hrs. POOH w/SBHP t/s. SWI. Getting back oil from Surface. Pkr @ 5,465 WL Depth. Notify Verlin La using that the well is ready for them to put down line. I opened the vlv for him. Pressure drpd quickly. Asked if we had check, told him they didn't install Choke. Leave loc.
23	9/25/2013	9/25/2013	RIH w/ CT down, tag @ 5791', work CT, solid tag, no fill or trash on return. Continue to work CT up/down open 5491' to 5791'. Safety mtg w/13 people on location. Pressure test lines to 4500 psi, pump 2 bbls ahead of 28 bbls 20% acid @ 9.18 ppg slurry, .7 bpm, 3185 psi, flush 10.5 bbls. SD, pump pressure dropped 226 psi for 30 min soak. Psi level out 226 psi. Continue pumping 20% acid, 66 bbls, 1 bpm @ 4224 psi. Working CT up/down open-hole. Flush w/13 bbls FW, ISIP 316 psi, 5 min 248 psi, 10 min 226 psi, 15 min 226 psi. CT unit over displaced another 30 bbls.
24	10/4/2013	10/4/2013	
25	10/10/2013	10/10/2013	Move in and RU, flow well back.
26	10/11/2013	10/11/2013	Kill tubing, release on/off tool, circulate 10# brine.
27	10/14/2013	10/14/2013	Bleed and kill well. T ooh with packer, tih with bit.
28	10/15/2013	10/15/2013	Clean out to PBSD @ 5798'.
29	10/16/2013	10/16/2013	Install and run ESP equipment.
30	10/17/2013	10/17/2013	Tail gate, JSA, set up equipment, transformer and VSD, set up transformer, to install pressure wire and pull i/o cable terminal wire, made up jumper on high side, 5 KVA
31	10/17/2013	10/17/2013	Kill well, install master valve. Rig down and move off.
32	10/18/2013	10/18/2013	Tail gate, JSA, had to energize pad mount transformer and grave work, hook up pump and install riser
33	10/19/2013	10/19/2013	Locate lines and fittings at MCU, then dig trench from chemical tray to wellhead and connect tubing, pick up 1/2" 90 and 1/2" nipple from AU and finish chemical line. back fill. tighten up leaking 3" hammer union, tum well on, clean up and haul fittings to AU
34	10/21/2013	10/21/2013	Parts for wellhead at AU c-123
35	10/23/2013	10/23/2013	Clean location

# Resolute

Well Name: C123 Aneth Unit

API Number 4303750036	Section 23	Qtr/Qtr NW NE	Township 40S	Range 23E	Block	Reg Spud DT/m 8/16/2013 19:00	Field Name Aneth	State/Province Utah	Working Interest (%) 62.39
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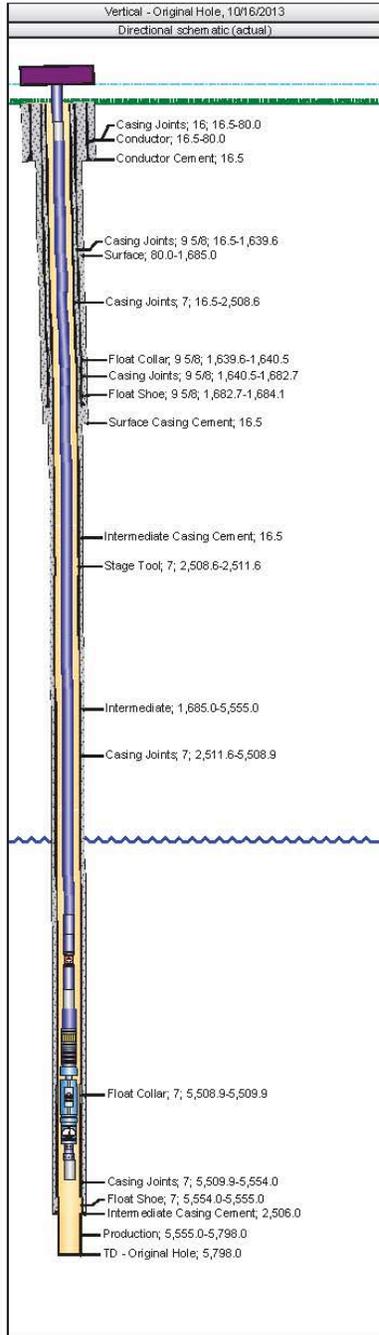


