

001

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ml46104	6. SURFACE: Steb
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: MEDALLION EXPLORATION		9. WELL NAME and NUMBER: ATCHEE RIDGE 16-19#1	
3. ADDRESS OF OPERATOR: 6985 Union Park Center, Ste. 375 Midvale		PHONE NUMBER: 801-566-7400	10. FIELD AND POOL, OR WILDCAT: WILDCAT Atchee Ridge
4. LOCATION OF WELL (FOOTAGES): AT SURFACE: SE/SE 555' FSL & 700' FEL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SE/SE SEC. 19, T12S, R25E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 24 miles SouthEast of Bonanza, Utah		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): APPROX. 3000'	16. NUMBER OF ACRES IN LEASE: 2000	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): APPROX 1215'	19. PROPOSED DEPTH: 4000'	20. BOND DESCRIPTION: RLB0005889	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6762' GL	22. APPROXIMATE DATE WORK WILL START: UPON APPROVAL	23. ESTIMATED DURATION:	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	9-5/8" 36#	500'	295 sx G w/2% cacl2. Vol. is 100% excess
7-7/8"	5-1/2" 17#	4,000'	115 sxs 28-72 poz & 360 sxs G, the actual amount will be calculated off calipe.

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25. ATTACHMENTS

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

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- COMPLETE DRILLING PLAN
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT)

Richelle Richens

TITLE

Permitting

SIGNATURE

Richelle Richens

DATE

9-01-04

(This space for State use only)

API NUMBER ASSIGNED:

43-047-35927

APPROVAL:

Approved by the
Utah Division of
Oil, Gas and Mining

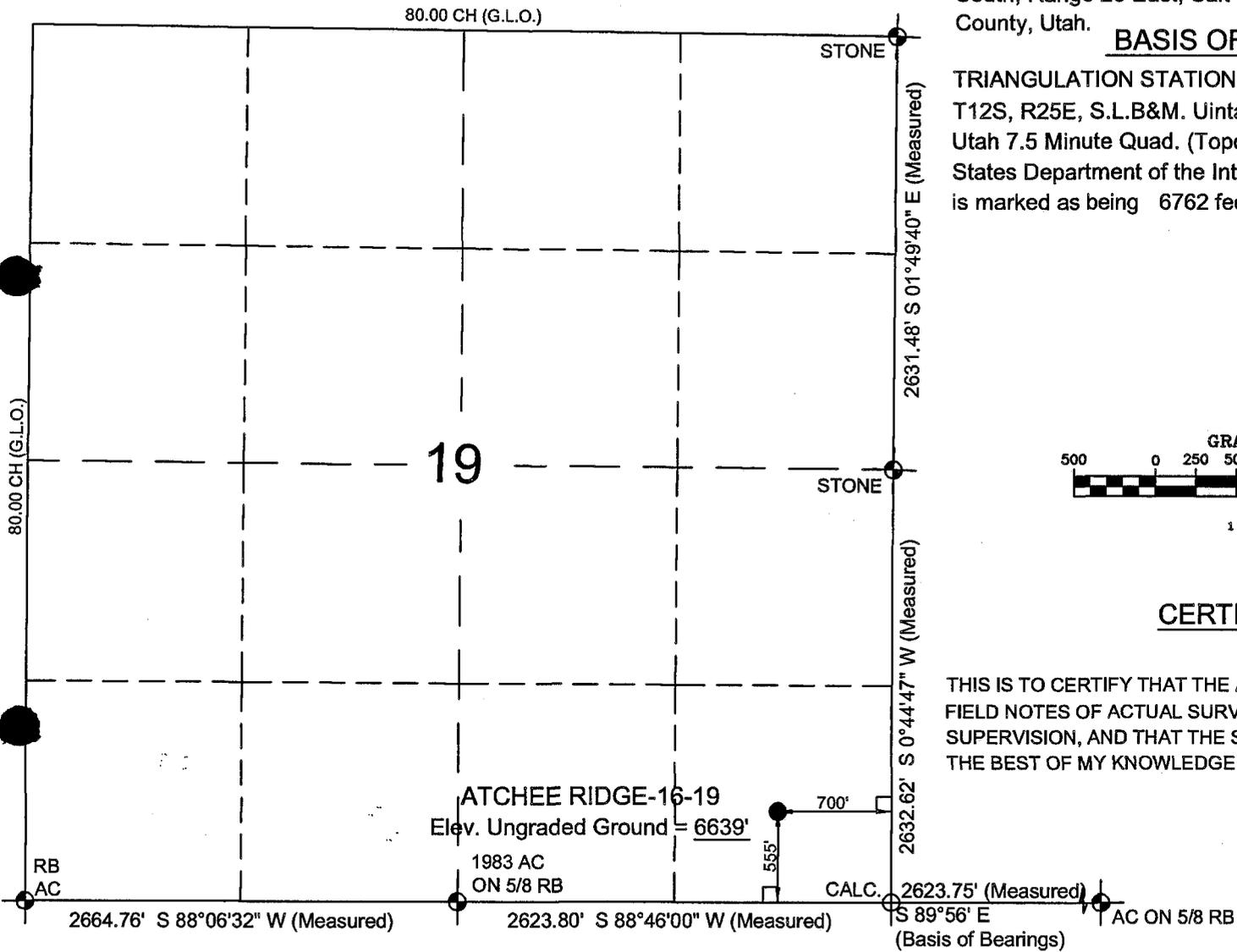
Date:

10-12-04

By:

[Signature]

T12S, R25E, S.L.B.&M.



- LEGEND**
- SECTION COR. FOUND
 - ⊙ SECTION COR. CALC.
 - L 90° SYMBOL
 - PROPOSED WELL HEAD

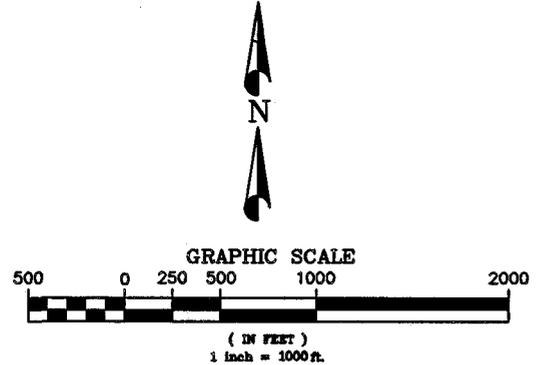
LATITUDE = 39°45'18"
 LONGITUDE = 109°09'16"

MEDALLION EXPLORATION

Well location ATACHEE RIDGE #16-19 19-12-25, located as shown in the SE 1/4 of the SE 1/4 of Section 19, Township 12 South, Range 25 East, Salt Lake Base and Meridian, Uintah County, Utah.

BASIS OF ELEVATION

TRIANGULATION STATION JEK 13 IN THE SE 1/4 of Section 19, T12S, R25E, S.L.B&M. Uintah County, taken from the Rainbow Utah 7.5 Minute Quad. (Topographic Map) published by the United States Department of the Interior, Geological Survey, said Elevation is marked as being 6762 feet.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PERPARED 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.

C. DeNile
C. DeNILE
 REGISTERED PROFESSIONAL SURVEYOR
 REGISTRATION NO. 156790
 STATE OF UTAH

M&M ASSOCIATES		
P.O. BOX 121 ROOSEVELT, UTAH 84066 PHONE: 435-823-1492 FAX: 435-722-0707		
SCALE: 1" = 1000'	DATE SURVEYED: 9/20/03	DATE DRAWN: 11/16/03
PARTY: C.D.M.; C.D.M.; G.J.M.		REFERENCES: G.L.O. PLAT
WEATHER: WARM	FILE: MEDALLION EXPLORATION	



**MEDALLION
EXPLORATION**

6985 Union Park Center
Suite 375
Midvale, UT 84047
(801) 566-7400
(801) 566-7477 fax

Fax Cover Sheet

Date: 9/29/04

Please deliver to: Diana

Fax Number: 359-3940

Phone Number:

Subject: APD Atchee Ridge 16-19 # 1

Company: State Oil + Gas

Sender: Raschelle Richens

Pages to follow: 3

Comments: Diana pgs 4 + 7 of the drilling plan I corrected some spelling.

Page 6 of 10 of the Surface Use info on d + e have been corrected.

Thanks Raschelle

If you have any problem receiving information please phone.

This communication is intended only for the use of the recipient named above. It may contain information that is privileged and confidential.

Any unauthorized use, copying, review or disclosure is prohibited. Please notify the sender immediately if you received this communication

in error so that we can arrange for its return. Thank you for your assistance and co-operation.

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DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
 MEDALLION EXPLORATION
 Atchee Ridge 16-19 #1
 SE/1/4SE1/4 Sec. 19, T12S, R25E
 Uintah County, Utah

LEASE NO. ML-46104
DRILLING PLAN

- i. Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable-preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not exceed 70 percent of the minimum internal yield. If pressure declines more than 1 - percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells and on that portion of any well approved for a 5 M BOPE system or greater, a pressure integrity test of each casing shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Grade</u>	<u>Type</u>	<u>Used</u>
Surface	0-300'	12-1/4"	9-5/8"	36#	K-55	ST&C	New
Production	0-4000'	7-7/8"	5-1/2"	17#	J-55	LT&C	New

- n. Casing design subject to revision based on geologic conditions encountered. If used casing is utilized it will be tested to API standards for new or better casing.

- o. The cement program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-500'	295 sx Class "G-" (Yield - 1.16} with 2% Cacl, .254/sk Celloflake, Vol are 100% excess. Circulate to surface.

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DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
MEDALLION EXPLORATION
Atchee Ridge 16-19#1
SE1/4SE1/4 Sec. 19, T12S, R25E
Uintah County, Utah

LEASE NO. ML-46104
DRILLING PLAN

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's 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 shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program consists of a DIL-GR from T.D. to the base of surface casing with the GR to surface. A CNL-FDC and FMI will be run from T.D. to 1000' (minimum run). A DSI-GR will be run from T.D. to the base of surface casing.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 8) will be submitted no later than 30 days after completion of the well or after completion of operations being performed, in accord with R649-8-9. Two copies of all logs, core descriptions, core analysis, 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 8. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Div. of Oil, Gas and Mining.
- e. The anticipated completion program is as follows:
The Mesa Verde and the Wasatch formations will be perforated, tested and sand (raced if necessary in sequence until a paying zone has been establish.
- f. Daily drilling and completion progress reports shall be submitted to the Div. of Oil, Gas, and Mining in SLC on a weekly basis.

Division of Oil, Gas and Mining
Medallion Exploration
Atchee Ridge 16-19#1
SE1/4SE1/4 SEC. 19, T12S, R25E
Uintah County, Utah

LEASE NO. ML-46104
SURFACE USE PLAN

9. Well Site Layout

- a. The operator or his/her contractor shall contact the Div. of Oil, Gas, and Mining forty-eight (48) hours prior to construction of activities.
- b. The reserve pit will be located on the southwest side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the northeast side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the southeast corner of the location, point 2.
- e. Access to the well pad will be from the south between points 2 and 3.
- f. See location layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the location layout.
- h. During construction, all brush will be removed from the well pad and access road and stockpiled separately from the topsoil.
- i. All pits will be fenced according to the following minimum standards.
 1. 39 inch net wire shall be used with at least one strand or barbed 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).
 2. 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.
 3. Comer posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 4. 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 feet.
 5. All wire shall be stretched, by using a stretching device, before it is attached to the comer posts.

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R649-8-4

All Lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (R649-3), Utah Division of Oil, Gas and Mining and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	+6739'
Wasatch	1552'	+5187'
Mesa Verde	2422'	+4317'
T.D	4000'	+2739'

2. **Estimated Depths of Anticipated Water, Oil, Gas or Minerals Formation**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Wasatch	1552'
Gas	Mesa Verde	2422'
Water	N/A	

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. **Pressure Control Equipment:** (Schematic Attached)

Medallion Exploration minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPS tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the State representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 2000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.

- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. **Proposed Casing and Cementing Program:**

- a. The proposed casing and cementing program shall be conducted as to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

- i. Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolated the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not exceed 70 percent of the minimum internal yield. If pressure declines more than 1- percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory well, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing how shall be preformed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Grade</u>	<u>Type</u>	<u>Used</u>
Surface	0-300'	12-1/4"	9-5/8"	36#	K-55	ST&C	New
Production	0-4000'	7-7/8"	5-1/2"	17#	J-55	LT&C	New

- n. Casing design subject to revision based on geologic conditions encountered. If used casing is utilized it will be tested to API standards for new or better casing.
- o. The cement program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-500'	295 sx Class "G" (Yield - 1.16) with 2% Cacl, .25#/sk Celloflake, Vol are 100% excess. Circulate to surface.

Production

Type and Amount

Lead with 115 sacks 28-72
Poz (Yield -3.42) with 10%
gel, +6lbs/sk BA-91
Bonding, 0.5% SM +2#/sk
KOL seal, +0.25% celloflake.
Followed by 360 sacks Class
"G" (Yield - 1.53) with 10%
Gypsum, +10% salt, +4% FL-
52.

Note: Actual volumes to be calculated from caliper log.

- p.** Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a State representative on location while running all casing strings and cementing.
- q.** After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r.** The following reports shall be filed with the Div. of Oil, Gas and Mining within 30 days after the work is completed.
 - 1.** Progress reports, Form 9 (R649-8-10) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a.** Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b.** Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.

s. Auxiliary equipment to be used is as follows:

1. Kelly cock.
2. No bit float is deemed necessary.
3. A sub with a full opening valve.

5. **Mud Program:**

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

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-300'	Native	8.4-8.8	N/A	NC	9.0
300-4000'	LSND	8.4-8.8	36-38	10-15cc	9.0

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

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

d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

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

6. **Evaluation Program:**

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, however, if they are run the following will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's 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 shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b.** The logging program consisted of a DIL-GR from T.D. to base of surface casing with the GR to surface. A CNL-FDC and FMI will be run from T.D. to 1000' (minimum run). A DSI-GR will be run for T.D. to base of surface casing.
- c.** No cores are anticipated.
- d.** Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 8) will be submitted no later than 30 days after completion of the well or after completion of operations being performed, in accordance with R649-8-9. 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 8. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Div. of Oil, Gas and Mining.
- e.** The anticipated completion program is as follows:
The Mesa Verde and the Wasatch formations will be perforated, tested and sand fraced if necessary in sequence until a paying zone has been establish.
- f.** Daily drilling and completion progress reports shall be submitted to the Div. of Oil, Gas, and Mining in SLC on a weekly basis.

