

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

001

(Other instructions on reverse side)
Docket Dwg No. 1004-0130
Expires December 31, 1971

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-73904
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Rosewood Resources, Inc.		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 1668 Vernal, UT 84078		8. FARM OR LEASE NAME Lizard Creek
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At Surface 810' FNL 1002' FWL At proposed Prod. Zone NWNW SEC 11 T11S R22E		9. WELL NO. #11-1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 25 miles South of Ouray, Utah.		10. FIELD AND POOL OR WILDCAT -Wildcat Undesignated
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest ddg. unit line, if any) 810'	16. NO. OF ACRES IN LEASE 1600	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC 11 T11S R22E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None	19. PROPOSED DEPTH 8500'	12. COUNTY Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5119' ungraded GR	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	13. STATE Utah
23. PROPOSED CASING AND CEMENTING PROGRAM		22. APPROX. DATE WORK WILL START* Upon Rig Availability

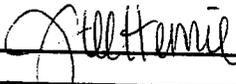
SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	1000'	550 sx - Circulate to surface
7 7/8"	4 1/2"	11.6#	8500'	1360 sx - Cement to surface

Rosewood Resources, Inc. proposes to drill a well to 8500' to test the Wasatch and Mesa Verde formations. If productive, casing will be set and the well completed. If dry, the well will be plugged and abandoned as per BLM & State of Utah requirements.

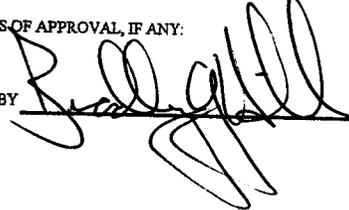
See Onshore Order No. 1 attached. **CONFIDENTIAL-TIGHT HOLE** **RECEIVED**
FEB 18 2005

Bond coverage for this well is provided by Nationwide Bond no. MT-0627. The principal is Rosewood Resources, Inc. **DIV. OF OIL, GAS & MINING**

surety consent as provided for in 43 CFR 3104.2
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive 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  TITLE Administrative Assistant DATE 2-15-05

(This space for Federal or State office use)
PERMIT NO. 43-047-36316 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  **BRADLEY G. HILL**
ENVIRONMENTAL SCIENTIST III DATE 02-24-05

***See Instructions On Reverse Side**

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

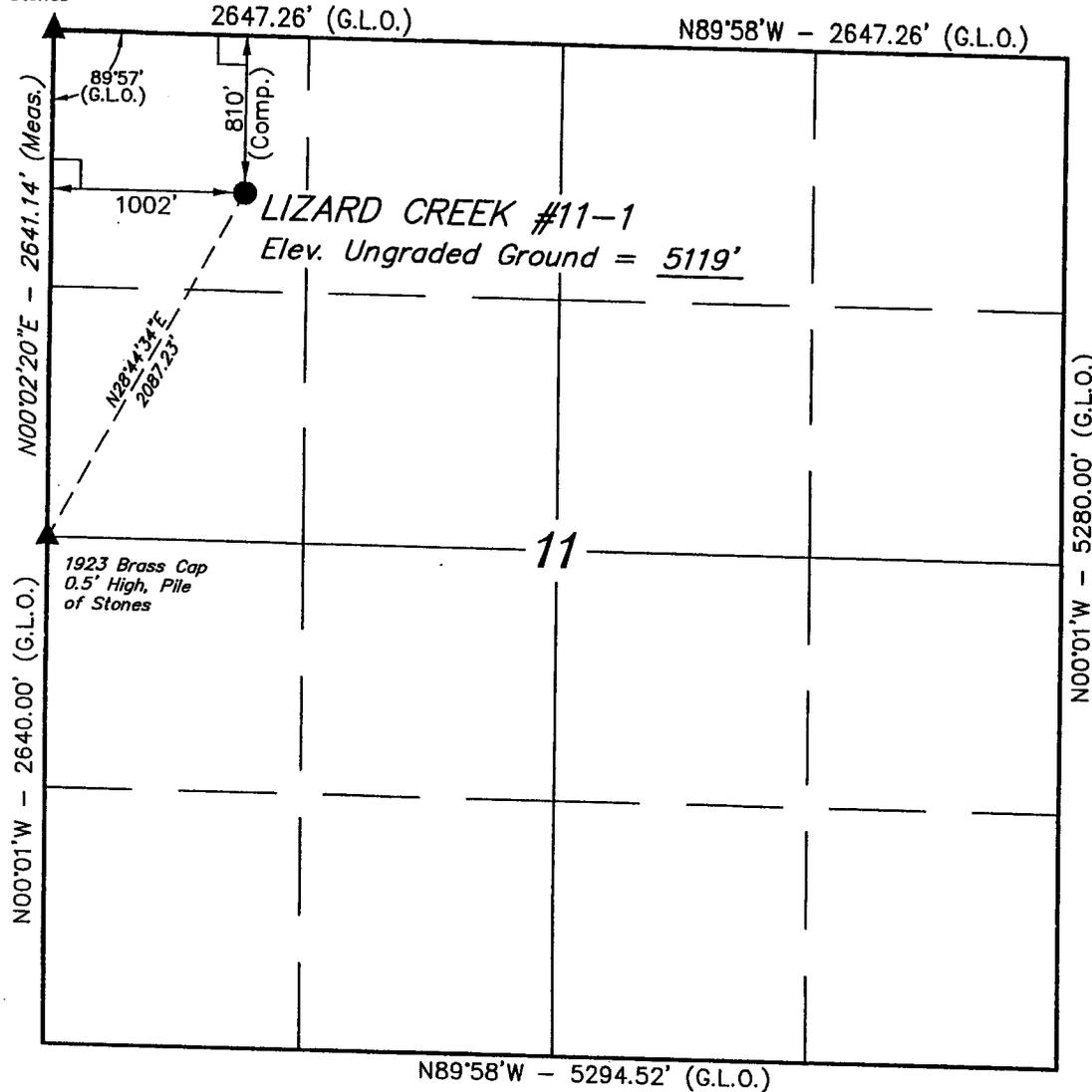
**Federal Approval of this
Action is Necessary**

T11S, R22E, S.L.B.&M.

ROSEWOOD RESOURCES, INC.

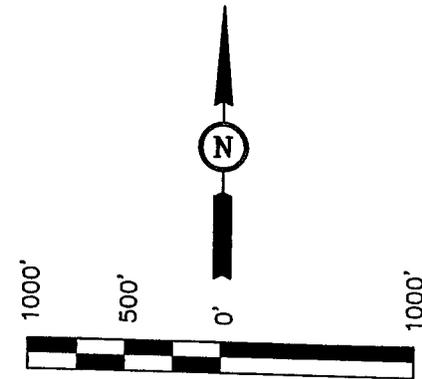
Well location, LIZARD CREEK #11-1, located as shown in the NW 1/4 NW 1/4 of Section 11, T11S, R22E, S.L.B.&M. Uintah County, Utah.

1923 Brass Cap
0.1' High, Pile
of Stones



BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 12, T11S, R22E, S.L.B.&M. TAKEN FROM THE BUCK CAMP CANYON, QUADRANGLE, UTAH UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5973 FEET.



SCALE

CERTIFICATE

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

Edward A. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)
LATITUDE = 39°52'48.39" (39.880108)
LONGITUDE = 109°25'41.43" (109.428175)
(AUTONOMOUS NAD 27)
LATITUDE = 39°52'48.51" (39.880142)
LONGITUDE = 109°25'38.98" (109.427494)

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 2-3-05	DATE DRAWN: 2-8-05
PARTY G.S. D.L. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ROSEWOOD RESOURCES, INC.	

002

02/14/05

Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, UT 84078

RECEIVED
FEB 18 2005

DIV. OF OIL, GAS & MINING

To Whom it May Concern;

Rosewood Resources, Inc. would like to respectfully request that the suspension of exploration be extended on lease UTU 73904 in the Bitter Creek area due to Rosewood's intended drilling operations. An APD has been submitted to the BLM Vernal Field Office and upon approval and rig availability Rosewood intends to drill on this acreage. The proposed location is as follows: NWNW SEC 11 T11S R22E 810'FNL 1002'FWL.

Thank you for your patience in this matter.

Sincerely,



Jill Henrie
Administrative Assistant
Rosewood Resources, Inc
P.O. Box 1668
Vernal, Utah 84078
Jill_henrie@rosewd.com

435-789-0414 X10

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Order No. 1 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>
Uintah A	Surface	+5119'
Wasatch	3400'	+1719'
Mesa Verde	5660'	-541'
T.D.	8500'	-3381'

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas/Oil	Wasatch	3400' - 5660'
Gas/Oil	Mesa Verde	5660' - 8500'

All fresh water or 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

Rosewood's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000# psi W.P.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 2

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure rating of casing. Pressure shall be maintained for at least 10 minutes or until test requirements 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, no more than a 10% decline in pressure in a 30 minute time period will be acceptable. Valve on casinghead below test plug must be open during test.

Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until test requirements 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**
- d. 30-day intervals**

Valves shall be tested from working pressure side during BOPE tests with all downstream valves open.

When testing kill line valve(s) the check shall be held open or 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 BOP safety drill shall be conducted weekly for drilling crews.

Pressure tests shall apply to all related well control equipment.

All prescribed tests and or drills shall be recorded in the daily drilling log.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 3

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 place until well operations are completed. Preventers will be inspected and operated at least daily to ensure good mechanical working order, this will be recorded on daily drilling report.

The BLM District Office shall be notified with sufficient lead time to have their representative on location during BOPE 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 on rigs drilling in this area utilize a 10" 3000# W.P. blowout preventer.
 - b. A choke line and a kill line will be properly installed. The kill line will not be used as a fill-up line.
 - c. The accumulator system shall have a pressure capacity to provide repeated operation of hydraulic preventers.
 - d. Drill string safety valve(s) to fit all tools in the drill string will 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 approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones and any prospectively valuable mineral deposits. 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 sufficient to handle maximum pressure to which it may be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons;

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 4

Fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals or 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.**
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells.**
- d. Casing collars shall have a minimum clearance of 0.422 inches on 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 tested used casing that meets or exceeds API standards for new casing.**
- g. The surface casing shall be cemented to surface either during the primary cement job or by remedial cementing.**
- h. All indications of usable water shall be reported to the AO prior to running the next string of casing or before plugging orders are requested, whichever occurs first.**
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.**
- j. Top plugs shall be used to reduce the contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a preflush fluid, inner string cement method, etc. shall be utilized to help prevent cement contamination.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 5

- k. All casing strings below the conductor shall be tested to 0.22 psi per foot of casing length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action will be taken.
- l. On all exploratory wells and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight anticipated to control the well to the next casing point. This test shall be performed before drilling more than 20' of new hole.
- m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-1000'	12 ¼"	9 5/8"	36#	K-55	ST&C	New
Production	0-8500'	7 7/8"	4 ½"	11.6#	N-80	LT&C	New

- n. Casing design subject to revision based on geological conditions encountered.
- o. The cement program will be as follows:

Surface
0-1000'

Type and Amount
550 sx Class "G" with 2% CaCl and ¼#/sk Cello-Flake.

Production
0-8500'

Type and Amount
1st Stage: 1000 sx Class "G" with 2% Gel, 2% Micro-Bond .3% CFR 3, 0.5% Halad 9 & ¼#/sk Cello-Flake. Top of cement on 1st stage @ 3400'. Cement stage tool @ 3000' +/-.

2nd Stage: 360 sx Prem Lite with 3% Salt, 2% Micro-Bond, 1% Econolite and ¼#/sk Cello-flake. Top of cement on 2nd Stage @ surface.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 6

- p. Anticipated cement tops will be reported as to depth; not the expected number of cement sacks to be used. The District Office will be notified, with sufficient lead to have an AO to witness running all casing strings and cementing.**
- q. After cementing but before commencing any test, the casing shall stand idle 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 District Office within 30 days of completing work.**

 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:**

 - a. Setting of each string of casing, showing the size, weight, grade of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated to surface or top of cement behind casing, depth of cementing tools used, casing test method and results and the date performed. Show the Spud date on the first reports submitted.**
 - b. Temperature or bond logs must be submitted for each well where cement was not circulated to surface.**
- s. Auxiliary equipment to be used is as follows:**

 - 1. Kelly Cock Valve**
 - 2. No bit float is deemed necessary.**
 - 3. Sub with full opening valve.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 7

5. Mud Program

- a. The proposed circulating mediums to be used during 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>
0-500'	Air/Clear Water	8.3 ppg	---	N/C	---
500-2000'	Clear Water	8.3 ppg	---	N/C	---
2000-8500'	Water/Gel	8.4-9.7	30-40	8	---

There will be sufficient mud on location to control a kick should one occur.

A mud test will 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 monitored visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian Lands without prior 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 in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 8

5. Evaluation Program

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

- a. No Drill Stem Tests are anticipated, however, if DST's are run, the following requirements will be adhered to:**

Initial opening of DST tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the AO. 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 AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be reversed out of the test string under controlled surface conditions. This would involve 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. An AIT/GR/CDL/ML/GR will be run from the surface casing to T.D.**
- c. No cores will be run.**
- d. Whether the well is completed as a dry hole or a producer, a "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, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data,**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 9

geologic summaries, sample description and all pertinent information compiled during the drilling, completion and/or workover operations.

- e. The anticipated completion program will be to test prospective zones in the Mesa Verde and Wasatch Formations by perforating and fracture stimulation.**
 - f. Daily drilling and completion progress reports shall be submitted to the Vernal Office on a weekly basis.**
- 7. Abnormal Temperatures or Pressures**
- a. The expected bottom hole pressure is 3000 psi**
 - b. No hydrogen sulfide gas, no abnormal pressures or temperatures are anticipated.**
- 8. Anticipated Starting Dates and Notification of Operations**
- a. Drilling will commence as soon as rig is available.**
 - b. It is anticipated that the drilling of this well will take approximately 10 days.**
 - c. The BLM in Vernal, Utah will be notified of anticipated dates to begin road & location construction and spud date.**
 - d. No location will be constructed or moved without approval from the AO. If well is plugged or suspended, prior approval from the AO must be obtained and notification given before resuming operations.**
 - e. The spud date will be reported orally to the AO within 48 hours after spudding. If well is spud on a weekend or holiday, the report will be submitted the following regular work day. Follow oral report with Sundry Notice.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 10

- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", 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 Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078
- g. **Immediately Report:** Spills, blowouts, fires, leaks, accidents or any other unusual occurrences will be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. A Completion Rig will be moved in following drilling operations. All conditions of this approved plan are applicable during the completion operations.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date the well is put on line.
- j. 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 a permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day period.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

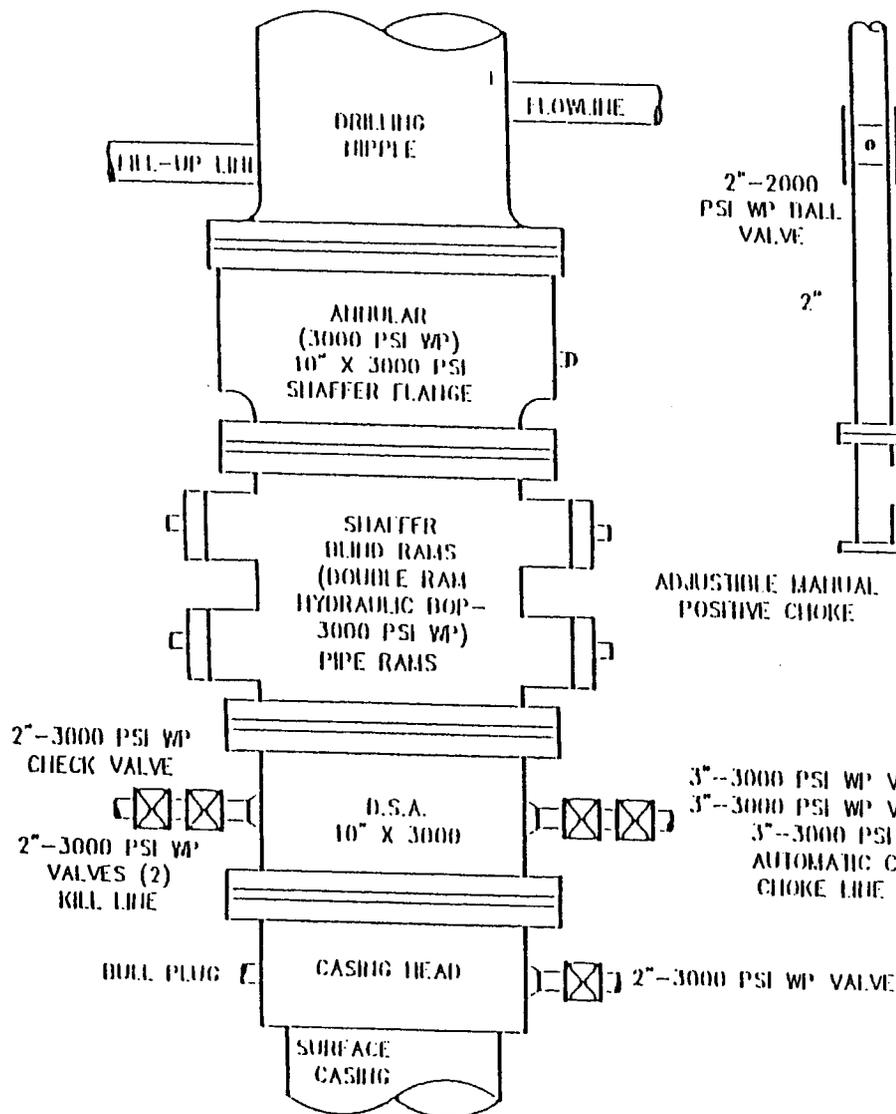
Uintah County, Utah

DRILLING PROGRAM

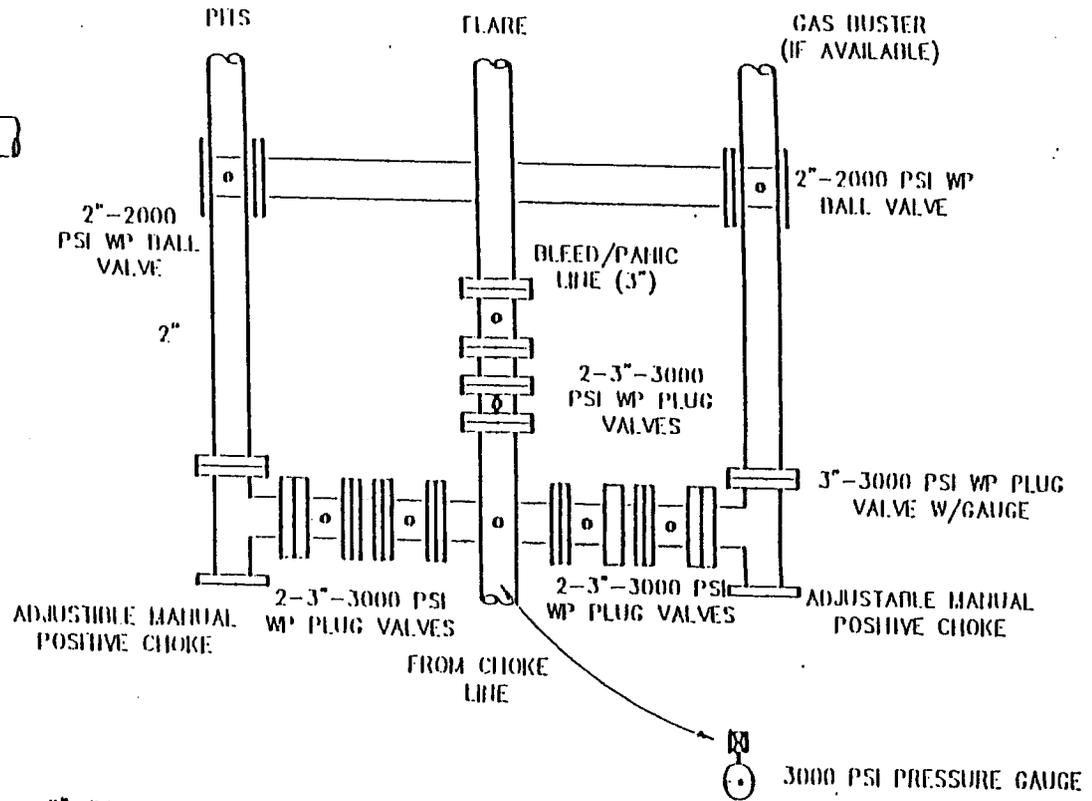
Page 11

- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore 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 (b.4.)**
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.**
- n. No well abandonment operations will commence without prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed with the AO within 30 days following abandonment operations. This report will indicate where plugs were placed and the current status of the 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 the surface managing agency.**
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see their exploration, development, production and construction operations are conducted in a manner which conforms with applicable Federal, State and Local laws and regulations.**

DOP SCHEMATIC
3000 PSI WORKING PRESSURE



PLAN VIEW CHOKE MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

- | | |
|---|---|
| Location Construction - | Forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion - | Prior to moving in 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. |
| BOPE and Related -
Equipment Tests | Twenty-four (24) hours prior to initiating pressure tests. |
| First Production - | Within five (5) business days after new well begins or production resumes after well has been off line for more than ninety (90) days. |

The onsite inspection for the subject well is scheduled for Friday, Feb 25th, 2005 at approximately 8:00 a.m. Scheduled to meet are the following individuals:

Stephanie Howard	Bureau of Land Management
Dixie Sadlier	Bureau of Land Management
Robert Kay	Uintah Engineering & Land Survey
Danny Widner	Rosewood Resources, Inc.
Jill Henrie	Rosewood Resources, Inc.

1. Existing roads

- a. The proposed well is located approximately 25 miles south of Ouray, Ut.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

SURFACE USE PLAN

Page 2

- b. Directions to the location from Bonanza, Utah are as follows:**

Proceed south on State Road 45 (paved) for 4 miles. Turn south (left) on the Book Cliffs road (dirt). Proceed 3.9 miles to the Greeks Corral. Turn west (right) at the fork in road. Proceed 8.3 miles to Asphalt Wash sign. Stay to the right of the sign. Proceed .7 miles to Rainbow sign. Stay to the west (right). Follow to Bitter Creek Road signs. Go to Bitter Creek Corral. Turn North and follow Bitter Creek 4.5 Miles to location on left hand side of road.

