

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

D. LEASE DESIGNATION AND SERIAL NO.  
**UTU-78118**

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK   
 1b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER   
 SINGLE ZONE  MULTIPLE ZONE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**NA**

7. UNIT AGREEMENT NAME  
**NA**

8. FARM OR LEASE NAME  
**NA**

2. NAME OF OPERATOR  
**The Houston Exploration Company 713-830-8973**

9. WELL NO.  
**Bonanza 12A-22**

3. ADDRESS OF OPERATORS  
**1100 Louisiana Suite 2000 Houston, TX 77002**

10. FIELD OR LEASE NAME

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)  
 at surface **2153' FSL 680' FWL NWSW 40.61999**  
 At proposed prod. Zone **W53086 X 4431307Y -109.20415**

11. Sec., T., R., M., OR BLK AND SURVEY OR AREA  
**Sec. 22, T9S, R24E**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE  
**43.1 miles South of Vernal, UT**

12. COUNTY OR PARISH 13. STATE  
**Uintah Utah**

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drig. Unit line, if any)  
**680'**

16. NO. OF ACRES IN LEASE  
**400**

17. NO. OF ACRES ASSIGNED TO THIS WELL  
**40**

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
**0**

19. PROPOSED DEPTH  
**7,425**

20. ROTARY OR CABLE TOOLS  
**Rotary**

21. ELEVATION (SHOW WHETHER OF RT, OR, ETC.)  
**5,081.40**

22. APPROX. DATE WORK WILL START  
**August 1, 2004'**

**PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36#	2000	To Surface
7 7/8	4 1/2	11.6	T.D.	To Surface

Operator requests permission to drill the subject well.  
Please see the attached 10 Point and 13 Point Surface Use Plan.

If you require additional information please contact:

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

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

SIGNATURE William A Ryan TITLE Agent DATE June 21, 2004

PERMIT NO. 43-047-3492A APPROVAL DATE \_\_\_\_\_  
 APPROVED BY Bradley G Hill TITLE BRADLEY G. HILL DATE 09-23-04  
 CONDITIONS OF APPROVAL, IF ANY: ENVIRONMENTAL SCIENTIST III

\*See Instructions on Reverse Side

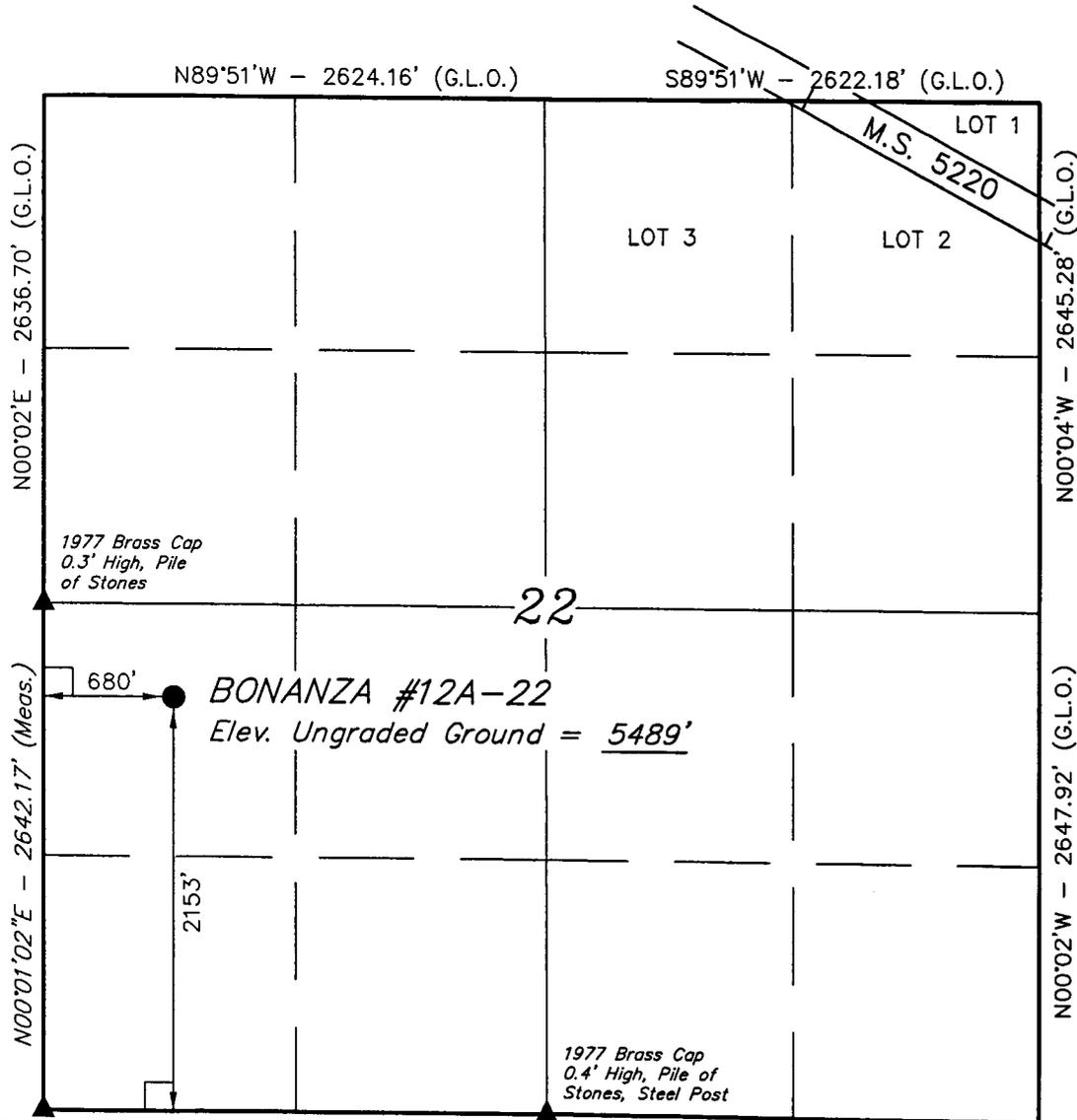
Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Federal Approval of this Action is Necessary

# T9S, R24E, S.L.B.&M.

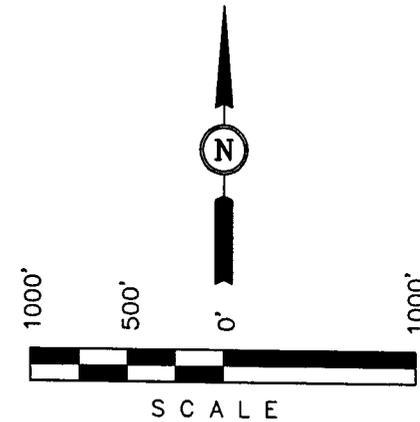
## THE HOUSTON EXPLORATION COMPANY

Well location, BONANZA #12A-22, located as shown in the NW 1/4 SW 1/4 of Section 22, T9S, R24E, S.L.B.&M. Uintah County, Utah.



### BASIS OF ELEVATION

BENCH MARK (47EAM) LOCATED IN THE NE 1/4 OF SECTION 27, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5534 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. [Signature]  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 66019  
 STATE OF UTAH

1977 Brass Cap N89°59'25"W - 2647.19' (Meas.)  
 0.3' High, Pile of Stones

1977 Brass Cap  
 0.4' High, Pile of  
 Stones, Steel Post

N89°40'W - 2608.32' (G.L.O.)

### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)

LATITUDE = 40°01'12.12" (40.020033)

LONGITUDE = 109°12'25.85 (109.207181)

### LEGEND:

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

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 04-23-04	DATE DRAWN: 04-26-04
PARTY D.K. L.M. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE THE HOUSTON EXPLORATION COMPANY	

002

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

5. LEASE DESIGNATION AND SERIAL NO.

**UTU-78118**

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

**NA**

1a. TYPE OF WORK

**DRILL**

**DEEPEN**

**PLUG BACK**

B. TYPE OF WELL

OIL WELL

GAS WELL

SINGLE ZONE

MULTIPLE ZONE

7. UNIT AGREEMENT NAME

**NA**

8. FARM OR LEASE NAME

**NA**

2. NAME OF OPERATOR

**The Houston Exploration Company 713-830-6973**

9. WELL NO.

**Bonanza 12A-22**

3. ADDRESS OF OPERATORS

**1100 Louisiana Suite 2000 Houston, TX 77002**

10. FIELD OR LEASE NAME

*Wildcat*

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface *653086X* **2153' FSL 680' FWL NWSW** *40,01999*  
At proposed prod. Zone *4431307Y* *-109,20615*

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA  
**Sec. 22, T9S, R24E**

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

**43.1 miles South of Vernal, UT**

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**Uintah**

13. STATE

**Utah**

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE

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

**680'**

16. NO. OF ACRES IN LEASE

**400**

17. NO. OF ACRES ASSIGNED

TO THIS WELL

**40**

16. DISTANCE FROM PROPOSED LOCATION \*

TO NEAREST WELL, DRILLING COMPLETED.

**0**

19. PROPOSED DEPTH

**7,425**

20. ROTARY OR CABLE TOOLS

**Rotary**

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

**5,081.40**

22. APPROX. DATE WORK WILL START

**August 1, 2004'**

**PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<b>12 1/4</b>	<b>9 5/8</b>	<b>36#</b>	<b>2000</b>	<b>To Surface</b>
<b>7 7/8</b>	<b>4 1/2</b>	<b>11.6</b>	<b>T.D.</b>	<b>To Surface</b>

**Operator requests permission to drill the subject well.**

**Please see the attached 10 Point and 13 Point Surface Use Plan.**

**If you require additional information please contact:**

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

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

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SIGNATURE William A Ryan TITLE Agent DATE June 21, 2004

(This space for Federal or State Office use)

PERMIT NO. 43-047-35922 APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

**AUG 31 2004**

**\*See Instructions on Reverse Side**

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DIV. OF OIL, GAS & MINERAL

**SELF-CERTIFICATION STATEMENT**

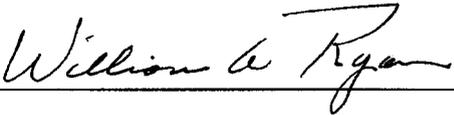
**The following self-certification statement is provided per Federal requirements dated June 15, 1988.**

**Please be advised that The Houston Exploration Company are considered to be the operator of the following well.**

**Bonanza 12A-22  
NW/4 SWSW Sec. 22, T9S, R24E  
Lease UTU-78118  
Uintah County, Utah**

**The Houston Exploration Company is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.**

**Bond 104155044 provides state wide bond coverage on all Federal lands.**



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

**Ten Point Plan****The Houston Exploration Company**

Bonanza #12A-22

Surface Location NW ¼ SW ¼, Section 22, T. 9S., R. 24 E.

