

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

001

5. LEASE DESIGNATION AND SERIAL NO.

**UTU-74426**

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

**na**

1a TYPE OF WORK

**DRILL**

**DEEPEN**

**PLUG BACK**

B TYPE OF WELL

OIL

**GAS**

SINGLE

WELL

WELL

OTHER

ZONE

MULTIPLE ZONE

7. UNIT AGREEMENT NAME

**na**

8. FARM OR LEASE NAME

**na**

2. NAME OF OPERATOR

**The Houston Exploration Company**

9. WELL NO.

**Bonanza 9-11-9-23**

3. ADDRESS OF OPERATORS

**1100 Louisiana Suite 2000 Houston, TX 77002**

10. FIELD OR LEASE NAME

**Natural Buttes**

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

at surface **2008' FSL & 553' FEL NESE 646207X 40.048761**

At proposed prod. Zone **same as above 44343664 109.286040**

11. Sec., T., R., M., OR BLK

**AND SURVEY OR AREA  
Sec, 11, T9S, R23E**

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

**49.65 miles south of vernal, UT**

12. COUNTY OR PARISH

**Uintah**

13. STATE

**Utah**

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

**553'**

16. NO. OF ACRES IN LEASE

**1,200**

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.

**1,400**

19. PROPOSED DEPTH

**8,240**

20. ROTARY OR CABLE TOOLS

**Rotary**

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

**5006.9**

22. APPROX. DATE WORK WILL START

**April 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**

*Federal Approval of this  
Action is Necessary*

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

**William A. Ryan**

**Agent**

**Mar. 30, 2005**

SIGNATURE

TITLE

DATE

( This space for Federal or State Office use )

PERMIT NO

**43-047-36048**

APPROVAL DATE

APPROVED BY  
CONDITIONS OF APPROVAL, IF ANY:

TITLE

**BRADLEY G. HILL  
ENVIRONMENTAL SCIENTIST III**

DATE

**04-28-05**

**\*See Instructions on Reverse Side**

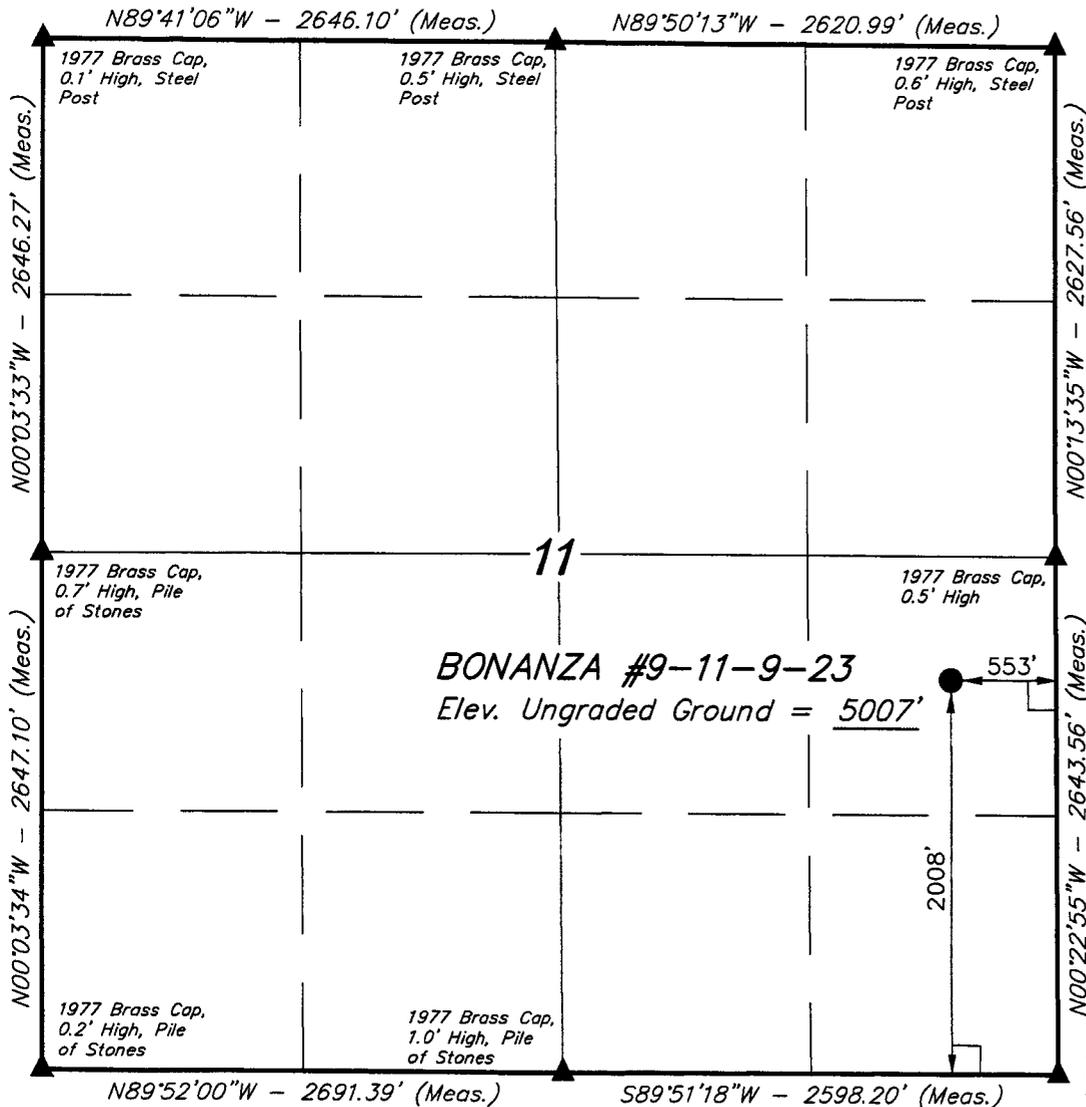
Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**CONFIDENTIAL**

# T9S, R23E, S.L.B.&M.

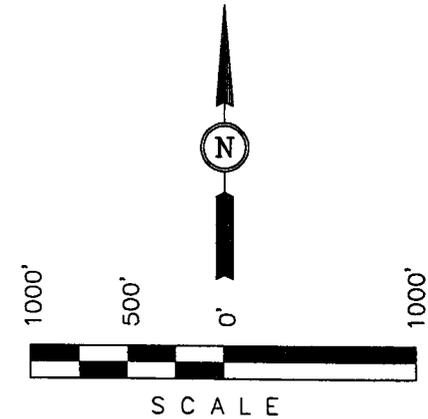
## THE HOUSTON EXPLORATION COMPANY

Well location, BONANZA #9-11-9-23, located as shown in the NE 1/4 SE 1/4 of Section 11, T9S, R23E, 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, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 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.

*J. L. [Signature]*  
 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°02'55.56" (40.048767)

LONGITUDE = 109°17'12.46" (109.286794)

(AUTONOMOUS NAD 27)

LATITUDE = 40°02'55.68" (40.048800)

LONGITUDE = 109°17'10.02" (109.286117)

### 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: 02-03-05	DATE DRAWN: 02-14-05
PARTY G.O. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE THE HOUSTON EXPLORATION COMPANY	

**SELF-CERTIFICATION STATEMENT**

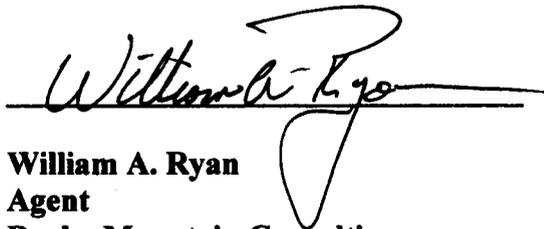
The following self-certification statement is provided per Federal requirements dated June 15, 1988.

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

**Bonanza 9-11-9-23**  
**Section 11, T.9S, R.23E.**  
**NE 1/4, SE 1/4**  
**Lease UTU-74426**  
**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.

A handwritten signature in black ink, appearing to read "William A. Ryan", is written over a horizontal line. The signature is fluid and cursive.

**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 9-11-9-23

Surface Location NE ¼ SE ¼, Section 11, T. 9S., R. 23E.