- c. For location of access roads within 2-mile radius, see Maps A & B.**
- d. Improvement to the existing access (BLM and County Roads) 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 any newly constructed roads will be maintained in accordance with the standards of the Surface Managing Agency.**

2. Planned Access Roads

- a. The last 300' of proposed access will be flat bladed with minimal disturbance. The remainder of the access is maintained by the County Road Dept. or is a BLM road.**
- b. The maximum grade of the new construction will be approximately 3%.**
- c. No turnouts are planned at this time.**
- d. There are no major cuts or fills. No culverts and/or bridges will be required.**
- e. The new access road was centerline flagged at the time of staking.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 3

- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- g. No cattleguards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
- i. 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)
- j. 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, crowning and capping the roadbed as necessary to provide a well constructed and 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 crossing type. Crossings will be designed to prohibit siltation or accumulation of debris in the crossing nor shall the drainage be blocked by the road. Erosion of barrow ditches by runoff water shall be prevented by diverting water 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.
- k. If the well is productive, additional water drainage would be added to keep water off the roadway.
- l. 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 drilling of this well.
- m. No road right-of-way will be required at this time.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 4

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.
See Map "B".

- a. **Water wells – none**
- b. **Injection wells – none**
- c. **Producing wells –one : Westport Oil & Gas. Bitter Creek #1-3 Well
SW/NE SEC 3 T11N R22E**
- 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 Pumping Units) will be painted Olive Black. All facilities will be painted within six months of installation. Facilities required to comply with Occupational Safety and Health Act (OSHA) will be excluded.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 5

- b. If storage facilities/tank batteries are constructed on this lease, they will be surrounded by a containment dike of sufficient capacity to contain 1 ½ times the contents of the largest tank or vessel, unless more stringent protective requirements are deemed necessary by the AO.**
- c. A typical production layout is attached. If at the time of production it is determined that an alternate layout is necessary, a Sundry Notice will be submitted showing placement of all production facilities prior to construction.**
- d. All load lines will be placed inside the containment dike.**
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead, to the meter and 500 feet downstream of the meter run. 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 and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and on all future calibrations. A copy of the calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 5 for natural gas measurement.**
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contradiction in the unit or other lease or boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the AO.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 6

- h. Any necessary pits will be properly fenced to prevent wildlife entry.**
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.**
- j. All off-lease storage, off-lease measurement or commingling on-lease or off-lease will have prior approval from the District Manager.**
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.**
- l. The road will be maintained in a safe useable condition.**
- m. The surface pipeline will be 4" welded steel and will be 2700' in length. The pipeline route is shown on Map "C".**

5. Location and Type of Water Supply

- a. The proposed water source for this well is the Rock House 5A.**
- b.**
- c. Water will be hauled over the roads shown on Maps "A" and "B".**

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.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

SURFACE USE PLAN

Page 7

- c. **The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.**
- d. **No construction materials will be removed from Federal land.**

7. Methods of Handling Waste Disposal

- a. **The reserve pit will be constructed so as not to leak, break or allow discharge.**
- b. **The reserve pit will be lined with 10 mil. Plastic liner. The pit area will be sufficiently bedded with either straw or felt prior to installing liner. The liner will overlap the pit walls and be covered with dirt 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 AO.**
- c. **Burning will not be allowed. All trash will be contained in a trash cage and its contents hauled to an approved disposal facility.**
- d. **After first production, produced water will be confined to a pit or storage tank for a period not to exceed ninety (90) days. During this time, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with water analysis, will be submitted for the AO's approval.**
- e. **Drill cuttings are to be contained and buried in the reserve pit.**
- f. **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.**
- g. **A chemical portable-toilet will be furnished with the drilling rig.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 8

8. Ancillary Facilities

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

9. Well Site Layout

- a. The operator or dirt contractor shall contact the BLM Office at (435) 789-1362, forty-eight (48) hours prior to construction activities.**
- b. The reserve pit will be on the northwest side of the location.**
- c. The flare pit will be located downwind of the prevailing wind direction on the northwest side, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.**
- d. The stockpiled topsoil (first six inches) will be stored on the southeast and northeast corners of the location as shown on the Pit & Pad Layout. No separate topsoil pile for the reserve pit reclamation will be utilized. Topsoil along the access route will be windrowed on the uphill side.**
- e. Trees will be stockpiled separately from the topsoil and subsoil on southwest corner off location.**
- f. Access to the well pad will be from the south as shown in the Pit & Pad Layout.**
- g. See Location Layout for orientation of rig, cross section of drill pad, cuts and fills.**
- h. The location of mud tanks, reserve pit, trash cage, pipe racks and living facilities are also shown on the Location Layout.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 9

- i. During construction, all brush/trees will be removed from the well pad and access road to be stockpiled separately from the topsoil piles as shown in the Pit & Pad Layout.**
- j. All pits will be fenced to the following minimum standards:**

 - 1. 39 inch net wire shall be used with at least one strand of 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 should 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.**
- k. The reserve pit fencing will be on three sides during the drilling operations and on the fourth side when the rig is moved off the location. Pits will be fenced and maintained until cleanup.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 10

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 in accordance with 43 CFR 3162.7-1.**
- c. **The plastic nylon reinforced liner shall be torn and perforated before backfilling the reserve pit.**
- d. **The reserve pit and that portion of the location not needed for production facilities/operations will be contoured to approximate the original contours of the site.**
- e. **Reclamation of unrequired areas on the well pad/access road no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the AO.**

The seed mixture requested by the BLM for reclamation of the drillsite will be determined upon completion of the onsite inspection.

Seeding will be performed with approval from AO. Generally seeding is performed in the Fall prior to permanent ground freezing. Seed will be drilled or broadcast and seed walked in with dozer.

- f. **The topsoil stockpile will be seeded with above determined seed mixture.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 11

Dry Hole

- g. At such time as the well is plugged and abandoned, the operator shall submit a Subsequent Report of Abandonment and the AO will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All roads are county maintained or managed by the BLM.

Well pad - The well pad is located on lands managed by the BLM.

Mineral Ownership

The minerals are owned by the Federal Government and have been leased by Rosewood Resources, Inc.

12. Other Information

- a. A Class III archeological survey has been conducted by Sagebrush Archeology. A copy of this report will be sent directly to the appropriate agencies by Sagebrush Archeology.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing and/or collecting artifacts from historic or archeological sites. If historic or archeological materials are uncovered during construction, the operator is to immediately halt all operations and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 12

-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 an 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 that 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 BLM, or appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides, pesticides or other potentially hazardous chemicals.**
- d. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any time without BLM authorization.**
- e. A Diversion Ditch will be constructed around north edge of location. See Pit & Pad Layout.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 13

- f. All lease and/or unit operations will be conducted in such a manner that full compliance with all applicable laws, regulations, Onshore Oil and Gas Orders, 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 the approved APD shall be on location during construction and drilling activities.**
- g. A complete copy of the APD shall be on location during construction of location and drilling activities.**
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices shall be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.**
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be used to request plan changes and other operations in accordance with 43 CFR 3162.3-2.**
- j. 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 expiration of the original approval. After permit termination, a new application will need to be filed for any future operations.**
- k. The operator or his contractor shall contact the BLM Offices at (435) 789-1362 48 hours prior to beginning construction activities.**
- l. The BLM Office shall be notified upon site completion prior to moving in the drilling rig.**
- m. In the event after-hours approval is necessary, please contact one of the following individuals:**

Jerry Kenczka
BLM Fax Machine

Petroleum Engineer (435)781-1190
(435)789-3634

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
810' FNL 1002' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 14

13. Lessee's or Operator's Representatives

ROSEWOOD RESOURCES, INC.
P.O. Box 1668
Vernal, Utah 84078
435/789-0414 (O)

Permit Matters

Jill Henrie – 435/789-0414 Ext. 10

Drilling & Completion Matters

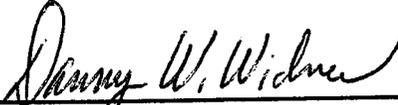
Danny Widner – 435/789-0414 Ext. 11 (Office)
435/828-6100 (Mobile)

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 Rosewood Resources, Inc. and it's contractors and subcontractors 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. 1001 for the filing of a false statement.

2-15-05
Date:



Danny Widner
Drilling Superintendant
Rosewood Resources, Inc.

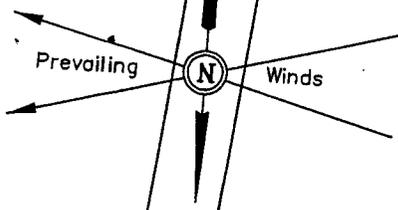
A Class III Archaeological Survey has been conducted by Sagebrush Archaeology. A copy of this report will be submitted directly to the appropriate agencies by Sagebrush Consultants, L.L.C.

JOSEWOOD RESOURCES, INC

LOCATION LAYOUT FOR

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
810' FNL 1002' FWL

D. Kay



SCALE: 1" = 50'
DATE: 2-8-05
Drawn By: K.G.

C-2.1'
El. 20.1'

Proposed Access Road

Sta. 3+25

Approx. Top of Cut Slope

Topsoil Stockpile

DATA

C-1.7'
El. 19.7'

C-0.6'
El. 18.6'

Existing Road

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

Pit Topsoil

FLARE PIT El. 18.9'
C-0.9'

El. 19.0'
C-11.0'
(btm. pit)

CATWALK 175'

PIPE RACKS

El. 19.0'
C-1.0'
El. 18.5'

Edge of Bitter Creek

Sta. 1+50

F-0.9'
El. 17.1'

Reserve Pit Backfill & Spoils Stockpile

RESERVE PITS (10' Deep)

Total Pit Capacity W/2' of Freeboard = 9,130 Bbls. ±
Total Pit Volume = 2,530 Cu. Yds.

10' WIDE BENCH

MUD TANKS

30'

35'

RIG DOG HOUSE

120'

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

150'

C-1.2'
El. 19.2'

STORAGE TANK

TRAILER

TOILET

FUEL

Approx. Toe of Fill Slope

Sta. 0+50

Sta. 0+00

F-2.4'
El. 15.6'

El. 22.1'
C-14.1'
(btm. pit)

C-2.8'
El. 20.8'

Existing Drainage

Elev. Ungraded Ground at Location Stake = 5118.5'

Elev. Graded Ground at Location Stake = 5118.0'

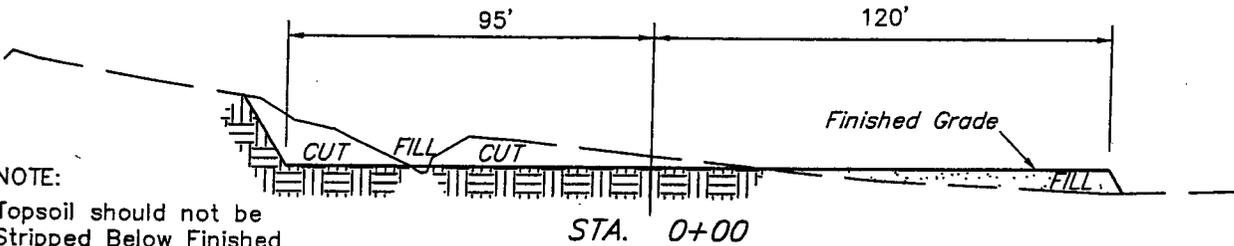
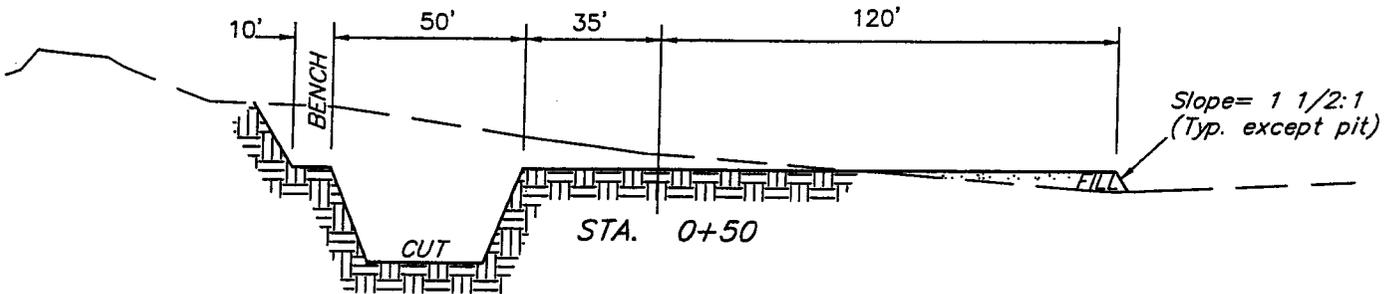
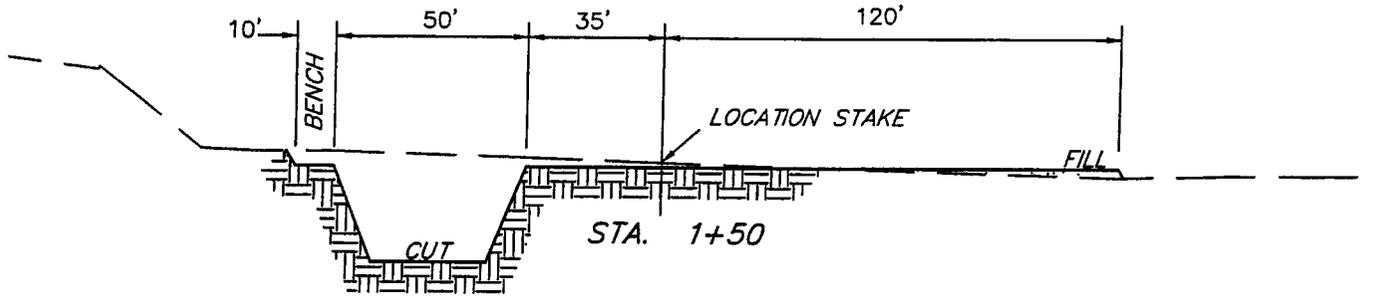
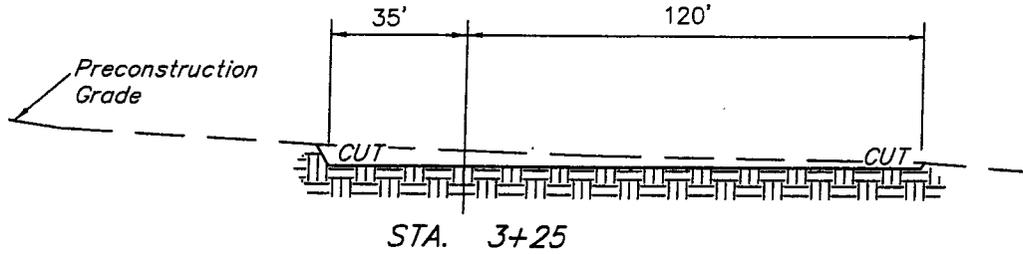
OSEWOOD RESOURCES, INC

TYPICAL CROSS SECTIONS FOR

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
810' FNL 1002' FWL

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

DATE: 2-8-05
Drawn By: K.G.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,270 Cu. Yds.
Remaining Location = 4,300 Cu. Yds.
TOTAL CUT = 5,570 CU.YDS.
FILL = 1,320 CU.YDS.

EXCESS MATERIAL = 4,250 Cu. Yds.
Topsoil & Pit Backfill = 2,540 Cu. Yds. (1/2 Pit Vol.)
EXCESS UNBALANCE = 1,710 Cu. Yds. (After Rehabilitation)

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

ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
LOCATED IN UINTAH COUNTY, UTAH
SECTION 11, T11S, R22E, S.L.B.&M.

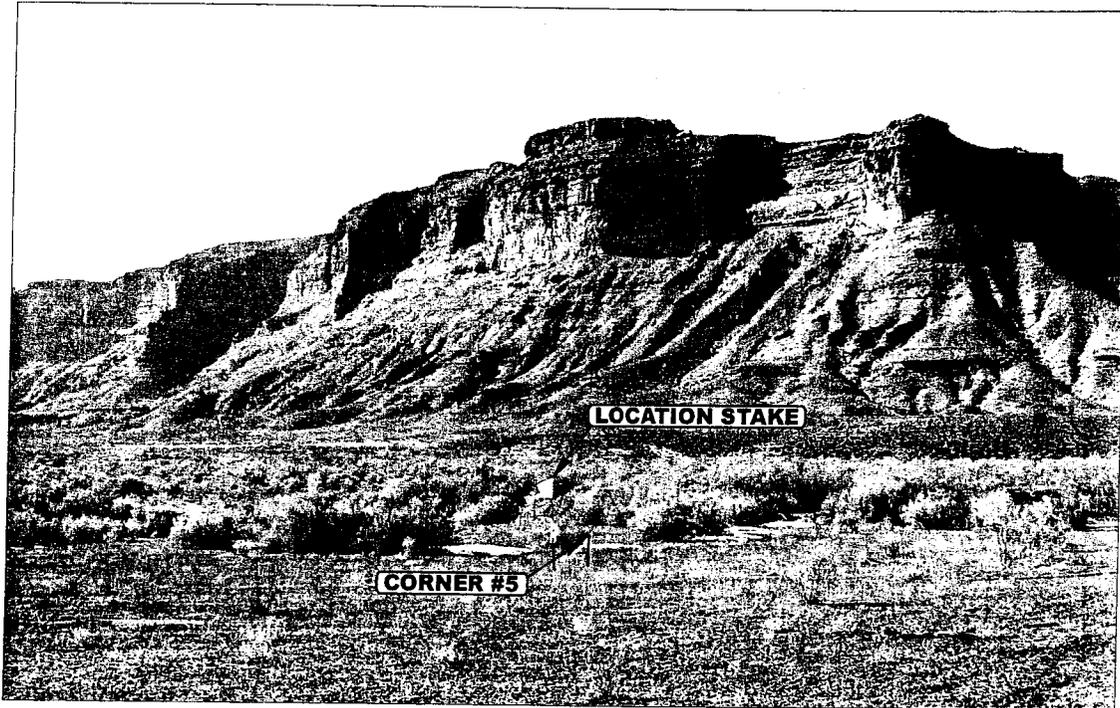


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

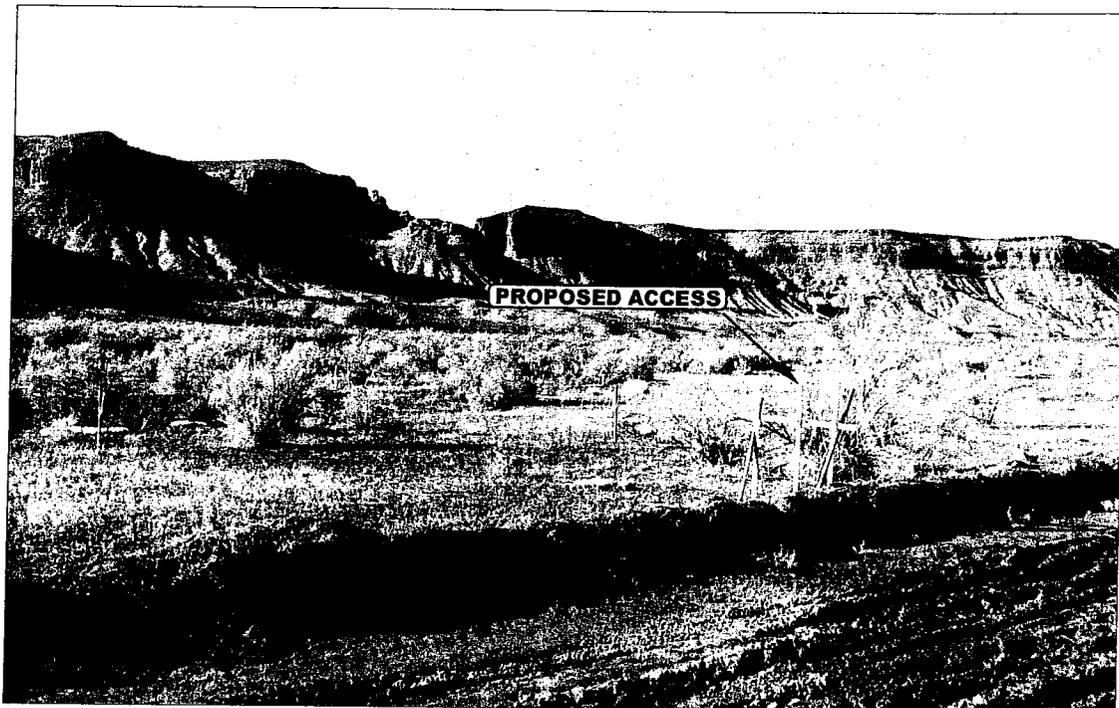


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

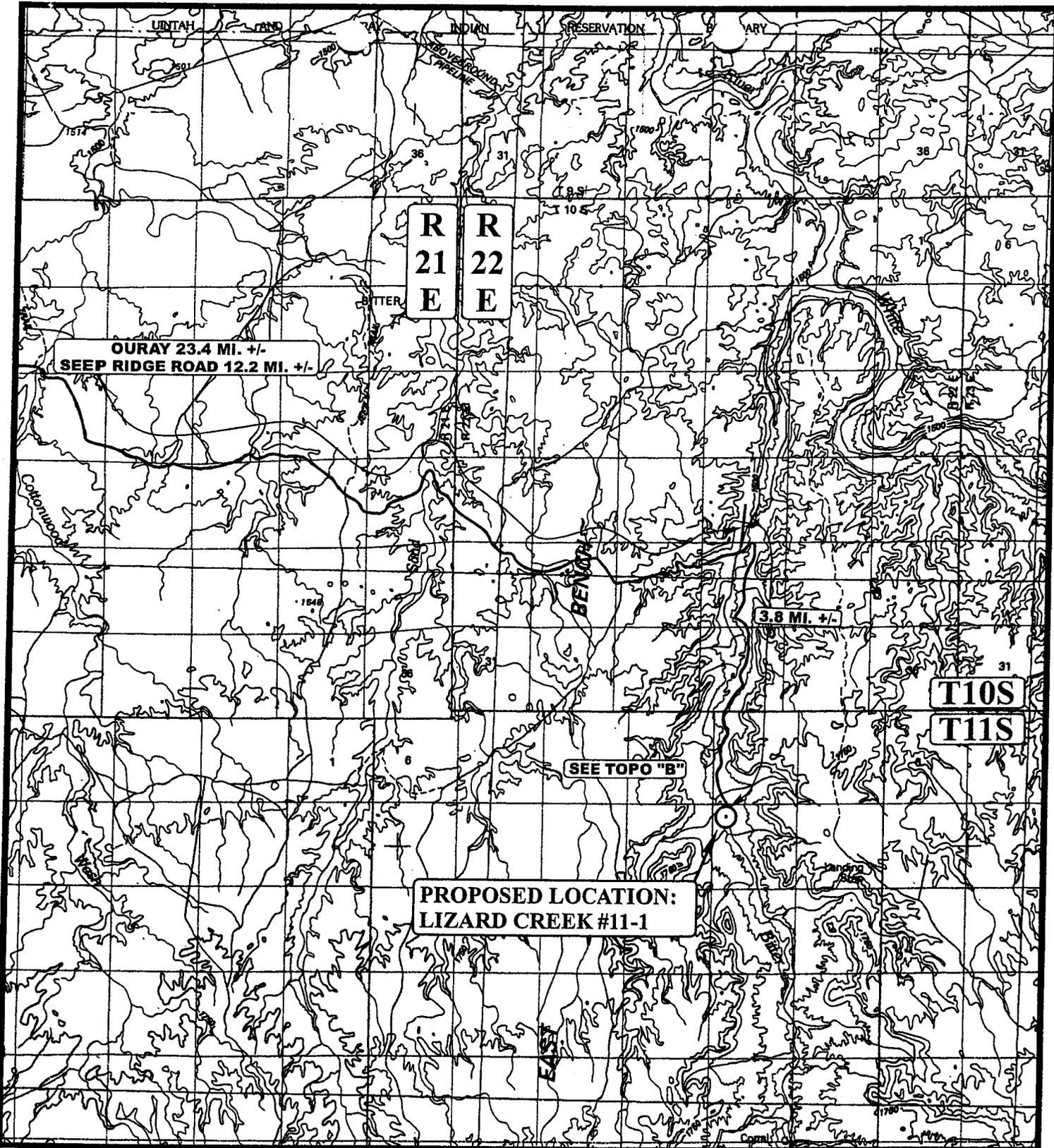
E L S Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

02 07 04
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S. | DRAWN BY: C.H. | REVISED: 00-00-00



LEGEND:

⊙ PROPOSED LOCATION

ROSEWOOD RESOURCES, INC.

**LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
810' FNL 1002' FWL**

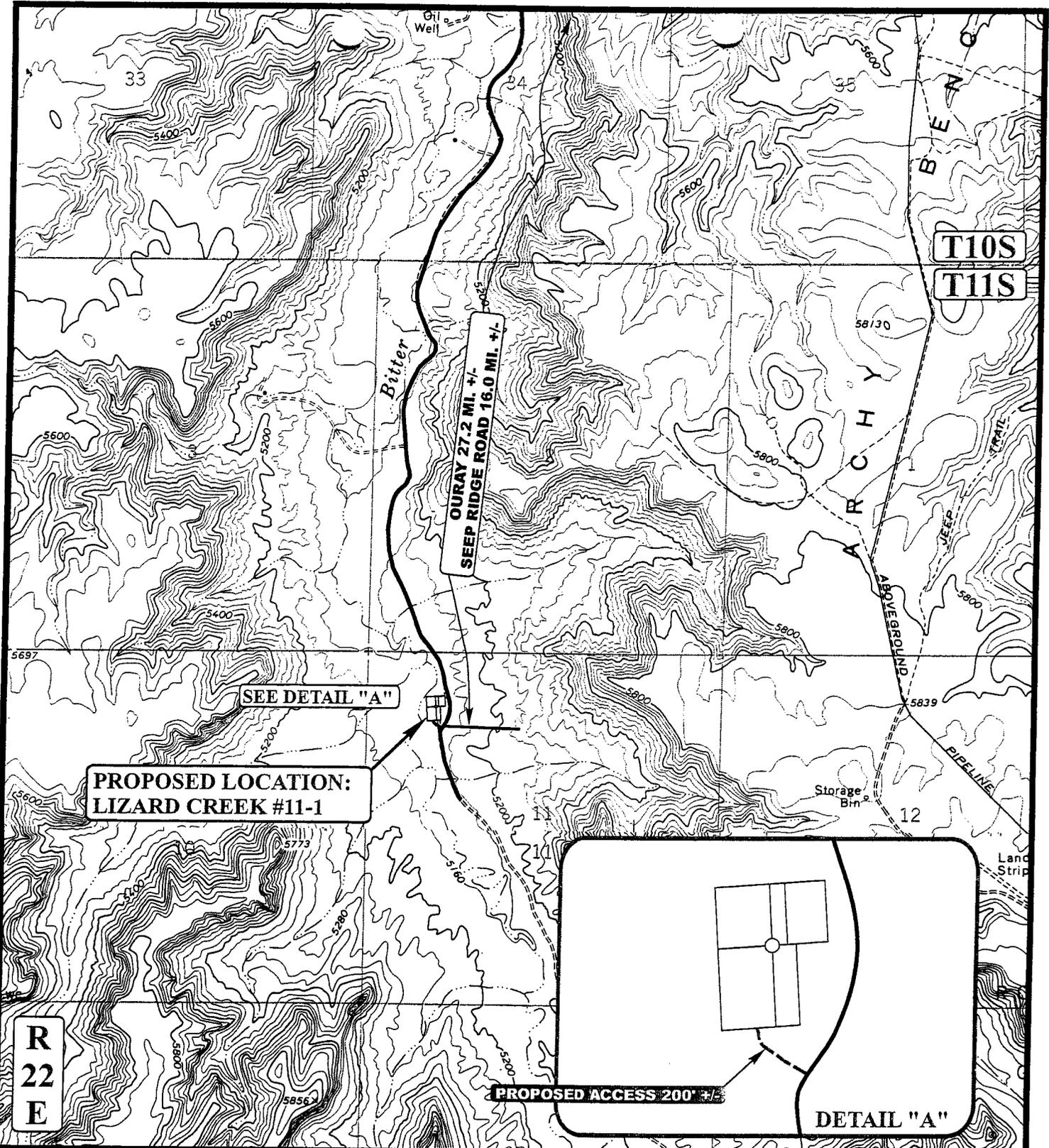


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 02 08 05
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00

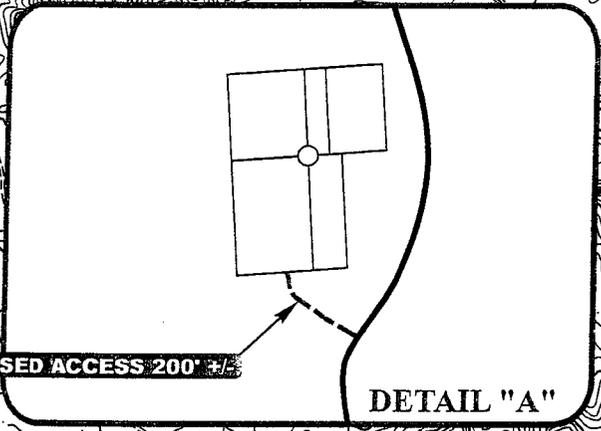




**PROPOSED LOCATION:
LIZARD CREEK #11-1**

SEE DETAIL "A"

**OURAY 27.2 MI. +/-
SEEP RIDGE ROAD 16.0 MI. +/-**



PROPOSED ACCESS 200' +/-

DETAIL "A"

LEGEND:

- EXISTING ROAD
- - - PROPOSED ACCESS ROAD

N



ROSEWOOD RESOURCES, INC.

**LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
810' FNL 1002' FWL**



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

**TOPOGRAPHIC
MAP**
02 08 05
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00



T11S

EXISTING PIPELINE

WELLPPOINT

PROPOSED PIPELINE

PROPOSED LOCATION:
LIZARD CREEK #11-1

PROPOSED ACCESS ROAD

R
22
E

APPROXIMATE TOTAL PIPELINE DISTANCE = 2700' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
810' FNL 1002' FWL



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

TOPOGRAPHIC	02	08	05
MAP	MONTH	DAY	YEAR
SCALE: 1" = 1000'	DRAWN BY: C.H.		REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/18/2005

API NO. ASSIGNED: 43-047-36316

WELL NAME: LIZZARD CREEK 11-1
OPERATOR: ROSEWOOD RESOURCES INC (N7510)
CONTACT: JILL HENRIE

PHONE NUMBER: 435-789-0414

PROPOSED LOCATION:

NWNW 11 110S 220E
SURFACE: 0810 FNL 1002 FWL
BOTTOM: 0810 FNL 1002 FWL
UINTAH
UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-73904
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: MVRD
COALBED METHANE WELL? NO

LATITUDE: 39.88010
LONGITUDE: -109.4275

RECEIVED AND/OR REVIEWED:

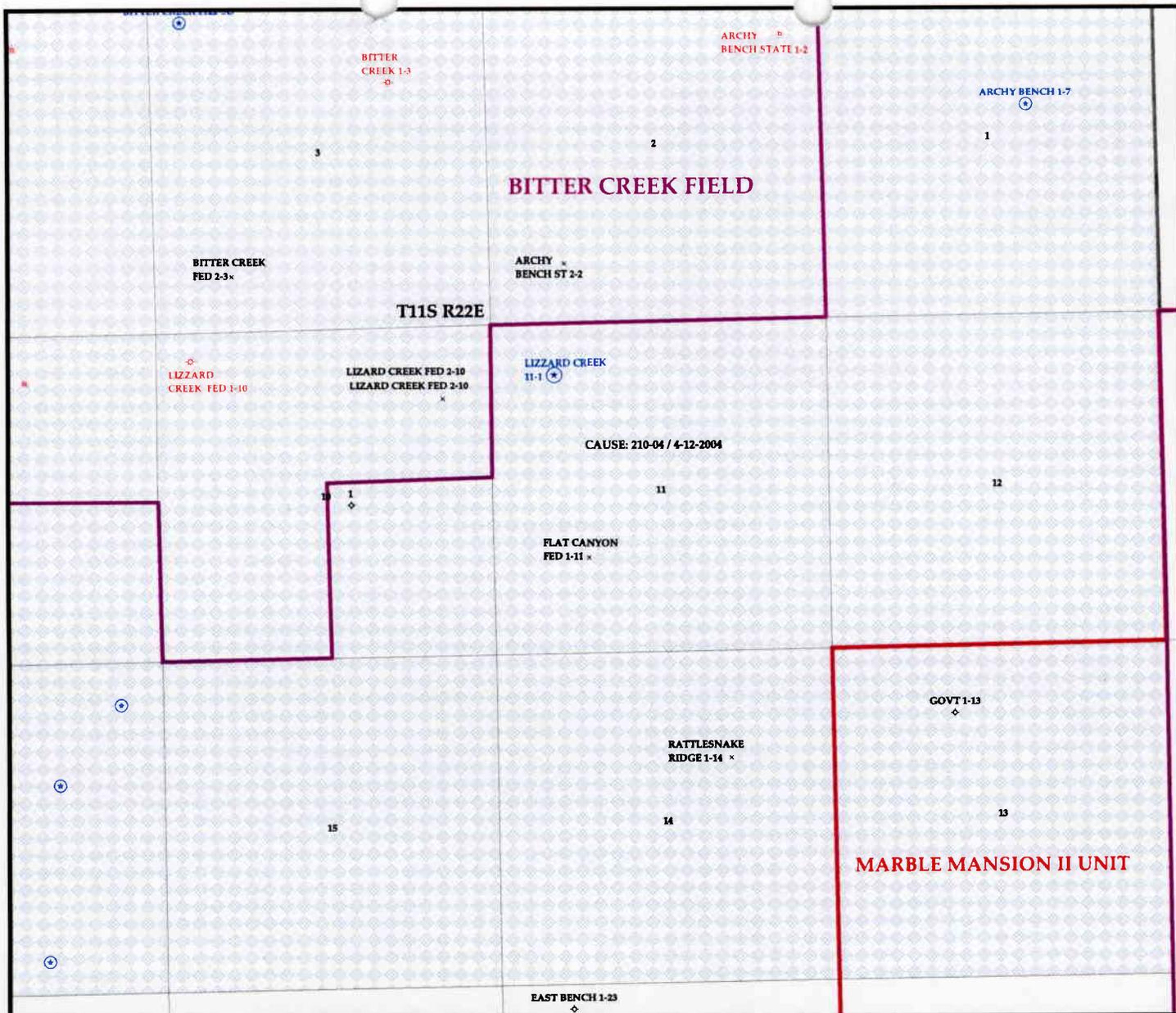
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. MT-0627)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1547)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

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: 210-04
Eff Date: 4-15-2004
Siting: 460' from next u bdr of 920' from other wells.
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval



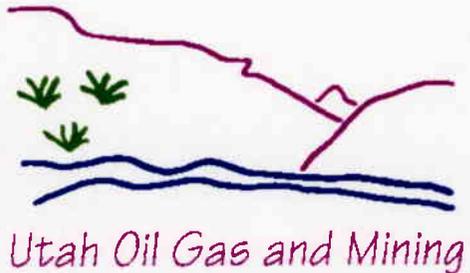
OPERATOR- ROSEWOOD RESOURCES (N7510)

SEC. 11 T.11S R.22E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

CAUSE: 210-04 / 4-12-2004



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: 18-FEBRUARY-2005



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 24, 2005

Rosewood Resources, Inc.
P O Box 1668
Vernal, UT 84078

Re: Lizzard Creek 11-1 Well, 810' FNL, 1002' FWL, NW NW, Sec. 11,
T. 11 South, R. 22 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 43-047-36316.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

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

Operator: Rosewood Resources, Inc.

Well Name & Number Lizzard Creek 11-1

API Number: 43-047-36316

Lease: UTU-73904

Location: NW NW **Sec.** 11 **T.** 11 South **R.** 22 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.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

005

LEASE DESIGNATION AND SERIAL NO. UTU-73904

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL [X] DEEPEN []
1b. TYPE OF WELL OIL GAS SINGLE MULTIPLE WELL [] WELL [X] OTHER [] ZONE [] ZONE []

6. IF INDIAN, ALOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME Lizard Creek

2. NAME OF OPERATOR Rosewood Resources, Inc.
3. ADDRESS OF OPERATOR P.O. Box 1668 Vernal, UT 84078

9. WELL NO. #11-1
10. FIELD AND POOL OR WILDCAT Wildcat Undesignated

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At Surface 870' FNL 1293' FWL
At proposed Prod. Zone NWNW SEC 11 T11S R22E

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC 11 T11S R22E 870' FNL 1293' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 25 miles South of Ouray, Utah.

12. County Uintah 13. STATE Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 870'

16. NO. OF ACRES IN LEASE 1600

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. None

19. PROPOSED DEPTH 8500'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5131' ungraded GR

22. APPROX. DATE WORK WILL START* Upon Rig Availability

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT/FOOT, SETTING DEPTH, QUANTITY OF CEMENT. Rows include 12 1/4" hole with 9 5/8" casing and 7 7/8" hole with 4 1/2" casing.

Rosewood Resources, Inc. proposes to drill a well to 8500' to test the Wasatch and Mesa Verde formations. If productive, casing will be set and the well completed. If dry, the well will be plugged and abandoned as per BLM & State of Utah requirements.

See Onshore Order No. 1 attached.

CONFIDENTIAL-TIGHT HOLE

Bond coverage for this well is provided by Nationwide Bond no. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive 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 Administrative Assistant DATE 5-16-05

(This space for Federal or State office use)

PERMIT NO. 43-047-36314 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 05-23-05

COPY SENT TO OPERATOR DATE: 5-24-05

*See Instructions On Reverse Side

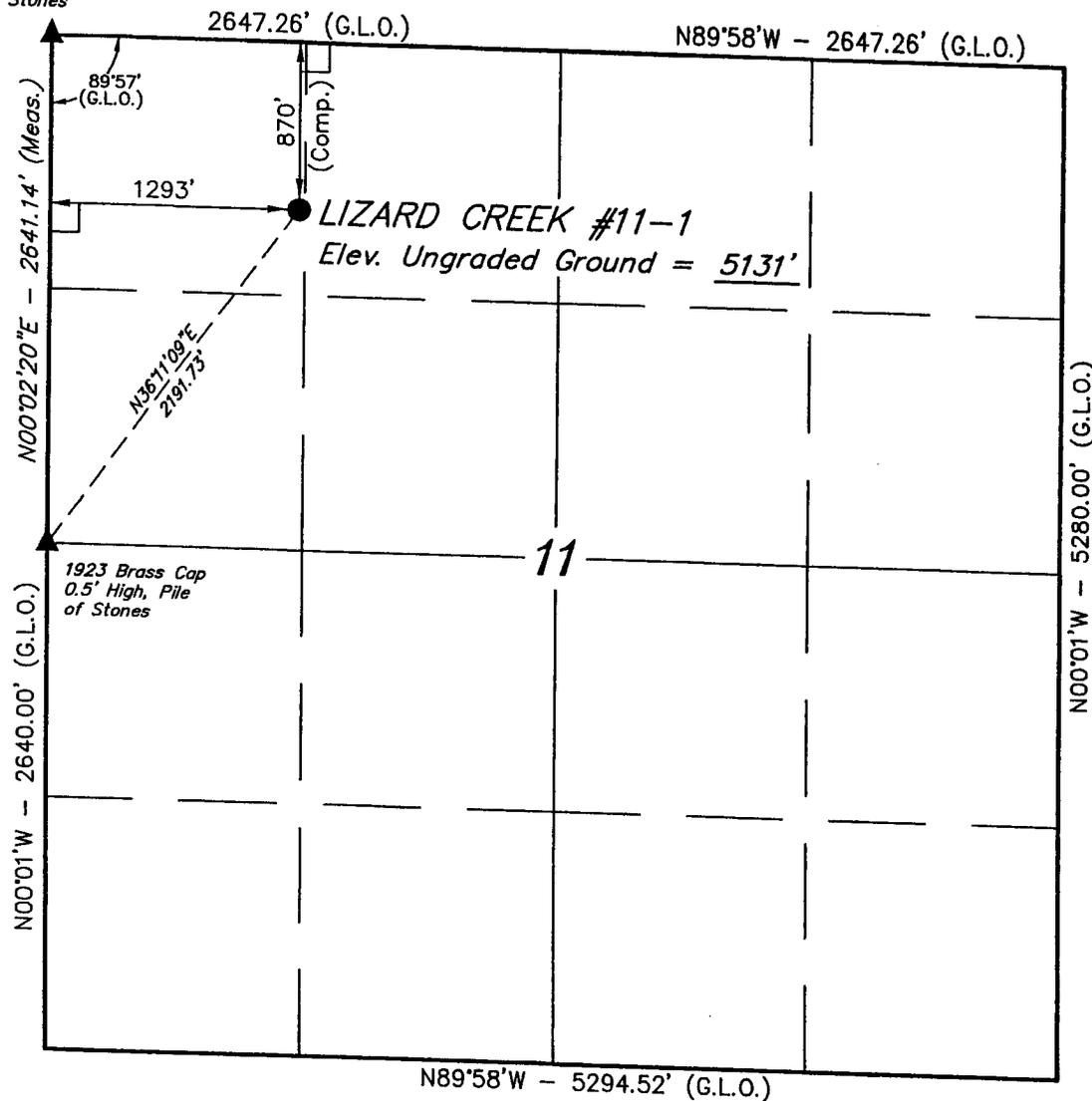
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Federal Approval of this Action is Necessary

RECEIVED MAY 19 2005 DIV. OF OIL, GAS & MINING

T11S, R22E, S.L.B.&M.

1923 Brass Cap
0.1' High, Pile
of Stones



1923 Brass Cap
0.5' High, Pile
of Stones

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)
LATITUDE = 39°52'47.79" (39.879942)
LONGITUDE = 109°25'37.71" (109.427142)
(AUTONOMOUS NAD 27)
LATITUDE = 39°52'47.91" (39.879975)
LONGITUDE = 109°25'35.26" (109.426461)

LEGEND:

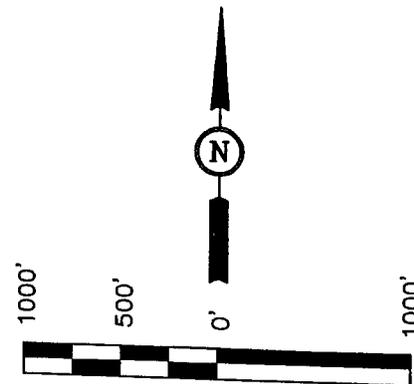
- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

ROSEWOOD RESOURCES, INC.

Well location, LIZARD CREEK #11-1, located as shown in the NW 1/4 NW 1/4 of Section 11, T11S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 12, T11S, R22E, S.L.B.&M. TAKEN FROM THE BUCK CAMP CANYON, QUADRANGLE, UTAH UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5973 FEET.



SCALE

CERTIFICATE

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

Robert H. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 4-7-05

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

SCALE 1" = 1000'	DATE SURVEYED: 2-3-05	DATE DRAWN: 2-8-05
PARTY G.S. D.L. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ROSEWOOD RESOURCES, INC.	

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Order No. 1 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>
Uintah A	Surface	+5119'
Wasatch	3400'	+1719'
Mesa Verde	5660'	-541'
T.D.	8500'	-3381'

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas/Oil	Wasatch	3400' – 5660'
Gas/Oil	Mesa Verde	5660' – 8500'

All fresh water or 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

Rosewood's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000# psi W.P.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 2

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure rating of casing. Pressure shall be maintained for at least 10 minutes or until test requirements 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, no more than a 10% decline in pressure in a 30 minute time period will be acceptable. Valve on casinghead below test plug must be open during test.

Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until test requirements 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**
- d. 30-day intervals**

Valves shall be tested from working pressure side during BOPE tests with all downstream valves open.

When testing kill line valve(s) the check shall be held open or 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 BOP safety drill shall be conducted weekly for drilling crews.

Pressure tests shall apply to all related well control equipment.

All prescribed tests and or drills shall be recorded in the daily drilling log.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 3

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 place until well operations are completed. Preventers will be inspected and operated at least daily to ensure good mechanical working order, this will be recorded on daily drilling report.