**1. Surface Formation**

Green River

**2. Estimated Formation Tops and Datum:**

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+5,488 G.L.
Uteland Butte Limestone	3,946	+1,542.0
Wasatch	4,080	+1408.0
Mesaverda	5,747	-295.0
Buck Tounge	8,080	-2,592.0
Castlegate	8,152	-2,664.0
Mancos	8,447	-2,959.0
TD	7,425	-1,937.0

A 12 ¼ hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

**3. Producing Formation Depth:**

Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

Off Set Well information:

Off set well: Please see attached plat for location of Dry Hole

**4. Proposed Casing:**

<u>Hole Size</u>	<u>Casing Size</u>	<u>Grade Weight/FT</u>	<u>Setting &amp; Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
12 ¼	9 5/8	36#	J-55/STC	2000	NEW
7 7/8	4 ½	11.6#	M-55/LTC	T.D.	NEW

**Cement Program:**

The Surface Casing will be cemented to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	9 5/8	Primium Lite II .05#/sk Static Free .25#/sk Cello Flake 5#/sk KOL Seal .002 gps FP-6L 10% bwoc Bentonite .5% bwoc Sodium Metasilicate 3% bwow Potassium Chloride	250 sks. +/-	3.38ft <sup>3</sup> /sk	11.0 ppg
Tail:	9 5/8	Class "G" 2% bwoc Calcium Chloride .25#/sk Cello Flake	329 sks. +/-	1.2ft <sup>3</sup> /sk	15.6 ppg
Top Job:	9 5/8	4% Chloride .25#/sk Flocale	200 sks. +/-	1.10 ft <sup>3</sup> /sk	4.8 ppg

Production casing will be cemented to 2,500' or higher as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	4 1/2	Primium Lite II .25#/sk Cello Flake .05#/sk Static Free 5#/sk Kol Seal 3% bwow Potassium Chloride .055 gps FP-6L 10% bwoc Bentonite .5 bwow Sodium Metasilicate	200 sks +/-	3.38 ft <sup>3</sup> /sk	11.0 ppg
Tail:	4 1/2	Class "G" .05% bwoc Static Free 2 bwow Sodium Chloride .1% bwoc R-3 2% bwoc Bentonite	400 sks +/-	1.56 ft <sup>3</sup> /sk	14.3 ppg

**5. BOP and Pressure Containment Data:**

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

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

**6. Mud Program:**

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss MI/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Clear Water	-----	No Control	Water/Gel
2000-T.D.	8.4-8.6 (12.0)	30	8-10	Water/Gel

## 7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

## 8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging: 

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

## 9. Abnormalities (including sour gas):

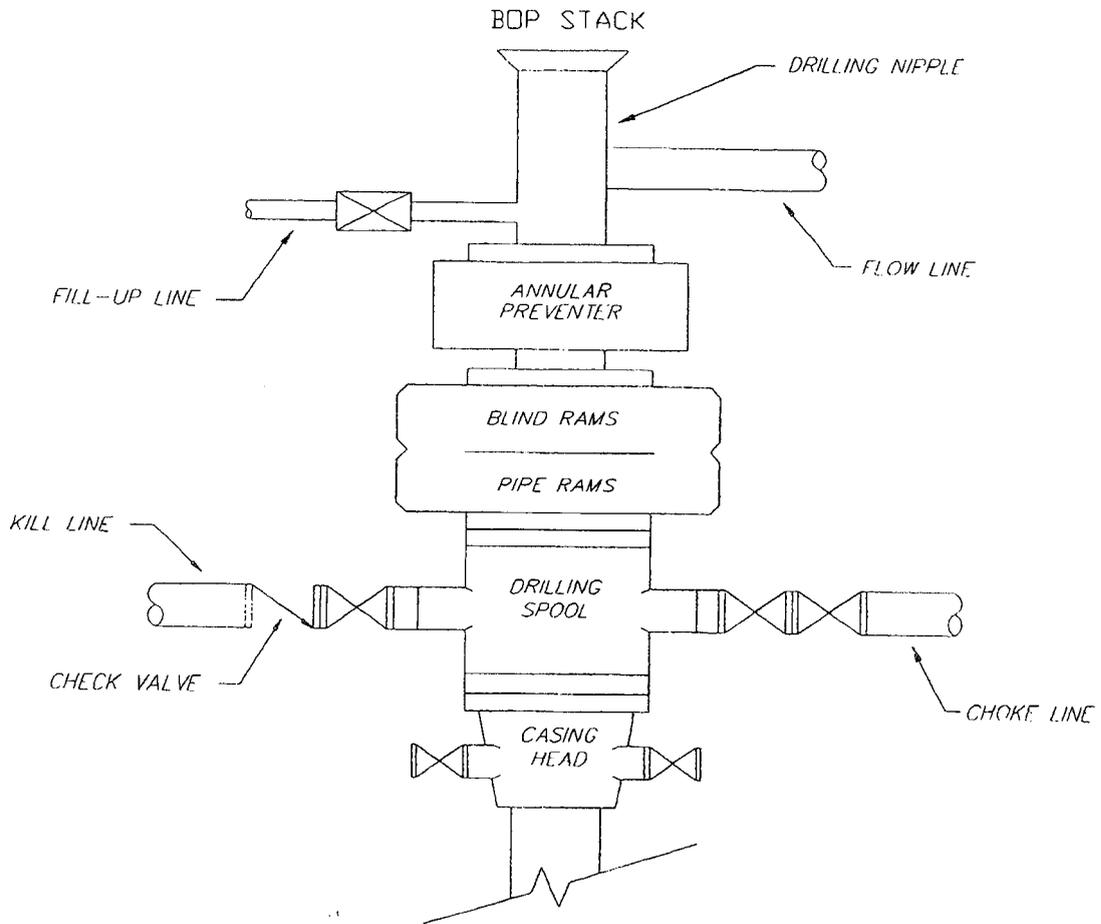
No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H<sub>2</sub>S.

## 10. Drilling Schedule:

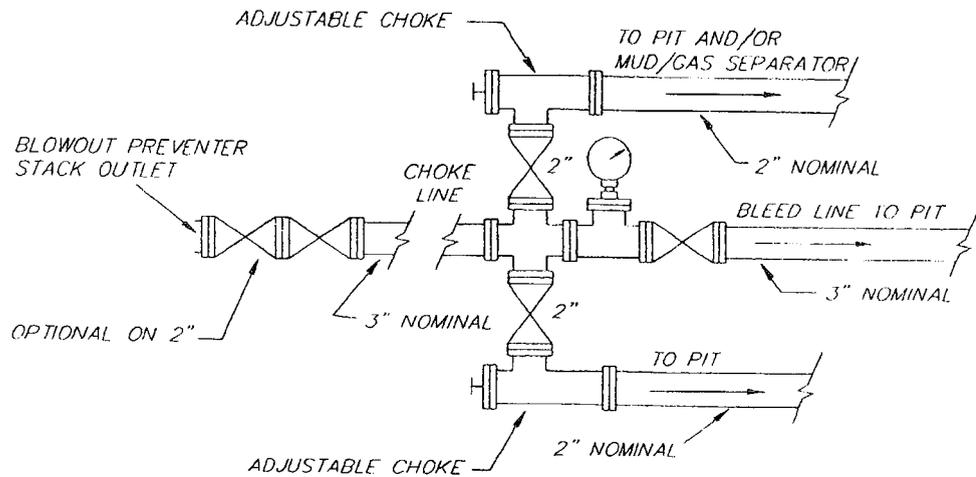
The anticipated starting date is August 1, 2004. Duration of operations is expected to be 30 days.

# THE HOUSTON EXPLORATION COMPANY

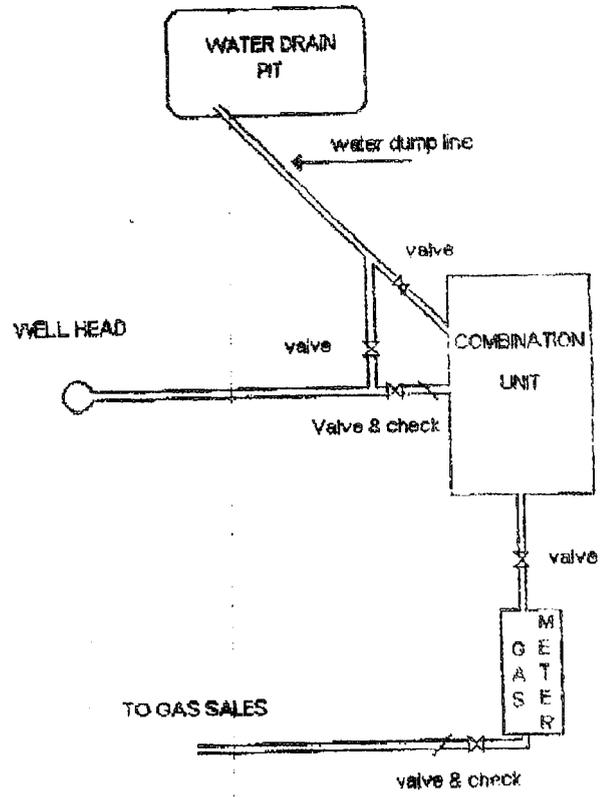
## TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



## TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



TYPICAL  
GASWELL



1. Existing Roads:

To reach The Houston Exploration Co. well Bonanza 12A-22 in Section 22, T9S, R 24 E, Starting in Vernal, Utah.

Proceed in an easterly then southerly direction from Vernal, UT along U.S. Highway 40 approximately 3.9 miles to the junction of State Highway 45; exit right and proceed in a southerly, then southeasterly direction approximately 36.6 miles on State Highway 45 to the junction of this road and an existing road to the west; turn right and proceed in a westerly, then northwesterly direction approximately 2.4 miles to the beginning of the proposed access to the north; follow road flags in a northerly, then easterly direction approximately 0.2 miles to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 43.1 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 0.2 miles +/- of new construction on lease. The road will be graded once per year minimum and maintained.

- A) Approximate length 1056' ft
- B) Right of Way width 30 Ft.
- C) Running surface 18 Ft.
- D) Surface material Native soil
- E) Maximum grade 5%
- F) Fence crossing None
- G) Culvert None
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership

**Federal**

- L) All new construction on lease Yes
- M) Pipe line crossing None

Please see the attached location plat for additional details.

A right of way will not be required. All surface disturbance for the road and location will be within the lease boundary.

