

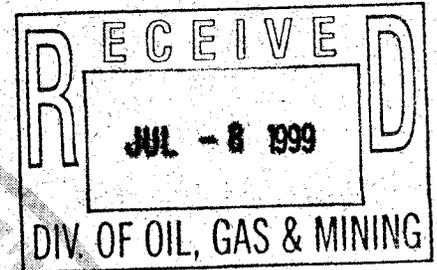


14421 Weld County Rd.10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

July 7, 1999

OVERNIGHT DELIVERY

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801



Attn: John Baza

Re: **Horseshoe Energy, LLC**
Christiansen #1
2117' FSL and 1932' FEL
NW SE Sec. 22, T15S - R3E
Sanpete County, Utah

Dear John,

Enclosed please find three copies of the Application for Permit to Drill, along with three copies of each attachment including survey plat, location layout diagram, BOP Diagram and Surface Damage Agreement.

We are requesting that your office make a field inspection of this location at your earliest convenience due to our upcoming spud date of August 1, 1999. Please contact Mr. Greg Ethridge to schedule the field inspection. Greg may be reached at his home or on one of the following cell phone numbers: 303/798-2264 (home), 435/979-9850 (cell), or 435/340-1226 (cell).

Thank you for your cooperation. Your timely approval of this application would be greatly appreciated. Approved copies of the A.P.D. should be sent to Permitco Inc. at the address shown above.

Sincerely,

PERMITCO INC.

Lisa L. Smith

Consultant for:

Horseshoe Energy, LLC

Enc.

cc: Horseshoe Energy, LLC - Orem, UT
Mr. Greg Ethridge - Littleton, CO

APPLICATION FOR PERMIT TO DRILL OR DEEPEN			5. Lease Designation and Serial Number: Fee
1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name: N/A
B. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> <i>Cell: (303) 809 9107</i>			7. Unit Agreement Name: N/A
2. Name of Operator: Horseshoe Energy, LLC			8. Farm or Lease Name: Christiansen
3. Address and Telephone Number: Permitco Inc.			9. Well Number: #1
4. Location of Well (Footages) At Surface: 2,117' FSL & 1,932' FEL At Proposed Producing Zone: NW SE Sec. 22, T15S - R3E <i>451,027 E</i> <i>4,371,826 N</i>			10. Field and Pool, or Wildcat: Wildcat
14. Distance in miles and direction from nearest town or post office: 2 miles South of Moroni, UT			11. Qtr/Qtr, Section, Township, Range, Meridian: Sec. 22 - T15S - R3E
15. Distance to nearest property or lease line (feet): 25'	16. Number of acres in lease: 20	17. Number or acres assigned to this well: 40	
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): None	19. Proposed Depth: 12,500'	20. Rotary or cable tools: Rotary	
21. Elevations (show whether DR, RT, GR, etc.): 5536' GR			22. Approximate date work will start: August 1, 1999

23. **PROPOSED CASING AND CEMENTING PROGRAM**

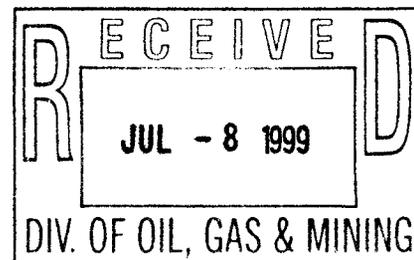
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	1,000'	480 sx/175 sx Tail
12-1/4"	9-5/8"	36#	3,500'	650 sx/200 sx Tail
7 7/8"	5-1/2"	17# & 20#	12,000'	450 sx

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

Horseshoe Energy, LLC proposes to drill a vertical well to 12,500' to test hydrocarbon potential in the Starpoint, Emery, Ferron, Tununk & Dakota formations. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See Drilling Program attached. **CONFIDENTIAL - TIGHT HOLE**

Horseshoe Energy, LLC has satisfied the \$40,000 bond requirement with a letter of credit.



- 3 - Division of Oil, Gas, & Mining - Salt Lake City, UT
- 2 - Horseshoe Energy, LLC - Orem, UT
- 1 - Greg Ethridge - Littleton, CO

24. Consultant for:
Name & Signature: *Greg Ethridge* Title: Horseshoe Energy LLC Date: 7/7/99

(This space for State use only)

API Number Assigned: 43-039-30024

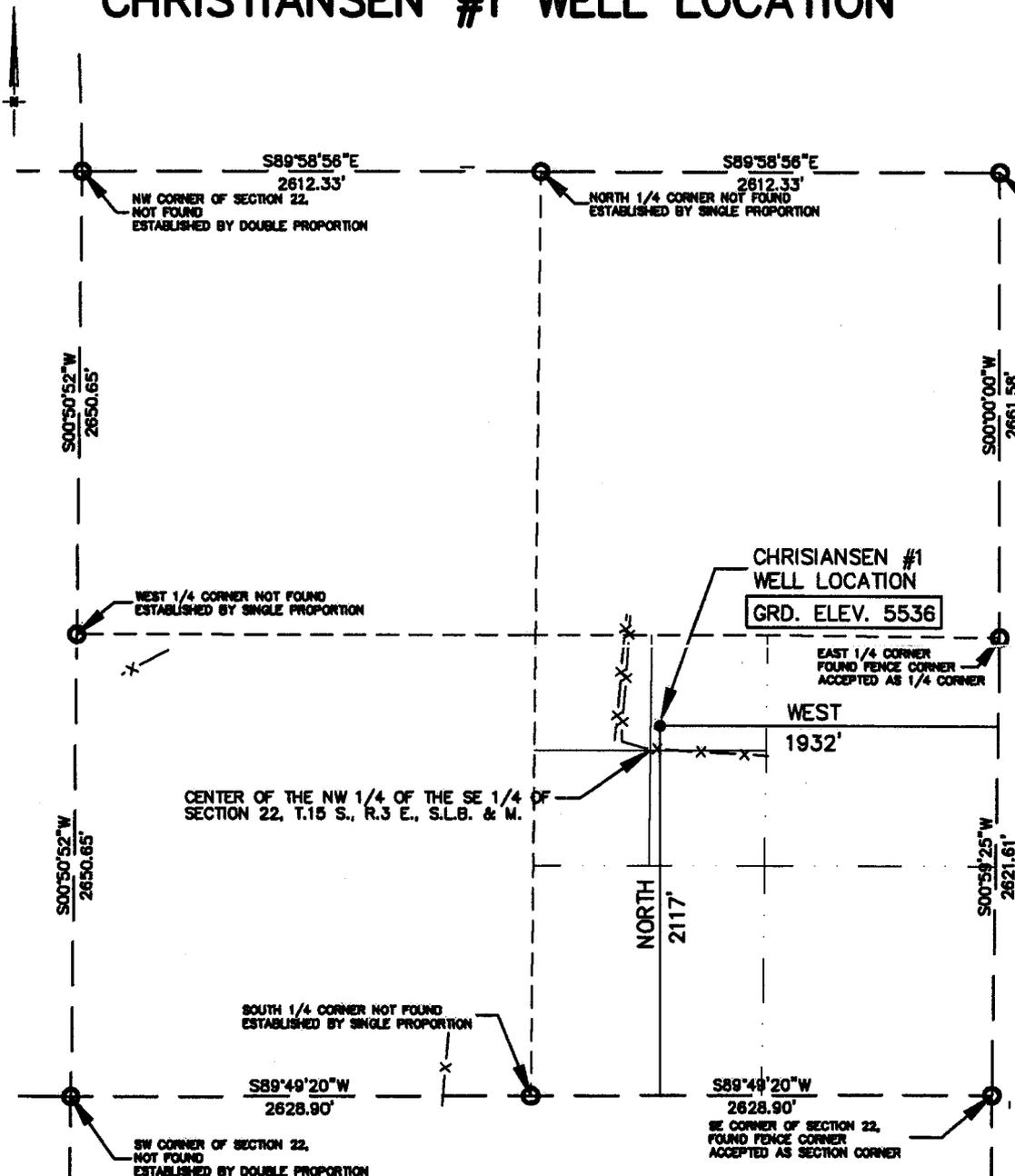
Approval:

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 8-11-99
BY: *[Signature]*

SECTION 22, T.15 S., R.3 E., S.L.B. & M. CHRISTIANSEN #1 WELL LOCATION

PROJECT
HORSESHOE ENERGY, LLC

WELL LOCATION, LOCATED AS SHOWN IN THE NW 1/4 OF THE
SE 1/4 OF SECTION 22, T.15 S., R.3 E., S.L.B. & M.
SANPETE COUNTY, UTAH

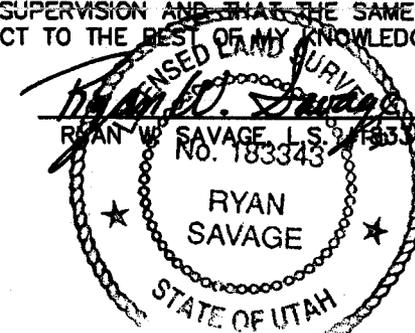


○ = Section Corners located. (Fence Corners)

NOTE: THE PURPOSE OF THIS SURVEY WAS TO
PLAT THE CHRISTIANSEN #1 WELL LOCATION.
LOCATED IN NW/4 NW/4 OF SECTION 5,
T.16 S., R.3 E., SANPETE COUNTY.

CERTIFICATE

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



6/24/99
DATE



Jones & DeMille Engineering
45 East 500 North - Richfield, Utah
Voice (435) 896-8266
Fax (435) 896-8268

WELL LOCATION PLAT FOR CHRISTIANSEN #1

HORSESHOE ENERGY, LLC

DESIGNED	SURVEYED	CHECKED	DRAWN	PROJECT NO.	SHEET NO.
---	K.L.R.	R.W.S.	R.W.S.	9906-058	1 of 1
DATE JUNE 1999			SCALE 1" = 1000'		



No 2985417

Certificate of Deposit Account Receipt

First Security Bank Bank, N.A.

Office: Vernal Branch

Date: 07281999

Account Number: 0629992985417

Owner(s): HORSESHOE ENERGY, LLC 880430858
ASSIGNED:UT DIV OIL GAS & MINING:AS BOND

You have deposited \$ 40,000.00 into a First Security Bank MONEY MASTER CERTIFICATE-Fixed Rate

for a term of 12 MONTHS with a maturity date of 07282000 . The interest rate is 5.200 % with an

annual percentage yield of 5.300 %. The annual percentage yield was calculated, using the terms you requested, with the interest

compounded N/A , paid QUARTERLY , by official check

Thank you for opening a Time Deposit Account with First Security Bank.

Opened by: Shaneen Mangum

This is a receipt for funds you have placed on deposit with First Security Bank. It need not be presented when you wish to withdraw funds from your account. Your account is subject to the terms stated above and to the following conditions. The terms "we", "our" and "us" mean First Security Bank.

SPECIFIC ACCOUNT CONDITIONS

Money Master Insured Certificate of Deposit Account - Fixed Rate

- The interest rate and annual percentage yield on this account will remain fixed until maturity.
The term of this account may range from two (2) months to five (5) years. The specific term you have chosen is disclosed above.
This account will automatically renew at maturity for an additional like term. A new interest rate and annual percentage yield may be assigned when the deposit renews, which will remain fixed until the next maturity date. You will have ten (10) calendar days after maturity to withdraw funds without penalty. If you choose to close the account during this ten-day grace period, you will forfeit any interest that would have otherwise been accruing since maturity at the new interest rate/annual percentage yield.
A deposit of at least \$500 is required to open this account.
A daily balance of at least \$500 is required to obtain the disclosed annual percentage yield. No interest will be paid on any day your account balance is less than \$500.
Additional deposits to this account are not permitted except at maturity.

Money Master Insured Certificate of Deposit Account - Variable Rate

- The interest rate and annual percentage yield on this account may change at any time at our discretion.
The term of this account may range from two (2) months to five (5) years. The specific term you have chosen is disclosed above.
This account will automatically renew at maturity for an additional like term. A new, variable interest rate and annual percentage yield may be assigned when the deposit renews. You will have ten (10) calendar days after maturity to withdraw funds without penalty. If you choose to close the account during this ten-day grace period, you will forfeit any interest that would have otherwise been accruing since maturity at the new interest rate/annual percentage yield.
A deposit of at least \$500 is required to open this account.
A daily balance of at least \$500 is required to obtain the disclosed annual percentage yield. No interest will be paid on any day your account balance is less than \$500.
Additional deposits of at least \$100 may be made to this account at any time. Deposits by an automatic transfer from a First Security Bank checking or savings account may be made in any amount.

Special Day Certificate of Deposit Account

- The interest rate and annual percentage yield on this account will remain fixed until maturity.
The term of this account may range from fourteen (14) days to five (5) years. The specific term you have chosen is disclosed above.
This account will not automatically renew at maturity. If you do not renew the account, your deposit will be placed in a non-interest earning account. No interest will be paid after final maturity.
A deposit of at least \$500 is required to open this account unless the maturity is between fourteen (14) and sixty-two (62) days, in which case a deposit of at least \$10,000 is required to open the account.
A daily balance of at least \$500 is required to obtain the disclosed annual percentage yield unless the maturity is between fourteen (14) and sixty-two (62) days, in which case a daily balance of at least \$10,000 is required to obtain the disclosed annual percentage yield. No interest will be paid on any day your account balance is less than this minimum balance requirement.
Additional deposits to this account are not permitted.

CONFIDENTIAL - TIGHT HOLE

**CHRISTIANSEN #1
2,117' FSL and 1,932' FEL
NW SE Section 22, T15S - R3E
Sanpete County, Utah**

Prepared For:

HORSESHOE ENERGY, LLC

By:

**PERMITCO INC.
14421 Weld County Rd. 10
Ft. Lupton, CO 80621
303/857-9999**

Copies Sent To:

- 8 - Division of Oil, Gas & Mining - SLC, UT**
- 2 - Horseshoe Energy, LLC - Orem, UT**
- 1 - Greg Ethridge - Littleton, CO**

CONFIDENTIAL - TIGHT HOLE



The proposed wellsite is located on Fee Surface/Fee Minerals. A surface owner's agreement is attached.

1. **ESTIMATED TOPS/GEOLOGIC MARKERS**

<i>Formation</i>	<i>Estimated Top</i>	<i>Remarks</i>
Starpoint	6,800'	Possible Pay
Emery	8,000'	Possible Pay
Ferron	9,800'	Primary Objective
Tununk	11,000'	Possible Pay
Dakota	11,200'	Possible Pay
T.D.	12,500'	

2. **WELL CONTROL EQUIPMENT & TESTING PROCEDURES**

Horseshoe Energy, LLC's minimum specifications for pressure control equipment are as follows:

Diversion: Smith HDP 1400 Rotating Head (To divert any gas away from rig floor)

Annular BOP: 11" x 5000 psi WP

Ram Type BOP: 11" x 5000 psi WP Double (Blind & 4-1/2" Pipe)

After BOP stack is installed, BOP's, choke manifold, Kelly, and all associated valves will be tested by third party BOP tester.

The size and rating of the BOP stack is shown on the attached diagram.

Horseshoe Energy, LLC will comply with all requirements pertaining to well control as specified in Rule R649-3-7 of the Utah Division of Oil, Gas & Mining.

The size and rating of the BOP stack is shown on the attached diagram.



3. CASING PROGRAM

The proposed casing program will be as follows:

<i>Purpose</i>	<i>Depth</i>	<i>Hole Size</i>	<i>O.D.</i>	<i>Weight</i>	<i>Grade</i>	<i>Type</i>
Conductor	0-80'	26"	20"	----	----	----
Surface	0-1,000'	17-1/2"	13-3/8"	54.5#	K-55	ST&C
*Intermediate	0-3,500'	12-1/4"	9-5/8"	36#	K-55	LT&C
Production	0-12,500'	7-7/8"	5-1/2"	17# & 20#	N-80	LT&C

Casing design subject to revision based on hole and formation conditions encountered.

*Set Intermediate only if a water flow is encountered in the Flagstaff Formation.

4. CEMENT PROGRAM

<i>Conductor</i>	<i>Type and Amount</i>
<i>Surface*</i>	To circulate annulus from 0-80' with neat cement mixed at 15.8 ppg. <i>15.8 ft³/SK</i>
<i>Intermediate</i>	<i>Type and Amount</i> <i>* (480/175)</i>
	650 sx 65/35 Pozmix, mixed at 12.7 ppg & Tail in w/200 sx Class "G" neat cement, mixed at 15.8 ppg.
<i>Production</i>	<i>Type and Amount</i> <i>1.18 ft³/SK</i>
	450 sx Class "G" neat cement, mixed at 15.8 ppg (if lower zones are productive). Volume will be adjusted according to caliper log and depth of productive zone/zones. If upper zones are productive, stage tool will be run to keep excess fluid pressure off lower zones.

** Per Greg Ethridge 8-3-99 RSK*



5. DRILLING FLUIDS

The proposed circulating mediums to be employed in drilling are as follows:

<i>Interval</i>	<i>Mud Type</i>	<i>Mud Wt.</i>	<i>Visc.</i>	<i>F/L</i>	<i>pH</i>
0-1,000'	Gel/Lime	8.6-9.2	30-32	NC	NC
1,000'-3,500'	Convert Gel to LSND	8.8-9.2	32-36	Natural	9.0-10.0
3,500'-12,500'	LSND	8.8-9.2	35-45 (55-60 for logging)	10 or less	9.0-9.5

6. TESTING, LOGGING AND CORING

A. Drill Stem Tests

Any porous zones that provide oil and gas shows will be drill stem tested if hole conditions allow.

B. Electric Logs

CNL/Density/Gamma Ray
Dual Induction.Microlaterolog.GR
Sonic (Optional; to tie depths to seismic survey)
Seismic Profile
FMI (Formation Micro Image)/Dipmeter

C. Mud Log

Mud Logger will catch samples & generate mud log from 3,000' to 12,500' (T.D.). Oil and gas shows will be displayed on log.

D. Coring

No cores are anticipated.



Christiansen #1

2,117 FSL & 1,932' FEL

NW SE Sec. 22, T15S - R3E

Sanpete County, Utah

DRILLING PROGRAM

Page 5

7. FORMATION PRESSURES & H₂S

Abnormally high formation pressures will be controlled by increasing mud weight. All drilling breaks will be observed with pump out for flow detection at shale shaker.

This geologic structure has been previously penetrated in the Cimarron Energy #1AXZH well 1-1/4 miles northeast. No H₂S was detected, therefore a contingency plan will not be prepared nor will detection equipment be installed.

