

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

9. WELL NO.

Ranken Energy DWR 12-21

3. Address of Operator

417 West 18th Street, Suite 101, Edmond OK 730103-366: 405-340-2360

10. FIELD OR LEASE NAME

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

At surface 1,980' FSL, 660' FWL NW/SW

640, 968 E
21,410', 914 N

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

Sec. 21, T12S, R23E

At proposed prod. Zone

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.

4,500'

18. NO. OF ACRES IN LEASE

10,903

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

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

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

5,000'

19. PROPOSED DEPTH

6,200'

20. ROTARY OR CABLE TOOLS

Rotary

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

5,583'

22. APPROX. DATE WORK WILL START

7/1/99

23

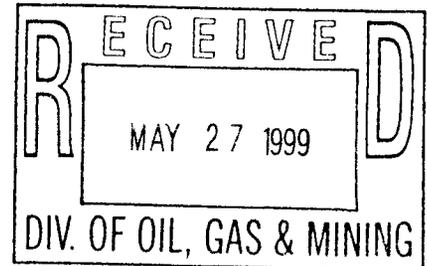
PROPOSED CASING AND CEMENT PROGRAM

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 TITLE Agent DATE May 15, 1999

(This space for Federal or State Office use)

PERMIT NO. 4304233344 APPROVAL DATE 7/12/99

APPROVED BY [Signature] TITLE BRADLEY G. HILL DATE 7/12/99
CONDITIONS OF APPROVAL, IF ANY: RECLAMATION SPECIALIST III

*See Instructions on Reverse Side

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

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 1
165 AC

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 2
155 AC

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 3
160 AC

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 4
160 AC

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 5
160 AC

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 6
155 AC

1922 Brass
Cap, 2.0' High,
Pile of
Stones

1922
Brass Cap,
2.0' High,
Pile of
Stones
N89°52'W - G.L.O. (Basis of Bearings)
2657.57' (Measured)

N89°57'W - 80.06 (G.L.O.)

USA
(B.L.M.)

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
HYDROCARBON NO. 11
180 AC

N0°08'W - (G.L.O.)

21

DWR #12-21

Elev. Ungraded Ground = 5583'

660'

(Comp.)

2084.08'

1980'

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
BITTER CREEK NO. 4
160 AC

STATE OF UTAH
DNR
DEPT OF WILDLIFE
RESOURCES
BITTER CREEK NO. 5
160 AC

51819'02" W

BITTER

CREEK

LEGEND:

┌ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

LATITUDE = 39°45'26"

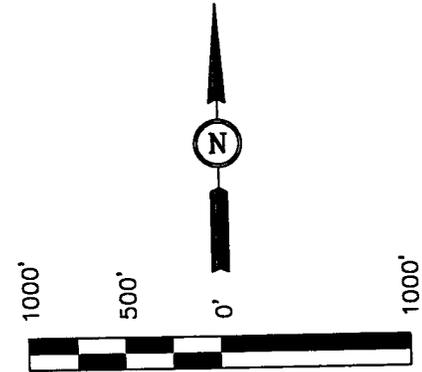
LONGITUDE = 109°21'15"

RANKEN ENERGY CORP.

Well location, DWR #12-21, located as shown in the NW 1/4 SW 1/4 of Section 21, T12S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

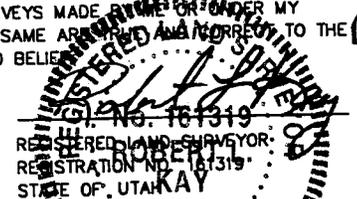
BENCH MARK LOCATED IN THE SW 1/4 SW 1/4 OF SECTION 21, T12S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5584 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE 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: 5-11-99
PARTY B.B. C.G. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE RANKEN ENERGY CORP.	

SELF-CERTIFICATION STATEMENT

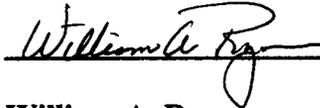
Please be advised that Ranken Energy Corp. are considered to be the operator of the following well.

**Ranken Energy DWR 12-21
NW 1/4, SW 1/4, Section 21, 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. "Free" 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 12-21

Surface Location NW ¼, SW ¼, Section 21, 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 Size</u>	<u>Grade 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 MI/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:

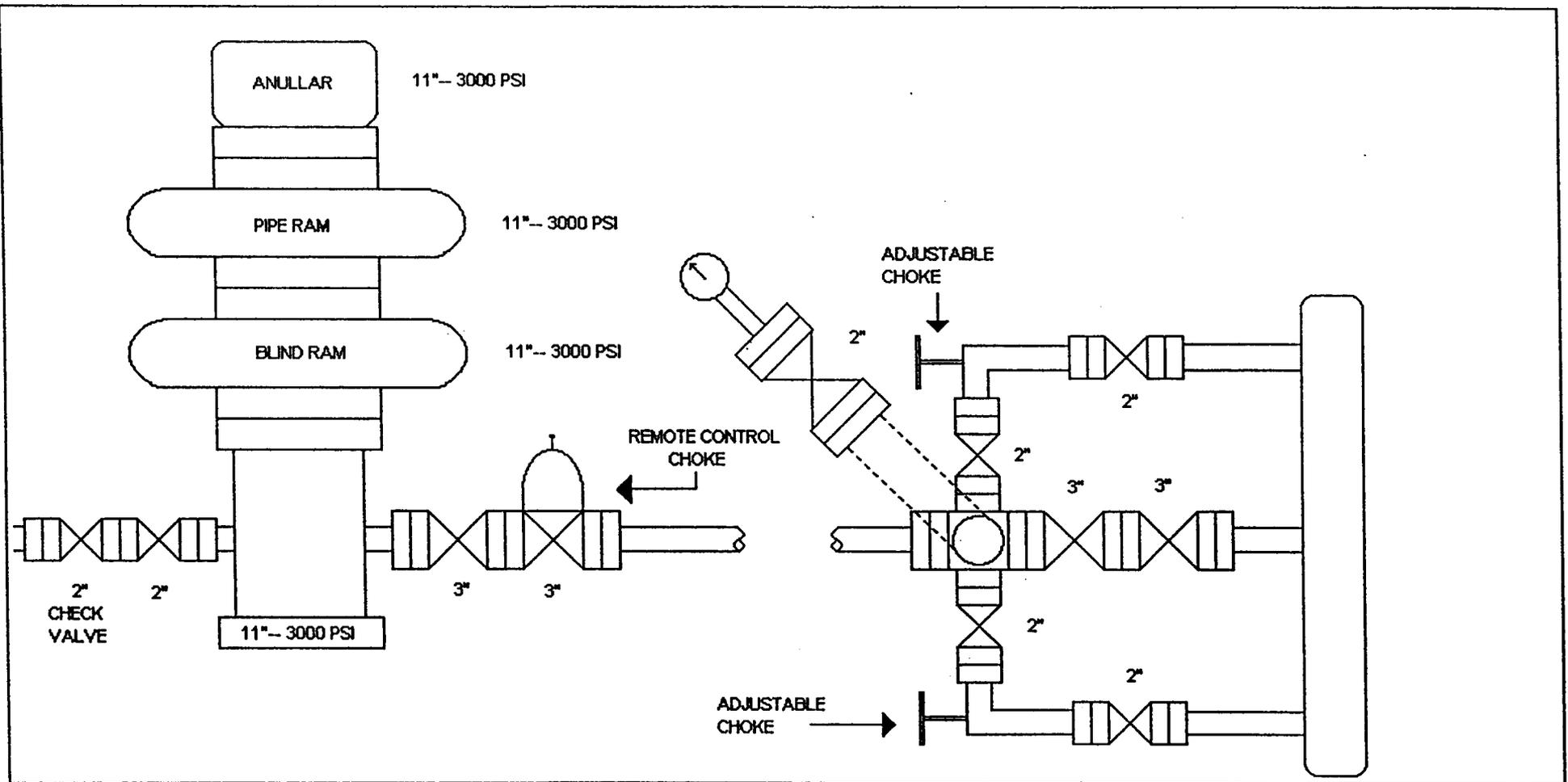
Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

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.

13 POINT SURFACE USE PLAN

FOR WELL

RANKEN ENERGY DWR 12-21

LOCATED IN

NW 1/4, SW 1/4

SECTION 21, 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 12-21, in Section 21, T12S, R23E**, 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 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 **200 feet of new road** construction.

The road will be built to the following standards:

A) Approximate length	200 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	Yes
M) Pipe line crossing	One

Please see the attached location plat for additional details.

A right of way will be required for the access road. A right-of-way application for both the location and road 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	None
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 a proposed line adjacent to the well pad.

Approximately 150' 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 tying into the 10" buried pipeline next to the location. Due to the increased safety risk of hot tapping a buried pipeline out

ways the decrease in surface disturbance. The Operator also considered burring 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.

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 clean-up:

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

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	4.4 ft.
G) Max fill	2.1 ft.
H) Total cut yds.	5,800 cu. yds.
I) Pit location	noth side
J) Top soil location	west end and south side
K) Access road location	east end
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 within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. 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 rain fall 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 top soil 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 sage brush. 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 400 feet west 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, Gas and Mining 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 outside the pit fence and 100 feet from the bore hole on the **east 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

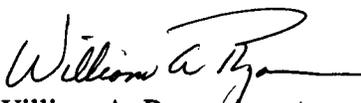
All lease operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

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

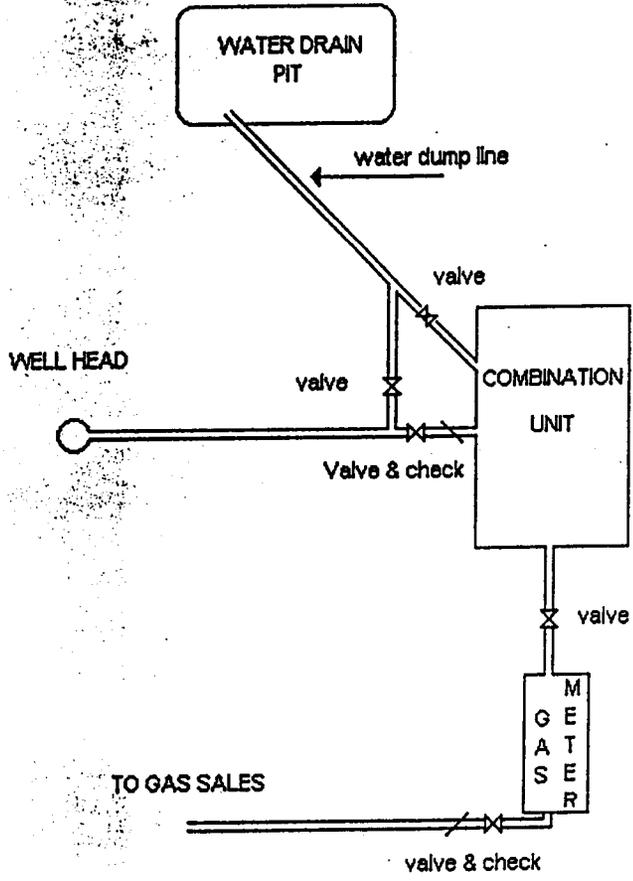
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work 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 21, 1999


William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Date:

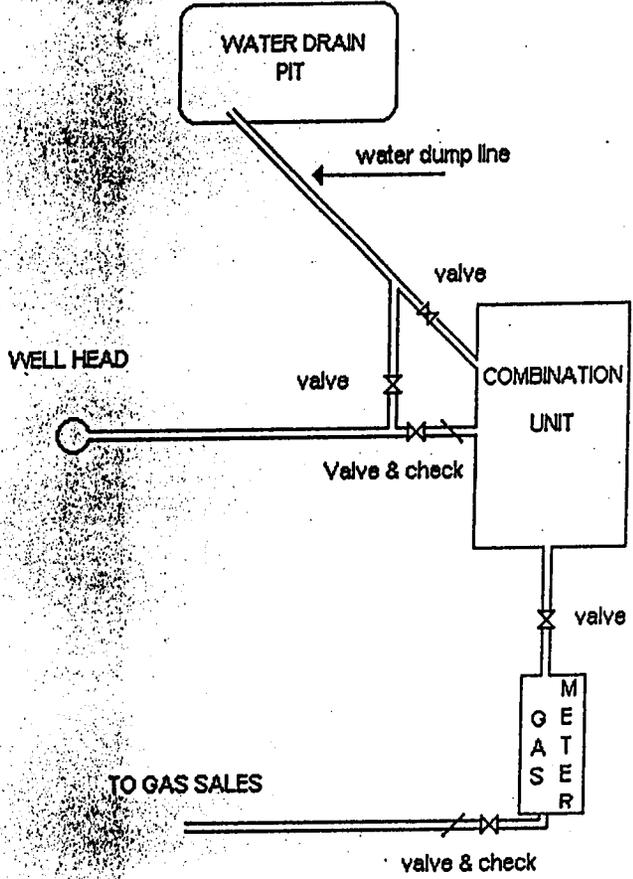
Ranken Energy
Typical
Gas Well



Ranken Energy

Typical

Gas Well



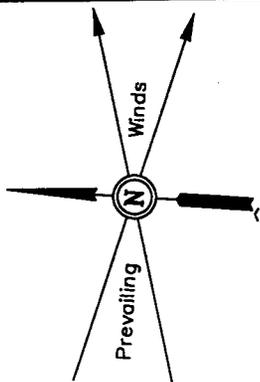
RANKEN ENERGY CORP.