3. Location of existing wells

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

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

Please see the attached map for additional details.

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

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

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

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

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

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

Approximately 2640' +/- of 3" gathering line would be constructed on Federal Lands. The line would tie into the existing line in Section 27, T9S, R24E. The line will be strung along side the existing BLM

maintained road and boomed to the east side of the road.

Please see the attached location diagrams for pipe line location. There will be no additional surface disturbances required for the installation of a gathering line.

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

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedule. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API ( American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from the White River at

Bonanza Bridge, Permit #T75376.

6. Source of construction materials

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

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 12 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined unless the pit is blasted or soil conditions would warrant a pit liner.

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

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed

necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

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

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

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

8. Ancillary facilities

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

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 330 ft.
- B) Pad width 240 ft.
- C) Pit depth 12 ft.
- D) Pit length 147 ft.
- E) Pit width 75 ft.
- F) Max cut 26.0 ft.
- G) Max fill 6.0 ft
- H) Total cut yds. 10,900 cu yds
- I) Pit location south side
- J) Top soil location north end
- K) Access road location West end
- L) Flare Pit corner B

Please see the attached location diagram for additional details.

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

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe

posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,710 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

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

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

All disturbed areas will be re-contoured to the approximate

natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

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

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

A) Seeding dates:

Seed will be spread when top soil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

Four wing salt brush	4#/acre
Shad scale	3#/acre
Needle & thread grass	3#/acre
Western wheat grass	2#/acre

11. Surface ownership:

Access road	Federal
Location	Federal
Pipe line	Federal

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of sage brush. Rabbit brush, bitter brush, and Indian rice grass are also found on the location.

B) Dwellings:

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

C) Archeology:

The location has not been surveyed. A copy of that survey will be forwarded to your office.

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

to the surface management agency.

resumes after well has been off production for more than 90 days.

D) Water:

The nearest water is the White River located 4 miles to the South.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction  
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion  
Prior to moving on the drilling rig.
- c) Spud notice  
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing  
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests  
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice  
Within five (5) business days after the new well begins, or production

G) Flare pit:

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

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan

Rocky Mountain Consulting

Vernal, UT 84078

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

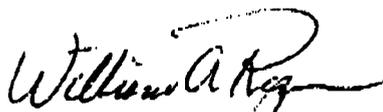
This drilling permit will be valid for a period of one year from the date of approval.

After permit termination, a new application will be filed for approval for any future operations.

**B) Certification:**

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

Date June 21, 2004



William A. Ryan, Agent  
Rocky Mountain Consulting

Onsite Dates:

June 15, 2004

## **Statement of use of Hazardous Materials**

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. Will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored transported, disposed, or associated with the proposed action.

If you require additional information please contact.

William A Ryan  
Agent for The Houston Exploration Company  
Rocky Mountain Consulting  
350 S. 800 E.  
Vernal UT 84078

435-789-9068 Office  
435-828-968 Cell  
435-789-0970 Fax

# THE HOUSTON EXPLORATION COMPANY

## BONANZA #12A-22

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 22, T9S, R24E, S.L.B.&M.

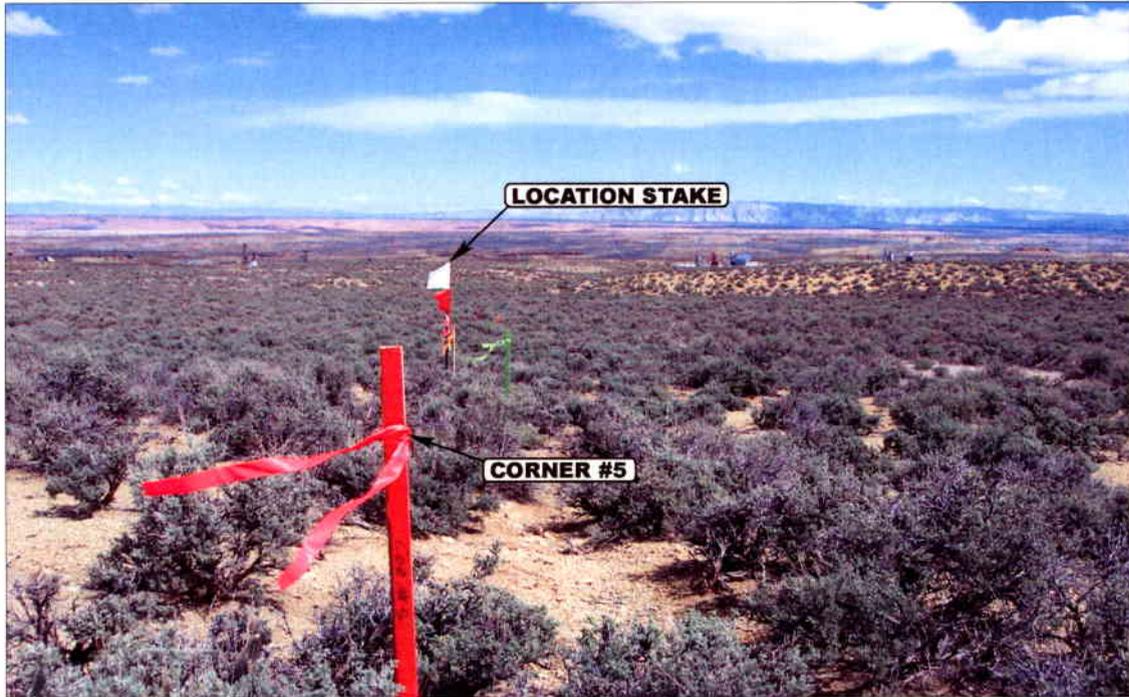


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

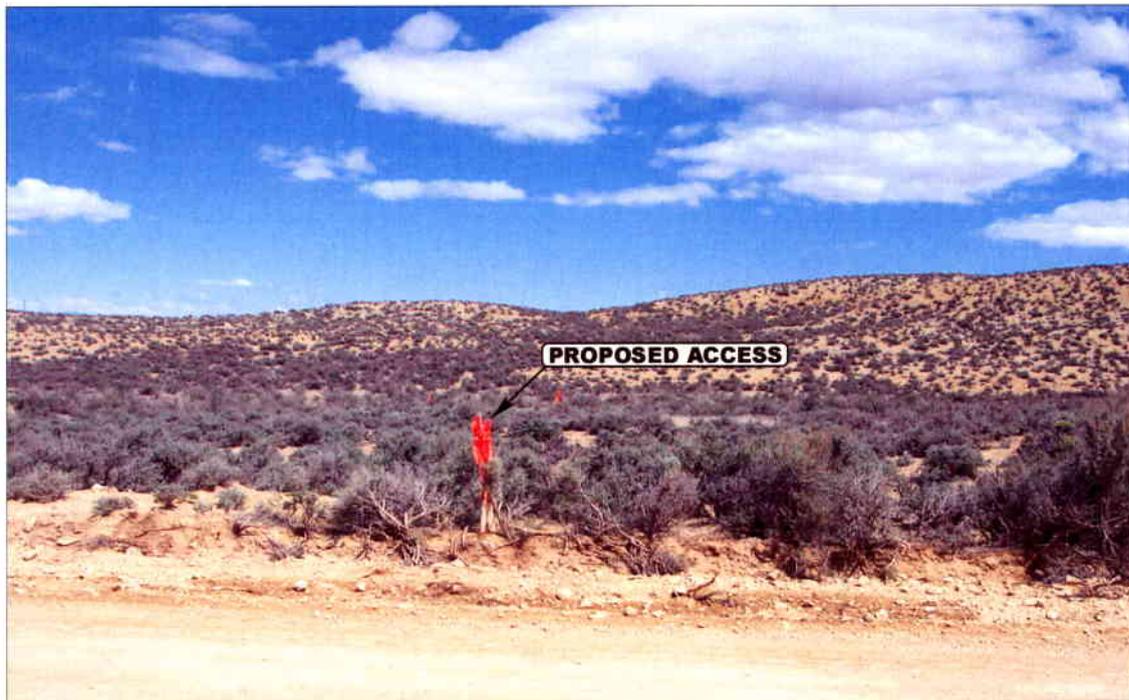


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

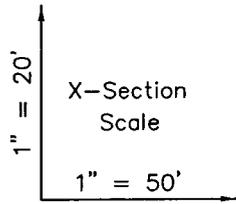
LOCATION PHOTOS	04	26	04	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: P.M.		REVISED: 00-00-00	



