

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO

UTU-44090-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME *Q-201*

Little Canyon Unit

8. FARM OR LEASE NAME, WELL NO

LCU 7-3H

9. API WELL NO

43-047-34775

10. FIELD AND POOL, OR WILDCAT

Natural Buttes Hill Creek

11. SEC. T. R. M. OR BLK

Section 3,

T11S, R20E, SLB&M

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

Dominion Exploration & Production, Inc.

3. ADDRESS AND TELEPHONE NO

14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134, 405-749-5263

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

At surface

2,000' FNL, 2,000' FEL

SW/4 NE/4

At proposed prod. zone

2,000' FNL, 2,000' FEL

SW/4 NE/4

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

13.66 miles south of Ouray, Utah

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

625'

16. NO. OF ACRES IN LEASE

309.26

17. NO. OF ACRES ASSIGNED TO THIS WELL

40 acres

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

None

19. PROPOSED DEPTH

8,700'

20. ROTARY OR CABLE TOOLS

Rotary

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

4,995' GR

22. APPROX. DATE WORK WILL START*

August 1, 2005

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55 ST&C	32#	2,000'	252 sks Lead, 219 sks, tail, 100 sks top out—see attached Drilling Plan
7-7/8"	5-1/2" Mav 80 LT&C	17#	8,700'	160 sks Lead, 435 sks Tail—see attached Drilling Plan

Bond Information:

Bond coverage is provided by Travelers Casualty and Surety Company of America, Bond #76S 63050 0330

Other Information:

Drilling Plan and Surface Use Plan are attached.
Dominion requests that this complete application for permit to drill be held confidential.

RECEIVED

JUN 03 2005

DIV. OF OIL, GAS & MINING

Federal Approval of this Action is Necessary

CONFIDENTIAL

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

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Dominion

DATE May 31, 2005

(This space for Federal or State office use)

PERMIT NO. 43-047-34775 APPROVAL DATE _____

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

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL ENVIRONMENTAL MANAGER

DATE 08-24-06

*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 or the

T11S, R20E, S.L.B.&M.

DOMINION EXPLR. & PROD., INC.

Well location, LCU #7-3H, located as shown in the SW 1/4 NE 1/4 of Section 3, T11S, R20E, S.L.B.&M. Uintah County Utah.

A.P. Set Stone, Pile of Stones

S86°17'49"W 1318.46' (Meas.)
 N89°58'51"E 1339.81' (Meas.)
 N89°58'51"E 1279.87' (Meas.)

SE Cor. Sec. 33, 1928 Brass Cap, 1.3' High, Pile of Stones
 -N89°57'35"W - 2636.30' (Meas.)-

N89°57'35"W 1262.19' (Meas.)
 S 1/4 Cor. Sec. 34, 1928 Brass Cap, 0.4' High, Pile of Stones
 C.C. Set Marked Stone, Pile of Stones

T10S
 T11S

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



SCALE

LCU #7-3H
 Elev. Ungraded Ground = 4995'

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S87°47'48"E	2635.87'

Section Corner Re-Established Using Double Proportion Method (Not Set On Ground)

Set Marked Stone, Pile of Stones

Section Corner Re-Established Using Double Proportion Method (Not Set On Ground)

S 1/4 Cor. Sec. 1, Set Marked Stone, Pile of Stones

CERTIFICATE

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

[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

BASIS OF BEARINGS

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

(NAD 83)
 LATITUDE = 39°53'28.13" (39.891147)
 LONGITUDE = 109°39'47.11" (109.663086)
 (NAD 27)
 LATITUDE = 39°53'28.26" (39.891183)
 LONGITUDE = 109°39'44.62" (109.662394)

E 1/4 Cor. Sec. 10, Set Stone

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

SCALE 1" = 1000'	DATE SURVEYED: 2-16-05	DATE DRAWN: 3-1-05
PARTY B.B. J.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC.	

PIPELINE EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS PIPELINE EASEMENT AND RIGHT-OF-WAY AGREEMENT (“**Agreement**”) is entered into this 3rd day of May, 2006, by and between **OSCAR S. WYATT, JR.** whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and **ALAMEDA CORPORATION** whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 (“**Grantors**”), and **DOMINION EXPLORATION AND PRODUCTION, INC.** (“**Dominion**”) (“**Grantee**”), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

(containing 120.00 acres, more or less)

(“**Section 3 Lands**”); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 7-3H Well (“**Well**”) to be drilled SW $\frac{1}{4}$ NE $\frac{1}{4}$ of the Section 3 Lands; and,

E. Grantee desires to construct, operate, and maintain a natural gas (gathering system) pipeline to the Well; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the pipeline easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$2,484.00 and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, a right-of-way and easement (“**Easement**”) to construct, maintain, operate, inspect, repair, alter, replace and remove pipelines and appurtenant facilities for the transportation of oil, gas, or other hydrocarbons across, under, or over the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Easement shall be 30 (thirty) feet wide, 15 (fifteen) feet on either side of the centerline, for a distance of 165.55 rods, and contain approximately 1.881 acres.