LOCATION LAYOUT FOR

DWR #12-21

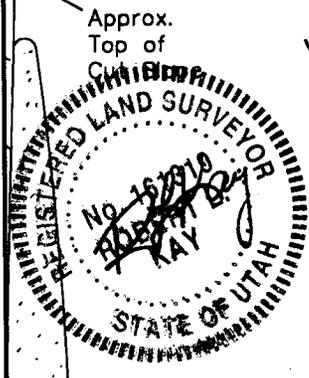
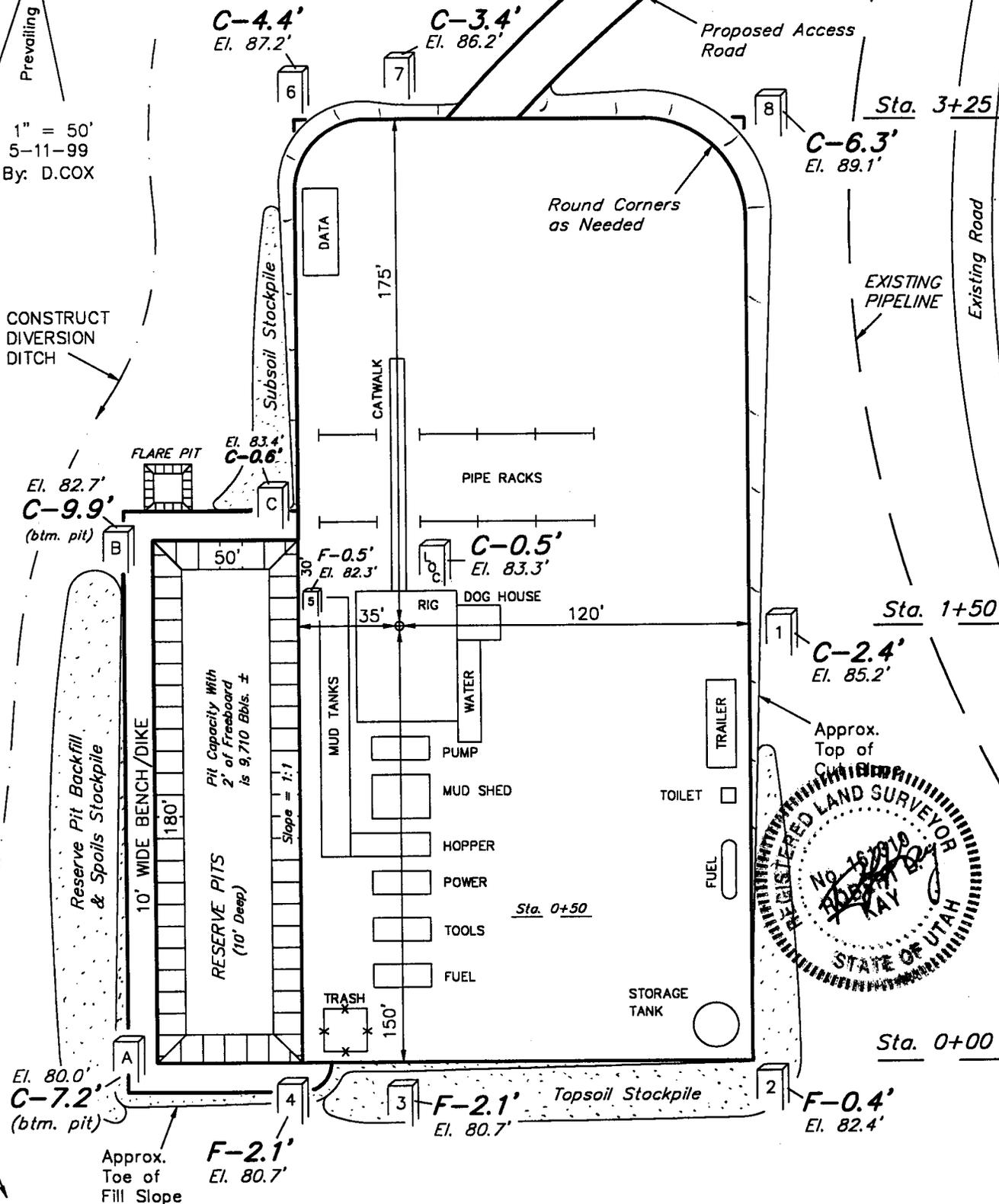
SECTION 21, T12S, R23E, S.L.B.&M.

1980' FSL 660' FWL



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

CONSTRUCT DIVERSION DITCH



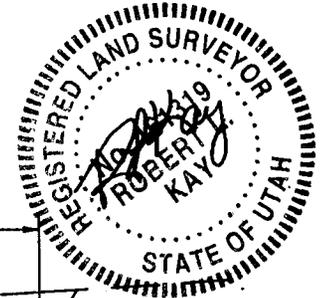
Elev. Ungraded Ground at Location Stake = 5583.3'
Elev. Graded Ground at Location Stake = 5582.8'

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

RANKEN ENERGY CORP.

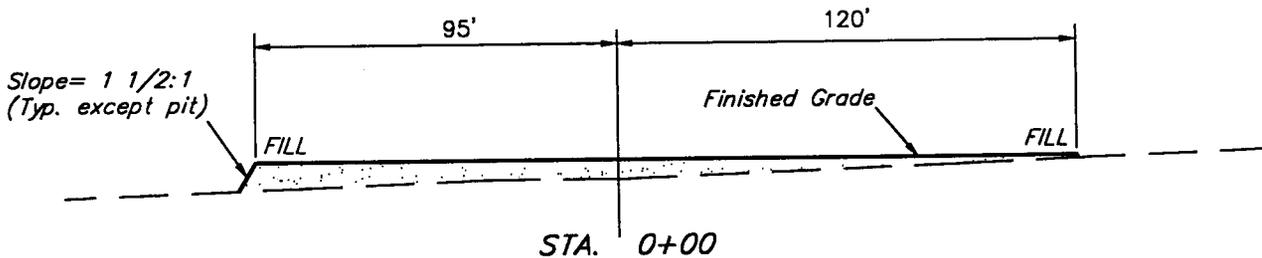
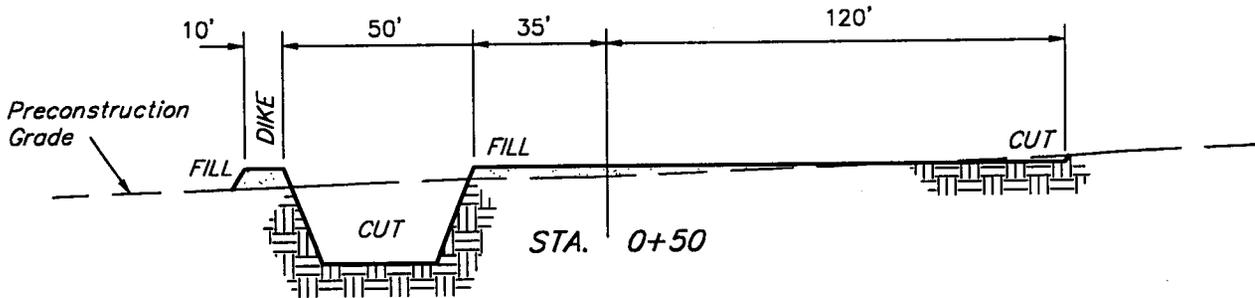
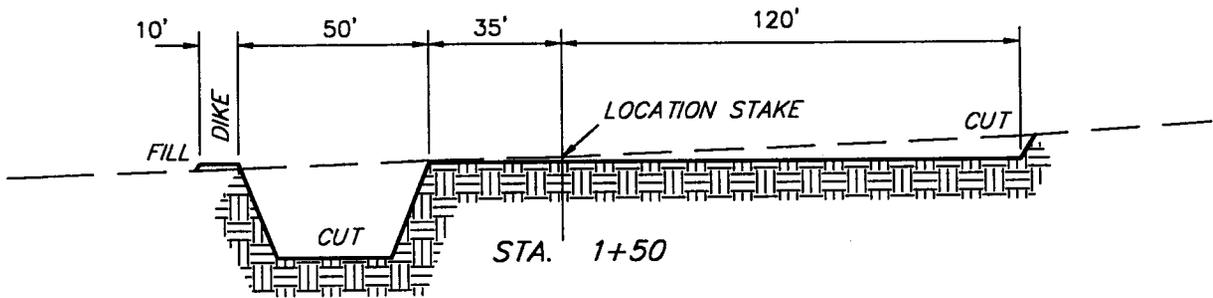
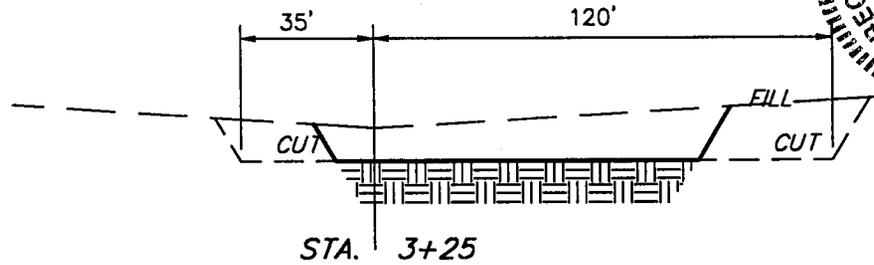
TYPICAL CROSS SECTIONS FOR

DWR #12-21
SECTION 21, T12S, R23E, S.L.B.&M.
1980' FSL 660' FWL



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

DATE: 5-11-99
Drawn By: D.COX

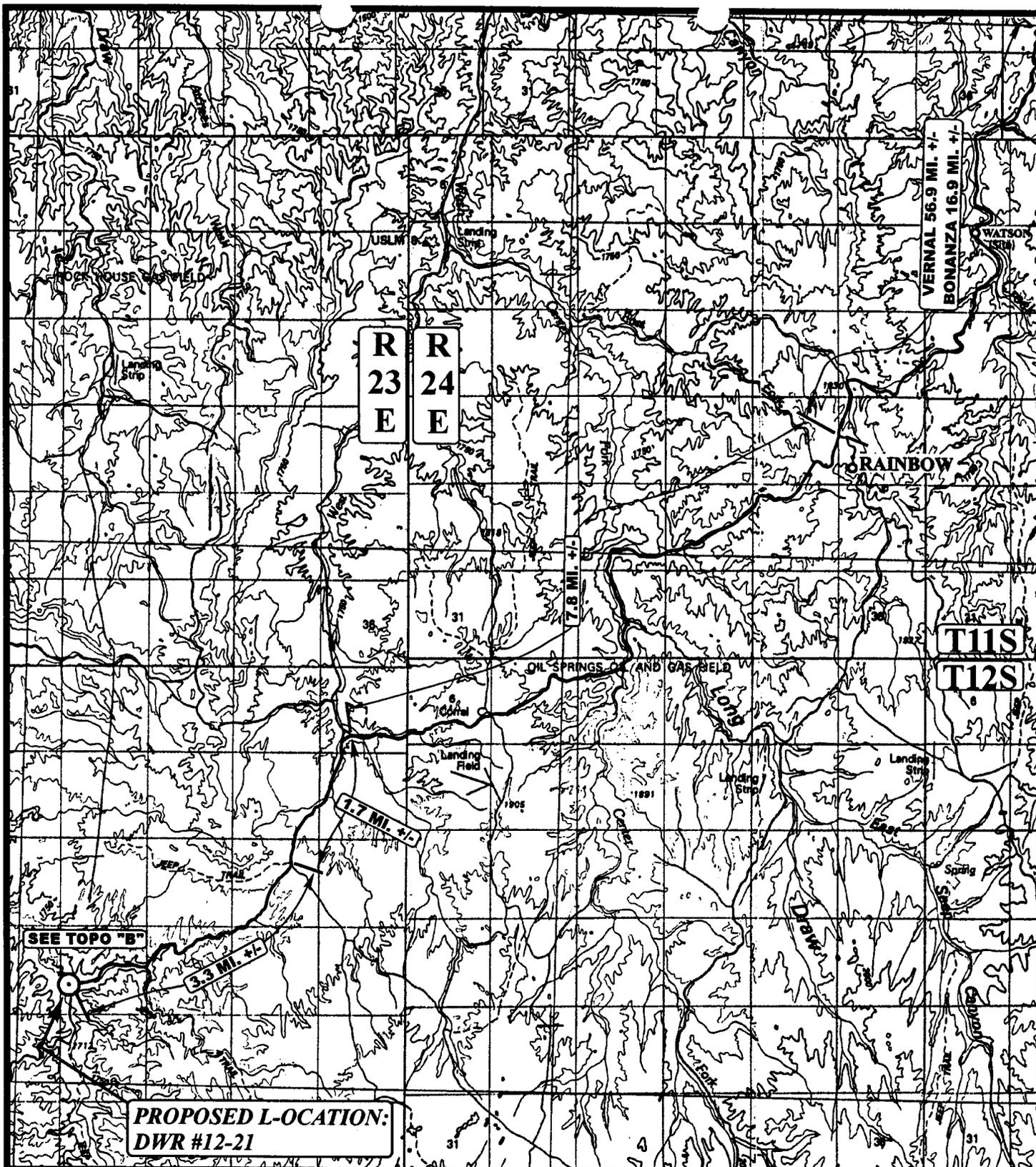


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 4,740 Cu. Yds.
TOTAL CUT	= 5,840 CU.YDS.
FILL	= 890 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 4,900 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 2,540 Cu. Yds.

