

**SAGE GEOTECH INC.**

P.O. Box 1211  
818 Taughenbaugh Blvd., Suite 105  
Rifle, CO 81650  
Phone 970/625-2445  
Fax 970/625-2448

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October 9, 2003

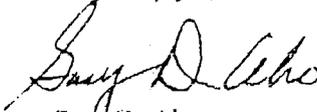
TCC Royalty Corporation  
14550 F. Easter Ave., Suite 1000  
Englewood, CO 80112-9272

Dear Mr. Tedesco:

Sage Geotech Inc. is serving as the local agent for Cliffs Synfuel Corp., the owner of lands in Uintah County, Utah. Cliffs Synfuel has leased certain lands to TCC Royalty for oil and gas exploration.

Cliffs Synfuel Corp. waives the requirement or need to perform archeological surveys on any of its lands prior to constructing drill sites, laying pipelines or similar work associated with TCC's exploration activities.

Very truly yours,



Gary D. Aho  
President  
Agent for Cliffs Synfuel Corp.

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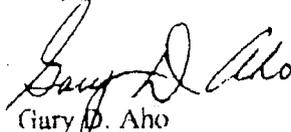
TCC Royalty Corporation  
14550 E. Easter Ave., Suite 1000  
Englewood, CO 80112-9272

Dear Mr. Tedesco:

Sage Geotech Inc. is serving as the local agent for Cliffs Synfuel Corp., the owner of lands in Uintah County, Utah. Cliffs Synfuel has leased certain lands to TCC Royalty for oil and gas exploration.

Cliffs Synfuel Corp owns a permitted water well in the SW/4 Section 22, Township 11 South, Range 25 East, Uintah County, Utah. Cliffs has authorized TCC Royalty to use water from the well for exploration drilling and related activities. Cliffs and TCC will sign an agreement on the use of the well but for the time being TCC has full access and rights to use the well and may represent the same to agencies.

Very truly yours,



Gary D. Aho  
President  
Agent for Cliffs Synfuel Corp.

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October 9, 2003

TCC Royalty Corporation  
14550 E. Easter Ave., Suite 1000  
Englewood, CO 80112-9272

Dear Mr. Tedesco:

Sage Geotech Inc. is serving as the local agent for Cliffs Synfuel Corp., the owner of lands in Uintah County, Utah. Cliffs Synfuel has leased certain lands to TCC Royalty for oil and gas exploration.

Cliffs Synfuel Corp and TCC Royalty have a surface use agreement for each drill site that TCC has spotted on the Cliffs Synfuel lands. TCC is authorized to represent the same to agencies during the permitting process for each well site..

Very truly yours,



Gary D. Aho  
President  
Agent for Cliffs Synfuel Corp.

Page 2  
October 22, 2003

Other water, oil, gas and other mineral zones. All freshwater zones in the Green River will be cased behind either surface casing or production (if the well encounters commercial gas). The well surface location is located below any oil shale beds found in the Green River. Based on the results of the Quest 16-21 immediately to the west there does not seem to be any oil zones between surface and the proposed depth of 2,250'.

TCC is asking for an exception location due to topography. The surface owner is the same in all immediate offsets. The mineral owners are the same in all immediate offsets.

No hydrogen sulfide is expected based on the previous results of this well when drilled by Dominion and the three adjacent wells operated by TCC in the Kicker Field. Those wells are the Quest 16-21, Quest 1-22 and Quest 6-28.

Pressures may vary from 800 to 900 lbs initial pressure as seen in the Quest 6-28 or 1300 lbs as seen in the Quest 1-22 and Quest 16-21.

We do not anticipate any coring or drillstem tests. We do not plan to go below the top of the Ohio Creek at 2,100 feet.

We would like to permit this well as soon as possible, please call me if you have any questions. We would also like all data from this well to remain confidential. Thank you.

Sincerely,



Steven A. Tedesco

SAT\ctt  
Enclosures

**DRILLING PLAN  
(ABBREVIATED)  
Quest 2-28  
Uintah County, Utah  
10/17/03  
Steven Tedesco**

- 1) PU a 10 3/4" bit and 6" drill collars, drill to 500 feet with fresh water and or spud mud. Circulate and condition hole.
- 2) PU the following casing and cementing equipment:
  - a. Guide Shoe for 8 5/8" casing
  - b. 1 joint of 8/58", 24.4 ppf, J55 casing with centralizer and stop ring in center of joint.
  - c. Float collar fir 8 5/8" casing
  - d. 8 5/8". 24.4 24.4 ppf, J55 casing to surface with centralizers every other joint.
  - e. Cementing head
- 3) Cement with 50-50 pozmix (1.55 cu ft./sk yield) and additives as necessary to bring cement to surface, estimated using hole diameter plus 50% excess. WOC minimum of 8 hours.
- 4) Cut off surface casing and weld on 8 5/8", 3M casing head. NU 3M BOPE, Pressure test same to 500 psig and 3000 psig. BOPE will include:
  - a. Blind Ram
  - b. Pipe ram
  - c. Rotating head for 750 psig surface pressure
  - d. 3M choke manifold.
- 5) PU 6 1/4" bit and drill collars. Drill out of casing shoe with fresh water. Drill to 2300' TD using 4% KCL water\polymer. Take surveys per State of Utah requirements, or as deviation dictates.
- 6) At TD run GR\DIL\FDC\CNL\caliper log suite from TD to base of surface casing.
- 7) PU the following casing and cementing equipment:
  - a. Guide shoe for 4 1/2" casing.
  - b. 1 joint of 4 1/2", 10.5 ppf, J55 casing with centralizers and stop ring in center of joint.
  - c. Float collar for 4 1/2" casing
  - d. 4 1/2". 10.5 ppf, J55 casing to surface with centralizers across every prospective interval.
  - e. Cementing head.
- 8) Cement with Class G neat (1.2 cu ft./sk yield) to surface using caliper log plus 10%. Reciprocate pipe if possible.
- 9) Land casing as cemented (full tension). Cut off and install tubing head and valve. RDMORT. Prepare to complete well.

October 17, 2003

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

RECEIVED  
OCT 23 2003  
DIV. OF OIL, GAS & MINING

RE: Quest #2-28  
NW NE of Section 28 T11S R25E  
Uintah County, Utah

Dear Ms. Whitney:

TCC is submitting for Utah Division of Oil & Gas and Mining review and approval Form 5 and associated documents for the above captioned location. The enclosed documents are:

- 1) Form 5
- 2) Waiver of archeological investigation by Sage Geotech, agent for Cliffs Synfuels
- 3) Use of water from a well under permit no. 1639 has been granted by Sage Geotech, agent for Cliffs Synfuels.
- 4) A copy of TCC's lease with Cliff Synfuels
- 5) A copy of a letter from Sage Geotech, agent for Cliffs Synfuel indicating TCC and Cliffs have a surface use agreement
- 6) Bond – TCC has a blanket bond on file with the State of Utah.
- 7) A surveyors plat
- 8) A proposed drilling program.
- 9) A copy of the blow out preventor diagram that will be used by the workover rig.

The geologic tops:

- 1) Green River - surface
- 2) Top of Wasatch – 1313' from surface, 4287' subsurface
- 3) Top of Ohio Creek – 2234' from surface, 3366' subsurface
- 4) Total Depth – 2300'

October 17, 2003

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

OCT 23 2003  
DIVISION OF OIL, GAS & MINING

RE: ~~Quest #2-28~~  
Quest #4-27  
Quest #13-22  
~~Quest #15-21E~~ Quest 15-21L  
Uintah County, Utah

Dear Ms. Whitney:

Please find enclosed two copies of Permit applications and associated information as required by Utah Division of Oil Gas & Mining. I found an omission on each of my previous submission for three of the permit applications.

Please call me if you have any questions or need additional information. Thank you.

Sincerely,



Steven A. Tedesco

SAT\ctt  
Enclosures

001

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

FORM 3

AMENDED REPORT   
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: FEE  
6. SURFACE: FEE

1A. TYPE OF WORK: DRILL  REENTER  DEEPEN   
B. TYPE OF WELL: OIL  GAS  OTHER \_\_\_\_\_ SINGLE ZONE  MULTIPLE ZONE

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
N/A

2. NAME OF OPERATOR:  
TCC Royalty Corporation

8. UNIT or CA AGREEMENT NAME:  
N/A

3. ADDRESS OF OPERATOR:  
14550 E Easter Ave #1000 Englewood, CO 80112

PHONE NUMBER:  
303 617 7242

9. WELL NAME and NUMBER:  
Quest 2-28'

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 312' fnl 2126' fel 4411441Y 39.83966  
660794X -109.12078  
AT PROPOSED PRODUCING ZONE: same

10. FIELD AND POOL, OR WILDCAT:  
Kicker Field

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
NW NE Sec 28  
T11S R25E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:  
Vernal, UT is 66 miles to the north

12. COUNTY:  
Uintah

13. STATE:  
UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)  
620'

18. NUMBER OF ACRES IN LEASE:  
240

17. NUMBER OF ACRES ASSIGNED TO THIS WELL:  
40

18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)  
approx 1500' to east northeast

19. PROPOSED DEPTH:  
2300'

20. BOND DESCRIPTION:  
Blanket Bond

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):  
5600'

22. APPROXIMATE DATE WORK WILL START:  
Dec 1, 2003

23. ESTIMATED OURATION:  
Seven Days

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
10 3/4"	J55 24#/ft 8 5/8"	500'	50-50 Poz 1.55 cf/sx cu ft. cement 112.27 sacks cement, 50% excess 168.4
6 1/4"	J55 10.5 #/ft. 4 1/2"	2,300'	G Class, 699 sacks

RECEIVED  
OCT 23 2003  
DIV. OF OIL, GAS & MINING

25. ATTACHMENTS

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

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- COMPLETE DRILLING PLAN
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Steven A. Tedesco TITLE Vice President  
SIGNATURE *[Signature]* DATE October 22, 2003

(This space for State use only)

API NUMBER ASSIGNED: 43-047-35310

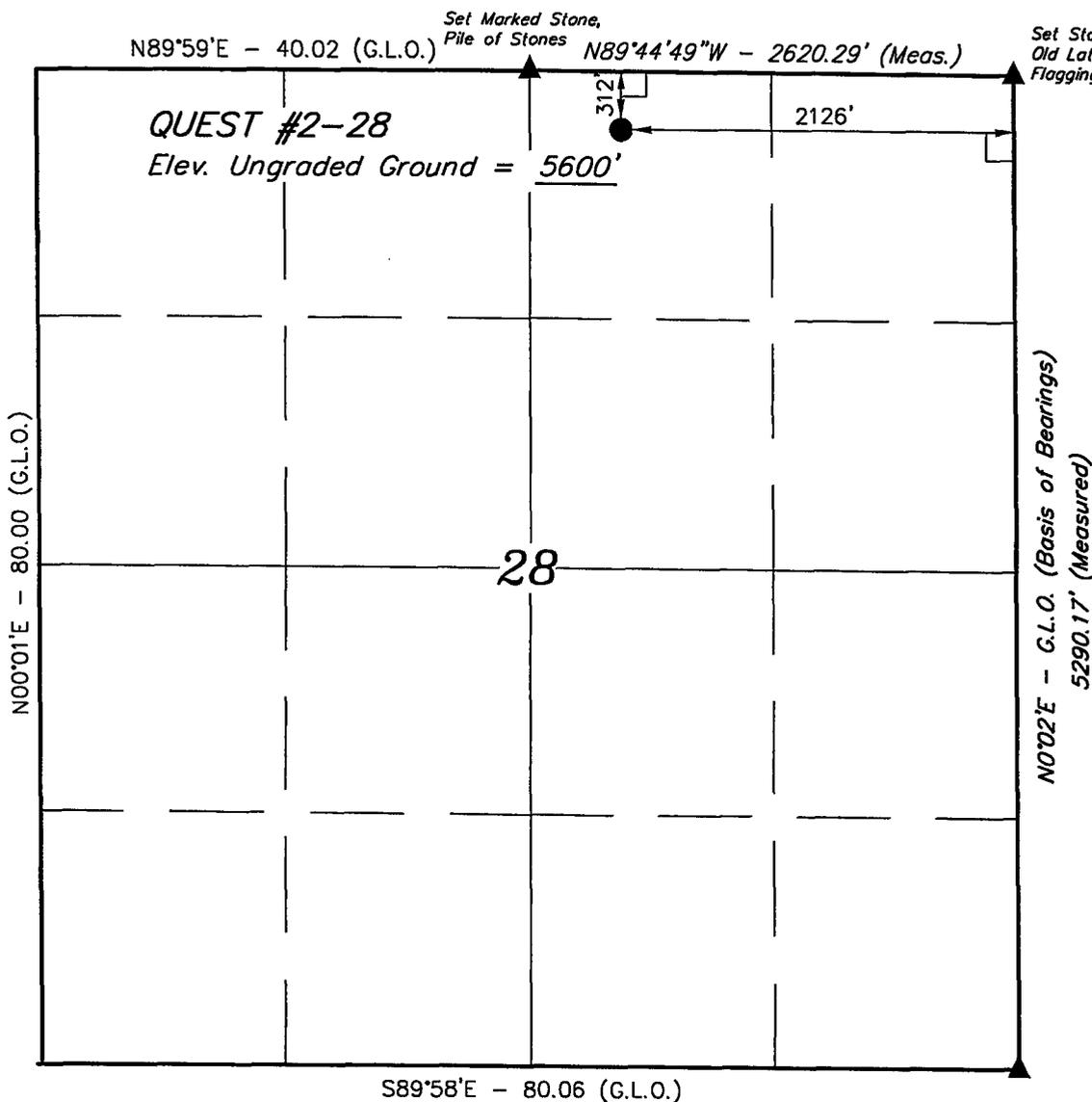
APPROVAL:

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 11-13-03  
By: *[Signature]*

# T11S, R25E, S.L.B.&M.

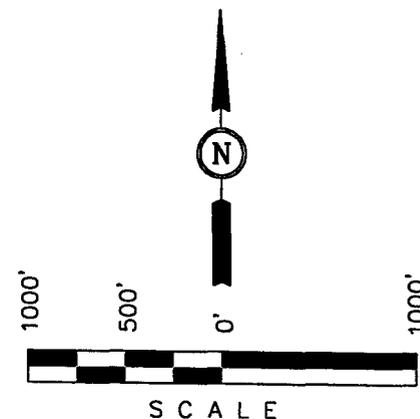
TCC ROYALTY CORP.

Well location, QUEST #2-28, located as shown in the NW 1/4 NE 1/4 of Section 28, T11S R25E, S.L.B.&M. Uintah County, Utah.



## BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT A BENCH MARK IN THE SE 1/4 OF SECTION 21, T11S, R25E, S.L.B.&M. TAKEN FROM THE DRAGON 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 5590 FEET.



## CERTIFICATE

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

*Robert L. Kay*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

REVISED: 10-17-03

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

## LEGEND:

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

LATITUDE = 39°50'22"  
LONGITUDE = 109°07'15"

SCALE 1" = 1000'	DATE SURVEYED: 4-21-01	DATE DRAWN: 4-24-01
PARTY C.T. G.S. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE TCC ROYALTY CORP.	

# TCC ROYALTY CORP.

## QUEST #2-28

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 28, T11S, R25E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

4 2001  
MONTH DAY YEAR

PHOTO

TAKEN BY: C.T.

DRAWN BY: K.G.

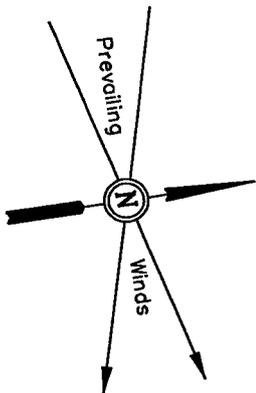
REV: 10-17-03 P.M.

TCC ROYALTY CORP.

LOCATION LAYOUT FOR

QUEST #2-28  
SECTION 28, T11S, R25E, S.L.B.&M.  
312' FNL 2126' FEL

*[Handwritten signature]*

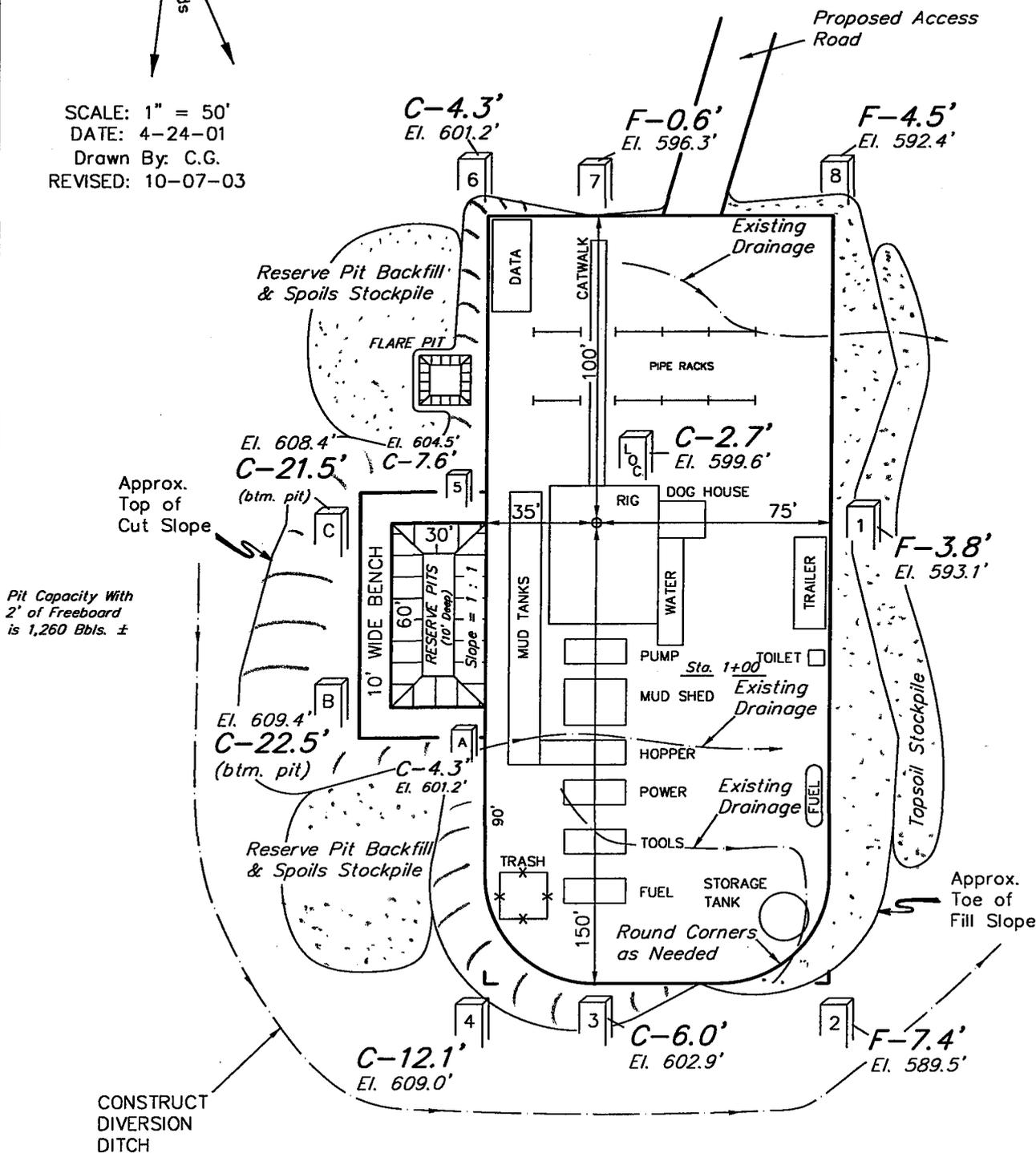


SCALE: 1" = 50'  
DATE: 4-24-01  
Drawn By: C.G.  
REVISED: 10-07-03

Sta. 2+50

Sta. 1+50

Sta. 0+00



Pit Capacity With 2' of Freeboard is 1,260 Bbls. ±

Elev. Ungraded Ground at Location Stake = 5599.6'  
Elev. Graded Ground at Location Stake = 5596.9'