**1. Surface Formation**

Green River

**2. Estimated Formation Tops and Datum:**

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+5,007' G.L.
Uteland Butte Limestone	4,415	+592'
Wasatch	4,550	+457'
Mesaverda	6,390	-1,383'
Buck Tounge	8,185	-3,178'
Castlegate	8,260	-3,253'
TD	8,240	-3,233'

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**

Off set wells:

Permitted/Drilled:

Bonanza #2-11-9-23	Bonanza #2-12-9-23
Bonanza #3-11-9-23	Bonanza #3-12-9-23
Bonanza #5-11-9-23	Bonanza #5-12-9-23
Bonanza #6-11-9-23	Bonanza #6-12-9-23
Bonanza #7-11-9-23	Bonanza #7-12-9-23
Bonanza #11-11-9-23	Bonanza #9-12-9-23
Bonanza #13-11-9-23	Bonanza #11-12-9-23
Bonanza #14-11-9-23	Bonanza #13-12-9-23
Bonanza #15-11-9-23	Bonanza #15-12-9-23

Producing Wells: Bonanza #12D-12

Abandoned Wells: SR #23-11

Shut in Wells: Bonanza #1-11

**4. Proposed Casing:**

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

**Cement Program:**

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

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

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

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

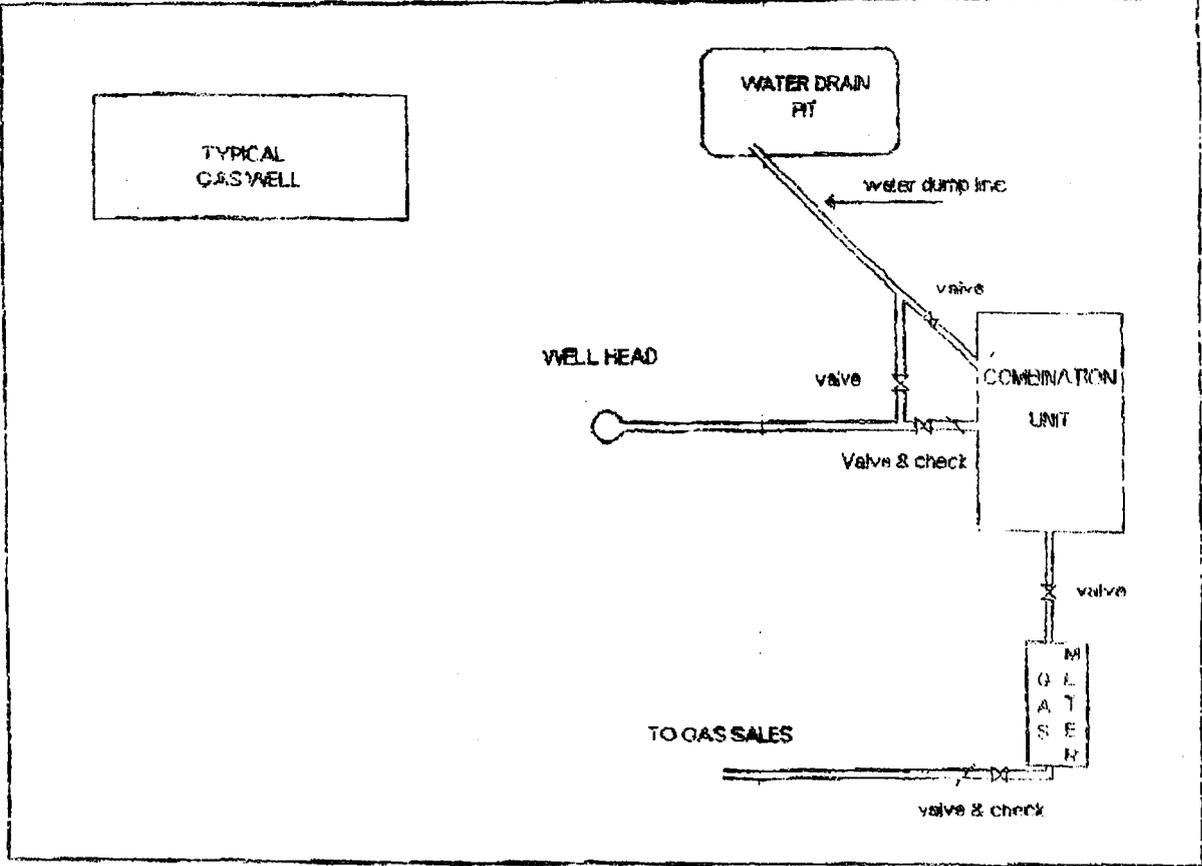
Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

## 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.

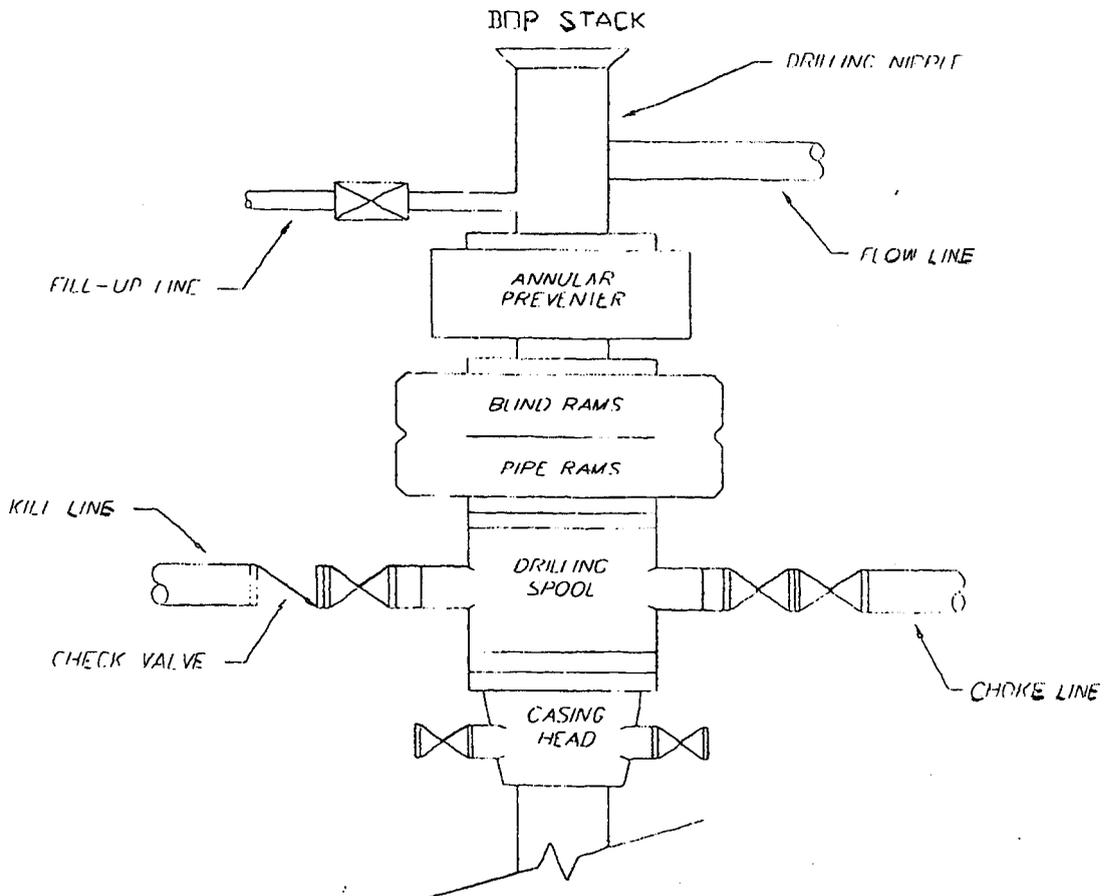
## 10. Drilling Schedule:

The anticipated starting date is April 15, 2005. Duration of operations is expected to be 30 days.

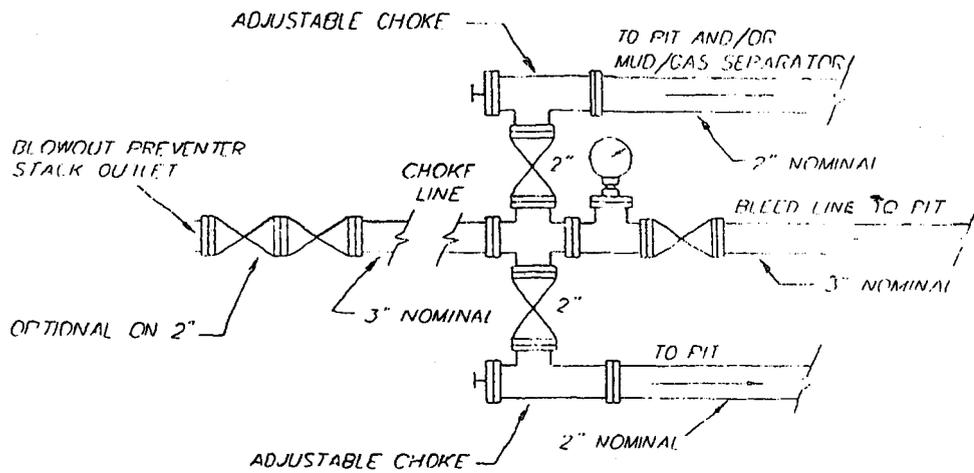


# THE HOUSTON EXPLORATION COMPANY

## 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 9-11-9-23**

**LOCATED IN NE ¼ SE ¼**

**SECTION 11, T. 9S, R23E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**LEASE NUMBER: UTU-74426**

**SURFACE OWNERSHIP: FEDERAL**

**1. Existing Roads:**

**To reach The Houston Exploration Co well Bonanza #9-11-9-23 in Section 11, T9S, R23E, 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 7.8 miles to the junction of this road and an existing road to the north; turn right and proceed in a northerly, then northeasterly direction approximately 0.8 to the junction of this road and an existing two-track road to the southeast; turn right and proceed in a southeasterly direction approximately 0.2 miles to the beginning of the proposed access for the #10-11 and the beginning of the proposed access to the east; follow road flags in an easterly direction approximately 792' to the proposed location.**

**Total distance from Vernal, Utah to the proposed well location is approximately 49.65 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**  
**Bonanza #12D-12**
- B) Water well** None

