

March 8, 2005

RE: The Houston Exploration Company
Rock House 3-36-10-22
Sec. 36, T10S, R22E

Utah Division of Oil, Gas and Mining
1549 West North Temple
Suite 1210
PO BOX 145801
SLC, UT 84114

RECEIVED

MAR 18 2005

Dear Sir or Madam,

DIV. OF OIL, GAS & MINING

The Houston Exploration Company respectfully requests a spacing exception for the subject well. The well has been moved from the center of the forty-acre spacing.

The well is located at 934' FNL & 1,783' FWL, which has changed from the proposed location at 660' FNL & 1,980' FWL.

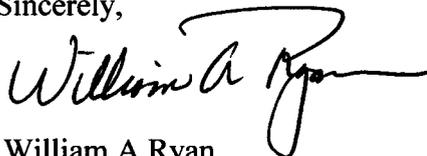
The location was moved due to topographic considerations and access. Please see the plat maps.

The Houston Exploration Company is not the only lease owner within a 460' radius.

School Trust Lands is the surrounding lease holder.

If you have additional questions please contact William A Ryan, Agent
290 S 800 E
Vernal, UT 84078
435-789-0968

Sincerely,


William A Ryan

003

The Houston Exploration Company
1100 Louisiana, Suite 2000
Houston, TX 77002
713-830-6800

Please hold all information associated with this Application for Permit to Drill and all associated logs confidential for a minimum of six (6) months.

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

FORM 3

AMENDED REPORT
(highlight changes)

001

| | | | |
|--|---|---|--|
| APPLICATION FOR PERMIT TO DRILL | | 5. MINERAL LEASE NO: ML-47061 | 6. SURFACE: State |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> | | 8. UNIT or CA AGREEMENT NAME: | |
| 2. NAME OF OPERATOR: THE HOUSTON EXPLORATION COMPANY | | 9. WELL NAME and NUMBER: ROCK HOUSE 3-36-10-22 | |
| 3. ADDRESS OF OPERATOR: 1100 LOUISIANA, SUIT CITY HOUSTON STATE TX ZIP 77002 | | PHONE NUMBER: (713) 830-6800 | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 934' FNL & 1783' FWL AT PROPOSED PRODUCING ZONE: SAME AS ABOVE | | 637558X 39.910009 4418799Y -109.390674 | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 36 10S 22E |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 78.0 MILES SOUTH OF VERNAL, UTAH | | 12. COUNTY: UINTAH | 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 934' | 16. NUMBER OF ACRES IN LEASE: 200 | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1100' +/- | 19. PROPOSED DEPTH: 8,083 | 20. BOND DESCRIPTION: RECEIVED 104155044 | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5601.5" GR | 22. APPROXIMATE DATE WORK WILL START: 4/15/2005 | 23. ESTIMATED DURATION: MAR 18 2005 30 DAYS | |

DIV. OF OIL, GAS & MINING

24. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT | | | |
|--------------|---|---------------|---|---------|---------|----------|
| 11" | 9 5/8 J-55 36# | 2,000 | PREMIUM LITE II | 250 SKS | 3.38 CF | 11.0 PPG |
| | | | CLASS "G" | 329 SKS | 1.2 CF | 15.6 PPG |
| | | | CALCIUM CHLORIDE | 200 SKS | 1.10 CF | 15.6 PPG |
| 7 7/8" | 4 1/2 N-80 11.6# | 8,083 | PREMIUM LITE II | 200 SKS | 3.3 CF | 11.0 PPG |
| | | | CLASS "G" | 400 SKS | 1.56 CF | 14.3 PPG |
| | | | | | | |

25. ATTACHMENTS

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

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) WILLIAM A RYAN TITLE AGENT
SIGNATURE *William A Ryan* DATE 3/8/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-36407

APPROVAL:

CONFIDENTIAL

T10S, R22E, S.L.B.&M.

R
22
E

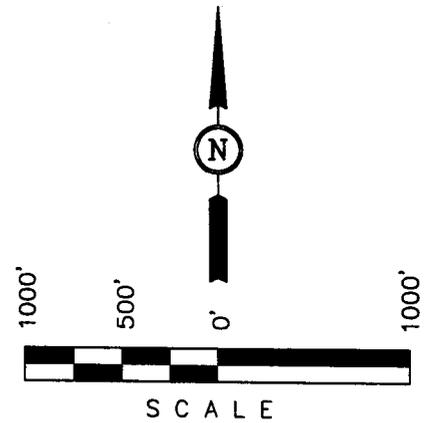
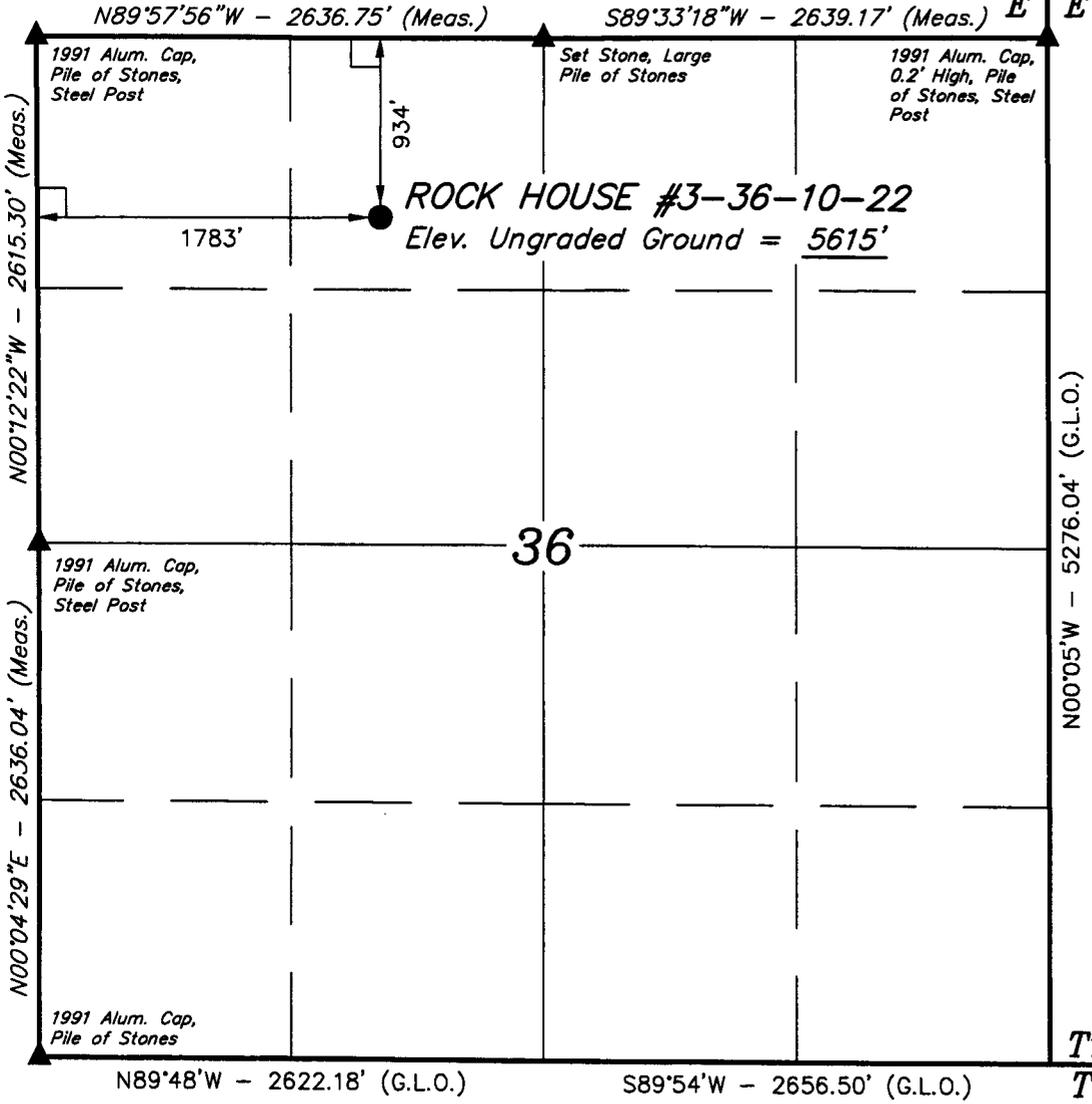
R
23
E

THE HOUSTON EXPLORATION COMPANY

Well location, ROCK HOUSE #3-36-10-22, located as shown in the NE 1/4 NW 1/4 of Section 36, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

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

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

T10S
T11S

BASIS OF BEARINGS

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

LEGEND:

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

(AUTONOMOUS NAD 83)
LATITUDE = 39°54'36.05" (39.910014)
LONGITUDE = 109°23'28.78" (109.391328)
(AUTONOMOUS NAD 27)
LATITUDE = 39°54'36.17" (39.910047)
LONGITUDE = 109°23'26.33" (109.390647)

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

| | | |
|-------------------------|---|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 02-24-05 | DATE DRAWN: 02-28-05 |
| PARTY B.B. J.M. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER COLD | FILE THE HOUSTON EXPLORATION COMPANY | |

Ten Point Plan

The Houston Exploration Company

Rockhouse #3-36-10-22

Surface Location NE ¼ NW ¼, Section 36, T. 10S., R. 22E.

1. Surface Formation

Green River

2. Estimated Formation Tops and Datum:

| <u>Formation</u> | <u>Depth</u> | <u>Datum</u> |
|-------------------------|--------------|--------------|
| Green River | Surface | +5,602' G.L. |
| Uteland Butte Limestone | 3,759 | +1,843' |
| Wasatch | 3,841 | +1,761' |
| Mesaverda | 5,741 | -139' |
| Buck Tounge | 8,041 | -2,439' |
| Castlegate | 8,121 | -2,519' |
| TD | 8,083 | -2,481' |

A 11" hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

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

Off Set Well information

Permitted/Drilled: Rock House 1-36-10-22, Rock House 7-36-10-22,
Rock House 13-36, Rock House 11-36

Producing Wells: S #1022-36E, Rock House #4-36, Rock House 2D-36,

Abandon Wells: ST #1, NBU #61-25B

4. Proposed Casing:

| <u>Hole Size</u> | <u>Casing Size</u> | <u>Weight/FT</u> | <u>Grade</u> | <u>Coupling & Tread</u> | <u>Casing Depth</u> | <u>New/Used</u> |
|------------------|--------------------|------------------|--------------|-----------------------------|---------------------|-----------------|
| 11 | 8 5/8 | 36# | J-55 | STC | 2000 | NEW |
| 7 7/8 | 4 1/2 | 11.6# | N-80 | LTC | T.D. | NEW |

Cement Program:

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

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

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

| | <u>Casing Size</u> | <u>Cement Type</u> | <u>Cement Amounts</u> | <u>Cement Yield</u> | <u>Cement Weight</u> |
|-------|------------------------|---|---------------------------|-------------------------|--------------------------|
| Lead: | 4 1/2 | Primium Lite II .25#/sk Cello Flake .05#/sk Static Free 5#/sk Kol Seal 3% Potassium Chloride .055 gps FP-6L 10% Bentonite .5 Sodium Metasilicate | 200 sks +/- | 3.3ft ³ /sk | 11.0 ppg |
| Tail: | 4 1/2 | Class "G" .05% Static Free 2 Sodium Chloride .1% R-3 2% Bentonite | 400 sks +/- | 1.56ft ³ /sk | 14.3 ppg |

5. BOP and Pressure Containment Data:

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

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

6. Mud Program:

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

7. Auxiliary Equipment

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

8. Testing, Coring, Sampling and Logging:

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

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

9. Abnormalities (including sour gas):

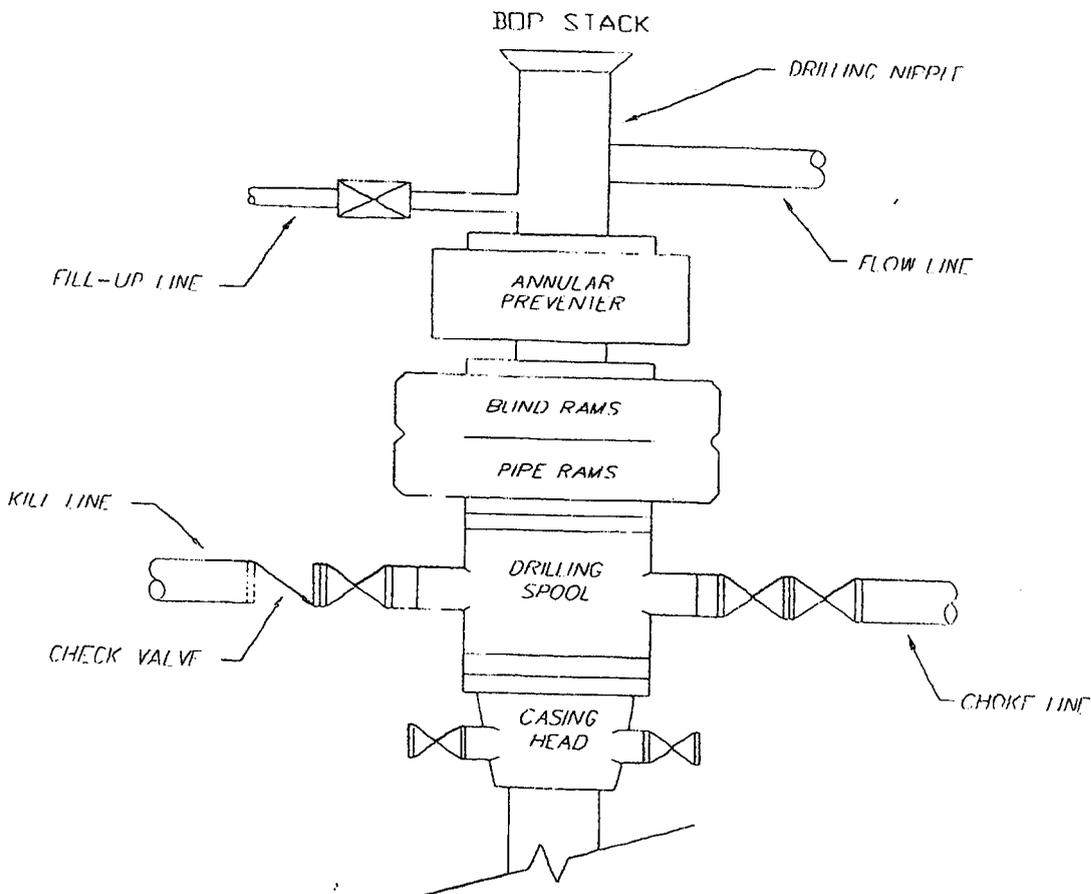
No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

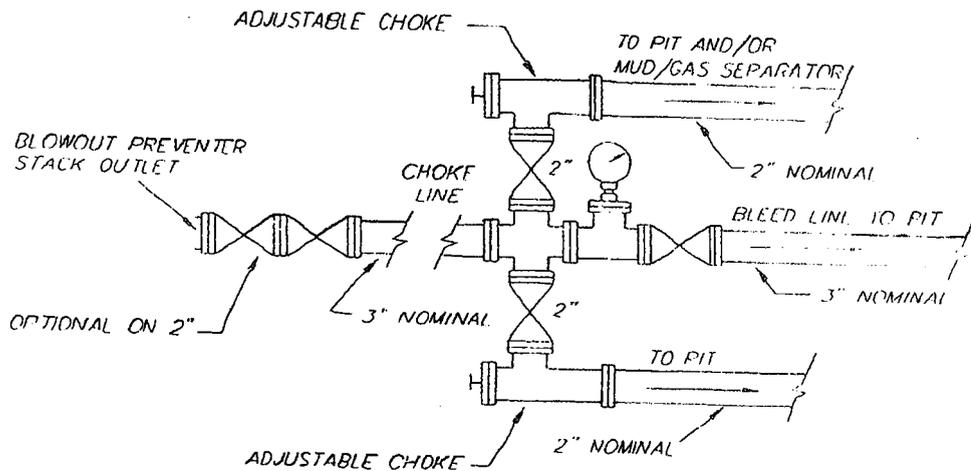
The anticipated starting date is 04/15/05. Duration of operations is expected to be 30 days.

THE HOUSTON EXPLORATION COMPANY

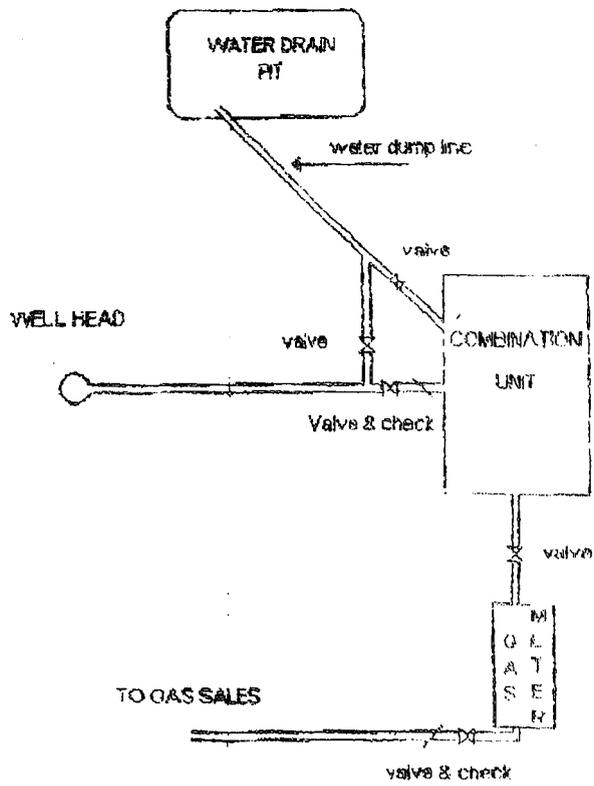
TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKER MANIFOLD SCHEMATIC



TYPICAL GAS WELL



THE HOUSTON EXPLORATION COMPANY

13 POINT SURFACE USE PLAN

FOR WELL

ROCKHOUSE 3-36-10-22

LOCATED IN NE ¼ NW ¼

SECTION 36, T. 10S, R22E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: ML-47061

SURFACE OWNERSHIP: STATE

1. Existing Roads:

To reach The Houston Exploration Co well Rock House #3-36-10-22 in Section 36, T10S, R 22E, starting in Vernal, Utah.

Proceed in a easterly, then southerly direction from Vernal, Utah along US Highway 40 approximately 3.9 miles to the junction of State Highway 45; exit right and proceed in a southerly, direction approximately 41.5 miles on paved State Highway 45 to the junction of this road and gravel State Highway 45 to southeast; turn left and proceed in an southeasterly direction, approximately 3.8 miles to the junction of this road and State Highway 207 to the southwest; turn right and proceed in a southeasterly direction approximately 8.4 miles to the junction of this road and an existing road to the southwest; proceed in a southwesterly direction approximately 7.8 miles to the junction of this road and an existing road to the northwest; turn right and proceed in a northwesterly, direction approximately 0.5 miles to the junction of this road and an existing road to the west; turn left and proceed in a westerly, then northerly direction approximately 2.7 miles to the junction of this road and an existing road to the northwest; turn left and proceed in a northwesterly direction approximately 2.7 miles to the junction of this road and an existing road to the west; turn left and proceed in a westerly, then

northwesterly, then northerly direction approximately 5.8 miles to the junction of this road and an existing road to the southeast; turn right and proceed in a southeasterly, then northeasterly direction approximately 0.8 miles to the beginning of the proposed access to the east; follow road flags in an easterly direction approximately 0.1 miles to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 78.0 miles.

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

2. Planned access road

The proposed access road will be approximately 528' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

| | |
|----------------------------------|-------------|
| A) Approximate length | 528 ft |
| B) Right of Way width | 30 ft |
| C) Running surface | 18 ft |
| D) Surface material | Native soil |
| E) Maximum grade | 5% |
| F) Fence crossing | None |
| G) Culvert | None |
| H) Turnouts | None |
| I) Major cuts and fills | None |
| J) Road Flagged | Yes |
| K) Access road surface ownership | State |
| L) All new construction on lease | Yes |

M) Pipe line crossing None

Please see the attached location plat for additional details.

An off lease right of way will not be required.

All surface disturbances for the road and location will not be within the lease boundary.

3. Location of existing wells

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

- A) Producing well**
 - S#1022-36E**
 - Rock House #11-31**
 - Rock House #2S-36**
 - Rock House #4-36**
- B) Water well None**
- C) Abandoned well**
 - ST #1**
 - NBU #61-25B**
- D) Temp. abandoned well None**
- E) Disposal well None**
- F) Drilling /Permitted well**
 - Rock House #11-36-10-22**
 - Rock House #13-36-10-22**
 - Rock House #3-36-10-22**
 - Rock House #7-36-10-22**
- G) Shut in wells None**
- H) Injection well None**
- I) Monitoring or observation well**
 - None**

Please see the attached map for additional details.

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

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

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

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

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

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

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

Approximately 463' +/- of 3" gathering line would be constructed on State Lands. The line would tie into the existing pipeline in Sec. 36, T10S, R22E. The line will be strung and boomed to the west of the access road and location.

An off lease right of way will not be required.

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

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

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter.

The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from the White River at Saddle Tree Draw, Permit # T-75514.

6. Source of construction materials

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

7. Methods for handling waste disposal

A) Pit construction and liners:

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

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During

the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

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

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

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

8. Ancillary facilities

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

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 345 ft.
- B) Pad width 215 ft.
- C) Pit depth 12 ft.
- D) Pit length 180 ft.
- E) Pit width 50 ft.
- F) Max cut 25.4 ft.
- G) Max fill 46.1 ft
- H) Total cut yds. 25,950 cu yds.
- I) Pit location east side

J) Top soil location

west end

K) Access road location

west end

L) Flare Pit

corner B

Please see the attached location diagram for additional details.

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

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **2,120** cubic yards of material.

Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

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

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

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement

for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

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

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

A) Seeding dates:

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

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

B) Seed Mix

To be determined by the Authorized Officer.

11. Surface ownership:

| | |
|--------------------|--------------|
| Access road | State |
| Location | State |
| Pipe line | State |

12. Other information:

chemicals will be used without prior application.

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

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

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

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

D) Water:

The nearest water is the White River located 2 miles to the North.

E) Chemicals:

No pesticides, herbicides or other possible hazardous

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
Prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

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

will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan
290 S 800 E
Rocky Mountain Consulting
Vernal, UT 84078

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

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

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am

familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by The Houston Exploration Company and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date 3/8/05



William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Dates:

Statement of use of Hazardous Materials

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

If you require additional information please contact:

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

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

THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22

LOCATED IN UINTAH COUNTY, UTAH
SECTION 36, T10S, R22E, S.L.B.&M.

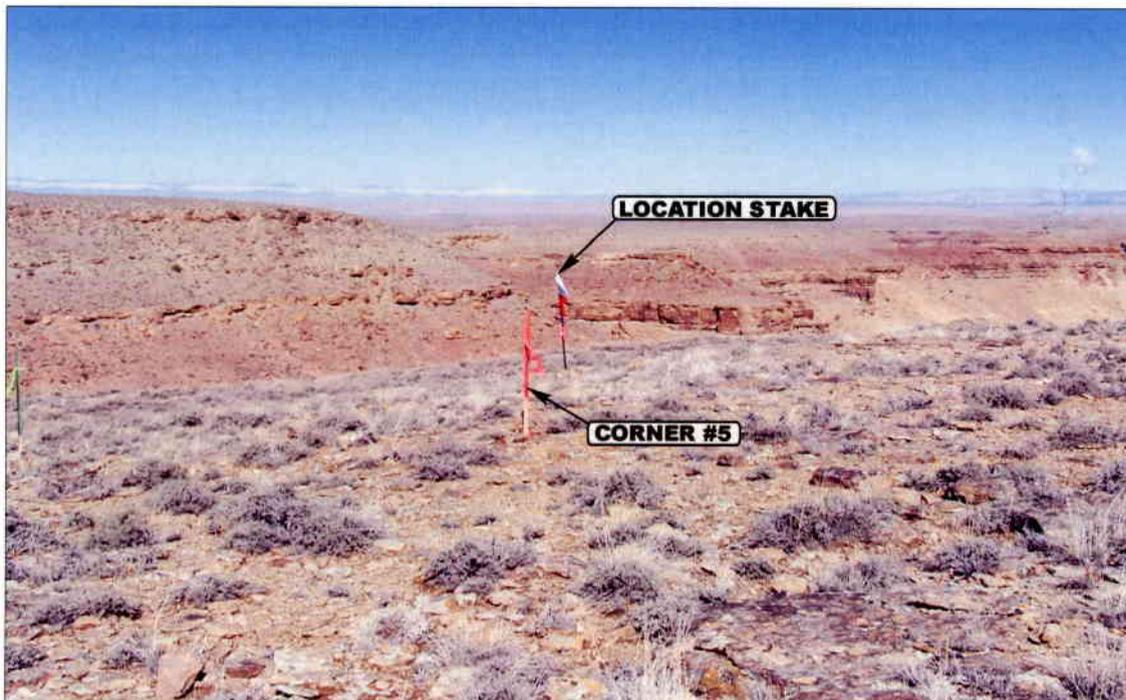


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

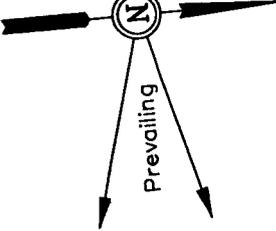
U
E
L
S
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

| | | | | |
|-----------------|-------------------|-----|------|-------|
| LOCATION PHOTOS | 03 | 01 | 05 | PHOTO |
| TAKEN BY: B.B. | MONTH | DAY | YEAR | |
| DRAWN BY: C.P. | REVISED: 00-00-00 | | | |

THE HOUSTON EXPLORATION COMPANY

FIGURE #1

LOCATION LAYOUT FOR
 ROCK HOUSE #3-36-10-22
 SECTION 36, T10S, R22E, S.L.B.&M.
 934' FNL 1783' FWL



SCALE: 1" = 50'
 DATE: 02-28-05
 Drawn By: P.M.

Approx. Top of Cut Slope

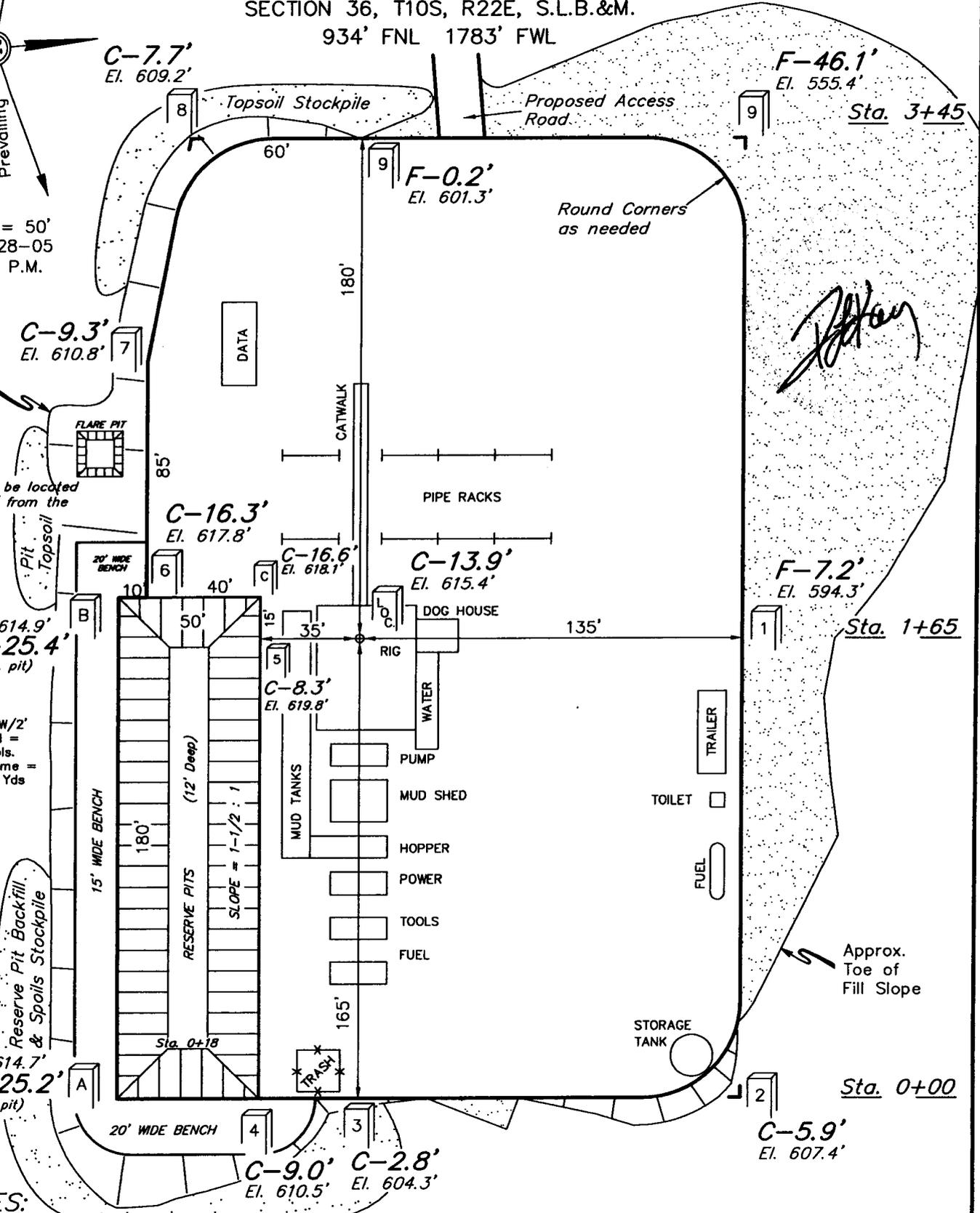
NOTE:
 Flare Pit is to be located a min. of 100' from the Well Head.