8. WATER SOURCE

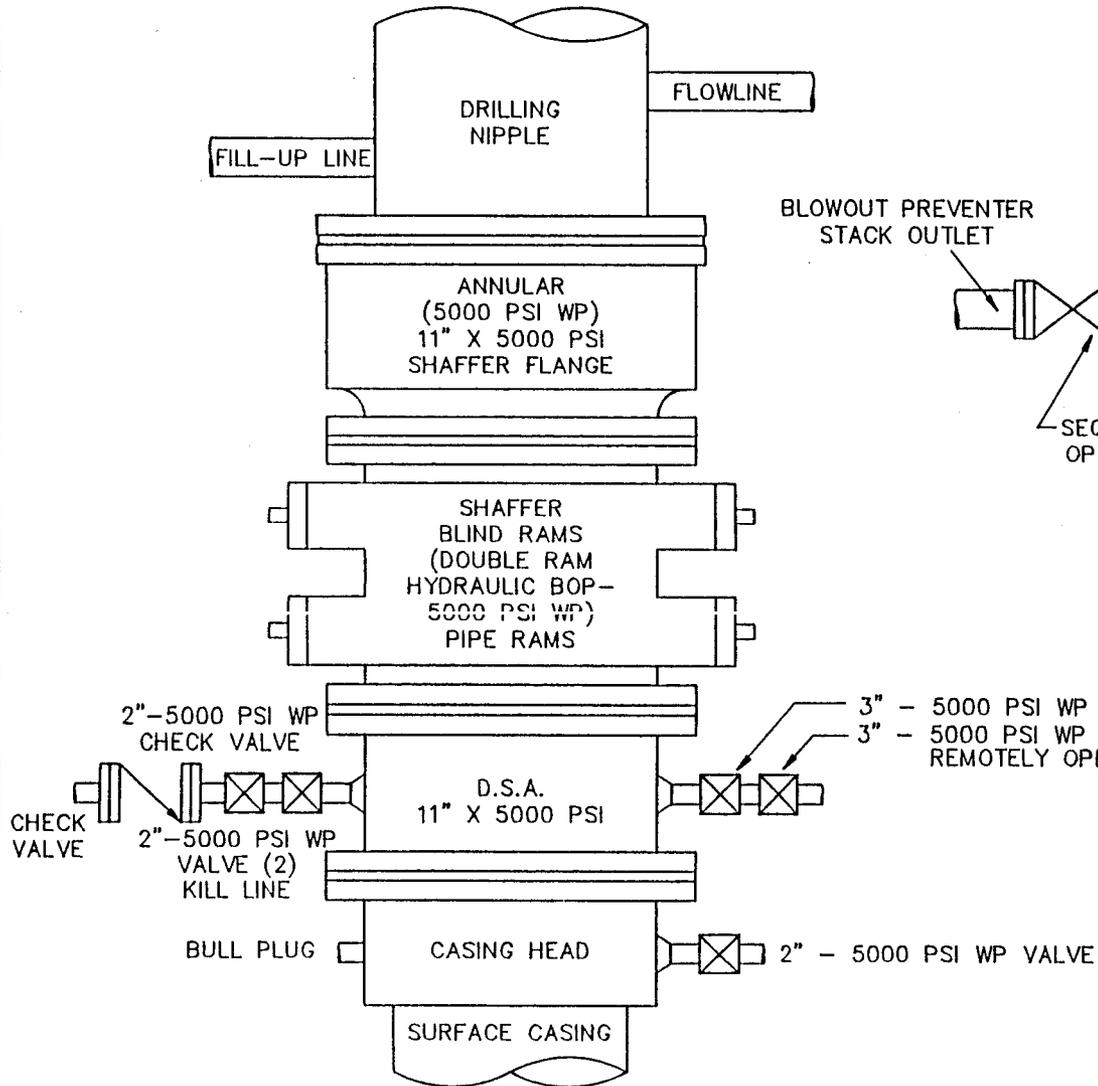
Water will be transported from a municipal source in Moroni, Utah.

9. OTHER INFORMATION

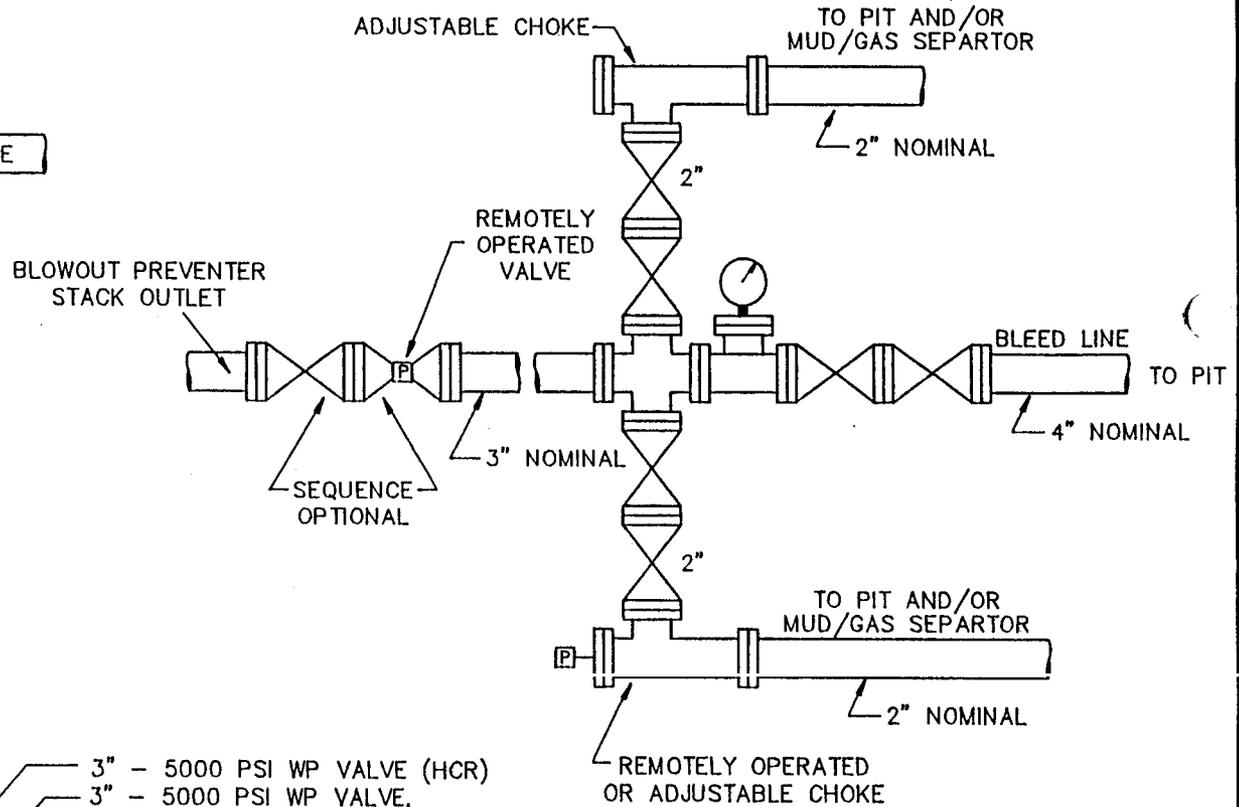
- A. Drilling is planned to commence on approximately August 1, 1999.
- B. It is anticipated that drilling, testing, and installation of casing will be completed in 30 days.



BOP SCHEMATIC
5000 PSI WORKING PRESSURE



TYPICAL CHOKE MANIFOLD
ASSEMBLY FOR 5M



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELL HEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES. ALL LINES SHALL BE ANCHORED.

ALL VALVES IN THE KILL LINE, CHOKE MANIFOLD, AND CHOKE LINE SHALL BE FULL OPENING.

HORSESHOE ENERGY

CHRISTIANSEN #1

NW/4 SE/4 SECTION 22-TISS-R3E
SANPETE COUNTY, UTAH

DRILLING RIG CONFIGURATION
(USING CZA DRILLING, RIG #24)



FLARE PIT

WATER TANKS
(WATER STORAGE / CLOSED MUD SYSTEM)

20' x 20'
CUTTINGS
PIT

EMERGENCY PIT
25' x 50' x 6'

GAS BUSTER

MUD LOGGER

MUD TANK

MUD TANK

CHOKE
MAN.

PIPE
BASKETS
CAT WALK

PIPE
RACKS

SUBSTRUCTURE

DOG HOUSE

WATER TANK

CLOSED
MUD
SYSTEM

MUD TANK

TRAILER

PUSHER

TRAILER

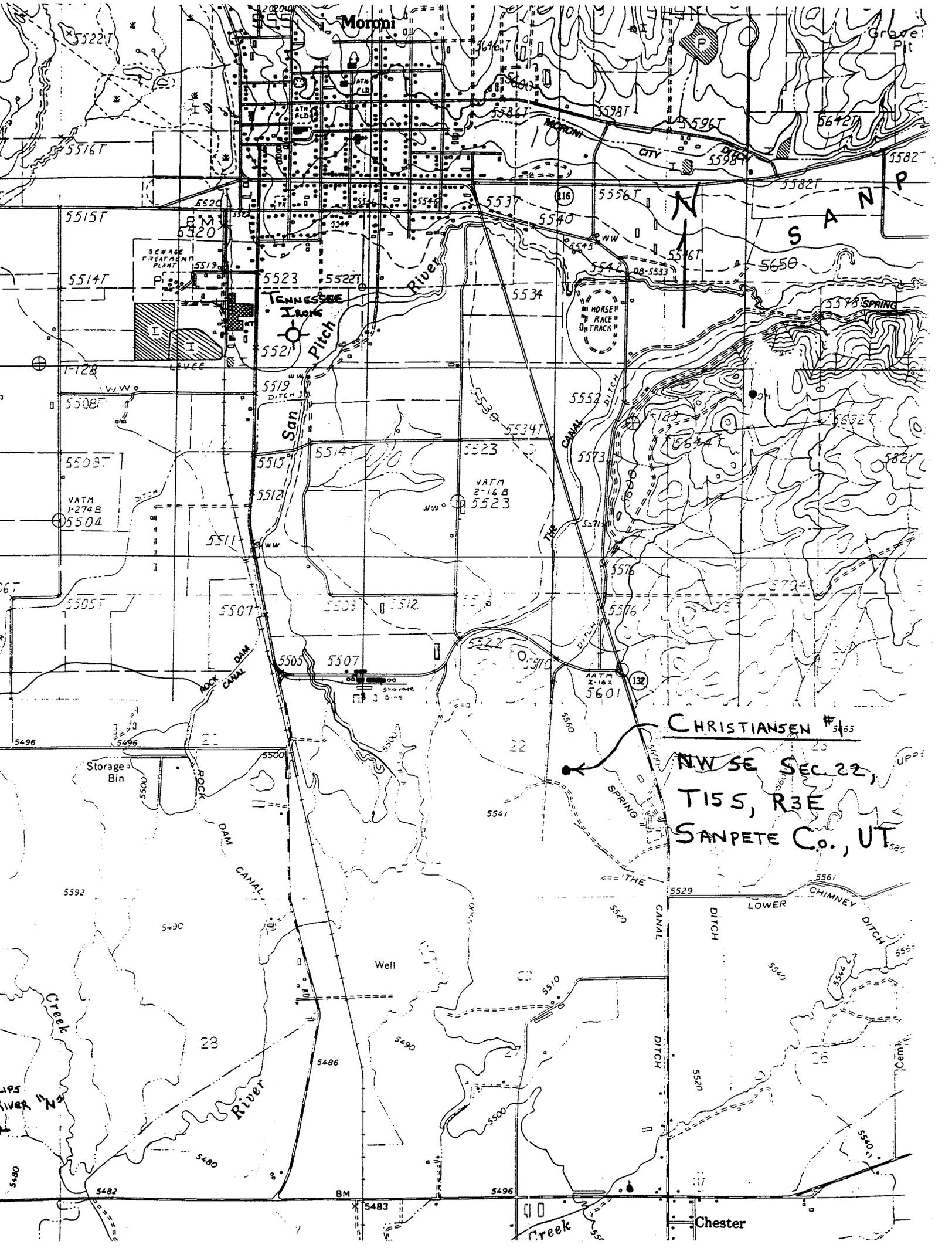
TRAILER

COUNTY ROAD ACCESS

NOT TO SCALE

A102

7/6/99



Moroni

Grave Pit

MORONI CITY

SANPETE

TENNESSEE RIVER

San Pitch Canal

HORSE RACE TRACK

SPRING

CHRISTIANSEN #5465

NW SE SEC 22,
T15S, R3E
SANPETE Co., UT

THE SPRING

THE

CANAL

DITCH

LOWER

CHIMNEY

DITCH

Well

23

River

Creek

Chester

SURFACE DAMAGE AGREEMENT

This Agreement is between Stephen R. Eldredge & Yoshie A. Eldredge hereinafter referred to as "Lessor", whose address is 38 Bhasking Ridge Road, Wilton, CT 06897 and Cimarron Operating Company, L.C., hereinafter referred to as "Lessee", whose address is 584 South State Street, Orem, Utah 84057

The above parties agree to the basic understanding as follows:

Prior to the commencement of any drilling operation by Lessee or its assigns on any land on which Lessor owns surface rights ("Subject Lands") Lessee shall pay as compensation for damage to the surface, the following payments:

\$300 for drill-site location (west half of drill-pad and access road) up to one (1) acre for the first year and then a yearly adjustment of \$300 for each year occupied.

#1 CHRISTIANSEN
C-NWSE Section 22
Township 15 South, Range 3 East
SLB&M, Sanpete County, Utah

Note: East Half of drill-site location on Steven E. Christiansen property.
West Half of drill-site location on Stephen R. Eldredge property.

Lessee shall use or have access to the subject Property at its own risk. Lessee agrees to bare all liabilities caused by the Lessee or its assigns and to provide proof of liability insurance and well site bond to the Lessor.

(1) The parties herein shall mutually agree upon the location of the access road. Any and all access roads shall not exceed 30 feet in width. All pipelines, power lines, and telephone lines will be buried below plow depth and mapped. In the event of a dry hole, the drill site and roadways will be restored to original condition, or to Lessor's specifications.

(2) Unauthorized personnel, contractors, etc. will not be allowed on location or have access to the location. Cimarron will make every reasonable effort to have a company representative on the location at all times during drilling/completion operations. Firearms, liquor, and drugs shall be prohibited from well locations and access roads.

(3) Lessee will reimburse Lessor for loss of livestock and damages caused by or directly related to Lessee's exploration and production of oil or gas. Lessee will reimburse Lessor at a fair market value plus associated replacement costs involved.

PROPERTY RECLAMATION AGREEMENT

1. All topsoil will be stripped, stockpiled, and then replaced to support re-vegetation.
2. Ditches, and culverts, gates, cattle guards will be returned to original condition, or to Lessors specifications.
3. Reclamation work will be accomplished in a timely manner. Natural causes such as unusual weather conditions or ground settling may delay reclamation.
4. All construction and maintenance costs shall be born by Lessee.

This agreement shall be binding upon Lessor, its executors, administrators, successors, and assigns and upon Lessee, its executors, administrators, successors, and assigns. This agreement pertains to all surface areas disturbed in exploration and/or development.

Signed this 21st day of JUNE, 1999.

X Warren L. Jacobs
Warren L. Jacobs, Representative
Cimarron Operating Company, L.C.

X Stephen R. Eldredge
Stephen R. Eldredge

X Yoshie A. Eldredge
Yoshie A. Eldredge

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/08/1999

API NO. ASSIGNED: 43-039-30024

WELL NAME: CHRISTIANSEN 1
 OPERATOR: HORSESHOE ENERGY LLC (N7945)
 CONTACT: Lisa Smith (303)857-9999

PROPOSED LOCATION:
 NWSE 22 - T15S - R03E
 SURFACE: 2117-FSL-1932-FEL
 BOTTOM: 2117-FSL-1932-FEL
 SANPETE COUNTY
 WILDCAT FIELD (001)

INSPECT LOCATN BY: / /		
TECH REVIEW	Initials	Date
Engineering	<i>rsa</i>	8-3-99.
Geology		
Surface		

LEASE TYPE: FEE
 LEASE NUMBER:
 SURFACE OWNER: Fee

PROPOSED FORMATION: DKTA

RECEIVED AND/OR REVIEWED:

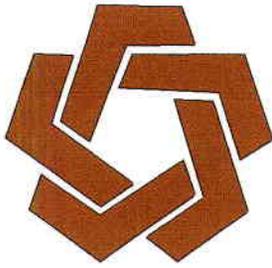
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No # 0629992985417)
- Potash (Y/N)
- Oil Shale (Y/N) *190-5(B)
- Water Permit
(No. Marion / Municipal)
- RDCC Review (Y/N)
(Date: Decm Ltr. 7-21-99 / Comments due 8-10-99)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3. Unit
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Date: _____
- R649-3-11. Directional Drill

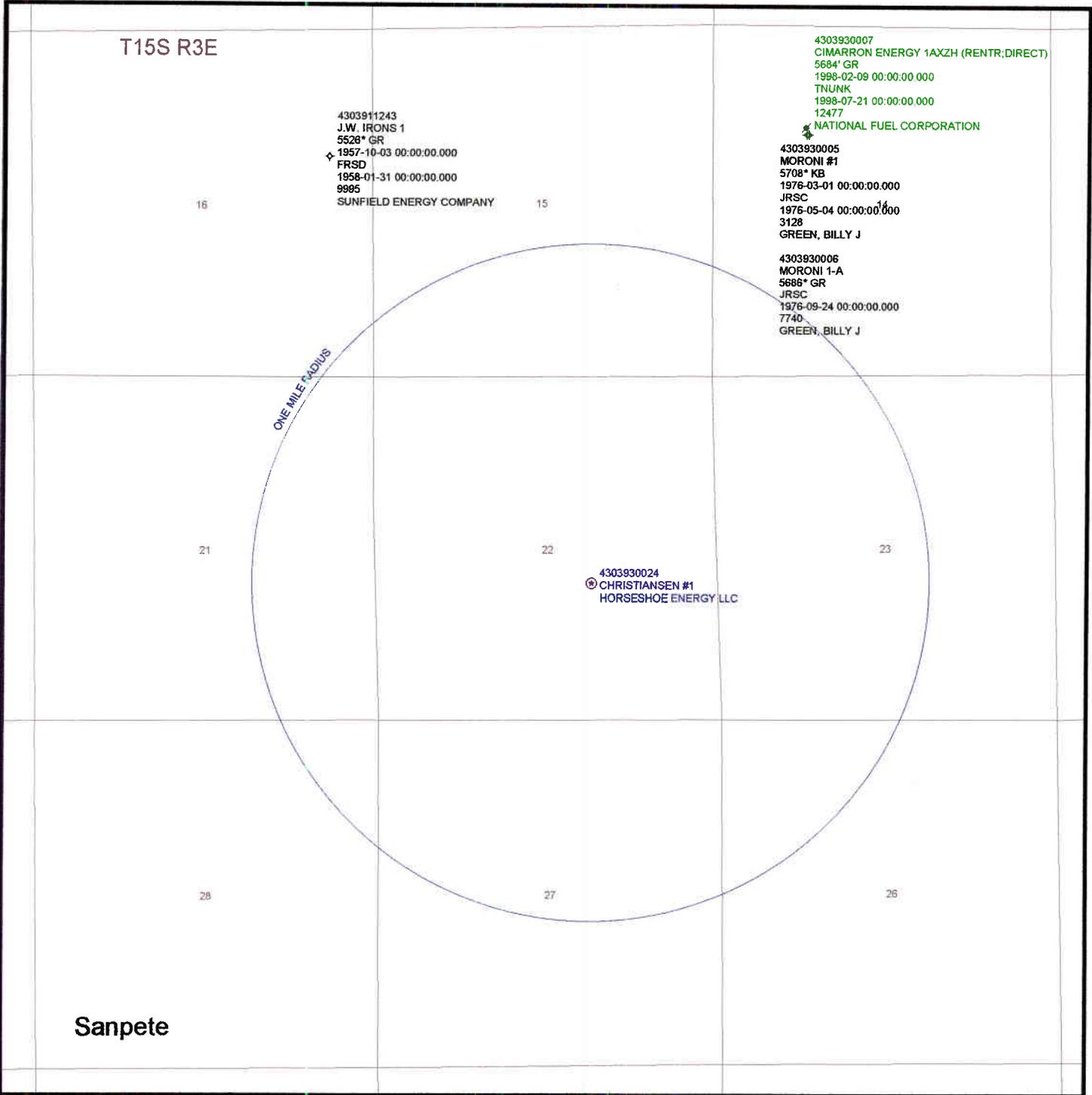
COMMENTS: Need Presite. (Conducted 7-19-99)

STIPULATIONS: ① Conductor and surface casings shall be cemented to surface
② Statement of Basis



Division of Oil, Gas & Mining

OPERATOR: HORSESHOE ENERGY LLC
FIELD: WILDCAT (001)
SEC. 22, TWP 15 S, RNG 3 E,
COUNTY: SANPETE



PREPARED
DATE: 16-JULY-1999

From: Don Staley
To: John Baza
Date: Wed, Jul 28, 1999 12:02 PM
Subject: CD - Horseshoe Energy / APDs

John,

FYI.....

I received a call today from Julie Durk of Horseshoe Energy. She had spoken to Kristen previously, but still had questions about how to finalize the setting up of a CD that she said is required before they can receive approval on some APDs.

I sent her a copy of the bonding rules, which seemed to answer her questions.

She is sending to my attention via FedEx, (1) a signature card for Lowell's signature, and (2) the CD. She said she was out of the office last week, and there are people waiting on her to get the APD approvals so they can get to work.

Unless you have other instructions for me, I will bring this stuff to you as soon as I receive it.