The BLM District Office shall be notified with sufficient lead time to have their representative on location during BOPE 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 on rigs drilling in this area utilize a 10" 3000# W.P. blowout preventer.**
 - b. **A choke line and a kill line will be properly installed. The kill line will not be used as a fill-up line.**
 - c. **The accumulator system shall have a pressure capacity to provide repeated operation of hydraulic preventers.**
 - d. **Drill string safety valve(s) to fit all tools in the drill string will 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 approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones and any prospectively valuable mineral deposits. 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 sufficient to handle maximum pressure to which it may be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons;**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 4

Fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals or 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.**
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells.**
- d. Casing collars shall have a minimum clearance of 0.422 inches on 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 tested used casing that meets or exceeds API standards for new casing.**
- g. The surface casing shall be cemented to surface either during the primary cement job or by remedial cementing.**
- h. All indications of usable water shall be reported to the AO prior to running the next string of casing or before plugging orders are requested, whichever occurs first.**
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.**
- j. Top plugs shall be used to reduce the contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a preflush fluid, inner string cement method, etc. shall be utilized to help prevent cement contamination.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 5

- k. All casing strings below the conductor shall be tested to 0.22 psi per foot of casing length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action will be taken.**
- l. On all exploratory wells and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight anticipated to control the well to the next casing point. This test shall be performed before drilling more than 20' of new hole.**
- m. The proposed casing program will be as follows:**

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-1000'	12 ¼"	9 5/8"	36#	K-55	ST&C	New
Production	0-8500'	7 7/8"	4 ½"	11.6#	N-80	LT&C	New

- n. Casing design subject to revision based on geological conditions encountered.**
- o. The cement program will be as follows:**

Surface
0-1000'

Type and Amount
550 sx Class "G" with 2% CaCl and ¼#/sk Cello-Flake.

Production
0-8500'

Type and Amount
1st Stage: 1000 sx Class "G" with 2% Gel, 2% Micro-Bond .3% CFR 3, 0.5% Halad 9 & ¼#/sk Cello-Flake. Top of cement on 1st stage @ 3400'. Cement stage tool @ 3000' +/-.

2nd Stage: 360 sx Prem Lite with 3% Salt, 2% Micro-Bond, 1% Econolite and ¼#/sk Cello-flake. Top of cement on 2nd Stage @ surface.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 6

- p. Anticipated cement tops will be reported as to depth; not the expected number of cement sacks to be used. The District Office will be notified, with sufficient lead to have an AO to witness running all casing strings and cementing.**
- q. After cementing but before commencing any test, the casing shall stand idle 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 District Office within 30 days of completing work.**

 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:**

 - a. Setting of each string of casing, showing the size, weight, grade of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated to surface or top of cement behind casing, depth of cementing tools used, casing test method and results and the date performed. Show the Spud date on the first reports submitted.**
 - b. Temperature or bond logs must be submitted for each well where cement was not circulated to surface.**
- s. Auxiliary equipment to be used is as follows:**

 - 1. Kelly Cock Valve**
 - 2. No bit float is deemed necessary.**
 - 3. Sub with full opening valve.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 7

5. Mud Program

- a. **The proposed circulating mediums to be used during 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>
0-500'	Air/Clear Water	8.3 ppg	---	N/C	---
500-2000'	Clear Water	8.3 ppg	---	N/C	---
2000-8500'	Water/Gel	8.4-9.7	30-40	8	---

There will be sufficient mud on location to control a kick should one occur.

A mud test will 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 monitored visually.**
- c. **No chromate additives will be used in the mud system on Federal and/or Indian Lands without prior 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 in association with the drilling of this well.**
- e. **The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

DRILLING PROGRAM

Page 8

5. Evaluation Program

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

- a. No Drill Stem Tests are anticipated, however, if DST's are run, the following requirements will be adhered to:**

Initial opening of DST tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the AO. 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 AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be reversed out of the test string under controlled surface conditions. This would involve 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. An AIT/GR/CDL/ML/GR will be run from the surface casing to T.D.**
- c. No cores will be run.**
- d. Whether the well is completed as a dry hole or a producer, a "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, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data,**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 9

geologic summaries, sample description and all pertinent information compiled during the drilling, completion and/or workover operations.

- e. The anticipated completion program will be to test prospective zones in the Mesa Verde and Wasatch Formations by perforating and fracture stimulation.**
- f. Daily drilling and completion progress reports shall be submitted to the Vernal Office on a weekly basis.**

7. Abnormal Temperatures or Pressures

- a. The expected bottom hole pressure is 3000 psi**
- b. No hydrogen sulfide gas, no abnormal pressures or temperatures are anticipated.**

8. Anticipated Starting Dates and Notification of Operations

- a. Drilling will commence as soon as rig is available.**
- b. It is anticipated that the drilling of this well will take approximately 10 days.**
- c. The BLM in Vernal, Utah will be notified of anticipated dates to begin road & location construction and spud date.**
- d. No location will be constructed or moved without approval from the AO. If well is plugged or suspended, prior approval from the AO must be obtained and notification given before resuming operations.**
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If well is spud on a weekend or holiday, the report will be submitted the following regular work day. Follow oral report with Sundry Notice.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

DRILLING PROGRAM

Page 10

- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", 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 Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078**
- g. Immediately Report: Spills, blowouts, fires, leaks, accidents or any other unusual occurrences will be promptly reported in accordance with the requirements of NTL-3A or its revision.**
- h. A Completion Rig will be moved in following drilling operations. All conditions of this approved plan are applicable during the completion operations.**
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date the well is put on line.**
- j. 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 a permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.**
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day period.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

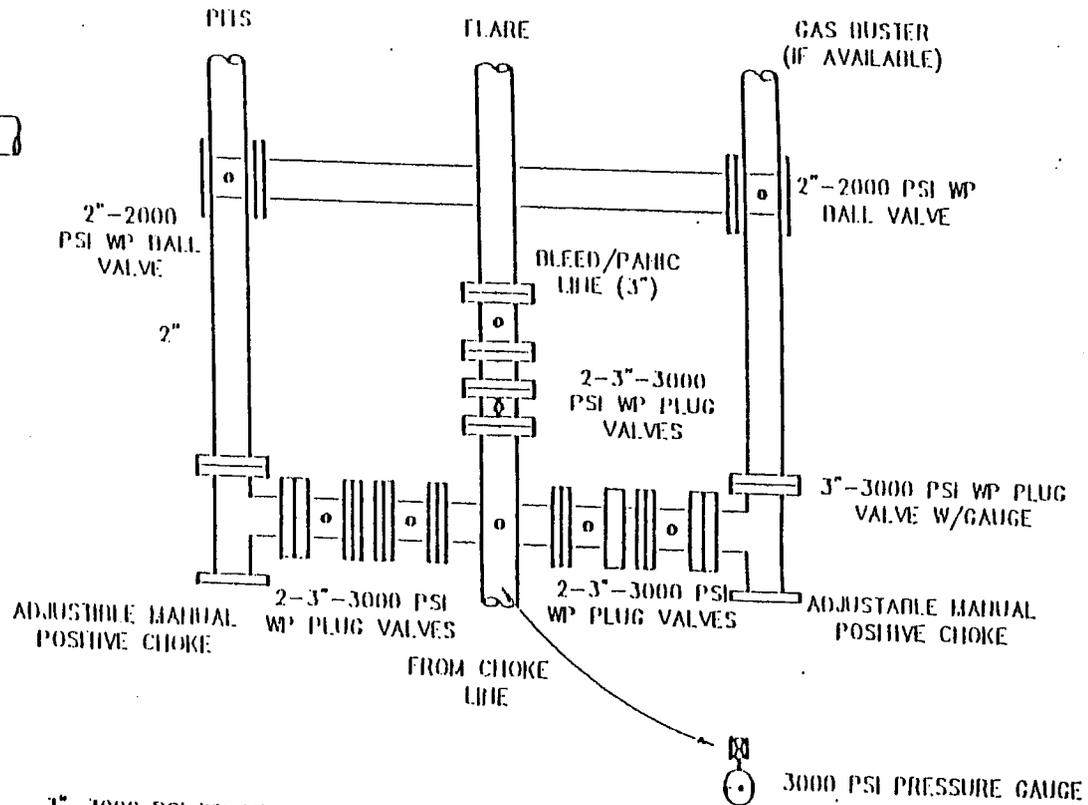
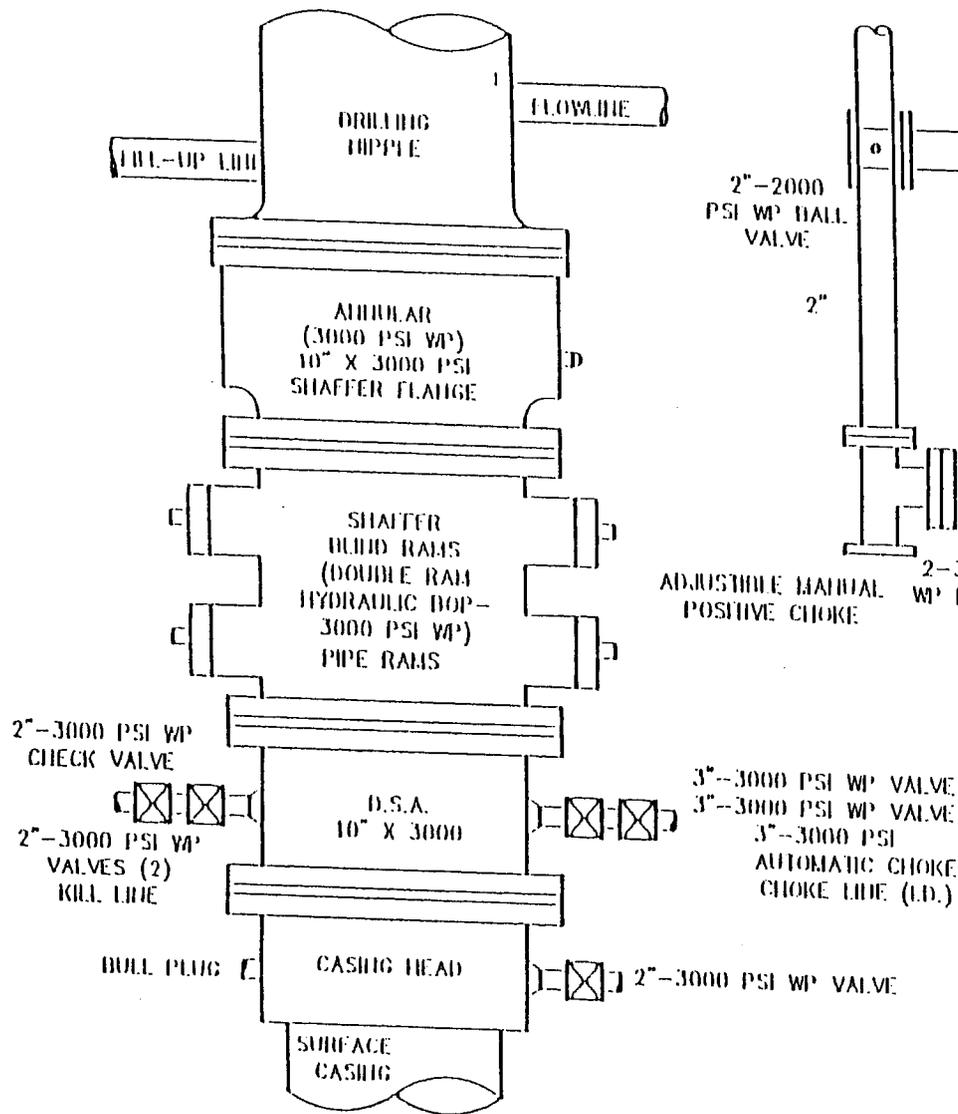
DRILLING PROGRAM

Page 11

- i. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore 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 (b.4.)**
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.**
- n. No well abandonment operations will commence without prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed with the AO within 30 days following abandonment operations. This report will indicate where plugs were placed and the current status of the 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 the surface managing agency.**
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see their exploration, development, production and construction operations are conducted in a manner which conforms with applicable Federal, State and Local laws and regulations.**

BOP SCHEMATIC
3000 PSI WORKING PRESSURE

PLAN VIEW CHOKER MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

- | | |
|---|---|
| Location Construction - | Forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion - | Prior to moving in 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. |
| BOPE and Related -
Equipment Tests | Twenty-four (24) hours prior to initiating pressure tests. |
| First Production - | Within five (5) business days after new well begins or production resumes after well has been off line for more than ninety (90) days. |

The following individuals met on Wednesday, May 11th for the onsite evaluation of the proposed site.

Stephanie Howard
David Kay
Dennis Atwood

Bureau of Land Management
Uintah Engineering & Land Survey
Rosewood Resources, Inc.

1. Existing roads

- a. The proposed well is located approximately 25 miles south of Ouray, Ut.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

SURFACE USE PLAN

Page 2

- b. Directions to the location from Bonanza, Utah are as follows:**

Proceed south on State Road 45 (paved) for 4 miles. Turn south (left) on the Book Cliffs road (dirt). Proceed 3.9 miles to the Greeks Corral. Turn west (right) at the fork in road. Proceed 8.3 miles to Asphalt Wash sign. Stay to the right of the sign. Proceed .7 miles to Rainbow sign. Stay to the west (right). Follow to Bitter Creek Road signs. Go to Bitter Creek Corral. Turn North and follow Bitter Creek 4.5 Miles to location.

- c. For location of access roads within 2-mile radius, see Maps A & B.**
- d. Improvement to the existing access (BLM and County Roads) 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 any newly constructed roads will be maintained in accordance with the standards of the Surface Managing Agency.**

2. Planned Access Roads

- a. The last 50' of proposed access will be flat bladed with minimal disturbance. The remainder of the access is maintained by the County Road Dept. or is a BLM road.**
- b. The maximum grade of the new construction will be approximately 3%.**
- c. No turnouts are planned at this time.**
- d. There are no major cuts or fills. No culverts and/or bridges will be required.**
- e. The new access road was centerline flagged at the time of staking.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 3

- f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.**
- g. No cattleguards will be necessary.**
- h. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.**
- i. 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)**
- j. 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, crowning and capping the roadbed as necessary to provide a well constructed and 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 crossing type. Crossings will be designed to prohibit siltation or accumulation of debris in the crossing nor shall the drainage be blocked by the road. Erosion of barrow ditches by runoff water shall be prevented by diverting water 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.**
- k. If the well is productive, additional water drainage would be added to keep water off the roadway.**
- l. 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 drilling of this well.**
- m. No road right-of-way will be required at this time.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 4

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.
See Map "B".

- a. **Water wells – none**
- b. **Injection wells – none**
- c. **Producing wells –one : Westport Oil & Gas. Bitter Creek #1-3 Well
SW/NE SEC 3 T11N R22E**
- 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 Pumping Units) will be painted Olive Black. All facilities will be painted within six months of installation. Facilities required to comply with Occupational Safety and Health Act (OSHA) will be excluded.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 5

- b. If storage facilities/tank batteries are constructed on this lease, they will be surrounded by a containment dike of sufficient capacity to contain 1 ½ times the contents of the largest tank or vessel, unless more stringent protective requirements are deemed necessary by the AO.**
- c. A typical production layout is attached. If at the time of production it is determined that an alternate layout is necessary, a Sundry Notice will be submitted showing placement of all production facilities prior to construction.**
- d. All load lines will be placed inside the containment dike.**
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead, to the meter and 500 feet downstream of the meter run. 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 and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and on all future calibrations. A copy of the calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 5 for natural gas measurement.**
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contradiction in the unit or other lease or boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the AO.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 6

- h. Any necessary pits will be properly fenced to prevent wildlife entry.**
 - i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.**
 - j. All off-lease storage, off-lease measurement or commingling on-lease or off-lease will have prior approval from the District Manager.**
 - k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.**
 - l. The road will be maintained in a safe useable condition.**
 - m. The pipeline will be 2200' from the well-site to the tie-in point and will be constructed of welded steel. It will be 4" in diameter and will be laid on the surface. Rosewood requests that a Right-of-Way be granted for the last 1450' of pipeline that is highlighted in yellow as shown on Topo Map C located in SEC 2 11S 22E, Uintah County.**
- 5. Location and Type of Water Supply**
- a. The proposed water source for this well is the Rock House 5A.**
 - b.**
 - c. Water will be hauled over the roads shown on Maps "A" and "B".**
- 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. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.**
 - d. No construction materials will be removed from Federal land.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

Uintah County, Utah

SURFACE USE PLAN

Page 7

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break or allow discharge.
- b. The reserve pit will be lined with 10 mil. Plastic liner. The pit area will be sufficiently bedded with either straw or felt prior to installing liner. The liner will overlap the pit walls and be covered with dirt 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 AO.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents hauled to an approved disposal facility.
- d. After first production, produced water will be confined to a pit or storage tank for a period not to exceed ninety (90) days. During this time, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with water analysis, will be submitted for the AO's approval.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. 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.
- g. A chemical portable-toilet will be furnished with the drilling rig.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 8

8. Ancillary Facilities

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

9. Well Site Layout

- a. The operator or dirt contractor shall contact the BLM Office at (435) 789-1362, forty-eight (48) hours prior to construction activities.**
- b. The reserve pit will be on the northwest side of the location.**
- c. The flare pit will be located downwind of the prevailing wind direction on the northwest side, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.**
- d. The stockpiled topsoil (first six inches) will be stored on the southeast and northeast corners of the location as shown on the Pit & Pad Layout. No separate topsoil pile for the reserve pit reclamation will be utilized. Topsoil along the access route will be windrowed on the uphill side.**
- e. Trees will be stockpiled separately from the topsoil and subsoil on southwest corner off location.**
- f. Access to the well pad will be from the south as shown in the Pit & Pad Layout.**
- g. See Location Layout for orientation of rig, cross section of drill pad, cuts and fills.**

- h. The location of mud tanks, reserve pit, trash cage, pipe racks and living facilities are also shown on the Location Layout.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 9

- i. During construction, all brush/trees will be removed from the well pad and access road to be stockpiled separately from the topsoil piles as shown in the Pit & Pad Layout.
- j. All pits will be fenced to the following minimum standards:
1. 39 inch net wire shall be used with at least one strand of 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 should 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.
- k. The reserve pit fencing will be on three sides during the drilling operations and on the fourth side when the rig is moved off the location. Pits will be fenced and maintained until cleanup.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 10

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 in accordance with 43 CFR 3162.7-1.**
- c. **The plastic nylon reinforced liner shall be torn and perforated before backfilling the reserve pit.**
- d. **The reserve pit and that portion of the location not needed for production facilities/operations will be contoured to approximate the original contours of the site.**
- e. **Reclamation of unrequired areas on the well pad/access road no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the AO.**

The seed mixture requested by the BLM during onsite inspection is as follows: 1 lb Wyoming Big Sage, 3 lb Shad Scale, 4 lb Globe Mellow, 4 lb Needle and Thread Grass.

Seeding will be performed with approval from AO. Generally seeding is performed in the Fall prior to permanent ground freezing. Seed will be drilled or broadcast and seed walked in with dozer.

- f. **The topsoil stockpile will be seeded with above determined seed mixture.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 11

Dry Hole

- g. At such time as the well is plugged and abandoned, the operator shall submit a Subsequent Report of Abandonment and the AO will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All roads are county maintained or managed by the BLM.

Well pad - The well pad is located on lands managed by the BLM.

Mineral Ownership

The minerals are owned by the Federal Government and have been leased by Rosewood Resources, Inc.

12. Other Information

- a. A Class III archeological survey will be conducted by Sagebrush Archeology. A copy of this report will be sent directly to the appropriate agencies by Sagebrush Archeology.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing and/or collecting artifacts from historic or archeological sites. If historic or archeological materials are uncovered during construction, the operator is to immediately halt all operations and contact the AO. Within five working days the AO will inform the operator as to:

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 12

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 an 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 that 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 BLM, or appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides, pesticides or other potentially hazardous chemicals.**
- d. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any time without BLM authorization.**

ONSHORE ORDER NO. 1

Rosewood Resources, Inc.

Lizard Creek #11-1

870' FNL 1293' FWL

NW ¼ NW ¼ Sec. 11, T11S, R22E

Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 13

- e. **A Diversion Ditch will be constructed around north edge of location. See Pit & Pad Layout.**

- f. **All lease and/or unit operations will be conducted in such a manner that full compliance with all applicable laws, regulations, Onshore Oil and Gas Orders, 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 the approved APD shall be on location during construction and drilling activities.**

- g. **A complete copy of the APD shall be on location during construction of location and drilling activities.**

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

- i. **“Sundry Notice and Report on Wells” (Form 3160-5) will be used to request plan changes and other operations in accordance with 43 CFR 3162.3-2.**

- j. **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 expiration of the original approval. After permit termination, a new application will need to be filed for any future operations.**

- k. **The operator or his contractor shall contact the BLM Offices at (435) 789-1362 48 hours prior to beginning construction activities.**

- l. **The BLM Office shall be notified upon site completion prior to moving in the drilling rig.**

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Lizard Creek #11-1
870' FNL 1293' FWL
NW ¼ NW ¼ Sec. 11, T11S, R22E
Uintah County, Utah

CONFIDENTIAL- TIGHT HOLE

Lease No. UTU-73904

SURFACE USE PLAN

Page 14

- m. In the event after-hours approval is necessary, please contact one of the following individuals:

Jerry Kenczka	Petroleum Engineer (435)781-1190
BLM Fax Machine	(435)789-3634

- n. Golden Eagle Stipulation - No drilling or construction will occur during the Golden Eagle nesting season February 1st thru July 15th.

13. Lessee's or Operator's Representatives

ROSEWOOD RESOURCES, INC.
P.O. Box 1668
Vernal, Utah 84078
435/789-0414

Permit Matters
Jill Henrie – 435/789-0414 Ext. 10

Drilling & Completion Matters
Danny Widner – 435/789-0414 Ext. 11 (Office)
435/828-6100 (Mobile)

Lizard Creek #11-1

SELF CERTIFICATION

Please be advised that Rosewood Resources, Inc. is to be considered the operator of the Lizard Creek #11-1 well located at NW NW SEC 11T11S R22E Lease #UTU-73904 in Uintah County. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond no. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

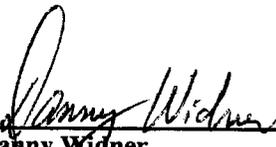
CERTIFICATION

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 Rosewood Resources, Inc. and its contractors and subcontractors 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. 1001 for the filing of a false statement.

Date

5/16/2005

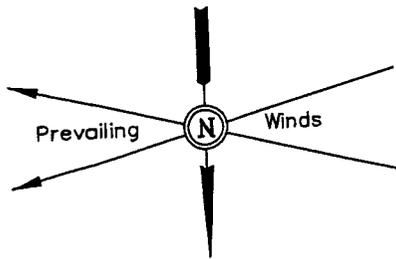

Danny Widner
Drilling Superintendent
Rosewood Resources, Inc.

A Class III Archaeological Survey has been conducted by Sagebrush Archaeology. A copy of this report will be submitted directly to the appropriate agencies by Sagebrush Consultants, L.L.C.