# TCC ROYALTY CORP.

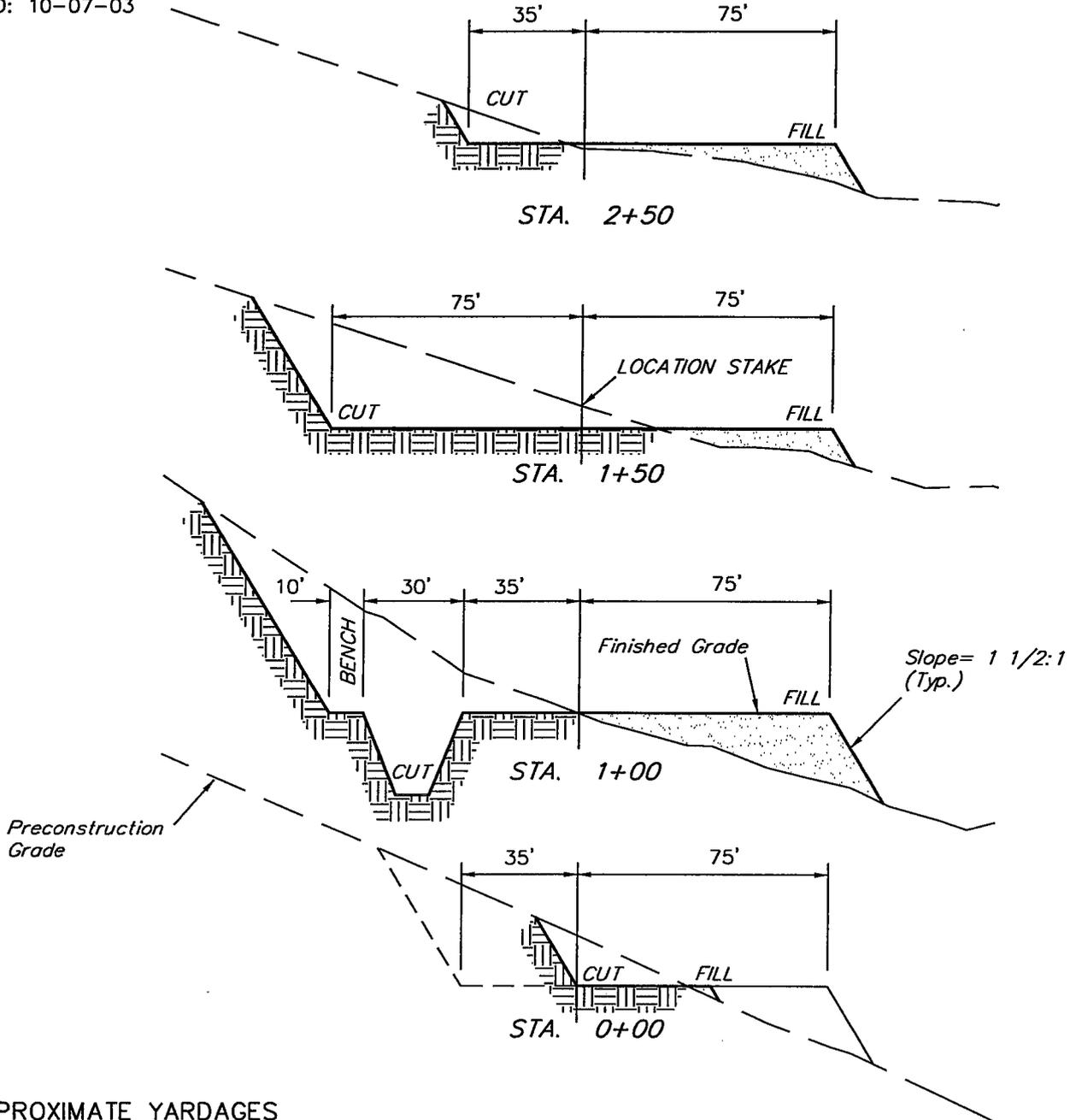
## TYPICAL CROSS SECTIONS FOR

QUEST #2-28  
SECTION 28, T11S, R25E, S.L.B.&M.  
312' FNL 2126' FEL

*[Handwritten Signature]*

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

DATE: 4-24-01  
Drawn By: C.G.  
REVISED: 10-07-03

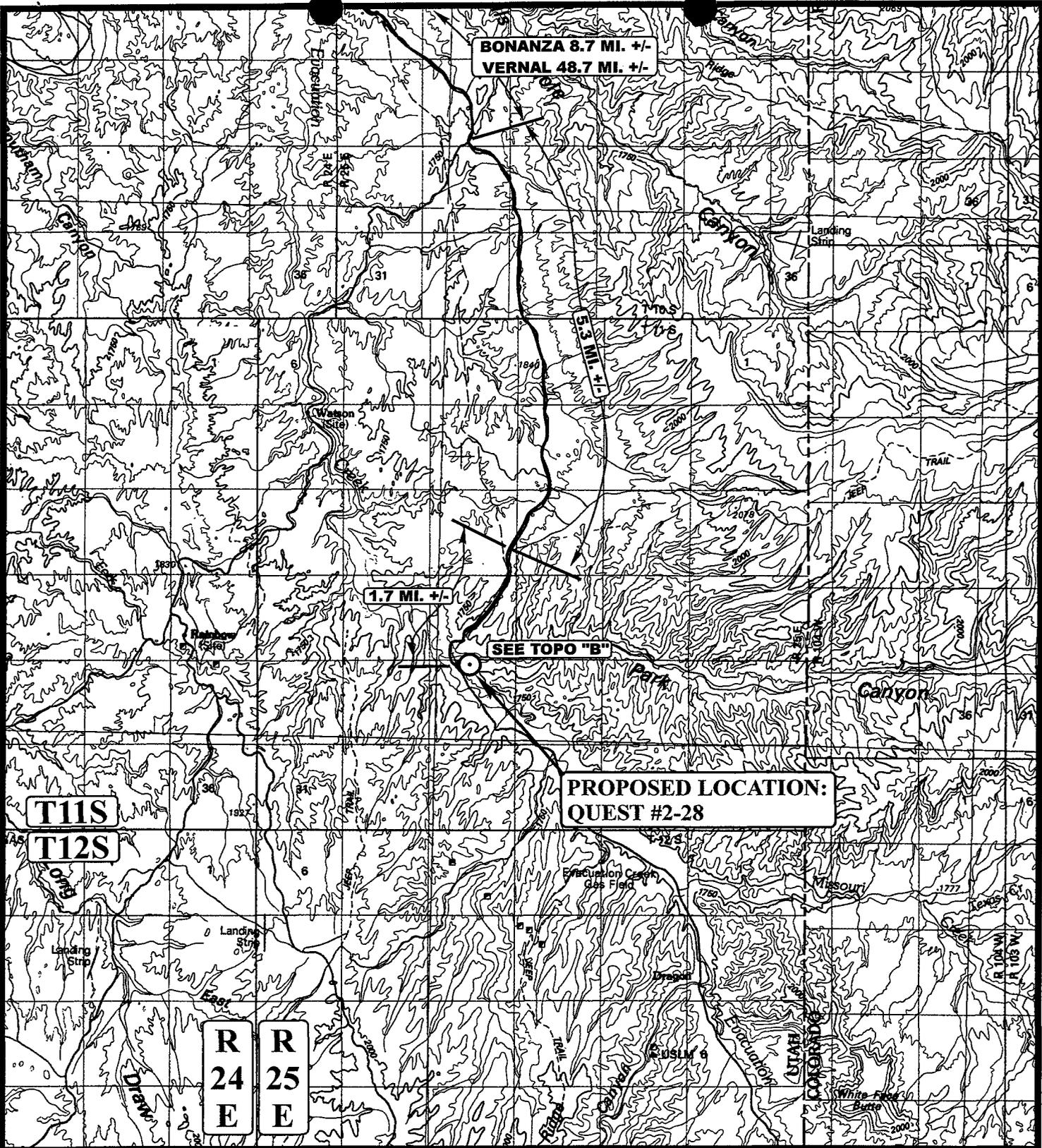


### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 570 Cu. Yds.
Remaining Location	= 3,770 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 4,340 CU.YDS.</b>
<b>FILL</b>	<b>= 3,400 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 760 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 760 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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



**LEGEND:**

⊙ PROPOSED LOCATION



**TCC ROYALTY CORP.**

**QUEST #2-28**  
**SECTION 28, T11S, R25E, S.L.B.&M.**  
**312' FNL 2126' FEL**



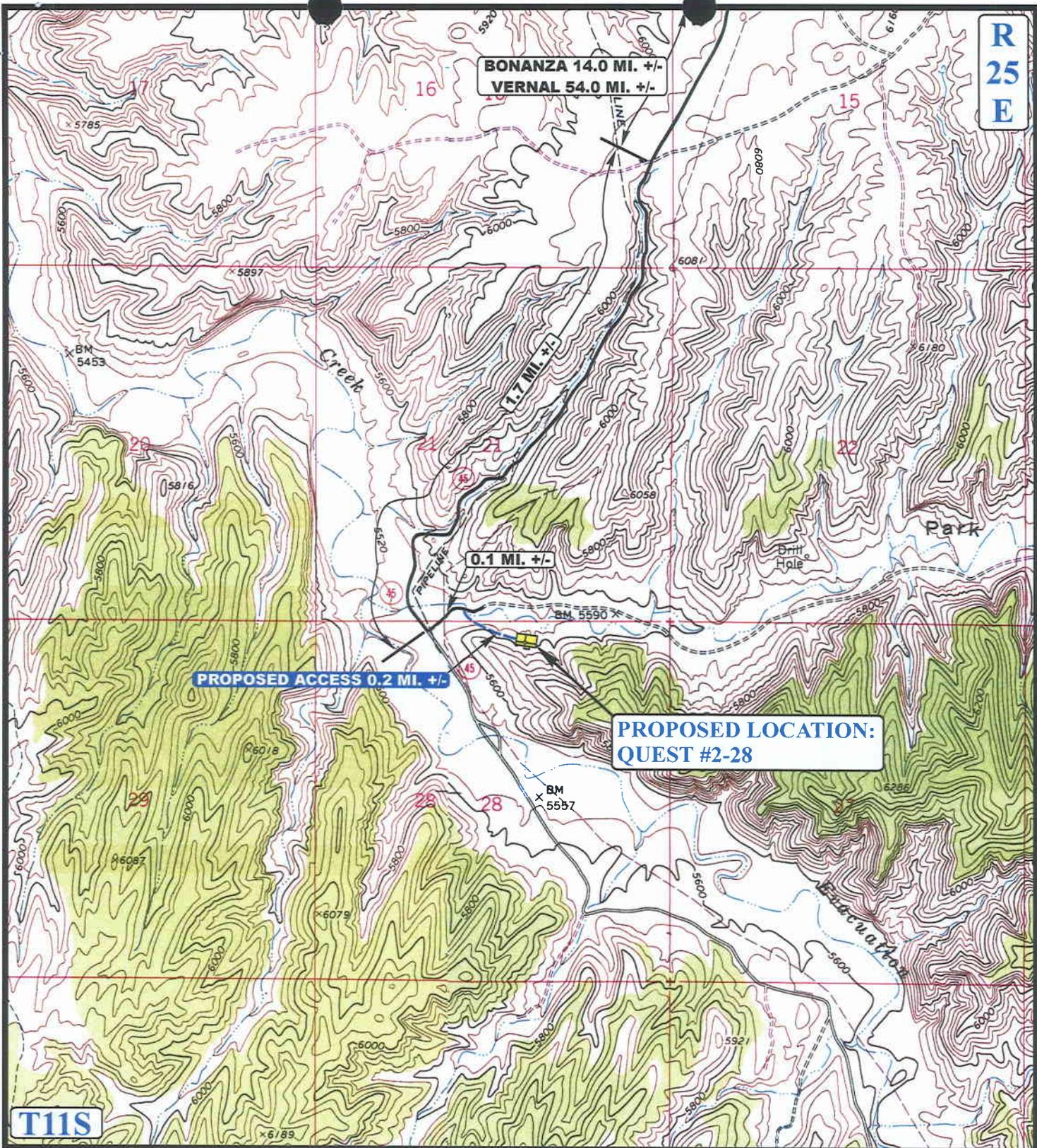
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

<b>4</b>	<b>2001</b>
MONTH	DAY YEAR



SCALE: 1 : 100,000 DRAWN BY: K.G. REV: 10-17-03 P.M.



R  
25  
E

BONANZA 14.0 MI. +/-  
VERNAL 54.0 MI. +/-

7.7 MI. +/-

0.1 MI. +/-

PROPOSED ACCESS 0.2 MI. +/-

PROPOSED LOCATION:  
QUEST #2-28

T11S

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD



**TCC ROYALTY CORP.**

QUEST #2-28  
SECTION 28, T11S, R25E, S.L.B.&M.  
312' FNL 2126' FEL



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

TOPOGRAPHIC  
MAP

4 2001  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: K.G. REV: 10-17-03 P.M.



THIS AGREEMENT, made effective as to the 1st day of September, 2003, between CLIFFS SYNFUEL CORP., a Utah Corporation, P.O. Box 1211, Rifle, Colorado 81650, as Lessor, and TCC RYOALTY CORP., a Colorado Corporation, 14550 East Easter Ave., Ste 1000, Englewood, CO 80112, as Lessee:

**WITNESSETH THAT:**

**I.  
LEASED INTEREST**

Lessor, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, of the royalties herein provided, and of the agreements of Lessee herein contained, does hereby grant, lease and let exclusively unto Lessee for the purposes of investigating, exploring, drilling for, and producing only the Lessor's oil and/or gas and/or coalbed methane interests in the following described land (herein sometimes called "leased premises") in the County of Uintah, State of Utah to wit:

Township 11 South. Range 25 East. SLM  
Section 21: SWSE, N/2SW/4, SESW,  
Section 28: W/2NE

Entry 2003007054  
Book 854 Page 641-650 \$29.00  
08-SEP-03 02:37  
RANDY SIMMONS  
RECORDER, UINTAH COUNTY, UTAH  
TCC ROYALTY CORP 80112-4272  
14550 E EASTER AVE #1000 ENGLEWOOD CO  
to the Primary Term (Articles VI, DEPUTY

Containing 240.00 acres, more or less. The acreage may be less beyond the Primary Term (Articles VI and XVI). It is expressly understood that the lease does not include the right to mine, process or treat the oil shale beds of the Parachute Creek Member of the Green River Formation.

Lessee shall also have the right on the leased premises to lay pipelines, build roads, tanks, power stations, telephone lines, and other structures thereto to produce, save, take care of, treat, transport and own said products, subject to the rights of the surface owner or owners of the leased premises.

Whenever Lessor is also surface owner, Lessor and Lessee shall also sign a Right-Of Way and surface damage agreement for each well site, using the template attached as Exhibit B.

**II.  
TERM**

Subject to the other provisions herein contained, this lease shall be for a term of One (1) year from September 1st, 2003 (called "primary term") and so long thereafter as oil and/or gas is produced in paying quantities from the leased premises or lands pooled therewith, or as long as drilling operations are prosecuted thereon as hereinafter provided. As used herein, paying quantities shall mean production of oil and/or gas in quantities sufficient to yield a return in excess of operating costs. Refer to Articles VI and XVI for lands under lease beyond primary term.

**III.  
PAID-UP LEASE**

This is a paid-up lease. In consideration of an up front cash payment, the receipt of which is hereby acknowledged, Lessor agrees that Lessee shall not be obligated to commence or continue any operations during the primary term. Lessee may at any time or times during or after the primary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered. It is hereby acknowledged that the up front cash payment referenced herein is the consideration paid by Lessee to Lessor for the rights and privileges granted under this lease and shall not be recoverable by Lessee out of any royalties or other payments that may become due and payable to Lessor under the terms of this lease.

**IV.  
ROYALTIES**

The royalties reserved by Lessor, and which shall be paid by Lessee, are:

A. On oil, an equal three-sixteenths (3/16ths) of the fair market value (or value received, whichever is greater) of oil at the well or delivered into a pipeline.

B. On gas, including casinghead gas and other gaseous substances produced from said lands and sold or used off the premises, Lessor shall be entitled to receive as royalties thereon three-sixteenths (3/16ths) of the market value thereof computed in the following manner:

1. Three-sixteenths (3/16ths) of the gross market value in the field of all condensate, distillate, natural gasoline and other liquid hydrocarbons separated or extracted from such gas by the use of conventional type separator or separators at or near the well; and

2. Three-sixteenths (3/16ths) of the gross market value at the plant of all condensate, distillate, natural gasoline, butanes, propanes and other liquid hydrocarbons separated, extracted or processed from such gas by or through a recycling plant, gasoline plant or processing plant other than a recycling plant there shall first be deducted from the value of each gallon of liquid hydrocarbons separated, extracted or processed the fair and reasonable cost of such operations; and

3. Three-sixteenths (3/16ths) of the gross price received by Lessee for any and all gas or residue remaining after any such separation, extraction or processing operations.

C. Any royalties due under the terms of this lease shall be paid or tendered to Lessor by Lessee (or someone in its behalf) within sixty (60) days after the end of each calendar month in which the oil and/or

gas is sold. Such royalties shall be paid or tendered to Lessor at the address first set forth above. All payments or tenders may be made by cash or check, mailed or delivered on or before the expiration of such sixty (60) day period and the depositing of such cash or check in any post office, addressed to Lessor, on or before the end of said sixty (60) day period shall be deemed payment or tender as herein provided.

D. Lessee, or its designee, shall keep a true and correct record of all oil and gas produced, removed, sold or used from the leased premises and Lessor at all reasonable times shall have the right to audit and inspect same fully and completely. Any such audit or inspection conducted by Lessor shall be at Lessor's sole cost and expense. All payments or tenders made by Lessee to Lessor for earned royalties shall be conclusive and final two (2) years after the date of such payment or tender and shall no longer be subject to audit or inspection under the terms of this provision.

**V.  
LEASE HELD BY PRODUCTION**

If at the expiration of the primary term of this lease, oil or gas is not being produced in paying quantities on the above described leased premises but Lessee is then engaged in drilling operations thereon or lands pooled or unitized therewith, this lease shall remain in full force and effect so long as said drilling operations are diligently prosecuted, with no cessation of more than one hundred twenty (120) consecutive days, and, if said drilling operations result in production of oil or gas, this lease shall remain in force so long thereafter as oil or gas is produced in paying quantities from said land, subject to the applicable drillsite spacing unit and restrictions in Article VI. In the event any well drilled pursuant to this paragraph is completed as a dry hole, Lessee may continue this lease in force and effect as to all lands covered hereby so long as drilling operations are being conducted continuously upon the leased premises until production is so established. For purposes of this lease "drilling operations" shall be deemed to include operations for the drilling of a new well or deepening of an existing well conducted in an effort to obtain or re-establish production of oil or gas; and as used in this paragraph "continuously" shall have the same meaning as set forth in paragraph VI below

**VI.  
LEASE PARTIALLY HELD BY PRODUCTION**

In the event the term of this lease is extended beyond the primary term by production, said term shall be extended only as to those lands allocated, by governmental authority or regulation, to the spacing unit around each producing well and lessee shall promptly surrender the lease as to those lands which are not held by production; provided, however, Lessee may continue this lease in force and effect as to all lands covered hereby so long as drilling operations are being conducted continuously upon the leased premises (Article V). For the purposes hereof, "continuously" shall mean that no more than one hundred twenty (120) days between the completion or abandonment of one well and the commencement of drilling on another. Drilling operations shall not be deemed to have commenced until the actual spudding of a well. For purposes hereof, the drillsite spacing unit for a producing oil well shall be deemed to be forty (40) acres and the drillsite spacing unit for a producing gas well shall be deemed to be one hundred sixty (160) acres, or the spacing unit fixed by the authorized agency for the State of Utah, which ever is the greater.

**VII.  
OFFSET WELLS**

In the event a well producing oil and /or gas should be brought in on adjacent lands and draining the leased premises, Lessee agrees to drill such offset well as a prudent Operator would drill under the same or similar circumstances.

**VIII.  
PIPELINE BURIAL**

When required by Lessor, Lessee will bury all pipelines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said lands without the surface owner's prior, written consent. Whenever Lessor is also the surface owner, Lessor and Lessee shall also sign a Right-Of-Way and Easement Agreement for all pipelines crossing Lessor's surface lands.

**IX.  
DESIGNATED OIL SHALE AREA**

Lessee agrees to abide by any present and future directives, policies, position statements, laws or regulations of the State of Utah or the federal government (or any agency thereof) designed to protect either coal seams or oil shale deposits, including but not limited to those specific rules set forth in the General Rules and Regulations of the Utah Board of Oil, Gas and Mining, as amended, pertaining to such matters. Lessee acknowledges that the leased premises under this agreement were designated as an "Oil Shale Area" on June 8, 2001 and Lessee hereby agrees to follow the Board's procedure for wells drilled in designated "Oil Shale Areas" as set forth in the aforementioned General Rules and Regulations.

**X.  
TRANSFER OF LEASE**

This lease shall not be subleased, or assigned, nor the rights hereunder transferred in any manner without the prior written consent of Lessor, which consent shall not be unreasonably withheld. No change or division in ownership of the lands, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until forty-five (45) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing the same. In the event of subletting or assignment hereof in whole or in part, if consent to sublet or assign is granted, the express and implied covenants hereof shall extend to the sub lessees, successors and assigns of Lessor and Lessee and the liability for breach of any obligation hereunder shall rest exclusively upon the such assignee or sublessee of this lease, or portion thereof, who commits the breach.

**XI.  
PAYMENT IN LIEU OF PRODUCTION**

If a well capable of producing oil, gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or unitized therewith for the drilling or operation of such well) is at any time shut in and no oil, gas or gas-condensate there from is sold or used off the premises for the manufacture of gasoline or other products, such shut-in-well shall be deemed to be a well on the leased premises producing gas in paying quantities and this lease will continue in force during all of the time or times while such well is so shut in, whether before or after the expiration of the primary term hereof. Lessee shall be obligated to pay or tender to Lessor within 45 days after the expiration of each period of one year in length (annual period) during which such well is so shut-in, as royalty, an amount equal to Two Dollar (\$2.00) per net mineral acre then covered by this lease allocated to such well (eg: drillsite spacing unit) as of the end of such annual period; provided that if oil, gas or gas-condensate from such well is sold, or used as aforesaid, before the end of any such annual period Lessee shall not be obligated to pay or tender, for that particular annual period, said sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Lessee shall use reasonable diligence to market oil, gas or gas-condensate capable of being produced from such shut-in well but shall be under no obligation to market such products under terms, conditions or circumstances which, in Lessee's judgement exercised in good faith, are unsatisfactory. After the primary term hereof, the terms of this paragraph shall in no event extend Lessee's rights under this lease for more than three (3) consecutive years unless the circumstances resulting in such well being shut in are beyond the reasonable control of Lessee as set forth in Article XXII; provided however that at the end of any such three (3) year period, Lessee may extend the provisions of this paragraph for up to an additional three (3) consecutive years by making like royalty payments on the basis of six dollars (\$6.00) per net mineral acre then covered by this lease and allocated to such well.