Pit Capacity W/2' of Freeboard = ± 8,340 Bbls.
 Total Pit Volume = ± 2,350 Cu. Yds

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5615.4'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5601.5'

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



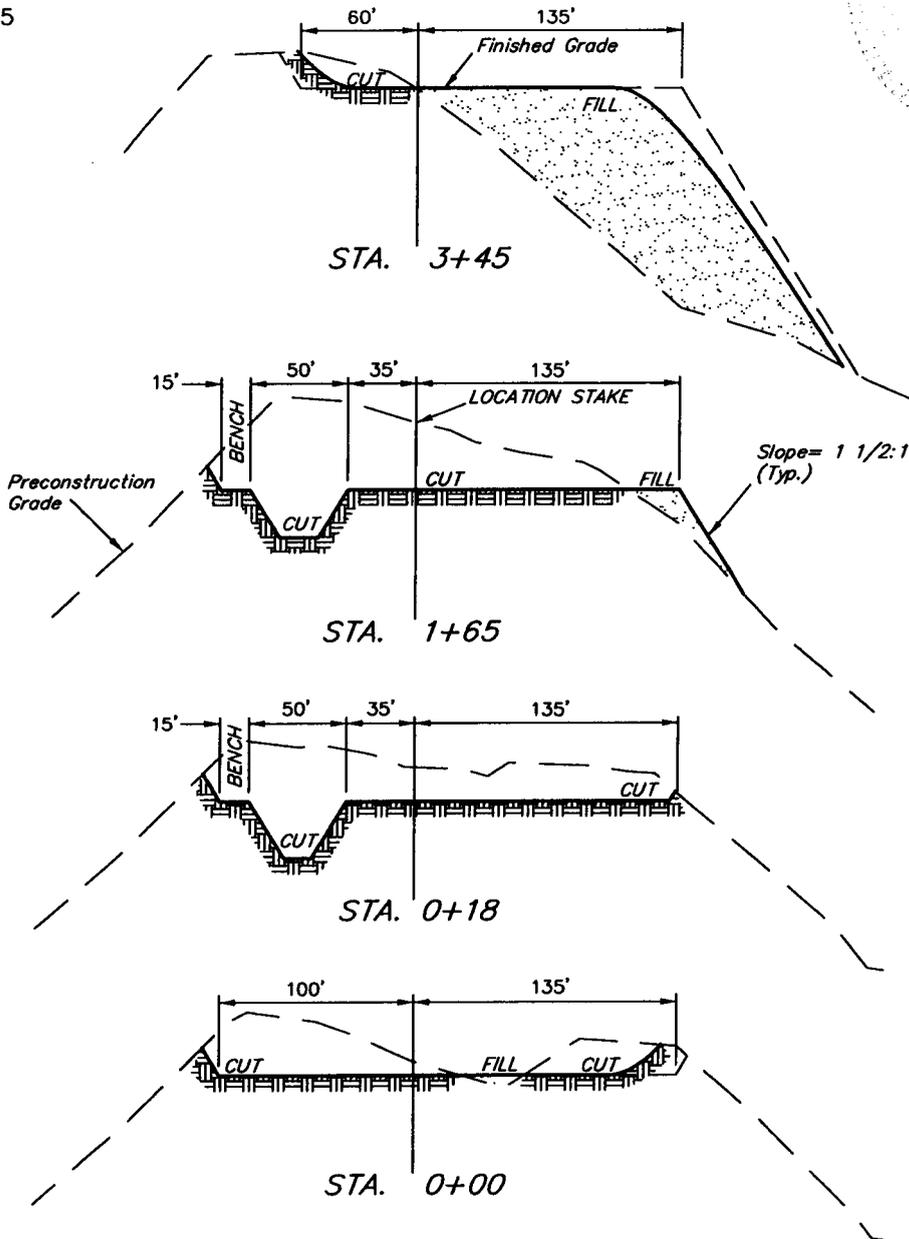
THE HOUSTON EXPLORATION COMPANY

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 ROCK HOUSE #3-36-10-22
 SECTION 36, T10S, R22E, S.L.B.&M.
 934' FNL 1783' FWL

1" = 40'
 X-Section Scale
 1" = 100'

DATE: 02-28-05
 Drawn By: P.M.

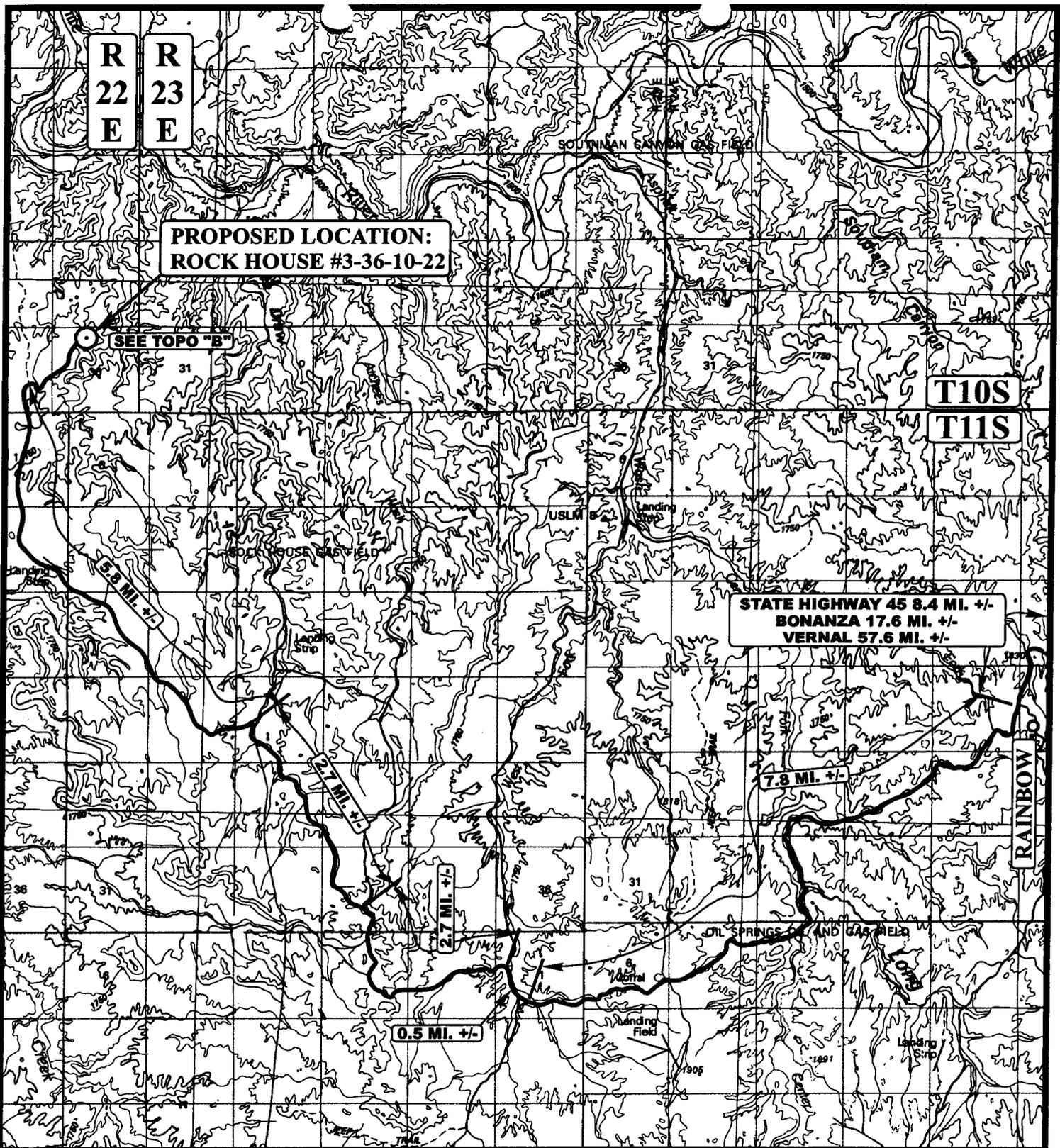


* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | |
|------------------------|-------------------------|
| CUT | |
| (6") Topsoil Stripping | = 2,120 Cu. Yds. |
| Remaining Location | = 23,830 Cu. Yds. |
| TOTAL CUT | = 25,950 CU.YDS. |
| FILL | = 22,660 CU.YDS. |

| | |
|--|------------------|
| EXCESS MATERIAL | = 3,290 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,290 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |



LEGEND:

⊙ PROPOSED LOCATION



THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.
934' FNL 1783' FWL



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

TOPOGRAPHIC
MAP

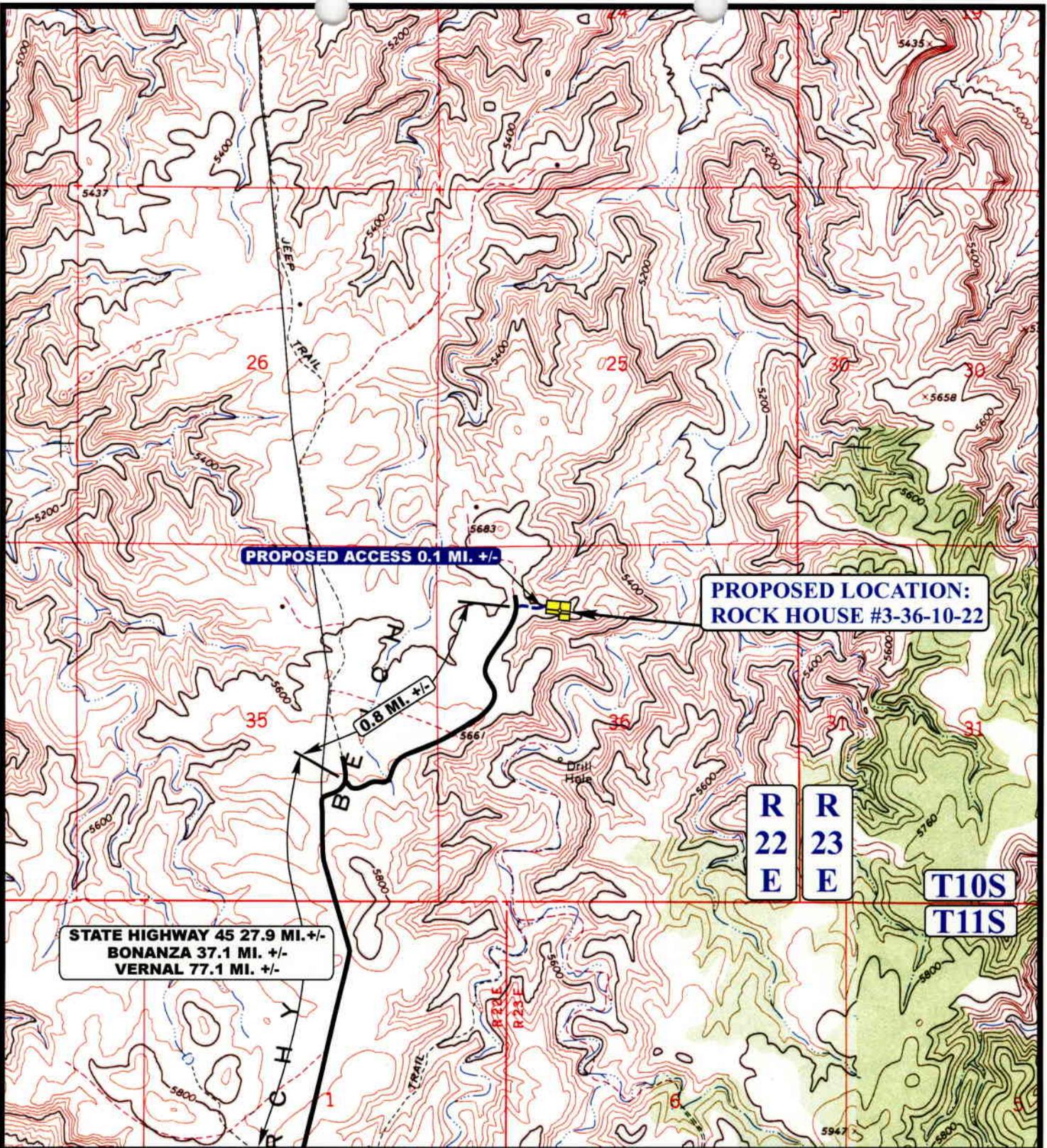
| | | |
|-----------|-----------|-----------|
| 03 | 01 | 05 |
| MONTH | DAY | YEAR |

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

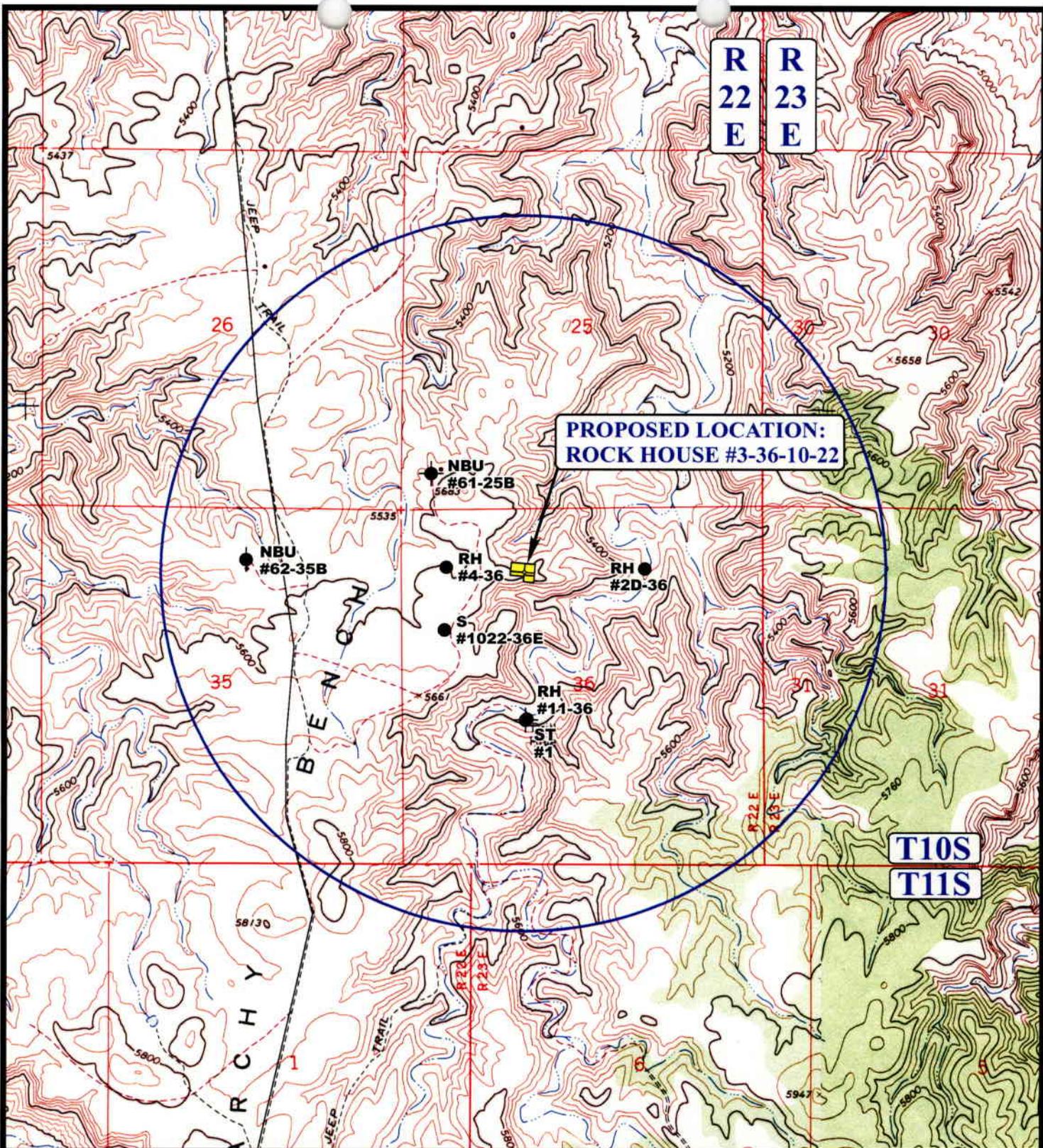
U E L S Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
 SECTION 36, T10S, R22E, S.L.B.&M.
 934' FNL 1783' FWL

| | | |
|--------------------|-----------------|-------------------|
| TOPOGRAPHIC | 03 01 05 | B TOPO |
| MAP | MONTH DAY YEAR | |
| SCALE: 1" = 2000' | DRAWN BY: C.P. | REVISED: 00-00-00 |



**PROPOSED LOCATION:
ROCK HOUSE #3-36-10-22**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



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

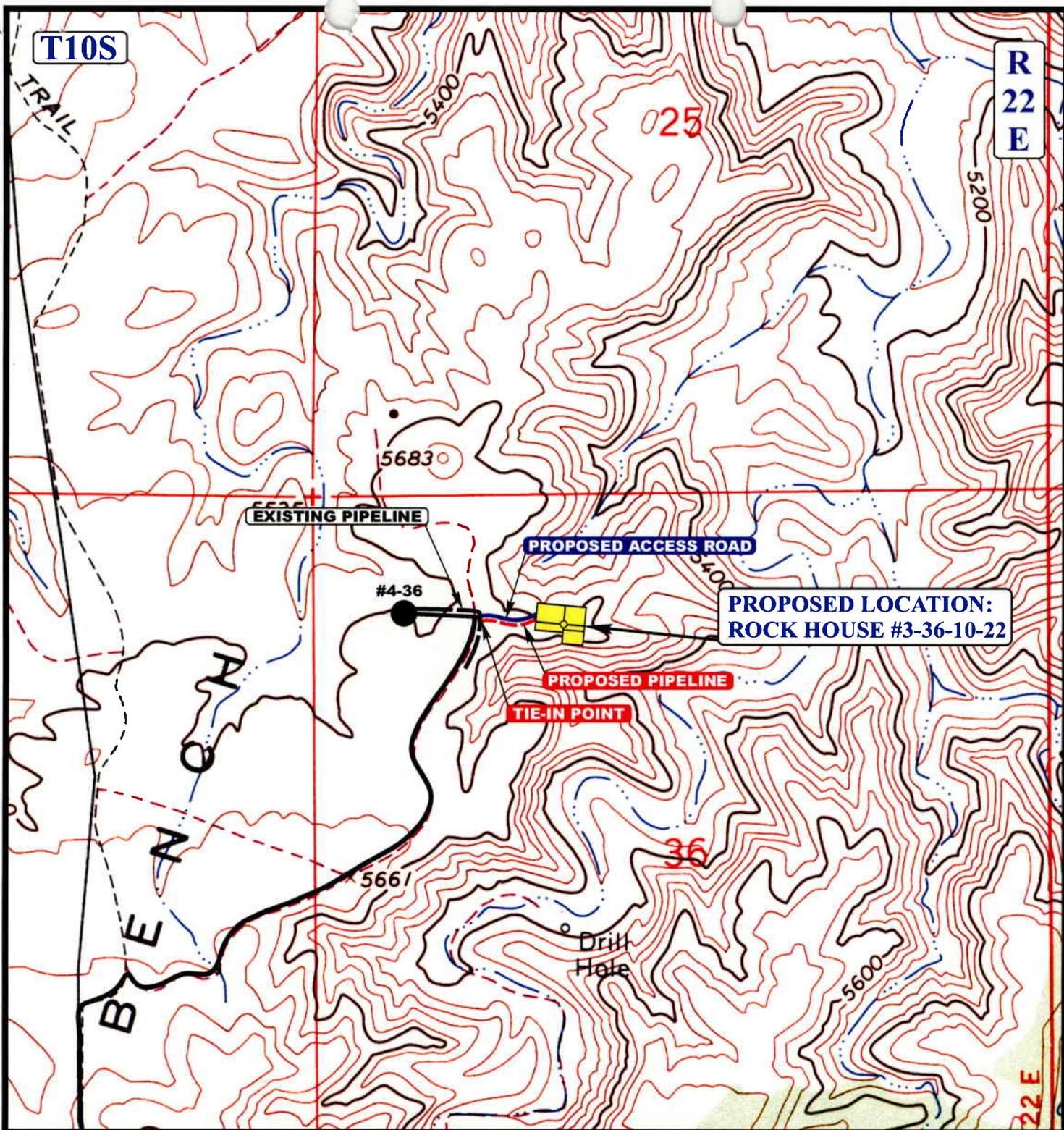


THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.
934' FNL 1783' FWL

TOPOGRAPHIC MAP 03 01 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 463' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.
934' FNL 1783' FWL



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

TOPOGRAPHIC **03 01 05**
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/18/2005

API NO. ASSIGNED: 43-047-36407

WELL NAME: ROCK HOUSE 3-36-10-22
 OPERATOR: Enduring Res LLC (N2750)
 CONTACT: BILL RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

NENW 36 100S 220E
 SURFACE: 0934 FNL 1783 FWL
 BOTTOM: 0934 FNL 1783 FWL
 UINTAH
 NATURAL BUTTES (630)

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47061
 SURFACE OWNER: 3 - State
 PROPOSED FORMATION: CSLGT
 COALBED METHANE WELL? NO

| INSPECT LOCATN BY: / / | | |
|------------------------|----------|---------|
| Tech Review | Initials | Date |
| Engineering | DkD | 4/21/05 |
| Geology | | |
| Surface | | |

LATITUDE: 39.91001
 LONGITUDE: -109.3907

Old Lease w/

RECEIVED AND/OR REVIEWED:

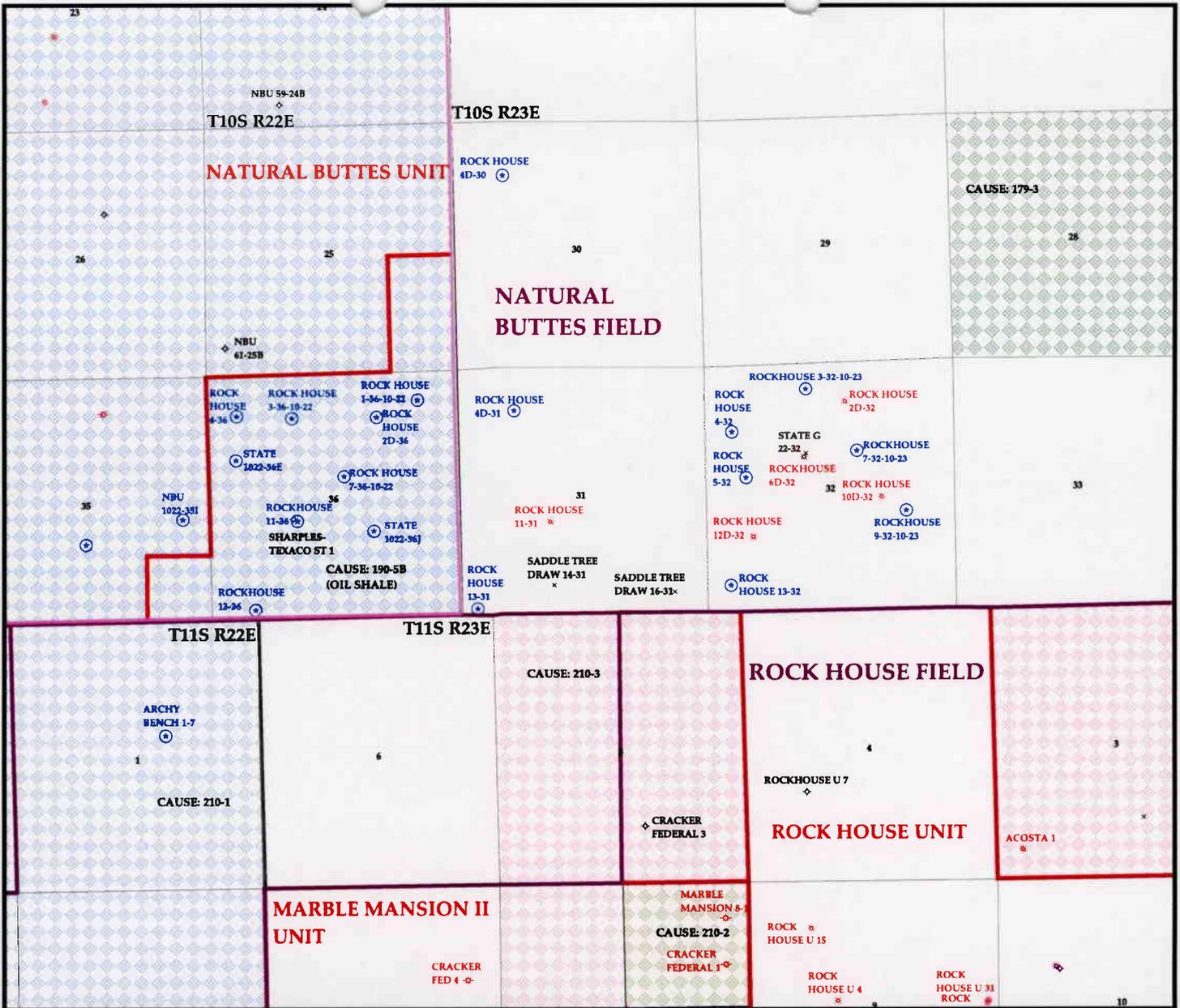
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104155044)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T-75514)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

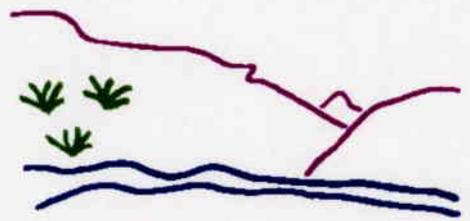
COMMENTS: Needs Permit (04-07-05)

STIPULATIONS: 1- Spacing Strip
2- OIL SHALE
3- STATEMENT OF BASIS



OPERATOR- THE HOUSTON EXPL CO (N2525)
SEC. 36 T.10S R.22E
FIELD: NATURAL BUTTES (630)
COUNTY: UINTAH
SPACING: R649-3-3 / EXCEPTION LOCATION

- | 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 | | |



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 21-MARCH-2005

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

OPERATOR: The Houston Exploration Company
WELL NAME & NUMBER: Rockhouse #3-36-10-22
API NUMBER: 43-047-36409
LOCATION: 1/4,1/4 NENW Sec:36 TWP: 10S RNG: 22E 934 FNL 1783 FWL

Geology/Ground Water:

The Houston Ex. Co. proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,600 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta/Green River Formation transition. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. . The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers.

Reviewer: Brad Hill **Date:** 04-12-05

Surface:

On-site conducted April 7, 2005. In attendance: Bart Kettle (DOGM), Ginger Stringham (Agent), Cory Stubbs (Dirt Contractor) and Floyd Bartlett (DWR), invited but choosing not to attend Ed Bonner (SITLA).

Proposed location lies at the edge or arid steep canyon regions of Natural Butts field. Per surface use proposal in Application for Permit to Drill reserve pit will be lined and fenced on three side while well is being drilled, with the fourth side being fenced immediately upon completion of drilling. No significant wildlife concerns exist, DWR is not asking for season restrictions on drilling activities.

Reviewer: Bart Kettle **Date:** April 11, 2005

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner will be installed in the reserve pit (12 mil. Minimum), felt liner will be required to prevent rock punctures of the liner.

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

OPERATOR: The Houston Exploration Company
WELL NAME & NUMBER: Rock House 3-36-10-22
API NUMBER: 43-047-36407
LEASE: State FIELD/UNIT: Natural Buttes
LOCATION: 1/4,1/4 NENW Sec: 36 TWP: 10S RNG: 22E 934 FNL 1783 FWL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 460 F ANOTHER WELL.
GPS COORD (UTM): X =637562 E; Y =4418801 N SURFACE OWNER: State

PARTICIPANTS

Bart Kettle (DOGM), Ginger Stringham (Agent), Cory Stubbs (Dirt Contractor) and Floyd Bartlett (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~78 miles south of Vernal, Uintah County, Utah. The immediate area surrounding the proposed well is steep rocky canyons and dry washes, vegetation is dominated by salt scrub and big sage communities. The proposed location sits on a small finger ridge in a 6-8" precipitation zone, ground cover is sparse and soils are erosive in nature. Slopes are generally steep with shallow soils and large sandstone or shale outcrops. Mesa tops have shallow gravel, shale and clay mixed soils. Access to this well will be along existing roads. Drainage is to the north entering the White River ~2 miles away. There are no observed perennial water sources in close proximity to the well, dry washes appear to only flow during extreme rain events.

SURFACE USE PLAN

CURRENT SURFACE USE: Seasonal sheep grazing, wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 345' x 245', plus slopes on cut and fill, 530' of new access road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: NBU #61-25B, Rockhouse #4-36, S #1022-36E, Rockhouse #2S-36, Rockhouse #11-31, and ST #1.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Production facilities such as separators, dehydrators, flow meters and tanks will be located on-site. The Sales Gas line will be installed if the well is capable or economic production.