1. **Access.** Grantors acknowledge Grantee's non-exclusive right of access on and over the surface estate in the Section 3 Lands and such surface use as is reasonably necessary to produce and transport oil, gas, and associated hydrocarbons, as defined by Utah law. Should Grantee's activities damage any of Grantor's roads or fences, Grantee shall promptly repair or compensate Grantor to repair such damages.

2. **Compensation for Pipeline Right-of-Way and Easement.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$2,484.00 for the Easement which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantee shall have all rights and benefits necessary or convenient for the full enjoyment and use of the rights granted, including the right of ingress and egress over and across the Section 3 Lands to and from the Easement, and the right from time to time to cut trees, undergrowth, and other obstructions that may injure, endanger, or interfere with the Grantee's use of the Easement. Grantee agrees to conduct all of its operations in a good and workmanlike manner and after completion of construction, shall remove all debris, trash, equipment and surplus materials from the right-of-way. Should any of the pipeline be buried, Grantee shall inspect the right-of-way twice a year to insure that there are no wash outs or depressions in the pipeline ditch and if such exist Grantee shall take such actions as necessary to fill in the depressions and restore the surface to the original condition as much as reasonably possible.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future

condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

9. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

10. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

11. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Easement.

12. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

13. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

14. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

15. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

16. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one original.

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By *M. J. Arnold*

Its *President*

Oscar S. Wyatt, Jr.

By *Oscar S. Wyatt, Jr.*

DPH

DPH

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

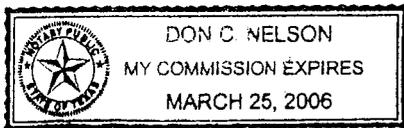
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. F. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

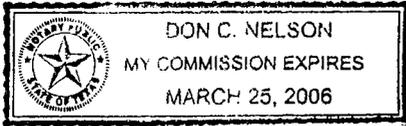


Don C. Nelson
NOTARY PUBLIC
Residing at: Houston, HARRIS COUNTY, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR. known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