7. Abnormal Temperatures of Pressures

- a. No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- b. The maximum anticipated bottom hole pressure will be approximately 900 psi at T.D.

8. Anticipated Starting Dates and Notification of Operations

- a. Drilling will commence immediately upon approval of this application and the availability of a Drilling Rig.
- b. It is anticipated that the drilling of this well will take approximately 5 days.
- c. The Div. of Oil, Gas and Mining shall be notified, during regular work hours (7:45 a.m. - 4:30 p.m., Monday through Friday with the exception of holidays), at least 24 hours prior to spudding the well.
- d. Operator shall report production data to Div. of Oil, Gas and Mining.
- e. The date on which productions 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.
- f. 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 operation 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.

- g.** 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 Div. of Oil, Gas and Mining. If operations are to be suspended, prior approval of the Div. of Oil, Gas and Mining will be obtained and notification given before resumption of operations.
- h.** The spud date will be reported orally to the Div. of Oil, Gas and Mining within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- i.** In accordance with R649-8-11, this well will be reported on Form 10 "Monthly Oil and Gas Production, starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Div. of Oil, Gas and Mining. 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah, 84114-5801
- j.** Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Div. of Oil, Gas and Mining.
- k.** If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 9 to that effect will be filed, for prior approval of the Div. of Oil, Gas, and Mining and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- l.** Should the well be successfully completed for production, the Div. of Oil, Gas, and Mining will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, no later than 5 days following the date on which the well is placed on production.
- m.** Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the Div. of Oil, Gas and Mining.
- n.** Pursuant to NTL-4A, lessees or operators are authorized to vent/flame gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the Div. of Oil, Gas and Mining and approval received, for any venting/flaming of gas beyond the initial 30 day or authorized test period.

- o.** A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- p.** A first production conference will be scheduled within 15 days after receipt of the first production notice.
- q.** No well abandonment operations will be commenced without the prior approval of the Div. of Oil, Gas and Mining. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Div. of Oil, Gas and Mining. A "Subsequent Report of Abandonment" Form 9 will be filed with the Div. of Oil, Gas and Mining within 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 Div. of Oil, Gas and Mining or his representative, or the appropriate Surface Managing Agency.
- r.** Lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable State laws and regulations.

R649-8
NOTIFICATION REQUIREMENTS

- Location Construction - forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing string and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related – Equipment Tests - twenty-four (24) hours prior to initiating pressure tests.
- First Production – Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

1. Existing Roads

- a. The proposed well site is located approximately 24.2 miles south of Bonanza, Utah.
- b. Directions to the location from Vernal, Utah are as follows:
Proceed in a southerly direction from Vernal, Utah along highway 45 approximately 40.0 miles to Bonanza, Utah and an existing road to the south; proceed in a southerly direction approximately 16.9 miles to Rainbow, Utah and the junction of this road and an existing road to the south; turn left and proceed in a southerly direction approximately 7.6 miles to the junction of this road and the beginning of the proposed access road to the west; turn right and follow the road in a westerly direction approximately 0.15 miles to the proposed location, turn north approximately 1,000' into location.
- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. **Planned Access Roads**

- a. Approximately 1.03 miles of new construction will be required as shown on Map B.
- b. The maximum grade of the new construction will be approximately 5%.
- c. No turnouts are planned.
- d. No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.
- e. The new access road was centerline flagged at the time of staking.
- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- h. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
- i. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainage's be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- j. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produce, stored, transported, or disposed of in association with the drilling of this well.

A 1.3 mile right of way will be necessary for the access road located inside lease ML 46104.

There are no related structures or facilities planned at this time.

The right of way is requested for 30 years or the entire life of the producing well, whichever is longer.

The road will be used year-round for maintenance of production facilities. Only flat blading of the existing roadway will be required at this time. No temporary work areas will be needed.

3. **Location of Existing Wells Within a 1-Mile Radius of the Proposed Location. See Map #C).**

- a. Water wells - none.
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- g. Disposal wells - none
- h. Abandoned wells - none
- i. Dry Holes - none

4. **Location of Tank Batteries and Production Facilities.**

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Tan (10YR613). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

- c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. 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. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and 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 Div. Of Oil, Gas, and Mining Once. All meter measurement facilities will conform with all regulations for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. Any necessary pits will be properly fenced to prevent any wildlife entry.
- h. All site security guidelines identified in R649-3-34 regulations will be adhered to.
- i. All off-lease storage, off-lease measurement, or commingling on-lease or off lease will have prior written approval from the Div. Of Oil, Gas, and Mining.
- j. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- k. The road will be maintained in a safe useable condition.

5. **Location and Type of Water Supply**

- a. All water needed for drilling purposes will be obtained from Evacuation Creek. A copy of the permit identifying the permit number and point of diversion is submitted with AID.
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.

6. **Source of Construction Material**

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. No construction materials will be removed from State land.

7. **Methods of Handling Waste Disposal**

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge. If fractured rock is encountered, a 12 mil plastic nylon reinforced liner will be utilized. The pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the Div. of Oil, Gas, and Mining. If a pit liner is deemed to be unnecessary, the pit must be inspected by a representative of the Div. Of oil, Gas, and Mining prior to putting fluids in the pit.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. Drill cuttings are to be contained and buried in the reserve pit.
- e. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- f. A chemical porta-toilet will be furnished with the drilling rig.
- g. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

8. **Ancillary Facilities**

There are no airstrips, camps or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The operator or his/her contractor shall contact the Div. of Oil, Gas, and Mining forty-eight (48) hours prior to construction of activities.
- b. The reserve pit will be located on the north side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the northeast side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the east corner of the location between points B & 7 and the west side between points 8 and 2.
- e. Access to the well pad will be from the south between points 7 and 8.
- f. See location layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the location layout.
- h. During construction, all brush will be removed from the well pad and access road and stockpiled separately from the topsoil.
- i. All pits will be fenced according to the following minimum standards.
 1. 39 inch net wire shall be used with at least one strand or barbed 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).
 2. 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.
 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 4. 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 feet.
 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

- J. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. **Plans for Restoration of Surface**

Producing Location

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed.
- c. The plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.

The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.

- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Div. Of Oil, Gas, and Mining.

The seed mixture for reclamation work will be a sight specific mixture as recommended by the authorized officer of the Div. Of Oil, Gas, and Mining the time of reclamation. Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the approval of the authorized officer.

Dry Hole

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and Div. Of Oil, Gas, and Mining will attach the appropriate surface rehabilitation conditions of approval.

11. **Surface Ownership**

Access Roads - All roads are County maintained.

Wellpad - The well pad is located on State lands

12. **Other Information**

- a. A Class III archeological survey was conducted by Montgomery Archaeological Consultants. No cultural resources were found and clearance has been recommended. A copy of this is attached.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archeological sites, or for collecting artifacts. If historic or archeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Div. of Oil, Gas, and Mining. Within five working days the Div. of Oil, Gas, and Mining will inform the Operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - A time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO Will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the appropriate County Extension Office.
- d. Drilling rig and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operations

or at any other time without State authorization. However, if authorization is obtained, it is only a temporary measure.

- e. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- f. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- g. There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas and Mining. 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.
- h. "Sundry Notice and Report on Wells" (Form 9) will be filed for approval for all changes of plans and other operations.
- i. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expirations of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- j. The operator or his contractor shall contact the Division of Oil, Gas and Mining at 801-538-5277 48 hours prior to construction activities.
- k. The Division of Oil, Gas and Mining shall be notified upon site completion prior to moving on the drilling rig.
- l. In the event after-hours approvals are necessary, please contact the following individual.

12. **Lessee's or Operator's Representative and Certification**

Permit Matters
Drilling & Completion Matters

RaSchell Richens
6985 Union Park Center, Ste. 375
Midvale, Utah 84047
801-566-7400 Office
801-566-7477 Fax
801-842-3637 Cell

Division of Oil, Gas & Mining
Medallion Exploration, Inc.
Atchee Ridge 16-19 #1
SE1/4SE1/4 SEC. 19, T12S, R25E
Uintah County, Utah

LEASE NO. ML-46104
SURFACE USE PLAN

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, true and correct; and, that the work associated with the operations proposed herein will be performed by Medallion Exploration and its contractors and sub contractors in conformity with the plan and the terms and conditions under which it is approved.

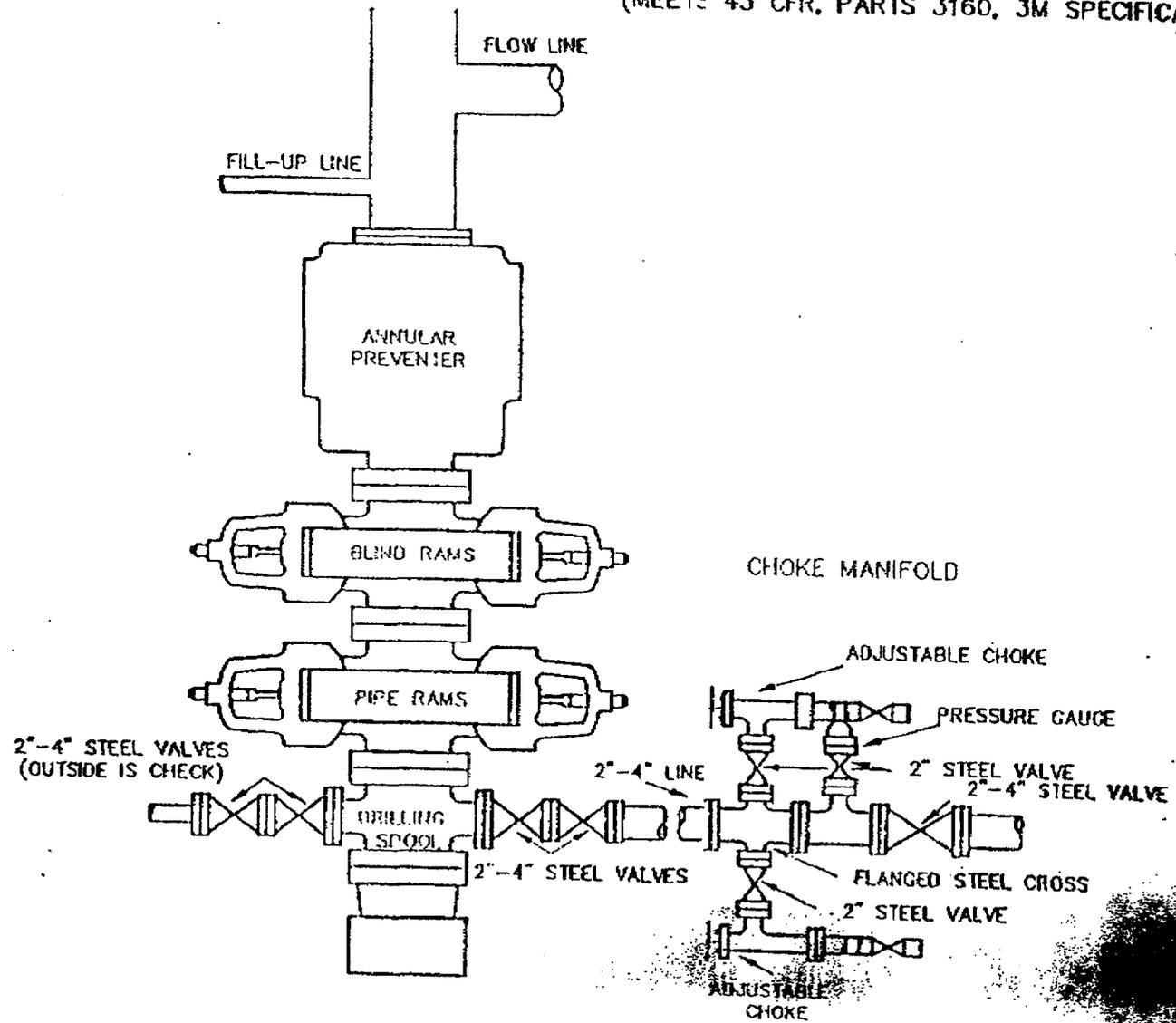
This statement is subject to the provisions of 18.U.S.C.100 for the filing of a false statement.



RaSchelle Richens - Permitting

Typical BOP Equipment. Actual Configuration May Vary Slightly But Will Conform With Onshore Order No. 2

THREE PREVENTER HOOKUP
CLASS III
(MEETS 43 CFR, PARTS 3160, 3M SPECIFICATIONS)



REPRODUCTION OF THIS DOCUMENT IS PROHIBITED WITHOUT THE WRITTEN PERMISSION OF THE BUREAU OF OIL FIELD REVENUE

CULTURAL RESOURCE INVENTORY OF
MEDALLION EXPLORATION'S PROPOSED WELL LOCATION
ATCHEE RIDGE 16-19 #1, Uintah County, Utah

Keith R. Montgomery

CULTURAL RESOURCE INVENTORY OF
MEDALLION EXPLORATION'S PROPOSED WELL LOCATION
ATCHEE RIDGE 16-19 #1, UINTAH COUNTY, UTAH

By:

Keith R. Montgomery

Prepared For:

Bureau of Land Management
Vernal Field Office
Vernal, Utah

Prepared Under Contract With:

Medallion Exploration
6985 Union Park Center, Suite 375
Midvale, UT 84047

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 04-131

June 17, 2004

United States Department of Interior (FLPMA)
Permit No. 04-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-04-MQ-0452s

INTRODUCTION

In August 2003 Montgomery Archaeological Consultants (MOAC) inventoried Medallion Exploration's proposed Atachee Ridge 16-19-#1 well location. The project area is on Atachee Ridge about 50 miles south of the town of Vernal, Uintah County, Utah. The survey was implemented at the request of Ms. RaSchelle Richens, Medallion Exploration, Midvale, Utah. The project area occurs on property of the State of Utah School and Institutional Trust Lands Administration (SITLA).

The objectives of the inventory were to locate, document, and evaluate any cultural resources within the project area in accordance with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Historic Preservation Act (NHPA) of 1969 (as amended), the Archaeological and Historic Conservation Act of 1974, the Archaeological Resources Protection Act of 1979, and the American Indian Religious Freedom Act of 1978.