- B) Abandoned well  
SR #23-11
- D) Temp. abandoned well      None
- E) Disposal well                      None
- F) Drilling /Permitted well
  - Bonanza 1-12-9-23
  - Bonanza 2-12-9-23
  - Bonanza 3-12-9-23
  - Bonanza 4-12-9-23
  - Bonanza 5-12-9-23
  - Bonanza 6-12-9-23
  - Bonanza 7-12-9-23
  - Bonanza 8-12-9-23
  - Bonanza 9-12-9-23
  - Bonanza 10-12-9-23
  - Bonanza 11-12-9-23
  - Bonanza 12-12-9-23
  - Bonanza 13-12-9-23
  - Bonanza 14-12-9-23
  - Bonanza 15-12-9-23
  - Bonanza 16-12-9-23
  - Bonanza 2-11-9-23
  - Bonanza 10-11-9-23
  - Bonanza 16-11-9-23
  - Bonanza 3-11-9-23
  - Bonanza 5-11-9-23
  - Bonanza 4-11
  - Bonanza 6-11-9-23
  - Bonanza 7-11-9-23
  - Bonanza 8-11
  - Bonanza 12-11
  - Bonanza 11-11-9-23
  - Bonanza 13-11-9-23
  - Bonanza 14-11-9-23
  - Bonanza 15-11-9-23
- G) Shut in wells  
Bonanza 1-11
- 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 849' +/- of 3" pipeline would be constructed on Federal Lands. The pipeline will tie into the proposed pipeline in Sec 11, T9S, R23E. The pipeline**

**will be strung and boomed to the west of the location and the north side of the access road.**

**will come from The White River at the Bonanza Bridge, Permit # - T75376.**

**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**

**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**                      **15.5 ft**
- G) Max fill**                      **3.6 ft**

- H) Total cut yds.** **6,450 cu yds**
- I) Pit location**                   **south end**
- J) Top soil location**            **north 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 1,620 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:

<b>Access road</b>	<b>Federal</b>
<b>Location</b>	<b>Federal</b>
<b>Pipe line</b>	<b>Federal</b>

12. Other information:

chemicals will be used without prior application.

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of 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 7 miles to the South.**

E) Chemicals:

No pesticides, herbicides or other possible hazardous

F) Notification:

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

G) Flare pit:

The flare pit will be located in **corner 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.

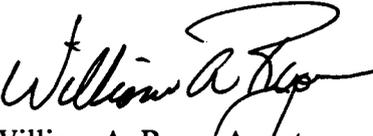
This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

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 preformed 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 04/11/05

  
William A. Ryan, Agent  
Rocky Mountain Consulting

**Onsite Dates: 3/18/05**

### **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 #9-11-9-23  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 11, T9S, R23E, S.L.B.&M.

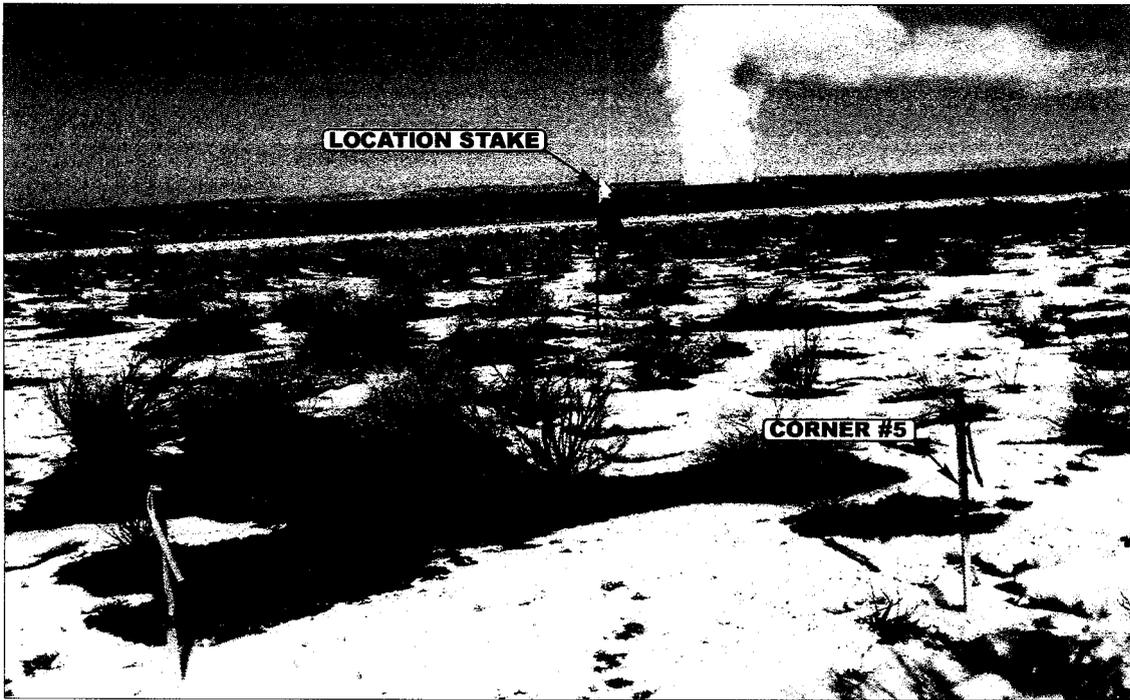


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

**E&L S**

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

LOCATION PHOTOS

02 16 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.O.

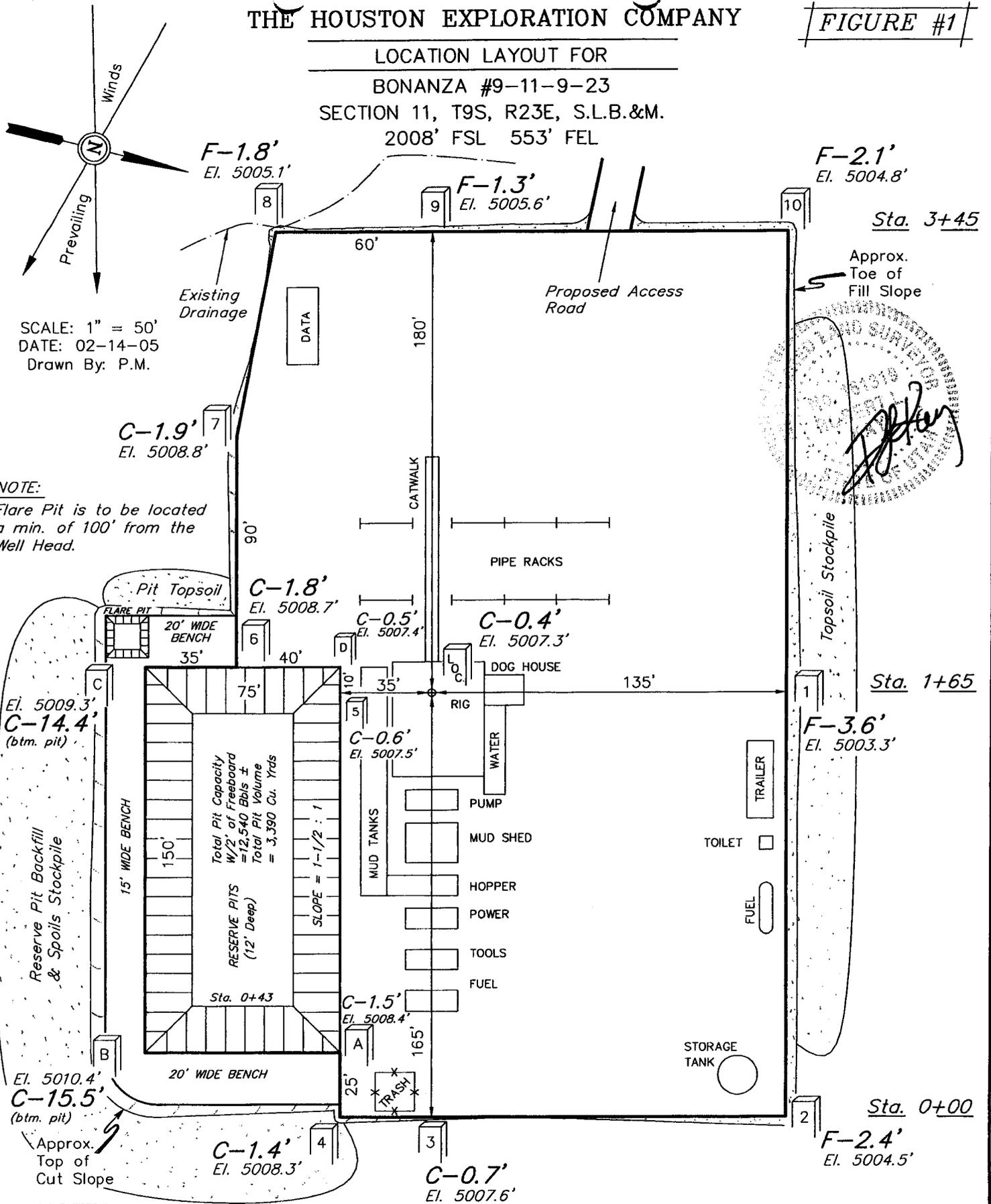
DRAWN BY: C.P.

REVISED: 00-00-00

THE HOUSTON EXPLORATION COMPANY

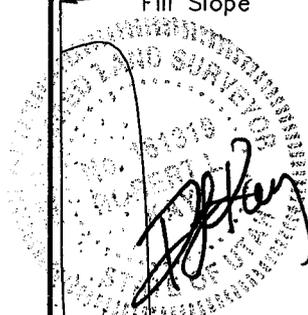
FIGURE #1

LOCATION LAYOUT FOR  
 BONANZA #9-11-9-23  
 SECTION 11, T9S, R23E, S.L.B.&M.  
 2008' FSL 553' FEL



SCALE: 1" = 50'  
 DATE: 02-14-05  
 Drawn By: P.M.