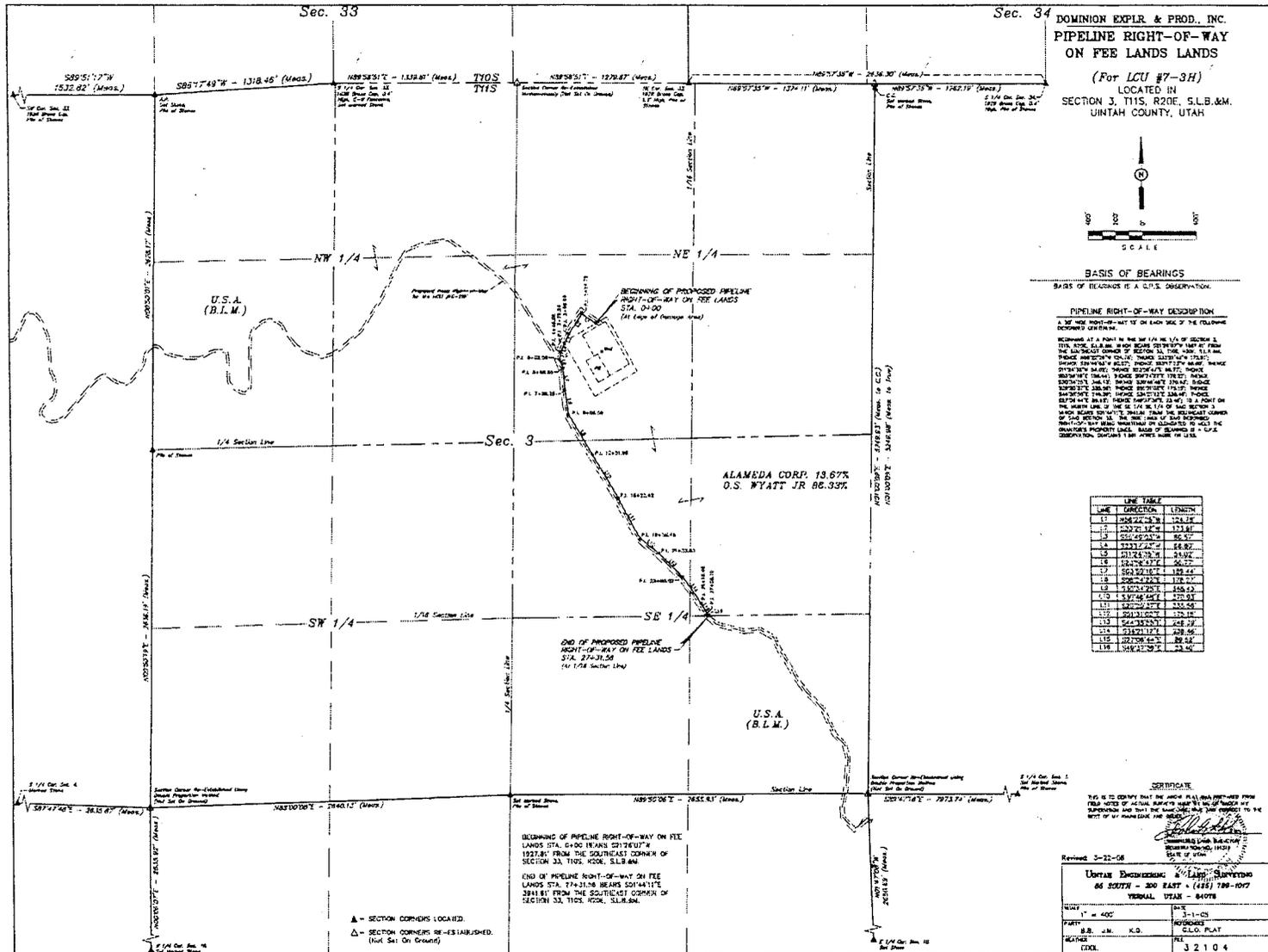


EXHIBIT "A"

ACCESS ROAD EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS ACCESS ROAD EASEMENT AND RIGHT-OF-WAY AGREEMENT (“**Agreement**”) is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 (“**Grantors**”), and Dominion Exploration and Production, Inc. (“**Grantee**”), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$,

(containing 40.00 acres, more or less)

(“**Section 3 Lands**”); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 7-3H Well (“**Well**”) to be drilled in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of the said Section 3 Lands; and,

E. Grantee desires to construct, operate, and maintain an access road on the Section 3 Lands to be used both for access to the Well and as a connector road to Grantee’s wells in adjoining sections; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the access road easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$530.00 and other good and valuable consideration, Grantors grant, convey, warrant and deliver to Grantee and its successors and assigns, an easement and right-of-way (“**Right-of-Way**”) for roadway purposes over and across the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said, Right-of-Way shall be thirty (30) feet wide, fifteen (15) feet on either side of the centerline, for a distance of 35.29 rods, and contain approximately 0.401 acres.

RECEIVED

AUG 24 2006

1. **Access.** Grantors acknowledge Grantee's right of access over and across the surface estate in the Section 3 Lands and such surface use as is reasonably necessary for access to the Wells and to any future wells.

2. **Compensation for Access Road.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$530.00 for the Right-of-Way which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted and is deemed full payment for the Right-of-Way during its entire term.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Right-of-Way, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Non-Exclusive Grant to Grantee.** Grantee acknowledges Grantors hold title to the respective surface estate. Grantee acknowledges that the road easement and right-of-way is a non-exclusive grant and that Grantor on behalf of itself and its employees, agents, contractors, officers and invitees retain the full right to use the road made the subject of this road easement. Grantee shall repair all damages to the road caused by Grantee's use of the road. Grantee also agrees to pay a reasonable prorate portion of the normal annual maintenance of the road. Grantors, their successors, assigns, invitees, and licensees shall not unreasonably interfere with Grantee's operations on the access roads nor with any of their attendant equipment and operations. Grantee agrees to construct the road contemplated herein in a good and workmanlike manner and in such a way as to not alter the natural drainage and shall keep the roadway clean and free of debris and trash.

7. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its

contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

8. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

9. **Ownership of the Access Road upon Termination.** The access road constructed by Grantee on the Section 3 Lands shall become the Grantors' property upon termination of this Agreement.

10. **Rehabilitation and Restoration.** The access road constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Wells in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the access road, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

11. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

12. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

13. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

14. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Right-of-Way.

15. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

16. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

17. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

18. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

19. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By M. J. Arnold

Its President

DEM

Oscar S. Wyatt, Jr.