The fieldwork was conducted on May 18, 2004 by Keith Montgomery (Principal Investigator) under the auspices of U.S.D.I. (FLPMA) Permit No. 04-UT-60122 and State of Utah Antiquities Project (Survey) No. U-04-MQ-0452s. A file search was performed by Marty Thomas at the Utah Division of State History (May 17, 2004). This consultation indicated that several inventories have been completed in the area. In 1995, Metcalf Archaeological Consultants surveyed a well location for Amoco Productions which resulted in the documentation of a prehistoric isolated find (Spath 1995). Senco-Phenix inventoried four well locations for Medallion Exploration in 1998; no cultural resources were found (Senulis 1998). In 2000, Montgomery Archaeological Consultants surveyed the Medallion Exploration's Seep Canyon pipeline (Montgomery 2000). The inventory resulted in the documentation of an eligible cattle line camp (42Un2744) and an ineligible well (42Un2745). None of these cultural resources occur in the immediate project area.

DESCRIPTION OF PROJECT AREA

The project area occurs between East Seep Canyon and Atchee Ridge road in the Uintah Basin. Proposed well location Atchee Ridge 16-19 #1 is located in the SE/SE of Section 19, Township 12 South, Range 25 East (Figure 1). The access route extends south and east from the well location to Atchee Ridge road.

The study area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. Topographically, this area consists of north-south trending interfluvial ridges dissected by extensive draws and canyons. The geology is comprised of Quaternary and Tertiary age deposits which include sedimentary rocks. The Green River Formation is predominate in the project area, and contains claystone, sandstone, and carbonate beds. The soil in the area consists of shale and silt. At an elevation of around 6600 feet, the

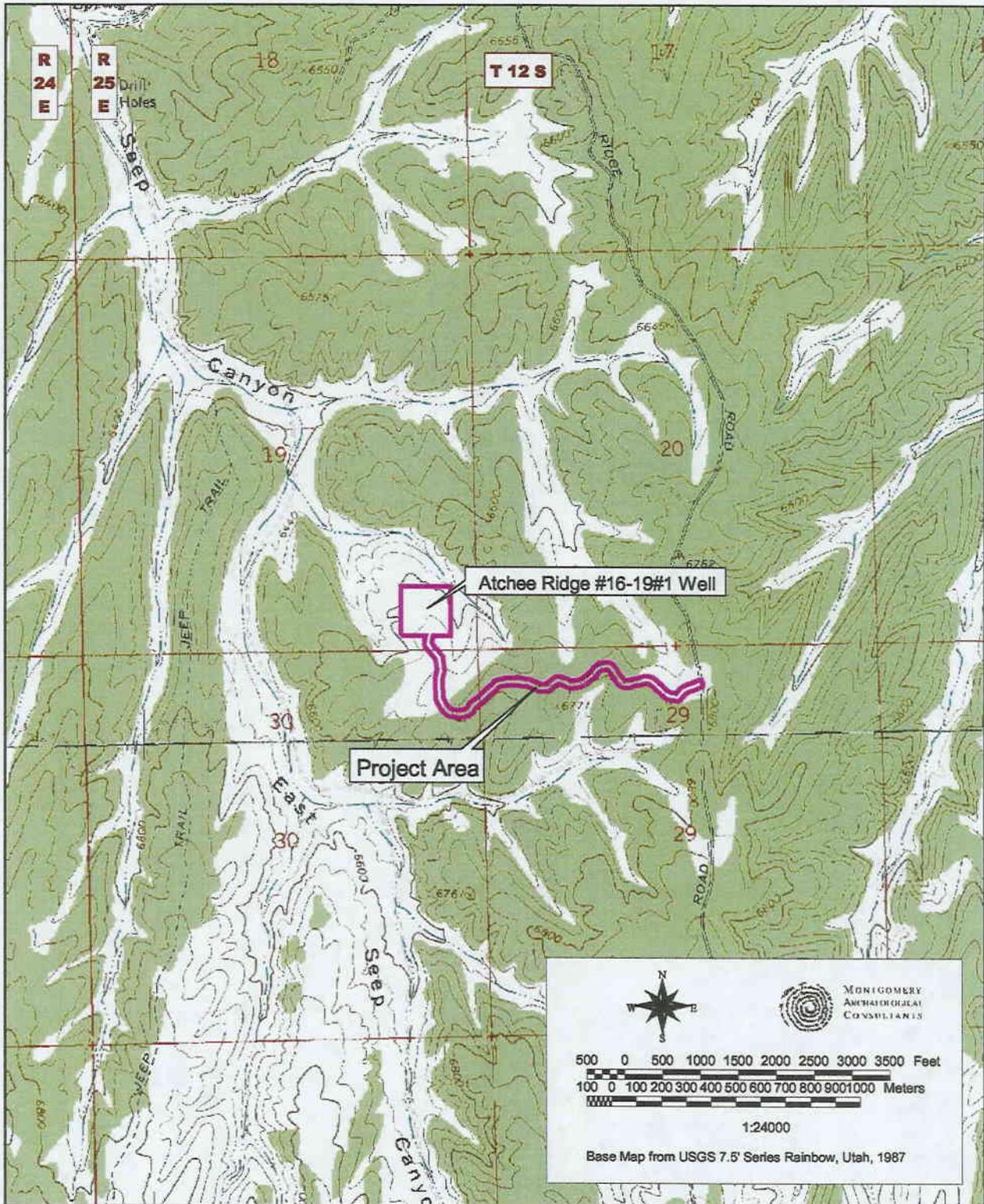


Figure 1. Inventory Area of Proposed Well Location Atchee Ridge 16-19 #1 with Associated Access Route. USGS 7.5' Rainbow, UT 1987. Scale 1:24000.

inventory area is dominated by a pinyon-juniper and sagebrush community intermixed with mountain mahogany, prickly pear cactus, greasewood, and grasses. The nearest permanent water source in the area is Evacuation Creek located approximately 5 miles to the east, although intermittent springs occur in East Seep Canyon. Fauna which inhabit the area include deer, antelope, rabbits, badgers, ground squirrels, prairie dogs, and various other rodents and reptiles. Modern disturbances to the landscape include well locations, access roads, pipelines, and livestock grazing.

SURVEY METHODOLOGY

An intensive pedestrian survey was performed for this project which is considered 100% coverage. At the proposed well location, a ten acre or larger area centered on the center stake of the location was surveyed by the archaeologist walking parallel transects spaced no more than 10 m (30 ft) apart. The access corridor was 100 feet wide, surveyed by walking parallel transects along the staked centerline, spaced no more than 10 m (30 ft) apart. Ground visibility was considered to be good. A total of 31.6 acres was inventoried on land administered by SITLA.

RESULTS AND CONCLUSIONS

The inventory of Medallion Exploration's proposed well location Atchee Ridge 16-19 #1 with associated access route resulted in no cultural resources. In addition, the survey area has minimal potential for subsurface cultural manifestations. On the basis of the findings, archaeological clearance is recommended for this undertaking.

REFERENCES CITED

Montgomery, K.R.

2004 Cultural Resource Inventory of Medallion Exploration's Seep Canyon Pipeline, Uintah County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Report No. U-00-MQ-0716b.

Senulis, J.A.

1998 An Intensive Cultural Resource Survey and Inventory of the Proposed Oil Springs #1; Seep Canyon State #30-12-25, Atchee Ridge State #2-29-12-25, Atchee State #20-12-25 and Atchee State #1-29-12-25 Well Pads and Access Roads, Uintah County, Utah. Senco-Phenix, Mount Pleasant, Utah. Report No. U-98-SC-0347.

Spath, C.

1995 Amoco Production's Proposed Seep Canyon #24-19-12-25 Well Pad and Access, Section 19, T12S, R25E, Uintah County, Utah. Class III Cultural Resource Inventory. Metcalf Archaeological Consultants, Inc., Eagle, Colorado. Report No. U-95-MM-044.

Stokes, W.L.

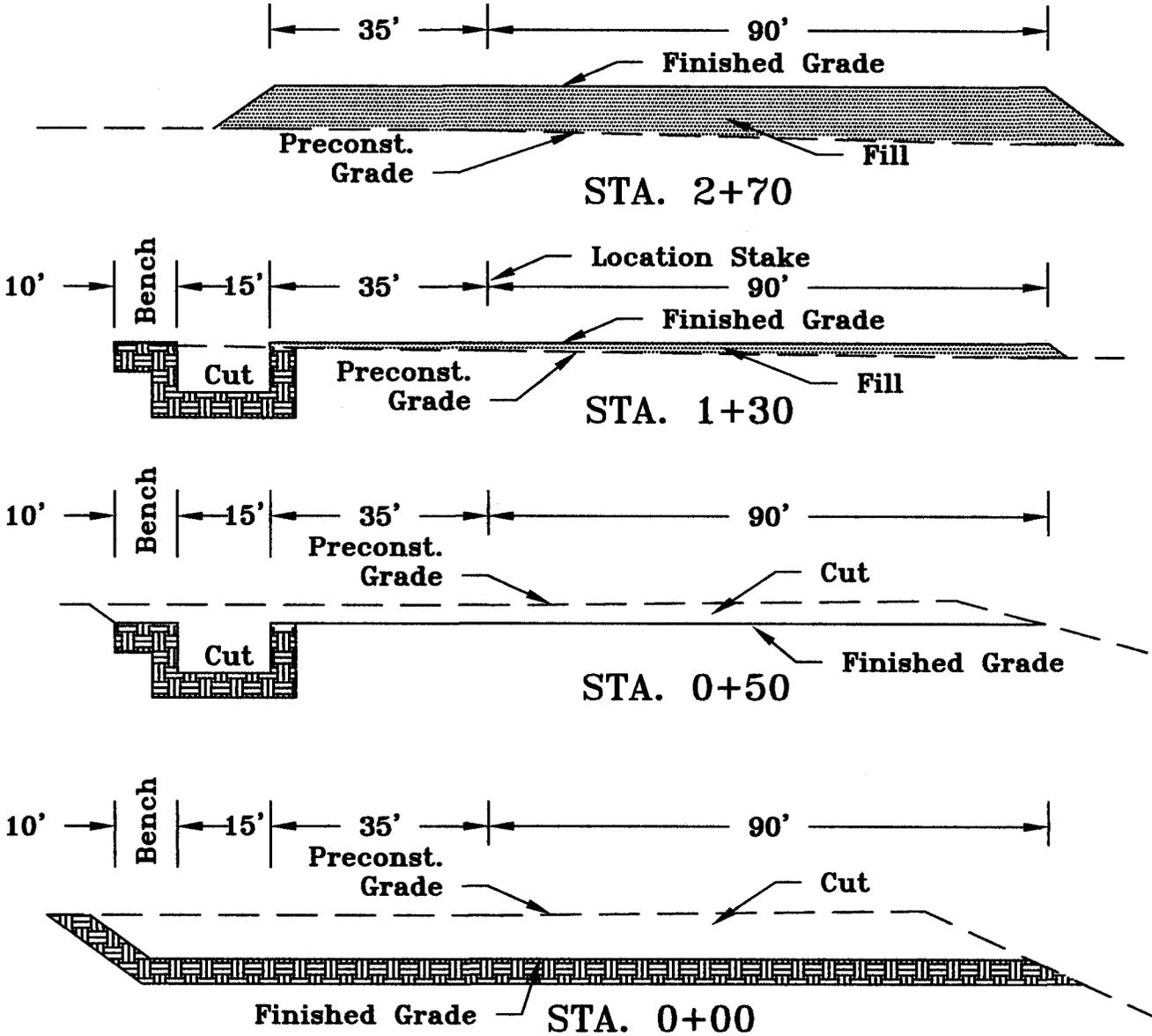
1986 *Geology of Utah*. Utah Museum of Natural History and Utah Geological and Mineral Survey. Salt Lake City.

MEDALLION EXPLORATION
LOCATION LAYOUT FOR
ATCHEE RIDGE #16-19
SECTION 19, T19S, R25E, S.L.B.&M.
2

FIGURE #2

X-SECTION SCALE
 1" = 15'

DATE: 10-20-03
 DRAWN BY: C.D.M.



APPROXIMATE YARDAGES

6" Top soil = 730 CU. YDS.

CUT = 8500 CU. YDS.
 FILL = 5200 CU. YDS.

Excess Material After 5% Compaction
 = 995 CU. YDS.

Topsoil and Pit Backfill
 = 995 CU. YDS.

