

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

5. LEASE DESIGNATION AND SERIAL NO.

Fee

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a TYPE OF WORK

DRILL DEEPEN PLUG BACK

7. UNIT AGREEMENT NAME

B TYPE OF WELL

Oil Well Gas Well OTHER
Single Zone Multiple Zone

8. FARM OR LEASE NAME

2. Name of Operator

Ranken Energy Corp **405-340-2360**

9. WELL NO.

Ranken Energy DWR 5-28

3. Address of Operator

417 West 18th Street, Suite 101, Edmond OK, 73013-3663

10. FIELD OR LEASE NAME

4. Location of Well (Report location clearly and in accordance with any State requirement)

At surface **1603' FNL, 530' FWL SW/NW** *640, 967 E*
At proposed prod. Zone *2,409, 821 N*

11. Sec., T., R., M., OR BLK AND SURVEY OR AREA

Sec. 28, T12S, R23E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

12. COUNTY OR PARISH 13. STATE

Uintah Utah

15. Distance from proposed location to nearest Property or lease line ft.

18. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL

(Also to nearest drig. Unit line, if any)

4,493' **10,903** **40**

18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED. OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

20. ROTARY OR CABLE TOOLS

21. ELEVATION (SHOW WHETHER DF. RT. GR, etc.)

3,600' **6,200'** **Rotary**

22. APPROX. DATE WORK WILL START

7/1/99

23

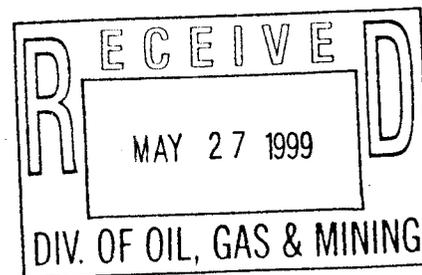
PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	To Surface
7 7/8	5 1/2	15.5	T.D.	Cement top to cover the oil shale

**Operator requests permission to drill the subject well.
Please see the attached 10 Point and Project Plane.**

If you require additional information please contact:

William Ryan
350 S., 800 E.
Vernal, Utah
435-789-0968



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24

SIGNATURE

William Ryan
William Ryan

TITLE

Agent

DATE

May 15, 1999

PERMIT NO.

43-047-33343

APPROVAL DATE

APPROVED BY

Bradley G Hill

TITLE

BRADLEY G. HILL
RECLAMATION SPECIALIST III

DATE

7/12/99

*See Instructions on Reverse Side

RANKEN ENERGY CORP.

Well location, DWR #5-28, located as shown in the SW 1/4 NW 1/4 of Section 28, T12S, R23E, S.L.B.&M. Uintah County Utah.

BASIS OF ELEVATION

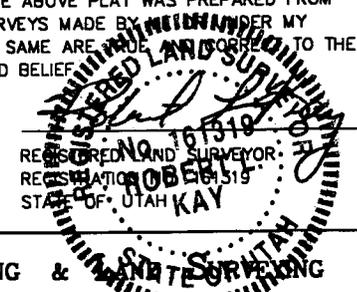
BENCH MARK 82 EAM LOCATED IN THE SW 1/4 SW 1/4 OF SECTION 21, T12S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5584 FEET.



SCALE

CERTIFICATE

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



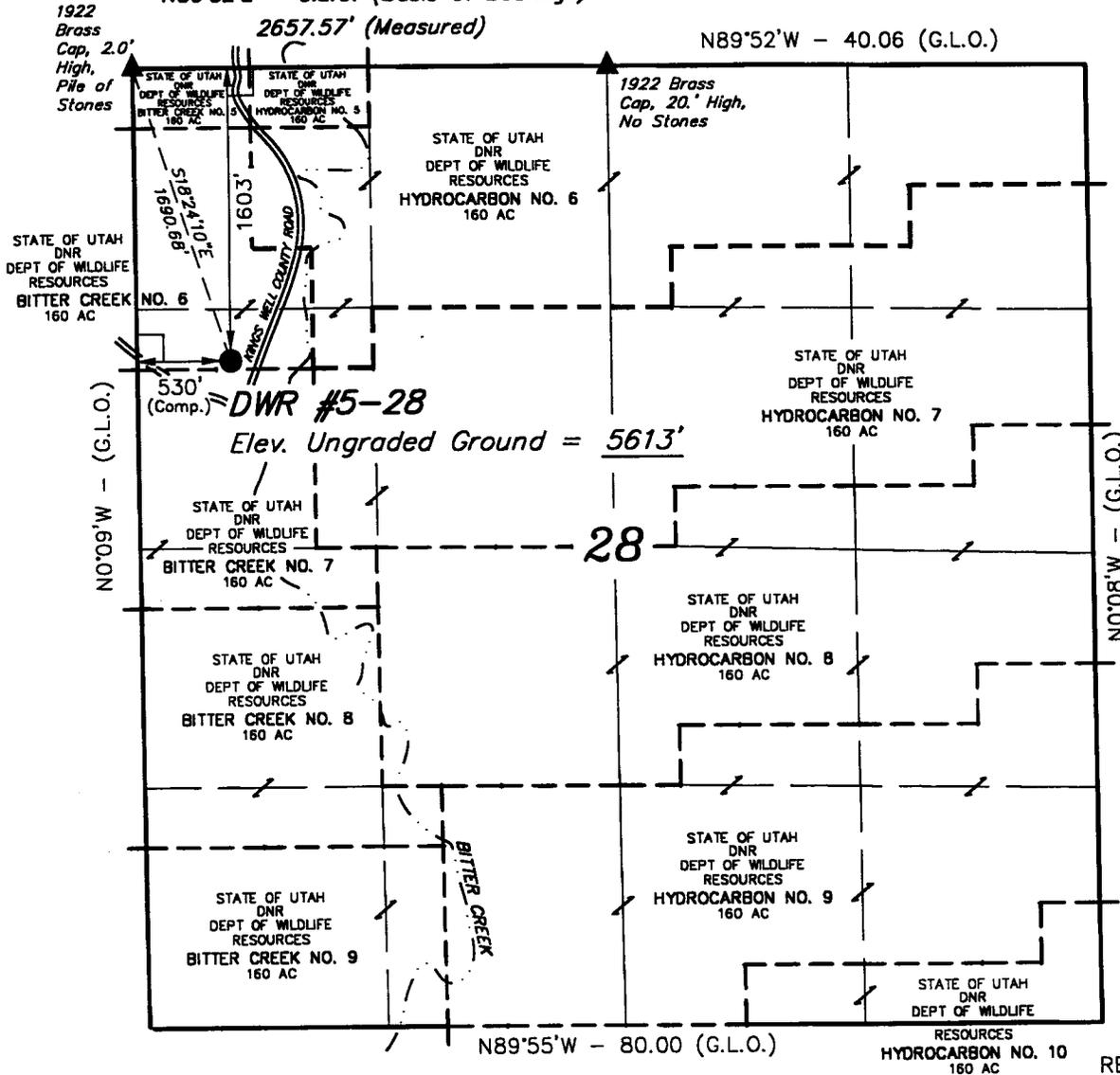
REVISED: 5-19-99 D.COX

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

SCALE 1" = 1000'	DATE SURVEYED: 5-8-99	DATE DRAWN: 5-12-99
PARTY K.K. G.S. J.F. B.B. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE RANKEN ENERGY CORP.	

N89°52'E - G.L.O. (Basis of Bearings)
 2657.57' (Measured)

N89°52'W - 40.06 (G.L.O.)



T12S, R23E, S.L.B.&M.

LEGEND:

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

LATITUDE = 39°44'50"
 LONGITUDE = 109°20'17"



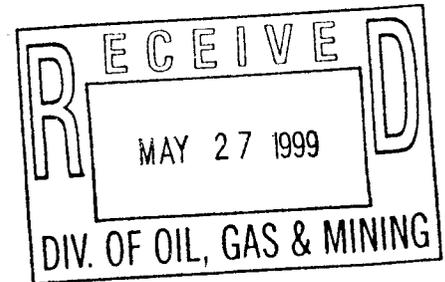
Office (435) 789-0968
Cellular (435) 828-0968

350 S. 800 E.
Vernal, UT 84078

May 21, 1999

Re: Well DWR 5-28
SW/NW, Sec. 28, T12S, R23E
Lease Fee

Utah Division of Oil Gas and Mining
1594 West North Temple
Suite 1210
P.O. Box 145801
Salt Lake City UT, 84114-5801



Dear Sirs:

Ranken Energy Corporation respectfully requests a spacing exception for the subject well. The well has been moved from the center of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$.

The well is located 1,603' FNL, 530' FWL in Sec. 28, T12S, R23E.

The location was moved due to topographic considerations, major drainage and access conditions. The Utah State Division of Wildlife Resources asked that the well remain 300 or more feet from Bitter Creek. Please see the attached maps.

A 460' radius around the proposed location is within the Fee lease. Please see the attached map.

If you have additional questions please contact me.

Sincerely

A handwritten signature in cursive script that reads "William A. Ryan".

William (Bill) Ryan
Agent

SELF-CERTIFICATION STATEMENT

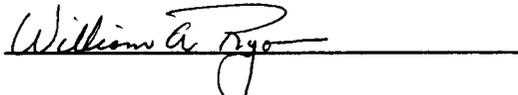
Please be advised that Ranken Energy Corp. are considered to be the operator of the following well.

**Ranken Energy DWR 5-28
SW 1/4, NW 1/4, Section 28, T12S, R23E
Lease Fee
Uintah County, Utah**

Ranken Energy Corp. is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond N 6258 provides state wide bond coverage on all ~~Fee~~ and State Lands.

135671 (\$80,000) Frontier Ins. Co. "Fee" minerals.



**William A. Ryan
Agent
Rocky Mountain Consulting
350 S. 800 E.
Vernal UT 84078
435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax**

Ten Point Plan

Ranken Energy Corp

Ranken Energy DWR 5-28

Surface Location SW ¼, NW ¼, Section 28, T12S, R23E

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+5,613' G.L.
Oil Shale	300	+5,213
Wasatch	1,820	+3,793
Mesaverda formation	3,370	+2,243
T.D.	6,200	- 587

3. Producing Formation Depth:

Formation objective includes both the Wasatch and Mesaverda and their sub-members.

Off Set Well Information:

Off set well: None

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Grade Size</u>	<u>Weight/Ft.</u>	<u>Setting & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
12 1/4	9 5/8	36	J-55/STC	300	New
7 7/8	5 1/2	15.5	J-55/LTC	T.D.	New

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8	Premium Plus 2% Calcium Chloride .25 lb/sk. Cello Flake	175 sks. +/-	1.19 cu. ft./sk.	15.6 lbs./gal.
5 1/2 Lead.	HLC Lead 1% ECONOLITE .25 lb/sk Flocele 6% Halliburton Gel 2% MicroBond 3% Salt	320 sks. +/-	1.96 cu. ft./sk.	12.55 lbs./gal.
Tail	Premium Plus .3% CFR-3 .25 lb/sk Flocele .5% HALAD-9 2% Halliburton Gel 2% MicroBond .2% Super CBL	470 sks. +/-	1.44 cu. ft./sk.	14.50 lbs./gal.

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-300	Air/Clear Water	----	No Control	Water/Gel
300-1,800	Clear Water	----	No Control	Water/Gel
1,800-T.D.	8.4-8.6	30	8-10	Water/Gel

7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 1,800' to T.D.
- d) Logging:

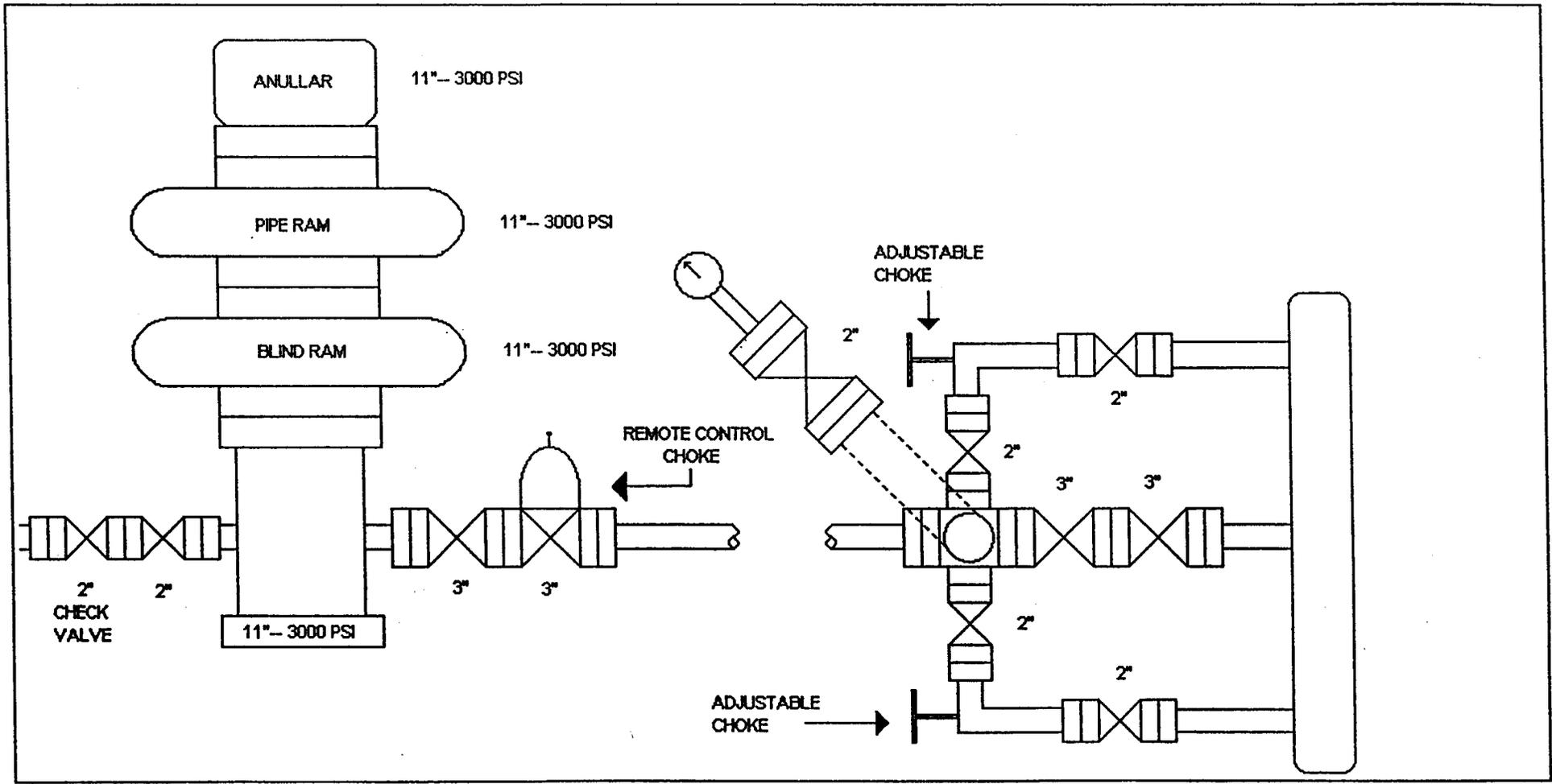
Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch and Mesaverda Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is July 1, 1999. Duration of operations expected to be 30 days.