By Oscar S. Wyatt Jr

DEM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

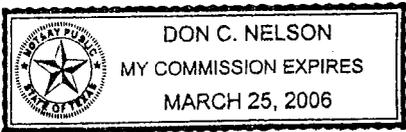
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

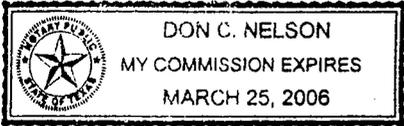


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

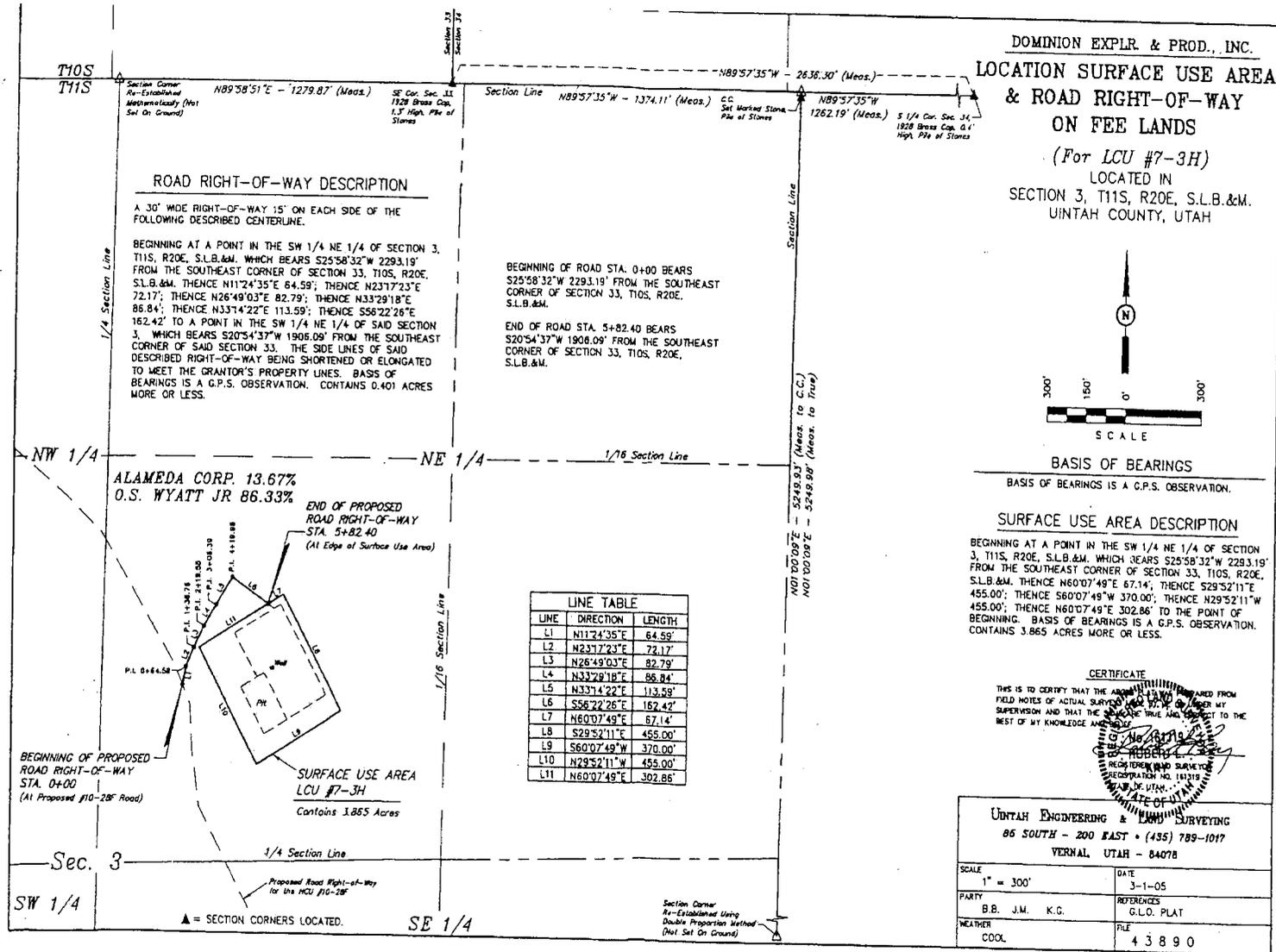


EXHIBIT "A"

43-047-36775

WELL-SITE SURFACE USE AGREEMENT

THIS WELL-SITE SURFACE USE AGREEMENT (“**Agreement**”) is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 (“**Grantors**”), and Dominion Exploration and Production, Inc. (“**Grantee**”), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$,

(containing 40.00 acres, more or less)

(“**Section 3 Lands**”); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 7-3H Well to be drilled in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of the Section 3 Lands (the “**Well**”); and,

E. Grantee desires to construct, operate, and maintain a well-site for the Well on the Section 3 Lands; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for surface damages that may result from Dominion’s construction, operation, and maintenance of the well-site on the Section 3 Lands.