Tubing		Set Depth (ftKB)	Run Date	Pull Date		
Tubing - Production		5,527.2	10/16/2013			
Comment						
Item Des	Icon	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing	Tubing (blue)	2 7/8	J-55	31.35	0.0	31.4
Tubing Pup Joint	Tubing (grey)	2 7/8	J-55	16.37	31.4	47.7
Tubing	Tubing (blue)	2 7/8	J-55	5,266.80	47.7	5,314.5
Tubing Drain	Tubing (blue)	2 7/8	Stainless	0.57	5,314.5	5,315.1
Tubing	Tubing (blue)	2 7/8	J-55	31.35	5,315.1	5,346.5
Check Valve	Valve	2 7/8	Stainless	0.52	5,346.5	5,347.0
Tubing	Tubing (blue)	2 7/8	J-55	62.70	5,347.0	5,409.7
Tubing Pup Joint / Centilizer	Tubing (grey)	2 7/8	J-55	4.16	5,409.7	5,413.8
ESP - Pump	ESP - pump	4		66.13	5,413.8	5,480.0
ESP - Intake	Intake	4		2.60	5,480.0	5,482.6
Seal	Seal	4		12.20	5,482.6	5,494.8
ESP - Motor	ESP - motor	4 1/2		23.15	5,494.8	5,517.9
Pressure / Temperature Sensor	Pressure sensor	4		4.10	5,517.9	5,522.0
Cross Over / 2 3/8 x 2 7/8	Swedge - enlarging	2 7/8		0.32	5,522.0	5,522.3
Tubing Pup Joint / Centilizer	Tubing (grey)	2 7/8		4.87	5,522.3	5,527.2

# Resolute

Well Name: C123 Aneth Unit

API Number 4303750036	Section 23	Qtr/Qtr NW NE	Township 40S	Range 23E	Block	Reg Spud DT/Time 8/16/2013 19:00	Field Name Aneth	State/Province Utah	Working Interest (%) 62.39
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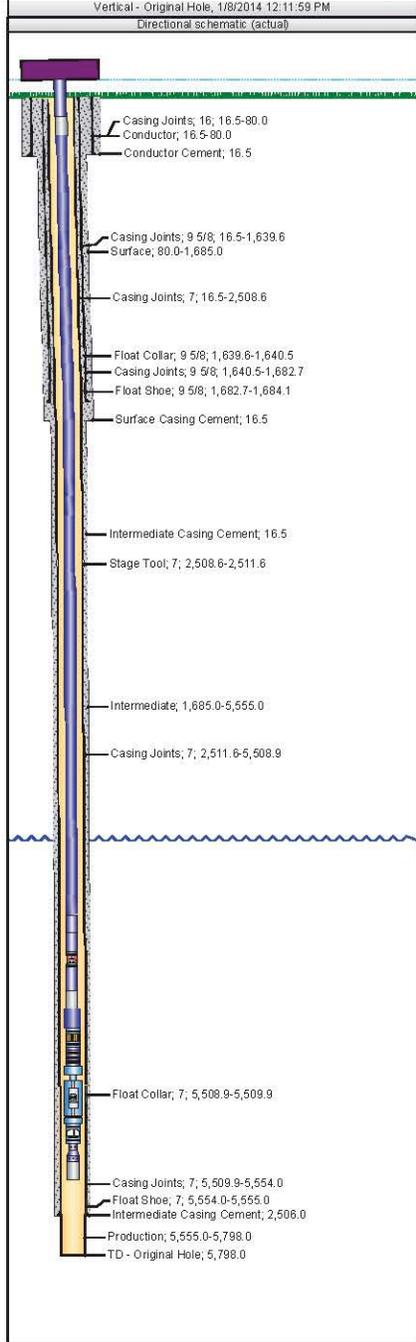
Rod Strings							
Rod Description	Set Depth (ftKB)	Run Date	Pull Date				
Comment							
Item Des	Icon	OD (in)	Grade	Len (ft)	Max Tensile (1000lb)	Top (ftKB)	Btm (ftKB)
Other Strings							
String Description	Run Date	Set Depth (ftKB)					
Other In Hole							
Description	Icon	Bottom Depth (ftKB)	Run Date				