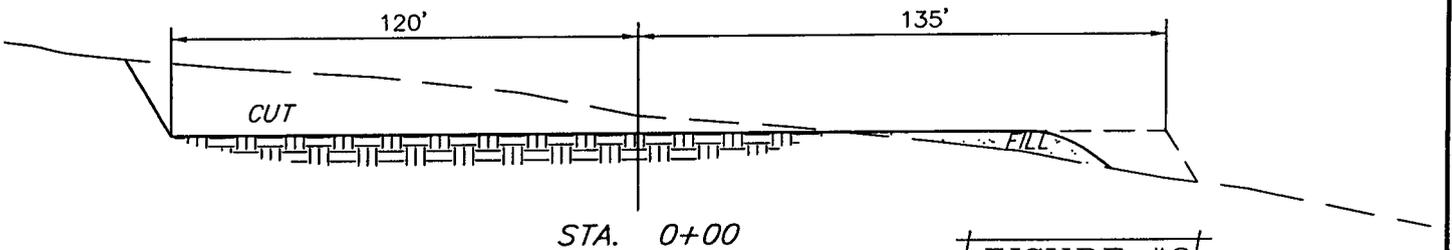
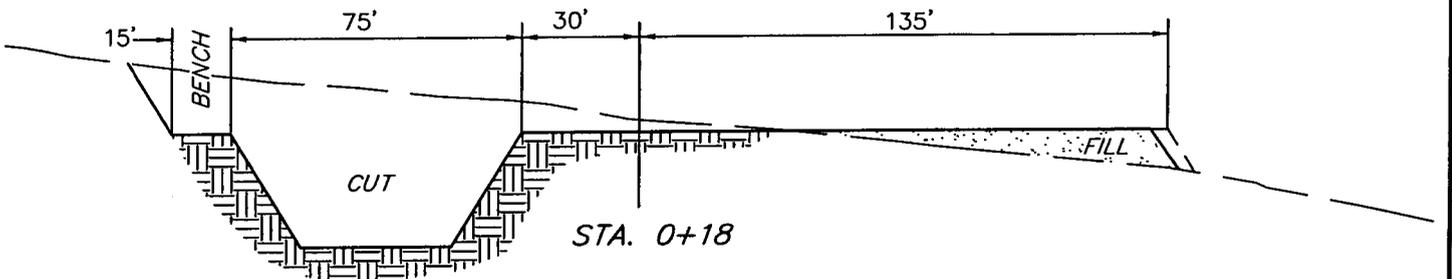
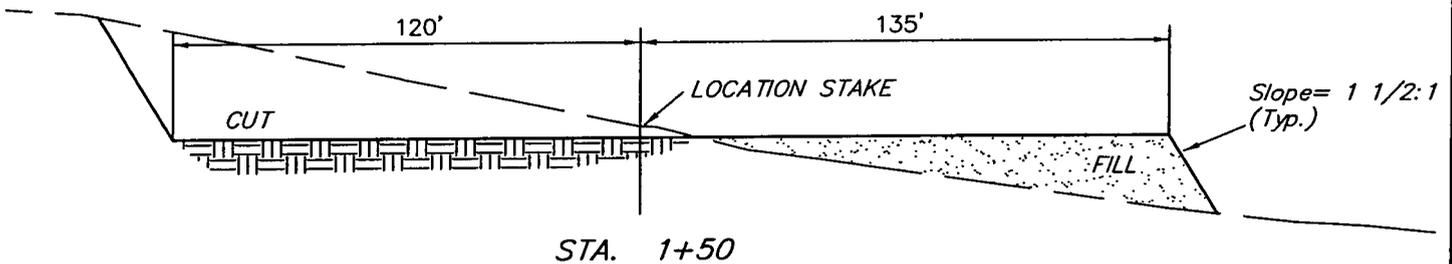
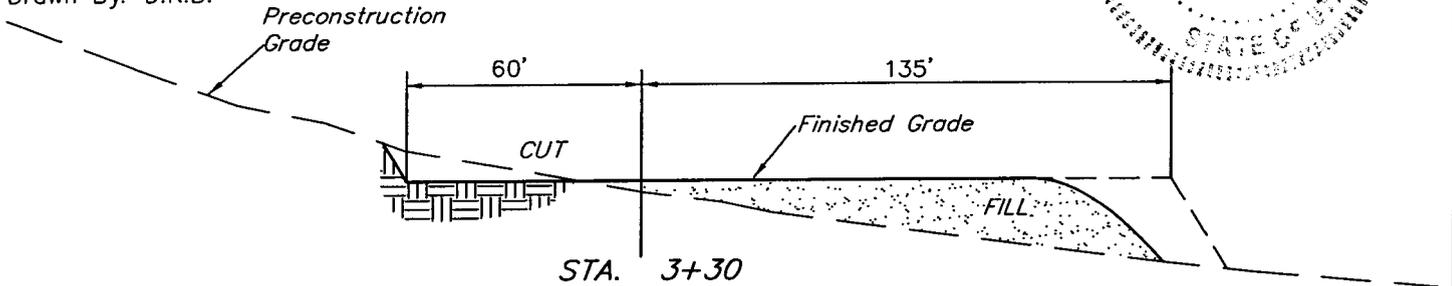
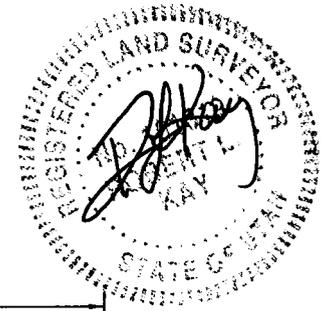
# THE HOUSTON EXPLORATION COMPANY

## TYPICAL CROSS SECTIONS FOR

BONANZA #12A-22  
SECTION 22, T9S, R24E, S.L.B.&M.  
2153' FSL 680' FWL



DATE: 04-26-04  
Drawn By: D.R.B.



**FIGURE #2**

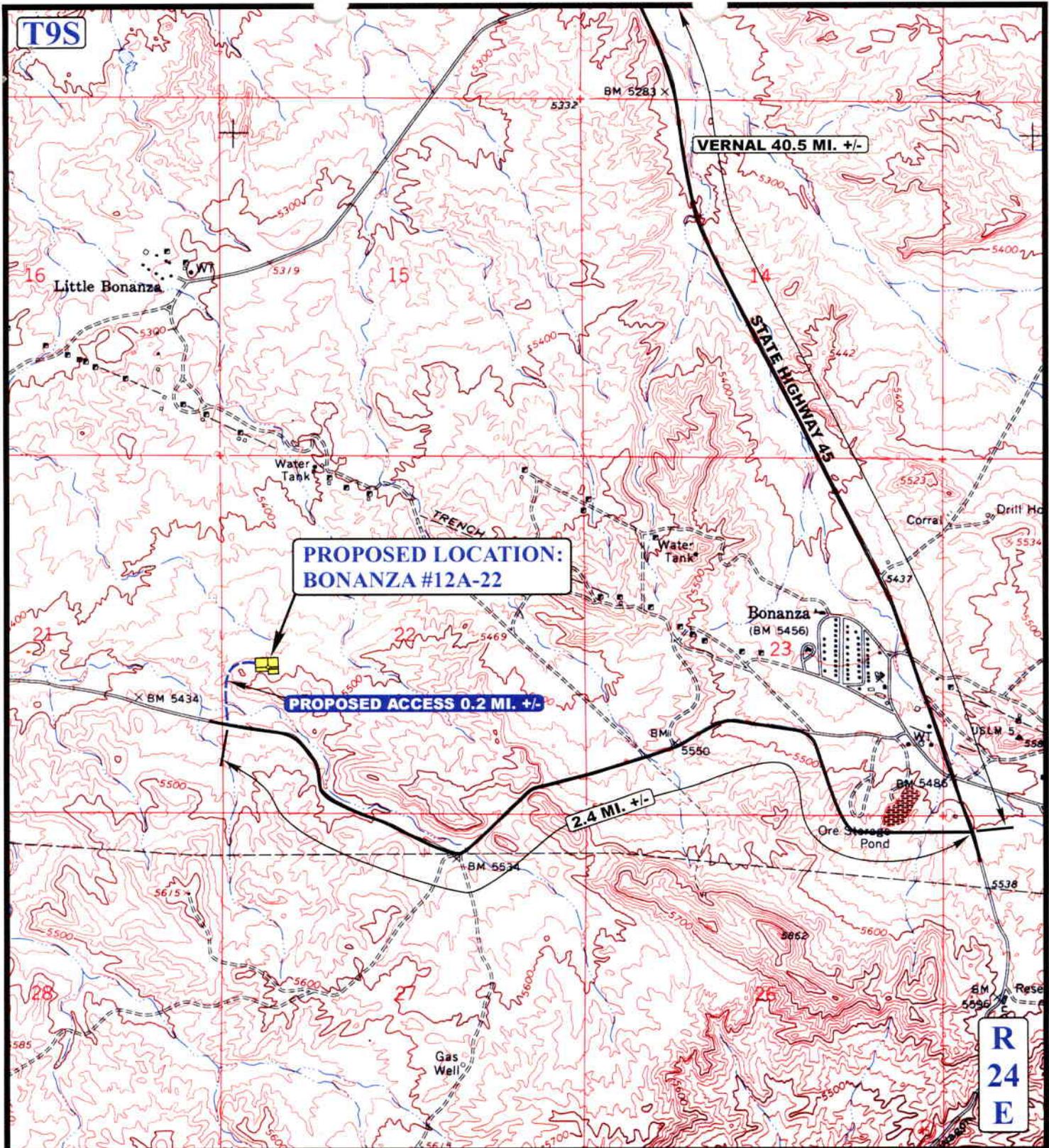
\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,710 Cu. Yds.
Remaining Location	= 9,190 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,900 CU.YDS.</b>
<b>FILL</b>	<b>= 7,530 CU.YDS.</b>

EXCESS MATERIAL	= 3,370 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,370 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**THE HOUSTON EXPLORATION COMPANY**

**BONANZA #12A-22**  
**SECTION 22, T9S, R24E, S.L.B.&M.**  
**2153' FSL 680' FWL**



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

**TOPOGRAPHIC MAP** **04 26 04**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/31/2004

API NO. ASSIGNED: 43-047-35922

WELL NAME: BONANZA 12A-22  
OPERATOR: HOUSTON EXPLORATION CO, ( N2525 )  
CONTACT: BILL RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

NWSW 22 090S 240E  
SURFACE: 2153 FSL 0680 FWL  
BOTTOM: 2153 FSL 0680 FWL  
UINTAH  
WILDCAT ( 1 )

LEASE TYPE: 1 - Federal  
LEASE NUMBER: UTU-78118  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: MNCS  
COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.01999  
LONGITUDE: -109.2062

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. 104155044 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. T75376 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

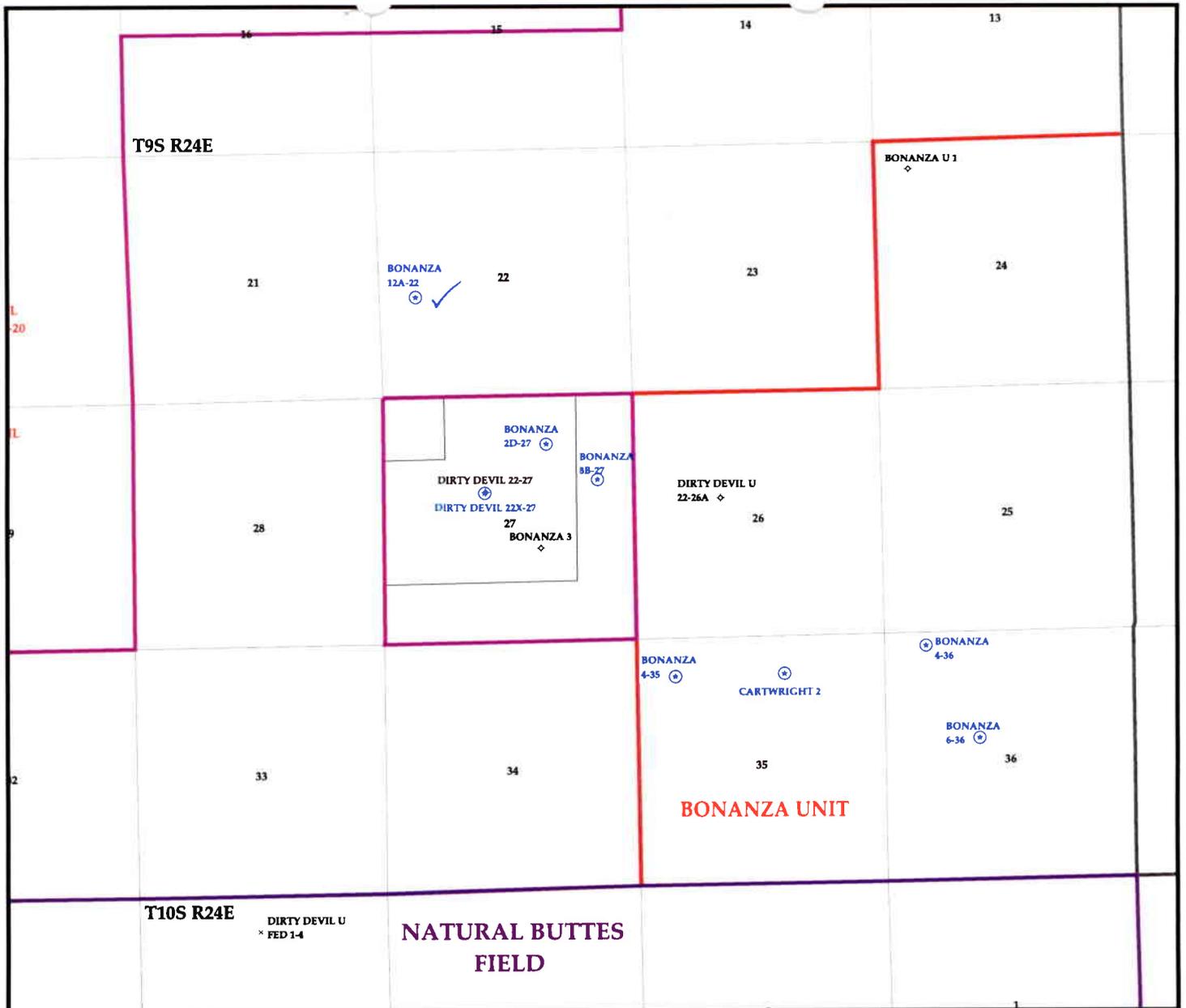
LOCATION AND SITING:

- \_\_\_ 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: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- \_\_\_ R649-3-11. Directional Drill

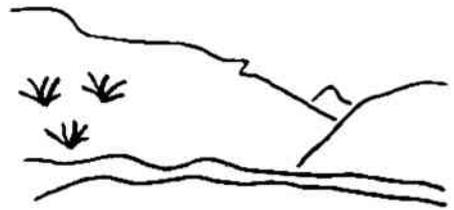
COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Federal Approval

2- Spacing WIP



OPERATOR: THE HOUSTON EXPL CO (N2525)  
 SEC. 22 T.9 S R.24E  
 FIELD: WILDCAT (001)  
 COUNTY: UINTAH  
 SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
♣ GAS INJECTION	EXPLORATORY	ABANDONED
○ GAS STORAGE	GAS STORAGE	ACTIVE
× LOCATION ABANDONED	NF PP OIL	COMBINED
⊕ NEW LOCATION	NF SECONDARY	INACTIVE
◇ PLUGGED & ABANDONED	PENDING	PROPOSED
⊛ PRODUCING GAS	PI OIL	STORAGE
● PRODUCING OIL	PP GAS	TERMINATED
⊖ SHUT-IN GAS	PP GEOTHERML	
⊙ SHUT-IN OIL	PP OIL	
× TEMP. ABANDONED	SECONDARY	
○ TEST WELL	TERMINATED	
△ WATER INJECTION		
♣ WATER SUPPLY		
♠ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY  
 DATE: 9-SEPTEMBER-2004



State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

September 23, 2004

Houston Exploration Company  
1100 Louisiana, Suite 2000  
Houston, TX 77002

Re: Bonanza 12A-22 Well, 2153' FSL, 680' FWL, NW SW, Sec. 22, T. 9 South,  
R. 24 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.

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 43-047-35922.

Sincerely,

John R. Baza  
Associate Director

pab  
Enclosures

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

**Operator:** Houston Exploration Company

**Well Name & Number** Bonanza 12A-22

**API Number:** 43-047-35922

**Lease:** UTU-78118

**Location:** NW SW                      **Sec.** 22                      **T.** 9 South                      **R.** 24 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**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

#### **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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

#### **5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**



CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: The Houston Exploration Company

Well Name & Number: BONANZA 12A-22

API Number: 43-047-35922

Lease Number: UTU - 81311

Location: NWSW Sec. 22 TWN: 09S RNG: 24E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

**Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.**

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

### A. DRILLING PROGRAM

#### 1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands encountered to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

#### 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

#### 3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

As a minimum, the usable water and other valuable resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale, identified at 1,939 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood (435) 828-7875  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

**DIVISION OF OIL, GAS AND MINING****SPUDDING INFORMATION**Name of Company: THE HOUSTON EXPLORATION COMPANYWell Name: BONANZA 12A-22Api No: 43-047-35922 Lease Type: FEDERALSection 22 Township 09S Range 24E County UINTAHDrilling Contractor PETE MARTIN RIG # BUCKET**SPUDDED:**Date 01/04/2005Time 11:00 AMHow DRY**Drilling will commence:** \_\_\_\_\_Reported by BRENT STUBBSTelephone # 1-435-828-8100Date 01/20/2005 Signed CHD

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

FORM 6

009

ENTITY ACTION FORM

Operator: The Houston Exploration Company

Operator Account Number: N 2525

Address: 1100 Louisiana, Suite 2000

City Houston

state TX zip 77002

Phone Number: (713) 830-6800

Well 1

AP Number	Well Name	OC	Sec	RP	RS	County
43-047-35922	Bonanza 12A-22	NWSW	22	9S	24E	Uintah
A	99999	14520	1/4/05	1/25/05		
Comments: <u>MNCS</u>						

K

Well 2

AP Number	Well Name	OC	Sec	RP	RS	County
43-047-35941	Bonanza 14-16	SESW	16	9S	24E	Uintah
A	99999	14521	1/19/05	1/25/05		
Comments: <u>MURD</u>						

K

Well 3

AP Number	Well Name	OC	Sec	RP	RS	County
Comments:						

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)

Theresa Overturf

Name (Please Print)

Theresa Overturf

Signature

Engineering Technician

Title

1/20/05

Date

(3/2000)

RECEIVED

JAN 21 2005

MINING

010

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: UTU <del>81311</del> 81311
2. NAME OF OPERATOR: The Houston Exploration Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2153' FSL & 680' FWL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 22 9S 24E STATE: UTAH		8. WELL NAME and NUMBER: Bonanza 12A-22
PHONE NUMBER: (713) 830-6938		9. API NUMBER: 4304735922
		10. FIELD AND POOL, OR WILDCAT: Wildcat

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>Drilling</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.

1/1/05 - 1/31/05 Spud & drld to 40'. Ran 14" conductor to 40' & cmtd. Drid to 2002'. Ran 8 5/8" csg, set @ 1977' & cmtd. Drid to 6116'.

NAME (PLEASE PRINT) <u>Theresa Overturf</u>	TITLE <u>Engineering Technician</u>
SIGNATURE <u><i>Theresa Overturf</i></u>	DATE <u>2/4/2005</u>

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DIVISION OF OIL, GAS & MINING

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

FORM 9

011

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU 81311

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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 \_\_\_\_\_

8. WELL NAME and NUMBER:

Bonanza 12A-22

2. NAME OF OPERATOR:  
The Houston Exploration Company

9. API NUMBER:  
4304735922

3. ADDRESS OF OPERATOR:  
1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002

PHONE NUMBER:  
(713) 830-6938

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2153' FSL & 680' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 22 9S 24E

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 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 checked="" 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.

2/1/05 - 2/28/05 Drlid 6116'-7170'. Log. Pump plug #1 5378'-5178', 128 sx "G", plug #2 4036'-3836', 120 sx "G", plug #3 2030'-1930', 50 sx "G", & plug #4 61'-11', 15 sx "G". Well P&A 2/3/05.

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NAME (PLEASE PRINT) Theresa Overturf

TITLE Engineering Technician

SIGNATURE

*Theresa Overturf*

DATE 3/8/2005

(This space for State use only)

Confidential

Form 3160-4 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well [ ] Oil Well [ ] Gas Well [x] Dry Other
b. Type of Completion: [x] New Well [ ] Work Over [ ] Deepen [ ] Plug Back [ ] Diff. Resvr., Other

2. Name of Operator The Houston Exploration Company

3. Address 1100 Louisiana, Suite 2000 3a. Phone No. (include area code) (713) 830-6800

4. Location of Well (Report location clearly and in accordance with Federal requirements)\* At surface 2153' FSL & 680' FWL NSW At top prod. interval reported below At total depth

5. Lease Serial No. UTU81311

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. Bonanza 12A-22

9. API Well No. 4304735922

10. Field and Pool, or Exploratory Widlcat

11. Sec., T., R., M., on Block and Survey or Area Sec 22, T9S, R24E

12. County or Parish Uintah 13. State UT

14. Date Spudded 1/27/05 15. Date T.D. Reached 2/3/05 16. Date Completed [x] D & A [ ] Ready to Prod. 2/3/05

17. Elevations (DF, RKB, RT, GL)\* 5488' GL

18. Total Depth: MD 7170' TVD 19. Plug Back T.D.: MD TVD 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Platform Express Triple Cement / GR 22. Was well cored? [x] No [ ] Yes (Submit analysis) Was DST run? [x] No [ ] Yes (Submit report) Directional Survey? [x] No [ ] Yes (Submit copy)

Table with 8 columns: Hole Size, Size/Grade, Wt. (#/ft.), Top (MD), Bottom (MD), Stage Cement Depth, No. of Sks. & Type of Cement, Slurry Vol. (BBL), Cement Top\*, Amount Pulled. Includes rows for 18" and 11" hole sizes.

Table with 8 columns: Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD), Size, Depth Set (MD), Packer Depth (MD). Title: 24. Tubing Record

Table with 7 columns: Formation, Top, Bottom, Perforated Interval, Size, No. Holes, Perf. Status. Title: 25. Producing Intervals 26. Perforation Record

Table with 2 columns: Depth Interval, Amount and Type of Material. Title: 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Title: 28. Production - Interval A

Table with 10 columns: Date First Produced, Test Date, Hours Tested, Test Production, Oil BBL, Gas MCF, Water BBL, Oil Gravity Corr. API, Gas Gravity, Production Method. Title: 28a. Production - Interval B

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PA

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Meas. Depth	
					Top	Bottom

32. Additional remarks (include plugging procedure): Plugging procedures from Kirk Fleetwood (BLM) 2/3/05. Mixed & pumped plug #1 5378'-5178', 128 sx "G" Neat 15.8 ppg, 1.15 yield, 26.2 bbl slurry. Mixed & pumped plug #2 4036'-3836', 120 sx "G" Neat 15.8 ppg, 1.15 yield, 24.5 bbl slurry. Mixed & pumped plug #3 2030'-1930', 50 sx "G" Neat 15.8 ppg, 1.15 yield, 10.2 bbl slurry. Mixed & pumped plug #4 61'-111', 15 sx "G" Neat 15.8 ppg, 1.15 yield, 3.1 bbl slurry. Alan Walker & Donna Kenney with BLM on location at time of P&A. WELL P&A 2/4/05.

