

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

001

| |
|---|
| 5. LEASE DESIGNATION AND SERIAL NO. UTU-73457 |
| 6. IF INDIAN, ALLOTTEE OR TRIBE NAME na |
| 7. UNIT AGREEMENT NAME na |
| 8. FARM OR LEASE NAME na |
| 9. WELL NO. Bonanza 9-18-9-24 |
| 10. FIELD OR LEASE NAME Undesignated |
| 11. Sec., T., R., M., OR BLK AND SURVEY OR AREA Sec. 18, T9S, R24E |
| 12. COUNTY OR PARISH Uintah |
| 13. STATE Utah |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

8. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
The Houston Exploration Company

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

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)
 at surface **2009' FSL & 852' FEL NESE 649339X 40:034179**
 At proposed prod. Zone **same as above 4432808Y -109.249699**

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

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drng. Unit line, if any)
852'

16. NO. OF ACRES IN LEASE
1,360

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

16. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
900'

19. PROPOSED DEPTH
8,255

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.)
5197.0 GL

22. APPROX. DATE WORK WILL START
May 15 2005

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|---------------|----------------|-----------------|---------------|--------------------|
| 11" | 8 5/8" | 36# | 2000' | 779 sks |
| 7 7/8" | 4 1/2" | 11.6# | T.D. | 600 sks |

The operator requests permission to drill the subject well. Please find the attached 10 point plan and 13 point plan.

**William A Ryan
290 S 800 E
Vernal, UT 84078
435-789-0968**

**RECEIVED
APR 26 2005**

DIV. OF OIL, GAS & MINING

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

24. SIGNATURE William A. Ryan TITLE Agent DATE April 15 2005

PERMIT NO. 43-047-36636 APPROVAL DATE _____

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL DATE 05-02-05
 CONDITIONS OF APPROVAL, IF ANY: ENVIRONMENTAL SCIENTIST III

*See Instructions on Reverse Side

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

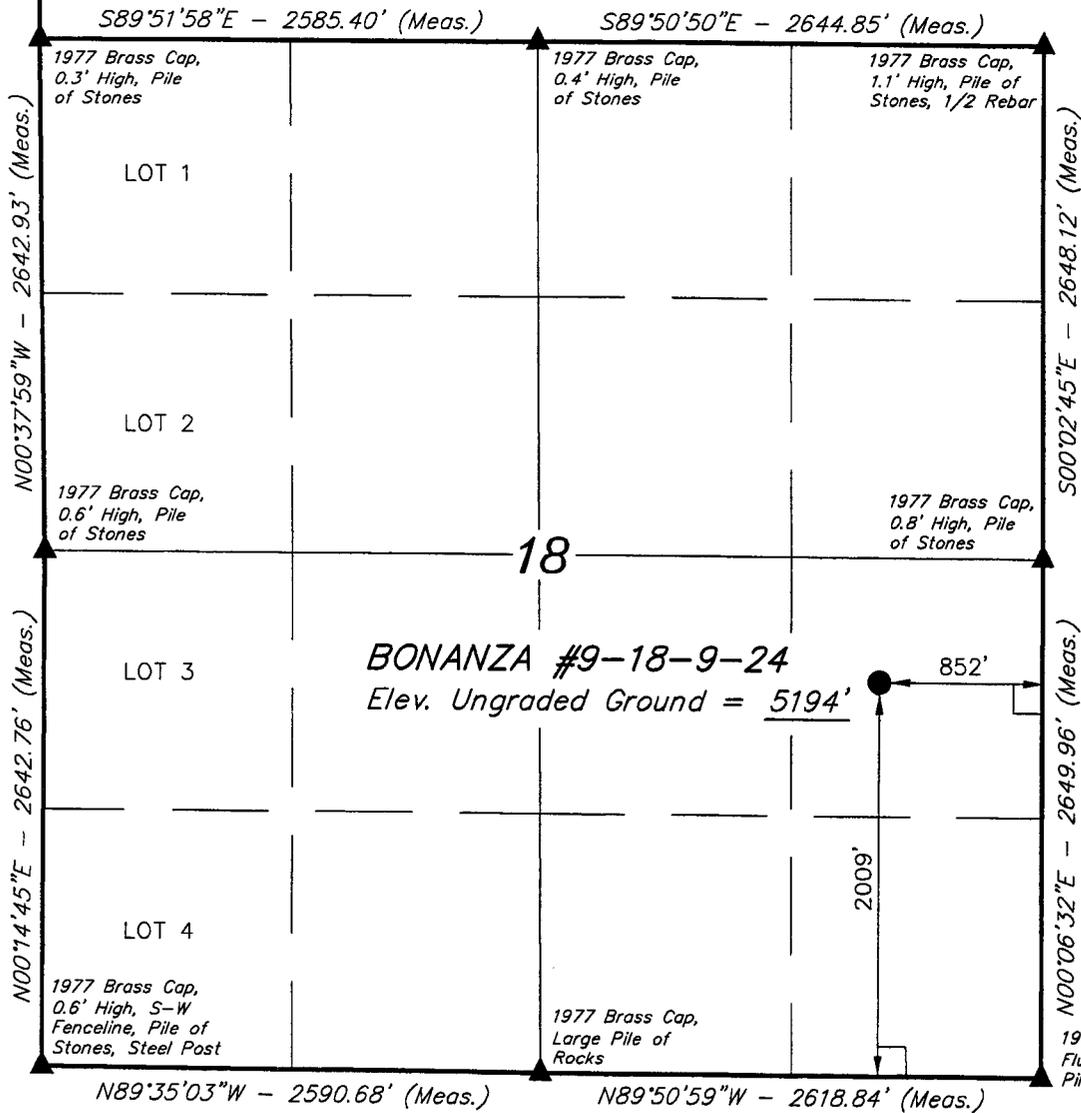
**Federal Approval of this
Action is Necessary**

CONFIDENTIAL

R
23
E

R
24
E

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

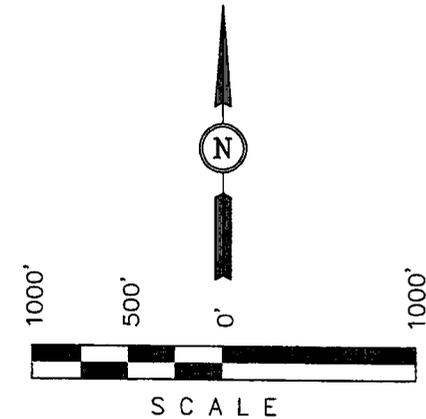


THE HOUSTON EXPLORATION COMPANY

Well location, BONANZA #9-18-9-24, located as shown in the NE 1/4 SE 1/4 of Section 18, T9S, R24E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (54EAM) LOCATED IN THE NW 1/4 OF SECTION 14, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE QUADRANGLE, UTAH, UINAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5031 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 J. Hay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)
LATITUDE = 40°02'03.09" (40.034192)
LONGITUDE = 109°15'01.44" (109.250400)
(AUTONOMOUS NAD 27)
LATITUDE = 40°02'03.21" (40.033975)
LONGITUDE = 109°14'59.01" (109.249725)

LEGEND:

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

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

| | | |
|-------------------------|---|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 03-02-05 | DATE DRAWN: 03-03-05 |
| PARTY G.O. B.C. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER COLD | FILE THE HOUSTON EXPLORATION COMPANY | |

SELF-CERTIFICATION STATEMENT

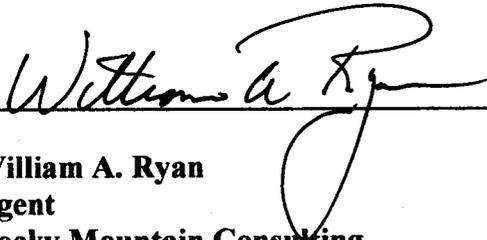
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

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

Bonanza 9-18-9-24
Section 18, T.9S, R.24E.
NE 1/4, SE 1/4
Lease UTU-73457
Uintah County, Utah

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

Bond UTB-000062 provides state-wide bond coverage on all Federal lands.