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



LEGEND:

○ PROPOSED LOCATION

RANKEN ENERGY CORP.

DWR #12-21
SECTION 21, T12S, R23E, S.L.B.&M.
1980' FSL 660' FWL



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

TOPOGRAPHIC
MAP

5	11	99
MONTH	DAY	YEAR

SCALE: 1: 100,000 DRAWN BY: D.COX REVISED: 00-00-00



UTAH DEPARTMENT OF NATURAL RESOURCES

Utah Division of Wildlife Resources
1595 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, 73013-3863

Agent's Address

350 S 800 E, 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:

[XX] 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

Table with 5 columns: Subdivision, Section, Township, Range, Total acre/Total distance. Rows include Location (2.5 Acres), Pipeline (150'/.10 Acres), and Road (200'/.15).

*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 has transmission line.

The subject well is named the Ranken Energy DWR 12-21

#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:

R
23
E

**PROPOSED LOCATION:
DWR #12-21**

**VERNAL 69.7 MI. +/-
BONANZA 29.7 MI. +/-**

PROPOSED ACCESS 200' +/-

T12S

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

RANKEN ENERGY CORP.

**DWR #12-21
SECTION 21, T12S, R23E, S.L.B.&M.
1980' FSL 660' FWL**



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

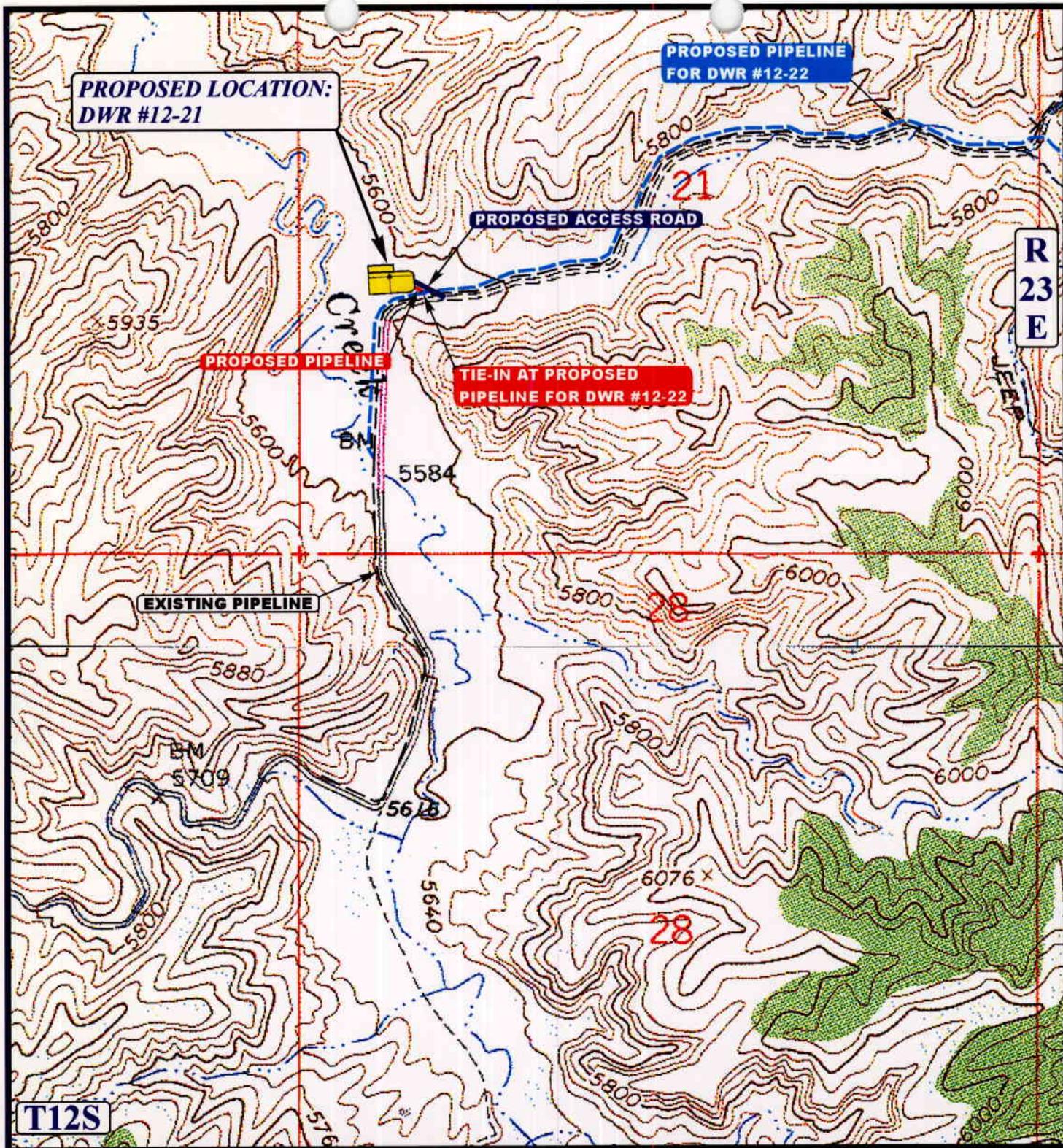


**TOPOGRAPHIC
MAP**

5 11 99
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 150' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



RANKEN ENERGY CORP.

**DWR #12-21
SECTION 21, T12S, R23E, S.L.B.&M.
1980' FSL 660' FWL**



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

TOPOGRAPHIC **5 11 99**
MAP MONTH DAY YEAR

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



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/27/1999

API NO. ASSIGNED: 43-047-33344

WELL NAME: DWR 12-21
 OPERATOR: RANKEN ENERGY CORP (N6250)
 CONTACT: Bill Ryan (435) 789-0968

PROPOSED LOCATION:
 NWSW 21 - T12S - R23E
 SURFACE: 1980-FSL-0660-FWL
 BOTTOM: 1980-FSL-0660-FWL
 UINTAH COUNTY
 UNDESIGNATED FIELD (002)

INSPECT LOCATN BY: / /		
TECH REVIEW	Initials	Date
Engineering	<i>RSZ</i>	6/23/99
Geology		
Surface		

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

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

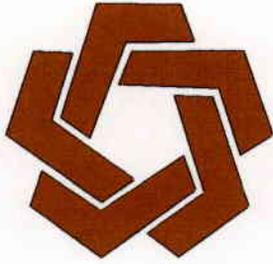
Plat
 Bond: Fed[] Ind[] Sta[] Fee M
 (No. 135671)
 Potash (Y/N)
 Oil Shale (Y/N) *190-5(B)
 Water Permit
 (No. T72132)
 RDCC Review (Y/N)
 (Date: _____)
 Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

COMMENTS: 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



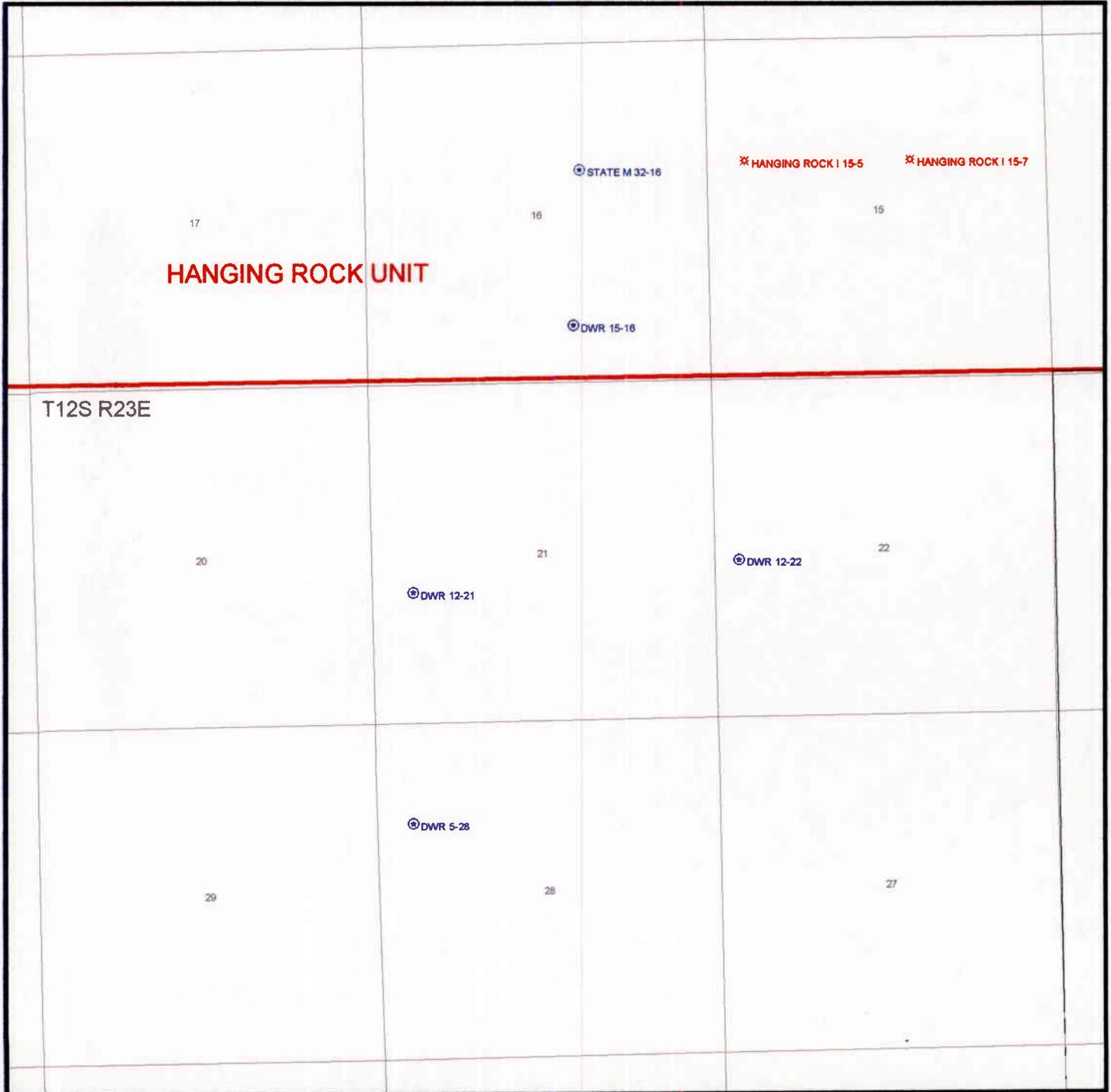
Division of Oil, Gas & Mining

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

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

OPERATOR: RANKEN ENERGY CORP.

WELL NAME & NUMBER: DWR 12-21

API NUMBER: 43-047-33344

LEASE: Fee **FIELD/UNIT:**

LOCATION: 1/4, 1/4 NW/SW SEC: 21 TWP: 12S RNG: 23E
2400' F S L 383' 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): 12640978E 4401914N

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' EAST OF
BITTER CREEK. THE SIDES OF THE CANYON ARE STEEP AND RUGGED WHILE
THE BOTTOM IS FLAT AND NEARLY LEVEL.

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 200' 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.

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 SITED. 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 1:30 PM
DATE/TIME

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

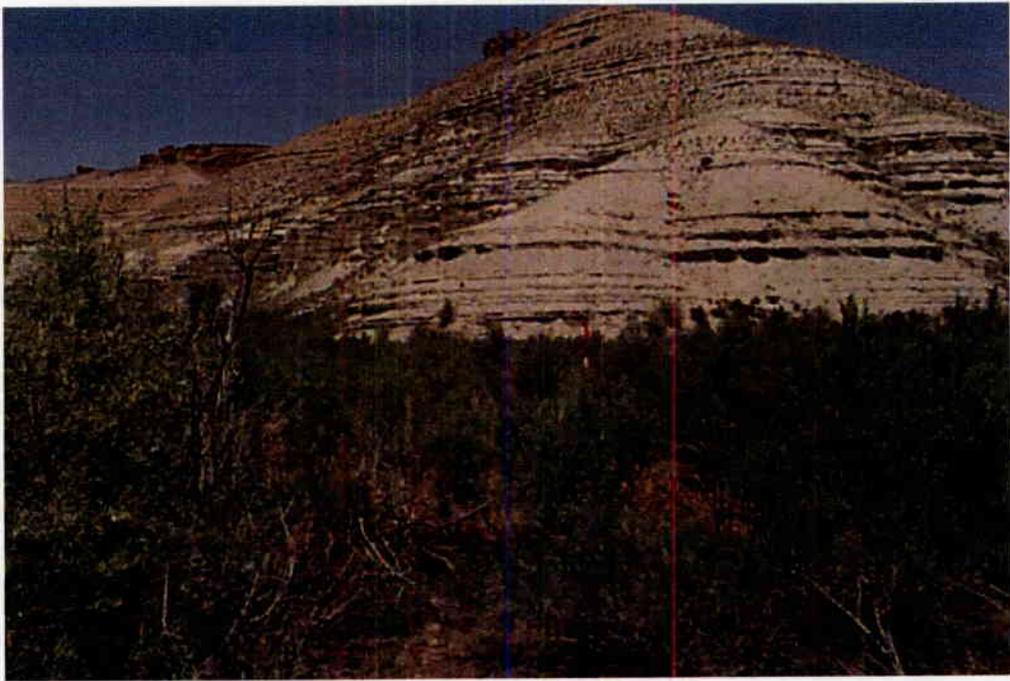
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>10</u>
Distance to Nearest 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>











Well name:	699 Ranken DWR 12-21		
Operator:	Ranken Energy Corp.	Project ID:	43-047-33344
String type:	Surface		
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: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 300 ft

Cement top: 31 ft

Burst

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

No backup mud specified.