**XII.  
NO WARRANTY OF TITLE**

This lease is made without warranty of title, either express or implied; however, it is agreed that if Lessor owns a less interest in the leased premises than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the Lessor only in the proportion that Lessor's interest bears to the whole and undivided fee.

**XIII.  
DATA TRANSFER**

Lessee agrees to furnish to Lessor as to each well drilled on the leased premises by Lessee, the well information as set forth on Exhibit "A" attached hereto and made a part hereof, which information shall be for the sole use of Lessor and shall not be released by Lessor to any third party without the prior written consent of Lessee so long as this lease is in effect. Lessor, at its sole risk and expense, shall have free access to the premises and to the derrick floor of each well drilled on the leased premises.

**XIV.  
RIGHT OF LESSOR TO PURCHASE LIQUID PRODUCTION**

Lessor hereby reserves the continuing right and option to purchase the oil and/or other liquid hydrocarbons (including condensate, distillate and other liquids recovered from the well stream by normal lease separation methods) which may be produced and saved from the leased premises and which are attributable to Lessor's mineral interest covered by this lease. The price to be paid therefore shall be Lessee's posted price applicable thereto for the particular field or the average price paid for such oil and/or liquid hydrocarbons of the same grade and gravity by other purchasers in the field, whichever is the greater. The failure of Lessor to exercise said right and option shall not be held a waiver of the privilege to do so at any later time and such right and option may be exercised from time to time by the giving of thirty (30) days notice in writing of the election to so purchase. If Lessor exercises its option and right to purchase oil or condensate from any and all producing wells operated by the Lessee it shall indemnify Lessee against all losses, costs, claims, liabilities, litigation, demands, damages and expenses (including all attorney fees) resulting from the actions of Lessor's agents, employees and contractors and/or Lessee's need to exit other sales contracts or legal obligations. Lessor's right to purchase is subject to Lessor bearing the sole cost and expenses of equipment necessary to safely transport and

accurately measure any gas produced from any and all wellbores operated by Lessee subject to this lease. Lessor's operations will adhere and comply to all governing rules and regulations of the State of Utah and Federal regulations and acceptable petroleum industry practices..

**XV.  
RIGHT OF LESSOR TO PURCHASE GAS PROPERTIES**

Lessor hereby reserves the preferential right and option, to be exercised from time to time as hereinafter set forth, to purchase the gas (the term "gas" to include natural gas, casinghead gas and other gaseous substances and all constituents thereof in the well stream other than the liquid hydrocarbons described in Article XIV. above) produced and saved from the leased premises and which are attributable to Lessor's mineral interest covered by this lease. Any gas so purchased by Lessor shall be on the same terms (or terms economically equivalent thereto) as those under which Lessee proposes to sell or dispose of same to another prospective purchaser that is ready, willing, and able to purchase the gas. Lessee, upon becoming aware of a bona fide available market for such gas shall promptly give Lessor written notice at the address first set forth above of such market, setting forth full particulars with respect to the terms and conditions thereof, and Lessor may exercise its preferential right to purchase such gas on the same terms and conditions. Lessor may make such an election by notifying Lessee in writing, within fifteen (15) days after the receipt of such notice of market, of its intention to do so. In the event Lessor fails to elect to purchase such gas, such failure to elect shall be considered to be a waiver of its right to purchase said gas during the term of said gas sales contract and any extensions or renewals thereof, provided Lessee enters into such gas sale contract within sixty (60) days after the date Lessor waives its right to purchase such gas. . If Lessor exercises its option and right to purchase gas or condensate from any and all producing wells operated by the Lessee it shall indemnify Lessee against all losses, costs, claims, liabilities, litigation, demands, damages and expenses (including all attorney fees) resulting from the actions of Lessor's agents, employees and contractors and/or Lessee's need to exit other sales contracts or legal obligations. Lessor's right to purchase is subject to Lessor bearing the sole cost and expenses of equipment necessary to safely transport and accurately measure any gas produced from any and all wellbores operated by Lessee subject to this lease. Lessor's operations will adhere and comply to all governing rules and regulations of the State of Utah and Federal regulations and acceptable petroleum industry practices..

**XVI.  
LESSEE'S RIGHT TO POOL LEASE**

Lessee is hereby granted the right to pool or unitize this lease, the land covered by it or any part thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil, liquid hydrocarbons and all gases and their respective constituent products, or any of them. Units pooled for oil hereunder shall not exceed forty acres plus a tolerance of ten percent thereof, and units pooled for gas hereunder shall not exceed one hundred sixty (160) acres plus a tolerance of ten percent thereof, provided that if any federal or state law, executive order, rule or regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable on acreage per well, then any such units may embrace as much additional or less acreage as may be so prescribed or as may be used in such allocation or allowable. Lessee shall file written unit designations in the county in which the premises are located. Such units may be designated either before or after the completion of wells, and Lessee may reduce, enlarge, modify or dissolve such units at any time prior to the discovery of oil or gas on the pooled acreage or, after discovery of oil or gas at any time subsequent to the cessation of production thereof by filing a written declaration to such effect in the same county. Drilling operations and production on any part of the pooled acreage shall be treated as if such drilling operations were upon or such production was from the land described in this lease whether the well or wells be located on the land covered by this lease or not. The entire acreage pooled into a unit shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. In lieu of the royalties herein provided, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its acreage placed in the unit or its royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

**XVII.  
INDEMINIFICATION**

In the event any person or entity (including Lessor) suffers a loss of any kind or character, or death or injury, (1) as a result of a breach of this lease by Lessee or its agents, contractors or employees, or (2) as a result of Lessee or its agents, contractors or employees performing on the leased premises or elsewhere, any action, directly or indirectly, in furtherance of a right hereunder, or (3) from any cause whatsoever while being on the leased premises to conduct any work or service for Lessee, Lessee shall reimburse, indemnify, defend and hold harmless Lessor for any and all losses, costs, claims, liability, litigation, demands, damages and expenses (including all attorney fees) of every kind or character which Lessor may suffer or be subject to as a result of said loss or injury whether or not such losses, costs, claims, liabilities, litigation, demands, damages and expenses (including all attorney fees) result from the condition of Lessor's premises or facilities, unless through the sole negligence of Lessor or its agents.

**XVIII.  
SURFACE USE AGREEMENT**

Notwithstanding any contrary interpretation of mineral law, custom or practice in the industry, prior to Lessee commencing any operations on the leased premises which would result in a significant disturbance of the Lessor's surface estate relative thereto, Lessor and Lessee agree to use best faith efforts to enter into a mutually acceptable surface use agreement addressing Lessee's planned operations. The Right-Of-Way and Surface Damage Agreement in Exhibit B shall be a model template for each well site. A separate pipeline Right-of-Way and Easement Agreement will be signed when Lessee's pipelines cross Lessor's surface lands. Whether or not Lessor and Lessee achieve such surface use agreement notwithstanding, Lessee shall at its sole cost and expense, repair or restore those parts or portions of the leased premises damaged by operations hereunder and return the land as nearly as reasonably possible to the same condition as Lessee found it and shall conduct its operations in accordance with all laws and standards of the industry in effect at the time. Lessee shall promptly settle and dispose of all claims for damages resulting from operations hereunder, including, but not necessarily limited to, damages to grass, crops, roads and the surface of the land.

**XIX.  
REMOVAL OF LESSEE'S ASSETS**

Lessee shall have the right at any time, and from time to time, to remove any or all property, fixtures, equipment and materials placed by Lessee on the leased premises, including the right to draw and remove casing. Within six (6) months after the expiration of this lease Lessee shall remove all remaining property, fixtures, equipment and materials that were placed by Lessee on the leased premises. Such removal shall be accomplished at Lessee's sole cost, risk and expense.

**XX.  
COMPLIANCE WITH LAND AND REGULATIONS**

All operations of Lessee under this lease which involve the investigating, exploring, drilling for and producing of oil and gas, or both, from the leased premises, or the cessation, or abandonment, of its operations on the leased premises, shall be conducted in a good and workmanlike manner and in accordance with standard oil field practices and in accordance with all applicable federal, state and local statutes and regulations including specifically, but not by way of limitation, such laws and regulations governing the operation, maintenance and reclamation of wellsites, pipelines, tank batteries, and other related facilities as may be utilized by Lessee in its operations hereunder. Lessee shall further adhere to and abide by all federal, state and local environmental statutes and regulations addressing air, water and solid waste pollution and the handling, storage, use and disposal of hazardous substances as prescribed in The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601, et seq. (CERCLA). Lessee shall provide Lessor with copies of all applications for environmental permits, notices of violation or alleged violation of any environmental laws, governmental requests for any information pertaining to environmental issues relating to the leased premises or products produced there from, or Lessee's use thereof, copies of any responses from Lessee to said requests, and any environmental investigations, reports or studies involving the leased premises or products produced there from or the use thereof by Lessee which, from time to time, may be obtained by Lessee.

**XXI.  
COVENANTS FOLLOW LEASE**

The provisions hereof shall be considered as covenants running with the land and lease during the life of the lease and all modifications, renewals, and extensions thereof, and any grant, transfer or assignment of the lease shall be subject to the provisions hereof.

**XXII.  
FORCE MAJUERE**

This lease shall not be terminated in whole or in part, nor Lessee held liable for damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells or because of failure to comply with any of the express provisions or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, armed hostilities, act of God, strike, civil disturbance, fire, explosion, flood or any other cause, including lack of market beyond the control of Lessee.

**XXIII.  
EXTENT OF AGREEMENT**

This Oil and Gas Lease constitutes the entire agreement between the parties hereto as to the subject matters herein set forth and supersedes all prior written or oral agreements relative thereto. No change, modification, alteration or amendment to this Oil and Gas Lease shall be binding upon the parties hereto except as specifically expressed in writing and signed by each party agreeing to be bound thereby.



EXHIBIT "A"

Entry 2003007054  
Book 854 Page 647

Attached to and made a part of that certain Oil and Gas Lease dated the 1st day of September, 2003, by and between Cliffs Synfuel Corp. as Lessor, and TCC Royalty Corporation as Lessee.

DATA REQUIREMENTS

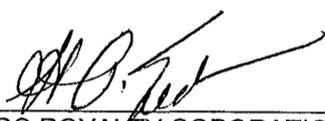
In the drilling of any well under said Oil and Gas Lease Lessee shall comply with the following:

Lessee shall furnish to Lessor a copy of each of the following:

- a. Location plat.
- b. All permits and notices to or from regulatory or governmental agencies.
- c. A composite of the Daily Activity Report from spud to completion, upon completion.
- d. Potential or other completion report.
- e. Final print of all logs and wire line formation tests run on the well, including Hydrocarbon (Mud) log, if run.
- f. All core analyses performed (including one set of prints of all photographs).
- g. All drill stem tests and PVT/fluid analyses performed (fluid to include oil, gas, and water).
- h. All bottom hole pressure data obtained (including analysis performed by third party/service companies).

INITIALED FOR IDENTIFICATION

  
\_\_\_\_\_  
CLIFFS SYN FUEL, CORP.

  
\_\_\_\_\_  
TCC ROYALTY COPORATION

RIGHT-OF-WAY and SURFACE DAMAGE AGREEMENT  
( \_\_\_\_\_ Resources Corporation \_\_\_\_\_ )

THIS AGREEMENT is made and entered into by and between \_\_\_\_\_ and Cliffs Synfuel Corporation (Cliffs),  
\_\_\_\_\_ (hereinafter referred to as "Grantor"), effective \_\_\_\_\_, 200

WHEREAS, Grantor is the surface owner of \_\_\_\_\_ quarter Section \_\_\_\_\_ Township 11 South Range 25 East, Uintah County, Utah (hereinafter referred to as the "Land(s)"); and

WHEREAS, \_\_\_\_\_ desires to enter onto and cross such Lands for the purpose of drilling an exploratory oil and/or gas well, \_\_\_\_\_ (WELL), located in the \_\_\_\_\_ quarter of the \_\_\_\_\_ quarter, Section \_\_\_\_\_ Township 11 South, Range 25 East, Uintah County, Utah (hereinafter referred to as the "Drillsite").

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- I. \_\_\_\_\_, shall pay Grantor the sum of \$3,000.00 up front payment for damages to surface of the Lands for road access to the Drillsite and for the Drillsite for the drilling of the WELL. Within sixty days of completion of the Well either as a producer or a plugged and abandoned well, \_\_\_\_\_ shall survey the new access road and the Drillsite to compensate Cliffs for any additional damage that may have occurred during drilling and completion operations. Compensation will be on a \$1,500.00 per acre cost for any damages exceeding 2.0 acres and such compensation, if due, will be paid within thirty (30) days of the surveyor's report being released. \_\_\_\_\_ shall utilize existing access routes to the maximum extent feasible, so as to minimize surface disturbances for access to facilities.
- II. \_\_\_\_\_ and their assigns or agents shall have the right to use a reasonable amount of access road across the Lands and shall have the right to move derricks, drilling tools, vehicles, and all other machinery and equipment necessary or incident to the re-drilling, drilling, testing completion, operation of the WELL. Such activity shall be restricted to existing public roads or access roads covered by this agreement. Any roads or surface facilities may be relocated at Cliffs' expense if needed due to oil shale mining or processing in the future.
- III. This Agreement and the rights granted herein are effective and shall continue in full force and effect so long as operations are conducted on the WELL. Upon execution of this Agreement, all payments due hereunder shall be paid concurrently. Operations are defined under terms of the oil and gas lease with Cliffs as taken by Contex Energy, which is \_\_\_\_\_'s land agent and acquisition company, and under the Rules and Regulations defined by the State of Utah.
- IV. Cattle guards or gates will be constructed, if requested by Grantor, at all places where the openings go through the existing fences and gates will be kept closed at all times except when opened for passage of traffic. Also, gates shall be installed to limit access to producing wells on roads constructed by \_\_\_\_\_, if by mutual agreement between \_\_\_\_\_ and Cliffs.
- V. If there is any fill used for roads constructed across any drainage, then culverts will be used for the free flow of water through said drainage.
- VI. If the access road departs from existing established roadways and new construction is required, topsoil will be segregated and stockpiled for replacement during reclamation activities.
- VII. It is understood that any road constructed across the said Lands shall not exceed 30 feet in total width, including the total disturbed area between the outside of each berm, without the prior approval of Grantor.
- VIII. Upon completion of the WELL as a dry hole and the subsequent abandonment thereof, and at the request of the Grantor, any drill pads and newly constructed road will be restored and seeded within 180 days to the condition it was in prior to commencement of operations insofar as reasonably possible. Any preexisting roads, and the improvements thereto, which are constructed by \_\_\_\_\_, shall be left in a good and usable condition for the continued use by Grantor. Reclaimed areas will be reseeded with a wildlife mixture approved by the Utah Division of Wildlife.
- IX. In the event that the WELL is completed as a producer of oil and/ or gas, \_\_\_\_\_ shall build and maintain a permanent access road in conformance with the already established county road including any variances granted by the county for existing roads to the Drillsite. Disturbed areas not used for production will be regraded and seeded with an approved wildlife seed mix within 90 days unless prohibited by weather.

- X. Upon completion of the WELL as a well capable of oil and/or gas production, this Agreement shall continue in full force and effect and \_\_\_\_\_ shall pay in advance to Grantor an annual access rental of two hundred dollars (\$200) per pad and \$200 per acre of roadway (30-foot width), or a minimum of \$500 to include the pad and roadway for each well, whichever is greater, on or before January 31<sup>st</sup> of each year thereafter until the subject well is plugged and abandoned and operations cease thereon.
- XI. It is expressly understood that the settlement amounts in paragraph I are only for construction of a road and drilling location and is not a settlement for any damages to contiguous property, personal property of the Grantor or a release of any personal injuries that may be sustained by reason of the operations carried on by \_\_\_\_\_ or its agents.
- XII. This Agreement does not cover pipeline easements and \_\_\_\_\_ acknowledges that it must secure a separate agreement prior to laying pipeline related to production of gas or oil on Cliffs' lands.
- XIII. This Agreement shall not be assigned, nor the rights hereunder transferred in any manner without the prior written consent of Grantor, which consent shall not be unreasonably withheld.
- XIV. \_\_\_\_\_ shall comply at its own expense with the Workman's Compensation Law of the State of Utah and shall maintain such insurance throughout the duration of this Agreement, and shall furnish Grantor prior to beginning work on the Lands evidence of such insurance and at each policy period thereafter renewal evidence that such insurance is being maintained. \_\_\_\_\_ with respect to its operation in connection with this Agreement, shall also purchase or provide for (1) comprehensive general public liability insurance with a combined single limit not less than One Million Dollars (\$1,000,000) for bodily injury and property damage; and (ii) automobile insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) for bodily injury and property damage. At Grantor's request, \_\_\_\_\_ shall furnish Grantor with a certificate or certificates of insurance secured and maintained hereunder and Grantor shall be an additional insured thereon.
- XV. In the event any person or entity (including Grantor) suffers a loss of any kind or character, or death or injury, (1) as a result of a breach of this Agreement by \_\_\_\_\_, or its agents, contractors, or employees, or (2) as a result of \_\_\_\_\_ or its agents, contractors, or employees performing on the Drillsite or elsewhere, any action, directly or indirectly, in furtherance of a right hereunder, or (3) from any cause whatsoever while being on the Lands and the Drillsite to conduct any work or service for \_\_\_\_\_, \_\_\_\_\_ shall reimburse, indemnify defend and hold harmless Grantor for any and all losses, costs, claims, liability, litigation, demands, damages and expenses (including all attorney fees) of every kind or character which Grantor may suffer or be subject to as a result of said loss or injury whether or not such losses, costs, claims, liabilities, litigation, demands, damages, and expenses (including all attorney fees) result from the condition of Grantor's premises or facilities, unless through the sole negligence of Grantor or its agents.
- XVI. \_\_\_\_\_ shall provide Grantor with not less than forty-eight (48) hours advance notice, either by phone, mail or in person, of \_\_\_\_\_'s intent to enter upon the Land for the purpose of commencing operations thereon. \_\_\_\_\_ shall conduct its operations in such a manner as to use no more Land than is reasonably necessary and shall use all reasonable efforts not to interfere with the use of the Land by the Permittee in that certain Consolidated Grazing Permit dated January 1, 1998 by and between Grantor, as Owner, and O. S. Wyatt, Jr., as Permittee, or the rights of subsequent grazing permittees. All drilling fluid pits shall be fenced within ten days of end of drilling the WELL as a producer or dry hole and then the pits will be reclaimed and reseeded within 180 days of the completion of the well as a producer or dry hole. Surface structures shall be fenced, if they represent a potential hazard to livestock, by mutual agreement between \_\_\_\_\_ and Cliffs. The type of fencing to be mutually agreed upon by \_\_\_\_\_ and Cliffs. \_\_\_\_\_ will have ten days to effect repairs or problems with fences when notified by e-mail or in writing by Cliffs. \_\_\_\_\_ can request an extension of the closure of pits beyond the 180 days from the completion of the WELL if closing the pits represents a potential hazard or closing the pits at that time will not comply with the State of Utah's reclamation requirements and pit closure requirements. An extension will not be unreasonably withheld.
- XVII. \_\_\_\_\_ shall have the right at any time, and from time to time, to remove any or all property, fixtures, equipment and materials, placed by \_\_\_\_\_ on the Land, including the right to draw and remove casing. Within 90 days after plugging of the WELL this Agreement will expire and, \_\_\_\_\_ shall remove all remaining property, fixtures, equipment and materials that were placed by \_\_\_\_\_ on the Land. Such removal shall be accomplished at \_\_\_\_\_'s sole cost, risk, and expense. If such items are not removed within 90 days, Grantor shall have the right to remove those items from the Land and bill the associated cost for such removal to \_\_\_\_\_.

- XVIII. This agreement restricts the \_\_\_\_\_'s use of Grantor's lands to the sole purpose of exploration and production of oil and/or gas at this specific site. It does not grant \_\_\_\_\_, its contractors, or its agents the right to use the Grantor's property for any other purpose.
- XIX. All operations of \_\_\_\_\_ hereunder which involve drilling for and producing of oil and gas, or both, or the cessation, or abandonment, of its operations shall be conducted in a good and workmanlike manner and in accordance with standard oil field practices and in accordance with all applicable federal, state and local statutes and regulations including specifically, but not by way of limitation, such laws and regulations governing the operation, maintenance and reclamation of well sites, pipelines, tank batteries, and other related facilities as may be utilized by \_\_\_\_\_ and its operations hereunder. \_\_\_\_\_ shall further adhere to and abide by all federal, state and local environmental statutes and regulations addressing air, water, and solid waste pollution and the handling storage, storage, use and disposal of hazardous substances as prescribed in The Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. & 9601, et seq. (CERCLA). \_\_\_\_\_ shall provide Grantor with copies of all applications for environmental permits, notices of violation or alleged violations of any environmental laws, governmental requests for any information pertaining to environmental issues relating to the Land or products produced therefrom or \_\_\_\_\_'s use thereof, copies of any responses from \_\_\_\_\_'s to said requests, and any environmental investigations, reports, or studies involving the Land or products produced therefrom or the use thereof by \_\_\_\_\_ which, from time to time, may be obtained by \_\_\_\_\_.
- XX. \_\_\_\_\_ also agrees to abide by the laws or regulations of the State of Utah designed to protect either coal seams or oil shale deposits, including but not limited to those specific rules set forth the in the General Rules and Regulations of the Utah Board of Oil, Gas and Mining, as amended, pertaining to such matters. \_\_\_\_\_ acknowledges that the Land under this agreement was designated as an "Oil Shale Area" on August 22, 1985, amended in May of 2001, and \_\_\_\_\_ hereby agrees to follow the Board's procedure for wells drilled in designated "Oil Shale Areas" as set forth in the aforementioned General Rules and Regulations as amended in 2001.
- XXI. The provisions hereof shall be considered as covenants running with the Land during the life of the Agreement and all modifications thereof, and any assignment of the Agreement shall be subject to the provisions thereof.
- XXII. This Agreement constitutes the entire Agreement between the parties hereto as to the subject matters herein set forth and supersedes all prior written or oral agreements relative thereto except for said LETTER AGREEMENT entitled GENERAL RIGHT-OF-WAY and SURFACE DAMAGE AGREEMENT entered into and signed between \_\_\_\_\_ and Cliffs Synfuels Corporation dated July 1<sup>st</sup>, 2001 as this agreement will be subordinate to that said agreement. No change, modification, alteration or amendment to this Agreement shall be binding upon the parties hereto except as specifically expressed in writing and signed by each party agreeing to be bound thereby.

