

002

Robert L. Bayless, Producer LLC

Oil & Gas Producer

P. O. Box 168  
Farmington, New Mexico 87499

FAX NO.  
(505) 326-6911

OFFICE NO.  
(505) 326-2659

October 29, 2004

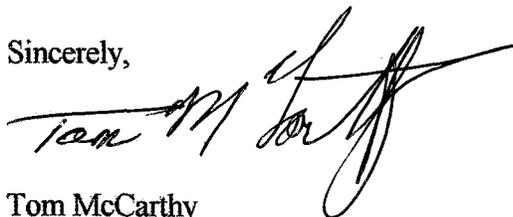
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill  
Silver Federal No. 1  
Trigger Federal No. 1  
Uintah County, Utah

Gentlemen:

Enclosed in duplicate are Applications for Permit to Drill the subject wells in the Horseshoe Bend Field. We will appreciate your prompt handling of these permits.  
If you have any questions concerning these applications please contact me.

Sincerely,



Tom McCarthy  
Engineer

RECEIVED

NOV 01 2004

DIV. OF OIL, GAS & MINING

001

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		7. Unit Agreement Name	
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		8. Farm or Lease Name, Well No. <b>Trigger Federal No. 1</b>	
2. Name of Operator <b>Robert L. Bayless Producer LLC</b>		9. API Well No. <b>43-047-36043</b>	
3. Address and Telephone No. <b>P.O. Box 168 Farmington, NM 87499 (505) 326-2659</b>		10. Field and Pool, or Wildcat <b>Horseshoe Bend 1620</b>	
4. Location of Well (Report location clearly and in accordance with an State requirements*) At surface <b>1316' FSL &amp; 1329' FWL</b> At proposed prod. Zone same <i>SESW 626857X 40.266527 4458197Y -109.508104</i>		11. Sec., T., R., M., or Blk. and Survey or Area <b>Section 25 - T6S - R21E</b>	
14. Distance in Miles and Direction from nearest Town or Post Office* <b>13 miles S of Vernal, Utah</b>		12. County or Parish <b>Uintah</b>	13. State <b>Utah</b>
15. Distance from Proposed* Location to nearest Property or Lease Line, ft. (Also to nearest drlg. Unit line, if any) <b>4' (lease); 1316'(unit)</b>	16. No. of Acres in Lease <b>637.45</b>	17. No. of Acres Assigned to this Well <b>320</b>	
18. Distance from Proposed Location* to nearest Well, Drilling, Completion, or applied for, on this Lease, ft. <b>2000'</b>	19. Proposed Depth <b>3870</b>	20. Rotary or Cable Tools <b>Rotary</b>	
21. Elevations (Show whether DF, FT, GR. Etc.) <b>4981' GR</b>		22. Approx. Date Work Will Start <b>ASAP</b>	

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Grade, Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	8 5/8"	24	250 ft	190 sx Class G 2% CaCl (222 cf)
7 7/8"	4 1/2"	10.5	3870 ft	128 sx Premium Lite 2 (438 cf), tail with 530 sx 50:50 Poz G (658 cf)

Will drill 12 1/4" hole to 250' and set 270' 8 5/8" casing, cemented with 190 sx. Will drill to 3870' with a 7 7/8" hole and set 3870' 4 1/2" casing. Casing will be cemented with 658 sx. All casing is new. Circulating medium will be clear water, mud, and water loss control additives. No abnormal pressures or temperatures are expected. Induction and density logs will be run. Blowout preventer schematics are attached. Formation tops are attached.

**Federal Approval of this  
Action is Necessary**

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DIV. OF OIL, GAS & MINING**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present production zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Signed [Signature] Title Engineer Date 10/29/04

(This space for Federal or State office use)

PERMIT NO. 43-047-36043 APPROVAL DATE \_\_\_\_\_

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

CONDITIONS OF APPROVAL, IF ANY:

Approved By [Signature] Title BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III Date 11-18-04

\*See Instruction on Reverse Side

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

T6S, R21E, S.L.B.&M.

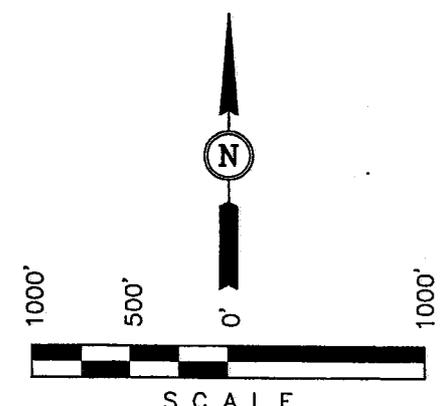
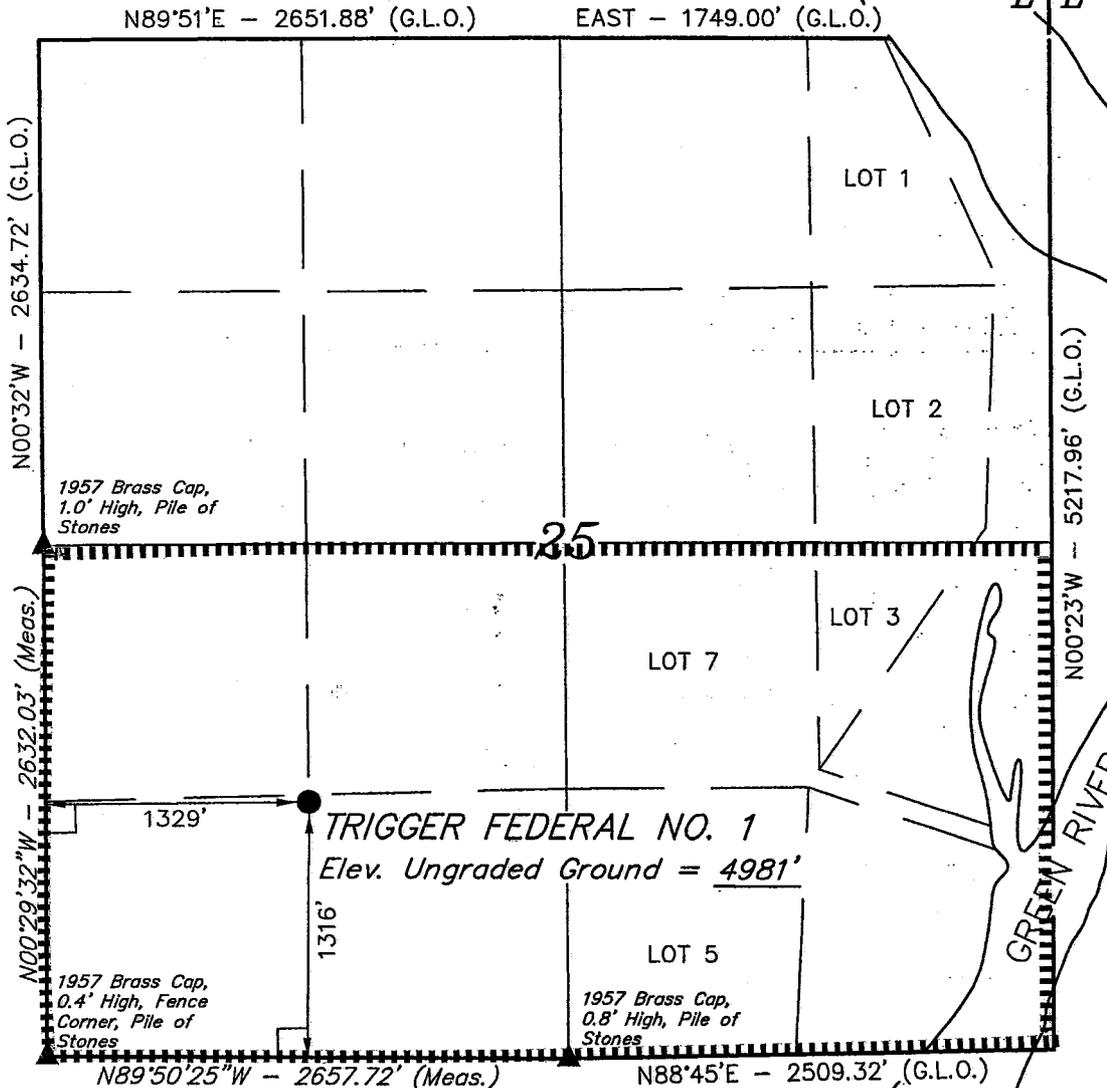
R R  
21 22  
E E

ROBERT L. BAYLESS PRODUCER, LLC

Well location, TRIGGER FEDERAL NO. 1, located as shown in the S 1/2 SW 1/4 of Section 25, T6S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SE CORNER OF SECTION 26, T6S, R21E, S.L.B.&M. TAKEN FROM THE VERNAL SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4975 FEET.



CERTIFIED LAND SURVEYOR  
 THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME, OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

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

BASIS OF BEARINGS  
 BASIS OF BEARINGS IS A G.P.S. OBSERVATION.  
 (AUTONOMOUS NAD 83)  
 LATITUDE = 40°15'59.24" (40.266456)  
 LONGITUDE = 109°30'31.66" (109.508794)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 40°15'59.37" (40.266492)  
 LONGITUDE = 109°33'29.18" (109.558106)

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

SCALE 1" = 1000'	DATE SURVEYED: 9-23-04	DATE DRAWN: 10-6-04
PARTY J.W. J.S. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE ROBERT L. BAYLESS PRODUCER LLC	

**Robert L. Bayless, Producer LLC  
Drilling Technical Program  
Trigger Federal #1**

**SURFACE LOCATION:**

1316' FSL & 1329' FWL, Section 25, T6S, R21E, Uintah County, Utah

**1. ESTIMATED FORMATION TOPS:**

<b>KB: 4993'</b>	<b>GL: 4981'</b>	
<b>Uinta</b>	<b>Surface</b>	<b>Gas</b>
<b>Uinta B</b>	<b>3415'</b>	<b>Gas</b>
<b>Green River</b>	<b>3770'</b>	
<b>TD</b>	<b>3870'</b>	

**2. WELL CONTROL SYSTEM**

- A. The proposed blowout system schematic drawings are attached, and will be used in 2000 PSI service.
- B. Maximum anticipated bottom hole pressure 1509 PSI. Well control anticipated surface pressure (ASP) = 0 PSI.
- C. BOP pressure testing will be conducted at the time of installation and prior to drilling out surface casing shoe. A choke manifold will be installed as per attached drawing. Working pressure for the choke manifold is 2000 PSI. In addition, a kill line from the mud pump will be installed.
- D. Stabbing valves for drill pipe and drill collars will be available on the rig floor. An upper kelly cock will also be available on the rig.
- E. Anticipated formation pressures average .39 psi/ft gradient and formation fracture pressures are anticipated to exceed the maximum mud weight of 9.5 pounds per gallon.