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



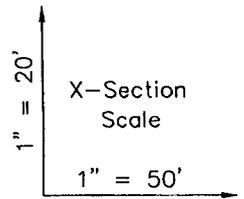
NOTES:

Elev. Ungraded Ground At Loc. Stake = 5007.3'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5006.9'

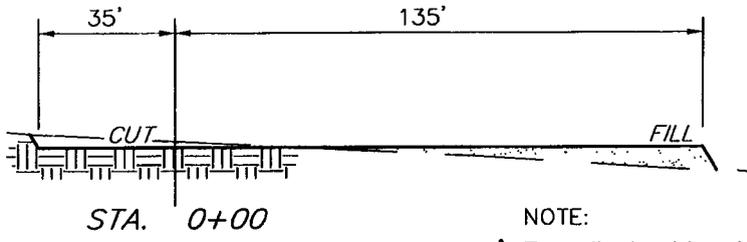
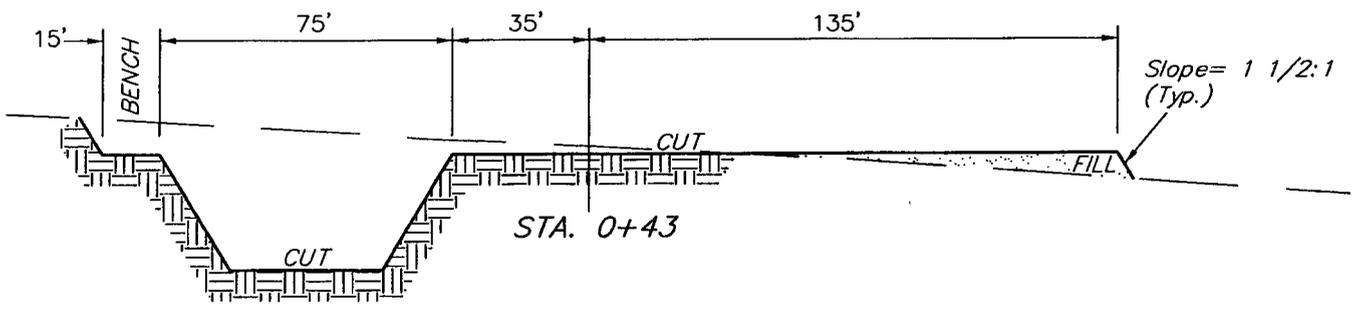
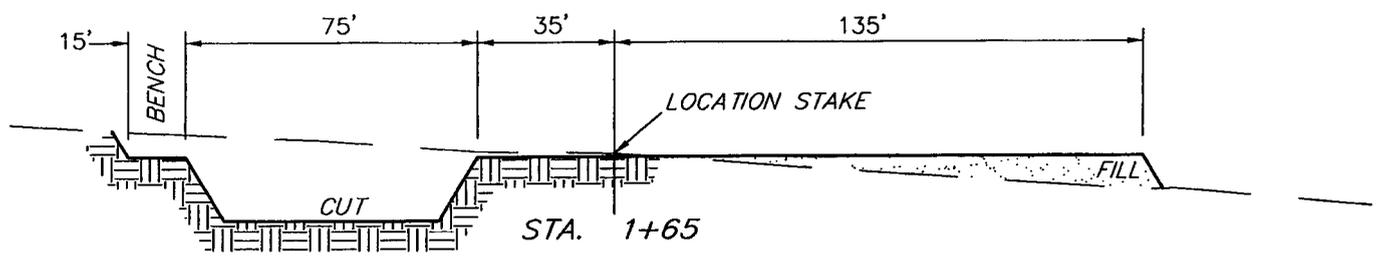
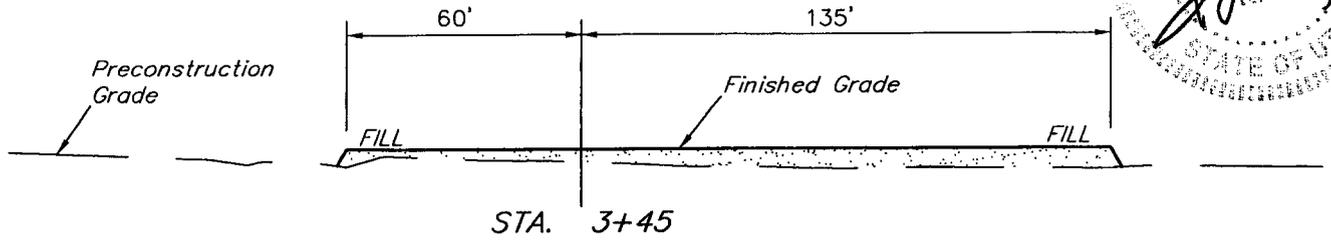
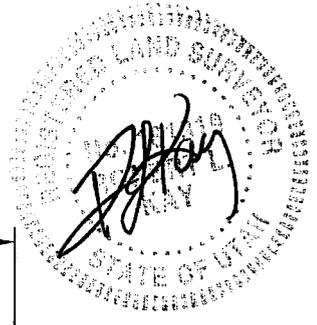
# THE HOUSTON EXPLORATION COMPANY

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 BONANZA #9-11-9-23  
 SECTION 11, T9S, R23E, S.L.B.&M.  
 2008' FSL 553' FEL



DATE: 02-14-05  
 Drawn By: P.M.



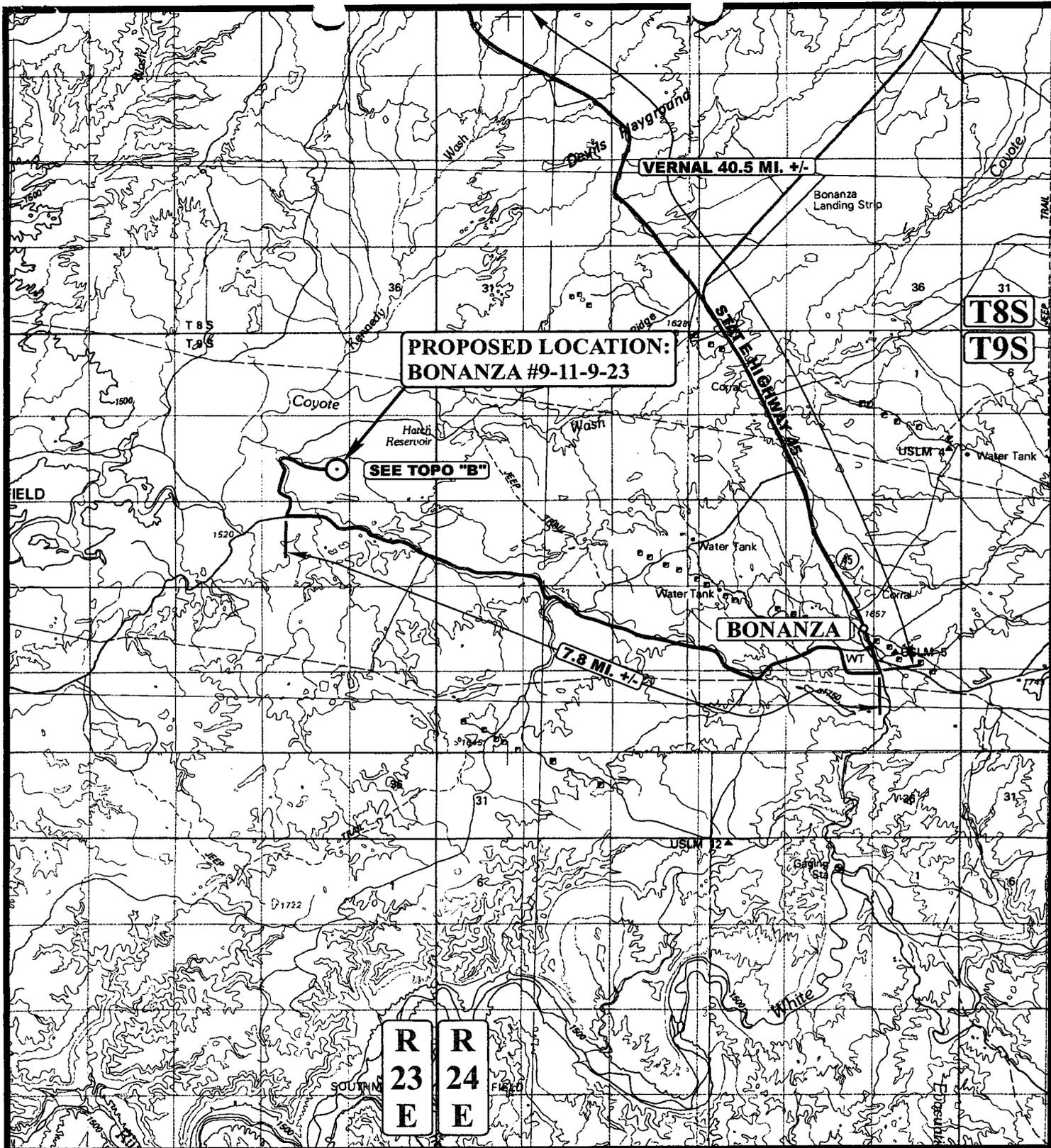
\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,620 Cu. Yds.
Remaining Location	= 4,830 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,450 CU.YDS.</b>
<b>FILL</b>	<b>= 3,130 CU.YDS.</b>

EXCESS MATERIAL	= 3,320 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,320 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**LEGEND:**