RANKEN ENERGY CORP.

PROJECT PLAN

FOR WELL

RANKEN ENERGY DWR 5-28

LOCATED IN

SW 1/4, NW 1/4

SECTION 28, T. 12 S., R. 23 E., U.S.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: FEE

SURFACE OWNERSHIP:

STATE OF UTAH

DIVISION OF WILDLIFE RESOURCES

1. Existing Roads

To reach the **Ranken Energy Corp well DWR 5-28, in Section 28, T 12 S, R 23 E**, from Bonanza, Utah:

Starting in Bonanza, Utah proceed south on the paved road for 4 miles. Turn south (left) on the Book Cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals. Turn west (right) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign. Stay to the south (left) of the sign. Proceed .7 miles to the Rainbow sign. Stay to the west (right) of the sign. This is also called the Kings Wells road. Proceed 7.8 miles to the fork in the road. Turn south (left). Proceed 5.7 miles. The proposed access road will start at this point.

All existing roads to the proposed location are State or County Class D roads.

Please see the attached map for additional details.

2. Planned access road

The proposed location will require approximately **50 feet of new road** construction.

The road will be built to the following standards:

A) Approximate length	50 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.

D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	

State of Utah, Division of Wildlife Resources

L) All new construction on lease	No
M) Pipe line crossing	One

Please see the attached location plat for additional details.

No right of way will be required for the access road. A right-of-way application for the location has been made to the Division of Wildlife Resources.

3. Location of existing wells

The following wells are located within a one mile radius of the location site.

A) Producing well	None
B) Water well	Sec. 28, T12S, R23E
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	None
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required **paint color is Juniper Green.**

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

If the well is capable of economic production a surface gas line will be required.

A proposed line will be constructed from the subject well to an existing riser in Sec. 21, T12S, R23E.

Approximately 2,300' of 2" or 4" gathering line would be constructed on Division of Wildlife Resources lands.

Please see the attached location diagrams and map for pipeline location. The Operator proposes to place the line on the surface. The Operator has considered the alternative of tie into the 10" buried pipeline next to the location. Due to the increased safety risk of hot tapping a buried pipeline out ways the

cost of installing 2,300' of pipeline. The Operator also considered burying the gathering line. The need to maintain a stand off from the existing 10" pipeline would increase the area of surface disturbance and the visual impacts will be increased.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be pumped from Bitter Creek in Sec. 28, T12S, R23E. Permit # T72132. A temporary surface fiberglass line will be used to pump the water from Bitter Creek to the location. A gas-fired pump will be placed at the take out point on Bitter Creek. A second location may be used. It would be Evacuation Creek permit # 49-1595. The Evacuation Creek distribution point is in Section 7, T11S, R25E. Water for completion will come from the same supply or Vernal City.

Water may be used from two existing test wells next to Bitter Creek. The wells are adjacent to the water take out point. Water quality tests will have to be performed before the water can be used.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will not be lined unless the pit is blasted or soil conditions would warrant a pit liner.

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary a storage tank for a period not to exceed 90 days. Produced water will be trucked to a State of Utah approved disposal site.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site cleanup:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout and location.

The proposed location has been staked at 1603' FNL, 530' FWL. The location has been moved outside the normal drilling window spacing due to considerations for the riparian area and wash entering Bitter Creek from the west.

Location dimensions are as follow:

A) Pad length	325 ft.
B) Pad width	155 ft.
C) Pit depth	10 ft.
D) Pit length	180 ft.
E) Pit width	50 ft.
F) Max cut	22.7 ft.

- G) Max fill **7.2 ft.**
- H) Total cut yds. **15,050 cu. yds.**
- I) Pit location **west side**
- J) Top soil location **south side**
- K) Access road location **north east corner**
- L) Flare pit **corner B**

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area.

The topsoil removed and piled will amount to approximately 1,000 cubic yards of material. **Topsoil will be stockpiled in one distinct pile.** Placement of the topsoil is noted on the attached location plat. **The topsoil pile from the location will be seeded as soon as the soil is stock piled** with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. **The pit area will be seeded when the soil has been spread.** The unused portion of the location (the area outside the dead men.) will be recontoured

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed when the pit has dried sufficiently to allow back filling. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when the topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity required will be provided by the Division Of Wildlife Resources.

B) Seed Mix

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

11. Surface ownership:

Access road	State of Utah Division of Wildlife Resources
Location	State of Utah Division of Wildlife Resources
Pipeline	State of Utah Division of Wildlife Resources

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sagebrush. Rabbit brush, bitter brush and Indian

rice grass are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one-mile radius of the location.

C) Archeology and Paleontology :

The location has not been surveyed. The surveys have been scheduled and copy of the surveys will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is the Bitter Creek 300 feet east of the location.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without the Division of Wildlife Resources approval.

F) Notification:

The Division of Wildlife Resources and the Division of Oil and Gas will be notified as follows.

a) Location construction

At least forty eight (48) hours prior to construction of location and access roads

b) Location completion

Prior to moving on the drilling rig.

c) Spud notice

At least twenty-four (24) hours prior to spudding the well.

d) Casing string and cementing

At least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) BOP and related equipment tests

At least twenty-four (24) hours prior to initial pressure tests.

f) First production notice

Within five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

Division of Wildlife
Resource 434-789-3103

Division of Oil, Gas, and Mining.
801-538-5340 or 435-722-3417

H) Flare pit:

The flare pit will be located in corner B of the reserve pit out side the pit fence and 100 feet from the bore hole on the **west side of the location**. All fluids will be removed from the pit within 48 hours of occurrence.

3. Lessees or Operator's representative and certification

A) Representative

William A. Ryan

Rocky Mountain Consulting
350 South 800 East
Vernal, Utah 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

All lease operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

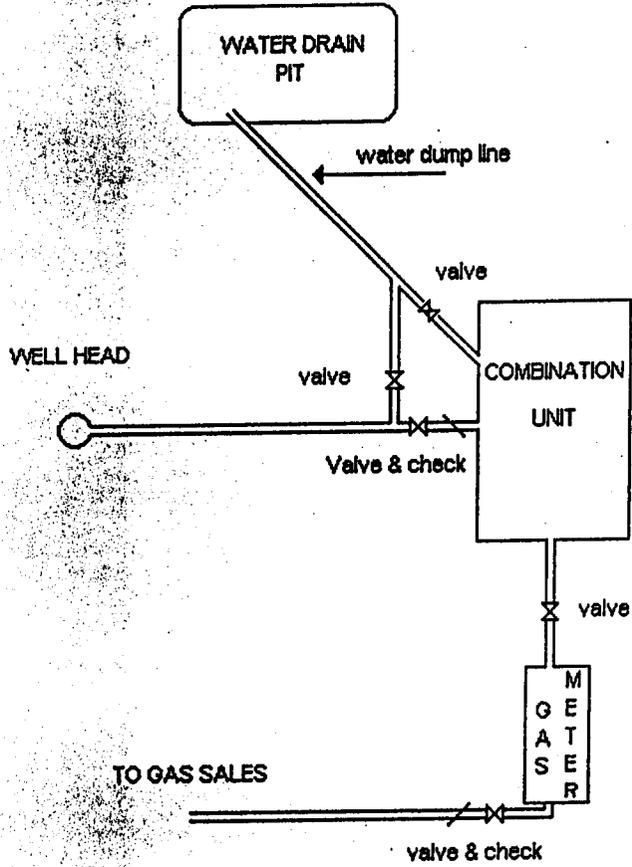
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by **Ranken Energy Corp.** and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date May 26, 1999


William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Date:

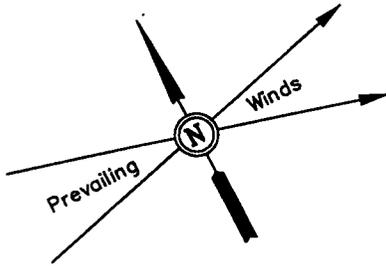
Ranken Energy
Typical
Gas Well



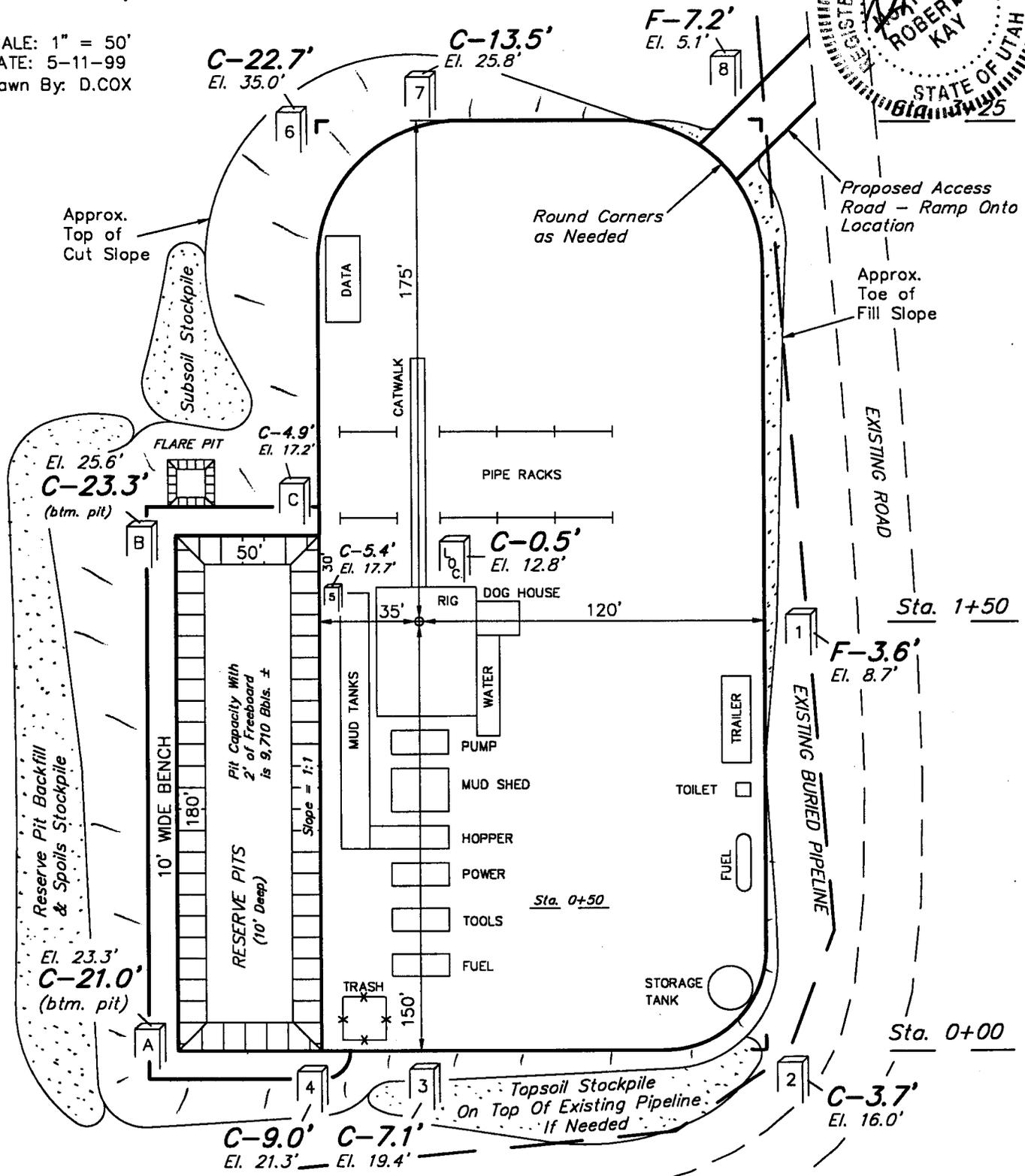
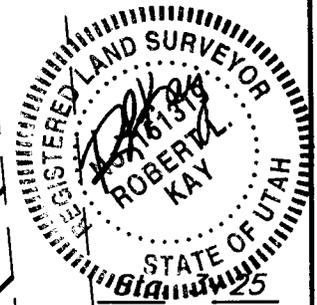
RANKEN ENERGY CORP.

LOCATION LAYOUT FOR

DWR #5-28
SECTION 28, T12S, R23E, S.L.B.&M.
1603' FNL 530' FWL



SCALE: 1" = 50'
DATE: 5-11-99
Drawn By: D.COX



Elev. Ungraded Ground at Location Stake = 5612.8'
Elev. Graded Ground at Location Stake = 5612.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

RANKEN ENERGY CORP.

TYPICAL CROSS SECTIONS FOR

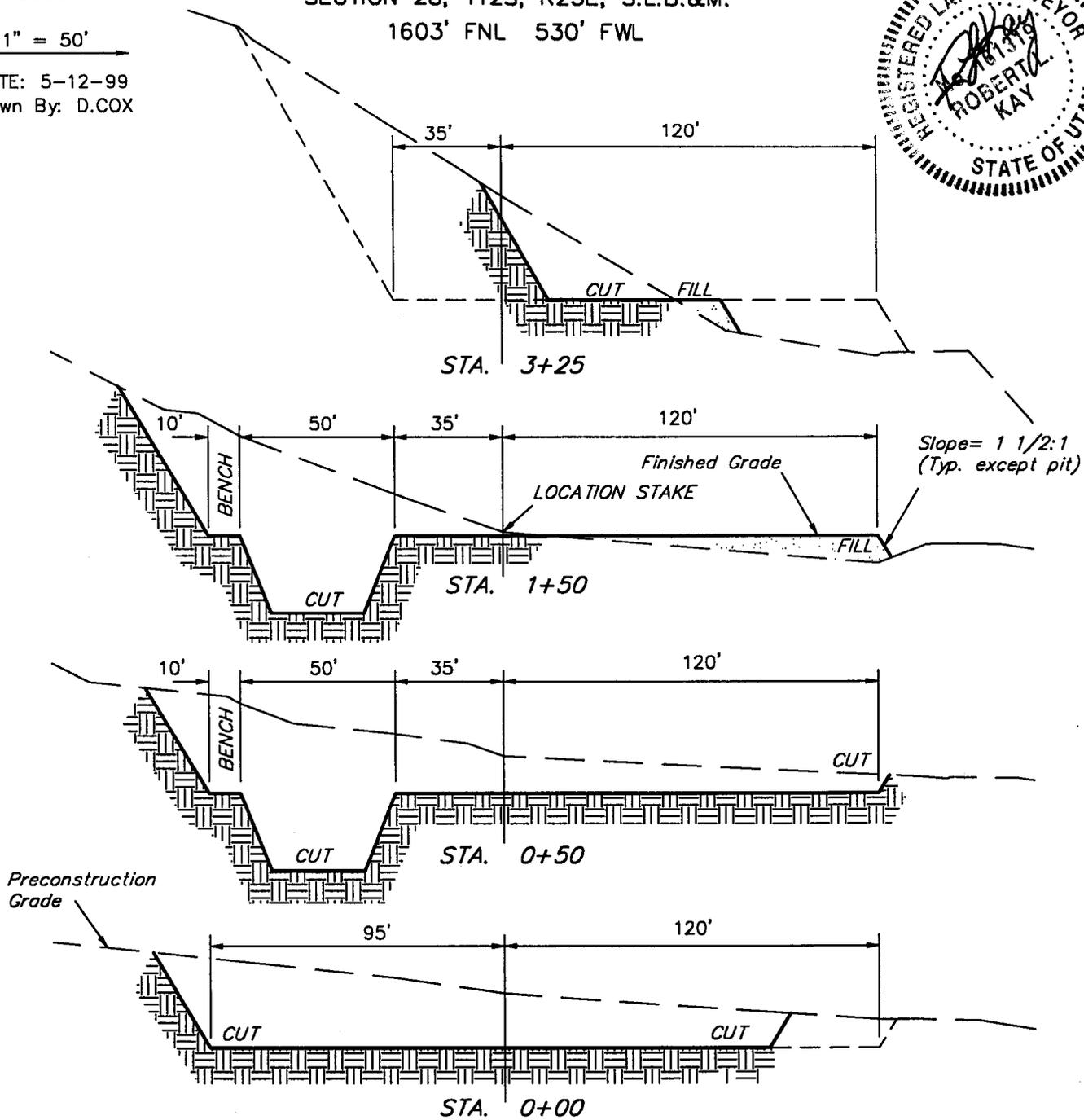
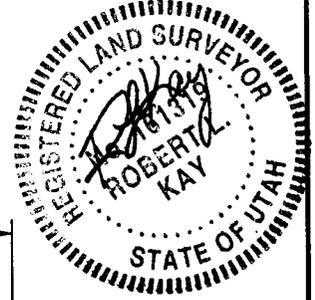
DWR #5-28

SECTION 28, T12S, R23E, S.L.B.&M.