**3. DRILLING MUD PROGRAM**

- A. A 12 1/4" surface hole will be drilled to 250' with a fresh water system.
- B. A 7 7/8" hole will be drilled to 3335' utilizing a fresh water mud system.

Interval	Mud System	Weight PPG	Viscosity sec/qt	WL cc
0 - 250 ft	Spud mud	<8.5	28 - 26	NC
250 - TD	Aquagel	8.6 - 8.9	34 - 40	<10

C. Mud level monitoring will be done visually.

#### 4. HAZARDS

- A. Abnormal pressure is not expected in this area.
- B. No hydrogen sulfide is expected. However, should hydrogen sulfide be encountered during drilling, detection and warning systems will be installed.
- C. Hole deviation is not an expected problem in this area.

#### 5. LOGGING AND TESTING

- A. Induction and density logs will be run from total depth across all zones of interest up to the surface casing string.

#### 6. CASING PROGRAM

- A. Surface casing: 8 5/8" 24 #/ft J-55 from surface to 250 feet.
- B. Production casing: 4 1/2" 10.5 #/ft J-55 from surface to 3870 feet.

#### 7. CEMENTING PROGRAM

- A. Surface casing: 190 sx (222 cf) Class G w/ 2% CaCl. Circulated to surface.
- B. Production Casing: 128 sx (438 cf) Premium Lite II cement, followed by 530 sx (658 cf) 50:50 Poz G cement. Cement to be circulated to surface. Volume may change due to caliper log or other well conditions. The casing will be centralized for cementing as required and depending on well conditions.

**Robert L. Bayless, Producer LLC**

**SURFACE USE & OPERATIONS PLAN**

Pursuant to NTL-6  
(Attachment to Form 3160-3)

**Trigger Federal No. 1**  
1316' FSL & 1329' FWL  
Section 25, T6S, R21E  
Uintah County, Utah

**1. EXISTING ROADS**

- A. The actual well site survey is attached as pages 2 through 8, which were prepared by the surveyor, and show existing roads.
- B. Directions from Vernal, Utah: Go 10.7 miles south on highway 45. Turn right. Go 3.2 miles; turn right then left. Go 2.6 miles. Turn left. Go 2.3 miles. Bear right. Go .1 miles.
- C. All roads to location are indicated on the attached topographic maps. (Pages 2 - 8 APD.)
- D. Maintenance will be performed as required to keep existing roads in same or better condition.
- E. Any rights-of-way required for use of the existing roads are hereby requested as part of this APD. The enclosed topographic map depicts the existing access. (See page 5 of the APD.)

**2. PLANNED ACCESS ROADS**

About 300 feet of access road will be built into the location. (Page 7 of the APD.)

**3. LOCATION OF EXISTING WELLS**

All known existing wells within a one mile radius of the proposed location are shown on an attached topographic map. (Page 8 of the APD.)

**4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

If production is obtained, new production facilities will be installed on location. Facilities will consist of one 200 barrel oil tank, a three phase separator, and a meter run. Construction of a gas flowline is contingent on the production found, if any. About a 10' square workover pit will be retained from the mud pit for future use for well repairs. The tank battery will be bermed and the workover pit will be fenced and bird-netted.

**5. LOCATION AND TYPE OF WATER SOURCE**

Water will be transported by truck over existing and proposed roadways. No water well is to be drilled on this location. Water for drilling and completion will be purchased from R. N. Industries in Vernal. Water well permit # 49-2166.

**6. CONSTRUCTION MATERIALS**

- A. It is not anticipated that construction materials will be needed for the drilling location or access roads into the drilling location. The existing surface materials will be sufficient and will be used by the Contractor hired to build the location as necessary. This may change if weather or other operating conditions change.
- B. All construction will occur on Federal lands.
- C. All major access roads presently exist as shown on the attached topographic map. (Page 6 of the APD.)

**7. HANDLING OF WASTE MATERIALS AND DISPOSAL**

- A. Drill cuttings will be placed in an earthen reserve pit and buried in place after evaporation or removal of liquids. The reserve pit will be fenced on three sides away from the pad during the drilling phase, and the fourth side fenced as soon as the drilling rig moves off location. After the completion of the well, the reserve pit will be allowed to dry, and the materials remaining in the reserve pit will be buried. The reserve pit will be backfilled, leveled, and contoured.
- B. Excess drilling fluids will be disposed at an appropriate disposal site.
- C. Any fluids recovered during drilling tests or while making production tests will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in the reserve pit. Any spills will be cleaned up and removed from location.
- D. Garbage will be placed in a trash cage and will be disposed of by hauling to an appropriate disposal site. Drill fluids, water, and excess drilling mud will be hauled to an appropriate disposal site.
- E. Sewage will be contained in portable toilets during drilling and completion operations, then removed to an approved disposal site.
- F. After completion of drilling operations, location will be cleaned up and no drilling materials will be left on location.

**8. ANCILLARY FACILITIES**

- A. No ancillary facilities will be built during drilling of this well.

**9. WELL SITE LAYOUT**

- A. The well site layout for drilling is shown approximate on page 4 of the APD. No permanent living facilities are planned.

**10. PLANS FOR RESTORATION**

- A. Backfilling, leveling, and contouring are planned as soon as all earthen pits have dried to the maximum extent possible. The location will be reduced in size for production operations. Waste will be hauled away as soon as practical after drilling and completion work is finished.
- B. Revegetation will be accomplished naturally, or by planting seed mix as per surface managing agency's requirements.
- C. The reserve pit will be fenced on three sides prior to move in of rig. The fourth side will be fenced upon completion of drilling operations. Refer also to paragraph 7.A. above.
- D. Rehabilitation operations will begin as soon as practical after the completion rig is removed. Planting and revegetation are normally required to be done between July 15 and September 15, unless otherwise requested.

**11. OTHER INFORMATION**

- A. The archeological report describes the soil, floral, and faunal characteristics of the location.
- B. The primary owner of the surface is the Federal Government, managed by the BLM.
- C. Operations are planned for as soon as possible following approval of the APD. Drilling operations should be concluded within 5 days.

**12. LESSEE'S OR OPERATOR'S REPRESENTATIVE**

Tom McCarthy, Engineer  
Robert L. Bayless, Producer LLC  
PO Box 168  
Farmington, NM 87499  
Telephone: 505-326-2659  
Fax: 505-326-6911

13. **CERTIFICATION**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite 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 Robert L. Bayless, Producer LLC and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

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

10/29/07  
Date

Tom McCarthy  
Tom McCarthy, Engineer

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# CNA INSURANCE COMPANIES

CNA Plaza, Chicago, IL 60685

## INCREASE — DECREASE RIDER

To be attached to and made a part of Bond No. 141269447, issued by the Continental Casualty Company (hereinafter called the Surety), on behalf of R.L. Bayless, (hereinafter called the Principal), in favor of Utah Dept. of Natural Res. Div. of Oil, Gas, & Mining (hereinafter called the Oblige), and dated the 25th day of January, ~~2004~~

In consideration of the premium charged for the attached bond and other good and valuable consideration it is understood and agreed that effective the 25th day of January, ~~2004~~ and subject to all the terms, conditions and limitations of the attached bond, the penal sum thereof shall be and the same is hereby (increased) (decreased) from the sum of Eighty Thousand and no----- Dollars, (\$ 80,000.), to the sum of One Hundred Twenty Thousand --- Dollars. (\$ 120,000.).

It is further understood and agreed that subject to all the terms, conditions and limitations of the attached bond, the aggregate liability of the Surety for any loss occurring prior to said date shall not exceed the sum of Eighty Thousand ----- Dollars. (\$ 80,000 ---), or for any loss occurring subsequent to said date shall not exceed the sum of One Hundred Twenty Thousand ----- Dollars. (\$120,000 -----). In no event, however, shall the aggregate liability of the Surety exceed the larger of the aforementioned sums, it being the intent hereof to preclude cumulative liability.

Signed, sealed and dated this 25th day of January, ~~2004~~

The above is hereby agreed to and accepted:

(Principal)

By: Continental Casualty Company

(Surety)

By: [Signature] (Attorney-in-Fact)

Form G-23169-C



### POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That Continental Casualty Company, National Fire Insurance Company of Hartford, and American Casualty Company of Reading, Pennsylvania (herein called "the CNA Companies"), are duly organized and existing corporations having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signatures and seals herein affixed hereby make, constitute and appoint

Jeffrey W. Holmes, Carol A. Osborne, Stuart F. DeSelms, Janet Jenkins, Diane Kern, Judith M. Cromer, William A. Grant,  
Christy Thompson, Individually

of Tulsa, Oklahoma  
their true and lawful Attorney(s)-In-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature  
-- in Unlimited Amounts --

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their corporations and all the acts of said Attorney, pursuant to the authority hereby given is hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the corporations.

In Witness Whereof, the CNA Companies have caused these presents to be signed by their Vice President and their corporate seals to be hereto affixed on this 3rd day of April, 2001.