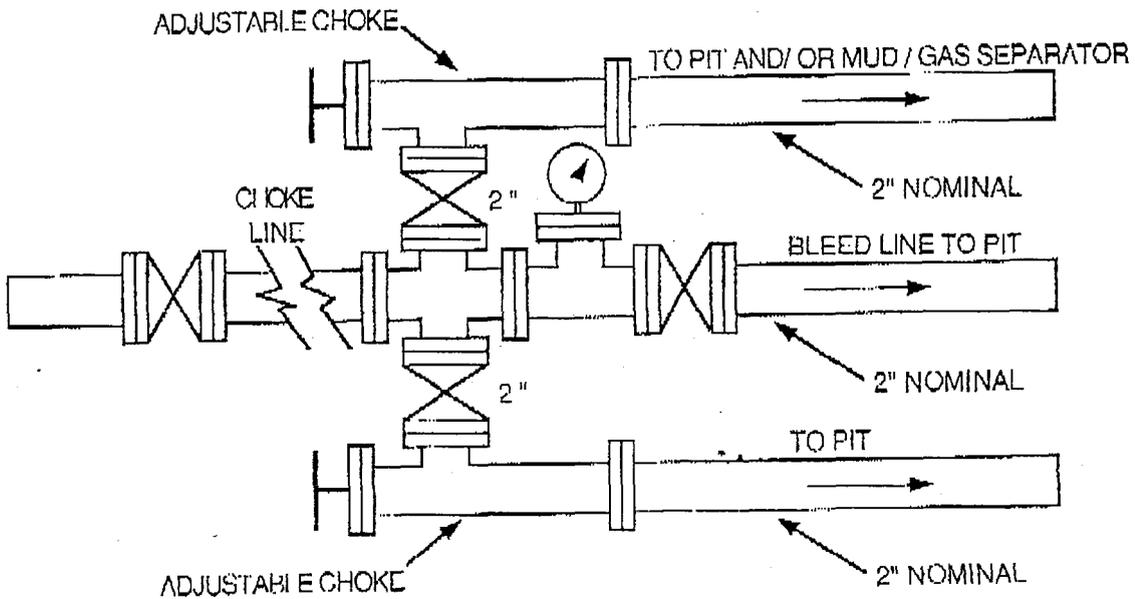
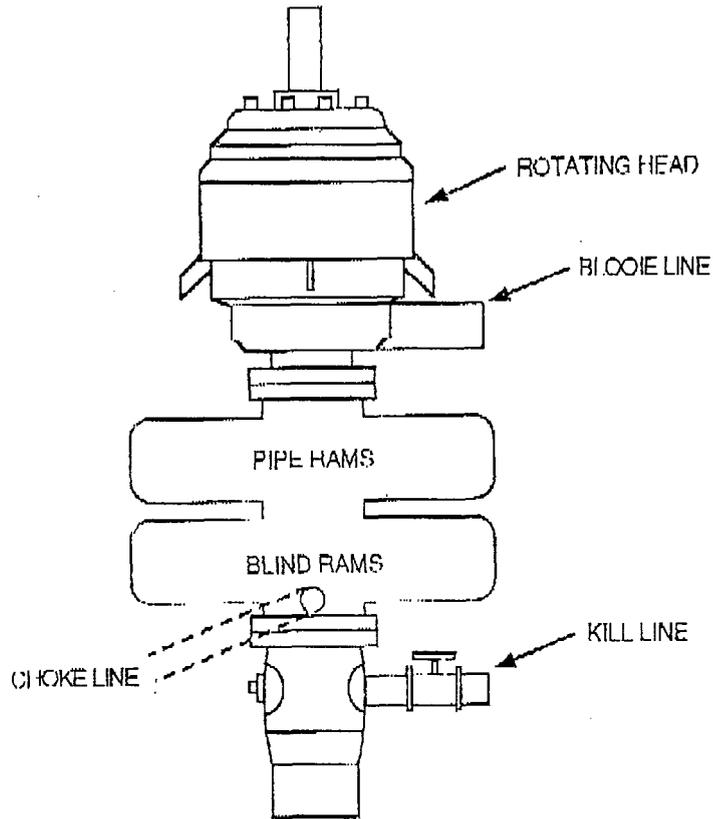
CLIFFS SYNFUEL CORP.

By: \_\_\_\_\_  
Gary D. Aho, President

By: \_\_\_\_\_

# 2M SYSTEM

BLOWOUT PREVENTER FOR HIGH PRESSURE WELLS  
900 SERIES MINIMUM  
2000# psi W.P.  
BOP 6" X 3000 PSI or 10" X 3000 PSI



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/23/2003

API NO. ASSIGNED: 43-047-35310

WELL NAME: QUEST 2-28  
OPERATOR: TCC ROYALTY CORPORATION ( N1995 )  
CONTACT: STEVE TEDESCO

PHONE NUMBER: 303-617-7242

PROPOSED LOCATION:

NWNE 28 110S 250E  
SURFACE: 0312 FNL 2126 FEL  
BOTTOM: 0312 FNL 2126 FEL  
UINTAH  
KICKER ( 619 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	11/12/03
Geology		
Surface		

LEASE TYPE: 4 - Fee  
LEASE NUMBER: FEE  
SURFACE OWNER: 4 - Fee  
PROPOSED FORMATION: WSTC

LATITUDE: 39.83966  
LONGITUDE: 109.12078

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[4]  
(No. 0621469550 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 1639 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement  (Y/N)

LOCATION AND SITING:

- \_\_\_ R649-2-3.  
Unit \_\_\_\_\_
- \_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_ R649-3-3. Exception
- Drilling Unit  
Board Cause No: 206-3  
Eff Date: 8-9-2001  
Siting: 460' fr boundary line & 920' fr other wells
- \_\_\_ R649-3-11. Directional Drill

COMMENTS: Needs Permit (11-03-03)

STIPULATIONS: ① Oil Shale  
② STATEMENT OF BASIS

T11S R25E

# KICKER FIELD

QUEST 12-21

QUEST 10-22  
DRAGON WATSON  
1-23-11-25

QUEST 15-21L  
QUEST 15-21L

QUEST 16-21

QUEST 13-22

EVACUATION CRK FEE 1  
TEXAS CREEK  
14-22

QUEST 22-1

QUEST 16-22

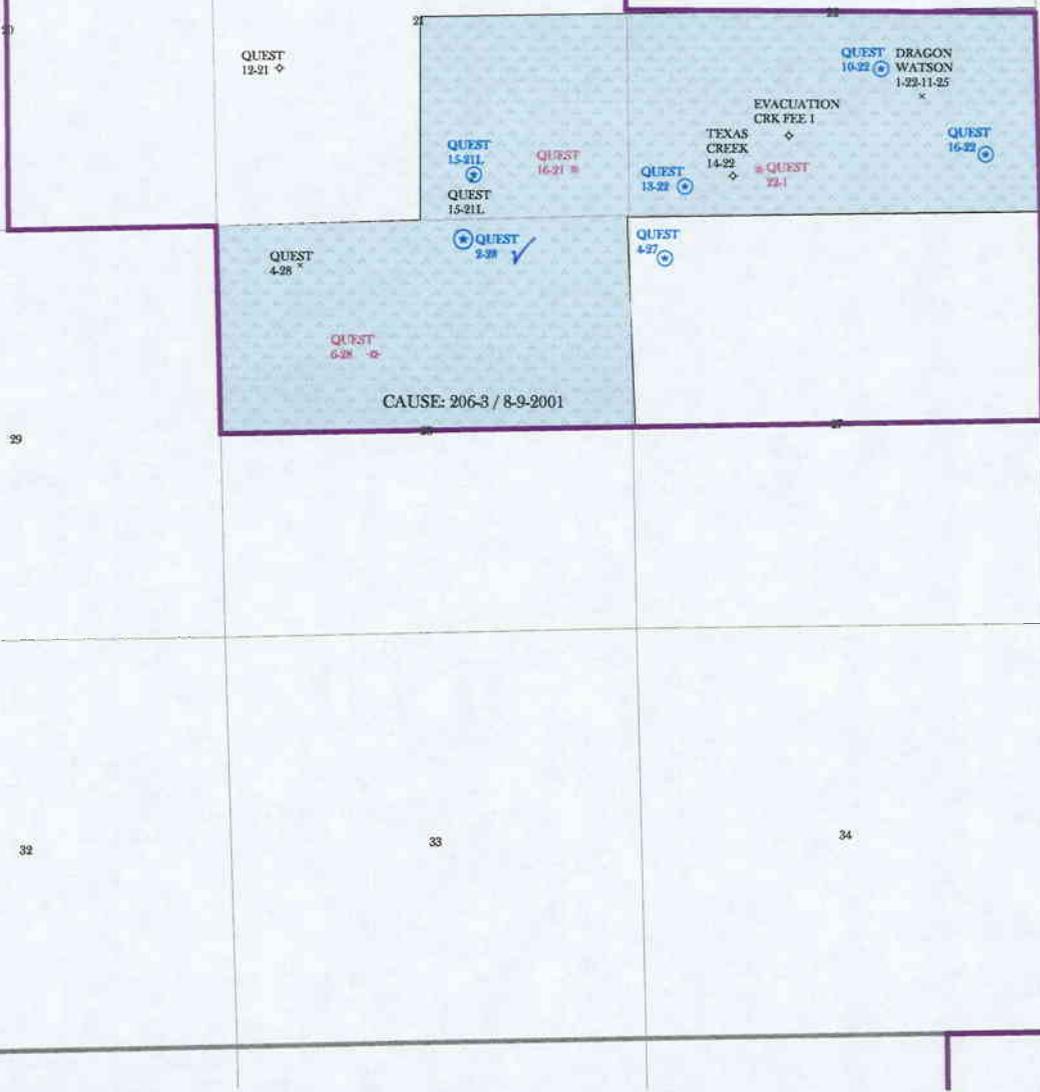
QUEST 4-28

QUEST 9-28 ✓

QUEST 4-27

QUEST 6-28

CAUSE: 206-3 / 8-9-2001



T11S R25E

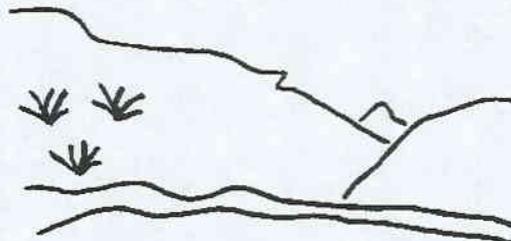
OPERATOR: TCC ROYALTY CORP (N1995)

SEC. 28 T.11S, R.25E

FIELD: KICKER (619)

COUNTY: UINTAH

CAUSE: 206-3 / 8-9-2001



## Utah Oil Gas and Mining

### Wells

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

### Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

### Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY  
DATE: 24-OCTOBER-2003

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

**OPERATOR:** TCC ROYALTY CORPORATION  
**WELL NAME & NUMBER:** QUEST 2-28  
**API NUMBER:** 43-047-35310  
**LEASE: FEE** \_\_\_\_\_ **FIELD/UNIT:** KICKER  
**LOCATION:** 1/4, 1/4 NW/NE Sec: 28 TWP: 11S RNG: 25E 2126' FEL 312 FNL  
**LEGAL WELL SITING:** 460 F UNIT BOUNDARY; 920 F ANOTHER WELL.  
**GPS COORD (UTM):**4411619N 12660732E **SURFACE OWNER:** CLIFFS SYNFUEL CORP.

**PARTICIPANTS**

DAVID W. HACKFORD (DOGM), GARY AHO (CLIFFS SYNFUEL), SAM GARDNER (TCC).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

SITE IS 66 MILES SOUTH OF VERNAL, UTAH ON THE NORTH SLOPE OF A  
MEDERATELY STEEP RIDGE RUNNING EAST TO WEST. THIS RIDGE SEPARATES PARK  
CANYON FROM EVACUATION CREEK CANYON. THE BOTTOM OF PARK CANYON IS 400'  
NORTH OF SITE. PARK CANYON RUNS INTO EVACUATION CREEK 0.3 MILES TO THE  
WEST.

**SURFACE USE PLAN**

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 250' BY 140'. ACCESS  
ROAD WILL BE 0.2 MILES.

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 BE SURVEYED AND PERMITTED IF NEEDED.

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, JUNIPER, GREASEWOOD, CHEATGRASS, SHADSCALE,  
SAGE: ELK, DEER, RODENTS, RAPTORS, SONGBIRDS, COYOTE RABBIT, BOBCAT,  
BEAR, COUGAR.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

**RESERVE PIT**

CHARACTERISTICS: 60' BY 30' AND TEN FEET DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

**SURFACE RESTORATION/RECLAMATION PLAN**

**AS PER LANDOWNER AGREEMENT.**

SURFACE AGREEMENT: A SURFACE AGREEMENT HAS BEEN SIGNED.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE IS ON FEE LAND.

**OTHER OBSERVATIONS/COMMENTS**

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COLD DAY WITH FOUR INCHES OF SNOW COVER. A PREDRILL INVESTIGATION WAS CONDUCTED AT THIS SITE ON 7/3/2001 FOR DOMINION EXPLORATION & PRODUCTION INC. THE LOCATION WAS NEVER CONSTRUCTED.

**ATTACHMENTS**

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD  
DOGM REPRESENTATIVE

11/03/03 11:00 AM  
DATE/TIME

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

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>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**      10      (Level III Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.  
Sensitivity Level II = 15-19; lining is discretionary.  
Sensitivity Level III = below 15; no specific lining is required.





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

**OPERATOR:** TCC ROYALTY CORP.  
**WELL NAME & NUMBER:** QUEST 2-28  
**API NUMBER:** 43-047-35310  
**LOCATION:** 1/4,1/4 NW/NE Sec: 28 TWP: 11S RNG:25E 2126' FWL 312' FNL

**Geology/Ground Water:**

TCC proposes to set 500' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5600' (below the proposed depth for the well in question). A search of Division of Water Rights records shows 4 water wells within a 10,000 foot radius of the proposed location. All are industrial use wells with depths ranging from 100-750'. The surface formation at this site is the Green River Formation. The Green River Formation is made up of interbedded limestones, shales and sandstones. The proposed casing and cementing program should adequately protect any underground sources of useable water.

**Reviewer:** Brad Hill **Date:** 11-04-03

**Surface:**

The predrill investigation of the surface was performed on 11/03/03. This site is on land belonging to Cliffs Synfuel Corp. Gary Aho, was present representing Cliffs Synfuel Corp. Mr. Aho had no concerns regarding the construction of this location or the drilling of this well. This site appears to be the best site for a location in the immediate area. A diversion ditch will be constructed around the east side of the location to keep runoff water from crossing site.

**Reviewer:** David W. Hackford **Date:** 11/04/03

**Conditions of Approval/Application for Permit to Drill:**

None.

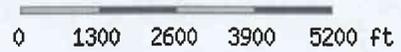
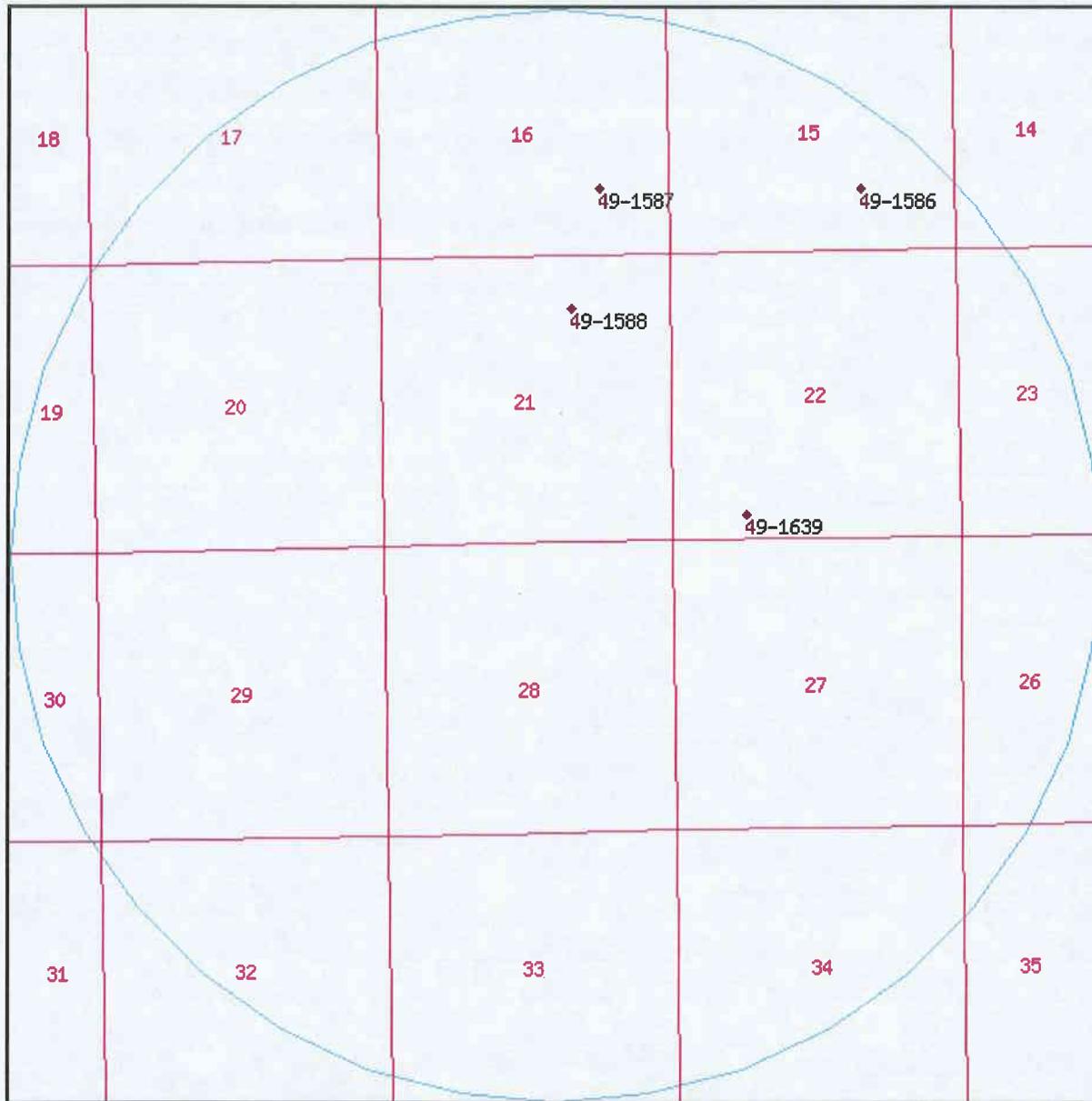
utah gov State Online Services Agency List Search Utah.gov go

# UTAH DIVISION OF WATER RIGHTS

## WRPLAT Program Output Listing

Version: 2003.10.25.00 Rundate: 11/04/2003 02:06 PM

Radius search of 10000 feet from a point S312 W2126 from the NE corner, section 28, Township 11S, Range 25E, SL b&m  
Criteria:wrtypes=W,C,E podtypes=U status=all usetypes=all



**Water Rights**

<b>WR Number</b>	<b>Diversion Type/Location</b>	<b>Well Log</b>	<b>Status</b>	<b>Priority</b>	<b>Uses</b>	<b>CFS</b>	<b>ACFT</b>	<b>Owner Name</b>
<u>49-1557</u>	Underground N465 E1363 SW 22 11S 25E SL	<u>well info</u>	T	19950501	O	0.000	2.000	Anschutz Exploration Corporation 555 Seventeenth Street
<u>49-1586</u>	Underground N1121 W1735 SE 15 11S 25E SL		T	19951026	O	0.000	1.930	Anschutz Exploration Corp. 555 Seventeenth Street
<u>49-1587</u>	Underground N1200 W1320 SE 16 11S 25E SL		T	19951026	O	0.000	1.930	Anschutz Exploration Corp. 555 Seventeenth Street
<u>49-1588</u>	Underground S1000 W1800 NE 21 11S 25E SL		T	19951026	O	0.000	1.930	Anschutz Exploration Corp. 555 Seventeenth Street
<u>49-1614</u>	Underground N465 E1363 SW 22 11S 25E SL	<u>well info</u>	T	19980617	O	0.000	2.000	Cliffs Synfuel Corporation P.O. Box 1211, 818 Taughenbaugh Blvd.
<u>49-1639</u>	Underground N465 E1363 SW 22 11S 25E SL		A	20000127	O	0.000	48.000	Cliffs Synfuel Corp. P.O. Box 1211

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

Well name:	<b>11-03 TCC Quest 2-28</b>	
Operator:	<b>TCC Royalty Corp</b>	Project ID:
String type:	Surface	43-047-35310
Location:	Uintah	

**Design parameters:**

**Collapse**  
Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Burst**  
Max anticipated surface pressure: 440 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP: 500 psi  
  
No backup mud specified.