1603' FNL 530' FWL

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

DATE: 5-12-99
Drawn By: D.COX

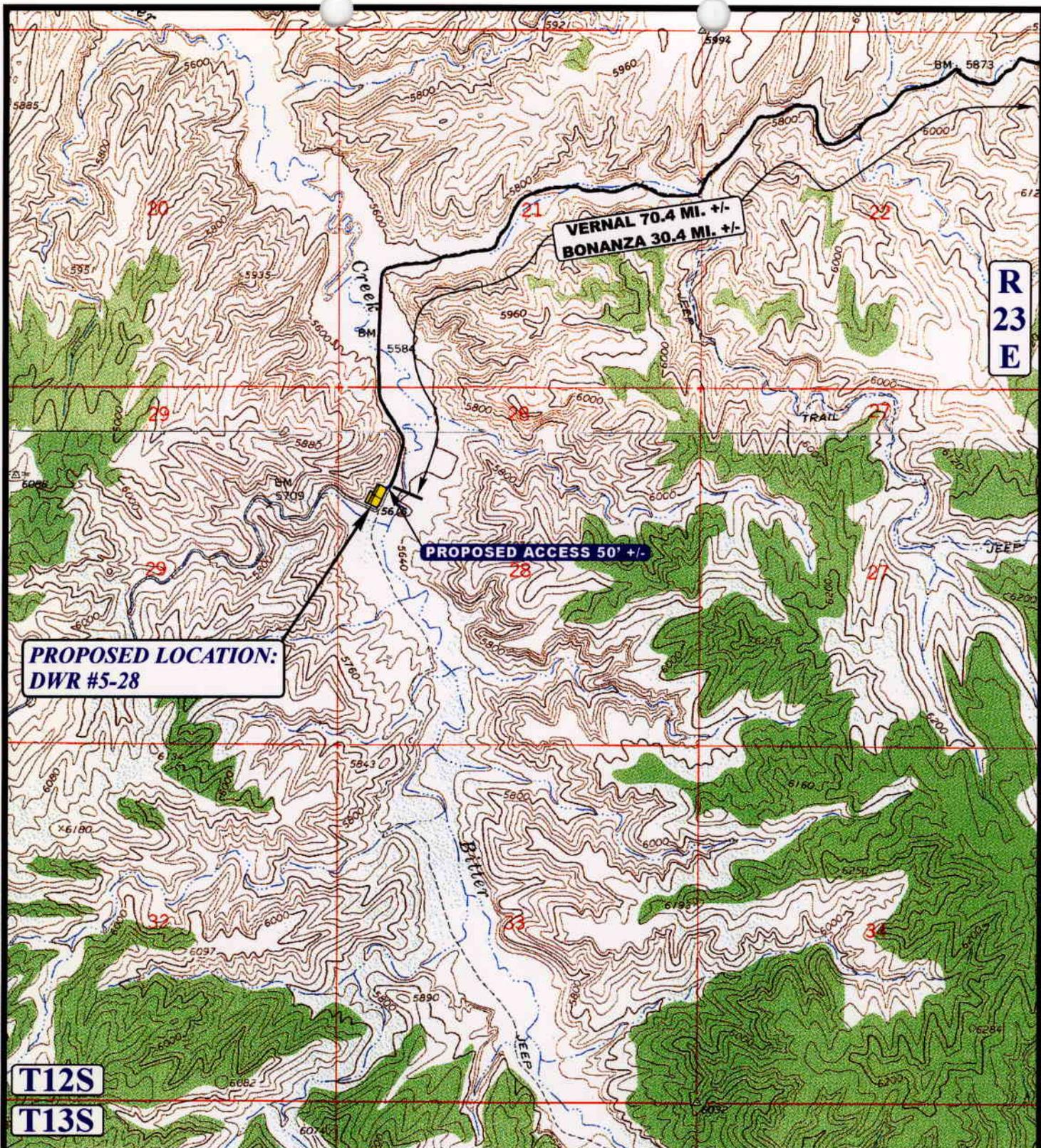


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 13,950 Cu. Yds.
TOTAL CUT	= 15,050 CU.YDS.
FILL	= 2,080 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 12,860 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 10,500 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

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

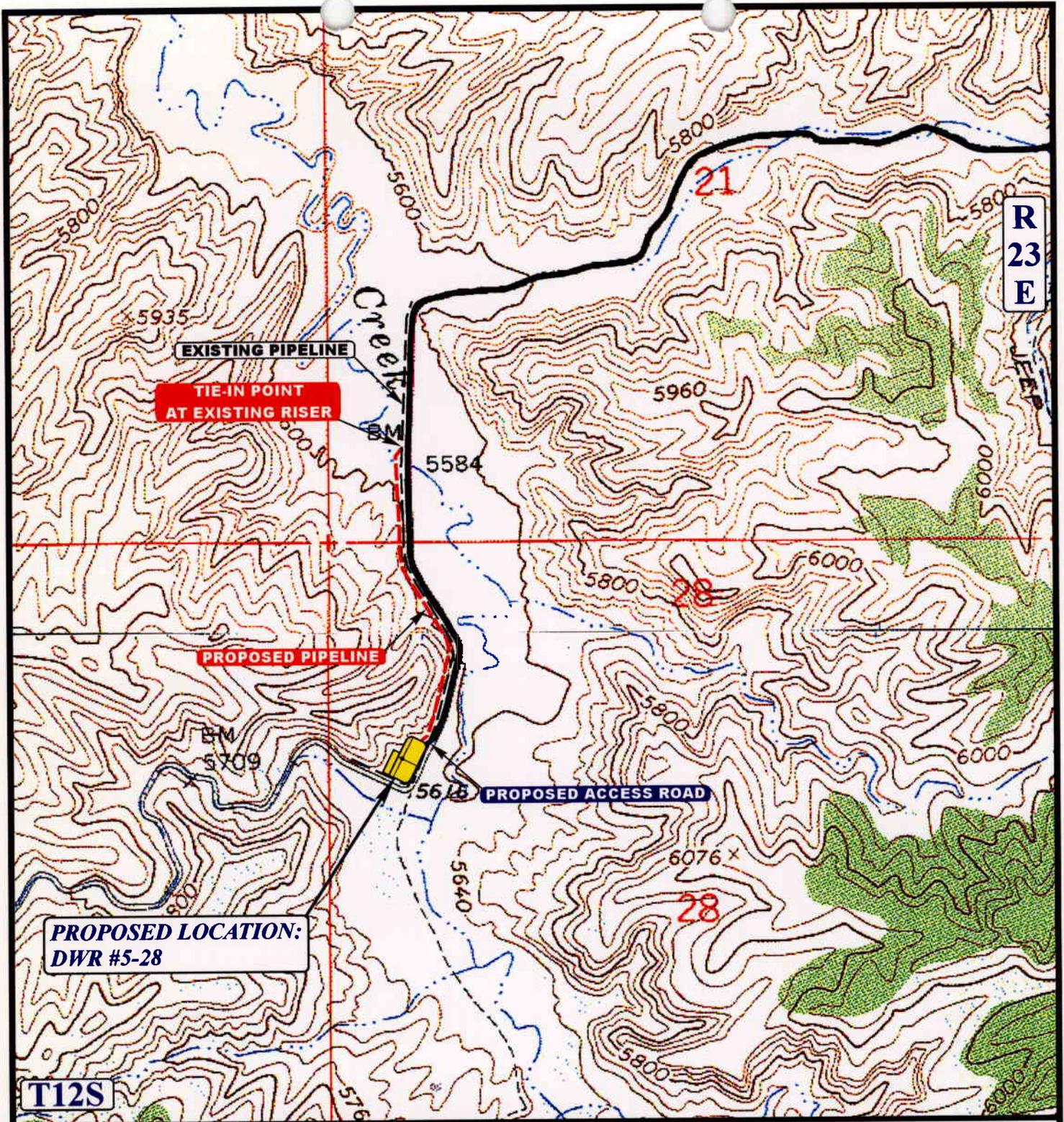
RANKEN ENERGY CORP.

DWR #5-28
SECTION 28, T12S, R23E, S.L.B.&M.
1602' FNL 529' FWL

TOPOGRAPHIC **5 10 99**
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: D.COX REVISED: 00-00-00

B
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,300' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS

RANKEN ENERGY CORP.

DWR #5-28
SECTION 28, T12S, R23E, S.L.B.&M.
1602' FNL 529' FWL



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

TOPOGRAPHIC
MAP

5	10	99
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: D.COX REVISED: 00-00-00



UTAH DEPARTMENT OF NATURAL RESOURCES

Utah Division of Wildlife Resources

1596 West North Temple, Salt Lake City, Utah 84116

(801) 538-4700

Application for Right-Of-Way/Lease/Special Use Permit

APPLICANT'S NAME (Company name) AND ADDRESS:

RANKEN ENERGY CORP.

417 West 18th Street, Suite 101, Edmond OK, 73013-3663

Agent's address

350 S 800E, Vernal Utah 84078 (435)-789-0968

CONTACT PERSON:

William(Bill) Ryan

Agent, Rocky Mt. Consulting

DAYTIME PHONE NUMBER:

Office 435-789-0968

Cellular 435-828-0968

Application is hereby made for:

RIGHT-OF-WAY LEASE

SPECIAL USE PERMIT

on the following described Division land(s) for a term of

30 Years

#1 LEGAL DESCRIPTION

County: Uintah

Subdivision*	Section	Township	Range	Total acre/ Total distance
Well pad	28	12S	23E	2.5 Acres
Pipeline	28&21	12S	23E	2,300'/1.58 Acres
Road				None

*attach centerline description with width and platted survey if applicable

#2. PROPOSED ACTION (Describe project):

Ranken Energy Corp has the Fee Oil and Gas lease under the surface managed by the Division Ranken Energy proposes drilling a 6,200' deep gas well and installing a surface gas line to transport the produced gas from the subject well to an existing gas transmission line.

The subject well is named the Ranken Energy DWR 5-28

#3. MAP--Attach a map of the area.

Attached

#4 PROJECT PLAN--Attach the project plan [see R657-28-3(1)(d)(ii)]

Attached

I acknowledge that the issuance of a right-of-way/lease/special use permit will be issued in accordance with R657-28

I understand that upon completing this application and providing the required documentation that the Division shall have 30 days to review and to either deny or grant a conditional approval.

I acknowledge that if I receive conditional approval additional documentation may be required by the Division [R657-28-3(4)(a-e)]

I acknowledge that the Division has 60 days from the receiving the additional information requested under R657-28-3(4)(a-e) to review and make a final determination on whether or not the right-of-way/lease/special use permit should be granted or denied.

In the event the right-of-way/lease/special use permit is granted, the Division will issue the right-of-way/lease/special use permit upon payment of the fee set forth in R657-28-6.

I hereby certify that the information for purposed of this application is true and correct to the best of my knowledge and that I am an authorized representative of the above-named applicant.

APPLICANT'S SIGNATURE _____ Agent
TITLE

STATE OF UTAH)
)ss.
COUNTY OF)

On the ___ day of _____, 1999, personally appeared before me _____ and who by me being duly sworn did acknowledge that he is an authorized representative of the above-named applicant, and as such, is authorized to make application and hereby bind said applicant to the terms and conditions there to.

NOTARY PUBLIC _____

Residing at:

My commission expires:

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/27/1999

API NO. ASSIGNED: 43-047-33343

WELL NAME: DWR 5-28
 OPERATOR: RANKEN ENERGY CORP (N6250)
 CONTACT: Bill Ryan (435) 789-0968

PROPOSED LOCATION:
 SWNW 28 - T12S - R23E
 SURFACE: 1603-FNL-0530-FWL
 BOTTOM: 1603-FNL-0530-FWL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

INSPECT LOCATN BY: / /		
TECH REVIEW	Initials	Date
Engineering	6/23/99	RSK
Geology		
Surface		

LEASE TYPE: FEE
 LEASE NUMBER:
 SURFACE OWNER: Div. of Wildlife Resources

PROPOSED FORMATION: MVRD

<p>RECEIVED AND/OR REVIEWED:</p> <p><input checked="" type="checkbox"/> Plat</p> <p><input checked="" type="checkbox"/> Bond: Fed[] Ind[] Sta[] Fee[] (No. <u>135671</u>)</p> <p><input type="checkbox"/> Potash (Y/N)</p> <p><input type="checkbox"/> Oil Shale (Y/N) *190-5(B)</p> <p><input checked="" type="checkbox"/> Water Permit (No. <u>T72132</u>)</p> <p><input type="checkbox"/> RDCC Review (Y/N) (Date: <u>06/16/99 / Comments due 6-22-99</u>)</p> <p><input type="checkbox"/> Fee Surf Agreement (Y/N)</p>	<p>LOCATION AND SITING:</p> <p><input type="checkbox"/> R649-2-3. Unit</p> <p><input type="checkbox"/> R649-3-2. General</p> <p><input checked="" type="checkbox"/> R649-3-3. Exception</p> <p><input type="checkbox"/> Drilling Unit Board Cause No: _____ Date: _____</p> <p><input type="checkbox"/> R649-3-11. Directional Drill</p>
---	--

COMMENTS: Application for Row/Lease/Special Use Permit filed w/ DWR.
Need Presite. (Conducted 6/16-99)

STIPULATIONS: ① Surface casing shall be cemented to surface
② STATEMENT OF BASIS

* GRANT EXCEPTION LOCATION



Division of Oil, Gas & Mining

OPERATOR: RANKIN ENERGY CORP. (N6250)
FIELD: UNDESIGNATED (002)
SEC. 16,21,22,28, TWP 12S, RNG 23E
COUNTY: UINTAH UNIT: HANGING ROCK UNIT



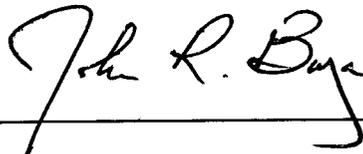
PREPARED
DATE: -JUNE-1999

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. AREA WIDE CLEARING HOUSE(S) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Uintah Basin Association of Governments
-
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:
Ranken Energy Corporation proposes to drill the Ranken Energy DWR 5-28 well (undesignated) on a private lease in Uintah 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)
SW NW, Section 28, Township 12 South, Range 23 East, Uintah 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:

John R. Baza
PHONE: 538-5334



Associate Director

DATE: June 3, 1999

RDCC Agenda

June 22, 1999

3

Comments due 6/18/99.