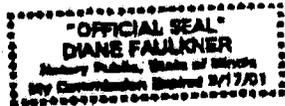
Continental Casualty Company  
National Fire Insurance Company of Hartford  
American Casualty Company of Reading, Pennsylvania

*Michael Gengler*

Michael Gengler Group Vice President

State of Illinois, County of Cook, ss:

On this 3rd day of April, 2001, before me personally came Michael Gengler to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Chicago, State of Illinois; that he is a Group Vice President of Continental Casualty Company, National Fire Insurance Company of Hartford, and American Casualty Company of Reading, Pennsylvania described in and which executed the above instrument; that he knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



My Commission Expires September 17, 2001

*Diane Faulkner*

Diane Faulkner Notary Public

#### CERTIFICATE

I, Mary A. Ribikawskis, Assistant Secretary of Continental Casualty Company, National Fire Insurance Company of Hartford, and American Casualty Company of Reading, Pennsylvania do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of the corporations printed on the reverse hereof is still in force. In testimony whereof I have herunto subscribed my name and affixed the seal of the said corporations this 25th day of JANUARY 2004



Continental Casualty Company  
National Fire Insurance Company of Hartford  
American Casualty Company of Reading, Pennsylvania

*Mary A. Ribikawskis*

Mary A. Ribikawskis Assistant Secretary

(Rev. 1/23/01)

## Authorizing By-Laws and Resolutions

### ADOPTED BY THE BOARD OF DIRECTORS OF CONTINENTAL CASUALTY COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company.

#### "Article IX—Execution of Documents

Section 3. Appointment of Attorney-in-fact. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President or the Board of Directors, may, at any time, revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"Resolved, that the signature of the President or any Executive, Senior or Group Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 3 of Article IX of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

### ADOPTED BY THE BOARD OF DIRECTORS OF AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA:

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company.

#### "Article VI—Execution of Obligations and Appointment of Attorney-in-Fact

Section 2. Appointment of Attorney-in-fact. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Executive, Senior or Group Vice President may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"Resolved, that the signature of the President or any Executive, Senior or Group Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

### ADOPTED BY THE BOARD OF DIRECTORS OF NATIONAL FIRE INSURANCE COMPANY OF HARTFORD:

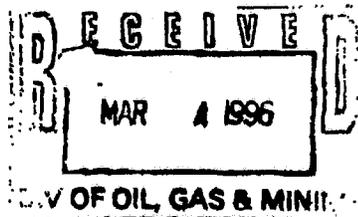
This Power of Attorney is made and executed pursuant to and by authority of the following Resolution duly adopted on February 17, 1993 by the Board of Directors of the Company.

"RESOLVED: That the President, an Executive Vice President, or any Senior or Group Vice President of the Corporation may, from time to time, appoint, by written certificates, Attorneys-in-Fact to act in behalf of the Corporation in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such Attorney-in-Fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Corporation by their signature and execution of any such instrument and to attach the seal of the Corporation thereto. The President, an Executive Vice President, any Senior or Group Vice President or the Board of Directors may at any time revoke all power and authority previously given to any Attorney-in-Fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"RESOLVED: That the signature of the President, an Executive Vice President or any Senior or Group Vice President and the seal of the Corporation may be affixed by facsimile on any power of attorney granted pursuant to the Resolution adopted by this Board of Directors on February 17, 1993 and the signature of a Secretary or an Assistant Secretary and the seal of the Corporation may be affixed by facsimile to any certificate of any such power, and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Corporation. Any such power so executed and sealed and certified by certificate so executed and sealed, shall with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Corporation."

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# CNA SURETY COMPANIES

CNA Plaza, Chicago, Illinois 60685

Kansas City Fire and Marine Insurance Company      Bond No.      **BNS 1273488**  
 Continental Casualty Company      Bond No.      **141769447**

## ASSUMPTION OF LIABILITY CERTIFICATE

**Obligee:**      Utah Division of Oil & Gas Mining

**Principal:**      Robert L. Bayless

This certificate assumes liability on Bond Number **BNS 1273488** executed and previously filed by **Kansas City Fire and Marine**, hereinafter referred to as the Company, in favor of the captioned Obligee, effective **03-18-96 to 03-18-97**.

This certifies that **Continental Casualty Company**, in consideration of the agreements and covenants herein contained and other good and valuable consideration, assumes liability under the above described bond.

### BY ISSUANCE OF THIS CERTIFICATE IT IS AGREED:

1. That liability of **Continental Casualty Company** under said bond (a) shall be subject to all of the terms, conditions, limitations and warranties contained in the above described bond and any amendment thereto or agreement between the Obligee and the Company affecting the same; and (b) shall in no event be greater than would have been the liability of the Company had this certificate not been issued.
2. That all rights of the Company, which would have been available to the Company, by reason of its suretyship under the aforementioned bond, or otherwise, if this certificate had not been executed, shall inure to the benefit of and be fully enforceable by **Continental Casualty Company**.
3. That this certificate assumes liability under **Continental Casualty Company** Bond No. **141769447** for liability accrued under **Kansas City Fire and Marine** Bond No. **BNS 1273488**

Continental Casualty Company

BY: Janet B. Adair  
Janet B. Adair Attorney-in-Fact



For All the Commitments You Make<sup>SM</sup>

### POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That CONTINENTAL CASUALTY COMPANY, an Illinois corporation, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, a Connecticut corporation, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a Pennsylvania corporation (herein collectively called "the CNA Surety Companies"), are duly organized and existing corporations having their principal offices in the City of Chicago, and State of Illinois, and that they do by virtue of the signature and seals herein affixed hereby make, constitute and appoint Janet B. Adair, individually

of Oklahoma City, Oklahoma

their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on their behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind them thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of their corporations and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Laws and Resolutions, printed on the reverse hereof, duly adopted, as indicated, by the Boards of Directors of the corporations.

In Witness Whereof, the CNA Sureties Companies have caused these presents to be signed by their Group Vice President and their corporate seals to be hereto affixed on this 1st day of September, 1995



CONTINENTAL CASUALTY COMPANY  
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

M.C. Vonnahme

Group Vice President

State of Illinois, County of Cook, ss:

On this 1st day of September, 1995, before me personally came

M. C. Vonnahme, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Darien, State of Illinois; that he is a Group Vice President of CONTINENTAL CASUALTY COMPANY, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA described in and which executed the above instrument; that he knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed pursuant to authority given by the Boards of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



My Commission Expires October 19, 1998

Linda C. Demsey

Notary Public

#### CERTIFICATE

I, John M. Litter, Assistant Secretary of CONTINENTAL CASUALTY COMPANY, NATIONAL FIRE INSURANCE COMPANY OF HARTFORD, and AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that the By-Law and Resolution of the Board of Directors of each corporation printed on the reverse hereof are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seals of the said corporations this 28th day of February, 96.



CONTINENTAL CASUALTY COMPANY  
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD  
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

John M. Litter

Assistant Secretary

(Rev. 7/14/95)

## Authorizing By-Laws and Resolutions

ADOPTED BY THE BOARD OF DIRECTORS OF CONTINENTAL CASUALTY COMPANY:

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company.

### Article IX—Execution of Documents

**Section 3. Appointment of Attorney-in-fact.** The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President or the Board of Directors, may, at any time, revoke all power and authority previously given to any attorney-in-fact.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"Resolved, that the signature of the President or any Executive, Senior or Group Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 3 of Article IX of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

ADOPTED BY THE BOARD OF DIRECTORS OF AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA:

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company.

### Article VI—Execution of Obligations and Appointment of Attorney-in-Fact

**Section 2. Appointment of Attorney-in-fact.** The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Executive, Senior or Group Vice President may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"Resolved, that the signature of the President or any Executive, Senior or Group Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall, with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

ADOPTED BY THE BOARD OF DIRECTORS OF NATIONAL FIRE INSURANCE COMPANY OF HARTFORD:

This Power of Attorney is made and executed pursuant to and by authority of the following Resolution duly adopted on February 17, 1993 by the Board of Directors of the Company.

"RESOLVED: That the President, an Executive Vice President, or any Senior or Group Vice President of the Corporation may, from time to time, appoint, by written certificates, Attorneys-in-Fact to act in behalf of the Corporation in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such Attorney-in-Fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Corporation by their signature and execution of any such instrument and to attach the seal of the Corporation thereto. The President, an Executive Vice President, any Senior or Group Vice President or the Board of Directors may at any time revoke all power and authority previously given to any Attorney-in-Fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"RESOLVED: That the signature of the President, an Executive Vice President or any Senior or Group Vice President and the seal of the Corporation may be affixed by facsimile on any power of attorney granted pursuant to the Resolution adopted by this Board of Directors on February 17, 1993 and the signature of a Secretary or an Assistant Secretary and the seal of the Corporation may be affixed by facsimile to any certificate of any such power, and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Corporation. Any such power so executed and sealed and certified by certificate so executed and sealed, shall with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Corporation."

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

001

MAR 22 1991

Bond No. BNS1273488

MICROFICHE

SURETY BOND - FORM 4-A

KNOW ALL MEN BY THESE PRESENTS:

That we Robert L. Bayless (operator name) as Principal,  
and Kansas City Fire and Marine Insurance Company (surety name) as Surety,  
duly authorized and qualified to do business in the State of Utah, are held and firmly bound unto the State  
of Utah in the sum of:

Eighty Thousand and No/100 dollars (\$80,000.00)  
lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent  
of the State of Utah, for the use and benefit of the State of Utah for the faithful payment of which we bind  
ourselves, our heirs, executors, administrators and successors, jointly and severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS, the principal is or will be engaged in drilling,  
redrilling, deepening, repairing, operating, and plugging and abandonment a well or wells and restoring the  
well site or sites in the State of Utah for the purposes of oil or gas production and/or the injection and  
disposal of fluids in connection therewith for the following described land or well:

XX Blanket Bond: To cover all wells drilled in the State of Utah  
Individual Bond: Well No. \_\_\_\_\_  
Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_  
County, Utah

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the laws of the State  
of Utah and the rules, orders and requirements of the Board of Oil, Gas and Mining of the State of Utah,  
including, but not limited to the proper plugging and abandonment of wells and well site restoration, then  
this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed his or their names or has caused this  
instrument to be signed by its duly authorized officers and its corporate seal to be affixed this  
18th day of March, 19 91.

(Seal)

Robert L. Bayless

By

Principal

Name and Title

IN TESTIMONY WHEREOF, said Surety has caused this instrument to be signed by its duly authorized officers and  
its corporate seal to be affixed this 18th day of March, 19 91.