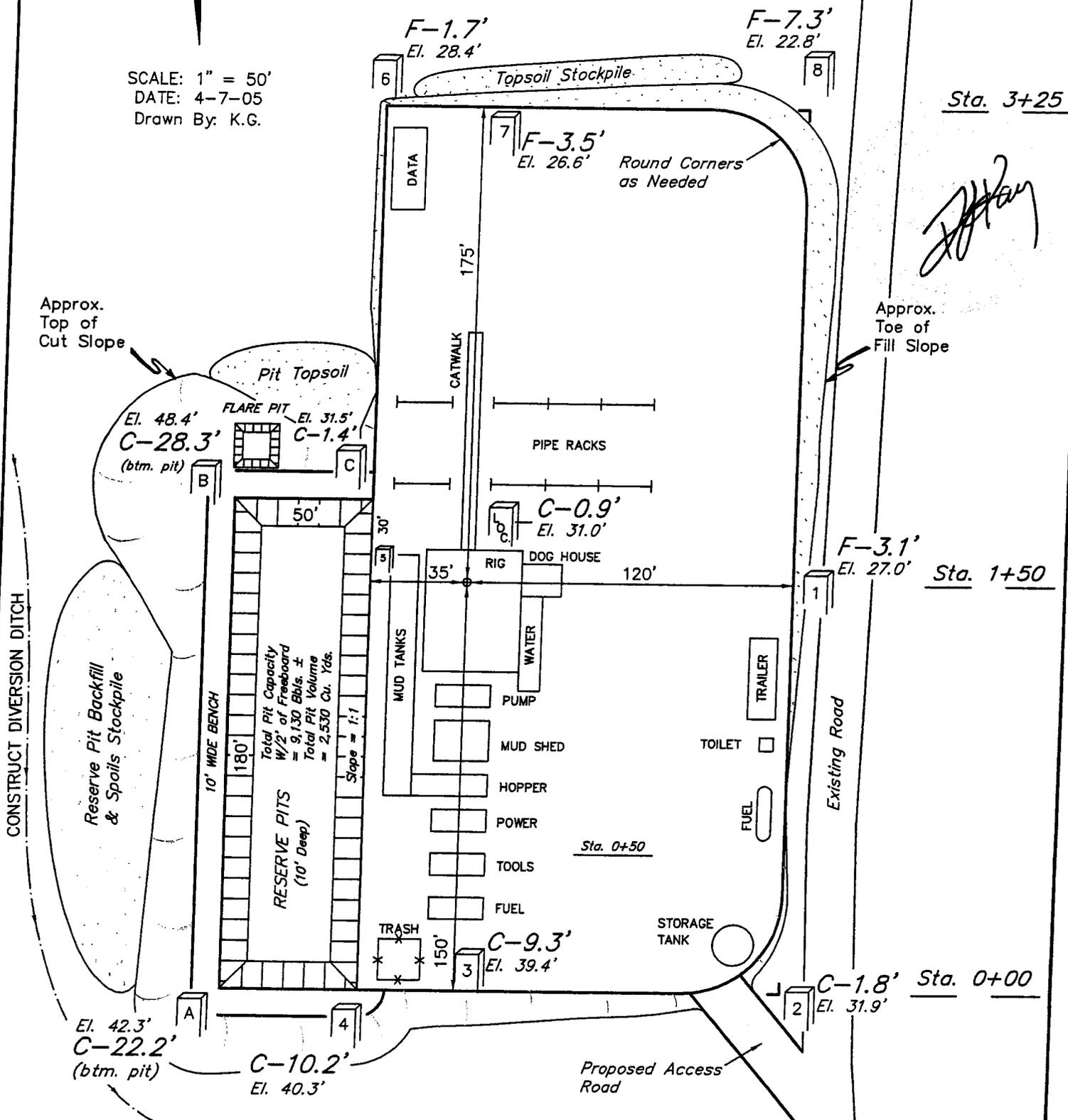
ROSEWOOD RESOURCES, INC.

LOCATION LAYOUT FOR

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL



SCALE: 1" = 50'
DATE: 4-7-05
Drawn By: K.G.



Sta. 3+25

[Handwritten Signature]

Sta. 1+50

Sta. 0+00

CONSTRUCT DIVERSION DITCH

Reserve Pit Backfill & Spoils Stockpile

RESERVE PITS (10' Deep)
Total Pit Capacity W/2' of Freeboard = 9,130 Bbls. ±
Total Pit Volume = 2,530 Cu. Yds.
Slope = 1:1

Sta. 0+50

Proposed Access Road

Elev. Ungraded Ground at Location Stake = 5131.0'
Elev. Graded Ground at Location Stake = 5130.1'

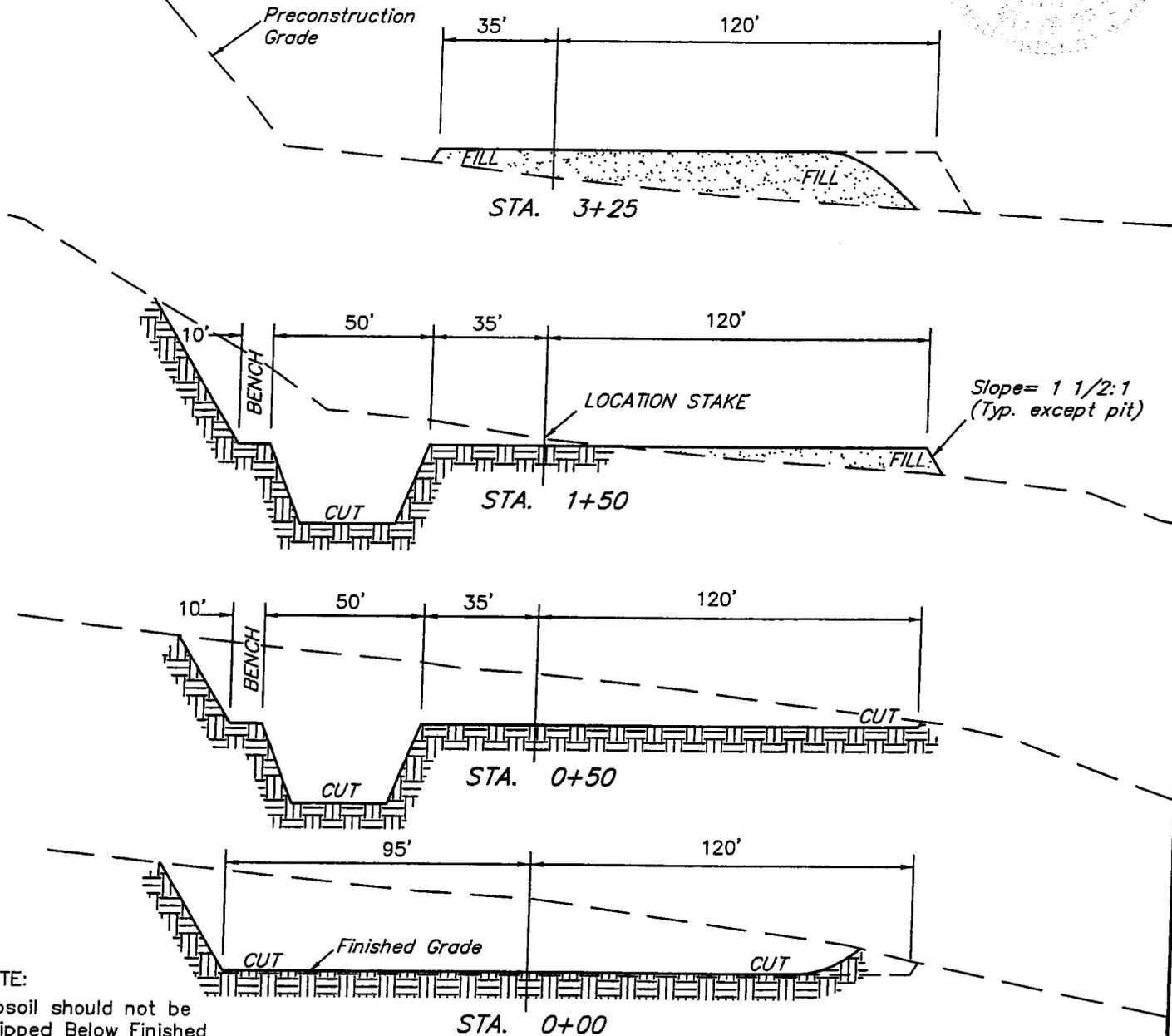
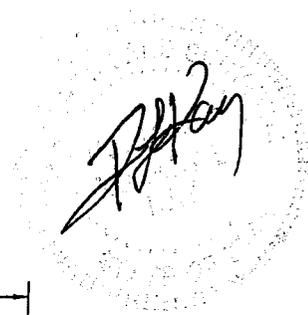
JOSEWOOD RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL

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

DATE: 4-7-05
Drawn By: K.G.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,460 Cu. Yds.
Remaining Location	=	10,560 Cu. Yds.
TOTAL CUT	=	12,020 CU.YDS.
FILL	=	4,550 CU.YDS.

EXCESS MATERIAL	=	7,470 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,730 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	4,740 Cu. Yds.

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

ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
LOCATED IN UINTAH COUNTY, UTAH
SECTION 11, T11S, R22E, S.L.B.&M.

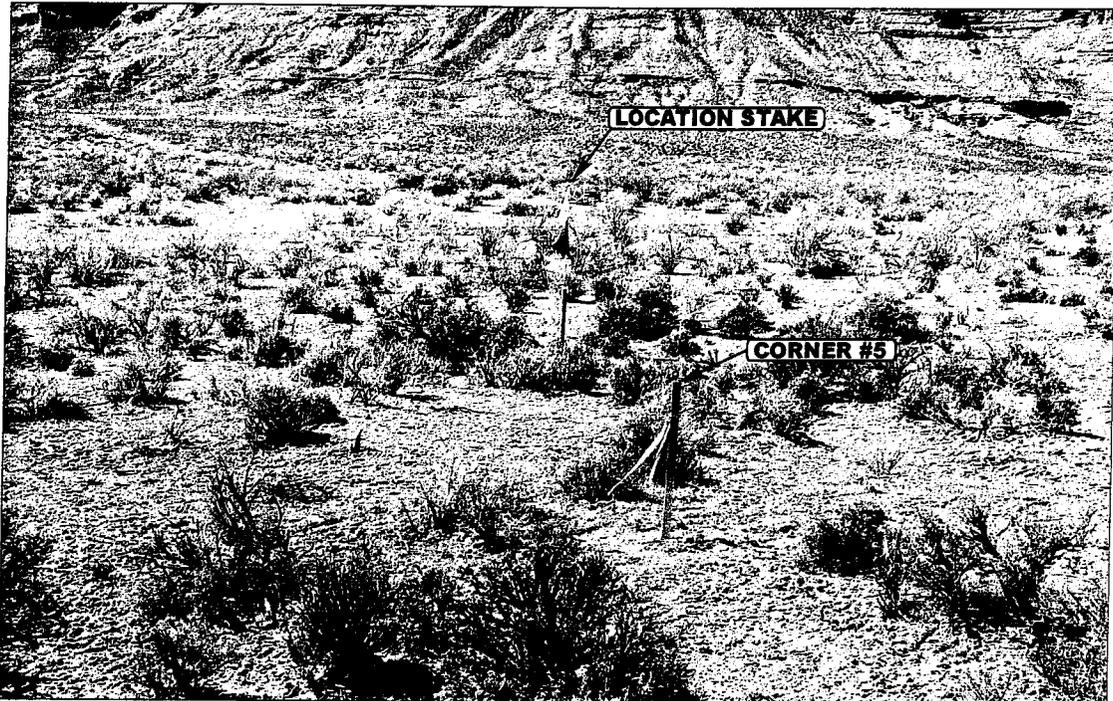


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

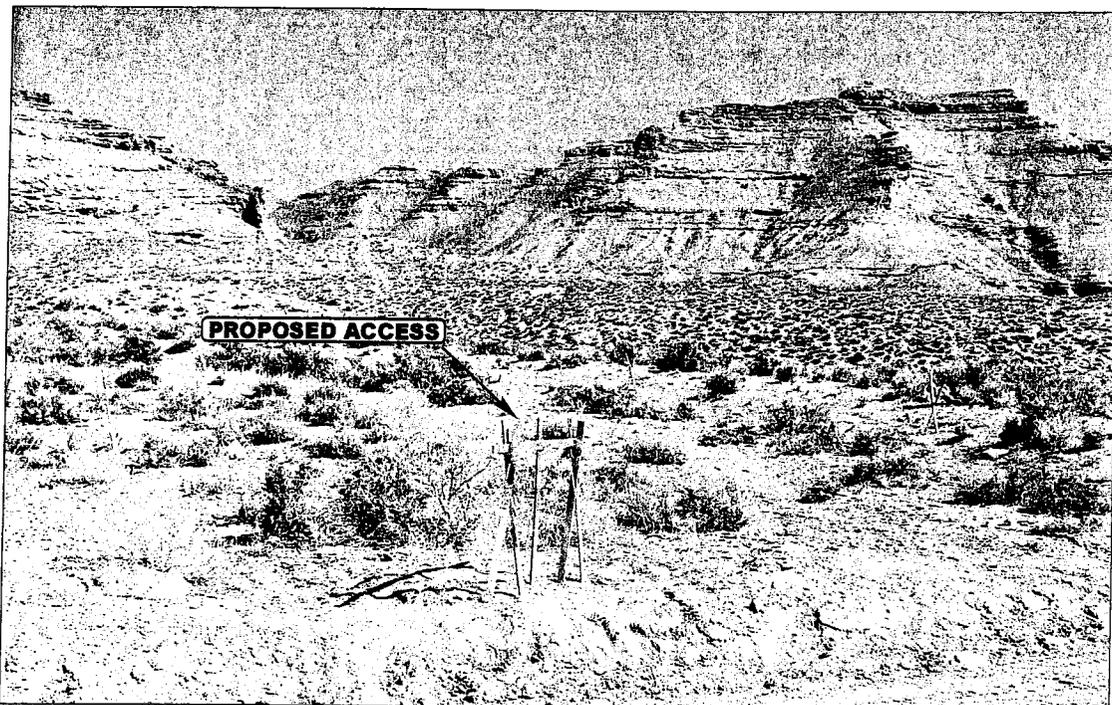


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

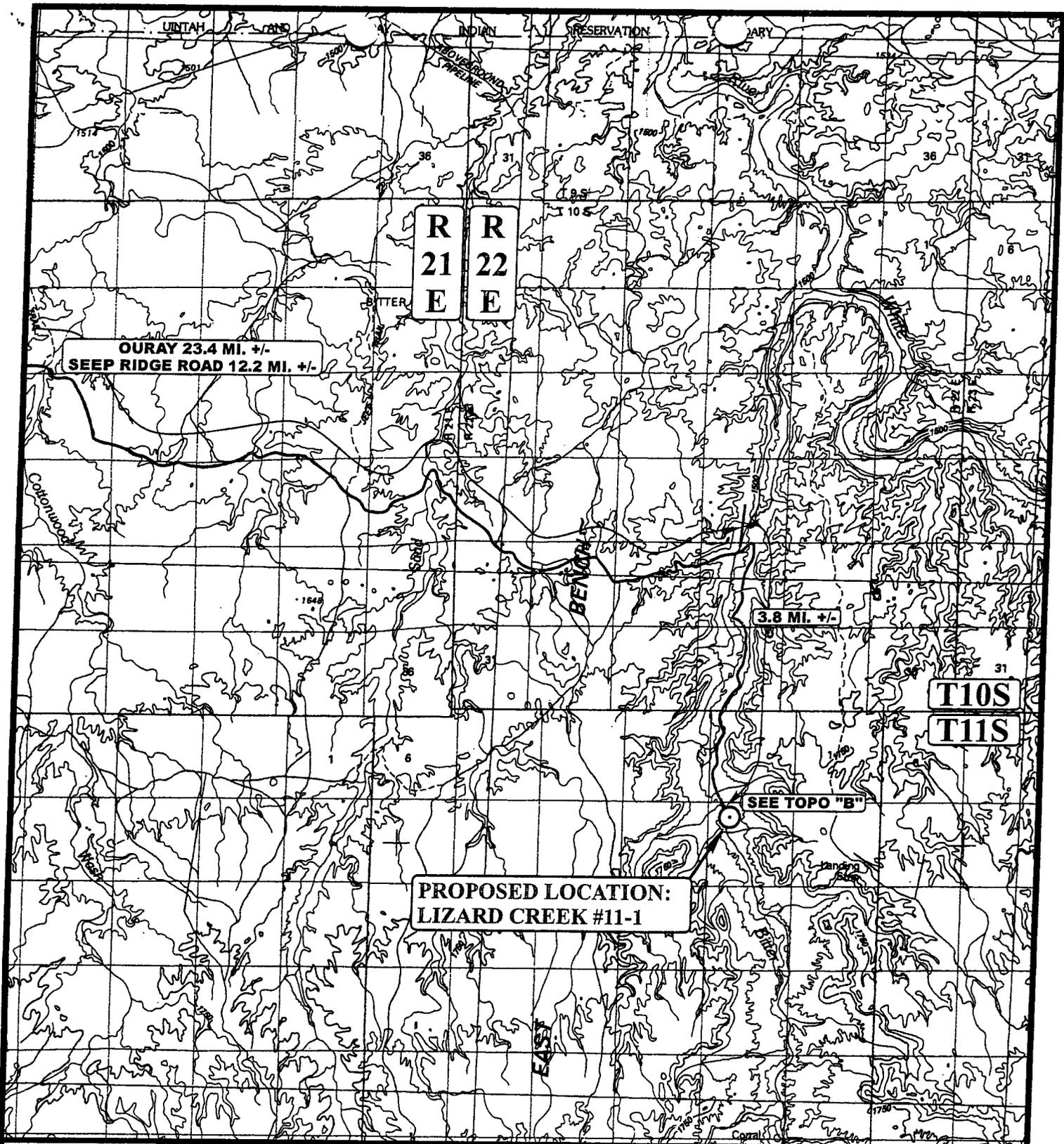
U
E
L
S
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

02 | 07 | 04
MONTH | DAY | YEAR

PHOTO

TAKEN BY: S.H. | DRAWN BY: C.H. | REV: 04-04-05 L.K.



LEGEND:

⊙ PROPOSED LOCATION

N



ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL

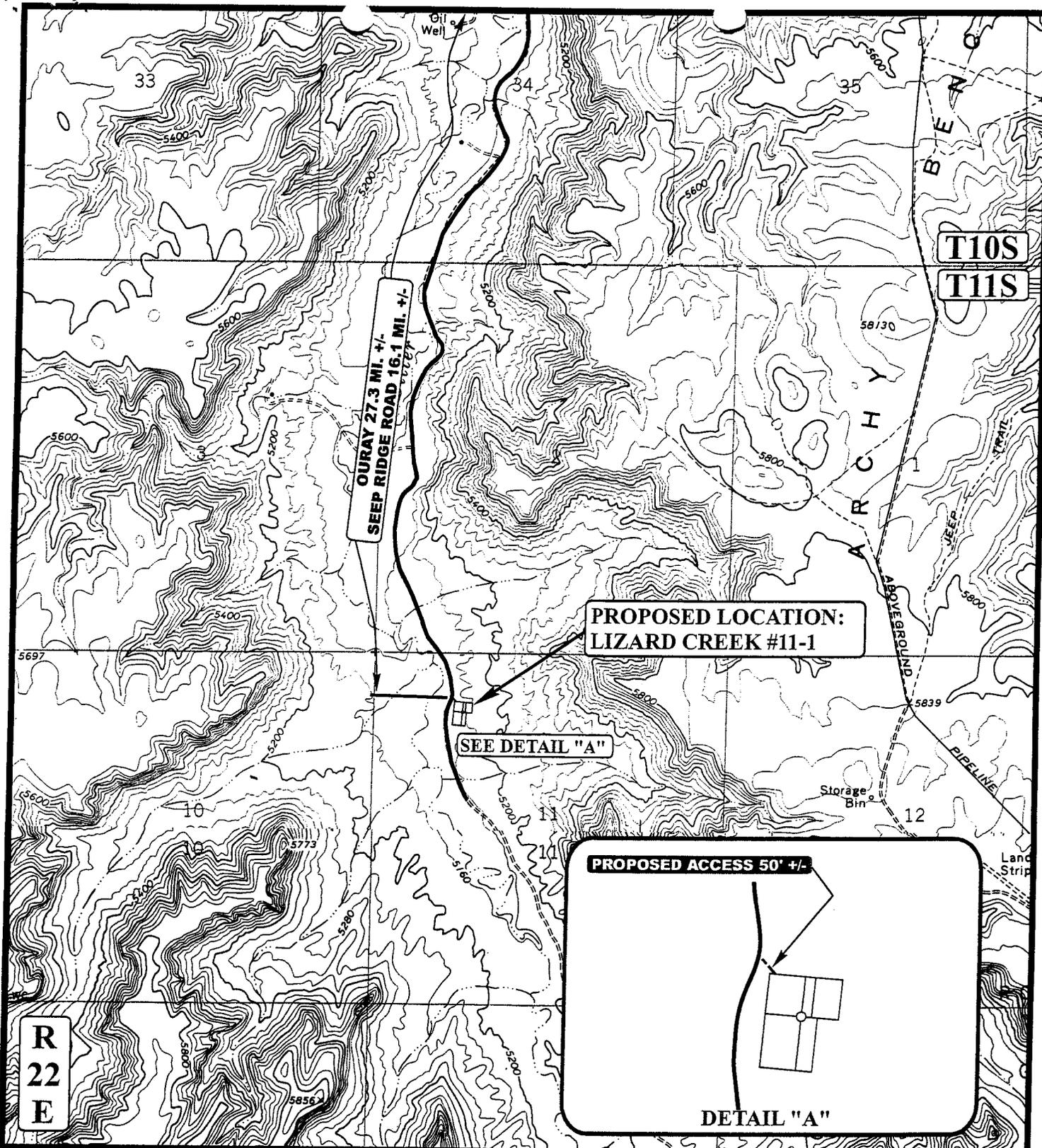


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
 02 08 05
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.H. REV: 04-04-05 L.K.





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



ROSEWOOD RESOURCES, INC.

**LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL**

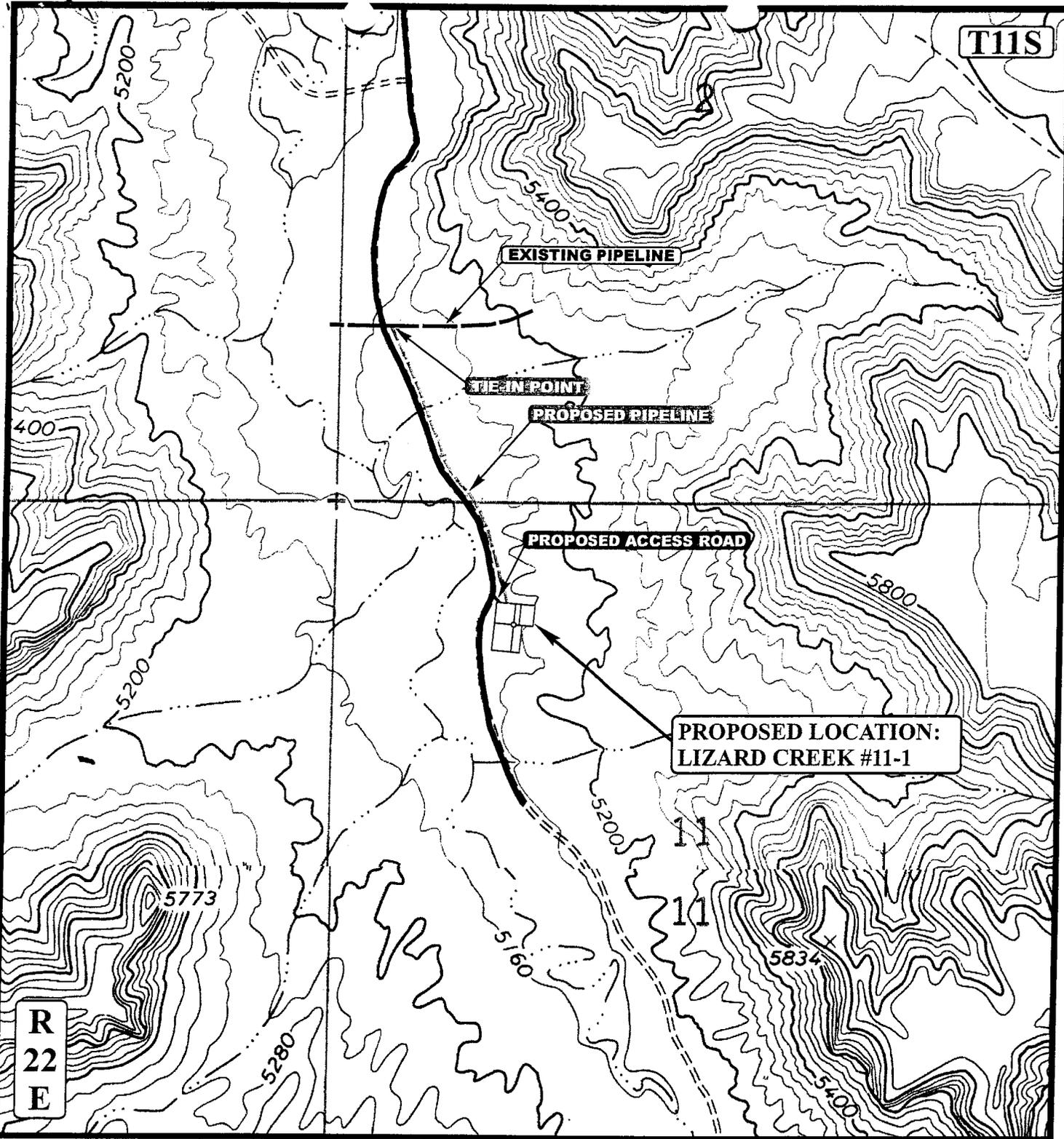


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 02 08 05
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.H. REV: 04-04-05 L.K.



T11S



APPROXIMATE TOTAL PIPELINE DISTANCE = 2300' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
 SECTION 11, T11S, R22E, S.L.B.&M.
 870' FNL 1293' FWL



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

TOPOGRAPHIC MAP
 02 08 05
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.H. REV: 04-04-05 L.K.



4/12/2005

Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, UT 84078

Dear Stephanie;

Rosewood Resources, Inc. has re-staked our Lizard Creek 11-1 well to the new location approximately 200' to the East as per your request. This new location should be out of the 100 year Bitter Creek Flood Plain zone. Please review the new NOS and let me know if we can proceed with the APD approval process.

Thank you,



Jill Henrie
Administrative Assistant
Rosewood Resources, Inc
P.O. Box 1668
Vernal, Utah 84078
Jill_henrie@rosewd.com
435-789-0414 X10

RECEIVED
MAY 19 2005
DIV. OF OIL, GAS & MINING

NOTICE OF STAKING

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number <i>UTU-73904</i>	
1. Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name	
2. Name of Operator <i>Rosewood Resources, Inc.</i>		8. Unit Agreement Name	
3. Name of Specific Contact Person <i>Jill Henrie</i>		9. Farm or Lease Name	
4. Address & Phone No. of Operator or Agent <i>P.O.Box 1668 Vernal UT 84078 435-789-0414 x10</i>		10. Well No. <i>Lizard Creek #11-1</i>	
5. Surface Location of Well Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other acceptable map showing location, access road, and lease boundaries.		11. Field or Wildcat Name	
15. Formation Objective(s) <i>Wasatch & Mesa Verde</i>		12. Sec., T., R., M., or Blk. and Survey or Area <i>870' FNL 1293' FWL NWNW SEC 11 T11S R22E SLB&M</i>	
16. Estimated Well Depth <i>8500'</i>		County or Parish or Borough <i>Uintah</i>	14. State <i>UT</i>
17. Additional Information (as appropriate; shall include surface owner's name, address and, if known, telephone number)			

13. Signed *Jill Henrie* Title *Administrative Assistant* Date *4/12/2005*

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite. Operators must consider the following prior to the onsite.

- a) H₂S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

IMPORTANT: SEE REVERSE SIDE FOR INSTRUCTIONS
BILLING CODE 4310-54-C

ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
LOCATED IN UINTAH COUNTY, UTAH
SECTION 11, T11S, R22E, S.L.B.&M.

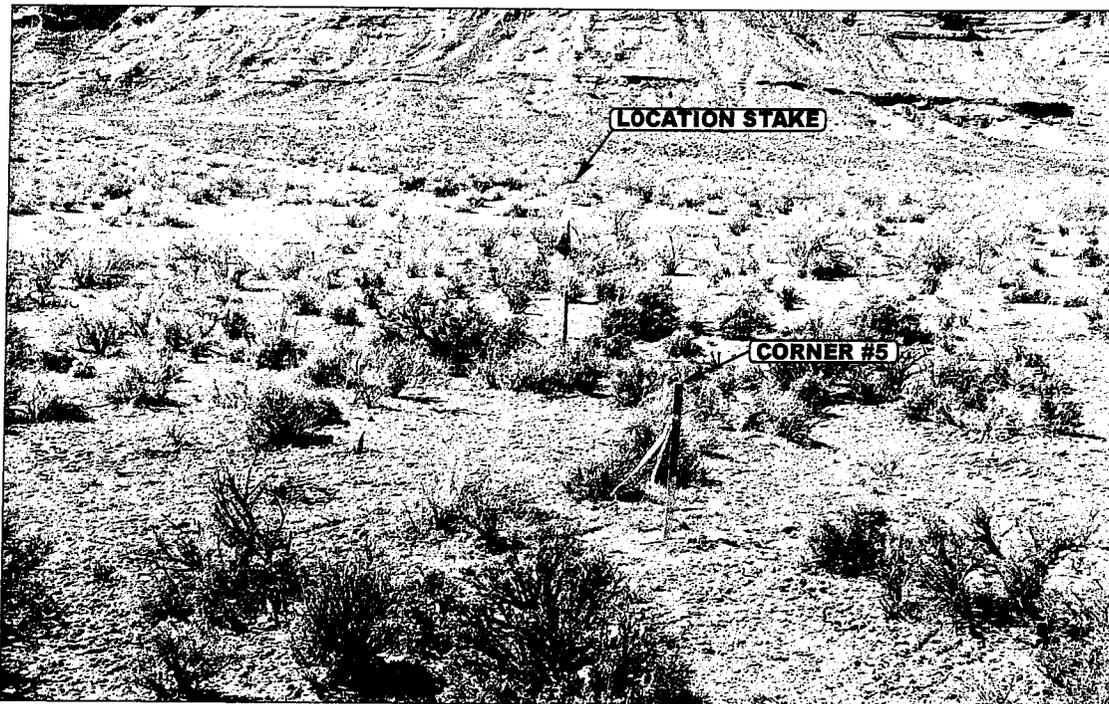


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

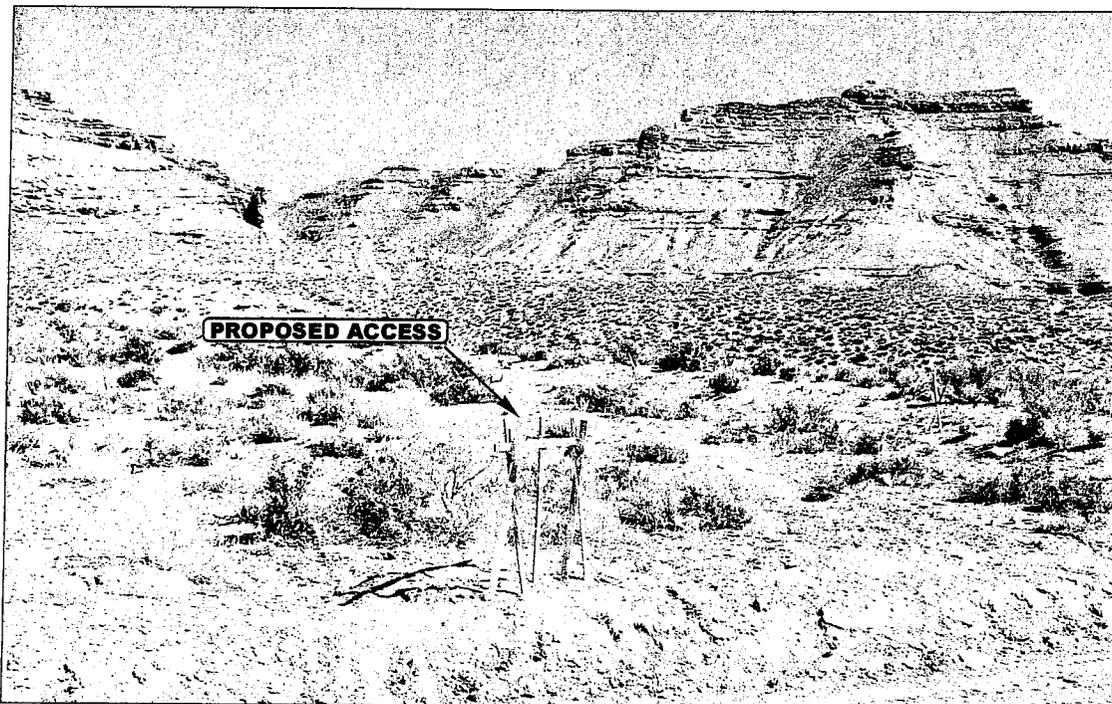


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

EIS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

02 | 07 | 04
MONTH | DAY | YEAR

PHOTO

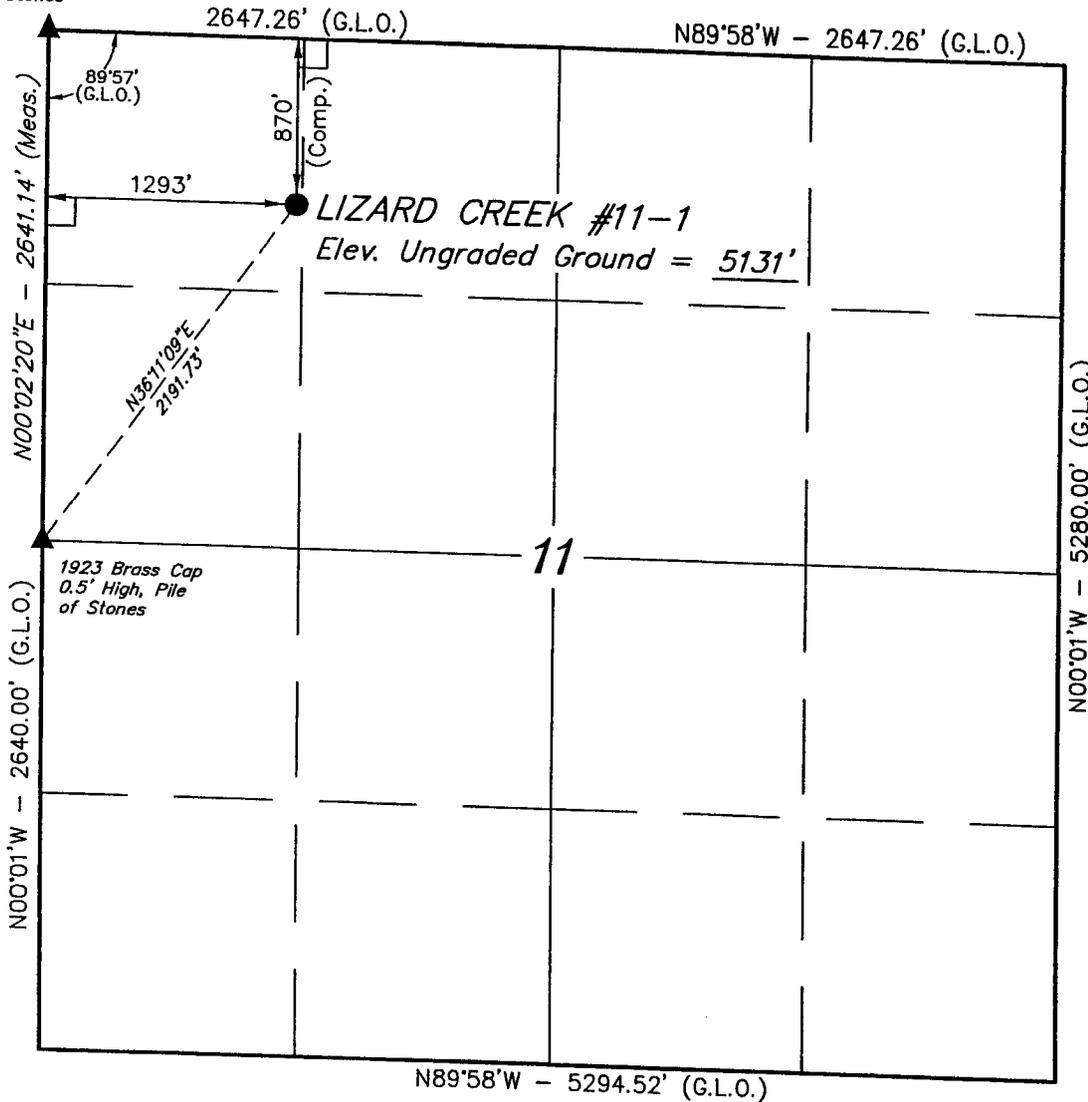
TAKEN BY: S.H. | DRAWN BY: C.H. | REV: 04-04-05 L.K.

T11S, R22E, S.L.B.&M.

ROSEWOOD RESOURCES, INC.

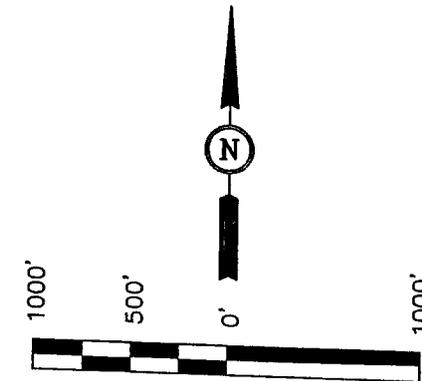
Well location, LIZARD CREEK #11-1, located as shown in the NW 1/4 NW 1/4 of Section 11, T11S, R22E, S.L.B.&M. Uintah County, Utah.

1923 Brass Cap
0.1' High, Pile
of Stones



BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHEAST CORNER OF SECTION 12, T11S, R22E, S.L.B.&M. TAKEN FROM THE BUCK CAMP CANYON, QUADRANGLE, UTAH UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5973 FEET.



SCALE

CERTIFICATE

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

John H. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 4-7-05

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)

LATITUDE = 39°52'47.79" (39.879942)

LONGITUDE = 109°25'37.71" (109.427142)

(AUTONOMOUS NAD 27)

LATITUDE = 39°52'47.91" (39.879975)

LONGITUDE = 109°25'35.26" (109.426461)

LEGEND:

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

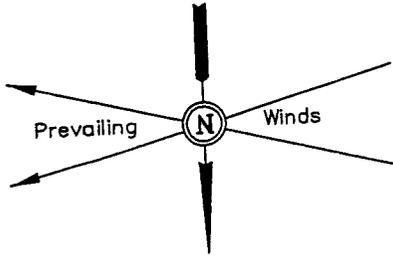
UNTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-3-05	DATE DRAWN: 2-8-05
PARTY G.S. D.L. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ROSEWOOD RESOURCES, INC.	

ROSEWOOD RESOURCES, INC

LOCATION LAYOUT FOR

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL



SCALE: 1" = 50'
DATE: 4-7-05
Drawn By: K.G.

Sta. 3+25

[Handwritten Signature]

Approx. Top of Cut Slope

Approx. Toe of Fill Slope

CONSTRUCT DIVERSION DITCH

Reserve Pit Backfill & Spoils Stockpile

10' WIDE BENCH

RESERVE PITS (10' Deep)
Total Pit Capacity W/2' of Freeboard = 9,130 Bbls. ±
Total Pit Volume = 2,530 Cu. Yds.
Slope = 1:1

El. 42.3'
C-22.2' (btm. pit)

C-10.2' El. 40.3'

C-9.3' El. 39.4'

C-1.8' El. 31.9' Sta. 0+00

F-3.1' El. 27.0' Sta. 1+50

F-3.5' El. 26.6' Round Corners as Needed

F-7.3' El. 22.8'

F-1.7' El. 28.4'

Topsoil Stockpile

DATA

CATWALK

PIPE RACKS

C-0.9' El. 31.0'

DOG HOUSE

RIG

MUD TANKS

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

STORAGE TANK

TRAILER

TOILET

FUEL

Existing Road

Proposed Access Road

Sta. 0+50

Elev. Ungraded Ground at Location Stake = 5131.0'

Elev. Graded Ground at Location Stake = 5130.1'

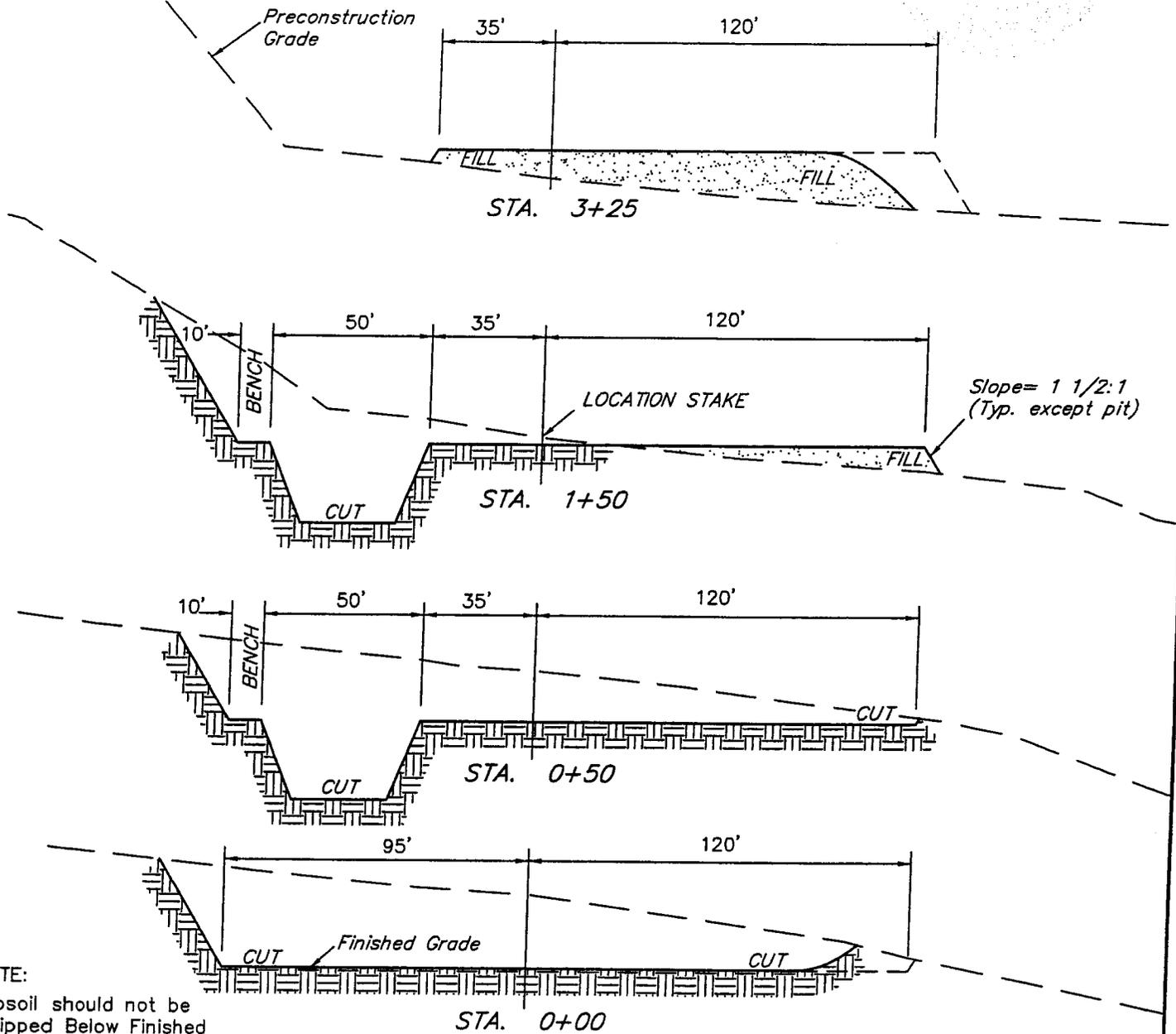
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

JOSEWOOD RESOURCES, INC.
TYPICAL CROSS SECTIONS FOR

LIZARD CREEK #11-1
 SECTION 11, T11S, R22E, S.L.B.&M.
 870' FNL 1293' FWL

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

DATE: 4-7-05
 Drawn By: K.G.