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

Ten Point Plan**The Houston Exploration Company****Bonanza 9-18-9-24****Surface Location NE ¼ SE ¼, Section 18, T. 9S., R. 24E.****1. Surface Formation**

Green River

2. Estimated Formation Tops and Datum:

| <u>Formation</u> | <u>Depth</u> | <u>Datum</u> |
|-------------------------|--------------|--------------|
| Green River | Surface | +5,197' G.L. |
| Uteland Butte Limestone | 4,195 | +1,002' |
| Wasatch | 4,320 | +877' |
| Mesaverda | 6,150 | -953' |
| Buck Tounge | 8,210 | -3013' |
| Castlegate | 8,270 | -3073' |
| TD | 8,255 | -3058' |

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: Bonanza #5-18-9-24 | Bonanza #11-18-9-24 |
| Bonanza #13-18-9-24 | Bonanza #15-18-9-24 |

| | |
|----------------------------|-----------------|
| Producing Wells: RFW #1-18 | Bonanza #12A-18 |
|----------------------------|-----------------|

Shut in Wells: Bonanza #10D-18

| | |
|----------------------------|-----------|
| Abandoned Wells: DP #21-19 | PB #11-20 |
|----------------------------|-----------|

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 | Premium 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 | Premium 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:

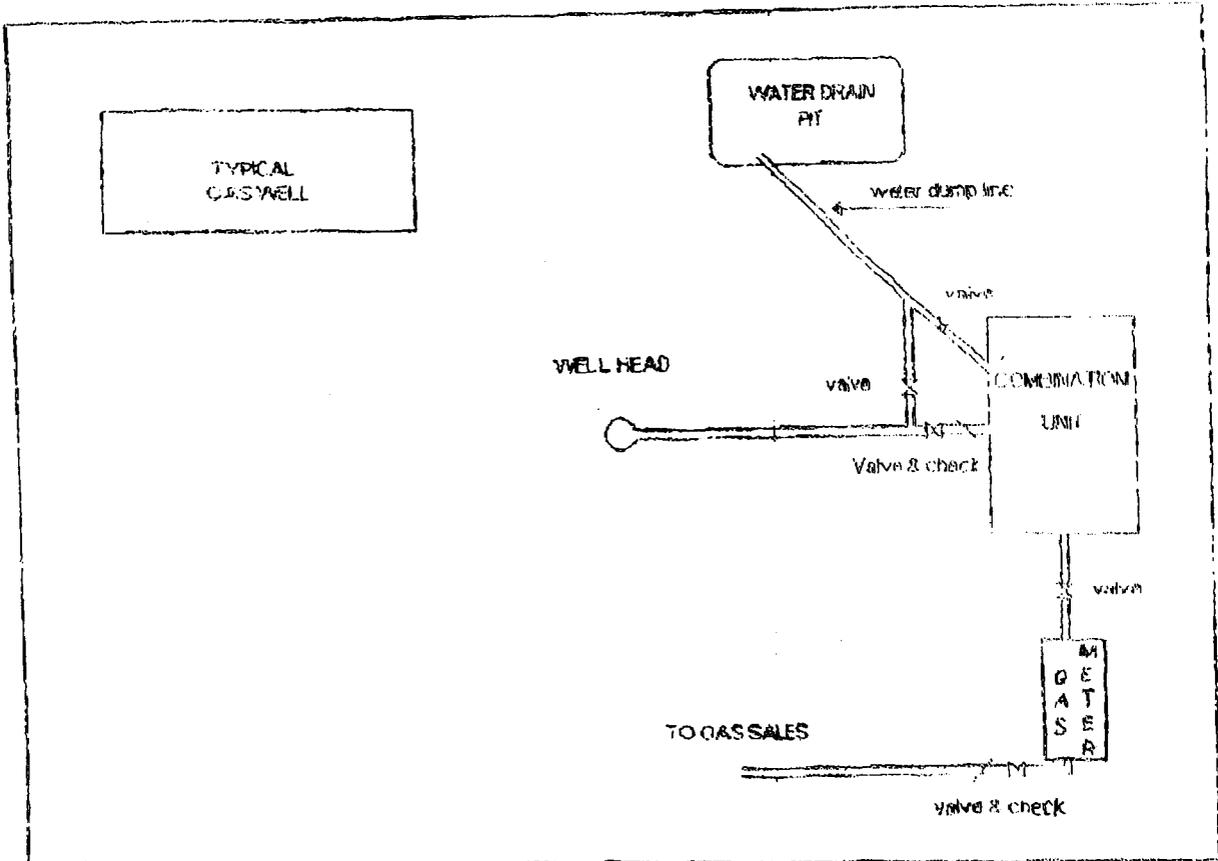
| Type | Interval |
|----------------------|-------------------|
| DLL/SFL W/GR and SP | T.D. to Surf. Csg |
| FDC/CNL W/GR and CAL | T.D. to Surf. Csg |

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.

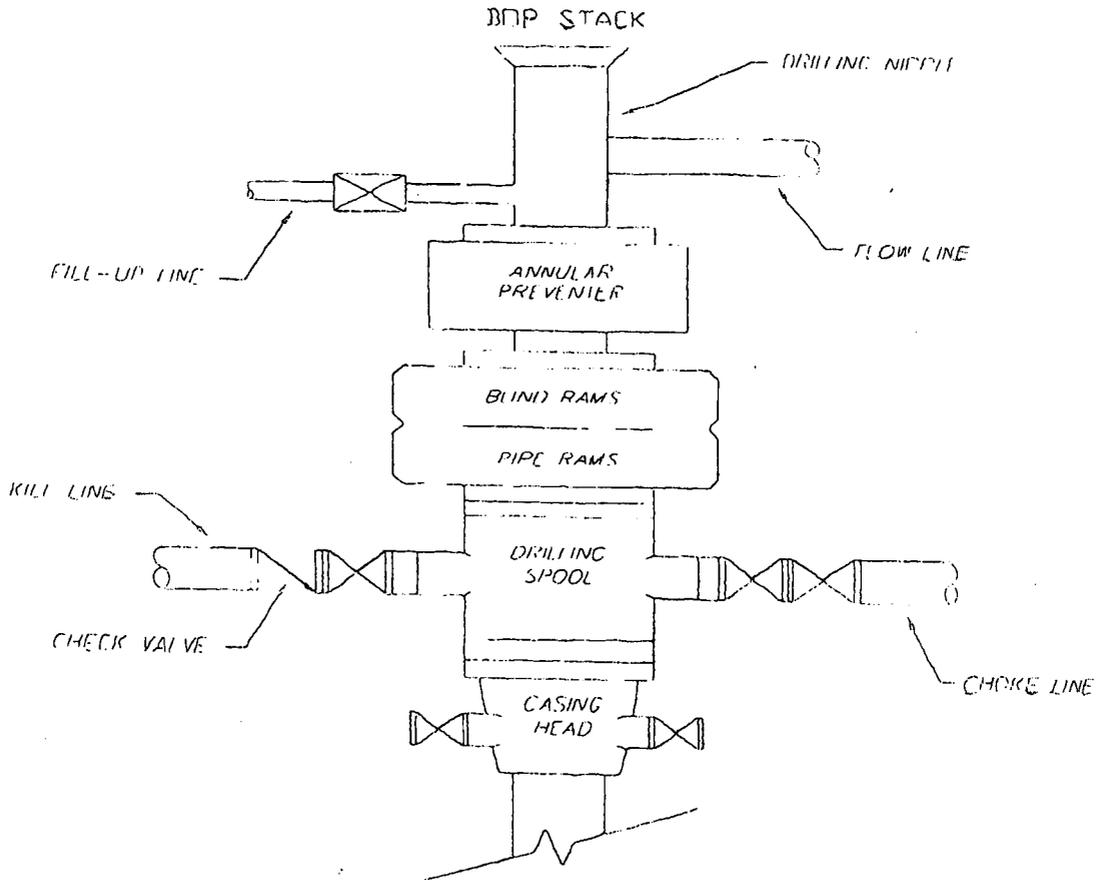
10. Drilling Schedule:

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

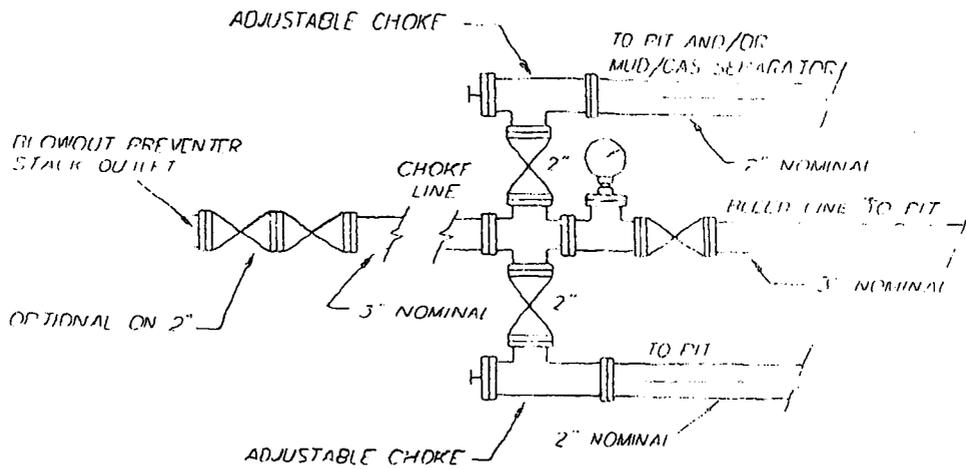


THE HOUSTON EXPLORATION COMPANY

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



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



THE HOUSTON EXPLORATION COMPANY

13 POINT SURFACE USE PLAN

FOR WELL

BONANZA 9-18-9-24

LOCATED IN NE ¼ SE ¼

SECTION 18, T. 9S, R24E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-73457

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

To reach The Houston Exploration Co well Bonanza #9 -18-9-24 in Section 18, T9S, R24E, starting in Vernal, Utah.