Don

CC: Gil Hunt, Kristen Risbeck, Lisha Cordova

899 Horseshoe Christiansen #1

Well name:

Operator: **Horseshoe Energy, LLC**

String type: **Surface**

Project ID:

43-039-30024

Location: **Sanpete County**

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.433 psi/ft
Calculated BHP: 433 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 877 ft

Environment:

H2S considered? No
Surface temperature: 0 °F
Bottom hole temperature: 14 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 185 ft

Cement top: 389 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 1,850 ft
Next mud weight: 8.330 ppg
Next setting BHP: 801 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,850 ft
Injection pressure: 1,850 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1000	13.375	54.50	K-55	ST&C	1000	1000	12.49	107.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	433	1130	2.61	433	2730	6.31	48	547	11.45 J

Prepared by: RJK
Utah Dept. of Natural Resources

Date: August 3, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Conductor and surface casing shall be cemented to surface.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 1000 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

899 Horsehoe Christiansen #1

Well name:

Operator: **Horseshoe Energy, LLC**

String type: Intermediate

Project ID:

43-039-30024

Location: Sanpete County

Design parameters:

Collapse

Mud weight: 9.200 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 124 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 1,806 ft

Burst

Max anticipated surface pressure: 158 psi
Internal gradient: 0.433 psi/ft
Calculated BHP 1,673 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 3,023 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 12,000 ft
Next mud weight: 8.330 ppg
Next setting BHP: 5,193 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 12,000 ft
Injection pressure 12,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3500	9.625	36.00	K-55	LT&C	3500	3500	8.765	249.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1673	2020	1.21	1673	3520	2.10	109	489	4.49 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: August 3, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Conductor and surface casing shall be cemented to surface.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 3500 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

899 Horseshoe Christiansen #1

Well name:

Operator: **Horseshoe Energy, LLC**

String type: Production

Project ID:

43-039-30024

Location: Sanpete County

Design parameters:

Collapse

Mud weight: 9.200 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 250 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: 10,667 ft

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.478 psi/ft
Calculated BHP 5,974 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 10,759 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	12500	5.5	20.00	N-80	LT&C	12500	12500	4.653	505.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5974	8830	1.48	5974	9190	1.54	215	428	1.99 J

Prepared by: RJK
Utah Dept. of Natural Resources

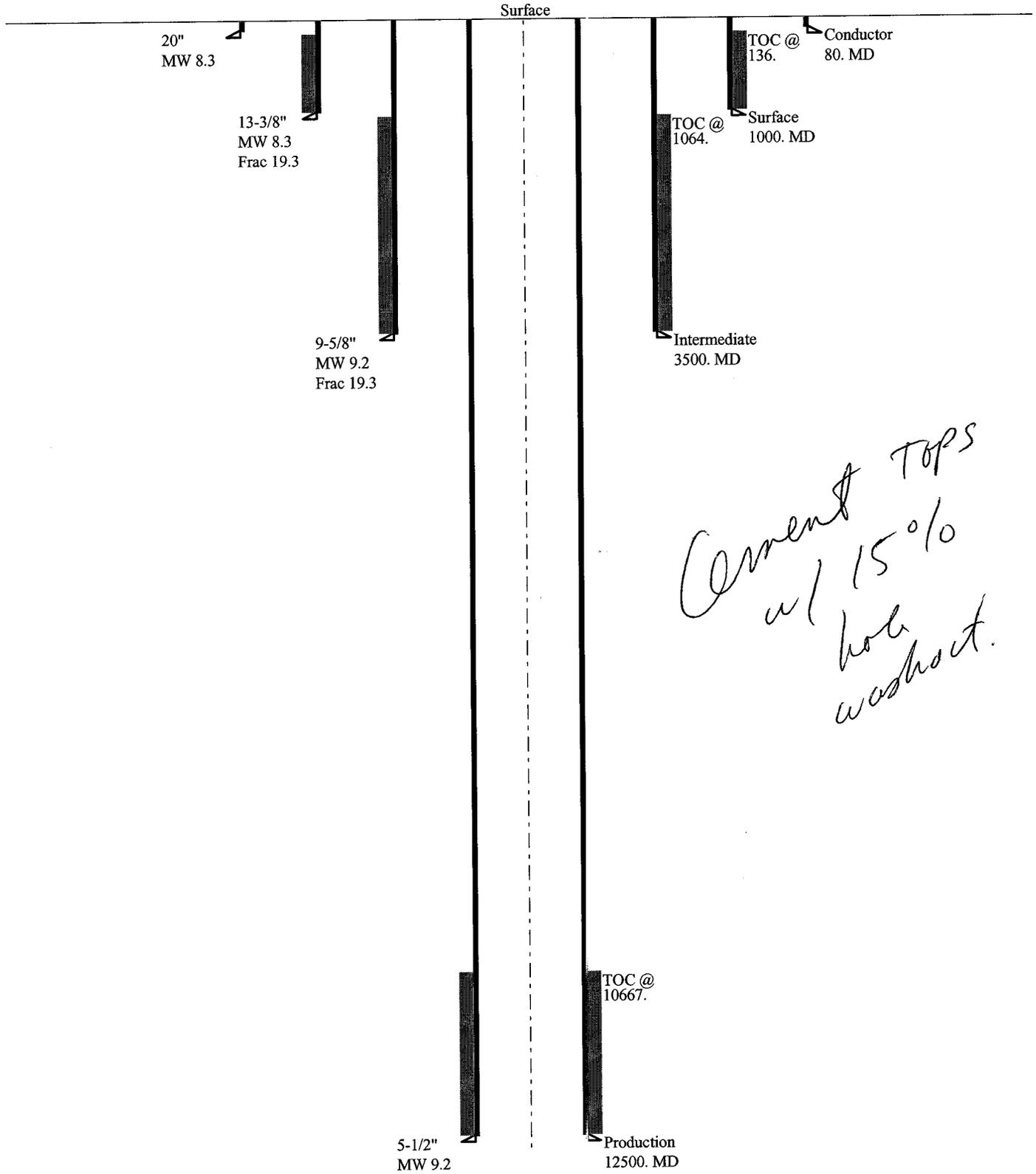
Date: August 3, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Conductor and surface casing shall be cemented to surface.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 12500 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

899 Horseshoe Christiansen

Casing Schematic



DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

Operator Name: Horseshoe Energy LLC
Name & Number: Christiansen #1
API Number: 43-039-30024
Location: 1/4, 1/4 NW SE Sec. 22 T. 15 S R. 3 E

Geology/Ground Water:

This well calls for 1000' of 13 3/8 casing cemented back to surface with 480 sx of cement . If this volume of cement is not sufficient to bring cement to surface additional cement should be used to assure that the casing is cemented to surface. According to division of Water Rights records there are over 20 points of diversion within a mile radius of this location one is not more that 400' away to the southwest. Most of the diversions are water wells between 40 & 300' deep and the proposed casing program will adequately cover the zones of potable water. H2S should not be a problem at this well.

Reviewer: K. Michael Hebertson Date: 19 /July / 1999

Surface:

The operator was able to contact the surface owner, who was present at the pre-site. Mr Christiansen was able to attend, however he was not happy with the size of the location, and was concerned that he was losing too much of his field. He was asked if he had signed an agreement which was filed with the APD, but he didn't respond to the question. He was told that the Division would not negotiate the contract for him and that in case of a disagreement about what the agreement said or how it was executed the Division only had the authority to insist that the location be put back to the condition that it was in at the time of the pre-site. No other agencies were contacted, as the location is on private ground and is surrounded by private ground. The land owner did not request any archeological or paleo surveys and was happy to have 2 acres of thistle destroyed.

Reviewer: K. Michael Hebertson Date: 19/July / 1999

Conditions of Approval/Application for Permit to Drill:

1. The pit will be lined with a synthetic liner.
2. A catchment ditch will be placed at the toe of all cut and fill slopes.
3. A berm will be placed around the top outside edge of the location.
4. A culvert will be placed at the entrance to the location from the access road.

ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: Horseshoe Energy LLC
WELL NAME & NUMBER: Christiansen #1
API NUMBER: 4303930024
LEASE: Fee FIELD/UNIT: Wildcat (001)
LOCATION: 1/4, 1/4 NWSE Sec: 22 TWP: 15 S RNG: 3 E 2117 FSL 1932 FEL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X = 451027 E Y = 4371826 N
SURFACE OWNER: Christiansen

PARTICIPANTS

Mike Hebertson (DOGM), Steven Christiansen (Land Owner),
Greg Ethridge (Horseshoe Energy), Mark Poulson (Poulson Excavation),
Jim McManigal (Caza Drilling)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Overthrust Belt East of Nephi and northwest of Manti. Located in an
Intermountain valley between the Mount Nebo Thrust Plate and the
Wasatch Plateau of Central Utah. Flat Valley floor on Quaternary
Valley Fill generated from the alluvial fans and decomposed Green
River formation outcrops that are common through out the area.

SURFACE USE PLAN

CURRENT SURFACE USE: Thistle and weed filled field used for livestock
and ranching. Sparse grass.

PROPOSED SURFACE DISTURBANCE: A location that is 375 X 280 with the
Long axis running east-west. A small pit for cleaning mud pits will be
necessary, however the mud system will be a closed loop system. The
pit will be 25 X 50 X 6, and will inboard on the location.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: None

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Will be retained on
the pad.

SOURCE OF CONSTRUCTION MATERIAL: will be secured from a commercial
source.

ANCILLARY FACILITIES: None required.

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal
waste treatment system; garbage cans on location will be emptied into
centralized dumpsters or wire cages which will be emptied into an
approved landfill. No crude oil is expected to be produced. Drilling

fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Used oil from drilling operations and support is hauled to a used oil re-cycler.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None. However there are two active irrigation canals in the area and at times standing water can be observed on the south side of the well pad.

FLORA/FAUNA: Fox, Rabbit, skunk, Coyote, indigenous birds, Thistle Salt Grass, other cultivated grasses and weeds.

SOIL TYPE AND CHARACTERISTICS: Clay, very little sand, possible sand bodies at depth, possible boulders at depth.

SURFACE FORMATION & CHARACTERISTICS: Quaternary Alluvium, which has washed out from the Mountains to the east & the west, clay with little sand present. The soil is a medium reddish brown. In places the Green River Limestones can be observed at the surface forming small erosional hills in the valley proper.

EROSION/SEDIMENTATION/STABILITY: No erosion, sedimentation or stability problems with the location it is in a cultivated field.

PALEONTOLOGICAL POTENTIAL: Small to none, none observed

RESERVE PIT

CHARACTERISTICS: 25 X 50 X 6 inboard on the North side of the pad and a flare pit on the east side of the pit.

LINER REQUIREMENTS (Site Ranking Form attached): A pit liner for this pit will be required.

SURFACE RESTORATION/RECLAMATION PLAN

As per the surface owners agreement

SURFACE AGREEMENT: Already on file

CULTURAL RESOURCES/ARCHAEOLOGY: None required.

OTHER OBSERVATIONS/COMMENTS

The surface owner was present at the time of the pre-site and was given access to the points of diversion water data that were used to prepare the evaluation form. The operator was informed that the waste management plan for 1999 was not on file and that the division had used a prepared statement in its place. The operator requested that he be allowed to use a small catchment pit for cuttings to fall into from the shale shaker. The pit would be unlined so that cuttings could be removed with a back hoe.

ATTACHMENTS:

Photos were taken of this location.

K. Michael Hebertson
DOGM REPRESENTATIVE

15/July /1999 12:30 PM
DATE/TIME

STATE ACTIONS

Mail to:
RDCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

-
1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)
-
3. APPROXIMATE DATE PROJECT WILL START:
Upon Approval
-
4. AREAWIDE CLEARING HOUSE(s) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Six Counties Association of Government
-
5. TYPE OF ACTION: Lease Permit License Land Acquisition
 Land Sale Land Exchange Other _____
-
6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill
-
7. DESCRIPTION:
Horseshoe Energy, LLC proposes to drill the Christiansen #1 well (undesignated) on a private lease in Sanpete County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.
-
8. LAND AFFECTED (site location map required) (indicate county)
NW SE, Section 22, Township 15 South, Range 3 East, Sanpete County, Utah
-
9. HAS THE LOCAL GOVERNMENT(s) BEEN CONTACTED?
No
-
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
Degree of impact is based on the discovery of oil or gas in commercial quantities.
-
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
-
12. FOR FURTHER INFORMATION, CONTACT:

13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL:



Associate Director

DATE: July 21, 1999

John R. Baza
PHONE: 538-5334

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>15</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>20</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>15</u>

Final Score

60

(Level I Sensitivity)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 11, 1999

Horseshoe Energy, LLC
7433 South Clarkson Circle
Littleton, Colorado 80122-1422

Re: Christiansen #1 Well, 2117' FSL, 1932' FEL, NW SE, Sec. 22, T. 15 S., R. 3 E., Sanpete County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-039-30024.

Sincerely,

for John R. Baza
Associate Director

lwp

Enclosures

cc: Sanpete County Assessor
Bureau of Land Management, Richfield District Office

Operator: Horseshoe Energy, LLC
Well Name & Number: Christiansen #1
API Number: 43-039-30024
Lease: Fee Surface Owner: Fee
Location: NW SE Sec. 22 T. 15 S. R. 3 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division of the following actions during drilling of this well:

- . 24 hours prior to cementing or testing casing
- . 24 hours prior to testing blowout prevention equipment
- . 24 hours prior to spudding the well
- . within 24 hours of any emergency changes made to the approved drilling program
- . prior to commencing operations to plug and abandon the well

Division contacts (please leave a voice mail message if person is not available to take the call):

- . Dan Jarvis at (801) 538-5338
- . Robert Krueger at (801) 538-5274 (plugging)
- . Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Conductor and surface casing shall be cemented to surface.

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

SPUDDING INFORMATION

Name of Company: HORSESHOE ENERGY

Well Name: CHRISTIANSEN 1

Api No. 43-039-30024 Lease Type: FEE

Secton 22 Township 15S Range 03E County SANPETE

Drilling Contractor CAZA RIG # 24

SPUDDED:

Date 08/20/99

Time 7:00 PM

How DRY HOLE

Drilling will commence _____

Reported by GREG ETHRIDGE

Telephone # 435-340-1226

Date 08/20/99 Signed: CHD

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

Christiansen #1

9. API Well Number:

43-039-30024

10. Field and Pool, or Wildcat:

Wildcat

1. Type of Well: OIL GAS OTHER:

2. Name of Operator: HORSESHOE ENERGY, LLC.

3. Address and Telephone Number: (801) 225-0038
584 So. State Street, Orem, UT 84057

4. Location of Well

Footages: 2117' FSL 1932' FEL

CO, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, S51M

County: Sanpete

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Weekly progress report
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion In progress

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly progress report for the week beginning 8/20/99 is as follows:

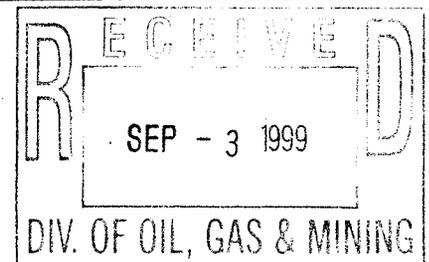
- 8/20/99: Spud well @ 7:00 P.M., 8/20/99 w/ 17 1/2" bit thru 20" conductor (set @ 104' KB) to 387'.
- 8/21/99 Continued drilling 17 1/2" hole from 387' thru 727'.
- 8/22/99 Continued drilling 17 1/2" hole from 727' thru 1,066'.
- 8/23/99 Continued drilling 17 1/2" hole to 1,258' KB & tripped out w/ bit.
- 8/24/99 Tripped back to bottom w/ bit, circulated, & tripped out. Ran 29 jts. 13 3/8", 54.5#, J=55, ST&C casing set @ 1,258' KB. Cemented w/ 400sx HOWCO Lite, 225 sx Class "G", & pumped 100 sk Class "G" "top job" thru 1" from 140' KB to surface.
- 8/25/99 Wait On Cement. Cut-off 20" conductor & 13 3/8" surface casing; installed 13 3/8" casinghead & nipped up BOP stack -- installed flowline.
- 8/26/99 Rigged BOP testers & tested BOP stack, choke manifold, kelly & associated equipment. Tripped in w/ 12 1/4" bit & drilled cement out of shoe joint (43').

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!

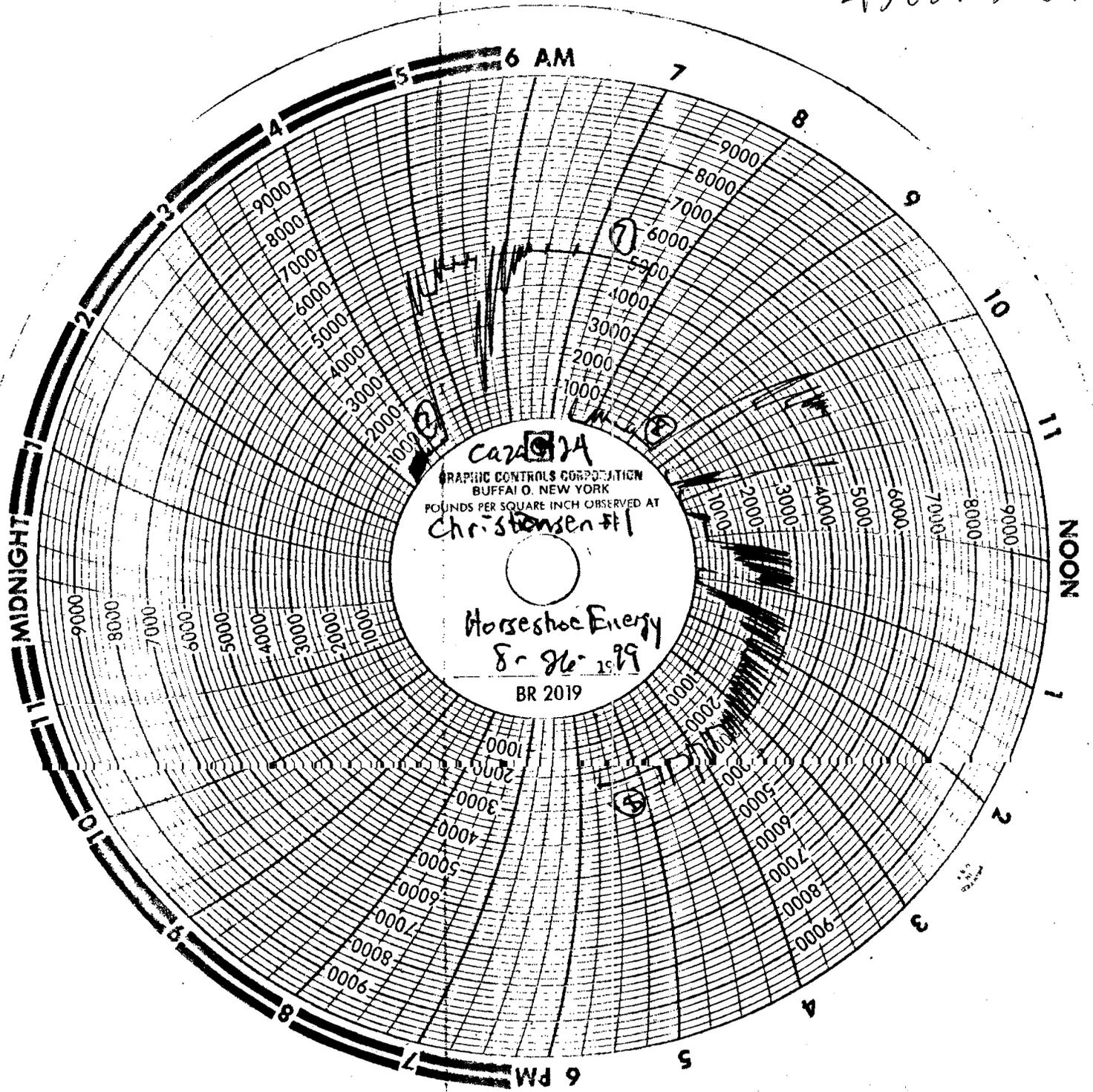
13.

Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 8/28/99

(This space for State use only)



43.0289.3002A



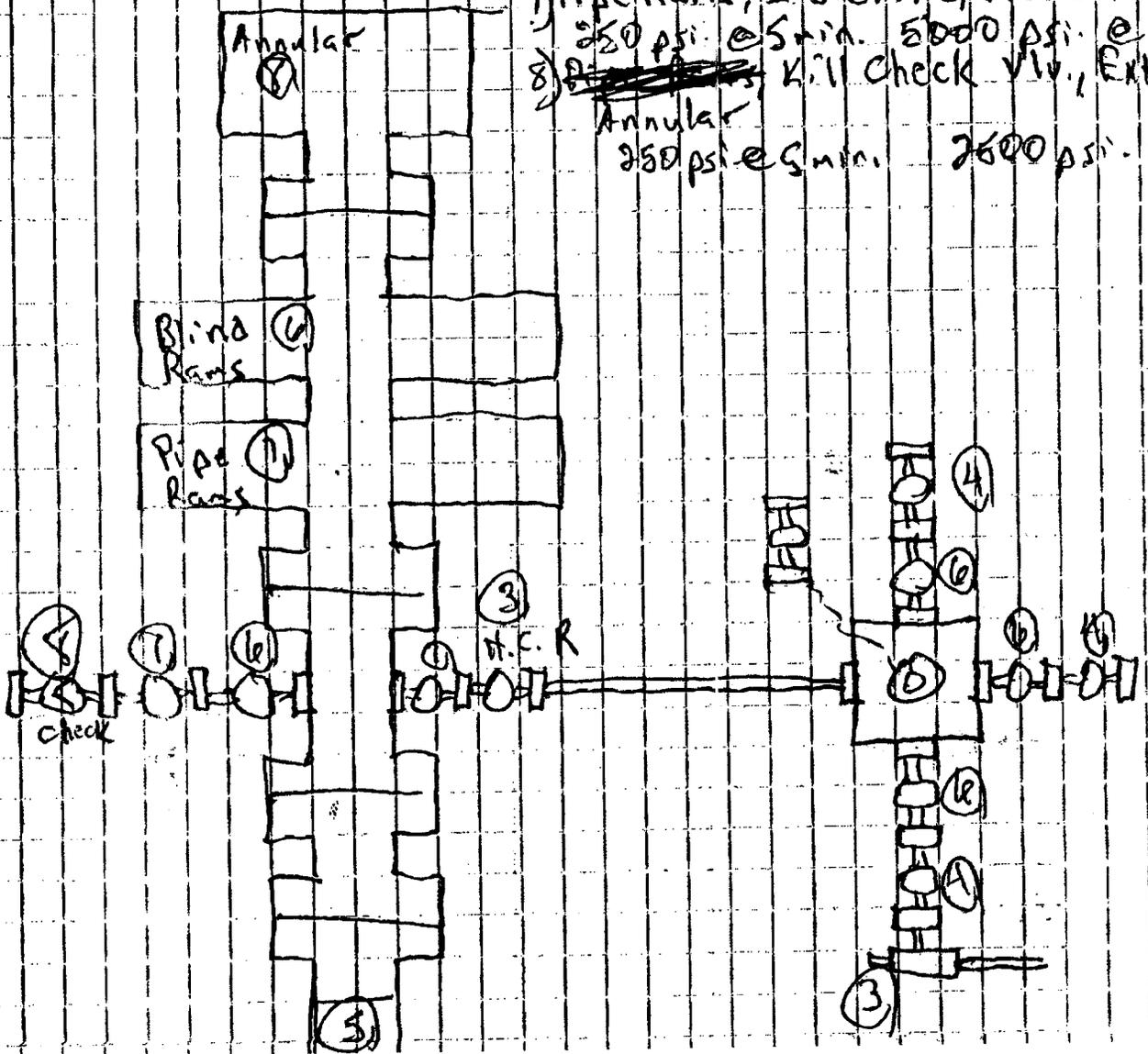
Horseshoe Energy
Sanpete, UT
Christiansen #1
322 TISS R&E

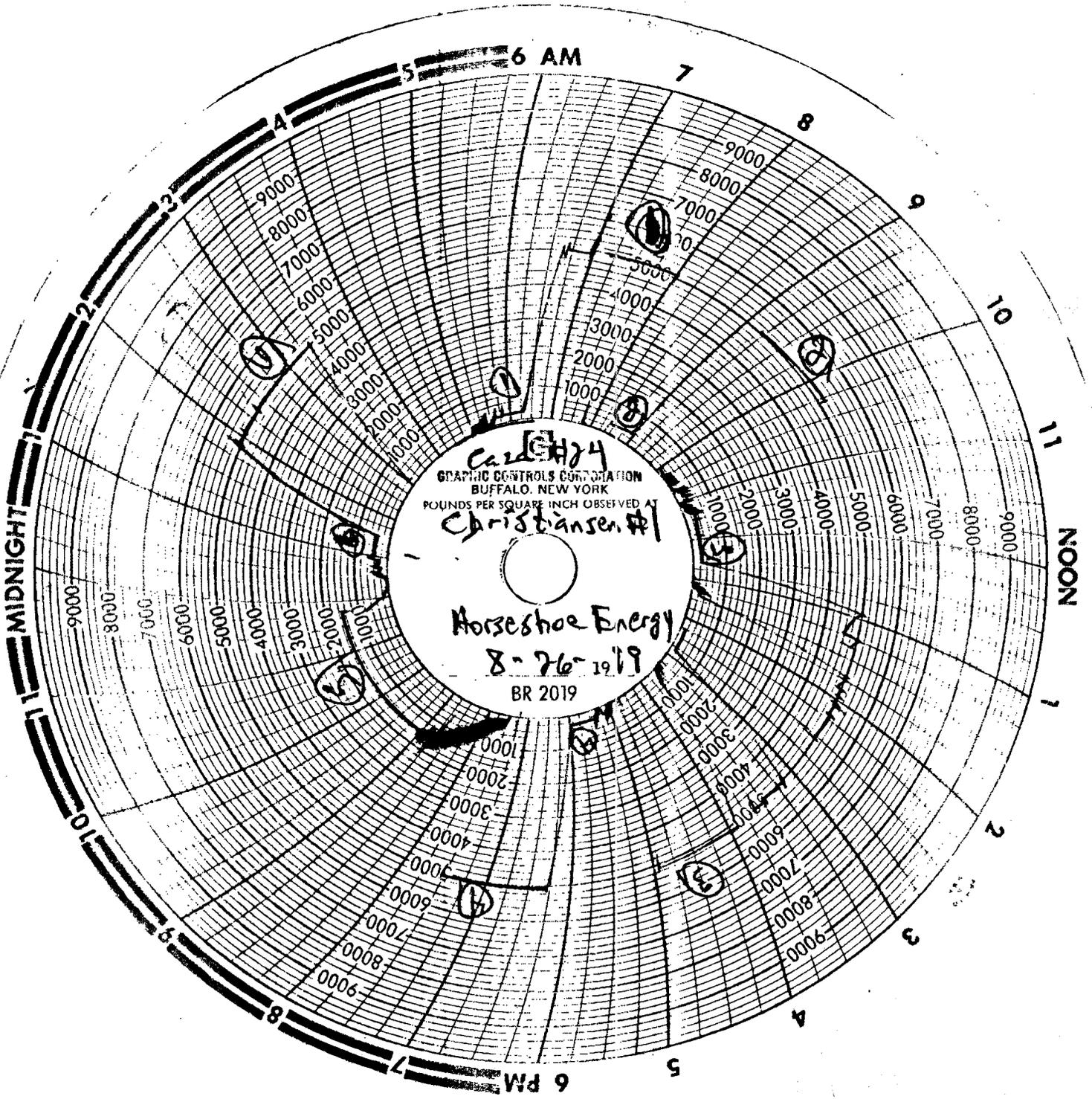
8-26-99

Case #24

- 1) Upper Kelly Vlv. 250 psi @ 5 min. 5000 psi @ 10 min.
- 2) Floor Vlv. 250 psi @ 5 min. 5000 psi @ 10 min.
- 3) H.C.R., Super Choke 250 psi @ 5 min. 5000 psi @ 10 min.
- 4) I.S. Choke Man. Vlv. 250 psi @ 5 min. 5000 psi @ 10 min.
- 5) Casing 1500 psi @ 30 min.
- 6) Blind Rams, I.S. Choke Man. Vlv., I.S. Kill Vlv. 250 psi @ 5 min. 5000 psi @ 10 min.

- 7) Pipe Rams, I.S. Choke, + Mid. Kill Vlv., 250 psi @ 5 min. 5000 psi @ 10 min.
- 8) ~~Annular~~ Kill Check Vlv., Extra Floor Vlv. 250 psi @ 5 min. 2600 psi @ 10 min.





Double Jack Testing & Services Inc.

FIELD TICKET

103 16015

Accounting Office: P.O. Box 516 Shoshoni, WY 82649 (307) 876-9390
 Field Operations: Shoshoni, WY (307) 876-2308
 Evanston, WY (307) 789-9213
 Rock Springs, WY (307) 382-4020
 Big Piney, WY (307) 276-5265
 Vernal, UT (435) 781-0448

DATE 8-26-99
 OPERATOR Horse Shoe Energy
 CONTRACTOR Caza #24
 WELL NAME Christianson #1

COUNTY Saratoga STATE UT SECTION 22 TOWNSHIP 155 RANGE 3 E

Items Tested:	LOW TEST PSI	TIME HELD MINUTES	HIGHEST PSI	TIME HELD MINUTES	
Top Pipe Rams					Closing Unit PSI <u>3000</u>
Bottom Pipe Rams	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	Closing Time of Rams <u>5 sec.</u>
Blind Rams	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	Closing Time of Annular <u>20 sec.</u>
Annular B.O.P.	<u>250</u>	<u>5</u>	<u>2500</u>	<u>10</u>	Closed Casing Head Valve <input checked="" type="checkbox"/>
Choke Manifold	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	Set Wear Sleeve _____
Choke Line	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	COMMENTS
Kill Line	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	
Super Choke	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	
Upper Kelly	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	
Lower Kelly	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	
Floor Valve	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	
Dart Valve	<u>250</u>	<u>5</u>	<u>5000</u>	<u>10</u>	
Casing			<u>1500</u>	<u>30</u>	

ADDITIONAL TESTS & COMMENTS

TEST PLUG 1 1/2" C-22
 RET. TOOL _____
 TOP SUB. 4 1/2" IF
 KELLY SUB. 4 1/2" IF
 X-OVER SUB. _____

RATES

UNIT RATES 7 Hr. Setup Charge \$800.00
 ADDITIONAL MILEAGE 360 mi. Round trip @ Vernal Shop @ \$1.00/mi. \$360.00
 METHANOL _____
 OTHER Discount for Truck & Tools 2 hrs. @ \$55.00/hr \$110.00

SUBTOTAL \$1270.00

PURCHASE ORDER #
A.W. City
 COMPANY REPRESENTATIVE

TESTED BY
Mike Daggert
\$148 Thank You
 DOUBLE JACK TESTING UNIT NUMBER

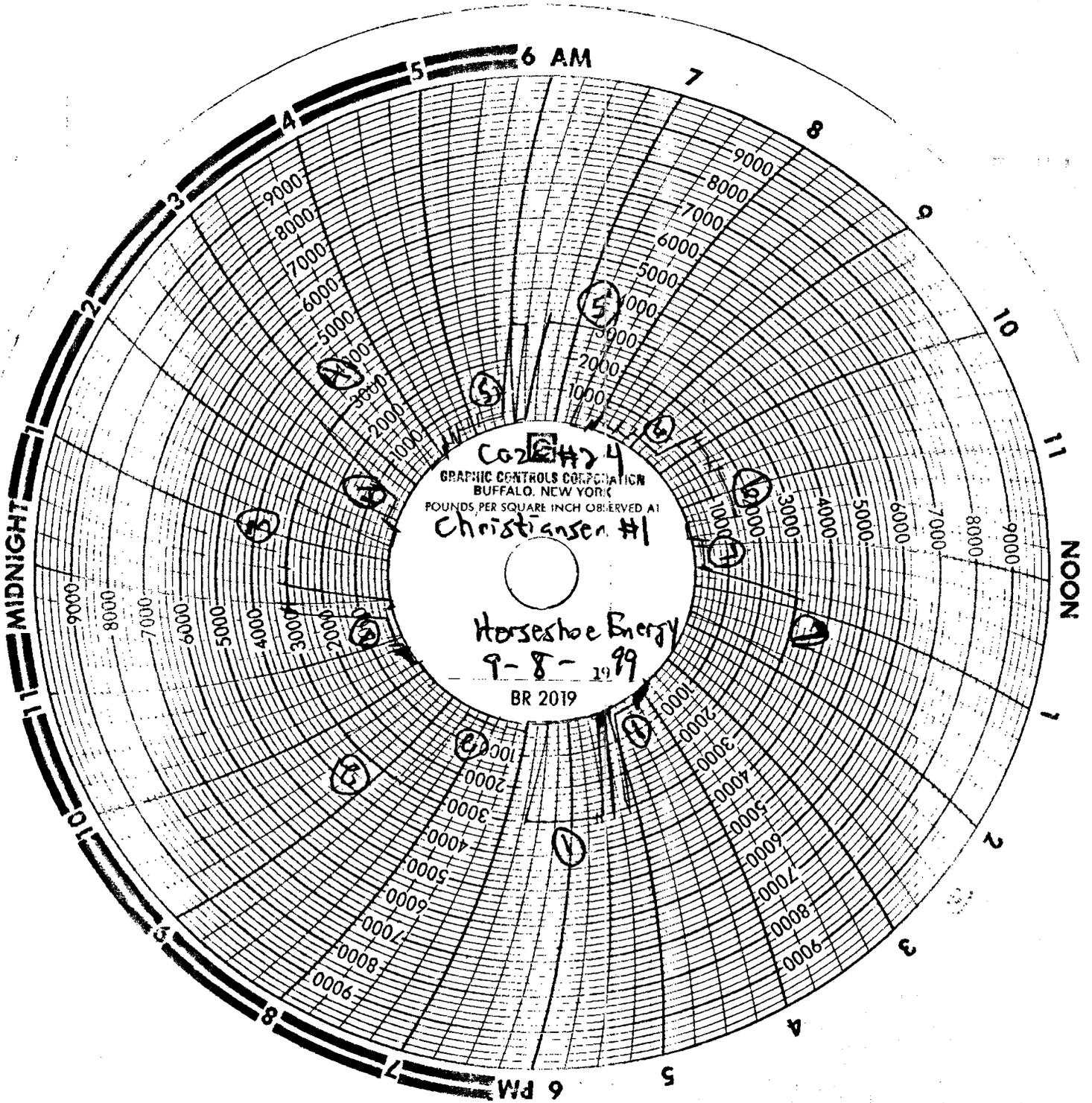
TAX _____
 TOTAL _____

NOTICE TO ALL CUSTOMERS

If this account shall not be paid when due and it is placed with an attorney for collection, or if suit be instituted for collection, the undersigned agree(s) to pay in either case, reasonable expense of collection including attorney's fees and court cost in compliance with TRUTH IN LENDING AND THE UNIFORM CONSUMER CREDIT CODE, the following information disclosure, under the terms of our regular accounts, all amounts for service due and payable within THIRTY (30) DAYS from the receipt of an invoice for such services. A LATE CHARGE will be assessed when accounts are not paid when due. THE LATE CHARGE is computed by a "periodic rate" 1-3/4% PER MONTH which is an ANNUAL PERCENTAGE RATE OF 21% to the previous balance in the account on the billing date. No further credit can be extended on unpaid delinquent accounts until the delinquent account is paid in full. The contractor will not be held liable for damages caused by acts of God, or unforeseen circumstances that could not be reasonably anticipated in performing the work done as set forth above.

FAX TRANSMITTAL

To: DEPT. OF NATURAL RESOURCES/OIL, GAS & MINING DIVISION		Fax #: (801) 359-3940
Attn: DAN JARVIS		Phone #: (801) 538-5338
# of Pages 5 (including this page)	Date 8/27/99	Time 9:40
Re: HORSESHOE ENERGY, LLC. CHRISTIANSEN #1 NW/4 SE/4 SEC. 22 - T15S - R3E SARFETE COUNTY, VT API # 43-039-30024 [ROP TEST CHARTS & DATA]		
From: Greg Ethridge 7433 So. Clarkson Circle Littleton, CO 80122-1422	Fax: 303/798-0124 Phone: 303/798-2264 (435) 340-1226 LOCATION	



Double Jack Test & Services Inc.

FIELD TICKET
NE 16019

Accounting Office: P.O. Box 516 Shoshoni, WY 82649 • (307) 876-9390
 Field Operations: Shoshoni, WY (307) 876-2308
 Evanston, WY (307) 789-9213
 Rock Springs, WY (307) 382-4020
 Big Piney, WY (307) 276-5265
 Vernal, UT (435) 781-0448

DATE 9-8-99
 OPERATOR Horseshoe Energy
 CONTRACTOR Coza # 24
 WELL NAME Christiansen #1

COUNTY Sanpete STATE UT SECTION 22 TOWNSHIP 15 S RANGE 3 E

Items Tested:	LOW TEST PSI	TIME HELD MINUTES	HIGHEST PSI	TIME HELD MINUTES	
Top Pipe Rams					Closing Unit PSI <u>2900</u>
Bottom Pipe Rams	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	Closing Time of Rams <u>5 sec.</u>
Blind Rams	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	Closing Time of Annular <u>19 sec.</u>
Annular B.O.P.	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	Closed Casing Head Valve <input checked="" type="checkbox"/>
Choke Manifold	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	Set Wear Sleeve <u>Yes</u>
Choke Line	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	COMMENTS
Kill Line	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	
Super Choke	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	
Upper Kelly	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	
Lower Kelly	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	
Floor Valve	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	
Dart Valve	<u>250</u>	<u>5</u>	<u>3000</u>	<u>10</u>	
Casing			<u>2500</u>	<u>30</u>	

ADDITIONAL TESTS & COMMENTS

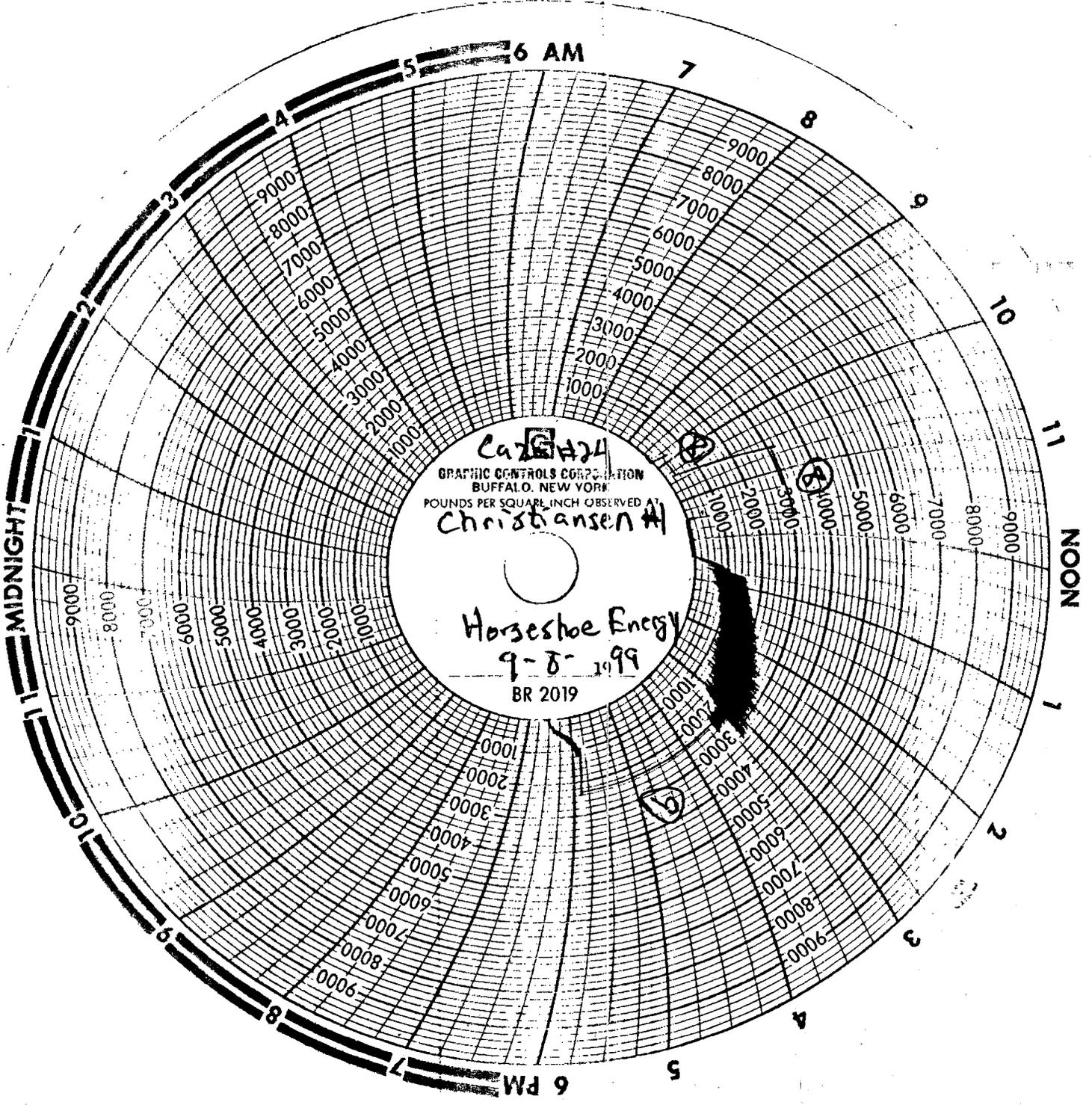
TEST PLUG	<u>11" McEVDY</u>	<u>N/C</u>
RET. TOOL	<u>4 1/2" TP</u>	<u>N/C</u>
TOP SUB.	<u>4 1/2" IF</u>	<u>N/C</u>
KELLY SUB.		
X-OVER SUB.		