17. UT990607-060 Division of Oil, Gas and Mining/Uintah County: Application for Permit to Drill - proposal to drill a wildcat well on the Ranken Energy DWR 5-28 (Sec. 28, T12S, R23E). Comments due 6/22/99.

III. Stream Alterations

Please note! Due to the short turnaround

Please comment directly to the Agency with a copy to GOPB.

18. UT990603-070 Division of Water Rights/Utah County: American Fork River (No. 99-55-08SA) - stabilize bank (Sec. 13, 24, T5S, R1E). Comments due 6/21/99.
19. UT990603-080 Division of Water Rights/Summit County: McDonald Draw (No. 99-35-38SA) - housing development (Sec. 12, T2S, R3E). Comments due 6/21/99.
20. UT990603-090 Division of Water Rights/Dutch Draw (No. 99-35-37SA) - housing development (Sec. 2, T2S, R3E). Comments due 6/21/99.
21. UT990607-010 Division of Water Rights/Box Elder County: Box Elder Creek (No. 99-25-16SA) - install pipe (Sec. 14, T9N, R2W). Comments due 6/24/99.
22. UT990607-020 Division of Water Rights/Cache County: Blacksmith Fork River (No. 99-25-17SA) - stabilize bank (Sec. 34, T11N, R1E). Comments due 6/24/99.
23. UT990607-030 Division of Water Rights/Duchesne County: Dry Gulch Creek (No. 99-43-07SA) - replacement of existing culvert (Sec. 28, T2S, R1W). Comments due 6/24/99.
24. UT990607-040 Division of Water Rights/Washington County: Halfway Wash (No. 99-81-12SA) - construction of pedestrian bridge (Sec. 14, T42S, R16W). Comments due 6/24/99.
25. UT990607-050 Division of Water Rights/Salt Lake County: Trimble Creek (No. 99-57-22SA) - housing development (Sec. 2, T3S, R1W). Comments due 6/24/99.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: RANKEN ENERGY CORP.

WELL NAME & NUMBER: DWR 5-28

API NUMBER: 43-047-33343

LEASE: Fee **FIELD/UNIT:**

LOCATION: 1/4, 1/4 SW/NW SEC:28 TWP:12S RNG: 23E
1603' F N L 530' F W L

LEGAL WELL SITING: Statewide 400 foot window in center of 40
acre tract and no closer than 920 feet from
another well; or Board Spaced area requiring
460' Setback and 920' From another well.

GPS COORD (UTM): 12640989E 4400776N

SURFACE OWNER: DIVISION OF WILDLIFE RESOURCES

PARTICIPANTS:
BILL RYAN (RANKEN), JACK LYTLE (DWR), DAVID HACKFORD (DOGM).

REGIONAL/LOCAL SETTING & TOPOGRAPHY:
SITE IS IN THE BOTTOM OF BITTER CREEK CANYON 250' WEST OF
BITTER CREEK. THE WEST SLOPE OF THE CANYON IS DIRECTLY ADJACENT
TO THE EDGE OF PROPOSED LOCATION.

SURFACE USE PLAN:

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING.
HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WOULD BE 325' BY 205'
AND ACCESS ROAD WOULD BE 50' LONG.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE
ATTACHED MAP FROM GIS DATABASE

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD AND TIE INTO EXISTING PIPELINE WHICH FOLLOWS KINGS WELL COUNTY ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS:

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: NATIVE GRASSES, GREASEWOOD, PRICKLY PEAR, CHEAT GRASS, SAGE, FOXTAIL, JUNIPER IN AREA BUT NOT ON SITE. SONG BIRDS, RAPTorial BIRDS, RODENTS, COYOTES, DEER, ELK, PRONGHORN, COUGAR, BOBCATS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY LOAM.

SURFACE FORMATION: GREEN RIVER FORMATION

EROSION/SEDIMENTATION/STABILITY: NO EROSION EXCEPT ALONG CREEK IN BOTTOM OF CANYON. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE ANY INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED. SUE ANN BILBY FROM THE VERNAL MUSEUM OF NATURAL HISTORY PERFORMED A PALEO STUDY FOR RANKEN AT DWR REQUEST.

RESERVE PIT:

CHARACTERISTICS: 180' BY 50' AND 10'DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE REQUIRED.

SURFACE RESTORATION/RECLAMATION PLAN:

AS PER LANDOWNER AGREEMENT OR AS DIRECTED BY DIVISION.

SURFACE AGREEMENT: A SURFACE AGREEMENT HAS NOT BEEN SIGNED AT THIS TIME.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY SAGEBRUSH CONSULTING. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS:

THE PRE-DRILL INVESTIGATION TOOK PLACE ON A WARM SUNNY DAY.

ATTACHMENTS:

PHOTOS OF SITE WILL BE PLACED ON FILE.

DAVID W. HACKFORD
DOG M REPRESENTATIVE

6/16/99 3:00 PM
DATE/TIME

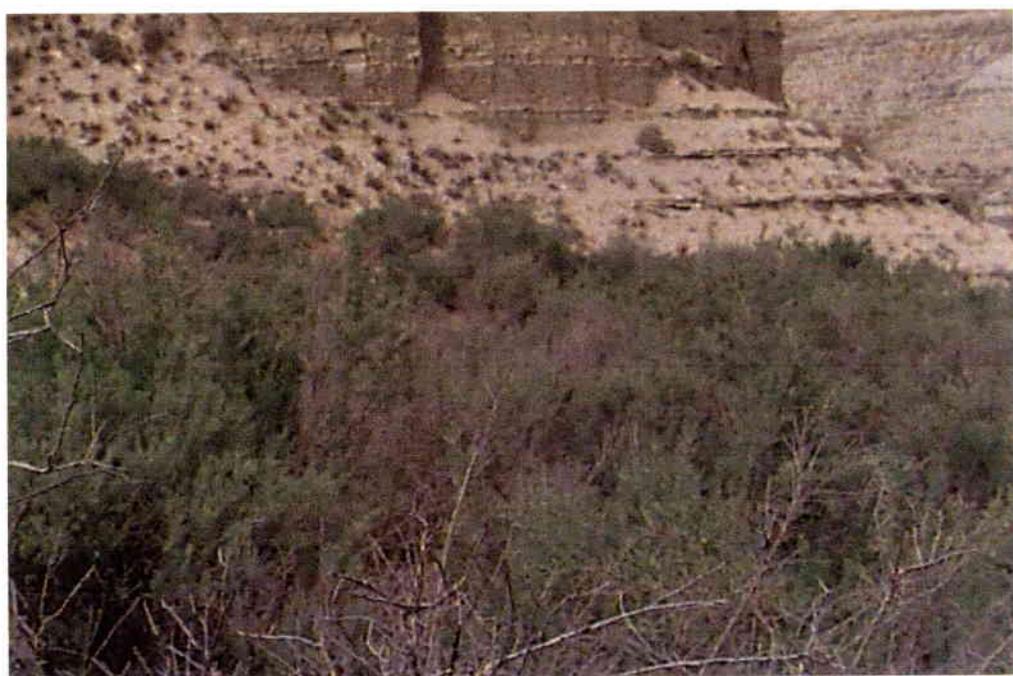
**Evaluation Ranking Criteria and Ranking Score
For Reserve and On-site Pit Liner Requirements**

<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>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>10</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<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	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<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>0</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>0</u>
Final Score		<u>30</u>











DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: RANKEN ENERGY CORP.

Well Name & Number: DWR #5-28

API Number: 43-047-33343

Location: 1/4,1/4 SW/NW Sec. 28 T. 12S R. 23E

Geology/Ground Water:

There are no water wells in the area according to the Division of Water Rights. All water rights filed in the area are either from the White River or Bitter Creek. The base of the moderately saline water is estimated to be at approximately 3300'. Rankin has proposed cementing the production casing to cover the oil shale which they estimate at a depth of 300'. The proposed casing program should adequately protect any useable water encountered.

Reviewer: Brad Hill

Date: 6/29/99

Surface:

The pre-drill investigation of the surface was performed on 6/16/99. The Division of Wildlife Resources is the surface owner, and they were represented by Jack Lytle. Mr. Lytle stated that the DWR would request a five month window where drilling would not be allowed, but he didn't know exactly when this window would be. He stated there would probably be other stipulations, but he didn't know exactly what they would be. DWR considers this area to be prime deer winter habitat. Ranken requests exception location status for this site. Location was moved to get away from riparian area, Kings Well County road and the pipeline buried along side this road. The proximity of Bitter Creek to this site is the primary reason a liner will be required in the reserve pit. (Jack Lytle stated in a conversation on 6/28/99 that DWR's right of way permit would be finished within a few days. He also asked for a no-drill window from Nov. 15 - April 15. B Hill 6/29/99)

Reviewer: David W. Hackford

Date: 6/21/99

Conditions of Approval/Application for Permit to Drill:

1. A 12 mil liner will be required for reserve pit.
2. A Right of Way Easement Agreement shall be obtained from D.W.R. prior to any surface disturbance.

Well name:	699 Ranken DWR 5-28	
Operator:	Ranken Energy Corp.	Project ID:
String type:	Surface	43-047-33343
Location:	Uintah County	

Design parameters:

Collapse

Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: -14 psi
Internal gradient: 0.494 psi/ft
Calculated BHP: 134 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: 262 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 300 ft

Cement top: 31 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,500 ft
Next mud weight: 8.600 ppg
Next setting BHP: 3,351 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 7,500 ft
Injection pressure: 7,500 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 (ft ³)
1	300	9.625	36.00	J-55	ST&C	300	300	8.796	21.4
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	134	2020	15.08	134	3520	26.27	9	394	41.81 J

Prepared by: RJK
Utah Dept. of Natural Resources

Phone: (801) 538-5274
FAX:

Date: June 23, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: 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 300 ft, a mud weight of 8.6 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.

Well name:	699 Ranken DWR 5-28	
Operator:	Ranken Energy Corp.	Project ID:
String type:	Production	43-047-33343
Location:	Uintah County	

Design parameters:

Collapse

Mud weight: 8.600 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: 162 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 2,613 ft

Burst

Max anticipated surface pressure: 2,026 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 2,770 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: 5,393 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	6200	5.5	15.50	J-55	LT&C	6200	6200	4.825	194.3
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	2770	4040	1.46	2770	4810	1.74	84	217	2.60 J

Prepared RJK
 by: Utah Dept. of Natural Resources

Phone: (801) 538-5274
 FAX:

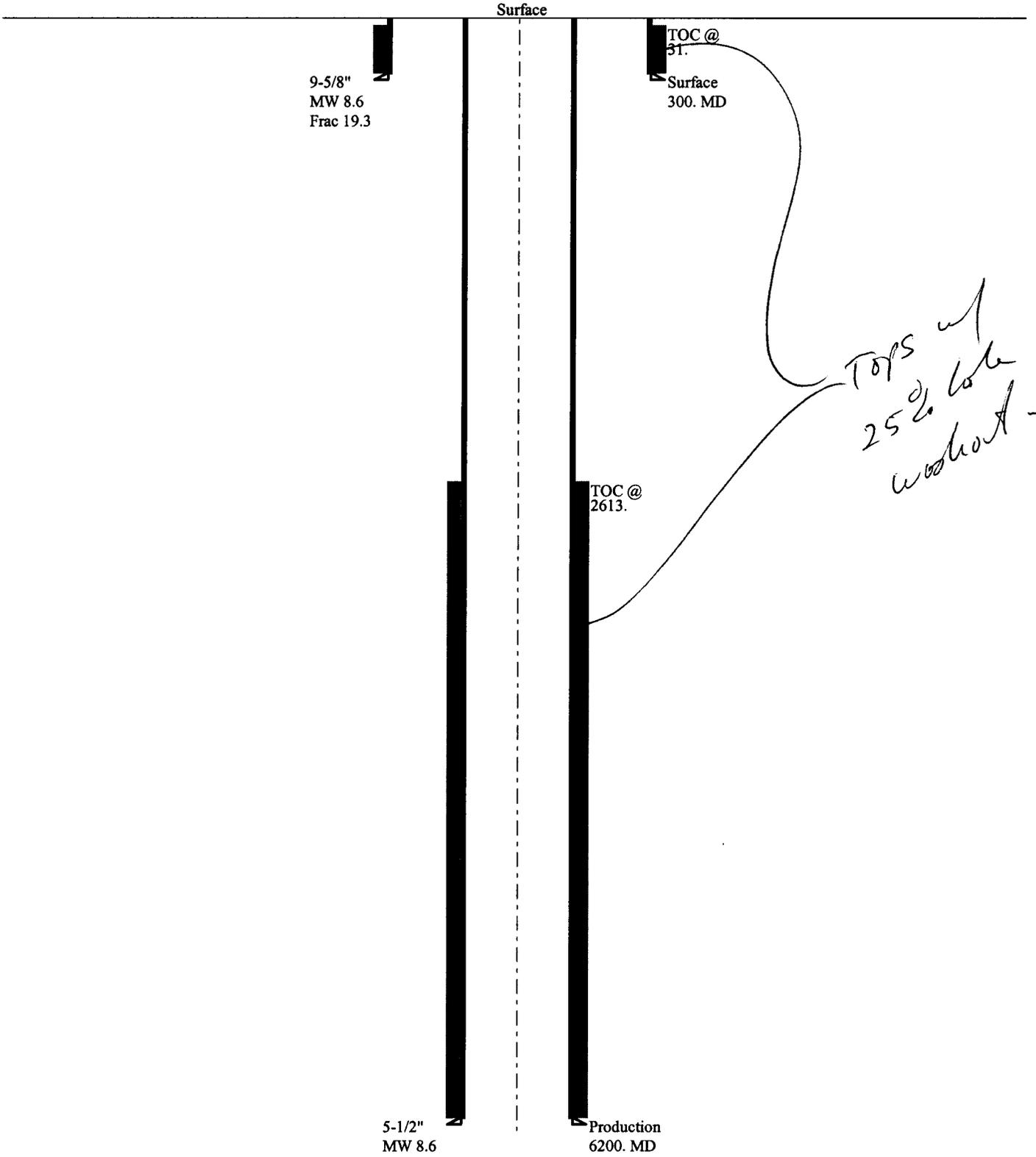
Date: June 23, 1999
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: 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 6200 ft, a mud weight of 8.6 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.