Tension:

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

Tension is based on buoyed weight.
Neutral point: 262 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 (ft³)
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 12-21	
Operator:	Ranken Energy Corp.	Project ID:
String type:	Production	43-047-33344
Location:	Uintah County	

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 8.600 ppg	Design factor 1.125	Surface temperature: 75 °F
Design is based on evacuated pipe.		Bottom hole temperature: 162 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 1,500 ft
	<u>Burst:</u>	Cement top: 2,613 ft
	Design factor 1.00	
<u>Burst</u>		
Max anticipated surface pressure: 2,026 psi	<u>Tension:</u>	Non-directional string.
Internal gradient: 0.120 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 2,770 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	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 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 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.

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

Operator Name: RANKEN ENERGY CORP.

Well Name & Number: DWR #12-21

API Number: 43-047-33344

Location: 1/4, 1/4 NW/SW Sec. 21 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. This site is a legal location per general state siting rule. 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

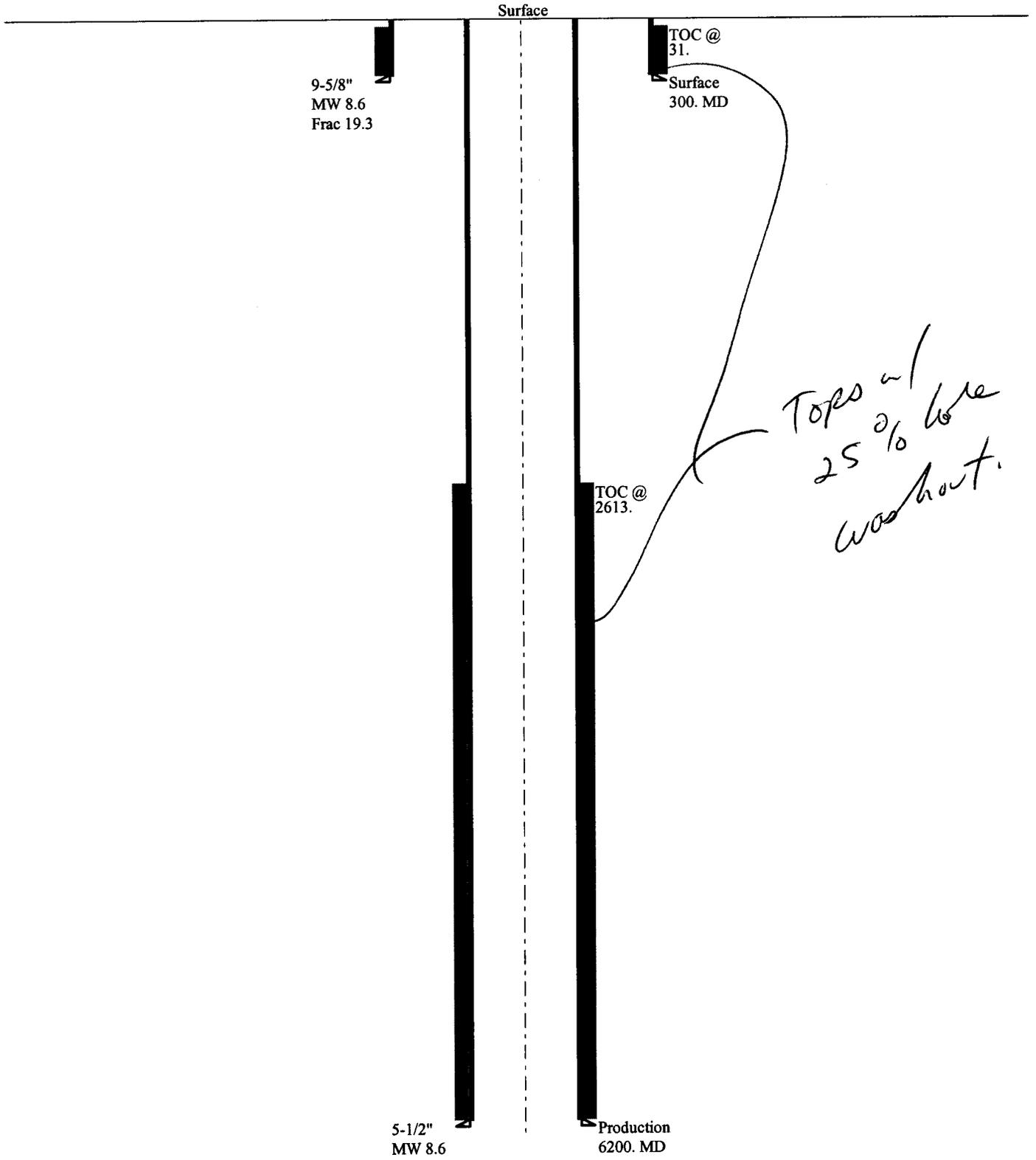
Date: 6/21/99

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.

699 Ranken DWR 12-21

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 12-21 Well, 1980' FSL, 660' FWL, NW SW, Sec. 21, 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.

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 43-047-33344.

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 12-21

API Number: 43-047-33344

Lease: Fee Surface Owner: Division of Wildlife Resources

Location: NW SW Sec. 21 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).

CASING / CEMENTING OPERATIONS

Well Name: <u>DWR 12-21</u>	API Number: <u>43-047-33344</u>
Qtr/Qtr: <u>NW/SW</u> Section: <u>21</u>	Township: <u>12 S</u> Range: <u>23 E</u>
Company Name: <u>RANKEN ENERGY CORP.</u>	
Lease: State _____ Fee <u>X</u>	Federal _____ Indian _____
Inspector: <u>DAVID HACKFORD</u>	Date: <u>8-1 and 8-2-99</u>

Casing Centralized: Yes X No _____ Cementing Company: HALLIBURTON

Casing was run and cemented according to the approval to drill, any changes are noted in the comments below.

COMMENTS: 316' OF 9 5/8" CASING RUN AND CEMENTED TO SURFACE.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

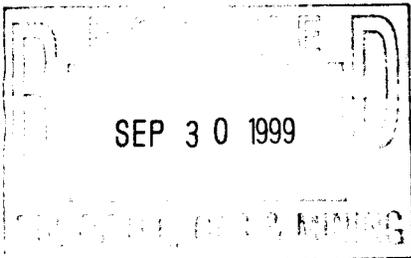
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: <u>Fee</u>
2. Name of Operator: RANKEN ENERGY CORPORATION		6. If Indian, Allocated or Tribe Name: N/A
3. Address and Telephone Number: 417 W. 18th St., Ste. 101, Edmond, OK 73013-3663 405/340-2363		7. Unit Agreement Name: N/A
4. Location of Well Footages: 1980' FSL & 660' FWL (NW/SW) OO, Sec., T., R., M.: Section 21-12S-23E		8. Well Name and Number: DWR 12-21
		9. API Well Number: 43-047-33344
		10. Field and Pool, or Wildcat: Wildcat
		County: Uintah State: Utah

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

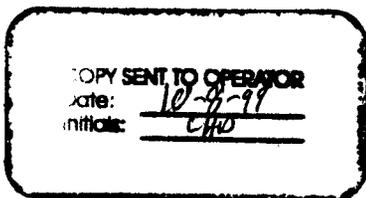
NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ Approximate date work will start _____	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Abandon * <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Deepen 10' below permitted depth of 6200'</u> Date of work completion <u>9/09/99</u> <small>Report results of Multiple Completions and Re Completions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

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



13. Name & Signature: Randolph L. Coy *[Signature]* Title: President Date: 9/28/99

(This space for State use only)



(See Instructions on Reverse Side)

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 10/4/99
By: *[Signature]*

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.

(3/89)

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

~~Confidential~~

RECEIVED

JAN 13 2000

FORM 8

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

DIVISION OF OIL, GAS & MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG						6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____						7. UNIT AGREEMENT NAME	
1b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> REEPLIN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESTR. <input type="checkbox"/> Other _____						8. FARM OR LEASE NAME	
2. NAME OF OPERATOR RANKEN ENERGY CORPORATION						DWR	
3. ADDRESS OF OPERATOR 417 W. 18th St., Ste. 101, Edmond, OK 73013-3663						9. WELL NO. 12-21	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1980' FSL, 660' FWL, NW/4 SW/4						10. FIELD AND POOL OR WILDCAT Wildcat	
At top prod. interval reported below N/A						11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA 21-T12S-R23E	
At total depth N/A							
14. API NO. 43-047-33344		DATE ISSUED 7/12/99		12. COUNTY Uintah		13. STATE UT	
15. DATE SPUDDED 9/02/99		16. DATE T.D. REACHED 9/09/99		17. DATE COMPL. (Ready to prod.) 12/21/99 (Plug & Abd.)		18. ELEVATIONS (DF, BEB, RT, GR, ETC.) 5601' KB	
19. ELEV. CASINGHEAD -		20. TOTAL DEPTH, MD & TVD 6210'		21. PLUG BACK T.D., MD & TVD		22. IF MULTIPLE COMPL. HOW MANY	
23. INTERVALS DRILLED BY		ROTARY TOOLS 0 - 6210		CABLE TOOLS -0-			
24. PRODUCING INTERVAL(S) OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 2685-95' - Wasatch 5524-28' - Mesaverde 5502-06' Mesaverde 5918-28' - Mesaverde 5511-15' - Mesaverde 5484-88' Mesaverde						25. WAS DIRECTIONAL SURVEY MADE No	
26. TYPE ELECTRIC AND OTHER LOGS LOG High Resolution Induc- tor, Spectral Density Dual-Spaced Neutron, Micro						27. WAS WELL CORED YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (Submit analysis) MUDLOG STEM TEST YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (See converse side)	
28. log CASING RECORD (Report all strings set in well)							
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE	
16"		Conductor		83'		Drove into rock	
9 5/8"		36# (new)		314'		12 1/4"	
5 1/2"		15.5# (new)		6206'		7 7/8"	
						DV tool @ 3672'-230 sx Prem V & 190	
29. LINER RECORD				30. TUBING RECORD			
SIZE		TOP (MD)		BOTTOM (MD)		PACKER SET (MD)	
						Prem. 300	
						2 3/8"	
						5430'	
						5427'	
31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
See attached sheet				See attached sheet			
33. PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumps—size and type of pump)				WELL STATUS (Producing or shut-in)	
						SI	
DATE OF TEST		HOURS TESTED		CHOKE SIZE		PROD'N FOR TEST PERIOD	
12/21/99		4		19/64"		30	
FLOW, TUBING PRESS.		CASING PRESSURE		CALCULATED 24-HOUR RATE		OIL GRAVITY-API (CORR.)	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)				TEST WITNESSED BY			
35. LIST OF ATTACHMENTS							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records							
SIGNED <i>[Signature]</i>		TITLE President		DATE 1/10/00			

CONFIDENTIAL

CONFIDENTIAL
PERIOD EXPIRED
ON 1-21-01

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 a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

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

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

37. SUMMARY OF POROUS ZONES:

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

38. GEOLOGIC MARKERS

Formation	Top	Bottom	Description, contents, etc.	Name	Top	
					Meas. Depth	True Vert. Depth
Mesaverde	3964'	4070'		Wasatch Mesaverde	2190'	3810'

CONFIDENTIAL

**ATTACHMENT FOR THE DWR 12-21 WELL COMPLETION OR
RECOMPLETION REPORT AND LOG DATED 1/10/00**

31) Perforation Record:

- a) 2685'-2695' (4spf)
- b) 5918'-5928' (4spf)
- c) 5524'-5528'; 5511'-5515'; 5502'-5506'; 5484'-5488' (4spf)

32) Acid, shot, fracture, cement squeeze, etc.:

- a) 2685'-2695' - 750 gals 7 1/2% acid.
- b) 2685'-2695' - Fracture treatment with 31,500#'s 20/40 sand & 12,850 gals.
- c) 5918'-5928' - 750 gals 7 1/2% acid.
- d) 5524'-28'; 5511'-15'; 5502'-06'; 5484'-88' - 1250 gals 7 1/2% acid with
30 - 5/8" ball sealers.



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

February 20, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 4958

Karen Kuntz
Ranken Energy Corp.
417 West 18th Street
Suite 101
Edmond, Oklahoma 73013-3663

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

Dear Ms. Kuntz:

Ranken Energy Corp., as of February 2004, has nine (9) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. 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).

Page 2
February 20, 2004
Karen Kuntz

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

jc
cc: John Baza
Well File

	Well Name	API	Lease Type	Years Inactive
1	DWR 15-16	43-047-33346	Fee	2 Years 8 Months
2	DWR 12-22	43-047-33345	Fee	3 Years 0 Months
3	DWR 12-28	43-047-33481	Fee	3 Years 2 Months
4	DWR 14-28	43-047-33483	Fee	3 Years 3 Months
5	DWR 16-16	43-047-33489	Fee	3 Years 3 Months
6	DWR 8-29	43-047-33487	Fee	3 Years 5 Months
7	DWR 1-21	43-047-33480	Fee	3 Years 7 Months
8	DWR 14-16	43-047-33482	Fee	3 Years 7 Months
9	DWR 12-21	43-047-33344	Fee	4 Years 1 Month

Attachment A



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

May 10, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 5412

Mr. Randolph L. Coy
Ranken Energy Corporation
417 W. 18th Street Suite 101
Edmond, Oklahoma 73013-3663

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated February 20, 2004.