Proceed in an 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, then southeasterly direction approximately 36.6 miles on State Highway 45 to the junction of this road and an existing road to the west; turn right and proceed in a westerly, then northwesterly direction approximately 5.1 miles to the junction of this road and an existing road to the west; turn right and proceed in a northerly, then northwesterly direction approximately 0.2 miles to the beginning of the proposed access to the northeast; follow road flags in a northeasterly direction approximately 0.15 miles to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 45.95 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 792' +/- of new

construction on lease. The road will be graded once per year minimum and maintained.

- A) Approximate length 792 ft
- B) Right-of-Way width 30 ft
- C) Running surface 18 ft
- D) Surface material Native soil
- E) Maximum grade 5%
- F) Fence crossing None
- G) Culvert None
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership Federal
- L) All new construction on lease Yes
- M) Pipe line crossing No

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 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
 - RWF 1-18
 - Bonanza 12A-18
 - Bonanza 16-18
- B) Water well None
- B) Abandoned well
 - DP #21-19
 - PB #11-20
- D) Temp. abandoned well None

- E) Disposal well None
- F) Drilling /Permitted well None
 - Bonanza 11-18-9-24
 - Bonanza 15-18-9-24
 - Bonanza 13-18-9-24
 - Bonanza 5-18-9-24
- G) Shut in wells None
 - Bonanza 10D-18
- 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 **Carlsbad Canyon** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Carlsbad Canyon**.

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 778' +/- of 3" pipeline would be constructed on Federal Lands. The pipeline will tie into the existing pipeline in Sec 18, T9S, R24E. The pipeline will be strung and boomed to the southeast of the location and the west side of the access road.

An off lease Right-of-Way will not be required.

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

The gas meter run will be located within 500' of the 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 the Bonanza Bridge, Permit # - T75376.

6. Source of construction materials

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

7. Methods for handling waste disposal

A) Pit construction and liners:

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

The reserve pit will be lined.

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 **245 ft**
- C) Pit depth **12 ft**
- D) Pit length **150 ft**
- E) Pit width **75 ft**
- F) Max cut **31.4 ft**
- G) Max fill **3.5 ft**
- H) Total cut yds. **11,240 cu yds**
- I) Pit location **north end**
- J) Top soil location **east end**
- K) Access road location **west end**
- L) Flare Pit **corner C**

Please see the attached location diagram for additional details.

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

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire.

Total height of the fence shall be at least 42 inches.

- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **1,880** 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 | Federal |
| Location | Federal |
| Pipe line | Federal |

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

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

C) Archeology:

The location has 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 approximately 6 miles to the South.

E) Chemicals:

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

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
Prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.

- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

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

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan
Rocky Mountain Consulting
Vernal, UT 84078

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

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

copy of these conditions will be furnished to the field representative to ensure compliance.

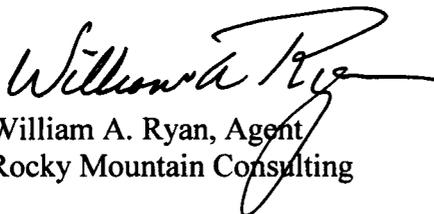
Onsite Dates: 4/12/05

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 04/14/05



William A. Ryan, Agent
Rocky Mountain Consulting

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

BONANZA #9-18-9-24
LOCATED IN UINTAH COUNTY, UTAH
SECTION 18, T9S, R24E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

| | | | | |
|-----------------|----------------|-----|-------------------|-------|
| LOCATION PHOTOS | 03 | 08 | 05 | PHOTO |
| | MONTH | DAY | YEAR | |
| TAKEN BY: G.O. | DRAWN BY: C.P. | | REVISED: 00-00-00 | |

THE HOUSTON EXPLORATION COMPANY

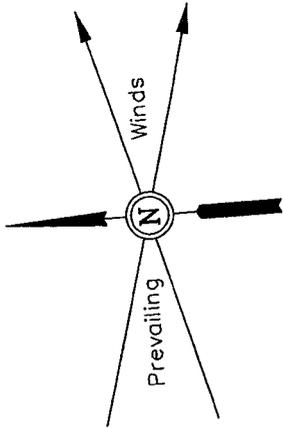
FIGURE #1

LOCATION LAYOUT FOR

BONANZA #9-18-9-24

SECTION 18, T9S, R24E, S.L.B.&M.

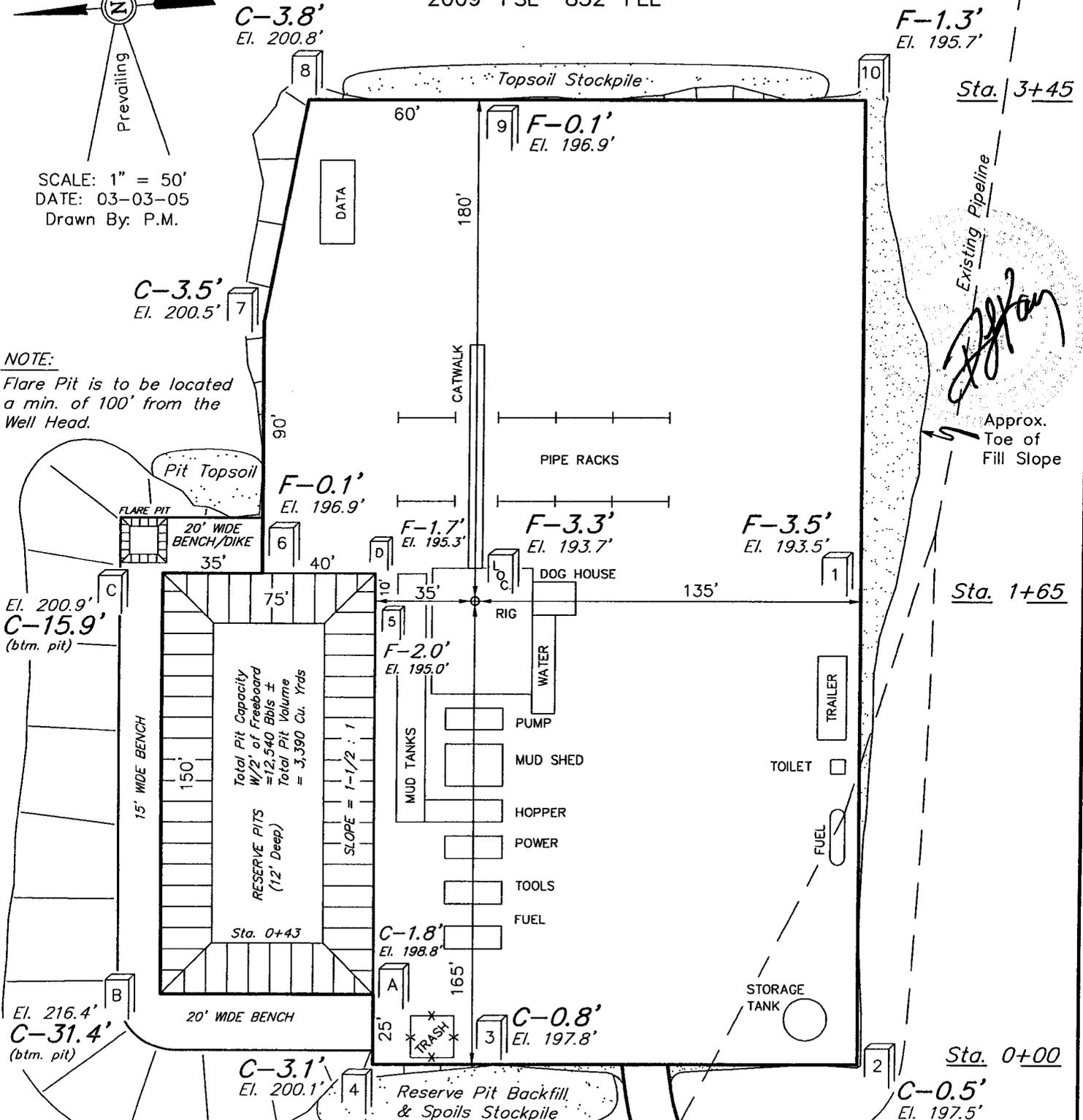
2009' FSL 852' FEL



SCALE: 1" = 50'
DATE: 03-03-05
Drawn By: P.M.

