API Well Number: 43037500380000

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

FORM 3
AMENDED REPORT ☑

APPLICATION FOR PERMIT TO DRILL

	1. WELL NAME and NUMBER Aneth A-414X
2. TYPE OF WORK DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○	**3. FIELD OR WILDCAT** GREATER ANETH
4. TYPE OF WELL Water Injection 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 070968	**11. MINERAL OWNERSHIP** FEDERAL ◉ INDIAN ○ STATE ○ FEE ○
12. SURFACE OWNERSHIP FEDERAL ◉ INDIAN ○ STATE ○ FEE ○	
13. NAME OF SURFACE OWNER (if box 12 = 'fee')	**14. SURFACE OWNER PHONE (if box 12 = 'fee')**
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	**18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ◉
19. SLANT VERTICAL ◉ DIRECTIONAL ○ HORIZONTAL ○	

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	788 FSL 818 FWL	SWSW	14	40.0 S	23.0 E	S
Top of Uppermost Producing Zone	788 FSL 818 FWL	SWSW	14	40.0 S	23.0 E	S
At Total Depth	788 FSL 818 FWL	SWSW	14	40.0 S	23.0 E	S

21. COUNTY SAN JUAN	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 788	**23. NUMBER OF ACRES IN DRILLING UNIT** 640
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1220	**26. PROPOSED DEPTH** MD: 5797 TVD: 5797
27. ELEVATION - GROUND LEVEL 4756	**28. BOND NUMBER** UTB000169	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** 09-1428

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	24	16	0 - 90	65.0	C-75 Casing/Tubing	9.4	Unknown	134	1.25	26.0
SURF	14.75	10.75	0 - 1677	40.5	J-55 ST&C	9.4	Premium Lite High Strength	465	1.88	12.5
							Premium Plus	133	1.16	15.8
PROD	9.875	7	0 - 5614	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	134	1.15	15.8
OPEN	6.125	0	0 - 5797	0.0	No Pipe Used	0.0	No Used	0	0.0	0.0

ATTACHMENTS

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

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	☑ COMPLETE DRILLING PLAN
☐ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
☐ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	☑ TOPOGRAPHICAL MAP

NAME Sara Bohl	**TITLE** Regulatory Analyst	**PHONE** 303 534-4600
SIGNATURE	**DATE** 10/16/2012	**EMAIL** sbohl@ResoluteEnergy.com

API NUMBER ASSIGNED
43037500380000

APPROVAL

Permit Manager

RECEIVED: November 01, 2012

Geology - Anticipated Geologic Markers

Project/Area	Aneth Unit			
Operator	Resolute			
Well Name	A-414X			
County/State	San Juan		UT	
GL / KB	GL	4,756.5	KB	4,742.0
Spot/Sect/Twnshp/Rng	SW SW / 818' FWL & 788' FSL	14	40S	23E
Vert/deviated/horiz?	Vertical - redrill injector			
Projection	Utah South (NAD 27)			
Surface XY Location	X	after survey	Y	after survey
Latitude / Longitude	Lat	34.3044734	Long	-109.363614
Proposed Total Depth	TVD	5797.0	Subsea	-1,055.0

	Name	Measured Depth (sub-KB)	Subsea TVD	Objective?
Geologic Tops (MD,TVD,SS)	**Navajo**	769	3,973	
	Chinle	1,627	3,115	
	Organ Rock	2,899	1,844	
	Hermosa	4,739	4	
	Ismay	5,479	-737	
	Gothic Shale	5,629	-887	
	Desert Creek I	5,652	-910	Primary
	Desert Creek II	5,678	-936	Primary
	Desert Creek III	5,724	-982	
	Chimney Rock	5,787	-1,045	

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
Mud Logging Contractor	Selman and Associates, LTD			800-578-1006
	Contact	Debbie Hillman		432-563-0084
Logging Contractor	Weatherford		Grand Junction	970-263-5801

RECEIVED: October 16, 2012

Project Overview

The target formation for the proposed Aneth Unit A414X is the Desert Creek formation. The purpose for the proposed well is to complete a injection well in the Greater Aneth Area. A vertical well will be drilled to TD (5797') in the Desert Creek formation and a full suite of logs will be run. Anticipated start date of project is August 2012 ending September 2012. Anticipated duration of project from spud to completion is 48 days.

Well Location

Surface Location: SW SW/ 818' FWL & 788' FSL

SEC 14, T40S, R23E

Lat 34.3044734 Long -109.363614

Surface Elevation: 4756' GL

Proposed Depth: 5797'

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

The target formation for the Aneth Unit A414X 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 769 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 1,627 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 sent in the upper Ismay formation and that all the lower Ismay and Dessert Creek members will be drilled open hole using a nitrogen underbalanced system.

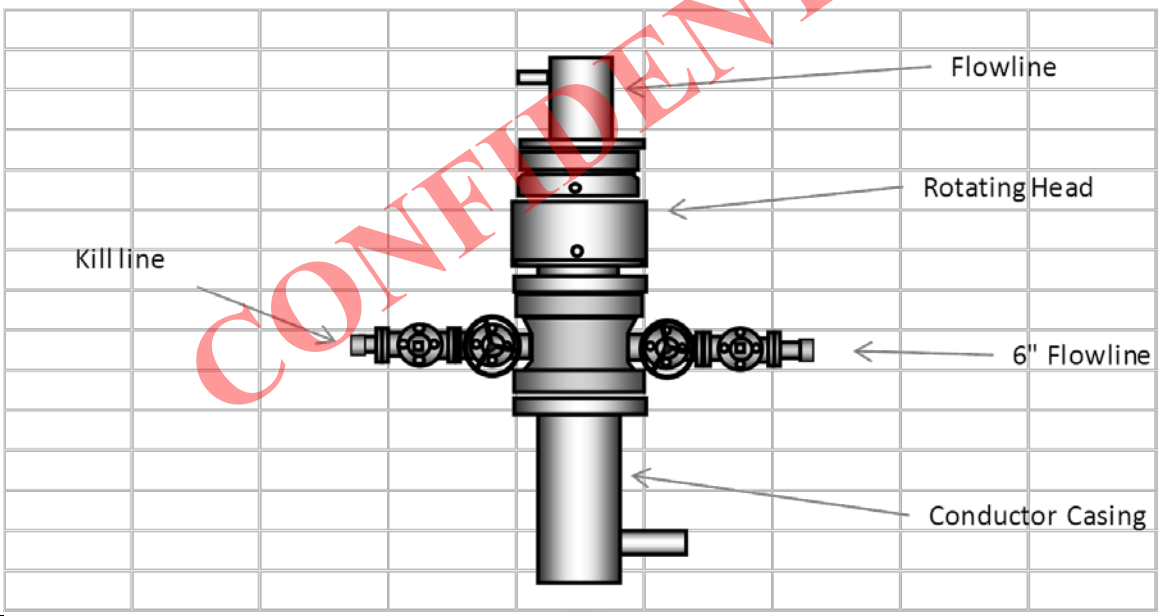
RECEIVED: October 16, 2012

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.

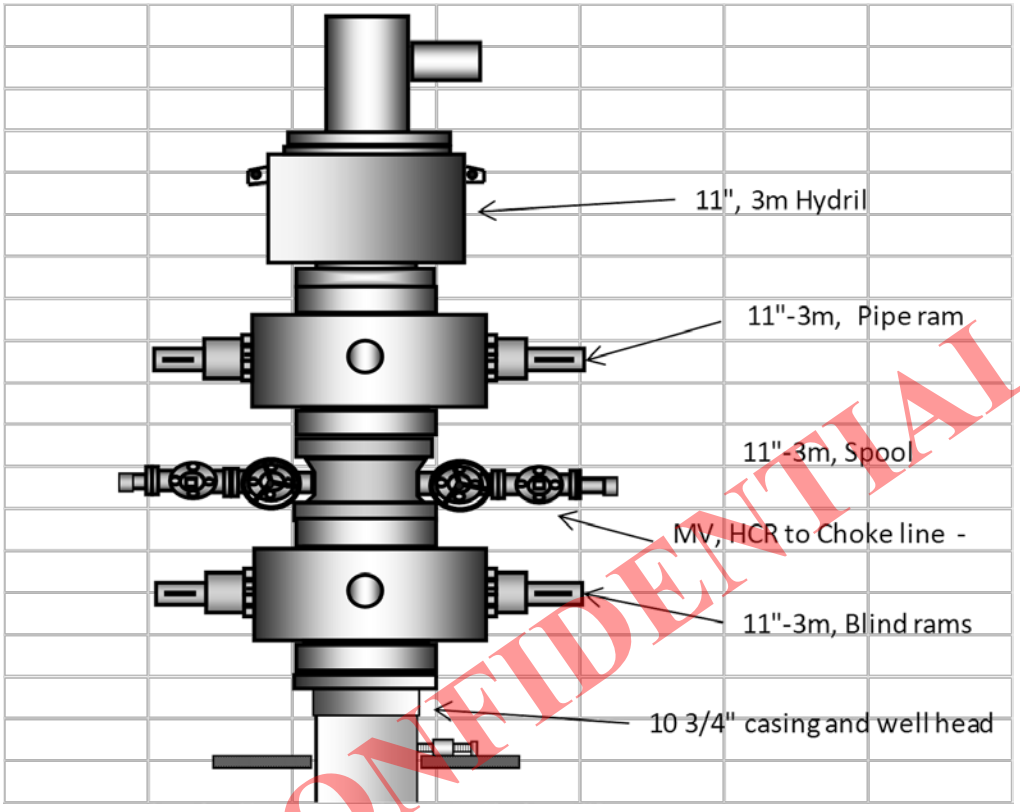
Conductor Pipe Diverter System



A diverter system as illustrated above will be installed to control well flows encountered at relatively shallow depths from ±90 to ±1,677’ 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 can not 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.