Dear Mr. Coy,

The Division of Oil, Gas and Mining (DOGM) is in receipt of your letter dated March 3, 2004 in regards to the nine (9) shut-in wells operated by Ranken Energy Corporation (Ranken). It is our understanding Ranken is actively seeking a partner or investor for these properties to share the financial burden necessary to make these wells productive.

Based upon the proposed plan to complete this project and put these properties into production this year and other information provided at this time, DOGM approves the nine (9) wells for extended shut-in until January 1, 2005. However, in the future it will be necessary to address all requirements described in the DOGM February 20, 2004 correspondence before these properties will be considered for any additional extended SI/TA status.

For reference, Attachment A lists the wells subject to this request. If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin Doucet
Petroleum Engineer

cc Well File

	Well Name	API	Lease Type	Years Inactive
1	DWR 15-16	43-047-33346	Fee	2 Years 8 Months
2	DWR 12-22	43-047-33345	Fee	3 Years 0 Months
3	DWR 12-28	43-047-33481	Fee	3 Years 2 Months
4	DWR 14-28	43-047-33483	Fee	3 Years 3 Months
5	DWR 16-16	43-047-33489	Fee	3 Years 3 Months
6	DWR 8-29	43-047-33487	Fee	3 Years 5 Months
7	DWR 1-21	43-047-33480	Fee	3 Years 7 Months
8	DWR 14-16	43-047-33482	Fee	3 Years 7 Months
9	DWR 12-21	43-047-33344	Fee	4 Years 1 Month

Attachment A

RANKEN ENERGY CORPORATION

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



March 3, 2004

RE: Well Status of Ranken Energy Corporation Wells
Uintah County, Utah
Oil Springs Ranch Project

Mr. Dustin K. Doucet, Petroleum Engineer
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

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APR 05 2004

DIV. OF OIL, GAS & MINING

Dear Mr. Doucet:

Per our telephone discussion on this date concerning the reason why some of our wells are currently shut in on our fee leasehold and the death of my partner, please let me reiterate further. Approximately 2 years ago Ranken's largest investor/partner suddenly passed away due to an accident. He controlled 62.5% of the working interest in our project and unfortunately he had no children. His heirs are his brothers and sisters who are exceedingly older and know nothing about the oil and gas industry. His estate is currently being liquidated. Needless to say, when he passed away, no further expenditures took place in our project. Our project essentially ceased at the time of his death. Some of our wells haven't even been completed as yet. Additional zones of interest behind pipe exist in many of the wells.

We have been trying to replace this interest w/ other companies/investors for quite some time. Only in recent months, since the gas prices in the Rocky's have gained some momentum, have we been able to attract some serious consideration. We currently have some on-going dialog with seven different companies at this time. We are cautiously optimistic that a deal will be done this year, perhaps even quicker, and our project will move forward once again.

Per your request, listed below is a status report on the wells that you listed in your letter to Ranken Energy Corporation dated February 20, 2004:

1. DWR 15-16: This well was completed in the Wasatch in July 1999. New 15.5 #/ft. casing was run in the hole. A DV tool was set at 2790' and packer was set at 2717'. Top perfs are at 2803' - 13'. A plunger lift system was installed on 5-9-2000. The estimated top of cement is 700'. Current SITP is 680 PSI and SICP is 760 PSI. We

2. are planning on putting this well back on production pending the results of a short period flow test currently underway.
3. DWR 12-21: This well was completed in the Wasatch and Mesa Verde in December 1999. New 15.5 #/ft 5 1/2" casing was run in the hole. A DV tool was set at 3672'.
4. The top perms are at 2685' – 95'. The estimated top of cement is at 722'. Current SICP is 180 PSI and the SITP is 320 PSI. This well would be part of a localized compression system that may be installed.
5. DWR 12-22: This well was completed in the Mesa Verde in December 1999. New 15.5 #/ft 5 1/2" casing was run in the hole with DV tool at 2994'. The well was later drilled out horizontally in the Mesa Verde and a subsequent completion report was filed in October 2001. The well currently has a SICP of 440 PSI and a SITP of 360 PSI. This well is also part of our compression plan. In addition, this well produces about 30-40 BWPD. A disposal well is being considered in the area to not only handle this water but also produced water from other wells on our fee block.
6. DWR 12-28: This well was completed in the Wasatch in July 2000. New 4 1/2" 10.5 #/ft casing was run in the hole. The well currently has a SICP of 320 PSI and a SITP of zero. This well has a down hole positive displacement pump installed with a 6 cylinder gas engine to turn the rod string. This well will make 200-300 BWPD and 150-250 MCFGPD. However, the cost to haul water is too great to justify. The possible SWDW mentioned above would also service this well.
7. DWR 14-28: This well was completed in the Wasatch in November 2000. New 4 1/2" 11.6 #/ft casing was run in the hole. The well currently has a SICP of 10 PSI and SITP of 10 PSI. Cement was circulated to surface after pumping a total of 975 sacks of cement. The original zones that were perforated were not commercially productive. However, there are additional zones behind pipe that remain prospective and need to be tested prior to abandonment of the wells.
8. DWR 14-16: This well was completed in the Green River formation in June 2000. New 4 1/2" 10.5 #/ft casing was run in the hole and was cemented with 725 sacks of cement. Cement was circulated to surface. The well currently has a SICP of zero and a SITP of 5 PSI. Additional potential exists in the shallower formations in this well and should be tested prior to abandonment.
9. DWR 16-16: This well was drilled and completed in the Wasatch in January 2000. New 4 1/2" 10.5 #/ft casing was run in the hole and was cemented with 755 sacks of cement. Cement was circulated to surface. The well currently has 80 PSI SICP and 80 PSI SITP. Additional potential exists in the shallower formations in this well and should be tested prior to abandonment. Both this well and the DWR 14-14 could be tied into the compression facility mentioned earlier.
10. DWR 8-29: This well was drilled and completed in the Mesa Verde and Wasatch in August 2000. New 4 1/2" 10.5 #/ft casing was run in the hole and cemented with 510 sacks cement. Cement was circulated to surface. The current SICP is zero and the current SITP is also zero. The original zones that were perforated were not

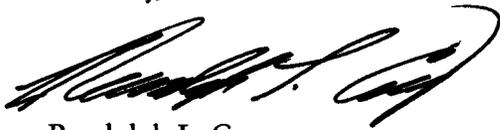
commercially productive without compression. Additional zones of interest are present behind pipe and should be tested prior to abandonment.

11. DWR 1-21: This well was drilled and completed in the Green River and Wasatch in June 2000. New 4 ½" 10.5 #/ft casing was run in the hole and cemented with 605 sacks of cement. Cement was circulated to surface. The current SICP is 160 PSI and the current SITP is 140. This well cannot produce without the aid of compression.

As you can now see, 5 of the 9 wells listed on your report have cement to surface. The remaining 4 wells all have "produceable" pressures that either need compression help or a water disposal well. We are making progress with potential new partners and if successful, new completion work on existing wells will take place.

In summary, we respectfully request that shut in status be granted for these wells. Should you have any questions please do not hesitate to call or write. Thank you for your consideration and cooperation.

Sincerely,



Randolph L. Coy
President

RLC/adb

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
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SEE ATTACH
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.		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	PHONE NUMBER: (303) 339-5871	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. <i>N 6250</i> 417 W. 18TH STREET SUITE EDMOND, OKLAHOMA 73013-3663 405-340-2363	NEW OPERATOR: MAK-J ENERGY PARTNERS, LTD <i>N 2670</i> 370 17TH STREET, SUITE 2710 DENVER, CO 80202 303-468-0090
---	--

PLEASE SEE ATTACHED WELL LIST. *State fee Bond # SLCPPD X02546*

RANDOLPH COY
PRESIDENT
RANKEN ENERGY CORP.

NAME (PLEASE PRINT) STEVE VAN HOOK TITLE VICE PRESIDENT
SIGNATURE *[Signature]* DATE 8/23/2004

(This space for State use only)

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AUG 25 2004

MAKJ ENERGY

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

303-468-0040 VOICE
303-468-0092 FAX

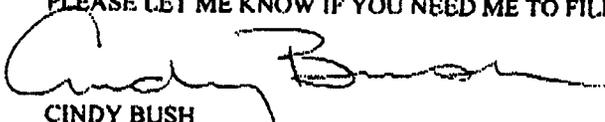
STATE OF UTAH
EARLENE

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

OPERATOR CHANGE WORKSHEET

ROUTING	
1.	GLH
2.	CDW
3.	FILE

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: **8/23/2004**

FROM: (Old Operator): N6250-Ranken Energy Corp 417 W 18th St, Suite 101 Edmond, OK 73013-3663 Phone: 1-(405) 340-2363	TO: (New Operator): N2670-MAK-J Energy Partners, LTD 370 17th St, Suite 2710 Denver, CO 80202 Phone: 1-(303) 468-0090
--	---

CA No. _____ **Unit:** _____

WELL(S)								
NAME	SEC TWN RNG			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
DWR 5-28	28	120S	230E	4304733343	12605	Fee	GW	P
DWR 12-21	21	120S	230E	4304733344	12606	Fee	GW	S
DWR 12-22	22	120S	230E	4304733345	12640	Fee	GW	S
DWR 15-16	16	120S	230E	4304733346	12641	Fee	GW	S
DWR 1-21	21	120S	230E	4304733480	12811	Fee	GW	S
DWR 12-28	28	120S	230E	4304733481	12810	Fee	GW	S
DWR 14-16	16	120S	230E	4304733482	12812	Fee	GW	S
DWR 14-28	28	120S	230E	4304733483	12813	Fee	GW	S
DWR 8-29	29	120S	230E	4304733487	12815	Fee	GW	S
DWR 16-16	16	120S	230E	4304733489	12814	Fee	GW	S
DWR 2-21	21	120S	230E	4304733484		Fee	GW	LA TA
DWR 3-21	21	120S	230E	4304733485		Fee	GW	LA

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: 8/25/2004
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/25/2004 & 9/2/2004
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/30/2004
- Is the new operator registered in the State of Utah: YES Business Number: 5690747-0181
- If **NO**, the operator was contacted on: _____
- (R649-9-2) Waste Management Plan has been received on: To Follow
- Inspections of LA PA state/fee well sites complete on: 8/31/2004

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:

1. Changes entered in the Oil and Gas Database on: 8/31/2004 & 9/14/2004

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 8/31/2004 & 9/14/2004

3. Bond information entered in RBDMS on: 8/31/2004 & 9/14/2004

4. Fee/State wells attached to bond in RBDMS on: 8/31/2004 & 9/14/2004

5. Injection Projects to new operator in RBDMS on: n/a

6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

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

INDIAN WELL(S) BOND VERIFICATION:

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

FEE AND STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number SLCPPDX02546

2. 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:

3. (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

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, STE 271 CITY DENVER STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980' FSL & 660' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 21 12S 23E		8. WELL NAME and NUMBER: DWR #12-21
PHONE NUMBER: (303) 339-5871		9. API NUMBER: 4304733344
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: WILDCAT
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 (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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>EXTEND SI PERIOD</u>
	<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 RESPECTFULLY REQUEST EXTENDED SHUT IN FOR THE ABOVE MENTIONED WELL UNTIL DECEMBER 31, 2005.

COPY SENT TO OPERATOR
Date: 4-18-05
Initials: CHO

NAME (PLEASE PRINT) <u>CINDY BUSH</u>	TITLE <u>OPERATIONS COORDINATOR</u>
SIGNATURE <u><i>Cindy Bush</i></u>	DATE <u>12-14-04</u>

(This space for State use only)

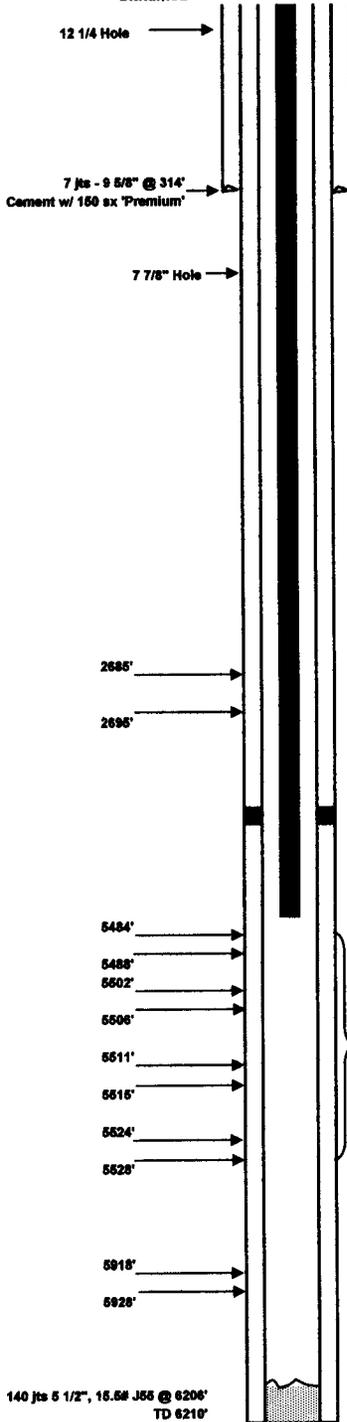
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 4/13/05
BY: [Signature]
* see attached letter dated April 13, 2005

RECEIVED
DEC 16 2004
DIV. OF OIL, GAS & MINING

WELL NAME: DWR 12-21
 1980' FSL & 680' FWL
 LOCATION: Sec 21-12S-23E
 FIELD: Unnamed

GL: 5583'
 KB: 5598'
 API NO: 430-4733-344
 Fed Lea No:
 PBTD: 6076'
 TD: 6210'

Surface	Depth	Depth Ft
1	348'	
1	833'	
1	2888'	
1	3439'	
2 1/2	4088'	
2 3/4	4288'	
2	4348'	
4	4873'	
3 1/2	5029'	
3 1/2	5081'	



WELL HISTORY

Spudded 12 1/4" hole 8/2/99. Drilled 12 1/4" hole to 320'. Ran 9 5/8", 364# casing and landed at 314'. Cemented with 150 sks Premium Cement containing 2% CaCl & 1/4 #sk Celloflake. Cement circulated. Drilled 7 7/8" hole to TD of 6210'. Encountered a water flow at 550', estimated rate of 80 - 100 bbls per hour.