SOURCE OF CONSTRUCTION MATERIAL: On-site

ANCILLARY FACILITIES: None required

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): Drilling at this location is not expected to generate public interest.

WASTE MANAGEMENT PLAN:

Garbage and other trash will be contained in an acceptable trash container. Refuse will be transported to an approved sanitary landfill. Sewage will be handled in self-contained portable toilets and contents hauled off location to an authorized facility in accordance with State and local regulations.

Reserve pit will be fenced according to procedure in Application to Drill. A 12-mil liner will be placed in pit, a felt line may be required if sharp rocks threaten the integrity of the liner. Drill cuttings will be constrained in the reserve pit. Produced liquid hydrocarbons will be constrained in test tanks during completion and testing.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: No wetlands will be affected by drilling of well. Impacts to the watershed are not expected to be significant.

FLORA/FAUNA: Mule Deer, elk, antelope, rabbits, rodents, songbirds, raptors, lizards and snakes.

Grasses: Wheatgrass spp, Sandburg's bluegrass and curly galleta. Forbs: Annual paintbrush, Scorpionweed, Crescent milkvetch, desert parsley, yellow-eye cryptanth, funnel lily and wild onion. Shrubs: Black sage, gray horsebrush, spiny phlox, broom snakeweed, Mormon tea, range ratany, black greasewood, and shadscale. Trees: None noted

SOIL TYPE AND CHARACTERISTICS: Gray shale and sandstone fragments, gray sandy clay.

SURFACE FORMATION & CHARACTERISTICS: Uinta Formation. Formation has been cut by water, creating steep canyon walls comprised mainly of rock outcrops, location sits on the eastern edge of East Bench, a large predominantly flat mesa.

EROSION/SEDIMENTATION/STABILITY: Fine soils prone to wind erosion. Soils are erosive in nature, with topsoil nearly absent or thin over most of the area. All soils are subject to significant erosion during rain events sufficient to create flows in rills and small washes.

PALEONTOLOGICAL POTENTIAL: None noted

RESERVE PIT

CHARACTERISTICS: 50'x180'x12'

LINER REQUIREMENTS (Site Ranking Form attached): Liner is required

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement

SURFACE AGREEMENT: Per SITLA mineral lease.

CULTURAL RESOURCES/ARCHAEOLOGY: To be submitted.

OTHER OBSERVATIONS/COMMENTS

Site is classified as yearlong deer range of limited value, elk winter range substantial in value, yearlong antelope limited in value. No raptor data available, no nests of whitewash observed during on-site. Sage grouse brooding may occur in the western part of section, no indications of sage grouse on location. No significant impacts are expected to occur to wildlife.

ATTACHMENTS

Photos of this location were taken and placed on file.

Bart Kettle
DOGM REPRESENTATIVE

April 11, 2005 2:30 P.M.
DATE/TIME

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

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

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

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

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



| | | |
|--------------|--|-----------------------------|
| Well name: | 04-05 Houston Rock House 3-36-10-22 | |
| Operator: | The Houston Exploration Company | |
| String type: | Surface | Project ID: 43-047-36407 |
| Location: | Uintah County | |

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 93 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Tension:

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

Tension is based on buoyed weight.
Neutral point: 1,749 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 8,083 ft
Next mud weight: 10.000 ppg
Next setting BHP: 4,199 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure 2,000 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1 | 2000 | 8.625 | 36.00 | J-55 | ST&C | 2000 | 2000 | 7.7 | 143.5 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 873 | 3450 | 3.954 | 2000 | 4460 | 2.23 | 63 | 434 | 6.89 J |

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

Phone: 801-538-5280
FAX: 810-359-3940

Date: April 18, 2005
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:

04-05 Houston Rock House 3-36-10-22Operator: **The Houston Exploration Company**

String type: Production

Project ID:

43-047-36407

Location: Uintah County

Design parameters:**Collapse**Mud weight: 10.000 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 178 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 4,272 ft

BurstMax anticipated surface
pressure: 3,229 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 4,199 psi

No backup mud specified.

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

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 6,875 ft

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft ³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|--------------------------------------|
| 1 | 8083 | 4.5 | 11.60 | N-80 | LT&C | 8083 | 8083 | 3.875 | 187.4 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 4199 | 6350 | 1.512 | 4199 | 7780 | 1.85 | 80 | 223 | 2.80 J |

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 810-359-3940Date: April 18,2005
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 8083 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

-05 Houston Rock House 3-10-22

Casing Schematic

Green River

Surface

TOC @ 0.

8-5/8"
MW 8.4
Frac 19.3

Surface
2000. MD

1230 TOC Tail

w/18% Washcoat

BHP
 $(.052)(8083)(10) = 4203$

Anticipate < 3,000

✓ propose TOC ≥ 2500'

3841 Washcoat

Gas
 $(.12)(8083) = 969$

MASP = 3234

TOC @ 4272.

4600 BMSW

Fluid
 $(.22)(8083) = 1778$

MASP = 2425

5741 MesaVerde

BOP - 3,000 ✓

6231 TOC Tail

w/15% Washcoat
2446' TOC w/0% Washcoat

Surf csg - 4460 =

70% = 3122

Production
8083. MD

Max pressure @ shoe = ~~2800~~ 1662

4-1/2"
MW 10.

Test To ~~2800~~ 1700# ✓

✓ Adequate Draw 4/21/05

From: Ed Bonner
To: Whitney, Diana
Date: 4/21/2005 2:34:20 PM
Subject: Well Clearance

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

The Houston Exploration Company

Buck Camp 2-2
Buck Camp 4-36
Hanging Rock 1-32
Hanging Rock 16-32
Rockhouse 3-32-10-23
Rockhouse 7-32-10-23
Rockhouse 9-32-10-23
Rock House 4-32
Rock House 5-32
Rock House 13-32
Rock House 1-36-10-22
Rock House 3-36-10-22 ✓
Rock House 7-36-10-22
Rock House 12-36-10-22

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

CC: Garrison, LaVonne; ginger_stringham@yahoo.com; Hill, Brad; Hunt, Gil

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: | |
| 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| 7. UNIT or CA AGREEMENT NAME: | |
| 8. WELL NAME and NUMBER: See Attached List | |
| 9. API NUMBER: | |
| 10. FIELD AND POOL, OR WILDCAT: | |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | |
| 2. NAME OF OPERATOR: The Houston Exploration Company <i>N2525</i> | |
| 3. ADDRESS OF OPERATOR: 1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002 | PHONE NUMBER: (713) 830-6938 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached List COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH | |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: Effective <u>9/1/05</u> | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input checked="" type="checkbox"/> OPERATOR CHANGE <u>9/1/05</u> | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

Enduring Resources, LLC Operator #N 2750 Utah State Bond #RLB0008031
475 17th Street, Ste 1500
Denver, CO 80202

Contact : Frank Hutto 303-350-5102

Frank Hutto VP. OPS
Signature & Title
Date 9/19/05

| | |
|--|---|
| NAME (PLEASE PRINT) <u>Joanne Hresko</u> | TITLE <u>Vice President/General Manager Onshore</u> |
| SIGNATURE <i>Joanne Hresko</i> | DATE <u>9/2/2005</u> |

(This space for State use only) **APPROVED** 9/29/2005
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
SEP 26 2005
DIV. OF OIL, GAS & MINING

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

| | |
|---|--|
| Well name: | Rock House 3-36-10-22 |
| API number: | 4304736407 |
| Location: | Qtr-Qtr: NENW Section: 36 Township: 10S Range: 22E |
| Company that filed original application: | Houston Exploration Company |
| Date original permit was issued: | |
| Company that permit was issued to: | |

| Check one | Desired Action: |
|-------------------------------------|---|
| | |
| <input checked="" type="checkbox"/> | Transfer pending (unapproved) Application for Permit to Drill to new operator |
| | The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application. |
| | Transfer approved Application for Permit to Drill to new operator |
| | The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. |

| Following is a checklist of some items related to the application, which should be verified. | Yes | No |
|---|-------------------------------------|-------------------------------------|
| If located on private land, has the ownership changed? | | <input checked="" type="checkbox"/> |
| <input type="checkbox"/> If so, has the surface agreement been updated? | | <input checked="" type="checkbox"/> |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? | | <input checked="" type="checkbox"/> |
| Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? | | <input checked="" type="checkbox"/> |
| Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location? | | <input checked="" type="checkbox"/> |
| Has the approved source of water for drilling changed? | | <input checked="" type="checkbox"/> |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? | | <input checked="" type="checkbox"/> |
| Is bonding still in place, which covers this proposed well? Bond No. <u>RLB0008031</u> | <input checked="" type="checkbox"/> | |

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) ALEX CAMPBELL Title VICE PRESIDENT OF LAND
 Signature  Date 09/19/2005
 Representing (company name) ENDURING RESOURCES, LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

RECEIVED

SEP 26 2005

DIV OF OIL, GAS & MINING

TRANSFER OF OPERATOR

NATURAL BUTTES FIELD, UINTAH COUNTY, UTAH DRILLED WELLS, TO BE OPERATED BY ENDURING RESOURCES, LLC

| API Well Number | Well Name | Well Status | Qtr/Qtr | Section | Township-Range | FNL/FSL | FEL/FWL | Latitude | Longitude |
|-----------------|------------------------|-------------|---------|---------|----------------|---------|---------|----------|------------|
| 43047355550000 | Bonanza #10D-18 | SI | NWSE | 18 | 9S-24E | 1437 S | 1800 E | 40.03340 | -109.25282 |
| 43047355510000 | Bonanza #12D-12 | Producing | NWSW | 12 | 9S-23E | 1556 S | 867 W | 40.04788 | -109.28055 |
| 43047356930000 | Bonanza #2D-27 | Producing | NWNE | 27 | 9S-24E | 1064 N | 1824 E | 40.01123 | -109.19600 |
| 43047359080000 | Bonanza 10-11 | Producing | NWSE | 11 | 9S-23E | 1991 S | 1755 E | 40.04866 | -109.29035 |
| 43047356920000 | Bonanza 10D-8 | SI | NWSE | 8 | 9S-24E | 1510 S | 1768 E | 40.04789 | -109.23383 |
| 43047355520000 | Bonanza 1-11 | Producing | NWNW | 11 | 9S-23E | 990 N | 990 E | 40.05431 | -109.29891 |
| 43047359290000 | Bonanza 12-20 | Drlg | NWSW | 20 | 9S-25E | 1998 S | 825 W | 40.01947 | -109.13150 |
| 43047-359210000 | Bonanza 12A-18 | Producing | NWSW | 18 | 9S-24E | 2067 S | 813 W | 40.03430 | -109.26242 |
| 43047359090000 | Bonanza 14-12 | Evaluating | SESW | 12 | 9S-23E | 505 S | 2001 W | 40.04455 | -109.27693 |
| 43047359940000 | Bonanza 4-18 | WOPL | NWNW | 18 | 9S-24E | 706 N | 682 W | 40.04119 | -109.26288 |
| 43047-356220000 | Bonanza 4D-16 | Producing | NWNW | 16 | 9S-24E | 1152 N | 1209 W | 40.04000 | -109.22349 |
| 43047358600000 | Bonanza 6-36 | Producing | SESW | 36 | 9S-24E | 2217 N | 2009 W | 39.99336 | -109.16393 |
| 43047359120000 | Bonanza 6B-8 | Producing | SESW | 8 | 9S-24E | 2017 N | 1878 W | 40.05213 | -109.24004 |
| 43047359200000 | Bonanza 8D-7 | Producing | SENE | 7 | 9S-24E | 1992 N | 477 E | 40.05220 | -109.24845 |
| 43047359050000 | Buck Canyon 15-24 | P&A | SW/SE | 24 | 12S-21E | 700 S | 2139 E | 39.75386 | -109.5134 |
| 43047348150000 | Cartwright 2-35 | TA | NWNE | 35 | 9S-24E | 858 N | 2104 E | 39.99733 | -109.17882 |
| 43047332510000 | East Bench 11-16 | WOC | NESW | 16 | 11S-22E | S S | 1980 W | 39.85889 | -109.46172 |
| 43047347560000 | Hoss 15 | Producing | SWSE | 20 | 9S-25E | 1291 S | 2088 E | 40.01767 | -109.12236 |
| 43047348140000 | Little Joe 11-7 | TA | NENE | 7 | 9S-25E | 710 N | 644 E | 40.05562 | -109.13601 |
| 43047361500000 | Rainbow 14-17 | WOC | SESW | 17 | 11S-24E | 780 S | 1726 W | 39.85689 | -109.25731 |
| 43047361840000 | Rainbow 2-16 | WOC | NWNE | 16 | 11S-24E | 837 N | 2136 E | 39.86708 | -109.23348 |
| 43047353630000 | Southman Canyon 10D-36 | Producing | NWSE | 36 | 9S-23E | 1757 S | 1650 E | 39.98991 | -109.27148 |
| 43047353640000 | Southman Canyon 12D-36 | Producing | NWSW | 36 | 9S-23E | 1518 S | 1069 W | 39.98977 | -109.28040 |
| 43047357700000 | Southman Canyon 14C-36 | Producing | SESW | 36 | 9S-23E | 648 S | 1717 W | 39.98689 | -109.27716 |
| 43047357720000 | Southman Canyon 16C-36 | Producing | SESE | 36 | 9S-23E | 542 S | 736 E | 39.98607 | -109.26912 |
| 43047356910000 | Southman Canyon 2D-30 | Producing | NWNE | 30 | 9S-24E | 1171 N | 1502 E | 40.01111 | -109.25269 |
| 43047353650000 | Southman Canyon 2D-36 | Producing | NWNE | 36 | 9S-23E | 960 N | 1751 E | 39.99711 | -109.27228 |
| 43047353610000 | Southman Canyon 4D-36 | Producing | NWNW | 36 | 9S-23E | 1163 N | 1137 W | 39.99623 | -109.28012 |
| 43047353620000 | Southman Canyon 6D-36 | Producing | SESW | 36 | 9S-23E | 2466 N | 2271 W | 39.99336 | -109.27635 |
| 43047357710000 | Southman Canyon 8C-36 | Producing | SENE | 36 | 9S-23E | 2185 N | 694 E | 39.99358 | -109.26783 |
| 43047355590000 | Thurston Federal #12-1 | Producing | SESW | 12 | 12S-21E | 692 S | 1959 W | 39.78280 | -109.51768 |

TRANSFER OF OPERATOR BLM APPROVED WELLS #2

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

| Well Name | Q/Q | Sec | T | R | Lease Number | Footages f/ Sec Lines - SL | API Number |
|------------------------------|------------------|---------------|----------------|----------------|----------------------|--|-------------------------|
| Asphalt Wash 13-7 | SW/SW | 7 | 11S | 24E | UTU-73040 | 739' FSL & 629' FWL | 43-047-36234 |
| Bonanza 16-18 | SE/SE | 18 | 9S | 24E | UTU-73457 | 861' FSL & 715' FEL | 43-047-35992 |
| Bonanza 4-11 | NW/NW | 11 | 9S | 23E | UTU-74426 | 671' FNL & 729' FWL | 43-047-35968 |
| Bonanza 10D-12 | NW/SE | 12 | 9S | 23E | UTU-74426 | 1,785' FSL & 1,855' FEL | 43-047-35919 |
| Bonanza 12-11 | NW/SW | 11 | 9S | 23E | UTU-74426 | 1748' FSL & 420' FWL | 43-047-35916 |
| Bonanza 14-18 | SE/SW | 18 | 9S | 24E | UTU-73457 | 472' FSL & 2,010' FWL | 43-047-35993 |
| Bonanza 14A-8 | SE/SW | 8 | 9S | 24E | UTU-73457 | 907' FSL & 2,298' FWL | 43-047-35952 |
| Bonanza 16A-27 | SE/SE | 27 | 9S | 24E | UTU-80571 | 862' FSL & 581' FEL | 43-047-35923 |
| Bonanza 2-21 | NW/NE | 21 | 8S | 25E | UTU-73470 | 1,207' FNL & 1,541' FEL | 43-047-35926 |
| Bonanza 3-8 | NW/NW | 8 | 9S | 24E | UTU-73457 | 573' FNL & 1,518' FWL | 43-047-35966 |
| Bonanza 6D-7 | SE NW | 7 | 9S | 24E | UTU-73457 | 2,310' FNL & 2,310' FWL | 43-047-35690 |
| Bonanza 8-11 | SE/NE | 11 | 9S | 23E | UTU-74426 | 2,163 FNL & 615' FEL | 43-047-35907 |
| Bonanza 8B-27 | SE/NE | 27 | 9S | 24E | UTU-80571 | 1,830' FNL & 735' FEL | 43-047-35923 |
| Buck Camp 4-25 | NW/NW | 25 | 11S | 22E | UTU-74424 | 804 FNL & 695 FWL | 43-047-36276 |
| Buck Camp 4-26 | NW/NW | 26 | 11S | 22E | UTU-74974 | 660' FNL & 660' FWL | 43-047-36274 |
| Buck Canyon 1-24 | NE/NE | 24 | 12S | 21E | UTU-73440 | 488' FNL & 833' FEL | 43-047-35606 |
| Buck Canyon 15-24 | SW/SE | 24 | 12S | 21E | UTU-73440 | 700' FSL & 2,139' FEL | 43-047-35985 |
| Buck Canyon 7-24 | SW/NE | 24 | 12S | 21E | UTU-73440 | 2,041' FNL & 2,171' FEL | 43-047-35904 |
| Buck Canyon 9-24 | NE/SE | 24 | 12S | 21E | UTU-73440 | 1784' FSL & 855' FEL | 43-047-35903 |
| Rainbow 1-17 | NE/NE | 17 | 11S | 24E | UTU-73920 | 795' FNL & 586' FEL | 43-047-36151 |
| Southman Canyon #14-30 | SE/SW | 30 | 9S | 24E | UTU-80571 | 740' FSL & 1,737' FWL | 43-047-35914 |
| Southman Canyon #4C-30 | NW/NW | 30 | 9S | 24E | UTU-80571 | 676' FNL & 568' FWL | 43-047-35913 |
| Southman Canyon 12-30 | NW/SW | 30 | 9S | 24E | UTU-80571 | 1,912' FSL & 513' FWL | 43-047-36104 |
| Southman Canyon 8-30 | SE/NE | 30 | 9S | 24E | UTU-80571 | 1,875' FNL & 818' FEL | 43-047-35994 |
| Southman Canyon 9-30 | NE/SE | 30 | 9S | 24E | UTU-80571 | 2,089' FSL & 831' FEL | 43-047-36019 |

* 43047-35906
• 43047-35953

TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

3

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

| Well Name | Q/Q | Sec | T | R | Lease Number | Footages f/ Sec Lines - SL | API Number | FIELD | Well Type |
|---------------------------------------|-----------------|---------------|----------------|----------------|---------------------|-------------------------------------|-------------------------|---------------------------|----------------|
| Asphalt Wash 11-16-11-24 | NESW | 16 | 11S | 24E | ML-73921 | 2000 FSL & 1900 FWL | 43-047-37088 | Undesignated | Gas |
| Asphalt Wash 12-16-11-24 | NWSW | 16 | 11S | 24E | ML-47080 | 2060 FSL & 839 FWL | 43-047-36873 | Undesignated | Gas |
| Asphalt Wash 14-16-11-24 | SESW | 16 | 11S | 24E | ML-47080 | 537 FSL & 2140 FWL | 43-047-36876 | Undesignated | Gas |
| Asphalt Wash 3-16-11-24 | NENW | 16 | 11S | 24E | ML-47080 | 825 FNL & 2116 FWL | 43-047-36886 | Undesignated | Gas |
| Asphalt Wash 4-16-11-24 | NWNW | 16 | 11S | 24E | ML-47080 | 521 FNL & 766 FWL | 43-047-36885 | Undesignated | Gas |
| Asphalt Wash 5-16-11-24 | SWNW | 16 | 11S | 24E | ML-47080 | 1880 FNL & 630 FWL | 43-047-37089 | Undesignated | Gas |
| Asphalt Wash 7-16-11-24 | SWNE | 16 | 11S | 24E | ML-47080 | 1781 FNL & 1676 FEL | 43-047-36874 | Undesignated | Gas |
| Asphalt Wash 8-16-11-24 | SENE | 16 | 11S | 24E | ML-47080 | 1905 FNL & 642 FEL | 43-047-36875 | Undesignated | Gas |
| Bonanza 14-20 | SESW | 20 | 9S | 25E | ML-45558 | 838' FSL & 1,922' FWL | 43-047-35930 | Chapita Wells | Gas |
| Bonanza 4-20 | NWNW | 20 | 9S | 25E | ML-45558 | 933' FNL & 583 FWL | 43-047-35924 | Chapita Wells | Gas |
| Bonanza 4-29 | NWNW | 29 | 9S | 25E | ML-45559 | 600' FNL & 596' FWL | 43-047-36010 | Chapita Wells | Gas |
| Bonanza 4-36 | NWNW | 36 | 9S | 24E | ML-46527 | 258' FNL & 862' FWL | 43-047-35861 | Natural Buttes | Gas |
| Bonanza 6-20 | SESW | 20 | 9S | 25E | ML-45558 | 2,178' FNL & 1,839' FWL | 43-047-35928 | Chapita Wells | Gas |
| Buck Canyon 9-16-12-21 | NESE | 16 | 12S | 21E | ML-47085 | 1980' FSL & 660' FEL | 43-047-37091 | Buck Canyon | Gas |
| Buck Canyon 11-16-12-21 | NESW | 16 | 12S | 21W | ML-47085 | NA | 43-047-37119 | Undesignated | Gas |
| Buck Canyon 13-16-21-21 | SWSW | 16 | 21S | 21W | ML-47085 | NA | 43-047-37118 | Undesignated | Gas |
| Buck Canyon 15-16-12-21 | SWSE | 16 | 12S | 21W | ML-47085 | NA | 43-047-37120 | Buck Canyon | Gas |
| East Bench 1-16 | NENE | 16 | 11S | 22E | ML-46911 | 660' FNL & 660' FEL | 43-047-36126 | Undesignated | Gas |
| East Bench 15-16 | SWSE | 16 | 11S | 22E | ML-46911 | 545' FSL & 1,848' FEL | 43-047-36128 | Undesignated | Gas |
| East Bench 3-16 | NENW | 16 | 11S | 22E | ML-46911 | 832' FNL & 1,978' FWL | 43-047-36125 | Undesignated | Gas |
| East Bench 7-16 | SWNE | 16 | 11S | 22E | ML-46911 | 1,909' FNL & 1,643' FEL | 43-047-36127 | Undesignated | Gas |
| East Bench 12-16-11-22 | NWSW | 16 | 11S | 22E | ML-46911 | 1862 FSL & 838 FEL | 43-047-37128 | Undesignated | Gas |
| East Bench 13-16-11-22 | SWSW | 16 | 11S | 22E | ML-46911 | 880 FSL & 750 FWL | 43-047-37130 | Undesignated | Gas |
| East Bench 14-16-11-22 | SESW | 16 | 11S | 22E | ML-46911 | 848 FSL & 1930 FWL | 43-047-37122 | Undesignated | Gas |
| East Bench 16-16-11-22 | SESE | 16 | 11S | 22E | ML-46911 | 663 FSL & 1055 FEL | 43-047-37121 | Undesignated | Gas |
| East Bench 2-16-11-22 | NWNE | 16 | 11S | 22E | ML-46911 | 705 FNL & 2077 FEL | 43-047-37125 | Undesignated | Gas |
| East Bench 4-16-11-22 | NWNW | 16 | 11S | 22E | ML-46911 | 760 FNL & 860 FWL | 43-047-37126 | Undesignated | Gas |
| East Bench 5-16-11-22 | SWNW | 16 | 11S | 22E | ML-46911 | 1980 FNL & 758 FWL | 43-047-37129 | Undesignated | Gas |
| East Bench 6-16-11-22 | SESW | 16 | 11S | 22E | ML-46911 | 1887 FNL & 2138 FWL | 43-047-37124 | Undesignated | Gas |
| East Bench 8-16-11-22 | SENE | 16 | 11S | 22E | ML-46911 | 1880 FNL & 780 FEL | 43-047-37127 | Undesignated | Gas |
| East Bench 9-16-11-22 | NESE | 16 | 11S | 22E | ML-46911 | 2035 FSL & 1422 FEL | 43-047-37123 | Undesignated | Gas |
| Gusher 6-2 | SESW | 2 | 6S | 19E | ML-49144 | 1550 FNL & 1825 FWL | 43-047-36963 | Moffit Canal | Oil |
| Hanging Rock 1-32 | NENE | 32 | 11S | 23E | ML-47079 | 542' FNL & 690' FEL | 43-047-36309 | Undesignated | Gas |
| Little Pack Mountain 1-16 | NWNW | 16 | 12S | 20E | ML-47082 | 609 FNL & 688 FEL | 43-047-36981 | Wildcat | Gas |
| Little Pack Mountain 7-32 | SWNE | 32 | 12S | 20E | ML-47083 | 1792 FNL & 1797 FEL | 43-047-36980 | Wildcat | Gas |
| Rock House 12-36-10-23 | NWSW | 36 | 10S | 23E | ML-47907 | 1844 FSL & 755 FWL | 43-047-36534 | Natural Buttes | Gas |
| Rock House 13-32-10-23 | SWSW | 32 | 10S | 23E | ML-47063 | 564 FSL & 471 FWL | 43-047-36411 | Natural Buttes | Gas |
| Rock House 1-36-10-22 | NENE | 36 | 10S | 22E | ML-47061 | 620 FNL & 850 FEL | 43-047-36408 | Natural Buttes | Gas |
| Rock House 3-36-10-22 | NENW | 36 | 10S | 22E | ML-47061 | 934 FNL & 1783 FWL | 43-047-36407 | Natural Buttes | Gas |
| Rock House 4-32-10-23 | SWNW | 32 | 10S | 23E | ML-47063 | 1406 FNL & 562 FWL | 43-047-36412 | Natural Buttes | Gas |
| Rock House 7-36-10-22 | SWNE | 36 | 10S | 22E | ML-47061 | 2209 FNL & 2445 FEL | 43-047-36409 | Natural Buttes | Gas |
| Rock House 9-32-10-23 | NESE | 32 | 10S | 23E | ML-47063 | 2008 FSL & 1042 FEL | 43-047-36337 | Natural Buttes | Gas |
| Rockhouse #13-36 | SWSW | 36 | 10S | 22E | ML-46907 | 486 FSL & 844' FWL | 43-047-35902 | Natural Buttes | Gas |
| Rockhouse 16-2 | SESE | 2 | 11S | 23E | ML-47078 | 909' FSL & 748' FEL | 43-047-36152 | Rockhouse | Gas |
| Seep Springs 10-13-12-24 | NWSE | 13 | 12S | 24E | ML-49275 | 1950 FSL & 1802 FEL | 43-047-36634 | Undesignated | Gas |
| Seep Springs 1-13-12-24 | NENE | 13 | 12S | 24E | ML-49275 | 753 FNL & 487 FEL | 43-047-36628 | Undesignated | Gas |
| Seep Springs 15-11-12-24 | SWSE | 11 | 12S | 24E | ML-49274 | 829 FSL & 2178 FEL | 43-047-36626 | Undesignated | Gas |
| Seep Springs 15-13-12-24 | SWSE | 13 | 12S | 24E | ML-49275 | 622 FSL & 1806 FEL | 43-047-36630 | Undesignated | Gas |
| Seep Springs 16-11-12-24 | SESE | 11 | 12S | 24E | ML-49274 | 659 FSL & 466 FEL | 43-047-36625 | Undesignated | Gas |
| Seep Springs 16-13-12-24 | SESE | 13 | 12S | 24E | ML-49275 | 686 FSL & 640 FEL | 43-047-36629 | Undesignated | Gas |
| Seep Springs 2-13-12-24 | NWNE | 13 | 12S | 24E | ML-49275 | 465 FNL & 1807 FEL | 43-047-36627 | Undesignated | Gas |
| Seep Springs 7-13-12-24 | SWNE | 13 | 12S | 24E | ML-49275 | FNL & FEL | 43-047-36631 | Undesignated | Gas |
| Seep Springs 8-13-12-24 | SENE | 13 | 12S | 24E | ML-49275 | 1969 FNL & 642 FEL | 43-047-36632 | Undesignated | Gas |
| Seep Springs 9-13-12-24 | NESE | 13 | 12S | 24E | ML-49275 | 663 FSL & 1960 FEL | 43-047-36633 | Undesignated | Gas |
| Southman Canyon 11-36-9-23 | NESW | 36 | 9S | 23E | ML-47782 | 1965 FSL & 1953 FWL | 43-047-36535 | Natural Buttes | Gas |
| Southman Canyon 13-36-9-23 | SWSW | 36 | 9S | 23E | ML-47782 | 467 FSL & 823 FWL | 43-047-36532 | Natural Buttes | Gas |

TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

| Well Name | Q/Q | Sec | T | R | Lease Number | Footages f/ Sec Lines - SL | API Number | FIELD | Well Type |
|----------------------------|------|-----|----|-----|--------------|----------------------------|--------------|----------------|-----------|
| Southman Canyon 1-36-9-23 | NENE | 36 | 9S | 23E | ML-47782 | 681 FNL & 496 FEL | 43-047-36537 | Natural Buttes | Gas |
| Southman Canyon 15-36-9-23 | SWSE | 36 | 9S | 23E | ML-47782 | 529 FSL & 1784 FEL | 43-047-36529 | Natural Buttes | Gas |
| Southman Canyon 3-36-9-23 | NENW | 36 | 9S | 23E | ML-47782 | 464 FNL & 1815 FWL | 43-047-36530 | Natural Buttes | Gas |
| Southman Canyon 5-36-9-23 | SWNW | 36 | 9S | 23E | ML-47782 | 2028 FNL & 499 FWL | 43-047-36531 | Natural Buttes | Gas |
| Southman Canyon 7-36-9-23 | SENE | 36 | 9S | 23E | ML-47782 | 2184 FNL & 1994 FEL | 43-047-36536 | Natural Buttes | Gas |
| Southman Canyon 9-36-9-23 | NESE | 36 | 9S | 23E | ML-47782 | 1978 FNL & 657 FEL | 43-047-36533 | Natural Buttes | Gas |

TRANSFER OF OPERATOR BLM PENDING WELLS

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

| Well Name | Q/Q | Sec | T | R | Lease Number | Footages f/ Sec Lines - SL | API Number |
|------------------------------|------------------|--------------|----------------|----------------|----------------------|------------------------------------|--------------|
| Asphalt Wash 13-6 | SW/SW | 6 | 11S | 24E | UTU-73919 | 400' FSL & 550' FWL | |
| Asphalt Wash 10-9-11-24 | NW SE | 9 | 11S | 24E | UTU-73920 | 1846 FSL & 1942 FEL | 43-047-37071 |
| Asphalt Wash 11-9-11-24 | NE SW | 9 | 11S | 24E | UTU-73920 | 1799 FSL & 1782 FWL | 43-047-37073 |
| Asphalt Wash 12-6-11-24 | NW SW | 6 | 11S | 24E | UTU-73919 | 1844 FSL & 683 FWL | 43-047-37066 |
| Asphalt Wash 14-6-11-24 | SE SW | 6 | 11S | 24E | UTU-73919 | 704 FSL & 2123 FWL | 43-047-37067 |
| Asphalt Wash 14-9-11-24 | SE SW | 9 | 11S | 24E | UTU-73920 | 460 FSL & 2115 FWL | 43-047-37076 |
| Asphalt Wash 15-9-11-24 | SW SE | 9 | 11S | 24E | UTU-73920 | 804 FSL & 1990 FEL | 43-047-37074 |
| Asphalt Wash 16-9-11-24 | SE SE | 9 | 11S | 24E | UTU-73920 | 826 FSL & 472 FEL | 43-047-37075 |
| Asphalt Wash 2-6-11-24 | NW NE | 6 | 11S | 24E | UTU-73919 | 735 FNL & 1590 FEL | 43-047-37061 |
| Asphalt Wash 2-7-11-24 | NW NE | 7 | 11S | 24E | UTU-73919 | 621 FNL & 2462 FEL | 43-047-37068 |
| Asphalt Wash 2-9-11-24 | NW NE | 9 | 11S | 24E | UTU-73920 | 829 FNL & 1774 FEL | 43-047-37070 |
| Asphalt Wash 3-6-11-24 | NE NW | 6 | 11S | 24E | UTU-73919 | 792 FNL & 1925 FWL | 43-047-37062 |
| Asphalt Wash 4-6-11-24 | NW NW | 6 | 11S | 24E | UTU-73919 | 820 FNL & 1007 FWL | 43-047-37063 |
| Asphalt Wash 5-6-11-24 | SW NW | 6 | 11S | 24E | UTU-73919 | 1738 FNL & 716 FWL | 43-047-37064 |
| Asphalt Wash 6-7-11-24 | SE NW | 7 | 11S | 24E | UTU-73919 | 2013 FNL & 2241 FWL | 43-047-37069 |
| Asphalt Wash 7-6-11-24 | SW NE | 6 | 11S | 24E | UTU-73919 | 1616 FNL & 1615 FEL | 43-047-37065 |
| Asphalt Wash 7-9-11-24 | SE NE | 9 | 11S | 24E | UTU-73920 | 1883 FNL & 1854 FEL | 43-047-37072 |
| Asphalt Wash 1-7-11-24 | NE NE | 7 | 11S | 24E | UTU-73919 | 426 FNL & 270 FEL | 43-047-37084 |
| Asphalt Wash 4-7-11-24 | NW NW | 7 | 11S | 24E | UTU-73919 | 856 FNL & 860 FWL | 43-047-37085 |
| Asphalt Wash 7-7-11-24 | SW NE | 7 | 11S | 24E | UTU-73919 | 1909 FNL & 1893 FEL | 43-047-37087 |
| Asphalt Wash 8-7-11-24 | SE NE | 7 | 11S | 24E | UTU-73919 | 1998 FNL & 683 FEL | 43-047-37086 |
| Bonanza 4-7 | NW/NW | 7 | 9S | 24E | UTU-73457 | 809' FNL & 670' FWL | 43-047-36017 |
| Bonanza 8-17 | SW/NE | 17 | 9S | 24E | UTU-73457 | 1865' FNL & 584' FEL | 43-047-36041 |
| Bonanza 11-11-9-23 | NE SW | 11 | 9S | 23E | UTU-74426 | 2036 FSL & 2043 FWL | 43-047-36649 |
| Bonanza 11-12-9-23 | NE SW | 12 | 9S | 23E | UTU-74426 | 1799 FSL & 1948 FWL | 43-047-36655 |
| Bonanza 11-18-9-24 | NE SW | 18 | 9S | 24E | UTU-73457 | 1785 FSL & 2133 FWL | 43-047-36637 |
| Bonanza 12-23-9-24 | NW/SW | 23 | 9S | 24E | UTU-81311 | 1882 FSL & 699 FWL | 43-047-36640 |
| Bonanza 12-35 | NW/SW | 35 | 9S | 24E | UTU-73459 | 1374' FSL & 858' FWL | 43-047-36020 |
| Bonanza 13-11-9-23 | SW SW | 11 | 9S | 23E | UTU-74426 | 463 FSL & 773 FWL | 43-047-36650 |
| Bonanza 13-12-9-23 | SW SW | 12 | 9S | 23E | UTU-74426 | 661 FSL & 656 FWL | 43-047-36528 |
| Bonanza 13-18-9-24 | SW SW | 18 | 9S | 24E | UTU-73457 | 767 FSL & 583 FWL | 43-047-36638 |
| Bonanza 14-11-9-23 | SE SW | 11 | 9S | 23E | UTU-74426 | 756 FSL & 1859 FWL | 43-047-36651 |
| Bonanza 14-23-9-24 | SE/SW | 23 | 9S | 24E | UTU-81311 | 560 FSL & 1878 FWL | 43-047-36641 |
| Bonanza 15-11-9-23 | SW SE | 11 | 9S | 23E | UTU-74426 | 660 FSL & 1980 FEL | 43-047-36652 |
| Bonanza 15-12-9-23 | SW SE | 12 | 9S | 23E | UTU-74426 | 607 FSL & 1920 FEL | 43-047-36656 |
| Bonanza 15-18-9-24 | SW SE | 18 | 9S | 24E' | UTU-73457 | 463 FSL & 2162 FEL | 43-047-36639 |
| Bonanza 16-12-9-23 | SE SE | 12 | 9S | 23E | UTU-74426 | 855 FSL & 536 FEL | 43-047-36657 |
| Bonanza 16-8 | SE/SE | 8 | 9S | 24E | UTU-73457 | 588' FSL & 524' FEL | 43-047-36101 |
| Bonanza 2-11-9-23 | NW NE | 11 | 9S | 23E | UTU-74426 | 664 FNL & 1925 FEL | 43-047-36643 |
| Bonanza 2-12-9-23 | NW NE | 12 | 9S | 23E | UTU-74426 | 743 FNL & 1962 FEL | 43-047-36527 |
| Bonanza 3-11-9-23 | NE NW | 11 | 9S | 23E | UTU-74426 | 499 FNL & 1898 FWL | 43-047-36644 |
| Bonanza 3-12-9-23 | NE NW | 12 | 9S | 23E | UTU-74426 | 734 FNL & 1866 FWL | 43-047-36524 |
| Bonanza 4-35 | NW/NW | 35 | 9S | 24E | UTU-73459 | 789' FNL & 807' FWL | 43-047-35925 |
| Bonanza 5-11-9-23 | SW NW | 11 | 9S | 23E | UTU-74426 | 1794 FNL & 609 FWL | 43-047-36645 |

TRANSFER OF OPERATOR BLM PENDING WELLS

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

| Well Name | Q/Q | Sec | T | R | Lease Number | Footages f/ Sec Lines - SL | API Number |
|-----------------------------|------------------|---------------|----------------|----------------|----------------------|--------------------------------------|-------------------------|
| Bonanza 5-12-9-23 | SW NW | 12 | 9S | 23E | UTU-74426 | 1996 FNL & 558 FWL | 43-047-36526 |
| Bonanza 5-18-9-24 | SW NW | 18 | 9S | 24E | UTU-73457 | 2147 FNL & 662 FWL | 43-047-36635 |
| Bonanza 5-22 | SW/NW | 22 | 8S | 25E | UTU-73470 | 1,932' FNL & 415' FWL | 43-047-35918 |
| Bonanza 5-24-9-24 | SW/NW | 24 | 9S | 24E | UTU-73458 | 2167 FNL & 714 FWL | 43-047-36642 |
| Bonanza 6-11-9-23 | SE NW | 11 | 9S | 23E | UTU-74426 | 2069 FNL & 1801 FWL | 43-047-36646 |
| Bonanza 6-12-9-23 | SE NW | 12 | 9S | 23E | UTU-74426 | 2114 FNL & 1871 FWL | 43-047-36525 |
| Bonanza 7-11-9-23 | SW NE | 11 | 9S | 23E | UTU-74426 | 2060 FNL & 2134 FEL | 43-047-36647 |
| Bonanza 7-12-9-23 | SW NE | 12 | 9S | 23E | UTU-74426 | 2065 FNL & 2159 FEL | 43-047-36653 |
| Bonanza 8-35 | SENE | 35 | 9S | 24E | UTU-73459 | 1987' FNL & 909' FEL | 43-047-36105 |
| Bonanza 9-11-9-23 | NE SE | 11 | 9S | 23E | UTU-74426 | 2008 FSL & 553 FEL | 43-047-36648 |
| Bonanza 9-12-9-23 | NE SE | 12 | 9S | 23E | UTU-74426 | 1980 FSL & 660 FEL | 43-047-36654 |
| Bonanza 9-18-9-24 | NE SE | 18 | 9S | 24E | UTU-73457 | 2009 FSL & 852 FEL | 43-047-36636 |
| Bonanza 9-22 | NE/SE | 22 | 9S | 24E | UTU-75118 | 1,969' FSL & 495' FEL | 43-047-36102 |
| East Bench 9-20 | NE/SE | 20 | 11S | 22E | UTU-73905 | 2,170' FSL & 472' FEL | 43-047-36275 |
| Rock House 12-30-10-23 | NE SW | 30 | 10S | 23E | UTU-76281 | 2320 FSL & 1980 FWL | 43-047-36548 |
| Rock House 12-31-10-23 | NW SW | 31 | 10S | 23E | UTU-76281 | 1900 FSL & 460 FWL | 43-047-36552 |
| Rock House 13-30-10-23 | SW SW | 30 | 10S | 23E | UTU-76281 | 553 FSL & 573 FWL | 43-047-36549 |
| Rock House 14-31-10-23 | SE SW | 31 | 10S | 23E | UTU-76281 | 860 FSL & 1890 FWL | 43-047-36553 |
| Rock House 3-31-10-23 | NE NW | 31 | 10S | 23E | UTU-76281 | 854 FNL & 1940 FWL | 43-047-36551 |
| Rock House 5-30-10-23 | SW NW | 30 | 10S | 23E | UTU-76281 | 1858 FNL & 703 FWL | 43-047-36547 |
| Rock House 5-31-10-23 | SW NW | 31 | 10S | 23E | UTU-76281 | 2055 FNL & 2097 FWL | 43-047-36550 |
| Rock House 6-31-10-23 | SE NW | 31 | 10S | 23E | UTU-76281 | 2059 FNL & 2111 FWL | 43-047-36554 |
| Rockhouse #12-30 | NW/SW | 30 | 10S | 23E | UTU-65371 | 1,980' FSL & 660' FWL | 43-047-36018 |
| Rockhouse 13C-31 | SW/SW | 31 | 10S | 23E | UTU-76281 | 135' FSL & 365' FWL | 43-047-35911 |
| Rockhouse 4D-30 | NW NW | 30 | 10S | 23E | UTU-76281 | 1,116 FNL & 1,135' FWL | 43-047-35882 |
| Rockhouse 4D-31 | NW NW | 31 | 10S | 23E | UTU-76281 | 990' FNL & 990' FWL | 43-047-35807 |
| Southman Canyon 12-3-11-24 | NW/SW | 3 | 11S | 24E | UTU-73918 | 1,950' FSL & 514' FWL | 43-047-36272 |
| Southman Canyon 12-30-10-24 | NW/SW | 30 | 10S | 24E | UTU-65371 | 2,118' FSL & 502' FWL | 43-047-36238 |
| Southman Canyon 13-30 | SW/SW | 30 | 9S | 24E | UTU-80571 | 765' FSL & 303' FWL | 43-047-36018 |
| Southman Canyon 16-31-10-24 | SE/SE | 31 | 10S | 24E | UTU-65371 | 621' FSL & 575' FEL | 43-047-36270 |
| Southman Canyon 4-30-10-24 | NW/NW | 30 | 10S | 24E | UTU 65371 | 649' FNL & 607' FWL | 43-047-36237 |
| Southman Canyon 5-19-10-24 | SW/NW | 19 | 10S | 24E | UTU-65371 | 1,978' FNL & 855' FWL | 43-047-36236 |
| Southman Canyon 6-30 | SE/NW | 30 | 9S | 24E | UTU-80571 | 2,015' FNL & 2,581' FWL | 43-047-36103 |

*x Duplicate API -
Different well name*

OPERATOR CHANGE WORKSHEET

ROUTING

| |
|--------|
| 1. DJJ |
| 2. CDW |

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

| | | |
|---|--|-----------------|
| The operator of the well(s) listed below has changed, effective: | | 9/1/2005 |
| FROM: (Old Operator): N2525-The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002 Phone: 1-(713) 830-6938 | TO: (New Operator): N2750-Enduring Resources, LLC 475 17th Street, Suite 1500 Denver, CO 80202 Phone: 1-(303) 350-5102 | |

CA No.

Unit:

WELL(S)

| NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS | |
|-------------------------|-----|------|------|------------|-----------|------------|-----------|-------------|---|
| SOUTHMAN CYN 10D-36 | 36 | 090S | 230E | 4304735363 | 14093 | State | GW | P | |
| SOUTHMAN CYN 12D-36 | 36 | 090S | 230E | 4304735364 | 14063 | State | GW | P | |
| SOUTHMAN CYN 2D-36 | 36 | 090S | 230E | 4304735365 | 14079 | State | GW | S | |
| SOUTHMAN CYN 14C-36 | 36 | 090S | 230E | 4304735770 | 14320 | State | GW | P | C |
| SOUTHMAN CYN 8C-36 | 36 | 090S | 230E | 4304735771 | 14292 | State | GW | P | C |
| SOUTHMAN CYN 16C-36 | 36 | 090S | 230E | 4304735772 | 14265 | State | GW | P | C |
| SOUTHMAN CYN 15-36-9-23 | 36 | 090S | 230E | 4304736529 | | State | GW | APD | C |
| SOUTHMAN CYN 3-36-9-23 | 36 | 090S | 230E | 4304736530 | | State | GW | APD | C |
| BONANZA 4D-16 | 16 | 090S | 240E | 4304735622 | 14319 | State | GW | P | C |
| ROCK HOUSE 13-36 | 36 | 100S | 220E | 4304735902 | | State | GW | APD | |
| ROCK HOUSE 3-36-10-22 | 36 | 100S | 220E | 4304736407 | | State | GW | NEW | C |
| ROCK HOUSE 1-36-10-22 | 36 | 100S | 220E | 4304736408 | | State | GW | APD | C |
| ROCK HOUSE 7-36-10-22 | 36 | 100S | 220E | 4304736409 | | State | GW | NEW | C |
| ROCK HOUSE 13-32-10-23 | 32 | 100S | 230E | 4304736411 | | State | GW | APD | C |
| ROCK HOUSE 4-32-10-23 | 32 | 100S | 230E | 4304736412 | | State | GW | APD | C |
| EAST BENCH 3-16 | 16 | 110S | 220E | 4304736125 | | State | GW | NEW | |
| EAST BENCH 1-16 | 16 | 110S | 220E | 4304736126 | | State | GW | NEW | |
| EAST BENCH 7-16 | 16 | 110S | 220E | 4304736127 | | State | GW | NEW | |
| EAST BENCH 15-16 | 16 | 110S | 220E | 4304736128 | | State | GW | NEW | |
| ROCK HOUSE 16-2 | 02 | 110S | 230E | 4304736152 | | State | GW | APD | |
| HANGING ROCK 1-32 | 32 | 110S | 230E | 4304736309 | | State | GW | APD | |
| RAINBOW 2-16 | 16 | 110S | 240E | 4304736184 | 14657 | State | GW | DRL | C |

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/26/2005
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/26/2005
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/29/2005
- Is the new operator registered in the State of Utah: YES Business Number: 5771233-0161
- If **NO**, the operator was contacted on:
- a. (R649-9-2)Waste Management Plan has been received on: Requested 9/29/05
- b. Inspections of LA PA state/fee well sites complete on: n/a



ENDURING RESOURCES

475 Seventeenth Street Suite 1500 Denver Colorado 80202
Telephone: 303 573 1222 Facsimile: 303 573 0461

October 28, 2005

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801
Attention: Ms. Diana Whitney

RE: Pending APD's - Directional Drilling
Uintah County, Utah

Dear Diana:

Enduring Resources, LLC ("ERLLC") has acquired the leasehold and below-referenced wells' APD's from The Houston Exploration Company. ERLLC plans to these well directionally to "standard" locations as follows:

Rock House 3-36-10-22 Well
Surface: 934' FNL - 1,783' FWL
BHL: 660' FNL - 1,980' FWL
NENW Sec 36, T10S-R22E

Rock House 7-36-10-22 Well
Surface: 2,209' FNL - 2,445' FEL
BHL: 1,980' FNL - 1,980' FEL
SENW Sec 36, T10S-R22E

In order for ERLLC to proceed with its plans, approval from lease owners within 460 feet from all points along the intended well bores is need. Therefore, ERLLC respectfully requests Kerr-McGee's approval to the subject wells being drilled directionally as setforth herein by signing one copy of this letter in the space provided below and returning it to this office.

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 (aarlian@enduringresources.com).

Very truly yours,

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian
Landman - Regulatory Specialist

AGREED TO AND APPROVED THIS 3rd DAY OF NOVEMBER, 2005.

KERR-MCGEE CORPORATION

Westport's approval is conditional upon Endurings ability to locate the bottom hole as depicted on the attached wellbore diagrams.

X:
BY: W. Chris Latimer, CPL

Weatherford International

Planning Report

| | | | |
|------------------------------------|---|-----------------------|----------------|
| Company: Enduring Resources | Date: 10/31/2005 | Time: 12:37:58 | Page: 2 |
| Field: Natural Buttes | Co-ordinate(NE) Reference: Site: Rock House 3-36-10-22, True North | | |
| Site: Rock House 3-36-10-22 | Vertical (TVD) Reference: SITE 5618.0 | | |
| Well: Rock House 3-36-10-22 | Section (VS) Reference: Site (0.00N,0.00E,35.72Azi) | | |
| Wellpath: 1 | Plan: | | Plan #1 |

Section 1 : Start Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|------------|
| 1700.00 | 0.00 | 35.72 | 1700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 35.72 |
| 1800.00 | 0.00 | 35.72 | 1800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 35.72 |
| 1900.00 | 0.00 | 35.72 | 1900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 35.72 |
| 2000.00 | 0.00 | 35.72 | 2000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 35.72 |

Section 2 : Start Build 2.50

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|------------|
| 2100.00 | 2.50 | 35.72 | 2099.97 | 1.77 | 1.27 | 2.18 | 2.50 | 2.50 | 0.00 | 0.00 |
| 2200.00 | 5.00 | 35.72 | 2199.75 | 7.08 | 5.09 | 8.72 | 2.50 | 2.50 | 0.00 | 0.00 |
| 2300.00 | 7.50 | 35.72 | 2299.14 | 15.92 | 11.45 | 19.61 | 2.50 | 2.50 | 0.00 | 0.00 |
| 2400.00 | 10.00 | 35.72 | 2397.97 | 28.27 | 20.33 | 34.82 | 2.50 | 2.50 | 0.00 | 0.00 |
| 2500.00 | 12.50 | 35.72 | 2496.04 | 44.11 | 31.71 | 54.33 | 2.50 | 2.50 | 0.00 | 0.00 |
| 2600.00 | 15.00 | 35.72 | 2593.17 | 63.41 | 45.59 | 78.09 | 2.50 | 2.50 | 0.00 | 0.00 |

Section 3 : Start Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|------------|
| 2700.00 | 15.00 | 35.72 | 2689.76 | 84.42 | 60.70 | 103.97 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2800.00 | 15.00 | 35.72 | 2786.35 | 105.43 | 75.80 | 129.86 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2900.00 | 15.00 | 35.72 | 2882.95 | 126.45 | 90.91 | 155.74 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3000.00 | 15.00 | 35.72 | 2979.54 | 147.46 | 106.02 | 181.62 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3100.00 | 15.00 | 35.72 | 3076.13 | 168.48 | 121.13 | 207.50 | 0.00 | 0.00 | 0.00 | 0.00 |

Section 4 : Start Drop -1.50

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|------------|
| 3200.00 | 13.50 | 35.72 | 3173.05 | 188.46 | 135.50 | 232.12 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3300.00 | 12.00 | 35.72 | 3270.58 | 206.38 | 148.38 | 254.19 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3337.19 | 11.44 | 35.72 | 3307.00 | 212.51 | 152.79 | 261.74 | 1.50 | -1.50 | 0.00 | -180.00 |
| 3400.00 | 10.50 | 35.72 | 3368.66 | 222.22 | 159.77 | 273.69 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3500.00 | 9.00 | 35.72 | 3467.21 | 235.97 | 169.66 | 290.63 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3600.00 | 7.50 | 35.72 | 3566.18 | 247.62 | 178.03 | 304.98 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3700.00 | 6.00 | 35.72 | 3665.48 | 257.16 | 184.89 | 316.73 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3800.00 | 4.50 | 35.72 | 3765.06 | 264.59 | 190.24 | 325.88 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3900.00 | 3.00 | 35.72 | 3864.84 | 269.90 | 194.05 | 332.42 | 1.50 | -1.50 | 0.00 | 180.00 |
| 3920.19 | 2.70 | 35.72 | 3885.00 | 270.72 | 194.64 | 333.42 | 1.50 | -1.50 | 0.00 | -180.00 |
| 4000.00 | 1.50 | 35.72 | 3964.76 | 273.09 | 196.35 | 336.35 | 1.50 | -1.50 | 0.00 | 180.00 |
| 4099.33 | 0.01 | 35.72 | 4064.08 | 274.15 | 197.11 | 337.66 | 1.50 | -1.50 | 0.00 | -180.00 |

Section 5 : Start Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|------------|
| 4200.00 | 0.01 | 35.72 | 4164.75 | 274.17 | 197.12 | 337.67 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4300.00 | 0.01 | 35.72 | 4264.75 | 274.18 | 197.13 | 337.69 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4400.00 | 0.01 | 35.72 | 4364.75 | 274.19 | 197.14 | 337.71 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4500.00 | 0.01 | 35.72 | 4464.75 | 274.21 | 197.15 | 337.73 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4600.00 | 0.01 | 35.72 | 4564.75 | 274.22 | 197.16 | 337.74 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4700.00 | 0.01 | 35.72 | 4664.75 | 274.24 | 197.17 | 337.76 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4800.00 | 0.01 | 35.72 | 4764.75 | 274.25 | 197.18 | 337.78 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4900.00 | 0.01 | 35.72 | 4864.75 | 274.27 | 197.19 | 337.80 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5000.00 | 0.01 | 35.72 | 4964.75 | 274.28 | 197.20 | 337.81 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5100.00 | 0.01 | 35.72 | 5064.75 | 274.29 | 197.21 | 337.83 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5200.00 | 0.01 | 35.72 | 5164.75 | 274.31 | 197.22 | 337.85 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5300.00 | 0.01 | 35.72 | 5264.75 | 274.32 | 197.23 | 337.87 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5400.00 | 0.01 | 35.72 | 5364.75 | 274.34 | 197.24 | 337.88 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5500.00 | 0.01 | 35.72 | 5464.75 | 274.35 | 197.25 | 337.90 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5600.00 | 0.01 | 35.72 | 5564.75 | 274.36 | 197.26 | 337.92 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5700.00 | 0.01 | 35.72 | 5664.75 | 274.38 | 197.27 | 337.93 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5800.00 | 0.01 | 35.72 | 5764.75 | 274.39 | 197.28 | 337.95 | 0.00 | 0.00 | 0.00 | 0.00 |

Weatherford International

Planning Report

| | | | |
|------------------------------------|---|----------------|---------|
| Company: Enduring Resources | Date: 10/31/2005 | Time: 12:37:58 | Page: 3 |
| Field: Natural Buttes | Co-ordinate(NE) Reference: Site: Rock House 3-36-10-22, True North | | |
| Site: Rock House 3-36-10-22 | Vertical (TVD) Reference: SITE 5618.0 | | |
| Well: Rock House 3-36-10-22 | Section (VS) Reference: Site (0.00N,0.00E,35.72Azi) | | |
| Wellpath: 1 | Plan: Plan #1 | | |

Section 5 : Start Hold

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | TFO deg |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|------------|
| 5900.00 | 0.01 | 35.72 | 5864.75 | 274.41 | 197.29 | 337.97 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5938.25 | 0.01 | 35.72 | 5903.00 | 274.41 | 197.30 | 337.98 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6000.00 | 0.01 | 35.72 | 5964.75 | 274.42 | 197.30 | 337.99 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6100.00 | 0.01 | 35.72 | 6064.75 | 274.44 | 197.31 | 338.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6200.00 | 0.01 | 35.72 | 6164.75 | 274.45 | 197.32 | 338.02 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6300.00 | 0.01 | 35.72 | 6264.75 | 274.46 | 197.33 | 338.04 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6400.00 | 0.01 | 35.72 | 6364.75 | 274.48 | 197.34 | 338.06 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6500.00 | 0.01 | 35.72 | 6464.75 | 274.49 | 197.35 | 338.07 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6600.00 | 0.01 | 35.72 | 6564.75 | 274.51 | 197.36 | 338.09 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6700.00 | 0.01 | 35.72 | 6664.75 | 274.52 | 197.37 | 338.11 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6800.00 | 0.01 | 35.72 | 6764.75 | 274.53 | 197.38 | 338.13 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6900.00 | 0.01 | 35.72 | 6864.75 | 274.55 | 197.39 | 338.14 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7000.00 | 0.01 | 35.72 | 6964.75 | 274.56 | 197.40 | 338.16 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7100.00 | 0.01 | 35.72 | 7064.75 | 274.58 | 197.41 | 338.18 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7200.00 | 0.01 | 35.72 | 7164.75 | 274.59 | 197.43 | 338.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7300.00 | 0.01 | 35.72 | 7264.75 | 274.61 | 197.44 | 338.21 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7400.00 | 0.01 | 35.72 | 7364.75 | 274.62 | 197.45 | 338.23 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7500.00 | 0.01 | 35.72 | 7464.75 | 274.63 | 197.46 | 338.25 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7600.00 | 0.01 | 35.72 | 7564.75 | 274.65 | 197.47 | 338.27 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7700.00 | 0.01 | 35.72 | 7664.75 | 274.66 | 197.48 | 338.28 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7800.00 | 0.01 | 35.72 | 7764.75 | 274.68 | 197.49 | 338.30 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7900.00 | 0.01 | 35.72 | 7864.75 | 274.69 | 197.50 | 338.32 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8000.00 | 0.01 | 35.72 | 7964.75 | 274.70 | 197.51 | 338.34 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8100.00 | 0.01 | 35.72 | 8064.75 | 274.72 | 197.52 | 338.35 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8200.00 | 0.01 | 35.72 | 8164.75 | 274.73 | 197.53 | 338.37 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8233.25 | 0.01 | 35.72 | 8198.00 | 274.74 | 197.53 | 338.38 | 0.00 | 0.00 | 0.00 | 0.00 |
| 8275.25 | 0.01 | 35.72 | 8240.00 | 274.74 | 197.53 | 338.38 | 0.00 | 0.00 | 0.00 | 0.00 |