**Minimum design factors:**

**Collapse:**  
Design factor: 1.125

**Burst:**  
Design factor: 1.00

**Tension:**  
8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)  
  
Tension is based on buoyed weight.  
Neutral point: 437 ft

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 82 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 500 ft

Cement top: Surface

Non-directional string.

**Re subsequent strings:**

Next setting depth: 2,300 ft  
Next mud weight: 10.700 ppg  
Next setting BHP: 1,278 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 500 ft  
Injection pressure: 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	500 ✓	8.625 ✓	24.00 ✓	J-55 ✓	ST&C	500	500	7.972	24.1
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	218	1370	6.283 ✓	500	2950	5.90 ✓	10	244	23.28 J ✓

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Phone: 801-538-5280  
FAX: 801-359-3940

Date: November 7, 2003  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 500 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	<b>11-03 TCC Quest 2-28</b>	
Operator:	<b>TCC Royalty Corp</b>	Project ID:
String type:	Production	43-047-35310
Location:	Uintah	

**Design parameters:**

**Collapse**  
 Mud weight: 10.700 ppg  
 Design is based on evacuated pipe.

**Burst**  
 Max anticipated surface pressure: 1,002 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP: 1,278 psi  
  
 No backup mud specified.

**Minimum design factors:**

**Collapse:**  
 Design factor: 1.125

**Burst:**  
 Design factor: 1.00

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

Tension is based on buoyed weight.  
 Neutral point: 1,934 ft

**Environment:**

H2S considered? No  
 Surface temperature: 75 °F  
 Bottom hole temperature: 107 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

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	2300 ✓	4.5 ✓	10.50 ✓	J-55 ✓	ST&C	2300	2300	3.927	48.1
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	1278	4010	3.137 ✓	1278	4790	3.75 ✓	20	132	6.50 J ✓

Prepared by: Clinton Dworshak  
 Utah Div. of Oil & Mining

Phone: 801-538-5280  
 FAX: 801-359-3940

Date: November 7, 2003  
 Salt Lake City, Utah

Remarks:  
 Collapse is based on a vertical depth of 2300 ft, a mud weight of 10.7 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

11-03 TCC Quest 2-28

Casing Schematic

Green River

Surface

TOC @ 0.

TOC @ 0.

w/ 18% Washcoat

8-5/8"  
MW 8.4  
Frac 19.3

Surface  
500. MD

BHP

$$(.052)(2300)(10.7) = 1279$$

Max Anticipated = 1300

Bias

$$(.12)(2300) = 276$$

MAOP = 1003

BOPE = 2M proposal  
w/ Rotating Head

Adequate  
DOP 11/12/03

1313 Wasatch

w/ 15% Washcoat

2234 Ohio Creek

4-1/2"  
MW 10.7

Production  
2300. MD

002

**TCC ROYALTY CORPORATION**

October 26, 2003

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

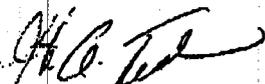
RE: Quest #2-28  
NW NE of Section 28 T11S R25E  
Uintah County, Utah

Dear Ms. Whitney:

TCC is asking for an exception location due to topography for the above captioned location. The mineral owners are the same in all immediate offsets.

Please call me if you have any questions or need more information. Thank you.

Sincerely,



Steven A. Tedesco

SAT/kwt

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OCT 27 2003

DIV. OF OIL, GAS &amp; MINING



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

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor

Robert L. Morgan  
Executive Director

Lowell P. Braxton  
Division Director

November 13, 2003

TCC Royalty Corporation  
14550 E Easter #1000  
Englewood, CO 80112

Re: Quest 2-28 Well, 312' FNL, 2126' FEL, NW NE, Sec. 28, T. 11 South, R. 25 East,  
Uintah County, Utah

Gentlemen:

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

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35310.

Sincerely,

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

John R. Baza  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor

Operator: TCC Royalty Corporation  
Well Name & Number Quest 2-28  
API Number: 43-047-35310  
Lease: Fee

Location: NW NE                      Sec. 28                      T. 11 South                      R. 25 East

### 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

The operator is required to notify the Division of Oil, Gas and Mining 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

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

#### 3. Reporting Requirements

All required reports, forms and submittals will 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. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

#### 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: TCC ROYALTY COMPANY

Well Name: QUEST 2-28

Api No: 43-047-35310 Lease Type: FEE

Section 28 Township 11S Range 25E County UINTAH

Drilling Contractor \_\_\_\_\_ RIG # \_\_\_\_\_

**SPUDDED:**

Date 03/13/04

Time \_\_\_\_\_

How ROTARY

**Drilling will commence:** \_\_\_\_\_

Reported by STEVE HASH

Telephone # 1-918-599-9400

Date 03/15/2004 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: TCC Royalty Corporation  
Address: 14550 East Easter Ave., Ste 1000  
city Centennial  
state CO zip 80112

Operator Account Number: N 1995  
Phone Number: (303) 617-7242

Well 1

API Number	Well Name	QC	Sec	Twp	Rng	County
4304735310	Quest 2-28	NWSE	28	11	25	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	14081	3/13/2004		3/18/04	
Comments: <u>As of March 15, 2004 set 525' of surface pipe. No oil shale encountered</u> <u>WSTC</u>						

K

Well 2

API Number	Well Name	QC	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

Well 3

API Number	Well Name	QC	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

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MAR 15 2004

DIV. OF OIL, GAS & MINING

ACTION CODES:

- 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)

Steven A. Tedesco

Name (Please Print)

Signature

Vice president

Title

3/15/2004

Date

TCC Royalty Corporation  
14550 East Easter Ave., Ste 1000  
Centennial, CO 80112  
303 617-7242  
303 617-7442 (Fax)

007

Facsimile Transmittal

CONFIDENTIAL

To: Carol Daniels Fax: Fax: 801-359-3940

---

From: Steve Tedesco Date: 3/19/2004

---

Re: Daily Drilling report Pages: 13 including cover

---

CC:

---

Urgent     For Review     Please Comment     Please Reply     Please Recycle

---

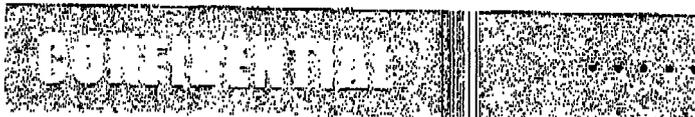
Carol  
Please find enclosed the daily drilling reports as of yesterday for the Quest 2-28, API# 43-047-35310, all data is confidential. Please let me know if you have any questions or I need to make changes. Thanks.  
Steve Tedesco

*THIS CASE S-28*

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MAR 27 2004

DIV. OF OIL, GAS & MINING



Daily Drilling\Completion\Workover Report  
 Quest 2-28

Utah  
 Nw Ne Section 28 T11S R25E

CONFIDENTIAL

02/22/04  
 Building location

02/17/04  
 Building location

02/20/04  
 Building location

02/24/04  
 Building location

03/12/04  
 Waiting on trucks to move rig from 4-27 well to 2-28 location

03/13/04

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	20:00	14.00	MOVE RIG - RIG UP
20:00	6:00	10.00	DRILL MOUSEHOLE - HOLE SLUFFING, HAVE TO POUND PIPE IN TO HOLD BACK
6:00			
0:00			
0:00			
0:00			
0:00			
0:00			
0:00			
0:00			
2:30			

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

1 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

CONFIDENTIAL

Daily Drilling\Completion\Workover Report  
Quest 2-28

Utah  
Nw Ne Section 28 T11S R25E

0:00		
0:00		
0:00		
0:00		
0:00		DOGM NOTIFIED OF SPUD, CEMENT, & BOPE TEST
0:00		LEGAL DESCRIPTION - NW NE SEC 28, T11S, R25E

03/14/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS %	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
AIR/FOAM															

BIT DATA																			
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd)			IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MER	WOB	D.L. CONDITION		
						2	2	2									T	B	G
1	12.25	Varel				18	20	20	30				#DIV/0!	N	70	7000			

HYDRAULICS													
PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD	
1	PZ-8	6	8	2.79		0							
2	FXN	6	14	5.32		0							
Both				8.11	0	0							

DRILL STRING				GEOLOGIC				GENERAL INFO	
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY	RIG INFO	
12 1/4" BIT	1.00			Green River				Rig No:	435-790
BIT SUB	2.34								732
								Cell No.	307-251
									626

TCC Royalty Corporation  
Supervisor: Steven A. Tedesco  
Drilling Engineer: Steve Hash  
Geologist: Mike Connelly

2 (303) 617-7242  
**CONFIDENTIAL**  
Completion Engineer: Trent Green  
Pumper: Sam Gardner



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Daily Drilling\Completion\Workover Report  
Quest 2-28

Utah  
Nw Ne Section 28 T11S R25E

DRILL STRING				GEOLOGIC			
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY
12 1/4" BIT	1.00			Green River			
BIT SUB	2.34						
6" DC'S	487.57						

SURVEYS																		
MD	INCL	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	
475	0.75							SS										SS

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS
6:00	19:00	13.00	DRLG F/ 90' - 525' W/ AIR & FOAM
19:00	19:30	0.50	BLOW HOLE CLEAN & SURVEY - 3/4 DEG
19:30	20:00	0.50	TOH F/ CASING
20:00	21:30	1.50	R/U T&M CASERS & RUN 8 5/8" CASING - 12 JTS - 520' - R/D CASERS
21:30	XXXXX		R/U BIG 4 CEMENTERS - PUMP 20 BBL GEL SWEEP, 290 SX PREMIUM CEMENT W/ ADDITIVES, 31 BBLs
XXXXX	23:00	1.50	DISPLACEMENT- BUMP PLUG @ 1320 PSI - FLOAT DID NOT HOLD - PUT 500 PSI ON CASING & SHUT IN
23:00	6:00	7.00	W.O.C.

3/16/04

MUD DATA															
WT	VIS	WL	CK	PH	SAND	SOLIDS%	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
8.8	38														

BIT DATA																	
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA	IN	OJT	FOOTAGE	HOURS	ROP	MTR	RPM	WOB	DRILL CONDITION		
															T	E	G

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Quest 2-28

Utah  
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1	12.25	Varel	ETD28MS	527	154667	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197106	16	16	16	525		799	10.00	79.9	Y	60/134				

HYDRAULICS

PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD
1	PZ-B	6	6	2.79		0						
2	FXN	6	14	5.32	70	372			840	180	183.0	
Both				8.11	70	372						

DRILL STRING

GEOLOGIC

BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY
7 7/8" BIT	1.00			Green River			SS
MUD MOTOR (.36RPG)	22.88	6.250					
6" DC'S	573.48	6.250	2.000				
GAS DATA							
BOTTOMS UPTIME		BG GAS		CONN GAS		TRIP GAS	
6		50		5,875			
SHOWS							
GAS LIMITS		FROM		TO		ROP (FTHR)	
5,850		1,258		1,278		240.0	
Total BHA		597.36					
STRING WT.	BHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION
	48,700				5,597	12	5,609

SURVEYS

MD	INCL	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
475	0.75							SS									SS
1,010	1.50							SS									SS

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Daily Drilling\Completion\Workover Report  
Quest 2-28

Utah  
Nw Ne Section 28 T11S R25E

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS
6:00	8:30	2.50	CUT OFF CASING - WELD ON CASING HEAD
8:30	11:30	3.00	NUBOPE
11:30	16:30	5.00	TEST BOPE
16:30	17:30	1.00	TIH W/ BHA # 2 - TAG CEMENT @ 475'
17:30	18:00	0.50	STAND BACK STAND, P/U KELLY, BREAK CIRC
18:00	19:00	1.00	DRILL CEMENT & FLOAT EQUIP & 10' FORMATION(535')
19:00	19:30	0.50	FORMATION INTEGRITY TEST - TEST TO 11 PPG EQUIVALENT
19:30	2:00	6.50	DRLG F/ 535' - 1040'
2:00	2:30	0.50	SURVEY - 1.5
2:30	6:00	3.50	DRLG F/1040' - 1324'

### SHOW REPORT Quest 2-28

**INTERVAL: 1258-1278' Green River Formation**

**ROP: BEFORE-.7 MIN/FT, DURING-.25 MIN/FT, .8 MIN/FT**

**GAS: BEFORE-10 Units, DURING-5875 Units, 50 Units**

**CONNECTION GAS: BEFORE-TRACE Units, AFTER- 5850 Units**

**LITHOLOGY: Sandstone; white, speckled green, medium grained, well rounded, fair sorting, friable, abnt glauconite, fair porosity, no sample show.**

**NOTE: Sharp peak-Connection gas in part.**

03/17/04

MUD DATA															
WT	VIS	WL	CK	PH	SAND	SOLIDS%	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
9.0	65	12.0	2	9.0	0.50	3.3	10	10	2/5	2300		17,500	12		

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MD	INCL	AZMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL	AZMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
1,010	1.50							SS	1,996	3.25							SS

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	9:00	3.00	DRLG F/1324' - 1560'
9:00	9:30	0.50	SURVEY @ 1820' - 2 DEG
9:30	20:30	11.00	DRLG F/ 1560' - 2040'
20:30	21:00	0.50	SURVEY @ 1998' - 3 1/4 DEG
21:00	6:00	9.00	DRLG F/ 2040' - 2350'

**SHOW REPORT Quest 2-28**

**INTERVAL: 1988-1991' Wasatch Formation**

**ROP: BEFORE-1 MIN/FT, DURING-.75 MIN/FT, 1.5 MIN/FT**

**GAS: BEFORE-10 Units, DURING-290 Units, 200 Units**

**CONNECTION GAS: BEFORE-274 Units, AFTER- 1877 Units**

**LITHOLOGY: Siltstone; pale green, medium texture, blocky, firm, very calcareous, limestone in part, very poor porosity, dull mineral floor**

**NOTE: May correlate with gas charged sand intercepted at 1910' in the Quest 16-21 well.**

03/18/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS%	PV	VP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
9.4	60	16.0	2	9.0	0.50	3.5	11	10	4/12	2300		12,500	12		

BIT DATA																	
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA	IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT-MTR	WOB	DUAL CONDITION		
															T	B	G

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Geologist: Mike Connelly

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Daily Drilling\Completion\Workover Report  
Quest 2-28

Utah  
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1	12.25	Varel	ETD28MS	527	154687	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197108	16	16	16	525	2485	1980	36.50	53.7	Y	80/134	35	2	E	NO

HYDRAULICS

PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	RHP / IN <sup>2</sup>	ECR
1	PZ-8	6	8	2.79		0						
2	FXN	6	14	5.32	70	372			840	180	183.0	
Both				8.11	70	372						

DRILL STRING

GEOLOGIC

GENERAL INFO

DRILL STRING				GEOLOGIC				GENERAL INFO	
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY	RIG INFO	
7 7/8" BIT	1.00			Green River			SS	Rig No:	435-
				WASATCH			SILTSTONE	Cell No.	307-
6" DC'S	573.48	6.250	2.000	OHIO CREEK	2,324		SS & SH	Last BOP Test	3/15
				GAS DATA					
				BOTTOMS UP TIME	BG GAS	CONV GAS	TRIP GAS	Next BOP Test	
				9	50	300	9455*	Last Safety Meeting	
				SHOWS				Last BOP Drill	
				GAS UNITS	FROM	TO	ROP (FT/HR)	1/0	
								Last Operate Pipe Rams	
								3/15	
								Last Operate Blind Rams	
								3/17	
								Last Operate Annular	
								LAST CASING	
								NEXT CASING	
								8 5/8" @ 520"	
								4 1/2" @ 2485'	
Total BHA:	574.48								
STRING WT.	BHA WT.	FU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE CSG	
89,000	48,700				5,597	12	5,809		

SURVEYS

MD	INCL	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
1,010	1.50							SS	1,996	3.25							SS
1,520	2.00							SS	2,440	3.00							SS

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Daily Drilling\Completion\Workover Report  
Quest 2-28

Utah  
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DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS
6:00	9:30	3.50	DRLG F/2350' - 2485' - T.D. HOLE
9:30	10:00	0.50	CIRC & COND F/ SHORT TRIP
10:00	11:00	1.00	SHORT TRIP 10 STANDS - 2' FILL
11:00	11:30	0.50	CIRC & COND F/ LOGS
11:30	12:30	1.00	TOH F/LOGS***
12:30	16:00	3.50	LOG WELL W/ PSI - WELL FLOWING DURING LOGGING RUN (APPROX 1 BBL/MIN)
16:00	18:00	2.00	TIH TO 2220' - HIT BRIDGE & WENT THROUGH; HIT BRIDGE @ 2270' & KELLIED UP
18:00	3:00	9.00	WASH & REAM F/ 2270' - 2485' - WELL FLOWING - RAISE MW TO 9.4 PPG
3:00	6:00	3.00	PUMP PILL & TOH LAYING DOWN
6:00			
0:00			*TRIP GAS WAS 10,000 UNITS
0:00			
0:00			***LOGS RUN - DUAL INDUCTION, COMPENSATED DENSITY, COMPENSATED NEUTRON, MICRO LOG,
0:00			GAMMA RAY, CALIPER, SP

03/19/04

MUD DATA															
WT	RES	WV	OX	PH	SAND	SOLIDS%	SP	VI	DEFS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
9.3	51	12.0	2	10.3	0.50	6.0	14	18	6/18	2485		10,200			

BIT DATA																			
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/8" or TFA)			IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT-MTR	WOB	DULL CONDITION		
						18	20	20									I	B	G
1	12.25	Varel	ETD28MS	527	154867	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197106	16	16	16	525	2485	1960	36.50	53.7	Y	60/134	35	2	E	NO

TCC Royalty Corporation  
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03/19/2004 18:25

Daily Drilling\Completion\Workover Report  
 Quest 2-28

Utah  
 Nw Ne Section 28 T11S R25E

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HYDRAULICS

PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD
1	PZ-8	8	8	2.79		0						
2	FXN	6	14	5.32		0						
Both				8.11	0	0						

DRILL STRING				GEOLOGIC				GENERAL INFO		
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY	RIG INFO		
7 7/8" BIT	1.00			Green River			SS	Rig No:	435-	
				WASATCH			SILTSTONE	7		
6" DC'S	573.48	6.250	2.000	OHIO CREEK	2,324		SS & SH	Cell No.	307-	
				GAS DATA				8		
				BOTTOMS UP TIME	BS GAS	CONN GAS	TRIP GAS	Last BOP Test	3/15	
								Next BOP Test		
				SHOWS				Last Safety Meeting	3/17	
				GAS UNITS	FROM	TO	ROP (FTR)	Last BOP Drill	3/17	
								Last Operate Pipe Rams	3/15	
								Last Operate Blind Rams	3/17	
Total BHA:	574.48							Last Operate Annular		
STRING WT.	SHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE C99	LAST CASING	NEXT CASS
69,000	48,700				5,597	12	5,609		8 5/8" @ 520'	4 1/2" @ 2485'

DAILY ACTIVITY

FROM	TO	HRS	LAST 24 HOURS:
6:00	7:00	1.00	TOH LAYING DOWN
7:00	XXXXX		RAU T&M CASERS - RUN 4 1/2" CASING TO 2240' - HIT BRIDGE - WORKED PIPE, HOOKED UP TO CIRC,
XXXXX	11:30	4.50	CIRCULATED LAST 245' TO BOTTOM
11:30	12:00	0.50	RAU BIG 4 CEMENTERS, CIRC & RECIPROCATE

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Quest 2-28

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12:00	XXXXX		CEMENT 4 1/2" CASING W/ 90 SX PREMIUM CEMENT LEAD W/ 16% GEL+10# GILSONITE+1/4# FLOCELE+3% SALT.
XXXXX	13:00	1.00	TAIL - 300 SX 50/50 POZ+10% SALT+.4% FLD+ .2% DISPERSANT+1/4# FLOCELE
13:00	19:00	6.00	W.O.C. - NDBOPE, CUT OFF 4 1/2" CASING, RIGGING DOWN, CLEANING PITS - RIG RELEASED @ 19:00
19:00	6:00	11.00	RIG DOWN, PREPARE TO MOVE TO QUEST 15-21

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03/19/2004

# TCC ROYALTY CORPORATION

August 11, 2004

Ms. Carol Daniels  
State of Utah  
Division Oil, Gas & Mining  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

RE: Quest 2-28 API No. 4304735310

**SENT FEDEX**

Dear Carol:

Please find enclosed open hole logs, mudlogs, cased hole logs and sundry notice for the above captioned well. This well is presently under confidential status.

Please let me know if you have any questions. Thank you.

Sincerely,



Steven A. Tedesco

SAT\kwt  
Enclosures

**RECEIVED**

**AUG 13 2004**

**DIV. OF OIL, GAS & MINING**

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

FORM 9

010

**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: TCC Royalty Corp.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 14550 E Easter #1000 CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (303) 617-7242		8. WELL NAME and NUMBER: Quest 2-28
4. LOCATION OF WELL		9. API NUMBER: 4304735310
FOOTAGES AT SURFACE: 718' FSL 1854' FWL		10. FIELD AND POOL, OR WILDCAT: Kicker
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		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>see below</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.

Awaiting completion rig and frac company to finish completion since drilling ceased in March, unable to get services until September

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**AUG 13 2004**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Steven A. Tedesco</u>	TITLE <u>Vice President</u>
SIGNATURE	DATE <u>8/10/2004</u>

(This space for State use only)

TCC Royalty Corporation  
14550 East Easter Ave., Ste 1000  
Centennial, CO 80112  
303 617-7242  
303 617-7442 (Fax)

facsimile transmittal

To: Carol Daniels Fax: 801 359 3940  
From: Steve Tedesco Date: 10/10/2004  
Re: Pages: 8 including cover  
CC:

Urgent  For Review  Please Comment  Please Reply  Please Recycle

Carol  
Please find enclosed updates on the Quest 4-27, Quest 16-21, Quest 1-22, Quest 14-10, Quest 2-28 and Quest 15-21L. Sorry these are late but I have been out of the country for some time. Let me know if you have any questions. Thanks.  
Steve

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OCT 12 2004

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FORM 9

011

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

**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 TCC Royalty Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR 14550 E Ezzler Ave., Ste 101 CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL		8. WELL NAME and NUMBER: Quest 2-28
GTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		9. API NUMBER: 4304735310
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 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"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: see below
	<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.