RECEIVED: October 16, 2012

Surface Casing BOPE System

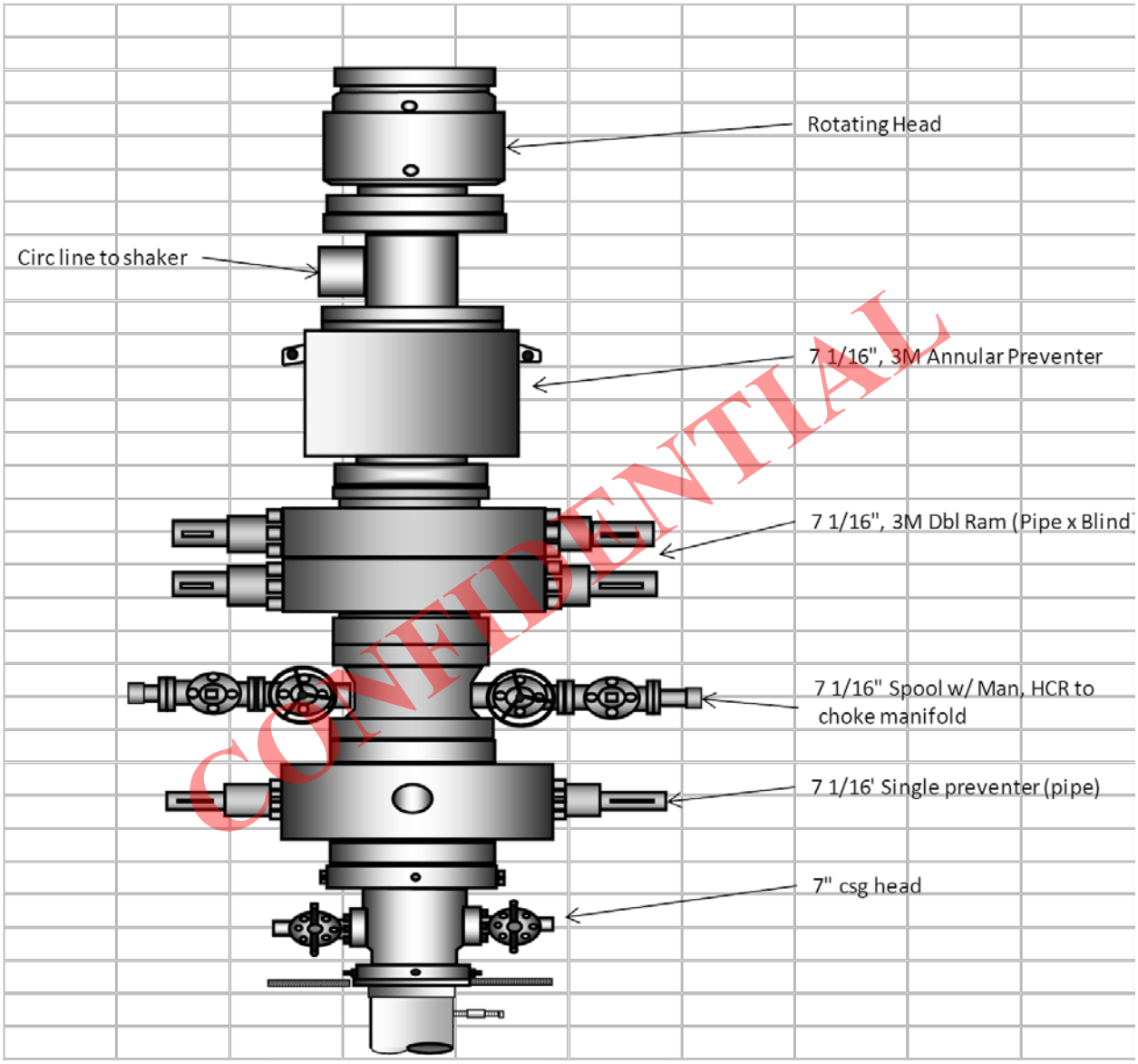


RSRA System w/HCR Valve and Choke Manifold

A RSRA system with HCR valve and rotating head as illustrated above will be installed to control well flows encountered during drilling from 1,677' feet to 7" casing setting depth. 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

RECEIVED: October 16, 2012

Production Casing BOPE System

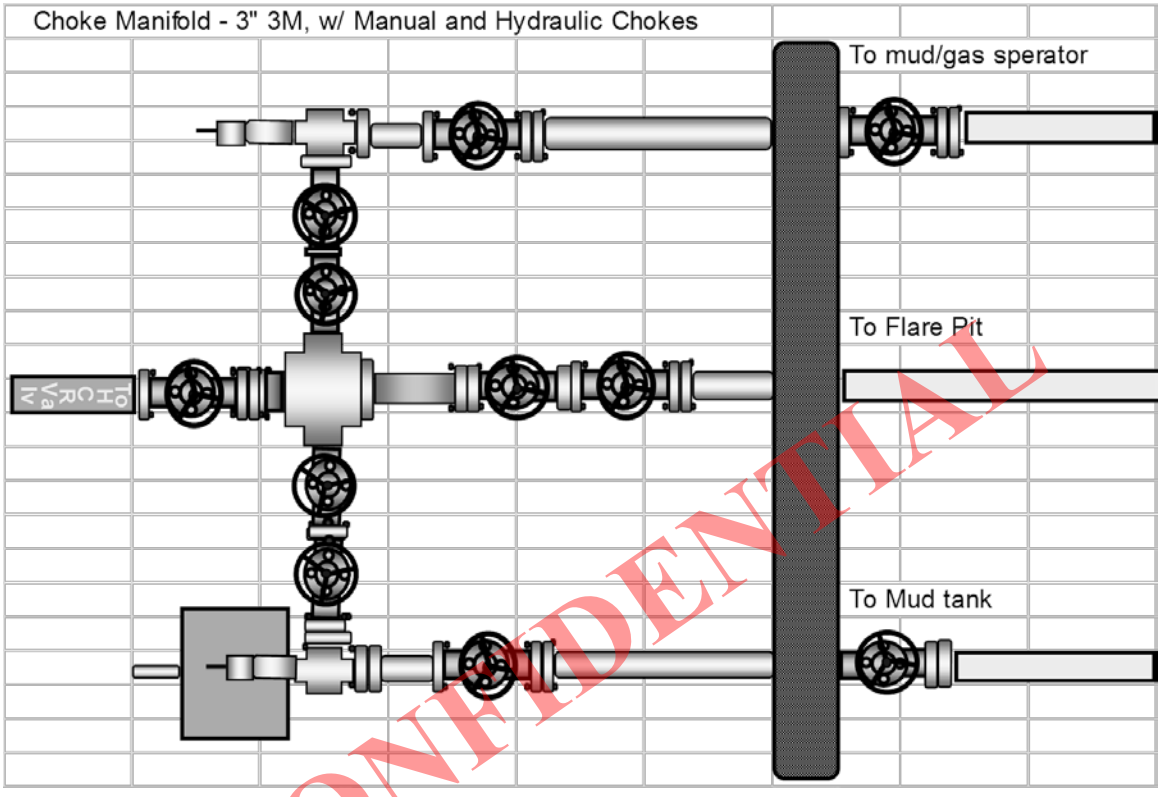


RSRRA System w/Rotating Head, HCR Valve and Choke Manifold

A RSRA system with HCR valve and rotating head as illustrated above will be installed to control well flows encountered during drilling from 5,614' to 5,797' 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

RECEIVED: October 16, 2012

Choke Mainfold



RECEIVED: October 16, 2012

Casing Program &Cement Program

Conductor Casing / Cementing								
Condcutor	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		
Cement	Lead	Redi-mix	26	Grout	5.82			
	Tail							
Stg Tool								
	Lead					Additives		
	Tail							
Shoe	Notched collar							
Cntrlzrs	None							
Other								

Surface	Surface Casing and Cement								
Surface	Hole Size	Depth	Mud Wt	Mud Hyd Press	Cement Wt	Cmt Hyd Press	Delta Press		
	14.750	1677.00	9.00	784.84	12.4/15.8	1121.71	336.87		
	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		
Cement	Lead	Prm Light	12.50	1.88	155.50	464.43	5 lbm/sk Kol-Seal, 2% CaCl, .125 lbm/sk		
							Poly-E-Flake		
	Tail	Premium	15.80	1.16	27.42	132.70	.125 lbm/sk Poly-E-Flake		
Stg Tool	Stage Tool: none								
	Lead								
	Tail								
Shoe	HES Trophy, Auto fill								
Cntrlzrs	API 10 3/4, (12): 3 on bottom jt, 1 every 4th joint to surface								
Other									

RECEIVED: October 16, 2012

Production Casing and Cement

Prod	Hole Size	Depth	Mud Wt	Hyd Press	Cement Wt	Cmt Hyd Press	Delta Press		
	9.875	5614	10.00	2919.28	12.4/15.8	3621.57	702.29		
	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
Cement	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
Stg Tool	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
Shoe	HES float shoe & HES float collar,						
Cntrlzrs	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						
Other							

RECEIVED: October 16, 2012

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 ±1,677'
Bit Size: 20" – 14 ¾'
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: ±1,677' to ±5,614' 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: ±5,614' to ±5,797'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	

RECEIVED: October 16, 2012

Weatherford International will supply Nitrogen for the Underbalanced portion of open hole from 5,614' to 5,797'. 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 (H2S) in excess of 100 ppm is anticipated in the Desert Creek zone. Potential for exposure to H2S near areas of fluid breakout (i.e. flowline, shaker, floor connections, etc.) will be minimized by having an overbalanced mud system. An H2S Drilling Operations Plan has been developed and is attached to this drilling plan.

Potential Hazards	Preventive/Corrective Measures
Water flow between ±780' and ±1,627'	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 H2S 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

RECEIVED: October 16, 2012

Drilling Tools

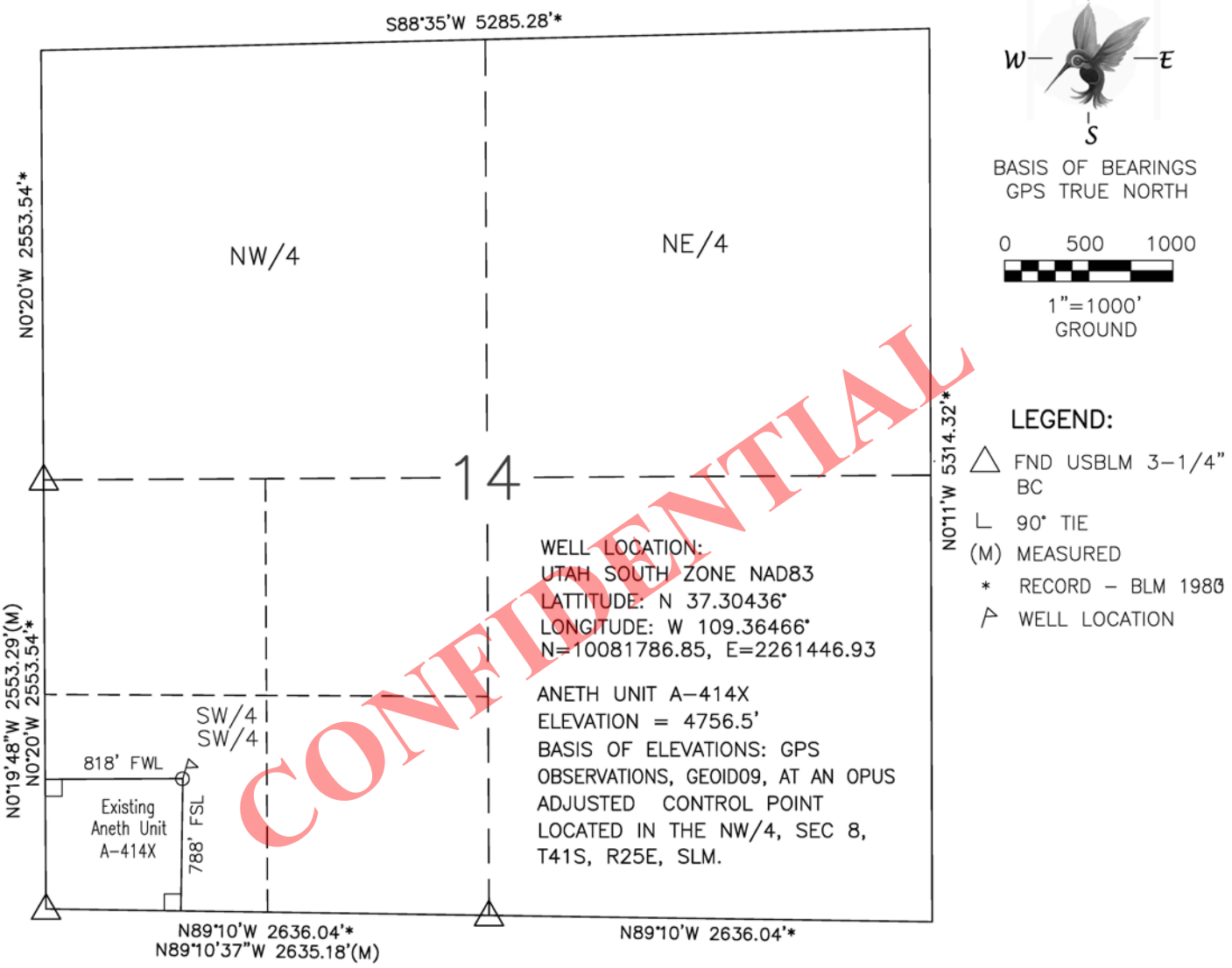
Conventional rotary drilling tools will be used to drill the proposed well. This will included Tri-Cone roller bits as well as PDCs in conjunction with nominal sized Drill collars appropriate to hole size and weight on bit needs. Conventional Drill Pipe will be used for all drilling operations appropriate 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 1650'				
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
1677' to 5614'				
Bit	9 7/8"	1	80	Tri-Cone TCI bits and PDC
Drill Collars	6 1/2"	540	55080	Smooth Drill Collars 102#/ft
5614' to 5797'				
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

RECEIVED: October 16, 2012

API Well Number: 43037500380000

Well Location - Aneth Unit A-414X



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.