○ PROPOSED LOCATION



**THE HOUSTON EXPLORATION COMPANY**

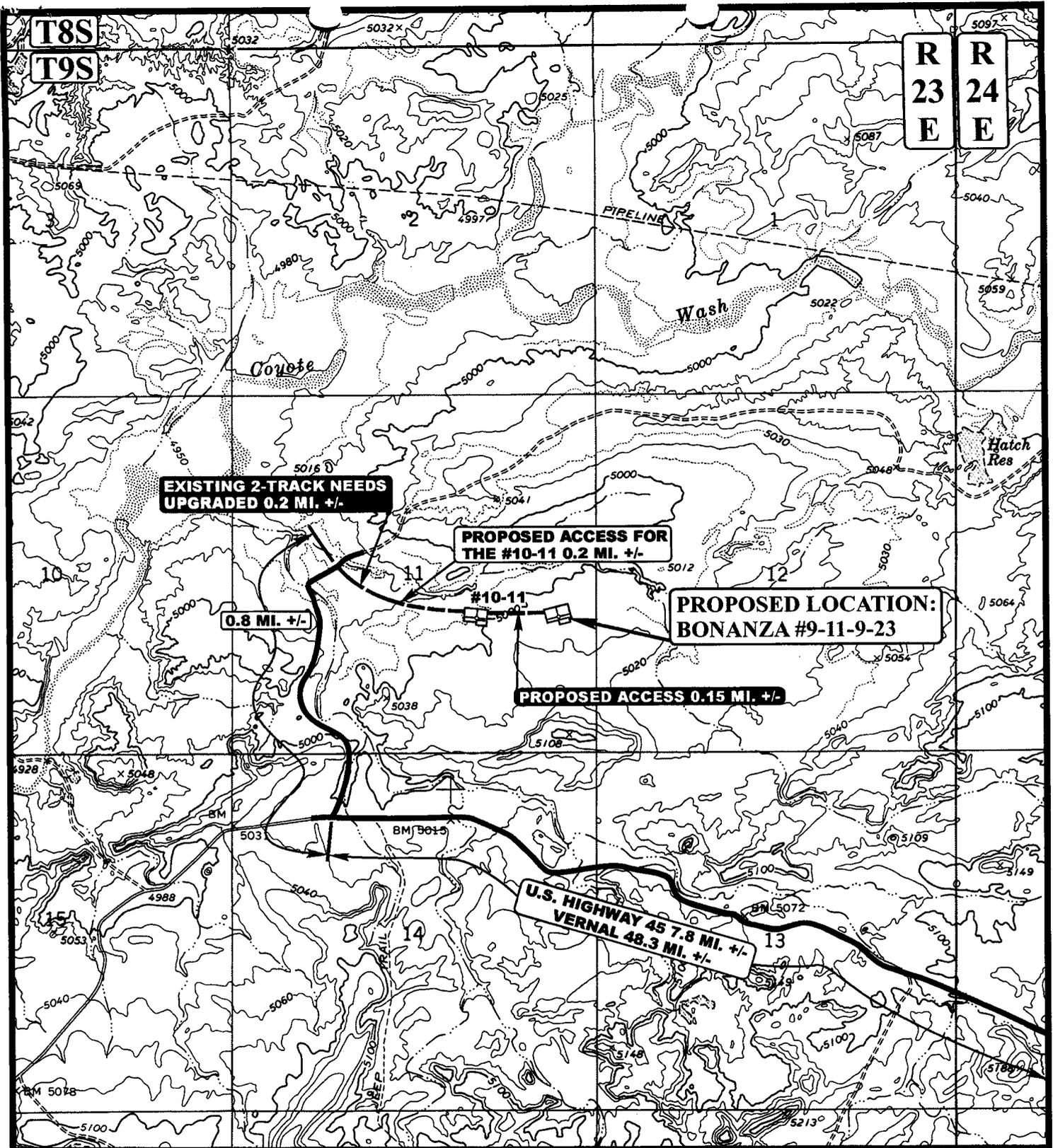
**BONANZA #9-11-9-23**  
**SECTION 11, T9S, R23E, S.L.B.&M.**  
**2008' FSL 553' FEL**