Survey

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Buld deg/100ft | Turn deg/100ft | Tool/Comment |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|-------------------|-------------------|----------------|
| 0.00 | 0.00 | 35.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 100.00 | 0.00 | 35.72 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 200.00 | 0.00 | 35.72 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 300.00 | 0.00 | 35.72 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 400.00 | 0.00 | 35.72 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 500.00 | 0.00 | 35.72 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 600.00 | 0.00 | 35.72 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 700.00 | 0.00 | 35.72 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 705.00 | 0.00 | 35.72 | 705.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | Green River |
| 800.00 | 0.00 | 35.72 | 800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 900.00 | 0.00 | 35.72 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1000.00 | 0.00 | 35.72 | 1000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1100.00 | 0.00 | 35.72 | 1100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1200.00 | 0.00 | 35.72 | 1200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1300.00 | 0.00 | 35.72 | 1300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1400.00 | 0.00 | 35.72 | 1400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1500.00 | 0.00 | 35.72 | 1500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1600.00 | 0.00 | 35.72 | 1600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1700.00 | 0.00 | 35.72 | 1700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1800.00 | 0.00 | 35.72 | 1800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1900.00 | 0.00 | 35.72 | 1900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2000.00 | 0.00 | 35.72 | 2000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8 5/8" Surface |
| 2100.00 | 2.50 | 35.72 | 2099.97 | 1.77 | 1.27 | 2.18 | 2.50 | 2.50 | 0.00 | |
| 2200.00 | 5.00 | 35.72 | 2199.75 | 7.08 | 5.09 | 8.72 | 2.50 | 2.50 | 0.00 | |
| 2300.00 | 7.50 | 35.72 | 2299.14 | 15.92 | 11.45 | 19.61 | 2.50 | 2.50 | 0.00 | |
| 2400.00 | 10.00 | 35.72 | 2397.97 | 28.27 | 20.33 | 34.82 | 2.50 | 2.50 | 0.00 | |
| 2500.00 | 12.50 | 35.72 | 2496.04 | 44.11 | 31.71 | 54.33 | 2.50 | 2.50 | 0.00 | |

Weatherford International

Planning Report

| | | | |
|------------------------------------|---|-----------------------|----------------|
| Company: Enduring Resources | Date: 10/31/2005 | Time: 12:37:58 | Page: 4 |
| Field: Natural Buttes | Co-ordinate(NE) Reference: Site: Rock House 3-36-10-22, True North | | |
| Site: Rock House 3-36-10-22 | Vertical (TVD) Reference: SITE 5618.0 | | |
| Well: Rock House 3-36-10-22 | Section (VS) Reference: Site (0.00N,0.00E,35.72Azi) | | |
| Wellpath: 1 | Plan: Plan #1 | | |

Survey

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | Tool/Comment |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|--------------|
| 2600.00 | 15.00 | 35.72 | 2593.17 | 63.41 | 45.59 | 78.09 | 2.50 | 2.50 | 0.00 | |
| 2700.00 | 15.00 | 35.72 | 2689.76 | 84.42 | 60.70 | 103.97 | 0.00 | 0.00 | 0.00 | |
| 2800.00 | 15.00 | 35.72 | 2786.35 | 105.43 | 75.80 | 129.86 | 0.00 | 0.00 | 0.00 | |
| 2900.00 | 15.00 | 35.72 | 2882.95 | 126.45 | 90.91 | 155.74 | 0.00 | 0.00 | 0.00 | |
| 3000.00 | 15.00 | 35.72 | 2979.54 | 147.46 | 106.02 | 181.62 | 0.00 | 0.00 | 0.00 | |
| 3100.00 | 15.00 | 35.72 | 3076.13 | 168.48 | 121.13 | 207.50 | 0.00 | 0.00 | 0.00 | |
| 3200.00 | 13.50 | 35.72 | 3173.05 | 188.46 | 135.50 | 232.12 | 1.50 | -1.50 | 0.00 | |
| 3300.00 | 12.00 | 35.72 | 3270.58 | 206.38 | 148.38 | 254.19 | 1.50 | -1.50 | 0.00 | |
| 3337.19 | 11.44 | 35.72 | 3307.00 | 212.51 | 152.79 | 261.74 | 1.50 | -1.50 | 0.00 | Entry Point |
| 3400.00 | 10.50 | 35.72 | 3368.66 | 222.22 | 159.77 | 273.69 | 1.50 | -1.50 | 0.00 | |
| 3500.00 | 9.00 | 35.72 | 3467.21 | 235.97 | 169.66 | 290.63 | 1.50 | -1.50 | 0.00 | |
| 3600.00 | 7.50 | 35.72 | 3566.18 | 247.62 | 178.03 | 304.98 | 1.50 | -1.50 | 0.00 | |
| 3700.00 | 6.00 | 35.72 | 3665.48 | 257.16 | 184.89 | 316.73 | 1.50 | -1.50 | 0.00 | |
| 3800.00 | 4.50 | 35.72 | 3765.06 | 264.59 | 190.24 | 325.88 | 1.50 | -1.50 | 0.00 | |
| 3900.00 | 3.00 | 35.72 | 3864.84 | 269.90 | 194.05 | 332.42 | 1.50 | -1.50 | 0.00 | |
| 3920.19 | 2.70 | 35.72 | 3885.00 | 270.72 | 194.64 | 333.42 | 1.50 | -1.50 | 0.00 | Top Target |
| 4000.00 | 1.50 | 35.72 | 3964.76 | 273.09 | 196.35 | 336.35 | 1.50 | -1.50 | 0.00 | |
| 4099.33 | 0.01 | 35.72 | 4064.08 | 274.15 | 197.11 | 337.66 | 1.50 | -1.50 | 0.00 | |
| 4200.00 | 0.01 | 35.72 | 4164.75 | 274.17 | 197.12 | 337.67 | 0.00 | 0.00 | 0.00 | |
| 4300.00 | 0.01 | 35.72 | 4264.75 | 274.18 | 197.13 | 337.69 | 0.00 | 0.00 | 0.00 | |
| 4400.00 | 0.01 | 35.72 | 4364.75 | 274.19 | 197.14 | 337.71 | 0.00 | 0.00 | 0.00 | |
| 4500.00 | 0.01 | 35.72 | 4464.75 | 274.21 | 197.15 | 337.73 | 0.00 | 0.00 | 0.00 | |
| 4600.00 | 0.01 | 35.72 | 4564.75 | 274.22 | 197.16 | 337.74 | 0.00 | 0.00 | 0.00 | |
| 4700.00 | 0.01 | 35.72 | 4664.75 | 274.24 | 197.17 | 337.76 | 0.00 | 0.00 | 0.00 | |
| 4800.00 | 0.01 | 35.72 | 4764.75 | 274.25 | 197.18 | 337.78 | 0.00 | 0.00 | 0.00 | |
| 4900.00 | 0.01 | 35.72 | 4864.75 | 274.27 | 197.19 | 337.80 | 0.00 | 0.00 | 0.00 | |
| 5000.00 | 0.01 | 35.72 | 4964.75 | 274.28 | 197.20 | 337.81 | 0.00 | 0.00 | 0.00 | |
| 5100.00 | 0.01 | 35.72 | 5064.75 | 274.29 | 197.21 | 337.83 | 0.00 | 0.00 | 0.00 | |
| 5200.00 | 0.01 | 35.72 | 5164.75 | 274.31 | 197.22 | 337.85 | 0.00 | 0.00 | 0.00 | |
| 5300.00 | 0.01 | 35.72 | 5264.75 | 274.32 | 197.23 | 337.87 | 0.00 | 0.00 | 0.00 | |
| 5400.00 | 0.01 | 35.72 | 5364.75 | 274.34 | 197.24 | 337.88 | 0.00 | 0.00 | 0.00 | |
| 5500.00 | 0.01 | 35.72 | 5464.75 | 274.35 | 197.25 | 337.90 | 0.00 | 0.00 | 0.00 | |
| 5600.00 | 0.01 | 35.72 | 5564.75 | 274.36 | 197.26 | 337.92 | 0.00 | 0.00 | 0.00 | |
| 5700.00 | 0.01 | 35.72 | 5664.75 | 274.38 | 197.27 | 337.93 | 0.00 | 0.00 | 0.00 | |
| 5800.00 | 0.01 | 35.72 | 5764.75 | 274.39 | 197.28 | 337.95 | 0.00 | 0.00 | 0.00 | |
| 5900.00 | 0.01 | 35.72 | 5864.75 | 274.41 | 197.29 | 337.97 | 0.00 | 0.00 | 0.00 | |
| 5938.25 | 0.01 | 35.72 | 5903.00 | 274.41 | 197.30 | 337.98 | 0.00 | 0.00 | 0.00 | Mesaverde |
| 6000.00 | 0.01 | 35.72 | 5964.75 | 274.42 | 197.30 | 337.99 | 0.00 | 0.00 | 0.00 | |
| 6100.00 | 0.01 | 35.72 | 6064.75 | 274.44 | 197.31 | 338.00 | 0.00 | 0.00 | 0.00 | |
| 6200.00 | 0.01 | 35.72 | 6164.75 | 274.45 | 197.32 | 338.02 | 0.00 | 0.00 | 0.00 | |
| 6300.00 | 0.01 | 35.72 | 6264.75 | 274.46 | 197.33 | 338.04 | 0.00 | 0.00 | 0.00 | |
| 6400.00 | 0.01 | 35.72 | 6364.75 | 274.48 | 197.34 | 338.06 | 0.00 | 0.00 | 0.00 | |
| 6500.00 | 0.01 | 35.72 | 6464.75 | 274.49 | 197.35 | 338.07 | 0.00 | 0.00 | 0.00 | |
| 6600.00 | 0.01 | 35.72 | 6564.75 | 274.51 | 197.36 | 338.09 | 0.00 | 0.00 | 0.00 | |
| 6700.00 | 0.01 | 35.72 | 6664.75 | 274.52 | 197.37 | 338.11 | 0.00 | 0.00 | 0.00 | |
| 6800.00 | 0.01 | 35.72 | 6764.75 | 274.53 | 197.38 | 338.13 | 0.00 | 0.00 | 0.00 | |
| 6900.00 | 0.01 | 35.72 | 6864.75 | 274.55 | 197.39 | 338.14 | 0.00 | 0.00 | 0.00 | |
| 7000.00 | 0.01 | 35.72 | 6964.75 | 274.56 | 197.40 | 338.16 | 0.00 | 0.00 | 0.00 | |
| 7100.00 | 0.01 | 35.72 | 7064.75 | 274.58 | 197.41 | 338.18 | 0.00 | 0.00 | 0.00 | |
| 7200.00 | 0.01 | 35.72 | 7164.75 | 274.59 | 197.43 | 338.20 | 0.00 | 0.00 | 0.00 | |
| 7300.00 | 0.01 | 35.72 | 7264.75 | 274.61 | 197.44 | 338.21 | 0.00 | 0.00 | 0.00 | |
| 7400.00 | 0.01 | 35.72 | 7364.75 | 274.62 | 197.45 | 338.23 | 0.00 | 0.00 | 0.00 | |
| 7500.00 | 0.01 | 35.72 | 7464.75 | 274.63 | 197.46 | 338.25 | 0.00 | 0.00 | 0.00 | |

Weatherford International

Planning Report

| | | | |
|------------------------------------|---|-----------------------|----------------|
| Company: Enduring Resources | Date: 10/31/2005 | Time: 12:37:58 | Page: 5 |
| Field: Natural Buttes | Co-ordinate(NE) Reference: Site: Rock House 3-36-10-22, True North | | |
| Site: Rock House 3-36-10-22 | Vertical (TVD) Reference: SITE 5618.0 | | |
| Well: Rock House 3-36-10-22 | Section (VS) Reference: Site (0.00N,0.00E,35.72Azi) | | |
| Wellpath: 1 | Plan: | | Plan #1 |

Survey

| MD ft | Incl deg | Azim deg | TVD ft | +N/-S ft | +E/-W ft | VS ft | DLS deg/100ft | Build deg/100ft | Turn deg/100ft | Tool/Comment |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|--------------|
| 7600.00 | 0.01 | 35.72 | 7564.75 | 274.65 | 197.47 | 338.27 | 0.00 | 0.00 | 0.00 | |
| 7700.00 | 0.01 | 35.72 | 7664.75 | 274.66 | 197.48 | 338.28 | 0.00 | 0.00 | 0.00 | |
| 7800.00 | 0.01 | 35.72 | 7764.75 | 274.68 | 197.49 | 338.30 | 0.00 | 0.00 | 0.00 | |
| 7900.00 | 0.01 | 35.72 | 7864.75 | 274.69 | 197.50 | 338.32 | 0.00 | 0.00 | 0.00 | |
| 8000.00 | 0.01 | 35.72 | 7964.75 | 274.70 | 197.51 | 338.34 | 0.00 | 0.00 | 0.00 | |
| 8100.00 | 0.01 | 35.72 | 8064.75 | 274.72 | 197.52 | 338.35 | 0.00 | 0.00 | 0.00 | |
| 8200.00 | 0.01 | 35.72 | 8164.75 | 274.73 | 197.53 | 338.37 | 0.00 | 0.00 | 0.00 | |
| 8233.25 | 0.01 | 35.72 | 8198.00 | 274.74 | 197.53 | 338.38 | 0.00 | 0.00 | 0.00 | Buck Tongue |
| 8275.25 | 0.01 | 35.72 | 8240.00 | 274.74 | 197.53 | 338.38 | 0.00 | 0.00 | 0.00 | TD |

Targets

| Name | Description Dip. Dir. | TVD ft | +N/-S ft | +E/-W ft | Map Northing ft | Map Easting ft | ← Latitude → | | ← Longitude → | |
|----------------------|--------------------------|-----------|-------------|-------------|-----------------------|----------------------|--------------|-----|---------------|-------------------|
| | | | | | | | Deg | Min | Sec | Deg |
| Top Target | | 3885.00 | 274.00 | 197.00 | 7143211.27 | 2232044.19 | 39 | 54 | 38.758 | N 109 23 26.252 W |
| -Rectangle (400x400) | | | | | | | | | | |
| -Plan out by 4.04 at | | 3885.00 | 270.72 | 194.64 | 7143207.93 | 2232041.91 | 39 | 54 | 38.726 | N 109 23 26.282 W |

Casing Points

| MD ft | TVD ft | Diameter in | Hole Size in | Name |
|----------|-----------|----------------|-----------------|----------------|
| 2000.00 | 2000.00 | 8.625 | 8.625 | 8 5/8" Surface |

Formations

| MD ft | TVD ft | Formations | Lithology | Dip Angle deg | Dip Direction deg |
|----------|-----------|-------------|-----------|------------------|----------------------|
| 705.00 | 705.00 | Green River | | 0.00 | 0.00 |
| 3920.19 | 3885.00 | Wasatch | | 0.00 | 0.00 |
| 5938.25 | 5903.00 | Mesaverde | | 0.00 | 0.00 |
| 8233.25 | 8198.00 | Buck Tongue | | 0.00 | 0.00 |

Annotation

| MD ft | TVD ft | |
|----------|-----------|-------------|
| 3337.19 | 3307.00 | Entry Point |
| 8275.25 | 8240.00 | TD |

Enduring Resources, LLC
Rock House 3-36-10-22
NE&W Sec. 36, T10S-R22E
Uintah County, Utah
Lease # ML-47061

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

| <u>Formation</u> | <u>Depth (G.L.)</u> |
|-------------------------|---------------------|
| Green River | Surface |
| Uteland Butte Limestone | 3,759' |
| Wasatch | 3,869' |
| Mesaverde | 5,887' |
| Buck Tongue | 8,182' |
| Total Depth | 8,384' |

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals: (5,618' estimated KB)

| Substance | Formation | Depth (K.B.) |
|-----------|----------------------------|--------------|
| | | |
| | KB-Uinta Elevation: 5,618' | |
| | Green River | Surface |
| Oil /Gas | Wasatch | 3,885' |
| Oil /Gas | Mesaverde | 5,903' |
| | Estimated TD | 8,400' |

An 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.

D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

The attached directional plan will be followed as closely as possible. This plan identifies the bottom hole location, target, and inclination. A measurement while drilling (MWD) system will be used to track and control the directional path of the wellbore.

4. Proposed Casing & Cementing Program:**A. Casing Program: All New**

| Hole Size | Casing Size | Wt./Ft. | Grade | Joint | Depth Set (md) |
|-----------|-------------|---------|-------|-------|----------------|
| 20" | 14" O.D. | | | | 40' |
| 11" | 8-5/8" | 24# | J-55 | ST&C | 0 – 2,000' est |
| 7-7/8" | 4-1/2" | 11.6# | N-80 | LT&C | 0 – 8,400' |

The surface casing will have guide shoe, 1 jt., insert float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

| Depth (md) | Casing | Collapse(psi)/SF | Burst (psi)/SF | Tension(mlbs)/SF |
|------------|-----------------------------|------------------|----------------|------------------|
| 40' | 16" | | | |
| 2016' | 8-5/8", 24#/ft, J55, STC | 1370/1.52(a) | 2950/3.28(b) | 244/5.81(c) |
| 8,400' | 4-1/2", 11.6#/ft, N-80, LTC | 6350/1.46 (d) | 7780/1.94 (e) | 223/2.66 (f) |

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM**Surface Casing (if well will circulate)-Cemented to surface**

| CASING | SLURRY | FT. of FILL | CEMENT TYPE | SXS | EXCESS (%) | WEIGHT (ppg) | YIELD (ft ³ /sx) |
|--------|--------|-------------|---|-----|------------|--------------|-----------------------------|
| 8-5/8" | Lead | 1500 | Premium cement, + 16% gel + 0.25 pps celloflake | 138 | 25% | 11.1 | 3.50 |
| 8-5/8" | Tail | 500 | Premium cement +2% CaC ₂ + 0.25 pps celloflake | 138 | 25% | 15.8 | 1.15 |

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂ +0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

| CASING | SLURRY | FT. of FILL | CEMENT TYPE | SXS | EXCESS (%) | WEIGHT (ppg) | YIELD (ft ³ /sx) |
|--------|---------|-------------|---|---------|------------|--------------|-----------------------------|
| 8-5/8" | Lead | 500 | Premium cement + 2% CaCl ₂ + 0.25 pps celloflake | 138 | 25 | 15.8 | 1.15 |
| 8-5/8" | Top job | As req. | Premium cement + 3% CaCl ₂ + 0.25 pps celloflake | As Req. | | 15.8 | 1.15 |

Production Casing and Liner - Cemented TD to 300' above base of surface casing

| CASING | SLURRY | FT. of FILL | CEMENT TYPE | SXS | EXCESS (%) | WEIGHT (ppg) | YIELD (ft ³ /sx) |
|--------|--------|-------------|--|-----|------------|--------------|-----------------------------|
| 4-1/2" | Lead | 1769 | Class "G", + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.25% antifoam +0.25% fluid loss | 155 | 25 | 11.0 | 3.3 |
| 4-1/2" | Tail | 4915 | 50/50 POZ Class G + 2% gel +1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam | 897 | 25 | 14.3 | 1.56 |

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Drilling Fluids (mud) Program:

| Interval | Mud Weight | Fluid Loss | Viscosity | Mud Type |
|--------------|------------|------------|-----------|-----------|
| 0' - 2000' | | No cntrl | | Air/mist |
| 2000'-3000' | 8.4-8.6 | No cntrl | 28-36 | Water |
| 3000'-8,400' | 8.8-10.2 | 8 - 10 ml | 32-42 | Water/Gel |

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. Evaluation Program:

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

- Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML
TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 4,368 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2,520 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. Anticipated Starting Dates:

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 10 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

9. Variations:

None anticipated

10. **Other:**

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Enduring Resources, LLC
Rock House 3-36-10-22
NE~~SW~~ Sec. 36, T10S-R22E
Uintah County, Utah
Lease # ML-47061

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the proposed location are as follows:

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 41.5 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND STATE HIGHWAY 207 TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 8.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 7.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY, DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWETERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; THURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 5.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGES IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION APPROXIMATELY 78 MILES.

2. Planned Access Roads:

The proposed access road will be approximately 528 feet of new construction (ON-LEASE). No new access road construction or surface disturbance (OFF-LEASE) will be needed. Access to the proposed new access road will be by using existing roads. Please refer to Topo Map "B" for the takeoff point for the new ON-LEASE road construction.

The pad is located on State lands. The access roads and (proposed pipeline below) cross State lands, all ON-LEASE.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):

The following wells are wells located within a one (1) mile radius of the proposed location.

- a. None: Water Wells: (2 Abandoned)
- b. None: Injection Wells:
- c. (3): Producing Wells:
 - 1. Rock House 11-13
 - 2. Rock House 2S-36
 - 3. Rock House 4-36

- d. (3): Drilling/Permitted Wells:
 - 1. Rock House 11-36-10-22
 - 2. Rock House 13-36-10-22
 - 3. Rock House 7-36-10-22
- e. None: Shut-in Wells:
- f. None: Temporarily Abandoned Wells:
- g. None: Disposal Wells:
- h. None: Abandoned Wells:
- i. None: Dry Holes:
- j. None: Observation Wells:

4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Carlsbad Canyon (2.5Y 6/2). Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline:

- | | | | |
|----|-----------|------|------------------------|
| A. | ON-LEASE | 463' | State of Utah (SITLA), |
| b. | OFF-LEASE | None | N/A |

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately 463 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

- a. ON-LEASE approximately 463 feet (4 inch or less diameter steel), and
- b. OFF-LEASE. None.

The proposed surface pipeline will begin at the well site; continue westerly along the access road to tie-in into a pipeline to the Rock House #4-36 Well. The line will be

welded together and pulled from the well site location and tie-in point when practical; however, it may be necessary to utilize the access road for welding of the line. The line will then be boomed off to the side of the road. The gas meter run will be located within 500 feet of the wellhead. The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. Location and Type of Water Supply:

Water will be obtained from the White River by Tu and Frum, Inc. Water User Claim #49-2185, Application #T75517, or by Target Trucking Water User Claim #43-2195, or by Dalbo Inc. Water User Claim #43-8496

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6 Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

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

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8 Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 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.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the net wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:

Producing Location:

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- a. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- b. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

The appropriate surface management agency will be contacted for the required seed mixture and dates.

Surface Ownership: Location, Access and Pipeline Route:

Wellsite: State of Utah School and Institutional Trust Lands Administration

Access: State of Utah School and Institutional Trust Lands Administration

Pipeline: State of Utah School and Institutional Trust Lands Administration

11. Other Information

Wildlife Stipulations:

Wildlife stipulations and possible activity restrictions will be detailed in the conditions of approval" received with an approved Permit to Drill. Operator will comply with these wildlife stipulations, if any.

Archeology:

A Cultural Resource Inventory Report was conducted by Sagebrush Consultants, LLC and submitted by the prior operator to the Division of Oil, Gas and Mining and the School and Institutional Trust Lands Administration upon its receipt.

Paleontology:

No Paleontology Reconnaissance Report was prepared by the prior operator.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

All lease operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, and the approved Plan of Operations and all applicable Notice to Lessees. The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

**THE HOUSTON EXPLORATION COMPANY
ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.**

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 41.5 MILES ON PAVED STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND GRAVEL STATE HIGHWAY 45 TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND STATE HIGHWAY 207 TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 8.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 7.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 5.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 78.0 MILES.

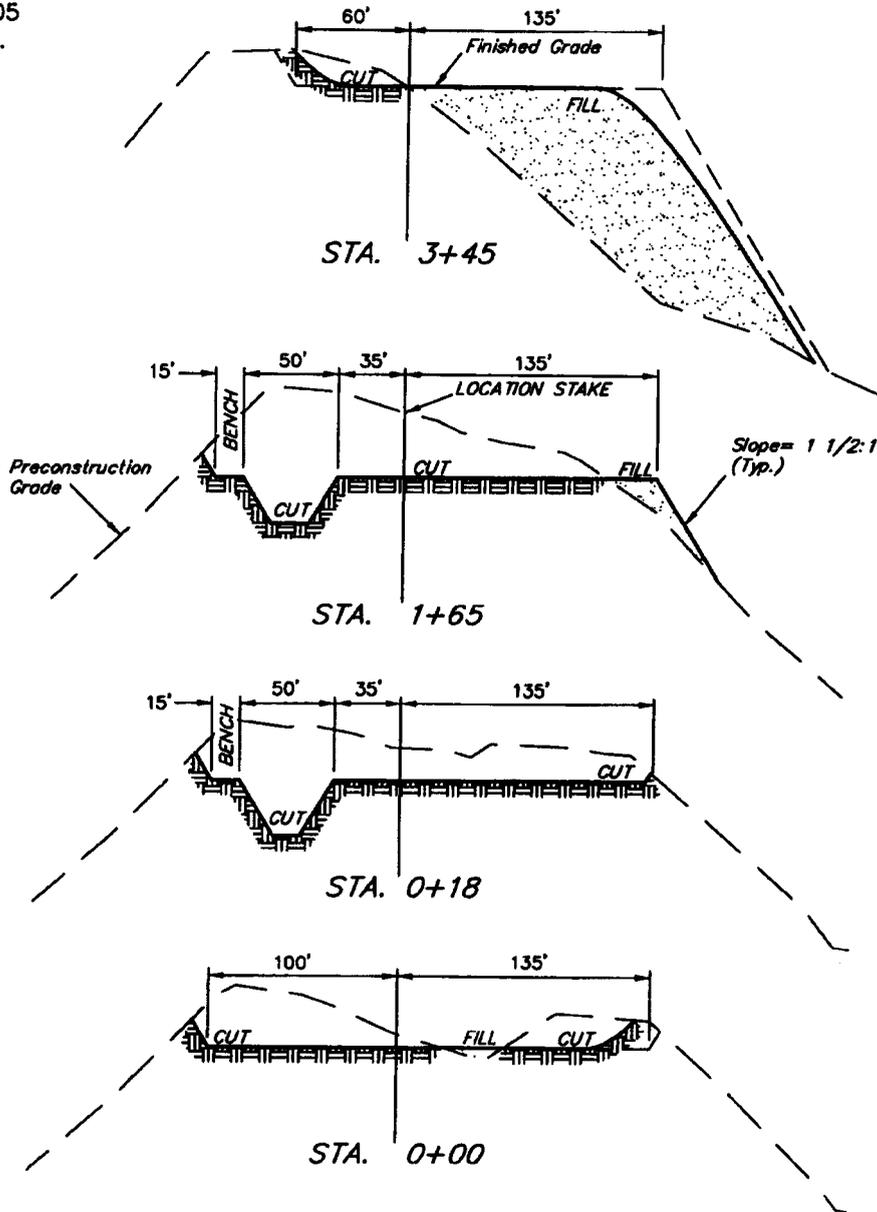
THE HOUSTON EXPLORATION COMPANY

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 ROCK HOUSE #3-36-10-22
 SECTION 36, T10S, R22E, S.L.B.&M.
 934' FNL 1783' FWL

1" = 40'
 X-Section
 Scale
 1" = 100'

DATE: 02-28-05
 Drawn By: P.M.



* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | |
|------------------------|-------------------------|
| CUT | |
| (6") Topsoil Stripping | = 2,120 Cu. Yds. |
| Remaining Location | = 23,830 Cu. Yds. |
| TOTAL CUT | = 25,950 CU.YDS. |
| FILL | = 22,660 CU.YDS. |

| | |
|--|------------------|
| EXCESS MATERIAL | = 3,290 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,290 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |

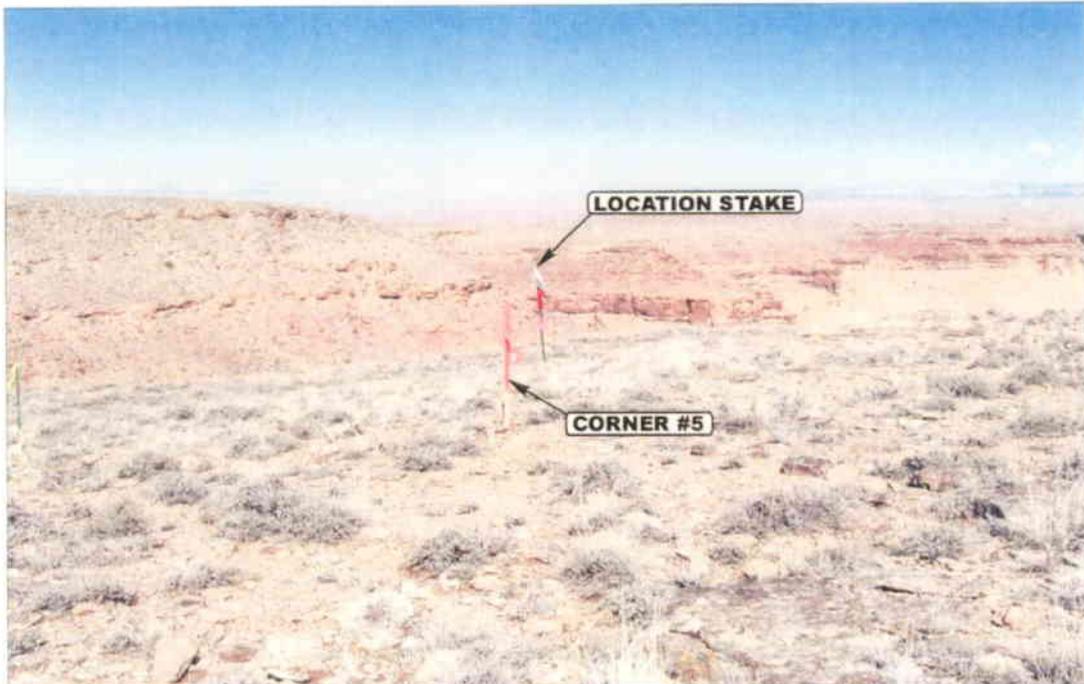
UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 788-1017

THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22

LOCATED IN UINTAH COUNTY, UTAH

SECTION 36, T10S, R22E, S.L.B.&M.