(Seal)

KANSAS CITY FIRE AND MARINE INSURANCE COMPANY  
Surety (Attach Power of Attorney)

By

Name and Title Attorney-in-Fact

P.O. Box 35287, Tulsa, OK 74153  
Surety's Mailing Address

(3/89)



# Kansas City Fire and Marine Insurance Company

180 Maiden Lane, New York, New York 10038

## GENERAL POWER OF ATTORNEY

Know all men by these Presents, That KANSAS CITY FIRE AND MARINE INSURANCE COMPANY has made, constituted and appointed, and by these presents does make, constitute and appoint

BURT B. HOLMES, TULSA, OKLAHOMA

its true and lawful attorney, for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship to be given to

ALL OBLIGEEES

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

FIVE HUNDRED THOUSAND (500,000) DOLLARS

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of KANSAS CITY FIRE AND MARINE INSURANCE COMPANY on the 26th day of February, 1975:

"RESOLVED, that the Chairman of the Board, the Vice Chairman of the Board, the President, an Executive Vice President or a Senior Vice President or a Vice President of the Company, be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of KANSAS CITY FIRE AND MARINE INSURANCE COMPANY, bonds, undertakings and all contracts of suretyship; and that an Assistant Vice President, a Secretary or an Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."

In Witness Whereof, KANSAS CITY FIRE AND MARINE INSURANCE COMPANY has caused its official seal to be hereunto affixed, and these presents to be signed by one of its Vice Presidents and attested by one of its Assistant Vice Presidents this 1st day of May, 1985.

KANSAS CITY FIRE AND MARINE INSURANCE COMPANY

Attest:

Robert W. Adler, Sr., Assistant Vice President



By

Michael J. Beernaert, Vice President

STATE OF NEW YORK }  
COUNTY OF NEW YORK }

On this 1st day of May, 1985, before me personally came Michael J. Beernaert, to me known, who being by me duly sworn, did depose and say that he is a Vice President of the KANSAS CITY FIRE AND MARINE INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



CERTIFICATE

ETHEL TARANTO  
NOTARY PUBLIC, State of New York  
No. 24-466317 Qual. in Kings County  
Commission Expires March 30, 1986

I, the undersigned, an Assistant Vice President of KANSAS CITY FIRE AND MARINE INSURANCE COMPANY, a Missouri corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at the City of New York, in the State of New York. Dated the 18th day of March, 1991.



James M. Keane, Assistant Vice President

**ROBERT L. BAYLESS PRODUCER, LLC.**  
**TRIGGER FEDERAL NO. 1**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 25, T6S, R21E, S.L.B.&M.