Mud log shows: 2476' - 2490': 100 units background increased to 7867 units, 4047' - 4062': 27 units of background increasing to 318 units, 4088' - 4098': 80 units background before - increasing to 915 units, 4241' - 4255': 22 units background before - increasing to 457 units, 4912' - 4932': 81 units background before - increasing to 630 units, 4968' - 5010': 171 units background before - increasing to 848 units, 5389' - 5406': 172 units background before - increasing to 997 units, 5425' - 5435': 163 units background before - increasing to 731 units, 5484' - 5502': 198 units background before - increasing to 2200 units, 5793' - 5802': 135 units background before - increasing to 1460 units, 5820' - 5844': 283 units background before - increasing to 2382 units, 5952' - 5960': 235 units background before - increasing to 851 units, 5986' - 5998': 198 units background before - increasing to 697 units, 6080' - 6100': 124 units background before - increasing to 535 units. Trip gas at 5341' was 11,653 units. Connection gas: 5358' - 4000 units, 5389' - 406 units, 5420' - 857 units, 5450' - 929 units, 5483' - 444 units, 5514' - 651 units.

Ran 140 joints 5 1/2", 15.5 #ft J55 casing (DV tool at 3672'). Landed at 6206'. Cemented in two stages, 1st stage: 580 sxs Premium 300 cement containing 3/10 of 1% CFR-2, 1/2 #sx flocele, 5/10 of 1% haled 9, 2% gel, 2% microbond, and 2% CBL mixed at 14.5 #gal. Circulated 18 bbls of cement above DV tool. 2nd stage: with 230 sacks of Premium V cement containing 1% EX, 1/4 #sx flocele, 6% gel, 2% microbond, & 3% salt mixed at 12.5 #gal followed by 190 sxs Premium 300 containing 3/10 of 1% CFR-2, 1/4 #sx flocele, 5/10 of 1% haled 9, 2% gel, 2% microbond, & 2% super CBL mixed at 14.5 #gal. Trace of cement to surface.

Perforated Wasatch interval from 2685' - 2695', 4 JSPF. SITP of 820 psi after 72 hrs of shut in. Swabbed down w/ no fluid entry and slight blow of gas. SITP of 1210 psi (0.45 psi/ft). Acidized w/ 750 gallons 7 1/2% acid. No water entry afterwards - good gas blow. Frac the Wasatch with a 20# Delta frac and 31,500# of 20/40 sand. Initial sales commenced on 12/4/1999 and the well made 110 mcf and 216 barrels of water in 15 hrs. With Wasatch perforations open the well was then perforated from 5918' - 5928', 4 JSPF. Acidized with 750 gallons 15% HCL. The well was then perforated at the following intervals: 5524' - 5528', 5511' - 5515', 5502' - 5506', and 5484' - 5488' all 4 JSPF. Set RBP at 5710'. Acidized with 1250 gallons 7 1/2% acid with 30 ball sealers.

December 7, 2004

Dustin K. Doucet
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining

Re: Request for Extended Shut-in

RECEIVED
DEC 16 2004
DIV. OF OIL, GAS & MINING

Dear Mr. Doucet,

Mak-J Energy Operating Company, LLC recently purchased certain oil and gas assets from Ranken Energy Corp., Edmond, Oklahoma. These assets include 10 wells and associated equipment generally located in Sections 16 – 28, T12S-R22E, Uintah County. The wells are located on lands owned by the Division of Wildlife. One (1) of the ten wells is currently producing. Mak-J officially took over operations on August 1st, 2004.

This letter is in reference to your letter to Ranken Energy dated May 10, 2004 granting extended shut-in for nine wells until January 1, 2005. Enclosed are 9 Sundry Notices requesting continued shut-in status for these wells. Since July of this year Mak-J has amassed approximately 37,000 gross acres in and around these properties. We currently have four Applications for Permit to Drill pending with the Bureau of Land Management, Vernal. It is our intent to be extremely active in this area and hopefully build it into a core area for this company. We are currently working the regional geology and reviewing well histories in an attempt to learn these properties in greater detail. Based upon our current studies our plans for the property are as follows:

1. Convert the DWR #12-28 (API #43-047-33481) into a salt water disposal well
2. Re-complete, open new pay, and fracture stimulate the DWR #12-21 (API #43-047-33344)

In order to make the wells in this area economic to operate it is essential one finds a cheaper way to dispose of produced water. Currently, produced water is being trucked to Ace Disposal, approximately 10 miles west of Vernal at a cost of approximately \$2.00 per barrel. These wells cannot support this expense. Submittal of our application for an underground water disposal permit is approximately 2 weeks away. Because these lands are located in "Indian Country" the permitting process is administered by Region 8 of the Environmental Protection Agency. The filing process and paper work is long and tedious.

I am sure you are well aware activity in the basin is at an all time high. The recent Federal lease sale is proof of this. The heightened activity is due primarily to the success operators are experiencing drilling and completing Mesaverde wells. In the past most completion attempts have been in the shallower Wasatch Formation. The DWR #12-21 well is completed both in the Mesaverde and the Wasatch. However, coals in the Mesaverde interval were



MAK-J Energy Operating Company, LLC
370 17TH Street, Suite 2710
Denver, Colorado, 80202

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

perforated not the sands. It is Mak-J's intent to cement squeeze the existing perforated intervals in both the Mesaverde and Wasatch Formations and then perforate sands within the Mesaverde group and fracture stimulate. It is anticipated that 4 separate fracture treatments will be done on this well. Due to the remote nature of the well in addition to the competitive nature of securing services (pump trucks, pulling units, consultants) it is our intent to perform this operation as part of our larger drilling/completion program. According to the BLM we should be receiving approved APD's sometime around April of next year.

Because of the aforementioned Mak-J is requesting extended shut-in of the nine wells until December 31, 2005.

Enclosed are wellbore diagrams of the nine wells. In every instance new casing was run and cemented in the well. It is highly unlikely in just 5 years time that any of the casings has failed. Especially in light of the fact most primary cement work involved the pumping of two stages of cement using DV tools to assure high cement lift. In fact 7 of the 9 wells circulated cement to surface. To ensure casing integrity Mak-J proposes to monitor and record surface pressures, both tubing and casing, on a quarterly basis. The wells have been shut in long enough that any variations in surface pressures from quarter to quarter may indicate a potential problem. If that is the case Mak-J will expedite a rig to location and verify integrity or lack thereof. In the case of the latter and after approval is granted by the State, operations will be immediately undertaken to either cure the problem or abandon the well.

Again, Mak-J Operating Company, LLC respectfully requests continued shut-in status be granted to these wells until December 31, 2005. If you have any questions in regards to the above matters please do not hesitate and contact me at (303) 339-5873.

Sincerely,

Todd S. McDonald
Vice President

JAN 24 2005

January 17, 2005

Clinton Dworshak
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Request for Extended Shut-in

Dear Mr. Dworshak,

This is a follow up letter to our late December phone discussion regarding the requested extended shut-in on our recently purchased Ranken Energy wells in Uintah County, Utah. Since our talk Mak-J Energy has collected tubing and casing pressures on all of the wells, has performed a casing integrity test on the DWR #12-28, and took the preliminary steps to convert the DWR #12-28 well into a produced water disposal well. Pressures were recorded on December 20th and the results are as follows:

	<u>Tubing</u>	<u>Casing</u>
DWR #14-28	285 psi	285 psi
DWR #12-21	165 psi	? (casing valve is half buried in frozen dirt, unable to free up)
DWR #12-22	280 psi	415 psi
DWR #14-16	0 psi	0 psi
DWR #15-16	760 psi	760 psi
DWR #16-16	80 psi	80 psi
DWR #1-21	150 psi	150 psi
DWR #5-28	producing	
DWR #12-28	integrity test performed	

As mentioned in my earlier letter, tubing and casing pressures will be monitored and recorded on a quarterly basis. Mak-J Energy believes quarterly monitoring of wellhead pressures is an effective tool to verify casing integrity. Most casing failures are due to corrosive waters coming into contact with un-cemented pipe. All of the wells in the field, during the cementing of each production string, circulated cement to surface. Indicating, in all likelihood, the protection of the pipe is good. If a casing leak did occur one would think the casing would fill with water and both the tubing and casing pressure would go to zero. Initial reservoir pressure of these wells is normal or slightly below normal pressures (< 0.433 psi/ft). Although the DWR #14-16 has no pressure on the tubing and/or casing, in this



MAK-J Energy Operating Company, LLC
370 17TH Street, Suite 2710
Denver, Colorado, 80202

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

instance, I do believe the well has casing integrity. This well is perforated near the surface (620' – 670') in the Green River Formation. This interval tested wet and after 4 days of being shut-in on initial completion, with a packer in the hole, the tubing registered 0 psi.

Mak-J Energy plans to re-complete the DWR #12-21 well. Mak-J Energy has filed for four (4) drilling permits in the immediate area. We also began staking an additional 16 on January 13th. It is anticipated that drilling will occur sometime in July with completion operations taking place in August. Mak-J proposes to re-complete the DWR #12-21 in the Mesaverde Formation in August / September of this year when services are in the immediate area.

Mak-J Energy performed the necessary pump in tests on the DWR #12-28 to convert it to a salt water disposal well. It is imperative that a cheaper way to dispose of water in this area be found. Unfortunately, this well proved to have to low of permeability in the interval chosen to dispose of water into. Pressures were exceedingly high at low injection rates and the conversion of this well has been canceled. Another candidate will have to be chosen. Again, this will take place this summer. A casing integrity test however was performed on this well. The casing was tested to 2,550 psi and held for 30 minutes with 6 psi of falloff (see enclosed job log).

Again, Mak-J Operating Company, LLC respectfully requests continued shut-in status be granted to these wells until December 31, 2005. If you have any questions in regards to the above matters please do not hesitate and contact me at (303) 339-5873.

Sincerely,

Todd S. McDonald
Vice President

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, STE 271, CITY DENVER STATE CO ZIP 80202		PHONE NUMBER: (303) 339-5871	7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980' FSL & 660' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 21 12S 23E			8. WELL NAME and NUMBER: DWR #12-21
			9. API NUMBER: 4304733344
			10. FIELD AND POOL, OR WILDCAT: WILDCAT
			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 (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____

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

MAK-J Energy respectfully requests permission to cement squeeze existing perforations and re-complete the subject well into the Mesaverde sands. The well is currently perforated in the Wasatch (2685' - 2695'), the Neslen Coals (5484' - 5528'), and a Mesaverde sand (5918' - 5928'). Both the Wasatch and Neslen coals would be cement squeezed. The subject well would then be perforated in a number of Mesaverde sands from approximately 5290' - 6010'. These sands, in addition to the perforated interval 5918' - 5928', would then be fracture stimulated and the well returned to production. The subject well has produced only 139 mcf in its lifetime.

COPY SENT TO OPERATOR
DATE: 4-4-05
INITIALS: CHD

RECEIVED

MAR 23 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Todd S. McDonald</u>	TITLE <u>Vice President</u>
SIGNATURE <u><i>Todd S. McDonald</i></u>	DATE <u>3/21/2005</u>

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 4/1/05
BY: D. St. V. D. J.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 13, 2005

Mak-J Energy Operating Company, LLC
Attn: Todd S. McDonald
370 17th Street, Suite 271
Denver, CO 80202

Re: Approval for Extension of Shut-in or Temporarily Abandoned Status for Wells on Fee or State Leases

Dear Mr. McDonald,

The Division of Oil, Gas and Mining (the "Division") is in receipt of your letters dated December 7, 2004 (received by the Division on December 16, 2004) and January 17, 2005 (received by the Division on January 24, 2005) in regards to the ten (10) shut-in or operation suspended wells operated by Mak-J Energy Operating Company, LLC (Mak-J). The Division understands that Mak-J intends to recompleate 1 well immediately (Sundry Notice of Intent approved April 1, 2005 for the DWR # 12-21 well) and intends to evaluate the other 9 wells for future potential based on results of this recompleation and other wells that are scheduled to be drilled this summer.

Mak-J has provided explanations of integrity and will continue monitoring pressures on a quarterly basis to ensure continued integrity. All wells appear to have stable pressures and cement circulated to or near surface. If there is a change in pressures, Mak-J will do a casing integrity test and make any repairs necessary to restore integrity.