LOCATION STAKE

CORNER #5

PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PROPOSED ACCESS

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Since 1964

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

LOCATION PHOTOS

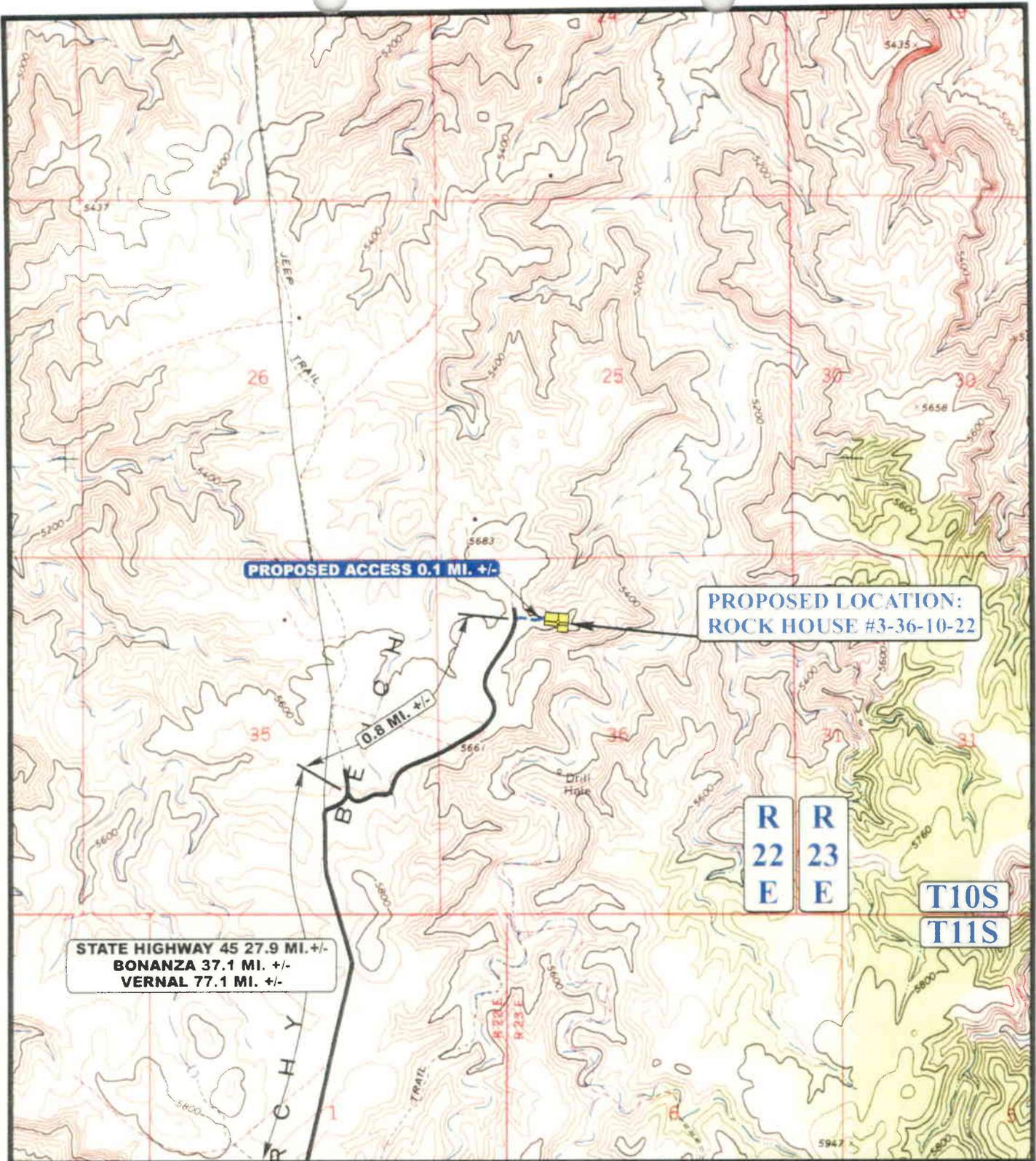
03 01 05
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

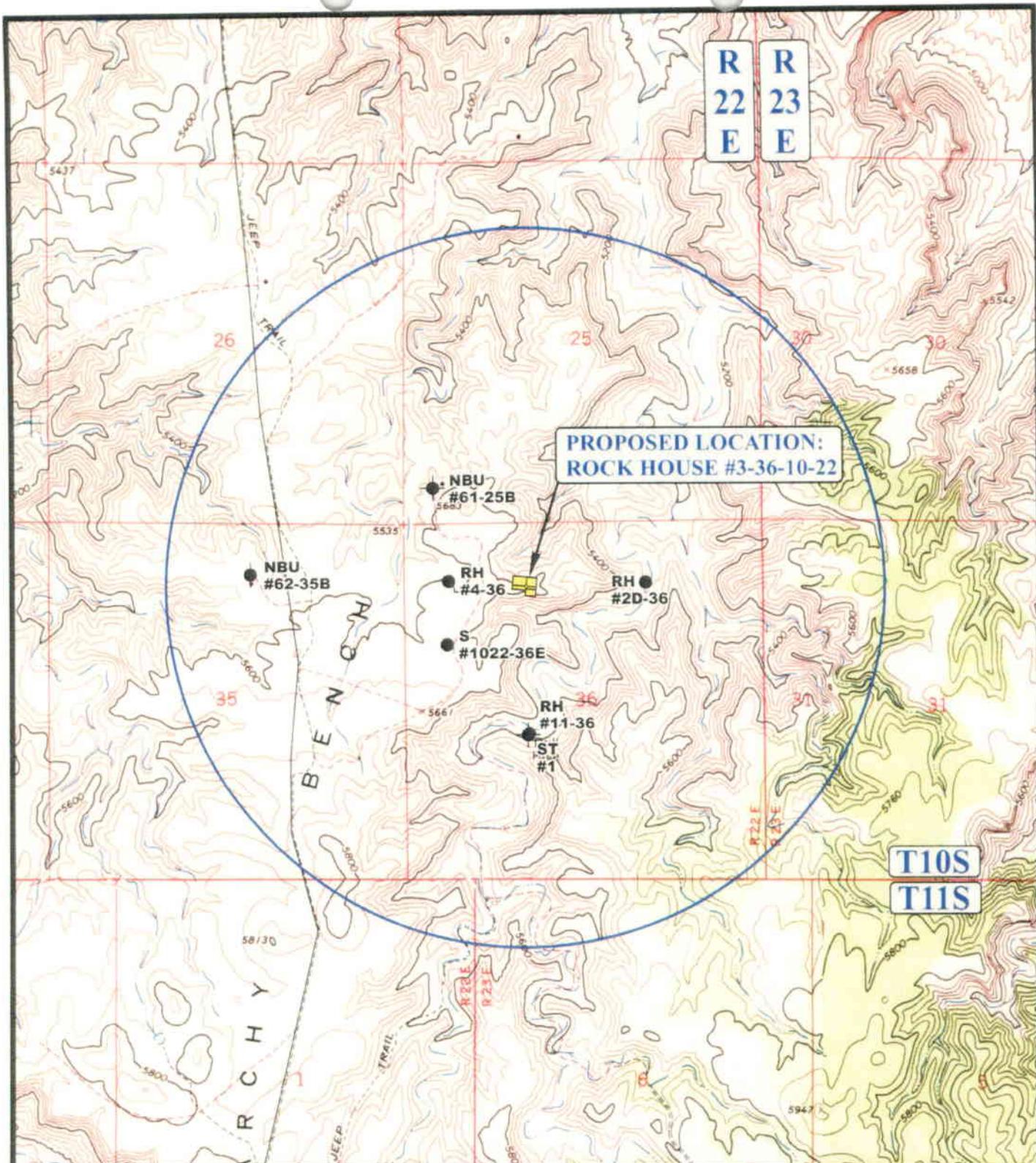


THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.
934' FNL 1783' FWL

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

TOPOGRAPHIC MAP 03 01 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **B TOPO**



**PROPOSED LOCATION:
ROCK HOUSE #3-36-10-22**

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

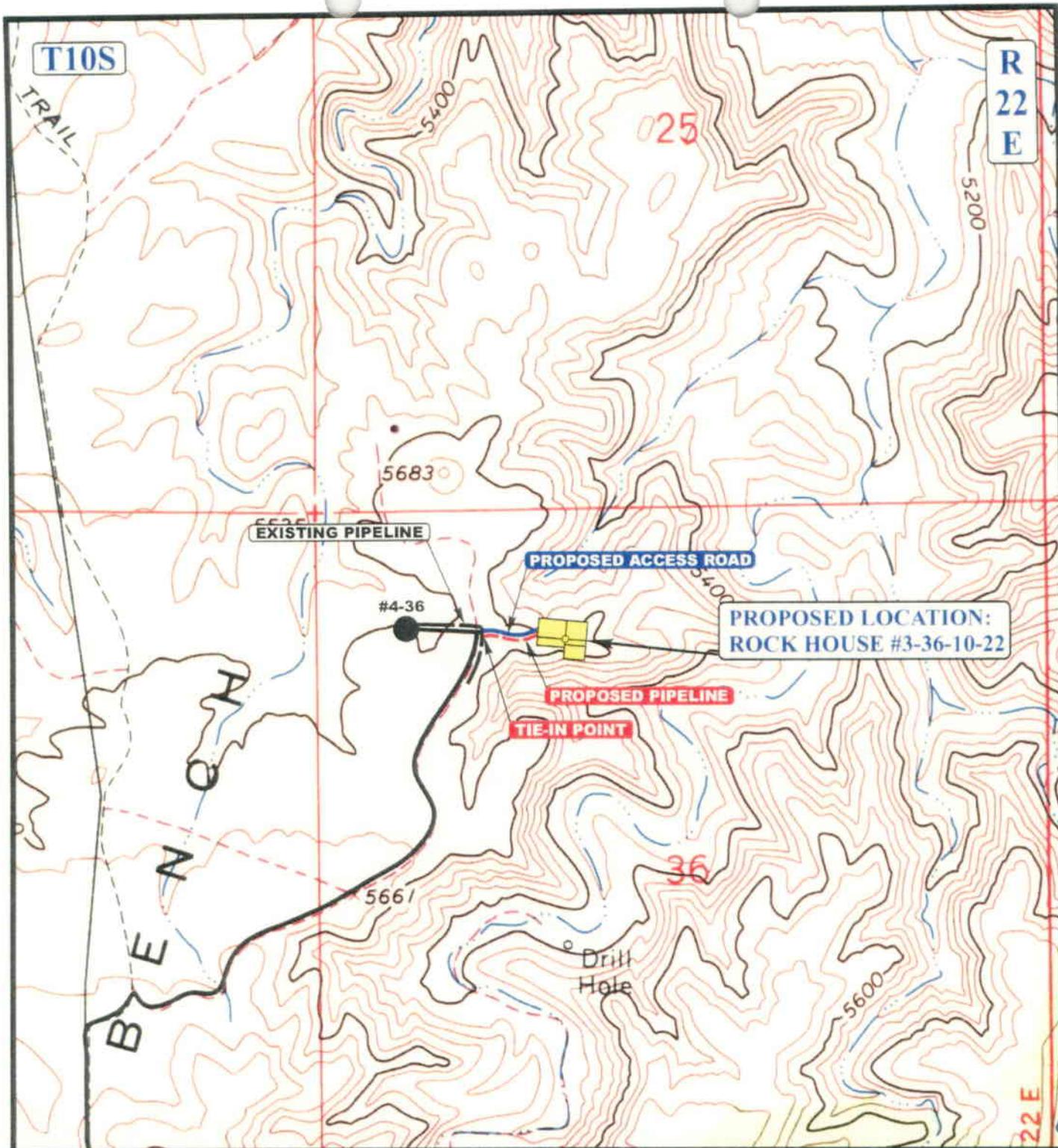
THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.
934' FNL 1783' FWL

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



TOPOGRAPHIC MAP **03 01 05**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 463' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #3-36-10-22
SECTION 36, T10S, R22E, S.L.B.&M.
934' FNL 1783' FWL

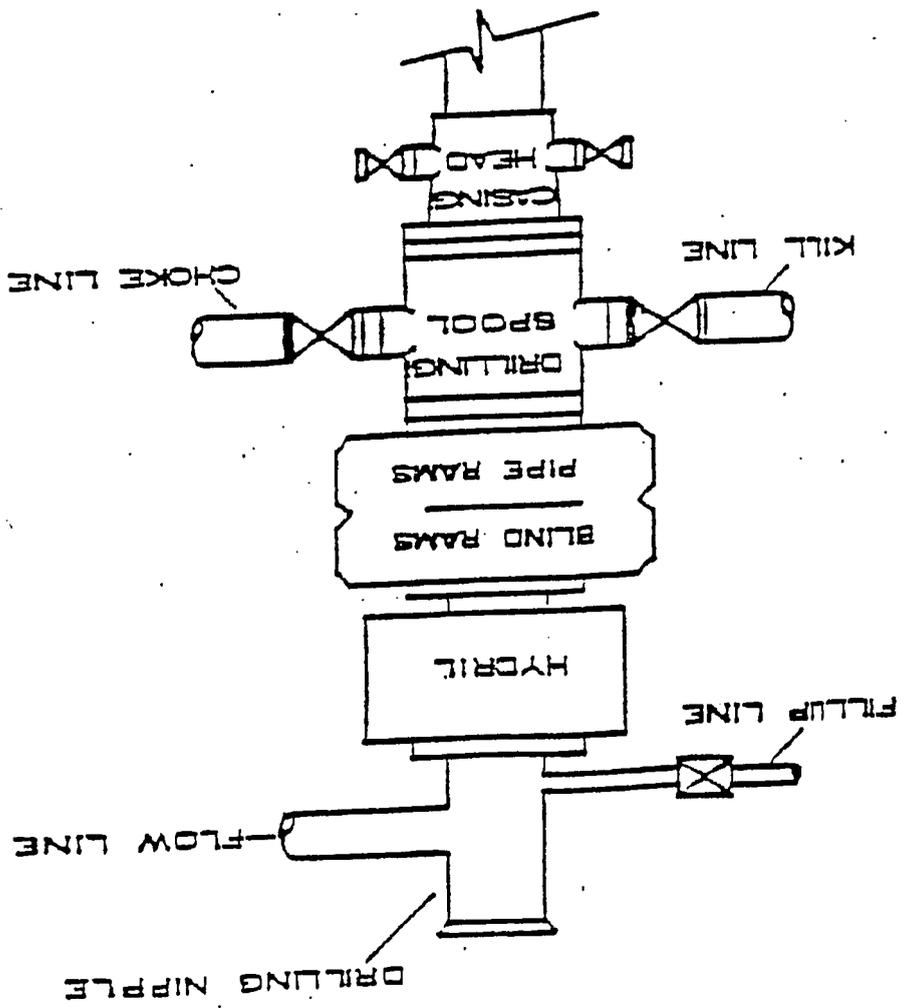
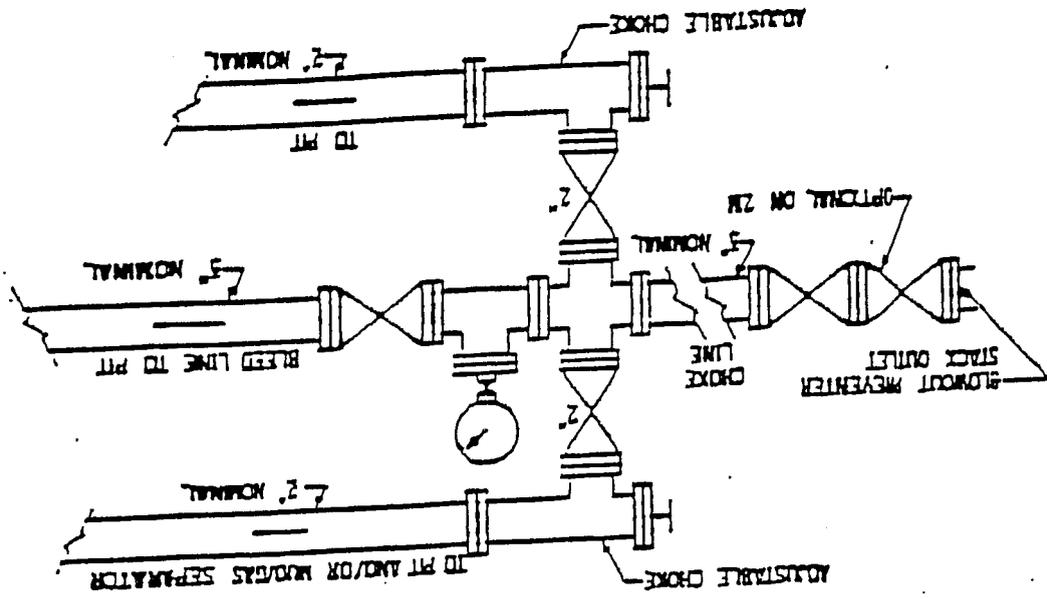


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 03 01 05
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00





BOP STACK

3,000 PSI

Enduring Resources, LLC
475 Seventeenth Street, Suite 1500
Denver, Colorado 80202
Office: 303-573-1222
Facsimile: 303-573-0461

VIA OVERNIGHT DELIVERY

November 7, 2005

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801
Attention: Ms. Diana Whitney

**RE: Pending APD's - Directional Drilling
Uintah County, Utah**

Dear Ms. Whitney:

Enduring Resources, LLC ("ERLLC") has acquired the leasehold and the two wells listed below from The Houston Exploration Company ("THX").

1. Apparently, THX was unable to get exceptional location approval from the offsetting leasehold owner and the APD's have never been approved.
2. ERLLC plans to drill these wells directionally to "standard" locations as follows, and
3. ERLLC has been able to get approval from all the offsetting leasehold owner.

Rock House 3-36-10-22 Well

Surface: 934' FNL – 1,783' FWL
BHL: 660' FNL – 1,980' FWL
NENW Sec 36, T10S-R22E

Rock House 7-36-10-22 Well

Surface: 2,209' FNL – 2,445' FEL
BHL: 1,980' FNL – 1,980' FEL
SENE Sec 36, T10S-R22E

In order for ERLLC to proceed with its plans, approval from lease owners within 460 feet from all points along the intended well bores is needed.

The three leasehold owners within 460 feet of some part of the directional wellbore are Enduring Resources, LLD, The Houston Exploration Company, and Kerr-McGee Corporation (fka as Westport).

- A. Enduring Resources, LLC and The Houston Exploration Company (herein collectively) grant Enduring Resources, LLC permission to directionally drill these wells.
- B. Attached is Kerr-McGee Corporation's (Westport) approval to directionally drill these wells.

In the event there are any other outstanding matters preventing these APD's from being approved, please let me know at your earliest convenience, 303-350-5114 (aarlian@enduringresources.com).

Very truly yours,

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

Very truly yours,

THE HOUSTON EXPLORATION COMPANY



Alvin R. (Al) Arlian
Agent

ara

Attachment as stated:

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500
Denver, Colorado 80202
Telephone: 303-573-1222
Facsimile: 303-573-0461

November 9, 2005

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

Attention: Diana Whitney

**RE: Application for Permit to Drill
Enduring Resources, LLC
Rock House 3-36-10-22
NE~~SW~~ Sec. 36, T10S-R22E
Uintah County, Utah
Lease # ML-47061**

Dear Ms. Whitney

Attached are two original applications to drill for the above-referenced proposed well. This information has also been submitted to the State of Utah, Institutional Trust Lands Administration.

Enduring Resources, LLC respectfully requests that this information, and future information, be hold confidential.

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

RECEIVED

NOV 14 2005

DIV. OF OIL, GAS & MINING

ara/
Attachments as stated:

cc: State of Utah – School and Institutional Trust Lands Administration w/ attach.

T10S, R22E, S.L.B.&M.

R
22
E

R
23
E

THE HOUSTON EXPLORATION COMPANY

Well location, ROCK HOUSE #3-36-10-22, located as shown in the NE 1/4 NW 1/4 of Section 36, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 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.

[Signature]
REGISTERED LAND SURVEYOR
REGISTRATION NO. 1961319
STATE OF UTAH

REVISED: 11-09-05

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

| | | |
|-------------------------|---|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 02-24-05 | DATE DRAWN: 02-28-05 |
| PARTY B.B. J.M. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER COLD | FILE THE HOUSTON EXPLORATION COMPANY | |

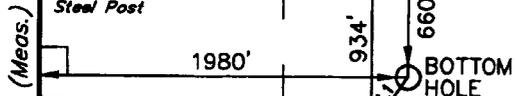
N89°57'56"W - 2636.75' (Meas.)

S89°33'18"W - 2639.17' (Meas.)

1991 Alum. Cap,
Pile of Stones,
Steel Post

Set Stone, Large
Pile of Stones

1991 Alum. Cap,
0.2' High, Pile
of Stones, Steel
Post



ROCK HOUSE #3-36-10-22
Elev. Ungraded Ground = 5615'

| LINE TABLE | | |
|------------|-------------|---------|
| LINE | BEARING | LENGTH |
| L1 | N35°39'35"E | 336.99' |

36

1991 Alum. Cap,
Pile of Stones,
Steel Post

N00°12'22"W - 2615.30' (Meas.)

N00°04'29"E - 2636.04' (Meas.)

1991 Alum. Cap,
Pile of Stones

T10S

T11S

N89°48'W - 2622.18' (G.L.O.)

S89°54'W - 2656.50' (G.L.O.)

BASIS OF BEARINGS

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

LEGEND:

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

(AUTONOMOUS NAD 83)
LATITUDE = 39°54'36.05" (39.910014)
LONGITUDE = 109°23'28.78" (109.391328)

(AUTONOMOUS NAD 27)
LATITUDE = 39°54'36.17" (39.910047)
LONGITUDE = 109°23'26.33" (109.390647)

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/14/2005

| |
|--------------------------------|
| API NO. ASSIGNED: 43-047-36407 |
|--------------------------------|

WELL NAME: ROCK HOUSE 3-36-10-22
 OPERATOR: ENDURING RESOURCES, LLC (N2750)
 CONTACT: BILL RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

NENW 36 100S 220E
 SURFACE: 0934 FNL 1783 FWL
 BOTTOM: 0660 FNL 1980 FWL
 UINTAH
 NATURAL BUTTES (630)

| INSPECT LOCATN BY: / / | | |
|------------------------|----------|---------|
| Tech Review | Initials | Date |
| Engineering | BKD | 4/31/05 |
| Geology | | |
| Surface | | |

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47061
 SURFACE OWNER: 3 - State
 PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

LATITUDE: 39.91001
 LONGITUDE: -109.3907

RECEIVED AND/OR REVIEWED:

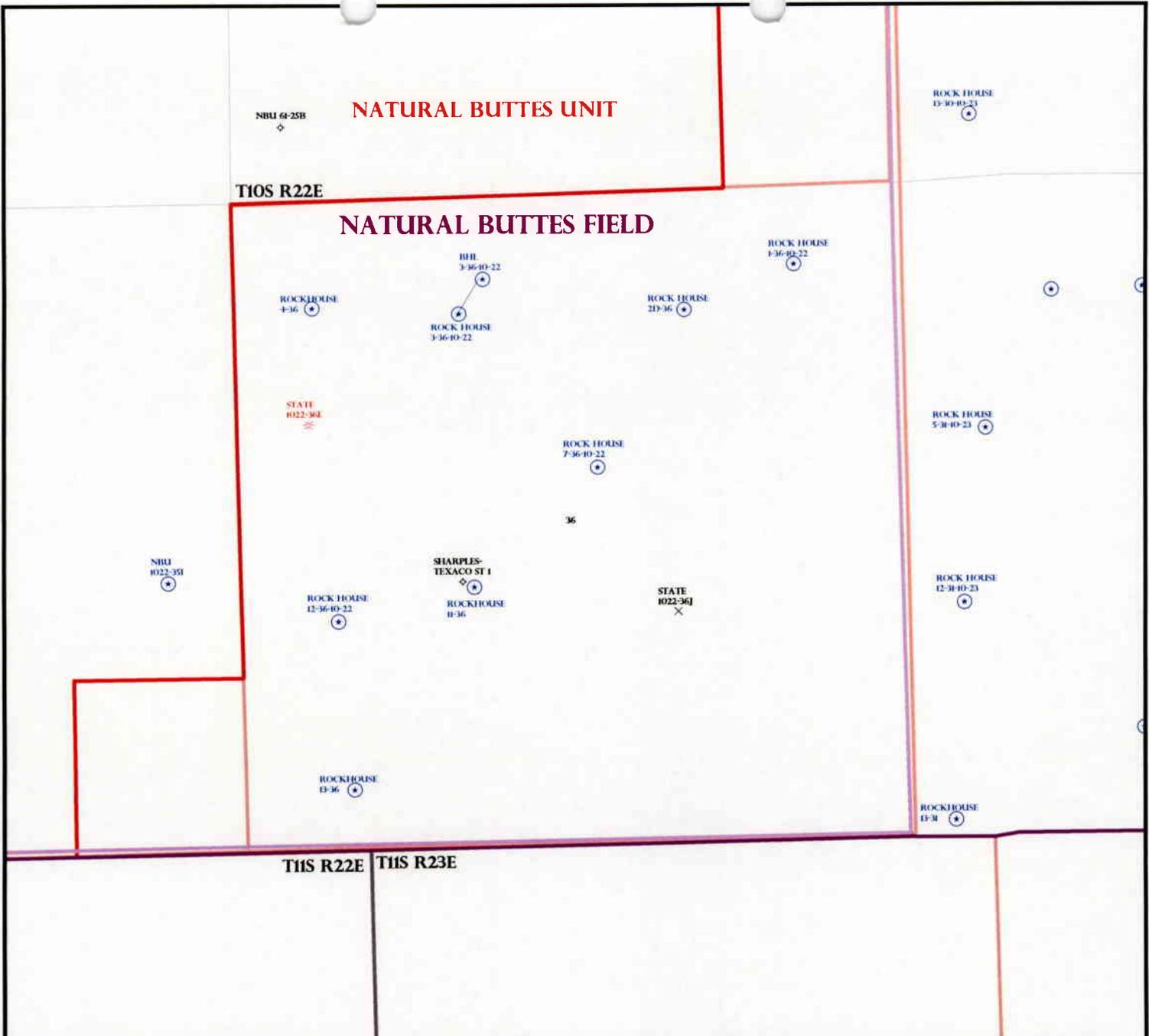
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008031)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T-75514)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Presat. (4-7-05)

STIPULATIONS: 1- Spacing Strip
2- Oil Shale
3- Spacing of basis



OPERATOR: ENDURING RES LLC (N2750)

SEC: 36 T. 10S R. 22E

FIELD: NATURAL BUTTES (630)

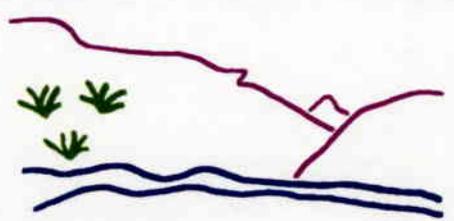
COUNTY: UINTAH

SPACING: R649-3-11 / DIRECTIONAL DRILLING

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

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

- Wells Status**
- * GAS INJECTION
 - * GAS STORAGE
 - x LOCATION ABANDONED
 - ⊙ NEW LOCATION
 - ⊙ PLUGGED & ABANDONED
 - * PRODUCING GAS
 - PRODUCING OIL
 - * SHUT-IN GAS
 - SHUT-IN OIL
 - x TEMP. ABANDONED
 - ⊙ TEST WELL
 - △ WATER INJECTION
 - ⊕ WATER SUPPLY
 - ⊖ WATER DISPOSAL
 - ⊙ DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 15-NOVEMBER-2005



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

November 15, 2005

Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202

Re: Rock House 3-36-10-22 Well, 934' FNL, 1783' FWL, NE NW, Sec. 36,
T. 10 South, R. 22 East, Bottom Location 660' FNL, 1980' FWL, NE NW,
Sec. 36, T. 10 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 43-047-36407.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Enduring Resources, LLC
Well Name & Number Rock House 3-36-10-22
API Number: 43-047-36407
Lease: ML-47061

Location: NE NW Sec. 36 T. 10 South R. 22 East
Bottom Location: NE NW Sec. 36 T. 10 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

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

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

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

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

3. Reporting Requirements

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

4. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
5. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

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

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-47061

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.

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

7. UNIT or CA AGREEMENT NAME:
N/A

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Rock House 3-36-10-22

2. NAME OF OPERATOR:
Enduring Resources, LLC

9. API NUMBER:
43-047-36407

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

PHONE NUMBER:
(303) 350-5114

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **934' FNL - 1,783' FWL**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NENW 36 10S 22E S**

STATE: **UTAH**

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/28/2005 | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>Well Name/Number</u> changed. |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

Well name change from: **Rock House 3-36-10-22**

Well Name Change to: **Rock House 10-22-21-36**

Utah State Bond #RLB0008031
Operator No. N2750

NAME (PLEASE PRINT) **Alvin R. (AI) Arlian**

TITLE **Landman - Regulatory Specialist**

SIGNATURE 

DATE **11/28/2005**

(This space for State use only)

RECEIVED
DEC 01 2005

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ENDURING RESOURCES LLC

Well Name: ROCK HOUSE 10-22-21-36

Api No: 43-047-36407 Lease Type: STATE

Section 36 Township 10S Range 22E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 01/09/06

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by DOUG HAMMOND

Telephone # 1-435-790-6996

Date 01/09/2006 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Enduring Resources, LLC
Address: 475 17th Street, Suite 1500
city Denver
state CO zip 80202

Operator Account Number: N 2750
Phone Number: (303) 350-5114

Well 1

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|---|------------------------|-------------------|-----------|-----|----------------------------------|--------|
| 4304736407 | Rock House 10-22-21-36 | NENW | 36 | 10S | 22E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | |
| A | 99999 | 15139 | 1/5/2006 | | 1/19/06 | |
| Comments: <u>CSLGT=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)

Alvin R. (Al) Arlian

Name (Please Print)



Signature

Landman-Regulatory

1/14/2006

Title

Date

(5/2000)

RECEIVED

JAN 17 2006

DIV. OF OIL, GAS & MINING

475 17th Street, Suite 1500
Denver, CO 80202
Office (303) 573-1222
Fax: (303) 573-0461

Enduring Resources, LLC

Fax

To: Diana Whitney **From:** Al Arlian 303-350-5114
Fax: 801-359-3940 **Pages:**
Phone: **Date:** 1/30/2006 11:46:30 AM
Re: Change of Plans **e-mail:** arlian@enduringresources.com

Urgent For Review Please Comment Please Reply Please Recycle

• Comments

4 Pages, including this Page.

1. We just got approval to drill this well to an exception BHL.
2. The drilling rig is moving on to the site this a.m.
3. Hard copies of the attachments are being sent to you via overnight.