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

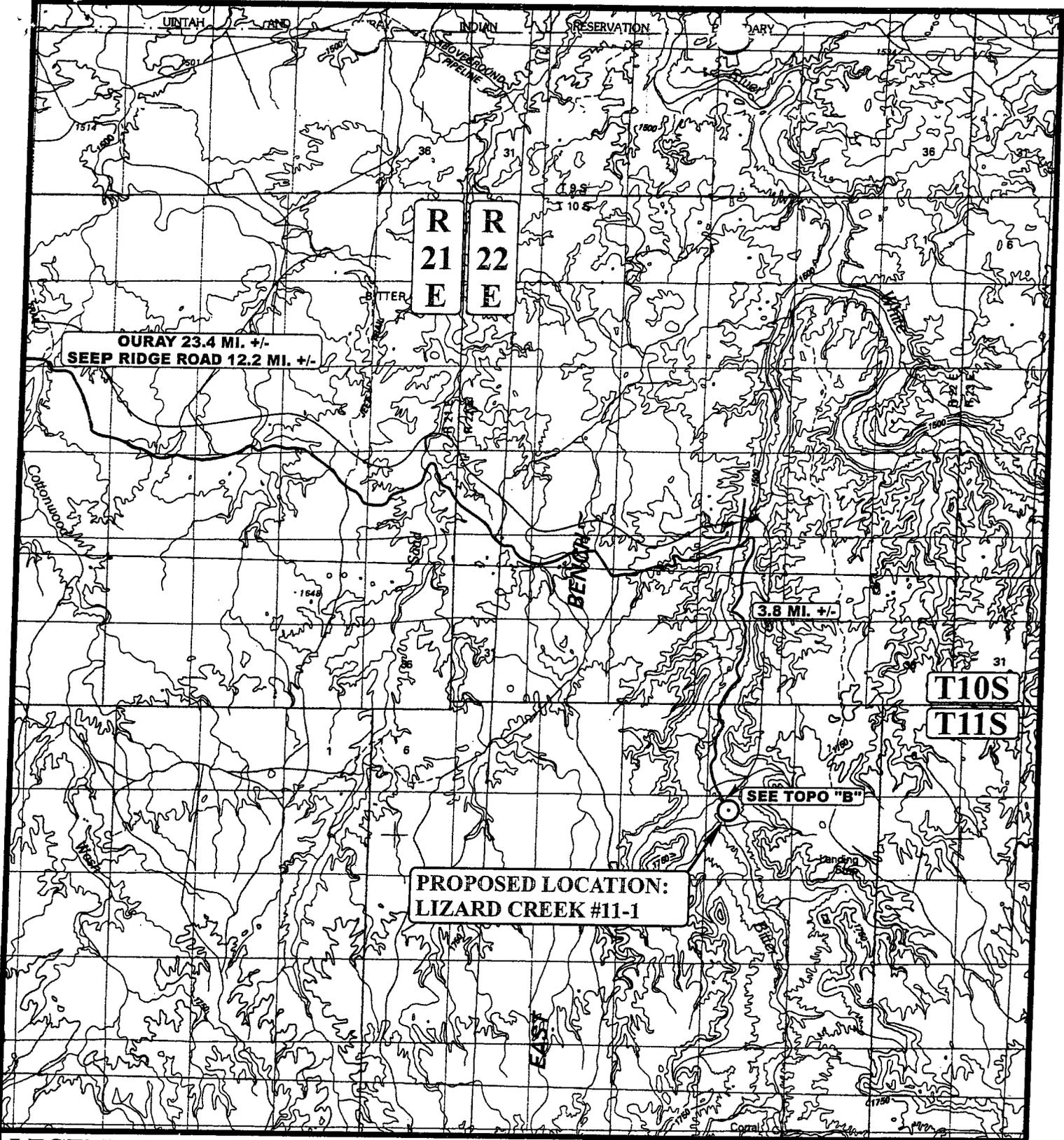
*** NOTE:**
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,460 Cu. Yds.
Remaining Location	= 10,560 Cu. Yds.
TOTAL CUT	= 12,020 CU.YDS.
FILL	= 4,550 CU.YDS.

EXCESS MATERIAL	= 7,470 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,730 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 4,740 Cu. Yds.

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



OURAY 23.4 MI. +/-
SEEP RIDGE ROAD 12.2 MI. +/-

R
21
E

R
22
E

3.8 MI. +/-

T10S
T11S

SEE TOPO "B"

PROPOSED LOCATION:
LIZARD CREEK #11-1

LEGEND:

○ PROPOSED LOCATION



ROSEWOOD RESOURCES, INC.

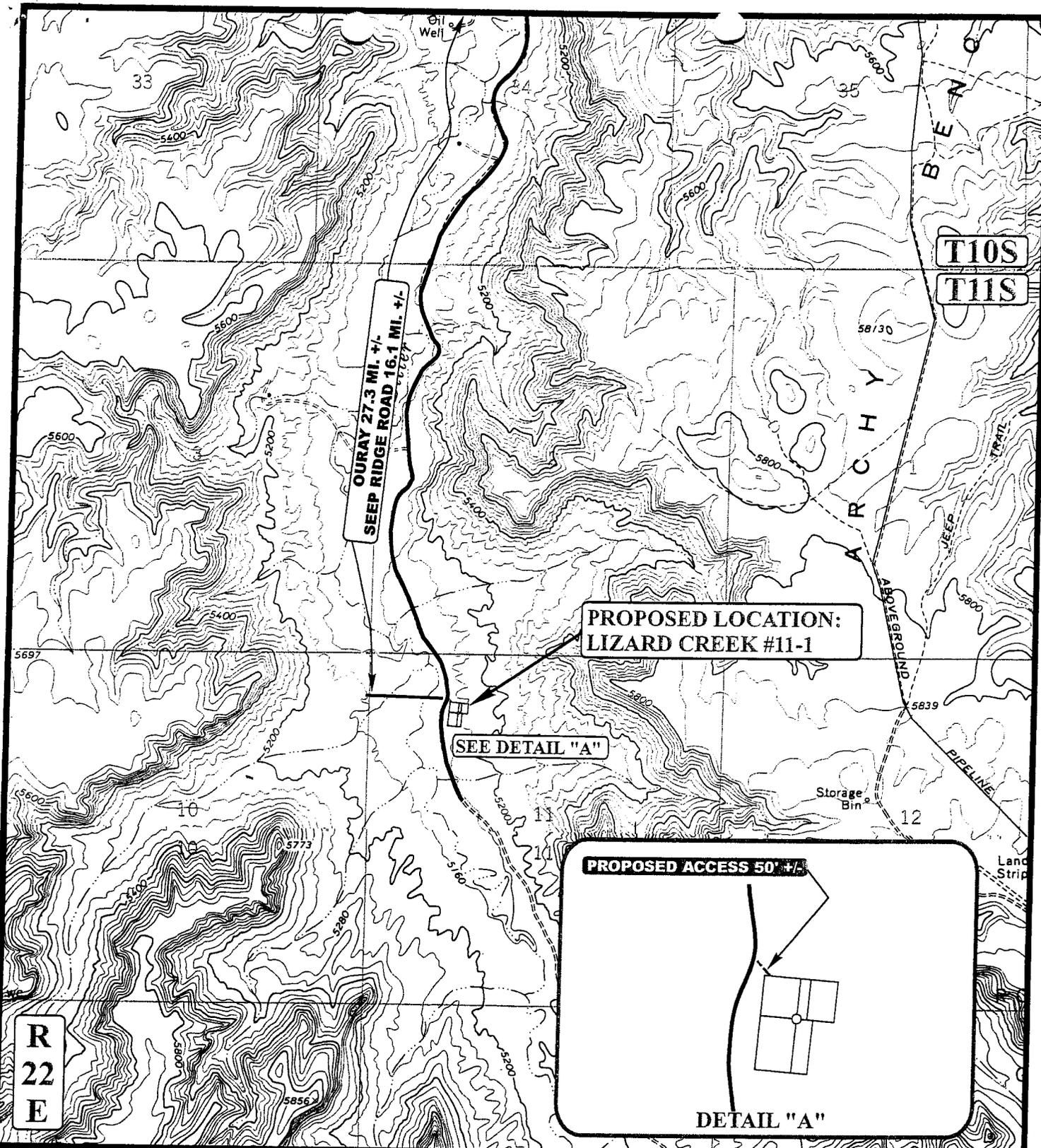
LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL



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

TOPOGRAPHIC MAP
02 08 05
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.H. REV: 04-04-05 L.K.





R
22
E

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL

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

TOPOGRAPHIC 02 08 05
M A P MONTH DAY YEAR
SCALE: 1" = 2000' **DRAWN BY: C.H.** **REV: 04-04-05 L.K.** **TOPO**

T11S

EXISTING PIPELINE

VIEW POINT

PROPOSED PIPELINE

PROPOSED ACCESS ROAD

PROPOSED LOCATION:
LIZARD CREEK #11-1

R
22
E

APPROXIMATE TOTAL PIPELINE DISTANCE = 2300' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

ROSEWOOD RESOURCES, INC.

LIZARD CREEK #11-1
SECTION 11, T11S, R22E, S.L.B.&M.
870' FNL 1293' FWL

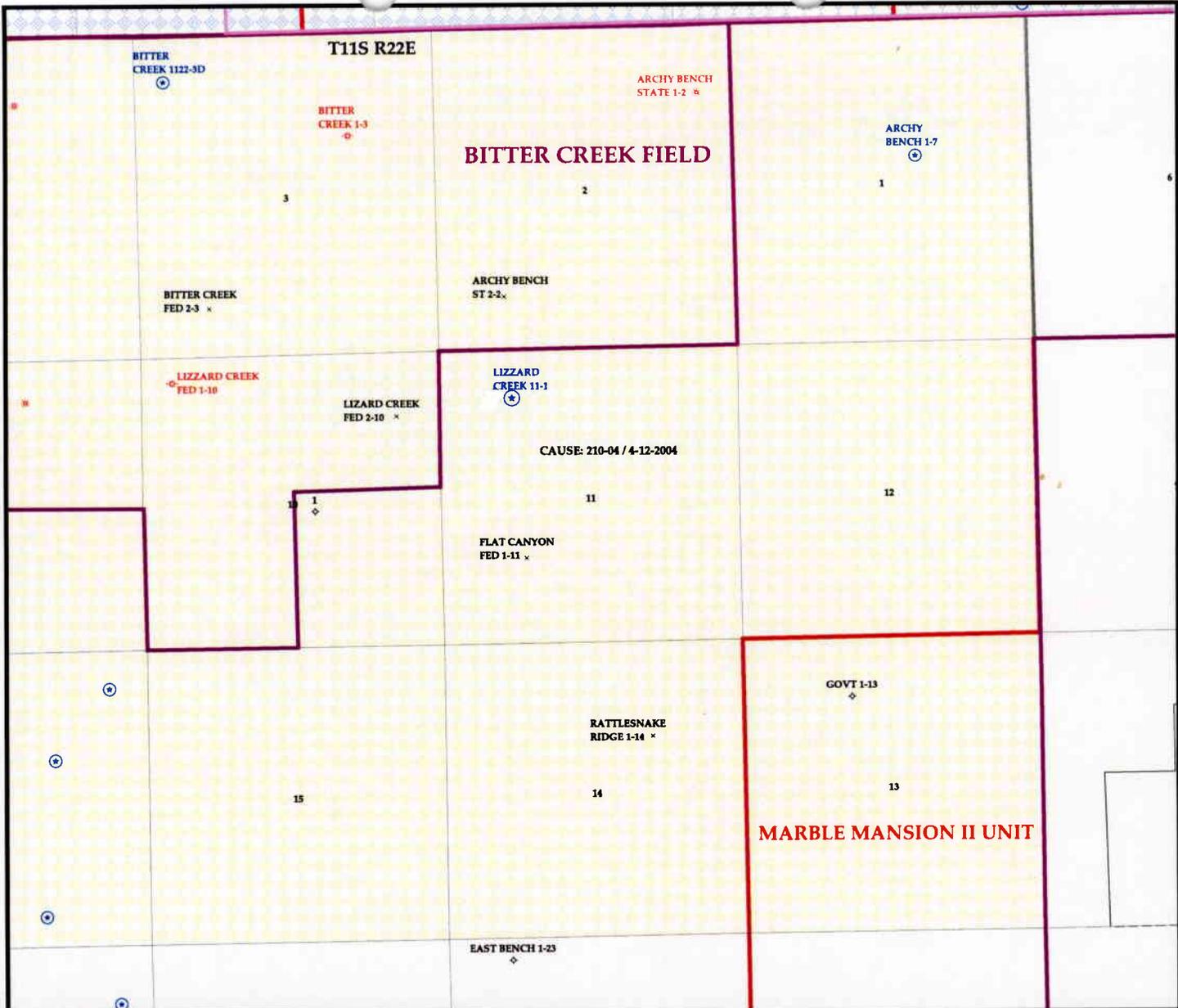


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

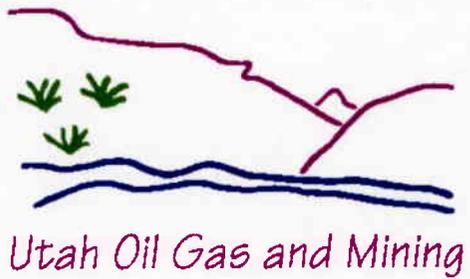
TOPOGRAPHIC MAP 02 08 05
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REV: 04-04-05 L.K.





OPERATOR: ROSEWOOD RES INC (N7510)
SEC: 11 T. 11S R. 22E
FIELD: UNDESIGNATED (002)
COUNTY: UINTAH
CAUSE: 210-04 / 4-12-2004



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: 20-MAY-2005

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

5. LEASE DESIGNATION AND SERIAL NO.

UTU-73904

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** **DEEPEN**

1b. TYPE OF WELL

OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Lizard Creek

2. NAME OF OPERATOR

Rosewood Resources, Inc.

9. WELL NO.

#11-1

3. ADDRESS OF OPERATOR

P.O. Box 1668 Vernal, UT 84078

10. FIELD AND POOL OR WILDCAT

Wildcat

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

At Surface **870' FNL 1293' FWL**

At proposed Prod. Zone

NWNW SEC 11 T11S R22E

FEB 17 2005

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

**SEC 11 T11S R22E
870' FNL 1293' FWL**

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

Approximately 25 miles South of Ouray, Utah.

12. County

Uintah

13. STATE

Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

870'

16. NO. OF ACRES IN LEASE

1600

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

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

None

19. PROPOSED DEPTH

8500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5131' ungraded GR

22. APPROX. DATE WORK WILL START*

Upon Rig Availability

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36#	1000'	550 sx - Circulate to surface
7 7/8"	4 1/2"	11.6#	8500'	1360 sx - Cement to surface

Rosewood Resources, Inc. proposes to drill a well to 8500' to test the Wasatch and Mesa Verde formations. If productive, casing will be set and the well completed. If dry, the well will be plugged and abandoned as per BLM & State of Utah requirements.

See Onshore Order No. 1 attached.

CONFIDENTIAL-TIGHT HOLE

Bond coverage for this well is provided by Nationwide Bond no. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive 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 **Administrative Assistant** DATE **5-16-05**

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE

CONDITIONS OF APPROVAL ATTACHED

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]

Assistant Field Manager

Mineral Resources

DATE

07/19/2005

NOTICE OF APPROVAL

*See Instructions On Reverse Side

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

UDOGM

RECEIVED

JUL 26 2005

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Rosewood Resources, Inc.

Well Name & Number: Lizard 11-1

Lease Number: U-73904

API Number: 43-047-36316

Location: NWNW Sec. 11 T. 11S R. 22E

Agreement: N/A

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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.

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 & Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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

3. Casing Program and Auxiliary Equipment

None

4. Mud Program and Circulating Medium

None

5. Coring, Logging and Testing Program

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe 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 supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).

6. Notifications of Operations

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

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 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.

7. Other Information

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

All off-lease storage, off-lease measurement, or commingling 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 Field Office. All meter measurement facilities will conform to 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

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

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

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

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

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

Refinery wastes

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

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- Paint all facilities Fuller O'Brian color Olive Black (5WA20-6). Any paint brand may be used provided the colors match.
- The authorized officer may prohibit surface disturbing activities during wet and muddy periods to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- The seed mix for this location shall be:

Wyoming big sage	<i>Artemisia tridentate</i>	1lbs. /acre
Scarlet globemallow	<i>Sphaeralcea coccinea</i>	4lbs. /acre
Shadscale	<i>Atriplex confertifolia</i>	3lbs. /acre
Indian Ricegrass	<i>Stipa hymenoides</i>	4lbs. /acre

 - All pounds are in pure live seed.
 - Reseeding may be required if first seeding is not successful.
- 4 to 6 inches of topsoil shall 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 shall 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 shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

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

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.	UTU-73904
6. If Indian, Allottee or Tribe Name	N/A
7. If Unit or CA, Agreement Designation	N/A
8. Well Name and No.	Lizard Creek 11-1
9. API Well No.	43-047-36316
10. Field and Pool, or Exploratory Area	Wildcat
11. County or Parish, State	UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

CONFIDENTIAL

1. Type of Well

Oil Well
 Gas Well
 Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW SEC 11 T11S R22E 870' FNL 1293' FWL

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other _____ (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
	<input type="checkbox"/> Change of Plans <input type="checkbox"/> New Construction <input type="checkbox"/> Non-Routine Fracturing <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Rosewood Resources, Inc. has contacted the following drilling companies (Please see attached) to try to obtain a drilling rig to drill above mentioned well. No rigs were available at this time. This is in order to hold lease #UTU-73904. Rosewood will follow up with subsequent reports showing due diligence to obtain a drilling rig on a monthly basis thereby holding the lease until the rig is obtained and the well can be drilled. Please call with any concerns.

Thank You,
Jill Henrie
Administrative Assistant, Rosewood Resources, Inc.
435-789-0414 x10

RECEIVED

NOV 15 2005

DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; DALLAS OFFICE

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

Signed Jill Henrie Title Administrative Assistant Date 11/11/05

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Union Drilling
P.O. Drawer 40
Buckhannon, WV 26201
Shakey Chivers 435-789-2663

Pioneer Drilling
1250 NE Loop 410
San Antonio, TX 78209
Don Lacombe 210-828-7689
(Unable to reach. Left message)

Patterson Drilling
1120 East 1500 South
Vernal Ut 84078
Jesse Blanchard 789-4154

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-73904

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Lizard Creek 11-1

2. Name of Operator
ROSEWOOD RESOURCES, INC.

9. API Well No.
43-047-36316

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

10. Field and Pool, or Exploratory Area
Wildcat

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW SEC 11 T11S R22E 870' FNL 1293' FWL

11. County or Parish, State
UINTAH CO., UTAH

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment Change of Plans
 Recompletion New Construction
 Plugging Back Non-Routine Fracturing
 Casing Repair Water Shut-Off
 Altering Casing Conversion to Injection
 Other Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

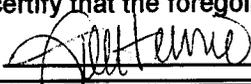
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Rosewood Resources, Inc. has contacted the following drilling companies (Please see attached) to try to obtain a drilling rig to drill above mentioned well. No rigs were available at this time. This is in order to hold lease #UTU-73904. Rosewood will follow up with subsequent reports showing due diligence to obtain a drilling rig on a monthly basis thereby holding the lease until the rig is obtained and the well can be drilled. Please call with any concerns.

Thank You,
Jill Henrie
Administrative Assistant, Rosewood Resources, Inc.
435-789-0414 x10

COPIES: ORIG. & 2-BLM; DIV. OG&M; DALLAS OFFICE

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

Signed  Title Administrative Assistant Date 12/09/05

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

RECEIVED

DEC 16 2005

Bill Barrett Corp.
Troy Schindler
303-293-9100

Newfield Energy
Mike Guinn
435-823-2075

Patterson Drilling
1120 East 1500 South
Vernal Ut 84078
Jesse Blanchard 789-4154

Fax

To: Carol Daniels From: Jill Hammie
 Fax: _____ Date: 2-16-06
 Phone: _____ Pages: 4
 Re: _____ CC: _____

- Urgent For Review Please Comment Please Reply Please Recycle

•Comments:

Per our phone conversation -

Thank you!!

Jill Hammie
435-789-0414 X10

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 17 2005

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

BLM VERNAL, UTAH

5. Lease Designation and Serial No.

UTU-73904

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

RECEIVED

FEB 16 2006

8. Well Name and No.

Lizard Creek 11-1

9. API Well No.

43-047-36316

2. Name of Operator

ROSEWOOD RESOURCES, INC.

DIV. OF OIL, GAS & MIN.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

10. Field and Pool, or Exploratory Area

Wildcat

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW SEC 11 T11S R22E 870' FNL 1293' FWL

11. County or Parish, State

UINTAH CO., UTAH

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Rosewood Resources, Inc. set surface casing on the above mentioned well on 10/15/05 (Please see attached report). This will adhere to the BLM's requirements that drilling operations have commenced in order to hold lease #UTU-73904 as stated in attached letter. Rosewood will follow up with subsequent reports showing due diligence to obtain a drilling rig on a monthly basis thereby holding the lease until the rig is obtained and the well can be drilled.

* Rosewood will spud well Friday 2/17/06 & start drilling, we will send weekly drilling reports.

COPIES: ORIG & 2-BLM; DIV. OG&M; DALLAS OFFICE

VERNAL DIST.
LINE _____
DEGL _____
PET. _____
Date 10/17/05

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

Signed

Fuller

Title Administrative Assistant

Date 10/17/05

(This space for Federal or State office use)

Approved by

NOTED

Title

Date

OCT 17 2005

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

OPERATOR

Lizard Creek 11-1

ROSEWOOD RESOURCES, INC.