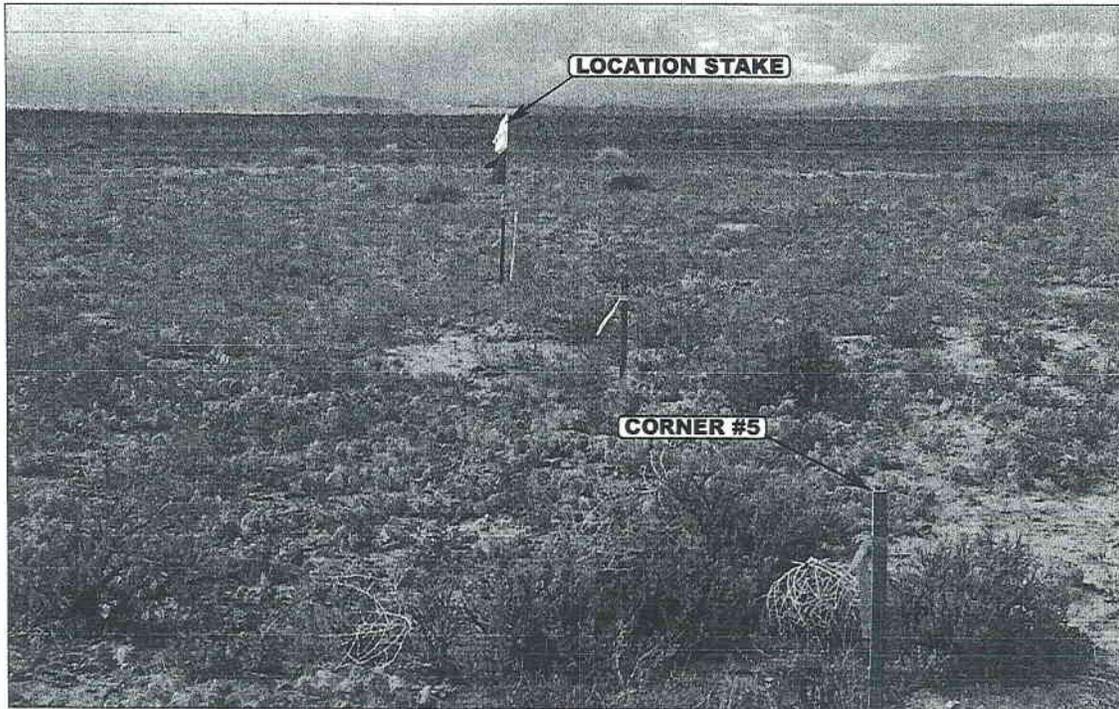


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

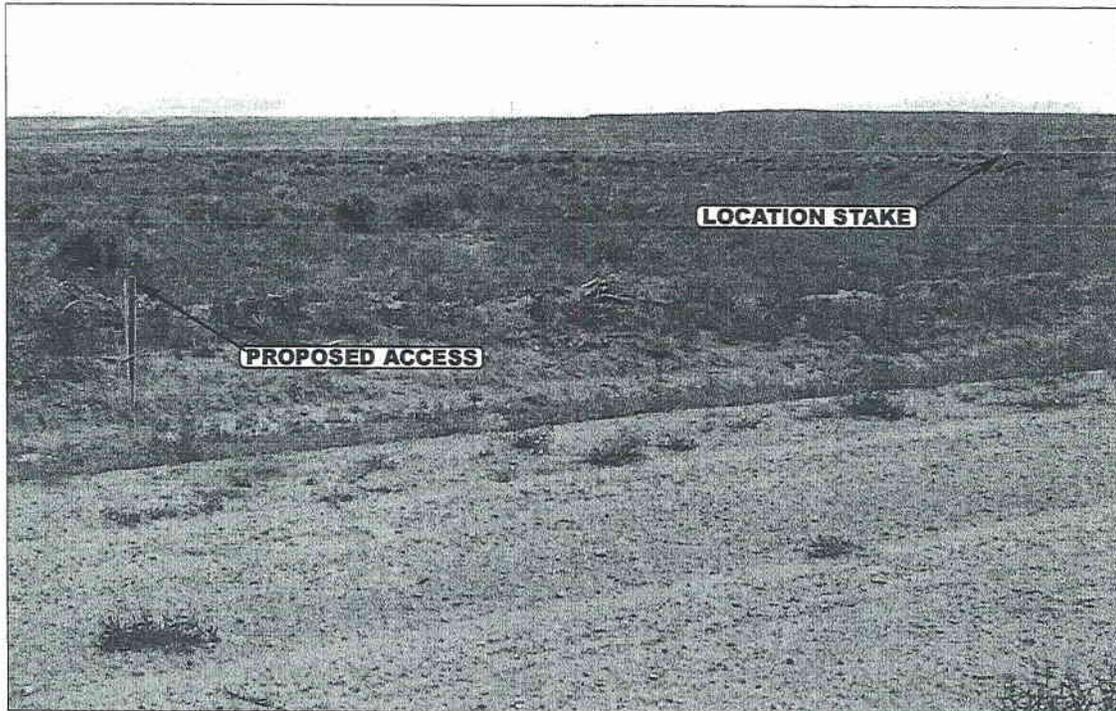


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY

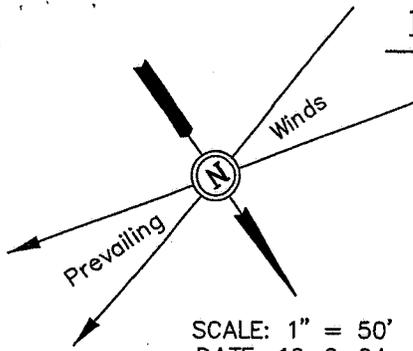


- Since 1964 -

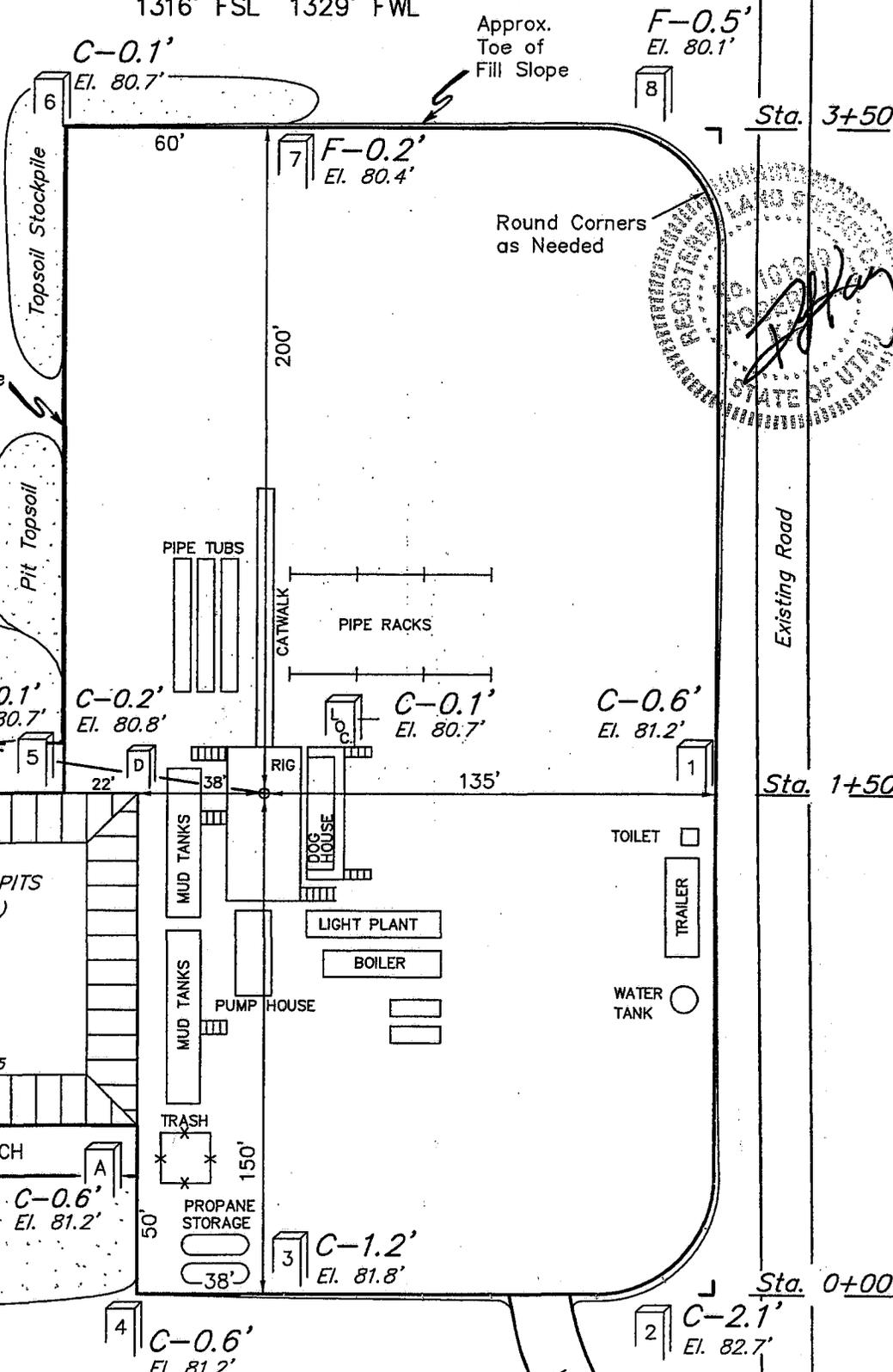
**UELS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	09	29	04	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: S.H.	DRAWN BY: C.P.	REVISED: 00-00-00		

LOCATION LAYOUT FOR  
TRIGGER FEDERAL NO. 1  
SECTION 25, T6S, R21E, S.L.B.&M.  
1316' FSL 1329' FWL



SCALE: 1" = 50'  
DATE: 10-6-04  
Drawn By: K.G.

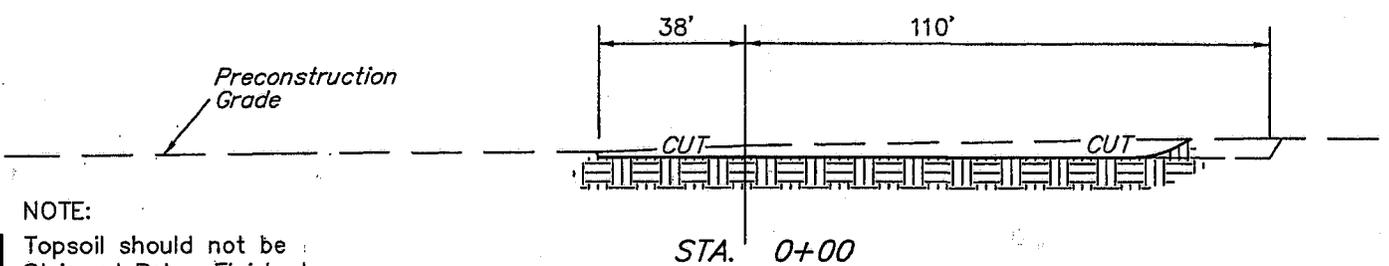
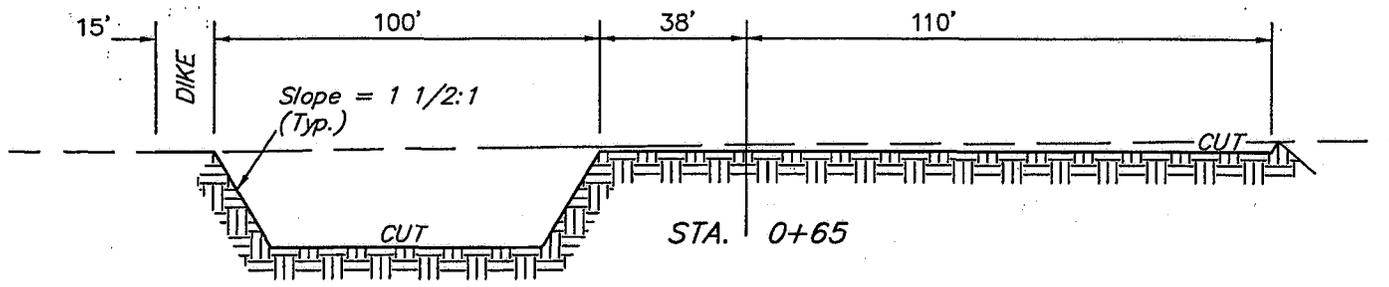
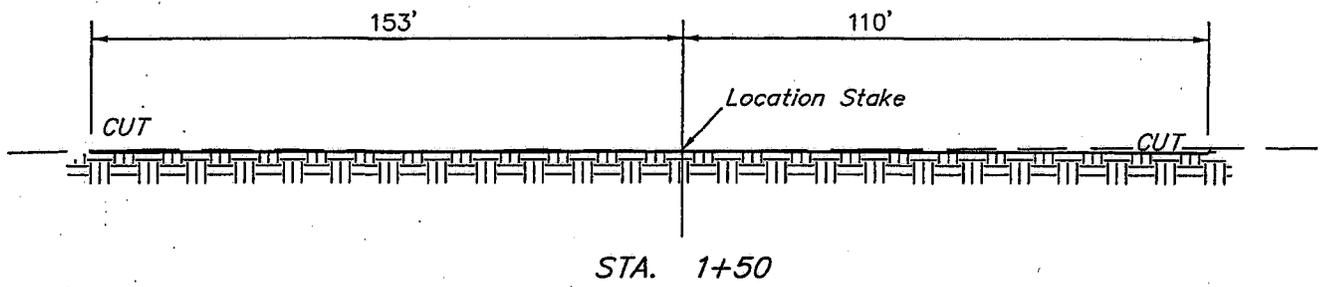
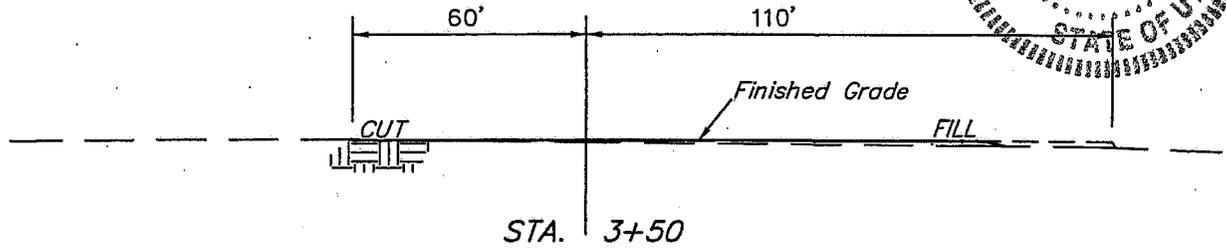
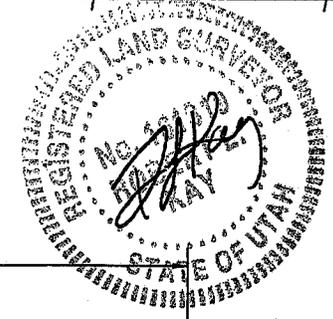


NOTE:  
Flare Pit is to be located  
a min. of 100' from the  
Well Head.

NOTES:  
Elev. Ungraded Ground At Loc. Stake = 4980.7'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4980.6'

TYPICAL CROSS SECTIONS FOR  
 TRIGGER FEDERAL NO. 1  
 SECTION 25, T6S, R21E, S.L.B.&M.  
 1316' FSL 1329' FWL

1" = 20'  
 X-Section  
 Scale  
 1" = 50'  
 DATE: 10-6-04  
 Drawn By: K.G.