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

**TOPOGRAPHIC** 02 16 05  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED



**THE HOUSTON EXPLORATION COMPANY**

BONANZA #9-11-9-23  
 SECTION 11, T9S, R23E, S.L.B.&M.  
 2008' FSL 553' FEL



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

TOPOGRAPHIC  
 MAP

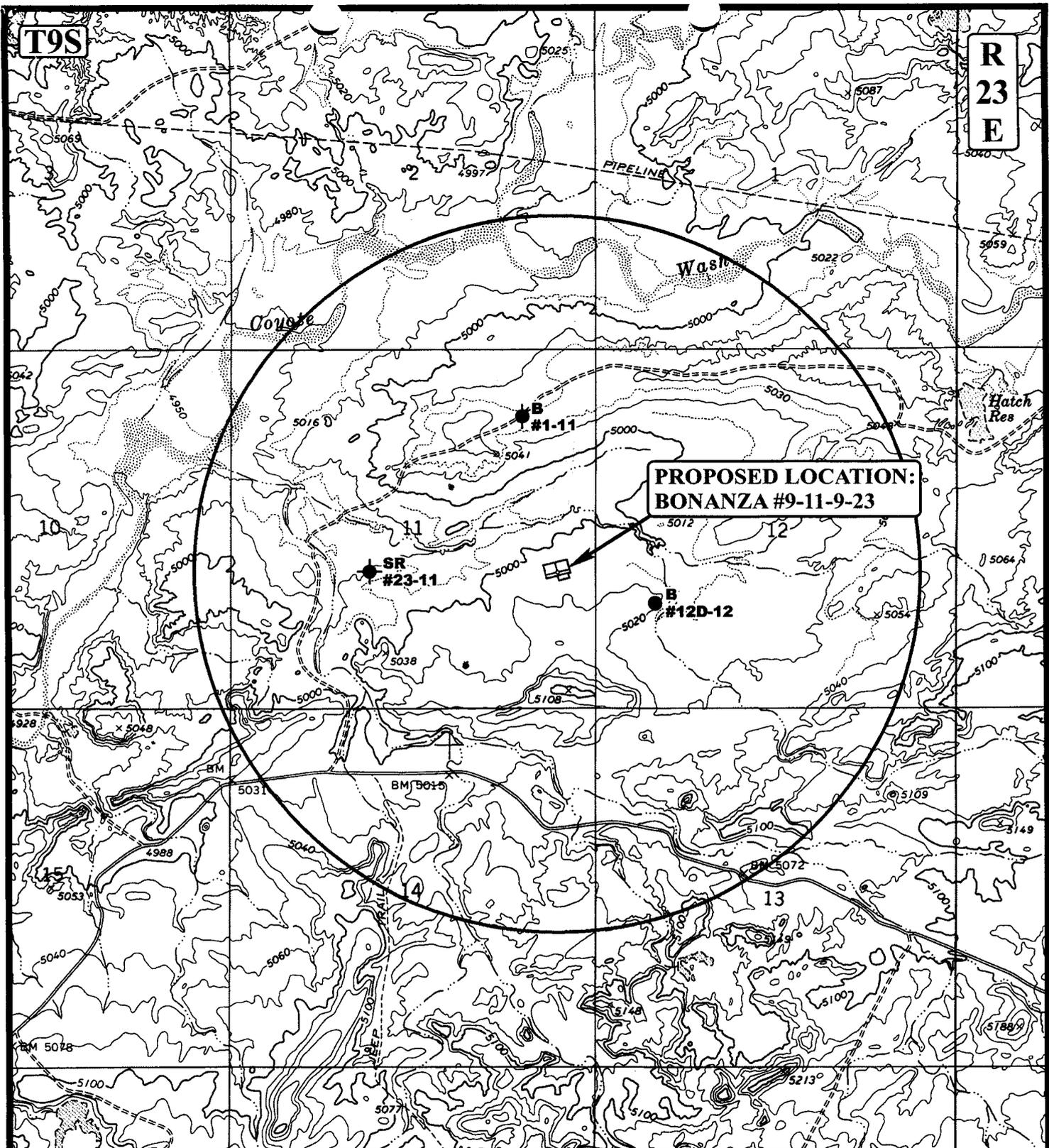
02	16	05
MONTH	DAY	YEAR

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



T9S

R 23 E



**PROPOSED LOCATION:  
BONANZA #9-11-9-23**

**LEGEND:**

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

**THE HOUSTON EXPLORATION COMPANY**

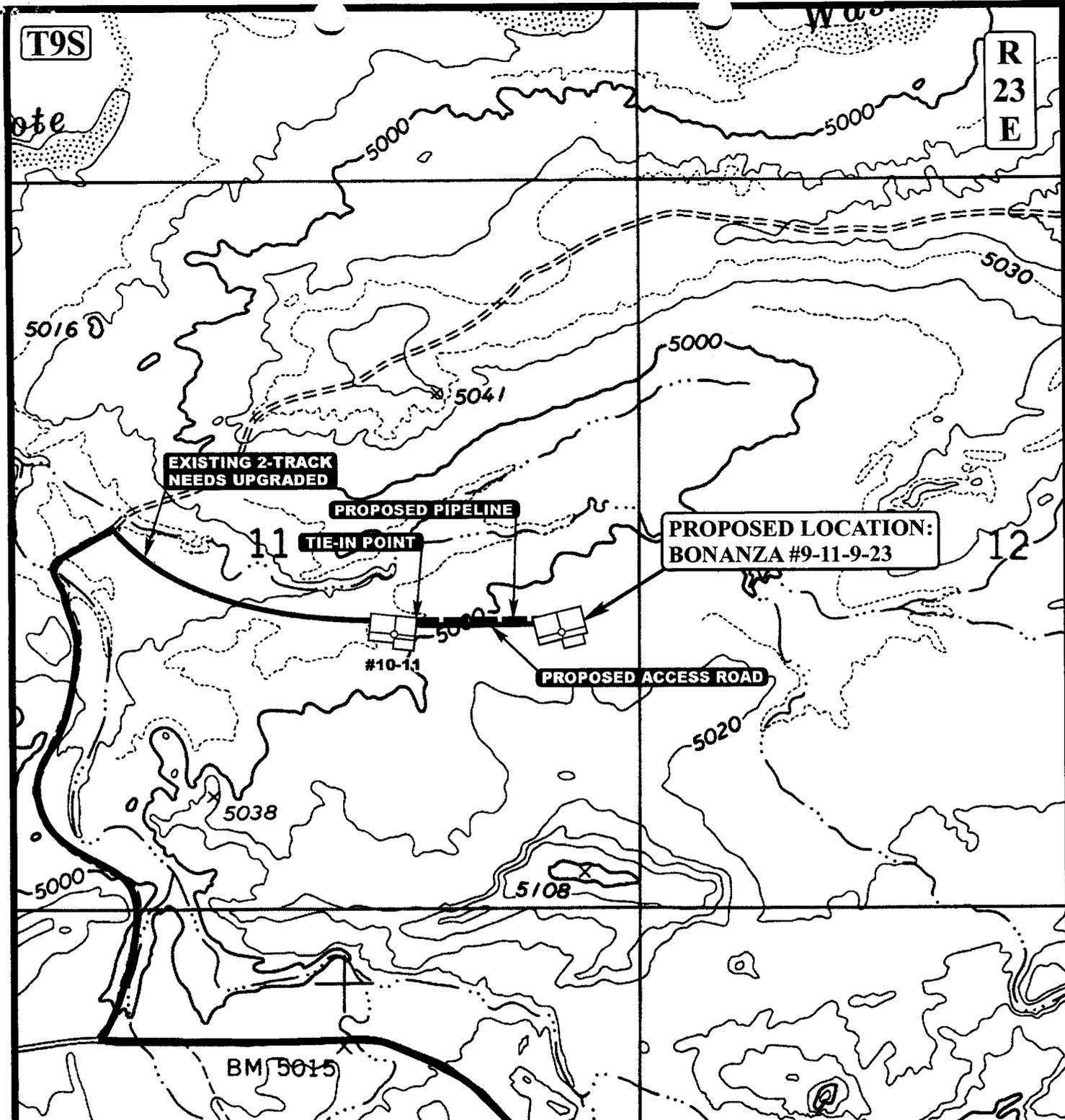
**BONANZA #9-11-9-23  
SECTION 11, T9S, R23E, S.L.B.&M.  
2008' FSL 553' FEL**



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

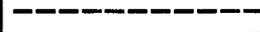
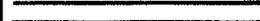


<b>TOPOGRAPHIC</b>	<b>02</b>	<b>16</b>	<b>05</b>	<b>C</b> <b>TOPO</b>
<b>MAP</b>	MONTH	DAY	YEAR	
SCALE: 1" = 2000'	DRAWN BY: C.P.		REVISED: 00-00-00	



APPROXIMATE TOTAL PIPELINE DISTANCE = 849' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  EXISTING 2-TRACK NEEDS UPGRADED



**THE HOUSTON EXPLORATION COMPANY**

BONANZA #9-11-9-23  
 SECTION 11, T9S, R23E, S.L.B.&M.  
 2008' FSL 553' FEL



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

<b>TOPOGRAPHIC MAP</b>	02	16	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: 43-047-36648

WELL NAME: BONANZA 9-11-9-23  
OPERATOR: HOUSTON EXPLORATION CO, ( N2525 )  
CONTACT: BILL RYAN

PHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

NESE 11 090S 230E  
SURFACE: 2008 FSL 0553 FEL  
BOTTOM: 2008 FSL 0553 FEL  
UINTAH  
NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
LEASE NUMBER: UTU-74426  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: CSLGT  
COALBED METHANE WELL? NO

LATITUDE: 40.04876  
LONGITUDE: -109.2860

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)

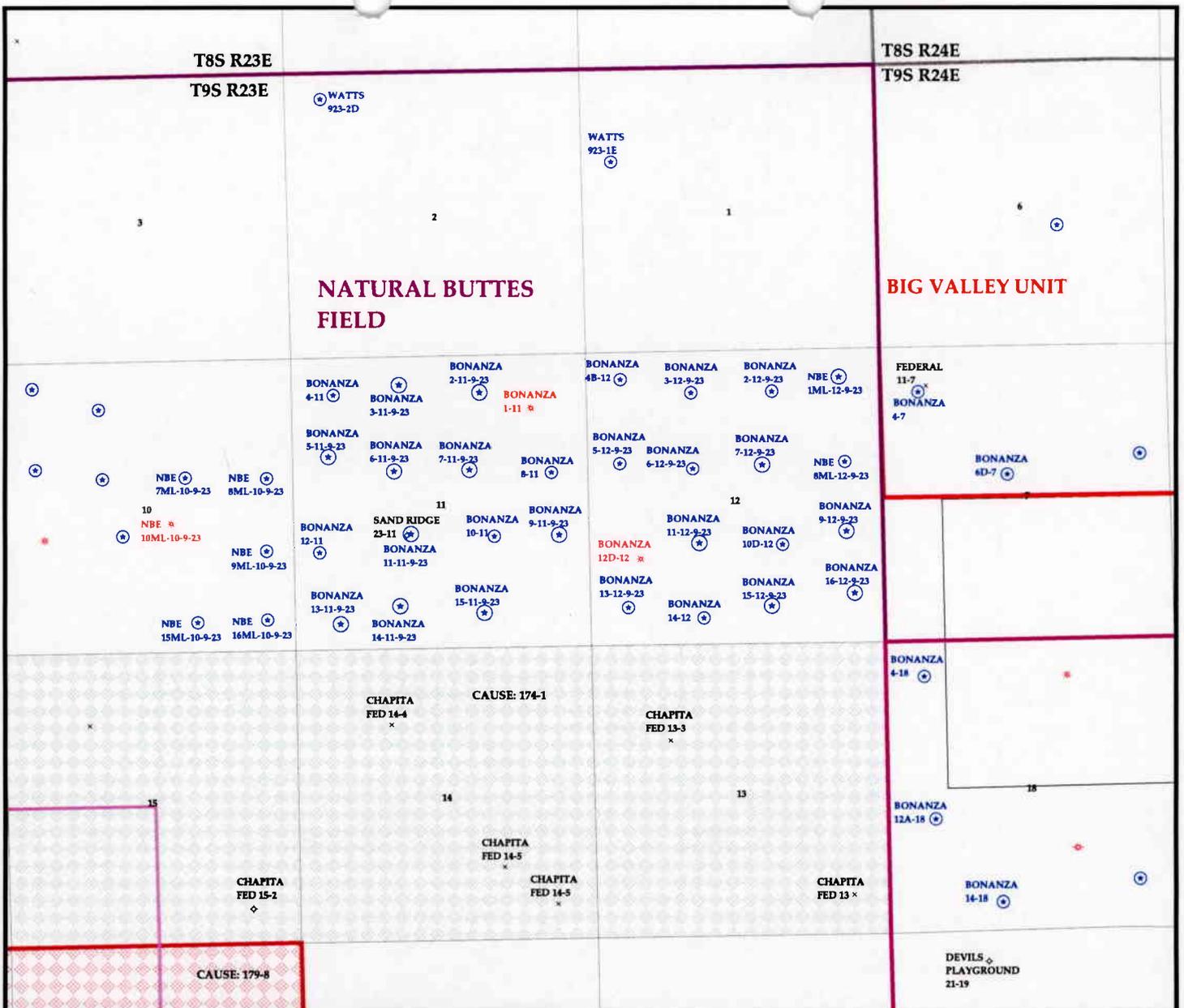
LOCATION AND SITING:

- 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

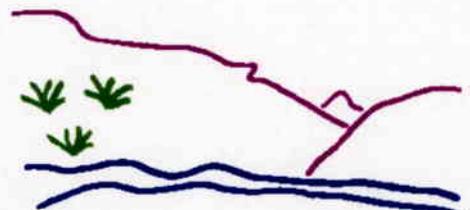
COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

1. Federal Approval  
2. Spacing Strip



**OPERATOR: THE HOUSTON EXPL CO (N2525)**  
**SEC: 11 & 12 T. 9S R. 23E**  
**FIELD: NATURAL BUTTES (630)**  
**COUNTY: UINTAH**  
**SPACING: R649-3-2 / GENERAL SITING**



*Utah Oil Gas and Mining*



**PREPARED BY: DIANA WHITNEY**  
**DATE: 28-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		

005



**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*

April 28, 2005

The Houston Exploration Company  
1100 Louisiana, Suite 2000  
Houston, Texas 77002

Re: Bonanza 9-11-9-23 Well, 2008' FSL, 553' FEL, NE SE, Sec. 11, T. 9 South,  
R. 23 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 43-047-36648.