699 Ranken DWR 5-28

Casing Schematic





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)

July 12, 1999

Ranken Energy Corporation
417 West 18th Street, Suite 101
Edmond, Oklahoma 73013-3663

Re: DWR 5-28 Well, 1603' FNL, 530' FWL, SW NW, Sec. 28, T. 12 S., R. 23 E., Uintah
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.

Appropriate information has been submitted to DOGM by the operator and administrative approval of the requested exception location is hereby 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 43-047-33343.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Ranken Energy Corporation
Well Name & Number: Ranken Energy DWR 5-28
API Number: 43-047-33343
Lease: Fee **Surface Owner:** Division of Wildlife Resources
Location: SW NW **Sec.** 28 **T.** 12 S. **R.** 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

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. 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).

INSPECTION FORM 2 STATE OF UTAH
DIVISION OF OIL GAS AND MINING

BOPE TESTING

Well Name: <u>5-28</u>		API Number: <u>43-047-33343</u>	
Qtr/Qtr: <u>SW/NW</u>	Section: <u>28</u>	Township: <u>12S</u>	Range: <u>23E</u>
Company Name: <u>Rankin Energy Corp.</u>			
Lease: State _____	Fee <u>X</u>	Federal _____	Indian _____
Inspector: <u>David Hackford</u>		Date: <u>8/9/99</u>	

Drilling Contractor: Chandler Drilling Co. Rig: 1
 Depth: 300' Last Casing: 9 5/8" 36lb. Set @: 300'
 Tested By: Single Jack

Does the BOPE meet or exceed that approved in the application to drill? YES X NO _____

Date of last BOPE test noted in driller's log: Last well 7/13/99

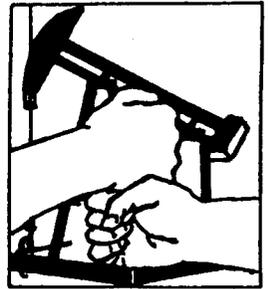
Did test pressures meet minimum standards? YES X NO _____

COMMENTS: This well is on DWR surface, fee minerals.

November 2, 1999

RANKEN ENERGY CORPORATION

417 W. 18th Street, Suite 101
Edmond, Oklahoma 73013-3663
(405) 340-2363 • Fax (405) 340-2365



State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
P O Box 145801
Salt Lake City, UT 84114-5801

RE: DWR 5-28 Completion Report -
Form 8 & Application for Severance
Tax Exemption

Dear Sir(s):

Enclosed please find our completed Form 8, set of logs marked "Confidential", plat map showing subject well and wells in the vicinity and a cross-section with index map depicting the location of subject well relative to the nearest producing wells. I have been advised by your office that our DWR 5-28 well has been classified as a wildcat well. A 24 hour production/flow test has been performed on this well and is indicated on Form 8.

This letter shall also serve as our application for a severance tax exemption under Section 59-5-102(2)(d) of the Utah Oil and Gas Conservation General Rules. The enclosed plat map shows there are no currently producing wells within one mile of the subject well. Our DWR 5-28 well is currently producing from uppermost Wasatch sands (the uppermost set of perforations may actually be lowermost Green River). As shown on the enclosed cross-section, these sands are not developed in the Hanging Rock unit to the north-northeast. To our knowledge the well is not located on a KGS (known geologic structure). The bottomhole pressures are estimated to be 1025 psi based upon SITP's and hydrostatic weight of fluid columns in the hole.

Please advise if I can provide any further data that might be necessary to help support the request being made herein.

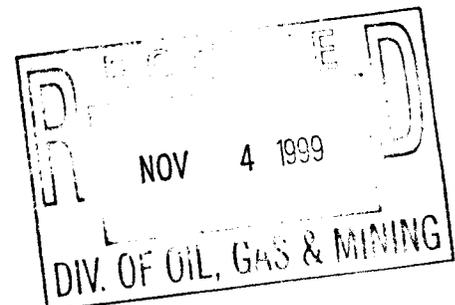
Sincerely,

A handwritten signature in black ink, appearing to read "Randolph L. Coy".

Randolph L. Coy
President

RLC:jr
enc.

(utast2rc)



Addendum 1 to Form 8

RANKEN ENERGY CORPORATION

**DWR 5-28
Uintah County, Utah**

32) Acid, Shot, Fracture, Cement Squeeze, Etc.

<u>DEPTH</u>	<u>AMT. & KIND OF MATERIAL USED</u>
5850'-70'	1,000 gals 7 1/2 acid, CIBP at 5820'
5705'-11'	500 gals 7 1/2 acid, CIBP at 5690'
5634'-50'	1,000 gals 7 1/2 acid, frac w/12,380 gals & 30,000 lbs. 20/40 white sand (screened out). Re-frac w/18,653 gals & 30,000 lbs. 20/40 white sand, CIBP at 5020'.
3872'-3912'	No treatment, CIBP at 3520'
2090'-94'	22 bbls KCL water
2066'-70', 2148'-58'	1,600 gals, 15% acid
2159'-69'	frac w/22,155 gals & 50,100 lbs. 20/40 white sand.

STATE OF UTAH
 DIVISION OF OIL, GAS AND MINING
 ENTITY ACTION FORM - FORM 6

OPERATOR RANKEN ENERGY CORPORATION
 ADDRESS 417 W. 18th St., Ste. 101
Edmond, OK 73013-3663

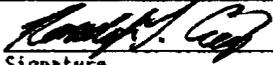
OPERATOR ACCT. NO. N 6250

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	APT NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	9	12605	43-047-33343	DWR 5-28	SW/NW	28	12S	23E	Uintah	8/8/99	8/8/99
WELL 1 COMMENTS: <i>991130 entity added. KDR</i>											
CONFIDENTIAL											
A	9	12606	43-047-33344	DWR 12-21	NW/SW	21	12S	23E	Uintah	9/2/99	9/2/99
WELL 2 COMMENTS: <i>991130 entity added. KDR</i>											
A	9	12640	43-047-33345	DWR 12-22	NW/SW	22	12S	23E	Uintah	8/21/99	8/21/99
WELL 3 COMMENTS: <i>991130 entity added. KDR</i>											
A	9	12641	43-047-33346	DWR 15-16	SW/SE	16	12S	23E	Uintah	9/12/99	9/12/99
WELL 4 COMMENTS: <i>991130 entity added. KDR</i>											
CONFIDENTIAL											
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.


 Signature _____
 President 11/10/99
 Title _____ Date _____
 Phone No. (405) 340-2363

* Confidential *

CONFIDENTIAL

FORM 8

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 **CONFIDENTIAL**

2. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESTR. Other **EXPIRED**

3. NAME OF OPERATOR: RANKEN ENERGY CORPORATION

4. ADDRESS OF OPERATOR: 417 W. 18th St., Ste. 101 Edmond, OK 73013-3663

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface 1603' FNL, 530' FWL, SW/4 NW/4
At top prod. interval reported below
At total depth

6. LEASE DESIGNATION AND SERIAL NO.: 28-T¹²~~28~~S-R23E

7. UNIT AGREEMENT NAME: DWR

8. FARM OR LEASE NAME: 5-28

9. WELL NO.: 5-28

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: 28-T¹²~~28~~S-R23E

12. COUNTY: Uintah

13. STATE: UT

14. API NO.: 43-04733343

DATE ISSUED: 7/12/99

15. DATE SPUNDED: 8/08/99

16. DATE T.D. REACHED: 8/17/99

17. DATE COMPL. (Ready to prod.): 10/21/99 (Plug & Abd.)

18. ELEVATIONS (DF, RES, RT, CR, ETC.): 5626' KB

19. ELEV. CASINGHEAD: -

20. TOTAL DEPTH, MD & TVD: 5989'

21. PLUG BACK T.D., MD & TVD: 3530' - CIBP

22. IF MULTIPLE COMPL. HOW MANY: N/A

23. INTERVALS DRILLED BY: →

ROTARY TOOLS: 0' - 5989'

CABLE TOOLS: -0-

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD):
2066' - 70' Wasatch 2148' - 58' Wasatch
2090' - 94' Wasatch 2159' - 69' Wasatch

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: Dual Induction, Dual Spaced Neutron/Density

27. WAS WELL CORED YES NO (Submit analysis)
DRILL STEM TEST YES NO (See reverse side)

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	MOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36 (new)	325'	12 1/4"	175 sx Premium Plus	-0-
5 1/2"	15.5 (new)	5955'	7 7/8"	590 sx Premium Plus & 305 sx Halco-Lite	-0-

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
			DV tool @ 3382'		2 3/8"	2136'	N/A

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number):
2066'-70' 4 spf 5634'-50' 4 spf
2090'-94' 4 spf 5705'-11' 4 spf
2148'-58' 4 spf 5850'-70' 4 spf
2159'-69' 4 spf
3872'-3912' 2 spf

32. ACID, SHOT, FRACTURE CEMENT SQUEEZE ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
SEE ATTACHED	

33. PRODUCTION

DATE FIRST PRODUCTION: 10/20/99

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump): Flowing

WELL STATUS (Producing or shut-in): Producing

DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'X FOR TEST PERIOD	OIL—BSL	GAS—MCF	WATER—BSL	GAS-OIL RATIO
10/22/99	24	23/64"	→	-0-	701	86	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL	GAS—MCF	WATER—BSL	OIL GRAVITY-API (CORR.)
	300	→	-0-	701	86	N/A

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): Sold

TEST WITNESSED BY: Gene Duncan

35. LIST OF ATTACHMENTS: Addendum #1

NOV 4 1999

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

SIGNED: *[Signature]* DIV. OF OIL, GAS & MINING

DATE: 11/02/99

See Spaces for Additional Data on Reverse Side

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 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).

38. GEOLOGIC MARKERS

Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	Top True Vert. Depth
Mesaverde	5850	5870	sandstone: F-VFGRN, WSORT, MODCMT	Wasatch	2102	
Mesaverde	5630	5650	sandstone: Frosted, VF-FGRND, SROUN to SUBANG., MODCMT			
Wasatch	3870	3912	sandstone: GYWH, WSRT, MED-FGRND CALC. -SIL., MODCMT, FRI	Mesaverde	3956	
Wasatch	2148	2169	sandstone: SHLY, FISS BLKY-TAB, FGRN WSRT CALC, TR. PYR. LM.			
Wasatch/ Green River	2066 2090	2070 2094	sandstone: FGRND, WSRT, CALC, MOD CMT CLEAN			

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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: SEE ATTACHED
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SEE ATTACH
		7. UNIT or CA AGREEMENT NAME: OIL SPRINGS
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: SEE ATTACHED	
2. NAME OF OPERATOR: MAK-J ENERGY PARTNERS, LTD		9. API NUMBER:
3. ADDRESS OF OPERATOR: 370 17TH ST STE 2710 CITY DENVER STATE CO ZIP 80202		10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED LIST		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		STATE: UTAH

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

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

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

EFFECTIVE DATE: August 23, 2004

OLD OPERATOR:

RANKEN ENERGY CORP. *N 6250*
417 W. 18TH STREET SUITE
EDMOND, OKLAHOMA 73013-3663
405-340-2363

NEW OPERATOR:

MAK-J ENERGY PARTNERS, LTD *N 2670*
370 17TH STREET, SUITE 2710
DENVER, CO 80202
303-468-0090

PLEASE SEE ATTACHED WELL LIST.

[Signature]
RANDOLPH COY
PRESIDENT
RANKEN ENERGY CORP.

State/fee Bond # SLCPPDX02546

APPROVED 9/14/04

ER
Division of Oil, Gas and Mining
Eariene Russell, Engineering Technician

NAME (PLEASE PRINT) STEVE VAN HOOK
[Signature]
SIGNATURE

TITLE VICE PRESIDENT
DATE 8/23/2004

(This space for State use only)

RECEIVED

AUG 25 2004

DIV. OF OIL, GAS & MINING

MAKJ ENERGY

370 17th Street, Suite 2710
Denver, Colorado, 80202

303-468-0090 VOICE
303-468-0092 FAX

STATE OF UTAH
EARLENE

MAK-J ENERGY PARTNERS LEFT OFF OR FORM 9 OPERATOR CHANGE TWO WELLS THAT
THE LOCATION WAS BUILT.

PLEASE ADD TO YOUR LIST.

DWR #2-21 - 43-047-33484
DWR #3-21 - 43-047-33485

PLEASE LET ME KNOW IF YOU NEED ME TO FILL OUT ANOTHER SUNDRY.



CINDY BUSH
OPERATIONS COORDINATOR

APPROVED 9114104
ER
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
SEP 02 2004
DIV. OF OIL, GAS & MINING

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the Oil and Gas Database on: 8/31/2004 & 9/14/2004
- Changes have been entered on the Monthly Operator Change Spread Sheet on: 8/31/2004 & 9/14/2004
- Bond information entered in RBDMS on: 8/31/2004 & 9/14/2004
- Fee/State wells attached to bond in RBDMS on: 8/31/2004 & 9/14/2004
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a

INDIAN WELL(S) BOND VERIFICATION:

- Indian well(s) covered by Bond Number: n/a

FEE AND STATE WELL(S) BOND VERIFICATION:

- (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number SLCPPDX02546
- The FORMER operator has requested a release of liability from their bond on: 8/24/2004
The Division sent response by letter on: 9/1/2004

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The FORMER operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 8/31/2004 & 9/14/2004

COMMENTS:

Two LA wells had locations built by Ranken; the DWR 2-21 had surface casing set.

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

RECEIVED
SEP 05 2006
DIV. OF OIL, GAS & MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
		7. UNIT or CA AGREEMENT NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: DWR 5-28	
2. NAME OF OPERATOR: Enduring Resources, LLC		9. API NUMBER: 4304733343
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 350-5719	10. FIELD AND POOL, OR WILDCAT: Oil Springs
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603' FNL - 530' FWL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 28 12S 23E S		STATE: UTAH

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

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

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

Well Name Change From: **DWR 5-28**

Well Name Change To: **DWR 12-23-12-28**

Utah State Bond #RLB0008031
Operator No. N2750

NAME (PLEASE PRINT) <u>Evette Bissett</u>	TITLE <u>Regulatory Compliance Assisnat</u>
SIGNATURE <u><i>Evette Bissett</i></u>	DATE <u>8/30/2006</u>

(This space for State use only)

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

8/15/2006

FROM: (Old Operator): N2670-Mak-J Energy Operating, LLC 370 17th St, Suite 2710 Denver, CO 80202 Phone: 1-(303) 339-5871	TO: (New Operator): N2750-Enduring Resources, LLC 475 17th Street, Suite 1500 Denver, CO 80202 Phone: 1-(303) 350-5102
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
DWR 12-23-12-28	28	120S	230E	4304733343	12605	Fee	GW	P
DWR 12-23-13-21	21	120S	230E	4304733344	12606	Fee	GW	P
DWR 12-23-13-22	22	120S	230E	4304733345	12640	Fee	GW	S
DWR 12-23-34-16	16	120S	230E	4304733346	12641	Fee	GW	S
DWR 12-23-41-21	21	120S	230E	4304733480	12811	Fee	GW	S
DWR 12-23-13-28	28	120S	230E	4304733481	12810	Fee	GW	S
DWR 12-23-24-16	16	120S	230E	4304733482	12812	Fee	GW	S
DWR 12-23-24-28	28	120S	230E	4304733483	12813	Fee	GW	S
DWR 12-23-31-21	21	120S	230E	4304733484	14411	Fee	GW	OPS
DWR 12-23-42-29	29	120S	230E	4304733487	12815	Fee	GW	S
DWR 12-23-44-16	16	120S	230E	4304733489	12814	Fee	GW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/11/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/11/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/22/2005
- Is the new operator registered in the State of Utah: YES Business Number: 5771233-0161
- (R649-9-2) Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 10/11/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/11/2006
- Bond information entered in RBDMS on: 10/11/2006
- Fee/State wells attached to bond in RBDMS on: 10/11/2006
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0008031
- The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/11/2006

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

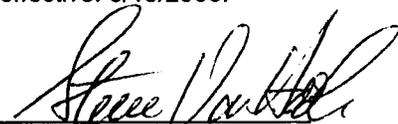
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: MAK-J ENERGY OPERATING COMPANY, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 370 17TH STREET CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603 FNL, 530 FWL		8. WELL NAME and NUMBER: DWR 5-28 12-23-12-28
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 28 12S 23E S		9. API NUMBER: 4304733343
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: OIL SPRINGS
STATE: UTAH		

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

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

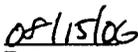
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

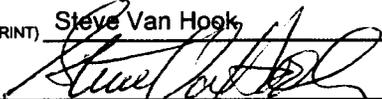
Mak-J Energy Operating, LLC has sold its interest in the above referenced well to Enduring Resources, LLC effective: 8/15/2006.