RATES
 UNIT RATES 1 Hr. Setup Charge \$800.00
 ADDITIONAL MILEAGE 360 mi Round trip f/Vernal Shop @ \$1.20/mi. \$360.00
 METHANOL
 OTHER

Jack Daggert TESTED BY
148 Thank You DOUBLE JACK TESTING UNIT NUMBER
 PURCHASE ORDER # D.W. [Signature] COMPANY REPRESENTATIVE
 SUBTOTAL \$1160.00
 TAX
 TOTAL

NOTICE TO ALL CUSTOMERS

If this account shall not be paid when due and it is placed with an attorney for collection, or if suit be instituted for collection, the undersigned agree(s) to pay in either case, reasonable expense of collection including attorney's fees and court cost in compliance with TRUTH IN LENDING AND THE UNIFORM CONSUMER CREDIT CODE, the following information disclosure, under the terms of our regular accounts, all amounts for service due and payable within THIRTY (30) DAYS from the receipt of an invoice for such services. A LATE CHARGE will be assessed when accounts are not paid when due. THE LATE CHARGE is computed by a "periodic rate" 1-3/4% PER MONTH which is an ANNUAL PERCENTAGE RATE OF 21% to the previous balance in the account on the billing date. No further credit can be extended on unpaid delinquent accounts until the delinquent account is paid in full. The contractor will not be held liable for damages caused by acts of God, or unforeseen circumstances that could not be reasonably anticipated in performing the work done as set forth above.



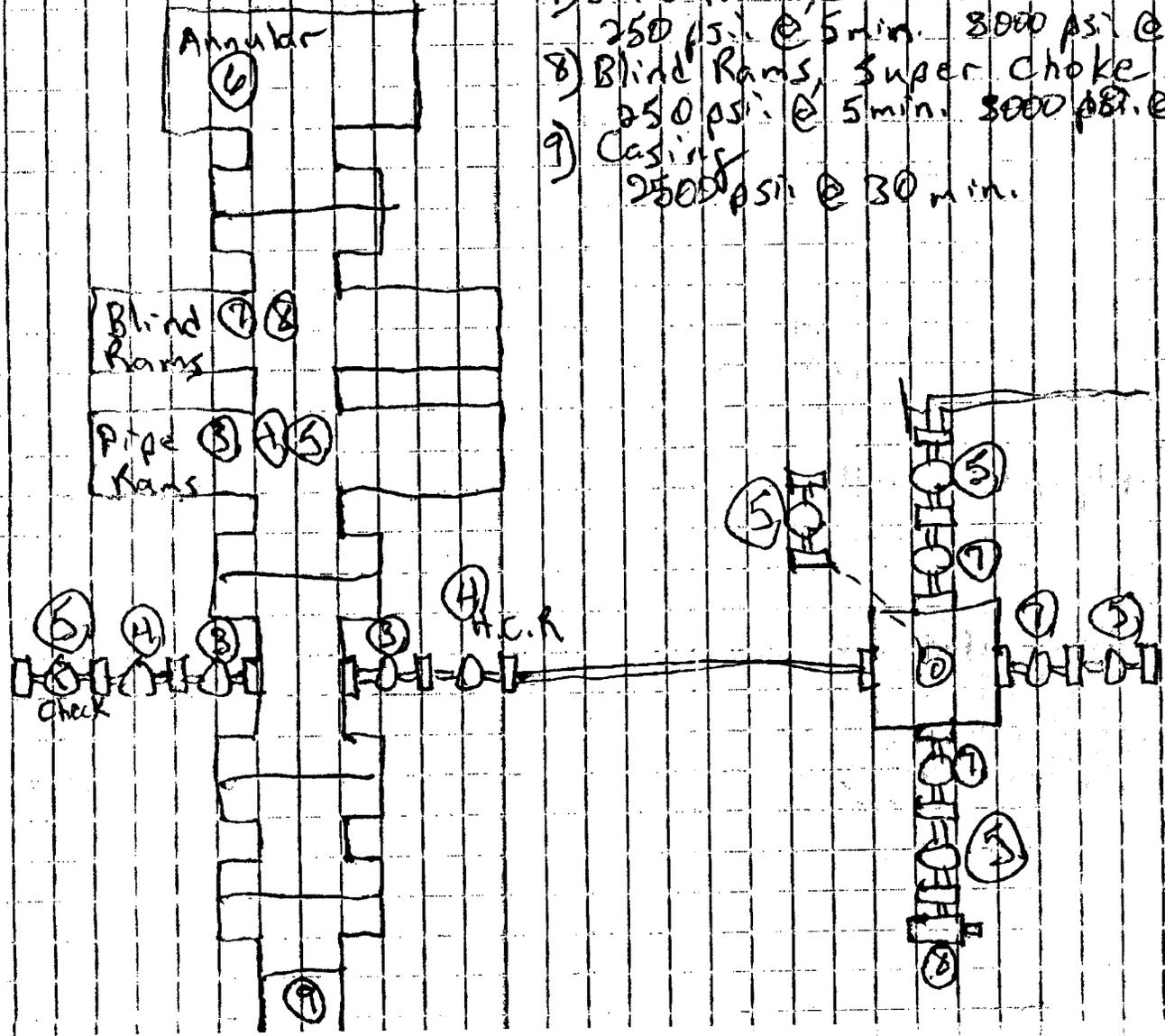
Horseshoe Energy
Christiansen #11
Sandpete, UT
522 T 155 RBE

9-8-99

Case #24

- 1) Upper Kelly Vlv. 250 psi @ 5min. 3000 psi @ 10min.
- 2) Lower Kelly vlv. 250 psi @ 5min. 3000 psi @ 10min.
- 3) Pipe Rams, I.S. Kill, I.S. Choke, Floor Vlv. 250 psi @ 5min. 3000 psi @ 10min.
- 4) Pipe Rams, A.C.R., + Mid Kill Vlv., Dart Vlv. 250 psi @ 5min. 3000 psi @ 10min.
- 5) Pipe Rams, Kill Check, I.S. Choke Man. Vlv., + Upright Man. Vlv. 250 psi @ 5min. 3000 psi @ 10min.
- 6) Annular 250 psi @ 5min. 1500 psi @ 10min.

- 7) Blind Rams, I.S. Choke Man. Vlv. 250 psi @ 5min. 3000 psi @ 10min.
- 8) Blind Rams, Super Choke 250 psi @ 5min. 3000 psi @ 10min.
- 9) Casing 2500 psi @ 30 min.



FAX TRANSMITTAL

To: Div. of Oil, Gas & Mining / Oil & Gas Program	Fax #: (801) 359-3940
Attn: DAN JARVIS	Phone #: (801) 538-5338

# of Pages 5 (including this page)	Date 9/8/99	Time 10:15 AM
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Re: DAN: WE INSTALLED A NEW CASINGHEAD AFTER RUNNING 9^{5/8}" INTERMEDIATE TO 3,807'. THEREFORE WE RE-TESTED BOP's, ETC. & THS 9^{5/8}" TO 2,500 PSI.

S.W. Ethridge

Operator: HORSESHOE ENERGY, LLC.
 Well: CHRISTIANSEN #1
 API #: 43-039-30024

From: Greg Ethridge 7433 So. Clarkson Circle Littleton, CO 80122-1422	Fax: 303/798-0124 Phone: 303/798-2264 Location: (435) 340-1226
---	--

OPERATOR HORSESHOE ENERGY, LLC.
ADDRESS 584 So. STATE STREET
OREM, UT 84057

OPERATOR ACCT. NO. # 7945

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12565	43-039-30024	CHRISTIANSEN #1	NW SE	22	15S	3E	SANPETE	8/11/99	8/11/99
WELL 1 COMMENTS:											
CONFIDENTIAL											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

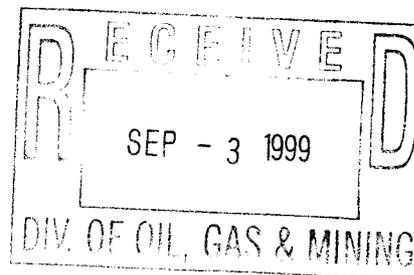
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

GREG W. ETHRIDGE

Greg W. Ethridge
Signature
OPERATIONS CONSULTANT 8/31/99
Title Date
Phone No. (303) 798-2264



STATE OF UTAH
DIVISION OF OIL GAS AND MINING**DRILLING OPERATIONS**

Well Name:	<u>CHRISTIANSEN #1</u>	API Number:	<u>43-039-30024</u>
Qtr/Qtr:	<u>NW/SE</u>	Section:	<u>22</u>
		Township:	<u>15 S</u>
		Range:	<u>3 E</u>
Company Name:	<u>HORSESHOE ENERGY LLC</u>		
Lease:	State _____	Fee	<u>YES</u>
		Federal	_____
		Indian	_____
Inspector:	<u>DENNIS L. INGRAM</u>	Date:	<u>9/7/99</u>

Inspection made in accordance with Division Inspection Standards and Procedures for drilling operations, any exceptions noted in comments.

Depth at time of visit: 3807 Last BOPE test recorded: YES

Drilling Contractor: Caza Drilling Company Rig No. # 24

COMMENTS: (Surface pipe was set @ 1258' with 13 3/8" ST&C 54#, 28 jts.)

Intermediate was just cemented before visit, and set @ 3807' with 9 5/8" J55 36#.

84 Jts. Operator chose to 1" back side with 50 sx; "G" grade cement because cement

Returns from original cement job was watered down. Rig is operating with a closed

Mud system and solid control equipment. Solids are gathered with backhoe

equipment and stored on east side of location. Operator is presently cutting off 13

3/8" surface Casing head and will weld on a 9 5/8" casing head, then nipple up bope

and test same.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

Christiansen #1

9. API Well Number:

43-039-360244

10. Field and Pool, or Wildcat:

Wilcat

1. Type of Well: OIL GAS OTHER:

2. Name of Operator: HORSESHOE ENERGY, LLC.

3. Address and Telephone Number: (801) 225-0038
584 So. State Street, Orem, UT 84057

4. Location of Well
Footages: 2117' FSL 1932' FEL

OO, Sec., T., R., M.: NW/4 SE/4 Section 22 T15S - R3E SLM

County: Sanpete

State: Utah

CONFIDENTIAL

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Weekly progress report
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion In progress

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

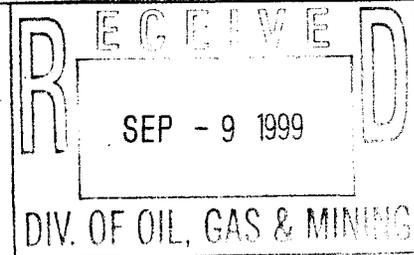
Weekly progress report for the week beginning 8/27/99 is as follows:
 8/27/99 Drilled to 1,264'. Pressure tested csg. shoe to 500 psi. Tripped for mud motor & directional tools, & drilled 12 1/4" hole thru 1,662'.
 8/28/99 Continued drilling 12 1/4" hole thru 2,161'.
 8/29/99 Drilled to 2287'. Tripped for bit, & continued drilling thru 2,653'.
 8/30/99 Drilled to 2,774'; had drilling break 2,762' to 2,771' -- water flow with 150 psi shut-in pressure. Killed w/ 10.3 ppg mud, drilled to 2,812' & tripped for bit.
 8/31/99 Continued drilling 12 1/4" hole thru 3,023'.
 9/1/99 Drilled to 3,101', tripped for bit, & continued drilling 12 1/4" hole thru 3,158'.
 9/2/99 Drilled to 3,217', tripped for bit, & continued drilling thru 3,319'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!

13.

Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/5/99

(This space for State use only)



REPORT OF WATER ENCOUNTERED DURING DRILLING

CONFIDENTIAL

1. Well name and number: Christiansen #1

API number: 43 - 039 - 30024

2. Well Location: QQ NW SE Section 22 Township 15S Range 3E County Sanpete

3. Well operator: Horseshoe Energy, LLC.

Address: 584 So. State Street

Orem, UT 84057

Phone: (801) 225-0038

4. Drilling contractor: Caza Drilling (Rig #24)

Address: P. O. Box 17805

Denver, CO 80217

Phone: (303) 292-1206

5. Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,762 KB	2,771 KB	1½" - 2" stream	Fresh
		Zone was first noticed by a drilling break, then flow was noticed at the shale shaker. Shut-in pressure was 150 psi. w/ 9.1 ppg mud in the hole.	
		Maintaining 10.3 ppg mud in the hole kept the zone dead. Electric logs indicate that the zone is Limestone.	

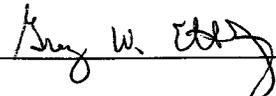
6. Formation tops: Flagstaff 1,220' North Horn 1,503' Price River 2,822'

Castlegate 3,214' Blackhawk 3,403' _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

Date: September 6, 1999

Name & Signature: Greg W. Ethridge 

Title: Operations Consultant

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

Christiansen #1

9. API Well Number:

43-039-30024

10. Field and Pool, or Wildcat:

Wildcat

1. Type of Well: OIL GAS OTHER:

2. Name of Operator: HORSESHOE ENERGY, LLC.

CONFIDENTIAL

3. Address and Telephone Number: (801) 225-0038
584 So. State Street, Orem, UT 84057

4. Location of Well
Footages: 2117' FSL 1932' FEL
CG, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E SLM

County: Sanpete

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u> | |

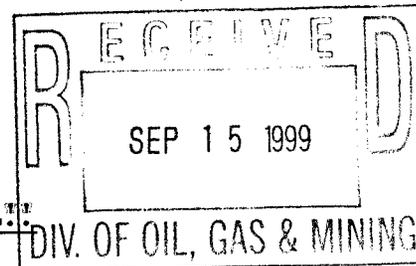
Date of work completion In progress

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Attached is the weekly progress report for the week beginning ~~9/3/99~~ 9/12/99.



PLEASE HOLD ALL INFORMATION CONFIDENTIAL

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/12/99

(This space for State use only)

Weekly Progress Report (drilling)
Christiansen #1
API # 43-039-30024

9/12/99

- 9/3/99 Continued drilling 12 $\frac{1}{4}$ " hole thru 3,557'.
- 9/4/99 Continued drilling 12 $\frac{1}{4}$ " hole to 3,785'.
- 9/5/99 Circulate for logs, trip out with bit, & rig-up Schlumberger. Run electric log suite -- dipmeter tool failed. Trip in with bit & drill to 3,805' while waiting while waiting for dipmeter tool.
- 9/6/99 Trip out with bit & run dipmeter log. Ran 84 joints 9 5/8", 36#, J55, ST&C casing -- landed @ 3,807' KB. Cemented casing with 675 sx HOWCO Lite (mixed @ 13.0 ppg) & 160 sx Class "G" (mixed @ 15.8 ppg); performed 50 sk Class "G" top job to 140' KB.
- 9/7/99 Wait On Cement & nipple down BOP stack; cut off 9 5/8" casing & 13 3/8" casinghead. Install 9 5/8" casinghead and nipple up BOP stack. Tested BOP's and associated equipment to 3,000 psi (high) & 300 psi (low).
- 9/8/99 Tested 9 5/8" casing to 2,500 psi. Trip in with 8 3/4" tooth bit -- drill out cement in shoe jt. and new hole to 3,824'. Tested shoe & hole to 650 psi (1220 ppg mw equivalent) -- held good. Trip for new bit & drill to 3,953'. Increased mud weight to 9.8 ppg to control water flow in sand 3,907' to 3,919'.
- 9/9/99 Trip out with bit & back in with open-ended drill pipe to 3,925' KB. Rigged Halliburton & performed 87 sk Class "G" cement squeeze on water zone 3,907' to 3,919'. Wait On Cement 1 3/4 hrs. & trip out with open-ended drill pipe.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: (801) 225-0038 HORSESHOE ENERGY, LLC.		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: (801) 225-0038 584 South State Street, Orem, Utah 84057		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL County: Sanpete State: Utah QQ, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E SIM		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>In progress</u>
	Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

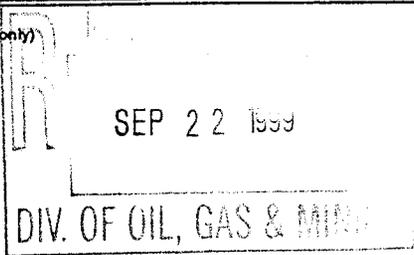
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly progress report for the week beginning 9/10/99 is as follows:
 9/10/99 Trip in w/ 8 3/4" bit & drill out cement from 3,796' to 3,926'. Circulate hole clean to 3,950'. Press. test to 450 psi (12.0 ppg mw equiv.) -- held good. Trip out w/ 8 3/4" bit & trip in w/ bit #8A & directional tools.
 9/11/99 Cut 104' drlg. line. Drill 8 3/4" hole from 3,953' to 4,206'. Check flow -- 1" strm.
 9/12/99 Spotted 12.0 ppg viscous pill in open hole & maintained 500 psi for 6 hrs. Released pressure -- well dead. Continued drilling from 4,206' thru 4,357'.
 9/13/99 Continued drilling from 4,357' thru 4,624'.
 9/14/99 Continued drilling to 4719'. Tripped for bit #10; mud motor would not drill after reaming to bottom. Tripped out w/ bit; round tripped magnet to retrieve cone tip.
 9/15/99 Trip in w/ bit #10 & new mud motor; drill from 4,719' thru 4,927'.
 9/16/99 Continued drilling 8 3/4" hole from 4,927' thru 5,167'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/19/99

(This space for State use only)



STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: HORSESHOE ENERGY, LLC.		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: (801) 225-0038 584 South State Street, Orem, UT 84057		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL OO, Sec.,T.,R.,M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction
<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recomplete
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Reperforate
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandon *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Repair Casing	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Reperforate
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other: <u>Weekly progress report (drilling)</u>	

Date of work completion In progress

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.
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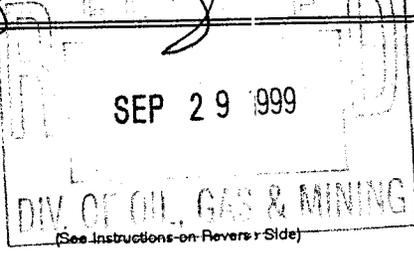
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly progress report for the week beginning 9/17/99 is as follows:
 9/17/99 Continued drilling to 5,260', tripped for bit #11, & continued drilling thru 5,343'.
 9/18/99 Continued drilling to 5,573', & tripped out to replace MWD tool.
 9/19/99 Tripped back to bottom, & continued drilling thru 5,836'.
 9/20/99 Continued drilling to 5,865', tripped for bit #12, & continued drilling thru 6,025'.
 9/21/99 Continued drilling to 6,070', tripped 2/3 way out for hole in drill pipe, & continued drilling thru 6,245'.
 9/22/99 Continued drilling to 6,294', tripped for bit #13, & continued drilling to 6,395'.
 9/23/99 Tripped to replace inoperable mud motor, & continued drilling thru 6,547'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!!