Sincerely,

for John R. Baza  
Associate Director

jc  
Enclosures

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



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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL 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
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER:
COUNTY: Uintah		10. FIELD AND POOL, OR 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: <b>Effective 9/1/05</b>	<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 9/1/05	<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) Joanne Hresko TITLE Vice President/General Manager Onshore  
SIGNATURE *Joanne Hresko* DATE 9/2/2005

(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)

<b>Well name:</b>	Bonanza 9-11-9-23
<b>API number:</b>	4304736648
<b>Location:</b>	Qtr-Qtr: NESE Section: 11 Township: 9S Range: 23E
<b>Company that filed original application:</b>	HOUSTON EXPLORATION COMPANY
<b>Date original permit was issued:</b>	04/28/2005
<b>Company that permit was issued to:</b>	HOUSTON EXPLORATION COMPANY

Check one	Desired Action:
<input type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
<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"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
<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	SENW	36	9S-24E	2217 N	2009 W	39.99336	-109.16393
43047359120000	Bonanza 6B-8	Producing	SENW	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	SENW	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
<del>Asphalt Wash 19-7</del>	<del>SW/SW</del>	<del>7</del>	<del>11S</del>	<del>24E</del>	<del>UTU-73010</del>	<del>739' FSL &amp; 629' FWL</del>	<del>43-047-36234</del>
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
<del>Buck Canyon 15-24</del>	<del>SW/SE</del>	<del>24</del>	<del>12S</del>	<del>21E</del>	<del>UTU-73440</del>	<del>760' FSL &amp; 2,139' FEL</del>	<del>43-047-35985</del>
<del>Buck Canyon 7-24</del>	<del>SW/NE</del>	<del>24</del>	<del>12S</del>	<del>21E</del>	<del>UTU-73440</del>	<del>2,041' FNL &amp; 2,171' FEL</del>	<del>43-047-35904</del>
<del>Buck Canyon 9-24</del>	<del>NE/SE</del>	<del>24</del>	<del>12S</del>	<del>21E</del>	<del>UTU-73440</del>	<del>1784' FSL &amp; 855' FEL</del>	<del>43-047-35903</del>
Rainbow 1-17	NE/NE	17	11S	24E	UTU-73920	795' FNL & 586' FEL	43-047-36151
Southman Canyon #14-30	SE/SW	30	9S	24E	UTU-80571	740' FSL & 1,737' FWL	43-047-35914
Southman Canyon #4C-30	NW/NW	30	9S	24E	UTU-80571	676' FNL & 568' FWL	43-047-35913
Southman Canyon 12-30	NW/SW	30	9S	24E	UTU-80571	1,912' FSL & 513' FWL	43-047-36104
Southman Canyon 8-30	SE/NE	30	9S	24E	UTU-80571	1,875' FNL & 818' FEL	43-047-35994
Southman Canyon 9-30	NE/SE	30	9S	24E	UTU-80571	2,089' FSL & 831' FEL	43-047-36019

\* 43047-35906  
• 43047-35953

# TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

#3

**PREVIOUS OPERATOR:** Houston Exploration Company

**NEW OPERATOR:** Enduring Resources, LLC

**EFFECTIVE DATE:** September 1st, 2005

Well Name	Q/Q	Sec	T	R	Lease Number	Footages f/ Sec Lines - SL	API Number	FIELD	Well Type
Asphalt Wash 11-16-11-24	NESW	16	11S	24E	ML-73921	2000 FSL & 1900 FWL	43-047-37088	Undesignated	Gas
Asphalt Wash 12-16-11-24	NWSW	16	11S	24E	ML-47080	2060 FSL & 839 FWL	43-047-36873	Undesignated	Gas
Asphalt Wash 14-16-11-24	SESW	16	11S	24E	ML-47080	537 FSL & 2140 FWL	43-047-36876	Undesignated	Gas
Asphalt Wash 3-16-11-24	NENW	16	11S	24E	ML-47080	825 FNL & 2116 FWL	43-047-36886	Undesignated	Gas
Asphalt Wash 4-16-11-24	NWNW	16	11S	24E	ML-47080	521 FNL & 766 FWL	43-047-36885	Undesignated	Gas
Asphalt Wash 5-16-11-24	SWNW	16	11S	24E	ML-47080	1880 FNL & 630 FWL	43-047-37089	Undesignated	Gas
Asphalt Wash 7-16-11-24	SWNE	16	11S	24E	ML-47080	1781 FNL & 1676 FEL	43-047-36874	Undesignated	Gas
Asphalt Wash 8-16-11-24	SENE	16	11S	24E	ML-47080	1905 FNL & 642 FEL	43-047-36875	Undesignated	Gas
Bonanza 14-20	SESW	20	9S	25E	ML-45558	838' FSL & 1,922' FWL	43-047-35930	Chapita Wells	Gas
Bonanza 4-20	NWNW	20	9S	25E	ML-45558	933' FNL & 583 FWL	43-047-35924	Chapita Wells	Gas
Bonanza 4-29	NWNW	29	9S	25E	ML-45559	600' FNL & 596' FWL	43-047-36010	Chapita Wells	Gas
Bonanza 4-36	NWNW	36	9S	24E	ML-46527	258' FNL & 862' FWL	43-047-35861	Natural Buttes	Gas
Bonanza 6-20	SESW	20	9S	25E	ML-45558	2,178' FNL & 1,839' FWL	43-047-35928	Chapita Wells	Gas
<del>Buck Canyon 9-16-12-21</del>	<del>NESE</del>	<del>16</del>	<del>12S</del>	<del>21E</del>	<del>ML-47085</del>	<del>1980' FSL &amp; 660' FEL</del>	<del>43-047-37091</del>	<del>Buck Canyon</del>	<del>Gas</del>
Buck Canyon 11-16-12-21	NESW	16	12S	21W	ML-47085	NA	43-047-37119	Undesignated	Gas
Buck Canyon 13-16-21-21	SWSW	16	21S	21W	ML-47085	NA	43-047-37118	Undesignated	Gas
Buck Canyon 15-16-12-21	SWSE	16	12S	21W	ML-47085	NA	43-047-37120	Buck Canyon	Gas
East Bench 1-16	NENE	16	11S	22E	ML-46911	660' FNL & 660' FEL	43-047-36126	Undesignated	Gas
East Bench 15-16	SWSE	16	11S	22E	ML-46911	545' FSL & 1,848' FEL	43-047-36128	Undesignated	Gas
East Bench 3-16	NENW	16	11S	22E	ML-46911	832' FNL & 1,978' FWL	43-047-36125	Undesignated	Gas
East Bench 7-16	SWNE	16	11S	22E	ML-46911	1,909' FNL & 1,643' FEL	43-047-36127	Undesignated	Gas
East Bench 12-16-11-22	NWSW	16	11S	22E	ML-46911	1862 FSL & 838 FEL	43-047-37128	Undesignated	Gas
East Bench 13-16-11-22	SWSW	16	11S	22E	ML-46911	880 FSL & 750 FWL	43-047-37130	Undesignated	Gas
East Bench 14-16-11-22	SESW	16	11S	22E	ML-46911	848 FSL & 1930 FWL	43-047-37122	Undesignated	Gas
East Bench 16-16-11-22	SESE	16	11S	22E	ML-46911	663 FSL & 1055 FEL	43-047-37121	Undesignated	Gas
East Bench 2-16-11-22	NWNE	16	11S	22E	ML-46911	705 FNL & 2077 FEL	43-047-37125	Undesignated	Gas
East Bench 4-16-11-22	NWNW	16	11S	22E	ML-46911	760 FNL & 860 FWL	43-047-37126	Undesignated	Gas
East Bench 5-16-11-22	SWNW	16	11S	22E	ML-46911	1980 FNL & 758 FWL	43-047-37129	Undesignated	Gas
East Bench 6-16-11-22	SESW	16	11S	22E	ML-46911	1887 FNL & 2138 FWL	43-047-37124	Undesignated	Gas
East Bench 8-16-11-22	SENE	16	11S	22E	ML-46911	1880 FNL & 780 FEL	43-047-37127	Undesignated	Gas
East Bench 9-16-11-22	NESE	16	11S	22E	ML-46911	2035 FSL & 1422 FEL	43-047-37123	Undesignated	Gas
<del>Gusher 6-2</del>	<del>SESW</del>	<del>2</del>	<del>6S</del>	<del>19E</del>	<del>ML-49144</del>	<del>1550 FNL &amp; 1025 FWL</del>	<del>43-047-36969</del>	<del>Moffit Canal</del>	<del>Oil</del>
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
<del>Rock House 9-32-10-23</del>	<del>NESE</del>	<del>32</del>	<del>10S</del>	<del>23E</del>	<del>ML-47063</del>	<del>2008 FSL &amp; 1042 FEL</del>	<del>43-047-36337</del>	<del>Natural Buttes</del>	<del>Gas</del>
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
<del>Southman Canyon 11-36-9-23</del>	<del>NESW</del>	<del>36</del>	<del>9S</del>	<del>23E</del>	<del>ML-47782</del>	<del>1965 FSL &amp; 1953 FWL</del>	<del>43-047-36535</del>	<del>Natural Buttes</del>	<del>Gas</del>
<del>Southman Canyon 13-36-9-23</del>	<del>SWSW</del>	<del>36</del>	<del>9S</del>	<del>23E</del>	<del>ML-47782</del>	<del>467 FSL &amp; 825 FWL</del>	<del>43-047-36532</del>	<del>Natural Buttes</del>	<del>Gas</del>

**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
<del>Asphalt Wash 13-6</del>	<del>SW/SW</del>	<del>6</del>	<del>11S</del>	<del>24E</del>	<del>UTU-73919</del>	<del>400' FSL &amp; 550' FWL</del>	
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
<del>Rockhouse #12-30</del>	<del>NW/SW</del>	<del>30</del>	<del>10S</del>	<del>23E</del>	<del>UTU-80571</del>	<del>1,980' FSL &amp; 660' FWL</del>	<del>43-047-36018</del> X
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**

<b>FROM: (Old Operator):</b> N2525-The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002 Phone: 1-(713) 830-6938	<b>TO: ( New Operator):</b> 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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74426
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 9-11-9-23
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304736648
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,008' FSL - 553' FEL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 11 9S 23E S STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Natural Buttes

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>3/23/2006</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.