Excess Unbalance (After Rehabilitation)
 = 0 CU. YDS



M & M	M & M ASSOCIATES
	P.O. BOX 121
	ROOSEVELT, UTAH 84022 (435) 622-1422



LEGEND:

 PROPOSED LOCATION

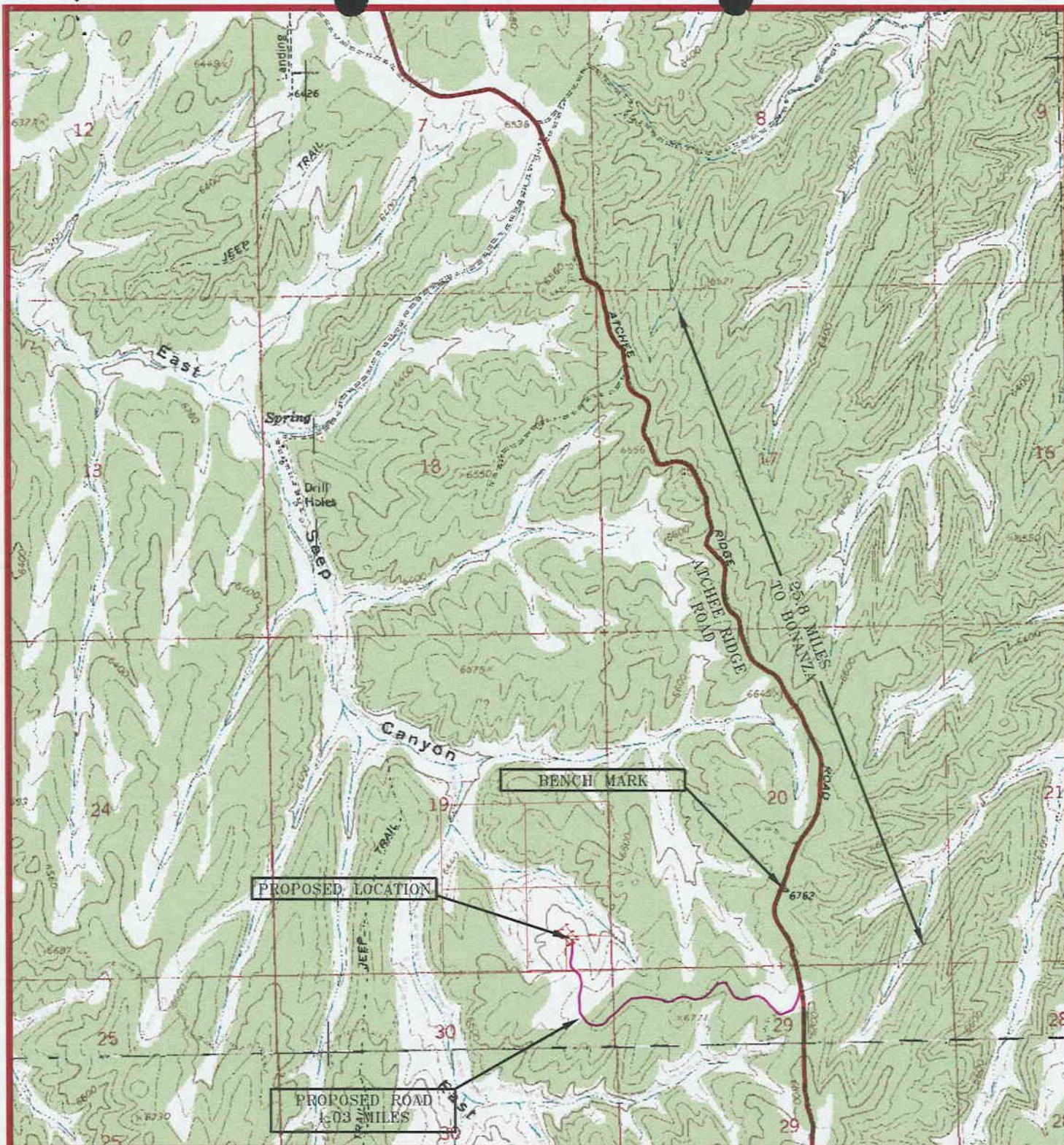
MEDALLION EXPLORATION

ATCHEE RIDGE #16-19
SECTION 19, T12S, R25E, S.L.B.&M. 

M & M	M. & M. ASSOCIATES <small>P.O. BOX 121 ROOSEVELT, UTAH 84022 (435) 823-1492</small>
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TOPOGRAPHIC MAP	10 16 03 <small>MONTH DAY YEAR</small>	
<small>SCALE: 1" = 400'</small>	<small>DRAWN BY: C.M.</small>	<small>REVISED 00-00-00</small>



LEGEND:

— EXISTING ROAD

MEDALLION EXPLORATION

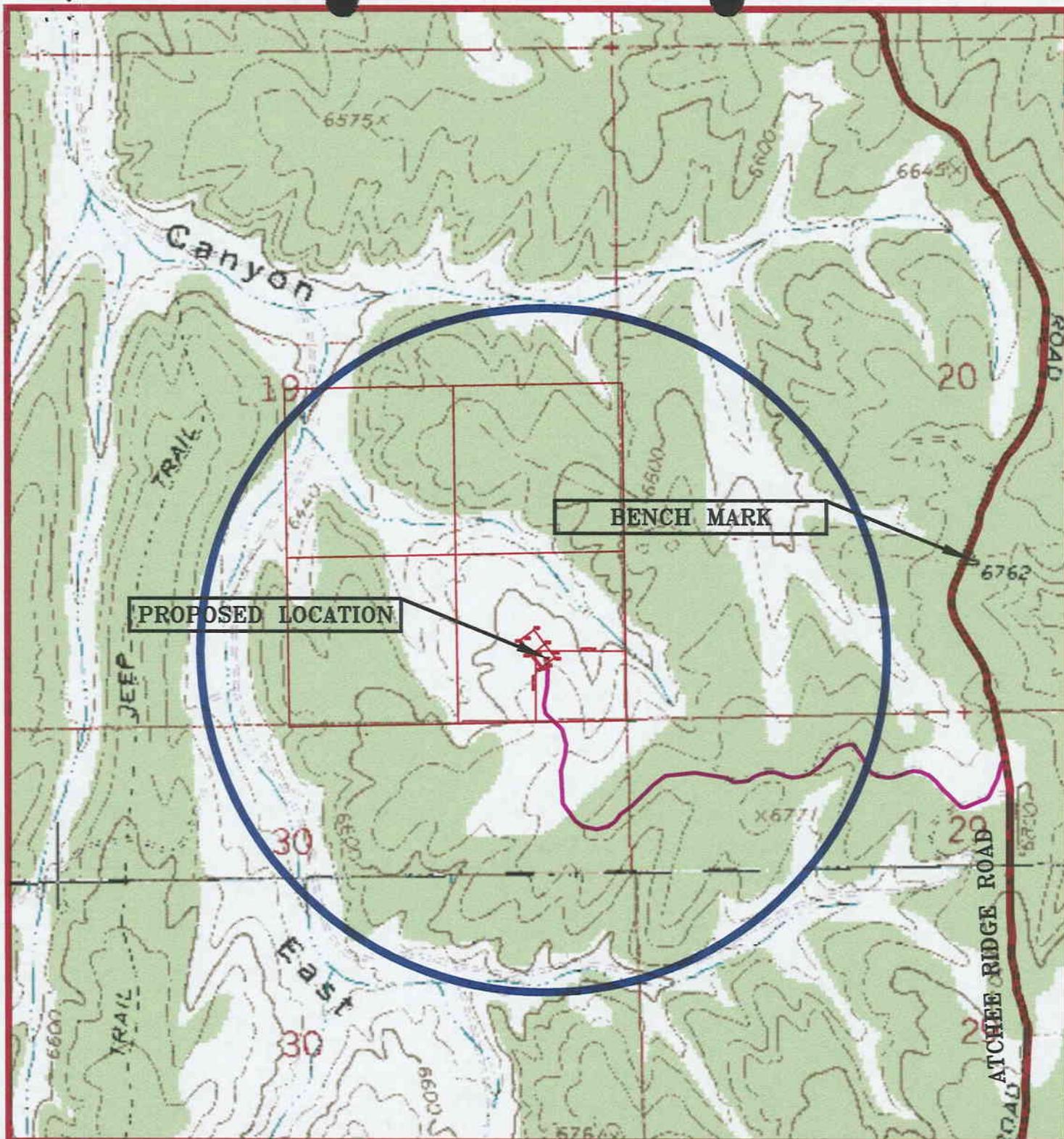
ATCHEE RIDGE #16-19
SECTION 19, T12S, R25E, S.L.B.&M.



M & M	M. & M. ASSOCIATES
	P.O. BOX 121 ROOSEVELT, UTAH 84022 (435) 823-1492

TOPOGRAPHIC MAP	10 16 03	B TOPO
SCALE=1" = 2000'	MONTH DAY YEAR	
DRAWN BY: R.M.	REVISED 10-04-01	





LEGEND:

- ∅ DISPOSAL WELLS ∅ WATER WELLS ▲ DRILLING
- PRODUCING WELLS ● ABANDONED WELLS
- SHUT IN WELLS ● TEMPORARILY ABANDONED

MEDALLION EXPLORATION

ATCHEE RIDGE #16-19
SECTION 19, T12S, R25E, S.L.B.&M.



M & M	<p>M. & M. ASSOCIATES</p> <p>P.O. BOX 121 ROOSEVELT, UTAH 84022 (435) 822-1492</p>
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<p>TOPOGRAPHIC MAP</p>	<p>10 16 03</p> <p>MONTH DAY YEAR</p>	
SCALE: 1" = 1000'	DRAWN BY: R.M.	REVISED 00-00-00

RECEIVED
 MAY 06 2004
 WATER RIGHTS
 VERNAL

**TEMPORARY APPLICATION
 TO APPROPRIATE WATER**

Rec. by BMW
 Fee Paid \$ 7500 Oct 2004
 Receipt # 01-219576

STATE OF UTAH

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 2178
 (DLS)

TEMPORARY APPLICATION NUMBER: T75376

1. OWNERSHIP INFORMATION:

LAND OWNED? No

A. NAME: Dalbo Inc.
 ADDRESS: P. O. Box 1168
 Vernal UT 84078

B. PRIORITY DATE: May 6, 2004

FILING DATE: May 6, 2004

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 10.0 acre-feet

B. SOURCE: Evacuation Wash and White River

COUNTY: Uintah

C. POINTS OF DIVERSION -- SURFACE:

- (1) N 400 feet W 1,850 feet from E $\frac{1}{2}$ corner, Section 02, T 10S, R 24E, SLBM
 DIVERT WORKS: Pump into tank trucks
 SOURCE: White River
- (2) N 1,700 feet W 10 feet from SE corner, Section 02, T 12S, R 25E, SLBM
 DIVERT WORKS: Pump into tank trucks
 SOURCE: Evacuation Wash

D. COMMON DESCRIPTION: 3 miles south of Bonanza

3. WATER USE INFORMATION:

OIL EXPLORATION: from May 15 to May 1 Drilling and completion of oil/gas wells
 in South Bonanza area.
 Period of Use - May 14, 2004 to May 14, 2005.

-----*

4. PLACE OF USE: (which includes all or part of the following legal subdivisions:)

BASE	TOWN	RANG	SEC	NORTH-WEST $\frac{1}{4}$				NORTH-EAST $\frac{1}{4}$				SOUTH-WEST $\frac{1}{4}$				SOUTH-EAST $\frac{1}{4}$				
				NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	
6S	2S	104W	12					***					***				***			X
6S	3S	104W	01					***		X			***				***			
			11					***		X			***				***			
SL	9S	23E	Entire TOWNSHIP																	

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/07/2004

API NO. ASSIGNED: 43-047-35927

WELL NAME: ATCHEE RIDGE 16-19 #1
OPERATOR: MEDALLION EXPLORATION (N5050)
CONTACT: RASCHELLE RICHENS

PHONE NUMBER: 801-566-7400

PROPOSED LOCATION:

SESE 19 120S 250E
SURFACE: 0555 FSL 0700 FEL
BOTTOM: 0555 FSL 0700 FEL
UINTAH
ATCHEE RIDGE (543)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	08/04
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML46104
SURFACE OWNER: 3 - State
PROPOSED FORMATION: MVRD
COALBED METHANE WELL? NO

LATITUDE: 39.75482
LONGITUDE: -109.1532

RECEIVED AND/OR REVIEWED:

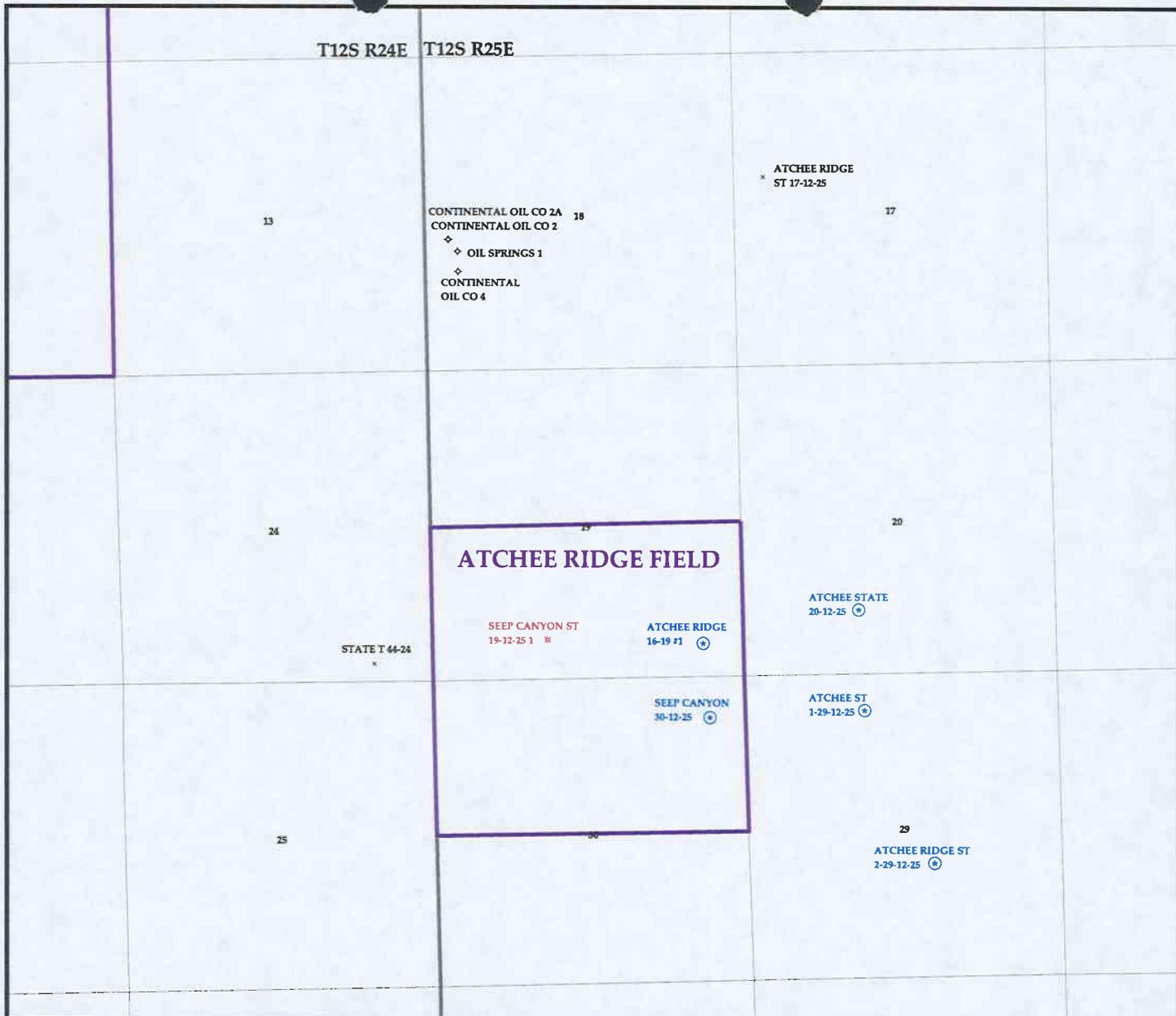
- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. RLB00005890)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2178)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