NOW THEREFORE, for and in consideration of the sum of Ten Thousand Dollars (\$10,000.00), and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, rights to construct, operate, and maintain a well-site (“**Well-Site**”) on and over the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Well-Site shall conform substantially to the proposed approximate 3.865 acre, rectangular location described on the attached Exhibit A.

RECEIVED

AUG 24 2006

DIV. OF OIL, GAS & MINING

1. **Access and Use.** Grantors acknowledge Grantee's right of access on and over the surface estate in the Section 3 Lands and such surface use as is reasonably necessary to explore for and produce oil, gas, and associated hydrocarbons, as defined by Utah law. Grantors further acknowledge that Grantee is entitled to use the Well-Site for all drilling, testing, and completion operations, including, but not limited to the use of reserve pits, construction, installation, and maintenance of production equipment and facilities such as flow lines, gas gathering lines, separators, tank batteries, and other equipment or facilities necessary or convenient to the production, transportation, and sale of oil, gas, and other materials produced by or used for production of oil or gas from the Section 3 Lands.

2. **Compensation for Well-Site.** Grantee shall pay to Grantors at the time of the signing of this Agreement the sum of \$10,000.00 for the Well-Site which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Well-Site, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property

under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Ownership of Fences, Gates, and Improvements upon Termination.** Any fences, gates or other improvements constructed by Grantee on the Section 3 Lands except the well-site equipment shall become the Grantors' property upon termination of this Agreement.

9. **Rehabilitation and Restoration.** The Well-Site constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Well in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the Well-Site, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

10. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this Agreement.

11. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

12. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

13. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Well-Site.

14. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

15. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

16. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

17. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

18. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By *M. J. Angel*

Its *President*

DEM

Oscar S. Wyatt, Jr.

By *Oscar S. Wyatt Jr.*

OPM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

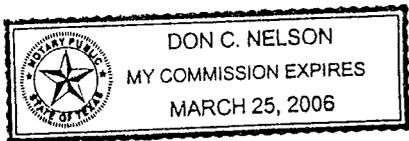
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M.T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

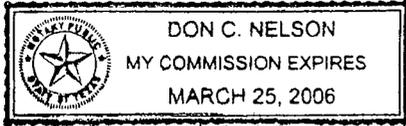


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

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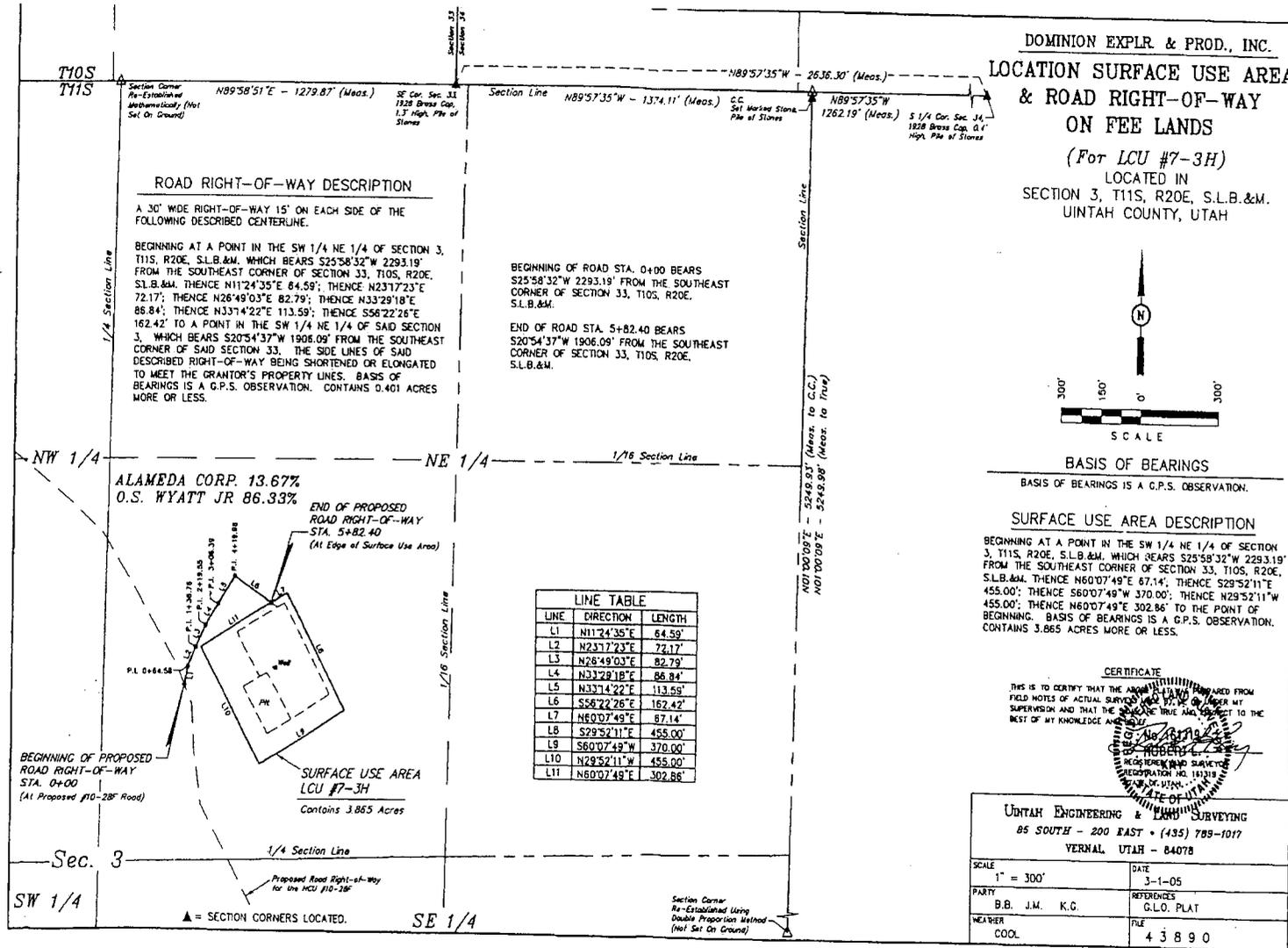