Based on the submitted information and plan of action, the Division approves your request for extended SI/TA for the 10 SI/TA wells on Fee leases (see attachment A) until January 1, 2006. If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

Dustin Doucet
Petroleum Engineer

ATTACHMENT A

	Well Name	API	Lease Type	Years Inactive
1	DWR 15-16	43-047-33346	Fee	3 Years 8 Months
2	DWR 12-22	43-047-33345	Fee	4 Years 0 Months
3	DWR 12-28	43-047-33481	Fee	4 Years 2 Months
4	DWR 14-28	43-047-33483	Fee	4 Years 3 Months
5	DWR 16-16	43-047-33489	Fee	4 Years 3 Months
6	DWR 8-29	43-047-33487	Fee	4 Years 5 Months
7	DWR 1-21	43-047-33480	Fee	4 Years 7 Months
8	DWR 14-16	43-047-33482	Fee	4 Years 7 Months
9	DWR 12-21	43-047-33344	Fee	5 Years 1 Month
10	DWR 2-21	43-047-33484	Fee	4 Years 10 Months

MAK-J ENERGY																		
Tubing & Casing Pressures of SI Wells																		
Well #	12-28		14-28		12-21		12-22		14-16		15-16		16-16		1-21		8-29	
Date	Tbg#	Csg#	Tbg#	Csg#	Tbg#	Csg#												
3/1/04	0	320	10	10	320	180	360	440	5	0	680	760	80	80	140	160	0	0
12/6/04	0	360	285	285	165	185	280	415	0	0	760	760	80	80	150	150	0	0
3/19/05	260	260	285	285	260	185	280	415	0	0	760	760	80	80	150	150	0	0

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
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: MAK-J ENERGY OPERATING COMPANY, LLC			7. UNIT or CA AGREEMENT NAME:
			8. WELL NAME and NUMBER: DWR #12-21
3. ADDRESS OF OPERATOR: 370 17TH STREET, STE 271, CITY DENVER STATE CO ZIP 80202		9. API NUMBER: 4304733344	10. FIELD AND POOL, OR WILDCAT: WILDCAT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980' FSL & 660' FWL		COUNTY: UINTAH	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 21 12S 23E		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 checked="" type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" 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>squeeze perforations</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The subject well was initially completed in the Wasatch (2685' - 2695'), the Neslen Coals (5484' - 5528'), and a Mesaverde sand (5918' - 5928'). The Wasatch interval was squeezed with 100 sacks Class 'G' cement and additives. After drilling out the cement squeeze was tested to 3,000 psi with no pressure bleed off. In four separate attempts the Neslen Coals were squeezed with a total of 800 sacks of Class 'G' and additives. A squeeze was never achieved.

New perforations were added in the Mesaverde using a 3 1/2" expendable gun at the following interval: 5921' - 24', 5834' - 37', 5804' - 06', 5786' - 88', and 5748' - 52, 3 JSPF, 0.34" holes, 90 degree phasing. A 5 1/2" packer was run in the hole on the end of 3 1/2" tubing. The packer was set at 5619'. The entire interval 5748' - 5924' was fracture stimulated using 220,000# of 20/40 sand. The frac was flowed back to a tank for several days.

Current well bore configuration has a 5 1/2" packer set at 5650' with 2 3/8" tubing in the hole. The well resumed production on May 17, 2005.

NAME (PLEASE PRINT) <u>Todd S. McDonald</u>	TITLE <u>Vice President</u>
SIGNATURE <u><i>Todd S. McDonald</i></u>	DATE <u>6/7/2005</u>

(This space for State use only)

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JUN 09 2005
DIV. OF OIL, GAS & MINING

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
NA

7. UNIT or CA AGREEMENT NAME:
NA

8. WELL NAME and NUMBER:
DWR #12-21

9. API NUMBER:
4304733344

10. FIELD AND POOL, OR WILDCAT:
WILDCAT

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
nws 21 12S 23E

12. COUNTY:
Uintah

13. STATE:
UTAH

14. DATE SPUNDED: **9/2/1999**

15. DATE T.D. REACHED: **9/9/1999**

16. DATE COMPLETED: **12/21/1999** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5601' KB

18. TOTAL DEPTH: MD **6,210** TVD **6,210**

19. PLUG BACK T.D.: MD **6,000** TVD **6,000**

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
High Resolution Induction, Spectral Density, Dual Spaced Neutron, Microlog, Gamma Ray, Bond Log

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4"	9 5/8 J55	36	0	314		Prem. 150		surface	circ
						Plus			
7 7/8"	5 1/2 J55	15.5	0	6,206	3,672	Prem. 225		surface	circ
						Hifill			
						Prem. 450		surface	circ
						300			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	5,650	5,650						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Mesaverde	5,748	5,924	5,748	5,924	5,748 5,924	0.34	45	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					5,484 5,528	0.34	80	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)					2,685 2,695	0.34	44	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5748' - 5924'	frac w/ 220,000# 20/40 Delta Frac
5484' - 5528'	squeeze w/ 800 sxs Class 'G' - unsuccessful
2685' - 2695'	squeeze w/ 100 sxs Class 'G' - tested to 3,000 psi, OK

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
producing

RECEIVED

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 5/17/2005		TEST DATE: 5/18/2005		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 41	WATER - BBL: 70	PROD. METHOD: flowing
CHOKE SIZE: open	TBG. PRESS. 280	CSG. PRESS. 0	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 41	WATER - BBL: 70	INTERVAL STATUS: open

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

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

sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Mesaverde	3,964	5,924	gas, water	Green River	0
Wasatch	2,685	2,695	gas, water	Wasatch	2,190
				Mesaverde	3,810

35. ADDITIONAL REMARKS (Include plugging procedure)

electric logs previously sent in

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

NAME (PLEASE PRINT) Todd S. McDonald TITLE Vice President
 SIGNATURE *Todd S. McDonald* DATE 6/7/2005

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340
 Fax: 801-359-3940

RECEIVED
 JUN 09 2005

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: 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 12-21	
2. NAME OF OPERATOR: Enduring Resources, LLC		9. API NUMBER: 4304733344
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 <small>CITY</small> Denver <small>STATE</small> CO <small>ZIP</small> 80202	PHONE NUMBER: (303) 350-5719	10. FIELD AND POOL, OR WILDCAT: Oil Springs
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980' FSL - 660' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 21 12S 23E S		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 (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 Change.</u>
	<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.

Well Name Change From: **DWR 12-21**
Well Name Change To: **DWR 12-23-13-21**

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)

SEP 05 2006

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
---	--

WELL NAME	CA No.			Unit:		ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
	SEC	TWN	RNG	API NO					
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

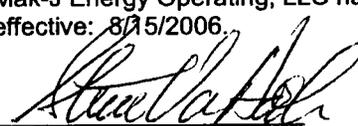
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: DWR 12-21 <u>12-23-13-21</u>
2. NAME OF OPERATOR: MAK-J ENERGY OPERATING COMPANY, LLC		9. API NUMBER: 4304733344
3. ADDRESS OF OPERATOR: 370 17TH STREET CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 339-5871	10. FIELD AND POOL, OR WILDCAT: OIL SPRINGS
4. LOCATION OF WELL FOC/TAGES AT SURFACE: 1980 FSL, 660 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 21 12S 23E S		COUNTY: Uintah STATE: UTAH

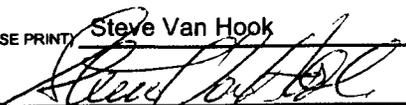
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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.

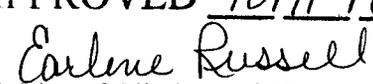
Mak-J Energy Operating, LLC has sold its interest in the above referenced well to Enduring Resources, LLC effective: 8/15/2006


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 10/11/06

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

(See Instructions on Reverse Side)

RECEIVED
OCT 11 2006
DIV. OF OIL, GAS & MINING

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.

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MAY 23 2008

DIV. OF OIL, GAS & MINING

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

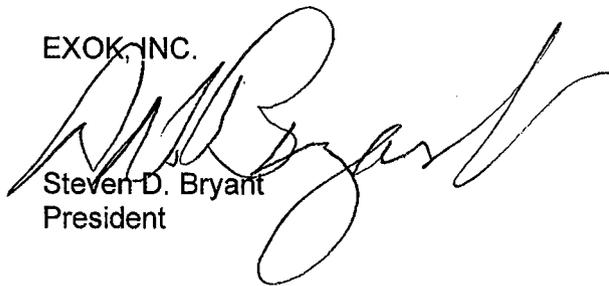
Further, since your acquisition of the lease in August of 2006, we have not received any of the data and information required in items A, B, C, and E of provision 15. Notifications Required of said Lease. Please furnish all required data and information immediately.

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 12-23-13-21		
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: *Steven D. Bryant*
Steven D. Bryant, President

David A. M...

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

Tax ID #: 73-1058740

LESSEE: RANKEN ENERGY CORPORATION

ATTEST:

By: *Randolph L. Coy*
Title: President

Deborah L. Coy

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

Marilyn L. Dohnell
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

Janet J. Reynolds
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 33344
DWR 12-23-13-21
21 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:

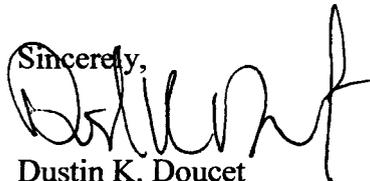
1. Reasons for SI/TA of the well (R649-3-36-1.1)
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence 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 5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: DWR 12-23-13-21
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202		9. API NUMBER: 43047333440000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FSL 0660 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 21 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: 7/1/2015	<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
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	<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.

Plugging proposal attached for approval.

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

Date: May 18, 2015

By: *Derek Duff*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Travis Whitham	PHONE NUMBER 303 350-5716	TITLE Landman
SIGNATURE N/A	DATE 4/22/2015	



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 43047333440000

- 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: A CIBP shall be set @ approximately 5434' and a 100' plug should be spotted (± 12 sx) on top of the CIBP from $\pm 5434'$ to 5334' to isolate open perms as required by R649-3-24-3.2.**
- 3. Move Plug #2: CIBP shall be moved downhole 120' and set @ 3696' with the proposed 15 sx on top. This will isolate the Mesaverde top and the DVT @ 3672'.**
- 4. Move Plug #3: This plug should be moved downhole 1500' from the proposed 1076' and spotted across the Base of Moderately Saline Groundwater from $\pm 2576'$ to 2446'. This will isolate squeezed perms, BMSGW and Wasatch formation top**
- 5. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 6. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 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: 43-047-33344-00-00 Permit No: Well Name/No: DWR 12-23-13-21

Company Name: ENDURING RESOURCES, LLC

Location: Sec: 21 T: 12S R: 23E Spot: NWSW

Coordinates: X: 640907 Y: 4402119

Field Name: OIL SPRINGS

County Name: Uintah

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (5/ct)
COND	83	16			
HOL1	314	12.25			
SURF	314	9.625	36	314	2,304
HOL2	6206	7.875			
PKR	5650	5.5			
PROD	6206	5.5	15.5	6206	7,483
TI	5650	2.375			
$100' / (1.15) \times (3.716) = 245' \times 5\frac{1}{2}" (10\%) \rightarrow 4,094$					4,094
$100' / (1.15) \times (2.483) = 125' \times 5\frac{1}{2}" (10\%) \rightarrow 2,443$					2,443
$100' / (1.15) \times (3.716) = 245' \times 5\frac{1}{2}" (10\%) \rightarrow 3,716$					3,716

Cement Information

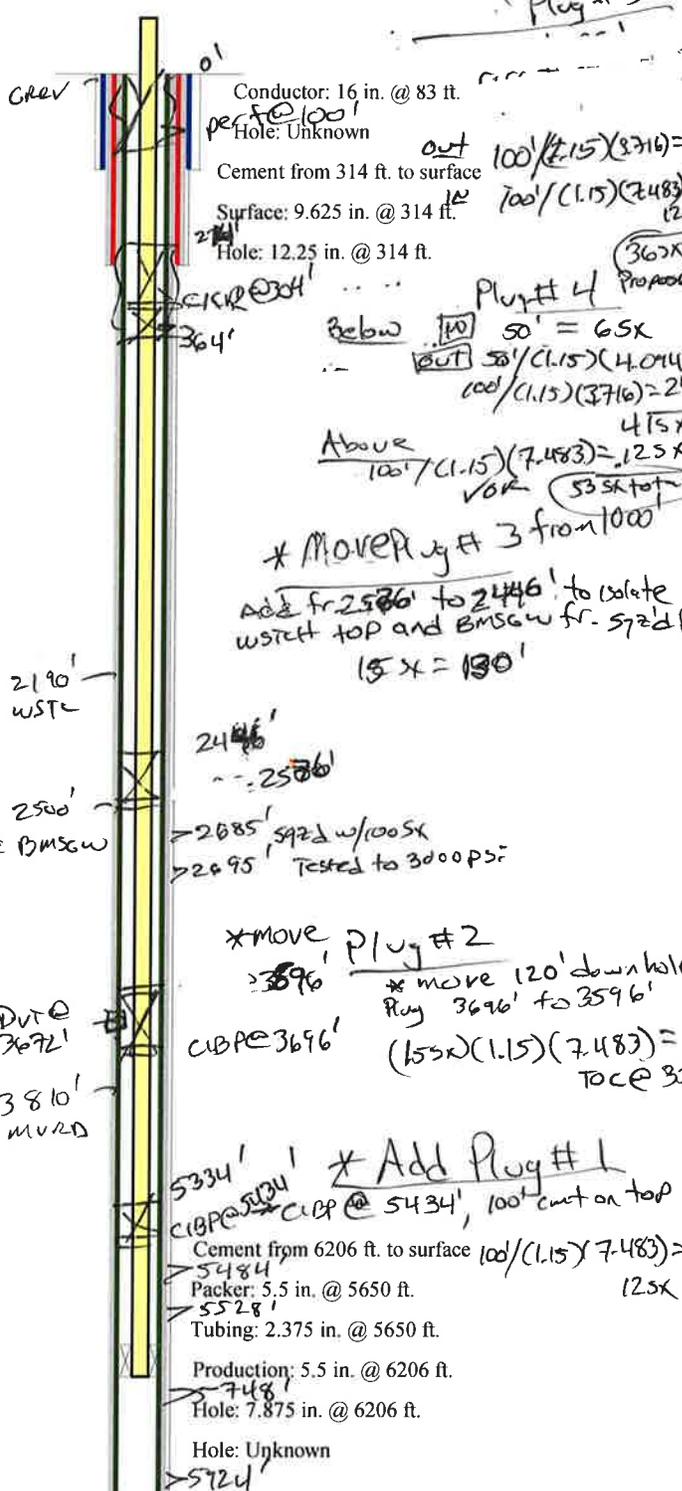
String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	6206	1600?	PM	1000
SURF	314	0	PM	150