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

FROM: 4-28-2006  
TO: 4-28-2007

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

Date: 04-05-06  
By: [Signature]

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/23/2006</u>

(This space for State use only)

MAR 28 2006

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

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

**API:** 4304736648  
**Well Name:** Bonanza 9-11-9-23  
**Location:** 2,008' FSL - 553' FEL , NESE, Sec. 11 T9S-R23E  
**Company Permit Issued to:** The Houston Exploration Company  
**Date Original Permit Issued:** 4/28/2005

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

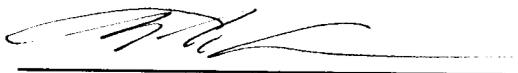
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

3/23/2006

\_\_\_\_\_  
Date

**Title:** Landman - Regulatory Specialist

**Representing:** Enduring Resources, LLC

MAR 28 2006

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

**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  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
Enduring Resources, LLC

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

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74426

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a

7. UNIT or CA AGREEMENT NAME: n/a

8. WELL NAME and NUMBER: Bonanza 9-23-43-11

9. API NUMBER: 4304736648

10. FIELD AND POOL, OR WILDCAT: Natural Buttes

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2,008' FSL - 553' FEL COUNTY: Uintah  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 11 9S 23E 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
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	<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 request an extension to the expiration date of this Application for Permit to Drill ....

FROM: 4-7-2007  
TO: 4-7-2008

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 04-05-07  
By: [Signature]

DATE OF OPERATOR  
4-6-07  
[Signature]

NAME (PLEASE PRINT) Evette Bissett TITLE Regulatory Affairs Assistant

SIGNATURE [Signature] DATE 4/7/2007

(This space for State use only)

RECEIVED  
APR 05 2007  
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)

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**Well Name:** Bonanza 9-23-43-11  
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**Date Original Permit Issued:** 4/28/2005

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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

4/1/2007

Date

**Title:** Regulatory Affairs Assistant

**Representing:** Enduring Resources, LLC

RECEIVED

APR 05 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

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		7. UNIT or CA AGREEMENT NAME: <b>n/a</b>
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2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>		9. API NUMBER: <b>4304736648</b>
3. ADDRESS OF OPERATOR: <b>475 17th Street, Suite 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>	PHONE NUMBER: <b>(303) 350-5114</b>	10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2,008' FSL - 553' FEL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESE 11 9S 23E S</b>		STATE: <b>UTAH</b>

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

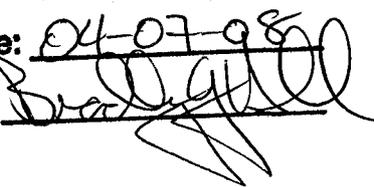
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FROM: 4-7-2008  
TO: 4-7-2009

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

Date: 04-07-08  
By: 

**COPY SENT TO OPERATOR**  
Date: 4-14-2008  
Initials: KS

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman / Regulatory Specialist</u>
SIGNATURE 	DATE <u>3/27/2008</u>

(This space for State use only)

**RECEIVED**

**APR 04 2008**

**DIV. OF OIL, GAS & MINING**



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

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



Signature

3/27/2008

Date

Title: Landman / Regulatory Specialist

Representing: Enduring Resources, LLC

**RECEIVED**

**APR 04 2008**

**DIV. OF OIL, GAS & MINING**

**CONFIDENTIAL**

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-74426
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: 2,008' FSL - 553' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 11 9S 23E S		8. WELL NAME and NUMBER: Bonanza 9-23-43-11
PHONE NUMBER: (303) 350-5114		9. API NUMBER: 4304736648
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
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>4/7/2009</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
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	<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: 04-06-09  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 4.7.2009  
Initials: KS

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman  
SIGNATURE [Signature] DATE 3/30/2009

(This space for State use only)

RECEIVED  
APR 06 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:** 4304736648  
**Well Name:** Bonanza 9-23-43-11  
**Location:** 2,008' FSL - 553' FEL , NESE, Sec. 11 T9S-R23E  
**Company Permit Issued to:** The Houston Exploration Company  
**Date Original Permit Issued:** 4/28/2005

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

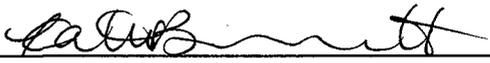
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

3/30/2009  
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

**RECEIVED**

**APR 06 2009**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SEP 21 2005

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

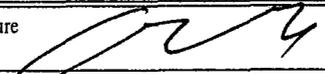
APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. UTU-74426	
6. If Indian, Allottee or Tribe Name N/A	
7. If Unit or CA Agreement, Name and No. N/A	
8. Lease Name and Well No. Bonanza <del>9-11-9-29</del> 9-23-43-11	
9. API Well No. 43-047-36648	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory
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	11. Sec., T. R. M. or Blk. and Survey or Area NESE Sec 11, T9S, R23E
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 (Report location clearly and in accordance with any State requirements.)* At surface 2008 FSL & 553 FEL NESE Sec 11, T9S, R23E At proposed prod. zone SAME	
14. Distance in miles and direction from nearest town or post office*	
12. County or Parish Uintah	
13. State UT	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease
17. Spacing Unit dedicated to this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 8,240'
20. BLM/BIA Bond No. on file UTB000173	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,007' Graded Elevation	22. Approximate date work will start*
23. Estimated duration	

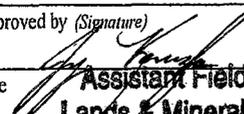
24. Attachments

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- 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) Terry Reynolds	Date APR 16 2009
---	--	---------------------

Title  
Assistant Field Manager  
Lands & Mineral Resources

Office  
VERNAL FIELD OFFICE

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

Conditions of approval, if any, 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  
RECEIVED  
APR 29 2009**

DIV. OF OIL, GAS & MINING

**UDOGM**

NOS 02/28/2005

05PP0276A

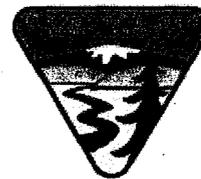


**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE**

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 9-23-43-11  
**API No:** 43-047-36648

**Location:** NESE, Sec. 11, T9S, R23E  
**Lease No:** UTU-74426  
**Agreement:** N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Christine Cimiluca	(435) 781-4475	
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Lori Ford	(435) 781-4406	
NRS/Enviro Scientist:	David Gordon	(435) 781-4424	
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544

**Fax: (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 is approved for a two (2) year period, or until lease expiration, 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.
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<sub>x</sub> 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<sub>x</sub> 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)  
aka Bonanza 9-11-9-23 or Bonanza 9-23-43-11 (Enduring)**

- 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. Wildlife and T&E Species:

Observe the timing restrictions given below (Only during construction & drilling).

Lands in this lease have been identified as habitat for prairie dog, burrowing owl and other wildlife. Therefore, modifications to the Surface Use Plan of Operations will be required in order to protect this wildlife habitat from surface disturbing activities (see below).

a): TIME RESTRICTION REASON

March 1 – August 31.....*burrowing owl nesting season*  
*During this period, there will be no construction, drilling or fracing operations within the project area.*

2. a): There will be a 600-foot buffer zone around the prairie dog colonies. No surface-disturbing activities shall be performed within this zone.

- b): There will be no permanent, above ground facilities within the 600 feet buffer zone for prairie dog colonies.

3. 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.

4. Transportation:

- All roads will be constructed to Gold Book standard.
- 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.

5. 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.

galleta grass ( <i>Hilaria jamesii</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.

- 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:**

- For production casing cement, operator is required to pump additional cement beyond the stated amounts in application.  
To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.  
Production casing cement shall be brought up and into the surface casing. The minimum cement top is 300 ft above the surface casing shoe.

**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\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@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 ( $\frac{1}{4}$  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.



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 12, 2010

Al Arlian  
Enduring Resources, LLC  
475 17<sup>TH</sup> Street Ste 1500  
Denver, CO 80202

Re: APD Rescinded – Bonanza 9-23-43-11, Sec. 11 T.9S, R. 23E  
Uintah County, Utah API No. 43-047-36648

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 28, 2005. On April 5, 2006, April 5, 2007, April 7, 2008 and April 6, 2009 the Division granted a one-year APD extension. On May 11, 2010, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 11, 2010.

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

# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

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



**MAR 26 2012**

IN REPLY REFER TO:  
3160 (UTG011)

Alvin R. Arlian  
Enduring Resources, LLC  
511-16<sup>th</sup> Street, Suite 700  
Denver, CO 80202

43 047 36648

Re: Notice of Expiration  
Well No. Bonanza 9-23-43-11  
NESE, Sec. 11, T9S, R23E  
Uintah County, Utah  
Lease No. UTU-74426

**RECEIVED**

**APR 04 2012**

**DIV. OF OIL, GAS & MINING**

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the above-referenced well was approved on April 16, 2009. A two (2) year extension request of the original APD was received on March 8, 2011. On March 25, 2011 the request was reviewed and the extension request was approved to July 18, 2011, consistent with the expiration of the 390 CX used to process the APD. 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 cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Cindy Severson at (435) 781-4455.

Sincerely,

Jerry Kenczka  
Assistant Field Manager  
Lands & Mineral Resources

cc: UDOGM