Please advise me if you have questions.

Al Arlian

RECEIVED
JAN 30 2006
DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-47061

SUNDRY NOTICES AND REPORTS ON WELLS

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

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:
N/A

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Rock House 10-22-21-36

2. NAME OF OPERATOR:
Enduring Resources, LLC

9. API NUMBER: 43-042-36407

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

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 934' FNL - 1,783' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 36 10S R22E S

STATE: UTAH

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|--|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 1/30/2006 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: Exception Location |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

On 11-7-2005 Enduring Resources, LLC filed plans to directionally drill this well to a BHL with a standard location as follows:

Surface: 934' FNL - 1,783' FWL
BHL: 660' FNL - 1,980' FWL
NENW Sec 36, T10S-R22E

Enduring has now been granted approval (copy attached) from the only other owner within 460' of this well to drill this well vertically to an "exception location" with surface and BHL both as follows:

*using drilling program from permitted deepen work
Per Al Arlian 1/30/06 DED*

934' FNL - 1,783' FWL

The well was fka Rock House 3-36-10-22

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-30-06
By: *[Signature]*

COPY SENT TO OPERATOR
DATE: 2-2-06
[Signature]

Utah State Bond #RLB0008031
Operator No. N2750

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE *[Signature]*

DATE 1/30/2006

(This space for State use only)

RECEIVED

JAN 30 2006

DIV. OF OIL, GAS & MINING

ENDURING RESOURCES, LLC
 475 17th Street, Suite 1500
 Denver, Colorado 80202
 Telephone Number (303) 350-5107
 Facsimile Number (303) 573-0461

January 27, 2006

Via Facsimile (303) 296-3601

Kerr McGee Oil & Gas Onshore LP
 1999 Broadway, Suite 3600
 Denver, Colorado 80202
 Attn: Mr. Chris W. Latimer

Re: Exception Location Approval
 Rock House 21-36-10-22 *10-22-21-36*
 SHL 934' FNL X 1,783' FWL
 Uintah County, Utah

Gentlemen:

This letter when executed by the parties hereof will be the agreement between Enduring Resources, LLC ("Enduring") and Kerr McGee Oil & Gas Onshore LP ("KMG") regarding Enduring's request for an exception location approval from KMG for the drilling of the captioned well.

In exchange for KMG granting Enduring the exception location for the Rock House 21-36-10-22 at the captioned location, Enduring agrees to provide to KMG with the following information:

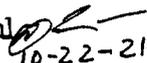
- 1) Location Flat
- 2) Daily drilling reports
- 3) Drill stem tests or production tests
- 4) Directional survey
- 5) Log and history of well
- 6) Open hole log data and LAS format
- 7) Mud logger report; daily/final
- 8) Mud logs
- 9) Survey to determine the deviation of the hole from vertical
- 10) First three (3) months production
- 11) A future reciprocal surface exception location of KMG's choice proposed by KMG wherein Enduring's approval of said exception is required on the lands KMG owns adjacent to the captioned well.

ENDURING RESOURCES, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Telephone Number (303) 350-5107
Facsimile Number (303) 573-0461

January 27, 2006

Via Facsimile (303) 296-3601

Kerr McGee Oil & Gas Onshore LP
1999 Broadway, Suite 3600
Denver, Colorado 80202
Attn.: Mr. Chris W. Latimer

Re: Exception Location Approval 
Rock House 21-36-10-22 10-22-21-36
SHL 934' FNL X 1,783' FWL
Uintah County, Utah

Gentlemen:

This letter when executed by the parties hereof will be the agreement between Enduring Resources, LLC ("Enduring") and Kerr McGee Oil & Gas Onshore LP ("KMG") regarding Enduring's request for an exception location approval from KMG for the drilling of the captioned well.

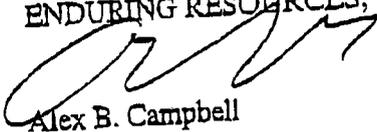
In exchange for KMG granting Enduring the exception location for the Rock House 21-36-10-22 at the captioned location, Enduring agrees to provide to KMG with the following information:

- 1) Location Plat
- 2) Daily drilling reports
- 3) Drill stem tests or production tests
- 4) Directional survey
- 5) Log and history of well
- 6) Open hole log data and LAS format
- 7) Mud logger report; daily/final
- 8) Mud logs
- 9) Survey to determine the deviation of the hold from vertical
- 10) First three (3) months production
- 11) A future reciprocal surface exception location of KMG's choice proposed by KMG wherein Enduring's approval of said exception is required on the lands KMG owns adjacent to the captioned well.

ROCK HOUSE 21-36-10-22 EXCEPTION LOCATION
January 27, 2006

Please indicate your acceptance of the terms and conditions contained herein by executing in the space provided below and returning one executed copy to the undersigned at (303) 573-0461. The parties hereto agree that an executed facsimile copy of this Letter Agreement shall be considered an original for all intents and purposes. If you have any questions or comments concerning this Letter Agreement please contact the undersigned at (303) 350-5107. Thank you very much for your support of our efforts in this area.

ENDURING RESOURCES, LLC



Alex B. Campbell
Vice President

ACCEPTED AND AGREED TO THIS 30th DAY OF JANUARY, 2006

KERR MCGEE OIL & GAS ONSHORE LP

BY: [Handwritten Signature]
TITLE: ADMAN

ROCK HOUSE 21-36-10-22 EXCEPTION LOCATION
January 27, 2006

Please indicate your acceptance of the terms and conditions contained herein by executing in the space provided below and returning one executed copy to the undersigned at (303) 573-0461. The parties hereto agree that an executed facsimile copy of this Letter Agreement shall be considered an original for all intents and purposes. If you have any questions or comments concerning this Letter Agreement please contact the undersigned at (303) 350-5107. Thank you very much for your support of our efforts in this area.

ENDURING RESOURCES, LLC



Alex B. Campbell
Vice President

ACCEPTED AND AGREED TO THIS 30th DAY OF JANUARY, 2006

KERR MCGEE OIL & GAS ONSHORE LP

BY: [Signature]
TITLE: Adm

43-047-36407

Enduring Resources, LLC
475 Seventeenth Street, Suite 1500
Denver, Colorado 80202
Office: 303-573-1222
Facsimile: 303-573-0461

VIA OVERNIGHT

January 30, 2006

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801
Attention: Ms. Diana Whitney

RE: Exception Location Request
Rock House 10-22-21-36
Surface and BHL 934' FNL – 1,783' FWL
NENW Sec. 36-T10S-R22E
Uintah County, UT

Dear Ms. Whitney:

Enduring Resources, LLC ("ERLLC") and Kerr McGee Oil & Gas Onshore LP own 100% (ALL) of the leasehold interest within 460' of the above-referenced well which ERLLC now plans to drill as a vertical well with the BHL being the same as the surface location.

In order for ERLLC to proceed with its plans, approval from lease owners within 460 feet of the well bore is needed.

- A. ERLLC hereby grants itself permission to drill this exception location, and
- B. Attached is Kerr-McGee Oil & Gas Onshore LP's approval to drill this exception location.

In the event there are any other outstanding matters preventing this well from being drilled vertical, please let me know at your earliest convenience, 303-350-5114 (aarlian@enduringresources.com).

Very truly yours,

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

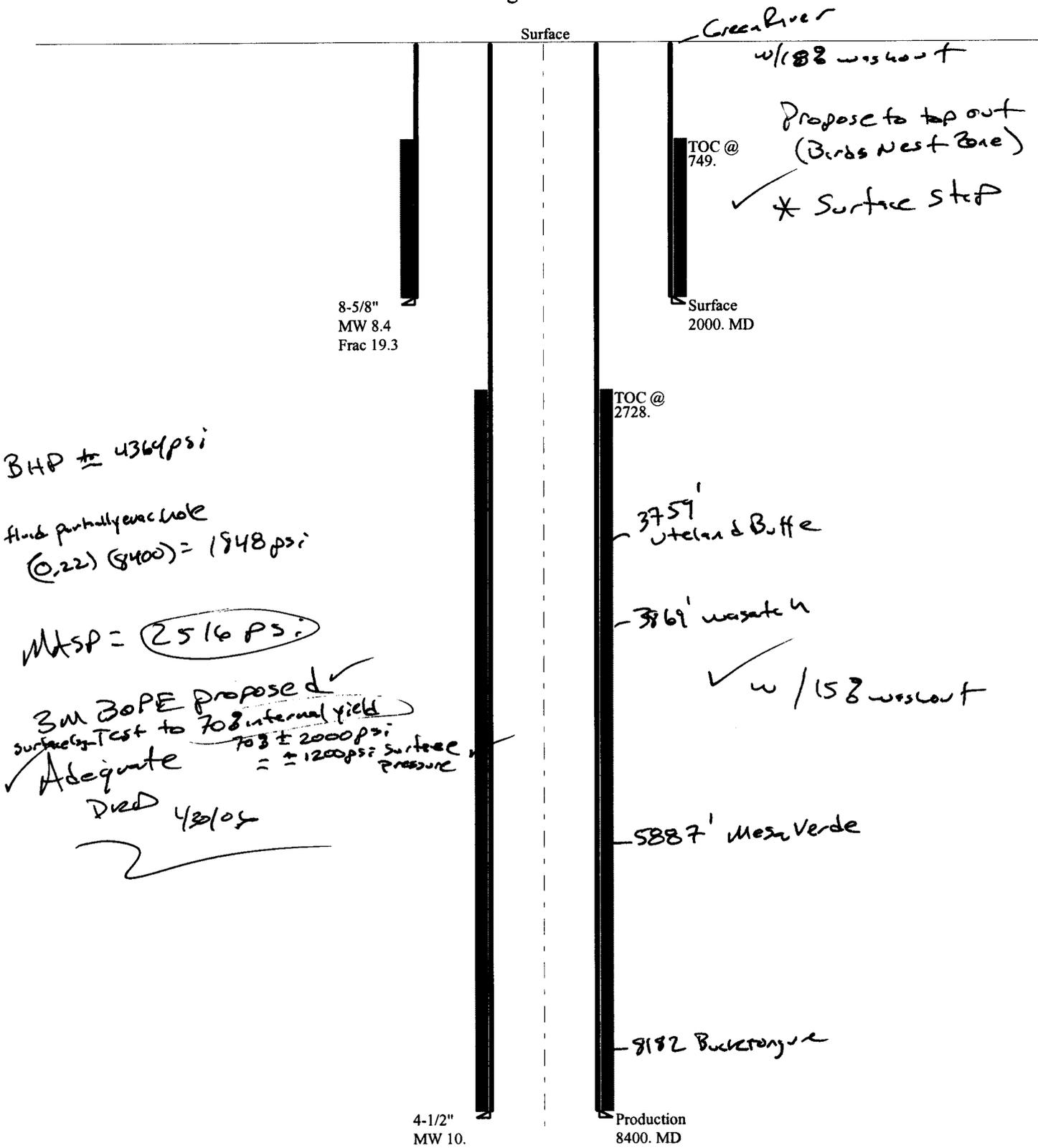
ara
Attachment as stated:

RECEIVED
JAN 31 2006

DIV. OF OIL, GAS & MINING

-06 Enduring Rock House 1 22-21-36

Casing Schematic



| | | | |
|--------------|--|--|-----------------------------|
| Well name: | 01-06 Enduring Rock House 10-22-21-36 | | |
| Operator: | Enduring Resources | | |
| String type: | Surface | | Project ID: 43-047-36407 |
| Location: | Uintah County | | |

| | | |
|--|--|--|
| Design parameters: <u>Collapse</u> Mud weight: 8.400 ppg Design is based on evacuated pipe. | Minimum design factors: <u>Collapse:</u> Design factor 1.125 <u>Burst:</u> Design factor 1.00 <u>Tension:</u> 8 Round STC: 1.80 (J) 8 Round LTC: 1.80 (J) Buttress: 1.60 (J) Premium: 1.50 (J) Body yield: 1.50 (B) Tension is based on buoyed weight. Neutral point: 1,747 ft | Environment: H2S considered? No Surface temperature: 65 °F Bottom hole temperature: 93 °F Temperature gradient: 1.40 °F/100ft Minimum section length: 250 ft Cement top: 749 ft Non-directional string. Re subsequent strings: Next setting depth: 8,083 ft Next mud weight: 10.000 ppg Next setting BHP: 4,199 psi Fracture mud wt: 19.250 ppg Fracture depth: 2,000 ft Injection pressure: 2,000 psi |
|--|--|--|

Burst
 Max anticipated surface pressure: 1,760 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 2,000 psi

 No backup mud specified.

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-----------|-------------------------|-------|------------|----------------------|---------------------|---------------------|-------------------------|
| 1 | 2000 | 8.625 | 24.00 | J-55 | ST&C | 2000 | 2000 | 7.972 | 96.3 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 1 | 873 | 1370 | 1.570 | 2000 | 2950 | 1.48 | 42 | 244 | 5.82 J |

Prepared by: Dustin Doucet
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 810-359-3940

Date: January 30, 2006
 Salt Lake City, Utah

Remarks:
 Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

| | | |
|--------------|--|--------------|
| Well name: | 01-06 Enduring Rock House 10-22-21-36 | |
| Operator: | Enduring Resources | Project ID: |
| String type: | Production | 43-047-36407 |
| Location: | Uintah County | |

Design parameters:

Collapse

Mud weight: 10.000 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 3,356 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 4,364 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on buoyed weight.

Neutral point: 7,144 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 183 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 2,728 ft

Non-directional string.

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1 | 8400 | 4.5 | 11.60 | N-80 | LT&C | 8400 | 8400 | 3.875 | 194.7 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 4364 | 6350 | 1.455 | 4364 | 7780 | 1.78 | 83 | 223 | 2.69 J |

Prepared by: Dustin Doucet
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 810-359-3940

Date: January 30, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 8400 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-47061

SUNDRY NOTICES AND REPORTS ON WELLS

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

7. UNIT or CA AGREEMENT NAME:
N/A

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL GAS WELL OTHER CONFIDENTIAL

8. WELL NAME and NUMBER:
Rock House 10-22-21-36

2. NAME OF OPERATOR:
Enduring Resources, LLC

9. API NUMBER:
43-047-36407

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

PHONE NUMBER:
(303) 350-5114

10. FIELD AND POOL, OR WILDCAT:
Wildcat

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **934' FNL - 1,783' FWL** COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NENW 36 10S 22E S** STATE: **UTAH**

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 2/21/2006 | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: Conductor-Surface Pipe-Cement Report |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

1-5-2006 MI Pete Martin Rathole and drill 40' of 20" hole. Run 40' of conductor pipe and cement with 3 yards of Readi-mix.

1-17-2006 Drill 12.25" surface hole from 1140' to 2040'. Hit fresh water @ 1350'. POOH LDDP. RIH with cement shoe, 1 jt csg, float collar, 8 centralizers and 46 jts of csg to 2009'. RIH with 200' of 1" pipe down backside. RU Big 4 Cementers and pump 115 bbls water and 20 bbls gel. Lead - 230 sxs 16% gel, 10#/sx gilsonite, 3#/sx GR-3, 1/4#/sx flocele, 3% CaCl2, 11 ppg, 3.82 cuft/sx, 23 gal/sx water (156.48 bbl slurry). Tail - 225 sxs, 2% CaCl2, 1/4#/sx flocele, 15.6 ppg, 1.18 cuft/sx, 5.2 gal/sx water (47.29 bbls slurry). Drop plug on fly, displace csg, cement to surface, land plug. 1st Top - 150 sx, 3% CaCl2, 1/4#/sx flocele, same stats as tail (31.52 bbls slurry). Cement to surface, fell back. 2nd Top - 50 sx, 3% CaCl2, 1/4#/sx flocele, same stats as tail (10.51 bbls slurry). Stayed at surface.

Suspend operations - WORT

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE 

DATE 2/21/2006

(This space for State use only)

RECEIVED
FEB 27 2006

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

FORM 9

| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47061 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>CONFIDENTIAL</u> | | 7. UNIT or CA AGREEMENT NAME: N/A |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | 8. WELL NAME and NUMBER: Rock House 10-22-21-36 |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 | | 9. API NUMBER: 43-049-36407 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 934' FNL - 1,783' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 36 10S 22E S | | 10. FIELD AND POOL, OR WILDCAT: Wildcat |
| | | COUNTY: Uintah STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|--|---|---|---|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 3/7/2006 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input checked="" type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>Notice of 1st Sales</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

NOTICE OF FIRST SALES.

Well was turned on to sales line on March 7, 2006.

Initially flowing rate of 2,100 mcf/d at 1,750#'s FCP, shut-in after two hours. Sales resumed March 8, 2006. Well still recovering load.

Completion Report to follow.

| | |
|---|--|
| NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u> | TITLE <u>Landman - Regulatory Specialist</u> |
| SIGNATURE | DATE <u>3/7/2006</u> |

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500

Denver, Colorado 80202

Telephone: 303-573-1222

Facsimile: 303-573-0461

6/11/06

March 8, 2006

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

RE: Well Logs
Rock House 10-22-21-36
NENW Sec. 36-T10S-R22E
Uintah County, Utah

43-047-36407

Ladies and Gentlemen:

Attached is one original copy of the logs run on the above-referenced well.

Please hold this information as "confidential" as long as permitted.

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 (aarlian@enduringresources.com).

Very truly yours

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara/
Enclosures as stated:

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

6/11/06

A Gyrodata Directional Survey

Field Copy Only, not definitive

for

ENDURING RESOURCES, LLC

Location: Mast Truck, , Well: Rock House 10-22-21-36, 4 1/2" Casing

Job Number: RM0206GW163

Run Date: 2/25/2006 5:38:27 PM

Surveyor: Joe Meuth

Calculation Method: MINIMUM CURVATURE

Survey Latitude: 39.910000 deg. N Longitude: 109.391333 deg. W

Azimuth Correction:

Gyro: Bearings are Relative to True North

Vertical Section Calculated from Well Head Location

Closure Calculated from Well Head Location

Horizontal Coordinates Calculated from Well Head Location

CONFIDENTIAL

A Gyrodata Directional Survey

Enduring

Location: Mast Truck,

Well: Rock House 10-22-21-36, 4 1/2" Casing

Job Number: RM0206GW163

| MEASURED DEPTH feet | INCL deg. | AZIMUTH deg. | DOGLEG SEVERITY deg/ 100 ft. | VERTICAL DEPTH feet | CLOSURE DIST. feet | AZIMUTH deg. | HORIZONTAL COORDINATES feet |
|--|--------------|-----------------|---------------------------------------|---------------------------|--------------------------|-----------------|-----------------------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 | 0.0 | 0.00 N 0.00 E |
| ----- | | | | | | | |
| 0-8127 FT. RATE GYROSCOPIC SURVEY RUN INSIDE 4 1/2" CASING | | | | | | | |
| ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO WELL HEAD FLANGE | | | | | | | |
| ----- | | | | | | | |
| 100.00 | 0.26 | 175.42 | 0.26 | 100.00 | 0.2 | 175.4 | 0.22 S 0.02 E |
| 200.00 | 0.20 | 169.91 | 0.06 | 200.00 | 0.6 | 173.9 | 0.62 S 0.07 E |
| 300.00 | 0.25 | 168.88 | 0.05 | 300.00 | 1.0 | 172.1 | 1.01 S 0.14 E |
| 400.00 | 0.17 | 150.06 | 0.11 | 400.00 | 1.4 | 169.3 | 1.35 S 0.26 E |
| 500.00 | 0.17 | 160.43 | 0.03 | 500.00 | 1.7 | 166.8 | 1.62 S 0.38 E |
| 600.00 | 0.18 | 150.37 | 0.03 | 600.00 | 2.0 | 165.0 | 1.89 S 0.50 E |
| 700.00 | 0.18 | 126.05 | 0.07 | 700.00 | 2.2 | 161.5 | 2.12 S 0.71 E |
| 800.00 | 0.21 | 124.52 | 0.03 | 800.00 | 2.5 | 157.0 | 2.31 S 0.98 E |
| 900.00 | 0.23 | 124.73 | 0.03 | 899.99 | 2.8 | 152.9 | 2.53 S 1.30 E |
| 1000.00 | 0.23 | 112.69 | 0.05 | 999.99 | 3.2 | 148.8 | 2.72 S 1.65 E |
| 1100.00 | 0.26 | 115.97 | 0.03 | 1099.99 | 3.5 | 144.8 | 2.90 S 2.04 E |
| 1200.00 | 0.10 | 197.99 | 0.27 | 1199.99 | 3.8 | 144.2 | 3.08 S 2.22 E |
| 1300.00 | 0.44 | 188.69 | 0.34 | 1299.99 | 4.1 | 148.9 | 3.54 S 2.14 E |
| 1400.00 | 0.61 | 194.75 | 0.18 | 1399.99 | 4.8 | 156.3 | 4.44 S 1.94 E |
| 1500.00 | 0.87 | 192.01 | 0.27 | 1499.98 | 5.9 | 163.9 | 5.70 S 1.65 E |

A Gyrodata Directional Survey

Enduring

Location: Mast Truck,

Well: Rock House 10-22-21-36, 4 1/2" Casing

Job Number: RM0206GW163

| MEASURED DEPTH feet | INCL deg. | AZIMUTH deg. | DOGLEG SEVERITY deg./ 100 ft. | VERTICAL DEPTH feet | CLOSURE DIST. AZIMUTH feet deg. | HORIZONTAL COORDINATES feet |
|---------------------------|--------------|-----------------|--|---------------------------|---------------------------------------|-----------------------------------|
| 1600.00 | 0.95 | 193.14 | 0.08 | 1599.97 | 7.4 169.8 | 7.25 S 1.30 E |
| 1700.00 | 0.94 | 181.89 | 0.19 | 1699.95 | 8.9 173.0 | 8.88 S 1.08 E |
| 1800.00 | 1.28 | 173.86 | 0.38 | 1799.93 | 10.9 173.8 | 10.81 S 1.18 E |
| 1900.00 | 1.61 | 166.97 | 0.37 | 1899.90 | 13.4 173.1 | 13.29 S 1.61 E |
| 2000.00 | 1.69 | 171.49 | 0.15 | 1999.86 | 16.3 172.4 | 16.12 S 2.15 E |
| 2100.00 | 1.72 | 173.31 | 0.06 | 2099.82 | 19.2 172.4 | 19.07 S 2.54 E |
| 2200.00 | 1.66 | 175.32 | 0.09 | 2199.77 | 22.2 172.7 | 22.00 S 2.83 E |
| 2300.00 | 1.51 | 175.81 | 0.15 | 2299.73 | 24.9 173.0 | 24.75 S 3.05 E |
| 2400.00 | 1.51 | 175.46 | 0.01 | 2399.70 | 27.6 173.2 | 27.38 S 3.25 E |
| 2500.00 | 1.46 | 183.66 | 0.22 | 2499.67 | 30.1 173.8 | 29.96 S 3.27 E |
| 2600.00 | 1.49 | 180.27 | 0.09 | 2599.63 | 32.7 174.4 | 32.54 S 3.18 E |
| 2700.00 | 1.53 | 181.71 | 0.05 | 2699.60 | 35.3 174.9 | 35.17 S 3.14 E |
| 2800.00 | 1.61 | 181.25 | 0.09 | 2799.56 | 38.0 175.4 | 37.90 S 3.07 E |
| 2900.00 | 1.57 | 177.13 | 0.12 | 2899.52 | 40.8 175.6 | 40.68 S 3.11 E |
| 3000.00 | 1.61 | 177.07 | 0.04 | 2999.48 | 43.6 175.7 | 43.45 S 3.25 E |
| 3100.00 | 1.51 | 185.60 | 0.25 | 3099.45 | 46.3 176.0 | 46.16 S 3.19 E |
| 3200.00 | 1.15 | 213.09 | 0.73 | 3199.42 | 48.4 177.0 | 48.32 S 2.51 E |
| 3300.00 | 1.66 | 264.90 | 1.31 | 3299.39 | 49.3 179.4 | 49.29 S 0.53 E |
| 3400.00 | 1.80 | 238.57 | 0.80 | 3399.35 | 50.3 182.6 | 50.24 S 2.26W |
| 3500.00 | 2.27 | 196.88 | 1.51 | 3499.29 | 53.1 184.5 | 52.95 S 4.18W |

A Gyrodata Directional Survey

Enduring

Location: Mast Truck,

Well: Rock House 10-22-21-36, 4 1/2" Casing

Job Number: RM0206GW163

| MEASURED DEPTH feet | INCL deg. | AZIMUTH deg. | DOGLEG SEVERITY deg./ 100 ft. | VERTICAL DEPTH feet | CLOSURE DIST. AZIMUTH feet deg. | HORIZONTAL COORDINATES feet |
|---------------------------|--------------|-----------------|--|---------------------------|---------------------------------------|-----------------------------------|
| 3600.00 | 2.42 | 189.22 | 0.35 | 3599.21 | 57.2 185.1 | 56.94 S 5.09W |
| 3700.00 | 2.26 | 175.29 | 0.59 | 3699.13 | 61.2 184.9 | 60.99 S 5.27W |
| 3800.00 | 2.13 | 165.61 | 0.39 | 3799.05 | 64.9 184.1 | 64.76 S 4.64W |
| 3900.00 | 2.14 | 161.94 | 0.14 | 3898.98 | 68.4 183.0 | 68.34 S 3.60W |
| 4000.00 | 2.15 | 161.22 | 0.03 | 3998.91 | 71.9 181.9 | 71.89 S 2.42W |
| 4100.00 | 2.29 | 162.90 | 0.16 | 4098.84 | 75.6 180.9 | 75.57 S 1.23W |
| 4200.00 | 2.38 | 163.78 | 0.09 | 4198.75 | 79.5 180.0 | 79.48 S 0.06W |
| 4300.00 | 2.46 | 166.91 | 0.15 | 4298.67 | 83.6 179.3 | 83.57 S 1.01 E |
| 4400.00 | 2.47 | 166.81 | 0.01 | 4398.57 | 87.8 178.7 | 87.75 S 1.98 E |
| 4500.00 | 2.42 | 166.14 | 0.06 | 4498.48 | 91.9 178.1 | 91.89 S 2.98 E |
| 4600.00 | 2.30 | 161.90 | 0.21 | 4598.40 | 95.9 177.5 | 95.85 S 4.11 E |
| 4700.00 | 2.35 | 160.76 | 0.07 | 4698.31 | 99.8 176.9 | 99.69 S 5.41 E |
| 4800.00 | 2.39 | 163.34 | 0.11 | 4798.23 | 103.8 176.3 | 103.62 S 6.68 E |
| 4900.00 | 2.41 | 160.66 | 0.11 | 4898.14 | 107.9 175.8 | 107.61 S 7.98 E |
| 5000.00 | 2.34 | 165.96 | 0.23 | 4998.06 | 111.9 175.3 | 111.57 S 9.17 E |
| 5100.00 | 2.40 | 169.50 | 0.16 | 5097.97 | 116.0 175.0 | 115.61 S 10.04 E |
| 5200.00 | 2.44 | 173.15 | 0.16 | 5197.88 | 120.2 174.9 | 119.77 S 10.68 E |
| 5300.00 | 2.50 | 171.12 | 0.11 | 5297.79 | 124.5 174.8 | 124.04 S 11.27 E |
| 5400.00 | 2.59 | 172.38 | 0.10 | 5397.69 | 129.0 174.7 | 128.43 S 11.90 E |
| 5500.00 | 2.73 | 172.88 | 0.15 | 5497.58 | 133.6 174.6 | 133.03 S 12.50 E |

A Gyrodata Directional Survey

Enduring

Location: Mast Truck,

Well: Rock House 10-22-21-36, 4 1/2" Casing

Job Number: RM0206GW163

| MEASURED DEPTH feet | INCL deg. | AZIMUTH deg. | DOGLEG SEVERITY deg./ 100 ft. | VERTICAL DEPTH feet | CLOSURE DIST. AZIMUTH feet deg. | HORIZONTAL COORDINATES feet |
|---------------------------|--------------|-----------------|--|---------------------------|---------------------------------------|-----------------------------------|
| 5600.00 | 3.00 | 175.54 | 0.30 | 5597.46 | 138.6 174.6 | 138.00 S 13.00 E |
| 5700.00 | 3.14 | 176.15 | 0.14 | 5697.31 | 144.0 174.7 | 143.34 S 13.39 E |
| 5800.00 | 3.48 | 174.69 | 0.35 | 5797.15 | 149.7 174.7 | 149.09 S 13.85 E |
| 5900.00 | 3.56 | 173.29 | 0.12 | 5896.96 | 155.9 174.7 | 155.20 S 14.50 E |
| 6000.00 | 3.35 | 167.86 | 0.39 | 5996.78 | 161.9 174.5 | 161.14 S 15.47 E |
| 6100.00 | 3.29 | 166.15 | 0.11 | 6096.61 | 167.6 174.3 | 166.78 S 16.77 E |
| 6200.00 | 2.96 | 165.66 | 0.34 | 6196.46 | 173.0 174.0 | 172.07 S 18.10 E |
| 6300.00 | 2.77 | 159.40 | 0.36 | 6296.34 | 177.9 173.7 | 176.83 S 19.59 E |
| 6400.00 | 2.87 | 152.75 | 0.34 | 6396.22 | 182.6 173.2 | 181.32 S 21.59 E |
| 6500.00 | 2.90 | 150.89 | 0.10 | 6496.09 | 187.3 172.6 | 185.75 S 23.96 E |
| 6600.00 | 2.89 | 146.64 | 0.22 | 6595.96 | 191.9 172.0 | 190.07 S 26.58 E |
| 6700.00 | 2.96 | 147.10 | 0.07 | 6695.83 | 196.5 171.4 | 194.34 S 29.36 E |
| 6800.00 | 3.08 | 145.61 | 0.15 | 6795.69 | 201.3 170.8 | 198.72 S 32.28 E |
| 6900.00 | 3.09 | 142.41 | 0.17 | 6895.55 | 206.1 170.1 | 203.06 S 35.44 E |
| 7000.00 | 3.10 | 139.78 | 0.14 | 6995.40 | 210.9 169.4 | 207.26 S 38.83 E |
| 7100.00 | 2.65 | 132.12 | 0.60 | 7095.28 | 215.1 168.7 | 210.88 S 42.29 E |
| 7200.00 | 2.64 | 135.67 | 0.16 | 7195.17 | 218.9 168.0 | 214.07 S 45.61 E |
| 7300.00 | 2.38 | 142.86 | 0.41 | 7295.07 | 222.7 167.4 | 217.37 S 48.47 E |
| 7400.00 | 1.83 | 145.40 | 0.55 | 7395.01 | 226.1 167.1 | 220.35 S 50.63 E |
| 7500.00 | 1.90 | 157.19 | 0.39 | 7494.95 | 229.2 166.8 | 223.19 S 52.18 E |

A Gyrodata Directional Survey

Enduring

Location: Mast Truck,

Well: Rock House 10-22-21-36, 4 1/2" Casing

Job Number: RM0206GW163

| MEASURED DEPTH feet | INCL deg. | AZIMUTH deg. | DOGLEG SEVERITY deg./ 100 ft. | VERTICAL DEPTH feet | CLOSURE DIST. AZIMUTH feet deg. | HORIZONTAL COORDINATES feet | |
|---------------------------|--------------|-----------------|--|---------------------------|---------------------------------------|-----------------------------------|---------|
| 7600.00 | 2.08 | 156.62 | 0.19 | 7594.89 | 232.6 166.7 | 226.38 S | 53.54 E |
| 7700.00 | 2.09 | 151.71 | 0.18 | 7694.83 | 236.2 166.5 | 229.65 S | 55.13 E |
| 7800.00 | 1.97 | 145.77 | 0.25 | 7794.76 | 239.5 166.2 | 232.68 S | 56.96 E |
| 7900.00 | 1.82 | 138.84 | 0.27 | 7894.71 | 242.6 165.9 | 235.29 S | 58.97 E |
| 8000.00 | 2.31 | 138.82 | 0.49 | 7994.64 | 245.8 165.5 | 238.01 S | 61.35 E |
| 8100.00 | 2.03 | 150.59 | 0.52 | 8094.57 | 249.3 165.2 | 241.07 S | 63.54 E |
| 8127.00 | 2.16 | 151.20 | 0.47 | 8121.56 | 250.3 165.2 | 241.93 S | 64.02 E |

Final Station Closure: Distance: 250.26 ft Az: 165.18 deg.