Awaiting completion rig and frac company to finish completion since drilling ceased in March, unable to get services now until November or December

NAME (PLEASE PRINT) <u>Steven A. Tedesco</u>	TITLE <u>Vice President</u>
SIGNATURE <u><i>Steven A. Tedesco</i></u>	DATE <u>10/11/2004</u>

(This space for State use only)

(5/2000)

(See instructions on Reverse Side)

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OCT 12 2004

DIV. OF OIL, GAS & MINING

TCC Royalty Corporation  
14550 East Easter Ave., Ste 1000  
Centennial, CO 80112  
303 617-7242  
303 617-7442 (Fax)

facsimile transmittal

801 359 3940

To: Carol Daniels Fax:  
From: Steve Tedesco Date: 1/13/2005  
Re: Pages: 5 including cover  
CC:

Urgent  For Review  Please Comment  Please Reply  Please Recycle

Carol  
Please find attached Form 9 for the following wells: Quest 15-21L, Quest 4-27, Quest 2-28 and Quest 14-10. Sorry for not getting these to you sooner. Please call me if you have any questions. Thanks.  
Steve Tedesco

RECEIVED  
JAN 13 2005

DIV. OF OIL, GAS & MINING

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

FORM 9

012

**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 <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: TCC Royalty Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 14550 E Easter Ave., Ste 101 CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (303) 617-7242		8. WELL NAME and NUMBER: Quest 2-28
4. LOCATION OF WELL		9. API NUMBER: 4304735310
FOOTAGES AT SURFACE: 2126' FWL 312' FNL		10. FIELD AND POOL, OR WILDCAT: Kicker
CTRACTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NwNe 28 11S 25E		COUNTY: Uintah
		STATE: UTAH

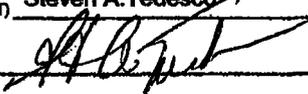
**CONFIDENTIAL**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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>see below</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.

Awaiting completion rig and frac company to finish completion since drilling ceased, unable to get services co-ordinate for these small jobs in the area

NAME (PLEASE PRINT) <u>Steven A. Tedesco</u>	TITLE <u>Vice President</u>
SIGNATURE 	DATE <u>1/13/2005</u>

(This space for State use only)

RECEIVED  
 JAN 13 2005  
 DIV. OF OIL, GAS & MINING

TCC Royalty Corporation  
14550 East Easter Ave., Ste 1000  
Comstock, CO 80112  
303 617-7242  
303 617-7442 (Fax)

Facsimile Transmittal

801 359 3940

To: Carol Daniels Fax:  
From: Steve Tedesco Date: 2/5/2005  
Re: Pages: 5 including cover  
CC:

Urgent  For Review  Please Comment  Please Reply  Please Recycle

Carol  
Please find attached Form 9 for the following wells: Quest 15-21L, Quest 4-27, Quest 2-28 and Quest 14-10. Please call me if you have any questions. Thanks.  
Steve Tedesco

RECEIVED  
FEB 0 / 2005  
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

013

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

**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  GAS WELL  OTHER  **CONFIDENTIAL**

2. NAME OF OPERATOR:  
TCC Royalty Corporation

3. ADDRESS OF OPERATOR:  
14550 E Easter Ave., Ste 101 CITY Centennial STATE CO Zip 80112 PHONE NUMBER (303) 617-7242

4. LOCATION OF WELL:  
FOOTAGES AT SURFACE: 2126' FWL 312' FNL COUNTY: Uintah  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NwNe 28 11S 25E STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee  
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
N/A  
7. UNIT or OA AGREEMENT NAME:  
N/A  
8. WELL NAME and NUMBER:  
Quest 2-28  
9. API NUMBER:  
4304735310  
10. FIELD AND POOL, OR WILDCAT:  
Kicker

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: see below
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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Awaiting completion rig and frac company to finish completion since drilling ceased, unable to get services co-ordinate for these small jobs in the area

NAME (PLEASE PRINT) Steven A. Tedesco TITLE Vice President  
SIGNATURE [Signature] DATE 2/5/2005

(This space for State use only)

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FEB 0 / 2005

# TCG ROYALTY CORPORATION

March 25, 2005

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

RE: Quest 15-21L 43-047-35297  
Quest 2-28 43-047-35310 *11S 25E 28*  
T11S R25E, Uintah County, Utah

Dear Mr. Doucet:

As per our conversation of a week ago, please Form 9, mudlogs, well bore diagram, daily drilling and completion report, cement summary for production pipe and surface pipe, and open hole logs and cased hole log for the above captioned wells. We have temporarily abandoned the two wells. There have been no perforations done in either well as we are presently evaluating the adjacent wells. The wells do not have pressure at the surface and are capped. We have also had problems lining up a completion rig and stimulation company at the same time because we are not a large operator. Both wells are on a one year lease and we have to either attempt production or plug the wells before August as the lease expires September 1<sup>st</sup>, 2005. We are asking that the State of Utah allow us to resolve the wells in terms of producing or plugging on or before August 1, 2005.

Please call me if you have any questions. Thank you.

Sincerely,



Steven A. Tedesco

SAT\kwt  
Enclosures

RECEIVED  
MAR 29 2005  
DIV. OF OIL, GAS & MINING

**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: <b>Fee</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Quest 2-28</b>
2. NAME OF OPERATOR: <b>TCC Royalty Corporation</b>		9. API NUMBER: <b>4304735310</b>
3. ADDRESS OF OPERATOR: <b>14550 E Easter Ave., Ste 101</b> CITY <b>Centennial</b> STATE <b>CO</b> ZIP <b>80112</b>	PHONE NUMBER: <b>(303) 617-7242</b>	10. FIELD AND POOL, OR WILDCAT: <b>wildcat</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2126' FEL 312' FNL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 28 11S 25E</b>		STATE: <b>UTAH</b>

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 checked="" type="checkbox"/> TEMPORARILY ABANDON
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	<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>see below</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.

Awaiting completion rig and frac company to finish completion since drilling ceased in March, unable to get services and awaiting to see how the rest of the wells in the field improve

**RECEIVED**  
**MAR 29 2005**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Steven A. Tedesco</u>	TITLE <u>Vice President</u>
SIGNATURE	DATE <u>3/25/2005</u>

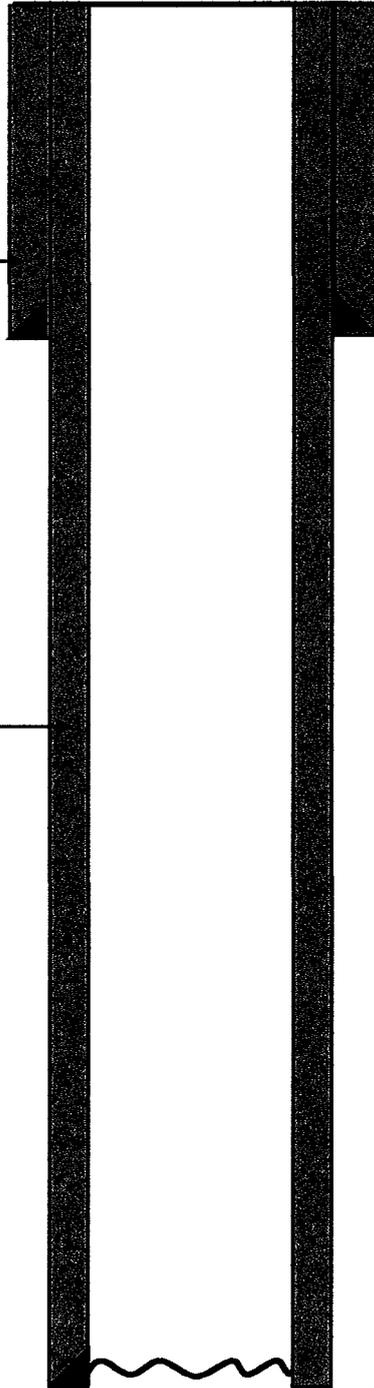
(This space for State use only)

# Quest 2-28

Section 28, T11S, R25E  
Uintah County, Utah  
API:43-047-35310

8 5/8" 24# J-  
55 @ 521.2'  
Cemented  
with 290  
sacks Class  
G

4 1/2" J-55  
STC @  
2,484.77',  
Cemented  
with 390 sks  
3/24/04



TD @ 2,485'

02/22/04  
Building location

02/17/04  
Building location

02/20/04  
Building location

02/24/04  
Building location

03/12/04  
Waiting on trucks to move rig from 4-27 well to 2-28 location

03/13/04

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	20:00	14.00	MOVE RIG - RIG UP
20:00	6:00	10.00	DRILL MOUSEHOLE - HOLE SLUFFING, HAVE TO POUND PIPE IN TO HOLD BACK
6:00			
0:00			
0:00			
0:00			
0:00			
0:00			
0:00			
2:30			

TCC Royalty Corporation  
Supervisor: Steven A. Tedesco  
Drilling Engineer: Steve Hash  
Geologist: Mike Connelly

1 (303) 617-7242  
**CONFIDENTIAL**  
Completion Engineer: Trent Green  
Pumper: Sam Gardner

0:00		
0:00		
0:00		
0:00		
0:00		DOGM NOTIFIED OF SPUD, CEMENT, & BOPE TEST
0:00		LEGAL DESCRIPTION - NW NE SEC 28, T11S, R25E

03/14/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS %	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
AIR/FOAM															

BIT DATA																			
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA			IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MTR	WOB	DULL CONDITION		
						18	20	20									T	B	G
1	12.25	Varel				18	20	20	30				#DIV/0!	N	70	7000			

HYDRAULICS													
PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD	
1	PZ-8	6	8	2.79		0							
2	FXN	6	14	5.32		0							
Both				8.11	0	0							

DRILL STRING				GEOLOGIC				GENERAL INFO	
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY	RIG INFO	
12 1/4" BIT	1.00			Green River				Rig No:	435-791 732
BIT SUB	2.34							Cell No.	307-251 626

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

2 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

Daily Drilling\Completion\Workover Report  
 Quest 2-28

Utah  
 Nw Ne Section 28 T11S R25E

6" DC'S		63.10						Last BOP Test		
				GAS DATA				Next BOP Test		
				BOTTOMS UP TIME		BG GAS	CONN GAS	TRIP GAS		
				SHOWS				Last Safety Meeting		3/13
				GAS UNITS		FROM	TO	ROP (FT/HR)		
								Last BOP Drill		
								Last Operate Pipe Rams		
								Last Operate Blind Rams		
Total BHA:		66.44						Last Operate Annular		
STRING WT.	BHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE CSG	LAST CASING	NEXT CASING

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	XXXXX		DRILL RATHOLE - HOLE SLUFFING, HAVE TO POUND PIPE IN TO HOLD BACK
XXXXX	19:00	13.00	DRILL CONDUCTOR - HOLE SLUFFING, HAVE TO POUND PIPE IN TO HOLD BACK
19:00	23:00	4.00	SET DRILLING NIPPLE & ROT. HEAD ON CONDUCTOR - HOOK UP FLOW LINE
23:00	6:00	7.00	DRLG F/ 30' - 90'

03/15/04

BIT DATA																			
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA			IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MTR	WOB	DULL CONDITION		
																	T	B	G
1	12.25	Varel	ETD28MS	527	154667	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO

HYDRAULICS													
PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD	
1	PZ-8	6	8	2.79		0							
2	FXN	6	14	5.32		0							
Both				8.11	0	0							

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

3 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

DRILL STRING				GEOLOGIC			
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.	FORMATION	MD	TVD	LITHOLOGY
12 1/4" BIT	1.00			Green River			
BIT SUB	2.34						
6" DC'S	487.57						

SURVEYS																	
MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
475	0.75							SS									SS

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	19:00	13.00	DRLG F/ 90' - 525' W/ AIR & FOAM
19:00	19:30	0.50	BLOW HOLE CLEAN & SURVEY - 3/4 DEG
19:30	20:00	0.50	TOH F/ CASING
20:00	21:30	1.50	R/U T&M CASERS & RUN 8 5/8" CASING - 12 JTS - 520' - R/D CASERS
21:30	XXXXX		R/U BIG 4 CEMENTERS - PUMP 20 BBL GEL SWEEP, 290 SX PREMIUM CEMENT W/ ADDITIVES, 31 BBLs
XXXXX	23:00	1.50	DISPLACEMENT- BUMP PLUG @ 1320 PSI - FLOAT DID NOT HOLD - PUT 500 PSI ON CASING & SHUT IN
23:00	6:00	7.00	W.O.C.

3/16/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS %	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
8.8	38														

BIT DATA																	
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA	IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MTR	WOB	DULL CONDITION		
															T	B	G

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

4 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

1	12.25	Varel	ETD28MS	527	154667	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197106	16	16	16	525		799	10.00	79.9	Y	60/134				

**HYDRAULICS**

PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD
1	PZ-8	6	8	2.79		0						
2	FXN	6	14	5.32	70	372			840	180	183.0	
Both				8.11	70	372						

DRILL STRING					GEOLOGIC			
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.		FORMATION	MD	TVD	LITHOLOGY
7 7/8" BIT	1.00				Green River			SS
MUD MOTOR(.36RPG)	22.88	6.250						
6" DC'S	573.48	6.250	2.000					
					GAS DATA			
					BOTTOMS UP TIME	BG GAS	CONN GAS	TRIP GAS
					6	50	5,875	
					SHOWS			
					GAS UNITS	FROM	TO	ROP (FT/HR)
					5,850	1,258	1,278	240.0
Total BHA:					597.36			
STRING WT.	BHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE CSG
	48,700				5,597	12	5,609	

**SURVEYS**

MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
475	0.75							SS									SS
1,010	1.50							SS									SS

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

5 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	8:30	2.50	CUT OFF CASING - WELD ON CASING HEAD
8:30	11:30	3.00	NUBOPE
11:30	16:30	5.00	TEST BOPE
16:30	17:30	1.00	TIH W/ BHA # 2 - TAG CEMENT @ 475'
17:30	18:00	0.50	STAND BACK STAND, P/U KELLY, BREAK CIRC
18:00	19:00	1.00	DRILL CEMENT & FLOAT EQUIP & 10' FORMATION(535')
19:00	19:30	0.50	FORMATION INTEGRITY TEST - TEST TO 11 PPG EQUIVALENT
19:30	2:00	6.50	DRLG F/ 535' - 1040'
2:00	2:30	0.50	SURVEY - 1.5
2:30	6:00	3.50	DRLG F/1040' - 1324'

**SHOW REPORT Quest 2-28**

**INTERVAL: 1258-1278' Green River Formation**

**ROP: BEFORE-.7 MIN/FT, DURING-.25 MIN/FT, .8 MIN/FT**

**GAS: BEFORE-10 Units, DURING-5875 Units, 50 Units**

**CONNECTION GAS: BEFORE-TRACE Units, AFTER- 5850 Units**

**LITHOLOGY: Sandstone; white, speckled green, medium grained, well rounded, fair sorting, friable, abnt glauconite, fair porosity, no sample show.**

**NOTE: Sharp peak-Connection gas in part.**

03/17/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS %	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
9.0	55	12.0	2	9.0	0.50	3.3	10	10	2/5	2300		17,500	12		

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

6 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

Daily Drilling\Completion\Workover Report  
 Quest 2-28

Utah  
 Nw Ne Section 28 T11S R25E

BIT DATA																			
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd" or TFA)			IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MTR	WOB	DULL CONDITION		
						T	B	G											
1	12.25	Varel	ETD28MS	527	154667	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197106	16	16	16	525		1825	33.00	55.3	Y	60/134	35			

HYDRAULICS													
PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD	
1	PZ-8	6	8	2.79		0							
2	FXN	6	14	5.32	70	372			840	180	183.0		
Both				8.11	70	372							

DRILL STRING					GEOLOGIC				GENERAL INFO		
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.		FORMATION	MD	TVD	LITHOLOGY	RIG INFO		
7 7/8" BIT	1.00				Green River			SS	Rig No:	435-7	
MUD MOTOR(.36RPG)	22.88	6.250			WASATCH			SILTSTONE	Cell No.	307-6	
6" DC'S	573.48	6.250	2.000		OHIO CREEK	2,324		SS & SH	Last BOP Test	3/15	
					GAS DATA				Next BOP Test		
					BOTTOMS UP TIME	BG GAS	CONN GAS	TRIP GAS	Last Safety Meeting		
					9	20	160		3/14		
					SHOWS				Last BOP Drill		
					GAS UNITS	FROM	TO	ROP (FT/HR)	Last Operate Pipe Rams		
					290	1,988	1,991	55.0	3/15		
									Last Operate Blind Rams		
									3/15		
Total BHA:					597.36					Last Operate Annular	
STRING WT.	BHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE CSG	LAST CASING		
	48,700				5,597	12	5,609		8 5/8" @ 520'		
									NEXT CASING		
									4 1/2" @ 2400'		

**SURVEYS**

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
 Drilling Engineer: Steve Hash  
 Geologist: Mike Connelly

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**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
1,010	1.50							SS	1,996	3.25							SS

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	9:00	3.00	DRLG F/1324' - 1560'
9:00	9:30	0.50	SURVEY @ 1520' - 2 DEG
9:30	20:30	11.00	DRLG F/ 1560' - 2040'
20:30	21:00	0.50	SURVEY @ 1996' - 3 1/4 DEG
21:00	6:00	9.00	DRLG F/ 2040' - 2350'

**SHOW REPORT Quest 2-28**

**INTERVAL: 1988-1991' Wasatch Formation**

**ROP: BEFORE-1 MIN/FT, DURING-.75 MIN/FT, 1.5 MIN/FT**

**GAS: BEFORE-10 Units, DURING-290 Units, 200 Units**

**CONNECTION GAS: BEFORE-274 Units, AFTER- 1877 Units**

**LITHOLOGY: Siltstone; pale green, medium texture, blocky, firm, very calcareous, limestone in part, very poor porosity, dull mineral floor**

**NOTE: May correlate with gas charged sand intercepted at 1910' in the Quest 16-21 well.**

03/18/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS %	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
9.4	60	16.0	2	9.0	0.50	3.5	11	10	4/12	2300		12,500	12		

BIT DATA																	
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA	IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MTR	WOB	DULL CONDITION		
															T	B	G

TCC Royalty Corporation  
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**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

Daily Drilling\Completion\Workover Report  
Quest 2-28

Utah  
Nw Ne Section 28 T11S R25E

1	12.25	Varel	ETD28MS	527	154667	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197106	16	16	16	525	2485	1960	36.50	53.7	Y	60/134	35	2	E	NO

**HYDRAULICS**

PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD
1	PZ-8	6	8	2.79		0						
2	FXN	6	14	5.32	70	372			840	180	183.0	
Both				8.11	70	372						

DRILL STRING					GEOLOGIC				GENERAL INFO	
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.		FORMATION	MD	TVD	LITHOLOGY	RIG INFO	
7 7/8" BIT	1.00				Green River			SS	Rig No:	435-7
					WASATCH			SILTSTONE	Cell No.	307-6
6" DC'S	573.48	6.250	2.000		OHIO CREEK	2,324		SS & SH	Last BOP Test	3/15
					GAS DATA				Next BOP Test	
					BOTTOMS UP TIME	BG GAS	CONN GAS	TRIP GAS	Last Safety Meeting	3/17
					9	50	300	9455*	Last BOP Drill	1/0
					SHOWS				Last Operate Pipe Rams	3/15
					GAS UNITS	FROM	TO	ROP (FT/HR)	Last Operate Blind Rams	3/17
									Last Operate Annular	
Total BHA:	574.48								LAST CASING	NEXT CASING
STRING WT.	BHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE CSG	8 5/8" @ 520'	4 1/2" @ 2485'
89,000	48,700				5,597	12	5,609			

**SURVEYS**

MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL	MD	INCL.	AZIMUTH	TVD	SECTION	N+ / S-	E+ / W-	DLS	TOOL
1,010	1.50							SS	1,996	3.25							SS
1,520	2.00							SS	2,440	3.00							SS

TCC Royalty Corporation  
Supervisor: Steven A. Tedesco  
Drilling Engineer: Steve Hash  
Geologist: Mike Connelly

9 (303) 617-7242

**CONFIDENTIAL**  
Completion Engineer: Trent Green  
Pumper: Sam Gardner

DAILY ACTIVITY			
FROM	TO	HRS	LAST 24 HOURS:
6:00	9:30	3.50	DRLG F/2350' - 2485' - T.D. HOLE
9:30	10:00	0.50	CIRC & COND F/ SHORT TRIP
10:00	11:00	1.00	SHORT TRIP 10 STANDS - 2' FILL
11:00	11:30	0.50	CIRC & COND F/ LOGS
11:30	12:30	1.00	TOH F/LOGS***
12:30	16:00	3.50	LOG WELL W/ PSI - WELL FLOWING DURING LOGGING RUN(APPROX 1 BBL/MIN)
16:00	18:00	2.00	TIH TO 2220' - HIT BRIDGE & WENT THROUGH; HIT BRIDGE @ 2270' & KELLIED UP
18:00	3:00	9.00	WASH & REAM F/ 2270' - 2485' - WELL FLOWING - RAISE MW TO 9.4 PPG
3:00	6:00	3.00	PUMP PILL & TOH LAYING DOWN
6:00			
0:00			*TRIP GAS WAS 10,000 UNITS
0:00			
0:00			***LOGS RUN - DUAL INDUCTION, COMPENSATED DENSITY, COMPENSATED NEUTRON, MICRO LOG,
0:00			GAMMA RAY, CALIPER, SP