EXHIBIT "A"

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

June 10, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2005 Plan of Development Little Canyon Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Little Canyon Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
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(Proposed PZ MesaVerde)

43-047-36773	LCU 6-16H Sec 16	T11S R20E 1863 FNL 1962 FWL
43-047-36774	LCU 2-10H Sec 10	T11S R20E 0689 FNL 1951 FEL
43-047-36775	LCU 7-3H Sec 3	T11S R20E 2000 FNL 2000 FEL
43-047-36776	LCU 11-3H Sec 3	T11S R20E 2100 FSL 2000 FWL

This office has no objections to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Little Canyon Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:6-10-05

May 31, 2005

Fluid Minerals Group
Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, Utah 84078

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.
LCU 7-3H, 2,000' FNL, 2,000' FEL, SW/4 NE/4,
Section 3, T11S, R20E, SLB&M, Uintah County, Utah

Dear Fluid Minerals Group:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan;

Exhibit "F" - Typical BOP and Choke Manifold diagram.

Please accept this letter as Dominion's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Carla Christian of Dominion at 405-749-5263 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Dominion

cc: Diana Whitney, Division of Oil, Gas and Mining
Carla Christian, Dominion
Marty Buys, Buys & Associates, Inc.

RECEIVED

JUN 03 2005

DIV. OF OIL, GAS & MINING

FILE COPY

CONFIDENTIAL

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 7-3H
2000' FNL & 2000' FEL
Section 3-11S-20E
Uintah County UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3,310'
Green River Tongue	3,640'
Wasatch	3,780'
Chapita Wells	4,655'
Uteland Buttes	5,730'
Mesaverde	6,500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3,310'	Oil
Green River Tongue	3,640'	Oil
Wasatch	3,780'	Gas
Chapita Wells	4,655'	Gas
Uteland Buttes	5,730'	Gas
Mesaverde	6,500'	Gas

4. PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Surface	8-5/8"	32.0 ppf	J-55	STC	0'	2,000'	12-1/4"
Production	5-1/2"	17.0 ppf	MAV-80	LTC	0'	8,700'	7-7/8"

Note: The drilled depth of the surface hole and the setting depth of the surface casing may vary from 1,700' to 2,000'. Should a lost circulation zone be encountered while drilling, casing will be set approximately 300' below the lost circulation zone. If no lost circulation zone is encountered, casing to be set at 2,000'±.

CONFIDENTIAL

DRILLING PLAN

APPROVAL OF OPERATIONS

5. **OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL**

Surface hole: No BUPE will be utilized. Air foam mist, rotating head and diverter system will be utilized.

Production hole: Prior to drilling out the surface casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from intermediate casing to total depth. The blind rams will be tested once per day from intermediate casing to total depth if operations permit.

A diagram of the planned BOP equipment for normal drilling operations in this area is attached. As denoted there will be two valves and one check valve on the kill line, two valves on the choke line, and two adjustable chokes on the manifold system. The BOP "stack" will consist of two BOP rams (1 pipe, 1 blind) and one annular type preventer, all rated to a minimum of 3,000 psi working pressure.

The BOP equipment will be pressure tested prior to drilling below the intermediate casing shoe. All test pressures will be maintained for fifteen (15) minutes without any significant pressure decrease. Clear water will be circulated into the BOP stack and lines prior to pressure testing. The following test pressures will be used as a minimum for various equipment items.