Steve Van Hook, Vice President
Mak-J Energy Operating, LLC (N2670)
370 17th Street, Suite 2710
Denver, CO 80202

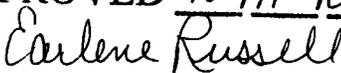

Date 8/15/06


Alex B. Campbell, Vice President
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202


Date 08/15/06

NAME (PLEASE PRINT) <u>Steve Van Hook</u>	TITLE <u>Vice President</u>
SIGNATURE 	DATE <u>8/15/2006</u>

(This space for State use only)

APPROVED 10 111 106

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
OCT 11 2006

May 20, 2008

Sent via Certified Mail

Enduring Resources, LLC
Attn: Alex Campbell
475 17th Street, Suite 1500
Denver, CO 80202

The Houston Exploration Company
1100 Louisiana, Suite 2000
Houston, TX 77002-5215

Re: Notice of Lease Termination and Demand for Release
Oil and Gas Lease dated March 30, 1999, covering 8060.10 acres, more or less,
Township 12 South, Range 23 East and Township 13 South, Range 23 East,
Uintah County, Utah (copy enclosed)

Gentlemen:

Pursuant to my telephone conversation with Alex Campbell on May 13, 2008, we wish to inform you that the subject oil and gas lease ("Lease") has terminated for your failure to comply with provision 7 of said Lease. Specifically, your drilling rig was released on March 5, 2007, at 10:00 pm from your DWR 12-23-31-21 well location according to the information furnished by your office. As a result of your cessation of operations lasting more than one hundred eighty (180) consecutive days, said Lease terminated as to all lands and depths except those producing from the Proration Units (as defined in said Lease) for the DWR #5-28 well and the DWR #12-21 well, on or about September 2, 2007.

Also, our records show that we have not received any shut-in payments as provided for in provision 9 of said Lease. This provision clearly states, "...Should such shut-in royalty payments not be made in a timely manner as provided for above, then, in that event, it shall be considered for all purposes that there is no production of gas from any such well or wells and, unless this Lease is being maintained by any other preservative provision hereof, this Lease shall terminate automatically at midnight on the last day provided for the payment of such shut-in royalties, and Lessee shall thereupon furnish to Lessor a release of all of its interest in and to this Lease as provided in Section 17...." For your information, we enclose Exhibit "B" from the Assignment, Conveyance and Bill of Sale of said Lease unto Enduring Resources, LLC, et al, showing the "shut-in" status of numerous wells on the leased premises.

RECEIVED

MAY 23 2008

DIV. OF OIL, GAS & MINING

Enduring Resources, LLC
The Houston Exploration Company
May 20, 2008
Page Two

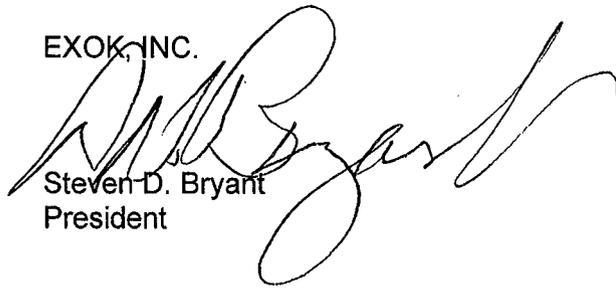
Further, since your acquisition of the lease in August of 2006, we have not received any of the data and information required in items A, B, C, and E of provision 15. Notifications Required of said Lease. Please furnish all required data and information immediately.

If within thirty (30) days from the date hereof we do not receive a fully executed, recordable release and plat showing the proration units designated by you in accordance with Section 17 of said Lease, we will pursue all remedies available to us in the appropriate court of law, including without limitation, all our costs and expenses (including attorneys fees and expenses) as set forth in provision 18. Indemnification of said Lease.

If you have any questions or comments, I can be reached at 405.627.6025.

Sincerely,

EXOK, INC.



Steven D. Bryant
President

SDB:mkb
Enclosures

cc: Utah Royalty Owners Association
Box 192
Roosevelt, UT 84066

✓ State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Exhibit "B"

Attached to and made a part of that certain Assignment, Conveyance and Bill of Sale dated August 15, 2006 by and between MAK-J Energy Partners, Ltd, as Assignor and Enduring Resources, LLC, etal, as Assignee.

<u>Well</u>	<u>API No.</u>	<u>Location</u>	<u>Status</u>
<u>Oil Springs Area</u>	DWR 12-23-12-28		
DWR 1-21	43-047-33480-00-00	NENE of Section 21-T12S-R23E	Shut in
DWR 2-21	43-047-33484-00-00	NWNE of Section 21-T12S-R23E	Surface pipe only-APD rescinded
DWR 3-21	43-047-33485-00-00	NENW of Section 21-T12S-R23E	Location built-APD rescinded
DWR 4-21	43-047-33486-00-00	NWNW of Section 21-T12S-R23E	Surveyed location only-APD rescinded
DWR 5-28	43-047-33343-00-00	SWNW of Section 28-T12S-R23E	Producing
DWR 8-29	43-047-33487-00-00	SENE of Section 29-T12S-R23E	Shut in
DWR 10-29	43-047-33488-00-00	NWSE of Section 29-T12S-R23E	Surveyed location only
DWR 12-21	43-047-33344-00-00	NWSW of Section 21-T12S-R23E	Producing
DWR 12-22	43-047033345-0-00	NWSW of Section 22-T12S-R23E	Shut in
DWR 12-28	43-047-33481-00-00	NWSW of Section 28-T12S-R23E	Shut in
DWR 14-16	43-047-33482-00-00	SESW of Section 16-T12S-R23E	Shut in (no surface equip)
DWR 14-28	43-047-33483-00-00	SESW of Section 28-T12S-R23E	Shut in (no surface equip)
DWR 15-16	43-047-33346-00-00	SWSE of Section 16-T12S-R23E	Shut in
DWR 16-16	43-047-33489-00-00	SESE of Section 16-T12S-R23E	Shut in
DWR 16-29	none	SESE of Section 29-T12S-R23E	Location only-APD not issued

End of Exhibit "B"

OIL AND GAS LEASE

This Agreement, made and entered into this 30th day of March, 1999 by and between Exok, Inc., an Oklahoma corporation whose address is 6410-B North Santa Fe, Oklahoma City, Oklahoma 73116, as Lessor, and Ranken Energy Corporation, whose address is 601 N. Kelly, Suite 103, Edmond, Oklahoma 73003-4855, as Lessee, Witnesseth:

1. That Lessor, in consideration of the cash bonus in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the sole and only purpose of exploring, drilling and operating for and producing oil and gas and of laying pipeline, storing oil and building tanks, roads, and structures thereon to produce, save, care for, treat and transport said substances produced from the land leased hereunder, the following described land (sometimes referred to in this lease as the "leased premises"), to wit:

Patented Placer Mining Claims, County of Uintah, State of Utah

Parcel I

Bitter Creek Nos. 2, 3, 4, 5, 6, 7, 8, 9 and 10.
Hydrocarbon Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12.
Denver-Los Angeles Nos. 1, 2, 3, 4, 5, 6, 7, 8, and 9.
Seep Ridge Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11.
Button Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12.
Button Hole Nos. 1, 2 and 3.
Gasoline Nos. 1, 2, 3, 4, 5, 6, 7, 8, 11 and 12.

Parcel II

Bitter Creek No. 1.
Gasoline No. 9.
Gasoline No. 10.

Insofar and only insofar as said Patented Placer Mining Claims cover the lands specifically located in the governmental sections set forth below:

Township 12 South, Range 23 East, S.L.M.

All or part of Sections 16,17,19,20,21,22,27,28,29,32,33,34 and 35;

Township 13 South, Range 23 East, S.L.M.

All or part of Sections 2,3,4,5,8,9,10 and 11

containing approximately 8060.10 acres, more or less.

Lessor expressly reserves and retains from this lease all of that portion of the Patented Placer Mining Claims described hereinabove insofar and only insofar as said mining claims cover lands located in governmental Sections 14,15,16,17,18,19,20,21,22 and 29, Township 13 South, Range 23 East, S.L.M. together with all rights of ingress and egress over and across the leased premises reasonably necessary to enable Lessor, its' successors or assigns, to develop, operate and produce wells on the lands reserved herefrom.

2. **Term.** Subject to the provisions hereinafter contained, this Lease shall be for a term of five (5) years from this date (hereinafter referred to as "primary term"), and so long thereafter as oil and gas, or either of them, is produced in paying quantities from the leased premises, or operations are conducted as hereinafter provided. Upon the termination or any partial termination of this Lease, Lessee shall prepare, execute and deliver to Lessor a recordable release of such acreage in accordance with Section 17 of this Lease.

At the expiration of the primary term, this Lease shall automatically terminate as to all lands except those included in a proration unit attributable to a well capable of producing oil and/or gas in paying quantities unless operations are then being conducted in accordance with the Continuous Development provisions of Section 6 below or the Additional Drilling or Reworking provisions of Section 7 below, in which case the terms of Sections 6 and 7 shall control.

If at the expiration of the primary term, this Lease is perpetuated by production of oil and/or gas in paying quantities, then, with respect to each proration unit on the leased premises, this Lease shall automatically terminate as to all rights granted by this Lease below 100 feet below the deepest depth from which oil and/or gas is then being produced. Provided, however, if at the expiration of the primary term, Lessor is engaged in drilling an additional well or wells pursuant to the provisions of Section 6 of this Lease, then this Lease shall not terminate with respect to the depths described in this paragraph so long as development continues in accordance with the terms of Section 6 of this Lease. Furthermore, if at the expiration of the primary term, Lessee is engaged in deepening an existing well, then for purposes of this paragraph only, the deepening of an existing well will be considered a continuous development operation under Section 6 of this Lease, and so long as Lessee continues developing the leased premises in accordance with the terms of Section 6, the rights to the depths described in this paragraph will not terminate.

If at any time after the expiration of the primary term, should the deepest producing formation attributable to any proration unit on this Lease cease to produce in paying quantities, then Lessee shall have one hundred eighty (180) days to begin either deepening that well or commencing the drilling of another well or wells on that proration unit in accordance with the provisions of Section 7 of this Lease, or this Lease, insofar as it covers such proration unit, shall automatically terminate with regard to all depths below 100 feet below the deepest depth from which oil and/or gas is then being produced.

To the extent that any part of this Lease remains in effect, Lessee shall retain such easements across the terminated portions of the Lease as shall be reasonably necessary for ingress and egress to enable Lessee to develop and operate the remaining portion of this Lease.

3. **Obligation Wells.** Lessee covenants and agrees to drill, or cause to be drilled, four (4) test wells (hereinafter referred to as "Obligation Wells") during the first year of the primary term hereof; locations for such Obligation Wells to be chosen by Lessee's geologists.

In order to qualify as an Obligation Well, each such well drilled hereunder shall be drilled to a minimum depth sufficient to test the Wasatch formation. Except as provided in Section 16 herein, failure by Lessee to cause or commence the actual drilling of all four (4) Obligation Wells on or before March 29, 2000 shall constitute and result in the automatic termination of this lease, except as to the proration unit for each such well previously drilled and capable of producing oil and/or gas in paying quantities and designated by Lessee in writing as hereafter provided. The only other penalty for Lessee's failure to timely commence all four (4) Obligation Wells shall be the loss of all additional rights earnable hereunder.

4. **Royalty.** Lessee covenants and agrees to pay Lessor the following royalties monthly, subject to the provisions of Section 5 hereof:

(a) 15.75% of 8/8ths of the gross proceeds of all oil and other liquid hydrocarbons recovered or separated on the leased premises, produced and saved from the leased premises and sold by Lessee in an arms' length transaction; and as to such oil and other liquid hydrocarbons not sold by Lessee in an arms' length transaction, royalties of that share or percentage calculated by using the highest price, plus premium, if any, paid or offered for oil and other liquid hydrocarbons of comparable quality in the general area where produced and when run; or after sixty (60) days written notice from Lessor, which notice may be given from time to time, Lessee shall deliver free of cost to Lessor at the well, or to the credit of Lessor into the pipeline to which the well is connected, such share or percentage of all oil and other liquid hydrocarbons produced and saved from the leased premises; and

(b) 15.75% of 8/8ths of the gross proceeds received by Lessee for all gas recovered or separated on the leased premises, produced from the leased premises and sold by Lessee in an arms' length transaction; and as to such gas not sold by Lessee in an arms' length transaction, royalties of that share or percentage calculated by using the highest price paid or offered for gas of comparable quality in the general area where produced and when run.

5. **Royalty.** (a) Lessee shall pay Lessor royalty on all oil and other liquid hydrocarbons, including condensate, and on all gas, including all substances contained in such gas, (all hereinafter collectively called "Products" and each individually called a "Product") produced from a well on the leased premises, whether or not such Products are produced to the credit of Lessee or sold under a contract executed by or binding on Lessee, and;

(b) In no event shall Lessor's royalty for a Product be based on a price less than the price paid Lessee for Lessee's share of that Product produced hereunder. For purposes of this lease, an arms' length transaction is a sale of a Product by Lessee to a buyer not affiliated with Lessee or with any subsidiary or other affiliate of Lessee under an agreement negotiated in good faith by all parties. Lessor shall not bear any production or post-production cost or expense, including without limitation, cost or expense for storing, separating, dehydrating, transporting, compressing, treating, gathering, or otherwise rendering marketable or marketing the Products, and Lessee shall make no deduction or reduction for any such cost or expense when computing any royalty due Lessor under this Lease.