Daily Drilling Report

WELL NAME: Lizard Creek #11-1

DATE: 10/15/05

PROPOSED TD: 8500'

Lease #: UTU-73904
Surface: NW NW SEC 11 T11S R22E
County: UINTAH, UTAH
API #43-047-36316

Engineer D. Widner

10/15/2005

Diamond J (Jim Oldham) Built location and lined pit.
Pete Martin Drilling set conductor pipe.
MIRU Bill Jr Rathole Drilling, inc.
Drilled 1020' of 12 1/4" hole.
RIH w/ Guide Shoe, + 23 jts 9 5/8" 32.3# 8 rd H-40 STC New Casing to 996.4'
Big 4 Cementers cemented w/ 425 sxs Premium + 2 % CaCl + 1/4#/sx Flocele + 2% gel.
Circulated 9 bbls slurry to surface Plug down @ 19:45. Plug Held.
Released Bill Jr. Rig.
Now waiting on Drilling rig
BLM notified, but did not witness any of these operations.
Note Baffle Plate ran 1 ft up from shoe, and left 2 bbls cement on top of plug

Daily Cost \$108,747 Cum Cost: \$108,747

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

FORM 6

ENTITY ACTION FORM

Operator: Rosewood Resources, Inc. Operator Account Number: N 7510
 Address: P.O. Box 1668
city Vernal
state UT zip 84078 Phone Number: (435) 789-0414

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736316	Lizard Creek 11-1		NWNW	11	11S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15191	10/15/2005		2/16/06		
Comments: <u>MURD</u> CONFIDENTIAL J							

Well 2

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

Well 3

API Number	Well Name		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)

Jim Henrie

Name (Please Print)

Signature

Administrative Assistant

Title

2/16/2006

Date

RECEIVED

FEB 16 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU-73904

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Lizard Creek 11-1

9. API Well No.

43-047-36316

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW SEC 11 T11S R22E 870' FNL 1293' FWL

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other _____
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Please see attached drilling reports on above mentioned well.
If you have any questions please feel free to call.
Thank you,

Jill Henrie
Rosewood Resources, Inc.
435-789-0414 x10

RECEIVED
FEB 28 2006

DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; DALLAS OFFICE

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

Signed Jill Henrie Title Administrative Assistant Date 02/24/06

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

ROUWOOD RESOURCES, INC.

1600 BROADWAY, SUITE 2400
DENVER, COLORADO 80202
PHONE 303-877-4670

DAILY DRILLING REPORT

LEASE NAME & WELL NO. LIZARD CREEK 11-1				FIELD BITTER CREEK		DATE February 22, 2006	
RIG NAME AND NUMBER PATTERSON #77				COUNTY UINTAH, UTAH		STATE UTAH	
TOTAL DEPTH 3330		Rot. Hrs 22	cum Rot. Hrs 34	FOOTAGE DRILLED 1500	LAST CASING SIZE, WEIGHT, GRADE 9.625 32.3		SET @ 996'
ACTIVITY AT REPORT TIME DRILLING						Report No. 4	
REMARKS WATER FLOW						REPORTED BY C.H.	
						KB TO GL 16	
TIME LOG							
			Activity Detail				
FROM	TO	HOURS					
06:00	10:00	4.00	DRILLING FROM 1830 TO 2064 [WATER FLOW FROM APPROXIMATELY 1800=25GPM]				
10:00	10:30	0.50	RIG SERVICE				
10:30	16:30	6.00	DRILLING FROM 2064 TO 2512				
16:30	17:00	0.50	SURVEY AT 2512 [MISSRUN]				
17:00	19:30	2.50	DRILLING FROM 2512 TO 2737				
19:30	20:00	0.50	SURVEY AT 2737= 1/2 DEGREE				
20:00	04:30	8.50	DRILLING FROM 2737 TO 3249				
4:30	05:00	0.50	SURVEY AT 3249 = 1 DEGREE				
5:00	06:00	1.00	DRILLING FROM 3249 TO 3330 [WATER FLOW HAS NOT QUIT]				
					UP	120	
					DOWN	100	
					ROTATE	110	
		24.00					
MUD RECORD			MUD MATERIALS USED			BIT RECORD	
DEPTH	2062		NO. OF SACKS/LBS	PRODUCT NAME	BIT NO.	1	
TIME	11:00		3	BARACOR	SIZE	7 7/8	
WEIGHT	8.4		4	EZ-MUD	MFG	HYCOLOG	
VIS	28		25	SEA MUD	TYPE	147	
WL			2	BARA CAT	JET	3-16 3-14	
PV/YP	2 @ 60		6	CAUSTIC SODA	SERIAL NO.	111321	
H2S			5	SODA ASH	DEPTH OUT		
CA	1450				DEPTH IN	996	
GELS					TOTAL FEET		
ALK	1.3				HRS	34	
pH	10.5				T/B/G		
CAKE					WT. ON BIT	15	
CL	1,800		DAILY COST	\$5,591.00	RPM	102	
KCL %	80.00%		PREVIOUS COST	#REF!	ROP(fph)	69.5	
%SOLIDS	0.3		CUMULATIVE COST	#REF!	AN VEL	140.0	
DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
1	PDC BIT	1.00	MAKE	EMSCO	BREW	1200	1/4
1	MUD MOTER	35.51	MODEL	F800	B-750	1711	1/4
21	6" DRILL COLLARS	636.52	STROKE	8.0	16	2737	1/2
			LINER SIZE	6.0	5.5		
			SPM	120			
			GPM	393			
			SURF PRESSURE	1400			
			ECD	9.2		DAILY WELL COST	\$28,613
			SLOW PUMP- SPM	50		PREVIOUS CUM COST	\$282,925
			SLOW PUMP- PRES	500		CUMULATIVE WELL COST	\$311,538
U:\PROD\DDRLG.XLS BHA 673.03							

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU-73904

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Lizard Creek 11-1

9. API Well No.

43-047-36316

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW SEC 11 T11S R22E 870' FNL 1293' FWL

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment Change of Plans
 Recompletion New Construction
 Plugging Back Non-Routine Fracturing
 Casing Repair Water Shut-Off
 Altering Casing Conversion to Injection
 Other _____ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Please see attached drilling reports on above mentioned well.
If you have any questions please feel free to call.
Thank you,

Jill Henrie
Rosewood Resources, Inc.
435-789-0414 x10

RECEIVED
MAR 08 2006

DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; DALLAS OFFICE

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

Signed Jill Henrie Title Administrative Assistant Date 03/03/06

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

ROSWOOD RESOURCES, INC.

1600 BROADWAY, SUITE 2400
DENVER, COLORADO 80202
PHONE 303-877-4670

DAILY DRILLING REPORT

LEASE NAME & WELL NO. LIZARD CREEK 11-1				FIELD BITTER CREEK		DATE March 5, 2006	
RIG NAME AND NUMBER PATTERSON #77				COUNTY UINTAH, UTAH	STATE	DAY NO. 15	
TOTAL DEPTH 8080	Rot. Hrs	cum Rot. Hrs	FOOTAGE DRILLED	LAST CASING SIZE, WEIGHT, GRADE 9.625 32.3 J-55		SET @ 996'	Report No. 15
ACTIVITY AT REPORT TIME PUMP DRY PIPE SLUG						REPORTED BY C.H.	
REMARKS NOTIFY STATE O&G=CAROLE. BLM MIKE, JAIMIE VOICE MAIL ON OFFICE, CELL, HOME NO RESPON							KB TO GL 16
TIME LOG							
FROM	TO	HOURS	Activity Detail				
06:00	07:00	1.00	RIG DOWN HALLIBURTON LOGERS **WELL FLOWING**				
7:00	09:30	2.50	RUN IN HOLE TO 2788 SHUT IN WELL OBTAIN PRESSURES OPEN CHOKE TO GAS BUSTER				
9:30	12:30	3.00	CIRCULATE AND CONDITION GAS OUT AND KILL WATER FLOW				
12:30	13:30	1.00	PULL OUT OF HOLE.				
13:30	18:00	4.50	RUN IN HOLE TO 8080 *****HAD 30 FOOT FLARE*****				
18:00	06:00	0.50	CIRCULATE GAS OUT, AND SWEEP AROUND, [WORK ON FORKLIFT] RIG UP CASERS ,PUMP SLUG **RIG READY AT 20:00, UNABLE TO TO RUN FORKLIFT TILL 04:30=8 1/2 HOURS**				
						UP	180
						DOWN	160
						ROTATE	170
		12.50					
MUD RECORD			MUD MATERIALS USED		BIT RECORD		
DEPTH	8080			PRODUCT NAME	BIT NO.	2	3
TIME			75	barrite	SIZE	7 7/8	7 7/8
WEIGHT	10.2		18	wall nut	MFG	HYCOLOG	HYCOLOG
VIS	69		21	sea mud	TYPE	DSX-146	275
WL			2	sapp	JET	3-13 3-18	4-12 4-18
PV/YP	16		4	caustic soda	SERIAL NO.	103515	109576
H2S			10	sawdust	DEPTH OUT	7580	8080
CA	120		2	lime	DEPTH IN	6794	7580
GELS	11/22		1	zeo gel	TOTAL FEET	786	500
ALK	0.8				HRS	23.5	38.00
pH	9.7				T/B/G	8- N/A-I	
CAKE					WT. ON BIT	20000	15K-30K
CL				DAILY COST	\$14,302.00	RPM	102
KCL %	2.10%			PREVIOUS COST	#REF!	ROP(fph)	33.4
%SOLIDS	11.8			CUMULATIVE COST	#REF!	AN VEL	140.0
DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
1	PDC BIT	1.00	MAKE	EMSCO	BREW	1200	1/4
1	BIT SUB	2.73	MODEL	F800	B-750	1711	1/4
21	6" DRILL COLLARS	636.52	STROKE	8.0	16	2737	1/2
			LINER SIZE	6.0	5.5	3249	1
			SPM	120		4233	2 1/2
			GPM	380		5227	2 1/2
			SURF PRESSURE	1800		8080	1 3/4
			ECD	11.6		DAILY WELL COST	\$65,672
			SLOW PUMP- SPM	52		PREVIOUS CUM COST	\$917,417
			SLOW PUMP- PRES	745		CUMULATIVE WELL COST	\$983,089

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: Lizard Creek 11-1
 API number: 43-047-36316
 Well Location: QQ ^{NW} NW Section 11 Township 11S Range 22E County Uintah
 Well operator: Rosewood Resources
 Address: P.O. Box 1668
 city Vernal state UT zip 84078 Phone: 435-789-0414
 Drilling contractor: Patterson
 Address: P.O. Box 1416
 city Snyder state TX zip 79550 Phone: 325-574-6300

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1800	2200	30 GPM	Fresh
		9.7 mnd to Kill	

Formation tops: (Top to Bottom)

1	<u>Wasatch - 3202</u>	2	<u>Mesa Verde - 5752</u>	3	<u>Moncos Shale - 7953</u>
4	_____	5	_____	6	_____
7	_____	8	_____	9	_____
10	_____	11	_____	12	_____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

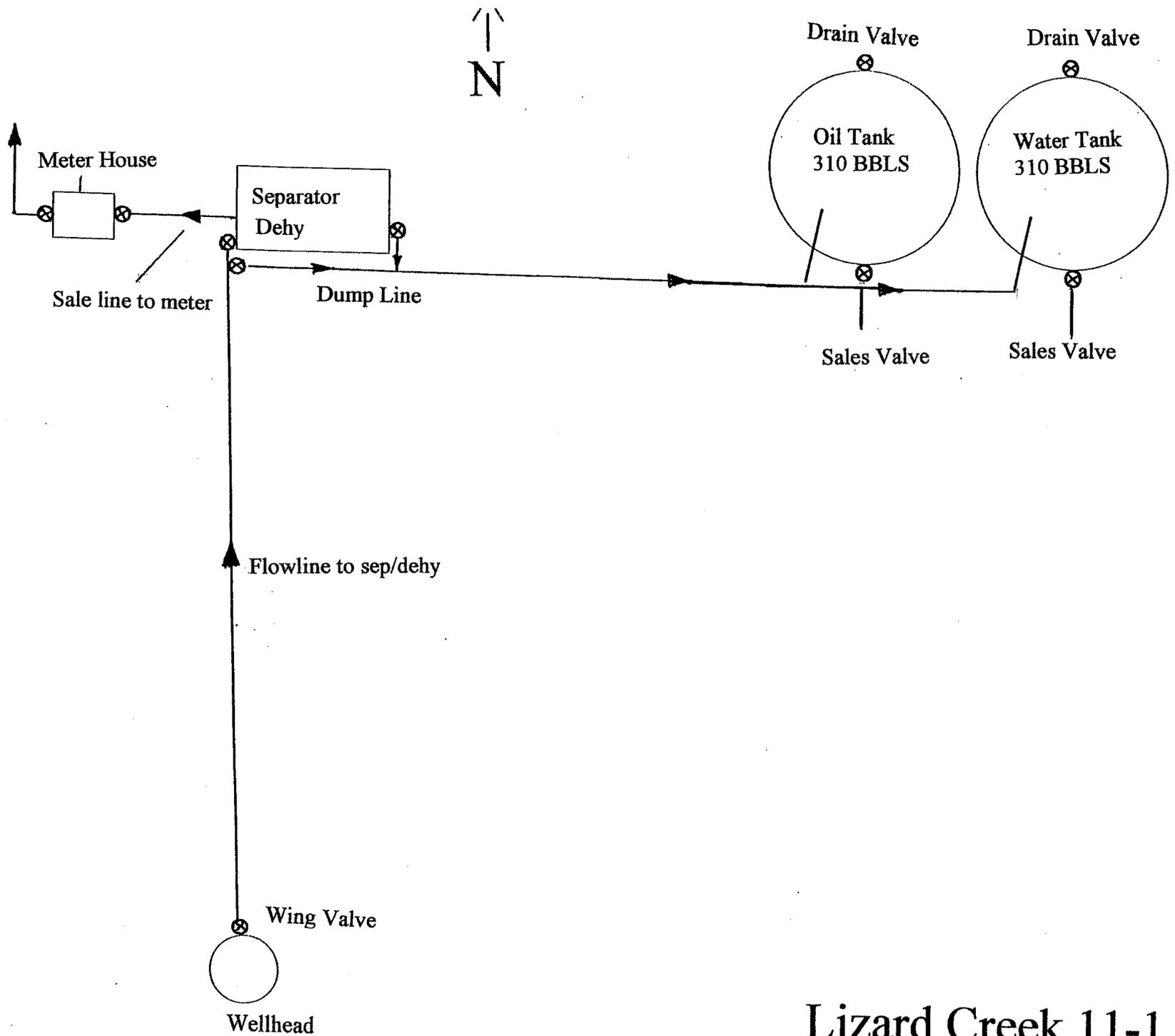
I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) JON HERBER TITLE Sr Geologist
 SIGNATURE [Signature] DATE 3-10-06

(6/2000)

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

RECEIVED
MAR 13 2006
DIV. OF OIL, GAS & MINING



Lizard Creek 11-1
NWNW SEC 11 T11S R22E
Rosewood Resources, Inc.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-73904

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Lizard Creek 11-1

9. API Well No.
43-047-36316

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State

UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWNW SEC 11 T11S R22E 870' FNL 1293' FWL

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other _____
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

See attached completion reports. Please call w/ any concerns.

Thank You
Jill Henrie
Rosewood Resources, Inc.
435-789-0414 x10

RECEIVED

MAY 11 2006

DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; DALLAS OFFICE

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

Signed Jill Henrie Title Administrative Assistant Date 05/05/06

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

RECEIVED

JUN 11 1975

DIV. OF OIL, GAS & MINING

RECEIVED

MAY 19 1961

DIV. OF OIL, GAS & MINING

SUBMIT IN DUPLICATE*
(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		7. UNIT AGREEMENT NAME N/A	
1b. TYPE OF WELL NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP EN <input type="checkbox"/> FLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____		8. FARM OR LEASE NAME, WELL NO. Lizard Creek #11-1	
2. NAME OF OPERATOR ROSEWOOD RESOURCES, INC.		9. API WELL NO. 43-047-36316	
3. ADDRESS AND TELEPHONE NO. P.O. BOX 1668, VERNAL, UT 84078 435-789-0414		10. FIELD AND POOL OR WILDCAT Wildcat	
4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)* At Surface NWNW SEC 11 T11S R22E 870' FNL 1293' FWL At top prod. Interval reported below At total depth		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA SEC 11 T11S R22E Block & Survey: S.L.B. & M	
14. PERMIT NO. 43-047-36316		DATE ISSUED 7/19/05	
12. COUNTY OR PARISH UINTAH		13. STATE UTAH	
15. DATE SPUNDED 10/14/05	16. DATE T.D. REACHED 3/4/2006	17. DATE COMPL. (Ready to prod.) 05/04/06	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5131' GR
19. ELEV. CASINGHEAD 5131'		20. TOTAL DEPTH, MD & TVD 8080' MD TVD 8030'	
21. PLUG, BACK T.D., MD & TVD		22. IF MULTIPLE COMPL., HOW MANY*	
23. INTERVALS DRILLED BY →		24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)* 6470-7704' MESA VERDE	
25. WAS DIRECTIONAL SURVEY MADE 1.8 degree		26. TYPE ELECTRIC AND OTHER LOGS RUN HRI,SDL,DSN,ML,MICRO	
27. WAS WELL CORED NO		28. TYPE ELECTRIC AND OTHER LOGS RUN HRI,SDL,DSN,ML,MICRO	

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9 5/8" H-40	32.3#	996.4' KB	12 1/4"	TO SURF W/ 425 SX "G" +2%	NONE
				CACL + 1/4 SX FLOCELE + 2% GEL	
4 1/2" M-80	11.6#	8062'	7 7/8"	LEAD -215 SX HIFILL V	TOC 200'
				TAIL - 1025 SX 50/50 POZ "G"	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8" J-55	7778	None

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
see attached page		

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)

PRODUCTION

DATE FIRST PRODUCTION 5/4/06	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) FLOWING	WELL STATUS (Producing or shut-in) PRODUCING
DATE OF TEST 05/13/06	HOURS TESTED 24	CHOKE SIZE 64/64
FLOW. TUBING PRESS. 0	CASING PRESSURE 140#	CALCULATED 24-HOUR RATE →
	OIL-BBL. 3	GAS-MCF. 354
	WATER-BBL. 77	GAS-OIL RATIO
	OIL-BBL. 3	GAS-MCF. 354
	WATER-BBL. 77	OIL GRAVITY-API (CORR.)
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD		TEST WITNESSED BY Leland Evans

35. LIST OF ATTACHMENTS

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

SIGNED [Signature] TITLE ADMINISTRATIVE ASSISTANT DATE 5/19/2006

*(See Instructions and Spaces for Additional Data on Reverse Side)

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

RECEIVED
MAY 22 2006

31. PERFORATION RECORD (Interval, size and number)

<u>INTERVAL</u>			<u>SIZE</u>	<u>NUMBER</u>
7700'-7704'	3 SPF	STAGE 1	0.42	12
7650'-7562'	3 SPF	STAGE 1	0.42	36
7474'-7476	3 SPF	STAGE 2	0.42	6
7489'-7491	3 SPF	STAGE 2	0.42	6
7544'-7550'	3 SPF	STAGE 2	0.42	18
7552'-7557	3 SPF	STAGE 2	0.42	15
7309'-7311	3 SPF	STAGE 3	0.42	6
7288'-7292	3 SPF	STAGE 3	0.42	16
7247'-7249'	3 SPF	STAGE 3	0.42	6
7206'-7208	3 SPF	STAGE 3	0.42	6
7019'-7021	3 SPF	STAGE 4	0.42	6
7008'-7010'	3 SPF	STAGE 4	0.42	6
6914'-6916	3 SPF	STAGE 4	0.42	6
6870'-6876	3 SPF	STAGE 4	0.42	18
6744'-6745	3 SPF	STAGE 5	0.42	3
6690'-6692	3 SPF	STAGE 5	0.42	6
6470'-6472	3 SPF	STAGE 5	0.42	6

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

<u>DEPTH INTERVAL (MD)</u>	
7700'-7704'	PERF ONLY...INTERVAL NOT FRACED
7650'-7562'	PERF ONLY...INTERVAL NOT FRACED
7474-7476	FRAC 35,110# 20/40 OTTAWA SAND
7489-7491	FRAC 35,110# 20/40 OTTAWA SAND
7544'-7550'	PERF ONLY...INTERVAL NOT FRACED
7552'-7557	PERF ONLY...INTERVAL NOT FRACED
7309'-7311	FRAC 88,307# 20/40 OTTAWA SAND
7288'-7292	FRAC 88,307# 20/40 OTTAWA SAND
7247-7249'	FRAC 88,307# 20/40 OTTAWA SAND
7206-7208	FRAC 88,307# 20/40 OTTAWA SAND
7019'-7021'	FRAC 100,895# 20/40 OTTAWA SAND
7008'-7010'	FRAC 100,895# 20/40 OTTAWA SAND
6914'-6916'	FRAC 100,895# 20/40 OTTAWA SAND
6870'-6876	FRAC 100,895# 20/40 OTTAWA SAND
6470-6745	FRAC 93,622 # 20/40 OTTAWA SAND

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

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			CORRECTION	MESA VERDE	5460'	

COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-73904

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
N/A

8. Well Name and No.
Lizard Creek 11-1

9. API Well No.
43-047-36316

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NWNW SEC 11 T11S R22E 870' FNL 1293' FWL SLB&M

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

TYPE OF SUBMISSION

Notice of Intent
 Subsequent Report
 Final Abandonment Notice

TYPE OF ACTION

Abandonment
 Recompletion
 Plugging Back
 Casing Repair
 Altering Casing
 Other commingling
 Change of Plans
 New Construction
 Non-Routine Fracturing
 Water Shut-Off
 Conversion to Injection
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Rosewood Resources, Inc. respectfully requests permission to perforate zones in the Wasatch formation on the above mentioned well. We also request to commingle production in the Wasatch and Mesa Verde formations. The Wasatch and Mesa Verde are both participating areas and this well is on a lease only basis, it is not within a unit. All interest owners are the same for both formations.

Thank you and please call with any questions or concerns.

Jill Henrie
Rosewood Resources, Inc.
435-789-0414 X10

RECEIVED

SEP 18 2006

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR
Date: 12-07-06
Initials: CHD

COPIES: ORIG. & 2-BLM; DIV. OG&M; DALLAS OFFICE

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

Signed Jill Henrie Title Administrative Assistant Date 09/12/06

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

~~THIS SUNDRY IS BEING RETURNED - INSUFFICIENT DATA WAS SUBMITTED TO APPROVE THE REQUESTED ACTION (see R649-3-22).~~

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

Federal Approval of This Action is Necessary

[Signature] December 1, 2006
Utah Division of Oil, Gas and 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: UTU-73904
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: ROSEWOOD RESOURCES INC		8. WELL NAME and NUMBER: LIZZARD CREEK 11-1
3. ADDRESS OF OPERATOR: PO Box 1668 , Vernal , UT, 84078		9. API NUMBER: 43047363160000
PHONE NUMBER: 435 789-0414 Ext		9. FIELD and POOL or WILDCAT: BITTER CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0870 FNL 1293 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 11 Township: 11.0S Range: 22.0E 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: 11/21/2015	<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 checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input 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.

Please change this well to shut in status. It was shut in on 11/21/2015
due to economic instability. Thank you Jill

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 06, 2016**

NAME (PLEASE PRINT) Jill Henrie	PHONE NUMBER 435 789-0414	TITLE Administravtive Assistant
SIGNATURE N/A	DATE 1/5/2016	