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5193.7'

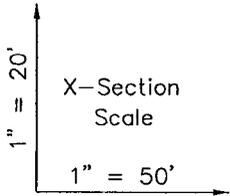
FINISHED GRADE ELEV. AT LOC. STAKE = 5197.0'

THE HOUSTON EXPLORATION COMPANY

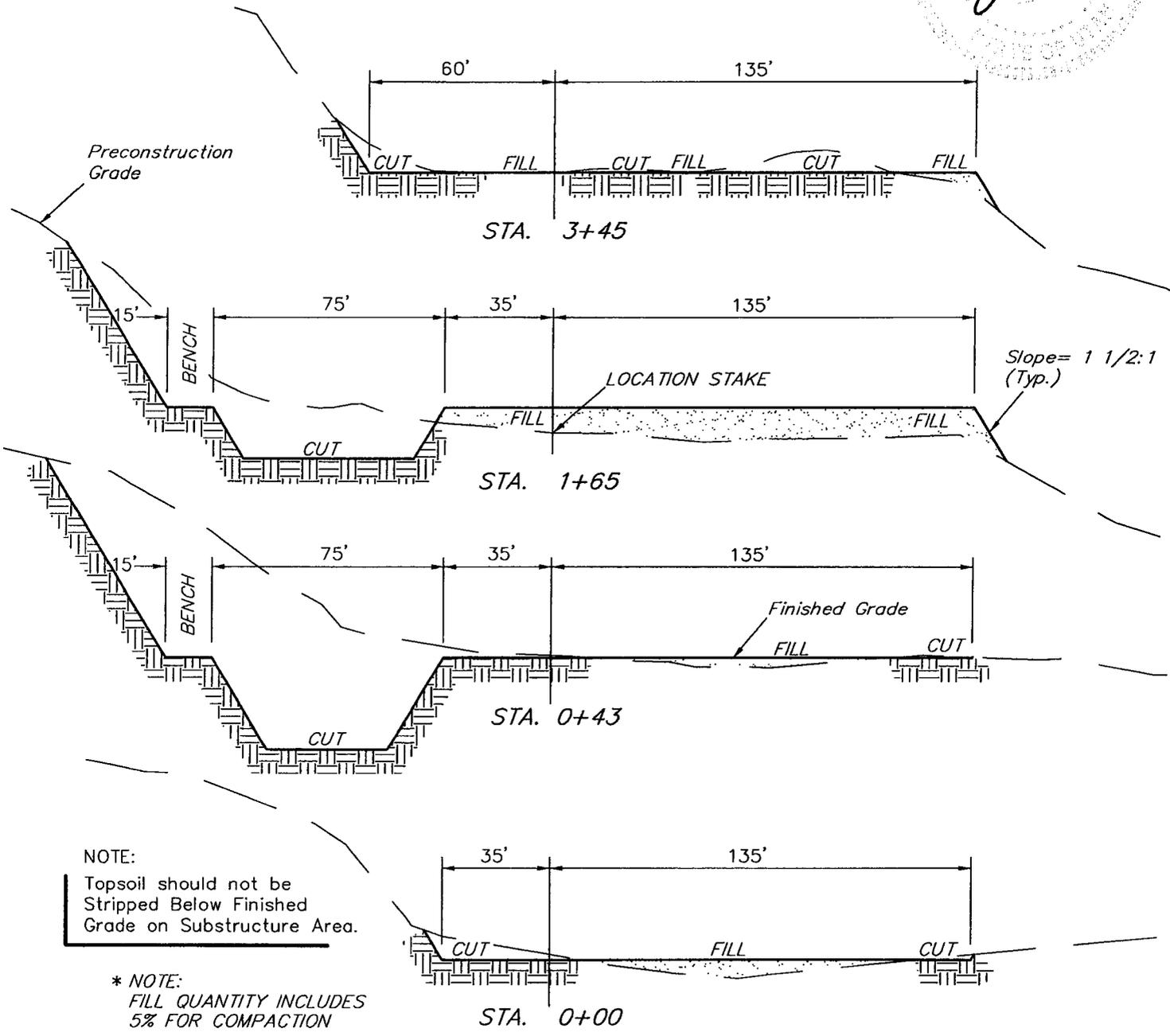
FIGURE #2

TYPICAL CROSS SECTIONS FOR

BONANZA #9-18-9-24
SECTION 18, T9S, R24E, S.L.B.&M.
2009' FSL 852' FEL



DATE: 03-03-05
Drawn By: P.M.



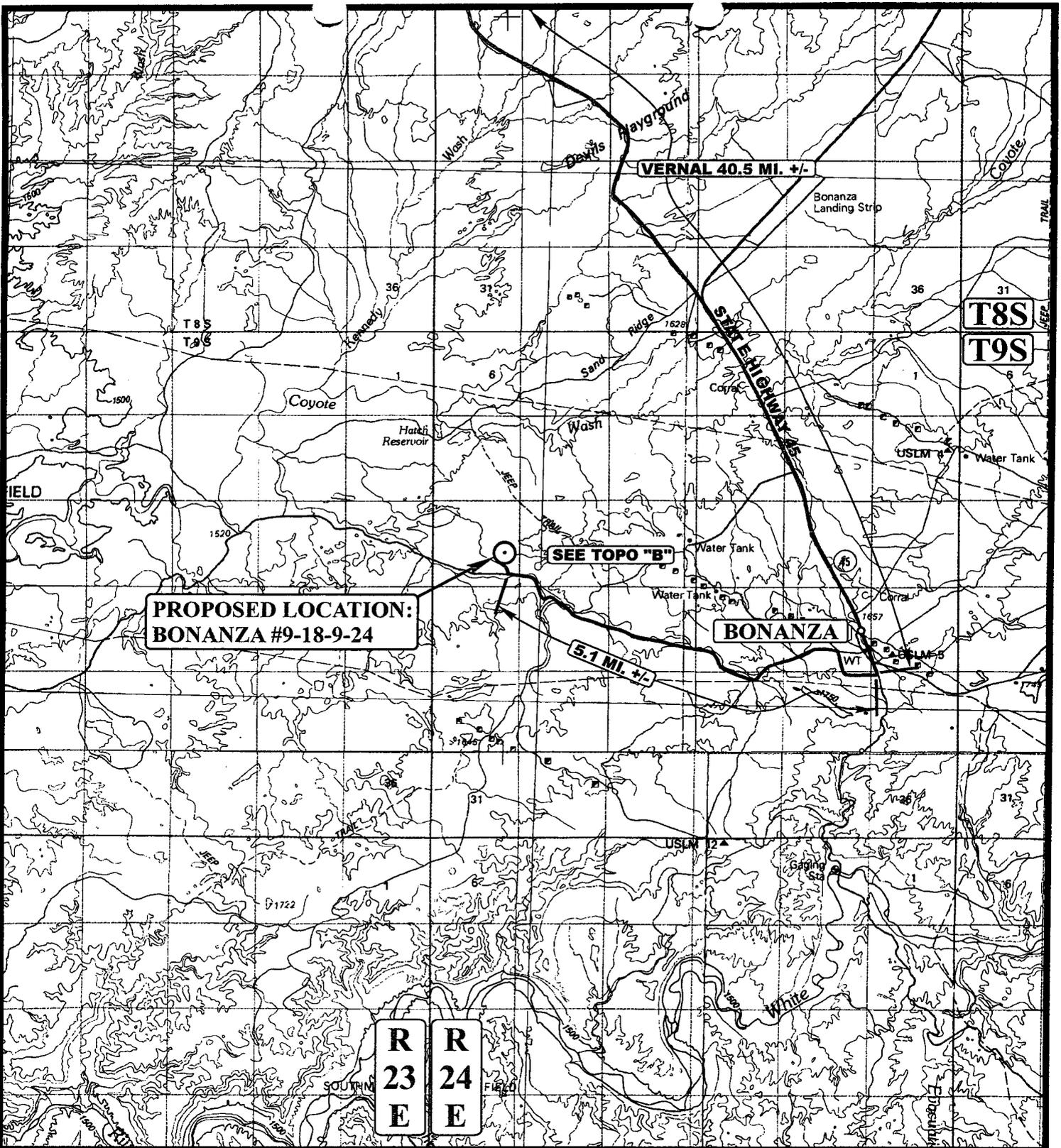
NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | | |
|------------------------|----------|-----------------------|
| CUT | | |
| (6") Topsoil Stripping | = | 1,880 Cu. Yds. |
| Remaining Location | = | 9,360 Cu. Yds. |
| TOTAL CUT | = | 11,240 CU.YDS. |
| FILL | = | 7,660 CU.YDS. |

| | | |
|---|---|----------------|
| EXCESS MATERIAL | = | 3,580 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = | 3,580 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = | 0 Cu. Yds. |



**PROPOSED LOCATION:
BONANZA #9-18-9-24**

SEE TOPO "B"

BONANZA

5.1 MI. +/-

VERNAL 40.5 MI. +/-

**R
23
E**

**R
24
E**

**T8S
T9S**

LEGEND:

○ PROPOSED LOCATION



THE HOUSTON EXPLORATION COMPANY

**BONANZA #9-18-9-24
SECTION 18, T9S, R24E, S.L.B.&M.
2009' FSL 852' FEL**



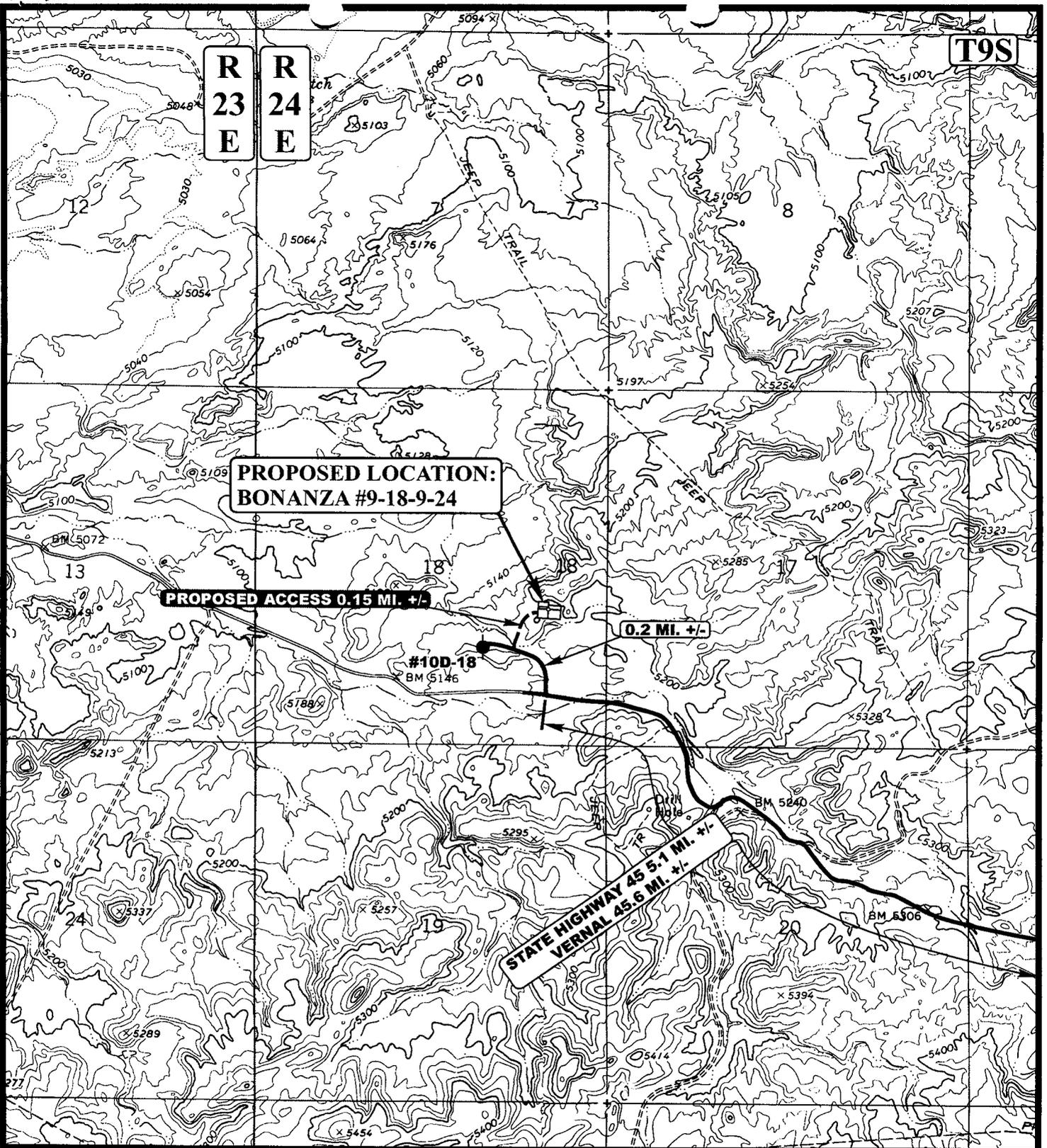
**Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813**

TOPOGRAPHIC MAP

03 08 05
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





R 23 E
R 24 E

T9S

**PROPOSED LOCATION:
BONANZA #9-18-9-24**

PROPOSED ACCESS 0.15 MI. +/-

0.2 MI. +/-

STATE HIGHWAY 45 5.1 MI. +/-
VERNAL 45.6 MI. +/-

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

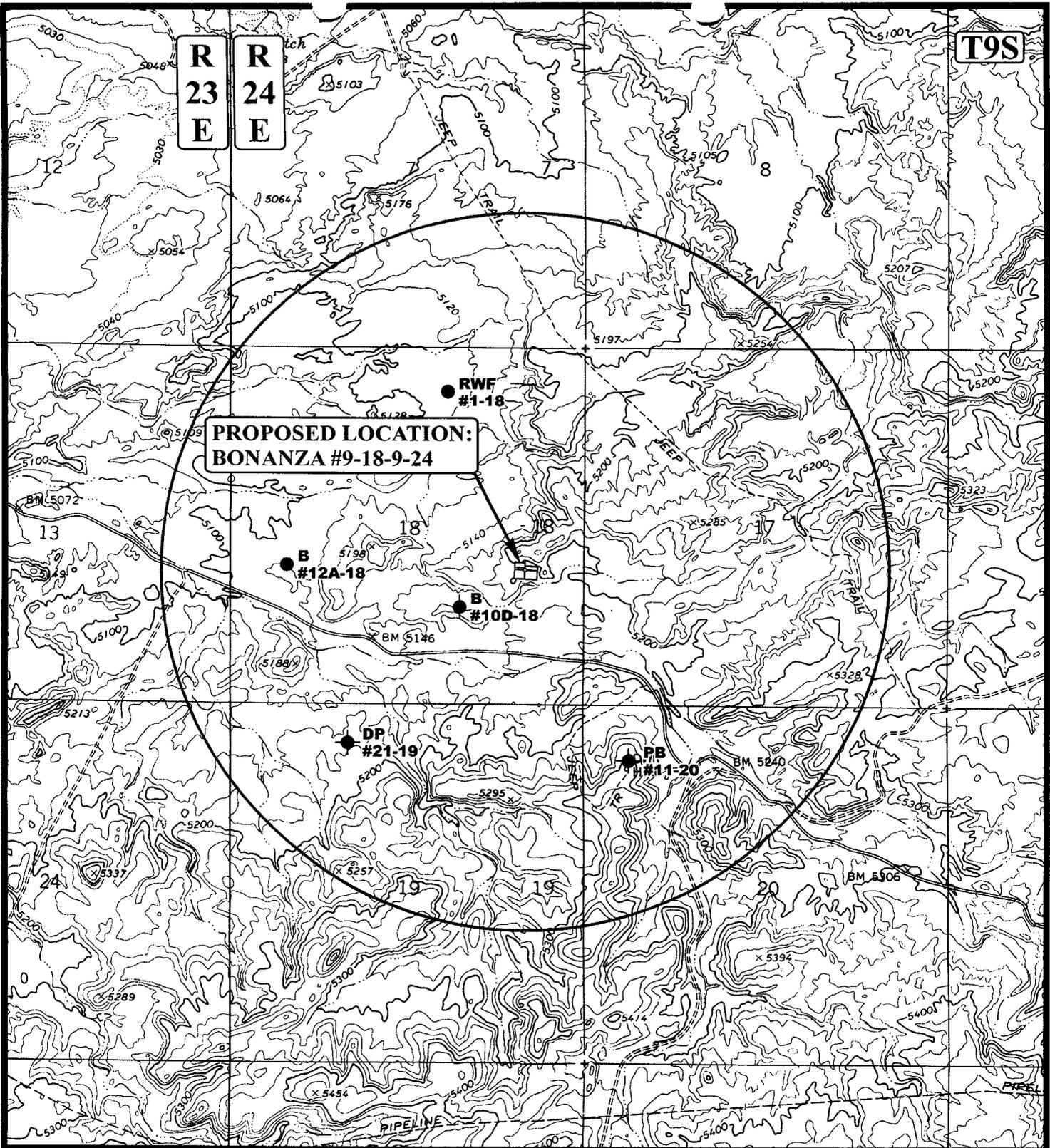
THE HOUSTON EXPLORATION COMPANY

BONANZA #9-18-9-24
SECTION 18, T9S, R24E, S.L.B.&M.
2009' FSL 852' FEL

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



TOPOGRAPHIC **03** **08** **05**
MAP MONTH DAY YEAR
SCALE: 1" = 2000' **DRAWN BY: C.P.** **REVISED: 00-00-00** **B**
TOPO



**PROPOSED LOCATION:
BONANZA #9-18-9-24**

LEGEND:

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

THE HOUSTON EXPLORATION COMPANY

**BONANZA #9-18-9-24
SECTION 18, T9S, R24E, S.L.B.&M.
2009' FSL 852' FEL**



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

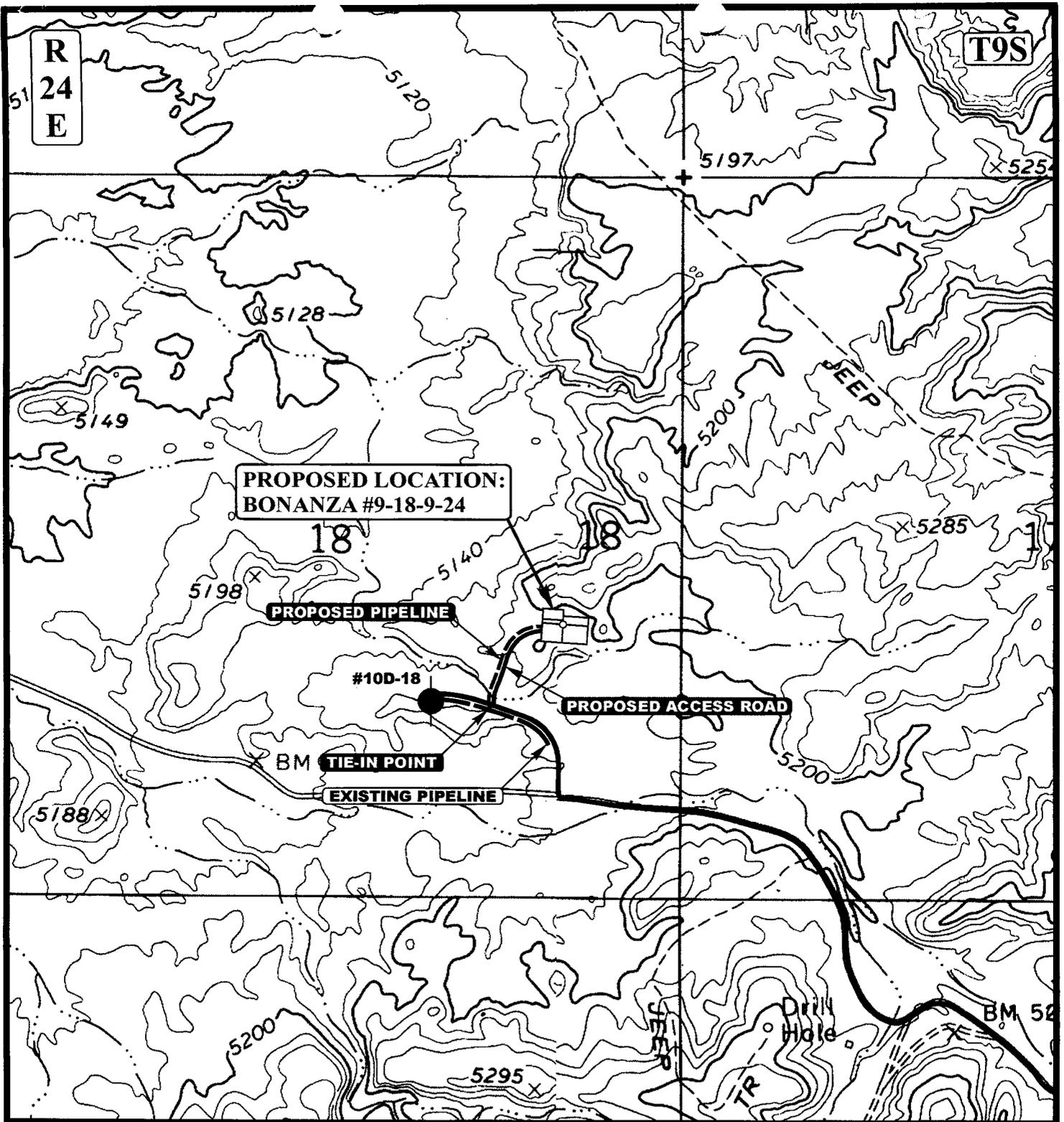


**TOPOGRAPHIC
MAP**

03 08 05
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 778' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



THE HOUSTON EXPLORATION COMPANY

BONANZA #9-18-9-24
 SECTION 18, T9S, R24E, S.L.B.&M.
 2009' FSL 852' FEL



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

TOPOGRAPHIC MAP
 03 08 05
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/26/2005

API NO. ASSIGNED: 43-047-36636

WELL NAME: BONANZA 9-18-9-24
OPERATOR: HOUSTON EXPLORATION CO, (N2525)
CONTACT: BILL RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

NESE 18 090S 240E
SURFACE: 2009 FSL 0852 FEL
BOTTOM: 2009 FSL 0852 FEL
UINTAH
UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-73457
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: CSLGT
COALBED METHANE WELL? NO

LATITUDE: 40.03418
LONGITUDE: -109.2497

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB-000062)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T75376)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____
1. Federal Approval
2. Spacing Strip



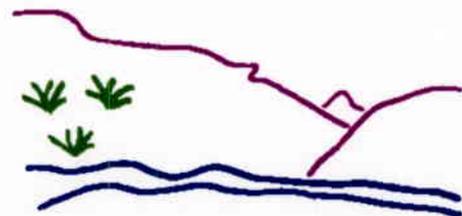
OPERATOR: THE HOUSTON EXPL CO (N2525)

SEC: 18 T. 9S R. 24E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 29-APRIL-2005

| 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 | | |

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

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 2, 2005

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

Re: Bonanza 9-18-9-24 Well, 2009' FSL, 852' FEL, NE SE, Sec. 18, T. 9 South,
R. 24 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36636.

Sincerely,

 John R. Baza
Associate Director

pab
Enclosures

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

Operator: Houston Exploration Company

Well Name & Number Bonanza 9-18-9-24

API Number: 43-047-36636

Lease: UTU-73457

Location: NE SE Sec. 18 T. 9 South R. 24 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|---|--|---|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
| 2. NAME OF OPERATOR: The Houston Exploration Company <i>N2525</i> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 1100 Louisiana, Ste 2000 CITY Houston STATE TX ZIP 77002 | | 7. UNIT or CA AGREEMENT NAME: |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached List | | 8. WELL NAME and NUMBER: See Attached List |
| PHONE NUMBER: (713) 830-6938 | | 9. API NUMBER: |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: | | 10. FIELD AND POOL, OR WILDCAT: |

COUNTY: Uintah

STATE: UTAH

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|--|
| <input 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: | Bonanza 9-18-9-24 |
| API number: | 4304736636 |
| Location: | Qtr-Qtr: NESE Section: 18 Township: 9S Range: 24E |
| Company that filed original application: | HOUSTON EXPLORATION COMPANY |
| Date original permit was issued: | 05/02/2005 |
| Company that permit was issued to: | HOUSTON EXPLORATION COMPANY |

| Check one | Desired Action: |
|-------------------------------------|---|
| <input type="checkbox"/> | Transfer pending (unapproved) Application for Permit to Drill to new operator |
| <input type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | Transfer approved Application for Permit to Drill to new operator |
| <input type="checkbox"/> | 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 type="checkbox"/> | <input checked="" type="checkbox"/> |
| If so, has the surface agreement been updated? | <input type="checkbox"/> | <input 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 type="checkbox"/> | <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 type="checkbox"/> | <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 type="checkbox"/> | <input checked="" type="checkbox"/> |
| Has the approved source of water for drilling changed? | <input type="checkbox"/> | <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 type="checkbox"/> | <input checked="" type="checkbox"/> |
| Is bonding still in place, which covers this proposed well? Bond No. <u>RLB0008031</u> | <input checked="" type="checkbox"/> | <input 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.

SEP 26 2005

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 | Drig | 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-73910 | 799' 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

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 13-16-12-21 | 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 | Moffitt 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 & 1842 FEL | 43-047-36327 | 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 | 43-047-36632 | 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-80571 | 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 | |
|------------------------|-----|------|------|------------|-----------|------------|-----------|-------------|---|
| BONANZA 2-11-9-23 | 11 | 090S | 230E | 4304736643 | | Federal | GW | APD | C |
| BONANZA 3-11-9-23 | 11 | 090S | 230E | 4304736644 | | Federal | GW | APD | C |
| BONANZA 5-11-9-23 | 11 | 090S | 230E | 4304736645 | | Federal | GW | APD | C |
| BONANZA 6-11-9-23 | 11 | 090S | 230E | 4304736646 | | Federal | GW | APD | C |
| BONANZA 7-11-9-23 | 11 | 090S | 230E | 4304736647 | | Federal | GW | APD | C |
| BONANZA 9-11-9-23 | 11 | 090S | 230E | 4304736648 | | Federal | GW | APD | C |
| BONANZA 11-11-9-23 | 11 | 090S | 230E | 4304736649 | | Federal | GW | APD | C |
| BONANZA 13-11-9-23 | 11 | 090S | 230E | 4304736650 | | Federal | GW | APD | C |
| BONANZA 14-11-9-23 | 11 | 090S | 230E | 4304736651 | | Federal | GW | APD | C |
| BONANZA 15-11-9-23 | 11 | 090S | 230E | 4304736652 | | Federal | GW | APD | C |
| BONANZA 7-12-9-23 | 12 | 090S | 230E | 4304736653 | | Federal | GW | APD | C |
| BONANZA 9-12-9-23 | 12 | 090S | 230E | 4304736654 | | Federal | GW | APD | C |
| BONANZA 11-12-9-23 | 12 | 090S | 230E | 4304736655 | | Federal | GW | APD | C |
| BONANZA 15-12-9-23 | 12 | 090S | 230E | 4304736656 | | Federal | GW | APD | C |
| BONANZA 16-12-9-23 | 12 | 090S | 230E | 4304736657 | | Federal | GW | APD | C |
| BONANZA 9-18-9-24 | 18 | 090S | 240E | 4304736636 | | Federal | GW | APD | C |
| BONANZA 11-18-9-24 | 18 | 090S | 240E | 4304736637 | | Federal | GW | APD | C |
| BONANZA 13-18-9-24 | 18 | 090S | 240E | 4304736638 | | Federal | GW | APD | C |
| BONANZA 15-18-9-24 | 18 | 090S | 240E | 4304736639 | | Federal | GW | APD | C |
| BONANZA 12-23-9-24 | 23 | 090S | 240E | 4304736640 | | Federal | GW | APD | C |
| BONANZA 14-23-9-24 | 23 | 090S | 240E | 4304736641 | | Federal | GW | APD | C |
| ASPHALT WASH 2-6-11-24 | 06 | 110S | 240E | 4304737061 | | Federal | GW | APD | 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: _____
- (R649-9-2) Waste Management Plan has been received on: _____ Requested 9/29/05
- Inspections of LA PA state/fee well sites complete on: n/a