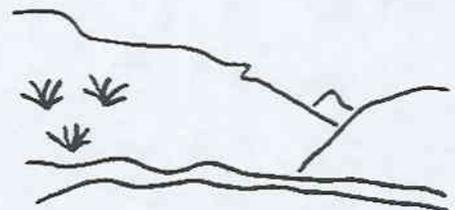
- R649-2-3.
Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (08-24-04)

STIPULATIONS: 1- Spring SHP
2- STATEMENT OF BASIS



OPERATOR: THE HOUSTON EXPL CO (N2525)
SEC. 19 T.12S R.25E
FIELD: ATCHEE RIDGE (543)
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: 10-SEPTEMBER-2004

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

OPERATOR: MEDALLION EXPLORATION

WELL NAME & NUMBER: ATCHEE RIDGE 16-19#1

API NUMBER: 43-047-35927

LEASE: ML-46104 FIELD/UNIT: ATCHEE RIDGE

LOCATION: 1/4,1/4 SE/SE Sec: 19 TWP: 12S RNG: 25E 700' FEL 555' FSL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 658180E 4402003N SURFACE OWNER: STATE OF UTAH

PARTICIPANTS

DAVID W. HACKFORD (DOGM), ED BONNER (SITLA), DAVID RICHENS, RASHELLE RICHENS (MEDALLION).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS IN AN AREA OF NORTH-SOUTH TRENDING INTERFLUVAL RIDGES DISSECTED BY EXTENSIVE DRAWS AND CANYONS. THE NEAREST WATER SOURCE IS EVACUATION CREEK, FIVE MILES TO THE EAST, AND INTERMITTENT SPRINGS IN EAST SEEP CANYON, 0.5 MILES TO THE WEST. DRAINAGE IS TO THE NORTHWEST. BONANZA, UTAH IS 24 MILES TO THE NORTHWEST.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING, WOODCUTTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 270' BY 125'. ACCESS ROAD WILL BE 1.03 MILES.

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

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL BE SURVEYED AND PERMITTED IF NECESSARY.

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

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
EXPLAIN: UNLIKELY.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL

BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SAGE, GREASEWOOD, MOUNTAIN MAHOGANY, PRICKLY PEAR CACTUS, NATIVE GRASSES: DEER, RODENTS, SONGBIRDS, RAPTORS, COYOTE, RABBITS, ELK, BEAR, COUGAR, ANTELOPE.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY SILT.

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

PALEONTOLOGICAL POTENTIAL: NONE SITED.

RESERVE PIT

CHARACTERISTICS: 140' BY 15' AND EIGHT FEET DEEP.

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

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

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

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A WARM DAY WITH NO SNOW COVER.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

9/24/04, 11:00 AM
DATE/TIME

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

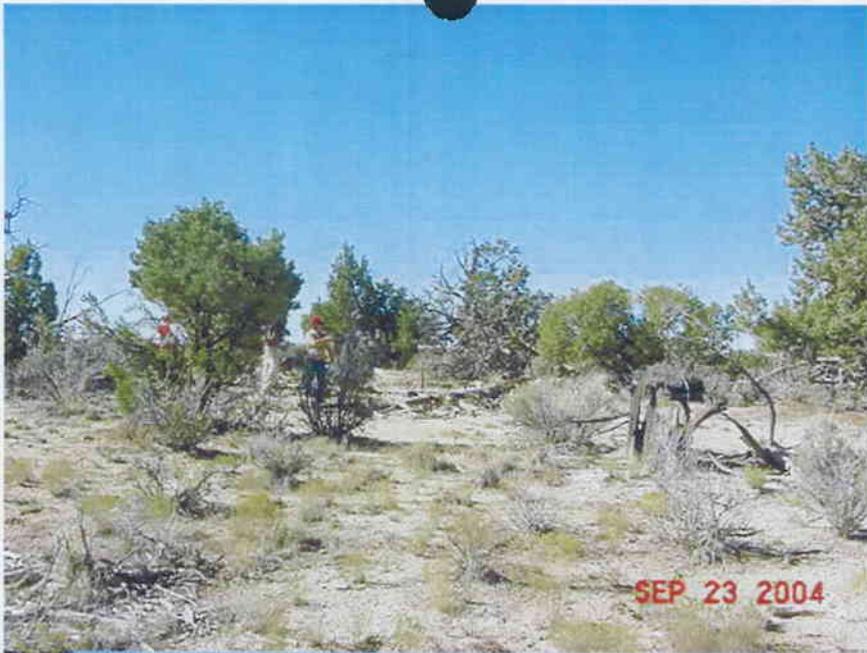
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest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

Final Score 30 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





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

OPERATOR: MEDALLION EXPLORATION
WELL NAME & NUMBER: ATCHEE RIDGE 16-19#1
API NUMBER: 43-047-35927
LOCATION: 1/4,1/4 SE/SE Sec: 19 TWP: 12S RNG: 25E 700' FEL 555' FSL

Geology/Ground Water:

Medallion proposes to set 500' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,800'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Green River Formation and alluvium derived from the Green River Formation. The location is near a drainage bottom and near-surface water may be present in the alluvium. The Green River Formation is made up of interbedded limestones, shales and sandstones and may include some fresh water zones above the moderately saline water. The proposed casing and cementing program should adequately protect any underground sources of useable water near the surface.

Reviewer: Brad Hill **Date:** 09-27-04

Surface:

The predrill investigation of the surface was performed on 09/24/04. Floyd Bartlett with DWR and Ed Bonner with SITLA were invited to this investigation on 09/16/04. Mr. Bonner was present. He had no concerns regarding the construction of this location or the drilling of this well. This site is on State surface with State minerals. It appears to be the best spot for a location in the immediate area. Page six of the Surface Use Plan item "b" under Well Site Layout says reserve pit will be located on the north side of location. This is incorrect. The reserve pit will be on the south side of location.

Reviewer: David W. Hackford **Date:** 09/24/2004

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

Well name:

09-04 Medallion Atchee 16-19

Operator: **Medallion Exploration**
String type: **Surface**

Project ID:
43-047-35927

Location: **Uintah County**

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 72 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 200 ft

Cement top: Surface

Burst

Max anticipated surface pressure: -10 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 223 psi

No backup mud specified.

Tension:

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

Tension is based on air weight.
Neutral point: 436 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 4,000 ft
Next mud weight: 8.800 ppg
Next setting BHP: 1,829 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 500 ft
Injection pressure 500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	500	9.625	36.00	K-55	ST&C	500	500	8.765	35.6
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	223	2020	9.047	223	3520	15.76	18	423	23.51

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

Phone: 801-538-5281
FAX: 801-359-3940

Date: September 28, 2004
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 500 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	09-04 Medallion Atchee 16-19	
Operator:	Medallion Exploration	Project ID:
String type:	Production	43-047-35927
Location:	Uintah County	

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 8.800 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 121 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 368 ft
	<u>Burst:</u>	Cement top: 656 ft
	Design factor 1.00	
<u>Burst</u>		Non-directional string.
Max anticipated surface pressure: -43 psi	<u>Tension:</u>	
Internal gradient: 0.468 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 1,828 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	Tension is based on air weight.	
	Neutral point: 3,466 ft	

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	4000	5.5	17.00	J-55	LT&C	4000	4000	4.767	137.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1828	4910	2.685	1828	5320	2.91	68	247	3.63 J

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

Phone: 801-538-5281
FAX: 801-359-3940

Date: September 28, 2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 4000 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

09-04 Medallion Atchee 16-19

Casing Schematic

Green River

Surface

9-5/8"
MW 8.6
Frac 19.3

TOC @
0.

Surface
500. MD

TOC @
656.

w/ 18% Washout

BHP

$(.052)(9.8)(4,000) = 1830$

Anticipate 900

Q₉₀₀

$(.12)(4,000) = 480$

MAAPE 1350

BOPE - 3,000 ✓

Surf csg - 3520
70% = 2464

Propose Test To 1500 psi ✓

Adequate D_{ED}

10/8/04

5-1/2"
MW 8.8

1552
Wasatch

TOC Tail
2049

2422
Mesa Verde

w/ 15% Washout
Surface w/ 8% Washout

Production
4000. MD

BMSW 4,800'

From: Ed Bonner
To: Whitney, Diana
Date: 10/7/2004 3:06:34 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

MSC Exploration LP
State MSC 35-2
North Thompson 2-1

Medallion Exploration
Atchee Ridge 16-19 #1

QEP Uinta Basin, Inc
CB 13G-36-6-20

Prima Oil & Gas Company
State Lost Creek 32-44
(Must avoid site in access road)

Westport Oil & Gas Company
NBU 1022-16H
NBU 1022-16K
NBU 1022-16O
NBU 1022-16A
NBU 1022-16C
NBU 1022-16G
NBU 1022-16E
NBU 1022-16M

Merrion Oil & Gas Corporation
Scud 1
Sparkle Dun 1

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil



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

October 12, 2004

Medallion Exploration
6985 Union Park Center, Ste. 375
Midvale, UT 84087

Re: Atchee Ridge 16-19 #1 Well, 555' FSL, 700' FEL, SE SE, Sec. 19,
T. 12 South, R. 25 East, Uintah County, Utah

Gentlemen:

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

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 43-047-35927.

Sincerely,

for John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Medallion Exploration
Well Name & Number Atchee Ridge 16-19 #1
API Number: 43-047-35927
Lease: ML-46104

Location: SE SE Sec. 19 T. 12 South R. 25 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

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

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

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

3. **Reporting Requirements**

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

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

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

Page 2

API # 43-047-35927

October 12, 2004

6. 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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML46104
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: ATCHEE RIDGE 16-19#1	
2. NAME OF OPERATOR: MEDALLION EXPLORATION		9. API NUMBER: 4304735927
3. ADDRESS OF OPERATOR: 6985 UNION PARK CTR #37 CITY MIDVALE STATE UT ZIP 84047	PHONE NUMBER: (801) 566-7400	10. FIELD AND POOL, OR WILDCAT: ATCHEE RIDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 555' FSL & 700' FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 12S 25E		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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: _____
	<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.
MEDALLION EXPLORATION PROPOSES TO SPUD THE ABOVE REFERENCED WELL ON OCTOBER 19, 2005

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

NAME (PLEASE PRINT) RASCHELLE RICHENS	TITLE PERMIT SPECIALIST
SIGNATURE	DATE 10-17-05

(This space for State use only)

RECEIVED
OCT 18 2005
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: MEDALLION EXPLORATION

Well Name: ATCHEE RIDGE 16-19 #1

Api No: 43-047-35927 Lease Type: STATE

Section 19 Township 12S Range 25E County UINTAH

Drilling Contractor LEON ROSS DRILLING RIG #

SPUDDED:

Date 10/19/05

Time 9:55 AM

How DRY

Drilling will Commence:

Reported by MIKE DUDLEY

Telephone # 1-435-823-0316

Date 10/20/05 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: MEDALLION EXPLORATION Operator Account Number: N 5050
 Address: 6985 UNION PARK CENTER, STE. 375
city MIDVALE
state UT zip 84047 Phone Number: (801) 566-7400

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736841	ATCHEE RIDGE STATE 2-29-12-25		NWSE	29	12	25	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15031	10/18/2005		11/9/05		
Comments: <u>MVRD</u>							- J

Well 2

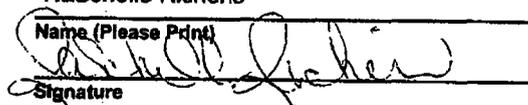
API Number	Well Name		QQ	Sec	Twp	Rng	County
4304735927	ATCHEE RIDGE 16-19#1		SESE	19	12	25	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15032	10/19/2005		11/9/05		
Comments: <u>MVRD</u>							- J

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
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)

RaSchelle Richens
 Name (Please Print)

 Signature
 Permit Specialist 11/4/2005
 Title Date

RECEIVED

NOV 04 2005

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML46104
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Seep Canyon Unit
2. NAME OF OPERATOR: Medallion Exploration		8. WELL NAME and NUMBER: Atchee Ridge 16-19#1
3. ADDRESS OF OPERATOR: 3165 E. Millrock Dr. Holladay UT 84121		9. API NUMBER: 4304735927
4. LOCATION OF WELL FOOTAGES AT SURFACE: 555' FSL & 700' FEL		10. FIELD AND POOL, OR WILDCAT: Wildcat
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE		COUNTY: Uintah
		STATE: UTAH

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

Medallion intends to complete this well as soon as the weather permits and the pipeline has been installed.

NAME (PLEASE PRINT) <u>RaSchele Richens</u>	TITLE <u>Regulatory Affairs Specialist</u>
SIGNATURE	DATE <u>2/7/2007</u>

(This space for State use only)

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FEB 15 2007
DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML46104

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE 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.

7. UNIT or CA AGREEMENT NAME:
Seep Canyon Unit

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Atchee Ridge 16-19#1

2. NAME OF OPERATOR:
Medallion Exploration

9. API NUMBER:
4304735927

3. ADDRESS OF OPERATOR:
3165 E. Millrock Dr. CITY **Holladay** STATE **UT** ZIP **84121**

PHONE NUMBER:
(801) 566-7400

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **555' FSL & 700' FEL**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SESE**

STATE:
UTAH

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

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

Medallion intends to complete this well as soon as the weather permits and the pipeline has been installed. We are requesting the reserve pit remain open until which time the well is completed.

COPY SENT TO OPERATOR
Date: 6-19-07
Initials: RM

NAME (PLEASE PRINT) RaSchelle Richers TITLE Regulatory Affairs Specialist
SIGNATURE *RaSchelle Richers* DATE 6/14/2007

(This space for State use only)
APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 6/19/07
BY: *[Signature]*

RECEIVED
JUN 18 2007

(5/2000)

(See Instructions on Reverse Side)

* This approval grants the requested extension until October 1, 2007.