Casing, Liner and Cement report

Well Name: C123 Aneth Unit

API Number 4303750036	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	



<b>Wellbore</b>			
Wellbore Name Original Hole	Profile Type Vertical	Kick Off Depth (ftKB)	Vertical Section Direction (°)
Section Des	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
Conductor	20	16.5	80.0
Surface	12 1/4	80.0	1,685.0
Intermediate	8 3/4	1,685.0	5,555.0
Production	6 1/8	5,555.0	5,798.0
<b>Wellhead</b>			
Type 11" x 3000, T00			
Des	Make	Model	SN
WP Top (psi)			
Type 11" x 3000, C22 bowl			
Des	Make	Model	SN
WP Top (psi)			
<b>Mud Checks</b>			
Date	Type	Depth (ftKB)	Dens (lb/gal)
			Vis (s/g)
			Gel (10s) (lb/100ft³)
			Gel (10m) (lb/100ft³)
			PV OR (Pa-s)
			YP OR (lb/100ft³)
<b>Casing</b>			
Casing Description Conductor	Run Date/Time 8/14/2013 17:00	Set Depth (ftKB) 80.0	Wellbore Original Hole
Centralizers Scratchers			
Jts	Item Des	OD (in)	WT (lb/ft)
2	Casing Joints	16	65.00
		Grade H-40	Lan (ft)
		Top (ftKB)	Btm (ftKB)
		16.5	80.0
<b>Cement: Conductor Cement</b>			
Cementing Start Date 8/14/2013	Cementing End Date 8/14/2013	Wellbore Original Hole	
Evaluation Method Returns to Surface			
Cement Evaluation Results			
Comment			
<b>Cement Stage: Conductor Cement</b>			
Top Depth (ftKB) 16.5	Bottom Depth (ftKB) 80.0	Full Return?	Vol. Ceme...
Top Plug?	Bottom Plug?		
Q Pump Init (bbl/min)	Q Pump Final (bbl/min)	Avg Pump Rate (bbl/min)	Final Pump Pressure (psi)
Plug Bump Pressure (psi)			
Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?
Pipe RPM (rpm)			
Tagged Depth (ftKB)	Tag Method	Depth Plug Drilled Out...	Drill Out Diameter (in)
Drill Out Date/Time			
<b>Cement Fluid: &lt;Description?&gt;</b>			
Fluid Type	Fluid Description	Amount (s...)	Class
Volume Pumped (bbl)			
Estimated Top (ftKB)	Est Btm (ftKB)	Yield (lb/sack)	Mix H2O Ratio (gal/sack)
Free Water (%)			
Density (lb/gal)	Plastic Viscosity (Pa-s)	Thickening Time (hr)	1st Compressive Strength (psi)
<b>Cement Fluid Additives</b>			
Add	Type	Conc.	

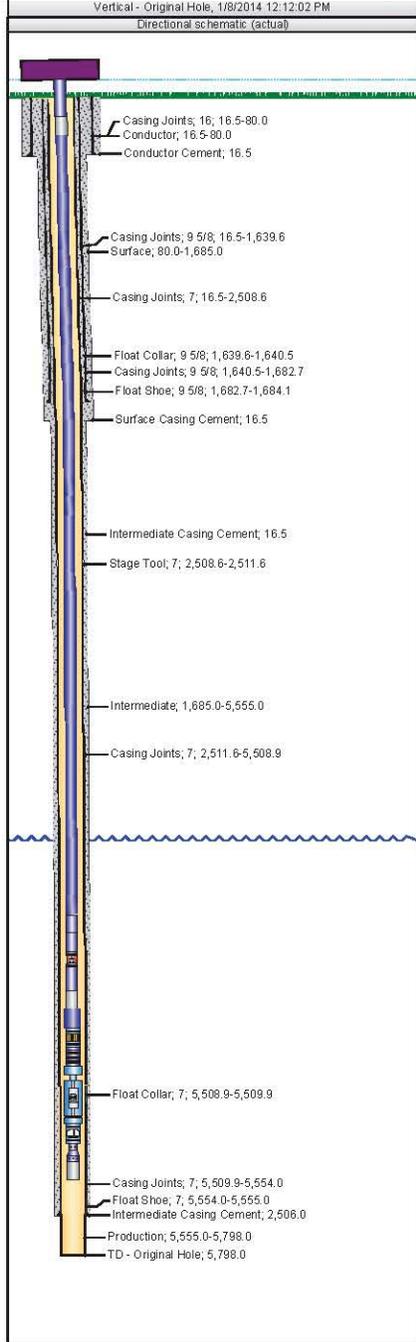




Casing, Liner and Cement report

Well Name: C123 Aneth Unit

API Number 4303750036	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/11/2013 06:00	