REGISTERED LAND SURVEYOR
GERALD G. HUDDLESTON
No. 161297
STATE OF UTAH

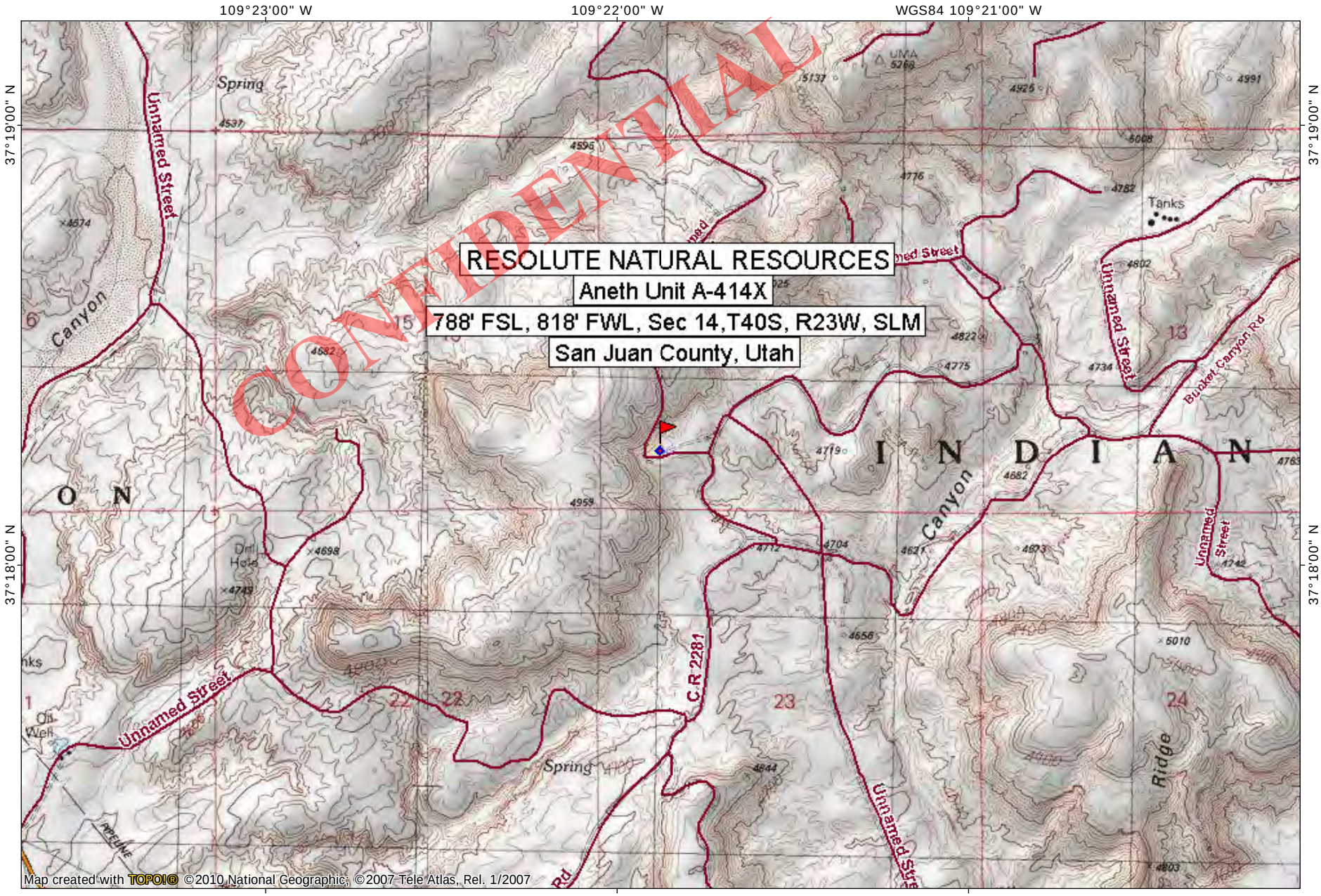
EXHIBIT A

FOOTAGE: 788' FSL 818' FWL	RESOLUTE NATURAL RESOURCES
SEC 14, T40S, R23E, SLM, SAN JUAN COUNTY, UT	
LAT: N 37.30436° LON: W 109.36466°	SURVEYED: 06/13/12
	DRAWN BY: GEL DATE: 06/17/12
ELEVATION: 4756.5' at ground level (NAVD88)	NOTE:

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

API Well Number: 43037500380000

37°18'15" N, 109°21'53" W WGS84TOPO! map printed on 06/17/12 from "AU A-414X.tpo"



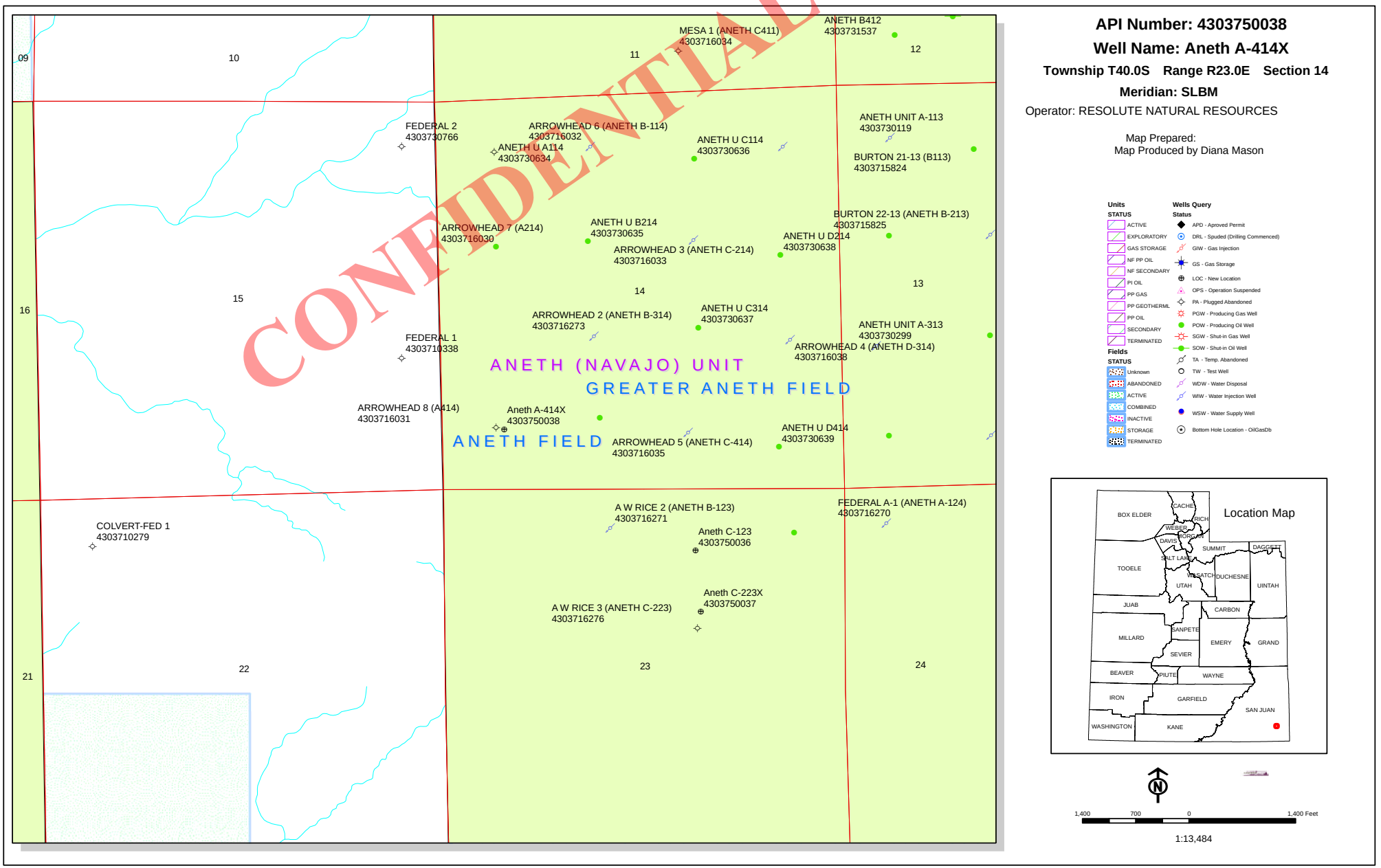
NATIONAL GEOGRAPHIC

0.0 0.1 0.2 0.3 0.4 0.5 0.6 0.7 miles
0.0 0.5 1.0 km

TN MN
10½°
06/17/12

RECEIVED: October 16, 2012

API Well Number: 43037500380000



API Number: 4303750038

Well Name: Aneth A-414X

Township T40.0S Range R23.0E Section 14

Meridian: SLBM

Operator: RESOLUTE NATURAL RESOURCES

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Fields
STATUS
Unknown
ABANDONED
ACTIVE
COMBINED
INACTIVE
STORAGE
TERMINATED

Wells Query
Status
APD - Aproved Permit
DRL - Spuded (Drilling Commenced)
GIW - Gas Injection
GS - Gas Storage
LOC - New Location
OPS - Operation Suspended
PA - Plugged Abandoned
PGW - Producing Gas Well
POW - Producing Oil Well
SGW - Shut-in Gas Well
SOW - Shut-in Oil Well
TA - Temp. Abandoned
TW - Test Well
WDW - Water Disposal
WIW - Water Injection Well
WSW - Water Supply Well
Bottom Hole Location - OilGasDb

1,400 700 0 1,400 Feet

1:13,484

RECEIVED: October 16, 2012

API Well Number: 43037500380000

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/16/2012 **API NO. ASSIGNED:** 43037500380000

WELL NAME: Aneth A-414X

OPERATOR: RESOLUTE NATURAL RESOURCES (N2700) **PHONE NUMBER:** 303 534-4600

CONTACT: Sara Bohl

PROPOSED LOCATION: SWSW 14 400S 230E **Permit Tech Review:** ☑

SURFACE: 0788 FSL 0818 FWL **Engineering Review:** ☐

BOTTOM: 0788 FSL 0818 FWL **Geology Review:** ☑

COUNTY: SAN JUAN

LATITUDE: 37.30438 **LONGITUDE:** -109.36467

UTM SURF EASTINGS: 644929.00 **NORTHINGS:** 4129893.00

FIELD NAME: GREATER ANETH

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTSL 070968 **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**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit: ANETH

- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: Cause 152-7

Effective Date: 4/22/1998

Siting: Does not suspend general siting

- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason

RECEIVED: November 01, 2012

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 A-414X
API Well Number: 43037500380000
Lease Number: UTSL 070968
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:

For John Rogers
Associate Director, Oil & Gas

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTSL 070968

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: ANETH

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: Aneth A-414X

2. NAME OF OPERATOR: RESOLUTE NATURAL RESOURCES

9. API NUMBER: 43037500380000

3. ADDRESS OF OPERATOR: 1675 Boradway Ste 1950 , Denver, CO, 80202

PHONE NUMBER: 303 534-4600 Ext

9. FIELD and POOL or WILDCAT: GREATER ANETH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0788 FSL 0818 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 14 Township: 40.0S Range: 23.0E Meridian: S

COUNTY: SAN JUAN

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 8/30/2013	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: well spud

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

Resolute spud this well on August 22, 2013. Daily drilling report is attached.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
August 30, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sherry Glass	303 573-4886	Sr Regulatory Technician
SIGNATURE N/A		**DATE** 8/30/2013

RECEIVED: Aug. 30, 2013

RESOLUTE NATURAL RESOURCES

Daily Activity and Cost Summary

Well Name: A414X Aneth Unit

API Number	Section	Township	Range	Field Name	County	State/Province
4303750038	14	40S	23E	Aneth	San Juan	Utah

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Regulatory Spud Date	Rig Release Date/Time
				8/28/2013 06:00	

Job Category	Primary Job Type	Secondary Job Type
Drilling & Completion	Drilling & Completion original	

Start Date	End Date	Total AFE Amount (Cost)
8/22/2013		2,043,293.00

Objective

The proposed A-414X location is a 40-acre injection offset to the B-414 producer, and 80-acre offset to the B-314 and B-123 injectors to the north and south of the B-414. It lies a quarter mile west of the B-414. Structurally, the A-414X is downdip from the B-414. This places the DC-I above the -960 oil-water contact (OWC), and most of the DC-II below the OWC at the proposed location.

.

Contractor	Rig Number	Rig on Report Date	Rig off report date
Peter Martin Rathole Drilling	1	8/22/2013	8/23/2013
Aztec Well Service	920	8/24/2013	

Report Number	Start Date	End Date	End Depth (ftKB)	Day Total (Cost)	Cum To Date (Cost)	Summary
1	8/22/2013	8/22/2013	40.0	4,057.00	4,057.00	Drilling 20" conductor hole section. F/0' T/ 40'
2	8/23/2013	8/23/2013	80.0	8,483.00	12,540.00	Drilling 20" conductor hole section. F/40' T/ 80', Set 16" conductor and cement. Rig Realesed on 8/23/2013 @ 17:00
3	8/24/2013	8/24/2013	80.0	28,100.00	40,640.00	Spotting in Aztec Rig 920 on location.
4	8/25/2013	8/25/2013	80.0	28,100.00	68,740.00	Rig up rig derrick and draw works.
5	8/26/2013	8/27/2013	80.0	28,100.00	96,840.00	Spool up drilling line and drum, fix top drive hoses, Waiting on weather to clear so we can get last pieces of rig into location, last of loads that came from Vernal.
6	8/27/2013	8/28/2013	610.0	28,100.00	124,940.00	Rigging up, Nipple up, M/U BHA, P/U BHA, TIH, Drill F/80' T/ 610'
7	8/28/2013	8/29/2013	1,720.0	67,411.00	192,351.00	Drilling 12-1/4" surface hole section F/610' T/1720'. Circulate condition hole, short trip, condition circulate hole, check for fill, TOOH.

Resolute

Daily Drilling Report

Well Name: A414X Aneth Unit
Report Date: 8/29/2013, Report # 7

Depth Start:	**610.0**
Depth End:	**1,720.0**
Depth Progress:	**1,110.00**
Daily Cost:	**67,411.00**
Cum Cost:	**192,351.00**

Regulatory Spud Date	Orig KB Ele…	Gr Elev (ft)	County	State/Province	Section	Block	Township	Range
8/28/2013			San Juan	Utah	14		40S	23E

API Number	Basin	Field Name	Working Interest (%)
4303750038	Paradox Basin	Aneth	62.39

AFE Number	Target Depth (ftKB)	Target Formation	Primary Job Type
10012003	5,797.0	DC-IIA	Drilling & Completion original

Total AFE Amount (Cost)	Job Category
2,043,293.00	Drilling & Completion

Summary of Operations

Daily Contacts	Contractor	Rig Number	Rig on Report Date	Rig off report date
Art Velasquez,	Aztec Well Service	920	8/24/2013	

Operations at Report Time
TOOH

Operations Summary
Drilling 12-1/4" surface hole section F/610' T/1720'. Circulate condition hole, short trip, condition circulate hole, check for fill, TOOH.

Remarks
Drilling the 12-1/4" surface hole section, we did not encounter any water losses or water gains.

Operations next 24 hours
Clean pits, haul in mud from D&J Rig 1.

Daily Field Est Total (Cost)	Cum Field Est To Date (Cost)	Daily Mud Field Est (Cost)	Time Log Total Hours (hr)	Problem Time Hours (hr)	Cum Prob Hrs (hr)
67,411.00	192,351.00		24.00	0.00	0.00

Time Log

Start Time	End Time	Dur (hr)	Code 2	End Depth (ftKB)	Com
06:00	10:00	4.00	Drilling	871.0	Drilling 12-1/4" surface hole section F/610' T/871'
10:00	12:00	2.00	Rig Repair	871.0	Replace Hyd Cylinder on top drive, Work on Hydraulic problem on control panel
12:00	14:00	2.00	Drilling	981.0	Drilling 12-1/4" surface hole section F/871" T/981'
14:00	16:30	2.50	Rig Repair	981.0	Install Pipe Grabber on Rig, And work on Power pak.
16:30	22:30	6.00	Drilling	1,370.0	Drilling 12-1/4" surface hole section F/981" T/1370'
22:30	03:00	4.50	Drilling	1,720.0	Drilling 12-1/4" surface hole section F/1370" T/1120'
03:00	04:30	1.50	Condition and/or Circulate mud	1,720.0	Circulate condition hole, work pipe, run polymer sweep, 600 GPM
04:30	05:00	0.50	Trips	1,720.0	TOOH Standing pipe back in Derrick
05:00	06:00	1.00	Downtime	1,720.0	TOOH Derrick employee was struck in forehead by drill pipe.

Mud Properties

Location	Depth (ftKB)	Density (lb/gal)	Funnel Viscosity (s/qt)	PV Override (Pa•s)	YP OR (lbf/10…	Gel 10 sec (lbf/100ft²)	Gel 10 min (lbf/100ft²)	pH
In	665.0	8.50	29	5.0	8.000			7.0

Low Gravity Solids (%)	Solids (%)	Sand (%)	Chlorides (mg/L)	Filtrate (mL/30min)	HTHP Filtrate (mL/30…	Percent Water (%)	Percent Oil (%)	Electric Stab (V)
	3.0	1.0	400.000			97.0	0.0	

Mud Lost to Hole (bbl)	Cum Mud Lost to Hole (bbl)

Mud Pumps

Pump Number	Liner Size (in)	Volume Per Stroke Override (bbl/stk)

Pump Operations

Pump Number	Model	SPR	Strokes (spm)	Pressure (psi)	Volumetric Efficiency (%)

Bit Records

BHA #	Bit Run	Drill Bit	Serial Number	Date/Time In	Depth In (ftKB)	IADC Bit Dull	Nozzles (1/32")	Rot ROP (ft/hr)
1	1	20in, <model>, <sn>		8/22/2013	0.0	1-1-NO-G-1-1-NO-CP		

Start Depth (ftKB)	End Depth (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hr)	Cum Drilling Time (hr)	TFA (incl Noz) (in²)	Weight on Bit (1000lbf)	Flow Rate (gpm)
40.0	80.0	80.00	8.00	12.50			

Interval ROP (ft/hr)	Total ROP (ft/hr)	RPM (rpm)	Motor RPM (rpm)
5.0	6.4		

Drilling String Weight (1000lbf)	Pick-Up String Weight (1000lbf)	Slack-Off String Weight (1000lbf)	Drilling Torque	Off Bottom Torque	Torque Units

Resolute

Daily Drilling Report

Well Name: A414X Aneth Unit
Report Date: 8/29/2013, Report # 7

Depth Start:	**610.0**
Depth End:	**1,720.0**
Depth Progress:	**1,110.00**
Daily Cost:	**67,411.00**
Cum Cost:	**192,351.00**

Bottom Hole Assembly

Item Des	OD (in)	ID (in)	Grade	Mass/Len (lb/ft)	Len (ft)	Jts	Make	Model	Connections
Core Barrel	20	19.750			80.00	1			

BHA #	Bit Run	Drill Bit	Serial Number	Date/Time In	Depth In (ftKB)	IADC Bit Dull	Nozzles (1/32")	Rot ROP (ft/hr)
2					80.0	-------		58.6

Start Depth (ftKB)	End Depth (ftKB)	Cum Depth Drilled (ft)	Drilling Time (hr)	Cum Drilling Time (hr)	TFA (incl Noz) (in²)	Weight on Bit (1000lbf)	Flow Rate (gpm)
610.0	1,720.0	1,640.00	21.00	28.00		19	530

Interval ROP (ft/hr)	Total ROP (ft/hr)	RPM (rpm)	Motor RPM (rpm)
52.9	58.6	90	

Drilling String Weight (1000lbf)	Pick-Up String Weight (1000lbf)	Slack-Off String Weight (1000lbf)	Drilling Torque	Off Bottom Torque	Torque Units
54			4,450.0		Ftlbs

Bottom Hole Assembly

Item Des	OD (in)	ID (in)	Grade	Mass/Len (lb/ft)	Len (ft)	Jts	Make	Model	Connections
Bit Sub					3.48	1			
Shock Sub					13.55	1			
Drill Collar	8	2.250		157.24	30.62	1			
Drill Collar	8	2.250		157.24	34.48	1			
XO Sub					1.98	1			
Drill Collar	6 1/4	2.500		87.36	353.43	12			
XO Sub					1.25	1			
Drill Pipe	4	3.340	S135	14.00	1,281.74	40			

Last Casing String

Csg Des	Set Depth (ftKB)	Run Date/Time	OD (in)	Wt/Len (lb/ft)	Grade
Conductor	80.0	8/23/2013	16	75.00	J-55

Survey Information

MD (ftKB)	Incl (°)	Azm (°)	TVD (ftKB)	NS (ft)	EW (ft)	VS (ft)	DLS (°/100ft)	Date

Safety Incidents

Date	Category	Type	Sub Type
8/29/2013	Non-Recordable	Incident	Struck By

Severity	Lost time?	Cause	Comment
First Aid	No	Human	While TOOH to stand back 4" DP derrick employee unlatched pipe from Elevators had rope around pipe to pull back. Drill came down to fast and top drive hit top of pipe bowed it and it swung back and hit employee on right side of forehead,