6. **Continuous Development.** At the end of the primary term or upon the completion of any well then drilling on the leased premises as a well capable of producing in paying quantities or as a dryhole (completion being the release of the completion rig, or if the well is a dry hole, the release of the drilling rig), Lessee shall have the recurring right for one hundred eighty (180) days thereafter, to commence the drilling of another well or wells on the leased premises (commencement being the actual spudding of the succeeding well), with no more than one hundred eighty (180) days elapsing between the completion of one well as a producer or a dryhole and the commencement of the next succeeding well. Failure to commence such additional well or wells within the time herein provided, shall terminate this Lease ipso facto as to all lands except those included within the surface boundaries of any proration unit otherwise being maintained under the provisions of this Lease. Lessee shall also have the right to accelerate the drilling of additional wells and thereby accumulate and perpetuate this Lease for an additional one eighty (180) days for each additional well drilled in accordance herewith. Lessee's right to accumulate additional time hereunder is expressly limited to wells other than the four (4) Obligation Wells provided for in Section 3 above.

7. **Additional Drilling or Reworking.** If, at the expiration of the primary term, or the expiration of any extended term provided in Section 6 above, whichever is later, oil and/or gas are being produced in paying quantities, but production thereafter ceases from any cause this Lease shall not terminate as to the proration unit attributable to the well or wells affected thereby if Lessee commences reworking or additional actual drilling within one hundred eighty (180) days thereafter, and such reworking or additional drilling is diligently prosecuted with no cessation of more than one hundred eighty (180) consecutive days, and production in paying quantities thereafter resumes.

If, at the expiration of the primary term, or the expiration of any extended term provided in Section 6 above, whichever is later, oil and/or gas are not then being produced from any well or wells on the leased premises, but Lessee is then engaged in operations (as defined hereinafter) on any such well or wells, this Lease shall remain in force for so long as such operations are diligently prosecuted with no cessation of more than one hundred eighty (180) consecutive days between such cessation and the resumption of such operations. If such operations result in the production of oil or gas in paying quantities, this Lease shall not terminate as to the proration unit attributable to the well or wells then producing oil or gas in such quantities; but this Lease shall terminate as to all other acreage unless Lessee shall have commenced drilling a new well or wells in accordance with the Continuous Development provisions of Section 6 of this Lease.

Wherever used in this Lease the word "operations" shall mean operations for and any of the following: actual drilling, testing, completing, sidetracking, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas in paying quantities.

8. **Right to Take Production in Kind.** Lessor shall always have the right, at any time and from time to time, upon reasonable written notice to Lessee, to take Lessor's share of oil, gas and processed liquids in kind. Lessor may elect to take Lessor's gas in kind at the well, or at the point of delivery where Lessee delivers Lessee's gas to any third party. If gas is processed, lessor may elect to take Lessor's share of the residue gas attributable to production from the leased premises, at the same point of delivery where Lessee received its share of residue gas or has its share of residue gas delivered to a third party. Lessor may elect to have its royalty share of processed liquids stored in tanks at the plant or delivered into pipelines on the same basis as Lessee's share of liquids is stored or delivered. Lessor shall reimburse Lessee for all reasonable costs incurred by Lessee in installing, operating or maintaining additional facilities necessary for Lessor's royalty gas and processed liquids to be separately metered, accounted for, and delivered to a third party, but Lessor shall not be charged for any expense in the production, gathering, dehydration, separation, compression, transportation, treatment, processing or storage of Lessor's share of gas and processed liquids along with Lessee's share of gas and processed liquids.

9. **Shut-in Payments.** While there is a well on the leased premises capable of producing gas in paying quantities but the production thereof is shut-in, shut-down or suspended for lack of a market, available pipeline, or because of government restrictions or, if it is economically inadvisable for Lessee to sell gas for a time, then, Lessee may pay as shut-in royalty on or before ninety (90) days after the date on which (1) production from any such well is shut-in, shut-down or suspended; or (2) this Lease is no longer maintained by compliance with one of the other preservation provisions hereof, whichever is the later date, and thereafter at annual intervals the sum of One Hundred Dollars (\$100.00) per well, for each and every shut-in, shut-down or suspended well. If such payment is made in accordance with the terms hereof, this Lease shall not terminate, but shall continue in force for a period of one (1) year from the date of making such shut-in payment (subject to the exceptions set out hereafter) and it will be considered that gas is being produced from the leased premises in paying quantities within the meaning of each pertinent provision of this Lease. Any shut-in royalty payment shall not be a credit against production nor credited with prior production royalty. In the event that production is begun or resumed during the year following the payment of a shut-in royalty payment and is subsequently shut-in, during such year the second annual shut-in payment shall be due and payable on the anniversary date of the first payment. If there is production on such first anniversary date and the well is subsequently shut-in, shut-down or suspended, then the second shut-in payment shall be made on or before ninety (90) days after such new shut-in date or the Lease shall terminate. Notwithstanding anything to the contrary set out above, should the shut-in period extend beyond the expiration of the primary term such shut-in provision will maintain the rights granted by this Lease only to the producing units and horizons of such gas well(s) as if they were producing gas in paying quantities pursuant to Section 2 above. Should such shut-in royalty payments not be made in a timely manner as provided for above, then, in that event, it shall be considered for all purposes that there is no production of gas from any such well or wells and, unless this Lease is being maintained by any other preservation provision hereof, this Lease shall

terminate automatically at midnight on the last day provided for the payment of such shut-in royalties, and Lessee shall thereupon furnish to Lessor a release of all of its interest in and to this Lease as provided in Section 17.

10. **Pooling.** Lessee does not have the right and power to pool or combine the acreage covered by this Lease or any portion thereof as to oil and gas, or either of them, with any other land or leases.

11. **Assignability.** The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns of the parties hereto.

12. **Proration Unit.** The term "proration unit" where used in this Lease, shall mean *i*) forty (40) acres plus a tolerance of ten percent (10%) surrounding each well classified as an oil well by the appropriate governmental authority; and *ii*) one hundred sixty (160) acres plus a tolerance of ten percent (10%) surrounding each well classified as a gas well by the appropriate governmental authority.

13. **Water.** To the extent Lessor owns any water rights, Lessee shall have the free use of water from the leased premises, for all operations solely on the leased premises. Lessee shall comply with all applicable rules in disposition (by reinjection or otherwise) of salt water, brine or other fluids utilized in or resulting from operations, and shall not cause or permit any such substances to damage or pollute the surface of the leased premises or any fresh water sands lying thereunder.

14. **Limitation to Oil and Gas.** This Lease is intended to cover only oil and gas producible by conventional oil and gas industry accepted means (ie. the drilling and producing of vertical and/or horizontal wellbores.) Lessor expressly reserves and retains herefrom all gilsonite, trona, oil shale reserved by a prior owner and all other minerals (except oil and gas) which may underlie all or part of the leased premises. The term "oil shale" is defined as a mineable, kerogen-bearing, finely laminated brown or black sedimentary rock that will yield liquid or gaseous hydrocarbons on distillation.

15. **Notifications Required.** Lessee shall advise Lessor in writing of the location of each well to be drilled upon the leased premises after commencement of operations, and shall advise Lessor in writing the date of completion and/or abandonment of each well drilled on the leased premises (such notice shall include furnishing Lessor a copy of the applicable completion or plugging report filed with any governmental or regulatory agency) within thirty (30) days after completion or abandonment. As to any well drilled under the provisions of this Lease, Lessor, or Lessor's representatives, or any one or more of the same, shall have access to such well and upon request shall be furnished with copies of daily drilling reports. Such reports and information shall be furnished within seven (7) days after the same are obtained or compiled by Lessee. In addition, Lessee shall upon written request furnish Lessor within thirty (30) days from the date of the request or thirty (30) days from the date that the data is received by Lessee:

A. Plats or maps showing the location of the well on this Lease.

B. The details of any tests taken in said well, and the results of any core analysis or analyses which shall be run on any cores taken while drilling said well.

C. Upon commencement of any drilling or reworking operations on this Lease with copies of all reports filed with the appropriate governmental authority or other governmental agency having jurisdiction in connection with such operation.

D. Upon completion of any drilling or reworking operations on this Lease with copies of all logs run in such well and copies of core or other type of formation analysis subject to a confidentiality obligation on Lessor's part if filed as confidential with the appropriate governmental authority.

E. A summary report, to be made annually on the anniversary date of this Lease and commencing upon the expiration of the primary term of this Lease, to include (1) on the reporting date the number of producing wells and the number of wells not producing but not plugged; (2) the number of wells that were plugged during the previous twelve (12) months, and (3) a map denoting the location of each of these wells on the leased premises.

F. It is understood and agreed that all information provided Lessor herein is proprietary and is to be held in confidence.

16. **Force Majeure.** Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder due to force majeure. The term "force majeure" shall mean: Any act of God including but not limited to storms, floods, washouts, landslides, and lightning; act of the public enemy; wars, blockades, insurrection or riots; strikes or lockouts; epidemics or quarantine regulations; laws, acts, orders or requests of Federal, State, Municipal or other governments or governmental officers or agents under the color of authority requiring, ordering or directing Lessee to cease drilling, reworking or producing operations; freight embargoes or failures; exhaustion or unavailability or delays in delivery of any product, labor, service or material. The term "force majeure" shall not include lack of markets for production or any other events affecting only the economic or financial aspects of drilling, development or production. For a period of sixty (60) days after termination of an event of force majeure, each and every provision of this Lease that might operate to terminate it or the estate conveyed by it shall be suspended and inoperative and this Lease shall continue in full force, provided, however, that in no event will the primary term be extended unless Lessee has begun the actual drilling of a well prior to the date of the expiration of the primary term.

17. **Releases Required.** Within ninety (90) days after the partial termination of this Lease as provided under any of the terms and provisions of this Lease, Lessee shall deliver to Lessor a plat showing the proration units designated by Lessee, and a fully executed, recordable release properly describing the lands and depths to be retained by Lessee around each producing well. If the lease terminates in its entirety, then Lessee shall deliver a complete, fully executed, recordable release to Lessor within thirty (30) days. If such release complies with the requirements of this section, Lessor shall record such release.

18. **Indemnification.** Lessee, its successors and assigns, agrees to indemnify, defend and hold harmless the parties herein designated Lessor, and each of them, from and against any and all claims, losses, liabilities, fines, costs, expenses (including attorneys fees and expenses) resulting from or arising out of Lessee's ownership of this Lease or in connection with operations of or for Lessee, its agents, contractors, or subcontractors hereunder, regardless of the cause of such claims, losses, liabilities, fines, costs or expenses. This provisions and its indemnities shall survive the termination of this Lease and shall bind and inure to the successors, heirs and assigns of Lessor and Lessee.

19. **No Warranties of Title.** This Lease is made without warranties of any kind, either express or implied. Lessor agrees that Lessee, at its option, after having given Lessor sixty (60) days' written notice, may discharge any tax, mortgage or other lien upon Lessor's interest in said land, either in whole or in part, and in the event lessee does so, it shall be subrogated to such lien with right to enforce same, subject to any defenses of Lessor, and apply royalties accruing hereunder toward satisfying same.

20. **Proportionate Reduction for less than Entire Interest.** It is agreed that if Lessor's interest in the oil and gas minerals in and under any of the leased premises is less than the entire oil and gas mineral estate, then the royalties and all other benefits to accrue or to be paid to Lessor hereunder as to such lands shall be reduced to the proportion thereof which the oil and gas mineral estate of Lessor in such land bears to the entire oil and gas mineral estate. However, Lessor's royalties herein shall not be reduced with respect to the 3% of 8/8ths non-participating royalty interest presently burdening the leased premises.

21. **Compliance with Environmental Laws and Regulations.** Lessee, its successors and assigns, by its acceptance of this Lease, hereby agrees to comply with all applicable laws, rules and regulations and hereby assumes full responsibility for, and agrees to indemnify, defend and hold harmless, Lessor from and against any loss, liability, claim, fine, expense cost (including attorneys fees and expenses) and cause of action caused by or arising out of the violation (or defense of the alleged violation) of any federal, state or local laws, rules or regulations applicable to any waste material, drilling matter fluid or any hazardous substances released or caused to be released by Lessee or Lessee's agents, or independent contractors from the land leased hereunder into the atmosphere or into or upon the land or any water course or body of water, including ground water.

22. **Alteration/Modification.** The terms of this Lease cannot be altered or amended except by a written instrument clearly demonstrating such purpose and effect, and executed by both parties to this Lease. The written instrument shall describe the specific terms or provisions being altered and the proposed modification or change thereto.

23. **Ancillary Rights.** Lessee shall have the right for a period of one (1) year following the expiration of this Lease or the release of any lands covered by this Lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. If not, Lessor shall have the option to either claim the property, in whole or in part, as its own or having the said properties and fixtures removed, in whole or in part, at Lessee's expense. If the property is opted to be removed, additional expenses for surface damages and restoring the land shall be charged to Lessee, provided, however, lessee shall not be relieved of its liability to plug any well so abandoned.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR: EXOK, INC.

ATTEST:

By: [Signature]
Steven D. Bryant, President

[Signature]

Address: 6410-B North Santa Fe
Oklahoma City, OK 73116

Tax ID #: 73-1058740

LESSEE: RANKEN ENERGY CORPORATION

ATTEST:

By: [Signature]
Title: President

[Signature]

Address: 601 N. Kelly, Ste 103
Edmond, OK 73003

Tax ID #: 73-1278733

CORPORATE ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) §
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me on this 30th day of March, 1999, by Steven D. Bryant, to me known to be the identical person who subscribed his name as President of EXOK, INC., and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth. Given under my hand and seal the day and year last above written.

My Commission Expires: 5/9/2000

[Signature]
Marilyn L. Dohnell, Notary Public

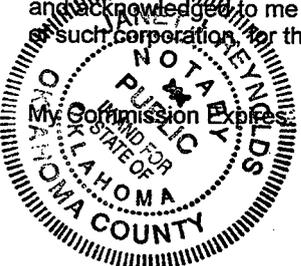
CORPORATE ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) §
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me on this 29th day of March, 1999, by Randolph L. Coy, to me known to be the identical person who subscribed his name as President of RANKEN ENERGY CORPORATION and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth. Given under my hand and seal the day and year last above written.

My Commission Expires: 7/12/02

[Signature]
Notary Public, Janet J. Reynolds





GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 4, 2014

CERTIFIED MAIL NO.: 7011 2970 0001 8828 1610

43 047 33343
DWR 12-23-12-28
28 12S 23E

Mr. John Conley
Enduring Resources, LLC
511 16TH Street STE 700
Denver, CO 80202

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

Dear Mr. Conley:

As of April 2014, Enduring Resources, LLC (Enduring) has twenty (20) State Lease Wells and six (6) Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Four (4) wells in 2013 and seven (7) wells in 2014 were added to Enduring's SI/TA list.

Several of these wells (attachment A) have previously been issued notices of non-compliance and have remained in non-compliance. The Division has worked with Enduring to reduce the immense amount of wells that were in non-compliance. In 2010 Enduring provided the Division with a list of wells to be plugged (attachment A), and the Division recognizes that Enduring most recently plugged a number of wells in 2012. However in 2013 only two wells were plugged while four (4) additional wells were added, while nothing has been done in 2014 on any of the wells. Enduring never submitted plugging procedures for the remaining wells listed to be plugged and therefore has not followed through with these plans to bring these wells or any other wells into compliance.