03/19/04

MUD DATA															
WT	VIS.	WL	CK	PH	SAND	SOLIDS %	PV	YP	GELS	DEPTH	DATE/TIME	CHLORIDES	CALCIUM	MBT	SALT PPM
9.3	51	12.0	2	10.3	0.50	6.0	14	18	6/18	2485		10,200			

BIT DATA																			
BIT NO.	SIZE	MFG.	TYPE	IADC CODE	SERIAL NO.	JETS (1/32nd") or TFA			IN	OUT	FOOTAGE	HOURS	ROP	MTR	RPM RT+MTR	WOB	DULL CONDITION		
						18	20	20									T	B	G
1	12.25	Varel	ETD28MS	527	154667	18	20	20	30	525	495	20.00	24.8	N	90	40	2	E	NO
2	7.875	Varel	CH28S	527	197106	16	16	16	525	2485	1960	36.50	53.7	Y	60/134	35	2	E	NO

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
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10 (303) 617-7242  
**CONFIDENTIAL**  
 Completion Engineer: Trent Green  
 Pumper: Sam Gardner

**HYDRAULICS**

PUMP NO.	MANUFACTURER	LINER	STROKE LENGTH	GAL / STK	SPM	GPM	AV DP	AV DC	PUMP PRESS.	MTR DIFF PRESS.	HHP / IN <sup>2</sup>	ECD
1	PZ-8	6	8	2.79		0						
2	FXN	6	14	5.32		0						
Both				8.11	0	0						

DRILL STRING					GEOLOGIC				GENERAL INFO	
BOTTOMHOLE ASSEMBLY	LENGTH	O.D.	I.D.		FORMATION	MD	TVD	LITHOLOGY	RIG INFO	
7 7/8" BIT	1.00				Green River			SS	Rig No:	435-7
					WASATCH			SILTSTONE	Cell No.	307-6
6" DC'S	573.48	6.250	2.000		OHIO CREEK	2,324		SS & SH	Last BOP Test	3/15
					GAS DATA				Next BOP Test	
					BOTTOMS UP TIME	BG GAS	CONN GAS	TRIP GAS	Last Safety Meeting	
					SHOWS				Last BOP Drill	
					GAS UNITS	FROM	TO	ROP (FT/HR)	Last Operate Pipe Rams	
									Last Operate Blind Rams	
									Last Operate Annular	
Total BHA:	574.48								LAST CASING	
STRING WT.	BHA WT.	PU WT.	SO WT.	ROT. TORQUE	GRD. ELEVATION	GL TO KB	KB ELEVATION	INTERMEDIATE CSG	NEXT CASING	
89,000	48,700				5,597	12	5,609		8 5/8" @ 520' 4 1/2" @ 2485'	

**DAILY ACTIVITY**

FROM	TO	HRS	LAST 24 HOURS:
6:00	7:00	1.00	TOH LAYING DOWN
7:00	XXXXX		R/U T&M CASERS - RUN 4 1/2" CASING TO 2240' - HIT BRIDGE - WORKED PIPE, HOOKED UP TO CIRC,
XXXXX	11:30	4.50	CIRCULATED LAST 245' TO BOTTOM
11:30	12:00	0.50	R/U BIG 4 CEMENTERS, CIRC & RECIPROCATE

TCC Royalty Corporation  
 Supervisor: Steven A. Tedesco  
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11 (303) 617-7242  
**CONFIDENTIAL**  
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12:00	XXXXX		CEMENT 4 1/2" CASING W/ 90 SX PREMIUM CEMENT LEAD W/ 16% GEL+10# GILSONITE+1/4# FLOCELE+3% SALT.
XXXXX	13:00	1.00	TAIL - 300 SX 50/50 POZ+10% SALT+.4% FLD+ .2% DISPERSANT+1/4# FLOCELE
13:00	19:00	6.00	W.O.C. - NDBOPE, CUT OFF 4 1/2" CASING, RIGGING DOWN, CLEANING PITS - RIG RELEASED @ 19:00
19:00	6:00	11.00	RIG DOWN, PREPARE TO MOVE TO QUEST 15-21

04/12/04

Ran in hole with TDT tool using Halliburton, ran log from TD to surface.

TCC Royalty Corporation  
Supervisor: Steven A. Tedesco  
Drilling Engineer: Steve Hash  
Geologist: Mike Connelly

12 (303) 617-7242  
**CONFIDENTIAL**  
Completion Engineer: Trent Green  
Pumper: Sam Gardner



# EXACT Engineering, Inc.

## CASING & CEMENT REPORT

WELL NAME: TCC Royalty Corporation - Quest 2-28 W.O.# \_\_\_\_\_ DATE: March 14, 2004

SEC: 28	TWP: 11S	RANGE: 25E	COUNTY: Uintah	STATE: Utah
DEPTH OF HOLE: 525'		SIZE: 12.25	DRILLING FOREMAN: PAT CLARK	
SURFACE ELEV: 5,597.0	KB ELEV: 5,609.0	KBM: 12.0		

### CASING DETAIL

DESCRIPTION TOP TO BOTTOM:		Production Casing
(Include wellhead equipment that is below G. L.)		
<u>Qty.</u>	<u>Description</u>	<u>Length</u>
12	8-5/8" 24 #/FT J-55 STC CASING - MAVERICK (incl guide shoe on btm & insert float 1 jt	521.20
(A) TOTAL LENGTH OF PIPE		521.20
(B) TOP OF CSG. FLANGE TO G.L.		_____
(C) G.L. TO TOP OF KELLY BUSHING (KBM)		_____
(D) TOP OF CASING ABOVE (-) KELLY BUSHING or		-1.00
TOP OF CASING BELOW (+) KELLY BUSHING		_____
CASING LANDED AT (A+B+C+D)		520.20 kbm
CENTRALIZERS AT: _____ quantity = 4 _____		
_____		
_____		
CASING LEFT ON RACKS _____ none _____		
_____		

### CEMENT DETAIL

<b>FIRST STAGE:</b>			
840 gal. GEL SWEEP	@ 8.5 ppg	LEAD CEMENT:	290 sks of Premium Cmt
with 2% CALCIUM CHLORIDE, 1/4 #/SK FLOCELE			
YIELD: 1.18 cu.ft./sx	WT: 15.6 ppg	TAIL CEMENT:	_____ sks of _____
with _____			
YIELD: _____ cu.ft./sx	WT: _____ ppg	DISPLACE @	3.0 bpm w/ 31 bbls Water
BUMP PLUG: Yes	FINAL PUMP PRESS: 800 psi	BUMP TO: 1,320 psi	FLOATS HELD: NO
CIRCULATE CASING: 0.50 hrs.	CSG was NOT Stuck on bottom.		CEMENT COMPANY: Big 4
CALCULATED TOC: surf		CEMENT IN PLACE: 3/14/04 10:30 PM	
20 bbl gel sweep ahead		LEFT 500 PSI ON CEMENT HEAD	
circ 10 bbls slurry to pit			
<b>SECOND STAGE</b>			
_____ gal. (Water / Mud Flush)	@ _____ ppg	LEAD CEMENT:	_____ sks of _____
with _____			
YIELD: _____ cu.ft./sx	WT: _____ ppg	TAIL CEMENT:	_____ sks of _____
with _____			
YIELD: _____ cu.ft./sx	WT: _____ ppg	DISPLACE @	_____ bpm w/ _____ bbls (Water / Mud)
BUMP PLUG: Yes / No	FINAL PUMP PRESS: _____ psi	BUMP TO: _____ psi	FLOAT(S) HELD: Yes / No
CIRCULATE CASING: _____ hrs.	CASING WAS Rotated / Reciprocated		CEMENT COMPANY: _____
CALCULATED TOC: _____		CEMENT IN PLACE: _____	
_____			

115 25E 28



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

May 6, 2005

CONFIDENTIAL

Mr. Steve Tedesco  
TCC Royalty Corporation  
14550 East Easter Ave, Suite 1000  
Centennial, Colorado 80122

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

Dear Mr. Tedesco:

The Division of Oil, Gas and Mining (the "Division") is in receipt of your letters dated March 22, 2005 (received by the Division 03/24/2005) and March 25, 2005 (received by the Division 03/29/2005) in regards to the four (4) shut-in or temporarily abandoned (SI/TA) wells operated by TCC Royalty Corporation ("TCC"). Those wells are the Quest 14-10 well, API # 43-047-33935; the Quest 12-21 well, API # 43-047-34418; the Quest 15-21L well, API # 43-047-35297; and the Quest 2-28 well, API # 43-047-35310. TCC has supplied information for each well. The Division understands that only one of the four wells has been perforated (the Quest 12-21 well) and that TCC plans to produce or plug and abandon these four wells by August 1, 2005. TCC requests extended SI/TA status until that time to allow time to secure completion rigs and pipeline crews to complete work on these wells.

Based on the submitted plan of action and current status of the wells, the Division grants TCC extended SI/TA status for the Quest 14-10, the Quest 12-21, the Quest 15-21L and the Quest 2-28 wells through August 1, 2005. Sundry Notice of Intents for the proposed work should be submitted to and approved by the Division prior to initiating work. A SI/TA extension request (future plans and integrity information) should also be submitted for the Quest 4-27 well (API # 43-047-35298). If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,  
  
Dustin K. Doucet  
Petroleum Engineer

cc: Well File  
SITLA

**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: TCC Royalty Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 14550 E Easter Ave., Ste 10( CITY Centennial STATE CO ZIP 80112		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL		8. WELL NAME and NUMBER: Quest 2-28
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		9. API NUMBER: 4304735310
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: wildcat
STATE: UTAH		

CONFIDENTIAL

**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 checked="" 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>see below</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.

Awaiting completion rig and frac company to finish completion since drilling ceased in March, unable to get services and awaiting to see how the rest of the wells in the field improve

**RECEIVED**  
**JUL 22 2005**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Steven A. Tedesco</u>	TITLE <u>Vice President</u>
SIGNATURE	DATE <u>7/21/2005</u>

(This space for State use only)

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:
2. NAME OF OPERATOR: TCC Royalty Corporation <i>N1995</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 14550 E Easter Ave., Ste 101 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: S.L.B. & M. COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		8. WELL NAME and NUMBER: See Attachment
PHONE NUMBER: (303) 617-7242		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

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: <u>10/1/2005</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

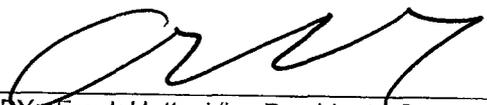
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

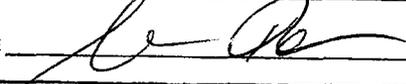
Effective: October 1, 2005

Enduring Resources, LLC *N2750* Operator No. N 2750  
475 17th Street, Suite 1500 Utah State Bond #RLB0008031  
Denver, Colorado 80202

Contact: Frank Hutto 303-350-5102

ENDURING RESOURCES, LLC

BY:  DATE: 10-24-2005  
Frank Hutto, Vice President - Operations  
*ALEX CAMPBELL* *LANE*

NAME (PLEASE PRINT) CHRISTINE Fedesco TITLE XXXXXXXX  
SIGNATURE  DATE \_\_\_\_\_

(This space for State use only)

**APPROVED** 10/31/05  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

**RECEIVED**  
OCT 26 2005  
DIV. OF OIL, GAS & MINING

## TRANSFER OF OPERATOR

From: TCC Royalty Corp. - To: Enduring Resources, LLC

	API Number	Well Name	Status	Field	County	State	Qtr-Qtr	Section	Twn-Rge
1	43-047-33935-00-00	QUEST 12-21	Shut-In	Kicker	Uintah	Utah	NWSW	21	11S-25E
2	43-047-33693-00-00	QUEST 22-1	Producing	Kicker	Uintah	Utah	SESW	22	11S-25E
3	43-047-33803-00-00	QUEST 6-28	Producing	Kicker	Uintah	Utah	SESW	22	11S-25E
4	43-047-33805-00-00	QUEST 16-21	Producing	Kicker	Uintah	Utah	SESE	21	11S-25E
5	43-047-33801-00-00	QUEST 4-28	Location Abandoned	Kicker	Uintah	Utah	NWNW	28	11S-25E
6	43-047-34118-00-00	QUEST 14-10	Drilling Operations Suspended	Wildcat	Uintah	Utah	SESW	10	11S-25E
7	43-047-35299-00-00	QUEST 13-22	Producing	Kicker	Uintah	Utah	SWSW	22	11S-25E
8	43-047-35298-00-00	QUEST 4-27	Spudded (Drilling commenced: Not yet completed)	Kicker	Uintah	Utah	NWNW	27	11S-25E
9	43-047-35310-00-00	QUEST 2-28	Drilling Operations Suspended	Kicker	Uintah	Utah	NWNE	28	11S-25E
10	43-047-35297-00-00	QUEST 15-21L	Drilling Operations Suspended	Kicker	Uintah	Utah	SWSE	21	11S-25E

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OCT 26 2005

DIV. OF OIL, GAS & MINING



6c. Reports current for Production/Disposition & Sundries on: \_\_\_\_\_

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: 10/31/2005
- 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 10/31/2005
- 3. Bond information entered in RBDMS on: 10/31/2005
- 4. Fee/State wells attached to bond in RBDMS on: 10/31/2005
- 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 & STATE WELL(S) BOND VERIFICATION:**

- 1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number RLB0008031
- 2. The FORMER operator has requested a release of liability from their bond on: not yet  
The Division sent response by letter on: \_\_\_\_\_

**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: 10/31/2005

**COMMENTS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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: <b>Fee</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Quest 2-28</b>
2. NAME OF OPERATOR: <b>TCC Royalty Corporation</b>		9. API NUMBER: <b>4304735310</b>
3. ADDRESS OF OPERATOR: <b>14550 E Easter Ave., Ste 101</b> CITY <b>Centennial</b> STATE <b>CO</b> ZIP <b>80112</b>		10. FIELD AND POOL, OR WILDCAT: <b>wildcat</b>
		PHONE NUMBER: <b>(303) 617-7242</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2126' FEL 312' FNL</b> COUNTY: <b>Uintah</b> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 28 11S 25E</b> STATE: <b>UTAH</b>		

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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 checked="" 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>see below</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.

Awaiting completion rig and frac company to finish completion since drilling ceased in March, unable to get services and awaiting to see how the rest of the wells in the field improve. Wells sold to Enduring Resources as of October 1st, 2005

NAME (PLEASE PRINT) <u>Steven A. Tedesco</u>	TITLE <u>Vice President</u>
SIGNATURE	DATE <u>10/31/2005</u>

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NOV 07 2005

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

CONFIDENTIAL

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		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: Quest 11-25-31-28	
2. NAME OF OPERATOR: Enduring Resources, LLC		9. API NUMBER: 4304735310
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 350-5114	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL  QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		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: <u>7/23/2007</u>	<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"/> 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 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>Request for long term shut-in</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.

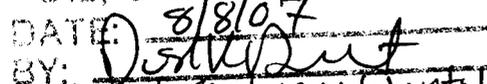
Production casing has been run on this well by a prior operator and a completion attempt has never been made. The nearest pipeline is operating at extremely high pressures. Enduring believes this well could produce at commercial rates under a better pipeline arrangement with lower pipeline pressure and would prefer not to plug the well at this time.

- Enduring is currently permitting a gas gathering pipeline that will be located within 1/4 mile of this well, and
- Enduring believes with lower gathering pipeline pressure that this well may produce at commercial rates.

Enduring Resources, LLC respectfully requests permission to shut-in this well for one year, and/or until a new gas pipeline with lower pressures can be built.

COPY SENT TO OPERATOR  
Date: 8/10/07  
Initials: CRD

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist  
SIGNATURE  DATE 7/23/2007

(This space for State use only)  
APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS AND MINING  
DATE: 8/8/07  
BY:   
\* Extended shut-in period until July 1, 2008 - operator should test well and submit well as soon as practicable (RB19-3-19)  
(See Instructions on Reverse Side)

**RECEIVED**  
**JUL 25 2007**  
DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining

**DRILLING OPERATIONS SUSPENDED**

**NOTICE TO OPERATORS:**

Operator's responsibility is to provide a monthly status report for each well in "Drilling Operations Suspended" status in accordance with Rule R649-3-6.2.4, which states:

The operator shall submit a monthly status report for each drilling well on Form 9, Sundry Notices and Reports on Wells. The report should include the well depth and a description of the operations conducted on the well during the month. The report shall be submitted no later than the fifth day of the following calendar month until such time as the well is completed and the well completion report is filed.

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining and may result in the Division pursuing enforcement action as outlined in Rule R649-10. Administrative Procedures and Section 40-6-11 of the Utah Code.

---

As of this mailing of this notice, the division has not received the required reports for:

Operator: ENDURING RESOURCES, LLC Today's Date: 02/01/2008

Well	API Number	Last Report Received
------	------------	----------------------

SEE ATTACHED LIST

To avoid compliance action, required reports should be mailed within 7 business days to:

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

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc Well File  
Compliance File

## DRILLING OPERATIONS SUSPENDED

Operator: Enduring Resources, LLC

Well	TwN-Rng-Sec	API Number	Last Report
Quest 11-25-24-10	110S 250E 10	4304734118	8/8/2007
Quest 11-25-11-27	110S 250E 27	4304735298	7/25/2007
Quest 11-25-31-28	110S 250E 28	4304735310	8/8/2007
Quest 11-25-34-21	110S 250E 21	4304735297	11/7/2005
DWR 12-23-31-21	120S 230E 21	4304733484	7/10/2007
Bonanza 9-23-24-12	090S 230E 12	4304735909	7/25/2007
Buck Cyn 12-21-43-16	120S 210E 16	4304737091	7/9/2007
Bonanza 9-24-32-22	090S 240E 22	4304736753	7/25/2007
Asphalt Wash 11-24-42-16	110S 240E 16	4304736875	7/25/2007

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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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: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL		8. WELL NAME and NUMBER: Quest 11-25-31-28
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		9. API NUMBER: 4304735310
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: <u>2/12/2008</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Request for long term shut-in</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 is still shut-in waiting for pipeline r-o-w from BLM.

DOG&M extended shut-in period ends 7-1-2008.

As reported 7-23-2007,

Production casing has been run on this well by a prior operator and a completion attempt has never been made. The nearest pipeline is operating at extremely high pressures. Enduring believes this well could produce at commercial rates under a better pipeline arrangement with lower pipeline pressure and would prefer not to plug the well at this time.

1. Enduring is currently permitting a gas gathering pipeline that will be located within 1/4 mile of this well, and  
2. Enduring believes with lower gathering pipeline pressure that this well may produce at commercial rates.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist

SIGNATURE  DATE 2/12/2008

(This space for State use only)

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
For Record Only (See Instructions on Reverse Side)

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FEB 19 2008  
DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 350-5114	9. API NUMBER: 4304735310	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E STATE: UTAH			10. FIELD AND POOL, OR WILDCAT: Wildcat

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	<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: 3/7/2008	<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
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NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>3/7/2008</u>

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MAR 10 2008  
DIV. OF OIL, GAS & MINING

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

SUNDRY NOTICES AND REPORTS ON WELLS

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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Uintah		STATE: UTAH

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 4/1/2008	<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
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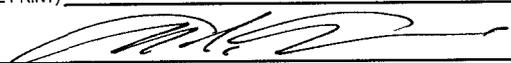
4-1-2008 Well is still shut-in waiting for pipeline r-o-w from BLM.

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NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>3/31/2008</u>

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

CONFIDENTIAL

FORM 9

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	<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: 5/1/2008	<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>Request for long term shut-in</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.

4-1-2008 Well is still shut-in waiting for pipeline r-o-w from BLM.

DOG&M extended shut-in period ends 7-1-2008.

As reported 7-23-2007,

Production casing has been run on this well by a prior operator and a completion attempt has never been made. The nearest pipeline is operating at extremely high pressures. Enduring believes this well could produce at commercial rates under a better pipeline arrangement with lower pipeline pressure and would prefer not to plug the well at this time.

1. Enduring is currently permitting a gas gathering pipeline that will be located within 1/4 mile of this well, and
2. Enduring believes with lower gathering pipeline pressure that this well may produce at commercial rates.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>4/28/2008</u>

(This space for State use only)

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APR 30 2008  
DIV. OF OIL, GAS & MINING

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

**CONFIDENTIAL**

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		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
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Quest 11-25-31-28
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304735310
PHONE NUMBER: (303) 350-5114		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 6/1/2008	<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>Request for long term shut-in</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.

6-1-2008 Well is still shut-in waiting for pipeline r-o-w from BLM.

DOG&M extended shut-in period ends 7-1-2008.

As reported 7-23-2007,

Production casing has been run on this well by a prior operator and a completion attempt has never been made. The nearest pipeline is operating at extremely high pressures. Enduring believes this well could produce at commercial rates under a better pipeline arrangement with lower pipeline pressure and would prefer not to plug the well at this time.

1. Enduring is currently permitting a gas gathering pipeline that will be located within 1/4 mile of this well, and  
2. Enduring believes with lower gathering pipeline pressure that this well may produce at commercial rates.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>5/27/2008</u>

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MAY 30 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		45. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
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		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Quest 11-25-31-28</b>
2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>		9. API NUMBER: <b>4304735310</b>
3. ADDRESS OF OPERATOR: <b>475-17th Street, Suite 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
PHONE NUMBER: <b>(303) 350-5114</b>		
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: <b>2126' FEL 312' FNL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 28 11S 25E</b>		STATE: <b>UTAH</b>

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: <b>7/1/2008</b>	<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"/> 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 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: <b>Request for long term shut-in</b>
	<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 is still shut-in waiting for pipeline r-o-w from BLM.