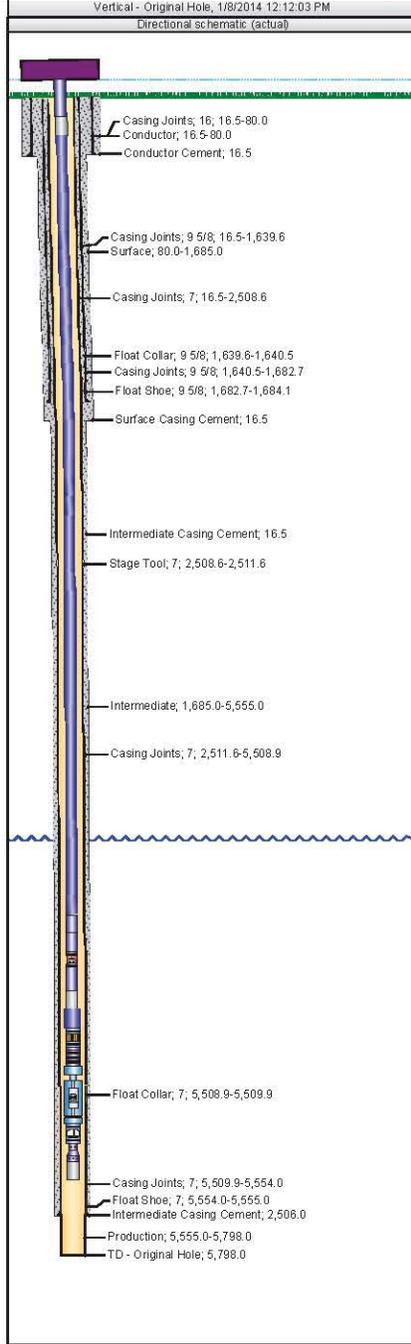
Cement Fluid: Surface Casing Cement						
Fluid Type Tail	Fluid Description			Amount (s.) 100	Class G	Volume Pumped (bb) 20.5
Estimated Top (ft/B)	Est Btm (ft/B)	Yield (ft/sack)	Mix H2O Ratio (gal/sack)	Free Water (%)		
1,375.0	1,685.0	1.15	4.97			
Density (lb/gal) 11.80	Plastic Viscosity (Pa-s)	Thickening Time (hr)	1st Compressive Strength (psi)			
Cement Fluid Additives						
Add	Type	Conc				
Class G Reg.		94.0				
POLY-E-FLAKE		0.125				



**Casing, Liner and Cement report**

**Well Name: C123 Aneth Unit**

API Number 4303750036	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	



Wellbore			
Wellbore Name Original Hole	Profile Type Vertical	Kick Off Depth (ftKB)	Vertical Section Direction (°)
Section Des	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
Conductor	20	16.5	80.0
Surface	12 1/4	80.0	1,685.0
Intermediate	8 3/4	1,685.0	5,555.0
Production	6 1/8	5,555.0	5,798.0

Wellhead				
Type 11" x 3000, T00				
Des	Make	Model	SN	WP Top (psi)
Type 11" x 3000, C22 bowl				
Des	Make	Model	SN	WP Top (psi)

Mud Checks								
Date	Type	Depth (ftKB)	Dens (lb/gal)	Vis (s/g)	Gel (10s) (lb/100ft)	Gel (10m) (lb/100ft)	PV OR (Pa-s)	YP OR (lb/100ft)
8/17/2013	Fresh Water	750.0	8.40	28			1.0	1.000
8/18/2013	Fresh Water		8.50	28			1.0	1.000
8/20/2013	Water Base	1,684.0	9.50	32	3.000	5.000	4.0	8.000
8/21/2013	Water Base	3,150.0	9.60	40	4.000	6.000	15.0	15.000
8/22/2013	Water Base	4,353.0	9.50	44	4.000	7.000	15.0	16.000
8/23/2013	Water Base	5,250.0	9.80	39	4.000	7.000	13.0	16.000
8/24/2013	Water Base	5,555.0	9.70	47	5.000	8.000	12.0	19.000
8/25/2013	Water Base	5,555.0	9.85	44	5.000	9.000	7.0	15.000

Casing							
Casing Description Intermediate	Run Date/Time 8/26/2013 00:30	Set Depth (ftKB) 5,555.0	Wellbore Original Hole				
Centralizers 33	Scratchers						
Jts	Item Des	OD (in)	WT (lb/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
57	Casing Joints	7	26.00	J-55	2,492.09	16.5	2,508.6
1	Stage Tool	7	26.00	J-55	3.00	2,508.6	2,511.6
68	Casing Joints	7	26.00	J-55	2,997.26	2,511.6	5,508.9
1	Float Collar	7	26.00	J-55	1.00	5,508.9	5,509.9
1	Casing Joints	7	26.00	J-55	44.14	5,509.9	5,554.0
1	Float Shoe	7	26.00	J-55	1.00	5,554.0	5,555.0

Cement: Intermediate Casing Cement		
Cementing Start Date 8/26/2013	Cementing End Date 8/26/2013	Wellbore Original Hole
Evaluation Method Returns to surface	Cement Evaluation Results Circ 20 bbls cmt to surf on 1st stage.	
Comment		