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Theresa Overturf Title Engineering Technician

Signature *Theresa Overturf* Date 5/20/05

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Division of Oil, Gas and Mining  
OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ
2. CDW

Change of Operator (Well Sold)

**X - Operator Merger**

The operator of the well(s) listed below has changed, effective: **6/1/2007**

<b>FROM:</b> (Old Operator): N2525 - The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002 Phone: 1-(713) 830-6800	<b>TO:</b> ( New Operator): N6965-Forest Oil Corporation 707 17th St, Suite 3600 Denver, CO 80202 Phone: 1 (303) 812-1755
---	---

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

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/30/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/30/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/31/2007
- 4a. Is the new operator registered in the State of Utah: Business Number: 571171-0143
- 4b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: \_\_\_\_\_
- 5c. Reports current for Production/Disposition & Sundries on: YES
- 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 not yet BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 7/31/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 7/31/2007
- Bond information entered in RBDMS on: 7/31/2007
- Fee/State wells attached to bond in RBDMS on: 7/31/2007
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: pending

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: 6236351
- Indian well(s) covered by Bond Number: n/a
- 3a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 6218963
- 3b. The **FORMER** operator has requested a release of liability from their bond on: not yet

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 8/1/2007

**COMMENTS:**

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**See Attached List**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
**See Attached List**

9. API NUMBER:  
**various**

10. FIELD AND POOL, OR WILDCAT:

**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 \_\_\_\_\_

2. NAME OF OPERATOR:  
**Forest Oil Corporation** *N6965*

3. ADDRESS OF OPERATOR:  
**707 17th Street, #3600** CITY **Denver,** STATE **CO** ZIP **80202** PHONE NUMBER **(303) 812-1755**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **See attached list** COUNTY: \_\_\_\_\_  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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>Change of Operator</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. *N2525*

Effective 6/1/2007 please change the operator for the attached list of Utah wells from The Houston Exploration Company N-2525 to Forest Oil Corporation (N-6965). Forest merged with The Houston Exploration Company, a copy of the merger document is attached.. The contract operated wells will continue to be contract operated by Enduring.

Forest Oil Corporation as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning approved operations conducted on the lease or portion of the lease described.

Forest Oil Corporation meets the State of Utah bonding requirements under Safeco bond #6218963.

Please send all future correspondence to Forest Oil Corporation at the above listed address.

Forest Oil Corporation, 707 17th Street, Suite #3600, Denver, CO 80202

*J.C. Ridens*  
J. C. Ridens, Senior Vice President - Western Region

*7-5-07*  
Date

NAME (PLEASE PRINT) Joanne C. Hresko TITLE Vice President & General Mgr. - Northern Division  
SIGNATURE *Joanne C. Hresko* DATE 7-5-07

(This space for State use only)

**APPROVED** 7131107  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

*No wells in APD status or  
at New status  
at this time*

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JUL 30 2007

(5/2000)

(See Instructions on Reverse Side)

DIV OF OIL, GAS & MINING *WMP*

well_name	sec	twp	rng	api	entity	lease	well	stat	flag	unit	qtr_qtr	l_num	op no
FEDERAL 28-01	28	080S	250E	4304730098	10095	Federal	GW	S			SESE	UTU-016257	N2525
CONOCO STATE 32-2	32	080S	250E	4304730100	10096	State	GW	S			NENE	ML-11124	N2525
ROCK HOUSE 11-31	31	100S	230E	4304733312	13984	Federal	GW	P			NESW	UTU-76281	N2525
BONANZA 4B-12	12	090S	230E	4304733806	14593	Federal	D	PA			NWNW	UTU-74426	N2525
WALKER HOLLOW 13-31	31	060S	230E	4304735039		Federal	GW	LA			SESW	UTU-76280	N2525
ROCK HOUSE 6D-32	32	100S	230E	4304735409	14293	State	GW	S			SESW	ML-47063	N2525
BONANZA 2B-16	16	090S	240E	4304735694	14186	State	D	PA			NWNE	ML-46526	N2525
ROCK HOUSE 2D-36	36	100S	220E	4304735759	14357	State	GW	P			NWNE	ML-47061	N2525
ROCK HOUSE 2D-32	32	100S	230E	4304735760	14317	State	GW	S			NWNE	ML-47063	N2525
ROCK HOUSE 10D-32	32	100S	230E	4304735761	14318	State	GW	S			NWSE	ML-47063	N2525
ROCK HOUSE 12D-32	32	100S	230E	4304735762	14294	State	GW	P			NWSW	ML-47063	N2525
ROCK HOUSE 11-36	36	100S	220E	4304735900	14478	State	GW	P			NESW	ML-46907	N2525
ROCK HOUSE 4-36	36	100S	220E	4304735901	14449	State	GW	S			NWNW	ML42061	N2525
BONANZA 12A-22	22	090S	240E	4304735922	14520	Federal	D	PA			NWSW	UTU-78118	N2525
BONANZA 14-16	16	090S	240E	4304735941	14521	State	D	PA			SESW	ML-46526	N2525
ROCK HOUSE 11-2	02	110S	230E	4304736153	14695	State	GW	P	C		NESW	ML-47078	N2525
ROCK HOUSE 7-32-10-23	32	100S	230E	4304736306	14766	State	GW	S			SWNE	ML-47063	N2525
ROCK HOUSE 3-32-10-23	32	100S	230E	4304736307	14781	State	GW	P			NENW	ML-47063	N2525
ROCK HOUSE 5-32-10-23	32	100S	230E	4304736410	14727	State	GW	S			SWNW	ML-47063	N2525
GUSHER 6-2	02	060S	190E	4304736963		State	OW	LA			SESW	ML-49144	N2525
N HORSESHOE 3-16-6-21	16	060S	210E	4304737391	15716	State	GW	DRL	C		NENW	ML-49317	N2525
N HORSESHOE 12-7-6-22	07	060S	220E	4304737392		State	GW	LA			NWSW	ML-47969	N2525
N HORSESHOE 16-9-6-22	09	060S	220E	4304737393		State	GW	LA			SESE	ML-47969	N2525
N HORSESHOE 14-10-6-22	10	060S	220E	4304737394		State	GW	LA			SESW	ML-47969	N2525
N HORSESHOE 2-15-6-22	15	060S	220E	4304737395		State	GW	LA			NWNE	ML-47969	N2525
N HORSESHOE 4-15-6-22	15	060S	220E	4304737396		State	GW	LA			NWNW	ML-47969	N2525
N WALKER HOLLOW 12-32-6-23	32	060S	230E	4304737397		State	GW	LA			NWSW	ML-47777	N2525
N WALKER HOLLOW 16-32-6-23	32	060S	230E	4304737398		State	GW	LA			SESE	ML-47777	N2525
N WALKER HOLLOW 2-32-6-23	32	060S	230E	4304737399	15741	State	GW	DRL	C		NWNE	ML-47777	N2525
N WALKER HOLLOW 10-32-6-23	32	060S	230E	4304737400		State	GW	LA			NWSE	ML-47777	N2525
N WALKER HOLLOW 8-32-6-23	32	060S	230E	4304737401		State	GW	LA			SENE	ML-47777	N2525
N WALKER HOLLOW 11-36-6-23	36	060S	230E	4304737462		State	GW	LA			NESW	ML-47970	N2525
N WALKER HOLLOW 13-36-6-23	36	060S	230E	4304737463		State	GW	LA			SWSW	ML-47970	N2525
N WALKER HOLLOW 15-36-6-23	36	060S	230E	4304737464		State	GW	LA			SWSE	ML-47970	N2525
N WALKER HOLLOW 14-32-6-23	32	060S	230E	4304737478		State	GW	LA			SESW	ML-47777	N2525
HACKING RES 11-32-8-25	32	080S	250E	4304737479		State	GW	LA			NESW	ML-11124	N2525
HACKING RES 3-32-8-25	32	080S	250E	4304737480		State	GW	LA			NENW	ML-11124	N2525
HACKING RES 5-32-8-25	32	080S	250E	4304737481		State	GW	LA			SWNW	ML-11124	N2525
HACKING RES 15-32-8-25	32	080S	250E	4304737482		State	GW	LA			SWSE	ML-11124	N2525
HACKING RES 9-32-8-25	32	080S	250E	4304737483		State	GW	LA			NESE	ML-11124	N2525
HACKING RESERVOIR 7-32-8-25	32	080S	250E	4304737571	15885	State	GW	DRL	C		SWNE	ML-11124	N2525

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: UTU-78118
2. NAME OF OPERATOR: Forest Oil Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 707 17th Street, Ste 3600 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2153' FSL & 680' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 22 9S 24E		8. WELL NAME and NUMBER: Bonanza 12A-22
PHONE NUMBER: (303) 812-1676		9. API NUMBER: 4304735922
COUNTY: Uintah STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: 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: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<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 checked="" 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.

Forest Oil Corporation would respectfully like to let you know that when the snow clears in the spring, we will inspect well site and will come up with a reclamation plan. We'll dress up and seed the location with BLM approved seed mix. We will then monitor until 70% is established.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
For Record Only

NAME (PLEASE PRINT) Kelly Harris	TITLE Regulatory Tech
SIGNATURE <i>Kelly Harris</i>	DATE 2/24/2010

(This space for State use only)

RECEIVED  
MAR 08 2010  
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

**ROUTING**  
 CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

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

**10/1/2005**

<b>FROM:</b> (Old Operator): N6965- Forrest Oil Corporation 707 17th St, Suite 3600 Denver, CO 80202  Phone: 1 (303) 864-6067	<b>TO:</b> ( New Operator): N2750- Enduring Resources, LLC 475 17th St, Suite 1500 Denver, CO 80202  Phone: 1 (303) 350-5114
--	---

**CA No.**

**Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
BONANZA 4B-12	12	090S	230E	4304733806	14593	Federal	D	PA
BONANZA 12A-22	22	090S	240E	4304735922	14520	Federal	D	PA

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/16/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: \_\_\_\_\_
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/18/2011
- a. Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 5771233-0161
- a. (R649-9-2)Waste Management Plan has been received on: OK
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: OK
- 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 10/20/2005 BIA
- Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/18/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/18/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000173
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number n/a
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** 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: n/a

**COMMENTS:** The operator of these leases were transferred by Houston Exploration prior to merger with Forrest Oil Corporation

**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: UTU-78118
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 type="checkbox"/> OTHER <u>P &amp; A</u>	2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Bonanza 12A-22
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 <small>CITY</small> Denver <small>STATE</small> CO <small>ZIP</small> 80202	PHONE NUMBER: (303) 350-5114	9. API NUMBER: 4304735922	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2153' FSL - 680' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 22 9S 24E S		10. FIELD AND POOL, OR WILDCAT: Wildcat COUNTY: Uintah STATE: UTAH	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>5/1/2011</u>  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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 checked="" type="checkbox"/> OTHER: <u>Change of Operator</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.