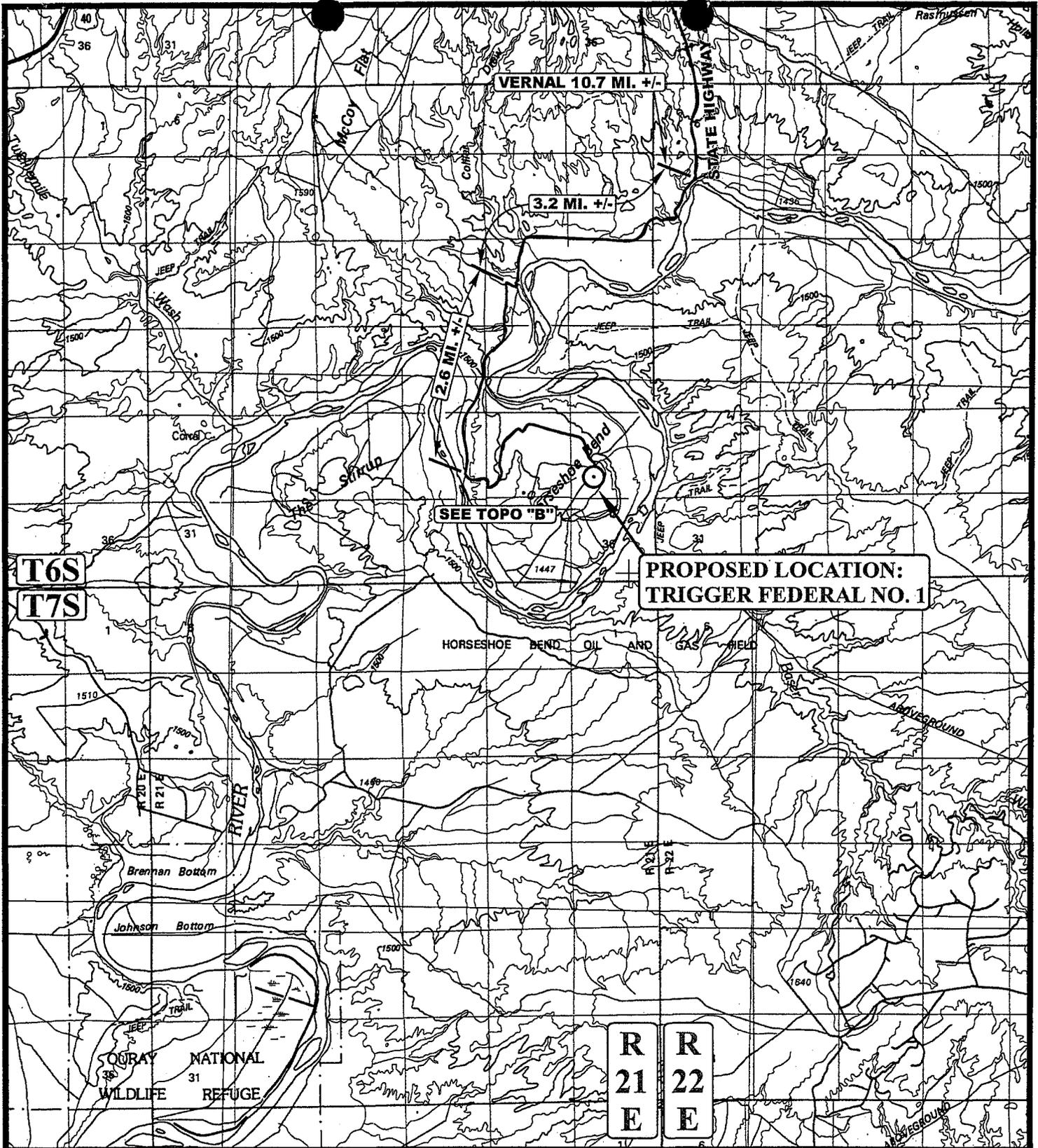


NOTE:  
 Topsoil should not be  
 Stripped Below Finished  
 Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,510 Cu. Yds.
Remaining Location	= 2,910 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 4,420 CU.YDS.</b>
<b>FILL</b>	<b>= 1,220 CU.YDS.</b>

\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION  
 EXCESS MATERIAL = 3,200 Cu. Yds.  
 Topsoil & Pit Backfill = 2,720 Cu. Yds.  
 (1/2 Pit Vol.)  
 EXCESS UNBALANCE = 480 Cu. Yds.  
 (After Rehabilitation)



**LEGEND:**

○ PROPOSED LOCATION



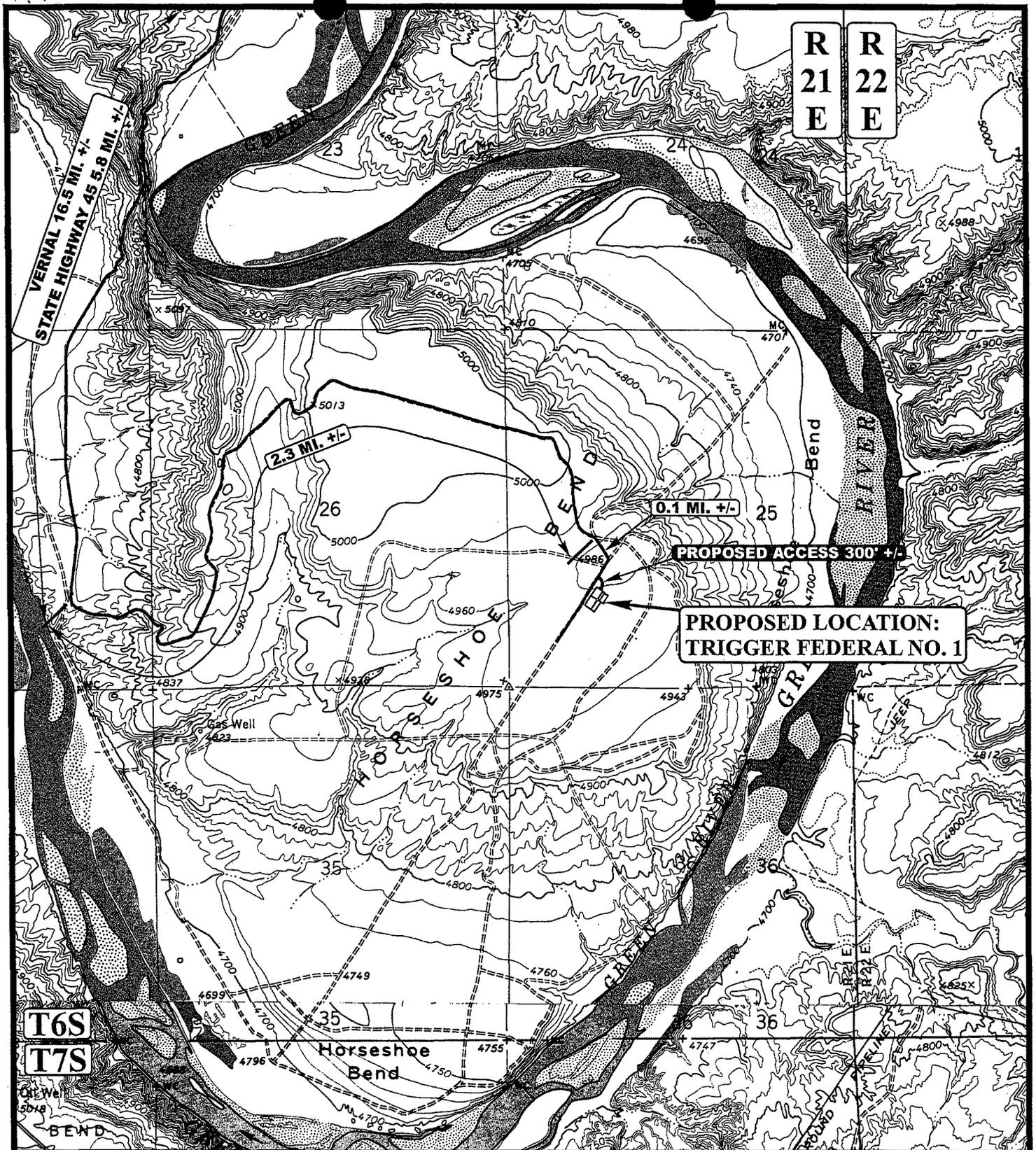
**ROBERT L. BAYLESS PRODUCER, LLC.**

**TRIGGER FEDERAL NO. 1**  
**SECTION 25, T6S, R21E, S.L.B.&M.**  
**1316' FSL 1329' FWL**

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

**TOPOGRAPHIC** 09 29 04  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

**ROBERT L. BAYLESS PRODUCER, LLC.**

**TRIGGER FEDERAL NO. 1**  
**SECTION 25, T6S, R21E, S.L.B.&M.**  
**1316' FSL 1329' FWL**

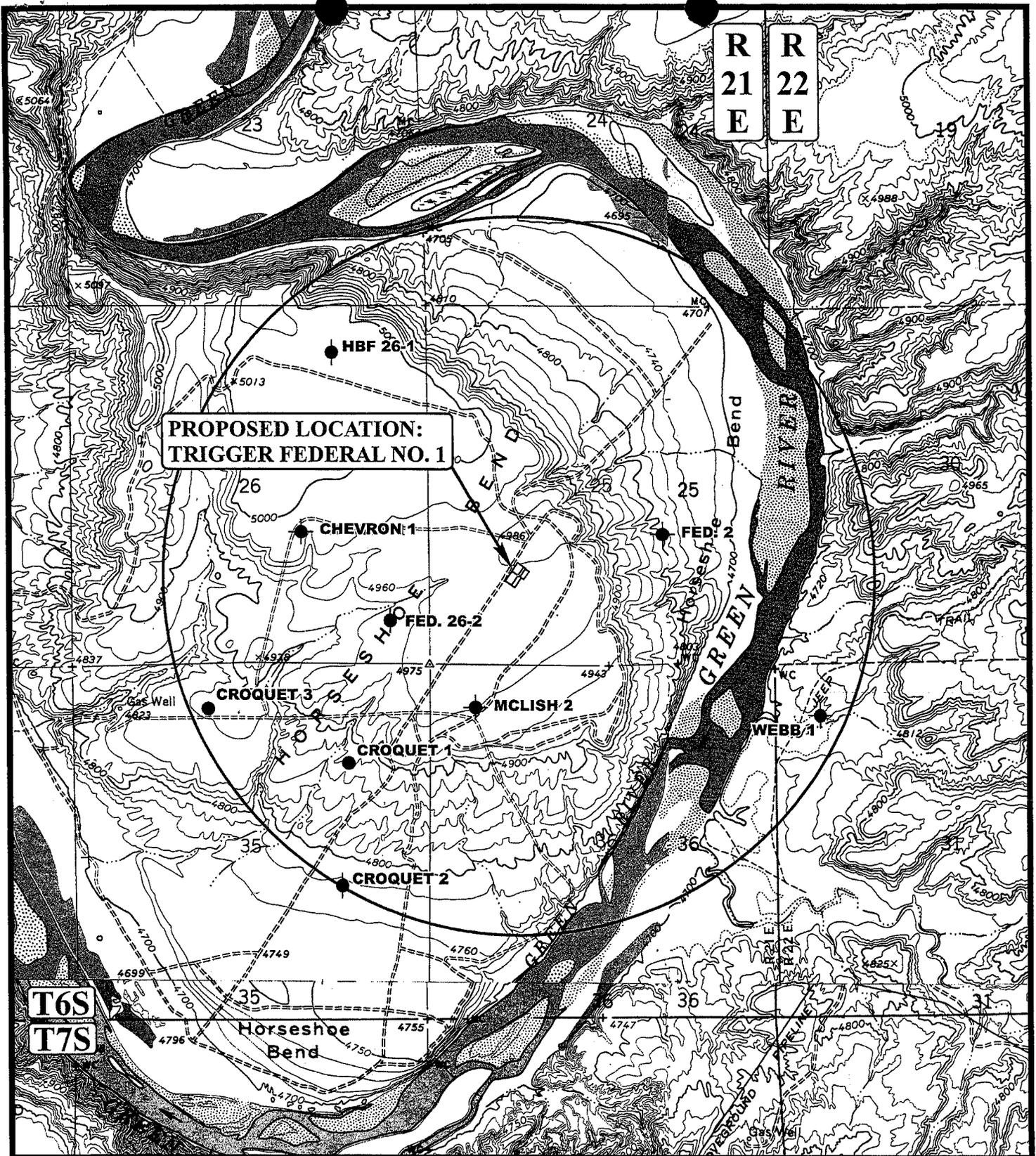


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC** 09 29 04  
**M A P** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**PROPOSED LOCATION:  
TRIGGER FEDERAL NO. 1**