Daily Costs

Cost Des	AcctCode	Field Est (Cost)	Vendor	Note
Drilling Rig	8170.615	15,000.00	AZTEC WELL SERVICING CO INC	Day Rate for Drilling rig
Professional Service-Consultants	8170.515	2,200.00		Consultant Fee
Professional Service-Consultants	8170.515	500.00	MOMENTUM DRILLING FLUIDS LLC	Mudman Consultant
Contract Field Labor	8170.630	1,500.00	ZEECO INC	Rental of close loop, gas buster & flare stack
Rental Equipment & Tools	8170.605	2,500.00		Rental of rotating head, 13-5/8" bowl assy
Rental Equipment & Tools	8170.605	3,200.00	HIGH TECH TOOLS, INC	Rental of 13" annular
Fuel & Power	8170.545	15,330.00	FRALEY _ COMPANY INC	deliver of diesel fuel
Transportation & Trucking	8170.600	731.00	DOUBLE S HOT SHOT	Haul mud chemicals
Transportation & Trucking	8170.600	300.00	DOUBLE S HOT SHOT	Haul mud chemicals
Contract Field Labor	8170.630	852.00	ABC FIRE _ SAFETY, LLC	Hot Work Permit
Contract Field Labor	8170.630	1,234.00	ABC FIRE _ SAFETY, LLC	Hot Work Permit
Contract Field Labor	8170.630	1,100.00	HIGH DESERT INDUSTRIAL	Weld flow line
Transportation & Trucking	8170.600	525.00	DOUBLE S HOT SHOT	Haul mud chemicals
Downhole Drilling Tools	8160.670	16,662.00	NATIONAL OILWELL VARCO CORP	12-1/4" tricone bit

Resolute

Daily Drilling Report

Well Name: A414X Aneth Unit
Report Date: 8/29/2013, Report # 7

Depth Start:	**610.0**
Depth End:	**1,720.0**
Depth Progress:	**1,110.00**
Daily Cost:	**67,411.00**
Cum Cost:	**192,351.00**

Daily Costs

Cost Des	AcctCode	Field Est (Cost)	Vendor	Note
Transportation & Trucking	8170.600	731.00	DOUBLE S HOT SHOT	Haul mud chemicals
Rental Equipment & Tools	8170.605	200.00	RAIN FOR RENT	Rental of lay down tank
Transportation & Trucking	8170.600	1,023.00	DOUBLE S HOT SHOT	Haul 9-5/8" casing
Transportation & Trucking	8170.600	1,023.00	DOUBLE S HOT SHOT	Haul 9-5/8" casing
Rental Equipment & Tools	8170.605	1,100.00	K AND C TRANSPORT LLC	Living quarter rentals
Rental Equipment & Tools	8170.605	200.00	TRI ENERGY SERVICES, INC	Rental of grey water tanks, cleaning and water delivery
Rental Equipment & Tools	8170.605	1,500.00	M_R TRUCKING, INC	Rental of roll bins for close loop

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTSL 070968

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
ANETH

1. TYPE OF WELL
Water Injection Well

8. WELL NAME and NUMBER:
Aneth A-414X

2. NAME OF OPERATOR:
RESOLUTE NATURAL RESOURCES

9. API NUMBER:
43037500380000

3. ADDRESS OF OPERATOR:
1675 Boradway Ste 1950 , Denver, CO, 80202

PHONE NUMBER:
303 534-4600 Ext

9. FIELD and POOL or WILDCAT:
GREATER ANETH

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0788 FSL 0818 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWSW Section: 14 Township: 40.0S Range: 23.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 12/28/2013	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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: September 23, 2013

By: Dark K Quist

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

RECEIVED: Jul. 31, 2013

AU 414X Casing Change Sundry Information

Depth	Hole Diameter	Casing Diameter	Casing Weight,Grade,Condition	♦Safety Factor (Sf_B, Sf_C, Sf_T)	Cement
Conductor Pipe 0' – 90' TVD	20"	16"	65 ppf H-40 (drift: 15.06") Properties: Collapse: 670 psi Burst: 1,640 psi Body Yield: 736,000 lbs		Ready Mix Cement Back to Surface
Surface Casing 0' – 1,677'TVD	12-1/4"	9-5/8"	36 ppf J-55 STC R3 New (drift: 8.765") Properties: Collapse: 2,020 psi Burst: 3,520 psi Jt. Strength: 639,000 lbs Body Yield: 564,000 lbs	Sf_C – 2.8 Sf_B – 2.2 Sf_T – 11.0	(**Cement back to Surface**)* **Lead: ~ 400 sx** Halliburton Light Premium yield: 1.97 ft^3/sx wt: 12.3-ppg **Tail: ~100 sx** Premium Class G Cement yield: 1.15 ft^3/sx wt: 15.8-ppg
Production Casing 0' – 5,614'TVD	8-3/4"	7.0"	26 ppf J-55 LTC R3 New (drift: 6.151") Properties Collapse: 4,320 psi Burst: 4,980 psi Jt. Strength: 490,000 lbs Body Yield: 415,000 lbs	Sf_C - 1.6 Sf_B - 1.78 Sf_T – 3.0	(**Cement back to Surface**)* **First Stage Lead: ~ 260 sx** Halliburton Light Class G Premium yield: 1.95 ft3/sx mix fluid: 10.04 gal/sx wt: 12.3-ppg **Second Stage Tail: ~100sx** Halliburton Light Premium Class G yield: 1.15 ft3/sx mix fluid: 4.96 gal/sx wt: 15.80 ppg DV Tool @ 6,500' TVD
OH Section 5,614' – 5,797'	6-1/8"				

RECEIVED: Jul. 31, 2013

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTSL 070968

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: ANETH

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: Aneth A-414X

2. NAME OF OPERATOR: RESOLUTE NATURAL RESOURCES

9. API NUMBER: 43037500380000

3. ADDRESS OF OPERATOR: 1675 Boradway Ste 1950 , Denver, CO, 80202

PHONE NUMBER: 303 534-4600 Ext

9. FIELD and POOL or WILDCAT: GREATER ANETH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0788 FSL 0818 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 14 Township: 40.0S Range: 23.0E Meridian: S

COUNTY: SAN JUAN

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 9/6/2013	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Resolute spud this well on 8-22-13, currently running open hole logs to run 7" casing. Drilling report is attached.

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

NAME (PLEASE PRINT) Sherry Glass

PHONE NUMBER 303 573-4886

TITLE Sr Regulatory Technician

SIGNATURE N/A

DATE 9/6/2013

RECEIVED: Sep. 06, 2013

RESOLUTE NATURAL RESOURCES

Daily Activity Summary

Well Name: A414X Aneth Unit

API Number	Section	Township	Range	Field Name	County	State/Province
4303750038	14	40S	23E	Aneth	San Juan	Utah

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Regulatory Spud Date	Rig Release Date/Time
				8/28/2013 06:00	

Job Category	Primary Job Type	Secondary Job Type
Drilling & Completion	Drilling & Completion original	

Start Date	End Date	Total AFE Amount (Cost)
8/22/2013		2,043,293.00

Objective

The proposed A-414X location is a 40-acre injection offset to the B-414 producer, and 80-acre offset to the B-314 and B-123 injectors to the north and south of the B-414. It lies a quarter mile west of the B-414. Structurally, the A-414X is downdip from the B-414. This places the DC-I above the -960 oil-water contact (OWC), and most of the DC-II below the OWC at the proposed location.

.

Contractor	Rig Number	Rig on Report Date	Rig off report date
Peter Martin Rathole Drilling	1	8/22/2013	8/23/2013
Aztec Well Service	920	8/24/2013	

Report Number	Start Date	End Date	Summary
1	8/22/2013	8/22/2013	Drilling 20" conductor hole section. F/0' T/ 40'
2	8/23/2013	8/23/2013	Drilling 20" conductor hole section. F/40' T/ 80', Set 16" conductor and cement. Rig Realesed on 8/23/2013 @ 17:00
3	8/24/2013	8/24/2013	Spotting in Aztec Rig 920 on location.
4	8/25/2013	8/25/2013	Rig up rig derrick and draw works.
5	8/26/2013	8/27/2013	Spool up drilling line and drum, fix top drive hoses, Waiting on weather to clear so we can get last pieces of rig into location, last of loads that came from Vernal.
6	8/27/2013	8/28/2013	Rigging up, Nipple up, M/U BHA, P/U BHA, TIH, Drill F/80' T/ 610'
7	8/28/2013	8/29/2013	Drilling 12-1/4" surface hole section F/610' T/1720'. Circulate condition hole, short trip, condition circulate hole, check for fill, TOOH.
8	8/29/2013	8/30/2013	Circulating, Short trip to bottom, TOOH, Run 9-5/8" Casing, Cement, Nipple down.
9	8/30/2013	8/31/2013	Cut 9-5/8" casing & Weld on 11" 3K X 9-5/8" SOW casing head, Nipple up 11" 3K BOPE Choke manifold, Clean pits, haul in 500 BBLS PDS mud and put in mud pits, Pressure test BOPE, cut and weld 8" fowline,
10	8/31/2013	9/1/2013	Fabricating 8" Flow line, M/U BHA, TIH W8-3/4" BHA, Drill cement & 9-5/8" float equipment, FIT, Drill 8-3/4" hole section.F/1720' T/2550' NOTE: FIT pumped 1BBL Fluid 190PSI, held steady for 3 min.
11	9/1/2013	9/2/2013	Drilling 8-3/4" intermediate hole section, F/2550' T/3990', Rig service.
12	9/2/2013	9/3/2013	Drilling 8-3/4" intermediate hole section F/3990' T/4908', Rig service. Last Survey: MD 4816' INCL .60 AZ 63.90
13	9/3/2013	9/4/2013	Drilling 8-3/4" intermediate hole section, F/4908' T/5570' Rig service. Last Survey: MD 5488' Incl 1.20 AZ 72.20 NOTE: Drilling has slowed down because of having to slide to keep hole from getting to deviated.
14	9/4/2013	9/5/2013	Drilling 8-3/4" intermediate hole section F/5570' T/5617', rig service. Circulate condition hole, Short trip to 1700', TIH check for fill, TOOH standing back, open-hole log, Last Survey: TD @ 5617' projected at bit INCL 1.00 AZ 96.50.
15	9/5/2013	9/6/2013	Open hole log, TIH, Clean out run, Circulate cindition hole and drilling mud, TOOh lay down 6-1/4" DC, Run 7" Casing,
16	9/6/2013	9/7/2013	Open hole log, TIH, Clean out run, Circulate cindition hole and drilling mud, TOOh lay down 6-1/4" DC, Run 7" Casing,

RECEIVED: Sep. 06, 2013

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTSL 070968

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: ANETH

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: Aneth A-414X

2. NAME OF OPERATOR: RESOLUTE NATURAL RESOURCES

9. API NUMBER: 43037500380000

3. ADDRESS OF OPERATOR: 1675 Boradway Ste 1950 , Denver, CO, 80202

PHONE NUMBER: 303 534-4600 Ext

9. FIELD and POOL or WILDCAT: GREATER ANETH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0788 FSL 0818 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 14 Township: 40.0S Range: 23.0E Meridian: S

COUNTY: SAN JUAN

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 12/7/2013	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER: began injecting

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

Resolute completed connections after drilling and began injection in the subject well on 12-7-13. The completion report was submitted 12-18-13.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
December 23, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sherry Glass	303 573-4886	Sr Regulatory Technician
SIGNATURE N/A		**DATE** 12/18/2013

RECEIVED: Dec. 18, 2013

API Well Number: 43037500380000

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

AMENDED REPORT ☑ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL070968
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: UTSL070968
8. WELL NAME and NUMBER: Aneth A414X
9. API NUMBER: 4303750038
10. FIELD AND POOL, OR WILDCAT: Greater Aneth
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 14 40S 23E S
12. COUNTY: San Juan
13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER injection

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

2. NAME OF OPERATOR: Resolute Aneth LLC

3. ADDRESS OF OPERATOR: 1675 Broadway, Ste 1950 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 573-4886

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 788' FSL, 818' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 788' FSL, 818' FWL
AT TOTAL DEPTH: 788' FSL, 818' FWL

14. DATE SPUDDED: 8/22/2013
15. DATE T.D. REACHED: 9/4/2013
16. DATE COMPLETED: 12/9/2013
ABANDONED ☐ READY TO PRODUCE ☐
17. ELEVATIONS (DF, RKB, RT, GL): 4756

18. TOTAL DEPTH: MD 5,617 TVD 5,617
19. PLUG BACK T.D.: MD TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL and casing inspection logs

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20	16 J-55	75	15	80					
12 1/4	9 5/8 J-55	36	80	1,720		560		0 CIR	
8 3/4	7 J-55	26	15	5,617		675		0 CIR	
6 1/8 OPEN	0		0	5,836		0			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	5,507							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Desert Creek IA	5,690			
(B) Desert Creek IB	5,704			
(C) Desert Creek IC	5,713			
(D) Desert Creek IIA	5,721			

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5688 to TD	40 bbls caustic, 319 bbls FW, 95 bbls 20% HCl

29. ENCLOSED ATTACHMENTS:
☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☑ OTHER WBD daily activity summary

30. WELL STATUS: injecting

(5/2000)

(CONTINUED ON BACK)

RECEIVED: Dec. 18, 2013

API Well Number: 43037500380000

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:
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 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.)