Enduring shall immediately submit plans and timeframes for each well stating which wells will be plugged, placed back on production, or requesting SI/TA extension with proof of wellbore integrity and good cause for such request. All wells need an individual sundry filed and are required to meet the SI/TA rules as listed below.



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

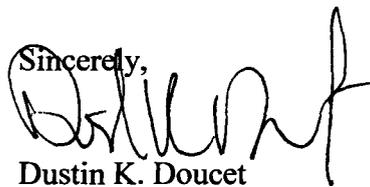
1. Reasons for SI/TA of the well (R649-3-36-1.1)
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence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

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

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

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

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

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

cc: Compliance File
Well File

LaVonne Garrison, SITLA

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

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive	Prior Notice	Proposed PA
1	AGENCY DRAW 12-21-31-36	43-047-36424	ML 47086	7 years 10 months	1 ST NOTICE	12/31/2014
2	ASPHALT WASH 11-24-42-16	43-047-36875	ML 47080	7 years 11 months	1 ST NOTICE	12/31/2014
3	ARCHY BENCH 11-24-24-32	43-047-36819	ML 49762	7 years 1 month	1 ST NOTICE	12/31/2012
4	SOUTHAM CYN 10-25-11-6	43-047-36933	FEE	7 years	1 ST NOTICE	12/31/2012
5	N HORSESHOE 3-13-6-21	43-047-37391	ML 49317	5 years 6 months	2 ND NOTICE	Extension valid to 9/1/2014
6	BUCK CAMP 12-22-21-2	43-047-37656	ML 47087	6 years 8 months	1 ST NOTICE	12/31/2014
7	DWR 12-23-13-21	43-047-33344	FEE	6 years		12/31/2014
8	DWR 12-23-31-21	43-047-33484	FEE	5 years 4 months	1 ST NOTICE	12/31/2013
9	ARCHY BENCH 12-23-42-16	43-047-36802	ML 48957	6 years 1 month		12/31/2014
10	ARCHY BENCH 11-24-12-32	43-047-36822	ML 49762	5 years 5 months		12/31/2013
11	ROCK HOUSE 10-22-33-36	43-047-37789	ML 49959	5 years 5 months		12/31/2014
12	HANGING ROCK 11-23-24-36	43-047-38278	ML 50085	5 years 3 months		5/18/2012
13	N WALKER HOLLOW 2-32-6-23	43-047-37399	ML 47777	4 years 7 months	1 ST NOTICE	
14	BUCK CAMP 12-22-31-2	43-047-36273	ML-47087	3 years 6 months		
15	SOUTHAM CYN 9-24-13-36	43-047-38910	FEE	3 years 9 months		
16	DWR 12-23-12-28	43-047-33343	FEE	2 years 6 months		
17	BONANZA 9-24-11-16	43-047-35622	ML-46526	2 years 6 months		
18	ROCK HOUSE 10-22-32-36	43-047-36409	ML-47061	2 years 5 months		
19	BUCK CYN 12-21-43-16	43-047-37091	ML-47085	2 years 6 months		
20	BUCK CAMP 11-22-11-36	43-047-36277	ML-47077	2 years 1 month		
21	HANGING ROCK 11-23-42-36	43-047-38280	ML-50085	2 years 2 months		
22	HANGING ROCK 11-23-43-36	43-047-38282	ML-50085	1 years 5 months		
23	ROCK HOUSE 10-22-21-36	43-047-36407	ML-47061	2 years 2 months		
24	ROCK HOUSE 10-23-21-30	43-047-37832	FEE	2 years 3 months		
25	SOUTHMAN CYN 9-23-21-36	43-047-36530	ML-47782	2 years		
26	SOUTHMAN CYN 9-23-33-36	43-047-35363	ML-47782	1 year 9 months		

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS	5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: DWR 12-23-12-28
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 43047333430000
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603 FNL 0530 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 28 Township: 12.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: OIL SPRINGS
	COUNTY: Uintah
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/5/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 P&A procedure attached.

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

Date: July 07, 2016
 By: *David K. Quist*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Travis Whitham	PHONE NUMBER 303 350-5716	TITLE Landman
SIGNATURE N/A	DATE 6/8/2016	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047333430000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Add Plug #1: The CIBP @ 3520' should be drilled out and a 100' cement plug (12 sx) should be spotted on the CIBP @ 5020' from \pm 5020' to 4920'. This will isolate the open perms as required by R649-3-24-3.2.**
- 3. Add Plug #2: A 100' cement plug (12 sx) should be spotted from \pm 4000' to 3900'. This will isolate the Mesaverde formation as required by R649-3-24-3.2.**
- 4. NOTE: PROPOSED PLUG #1 IS NOT NECESSARY AS CIBP @ 3520' WILL BE DRILLED OUT.**
- 5. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 6. The interval between plugs shall be filled with noncorrosive fluid of adequate density to prevent migration of formation water into or through the well bore (R649-3-24-3.5).**
- 7. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 8. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 9. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 10. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

Wellbore Diagram

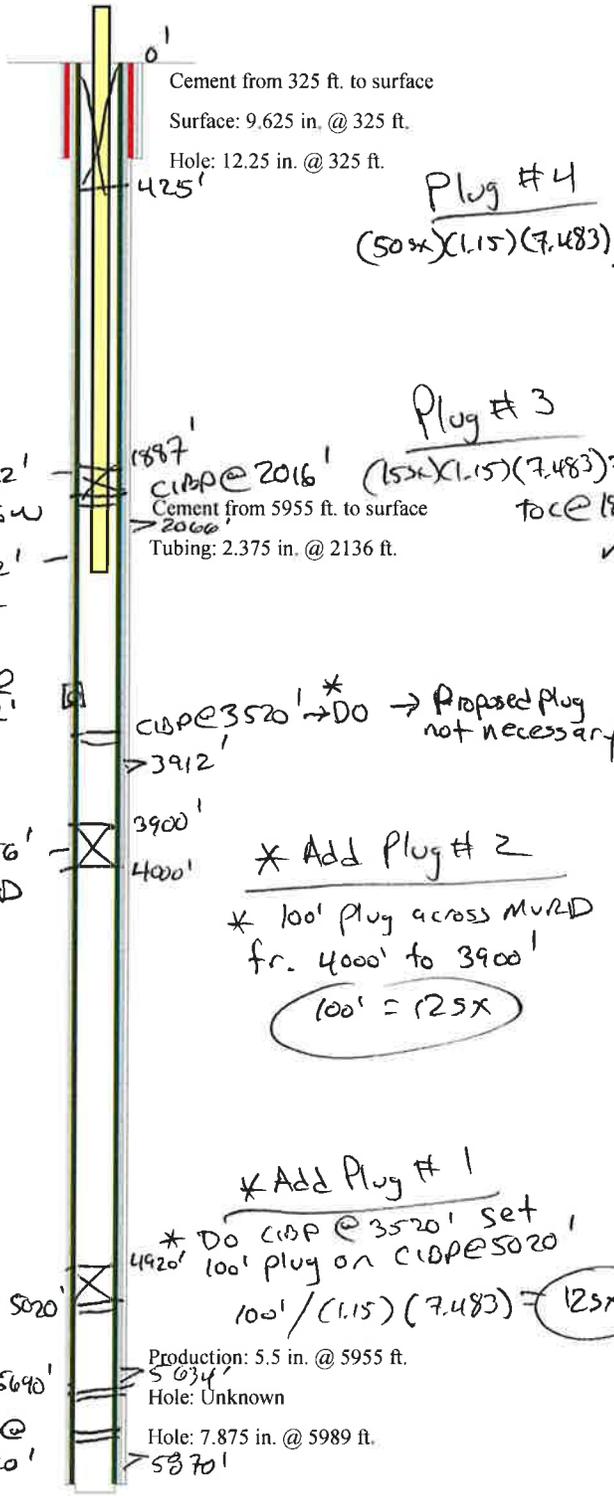
API Well No: 43-047-33343-00-00 **Permit No:**
Company Name: ENDURING RESOURCES, LLC
Location: Sec: 28 T: 12S R: 23E Spot: SWNW
Coordinates: X: 640906 Y: 4401026
Field Name: OIL SPRINGS
County Name: Uintah

Well Name/No: DWR 12-23-12-28

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (G/cc)
HOL1	325	12.25			
SURF	325	9.625	36	325	2,304
HOL2	5989	7.875			
PROD	5955	5.5	15.5	5955	7,483
TI	2136	2.375			

7 7/8" x 5 1/2" (10g) → 4,094
 9 5/8" x 5 1/2" → 3,716



Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks	Est TOC
PROD	5955	0	PM	590	Est TOC @ 2450'
PROD	5955	0	HC	305	Est TOC @ surf.
SURF	325	0	PM	175	

TOC Reported to surf

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
5634	5870			
2066	3912			

Formation Information

Formation	Depth
BMSW	1822
WSTC	2102
MVRD	3956

TD: 5989 TVD: PBTD: 3530



Recommended Procedure

Plug and Abandonment

Operator:	Enduring Resources, LLC		
Well name:	DWR #12-23-12-28 (FKA #5-28)		
Legal:	SWNW, Section 28, Township 12 South, Range 23 East		
Location:	Uintah County, Utah		
GPS:	39.7475, -109.35535		
API:	43-047-33343		
Surface:	9-5/8" 36# at 325'	Hole size: 12-1/4"	TOC: Surface
Production:	5-1/2" 15.5# at 5,955'	Hole size: 7-7/8"	TOC: Surface
DV Tool:	3,382'		
Tubing:	2-3/8" 4.7# at 2,128' (Baker Model R packer)		
Perforations:	2,066' – 2,169' (Wasatch); 3,872' – 3,912' (Wasatch, Isolated by PBTD) 5,634' – 5,870' (Mesaverde, Isolated by multiple CIBP's and PBTD)		
PBTD:	3,530' (Existing CIBP)		
TD:	5,989'		

Procedure based off of completion reports and well history, this is NOT a final procedure

1. Conduct pre-job safety meeting and complete daily JSA
2. Prior to MIRU, check rig anchors and blow down well/kill if necessary
3. Dig out around wellhead and check surface annulus for pressure
(If present call Tommy Joyce #817-933-9759 and Craig Owen #970-646-3933 for orders)
4. MIRU P&A equipment, NDWH, NUBOP, Load and circulate wellbore clean
5. TOH and tally 2,128' of tubing to derrick, PU 1,402' of 2-3/8" 4.7# workstring
6. TIH to 3,530' and tag existing CIBP
7. Pump 15 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement on top of CIBP
(15 sxs is 129' in 5-1/2", TOC: 3,401')
8. TOH and LD to 3,300', Reverse circulate tubing clean
9. Pump 31 bbl. of water treated with corrosion inhibitor
10. TOH, Stand back 2,016'
11. PU 5-1/2" 15.5# casing scraper/bumper sub, TIH to 2,016', TOH, LD BHA
12. PU 5-1/2" 15.5#, 10K, CIBP, TIH and set at 2,016' (50' above topmost Wasatch perms)
13. Pump 15 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement on top of CIBP
(15 sxs is 129' in 5-1/2", TOC: 1,887')
14. TOH and LD to 1,750', Reverse circulate tubing clean, Pressure test casing to 500 psi for 5 minutes
(If test fails call Tommy Joyce and Craig Owen for orders)

Note: If casing pressure test fails (step 14) additional steps/services required by the Utah DOGM/BLM are not included in this bid and will be billed per our 2016 Time and Material Price Schedule.

15. Circulate 42 bbl. of water treated with corrosion inhibitor
16. TOH and LD to 425' (100' below surface casing shoe), Establish circulation to surface
17. Circulate 50 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to surface
18. TOH and LD tubing, Dig out and cut off wellhead 6' below restored ground level
19. Verify cement at surface in both production casing and annulus and top off if necessary
20. RDMO, Weld on info plate, backfill, clean location, P&A complete

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
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	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: DWR 12-23-12-28
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 43047333430000
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1603 FNL 0530 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 28 Township: 12.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: OIL SPRINGS
	COUNTY: UINTAH
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/22/2016	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Plugging report attached. Well waiting on reclamation and re-seeding planned for this fall.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 August 08, 2016**

NAME (PLEASE PRINT) Travis Whitham	PHONE NUMBER 303 350-5716	TITLE Landman
SIGNATURE N/A	DATE 8/1/2016	

Enduring Resources

Chronological Plugging Report

DWR 12-23-12-28

7/20/16

Notified Richard Powell with intent to plug well on 7-18-16 & Dustin Doucet about this Well.

Held safety meeting, swivel ND, NU

Sitp. 650, SICP. 140, SISCP. 0

RU rig bled down TBG flowing gas and water, csg flowing water gas & oil. Pumped 40 Bbls water down TBG, It took 2 1/2 Hrs to remove well head bolts & landing pins, ND Tree NU BOPES. Test BOPES 500 psi good. RU floor tongs etc. Released model R packer @ 2,121. Pooh with Packer swabbing. Swabbed well in Circulated well with 20 bbls brine. Pulled 3 STDS Swabbed well in again. Bull head 25 bbls brine down TBG. POOH BHA. Picked up 4 5/8" bit 4 x 3 1/2" Drill collars, RIH Tagged @ 3010' 500' fill on CIBP @ 3530'. RU Power swivel Pulled bit to 2970' Note Swabbed Heavy oil and the oil blew all over took a water truck & backhoe about 1 Hr to clean up the mess. SWIFN

7/21/16

Held SM swivel, LD drill collars

SITP. 0, SICP. 140, SISCP. 0

EOT @ 2978, bled Casing off , picked Up circulation with 30 bbls H2O. Cleaned out sand from 3010 to CIBP @ 3530 in 4 hrs circulate hole clean, drilled out CIBP in 2 1/2 hrs Used 500 bbls Fluid, well flowing after drilling plug Circulate well, SWI due to violent thunder storms heavy rain and lightning.

7/22/16

HSM LD TBG & DCS.

SITP. 0, SICP. 0, SIDCP. 0, CSG slight flow

EOT @ 3559, RD power swivel RIH to CIBP @ 5020' RU Propetro Spot 20 bbls, corrosion inhibitor spot 100' plug Mix and pump 12 sxs cement, top of cement 4920'. LD TBG to 4014' spot 100' balanced plug to 3914' LD 6 Jts, Displaced hole with Brine and corrosion inhibitor. POOH LD drill collars. RIH with NC and 2 3/8. Tagged cement after 3 1/2 Hrs.cement @ 3915, LD 59 Jts stand back 32 stds. RIH with 5 1/2" CIBP set at 2020'. Filled hole test csg to 530 psi for 5 min good. Spot 15 sxs cmt On CIBP top of cement 1883'. LD to 454' land On hanger. RD floor, ND bopes. Filled 5 1/2" with 52 sxs, LD all TBG And setting tool. RD Rig. Dug out around well head cut TBG & CSG Head. Ran 50' x 1" And tagged up. Filled 5 1/2. Then filled 9 5/8 x 5 1/2 With 25 sxs . Hole Standing full. Weld on P& A marker. All cement Was pumped @ 15.8 ppg, 1.15 yield 5 gal per sx. Richard Powell state inspector Witnessed plug From 454' to surface.