**R 21 E  
R 22 E**

**T6S  
T7S**

**LEGEND:**

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊕ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



**ROBERT L. BAYLESS PRODUCER, LLC.**

**TRIGGER FEDERAL NO. 1  
SECTION 25, T6S, R21E, S.L.B.&M.  
1316' FSL 1329' FWL**



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

**TOPOGRAPHIC MAP**

<b>09</b>	<b>29</b>	<b>04</b>
MONTH	DAY	YEAR

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

**C  
TOPO**

7

# Robert L. Bayless, Producer LLC

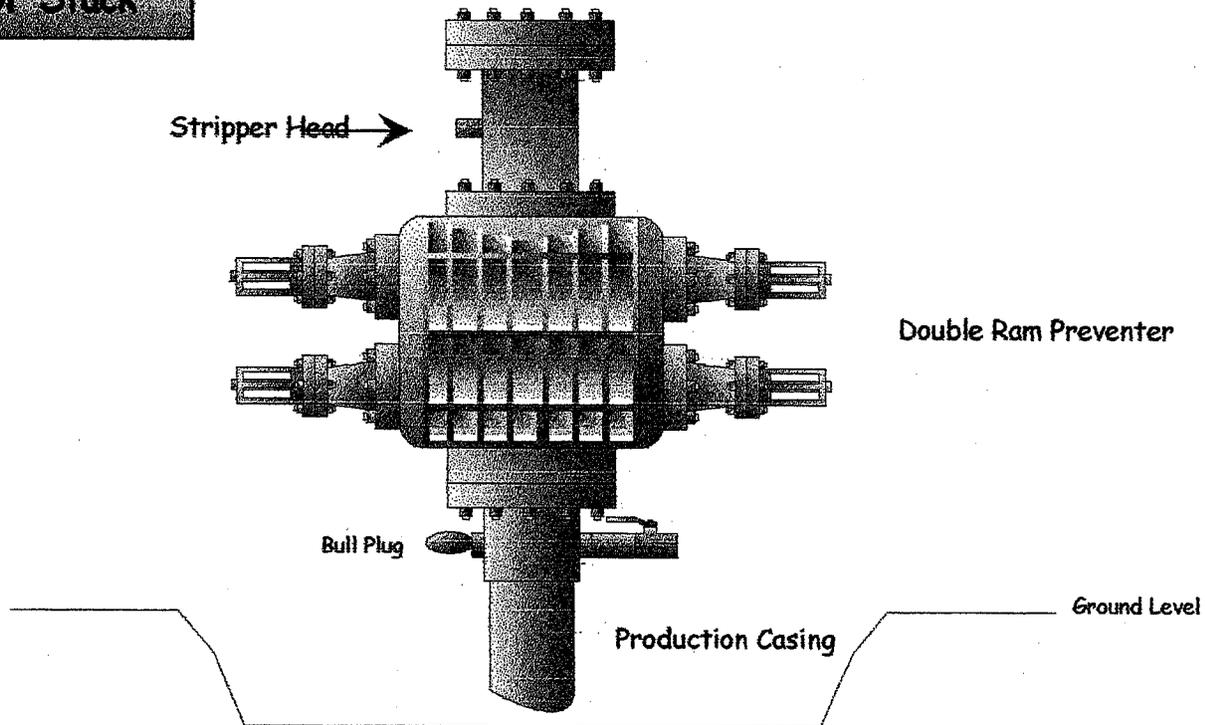
## Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

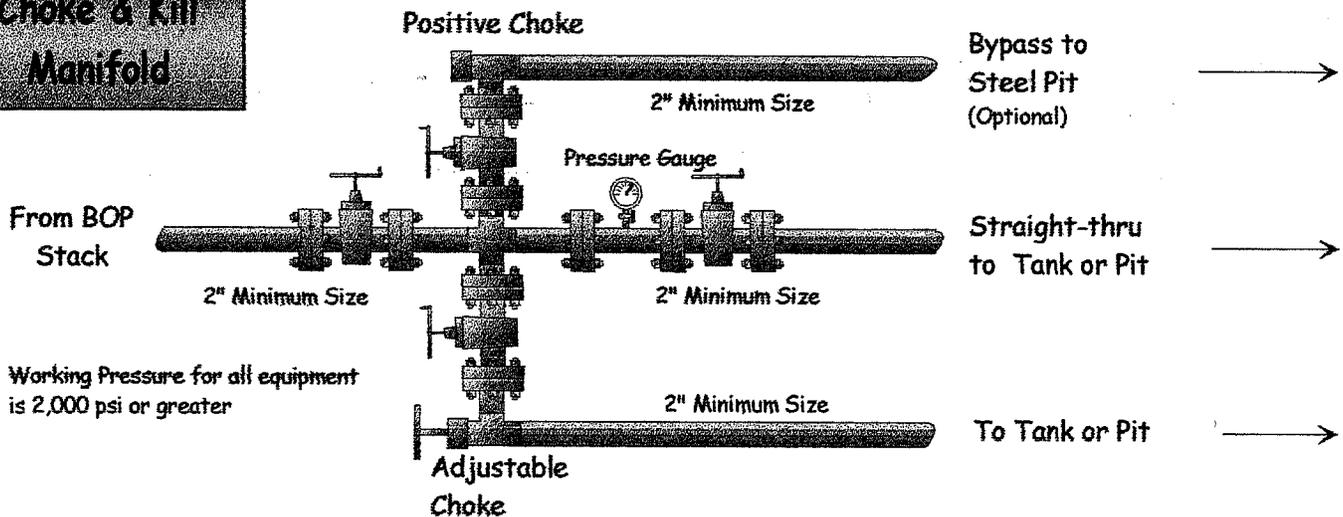
### Trigger Federal No. 1

Location: SW/4  
Sec. 25, T6S, R21E  
Uintah County, Utah

#### BOP Stack



#### Choke & Kill Manifold



WORKSHEET

APPLICATION FOR PERMIT TO DRILL

003

APD RECEIVED: 11/01/2004

API NO. ASSIGNED: 43-047-36043

WELL NAME: TRIGGER FED NO 1

OPERATOR: BAYLESS, ROBERT L PROD ( N7950 )

CONTACT: TOM MCCARTHY

PHONE NUMBER: 505-326-2659

PROPOSED LOCATION:

SESW 25 060S 210E  
 SURFACE: 1316 FSL 1329 FWL  
 BOTTOM: 1316 FSL 1329 FWL  
 UINTAH  
 HORSESHOE BEND ( 620 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 38401

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

COALBED METHANE WELL? NO

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

LATITUDE: 40.26653

LONGITUDE: -109.5081

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. 141769447 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-2166 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

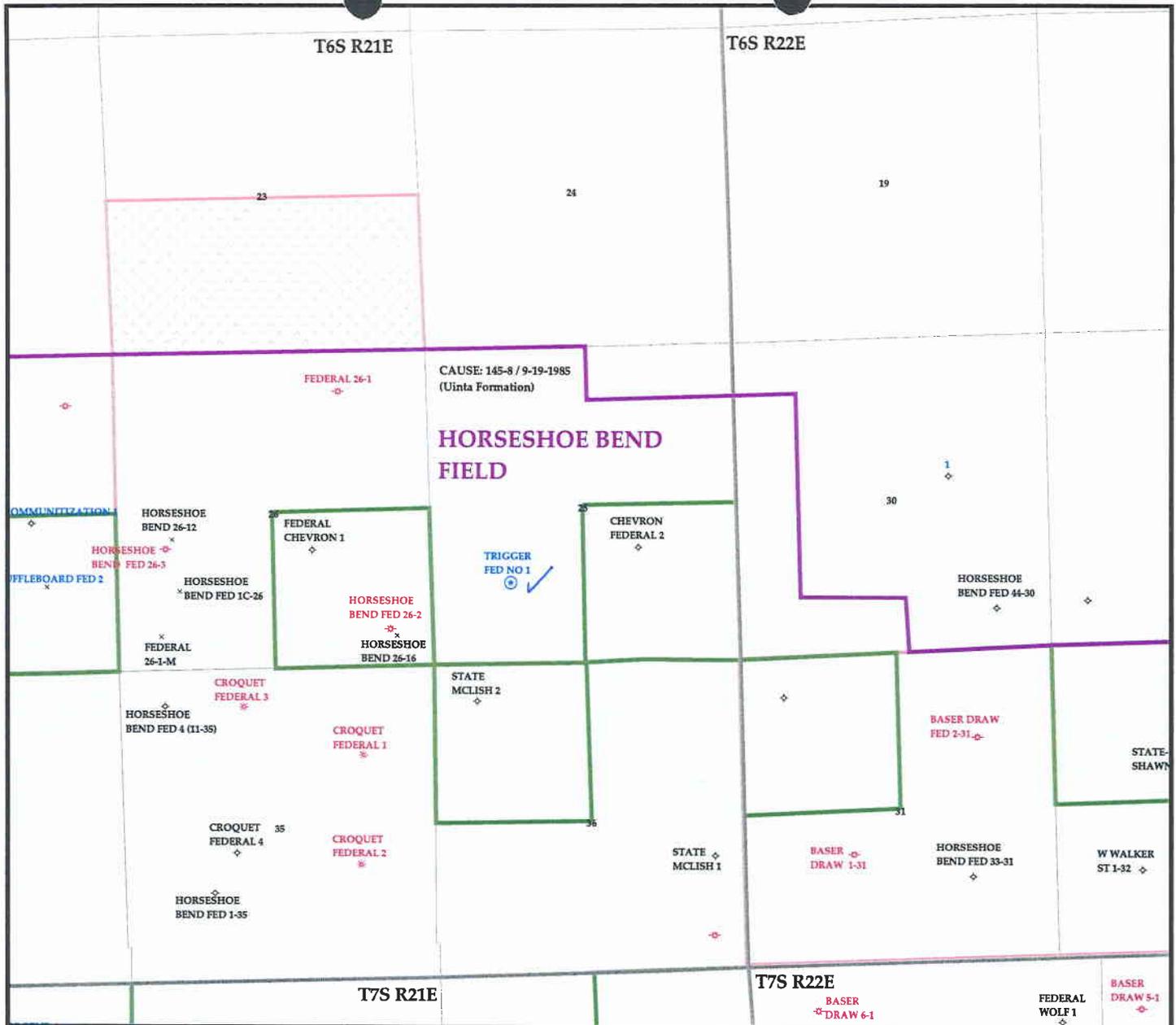
LOCATION AND SITING:

- R649-2-3.  
Unit \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. ~~Water~~
- Drilling Unit  
Board Cause No: 145-8  
Eff Date: 9-19-85  
Siting: 500' fr bdrly of 1/4 Sec.
- R649-3-11. Directional Drill

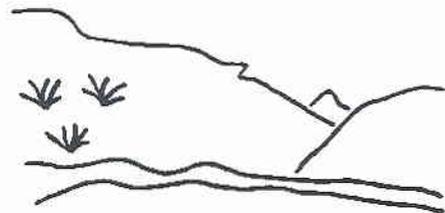
COMMENTS:

STIPULATIONS:

1- Federal Approval  
 2- Spacing Strip



OPERATOR: ROBERT L BAYLESS (N9300)  
 SEC. 25 T.6S R.21E  
 FIELD: HORSESHOE BEND (620)  
 COUNTY: UINTAH  
 SPACING: R649-33-1 EXCEPTION LOCATION Cause 1458/9-19-85



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: 2-NOVEMBER-2004



State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

November 18, 2004

Robert L. Bayless Producer, L L C  
P O Box 168  
Farmington, NM 87499

Re: Trigger Federal No. 1 Well, 1316' FSL, 1329' FWL, SE SW, Sec. 25,  
T. 6 South, R. 21 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 43-047-36043.

Sincerely,

John R. Baza  
Associate Director

pab  
Enclosures

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

Operator: Robert L. Bayless Producer, L L C  
Well Name & Number Trigger Federal No. 1  
API Number: 43-047-36043  
Lease: UTU-38401

Location: SE SW                      Sec. 25                      T. 6 South                      R. 21 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		7. Unit Agreement Name	
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Well <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		8. Farm or Lease Name, Well No. <b>Trigger Federal No. 1</b>	
2. Name of Operator <b>Robert L. Bayless Producer LLC</b>		9. API Well No. <b>43,047,316043</b>	
3. Address and Telephone No. <b>P.O. Box 168 Farmington, NM 87499 (505) 326-2659</b>		10. Field and Pool, or Wildcat <b>Horseshoe Bend</b>	
4. Location of Well (Report location clearly and in accordance with an State requirements*) At surface <b>1316' FSL &amp; 1329' FWL</b> At proposed prod. Zone same		11. Sec., T., R., M., or Blk, and Survey or Area <b>Section 25 - T6S - R21E</b>	
14. Distance in Miles and Direction from nearest Town or Post Office* <b>13 miles S of Vernal, Utah</b>		12. County or Parish <b>Uintah</b>	13. State <b>Utah</b>
15. Distance from Proposed* Location to nearest Property or Lease Line, ft. (Also to nearest drlg. Unit line, if any) <b>4' (lease); 1316'(unit)</b>	16. No. of Acres in Lease <b>637.45</b>	17. No. of Acres Assigned to this Well <b>320</b>	
18. Distance from Proposed Location* to nearest Well, Drilling, Completion, or applied for, on this Lease, ft. <b>2000'</b>	19. Proposed Depth <b>3870</b>	20. Rotary or Cable Tools <b>Rotary</b>	
21. Elevations (Show whether DF, FT, GR. Etc.) <b>4981' GR</b>		22. Approx. Date Work Will Start <b>ASAP</b>	

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Grade, Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12 1/4"	8 5/8"	24	250 ft	190 sx Class G 2% CaCl (222 cf)
7 7/8"	4 1/2"	10.5	3870 ft	128 sx Premium Lite 2 (438 cf), tail with 530 sx 50:50 Poz G (658 cf)

Will drill 12 1/4" hole to 250' and set 270' 8 5/8" casing, cemented with 190 sx. Will drill to 3870' with a 7 7/8" hole and set 3870' 4 1/2" casing. Casing will be cemented with 658 sx. All casing is new. Circulating medium will be clear water, mud, and water loss control additives. No abnormal pressures or temperatures are expected. Induction and density logs will be run. Blowout preventer schematics are attached. Formation tops are attached.

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APR 01 2005

DIV. OF OIL, GAS & MINING

RECEIVED

NOV - 1 2004

BLM VERNAL, UTAH

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present production zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Signed [Signature] Title Engineer Date 10/29/04

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

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

CONDITIONS OF APPROVAL, IF ANY: Approved By [Signature] Title Assistant Field Manager Mineral Resources Date 03/18/2005

See Instruction on Reverse Side

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

0525 3043  
UDOGM

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED  
10/14/04

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Robert L. Bayless Producer LLC  
Well Name & Number: Trigger Federal #1  
Lease Number: U-38401  
API Number: 43-047-36043  
Location: SESW Sec. 25 T.6S R. 21E  
Agreement: N/A

**CONDITIONS OF APPROVAL**

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

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

A. DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and

individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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

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

3. Mud Program and Circulating Medium

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

4. Coring, Logging and Testing Program

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

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

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

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

5. Notifications of Operations

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

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

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

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

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

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

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

APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

6. Other Information

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

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

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

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

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

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

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

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

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

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

Kirk Fleetwood (435) 828-7874  
Petroleum Engineer

Michael Lee (435) 828-7875  
Petroleum Engineer

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

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

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

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Well No.: Trigger Federal #1

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

Well No.: Trigger Federal #1

**CONDITIONS OF APPROVAL**  
 For The Surface Use Program Of The  
 Application For Permit To Drill

Company/Operator:	Robert L. Bayless Producer LLC	API Number: 43-047-36043
Well Name & Number:	Trigger Federal 1	Surface Ownership: BLM
Lease Number:	UTU0136568	Date NOS Received: 10/14/04
Location:	S2SW, Sec. 5, T7S, R22E	Date APD Received: 11/01/04

- All facilities will be painted Carlsbad Canyon.
- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- Do not construct the workover pit as proposed in the APD. During completion of the well, utilize the reserve pit for workover activities. After the reserve pit is reclaimed, if a workover pit is required apply to this office for a temporary workover pit, or utilize a temporary tank in the stead of an earthen pit.
- Control noxious weeds along road corridors and on well pads. If pesticides are to be used, a Pesticide Use Permit must be acquired from this office.
- No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount 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.
- The reclamation seed mix for this location shall be:
 

Indian Ricegrass	<i>Achnatherum hymenoides</i>	3 lbs./acre
Fourwing saltbush	<i>Atriplex canescens</i>	3 lbs./acre
Scarlet globemallow	<i>Sphaeralcea coccinea</i>	3 lbs./acre
Needle and Threadgrass	<i>Hesperostipa comata ssp. comata</i>	3 lbs./acre

  - All pounds are in pure live seed.
  - Reseeding may be required if first seeding is not successful.
- 4 to 6 inches of topsoil should be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

*SUBMIT IN TRIPLICATE - Other instructions on reverse side*

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. Trigger Federal No. 1
2. Name of Operator Robert L. Bayless, Producer LLC	9. API Well No. 43-047-36043
3a. Address PO Box 168, Farmington, NM 87499	3b. Phone No. (include area code) (505) 326-2659
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1316' FSL & 1329' FWL, Sec. 25, T6S, R21E	10. Field and Pool, or Exploratory Area Horseshoe Bend
	11. County or Parish, State Uintah County, Utah

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

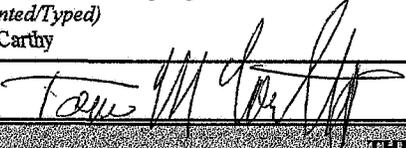
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

Bayless plans to abandon this location. No work was done on location except staking the well.

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JUL 26 2005  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Tom McCarthy	Title Petroleum Engineer
Signature 	Date 7/18/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

**State of Utah****Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

August 3, 2005

Tom McCarthy  
Robert L. Bayless, Prod. LLC  
PO Box 168  
Farmington, NM 87499

Re: APD Rescinded - Trigger Federal 1 Sec. 25, T.6S, R. 21E  
Uintah County, Utah API No. 43-047-36043

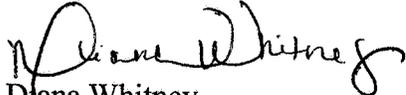
Dear Mr. McCarthy:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 18, 2004. On July 26, 2005, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 26, 2005.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Whitney  
Engineering Technician

cc: Well File  
Bureau of Land Management, Vernal



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal Field Office  
170 South 500 East  
Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410  
<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:  
3160  
UT08300

April 11, 2006

43-047-36043

Tom McCarthy  
Robert L. Bayless, Prod. LLC  
P. O. Box 168  
Farmington, NM 87499

Re: Notification of Expiration  
Well No. Trigger No. 1  
SESW, Sec. 25, T6S, R21E  
Uintah County, Utah  
Lease No. U-38401

Dear Mr. McCarthy:

The Application for Permit to Drill the above-referenced well was approved on March 18, 2005. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Wilcken  
Land Law Examiner

cc: UDOGM

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

RECEIVED

APR 21 2006

DIV. OF OIL, GAS & MINING