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.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.
U. Ismay	5,507		
L. Ismay	5,608		
Desert Creek IA	5,690		
Desert Creek IB	5,704		
Desert Creek IC	5,713		
Desert Creek IIA	5,721		
Desert Creek IIB	5,730		
Desert Creek IIC	5,743		
Desert Creek III	5,778		

34. FORMATION (Log) MARKERS:

Name	Top (Measured Depth)
Chinle	1,652
DeChelley	2,774
Organ Rock	2,844
Hermosa	4,674
Ismay	5,507
Hovenweep	5,600
L. Ismay	5,608
Gothic Shale	5,657
Desert Creek	5,690
Chimney Rock	5,808

35. ADDITIONAL REMARKS (Include plugging procedure)

Resolute completed this well with acid, tubing run 9-30-13, lateral line connection made 12-7-13 for injection.

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 1/15/2014

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

RECEIVED: Dec. 18, 2013

Schemtaic & Summary

Resolute

Well Name: A414X Aneth Unit

Well Information

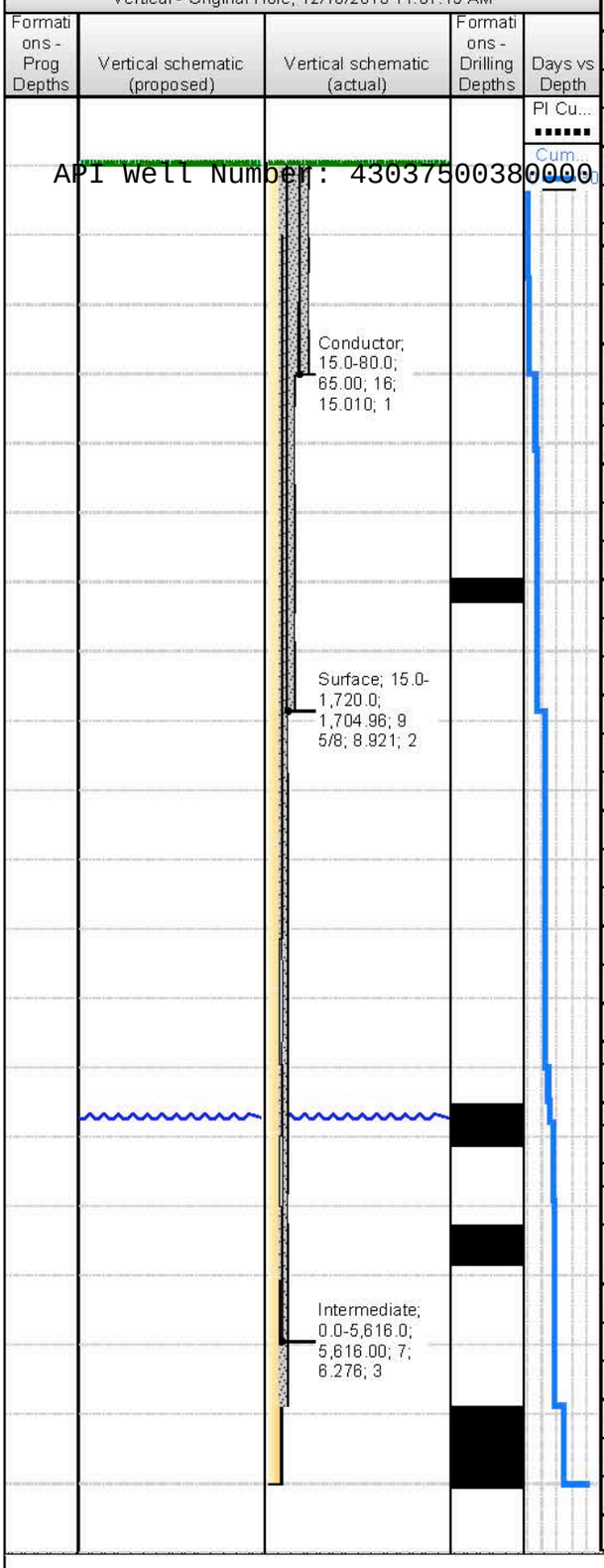
API Number	Enertia ID#	Field Name	Original KB Elevation (ft)	Ground Elevation (ft)	KB-Grd (ft)
4303750038	1929.01	Aneth	4,771.00	4,756.00	15.00

Asset Group	County	State/Province	Qtr/Qtr	North/South Distance (ft)	North/South Reference	East/West Distance (ft)	East/West Reference
Greater Aneth	San Juan	Utah	SW SW	788.0	FSL	818.0	FWL

Latitude (°)	Longitude (°)	Section	Township	Block	Range
37° 18' 15.696" N	109° 21' 52.776" E	14	40S		23E

Permit Approval Date	Regulatory Spud Date	Total Depth Date	Rig Release Date/Time	First Production Date	Abandon Date/Time
10/22/2012	8/28/2013	9/9/2013	9/10/2013	10/22/2013	

Vertical - Original Hole, 12/18/2013 11:07:15 AM



Wellbore Information

Original Hole

Start Depth (ftKB)	Total Depth (ftKB)	Kick Off Depth (ftKB)	Kick Off Method
15.0	5,836.00		

Section Description	Size (in)	Act Top (ftKB)	Act Btm (ftKB)
Conductor	20	15.0	80.0
Surface	12 1/4	80.0	1,720.0
Intermediate	8 3/4	1,720.0	5,617.0
Openhole	6 1/8	5,617.0	5,836.0

Casing Information

Casing Description	Set De...	Run Date/Time	OD (in)	ID (in)	Wt/Len...	String Grade	Top Thread
Conductor	80.0	8/23/2013	16	15.124	75.00	J-55	
Surface	1,720.0	8/29/2013	9 5/8	8.921	36.00	J-55	
Intermediate	5,616.0	9/6/2013	7	6.276	26.00	J-55	

Cement Information

Description	Top Depth (ftKB)	Bottom Depth (ftKB)	Fluid Type	Amount (sacks)
Conductor Cement	15.0	80.0		
Surface Casing Cement	15.0	1,720.0		
Intermediate Casing Cement	500.0	5,617.0		
	15.0	5,617.0		
	2,525.0	2,525.0		
Cement Plug	2,389.0	2,538.0		40

Perforations Information

Date	Top (ftKB)	Btm (ftKB)	Zone	Entered Shot...	Current Status

Stimulations Information

Date	Type	Zone	Proppant Fr...
9/19/2013	Acidizing		

Tubing Information

Tubing Description: Tubing - Injection — Set Depth (ftKB): 5,506.9

Item Description	OD (in)	ID (in)	Wt (lb/ft)	Grade	Length (ft)
TC1A Tubing Hanger (2.5" BPV)	7 1/16	2.500			0.50
SS-Nipple	2 7/8	2.310			0.65
TK-KC Fiberline Tbg	2 7/8	2.144	6.50	J-55	32.61
TK-KC Fiberline sub	2 7/8	2.144			6.11
TK-KC Finberline sub	2 7/8	2.144			1.70
TK-KC Fiberline Tbg	2 7/8	2.144	6.50	J-55	5,436.97
NC-Nipple	2 7/8	2.310			1.10

Schemtaic & Summary

Resolute

Well Name: A414X Aneth Unit

Well Information

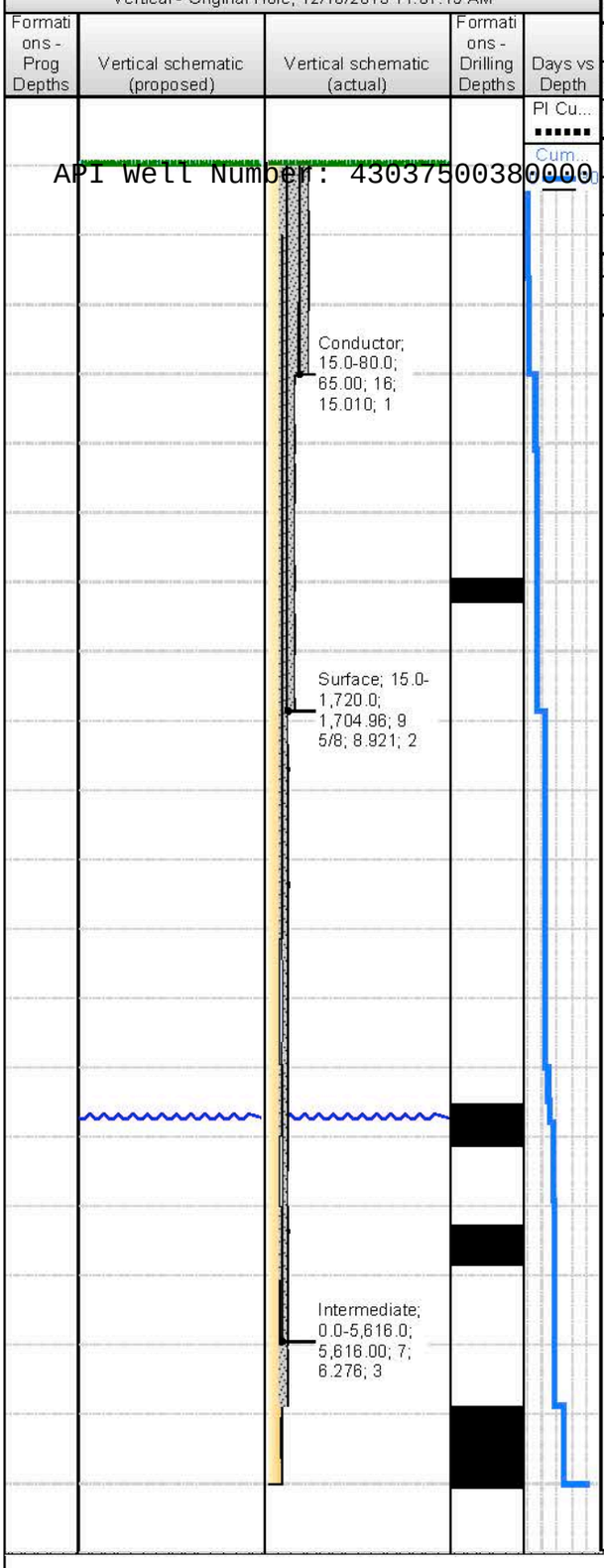
API Number	Enertia ID#	Field Name	Original KB Elevation (ft)	Ground Elevation (ft)	KB-Grd (ft)
4303750038	1929.01	Aneth	4,771.00	4,756.00	15.00