6c. Reports current for Production/Disposition & Sundries on: 9/29/2005

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____ not yet

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- 1. Changes entered in the Oil and Gas Database on: 9/29/2005
- 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 9/29/2005
- 3. Bond information entered in RBDMS on: 9/30/2005
- 4. Fee/State wells attached to bond in RBDMS on: 9/30/2005
- 5. Injection Projects to new operator in RBDMS on: n/a
- 6. Receipt of Acceptance of Drilling Procedures for APD/New on: 9/26/2005

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000173

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number RLB0008031

2. The FORMER operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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: UTU-73457 |
| 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: Bonanza 9-24-43-18 | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | 9. API NUMBER: 4304736636 | |
| 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: 2009' FSL - 852' FEL | | COUNTY: Uintah |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 18 9S 24E 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: <u>4/11/2006</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 type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>Request for APD Extension</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

The Federal APD has not yet been granted for this well.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 5-2-2006
TO: 5-2-2007

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

Date: 04-17-06
By: [Signature]

5-1-06
CHD

| | |
|---|--|
| NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u> | TITLE <u>Landman - Regulatory Specialist</u> |
| SIGNATURE <u>[Signature]</u> | DATE <u>4/11/2006</u> |

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304736636
Well Name: Bonanza 9-24-43-18
Location: 2009' FSL - 852' FEL, NESE Sec 18-9S-24E
Company Permit Issued to: The Houston Exploration Company
Date Original Permit Issued: 5/2/2005

The undersigned as owner with legal rights to drill on the property as permitted above, 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.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

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? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

4/11/2006

Date

Title: Landman - Regulatory Specialist

Representing: Enduring Resources, LLC

RECEIVED

APR 13 2006

DIV. OF OIL, GAS & MINING

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

CONFIDENTIAL

FORM 9

| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73457 |
| 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 _____ | | 7. UNIT or CA AGREEMENT NAME: n/a |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | 8. WELL NAME and NUMBER: Bonanza 9-24-43-18 |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 | | 9. API NUMBER: 4304736636 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2009' FSL - 852' FEL | | 10. FIELD AND POOL, OR WILDCAT: Wildcat |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 18 9S 24E S | | COUNTY: Uintah |
| | | STATE: UTAH |

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

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

The Federal APD has not yet been granted for this well.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 4/17/2007
TO: 4/17/2008

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-16-2007
By: [Signature] 4-16-07
RM

| | |
|---|---|
| NAME (PLEASE PRINT) <u>Evette Bissett</u> | TITLE <u>Regulatory Affairs Assistant</u> |
| SIGNATURE <u>[Signature]</u> | DATE <u>4/10/2007</u> |

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304736636
Well Name: Bonanza 9-24-43-18
Location: 2009' FSL - 852' FEL, NESE, Sec 18-9S-24E
Company Permit Issued to: The Houston Exploration Company
Date Original Permit Issued: 5/2/2005

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Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

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? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Gusto Bissett
Signature

4/10/2007
Date

Title: Regulatory Affairs Assistant

Representing: Enduring Resources, LLC

RECEIVED

APR 16 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-73457

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:
Bonanza 9-24-43-18

2. NAME OF OPERATOR:
Enduring Resources, LLC

9. API NUMBER:
4304736636

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: **2009' FSL - 852' FEL**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESE 18 9S 24E 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: _____ | <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 |
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| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

The Federal APD has not yet been granted for this well.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 4/16/2008
TO: 4/16/2009

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 4-28-2008

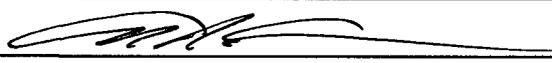
Initials: KS

Date: 04-24-08

By: 

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

TITLE Landman - Regulatory Specialist

SIGNATURE 

DATE 4/18/2008

(This space for State use only)

RECEIVED

APR 21 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304736636
Well Name: Bonanza 9-24-43-18
Location: 2009' FSL - 852' FEL, NESE Sec 18-9S-24E
Company Permit Issued to: The Houston Exploration Company
Date Original Permit Issued: 5/2/2005

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If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

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? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

4/18/2008

Date

Title: Landman - Regulatory Specialist

Representing: Enduring Resources, LLC

RECEIVED

APR 21 2008

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|---|--|--|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73457 |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 | | 7. UNIT or CA AGREEMENT NAME: n/a |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2009' FSL - 852' FEL | | 8. WELL NAME and NUMBER: Bonanza 9-24-43-18 |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 18 9S 24E S | | 9. API NUMBER: 4304736636 |
| COUNTY: Uintah | | 10. FIELD AND POOL, OR WILDCAT: Wildcat |
| STATE: UTAH | | |

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

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

Enduring Resources, LLC respectfully requests a one year extension of the expiration date of this Application for Permit to Drill.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-21-09
By: 

COPY SENT TO OPERATOR
Date: 4.22.2009
Initials: KS

| | |
|---|--|
| NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u> | TITLE <u>Landman - Regulatory Specialist</u> |
| SIGNATURE  | DATE <u>4/13/2009</u> |

(This space for State use only)

RECEIVED
APR 20 2009
DIV. OF OIL, GAS & MINING



**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304736636
Well Name: Bonanza 9-24-43-18
Location: 2009' FSL - 852' FEL, NESE Sec 18-9S-24E
Company Permit Issued to: The Houston Exploration Company
Date Original Permit Issued: 5/2/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

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If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

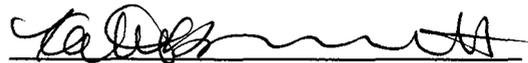
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

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? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

4/13/2009
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

RECEIVED
APR 20 2009
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU-73457

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

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

8. Well Name and No.
Bonanza 9-18-9-24

9. API Well No.
43-047-36636

10. Field and Pool, or Exploratory Area
Undesignated

11. County or Parish, State
Uintah, Utah

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Enduring Resources, LLC

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2009 FSL & 852 FEL, Sec 18 9S 24E
SLB&M, (NESE)**

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

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

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

CHANGE WELL NAME AND NUMBER:

FROM: Bonanza 9-18-9-24

TO: Bonanza 9-24-43-18

VERNAL DIST.

ENG. _____

GEOL. _____

E.S. _____

PET. _____

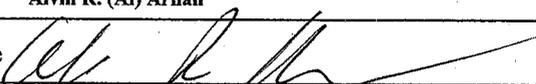
A.M. _____

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

Alvin R. (Al) Arlian

Title **Landman - Regulatory Specialist**

Signature



Date

10/31/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Mark Baker** **Petroleum Engineer** Date **10/31/2005**

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

Office **VERNAL FIELD OFFICE**

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

(Instructions on page 2)

RECEIVED

OCT 08 2009

DIV. OF OIL, GAS & MINING

UDOGM

07JT0227S

APR 21 2005

SEP 21 2005

Form 3160-3
(April 2004)

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

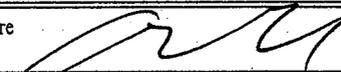
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

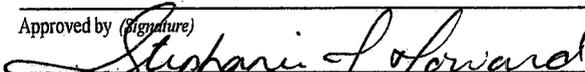
| | | |
|---|--|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. UTU-73457 |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name N/A |
| 2. Name of Operator Enduring Resources, LLC | | 7. If Unit or CA Agreement, Name and No. N/A |
| 3a. Address 475 17th Street, Suite 1500, Denver, CO 80202 | 3b. Phone No. (include area code) 303-573-1222 | 8. Lease Name and Well No. Bonanza 9-18-9-24 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2009 FSL & 852 FEL NESE Sec 18, T9S, R24E At proposed prod. zone SAME | | 9. API Well No. 43-047-36636 |
| 14. Distance in miles and direction from nearest town or post office* | | 10. Field and Pool, or Exploratory |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) | | 11. Sec., T. R. M. or Blk. and Survey or Area NESE Sec 18, T9S, R24E |
| 16. No. of acres in lease 1,585.880 | 17. Spacing Unit dedicated to this well | 12. County or Parish Uintah |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. | 19. Proposed Depth 8,255' | 13. State UT |
| 20. BLM/BIA Bond No. on file UTB000173 | 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,194' Graded Elevation | 22. Approximate date work will start* |
| 23. Estimated duration | 24. Attachments | |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

| | | |
|---|---------------------------------------|--------------------|
| 25. Signature  | Name (Printed/Typed) Alex Campbell | Date 09/19/2005 |
|---|---------------------------------------|--------------------|