1.	Annular BOP	1,500 psi
2.	Ram type BOP	3,000 psi
3.	Kill line valves	3,000 psi
4.	Choke line valves and choke manifold valves	3,000 psi
5.	Chokes	3,000 psi
6.	Casing, casinghead & weld	1,500 psi
7.	Upper kelly cock and safety valve	3,000 psi
8.	Dart valve	3,000 psi

6. **MUD SYSTEMS**

- An air or an air/mist system may be used to drill the surface hole until water influx becomes too great.
- KCL mud system will be used to drill well.

<u>Depths</u>	<u>Mud Weight (ppg)</u>	<u>Mud System</u>
0' - 2,000'	8.4	Air foam mist, rotating head and diverter
2,000' - 8,700'	8.6	Fresh water/2% KCL/KCL mud system

7. **BLOOIE LINE**

- An automatic igniter will not be installed on blooie line. The blooie will have a constant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 100' from the wellhead.

8. **AUXILIARY EQUIPMENT TO BE USED**

- a. Kelly cock.
- b. Full opening valve with drill pipe connection will be kept on floor. Valve will be used when the kelly is not in string.

9. **TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED**

- A drillstem test in the Wasatch Tongue is possible.
- One electric line wire-log will be run from total depth to surface casing.
- The gamma ray will be left on to record from total depth to surface casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to surface casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10. **ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED**

- Expected BHP 1,500-2,000 psi (lower than normal pressure gradient).
- No abnormal temperature or pressures are anticipated.
- The formations to be penetrated do not contain known H2S gas.

DRILLING PLAN

APPROVAL OF OPERATIONS

11. WATER SUPPLY

- No water pipelines will be laid for this well.
- No water well will be drilled for this well.
- Drilling water for this well will be hauled on the road(s) shown in Attachment No. 3.
- Water will be hauled from: Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

12. CEMENT SYSTEMS

a. Surface Cement:

- Drill 12-1/4" hole to 2,000'±, run and cement 8-5/8" to surface (depth to vary based on depth of lost circulation zone).
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.
- Cement the casing annulus to surface. Top out jobs to be performed if needed. Depending to depth of top of cement in the annulus, a 1" tubing string may or may not be utilized.

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>		<u>Cement</u>	
					<u>Volume</u>	<u>Volume</u>	<u>Volume</u>	<u>Excess</u>
Lead	252	0'-1,500'	11.0 ppg	3.82 CFS	619 CF	835 CF		35%
Tail	219	1,500'-2,000'	15.6 ppg	1.18 CFS	220 CF	297 CF		35%
Top Out	100	0'-200'	15.6 ppg	1.18 CFS	95 CF	118 CF		24% (if required)

Lead Mix: Premium Plus V blend. Blend includes Class "G" cement, gel, salt, gilsonite.
 Slurry yield: 3.82 cf/sack Slurry weight: 11.00 #/gal.
 Water requirement: 22.95 gal/sack

Tail Mix: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.
 Slurry yield: 1.18 cf/sack Slurry weight: 15.60 #/gal.
 Water requirement: 5.2 gal/sack

Top Out: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.
 Slurry yield: 1.18 cf/sack Slurry weight: 15.60 #/gal.
 Water requirement: 5.2 gal/sack

c. Production Casing Cement:

- Drill 7-7/8" hole to 8,700'±, run and cement 5 1/2".
- Cement interface is at 4,000', which is typically 500'-1,000' above shallowest pay.
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 3% KCL.

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>		<u>Cement</u>	
					<u>Volume</u>	<u>Volume</u>	<u>Volume</u>	<u>Excess</u>
Lead	160	3,700'-4,700'	11.5 ppg	3.12 CFS	175 CF	350 CF		100%
Tail	435	4,700'-8,700'	13.0 ppg	1.75 CFS	473 CF	946 CF		100%

Note: A caliper log will be ran to determine cement volume requirements.

Lead Mix: Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.
 Slurry yield: 3.12 cf/sack Slurry weight: 11.60 #/gal.
 Water requirement: 17.71 gal/sack
 Compressives @ 130°F: 157 psi after 24 hours

Tail Mix: Halliburton HLC blend (Prem Plus V/JB flyash). Blend includes Class "G" cement, KCl, EX-1, Halad 322, & HR-5.
 Slurry yield: 1.75 cf/sack Slurry weight: 13.00 #/gal.
 Water requirement: 9.09 gal/sack
 Compressives @ 165°F: 905 psi after 24 hours

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: August 1, 2005
 Duration: 14 Days

SURFACE USE PLAN

CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 7-3H
2000' FNL & 2000' FEI
Section 3-11S-20E
Uintah County, UT