Asset Group	County	State/Province	Qtr/Qtr	North/South Distance (ft)	North/South Reference	East/West Distance (ft)	East/West Reference
Greater Aneth	San Juan	Utah	SW SW	788.0	FSL	818.0	FWL

Latitude (°)	Longitude (°)	Section	Township	Block	Range
37° 18' 15.696" N	109° 21' 52.776" E	14	40S		23E

Permit Approval Date	Regulatory Spud Date	Total Depth Date	Rig Release Date/Time	First Production Date	Abandon Date/Time
10/22/2012	8/28/2013	9/9/2013	9/10/2013	10/22/2013	

Vertical - Original Hole, 12/18/2013 11:07:15 AM



Item Description	OD (in)	ID (in)	Wt (lb/ft)	Grade	Length (ft)
NC-Cross Over	3.66	2.000			0.45
NC- T2 On-Off Tool (1.81F)	5 7/8	1.810			1.70
NC-Cross Over	3 1/16	2.000			0.55
NC- Arrowset 1X Packer	6	2.500			7.40
NC-Cross Over	3.66	2.000			0.65
NC-Profile Nipple (1.78R)	3 1/16	1.780			1.05
NC-Wireline Guide	3 1/16	2.000			0.50

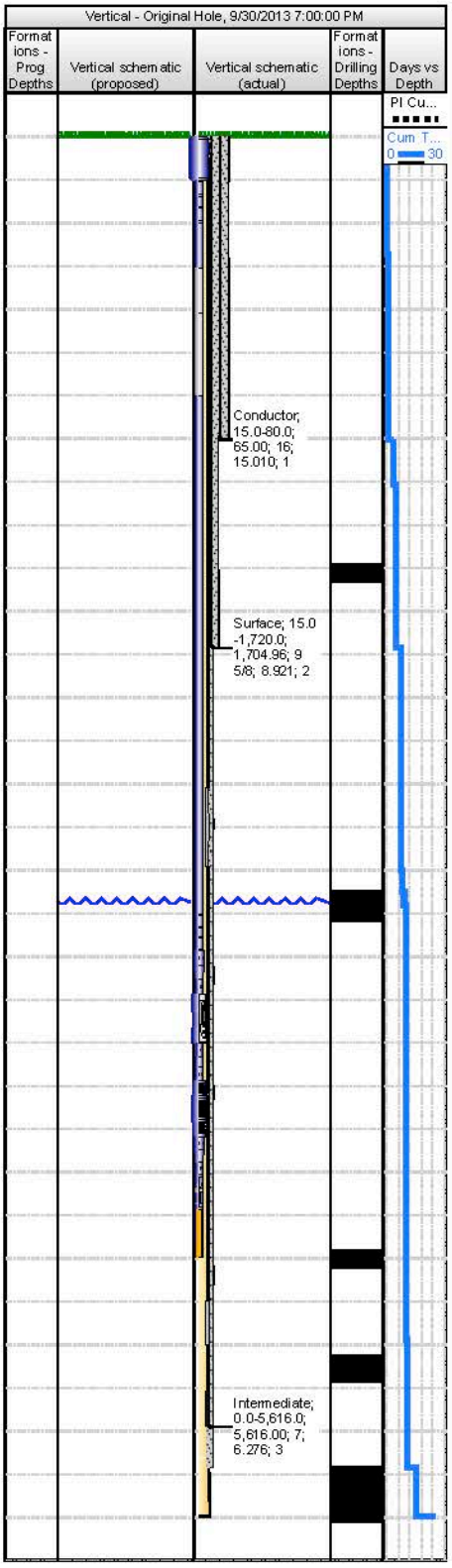
Rod Components

Item Description	OD (in)	Wt (lb/ft)	Grade	Length (ft)

Resolute

Well Name: A414X Aneth Unit

API Number	Section	Qtr/Qtr	TWN	RGE	Block	Reg Spud Dt/Tm	Field Name	State/Prov	WI (%)
43037500380	14	SW SW	40S	23E		8/28/2013 06:00	Aneth	Utah	62.39



Tubing

Tubing Description	Set Depth (ftKB)	Run Date	Pull Date
Tubing - Injection	5,506.9	9/30/2013	12/6/2013

Comment

Item Des	Icon	OD (in)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
TC1A Tubing Hanger (2.5" BPV)	Tubing Hanger 2	7 1/16		0.50	15.0	15.5
SS-Nipple	Nipple	2 7/8		0.65	15.5	16.1
TK-KC Fiberline Tbg	Tubing (blue)	2 7/8	J-55	32.61	16.1	48.7
TK-KC Fiberline sub	Tubing (grey)	2 7/8		6.11	48.7	54.8
TK-KC Finberline sub	Tubing (grey)	2 7/8		1.70	54.8	56.5
TK-KC Fiberline Tbg	Tubing (blue)	2 7/8	J-55	5,436.97	56.5	5,493.5
NC-Nipple	Nipple	2 7/8		1.10	5,493.5	5,494.6
NC-Cross Over	Swedge - reducing	3.66		0.45	5,494.6	5,495.1
NC- T2 On-Off Tool (1.81F)	On-off tool 1 - Cut Out	5 7/8		1.70	5,495.1	5,496.8
NC-Cross Over	Swedge - enlarging	3 1/16		0.55	5,496.8	5,497.3
NC- Arrowset 1X Packer	Packer Triple	6		7.40	5,497.3	5,504.7
NC-Cross Over	Swedge - reducing	3.66		0.65	5,504.7	5,505.4
NC-Profile Nipple (1.78R)	Profile nipple	3 1/16		1.05	5,505.4	5,506.4
NC-Wireline Guide	Wireline guide	3 1/16		0.50	5,506.4	5,506.9

Rod Strings

Rod Description	Set Depth (ftKB)	Run Date	Pull Date

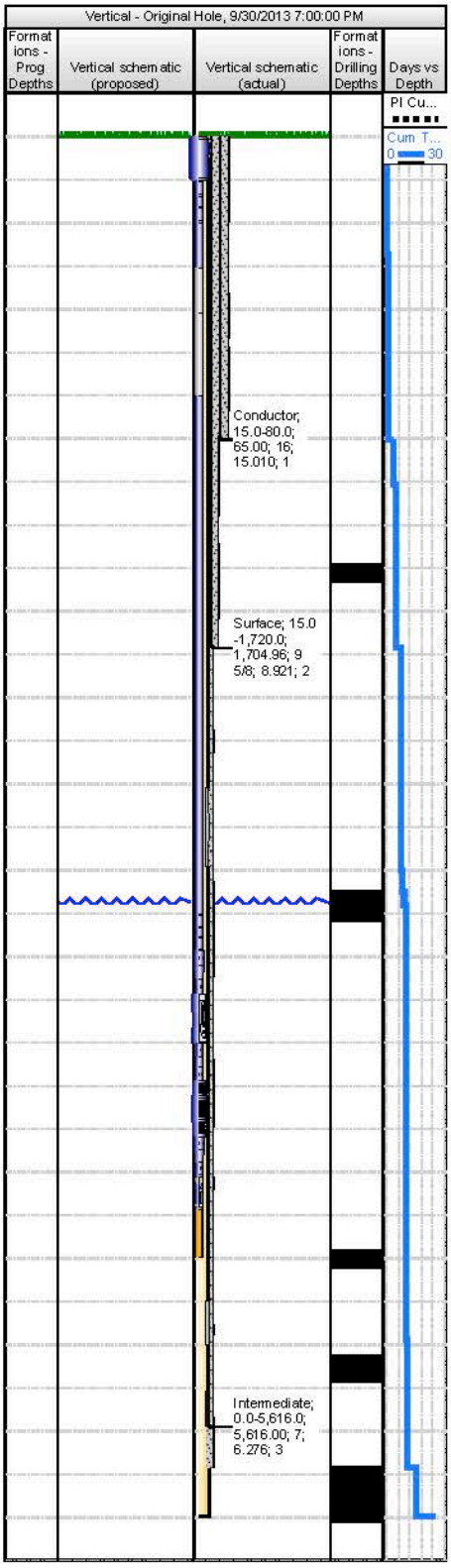
Comment

RECEIVED: Dec. 18, 2013

Resolute

Well Name: A414X Aneth Unit

API Number	Section	Qtr/Qtr	TWN	RGE	Block	Reg Spud Dt/Tm	Field Name	State/Prov	WI (%)
4303750038	14	SW SW	40S	23E		8/28/2013 06:00	Aneth	Utah	62.39



Item Des	Icon	OD (in)	Grade	Len (ft)	Max Tensile (1000lbf)	Top (ftKB)	Btm (ftKB)

Other Strings

String Description	Run Date	Set Depth (ftKB)

Other In Hole

Description	Icon	Bottom Depth (ftKB)	Run Date
Retrievable Bridge Plug	Retrievable bridge plug with Recorders	5,549.0	9/9/2013

Printed: 12/9/2013

RECEIVED: Dec. 18, 2013

RESOLUTE NATURAL RESOURCES

Daily Activity Summary

Well Name: A414X Aneth Unit

API Number	Section	Township	Range	Field Name	County	State/Province
4303750038	14	40S	23E	Aneth	San Juan	Utah

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Regulatory Spud Date	Rig Release Date/Time
4,756.00		15.00		8/28/2013 06:00	9/10/2013 04:00

Job Category	Primary Job Type
Drilling & Completion	Drilling & Completion original

Start Date	End Date
8/22/2013	

Objective

The proposed A-414X location is a 40-acre injection offset to the B-414 producer, and 80-acre offset to the B-314 and B-123 injectors to the north and south of the B-414. It lies a quarter mile west of the B-414. Structurally, the A-414X is downdip from the B-414. This places the DC-I above the -960 oil-water contact (OWC), and most of the DC-II below the OWC at the proposed location.

.