DIV. OF OIL, GAS & MINING

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

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

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

Operator: Medallion Exploration Today's Date: 09/18/2007

Well:	API Number:	Drilling Commenced:
Atchee St 2-29-12-25 drlg/wcr	4304736841	10/17/2005
Atchee Ridge 16-19 #1 drlg/wcr	4304735927	10/19/2005
Atchee Fed 32-4-13-25 drlg/wcr	4304738771	04/25/2007

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

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

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

cc: Well File
Compliance File

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML46104
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Seep Canyon Unit
2. NAME OF OPERATOR: Medallion Exploration		8. WELL NAME and NUMBER: Atchee Ridge 16-19#1
3. ADDRESS OF OPERATOR: 3165 E. Millrock Dr. Ste. 550 CITY Holladay STATE UT ZIP 84121		9. API NUMBER: 4304735927
4. LOCATION OF WELL FOOTAGES AT SURFACE: 555' FSL & 700' FEL		10. FIELD AND POOL, OR WILDCAT:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 12S 25E		COUNTY: Uintah
		STATE: UTAH

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

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

The Atchee Ridge 16-19#1 has been drilled and completed. The water and gas pipelines and compressor are installed. Medallion Exploration plans to pipe the water to the H2O tanks on the Seep Canyon 19-12-25 well and truck from there. We will be doing a test sometime this next week at which time we will get the Form 8 Well Completion report filled out and filed.

Drilling reports are attached.

NAME (PLEASE PRINT) <u>RaSchelle Richens</u>	TITLE <u>Regulatory Affairs Specialist</u>
SIGNATURE	DATE <u>12/2/2007</u>

COMPLETION PROCEDURE

Atchee Ridge 16-19 #1
Atchee Ridge Field
SEC. 19, TWP. 12S, RGE 25E
Uintah County, Utah
API# 043-047-35927

WELL INFORMATION

Elevation: 6,774' RKB (6,762' GL)
Total Depth: 4,452' RKB (Loggers depth)
PBSD: Approx. 4,410' RKB
Casing: 5-1/2", 15.50 #/ft., J-55 Casing

PROCEDURE

1. MIRU service rig. ND Wellhead, NU BOP's.
2. Fill 5-1/2" casing with water.
3. Rig up Logging Company with lubricator and pressure casing up to 1,000 psi.
4. RUN CBL from plug back TD to 200' above top of cement.
5. RD CBL and RU to perforate.
6. RIH and perforate the following interval w/4 spf on 120° phasing based on Schlumberger Triple Combo Print dated 6/19/2006:

3,131' – 3,133'	2', 8 shots
3,094' – 3,104'	10', 40 shots
3,060' – 3,070'	10', 40 shots
2,842' – 2,848'	6', 24 shots
2,528' – 2,536'	8', 32 shots

TOTAL – 36', 144 Shots

7. RDMO Wireline Truck..
8. RIH with Stator, No-turn tool and 2-3/8", 4.6 #/ft., J-55 tubing and set same at approximately 3,300" RKB.
9. RID with Rotor and 7/8" rods (w/ rod guides) and space out same.
10. ND BOP's, NU Wellhead.
11. RDMO service rig.

Medallion Exploration
Atchee Ridge 16-19-1
API#: 4304735927
Sec. 19, T12S, R25E
Uintah Co. Utah

- 06/01/06 (Day 1) Drill cement from 448' to 501'. Drill formation, 501' to 685', drilling on fresh water. Standby for water, truck broke down, standby for gas. Continue to drill formation, 685' to 770', shift change. Drill formation, 770' to 1355', swap out light plant, unable to keep running, shift change.
- 06/02/06 (Day 2) Continue drill formation with 7-7/8" bit. Mix mud, 60-gel, 2-pack-r, 3-soda ash, 1-carbon-ox, 10 gallons E-Z mud. Drill ahead, shift change. Continue to drill, grease & service equipment during shift, shift change.
- 06/03/06 (Day 3) Continue to drill 7-7/8" hole. Set in place #3 pipe tub that arrived. Drill ahead, shift change. Continue drilling ahead, grease and service equipment. Unload #3 pipe tub, put 3.50" in old tub along with extra walkways. Drill ahead, shift change.
- 06/04/06 (Day 4) Continue to drill ahead. Circulate well bore, prepare to pull 6 stands. Pull 6 stands of pipe. Work on swivel, change wash pipe and packing. Mix 49-gel, 2-pac-r, 4-soda ash, 4-sawdust, 2-EZ mud, 1-carbon Ox, trip in 6 stands. Set on bottom, continue to drill, shift change.
- 06/05/06 (Day 5) Continue to drill 7-7/8" hole, wash and clean rig, shift change. Drill ahead, started to have circulation loss. Mix mud, 50-gel, 12-cedar Fiber. Drill ahead, still having some fluid loss, nothing substantial, shift Change.
- 06/06/06 (Day 6) Drill ahead with 7-7/8" bit. Continue working on handrails, clean up location. Continue to drill ahead, shift change. Make connections, drill ahead. Pull 4 stands, repair valve in pump, trip in 4 stands. Drill ahead, Shift change.
- 06/07/06 (Day 7) Drill ahead, clean up around location, clean out parts trailer. Rig up mud logger, mix 8-gel, 1-carbon ox, 1-pacr, 1-ez mud, shift change. Continue drilling, penetration rate slowing down. Pull out drill pipe, shift change.
- 06/08/06 (Day 8) Pull out drill collars, take off bit #1. Clean out pits, repair gates on mud tanks, repair pump rod packing. NU bit #2, trip in hole with drill collars, shift change. TIH with Drill pipe, tag bridge with 8.5 stands out, Mix mud and try to circulate, pump pressure up. Try to free up plugged bit, unable to do so. Start pulling drill pipe, shift change.

Medallion Exploration
Atchee Ridge 16-19-1
API#: 4304735927
Sec. 19, T12S, R25E
Uintah Co. Utah

- 06/09/06 (Day 9) Continue to TOO H, clean bit. NU bit and drill collars, TIH to bottom of casing, circulate hole. Finish TIH, shift change. Ream to wash hole to bottom @ 3554'. Drill ahead, 3554'-3590'. Shift change.
- 06/10/06 (Day 10) Drill ahead, service rig, shift change. Continue to drill. Repair pump. Drill ahead 3635'-3856'.
- 06/11/06 (Day 11) Drill ahead 3856'-3919'. Shift change. We are at core point. Pull 9 stands, circulate. Trip to bottom, circulate. TOO H, LDDC, LD bent pipe, shift change.
- 06/12/06 (Day 12) Pick up core tools, standby for elevators for HVY weight pipe. TIH with core tools. Barrels to stiff, unable to get in hole. POOH, LD core tools. Shift change. Pick up reamers. TIH with reamers, ream to 3919', circulate.
- 06/13/06 (Day 13) TOO H with reamers. LD reamers. NU core barrel, start in hole. Shift change. Continue to TIH. Make core #1-3921-3927 core #2, shift change.
- 06/14/06 (Day 14) Make core #2 3927-3941. Core #3, 3941'-3953', plug barrel. POOH, break down barrel, shift change. Inspect barrel, replace bearings. TIH with barrel. Wash to bottom, clean up hole. Make core #4, sift change.

NOTICE

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 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
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As of the mailing of this notice, the division has not received the required reports for

Operator: Medallion Exploration Today's Date: 02/14/2008

Well:		API Number:	Drilling Commenced:
Atchee ST 2-29-12-25	drlg rpts/wcr	4304736841	10/17/2005
Atchee Ridge 16-16 #1	drlg rpts/wcr	4304735927	10/19/2005
Atchee Fed 32-4-13-25	drlg rpts/wcr	4304738771	04/25/2007
	12 S	25 E	19

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

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

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

cc: Well File
Compliance File

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML 46104

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT OR CA AGREEMENT NAME
Seep Canyon Unit

8. WELL NAME and NUMBER:
Atchee Ridge 16-19#1

9. API NUMBER:
4304735927

10. FIELD AND POOL, OR WILDCAT

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SESE 19 12S 25E

12. COUNTY
Uintah

13. STATE
UTAH

14. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

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

2. NAME OF OPERATOR:
Medallion Exploration

3. ADDRESS OF OPERATOR:
3165 E. Millrock Dr. #550 CITY Holladay STATE UT ZIP 84121 PHONE NUMBER:
(801) 566-7400

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **555' FSL & 700' FEL**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **2528**
AT TOTAL DEPTH: **3133**

14. DATE SPURRED: **10/19/2005** 15. DATE T.D. REACHED: **6/17/2006** 16. DATE COMPLETED: **10/19/2007** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6762' GL

18. TOTAL DEPTH: MD **4,510** TVD _____ 19. PLUG BACK T.D.: MD _____ TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____ 21. DEPTH BRIDGE PLUG SET: MD _____ TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Platform Express Density/Porosity Print Gamma Ray TCP, AI, SP, LD, CN, RP, PP

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4	9-5/8 J55	36#	0	512		Cls G 225	46	0	
7-7/8	5-1/2 M80	17#	0	4,038		Cls G 400		318	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	3,290							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Mesa Verde	1,995	3,754						Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
SI

RECEIVED

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

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

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

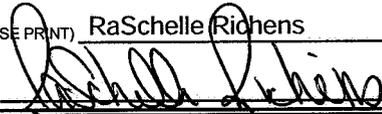
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Green River	0	1,674	N/A		
Wasatch	1,674	2,304	N/A		
Mesa Verde	2,304	4,024	brn-drk, brn, ltgy-gy, flky, sbbky, firm, slty, ca, tr coal		

35. ADDITIONAL REMARKS (Include plugging procedure)

Waiting on repairs to transmission gas line.

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

NAME (PLEASE PRINT) RaSchelle Richens TITLE Regulatory Affairs
 SIGNATURE  DATE 2/28/2008

This report must be submitted within 30 days of

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

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

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

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

COMPLETION PROCEDURE

Atchee Ridge 16-19 #1
Atchee Ridge Field
SEC. 19, TWP. 12S, RGE 25E
Uintah County, Utah
API# 043-047-35927

Perf Record

RIH and perforate the following interval w/4 spf on 120° phasing based on Schlumberger Triple Combo Print dated 6/19/2006:

3,131' – 3,133'	2', 8 shots
3,094' – 3,104'	10', 40 shots
3,060' – 3,070'	10', 40 shots
2,842' – 2,848'	6', 24 shots
2,528' – 2,536'	8', 32 shots

TOTAL – 36', 144 Shots



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 15, 2011

CERTIFIED MAIL NO.: 7005 1820 0001 5562 8163

Mr. Jake Harouny
Medallion Exploration
3165 Millrock Dr #550
Holladay, UT 84121-4732

43 047 35927
Atchee Ridge 16-19 #1
12S 25E 19

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

Dear Mr. Harouny:

As of January 2011, Medallion Exploration has three (3) State Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

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

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

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

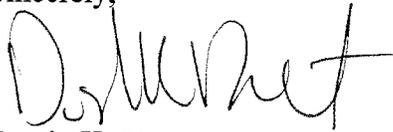
Page 2
Medallion Exploration
March 15, 2011

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

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

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

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Compliance File
Well File
LaVonne Garrison, SITLA

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

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	SEEP CANYON ST 19-12-25 1	43-047-32660	ML-46104	2 Years 7 Months
→ 2	ATCHEE RIDGE 16-19 #1	43-047-35927	ML-46104	2 Years 8 Months
3	ATCHEE ST 2-29-12-25	43-047-36841	ML-47091	2 Years 7 Months

UTAH DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining
Oil and Gas Program
1594 West North Temple, Suite 1210, Box 145801
Salt Lake City, UT 84114-5801
(801) 538-5340 Phone
(801) 359-3940 Fax

Immediate Action: For the wells subject to this notice, Medallion shall fulfill full cost bonding requirements for each well. Medallion shall also submit plans to plug and abandon each well contained in this Notice.

*** Fines may be levied up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A 40-6-11, part 4**

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining. Failure to comply with this notice will result in the Division pursuing further actions against said operator. Further actions may include initiation of agency actions and requests for bond forfeiture and civil penalties.

Compliance Deadline: June 30, 2014

Date of Service Mailing: May 21, 2014

Certified Mail No.: 7003 2260 0003 2358 6922

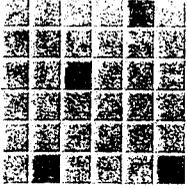


Division Representative Signature

Operator Representative (if presented in person)

cc: Compliance File
Well Files
LaVonne Garrison, SITLA

1/2013



State of Utah
School & Institutional
Trust Lands Administration

675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818
801-538-5100

Gary R. Herbert
Governor

Spencer J. Cox
Lieutenant Governor

Kevin S. Carter
Director

801-355-0922 (Fax)
www.trustlands.com

May 6, 2014

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Medallion Exploration

ATTENTION: Mr. Jake Harouny
6965 Union Park Center #400
Cottonwood Heights, UT 84047

RE: ML 46104

Township 12 South, Range 25 East, SLM
Portions of Sections 19, 20, 29, 30
Containing 2000 acres, more or less and
ML 47091

Township 12 South, Range 25 East
Section 29: E/2
Containing 320 acres, more or less
Uintah County, UT

Seep Canyon State 24-19-1225
Atchee Ridge 16-19 #1
Atchee State 2-29-12-25

Dear Mr. Harouny:

It has come to the attention of the agency that the wells located on the captioned oil and gas leases are scheduled for a tax sale on May 22, 2014. The leases have not produced since 2008 despite the existence of a gas line to at least one or more of them. It is also five years past the expiration of the extended term of the leases without production, and based on agency rules no longer can be held without the express consent of the agency. Since the wells no longer qualify as shut in wells sufficient to hold the oil and gas leases, Medallion must immediately make arrangements to properly plug and abandon them. Please be advised that regardless of the outcome of the tax sale, Medallion's obligation to properly plug and abandon these wells is not extinguished. The agency looks to Medallion to make appropriate arrangements with the Division of Oil, Gas and Mining to finalize the status of the wells and receive appropriate plugging approvals from it.

Should you have any questions, please contact me at 801-538-5197 or by email at lavonnegarrison@utah.gov.