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 9/26/99

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SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

	5. Lease Designation and Serial Number: FEE
	6. If Indian, Allottee or Tribe Name:
	7. Unit Agreement Name:
1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	8. Well Name and Number: Christiansen #1
2. Name of Operator: HORSESHOE ENERGY, LLC.	9. API Well Number: 43-039-30024
3. Address and Telephone Number: (801) 225-0038 584 South State Street, Orem, UT 84057	10. Field and Pool, or Wildcat: Wildcat
4. Location of Well Footages: 2117' FSL 1932' FEL OO, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM	County: Sanpete State: Utah

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

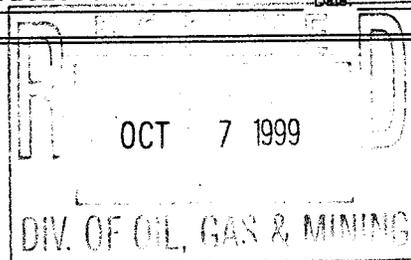
NOTICE OF INTENT <small>(Submit in Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u> Date of work completion <u>In progress</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly progress report for the week beginning 9/24/99 is as follows:
 9/24/99 Continued drilling 8 3/4" hole to 6,632'. Tripped for bit #14 & continued drilling thru 6,691'.
 9/25/99 Continued drilling to 7,005'. Circulated samples for gas show.
 9/26/99 Continued drilling to 7,110' & tripped out w/ bit #14. Tripped in w/ bit #15, hit bridge @ 4,530' & became stuck. Kellied up & established circulation; worked string with no success.
 9/27/99 Spotted 40 bbl. diesel/pipe lax pill in open hole & worked pipe free. Circulated to condition hole & mud, tripped out with bottom hole assembly.
 9/28/99 Tripped in with bit & drill collars to 7,110'; circulated to condition hole & mud, & tripped out. Tripped in with bit & directional tools, & continued drilling thru 7,183'.
 9/29/99 Continued drilling thru 7,518'.
 9/30/99 Continued drilling to 7,750'. Tripped for bit #16 & continued drilling thru 7,753'.

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 10/3/99

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STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:
FEE

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:
Christiansen #1

9. API Well Number:
43-039-30024

10. Field and Pool, or Wildcat:
Wildcat

1. Type of Well: OIL GAS OTHER:

2. Name of Operator:
HORSESHOE ENERGY, LLC.

3. Address and Telephone Number: (801) 225-0038
584 South State Street, Orem, UT 84057

4. Location of Well
Footages: 2117' FSL 1932' FEL
County: Sanpete
OO, Sec., T., R., M.: NW/4 SE/4 Section 22, - T15S - R3E, SLM
State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Weekly progress report (drilling)</u> Date of work completion <u>In progress</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off

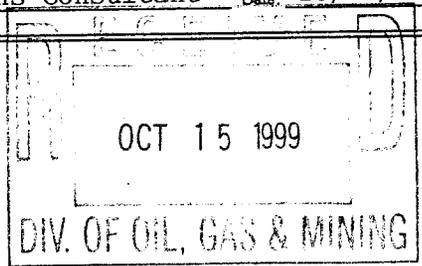
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly progress report for the week beginning 10/1/99 is as follows:
 10/1/99 Continued drilling 8 3/4" hole to 7,881'; tripped for bit & mud motor; and continued drilling thru 7,883'.
 10/2/99 Continued drilling thru 8,030'.
 10/3/99 Continued drilling to 8,150'. Tripped out w/ bit & inspected bottom hole assembly.
 10/4/99 Tripped in w/ bit & continued drilling to 8,214'. Tripped for hole in drill pipe, & continued drilling thru 8,240'.
 10/5/99 Continued drilling thru 8,396'.
 10/6/99 Continued drilling to 8,454'. Tripped for bit & picked up 3 more 6 1/2" drill collars.
 10/7/99 Finished tripping in w/ bit, and continued drilling thru 8,621'

PLEASE HOLE ALL INFORMATION CONFIDENTIAL

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 10/10/99

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STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: HORSESHOE ENERGY, LLC.		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: 584 South State Street, Orem, UT 84057		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL QQ, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete State: Utah

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other: <u>Weekly progress report (drilling)</u>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>In progress</u>

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

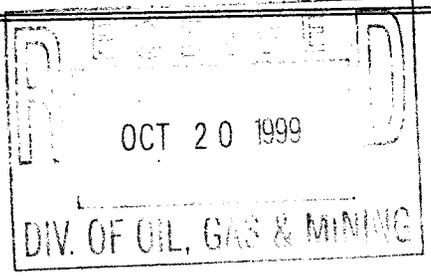
Weekly progress report for the week beginning 10/8/99 is as follows:

10/8/99 Continued drilling 8 3/4" hole thru 8,794'.
 10/9/99 Continued drilling to 8,888' and began tripping out for new bit.
 10/10/99 Finished tripping new bit to bottom & continued drilling thru 9,002'.
 10/11/99 Continued drilling to 9,121' & tripped for hole in drill pipe.
 10/12/99 Finished tripping back to bottom after removing bad joint of drill pipe, & continued drilling 8 3/4" hole thru 9,295'.
 10/13/99 Continued drilling to 9,378', tripped for new bit, & continued drilling thru 9,389'.
 10/14/99 Continued drilling thru 9,557'..

PLEASE HOLD ALL INFORMATION CONFIDENTIAL.

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 10/17/99

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STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: HORSESHOE ENERGY, LLC.		6. If Indian, Allocated or Tribe Name:
3. Address and Telephone Number: (801) 225-0038 584 South State Street, Orem, UT 84057		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL OO, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete State: Utah

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<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>In progress</u>
	Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

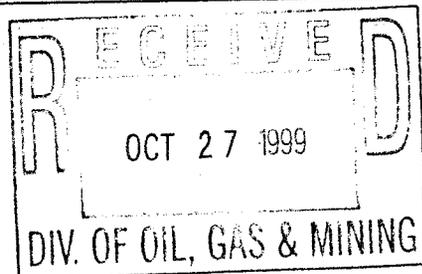
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly activity report for the week beginning 10/15/99 is as follows:
 10/15/99 Continued drilling to 9,678' & tripped out w/ bit.
 10/16/99 Tripped in w/ new bit & continued drilling 8 3/4" hole thru 9,762'.
 10/17/99 Continued drilling to 9,848' & tripped out for new mud motor & bit.
 10/18/99 Tripped in w/ new bit & mud motor. Continued drilling thru 9,958'.
 10/19/99 Continued drilling thru 10,078'.
 10/20/99 Continued drilling to 10,105' & tripped out due to high torque. Tripped in w/ new bit & mud motor; washed & reamed 9,921' to 10,011'.
 10/21/99 Tripped out w/ failed mud motor. Trip in w/ bit & drill collars & ream from 9,900' to 10,105'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 10/24/99

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(See Instructions on Reverse Side)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

Christiansen #1

9. API Well Number:

43-039-30024

10. Field and Pool, or Wildcat:

Wildcat

1. Type of Well: OIL GAS OTHER:

2. Name of Operator: HORSESHOE ENERGY, LLC.

3. Address and Telephone Number: (801) 225-0038
584 South State Street, Orem, UT 84057

4. Location of Well
Footages: 2117' FSL 1932' FEL

County: Sanpete

OO, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM

State: Utah

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

NOTICE OF INTENT
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other _____
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other Weekly activity report (drilling)
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion In progress

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

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Weekly activity report for the week beginning 10/22/99 is as follows:

10/22/99 Continued reaming to bottom @ 10,107'. Tripped for new bit & straight mud motor & drilled from 10,107' thru 10,130'.

10/23/99 Continued drilling to 10,159' & tripped out due to erratic rotating torque. Tripped in w/ string reamer & washed & reamed minor hole deviations 4,250' to 4,482'.

10/24/99 Continued washing & reaming 4,451'-4,482'; 7,080'-7,135'; & 8,000' thru 9,903'.

10/25/99 Washed & reamed from 9,903' thru 10,150' w/ severe & erratic torque in rotary table.

10/26/99 Reamed to 10,159' & began tripping out. Became stuck @ 5,570'. Jarred & worked free - finished trip out. Tripped in w/ stiff reaming assembly & washed & reamed from 5,655'-5,738'; 8,855'-8,910'; & 9,400' thru 9,491'.

10/27/99 Continued washing & reaming (w/ stiff near bit assembly) from 9,491' thru 10,031'.

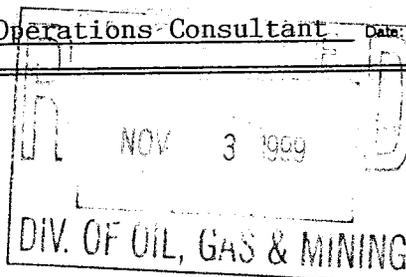
10/28/99 Continued washing & reaming hole deviations in hard sandstone from 10,031' thru 10,102'.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!

13.

Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 10/31/99

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CONFIDENTIAL

FORM 9

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: FEE
2. Name of Operator: HORSESHOE ENERGY, LLC.		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: 584 South State Street, Orem, UT 84057		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL OO, Sec.,T.,R.,M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat
		County: Sanpete
		State: Utah

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NOTICE OF INTENT
(Submit in Duplicate)

Abandon
 Repair Casing
 Change of Plans
 Convert to Injection
 Fracture Treat or Acidize
 Multiple Completion
 Other _____

New Construction
 Pull or Alter Casing
 Recomplete
 Reperforate
 Vent or Flare
 Water Shut-Off

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

Abandon
 Repair Casing
 Change of Plans
 Convert to Injection
 Fracture Treat or Acidize
 Other: Weekly activity report (drilling)

New Construction
 Pull or Alter Casing
 Reperforate
 Vent or Flare
 Water Shut-Off

Date of work completion In progress

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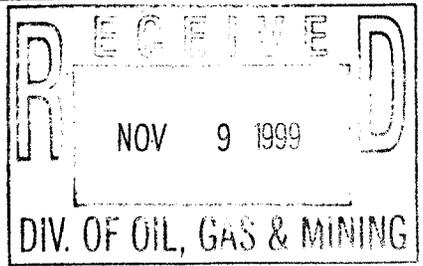
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Weekly activity report for the week beginning 10/29/99 is as follows:
 10/29/99 Washed & reamed from 10,102' to 10,162' & drilled 20' of new hole to 10,182'.
 Tripped for new bit.
 10/30/99 Finished trip in w/ new bit, reamed 110' to bottom & continued drilling from 10,182' thru 10,280'.
 10/31/99 Continued drilling from 10,280' thru 10,386'.
 11/1/99 Continued drilling from 10,386' to 10,411'. Tripped for bit & mud motor, and continued drilling from 10,411' thru 10,438'.
 11/2/99 Continued drilling from 10,438' thru 10,581'.
 11/3/99 Continued drilling from 10,581' to 10,688' & tripped out for new bit.
 11/4/99 Tripped in w/ new bit & continued drilling from 10,688' to T.D. @ 10,747'.
 Tripped out 20 stands for short trip.

PLEASE HOLD ALL INFORMATION CONFIDENTIAL!!

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 11/7/99

(This space for State use only)



CHRISTIANSEN #1

CONFIDENTIAL

API# 43-039-3004
PLUGGING PROCEDURE

To: DAN JARVIS

50 SHEETS
100 SHEETS
200 SHEETS



PLUG #	JOINTS IN HOLES	PLUG INTERVAL (KB DEPTH)	PLUG HEIGHT	HOLES VOL. (FT ³)	CEMENT (SKS)	DISPLACEMENT (BBL.)
①	333	10,350' - 10,250'	100'	2 FT ³	35 SK	179 BBL.
②	262	8,150' - 8,000'	150'	5 FT ³	105 SK	140 BBL.
③	242	7,500' - 7,400'	100'	75 FT ³	65 SK	129 BBL.
④	193	6,000' - 5,900'	100'	75 FT ³	65 SK	103 BBL.
⑤	127	* 3,950' - 3,750'	200'	40 FT ³	120 SK	64 BBL.
⑥	80	2,500' - 2,400'	100'	43 FT ³	35 SK	40 BBL.
⑦	2	60' - SFC.	30'	15 FT ³	10 SK	To SFC.

TOTAL 435 SK

* TAG TOP OF PLUG W/ DRILL PIPE BEFORE PROCEEDING W/ INSTALLATION OF UPPER PLUGS

NOTE: PLUGGING PROGRAM APPROVED BY GIL HUNT, DIRECTOR OF OIL & GAS PROGRAM DIV. OF OIL, GAS & MINING; DEPT. OF NATURAL RESOURCES; STATE OF UTAH @ 5:00 PM 11/3/99.

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 11-8-99
BY: [Signature]

(BWE) 11/9/99

CONFIDENTIAL

(FAX (801) 359-3940 DAN JARVIS)

HORSESHOE ENERGY, LLC

CHRISTIANSEN #1

NW/4 SE/4 SEC 22 - T155 - R3E

SAMPLE CHIMNEY 1/T
43-031-30024

GREEN RIVER 309'

→ 13 3/8" @ 1,258' KB

FLAGSTAFF (LOWER LIMESTONE) 1,416'

NORTH HORN 1,503'

UNCOMFORMITY 2,782'

PRICE RIVER 2,822'

CASTLEGATE 3,214'

BLACKHAWK 3,403'

→ 9 5/8" @ 3,807' KB

STARPOINT 4,225'

EMERY 7,456'

BLUEGATE 7,840'

FERRON 9,150'

TUNNICK 10,350'

T.D. @ 10,747'

2 joints
30' plug

20" COND.

13 3/8"

2,762'
WATER FLOW
2,771'

9 5/8"

3,907'
WATER FLOW
3,919'
4,200'
WATER FLOW
4,206'

Blackhawk

5 1/2"
1700'

10,250'
10,350'

T.D. 8 3/4" HOLE

104' KB

1,258' KB

2400'
2500'

3750'

3,807' KB

3950'

5900'
6000'
7400'
7500'

9000'

8150'

10,747'

CMT?

GREG ETHRIDGE (435) 340-1226 ON LOCATION

STATE OF UTAH
DIVISION OF OIL GAS AND MINING**PLUGGING OPERATIONS**

Well Name: <u>Christensen #1</u>	API Number: <u>43-039-30024</u>
Qtr/Qtr: <u>NW SE</u> Section: <u>22</u>	Township: <u>15 S</u> Range: <u>3 E</u>
Company Name: <u>Horseshoe Energy LLC</u>	
Lease: State _____ Fee <u>X</u>	Federal _____ Indian _____
Inspector: <u>K. Michael Hebertson</u>	Date: <u>10-Nov-1999</u>

Casing Tested: YES X NO _____ Results: Casing Tested to 200 for 5 minutes, held pressure without loss

Cementing Company: Haliburton

Draw a wellbore diagram as plugged:

See Attached

COMMENTS: TD on this well is 10,747'. The well had numerous shows from the Ferron down to TD. None appeared to be commercial. 5 plugs had been set by 12:30 PM the last placed across the 9 5/8 casing shoe and the open hole. The 5th plug was at 3,950' to 3,750'. Plug was allowed to cure for 5 hours and the open ended drill pipe was set on it. The plug held firm. The pipe rams were closed and the casing was pressured to 200 lbs. for 5 minutes. The well held without loss of pressure for the length of the test. The last two plugs were set and the pipe pulled and laid down by 12:30 PM.

Attach copy of cement ticket if available. None was available

(FAX (801) 359-3940 D. JARVIS)

HORSESHOE ENERGY, LLC

CHRISTIANSEN #1

20" COND.

NW/4 SE/4 SEC 22-TISS-R3E

STARPOINT CONTRACT 1/T

43-039-30024

2 joints
30' plug

GREEN RIVER 309'

→ 13 3/8" @ 1,258' KB

FLAGSTAFF (LOWER LIMESTONE) 1,416'

NORTH HORN 1,503'

UNCONFORMITY 2,782'

PRICE RIVER 2,822'

CASTLEGATE 3,214'

BLACKHAWK 3,403'

→ 9 5/8" @ 3,807' KB

STARPOINT 4,225'

EMERY 7,456'

BLUEGATE 7,840'

FERRON 9,450'

TUNNICK 10,350'

T.D. @ 10,747'

13 3/8"

1,258' KB

2,400'

2,500'

2,762'
WATER FLOW
2,771'

CMT?

TAGGED 6:30 AM
PULL FIX M
TAG

9 5/8"

3,750'

3,807' KB

3,907'
WATER FLOW
3,919'

Blackhawk

4,200'
WATER FLOW
4,206'

3,950'

5,900'
6,000'
7,400'
7,500'

5 1/2"
170'

8,000'
8,150'

11,250'
10,350'

T.D. 8 3/4" HOLE

10,747'

GREG ETHRIDGE (435) 340-1226 ON LOCATION

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: OIL WELL GAS WELL DRY Other Dry (P & A'd)

2. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESV. Other Plug & Abandoned

3. NAME OF OPERATOR
HORSESHOE ENERGY, LLC

4. ADDRESS OF OPERATOR (801) 225-0038
584 South State Street, Orem, UT 84057

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 2117' FSL 1932' FEL

At top prod. interval reported below N/A

At total depth (@ 10,053' - last survey)
2077' FSL 1983' FEL

14. API NO. 43-039-30024

DATE ISSUED 8/11/99

12. COUNTY Sanpete

13. STATE Utah

15. DATE SPURD 8/20/99

16. DATE T.D. REACHED 11/5/99

17. DATE COMPL. (Ready to prod.) 11/12/99
(Plug & Abd.)

18. ELEVATIONS (DF, RES, RT, GR, ETC.) 5,536' Ground

19. ELEV. CASINGHEAD 5,536'

20. TOTAL DEPTH, MD & TVD 10,747' KB (MD)
10,744' KB (TVD)

21. PLUG BACK T.D., MD & TVD N/A

22. IF MULTIPLE COMPL. HOW MANY N/A

23. INTERVALS DRILLED BY Rotary

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)
N/A

25. WAS DIRECTIONAL SURVEY MADE
Yes -- copy submitted

26. TYPE ELECTRIC AND OTHER LOGS RUN Mud Log; Dipmeter; AIT Induction; Density Neutron; Microlog; Sonic Log; & Magnetic Resonance Log 11/99

27. WAS WELL CORED YES NO
DRILL STEM TEST YES NO

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"	-----	104' KB	30"	210 sx	None
13 3/8"	54.5#	1,258' KB	17 1/2"	400 sx Lite/ 225 sx "G"	None
9 5/8"	36#	3,807' KB	12 1/4"	675 sx Lite/ 160 sx "G"	None

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
N/A					N/A		

31. PERFORATION RECORD (Interval, size and number)
N/A ---- Plugged & Abandoned 11/12/99

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
N/A	

33. PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or Aband.)	
N/A		N/A				P & A'd	
DATE OF TEST	HOURS TESTED	CHOKI SIZE	PROG'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
N/A	N/A	N/A	→	-----	-----	-----	-----
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
N/A	N/A	→	-----	-----	-----	-----	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
N/A

35. LIST OF ATTACHMENTS
None

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Greg W. Ethridge TITLE Operations Consultant DATE 12/19/99

5. LEASE DESIGNATION AND SERIAL NO.
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
CONFIDENTIAL

7. FARM OR LEASE NAME
Christiansen

8. WELL NO.
1

9. FIELD AND POOL, OR WILDCAT
Wildcat

10. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
NW/4 SE/4
Sec. 22 - T15S - R3E, SLM

CONFIDENTIAL
PERIOD EXPIRED
ON 12-12-00

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments. ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in Item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES: 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.		38. GEOLOGIC MARKERS					
Formation	Top	Bottom	Name				
			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; padding: 2px;">Meas. Depth</th> <th style="width: 50%; padding: 2px;">True Vert. Depth</th> </tr> <tr> <td style="height: 100px;"></td> <td></td> </tr> </table>	Meas. Depth	True Vert. Depth		
Meas. Depth	True Vert. Depth						

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER: Plugged & Abandoned		5. Lease Designation and Serial Number: FEE
2. Name of Operator: HORSESHOE ENERGY, LLC.		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: (801) 225-0038 584 South State Street, Orem, UT 84057		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL County: Sanpete CQ, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM State: Utah		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Final activity report (drilling)</u> Date of work completion <u>November 12, 1999</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Final activity report for subject well from 11/5/99 thru 11/12/99.