Production casing has been run on this well by a prior operator and a completion attempt has never been made. The nearest pipeline is operating at extremely high pressures. Enduring believes this well could produce at commercial rates under a better pipeline arrangement with lower pipeline pressure and would prefer not to plug the well at this time.

1. Enduring is currently permitting a gas gathering pipeline that will be located within 1/4 mile of this well, and
2. Enduring believes with lower gathering pipeline pressure that this well may produce at commercial rates.

NAME (PLEASE PRINT) <u>Alvin R. (AI) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>6/27/2008</u>

(This space for State use only)

**RECEIVED**

**JUN 30 2008**

DIV. OF OIL, GAS & MINING

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

FORM 9

**CONFIDENTIAL**

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2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Quest 11-25-31-28
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304735310
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL 312' FNL		10. FIELD AND POOL, OR WILDCAT: Wildcat
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		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: <u>8/1/2008</u>	<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 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 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>Request for long term shut-in</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.

Request Suspension of Operations.

Well is still shut-in.

Production casing has been run on this well by a prior operator and a completion attempt has never been made. The nearest pipeline is operating at extremely high pressures. Enduring believes this well could produce at commercial rates under a better pipeline arrangement with lower pipeline pressure and would prefer not to plug the well at this time.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>7/25/2008</u>

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**RECEIVED**  
**JUL 28 2008**



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
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

July 30, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 5834

Mr. Alvin Arlian  
Enduring Resources, LLC  
475 17<sup>th</sup> Street, Suite 1500  
Denver, CO 80202

43 047 35310  
Quest 11-25-31-28  
11S 25E 28

Re: Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

Dear Mr. Arlian:

Enduring Resources, LLC has eighteen (18) Fee Lease Wells and eleven (11) Mineral Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in and temporary abandonment (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. 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 (R649-3-36-1.3.3).

This is a second notice of non-compliance for wells 1 through 14 listed on Attachment A. The Division notified the previous operators, TCC Royalty, Ranken Energy, Mak-J Energy and Houston Exploration, on several occasions by certified mail about these wells non-compliance issues. Several plans to produce or plug were submitted, but no action has been taken to date on these wells. It has also come to the Divisions attention that Enduring no longer holds a valid lease for the DWR wells (wells 1 through 9 on Attachment A). Immediate action is required on these wells. The Division feels that sufficient time has passed to make a decision on these wells.

Please submit your plans to produce or plug these wells. If this is not addressed within 30 days, a Notice of Violation will be issued for these wells. A similar response is required for the other fifteen wells listed in Attachment A.



Page 2  
Mr. Arlian  
July 30, 2008

For extended SI/TA consideration the operator shall provide the Division with the following:

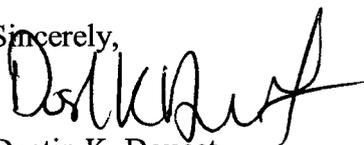
1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence 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)

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 will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet  
Petroleum Engineer

JP:js  
Enclosure

cc: Compliance File  
Well File  
Jim Davis, SITLA

## Attachment A

	Well Name	API	Lease Type	Years Inactive
1	DWR 12-23-13-22	4304733345	FEE	7 YEARS 6 MONTHS
2	DWR 12-23-34-16	4304733346	FEE	7 YEARS 3 MONTHS
3	DWR 12-23-41-21	4304733480	FEE	8 YEARS 1 MONTH
4	DWR 12-23-13-28	4304733481	FEE	7 YEARS 8 MONTHS
5	DWR 12-23-24-16	4304733482	FEE	8 YEARS 1 MONTH
6	DWR 12-23-24-28	4304733483	FEE	7 YEARS 8 MONTHS
7	DWR 12-23-31-21	4304733484	FEE	8 YEARS 2 MONTHS
8	DWR 12-23-42-29	4304733487	FEE	7 YEARS 11 MONTHS
9	DWR 12-23-44-16	4304733489	FEE	7 YEARS 8 MONTHS
10	QUEST 11-25-13-21	4304733935	FEE	4 YEARS 6 MONTHS
11	QUEST 11-25-24-10	4304734118	FEE	7 YEARS 0 MONTHS
12	QUEST 11-25-31-28	4304735310	FEE	4 YEARS 4 MONTHS
13	QUEST 11-25-34-21	4304735297	FEE	4 YEARS 4 MONTHS
14	QUEST 11-25-11-27	4304735298	FEE	4 YEARS 5 MONTHS
15	QUEST 11-25-14-22	4304735299	FEE	2 YEARS 9 MONTHS
16	HOSS 9-25-34-20	4304734756	ML-45558	2 YEARS 7 MONTHS
17	BONANZA 9-24-22-36	4304735860	ML-46527	2 YEARS 6 MONTHS
18	BONANZA 9-24-11-36	4304735861	ML-46527	1 YEAR 5 MONTHS
19	BONANZA 9-25-13-20	4304735929	ML-45558	2 YEARS 11 MONTHS
20	RAINBOW 11-24-31-16	4304736184	ML-47080	1 YEAR 1 MONTH
21	SOUTHAM CYN 10-25-21-32	4304736421	ML 47065	1 YEAR 10 MONTHS
22	AGENCY DRAW 12-21-31-36	4304736424	ML 47086	2 YEARS 1 MONTH
23	BONANZA 9-24-32-22	4304736753	FEE	2 YEARS 6 MONTHS
24	ARCHY BENCH 12-23-22-16	4304736800	ML-48957	2 YEARS 0 MONTHS
25	ARCHY BENCH 11-24-24-32	4304736819	ML-49762	1 YEAR 4 MONTHS
26	ASPHALT WASH 11-24-42-16	4304736875	ML47080	2 YEARS 2 MONTHS
27	SOUTHAM CYN 9-24-23-36	4304736880	FEE	1 YEARS 1 MONTH
28	SOUTHAM CYN 10-25-11-6	4304736933	FEE	1 YEAR 3 MONTHS
29	BUCK CYN 12-21-43-16	4304737091	ML-47085	2 YEARS 9 MONTHS

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>Fee</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
		8. WELL NAME and NUMBER: <b>Quest 11-25-31-28</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		9. API NUMBER: <b>4304735310</b>
2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
3. ADDRESS OF OPERATOR: <b>475-17th Street, Suite 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>		PHONE NUMBER: <b>(303) 350-5114</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2126' FEL - 312' FNL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 28 11S 25E</b>		STATE: <b>UTAH</b>

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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>11/19/2008</b>	<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
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	<input checked="" 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: _____
	<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 status changed from shut-in to completing.

See well daily report dated 11-20-2008 for 11-19-2008, attached.

11-19-2008 MIRU WL to run CCL/CBL to prepare for completion attempt.

Completion Rig should be on well by mid-December to make completion attempt.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>12/2/2008</u>

(This space for State use only)

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(5/2000)

(See Instructions on Reverse Side)

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DEC 08 2008  
DIV. OF OIL, GAS & MINING



**Enduring Resources, LLC**

475 17th St. - Suite 1500  
 Denver, CO 80202  
 (303) 573-1222

**Wellwork Chronological Report**

Well Name: QUEST 11-25-31-28						
Prospect:				AFE #:	DV01026	
Sec/Twp/Rge:	28 / 11S / 25E			AFE Total:	\$282,500	
API #:	430473531000	Field:			This AFE Cost:	\$5,200
Work Type:	Completion	County, St.:	UINTAH, UT	Tot Assoc AFE's:	\$5,200	
Operator:	Enduring Resources LLC	Supervisor:	P. Sprague	Phone:	828-5983	
Production Current/Expected	Oil:	0 / 0	Gas:	0 / 0	Water:	0 / 0

Wellwork Details									
Date:	11/20/2008	Days:	1	DC:	\$5,200	CCC:	\$5,200	CWC:	\$5,200
Activity:	Bond Log		Rig Name:						
Daily Report Summary :									
Daily Report Detail: MIRU Lone Wolf WL, RJU & RIH w/CCL/CBL. Log well from surface to 2408', tagged at 2418', corrected depth, KB 12'. Cement looks good from ~250' and down.									
From 16:00 To 18:00	2 hrs	Category/Rmks:	Log : MIRU & run Lone Wolf WL, CCL/CBL. Logged to 2408' corrected depth. Good cmt 250' & down.						

Casing									
Date In	Setting Depth	Jts Run	Type	Size	Weight	Grade	MINID	Hole Diam	TD
3/15/2004	520	12	3. Surface	8.625	24	J-55		12.25	525
Stage: 1, Lead, 0, 290, Premium w/ 2% CaCl2, 1/4#/sk flocele, Class G, 1.18, 15.6									
3/19/2004	2484.77	60	5. Production	4.5	10.5	J-55	0	7.875	2485
Stage: 1, Lead, 0, 90, Premium w/ 16% gel, 3% salt, 1/4#/sk flocele, 10# Gilsonite, Class G, 3.82, 11									
Stage: 1, Tail, 0, 300, 50/50 Poz w/ 2% gel, 10% salt, .4% FLD, .2% dispersant, 1/4#/sk flocele, Class G, 1.21, 14.4									

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**Fee**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
**N/A**

7. UNIT or CA AGREEMENT NAME:  
**N/A**

8. WELL NAME and NUMBER:  
**Quest 11-25-31-28**

9. API NUMBER:  
**4304735310**

10. FIELD AND POOL, OR WILDCAT:  
**Wildcat**

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
**Enduring Resources, LLC**

3. ADDRESS OF OPERATOR:  
**475-17th Street, Suite 1500** CITY **Denver** STATE **CO** ZIP **80202** PHONE NUMBER: **(303) 350-5114**

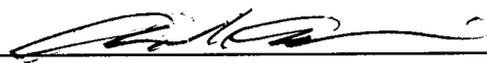
4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **2126' FEL - 312' FNL** COUNTY: **Uintah**  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWNE 28 11S 25E** STATE: **UTAH**

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: <b>1/2/2009</b>	<input checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Well Status Report</u>
		<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Have made completion attempt, shut-in for winter.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist  
SIGNATURE  DATE 1/2/2009

(This space for State use only)

RECEIVED  
JAN 05 2009

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  
N/A

7. UNIT or CA AGREEMENT NAME  
N/A

8. WELL NAME and NUMBER:  
Quest 11-25-31-28

9. API NUMBER:  
4304735310

10. FIELD AND POOL, OR WILDCAT  
Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
NWNE 28 11S 25E S

12. COUNTY  
Uintah

13. STATE  
UTAH

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

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

2. NAME OF OPERATOR:  
Enduring Resources, LLC

3. ADDRESS OF OPERATOR:  
475 17th St, Suite 1500 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:  
(303) 573-1222

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 2126' FEL - 312' FNL  
AT TOP PRODUCING INTERVAL REPORTED BELOW: same as above  
AT TOTAL DEPTH: same as above

14. DATE SPUDDED: 3/12/2004

15. DATE T.D. REACHED: 3/19/2004

16. DATE COMPLETED: 12/18/2008

ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
5612 RKB

18. TOTAL DEPTH: MD 2,485 TVD \_\_\_\_\_

19. PLUG BACK T.D.: MD 2,440 TVD \_\_\_\_\_

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)  
Previously submitted.  
Mud, DLG, GR, CO, CN, ITMDL

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14"	line pipe	0	40		3 yards		0 (CIR)	0
12.25"	8 5/8 J55	24#	12	520		CI G 290	61	12(CIR)	0
7-7/8"	4 1/2 J55	10.5#	12	2,485		CI G 390	126	250 (CBL)	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	1,302	1,302						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Green River	1,260	1,400			1,260 1,400	.38"	57	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
1260 - 1400	Acidized formation with 1000 gal 15% HCl

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:  
Shut-in

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE: 12/16/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 0	WATER – BBL: 72	PROD. METHOD: flowing
CHOKE SIZE: 12/64	TBG. PRESS. 0	CSG. PRESS. 100	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 0	WATER – BBL: 72	INTERVAL STATUS: Shut-in

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.)

N/A

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.

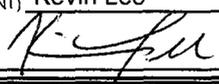
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Green River	0
				Wasatch	1,424
				Mesaverde	2,274

35. ADDITIONAL REMARKS (Include plugging procedure)

Our plan is to P&A this well, P&A sundry has been submitted. We will follow up with a final completion report with plugging details

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

NAME (PLEASE PRINT) Kevin Lee TITLE Engineering Tech  
 SIGNATURE  DATE 1/23/2009

This report must be submitted within 30 days of

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

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

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

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

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

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: N/A
7. UNIT or CA AGREEMENT NAME: N/A
8. WELL NAME and NUMBER: Quest 11-25-31-28
9. API NUMBER: 4304735310
10. FIELD AND POOL, OR WILDCAT: Wildcat
1. TYPE OF WELL OIL WELL [ ] GAS WELL [x] OTHER
2. NAME OF OPERATOR: Enduring Resources, LLC
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 350-5114
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL - 312' FNL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E STATE: UTAH

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

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for NOTICE OF INTENT, SUBSEQUENT REPORT, ACIDIZE, ALTER CASING, CASING REPAIR, CHANGE TO PREVIOUS PLANS, CHANGE TUBING, CHANGE WELL NAME, CHANGE WELL STATUS, COMMINGLE PRODUCING FORMATIONS, CONVERT WELL TYPE, DEEPEN, FRACTURE TREAT, NEW CONSTRUCTION, OPERATOR CHANGE, PLUG AND ABANDON, PLUG BACK, PRODUCTION (START/RESUME), RECLAMATION OF WELL SITE, RECOMPLETE - DIFFERENT FORMATION, REPERFORATE CURRENT FORMATION, SIDETRACK TO REPAIR WELL, TEMPORARILY ABANDON, TUBING REPAIR, VENT OR FLARE, WATER DISPOSAL, WATER SHUT-OFF, OTHER: Well Status Report.

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

Have made completion attempt, shut-in for winter.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist
SIGNATURE [Signature] DATE 1/30/2009

(This space for State use only)

RECEIVED
FEB 03 2009

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		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: Quest 11-25-31-28
2. NAME OF OPERATOR: Enduring Resources, LLC		9. API NUMBER: 4304735310
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500      CITY: Denver      STATE: CO      ZIP: 80202		10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 2126' FEL 312' FNL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		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: <u>2/5/2009</u>	<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"/> 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 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>Request for delay in closing pit</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.

Attached is a copy of a Notice of Violation to re-claim this pit.

- The completion attempt on this well was not finished until Dec-18-2008, and
- Since that time cold weather and ice on the pit is preventing the pit from being aerated.

Enduring respectfully request until July 1, 2009 to re-claim this pit.

COPY SENT TO OPERATOR

Date: 2.24.2009

Initials: KS

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

Date: 2-11-09

By: [Signature]

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>2/5/2009</u>

(This space for State use only)

*This is the last extension that will be granted for this well*

**RECEIVED**

**FEB 10 2009**



UTAH DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

Oil and Gas Program

1594 West North Temple, Suite 1210, Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 Phone

(801) 359-3940 Fax

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

\*\*\*\*\*

To the following operator:

Name: Enduring Resources LLC
Well or Site: Quest 11-25-31-28 API #: 43-047-35310
Location: Township 11S, Range 2SE, Section 28, County Uintah
Date and time of inspection: 11/20/08 2PM.
Mailing Address: 475 17th Street, Ste. 1500
Denver, CO 80202

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

Description of Violation(s):

Rule R649-3-34. Reserve pit needs to be reclaimed

Additional information/materials attached Y (circle one)

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining.

Compliance Deadline: 3/25/09

Date of Service Mailing: November 25, 2008 Time of Service Mailing: 4:00 pm

David W. Heffner
Division's Representative

Operator or Representative
(If presented in person)

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

**CONFIDENTIAL** 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: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 475-17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2126' FEL - 312' FNL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 28 11S 25E		8. WELL NAME and NUMBER: Quest 11-25-31-28
PHONE NUMBER: (303) 350-5114		9. API NUMBER: 4304735310
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 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: 4/1/2009	<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 Status Report</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.

MONTHLY WELL STATUS REPORT:

This well shall continue to be shut-in for the month of April, 2009.

- Enduring is preparing an "Action Plan" for this and other shut-in wells.
- By May 1, 2009, the Action Plan is to be submitted for the approval of the DOG&M.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>3/30/2009</u>

(This space for State use only)

RECEIVED  
APR 02 2009

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> FEE
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> QUEST 11-25-31-28
<b>2. NAME OF OPERATOR:</b> Enduring Resources, LLC	<b>9. API NUMBER:</b> 43047353100000
<b>3. ADDRESS OF OPERATOR:</b> 475 17th Street, Suite 1500 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 350-5114 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0312 FNL 2126 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 28 Township: 11.0S Range: 25.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> KICKER  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/28/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input checked="" type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: Monthly Status Report

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

1. WELL SHUT-IN WAITING PLUGGING. 2. PURSUANT TO ACTION PLAN SUBMITTED TO DOG&M IN MAY-2009. 3. RECEIVED PLUGGING ORDERS APPROVAL FROM DOG&M IN MAY-2009. 4. PLAN TO PLUG THIS WELL AND FIVE OTHERS IN SEQUENCE COMMENCING IN JUNE-2009.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 May 28, 2009

<b>NAME (PLEASE PRINT)</b> Alvin Arlian	<b>PHONE NUMBER</b> 303 350-5114	<b>TITLE</b> Landman-Regulatory
<b>SIGNATURE</b> N/A		<b>DATE</b> 5/28/2009

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> FEE
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> QUEST 11-25-31-28
<b>2. NAME OF OPERATOR:</b> Enduring Resources, LLC	<b>9. API NUMBER:</b> 43047353100000
<b>3. ADDRESS OF OPERATOR:</b> 475 17th Street, Suite 1500 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 350-5114 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0312 FNL 2126 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 28 Township: 11.0S Range: 25.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> KICKER  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/30/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Monthly Status Report

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

6-30-2009 Waiting for third party plugging contractor to commence plugging six wells pursuant to Action Plan. Third party plugging contractor is completing plugging work for another operator in this same area.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 June 30, 2009

<b>NAME (PLEASE PRINT)</b> Alvin Arlian	<b>PHONE NUMBER</b> 303 350-5114	<b>TITLE</b> Landman-Regulatory
<b>SIGNATURE</b> N/A		<b>DATE</b> 6/30/2009

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> FEE
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b>	<b>8. WELL NAME and NUMBER:</b> QUEST 11-25-31-28
<b>2. NAME OF OPERATOR:</b> Enduring Resources, LLC	<b>9. API NUMBER:</b> 43047353100000
<b>3. ADDRESS OF OPERATOR:</b> 475 17th Street, Suite 1500 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 350-5114 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0312 FNL 2126 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 28 Township: 11.0S Range: 25.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> KICKER  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 11/12/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

The location was reseeded 11-12-2009 using at least double the seed mix that the Surface Owner requested because the location was too rocky to use drill. The location was disked to prepare the seed bed, the seed broadcast over the seed bed, and harrowed to bury the seed. The location was seeded with the following seed mix: 8.4# Lewis Blue Flax, 8.4# Four Wing Saltgrass, 8.4# Indian Rice Grass 8.4# Tall Wheat Grass, 25.2# Russian Wild rye, 25.2# Crested Wheat Grass The Packing Slip and Bag Tags for the seed will be kept in the Vernal, UT Office's Well File and available on request. A Well Reclamation Release has been sent to the Surface Owner (Fee).

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 November 23, 2009

<b>NAME (PLEASE PRINT)</b> Alvin Arlian	<b>PHONE NUMBER</b> 303 350-5114	<b>TITLE</b> Landman-Regulatory
<b>SIGNATURE</b> N/A		<b>DATE</b> 11/18/2009

FAX FROM SAGE GEOTECH INC.

DATE: 10/16/09

TOTAL PAGES 2

TO: AL ARLIAN

(PHONE 303-350-5114)

(FAX 303-573-0461)

FROM: GARY AHO OF OSEC

Sage Geotech Inc., P.O. Box 1211, 818 Taughenbaugh, Rifle, CO 81650  
Phone: 970-625-2445 Fax: 970-625-2448

Message: \_\_\_\_\_

Al, the attached is the seed mix  
used out in Utah by Huntford, a  
predecessor to Enduring. Please  
use the same.

Thank you,

Gary Aho



Date: November 27, 2001

To: Cliffs Synfuel Corp. Gary D. Aho  
Cliffs Oil Shale Corp.  
From: Huntford Resources Corp.  
Subject: Seeding and reclamation work on Huntford wells and right-of-ways

Gary

In regards to the reclamation and seeding work done on the Cliffs wells. All sites were sowed with the following seed mix recommended and supplied by I.F.A Larry Dockery on the dates and by the methods shown below.

Application rate 14 lbs plus seed per acre  
Lewis Buefax (10%) 1.4#  
Flourwing Saltbush (10%) 1.4#  
Indian Ricegrass (10%) 1.4#  
Tall Wheatgrass (10%) 1.4#  
Russian Wildrye (30%) 4.2#  
Crested Wheatgrass (30%) 4.2#  
Total 14.0#

On 9-10-01 the Quest 16-21 and 1-22 reserve pits were planted as follows: Broadcast seed and walk seed in with dozer.

On approximately 9-15-01 the abandoned location next to the Quest 1-22 location was planted as follows: Sow seed from the edge of the Quest 1-22 to the dry hole marker Hand rake seed in during a rainstorm.

On the pipeline right-of-way from the Canyon gas meter at the mouth of park canyon to the Quest 1-22 and the slopes around the locations were planted as follows: Broadcast seed along the right-of-way and cover the seed with a harrow pulled behind a four wheeler. The slopes were sown and raked in by hand.

Chuck Gardner