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
5748	5924			
5484	5528			
2685	2695			Attempted 5/2 w/800x

Formation Information

Formation	Depth
GRRV	0
WSTC	2190
BMSW	2500
MVRD	3810



TD: 6210 TVD: PBD:

RECOMMENDED PROCEDURE

PLUG AND ABANDONMENT

Operator: Enduring Resources

Well Name: DWR #12-21

Legal: NWSW 21, T12S, R23E

Location: Uintah County, Utah

API: 43-047-33344

Surface: 9 5/8 36# J-55 Hole size: 12 1/4 TOC: surface

Production: 5 1/2, 15.5, J-55 Hole size: 7 7/8 TOC: unknown

Tubing: 2 3/8 4.7#, J-55 EOT: 5427'

Perforations: 2685', 2695' (squeezed), 5484-88', 5502-06', 5511-15', 5524-28', 5918-28'

PBTD: 6076'

TD: 6210'

1. Conduct pre-job safety meeting and complete daily JSA
2. Prior to MIRU, check rig anchors and blow down well if necessary
3. Dig out around wellhead and check surface annulus for pressure, if present call for orders.
4. MIRU P&A equipment, ND wellhead, NU BOP
5. TOH and tally tubing
6. PU 5 1/2 scraper and TIH to 3580' TOH LD scraper
7. PU 5 1/2 CIBP, TIH to 3576' and set
8. Pump 15 sacks cement (15 sacks in 130' inside 5 1/2)
9. TOH 10 joints
10. Roll hole with 80 bbls water with corrosion inhibitor, TOH
11. Pressure test casing to 500psi for 15 minutes. If pressure doesn't hold, call for orders
12. TOH to 1076'
13. Pump 15 sack balance plug (15 sacks in 130' inside 5 1/2)
14. TOH
15. RU wireline Shoot squeeze holes @ 364'
16. Establish circulation to surface down casing and up annulus
17. RIH wireline and shoot perfs @ 100'
18. PU 5 1/2 CICR and TIH to 304' and set
19. Pump 55 sacks cement, 40 under and 10 on top, (est TOC in casing and annulus is 214')
20. TOH
21. ND BOP NU wellhead
22. Pump 30 sacks cement to surface in casing and annulus
23. RDMO
24. Dig up wellhead and cut off, top off if necessary
25. Weld on information plate, backfill and clean location

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
		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 12-23-13-21	
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 43047333440000	
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext	9. FIELD and POOL or WILDCAT: OIL SPRINGS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FSL 0660 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 21 Township: 12.0S Range: 23.0E Meridian: S		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
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	<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: 

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 43047333440000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Add Plug #2: A 130' cement plug (15 sx) should be spotted from $\pm 3900'$ to 3770'. This will isolate the base of moderately saline ground water as required by R649-3-24-3.3 and the DVT @ 3872'.**
- 3. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 4. 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).**
- 5. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 6. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 7. 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.**
- 8. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

Wellbore Diagram

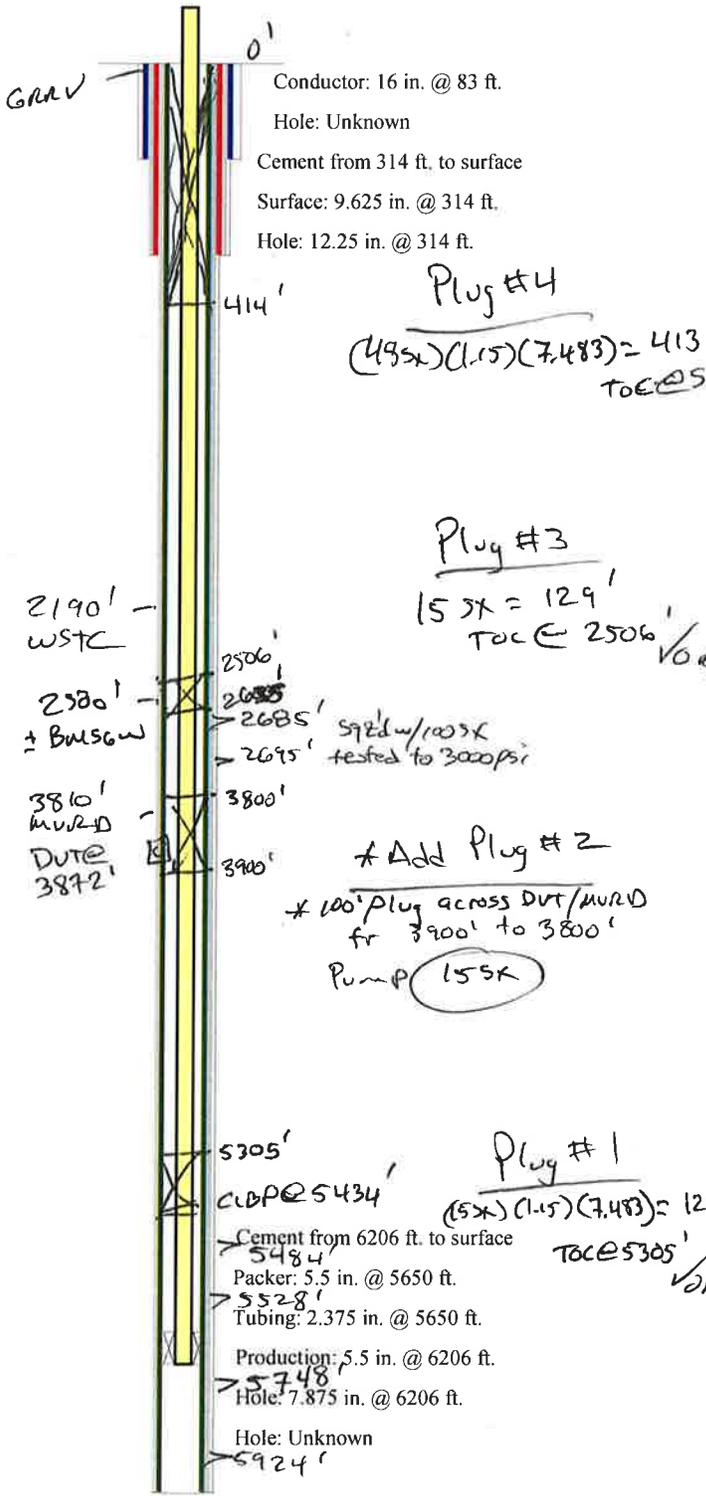
API Well No: 43-047-33344-00-00 **Permit No:**
Company Name: ENDURING RESOURCES, LLC
Location: Sec: 21 T: 12S R: 23E Spot: NWSW
Coordinates: X: 640907 Y: 4402119
Field Name: OIL SPRINGS
County Name: Uintah

Well Name/No: DWR 12-23-13-21

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (F/CF)
COND	83	16			
HOL1	314	12.25			
SURF	314	9.625	36	314	2.304
HOL2	6206	7.875			
PKR	5650	5.5			
PROD	6206	5.5	15.5	6206	7.483
T1	5650	2.375			

7 7/8" x 5 1/2" (108) → 4.094
 9 5/8" x 5 1/2" → 3.716



Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks	stage 2
PROD	6206	0	PM	1000	2305x V 12.5ppg 1.96 CF/SK
SURF	314	0	PM	150	1805x AC 200 14.5 1.44 CF/SK

80-100 bbl/hr water flow @ 550'
 reported trace cnt to surface
 calc @ 10% wo cnt to 965' @ 0.8 to surface

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
5748	5924			
5484	5528			
2685	2695			5 1/2 w/ 100SX Mit 300psi

Formation Information

Formation	Depth
GRRV	0
WSTC	2190
BMSW	2500
MVRD	3810



Recommended Procedure

Plug and Abandonment

Operator:	Enduring Resources, LLC		
Well name:	DWR #12-23-13-21		
Legal:	NWSW, Section 21, Township 12 South, Range 23 East		
Location:	Uintah County, Utah		
GPS:	39.75734, -109.35511		
API:	43-047-33344		
Surface:	9-5/8" 36# at 314'	Hole size: 12-1/4"	TOC: Surface
Production:	5-1/2" 15.5# at 6,206'	Hole size: 7-7/8"	TOC: Surface
DV Tool:	3,672		
Tubing:	2-3/8" 4.7# at 5,650' (Packer at 5,650')		
Perforations:	2,685' – 2,695' (Wasatch, Squeezed); 5,484' – 5,528'; 5,748' – 5,924' (Mesaverde)		
PBTD:	6,000'		
TD:	6,210'		

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 5,434' of tubing to derrick, LD remaining tubing and BHA
6. PU 5-1/2" 15.5# casing scraper/bumper sub, TIH to 5,434', TOH, LD BHA
7. PU 5-1/2" 15.5#, 10K, CIBP, TIH and set at 5,434' (50' above topmost Mesaverde perfs)
8. 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: 5,305')
9. TOH and LD to 5,200', 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 9) 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.

10. Circulate 124 bbl. of water treated with corrosion inhibitor
11. TOH and LD to 2,635' (50' above topmost Wasatch perfs)
12. Pump 15 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to cover top of Wasatch
(15 sxs is 129' in 5-1/2", TOC: 2,506')
13. TOH and LD to 2,400', Reverse circulate tubing clean
14. TOH and LD to 414' (100' below surface casing shoe), Establish circulation to surface
15. Circulate 48 sxs of 15.8# class G neat 1.15 cu.ft./sack yield cement to surface
16. TOH and LD tubing, Dig out and cut off wellhead 6' below restored ground level
17. Verify cement at surface in both production casing and annulus and top off if necessary
18. 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
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 12-23-13-21
2. NAME OF OPERATOR: Enduring Resources, LLC		9. API NUMBER: 43047333440000
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext	9. FIELD and POOL or WILDCAT: OIL SPRINGS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1980 FSL 0660 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 21 Township: 12.0S Range: 23.0E Meridian: S		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 checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/27/2016 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
Plugging report attached. Well waiting on reclamation and re-seeding planned this fall.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 04, 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 12-23-13-21

7/25/16

HSM, LD Rods.

Move in Rig & RU. SICP. 0, SITP. 0.

Unseated pump Tried to flush rods Couldn't? POOH LD 1-1/4" polish rod, 2 x 7/8" pony rods. 129 x 7/8" rods, 104 x 3/4" And pump. Changed over to TBG equip. Picked up on TBG couldn't get B-1 Adapter to move. Called Tommy, called the state 2 Times on answer RU EL RIH and cut TBG @ 5517' RD Wire line. PU on B-1 still stuck. Bolts were scaled In the TBG head. Worked free. Strip On BOPES, RU floor tongs etc. TOO H with 108 Jts, pipe turned bad. Holes and no Tensile Strength In the pipe. LD 62 Jts and cut piece

SWIFN. Left 10 Jts in hole

7/26/16

HSM Tripping Pipe And Heat

SICP = 0.

RIH with 4-3/4" Bit and 5-1/2" Casing scraper To 5510, POOH With bit & scraper. RIH with 5-1/2" CICR set @ 5,432 Test TBG 350 psi Good, stung out of Retainer Test CSG To 700 psi 10 min Good. Spot corrosion inhibitor. Mixed and pumped 15 sxs Cement from 5,432 to 5,303', 129' plug. LD 47 Jts to 3,908 to 3,779 with 15 sxs Cement. LD 39 Jts To 2,646 spot 20 sxs cement to 2,471' LD 6 Jts.

Reversed hole with 70 bbls corrosion inhibitor LD 4 Jts EOT @ 2,341. SWIFN I called Richard Powell with the state and he wanted to tag this plug. Although the casing tested.

7/27/16

Held Safety meeting, moving Rig & RU

SITP. 0, SICP. 0

RIH tagged @ 2530, Richard Powell witnessed tag & okayed. LD To 422' land on hanger ND BOPES. Filled 5-1/2 with 80 sxs . LD all TBG. RD RIG . Dug out Around well head Cut off TBG Csg Head Ran 1" to 20' filled 9 5/8 X 5 1/2, & 5 1/2 weld On P&A marker.