Yours very truly,

LaVonne J. Garrison
Assistant Director/Oil & Gas

Cc: Mr. John Rogers, DOGM
Mr. Jim Davis, SITLA



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 13, 2014

Certified Mail #7011 2970 0001 8828 1832

Jake Harouny
Medallion Exploration
6965 Union Park Center #400
Cottonwood Heights, Utah 84047

19 125 25E

DIVISION ORDER

Subject: Notice of Violation for the Seep Canyon St 19-12-25 , Atchee Ridge 16-9 #1 and Atchee St 2-29-12-25 Wells

Dear Mr. Harouny:

The Division of Oil, Gas and Mining (Division) issued Medallion Exploration (Medallion) a Notice of Violation (NOV) for the Seep Canyon St 19-12-25 (API 43-047-32660), Atchee Ridge 16-19 #1 (API 43-047-35927) and Atchee St 2-29-12-25 (API 43-047-36841) wells on May 21, 2014. The compliance deadline for the notice was June 30, 2014. To date, Medallion has not brought the subject wells into compliance.

Therefore, the Division hereby Orders Medallion to meet the NOV requirements within 30 days of the date of this Order.

Medallion has the right to appeal this Order by filing to the Board of Oil, Gas and Mining (Board) a request for review, according to procedures set forth in Utah Administrative Code R649-10-6. A review of a Division Order must be filed with the secretary to the Board, Julie Ann Carter (801) 538-5277, within 30 days of issuance of the Order.

In the event Medallion does not comply with this Order, the Division is prepared to file a Notice of Agency Action (NAA) for Commencement of Informal Adjudicative Proceedings (R649-10-3) on this matter in accordance with Oil and Gas Conservation General Rule R649-10 Administrative Procedures.



It is recommended that you contact the Division immediately upon receipt of this Order. For further assistance please contact Clinton Dworshak, Compliance Manager, at 801-538-5280 or Dustin Doucet, Petroleum Engineer, at 801-538-5281.

Sincerely,



Clinton Dworshak
Compliance Manager

CLD/js

Enclosures

cc: John Rogers, Associate Director
Dustin Doucet, Petroleum Engineer
Steve Alder, Assistant Attorney General
LaVonne Garrison, SITLA
Compliance File
Well Files

N:\O&G Reviewed Docs\ChronFile\Enforcement

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		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 46104	
2. NAME OF OPERATOR: Medallion Exploration		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
3. ADDRESS OF OPERATOR: 6965 Union Park Center #401 CITY: Cottonwood Heights STATE: UT ZIP: 84047		7. UNIT or CA AGREEMENT NAME:	
4. LOCATION OF WELL		8. WELL NAME and NUMBER: Atchee Ridge 16-19 #1	
FOOTAGES AT SURFACE: 555' FSL & 700' FEL		9. API NUMBER: 4304735927	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 12S 25E		10. FIELD AND POOL, OR 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 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 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: MIT
	<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.

On March 30, 2012 an MIT was completed on this well. The pump, rods and tubing were pulled and the casing was pressured up to 1,000 psi and held for 30 minutes with no loss of pressure. 24 hour notice was given to Richard Powell. Mr. Powell was unable to be on location however Dana Christiansen representing Medallion Exploration was on location and in telephone contact with Mr. Powell throughout the test. Charts were not run on the test however attached is a copy of the daily rig report that notes the test.

RECEIVED
DEC 05 2014

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Dana Christiansen</u>	TITLE <u>Manager</u>
SIGNATURE	DATE <u>12/4/2014</u>

(This space for State use only)

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

Atchee Ridge
16-19 #1

WILDCAT ENERGY SERVICES
1777 NORTH RESERVOIR ROAD, BLANDING, UTAH 84511



**Wildcat
Energy
Services**

COMPANY	ENPRO	LEASE	ATCHEE RIDGE	TICKET #	3301211
STATE	UTAH	COUNTY	UINTAH	WELL NO.	6, ATCHEE RIDGE
SEC		TS		RANGE	16-19 #1
AFE #		RIG NO.	1	DATE	3/30/2012

CODE#					
SICP					
FTP					
FCP	INCHES	BBL	INCHES	BBL	
BEGINNING PRODUCTION TANK		0	WATER.LEV	0	
BEGINNING CONDENSATE TANK		0	WATER.LEV	0	
ENDING PRODUCTION TANK			WATER.LEV	0	
ENDING CONDENSATE TANK		0	WATER.LEV	0	
WATER FLOWED OVERNIGHT		0	BEG FLAT	0	
CONDENSATE FLOWED OVERNIGHT		0	END FLAT	0	
WATER FLOWED TODAY		0	WATER PUMPED TODAY	0	
CONDENSATE FLOWED TODAY		0	WATER TRUCKED IN	0	
BEGINNING LOAD TO RECOVER		0	WATER TRUCKED OUT	0	
ENDING LOAD TO RECOVER		0			
FLOWRATE		0			
CHOKE SIZE		0			

SPOT RIG. RU RIG. STRIP OFF PC UNIT. UNHANG WELL. POOH WITH RODS AND ROTOR. XO TO TBG EQUIP. ND WH. RU WORK FLOOR. POOH WITH TBG. PURI WITH 5.5 IN PLUG AND 76 JNTS SET PLUG AT 2470' PRESSURE TEST CSG TO 1000 PSI FOR 30 MIN GOOD TEST RELEASE PLUG AND POOH WITH TBG AND RBP. PUMP AND BREAK DOWN ZONES. BROKE DOWN AT 1900 PSI AND PUMPED 120 BBLs

ALL ACCOUNTS NOT PAID IN FULL WITHIN 30 DAYS OF INVOICE WILL BE CHARGED 1.5% FINANCE CHARGE PER WEEK

	QTY	COST	HOURS	QTY	PRICE EACH	COST
VEHICLES		\$ -				
STRIPPING HEAD			2 7/8" SWAB CUP	\$ 30.00	\$ -	
SUPERVISOR TRAILER		\$ -	2" SWAB CUP	\$ 30.00	\$ -	
BOP			OTHER SWAB CUP			
POWER SWIVEL		\$ -	OIL SAVER RUBBERS	\$ 18.00	\$ -	
PUMP/TANK	1	\$ 500.00	TONG DIES	\$ 30.00	\$ -	
PIPE RACKS		\$ -	SLIP SEGMENTS	\$ 250.00	\$ -	
TONG HEADS			PIPE DOPE	\$ 140.00	\$ -	
DEPTHOMETER		\$ -	WIPER RUBBER	\$ 20.00	\$ -	
ELEVATORS						\$ -
BOP RAMS			HOURS			
ROD FISHING TOOLS		\$ -	RIG TIME	8.5		\$ 2,550.00
PARAFFIN KNIFE			TRAVEL TIME	1.5		\$ 375.00
LIGHT PLANT			FUEL SURCHARGE			\$ -
TIW VALVE			EMPLOYEE TIME			
CLOSING UNIT			PUSHER IAN	10		
WET PAY		\$ -	OPERATOR RUSTY	10		
SUBSISTENCE			DRK MAN FREDDY	10		
STANDING VALVE		\$ -	F.H OMAR	10		
SUPERVISOR		\$ -	F.H CHRISTIAN	10		
		\$ 500.00	F.H			
			F.H			
TOOL PUSHER			TOTAL DAILY COST			\$ 3,425.00

COMPANY REP: _____
 ACCEPTED BY: _____

PREPARED BY IAN HURLEY



December 5, 2014

RECEIVED

DEC 05 2014

DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining
Attention: Dustin Doucet
1594 West North Temple
Suite 1210
Salt Lake City, UT 84116

RE: Notice of Violation for the Seep Canyon St 19-12-25, Atchee Ridge 16-19 #1 and Atchee St 2-29-12-25 Wells

Mr. Doucet,

Please find the enclosed Sundries for the MITs that were done on these wells. In the future I will know that Utah requires charts to be run on the MIT tests. I have extensive experience working with the Wyoming Oil and Gas and they send out a witness who also completes any required paperwork at the time of the test. Also, there is an updated sundry to recomplete the Atchee State 2-29-12-25 well.

Enclosed are copies of the current rental payments for the state leases which are intact and a copy of the tax payments. The tax values have been under dispute hence the late payment which paid the taxes current.

I sincerely apologize that you have not received a response until now. This past Wednesday was the first time I had seen the NOV and I immediately contacted you. I have setup procedures in the office so this does not happen again. I have enclosed my personal cell phone number so if there is anything else I can do, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Christiansen", written over a horizontal line.

Dana H. Christiansen
Medallion Exploration
Wyoming Field Manager
6965 Union Park Center Suite 400
Cottonwood Heights, UT 84047
Office: 801-453-3262
Personal Cell: 801-573-2408
dhchristiansen@msn.com

UINTAH COUNTY TREASURER
 147 EAST MAIN
 VERNAL, UTAH 84078
 REDEMPTION CERTIFICATE

RECEIPT # RED 24641
 May 9, 2014 at 15:24
 DISTRICT 101
 ACCT NUMBER 107593
 SERIAL NUMBER 50:010:1187

MEDALLION EXPLORATION
 3165 E MILLROCK DR STE 550
 HOLLADAY, UT 84121
 JAKE

To redeem from sale the following property situated in Uintah County, Utah:

SP# 26768 SEEP CANYON S 24-19-1225, SP# 75739 ATCHEE RIDGE 16-19 #1, SP# 75740
 ATCHEE ST 2-29-12-25, SP# 75741 ATCHEE FED 32-4-13-25

YEAR	GENERAL TAX	PRINCIPLE PAID	PENALTY	INTEREST	YEARLY TOTALS
2013	5,722.92	5,722.92	143.07	144.00	6,009.99
2012	5,473.95	5,473.95	136.85	530.49	6,141.29
2011	5,852.64	5,852.64	146.32	988.27	6,987.23
2010	5,777.83	5,777.83	144.45	1,390.19	7,312.47
2009	5,901.40	5,901.40	118.03	1,637.82	7,657.25
TOTALS	28,728.74	28,728.74	688.72	4,690.77	34,108.23

TOTAL REDEMPTION AS OF 05/09/14 34,108.23

A certain preliminary sale thereof for delinquent taxes having been made by the Treasurer of Uintah County, to said County for taxes delinquent for the year ____.

Received from: MEDALLION

I certify the above described property is redeemed from PRELIMINARY TAX SALE as provided by law.

Amounts tendered by check constitute conditional payment pending actual receipt of funds. ANY INSUFFICIENT DRAFT RENDERS THIS CERTIFICATE NULL AND VOID.

Wendi Long, Treasurer
 Uintah County Government

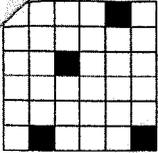
Received by: Donna Anderson Deputy

This office is not responsible if payments are made on the wrong property.

RECEIVED

DEC 05 2014

DIV. OF OIL, GAS & MINING



State of Utah
School & Institutional
Trust Lands Administration

NOV 3 9 2014

675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818

Gary R Herbert

Governor

801.538.5100

801.538.0922 (Fax)

Kevin S. Carter

Director

www.trustlands.utah.gov

ID: 30281 HIFLAME LLC
SUITE 400
6965 UNION PARK CENTER
COTTONWOOD HEIGHTS, UT 84047

11/18/2014

(Please return one copy of this
notice with your payment)

Mail Certificate # P 831

Notice of Final Agency Action

Cancellation/Termination/Forfeiture Requirement to Cure Breach within 30 Days

Lease or Permit No:	Class :ML	Nbr	Suffix :	Type :OIL GAS & HYDROCARBON	
Description			Begin Apply Date	End Apply Date	Amount Due
			11/01/2014	10/31/2015	\$ 6,000.00
			11/01/2014	10/31/2015	\$ 2,000.00
			11/01/2014	10/31/2015	\$ 480.00
Contract total due:					\$ 8,480.00

Payment for ML46104.0 was required to be received on or before 11/1/2014 pursuant to the terms of ML46104.0 as rental or annual payment listed above. The failure to make this payment constitutes a breach of ML46104.0 which, if not cured within thirty (30) days of the date of this Notice, shall result in the cancellation, termination or forfeiture as set forth in ML46104.0 and the implementing rules and statutes of the School and Institutional Trust Lands Administration.

Pursuant to the terms of ML46104.0 a charge for late payment or interest listed above is to be applied to the outstanding amount set forth above requiring a total payment of \$ 8,480.00 to cure this breach. Failure to cure by payment as set forth in this Notice on or before 12/18/2014, no later than 5:00 p.m., by depositing the payment at the office of the Trust Lands Administration, 675 East 500 South, #500, Salt Lake City, Utah, 84102, shall result in cancellation, termination or forfeiture without further notice.

This is a Final Agency Action and you must therefore timely appeal this Notice if you disagree with its findings, or the factual basis for the action. Failure to perfect an appeal from this action will result in the loss of your ability to challenge this action at a later date. If you wish to appeal, you must comply with the procedural rules set forth at <http://www.rules.utah.gov/publicat/code/r850/r850-008.htm>.

If you do not have access to the internet, a copy of these rules may be obtained by contacting the Secretary of the Board at 675 East 500 South, #500, Salt Lake City, UT, 84102

Partial Legal Description:				Total Acres:	2,000.00
TRS Meridian	County	Bene	Legal Description		
T 12.0S R 25.0E Sec. 19 SL	Uintah	SCH	ALL		
T 12.0S R 25.0E Sec. 20 SL	Uintah	SCH	W2NE4, W2		

- Make checks payable to Trust Lands Administration
Kevin Carter
Director

RECEIVED

DEC 05 2014

DIV. OF OIL, GAS & MINING

ENPRO, LLC

6965 Union Park Center Suite 400
Cottonwood Heights, UT 84047
(801) 453-3262

Wells Fargo Bank, N.A.
Private Banking
Utah

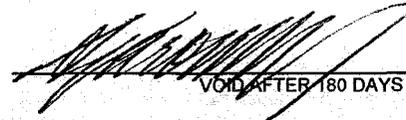
2296

Eight thousand four hundred eighty dollars and no cents

DATE	AMOUNT
11/25/2014	**8,480.00*

PAY
to the
Order
of

Utah School & Institutional Trust Lands
675 E. 500 S., Suite 500
Salt Lake City, UT 84102


VOID AFTER 180 DAYS



SECURE FEATURES INCLUDE INVISIBLE FIBERS • MICROPRINTING • VOID FEATURE PANTOGRAPH • ENDORSEMENT BACKER • BROWNSTAIN CHEMICAL REACTANT • THERMOCHROMATIC THUMBPRINT

⑈00002296⑈ ⑆124002971⑆ ⑈9348350415⑈

From: ENPRO, LLC	Vendor Code	Check Date	Check Amount	Check Number
To: Utah School & Institutional Trust Lands 675 E. 500 S., Suite 500 Salt Lake City, UT 84102	UTTLND	11/25/2014	\$8,480.00	WC-2296

Invoice #	Invoice Amt
P 831	8,480.00
ML 46104	

From: ENPRO, LLC	Vendor Code	Check Date	Check Amount	Check Number
To: Utah School & Institutional Trust Lands 675 E. 500 S., Suite 500 Salt Lake City, UT 84102	UTTLND	11/25/2014	\$8,480.00	WC-2296

Invoice #	Invoice Amt
P 831	8,480.00
ML 46104	



December 5, 2014

RECEIVED

DEC 05 2014

DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining
Attention: Dustin Doucet
1594 West North Temple
Suite 1210
Salt Lake City, UT 84116

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2-29-12-25 Wells

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Sincerely,

A handwritten signature in black ink, appearing to read 'D. Christiansen', written over a horizontal line.