Cement Stage: Intermediate Casing Cement					
Top Depth (ftKB) 2,506.0	Bottom Depth (ftKB) 5,555.0	Full Return? Yes	Vol Ceme... 20.0	Top Plug? Yes	Bottom Plug?
Q Pump Init (bbl/min) 2	Q Pump Final (bbl/min) 2	Avg Pump Rate (bbl/min) 5	Final Pump Pressure (psi) 960.0	Plug Bump Pressure (psi) 1,480.0	
Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)	
Tagged Depth (ftKB)	Tag Method	Depth Plug Drilled Out...	Drill Out Diameter (in)	Drill Out Date/Time	

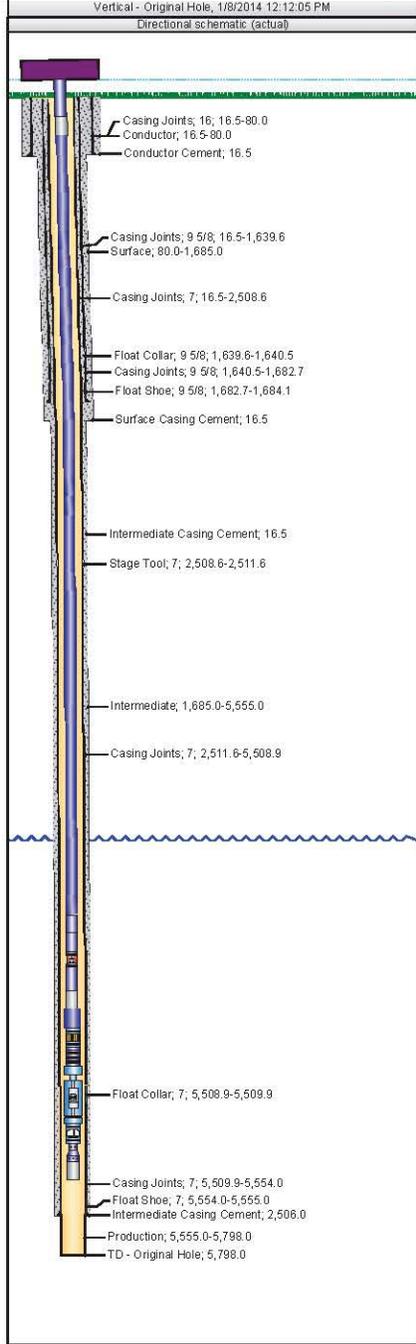
Cement Fluid: Intermediate Casing Cement				
Fluid Type Lead	Fluid Description	Amount (s...) 344	Class Howcco Lite	Volume Pumped (bbl) 121.0
Estimated Top (ftKB) 2,506.0	Est Btm (ftKB) 5,055.0	Yield (lb/sack) 1.98	Mix H2O Ratio (gal/sack) 10.17	Free Water (%)
Density (lb/gal) 12.30	Plastic Viscosity (Pa-s)	Thickening Time (hr)	1st Compressive Strength (psi)	