Contractor	Rig Number	Rig on Report Date	Rig off report date
Peter Martin Rathole Drilling	1	8/22/2013	8/23/2013
Aztec Well Service	920	8/24/2013	9/11/2013
Key	24	9/16/2013	10/1/2013
Basic Energy Services		10/22/2013	10/23/2013
TOPPS	6	12/5/2013	

Report Number	Start Date	End Date	Summary
1	8/22/2013	8/22/2013	Drilling 20" conductor hole section. F/0' T/ 40'
2	8/23/2013	8/23/2013	Drilling 20" conductor hole section. F/40' T/ 80', Set 16" conductor and cement. Rig Realesed on 8/23/2013 @ 17:00
3	8/24/2013	8/24/2013	Spotting in Aztec Rig 920 on location.
4	8/25/2013	8/25/2013	Rig up rig derrick and draw works.
5	8/26/2013	8/27/2013	Spool up drilling line and drum, fix top drive hoses, Waiting on weather to clear so we can get last pieces of rig into location, last of loads that came from Vernal.
6	8/27/2013	8/28/2013	Rigging up, Nipple up, M/U BHA, P/U BHA, TIH, Drill F/80' T/ 610'
7	8/28/2013	8/29/2013	Drilling 12-1/4" surface hole section F/610' T/1720'. Circulate condition hole, short trip, condition circulate hole, check for fill, TOOH.
8	8/29/2013	8/30/2013	Circulating, Short trip to bottom, TOOH, Run 9-5/8" Casing, Cement, Nipple down.
9	8/30/2013	8/31/2013	Cut 9-5/8" casing & Weld on 11" 3K X 9-5/8" SOW casing head, Nipple up 11" 3K BOPE Choke manifold, Clean pits, haul in 500 BBLS PDS mud and put in mud pits, Pressure test BOPE, cut and weld 8" fowline,
10	8/31/2013	9/1/2013	Fabricating 8" Flow line, M/U BHA, TIH W8-3/4" BHA, Drill cement & 9-5/8" float equipment, FIT, Drill 8-3/4" hole section.F/1720' T/2550' NOTE: FIT pumped 1BBL Fluid 190PSI, held steady for 3 min.
11	9/1/2013	9/2/2013	Drilling 8-3/4" intermediate hole section, F/2550' T/3990', Rig service.
12	9/2/2013	9/3/2013	Drilling 8-3/4" intermediate hole section F/3990' T/4908', Rig service. Last Survey: MD 4816' INCL .60 AZ 63.90
13	9/3/2013	9/4/2013	Drilling 8-3/4" intermediate hole section, F/4908' T/5570' Rig service. Last Survey: MD 5488' Incl 1.20 AZ 72.20 NOTE: Drilling has slowed down because of having to slide to keep hole from getting to deviated.
14	9/4/2013	9/5/2013	Drilling 8-3/4" intermediate hole section F/5570' T/5617', rig service. Circulate condition hole, Short trip to 1700', TIH check for fill, TOOH standing back, open-hole log, Last Survey: TD @ 5617' projected at bit INCL 1.00 AZ 96.50.
15	9/5/2013	9/6/2013	Open hole log, TIH, clean out run, Circulate condition hole and drilling mud, TOOH lay down 6-1/4" DC, Run 7" Casing,
16	9/6/2013	9/7/2013	Run 7" Casing, Cement 7" casing, Set 7" casing head & slips. N/D 11" 3M BOPE, N/U 7/16 BOPE.
17	9/7/2013	9/8/2013	N/U 7/16" 3m BOPE, Test BOPE, Rig Maint, MU 6-1/8" BHA, TIH.
18	9/8/2013	9/9/2013	TIH W/6-1/8" BHA, Drill 7" float equipment and cement, Drill 6-1/8" hole section F/5617' T/5836', Flow test, Displace hole with 11.0 lb mud. TOOH, R/U Weatherford Wireline.
19	9/9/2013	9/10/2013	Open hole log 6-1/8" hole section, R/U Blue Jet set Baker Hugh's RBP @ 2516' W/ 2 pressure bombs. Clean Pits, TOOH lay down DP, Set 7 1/16" night cap, Rig down.
20	9/10/2013	9/11/2013	Rig down, Return all Rental equipment. Release Aztec Well Service Rig # 920 on 9/11/2013 @ 06:00.
21	9/13/2013	9/13/2013	Wait on line locate to be cleared per safety coordinator, set and test 4 anchors to 25K, test ok, installed 4 markers and 4 anchor tags

RESOLUTE NATURAL RESOURCES

Daily Activity Summary

Well Name: A414X Aneth Unit

API Number	Section	Township	Range	Field Name	County	State/Province
4303750038	14	40S	23E	Aneth	San Juan	Utah

Ground Elevation (ft)	Casing Flange Elevation (ft)	KB-Ground Distance (ft)	KB-Casing Flange Distance (ft)	Regulatory Spud Date	Rig Release Date/Time
4,756.00		15.00		8/28/2013 06:00	9/10/2013 04:00

Report Number	Start Date	End Date	Summary
22	9/16/2013	9/16/2013	MIRU WSU - no psi on well. NU BOPE, RU Blue Jet. RIH w/RadII sector log, tag RBP at 5530' (WLD), log to surface. RD Blue Jet. TIH, PU 39 jts + 10' sub, test ram/Hydril. SWI, SDFN.
23	9/17/2013	9/17/2013	Well dead LD 10' sub, POOH WS. PU retrieving head, TBIH & finish PU workstring. Latch onto RBP at 5537' KB, open DHV. Monitor well (dead). Release RBP, POOH LD RBP & BHP tools. MU 6-1/8" bit, TBIH & PU workstring. Tag up at 5688' KB (PBTD at 5836'), 148' of fill to clean out. Pull LD 5 jts (got back in csg). SWI, RU lines to frac tank - SDFN.
24	9/18/2013	9/18/2013	Well dead - PU string float, 4 jts & RU swivel w/jt 174. Break circulation, clean out from 5688' KB to 5836' KB (tbg tally match PBTD) circulate hole for 2hrs, Ralph prep caustic, pump 40 bbls caustic sweep (13 pH), circulate 190 bbls FW (shut dwn pump). Well flowing 1/2 to 1/4 bpm. RD swivel w/jt 178. LD 10 jts & string float - tbg flowing (csg on vacuum). SWI for 20 mins, well gained 320 psi. Bleed well off to a 1/2 to 1/4 bpm. Slug tbg with 2 bbls mud (15.5#). POOH LD 6-1/8" bit. PU 7" NC ArowSet 1X pkr (w/o plug). TIH set pkr element at 5500' KB - SWI, SDFN.
25	9/19/2013	9/19/2013	Tbg=220 psi, csg=0 psi - press test csg to 1000 psi for 30 mins lost 10 psi, flowed 3 bbls in 20 mins on tbg - RU BJ Hughes, pump 5 bbls at 1130 psi/1.5 bpm, jay off pkr, spot 30 bbls 20% acid holding back press (Key way leak on TIW) pump 44 bbls FW - Spot & RU Tefteller Rih set 1.81F plug 5482' SLD) change out valve, ruptured disc & fish 1.81F plug - pump remaining 65 bbls acid flush with 80 bbls FW - Shut tbg in with 68 psi - RD BJ, RU flow tee (530 psi in 30 mins) flowed 165 bbls back in 3hrs - pump 45 bbls FW dwn tbg - RU Tefteller RIH set 1.81F plug (????' SLD) test plug - SWi, SDFN
26	9/20/2013	9/20/2013	Well dead - press test csg to 1000 psi lost 20 psi, jay off circulate pkr fluid, test well bore to 1060 psi lost 50 psi, latch up to pkr, retest csg to 1040 psi 100% test - Jay off pkr, Pooh LD 2 jts, 10' sub, 165 jts & on off tool - prep NC pin x pin w/KC coupling, setup torque system - PU NC on off tool, pin x pin nipple, Tih-PU 55 jts TK-KC coupling injection tbg - SWi, SDFN
27	9/21/2013	9/21/2013	Well dead - Finish PU TK-KC injecton tbg, latch on to pkr at 5495' KB, jay off space tbg out - Land tbg w/15Kcomp - ND BOP, NU Tree - press test donut seal/tree to 2500psi test good, test csg twice up to 1000 psi (+) lost 120 psi & 110 psi, press test A-section test good, test tbg to 2100 psi lost 225 psi/15 mins, 115 psi next 15 min (340 psi/30 mins) test csg to 1040 psi lost 100 in 30 min no sign of communication on tbg, tree (bleed press off well SWi, SDFN (regruop Monday)
28	9/23/2013	9/23/2013	Pressure test casing there's still a slight leak TOH with On/Off Tool.
29	9/24/2013	9/24/2013	TIH with packer and isolated leak off at DV tool, 2510'. TIH with RBP and set at 2610'.
30	9/25/2013	9/25/2013	TIH to 2538', spot 40 sack of HES Fine Cem, Matric Cement Density 12.5, Yield .8. Pressure up to 1500 psi untill cement locked up. Total BFW pumped 30 bbls. Est cmt top @ 2,389'.
31	9/26/2013	9/26/2013	No Activity, WOC
32	9/27/2013	9/27/2013	Tih with collars and tubing. Tag cement @ 2407', drill to 2471', cement soft, circulate clean. Pull 2 jnt's. Shut down.
33	9/28/2013	9/28/2013	PU 2 jts 2 7/8" N80 tbg. Tag cmt @ 2,471'. DO cmt fr/2,471' - 2,502", cmt hard, DO 25 min. PU Jt 176, DO cmt to 2,530, fell out of cmt. PU 2 jts & tgd sand above RBP plug. Pull Up. PT csg to 1,080 psig. Wait 31 min. Csg holding @ 1,080 psig. CO sand off RBP @ 2,610'. TOOH & LD 6 jts 2 7/8" N80 tbg. ND pwr swivel. TOOH w/wrk string. LD 4 - 3 1/8" DC's & 6 1/8" 3 blade bit. PU retrieving head for 7" RBP. TIH w/78 jts of 2 7/8" N80 tbg. Latch onto RBP & rls. PT csg to 1,080 psig for 15 min - good tst. Bd press. TOOH & LD 79 jts 2 7/8" N80 & 7" RBP.
34	9/30/2013	9/30/2013	Well dead - PU NC on/off tool & KC nipple. TIH with TK-KC injection tbg. MU subs, landing jt, pin x-pin nipple & TC1A EN landing donut (prep w/2.5" BPV). Circulate pkr fluid & FW. Latch onto pkr, land tbg with 20K comp. Lock set screw, ND BOPE, NU 5K tree - test seal (tree/donut). Press test csg to 1080 psi (Braden, tbg & tree test port open), test good. Pres test tbg to 2150 psi, lost 40 psi in 15 mins (csg, tree test port open). RU Tefteller, fish 1.81F plug - SWI, SDFN.
35	10/1/2013	10/1/2013	RDMO WSU
36	10/2/2013	10/2/2013	Tbg at 830#, Csg at 0#, Braden head at 0#. Move in Well Check MIT tester, connect to csg, pump pressure to 1100#. Shut down and let Chart Record for 30 minutes - no leaks. Passed MIT test, witnessed by NNEPA Rep. Jean Bia. Disconnect from csg, move off location.
37	10/8/2013	10/8/2013	screw in pipe together that's going tie into injection well
38	10/9/2013	10/9/2013	tie into injection well and dig out trench.
39	10/22/2013	10/22/2013	SITP 260 psig. SICP 0 psig. PT well stack to 4,500 psig. RIH w/1 1/4 CT w/Basic CT nozzle to 5,837' (PBTD) w/nitrogen. Unloaded well fluid. Ppd soap sweep w/foamer. Wrk up & dwn thru open hole. Shut down to see if would unload on its own. Unloaded small amt of fluid than it would not unload on its own. Started N2 & unloaded well. POOH w/CT. SWI. SICP 720 psig. SITP 10 psig. Checked gauges. Gauges good. Attempted to BD csg. Getting back soap, (didn't seem to be pkr fluid) press, & fluid. Finally bled dwn csg to 0 psig. Held @ 0 psig. SITP 0 psig.
40	12/5/2013	12/5/2013	Move rig to location.
41	12/6/2013	12/6/2013	Rig up. Test tubing and casing. Nu bops and test. Tooh with tubing.
42	12/7/2013	12/7/2013	Finish TOOH. Make up new on/off tool, TIH. ND BOP's. Land tubing, test casing and tubing, good.

Report Printed: 12/9/2013