Title
Vice President of Land

| | | |
|---|--|----------------|
| Approved by (signature)  | Name (Printed/Typed) Stephanie J Howard | Date 9/4/09 |
|---|--|----------------|

Title
Acting Assistant Field Manager
Lands & Mineral Resources
Office
VERNAL FIELD OFFICE

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

CONDITIONS OF APPROVAL ATTACHED

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

=(Instructions on page 2)

NOTICE OF APPROVAL

UDOGM

NOS Recd 3/16/05
05PP0416A



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Enduring Resources, LLC
Well No: Bonanza 9-24-43-18
API No: 43-047-36636

Location: NESE, Sec. 18, T9S, R24E
Lease No: UTU-73457
Agreement: N/A

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 07/18/2006. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 07/18/2011 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

| | | |
|---|---|--|
| Location Construction (Notify Environmental Scientist) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion (Notify Environmental Scientist) | - | Prior to moving on the drilling rig. |
| Spud Notice (Notify Petroleum Engineer) | - | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify Supv. Petroleum Tech.) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov . |
| BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.) | - | Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify Petroleum Engineer) | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

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

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**CONDITIONS OF APPROVAL (COA)
Bonanza 9-18-9-24 (or Bonanza 9-24-43-18)**

- This proposed well is located within the West Bonanza Area Natural Gas Well Development EA Project. Adhere to applicable COA's approved in the FONSI and Record of Decision for this EA that are listed below:
 1. Noxious Weeds:
 - Power-wash all construction equipment before commencing construction activities.
 - On a weekly basis, power-wash all vehicles that will travel between WBA and outside areas that are infested with noxious weed species.
 - The operator will be responsible for treatment and control of invasive and noxious weeds. Prior to any treatment on BLM administered lands, a Pesticide Use Proposal will be submitted to the Vernal Field Office for approval.
 2. Transportation:
 - Limit use of roads by heavy equipment during the periods when the roads are muddy.
 - Operator will perform normal operational winter maintenance: roads will be plowed to allow safe navigation. And if snow is heavy, plows will provide breaks in the snow piled berms to allow free movement of wildlife across all roads.
 3. Interim Reclamation:

All portions of the well pads and ROWS not utilized for the operation phase of the project will be re-seeded. Post construction seeding applications will continue until determined successful by the BLM.

 - During interim reclamation of the surface, the following seed mixture will be used PLS (Pure Live Seed) formula.

| | |
|---|------------|
| Indian ricegrass (<i>Oryzopsis hymenoides</i>)..... | 3 lbs/acre |
| needle & thread grass (<i>Hesperostipa comata</i>)..... | 3 lbs/acre |
| forage kochia (<i>Kochia prostrata</i>)..... | 2 lbs/acre |
| hycrest crested wheatgrass (<i>Agropyron cristayum/Agropyron desertorum hybrid</i>)..... | 2 lbs/acre |

Rates are set for drill seeding; double the rate if broadcasting.

- Reseeding may be required if initial seeding is not successful.

- Reclamation: All reclamation activities will adhere to the new "Green River District Reclamation Guidelines."
- Specific Conditions Pertaining to Location Construction:
 - Line the reserve pit with 16 mil liner and felt.
- Restrictions for placement of surface pipelines:
 - a) Surface pipelines will be placed 5-10 feet outside of the borrow area.
 - b) Surface pipelines will be placed in such a way that they will not wander into the borrow area.
 - c) Pipelines will be buried at all major road and drainage crossings.
- Paint all facilities Carlsbad canyon within six months of installation, except those facilities which are required to comply with the Occupational Safety and Health Act (OSHA).

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- Production casing cement shall be brought up and into the surface.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

| | |
|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73457 |
| 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: 7. UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: BONANZA 9-24-43-18 |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | 9. API NUMBER: 43047366360000 |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 , Denver, CO, 80202 | PHONE NUMBER: 303 350-5114 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2009 FSL 0852 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 18 Township: 09.0S Range: 24.0E Meridian: S | 9. FIELD and POOL or WILDCAT: DEVILS PLAYGROUND COUNTY: UINTAH STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|--|---|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/2/2010 | <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 checked="" type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

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

Request for an one-year extension to APD termination date.

Approved by the Utah Division of Oil, Gas and Mining

Date: May 03, 2010

By:

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Alvin Arlian | PHONE NUMBER 303 350-5114 | TITLE Landman-Regulatory |
| SIGNATURE N/A | | DATE 5/3/2010 |



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047366360000

API: 43047366360000

Well Name: BONANZA 9-24-43-18

Location: 2009 FSL 0852 FEL QTR NESE SEC 18 TWP 090S RNG 240E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 5/2/2005

The undersigned as owner with legal rights to drill on the property as permitted above, 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.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- 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? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

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

Signature: Alvin Arlian

Date: 5/3/2010

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: May 03, 2010

By:

| | |
|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73457 |
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
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| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/2/2010 | <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 checked="" type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

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

Request for an one-year extension to APD termination date.

Approved by the Utah Division of Oil, Gas and Mining

Date: May 03, 2010

By:

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Alvin Arlian | PHONE NUMBER 303 350-5114 | TITLE Landman-Regulatory |
| SIGNATURE N/A | | DATE 5/3/2010 |



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047366360000

API: 43047366360000

Well Name: BONANZA 9-24-43-18

Location: 2009 FSL 0852 FEL QTR NESE SEC 18 TWP 090S RNG 240E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 5/2/2005

The undersigned as owner with legal rights to drill on the property as permitted above, 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.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- 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? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

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

Signature: Alvin Arlian

Date: 5/3/2010

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: May 03, 2010

By:

| | |
|--|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73457 |
| 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: 7. UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: BONANZA 9-24-43-18 |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | 9. API NUMBER: 43047366360000 |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 , Denver, CO, 80202 | PHONE NUMBER: 303 350-5114 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2009 FSL 0852 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 18 Township: 09.0S Range: 24.0E Meridian: S | 9. FIELD and POOL or WILDCAT: DEVILS PLAYGROUND COUNTY: UINTAH STATE: UTAH |

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

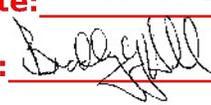
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|--|
| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/2/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 50px;" type="text"/> |

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

Request for an one-year extension to APD termination date.

Approved by the Utah Division of Oil, Gas and Mining

Date: 05/03/2011

By: 

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Alvin Arlian | PHONE NUMBER 303 350-5114 | TITLE Landman-Regulatory |
| SIGNATURE N/A | DATE 4/29/2011 | |



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047366360000

API: 43047366360000

Well Name: BONANZA 9-24-43-18

Location: 2009 FSL 0852 FEL QTR NESE SEC 18 TWP 090S RNG 240E MER S

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- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No

- Has the approved source of water for drilling changed? Yes No

- 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? Yes No

- Is bonding still in place, which covers this proposed well? Yes No

Signature: Alvin Arlian

Date: 4/29/2011

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC



GARY R. HERBERT

Governor

GREG BELL

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

May 11, 2012

Al Arlian
Enduring Resources, LLC
511-16th Street, Ste. 700
Denver, CO 80202

43 OAT 316636
Bonanza 9-24-43-18
93 24E 18

Re: APDs Rescinded for Enduring Resources, LLC
Uintah County

Dear Mr. Arlian:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective April 26, 2012.

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

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



43-047-36650

43-047-36653

43-047-36654

43-047-36656

43-047-36657

→ 43-047-36636

BONANZA 9-23-14-11

BONANZA 9-23-32-12

BONANZA 9-23-43-12

BONANZA 9-23-34-12

BONANZA 9-23-44-12

BONANZA 9-24-43-18



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Green River District
Vernal Field Office
170 South 500 East
Vernal, UT 84078

<http://www.blm.gov/ut/st/en/fo/vernal.html>

November 18, 2013

IN REPLY REFER TO:
3160 (UTG011)

Al Arlian
Enduring Resources LLC
511 16th Street, Suite 700
Denver, CO 80202

43 047 316036

Re: Notice of Expiration
Well No. Bonanza 9-24-~~43~~18
NESE, Sec. 18, T9S, R24E
Uintah County, Utah
Lease No. UTU-73457

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the above-referenced well was approved on September 4, 2009. No extension of the original APD was requested. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

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

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

cc: UDOGM

bcc: Well File
I&E Asst.

RECEIVED

NOV 29 2013

DIV. OF OIL, GAS & MINING