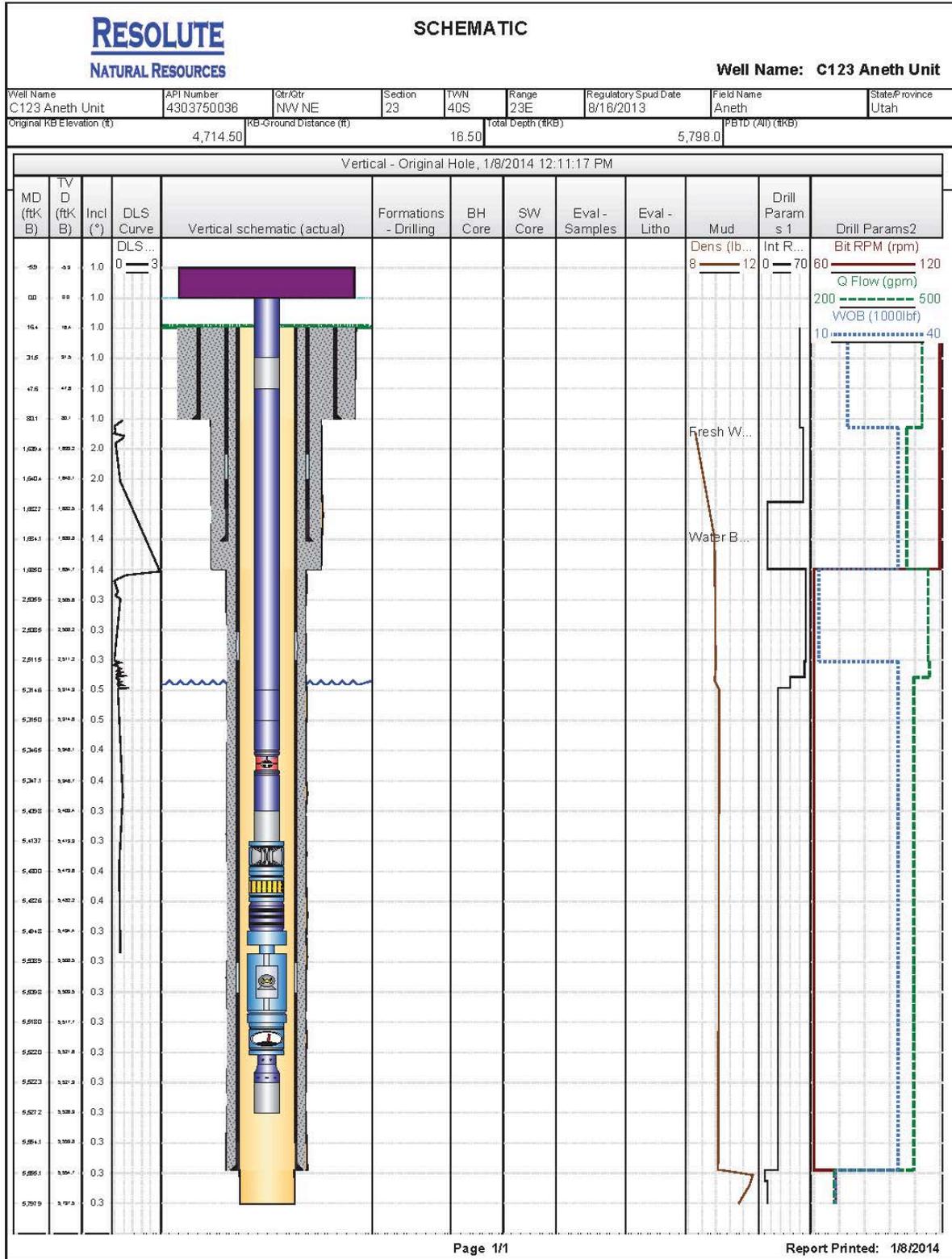
Casing, Liner and Cement report

Well Name: C123 Aneth Unit

API Number 4303750036	Section 23	Township 40S	Range 23E	Field Name Aneth	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Casing Flange Elevation (ft)	KB-Ground Distance (ft) 16.50	KB-Casing Flange Distance (ft)	Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	



Cement Fluid Additives					
Add	Type	Conc			
CaCL					
HR-5					
Kol-Seal					
Poly-E-Flake					
Cement Fluid: Intermediate Casing Cement					
Fluid Type	Fluid Description	Amount (s...)	Class	Volume Pumped (bb)	
Tail		100	G	21.0	
Estimated Top (ftKB)	Est Btm (ftKB)	Yield (t/sack)	Mix H2O Ratio (gal/sack)	Free Water (%)	
5,055.0	5,555.0	1.15	4.98		
Density (lb/gal)	Plastic Viscosity (Pa-s)	Thickening Time (hr)	1st Compressive Strength (psi)		
15.80					
Cement Fluid Additives					
Add	Type	Conc			
Halad 9					
Poly-E-Flake					
Cement Stage: Intermediate Casing Cement					
Top Depth (ftKB)	Bottom Depth (ftKB)	Full Return?	Vol Ceme...	Top Plug?	Bottom Plug?
16.5	2,506.0	Yes	12.0	Yes	Yes
Q Pump Init (bb/min)	Q Pump Final (bb/min)	Avg Pump Rate (bb/min)	Final Pump Pressure (psi)	Plug Bump Pressure (psi)	
2	2	5	930.0	2,500.0	
Pipe Reciprocated?	Stroke (ft)	Reciprocation Rate (spm)	Pipe Rotated?	Pipe RPM (rpm)	
Tagged Depth (ftKB)	Tag Method	Depth Plug Drilled Out...	Drill Out Diameter (in)	Drill Out Date/Time	
Cement Fluid: Intermediate Casing Cement					
Fluid Type	Fluid Description	Amount (s...)	Class	Volume Pumped (bb)	
Lead		215	Howcco Lite	74.0	
Estimated Top (ftKB)	Est Btm (ftKB)	Yield (t/sack)	Mix H2O Ratio (gal/sack)	Free Water (%)	
16.5	2,006.0	1.94	10.04		
Density (lb/gal)	Plastic Viscosity (Pa-s)	Thickening Time (hr)	1st Compressive Strength (psi)		
12.30					
Cement Fluid Additives					
Add	Type	Conc			
Kol-Seal					
Poly-E-Flake					
Cement Fluid: Intermediate Casing Cement					
Fluid Type	Fluid Description	Amount (s...)	Class	Volume Pumped (bb)	
Tail		215	G	21.0	
Estimated Top (ftKB)	Est Btm (ftKB)	Yield (t/sack)	Mix H2O Ratio (gal/sack)	Free Water (%)	
2,006.0	2,506.0	1.15	4.98		
Density (lb/gal)	Plastic Viscosity (Pa-s)	Thickening Time (hr)	1st Compressive Strength (psi)		
15.80					
Cement Fluid Additives					
Add	Type	Conc			
Halad 9					