Dana H. Christiansen
Medallion Exploration
Wyoming Field Manager
6965 Union Park Center Suite 400
Cottonwood Heights, UT 84047
Office: 801-453-3262
Personal Cell: 801-573-2408
dhchristiansen@msn.com

UINTAH COUNTY TREASURER
147 EAST MAIN
VERNAL, UTAH 84078
REDEMPTION CERTIFICATE

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May 9, 2014 at 15:24
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SP# 26768 SEEP CANYON S 24-19-1225, SP# 75739 ATCHEE RIDGE 16-19 #1, SP# 75740
ATCHEE ST 2-29-12-25, SP# 75741 ATCHEE FED 32-4-13-25

YEAR	GENERAL TAX	PRINCIPLE PAID	PENALTY	INTEREST	YEARLY TOTALS
2013	5,722.92	5,722.92	143.07	144.00	6,009.99
2012	5,473.95	5,473.95	136.85	530.49	6,141.29
2011	5,852.64	5,852.64	146.32	988.27	6,987.23
2010	5,777.83	5,777.83	144.45	1,390.19	7,312.47
2009	5,901.40	5,901.40	118.03	1,637.82	7,657.25
TOTALS	28,728.74	28,728.74	688.72	4,690.77	34,108.23

TOTAL REDEMPTION AS OF 05/09/14 34,108.23

A certain preliminary sale thereof for delinquent taxes having been made by the Treasurer of Uintah County, to said County for taxes delinquent for the year ____.

Received from: MEDALLION

I certify the above described property is redeemed from PRELIMINARY TAX SALE as provided by law.

Amounts tendered by check constitute conditional payment pending actual receipt of funds. ANY INSUFFICIENT DRAFT RENDERS THIS CERTIFICATE NULL AND VOID.

Wendi Long, Treasurer
Uintah County Government

Received by: Donna Anderson Deputy

This office is not responsible if payments are made on the wrong property.

RECEIVED
DEC 05 2014

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML46104 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: 8. WELL NAME and NUMBER: ATCHEE RIDGE 16-19 #1 9. API NUMBER: 43047359270000 9. FIELD and POOL or WILDCAT: ATCHEE RIDGE
1. TYPE OF WELL Gas Well	9. API NUMBER: 43047359270000
2. NAME OF OPERATOR: MEDALLION EXPLORATION	9. FIELD and POOL or WILDCAT: ATCHEE RIDGE
3. ADDRESS OF OPERATOR: 6965 Union Park Center #400 , Cottonwood Heights, UT, 84047	PHONE NUMBER: 801 453-3262
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0555 FSL 0700 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 19 Township: 12.0S Range: 25.0E Meridian: S	COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

1. RIH to 2,478' and set CIBP 50' above top perf, pump 15 sacs (100') on top CIBP 2. TOH to surface pump 25 sacs cement (150') filling prod casing & annulus 3. Cut Casing 3' below surface and top with sakrete if needed 4. Weld on marker and bury 3' below surface 5. Level area and reseed as needed

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

Date: July 22, 2015
 By: *Dana Christiansen*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Dana Christiansen	PHONE NUMBER 801 453-3262	TITLE Field Manager
SIGNATURE N/A	DATE 6/16/2015	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047359270000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Add Plug #2: A 100' plug (± 15 sx) shall be balanced from $\pm 1725'$ to $1625'$. This will isolate the Wasatch formation from migration uphole into other formations.**
- 3. Add Plug #3: A 100' minimum plug shall be set across the surface shoe as required by R649-3-24-3.6. This plug shall be balanced from $\pm 550'$ to $450'$ (approximately 15 sx).**
- 4. Note Plug #4: This plug requires approximately 35 sx of cement to fill from 100' to surface inside the 5 1/2" casing and in the 5 1/2" x 9 5/8" casing annulus.**
- 5. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 6. Surface reclamation shall be done in accordance with R649-3-34 - Well Site Restoration.**
- 7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (of c) or 801-733-0983 (home) prior to continuing with the procedure.**
- 9. All other requirements for notice and reporting in the Oil and Gas Conservation general rules shall apply.**

Wellbore Diagram

API Well No: 43-047-35927-00-00 Permit No:

Well Name/No: ATCHEE RIDGE 16-19 #1

Company Name: MEDALLION EXPLORATION

Location: Sec: 19 T: 12S R: 25E Spot: SESE

Coordinates: X: 658151 Y: 4402172

Field Name: ATCHEE RIDGE

County Name: UINTAH

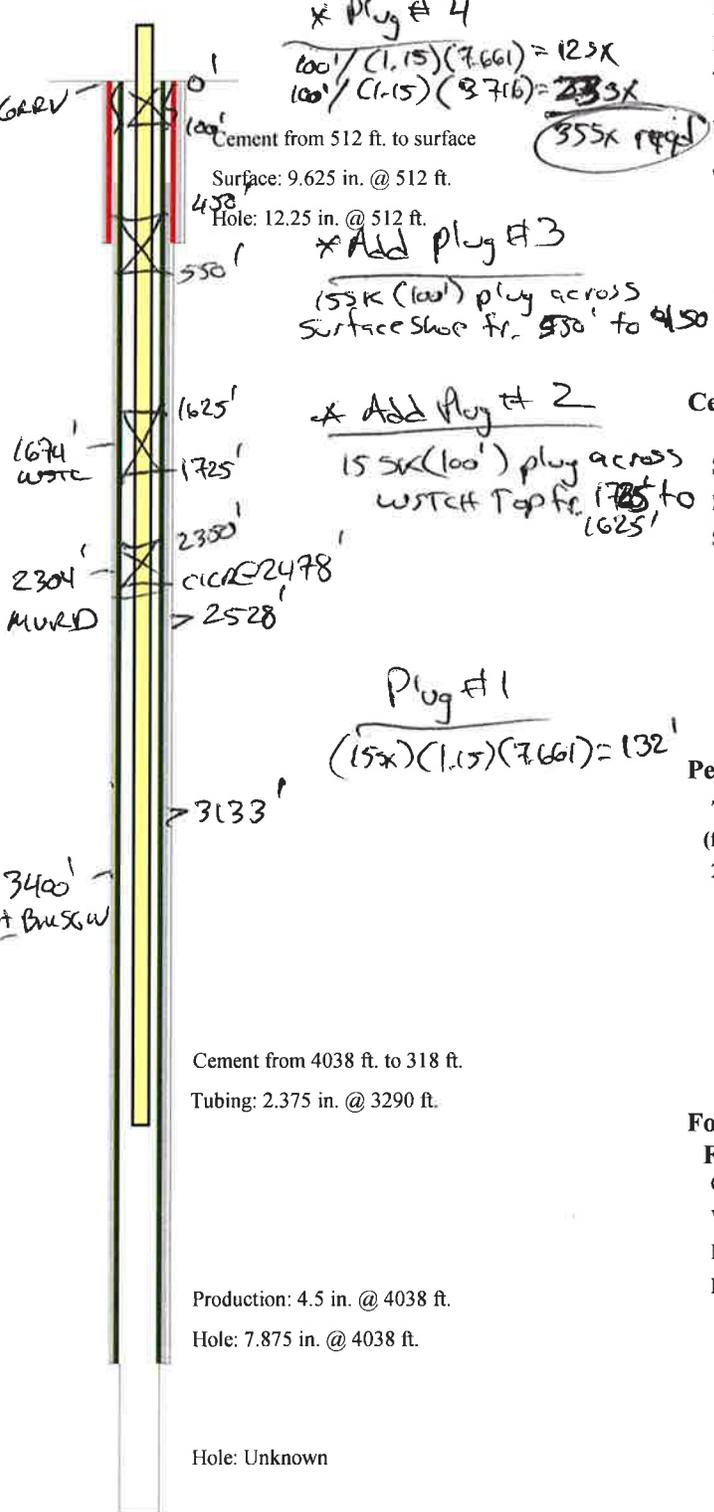
String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	512	12.25		
SURF	512	9.625	36	512
HOL2	4038	7.875		
PROD	4038	55	17	4038
TI	3290	2.375		

Capacity (cf)

7.661

4.094
3.716



Cement from 512 ft. to surface
Surface: 9.625 in. @ 512 ft.
Hole: 12.25 in. @ 512 ft.

* Add plug #3
(55X (100') plug across surface shoe fr. 550' to 450'

* Add plug #2
155X (100') plug across WSTC top fr. 1725' to 1625'

Plug #1
(15X) * (1.15) * (7.661) = 132'

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	4038	318	G	400
SURF	512	0	G	225

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
2528	3133			

Formation Information

Formation	Depth
GRRV	0
WSTC	1674
MVRD	2304
BMSW	3400

Cement from 4038 ft. to 318 ft.

Tubing: 2.375 in. @ 3290 ft.

Production: 4.5 in. @ 4038 ft.

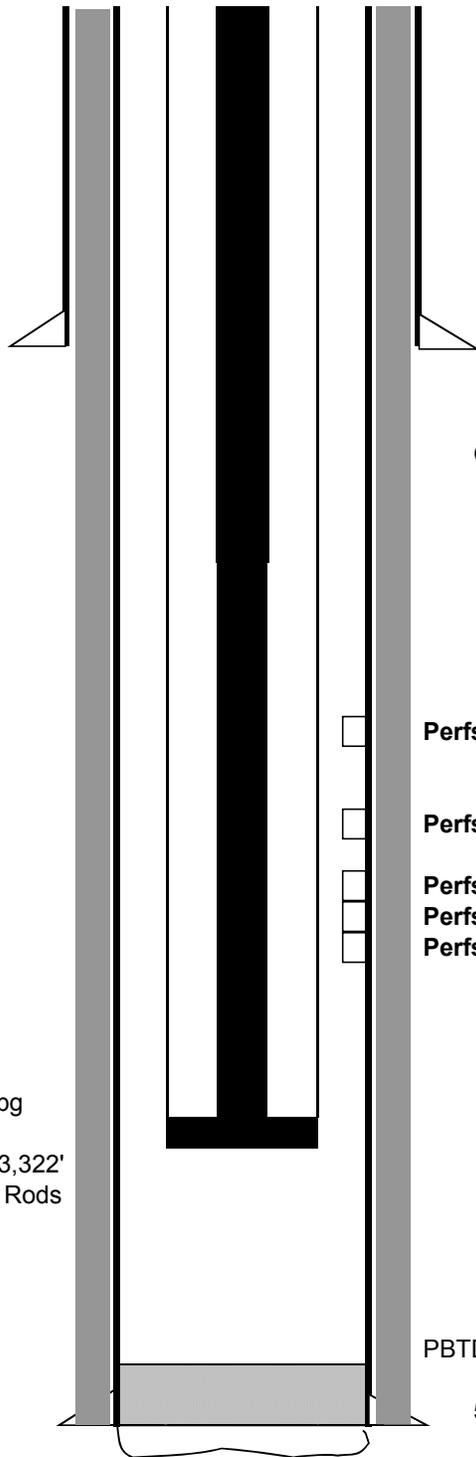
Hole: 7.875 in. @ 4038 ft.

Hole: Unknown

TD: 4510 TVD: 4510 PBD:

Atchee Ridge 16-19 #1
Atchee Ridge Field
Uintah County, Utah
API # 043-047-35927
April 18, 2008

Green River 0 - 1674
Mesa Verde 1674 - 2304
Wasatch 2304 - 4024



9-5/8", 36 #/ft., K-55 csg set at 500' RKB

Cement From Surface to TD 4,508'

Perfs: 2,528' - 2,536'

Perfs: 2,842' - 2,536'

Perfs: 3,060' - 3,070'

Perfs: 3,094' - 3,104'

Perfs: 3,131' - 3,136'

2-3/8", 4.6 #/ft. tbg
@ 3,302'
095 PCP set @ 3,322'
7/8" Sucker Rods

PBTD: 4,410' RKB

5-1/2", 17 #/ft., J-55 csg set at 4,452' RKB

TD: 4,508' RKB

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/13/2016	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1- L/D 3322' 7/8" rods. 2- POOH w/ tbg and pump assembly. 3- RIH w/ 5.5" csg scrapper, circulate well w/corrosion chemical, L/D tbg RIH w/ 5.5" CIBP. 4- Set 5.5" CIBP @ 2542', 14' into perms, set second 5.5" CIBP @ 2478', test csg to 800 psi, good tst. 5- Pump plug #1 15 sx , 15.8 ppg cmt plug on CIBP f/2478' to 2346', 132', L/D tbg to next plug. 6- Pump plug #2, 15 sx, 15.8 ppg balanced plug, f/1742' to 1610', 132', L/D tbg to next plug. 7- Pump plug #3, 15 sx 15.8 ppg balanced plug f/557' to 425', 132', L/D rest of tbg. 8- Cut off wellhead. 9- P/U 100' 1" pipe, pump 25 sx 15.8 ppg cmt in 9.625" x 5.5" annulus to surface and 15 sx 15.8 ppg plug in 5.5" csg to surface. 10- Install monument style dry hole marker. All cementing was done with class G cement. Dates on well 6-30 to 7-13

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
September 16, 2016**

NAME (PLEASE PRINT) Dana Christiansen	PHONE NUMBER 801 453-3262	TITLE Field Manager
SIGNATURE N/A	DATE 9/10/2016	