CONFIDENTIAL

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

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

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

3. ADDRESS OF OPERATOR: **475 17th St, Suite 1500** CITY **Denver** STATE **CO** ZIP **80202** PHONE NUMBER: **(303) 573-1222**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **934' FNL - 1,783' FWL**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **660' FNL - 1,980' FWL**
AT TOTAL DEPTH: ~~660' FNL - 1,980' FWL~~ **1196 FNL 1849 FWL**

5. LEASE DESIGNATION AND SERIAL NUMBER: **ML-47061**

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

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

8. WELL NAME and NUMBER: **Rock House 10-22-21-36**

9. API NUMBER: **4304736407**

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

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NENW 36 10S 22E S**

12. COUNTY: **Uintah** 13. STATE: **UTAH**

14. DATE SPURRED: **1/30/2006** 15. DATE T.D. REACHED: **2/16/2006** 16. DATE COMPLETED: **3/5/2006** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **5627' RKB**

18. TOTAL DEPTH: MD ~~8,427~~ **8212** 19. PLUG BACK T.D.: MD **8,164** 20. IF MULTIPLE COMPLETIONS, HOW MANY? * **8** 21. DEPTH BRIDGE MD **8,087** TVD ~~8,424~~ **8206** PLUG SET: TVD **8,081**

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Previously submitted.
PE/ TRIPLE COMBO LOG

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

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

| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|------------|----------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 20" | 14" | Line Pipe | 0 | 40 | | 3 yards | | 0 (CIR) | 0 |
| 12-1/4" | 8-5/8 J-55 | 24# | 12 | 2,021 | | CL G 655 | 246 | 0 (CIR) | 0 |
| 7-7/8" | 4-1/2 N-80 | 11.6# | 12 | 8,209 | | CL G 1,710 | 422 | 1700 (CAL) | 0 |

25. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|------|----------------|-----------------|------|----------------|-----------------|------|----------------|-----------------|
| | | | | | | | | |

26. PRODUCING INTERVALS

| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS |
|----------------|----------|-------------|-----------|--------------|-------------------------|--------|-----------|--|
| (A) Wasatch | 4,405 | 4,406 | 4,403 | 4,404 | 4,405 - 4,406 | 1'slot | 1 | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| (B) Mesaverde | 5,918 | 7,677 | 5,915 | 7,671 | 5,918 - 7,677 | 1'slot | 7 | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| (C) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (D) | | | | | | | | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |

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

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL |
|----------------|---|
| 4405' - 4406' | Placed 74,446 lbs Ottawa 20/40 proppant in the Wasatch Formation. |
| 5918' - 7677' | Placed 504,550 lbs Ottawa 20/40 proppant in the Mesaverde Formations. |

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

30. WELL STATUS: **Producing**

RECEIVED

AUG 14 2006

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

| | | | | | | | | | | | |
|-----------------------------------|-------------|-------------------------|-------------|----------------------|----------------------|---------------------------|-----------------|---------------------|---------------------|-------------------------------|-----------------------------|
| DATE FIRST PRODUCED: 3/13/2006 | | TEST DATE: 4/13/2006 | | HOURS TESTED: 720 | | TEST PRODUCTION RATES: → | | OIL - BBL: 7 | GAS - MCF: 1,362 | WATER - BBL: 13 | PROD. METHOD: 30 day ave |
| CHOKE SIZE: 10 | TBG. PRESS. | CSG. PRESS. 1,640 | API GRAVITY | BTU - GAS | GAS/OIL RATIO 195 | 24 HR PRODUCTION RATES: → | OIL - BBL: 0 | GAS - MCF: 1,787 | WATER - BBL: 0 | INTERVAL STATUS: Producing | |

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|-------------|----------|-------------|------------------------------|------|----------------------|
| Wasatch | 3,851 | | | | |
| Mesaverde | 5,890 | | | | |
| Sego | 8,070 | | | | |
| Buck Tongue | 8,178 | | | | |

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Christian Veillette TITLE Engineer
 SIGNATURE *Christian Veillette* DATE 8/10/2006

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340
 Fax: 801-359-3940

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500
Denver, Colorado 80202
Telephone: 303-573-1222
Facsimile: 303-573-0461

April 27, 2007

Gilman A. Hill
7128 S. Poplar Lane
Centennial, CO 80112-1635

CERTIFIED MAIL
ARTICLE NO: 7006 2760 0002 2877 0909

Attention: Land Department

RE: Commingling Application
Rock House 10-22-21-36
934' FNL - 1783' FWL (NENW) Section 36, T10S-R22E
Uintah County, Utah

Dear Leasehold Interest Owner:

Enduring Resources, LLC ("Enduring") has filed an application with the State of Utah Division of Oil, Gas, and Mining requesting approval of the Wasatch and Mesaverde formations (pools) in the above-referenced well to be commingled.

Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs. These formations (pools) shall be commingled in the well's well bore.

Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units. Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas leases or production units overlying the commingled pools (commingled formations).

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara/

Attachments as stated:

AFFIDAVIT OF MAILING

Statue of Colorado)
City and)ss.
County of Denver)

Alvin R. Arlian (hereinafter sometimes referred to as "Affiant"), of lawful age, being first duly sworn upon oath, deposes and says:

1. Affiant is a Landman-Regulatory Specialist for Enduring Resources, LLC (hereinafter sometimes referred to as "Enduring") whose address is 475 17th Street, Denver, Colorado 80202,

2. Enduring is the operator of the following described oil and gas well:

**Rock House 10-22-21-36
934' FNL - 1783' FWL (NENW) Section 36, T10S-R22E
Uintah County, Utah**

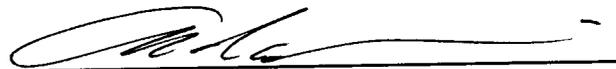
3. A cursory search of applicable records confirmed that the following parties are the only leasehold interest owners in the contiguous oil and gas wells, contiguous oil and gas leases, or contiguous oil and gas well production units overlying the "pool."

1. The Houston Exploration Company
2. Gilman A. Hill
3. Kerr-McGee
- 4.

4. On Friday, April 27, 2007 Affiant mailed (or caused to be mailed) in U.S. Mail, with postage prepaid, a copy of the attached Application for Commingling two or more pools (formations) in one well bore of the well described in Paragraph No. 2 above which said Application for Commingling (Form 9) has/had concurrently been filed with the State of Utah Division of Oil, Gas, and Mining (and if applicable, copies sent to SITLA, and the Bureau of Land Management), and

5. Attached is a map showing the location of wells' located on contiguous oil and gas leases and/or production units.

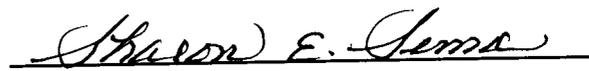
Affiant saith no more.


Alvin R. Arlian, Affiant

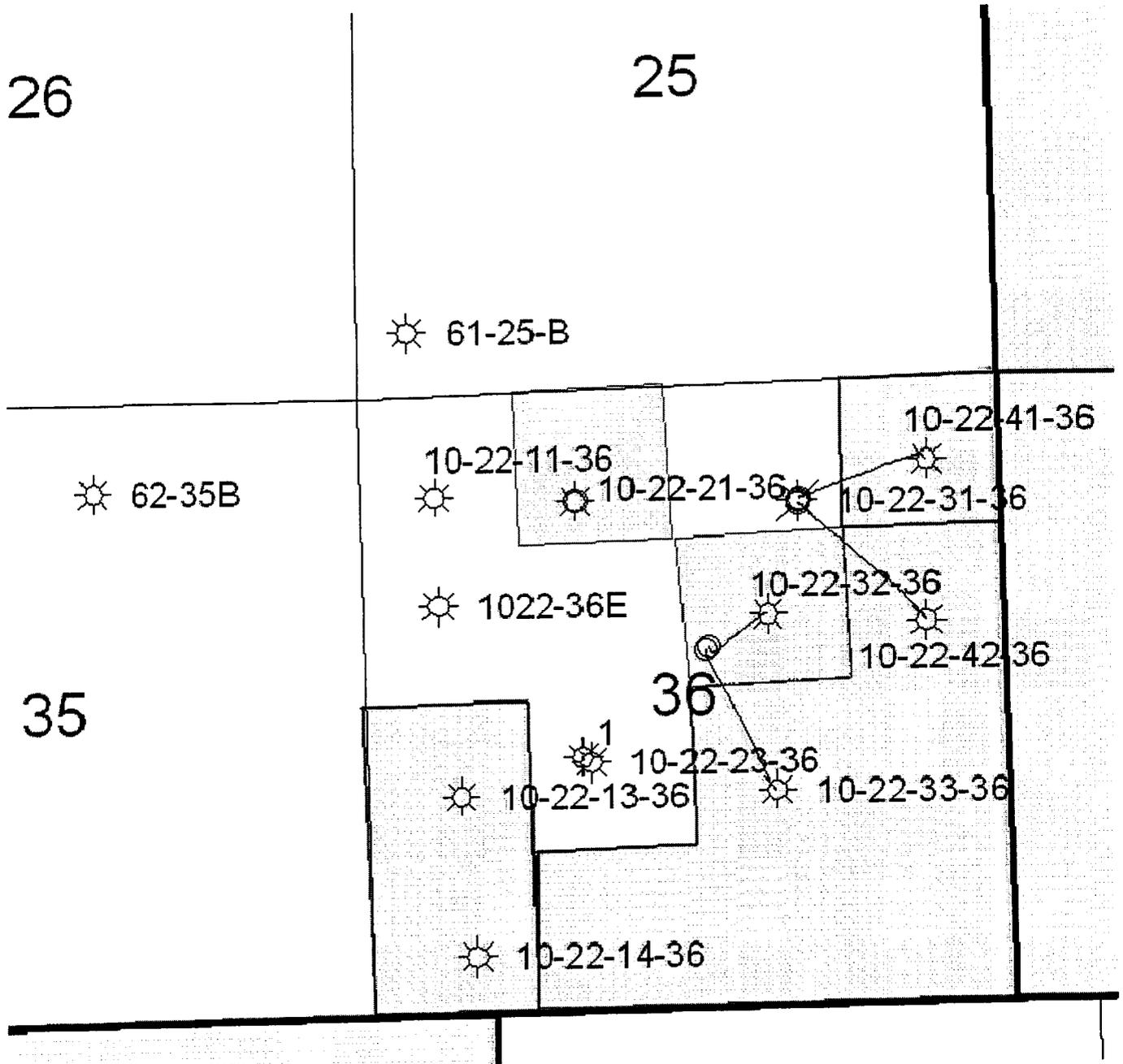
Scribed and sworn to before me this 27th day of April, 2007 by Alvin R. Arlian.

9/23/2009
My Commission Expires:




Notary Public.

MAP ATTACHED TO ENDURING RESOURCES, LLC COMMINGLING APPLICATION FOR ROCK HOUSE 10-22-21-36 LOCATED IN THE NENW SEC. 36-T10S-R22E



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

FORM 9

| | | |
|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47061 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A |
| | | 7. UNIT or CA AGREEMENT NAME: N/A |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 8. WELL NAME and NUMBER: Rock House 10-22-21-36 |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | 9. API NUMBER: 4304736407 |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Ste 1500 CITY Denver STATE Co ZIP 80202 | PHONE NUMBER: (303) 350-5114 | 10. FIELD AND POOL, OR WILDCAT: Wildcat |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 934' FNL - 1783' FWL S.L.B.& M. | | COUNTY: Uintah |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 36 10S 21E S | | STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|--|---|--|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 4/27/2007 | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

In order to prevent waste of gas, as defined by law; to protect the correlative rights of all parties concerned; to prevent the drilling of un-necessary wells; and to insure proper and efficient development and promote conservation of the gas resources of the State of Utah, Enduring Resources, LLC respectfully request approval to perforate and commingle the Wasatch and Mesaverde formations "pools" in the same well bore.

- Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs.
- These formations shall be commingled in the well bore and produced concurrently in a single string of 2-3/8" production tubing.
- Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units.
- Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas lease or production units overlying the "pool."

6-29-07
RM

| | |
|---|--|
| NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u> | TITLE <u>Landman - Regulatory Specialist</u> |
| SIGNATURE | DATE <u>4/27/2007</u> |

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 6/26/07
BY: [Signature] (See Instructions on Reverse Side)

RECEIVED
MAY 02 2007
DIV. OF OIL, GAS & MINING

(5/2000)

Al Arlian

From: Dustin Doucet [dustindoucet@utah.gov]
Sent: Friday, May 18, 2007 1:11 PM
To: Al Arlian
Subject: Commingling Applications

Al,

There were several recent applications for commingling that I received that did not have any attachments (the plat, affidavit etc.). I am thinking these correspond all to wells that have already been commingled without the approval and this may be the reason the attachments were not submitted. I do need the attachments in order to approve the commingling. Following is the list of API #'s for wells I have a Sundry but no attachments:

4304736277
4304736788
4304735902
4304736308
4304736235
4304737489
4304736424
4304735861
4304736407

I don't believe I have approved these previous and don't think I have any more documentation in the office. Let me know if I am off base on this. Otherwise please submit the requested information. Give me a call if you have questions. Thanks.

Dustin

Dustin K. Doucet
Petroleum Engineer
Utah Division of Oil, Gas and Mining
Oil and Gas Program
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

Phone: (801) 538-5281
fax: (801) 359-3940
email: dustindoucet@utah.gov

RECEIVED
MAY 24 2007
DIV. OF OIL, GAS & MINING

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

FORM 9

| | | |
|--|---|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47061 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A |
| | | 7. UNIT or CA AGREEMENT NAME: N/A |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | 8. WELL NAME and NUMBER: Rock House 10-22-21-36 | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | 9. API NUMBER: 43-097-24907 |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 | PHONE NUMBER: (303) 350-5114 | 10. FIELD AND POOL, OR WILDCAT: Wildcat |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 934' FNL - 1,783' FWL | | COUNTY: Uintah |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 36 10S 22E S | | STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 1/2/2008 | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>Pit Closed and Reseeded.</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

Pit closed and reseeded.

| | |
|--|---|
| NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u> | TITLE <u>Landman - Regulatory Specialist</u> |
| SIGNATURE <u></u> | DATE <u>1/7/2008</u> |

(This space for State use only)

RECEIVED
JAN 09 2008

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|----------------------------------|---------------------------------------|--|---|--|---|---|---|--|---------------------------------|---|---|--|---|------------------------------------|---|---|---|--|---|--|--|--|---|--|---|--|---|---|---|
| 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: ML-47061 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: 8. WELL NAME and NUMBER: ROCK HOUSE 10-22-21-36 9. API NUMBER: 43047364070000 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. TYPE OF WELL Gas Well | 2. NAME OF OPERATOR: Enduring Resources, LLC | 3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0934 FNL 1783 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 36 Township: 10.0S Range: 22.0E Meridian: S | | PHONE NUMBER: 303 350-5114 Ext | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/19/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top; padding: 2px;"><input type="checkbox"/> ACIDIZE</td> <td style="width: 33%; vertical-align: top; padding: 2px;"><input type="checkbox"/> ALTER CASING</td> <td style="width: 33%; vertical-align: top; padding: 2px;"><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE TUBING</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CHANGE WELL STATUS</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> DEEPEN</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> FRACTURE TREAT</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> OPERATOR CHANGE</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> PLUG AND ABANDON</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> TUBING REPAIR</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> VENT OR FLARE</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> WATER SHUTOFF</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td style="vertical-align: top; padding: 2px;"><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td style="vertical-align: top; padding: 2px;"><input checked="" type="checkbox"/> OTHER</td> <td style="vertical-align: top; padding: 2px;">OTHER: <input style="width: 100px;" type="text" value="Wellbore Cleanout"/></td> </tr> </table> | | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input checked="" type="checkbox"/> OTHER | OTHER: <input style="width: 100px;" type="text" value="Wellbore Cleanout"/> |
| <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input checked="" type="checkbox"/> OTHER | OTHER: <input style="width: 100px;" type="text" value="Wellbore Cleanout"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Scale Cleanout 09/27/2011 - 10/19/2011 MIRU. TOOH w/ tubing and scale deposits at 4400' (top perf depth). Run a 3-7/8" mill and RU air-foam. Mill and cleanout scale to 7754'. TOOH and LD scaled jts. Run NC, 1 jt, SN and 180 jts tubing. Land w/ EOT @ 5878' and SN @ 5845'. RDMO. RU and acidize w/ 20 bbls 15% HCl and chase with 40 BFW. Swab 5 days to kickoff | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAME (PLEASE PRINT) Alvin Arlian | | PHONE NUMBER 303 350-5114 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SIGNATURE N/A | | TITLE Landman-Regulatory DATE 11/9/2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

| | |
|---|---------------|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 |
| 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47061 | |
| 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| 7. UNIT or CA AGREEMENT NAME: | |
| 8. WELL NAME and NUMBER: ROCK HOUSE 10-22-21-36 | |
| 9. API NUMBER: 43047364070000 | |
| 9. FIELD and POOL or WILDCAT: NATURAL BUTTES | |
| COUNTY: UINTAH | |
| STATE: UTAH | |

SUNDRY NOTICES AND REPORTS ON WELLS
 Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

| | |
|---|--|
| 1. TYPE OF WELL Gas Well | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | |
| 3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202 | PHONE NUMBER: 303 350-5114 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0934 FNL 1783 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 36 Township: 10.0S Range: 22.0E Meridian: S | |

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: 11/16/2011 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input checked="" type="checkbox"/> OTHER | OTHER: <input type="text" value="Water Shut-off"/> |

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

Upon DOG&M approval: Water Shut-off 1. MIRU 2. TOOH w/ tubing 3. RU eline and run a gauge ring to 7100'. Set a 4½" CIBP @ 7100' to isolate the lower Mesaverde perms 4. TIH and land tubing w/ EOT @ 5878' and SN @ 5845' 5. Swab to unload and kickoff.

Approved by the Utah Division of Oil, Gas and Mining
Date: December 02, 2011
By: *Derek Duff*

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Alvin Arlian | PHONE NUMBER 303 350-5114 | TITLE Landman-Regulatory |
| SIGNATURE N/A | DATE 11/9/2011 | |

| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|---|----------------------------------|---------------------------------------|--|---|--|---|---|---|--|---------------------------------|---|---|--|---|------------------------------------|---|---|---|--|---|--|--|--|---|---|---|--|---|--------------------------------|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47061 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 7. UNIT or CA AGREEMENT NAME: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: ROCK HOUSE 10-22-21-36 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | 9. API NUMBER: 43047364070000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202 | PHONE NUMBER: 303 350-5114 Ext | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0934 FNL 1783 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 36 Township: 10.0S 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 1/24/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;"><input type="checkbox"/> ACIDIZE</td> <td style="width: 33%;"><input type="checkbox"/> ALTER CASING</td> <td style="width: 33%;"><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input checked="" type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input type="checkbox"/> OTHER</td> <td>OTHER: <input style="width: 100px;" type="text"/></td> </tr> </table> | | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE | <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 checked="" 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"/> |
| <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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 checked="" 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. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MIRU Stone Well Service Rig 5. Pre-job safety meeting. Blow csg and tbg to tank. ND WH NU BOPE. TOO H w/178 jts tbg, SN, 1 jt tbg and NC. RU JW Wireline. Run GR-JB to 7150'. RIH w/ 4.5' CIBP and set in middle of jt @ 7120'. ND JW Wireline. RIH w/ NC, 1 jt tbg, SN w/ BS and 178 jts tbg. Land tbg in hanger. ND BOPE. NU WH. EOT - 5878', SN - 5845'. Release rig, RDMO. | | <p style="margin: 0;">Accepted by the Utah Division of Oil, Gas and Mining</p> <p style="margin: 0;">FOR RECORD ONLY</p> <p style="margin: 0;">January 31, 2012</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NAME (PLEASE PRINT) Alvin Arlian | PHONE NUMBER 303 350-5114 | TITLE Landman-Regulatory | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SIGNATURE N/A | DATE 1/30/2012 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 4, 2014

CERTIFIED MAIL NO.: 7011 2970 0001 8828 1610

Mr. John Conley
Enduring Resources, LLC
511 16TH Street STE 700
Denver, CO 80202

43 047 36407
Rock House 10-22-21-36
36 105 22E

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

Dear Mr. Conley:

As of April 2014, Enduring Resources, LLC (Enduring) has twenty (20) State Lease Wells and six (6) Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Four (4) wells in 2013 and seven (7) wells in 2014 were added to Enduring's SI/TA list.

Several of these wells (attachment A) have previously been issued notices of non-compliance and have remained in non-compliance. The Division has worked with Enduring to reduce the immense amount of wells that were in non-compliance. In 2010 Enduring provided the Division with a list of wells to be plugged (attachment A), and the Division recognizes that Enduring most recently plugged a number of wells in 2012. However in 2013 only two wells were plugged while four (4) additional wells were added, while nothing has been done in 2014 on any of the wells. Enduring never submitted plugging procedures for the remaining wells listed to be plugged and therefore has not followed through with these plans to bring these wells or any other wells into compliance.

Enduring shall immediately submit plans and timeframes for each well stating which wells will be plugged, placed back on production, or requesting SI/TA extension with proof of wellbore integrity and good cause for such request. All wells need an individual sundry filed and are required to meet the SI/TA rules as listed below.

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

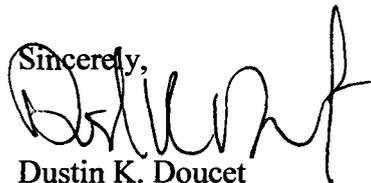
1. Reasons for SI/TA of the well (R649-3-36-1.1)
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence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

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

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

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

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

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

cc: Compliance File
Well File

LaVonne Garrison, SITLA

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

ATTACHMENT A

| | Well Name | API | LEASE | Years Inactive | Prior Notice | Proposed PA |
|----|---------------------------|--------------|----------|-------------------|------------------------|-----------------------------|
| 1 | AGENCY DRAW 12-21-31-36 | 43-047-36424 | ML 47086 | 7 years 10 months | 1 ST NOTICE | 12/31/2014 |
| 2 | ASPHALT WASH 11-24-42-16 | 43-047-36875 | ML 47080 | 7 years 11 months | 1 ST NOTICE | 12/31/2014 |
| 3 | ARCHY BENCH 11-24-24-32 | 43-047-36819 | ML 49762 | 7 years 1 month | 1 ST NOTICE | 12/31/2012 |
| 4 | SOUTHAM CYN 10-25-11-6 | 43-047-36933 | FEE | 7 years | 1 ST NOTICE | 12/31/2012 |
| 5 | N HORSESHOE 3-13-6-21 | 43-047-37391 | ML 49317 | 5 years 6 months | 2 ND NOTICE | Extension valid to 9/1/2014 |
| 6 | BUCK CAMP 12-22-21-2 | 43-047-37656 | ML 47087 | 6 years 8 months | 1 ST NOTICE | 12/31/2014 |
| 7 | DWR 12-23-13-21 | 43-047-33344 | FEE | 6 years | | 12/31/2014 |
| 8 | DWR 12-23-31-21 | 43-047-33484 | FEE | 5 years 4 months | 1 ST NOTICE | 12/31/2013 |
| 9 | ARCHY BENCH 12-23-42-16 | 43-047-36802 | ML 48957 | 6 years 1 month | | 12/31/2014 |
| 10 | ARCHY BENCH 11-24-12-32 | 43-047-36822 | ML 49762 | 5 years 5 months | | 12/31/2013 |
| 11 | ROCK HOUSE 10-22-33-36 | 43-047-37789 | ML 49959 | 5 years 5 months | | 12/31/2014 |
| 12 | HANGING ROCK 11-23-24-36 | 43-047-38278 | ML 50085 | 5 years 3 months | | 5/18/2012 |
| 13 | N WALKER HOLLOW 2-32-6-23 | 43-047-37399 | ML 47777 | 4 years 7 months | 1 ST NOTICE | |
| 14 | BUCK CAMP 12-22-31-2 | 43-047-36273 | ML-47087 | 3 years 6 months | | |
| 15 | SOUTHAM CYN 9-24-13-36 | 43-047-38910 | FEE | 3 years 9 months | | |
| 16 | DWR 12-23-12-28 | 43-047-33343 | FEE | 2 years 6 months | | |
| 17 | BONANZA 9-24-11-16 | 43-047-35622 | ML-46526 | 2 years 6 months | | |
| 18 | ROCK HOUSE 10-22-32-36 | 43-047-36409 | ML-47061 | 2 years 5 months | | |
| 19 | BUCK CYN 12-21-43-16 | 43-047-37091 | ML-47085 | 2 years 6 months | | |
| 20 | BUCK CAMP 11-22-11-36 | 43-047-36277 | ML-47077 | 2 years 1 month | | |
| 21 | HANGING ROCK 11-23-42-36 | 43-047-38280 | ML-50085 | 2 years 2 months | | |
| 22 | HANGING ROCK 11-23-43-36 | 43-047-38282 | ML-50085 | 1 years 5 months | | |
| 23 | ROCK HOUSE 10-22-21-36 | 43-047-36407 | ML-47061 | 2 years 2 months | | |
| 24 | ROCK HOUSE 10-23-21-30 | 43-047-37832 | FEE | 2 years 3 months | | |
| 25 | SOUTHMAN CYN 9-23-21-36 | 43-047-36530 | ML-47782 | 2 years | | |
| 26 | SOUTHMAN CYN 9-23-33-36 | 43-047-35363 | ML-47782 | 1 year 9 months | | |