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9  5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL 071010
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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: ANETH
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: Aneth C-123
2. NAME OF OPERATOR: RESOLUTE NATURAL RESOURCES	9. API NUMBER: 43037500360000
3. ADDRESS OF OPERATOR: 1700 Lincoln Street, Suite 2800 , Denver, CO, 80203 4535	PHONE NUMBER: 303 534-4600 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0815 FNL 1970 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: GREATER ANETH  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"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 10/20/2014  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> 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="Convert to Packer"/>

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

Resolute Natural Resources respectfully submits this sundry as notice to convert the above well to packer. Attached are the procedures and schematic

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

Date: October 23, 2014

By: *Derek Duff*

NAME (PLEASE PRINT) Erin Joseph	PHONE NUMBER 303 573-4886	TITLE Sr. Regulatory Analyst
SIGNATURE N/A		DATE 10/17/2014

# **RESOLUTE**

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## **NATURAL RESOURCES**

AU C-123 Convert to Packer

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### **Procedure**

- 1) MIRU
- 2) Pull production equipment (ESP w/ capillary string).
- 3) Clean out to TD (Open Hole: 5555'-5798').
- 4) Acidize with 2,500 gals 20% HCL.
- 5) Run production equipment (packer).
- 6) Circulate packer fluid.
- 7) MIT
- 8) RDMOL
- 9) Notify operations.

# Resolute

Well Name: C123 Aneth Unit

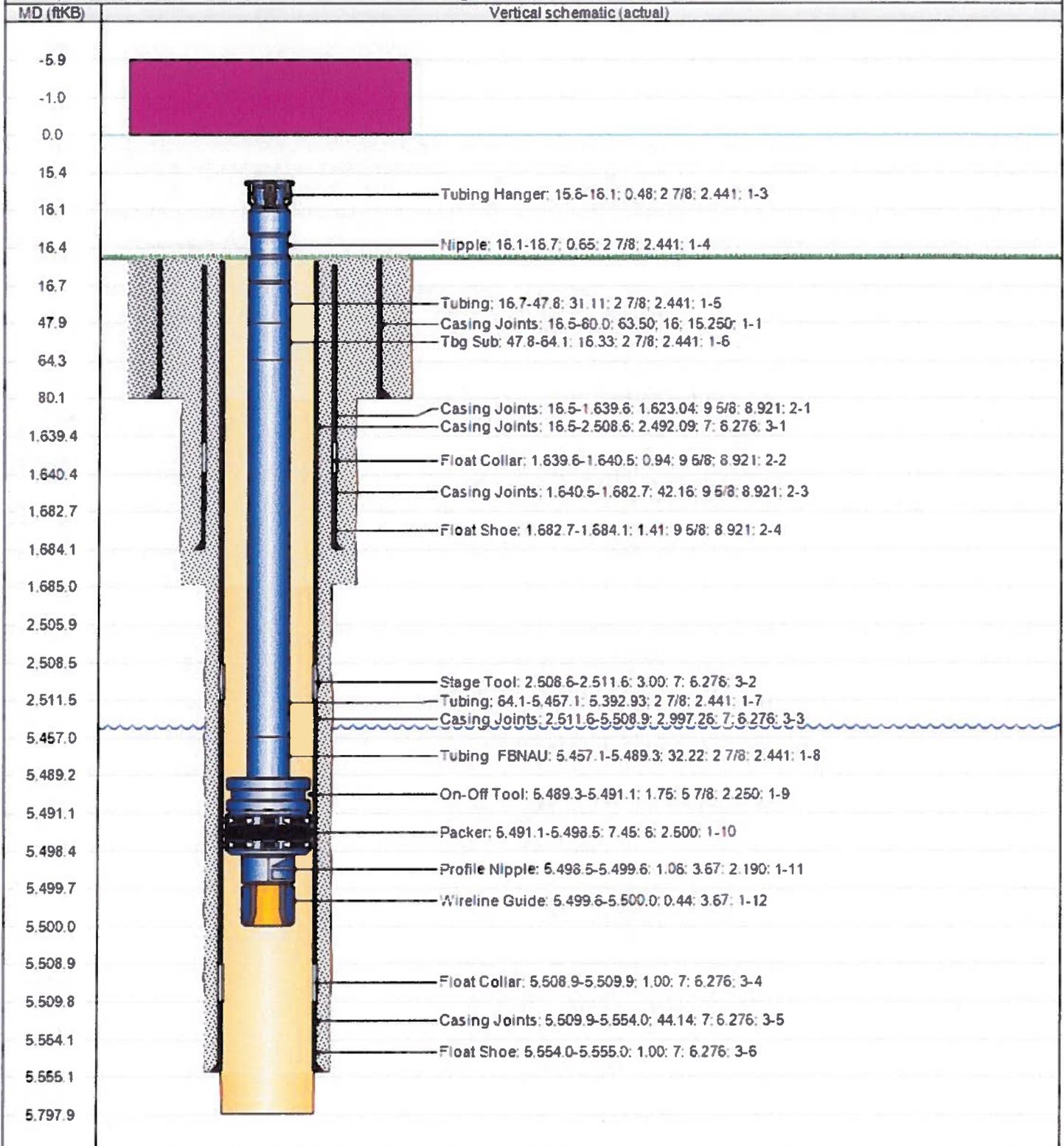
API Number 4303750036	Sector 23	Dr. Qtr. NW NE	TWN 40S	RGE 23E	Block	Reg. Sold Date 8/15/2013 19:00	Field Name Aneth	State Prov Utah	Well No. 62.39
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**Most Recent Job**