Change of Operator effective May 1, 2011 from: ~~XTO Energy, Inc.~~ --- Forest Oil Corporation (N6965)  
 Change of Operator effective May 1, 2011 to: Enduring Resources, LLC  
 475 17th Street, Suite 1500  
 Denver, CO 80202

BLM Statewide Oil & Gas Lease Bond No.: UTB000173  
 State of Utah, Division of Oil, Gas & Mining Surety Bond No.: RLB0008031

FOREST OIL CORPORATION  
 BY: Leonard C. Gurule DATE: 5/19/11  
 PRINT NAME/TITLE: Leonard C. Gurule TITLE: \_\_\_\_\_  
Senior Vice President, Western Region  
 707 17th St, Suite 3600  
 Denver, CO 80202

---

NAME (PLEASE PRINT) Alex B. Campbell TITLE Vice President  
 SIGNATURE [Signature] DATE 5/2/2011

(This space for State use only)

**APPROVED** 5/18/2011  
Earlene Russell  
 Division of Oil, Gas and Mining  
 Earlene Russell, Engineering Technician

**RECEIVED**  
**MAY 26 2011**  
 DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

**Earlene Russell - Transfer of Operatorship**

**From:** "Bill Kent" <WDKent@forestoil.com>  
**To:** <earlenerussell@utah.gov>  
**Date:** 5/16/2011 3:09 PM  
**Subject:** Transfer of Operatorship  
**CC:** <jconley@enduringresources.com>  
**Attachments:** Silicon@ForestOilScanner.com\_20110516\_143907.pdf

Earlene,

As per our discussion, Forest Oil Corporation would like to transfer operatorship of the following plugged and abandoned wells to Enduring Resources:

Bonanza 12A-22 (API#: 43-047-35922)

Bonanza 4B-12 (API#: 43-047-33806)

These two wells were actually transferred from The Houston Exploration Company to Enduring Resources prior to Forest Oil Corporation purchasing The Houston Exploration Company. The effective date of the transfer was October 1, 2005. I have attached a copy of the transfer of operating rights form that was filed and approved with the BLM.

<<Silicon@ForestOilScanner.com\_20110516\_143907.pdf>>

Thank you for your assistance in this matter and please let me know if you have any questions or if you require any additional information.

**Bill Kent**

**Production Engineer**

**Forest Oil Corp.** N6965

**Direct: (303) 864-6067**

**Fax: (303) 812-1590**

707 17th St, Suite 3600  
 Denver, CO 80202

Enduring Resources N2750

475 17th St, Suite 1500

Denver, CO 80202

(303) 350-5114

*BLM BOND: UTB000173*

**APPROVED** 5/18/2011

*Earlene Russell*

**Division of Oil, Gas and Mining**

**Earlene Russell, Engineering Technician**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0034  
Expires: October 31, 2004  
Lease Serial No.

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A  
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)  
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)  
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)  
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

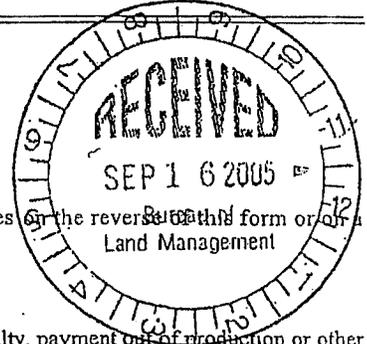
See Attached Exhibit "A"

50274

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

Transferee (Sublessee)\* Enduring Resources, LLC  
Street 475 17th Street, Suite 1500, Denver, Colorado  
City, State, ZIP Code 80202



\*If more than one transferee, check here  and list the name(s) and address(es) of all additional transferees on the reverse of this form or on separate attached sheet of paper.

This transfer is for: (Check one)  Oil and Gas Lease, or  Geothermal Lease

Interest conveyed: (Check one or both, as appropriate)  Operating Rights (sublease)  Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

Land Description Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	b	c	d	e	f
See Attached Exhibit "A"					

This Transfer of Operating Rights is made subject to the terms and conditions of that certain unrecorded Exchange and Participation Agreement dated effective July 1, 2005, by and between Transferor and Transferee.

ORIGINAL FILED IN  
UTU-76281

SEE CORRECTIONS ON Pgs 1-3

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

Transfer approved effective OCT 01 2005  
By [Signature]  
(Authorized Officer)

Acting Chief, Branch  
of Fluid Minerals OCT 20 2005  
(Title) (Date)

PART B - CERTIFICATION AND REQUEST FOR APPROVAL

- 1. The transferor certifies as owner if an interest in the above designated lease that he/she hereby transfers to the above assignee(s) the rights specified above.
2. Transferee certifies as follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or territory thereof.
3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

For geothermal transfers, an overriding royalty may not be less than one-fourth (1/4) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this assignment is added to all previously created overriding royalties (43 CFR 3241).

I certify that the statements made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 1st day of September 20 05

Executed this 1st day of September 20 05

Name of Transferor as shown on current lease The Houston Exploration Company

Enduring Resources, LLC

Transferor: JOANNE HRESKO (Signature)

Transferee: Alex B. Campbell, Vice President (Signature)

Attorney-in-fact: Vice President and General Manager - Onshore

Attorney-in-fact: Alex B. Campbell, Vice President (Signature)

1100 Louisiana, Suite 2000 (Transferor's Address)

Houston TX 77002-5215 (City) (State) (Zip Code)

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form.

Title 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

PART C: GENERAL INSTRUCTIONS

1. Transferor/Transferee(s) must complete Parts A1 and A2 and Part B. All parties to transfer must sign as follows: The transferor(s) must manually sign 3 original copies and the transferee(s) must manually sign at least 1 of the 3 original copies. File three (3) completed copies of this form in the proper BLM office for each transfer of operating rights (sublease). For a transfer of overriding royalty interest, payment out of production or other similar interest or payment, file one (1) manually signed copy of this form. The required filing fee (nonrefundable) must accompany the transfer, payment out of production or other similar interests or payments. File assignment within ninety (90) days after date of execution of assignor.
2. Separate form must be used for each lease being affected by this transfer and for each type of interest conveyed.
3. In Item No. 2 of Part A, describe lands affected (See 43 CFR 3106, 3135, or 3241). For columns b, c, d, and e, enter the interest expressed as a percentage of total interest in the lease; e.g., if transferor transfers one quarter of a 20% interest, enter 20% in column b, 5% in column c, and 15% in column d.
4. If any payments out of production or similar interests, arrangements or payments have previously been created out of the interest being transferred, or if any such payments or interests are reserved under this transfer include a statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106, 3135, or 3241.
5. The lease account must be in good standing before this transfer can be approved as provided under 43 CFR 3106 and 3241.
6. Transfer, if approved, takes effect on the first day of the month following date of filing in the proper BLM office. If a bond is necessary, it must be furnished prior to approval of the transfer.
7. Overriding royalty and payment out of production or other similar types of transfers must be filed with BLM, but will be accepted for record purposes only. No official approval will be given.
8. Upon approval of a transfer of operating rights (sublease), the sublessee is responsible for all lease obligations under the lease rights transferred to the sublessee.

PAPERWORK REDUCTION ACT STATEMENT

1. This information is being collected pursuant to the law.
2. This information will be used to create and maintain a record of oil and gas/geothermal lease activity.
3. Response to this request is required to obtain benefit.

BLM would like you to know that you do not have to respond to this or any other Federal agency sponsored information collection unless it displays a currently valid OMB control number.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this oil and gas/geothermal lease transfer application.

**AUTHORITY:** 30 U.S.C. 181 et seq.; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

**PRINCIPAL PURPOSE:** The information is to be used to process transfers of operating rights (subleases) for oil and gas/geothermal resources leases.

ROUTINE USES:

- (1) The approval of transferee's rights to the land or resources.
- (2) Documentation for public information in support of notations made on land status, records for the management, disposal, and use of public lands and resources.
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources.
- (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION -** If all requested information is not provided, the transfer may not be approved. See regulations at 43 CFR Groups 3100 and 3200.

EXHIBIT "A"

SERIAL NO. THEC NO.	LEASE EFFEC. DATE	LAND DESCRIPTION	PERCENT OF INTEREST			RESERVED	PREVIOUSLY RESERVED
			Owned	Conveyed	Retained		
USA UTU 76281 UT000002-000	4/1/1997	T10S R23E SEC 30: LOTS 1-4	100%	50%	50%	None	Those of record
USA UTU 76281 UT000002-000	4/1/1997	T10S R23E SEC 31: LOTS 1-4, E2 W2, NE-SW <sup>3A</sup> Limited To Depths Below 8600 Feet	100%	50%	50%	None	Those of record
USA UTU 73457 UT000003-000	10/1/1994	T9S R24E SEC 7: LOTS 1-4, NE, E2 NW T9S R24E SEC 8: N2, E2 SW, SE T9S R24E SEC 17: NE, E2 NW T9S R24E SEC 18: LOTS 1-4, E2 SW, SE	100%	50%	50%	None	Those of record
USA UTU 80571 UT000004-000	1/1/2003	T9S R24E SEC 22: NE SW T9S R24E SEC 27: NE, E2 SE T9S R24E SEC 30: LOTS 1-4, NE, E2 NW, SE SW, NE SE	100%	50%	50%	None	Those of record
* USA UTU 74426 UT000005-000	7/1/1995	T9S R23E SEC 11: ALL T9S R23E SEC 12: W2 NE, W2, SE	100%	50%	50%	None	Those of record
USA UTU 73459 UT000006-000	10/1/1994	T9S R24E SEC 26: S2 T9S R24E SEC 35: ALL	100%	50%	50%	None	Those of record
USA UTU 79292 UT000008-000	4/1/2001	T11S R21E SEC 30: LOTS 1-4, SE NW, E2 SW	100%	50%	50%	None	Those of record
USA UTU 73458 UT000009-000	10/1/1994	T9S R24E SEC 24: N2	100%	50%	50%	None	Those of record
USA UTU 70904 UT000010-000	1/1/1993	T9S R25E SEC 7: LOTS 1-8, NE, N2 NW, S2 SW	100%	50%	50%	None	Those of record