- 11/5/99 Attempt to short trip back to bottom; could not ream. Trip out for broken mud motor shaft. Trip in w/ 8 11/16" side jet reamer.
- 11/6/99 Trip out w/ 8 11/16" reamer (too tight) & trip in w/ 8 1/2" side jet reamer. Reamed 6,662' to 6,691' & 9465' thru 9957'.
- 11/7/99 Wash & ream 9,957' to 10,032'; hole conditions deteriorating. Trip out for electric logs. Rigged Schlumberger & ran "Platform Express" logs (AIT Induction, density neutron, & microlog), Sonic log, & CMR (magnetic resonance) log. Could not get tools below 9,966'.
- 11/8/99 Ran FMI (dipmeter) log; waited on orders. Tripped in w/ drill collars & Heavy Weight Drill Pipe, & laid down same. Pick up 24 jts. drill pipe & stand in derrick.

(continued next page)

13. Name & Signature: Greg W. Ethridge *Greg W. Ethridge* Title: Operations Consultant Date: 12/19/99

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- 11/9/99 Trip in w/ 333 jts. open-ended drill pipe (to 10,350'). Circulate & work pipe; waiting for cementers.
- 11/10/99 Rig Halliburton; install cement plugs as per State of Utah recommendation, & lay down drill pipe. Wait 5 hrs. for plug 3,950' - 3,750' (across bottom of 9 5/8" int. csg.) to set for tagging.
- 11/11/99 Mike Hebertson witnessed tagging top of cement plug @ 3,750' w/ open-ended drill pipe; pulled 1 jt. & pressure tested to 200 psi -- held good. Set plug 2,500' - 2,400' & plug 60'KB to surface. Rig down Halliburton, begin nipling down BOP's & dismantling rig.
- 11/12/99 Clean & dewater pit tanks; inspect drill collars, kelly, & kelly accessories. Well plugged & abandoned. Caza Drilling, Rig #24 released 12:00 midnight 11/12/99.

STATE OF UTAH
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SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

		5. Lease Designation and Serial Number: FEE
		6. If Indian, Allottee or Tribe Name:
		7. Unit Agreement Name:
1. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER: Plugged & Abandoned		8. Well Name and Number: Christiansen #1
2. Name of Operator: HORSESHOE ENERGY, LLC.		9. API Well Number: 43-039-30024
3. Address and Telephone Number: (801) 225-0038 584 South State Street, Orem, Utah 84057		10. Field and Pool, or Wildcat: Wildcat
4. Location of Well Footages: 2117' FSL 1932' FEL County: Sanpete OO, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SIM State: Utah		

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

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input checked="" type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Other _____ Date of work completion <u>11/12/99</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

The subject well was plugged & abandoned by installing cement plugs as follows:**:

PLUG POSITION	INTERVAL (ft.)	SACKS OF CEMENT (mixed @ 15.8 ppg)
Top of Tununk	10,250' - 10,350' (100')	35 sx
"Stabilizer" in Bluegate	8,000' - 8,150' (150')	105 sx
Top of Emery	7,400' - 7,500' (100')	65 sx
"Stabilizer" in Starpoint	5,900' - 6,000' (100')	65 sx
Across bottom of Int. Casing	*3,750' - 3,950' (200')	120 sx
"Stabilizer" in Int. Casing	2,400' - 2,500' (100')	35 sx
Surface	30' KB - 60' KB (30')	10 sx
		435 sx Total

* Top of plug tagged w/ drill pipe 5 hrs. after placement & press. tested to 200 psi.
 ** Plugging program approved by Gil Hunt 5:00 P.M. 11/8/99; plugging witnessed by M. Hebertson.

13. Name & Signature: Greg W. Ethridge Title: Operations Consultant Date: 12/19/99

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REGION North America	NWA/COUNTRY	BDA / STATE UTAH	COUNTY SANPETE
MBU ID / EMP #	EMPLOYEE NAME	PSL DEPARTMENT	
LOCATION	COMPANY HORSESHOE ENERGY, LLC.	CUSTOMER TREP / PHONE	
TICKET AMOUNT	WELL TYPE	API / UWI # 43-039-30024	
WELL LOCATION NW/4 SE/4	DEPARTMENT	JOB PURPOSE CODE P&A	
LEASE / WELL # CHRISTIANSEN #1	SEC / TWP / RNG Sec. 22 - T15S - R3E		

HES EMP NAME/EMP#/(EXPOSURE HOURS)	HRS						

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL)(GAL)	PUMPS		PRESS. (psi)		JOB DESCRIPTION / REMARKS
				T	C	Tbg	Csg	
0230								Called out
0330								IN yard safety meeting
0930								on location rig up & safety meeting
1142	2.0	0			400			1st plug set @ 10350 to 10250 35 SK
1142	0	5			0			start Fresh
1149	2.0	7.1			800			shut down
1151	2.0	2			400			start cement @ 15.8 #/gal
1152	4.1	0			384			start Disp. H2O
12:3	7.8	177			0			start mud
1358	1.0	5			165			2nd Disp.
1403	2.0	21.5			168			2nd plug set @ 8150 to 8000 105 SK
1412	1.0	2			70			start Fresh
1414	7.0	0			390			start cement @ 15.8 #/gal
14:5	0	137			0			start Disp. H2O
1527	1.0	5			155			start mud
1527	2.3	13.3			205			end Disp.
1522	2.3	2			64			3rd plug set @ 7500 to 7400 105 SK
1523	6.9	0			700			start Fresh
1533	0	127			0			start cement @ 15.8 #/gal
1709	1.0	5			270			start Disp. H2O
1711	2.1	13.3			350			start Disp. mud
1717	2.2	2			154			end Disp.
1720	6.7	0			573			4th plug set @ 6000 to 5900 65 SK
1733	0	99			0			start Fresh
2029	2.0	5			200			start cement @ 15.8 #/gal
2033	0	0			0			start Disp. H2O
2036	2.0	24.5			450			start Disp. mud
2047	2.0	2			150			end Disp.
2058	0	0			0			shut down mix cement
2051	2.3	0			273			start cement
2100	0	60			0			start Disp.
2140								shut down to get mud
2145								start mud
								end mud
								wait to tag plug
								Tag
								shut BOP Test Casing to 200 PSI

STATE OF UTAH
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SUNDRY NOTICES AND REPORTS ON WELLS		5. Lease Designation and Serial Number: FEE
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.		6. If Indian, Allottee or Tribe Name:
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT <small>(Submit in Duplicate)</small>	SUBSEQUENT REPORT <small>(Submit Original Form Only)</small>																										
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Approximate date work will start _____	Date of work completion <u>November 12, 1999</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>																										

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Attached please find one copy of MWD (Measurement While Drilling) surveys taken from 1,297' (bottom of surface casing) to 10,053'. Single shot surveys were attempted below 10,053' to Total Depth @ 10,747' but bottom hole temperature too hot for film & batteries. No deviation problems encountered when drilling surface hole thru valley fill.

Also find attached a copy of the lab analysis of the cuttings pile samples (from the closed loop mud system) stored on the Northeast corner of location. Lab analysis requested by Mike Hebertson includes 1) Chlorides; 2) pH; 3) Total Dissolved Solids; and 4) Total Petroleum Hydrocarbons. All tests performed using EPA test procedures as listed in the method column.

Copies of electric logs given to Mike Hebertson on location on 11/11/99 at the conclusion of setting cement plugs for abandonment.

13. Name & Signature: Greg W. Ethridge Title: Operations Consultant Date: 12/19/99

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TIMVIEW ANALYTICAL LABORATORIES
 1165 North 1800 West Bldg. B • Orem, UT 84057 • (801) 225-2202 • FAX (801) 225-2272

Certificate of Analysis

Horseshoe Energy
 K.C. Shaw

Orem, UT
 Phone: 225-0038
 Fax: 225-3658
 System # :

Order ID: 8825
 Customer PO #:
 Date / Time Received: 11/12/99 17:25
 Batch Temp °C: NA
 Date Reported: 11/24/99

Sample Name: Christiansen Well Cuttings #1

Date / Time Sampled: 11/12/99 0:00 Matrix: Soil

Parameter	Lab ID #	Method	Prep Date	Analysis Date / Time	Result	Units	MRL*	Flags
Chloride	K916-430	325.3		11/17/99	3670	mg/kg	1.0	
pH Units	K916-430	150.1		11/18/99	8.19			
Total Dissolved Solids	K916-430	160.1		11/19/99	18,800	mg/kg	20	
Total Pet. Hydrocarbons (TPH)	K916-431	418.1mod		11/24/99	5270	mg/kg	10	6 S

Sample Name: Christiansen Well Cuttings #2

Date / Time Sampled: 11/12/99 0:00 Matrix: Soil

Parameter	Lab ID #	Method	Prep Date	Analysis Date / Time	Result	Units	MRL*	Flags
Chloride	K916-432	325.3		11/17/99	3460	mg/kg	1.0	
pH Units	K916-432	150.1		11/18/99	8.53			
Total Dissolved Solids	K916-432	160.1		11/19/99	21,450	mg/kg	20	
Total Pet. Hydrocarbons (TPH)	K916-433	418.1mod		11/24/99	11,000	mg/kg	10	6 S

Comments:

TRPH analysis performed on raw sample. An aliquot of solid sample was extracted in DI water and filtered prior to analysis of all other parameters. Chloride and TDS results are calculated back to sample weight basis.

Reviewed by:

Ryan Freeman, Manager / QA Officer

PATHFINDER

DIRECTIONAL SURVEY REPORT

HORSESHOE ENERGY

CHRISTIANSEN #1

SANPETE COUNTY, UTAH

PREPARED BY: ROCK BRUNET

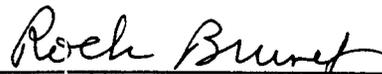
DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY: A) LANCE NELSON
B) DAVID MURDOCH
C) BRET WOLFORD
3. POSITION OF SAID PERSON(S): (A-C) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 08/27/99 TO 10/20/99
5. STATE IN WHICH SURVEY WAS PERFORMED: UTAH
6. LOCATION OF WELL: SANPETE COUNTY, UTAH
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

HORSESHOE ENERGY
CHRISTIANSSEN #1
SANPETE COUNTY, UTAH
RIG: CAZA #24
API NO.: 43-039-30024-00

9. SURVEY CERTIFIED FROM: 1,279 TO 10,053 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 64.85 FEET ON A BEARING OF 230.80 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT PROJECTED MEASURED DEPTH OF 10,105 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



ROCK BRUNET
SERVICE COORDINATOR

PATHFINDER

BHL Report

Page 1
Job No: 019908-0110
Date: 11/8/99
Time: 3:42 pm
Wellpath ID: CHRISTIANSEN #1
Date Created: 8/27/99
Last Revision: 11/8/99

*Calculated using the Minimum Curvature Method
Computed using PDS VER2.2.6
Vertical Section Plane: 0.00 deg.*

Survey Reference: WELLHEAD
Reference World Coordinates: Lat. 39.39.3 N - Lon. 111.33.3 W
Reference GRID System: UTM Zone: 12, Cent. Merid.: 111.0.0 W
Reference GRID Coordinates: (m.): 4389224.07 N 452740.15 E
North Aligned to: TRUE NORTH
Vertical Section Reference: WELLHEAD
Closure Reference: WELLHEAD
TVD Reference: WELLHEAD

HORSESHOE ENERGY
CHRISTIANSEN #1
MORONI, SANPETE CO., UTAH
RIG: CAZA #24

DECL: 13.49° EAST TO TRUE
KBH = 24' ROTARY TO GROUND

OFFICE SUPERVISOR:
A.J. BROUSSARD
MWD ENGINEERS:
L. NELSON/D. MURDOCH/B. WOLFORD

Measured Depth	10105.00	(ft)
Inclination	1.18	(deg)
Azimuth	154.04	(deg)
True Vertical Depth	10102.76	(ft)
Vertical Section	-40.99	(ft)
Grid Coordinates		
Northing	4389211.68	(m)
Easting	452724.77	(m)
Rectangular Offsets		
North/South	40.99 S	(ft)
East/West	50.25 W	(ft)
Closure Dist & Dir	64.85@230.80	(deg)
Dogleg Severity	0.00	(deg/100ft)
Build Rate	0.00	(deg/100ft)
Walk Rate	0.00	(deg/100ft)

PATHFINDER

Survey Report

Page 1
 Job No: 019908-0110
 Date: 11/8/99
 Time: 3:42 pm
 Wellpath ID: CHRISTIANSEN #1
 Date Created: 8/27/99
 Last Revision: 11/8/99

Calculated using the Minimum Curvature Method
 Computed using PDS VER2.2.6
 Vertical Section Plane: 0.00 deg.

Survey Reference: WELLHEAD
 Reference World Coordinates: Lat. 39.39.3 N - Lon. 111.33.3 W
 Reference GRID System: UTM Zone: 12, Cent. Merid.: 111.0.0 W
 Reference GRID Coordinates: (m.): 4389224.07 N 452740.15 E
 North Aligned to: TRUE NORTH
 Vertical Section Reference: WELLHEAD
 Closure Reference: WELLHEAD
 TVD Reference: WELLHEAD

HORSESHOE ENERGY
 CHRISTIANSEN #1
 MORONI, SANPETE CO., UTAH
 RIG: CAZA #24

DECL: 13.49° EAST TO TRUE
 KBH = 24' ROTARY TO GROUND

OFFICE SUPERVISOR:
 A.J. BROUSSARD
 MWD ENGINEERS:
 L. NELSON/D. MURDOCH/B. WOLFORD

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft)		Closure Dist. Dir. (ft) (deg.)		DLS (dg/100ft)
						(ft)	(ft)	(ft)	(deg.)	
TIE-IN ASSUMED VERTICAL BENEATH WELLHEAD.										
1255.00	0.00	0.00	1255.00	0.00	0.00	0.00 N	0.00 E	0.00@	0.00	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
1279.00	0.40	84.20	1279.00	24.00	0.01	0.01 N	0.08 E	0.08@	84.20	1.67
1338.00	0.90	87.70	1338.00	59.00	0.05	0.05 N	0.75 E	0.75@	86.35	0.85
1400.00	1.40	109.30	1399.98	62.00	-0.18	0.18 S	1.95 E	1.96@	95.35	1.05
1461.00	1.00	137.10	1460.97	61.00	-0.82	0.82 S	3.02 E	3.13@	105.18	1.14
1492.00	1.00	160.90	1491.97	31.00	-1.27	1.27 S	3.29 E	3.53@	111.15	1.33
1523.00	1.80	143.40	1522.96	31.00	-1.92	1.92 S	3.67 E	4.14@	117.61	2.90
1584.00	1.50	142.60	1583.93	61.00	-3.32	3.32 S	4.73 E	5.78@	125.11	0.49
1616.00	0.90	112.00	1615.92	32.00	-3.75	3.75 S	5.21 E	6.42@	125.73	2.68
1679.00	1.50	144.50	1678.91	63.00	-4.61	4.61 S	6.15 E	7.68@	126.83	1.40
1741.00	0.53	190.85	1740.90	62.00	-5.55	5.55 S	6.57 E	8.60@	130.19	1.93
1803.00	0.79	208.96	1802.90	62.00	-6.20	6.20 S	6.31 E	8.85@	134.53	0.53
1864.00	1.14	219.68	1863.89	61.00	-7.04	7.04 S	5.72 E	9.07@	140.92	0.64
1897.00	1.14	209.67	1896.88	33.00	-7.58	7.58 S	5.34 E	9.27@	144.81	0.60
1957.00	0.88	234.36	1956.87	60.00	-8.36	8.36 S	4.67 E	9.58@	150.80	0.84
2022.00	1.06	215.29	2021.86	65.00	-9.15	9.15 S	3.92 E	9.95@	156.79	0.56
2085.00	1.23	245.52	2084.85	63.00	-9.90	9.90 S	2.97 E	10.34@	163.31	0.98
2146.00	1.32	224.78	2145.84	61.00	-10.67	10.67 S	1.88 E	10.84@	170.02	0.77
2211.00	1.23	187.95	2210.82	65.00	-11.89	11.89 S	1.25 E	11.96@	173.98	1.25
2273.00	0.97	204.21	2272.81	62.00	-13.03	13.03 S	0.95 E	13.07@	175.84	0.65
2336.00	1.67	202.46	2335.79	63.00	-14.37	14.37 S	0.38 E	14.37@	178.49	1.11
2399.00	0.97	170.11	2398.78	63.00	-15.74	15.74 S	0.12 E	15.74@	179.57	1.58

PATHFINDER

Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL		Closure		DLS (dg/100ft)
						Rectangular (ft)	Offsets (ft)	Dist. (ft)	Dir. (deg.)	
2460.00	1.41	183.29	2459.76	61.00	-17.00	17.00 S	0.16 E	17.00@	179.45	0.84
2490.00	1.06	182.85	2489.76	30.00	-17.64	17.64 S	0.13 E	17.64@	179.58	1.17
2522.00	1.06	190.85	2521.75	32.00	-18.23	18.23 S	0.06 E	18.23@	179.81	0.46
2584.00	1.32	171.25	2583.74	62.00	-19.50	19.50 S	0.06 E	19.50@	179.82	0.77
2613.00	1.06	181.71	2612.73	29.00	-20.10	20.10 S	0.10 E	20.10@	179.71	1.16
2674.00	1.14	148.24	2673.72	61.00	-21.18	21.18 S	0.40 E	21.18@	178.90	1.05
2738.00	1.93	133.90	2737.70	64.00	-22.47	22.47 S	1.52 E	22.52@	176.14	1.36
2784.00	2.20	142.51	2783.67	46.00	-23.70	23.70 S	2.61 E	23.85@	173.71	0.89
2845.00	2.46	119.05	2844.62	61.00	-25.27	25.27 S	4.47 E	25.66@	169.97	1.61
2907.00	1.58	147.88	2906.58	62.00	-26.64	26.64 S	6.09 E	27.33@	167.13	2.13
2937.00	1.67	161.23	2936.57	30.00	-27.40	27.40 S	6.45 E	28.15@	166.76	1.29
2978.00	2.20	178.29	2977.55	41.00	-28.75	28.75 S	6.66 E	29.52@	166.95	1.90
3030.00	2.73	174.86	3029.50	52.00	-30.99	30.99 S	6.80 E	31.72@	167.62	1.06
3052.00	1.85	253.52	3051.48	22.00	-31.61	31.61 S	6.51 E	32.27@	168.36	13.55
3120.00	3.40	220.70	3119.41	68.00	-33.45	33.45 S	4.14 E	33.70@	172.94	3.09
3151.00	2.29	234.45	3150.38	31.00	-34.51	34.51 S	3.04 E	34.64@	174.97	4.18
3184.00	2.20	236.73	3183.35	33.00	-35.24	35.24 S	1.97 E	35.29@	176.79	0.38
3247.00	2.81	244.73	3246.29	63.00	-36.56	36.56 S	0.43W	36.56@	180.68	1.11
3307.00	3.43	252.73	3306.20	60.00	-37.72	37.72 S	3.48W	37.88@	185.27	1.26
3372.00	3.52	263.36	3371.08	65.00	-38.53	38.53 S	7.32W	39.22@	190.75	1.00
3435.00	3.17	271.89	3433.98	63.00	-38.69	38.69 S	10.98W	40.22@	195.84	0.96
3466.00	2.90	274.52	3464.93	31.00	-38.60	38.60 S	12.62W	40.61@	198.10	0.98
3496.00	2.37	279.71	3494.90	30.00	-38.44	38.44 S	13.99W	40.90@	199.99	1.94
3527.00	1.93	286.83	3525.88	31.00	-38.18	38.18 S	15.12W	41.06@	201.60	1.66
3557.00	1.58	295.09	3555.86	30.00	-37.86	37.86 S	15.98W	41.09@	202.88	1.44
3588.00	1.06	294.74	3586.86	31.00	-37.56	37.56 S	16.62W	41.07@	203.87	1.68
3618.00	0.79	299.89	3616.85	30.00	-37.34	37.34 S	17.05W	41.05@	204.55	0.94
3664.00	0.62	287.79	3662.85	46.00	-37.10	37.10 S	17.57W	41.05@	205.33	0.49
3712.00	0.79	274.88	3710.85	48.00	-37.00	37.00 S	18.14W	41.21@	206.12	0.48
3743.00	0.97	263.27	3741.84	31.00	-37.01	37.01 S	18.62W	41.43@	206.70	0.81
3823.00	1.32	252.38	3821.83	80.00	-37.37	37.37 S	20.17W	42.46@	208.36	0.51
3852.00	1.85	253.52	3850.81	29.00	-37.60	37.60 S	20.93W	43.04@	209.11	1.83
3921.00	1.14	241.30	3919.79	69.00	-38.25	38.25 S	22.60W	44.43@	210.58	1.12
3983.00	1.23	237.00	3981.78	62.00	-38.91	38.91 S	23.70W	45.56@	211.35	0.20
4075.00	1.76	239.88	4073.75	92.00	-40.15	40.15 S	25.75W	47.70@	212.68	0.58
4137.00	2.20	251.23	4135.71	62.00	-41.01	41.01 S	27.70W	49.49@	214.04	0.95
4199.00	2.55	253.76	4197.66	62.00	-41.78	41.78 S	30.15W	51.53@	215.82	0.59
4231.00	1.76	257.74	4229.63	32.00	-42.09	42.09 S	31.32W	52.46@	216.66	2.51
4261.00	1.14	268.55	4259.62	30.00	-42.19	42.19 S	32.07W	52.99@	217.24	2.25
4292.00	1.14	270.31	4290.62	31.00	-42.20	42.20 S	32.68W	53.37@	217.76	0.11
4354.00	1.67	270.75	4352.60	62.00	-42.18	42.18 S	34.20W	54.31@	219.04	0.86
4385.00	1.41	283.40	4383.59	31.00	-42.09	42.09 S	35.03W	54.76@	219.77	1.38
4416.00	0.97	339.13	4414.58	31.00	-41.75	41.75 S	35.49W	54.80@	220.36	3.80
4447.00	1.14	10.59	4445.58	31.00	-41.21	41.21 S	35.53W	54.41@	220.77	1.92
4508.00	1.49	333.06	4506.56	61.00	-39.90	39.90 S	35.78W	53.59@	221.88	1.49