Job Category Drilling	Primary Job Type Drilling - original	Secondary Job Type	Start Date 8/15/2013	End Date
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TD: 5,798.0

Vertical - Original Hole, 10/4/2013 10:50:15 AM



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTSL 071010
<b>1. TYPE OF WELL</b> Oil Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> RESOLUTE NATURAL RESOURCES		<b>7. UNIT or CA AGREEMENT NAME:</b> ANETH
<b>3. ADDRESS OF OPERATOR:</b> 1700 Lincoln Street, Suite 2800 , Denver, CO, 80203 4535		<b>8. WELL NAME and NUMBER:</b> Aneth C-123
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0815 FNL 1970 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 23 Township: 40.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43037500360000
<b>PHONE NUMBER:</b> 303 534-4600 Ext		<b>9. FIELD and POOL or WILDCAT:</b> GREATER ANETH
<b>COUNTY:</b> SAN JUAN		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<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: 10/14/2014	<input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="convert to packer"/>	
<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.  Resolute Natural Resources submits this sundry as notice that the conversion to packer was completed on 10/14/2014 please see attached activity summary for work details.		
<b>Accepted by the          Utah Division of          Oil, Gas and Mining          FOR RECORD ONLY          December 08, 2014</b>		
<b>NAME (PLEASE PRINT)</b> Erin Joseph	<b>PHONE NUMBER</b> 303 573-4886	<b>TITLE</b> Sr. Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 12/8/2014	



## Daily Activity Summary

Well Name: AU C-123

API Number 4303750036		Section 23	Township 40S	Range 23E	Field Name Aneth Unit	County San Juan	State/Province Utah
Ground Elevation (ft) 4,698.00	Original KB Elevation (ft) 4,714.50	KB-Ground Distance (ft) 16.50		Regulatory Spud Date 8/16/2013 19:00	Rig Release Date/Time 9/1/2013 06:00	First Production Date 10/10/2013	
Job Category Workover			Primary Job Type W/O Producing Well			IAFF Number	
Start Date 10/14/2014			End Date 10/22/2014			Total AFE Amount (Cost)	
Objective Job scope includes: clean out to TD, acid stimulation & installation of a production packer.							
Contractor TOPPS			Rig Number 6	Rig on Report Date 10/14/2014		Rig off report date 10/22/2014	
Report Number	Start Date	End Date	Summary				
1	10/14/2014 09:30	10/14/2014 18:30	Move in and rig up. Pump and kill well. Nipple up BOP-hydri.				
2	10/15/2014 06:30	10/15/2014 18:30	Pump and kill well. Remove hanger, add packer, test bop-hydri, release and lay down packer.				
3	10/16/2014 06:30	10/16/2014 20:00	Pump and kill well. Tooh with tubing, lay down esp equipment. Make up bit and scraper, tih with tubing.				
4	10/17/2014 06:30	10/17/2014 17:00	Pump and kill well. TOO H with tubing, bit and scraper. TIH with tubing, packer and set at 5530'.				
5	10/20/2014 06:30	10/20/2014 17:30	Pump 1500 gals acid, let soak, flow back.				
6	10/21/2014 06:30	10/21/2014 19:30	Set plug in packer, blow well down, J off from packer, tooh laying down tubing, remove spool from bops, tally start picking up tubing.				
7	10/22/2014 06:30	10/22/2014 18:00	Finish picking up tubing, circulate packer fluid. ND bops, land tubing, make up well head. Test casing and tree. Fish plug from packer. Rig down and move off.				
8	10/23/2014 00:00	10/23/2014 00:00	Clean location				
9	10/24/2014 00:00	10/24/2014 00:00					