EXHIBIT "A"

SERIAL NO. THEC NO.	LEASE EFFEC. DATE	LAND DESCRIPTION	PERCENT OF INTEREST			RESERVED	PREVIOUSLY RESERVED
			Owned	Conveyed	Retained		
USA UTU 72648 UT000011-000	1/1/1994	T9S R25E SEC 1: LOTS 1-4, SW NW	100%	50%	50%	None	Those of record
USA UTU 73711 UT000012-000	1/1/1995	T9S R25E SEC 2: ALL	100%	50%	50%	None	Those of record
USA UTU 77537 UT000013-000	10/1/1998	T9S R24E SEC 9: NW NE T9S R24E SEC 14: SE SW	100%	50%	50%	None	Those of record
USA UTU 80573 UT000017-000	1/1/2003	T9S R25E SEC 8: N2 N2	100%	50%	50%	None	Those of record
USA UTU 76284 UT000056-000	4/1/1997	T8S R24E SEC 1: LOTS 3, 4, S2 NW, SW T8S R24E SEC 12: W2 W2	50%	25%	25%	None	Those of record
USA UTU 75118 UT000057-000	4/1/1996	T9S R24E SEC 24: LOTS 2, 3, 9 T9S R24E SEC 26: LOT 1, N2 NE, SW NE, NW	100%	50%	50%	None	Those of record
USA UTU 65371 UT000099-000	5/1/1989	T10S R24E SEC 19: LOTS 1-4, E2 NW T10S R24E SEC 30: LOTS <del>4-4</del> , E2 W2 <sup>lots 1, 3</sup> T10S R24E SEC 31: LOTS 1,2, SE NW, SE	100%	50%	50%	None	Those of record
USA UTU 52765 UT000103-000	5/1/1983	T8S R24E SEC 26: E2, NW, NW SW T8S R24E SEC 27: NE SE, S2 SE Limited To Depths Below The Base Of The Green River Formation As Seen At 4,323 Feet For The Westar Raging Bull No. 1	50%	25%	25%	None	Those of record
USA UTU 52767 UT000104-000	5/1/1983	T8S R24E SEC 34: NW Limited To Depths Below The Base Of The Green River Formation As Seen At 4,323 Feet For The Westar Raging Bull No. 1	50%	25%	25%	None	Those of record

EXHIBIT "A"

SERIAL NO. THEC NO.	LEASE EFFEC. DATE	LAND DESCRIPTION	PERCENT OF INTEREST			RESERVED	PREVIOUSLY RESERVED
			Owned	Conveyed	Retained		
USA UTU 54928 UT000105-000	10/1/1984	T8S R24E SEC 27: S2 SW T8S R24E SEC 28: SE SE T8S R24E SEC 33: E2 NE Limited To Depths Below The Base Of The Green River Formation As Seen At 4,323 Feet For The Westar Raging Bull No. 1	50%	25%	25%	None	Those of record
USA UTU 58725 UT000106-000	3/1/1986	T8S R24E SEC 33: W2 NE, NW, N2 SW, SE Limited To Depths Below The Base Of The Green River Formation As Seen At 4,323 Feet For The Westar Raging Bull No. 1	50%	25%	25%	None	Those of record
USA UTU 58726 UT000107-000	3/1/1986	T8S R24E SEC 34: S2 T8S R24E SEC 35: S2 Limited To Depths Below The Base Of The Green River Formation As Seen At 4,323 Feet For The Westar Raging Bull No. 1	50%	25%	25%	None	Those of record
X USA UTU 81311 UT000109-000	4/1/1996	T9S R24E SEC 9: SE T9S R24E SEC 10: NE, S2 T9S R24E SEC 12: LOT 7 T9S R24E SEC 22: S2 NW, W2 SW, SE SW, SE T9S R24E SEC 23: LOTS 1-11, N2 NE, NW SW, SE SW	100%	50%	50%	None	Those of record
USA UTU 81023 UT000116-000	2/1/2005	T11S R25E SEC 5: SW NW, W2 SW T11S R25E SEC 6: SE NE, NE SE T11S R25E SEC 25: LOTS 9-16	100%	50%	50%	None	Those of record
USA UTU 73440 UT000118-000	10/1/1994	T12S R21E SEC 13: N2 T12S R21E SEC 14: ALL T12S R21E SEC 15: ALL T12S R21E SEC 22: W2, NE	50%	25%	25%	None	Those of record
USA UTU 73440 UT000118-000	10/1/1994	T12S R21E SEC 24: E2	100%	50%	50%	None	Those of record
USA UTU 73905 UT000119-000	4/1/1995	T11S R22E SEC 17: N2, E2 SE T11S R22E SEC 20: E2 NW, SE, W2 SW	50%	25%	25%	None	Those of record
USA UTU 73949 UT000120-000	4/1/1995	T11S R24E SEC 5: ALL T11S R24E SEC 6: LOTS 1-12, S2 NE, SE NW, SE, SE SW	50%	25%	25%	None	Those of record

White River ENT.  
OWNS 100% of lease

EXHIBIT "A"

SERIAL NO. THEC NO.	LEASE EFFEC. DATE	LAND DESCRIPTION	PERCENT OF INTEREST			RESERVED	PREVIOUSLY RESERVED
			Owned	Conveyed	Retained		
USA UTU 73017 UT000121-000	4/1/1994	T12S R21E SEC 11: ALL T12S R21E SEC 13: S2 T12S R21E SEC 23: N2, SW, E2 SE T12S R21E SEC 24: N2 NW, SW	50%	25%	25%	None	Those of record
USA UTU 73017 UT000121-000	4/1/1994	T12S R21E SEC 12: S2	100%	50%	50%	None	Those of record
USA UTU 73918 UT000122-000	4/1/1995	T11S R24E SEC 3: ALL	50%	25%	25%	None	Those of record
USA UTU 77226 UT000123-000	4/1/1995	T11S R24E SEC 4: LOTS 1-4, S2 N2, NE SW, SE	50%	25%	25%	None	Those of record
USA UTU 73920 UT000124-000	4/1/1995	T11S R24E SEC 9: LOTS 1-5, N2, SW SW, N2 SE, SE SE T11S R24E SEC 17: NE, SE NW, S2, N2 SE	50%	25%	25%	None	Those of record
USA UTU 73920 UT000124-000	4/1/1995	T11S R24E SEC 17: S2	100%	50%	50%	None	Those of record
USA UTU 73921 UT000125-000	3/1/1996	T11S R24E SEC 10: ALL T11S R24E SEC 15: LOTS 1-6, NE, NE NW, SW, SW SE	50%	25%	25%	None	Those of record
USA UTU 73922 UT000126-000	3/1/1996	T11S R24E SEC 22: N2 NE, SE NE, SW NW, SW, SW SE T11S R24E SEC 27: ALL	50%	25%	25%	None	Those of record
USA UTU 74424 UT000127-000	7/1/1995	T11S R22E SEC 25: ALL	50%	25%	25%	None	Those of record
USA UTU 74974 UT000128-000	1/1/1996	T11S R22E SEC 26: ALL T11S R22E SEC 35: ALL	50%	25%	25%	None	Those of record

# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Green River District-Vernal Field Office  
170 South 500 East  
Vernal, UT 84078  
(435) 781-4400 Fax: (435) 781-4410  
<http://www.blm.gov/ut/st/en/fo/vernal.html>



IN REPLY REFER TO:  
3162.3 (UTG011)

**JUN 15 2011**

4304735922  
T9S R24E Sec 22  
Bonanza 12A-22

Alex B. Campbell  
Enduring Resources, LLC  
475 17<sup>th</sup> Street, Suite 1500  
Denver, Colorado 80202

Re: Change of Operator  
Well No. Bonanza 12A-22  
NWSW, Sec. 22, T9S, R24E  
Uintah County, Utah  
Lease No. UTU-81311

Dear Mr. Campbell:

This correspondence is in regard to the self-certification statement submitted requesting a change of operator for the above referenced well. After a review by this office, the change of operator request is approved. Effective May 1, 2011, Enduring Resources, LLC, is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UTB000173, for all operations conducted on the referenced well on the leased land.

Our records show that right-of-way (ROW), UTU-81563 has been issued for the off lease portion of the pipeline to the subject well. This right-of-way is already assigned to Enduring Resources, LLC, so no further action is required for the right-of-way for this well.

If you have any other questions regarding this matter, please contact Cindy Severson of this office at (435) 781-4455.

Sincerely,

Jerry Kenczka  
Assistant Field Manager  
Lands & Mineral Resources

Enclosures

cc: UDOGM  
Forest Oil Corporation

**RECEIVED**

**JUN 20 2011**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**

MAY 26 2011

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill, or to re-enter an abandoned well. Use Form 3160-4 APD for such proposals.*

**BLM, Vernal Utah**

5. Lease Serial No.  
**UTU-78118**

6. If Indian, Allottee or Tribe Name  
n/a

7. If Unit or CA/Agreement, Name and/or No.  
n/a

8. Well Name and No.  
**Bonanza 12A-22**

9. API Well No.  
**43-047-35922**

10. Field and Pool, or Exploratory Area  
**Wildcat**

11. County or Parish, State  
**Uintah, Utah**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**Enduring Resources, LLC**

3a. Address  
**475 17th Street, Suite 1500, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-573-1222**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2153' FSL - 680' FWL      NWSW      Sec 22, T9S-R24E      SLB&M**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Change of Operator</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**Change of Operator effective May 1, 2011 from: Forest Oil Corporation**

**Change of Operator effective May 1, 2011 to: Enduring Resources, LLC  
475 17th Street, Suite 1500  
Denver, CO 80202**

**BLM Statewide Oil & Gas Lease Bond No.: UTB000173  
State of Utah, Division of Oil, Gas & Mining Surety Bond No.: RLB0008031**

FOREST OIL CORPORATION

BY: Leonard C. Gurule DATE: 5/19/11

PRINT NAME/TITLE: Leonard C. Gurule TITLE: \_\_\_\_\_

**Senior Vice President, Western Region**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Alex B. Campbell**

Title **Vice President**

Signature

Date

**05/02/2011**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

**Assistant Field Manager  
Lands & Mineral Resources**

Date 4/15/2011

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

**VERNAL FIELD OFFICE**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)