PATHFINDER

Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL		Closure		DLS (dg/100ft)
						Rectangular (ft)	Offsets (ft)	Dist. (ft)	Dir. (deg.)	
4539.00	1.76	318.03	4537.55	31.00	-39.19	39.19 S	36.28W	53.40@	222.79	1.62
4602.00	1.67	313.90	4600.52	63.00	-37.83	37.83 S	37.59W	53.33@	224.81	0.24
4633.00	1.49	306.96	4631.51	31.00	-37.28	37.28 S	38.23W	53.40@	225.72	0.85
4664.00	1.76	303.44	4662.50	31.00	-36.77	36.77 S	38.95W	53.57@	226.65	0.93
4696.00	1.76	289.03	4694.48	32.00	-36.34	36.34 S	39.83W	53.92@	227.62	1.38
4728.00	1.23	279.54	4726.47	32.00	-36.12	36.12 S	40.63W	54.37@	228.36	1.82
4759.00	1.76	289.03	4757.46	31.00	-35.91	35.91 S	41.41W	54.81@	229.06	1.88
4820.00	1.06	276.55	4818.44	61.00	-35.54	35.54 S	42.85W	55.68@	230.33	1.25
4852.00	0.88	289.45	4850.44	32.00	-35.43	35.43 S	43.38W	56.01@	230.76	0.88
4913.00	2.11	259.50	4911.41	61.00	-35.48	35.48 S	44.93W	57.24@	231.70	2.32
4976.00	1.32	294.83	4974.39	63.00	-35.38	35.38 S	46.72W	58.61@	232.86	2.04
5007.00	0.35	102.17	5005.39	31.00	-35.25	35.25 S	46.96W	58.72@	233.10	5.37
5038.00	0.53	23.07	5036.38	31.00	-35.14	35.14 S	46.81W	58.53@	233.10	1.86
5101.00	0.97	306.17	5099.38	63.00	-34.56	34.56 S	47.12W	58.44@	233.74	1.58
5162.00	0.97	251.76	5160.37	61.00	-34.42	34.42 S	48.03W	59.09@	234.38	1.45
5194.00	1.76	265.65	5192.36	32.00	-34.54	34.54 S	48.78W	59.77@	234.70	2.66
5223.00	1.67	256.42	5221.35	29.00	-34.67	34.67 S	49.63W	60.54@	235.06	1.00
5256.00	0.97	217.84	5254.34	33.00	-35.00	35.00 S	50.27W	61.26@	235.15	3.32
5288.00	0.88	198.32	5286.34	32.00	-35.45	35.45 S	50.52W	61.71@	234.94	1.02
5349.00	1.32	201.58	5347.33	61.00	-36.55	36.55 S	50.92W	62.68@	234.33	0.73
5381.00	1.06	202.72	5379.32	32.00	-37.17	37.17 S	51.17W	63.24@	234.01	0.82
5412.00	0.79	162.29	5410.32	31.00	-37.63	37.63 S	51.22W	63.56@	233.69	2.22
5443.00	1.06	103.14	5441.31	31.00	-37.90	37.90 S	50.87W	63.44@	233.31	3.04
5536.00	1.06	149.28	5534.30	93.00	-38.84	38.84 S	49.60W	62.99@	231.94	0.89
5568.00	1.06	175.65	5566.29	32.00	-39.39	39.39 S	49.42W	63.20@	231.45	1.51
5629.00	1.49	206.06	5627.28	61.00	-40.66	40.66 S	49.73W	64.24@	230.73	1.29
5692.00	1.06	231.72	5690.26	63.00	-41.76	41.76 S	50.54W	65.56@	230.44	1.12
5723.00	0.62	249.83	5721.26	31.00	-41.99	41.99 S	50.93W	66.01@	230.49	1.64
5785.00	0.79	250.97	5783.26	62.00	-42.25	42.25 S	51.65W	66.73@	230.71	0.28
5817.00	0.62	248.60	5815.25	32.00	-42.38	42.38 S	52.02W	67.10@	230.83	0.54
5966.00	0.62	155.87	5964.25	149.00	-43.41	43.41 S	52.44W	68.08@	230.38	0.60
5998.00	0.62	196.65	5996.25	32.00	-43.74	43.74 S	52.42W	68.27@	230.16	1.35
6058.00	1.32	223.72	6056.24	60.00	-44.55	44.55 S	52.99W	69.23@	229.94	1.36
6120.00	1.32	231.11	6118.22	62.00	-45.51	45.51 S	54.04W	70.65@	229.89	0.27
6152.00	0.97	236.82	6150.21	32.00	-45.89	45.89 S	54.55W	71.29@	229.93	1.15
6183.00	0.44	192.52	6181.21	31.00	-46.15	46.15 S	54.79W	71.64@	229.89	2.33
6276.00	0.09	142.50	6274.21	93.00	-46.56	46.56 S	54.83W	71.93@	229.66	0.42
6305.00	0.62	64.38	6303.21	29.00	-46.51	46.51 S	54.67W	71.78@	229.61	2.10
6399.00	1.32	39.51	6397.20	94.00	-45.45	45.45 S	53.52W	70.22@	229.66	0.85
6430.00	1.06	42.38	6428.19	31.00	-44.97	44.97 S	53.10W	69.59@	229.74	0.86
6492.00	0.70	25.53	6490.18	62.00	-44.20	44.20 S	52.55W	68.67@	229.93	0.71
6553.00	0.44	346.86	6551.18	61.00	-43.64	43.64 S	52.45W	68.23@	230.24	0.74
6616.00	1.14	40.30	6614.17	63.00	-42.92	42.92 S	52.10W	67.50@	230.51	1.50
6680.00	1.32	40.91	6678.16	64.00	-41.88	41.88 S	51.20W	66.15@	230.72	0.28
6742.00	0.79	22.63	6740.15	62.00	-40.95	40.95 S	50.57W	65.07@	231.00	1.00

PATHFINDER

Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL		Closure		DLS (dg/100ft)
						Rectangular	Offsets	Dist.	Dir.	
						(ft)	(ft)	(ft)	(deg.)	
6806.00	0.53	329.19	6804.14	64.00	-40.29	40.29 S	50.55W	64.64@231.45		1.00
6837.00	0.44	307.13	6835.14	31.00	-40.09	40.09 S	50.72W	64.65@231.68		0.66
6898.00	0.62	19.29	6896.14	61.00	-39.64	39.64 S	50.80W	64.43@232.04		1.05
6960.00	0.62	22.28	6958.14	62.00	-39.01	39.01 S	50.56W	63.86@232.35		0.05
6992.00	0.35	303.18	6990.14	32.00	-38.80	38.80 S	50.58W	63.74@232.51		2.04
7054.00	0.88	260.11	7052.13	62.00	-38.78	38.78 S	51.20W	64.23@232.86		1.08
7085.00	0.70	278.74	7083.13	31.00	-38.79	38.79 S	51.63W	64.57@233.08		1.00
7116.00	0.62	304.23	7114.13	31.00	-38.66	38.66 S	51.95W	64.76@233.34		0.97
7178.00	0.35	339.04	7176.13	62.00	-38.30	38.30 S	52.30W	64.82@233.78		0.63
7210.00	0.35	335.36	7208.13	32.00	-38.12	38.12 S	52.37W	64.78@233.95		0.07
7241.00	0.44	12.44	7239.13	31.00	-37.92	37.92 S	52.39W	64.67@234.10		0.86
7270.00	0.62	52.51	7268.12	29.00	-37.71	37.71 S	52.24W	64.43@234.17		1.38
7333.00	0.53	67.02	7331.12	63.00	-37.39	37.39 S	51.70W	63.80@234.12		0.27
7396.00	0.35	352.31	7394.12	63.00	-37.09	37.09 S	51.46W	63.43@234.22		0.88
7457.00	0.53	23.77	7455.12	61.00	-36.64	36.64 S	51.37W	63.10@234.50		0.48
7519.00	0.26	8.13	7517.12	62.00	-36.24	36.24 S	51.23W	62.75@234.72		0.46
7582.00	0.18	31.77	7580.12	63.00	-36.02	36.02 S	51.16W	62.57@234.85		0.19
7612.00	0.09	58.84	7610.12	30.00	-35.96	35.96 S	51.11W	62.50@234.87		0.36
7674.00	0.44	228.56	7672.12	62.00	-36.10	36.10 S	51.25W	62.69@234.84		0.85
7736.00	0.88	226.45	7734.11	62.00	-36.58	36.58 S	51.77W	63.39@234.76		0.71
7796.00	0.79	201.84	7794.10	60.00	-37.28	37.28 S	52.26W	64.20@234.50		0.61
7826.00	0.79	197.80	7824.10	30.00	-37.67	37.67 S	52.40W	64.54@234.29		0.19
7888.00	0.44	189.00	7886.10	62.00	-38.31	38.31 S	52.57W	65.05@233.91		0.58
7920.00	0.53	50.23	7918.10	32.00	-38.34	38.34 S	52.48W	64.99@233.85		2.84
8013.00	1.41	33.62	8011.08	93.00	-37.11	37.11 S	51.51W	63.49@234.23		0.98
8045.00	1.41	23.25	8043.07	32.00	-36.42	36.42 S	51.14W	62.78@234.54		0.80
8107.00	1.23	21.58	8105.06	62.00	-35.10	35.10 S	50.59W	61.58@235.25		0.30
8138.00	1.23	21.31	8136.05	31.00	-34.48	34.48 S	50.35W	61.03@235.59		0.02
8200.00	1.14	17.10	8198.04	62.00	-33.27	33.27 S	49.93W	60.00@236.32		0.20
8261.00	0.97	358.90	8259.03	61.00	-32.18	32.18 S	49.76W	59.26@237.11		0.61
8323.00	0.88	350.46	8321.02	62.00	-31.18	31.18 S	49.85W	58.80@237.97		0.26
8386.00	0.79	323.00	8384.01	63.00	-30.36	30.36 S	50.19W	58.66@238.83		0.64
8416.00	0.70	311.26	8414.01	30.00	-30.07	30.07 S	50.45W	58.73@239.20		0.59
8479.00	0.26	226.54	8477.01	63.00	-29.92	29.92 S	50.84W	58.99@239.53		1.15
8540.00	0.53	216.87	8538.00	61.00	-30.24	30.24 S	51.11W	59.39@239.39		0.45
8603.00	0.97	211.16	8601.00	63.00	-30.93	30.93 S	51.56W	60.13@239.04		0.71
8664.00	1.23	207.29	8661.99	61.00	-31.95	31.95 S	52.13W	61.14@238.49		0.44
8696.00	1.41	215.55	8693.98	32.00	-32.58	32.58 S	52.52W	61.80@238.19		0.82
8759.00	1.76	217.84	8756.95	63.00	-33.97	33.97 S	53.56W	63.43@237.61		0.56
8819.00	1.49	229.26	8816.93	60.00	-35.21	35.21 S	54.72W	65.07@237.24		0.70
8851.00	1.32	239.98	8848.92	32.00	-35.67	35.67 S	55.35W	65.85@237.20		0.98
8913.00	0.88	252.00	8910.91	62.00	-36.17	36.17 S	56.42W	67.02@237.34		0.80
8944.00	0.26	342.99	8941.91	31.00	-36.18	36.18 S	56.67W	67.23@237.45		2.97
9006.00	1.76	54.01	9003.90	62.00	-35.48	35.48 S	55.94W	66.25@237.61		2.73
9069.00	1.58	73.87	9066.87	63.00	-34.67	34.67 S	54.32W	64.45@237.45		0.96

PATHFINDER

Survey Report

Measured Depth (ft)	Incl (deg.)	Drift Dir. (deg.)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL		Closure		DLS (dg/100ft)
						Rectangular (ft)	Offsets (ft)	Dist. (ft)	Dir. (deg.)	
9131.00	1.06	81.25	9128.85	62.00	-34.35	34.35 S	52.94W	63.10@	237.02	0.88
9193.00	0.44	92.15	9190.85	62.00	-34.27	34.27 S	52.13W	62.39@	236.68	1.02
9255.00	0.35	177.23	9252.85	62.00	-34.47	34.47 S	51.88W	62.29@	236.40	0.87
9318.00	0.97	229.17	9315.84	63.00	-35.01	35.01 S	52.28W	62.92@	236.19	1.27
9380.00	0.70	201.00	9377.84	62.00	-35.71	35.71 S	52.81W	63.75@	235.94	0.78
9443.00	0.26	198.32	9440.83	63.00	-36.20	36.20 S	52.99W	64.18@	235.66	0.70
9473.00	0.09	242.88	9470.83	30.00	-36.28	36.28 S	53.04W	64.26@	235.63	0.69
9536.00	0.35	226.01	9533.83	63.00	-36.43	36.43 S	53.22W	64.49@	235.61	0.42
9598.00	0.44	265.12	9595.83	62.00	-36.58	36.58 S	53.59W	64.89@	235.68	0.45
9652.00	0.62	311.12	9649.83	54.00	-36.41	36.41 S	54.02W	65.14@	236.02	0.83
9715.00	0.44	2.09	9712.83	63.00	-35.94	35.94 S	54.27W	65.09@	236.48	0.77
9776.00	0.62	99.45	9773.83	61.00	-35.76	35.76 S	53.93W	64.71@	236.45	1.32
9806.00	0.70	113.16	9803.82	30.00	-35.86	35.86 S	53.60W	64.49@	236.22	0.59
9835.00	1.14	124.32	9832.82	29.00	-36.09	36.09 S	53.20W	64.29@	235.85	1.63
9866.00	1.23	142.78	9863.81	31.00	-36.53	36.53 S	52.75W	64.16@	235.29	1.26
9897.00	1.23	148.05	9894.81	31.00	-37.08	37.08 S	52.37W	64.17@	234.70	0.36
9959.00	1.41	139.35	9956.79	62.00	-38.22	38.22 S	51.52W	64.15@	233.43	0.43
9991.00	1.14	152.71	9988.78	32.00	-38.81	38.81 S	51.12W	64.18@	232.80	1.25
10022.00	1.23	148.93	10019.78	31.00	-39.36	39.36 S	50.81W	64.27@	232.23	0.38
10053.00	1.18	164.04	10050.77	31.00	-39.96	39.96 S	50.55W	64.43@	231.67	1.03
PROJECTED SURVEY TO TD										
10105.00	1.18	164.04	10102.76	52.00	-40.99	40.99 S	50.25W	64.85@	230.80	0.00

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER: Plugged & Abandoned		5. Lease Designation and Serial Number: FEE
2. Name of Operator: HORSESHOE ENERGY, LLC.		6. If Indian, Allottee or Tribe Name:
3. Address and Telephone Number: 584 South State Street, Orem, Utah 84058		7. Unit Agreement Name:
4. Location of Well Footages: 2117' FSL 1932' FEL County: Sanpete QQ, Sec., T., R., M.: NW/4 SE/4 Section 22 - T15S - R3E, SLM State: Utah		8. Well Name and Number: Christiansen #1
		9. API Well Number: 43-039-30024
		10. Field and Pool, or Wildcat: Wildcat

CONFIDENTIAL

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

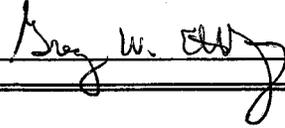
NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Other _____
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate date work will start _____	Date of work completion <u>April, 2000</u>
	Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The subject well was plugged 11/10/99. A sundry notice dated 12/19/99 was submitted to provide plugging details & location of the cement plugs.

In April, 2000 a steel "plugging information" plate was installed on the 20" conductor casing stub (4' below grade); photos are attached. The surface location was also rehabilitated & reseeded in April, 2000 as per the surface owners instructions (Mr. Steven Christiansen (435) 436-8771). A signed rehabilitation agreement between Mr. Christiansen & Horseshoe Energy, LLC. is attached.

The rehabilitated surface has been inspected by Utah Division of Oil, Gas & Mining personnel, and request that Horseshoe Energy be released from the bond established for drilling the subject well.

13. Name & Signature: Greg W. Ethridge  Title: Operations Consultant Date: 5/15/00

(This space for State use only)

RECEIVED

MAY 18 2000

DIVISION OF
OIL, GAS AND MINING

LOCATION REHABILITATION AGREEMENT

Horseshoe Energy, LLC (operator) drilled a well in the NW/4 of Section 22 - T15S - R3E in Sanpete County, Utah. The well, named the Christiansen #1, permitted by the State of Utah Division of Oil, Gas & Mining (OG&M), assigned API # 43-039-30024, was plugged November 10, 1999, since the well was not capable of producing commercial quantities of hydrocarbons.

The well was plugged according to instructions from the OG&M. Field procedures were witnessed by OG&M representative Mr. Mike Hebertson. A steel information plate was welded to the top of the 20" conductor casing 4' below ground level.

The surface area disturbed and occupied by the drilling operation was rehabilitated in April, 2000 by mixing and burying dry drilling cuttings with native soil, returning stockpiled soil to original slope and contours, and returning stockpiled top soil to the disturbed area.

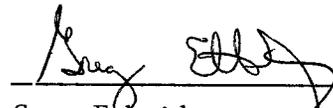
The surface owner, Mr. Steven Christiansen, wishes to have new fence along the North and East sides of the location to remain as originally installed by the operator in 1999. Culvert installed to facilitate access to the location will remain as originally installed. Gravel on the location has been concentrated on the Southwest area of the location to create a level, elevated pad as per Mr. Christiansens instructions.

Approximately 3 acres of disturbed soil area was reseeded on April 18, 2000 with a "pasture mixture" seed blend.

The surface owner accepts the location as restored and understands that fence, culvert and gravel left by the operator become his property, and that the operator is relieved of any further responsibility.



Steven Christiansen
Surface owner



Greg Ethridge
Operations Consultant
Horseshoe Energy, LLC

RECEIVED

MAY 18 2000

DIVISION OF
OIL, GAS AND MINING

OIL AND GAS PRODUCTION FACILITIES

Well Name: <u>Christensen #1</u>	API Number: <u>43-039-30024</u>		
Qtr/Qtr: _____	Section: <u>22</u>	Township: <u>15 S</u>	Range: <u>3 E</u>
Company Name: <u>Horseshoe Energy</u>			
Lease: State _____	Fee <u>X</u>	Federal _____	Indian _____
Inspector: <u>K. Michael Hebertson</u>	Date: <u>25- May-2000</u>		

Type of Inspection: Routine Complaint Other: Bond Release

Well status at time of visit: Producing Shut-in Other Plugged

COMMENTS: This location has been reclaimed to the satisfaction of the land owner. The cuttings from the drilling operations have been buried and the location re-graded for parking heavy equipment and trucks at the request of the landowner. The landowner has also signed a release form stating that the location is to be left in this condition.

BOND RELEASE ON THIS LOCATION IS OKAY...