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

The federal onsite inspection for the referenced well was conducted on Friday, May 20, 2005 at approximately 9:45 am. In attendance at the onsite inspection were the following individuals:

Ken Secrest	Foreman	Dominion E & P, Inc.
John Floyd	Surveyor	Uintah Engineering and Land Surveying
Stan Olmstead	Nat. Res. Prot. Spec.	Bureau of Land Management – Vernal
Karl Wright	Nat. Res. Prot. Spec.	Bureau of Land Management – Vernal
Amy Torres	Biologist	Bureau of Land Management – Vernal

1. Existing Roads:

- a. The proposed well site is located approximately 13.66 miles south of Ouray, UT.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Little Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing Little Canyon Unit boundary.

2. Planned Access Roads:

- a. From the existing two-track access road that presently accesses the Big Pack Mountain area an access is proposed trending northeast then southeast approximately 200' to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The existing two-track road to Big Pack Mountain will need upgraded for 0.35 miles to accommodate the increase in construction drilling and production related traffic and approval to upgrade is being requested with the application.
- c. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.
- d. BLM approval to construct and utilize the proposed access road is requested with this application.
- e. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- f. No turnouts are proposed since the access road is only 200' long and adequate site distance exists in all directions.
- g. No culverts or low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- h. No surfacing material will come from federal or Indian lands.
- i. No gates or cattle guards are anticipated at this time.
- j. Surface disturbance and vehicular travel will be limited to the approved location access road.
- k. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- l. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Following is a list of existing wells within a one mile radius of the proposed well:
 - i. Water wells None
 - ii. Injection wells None
 - iii. Disposal wells None
 - iv. Drilling wells None
 - v. Temp. shut-in wells 1
 - vi. Producing wells None
 - vii. Abandon wells None
- b. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Desert Brown to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northwest side of the well site and traverse 4,770' southeast to the existing 3" pipeline corridor that services the L. F. 1-3 proposed for upgrade to 4".
- i. The new gas pipeline will be a 4" steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 4,770' is associated with this well.
- j. With this application Dominion requests permission to upgrade the federal portion of the existing 3" surface pipeline to an 8" surface pipeline across Federal surface to the existing LCU 10-2H within the Little Canyon Unit to accommodate additional transportation needs.
- k. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:
 - a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:
 - a. The use of materials will conform to 43 CFR 3610.2-3.
 - b. No construction materials will be removed from Ute Tribal or BLM lands.
 - c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:
 - a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
 - b. Drill cuttings will be contained and buried on site.
 - c. The reserve pit will be located outboard of the location and along the southwest side of the pad.
 - d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
 - e. The reserve pit will be lined with 12 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
 - f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
 - g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
 - h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
 - i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
 - k. **Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.**
 - l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
 - m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.
8. Ancillary Facilities:
- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
9. Well Site Layout: (See Exhibit B)
- a. The well will be properly identified in accordance with 43 CFR 3162.6.
 - b. Access to the well pad will be from the northwest.
 - c. The pad and road designs are consistent with BLM specification
 - d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
 - e. The pad has been staked at its maximum size of 355' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
 - f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
 - g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
 - h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
 - i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
 - j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
 - k. Pits will remain fenced until site cleanup.

- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On and BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the Fee owner or BLM. The fee owner or BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Fee surface; managed by: Alameda Corp. 13.67%, O.S. Wyatt Jr. 86.33 James R. Eltzroth P.O. Box 270780, Corpus Christi TX, 78471
- b. Mineral Ownership – Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Our understanding of the results of the onsite inspection are:
 - a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
 - b. No drainage crossings that require additional State or Federal approval are being crossed.
 - c. The wellsite is located within the floodplain of Willow Creek but is as far out of the floodplain area as possible and therefore satisfactory to the BLM.

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative (Roosevelt)	Mitchiel Hall	1-435-722-4521
Company Representative (Oklahoma)	Carla Christian	1-405-749-5263
Agent for Dominion	Don Hamilton	1-435-637-4075

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 currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Dominion Exploration & Production, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Dominion's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 5-31-05

DOMINION EXPLR. & PROD., INC.
LCU #7-3H
SECTION 3, T11S, R20E, S.L.B.&M.

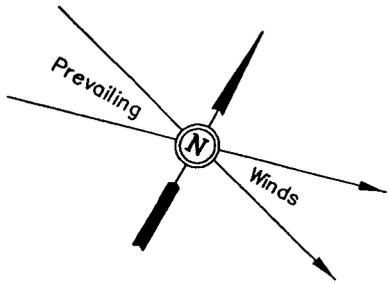
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.45 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING TWO-TRACK ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #10-28F TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.35 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 200' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 59.2 MILES.

DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

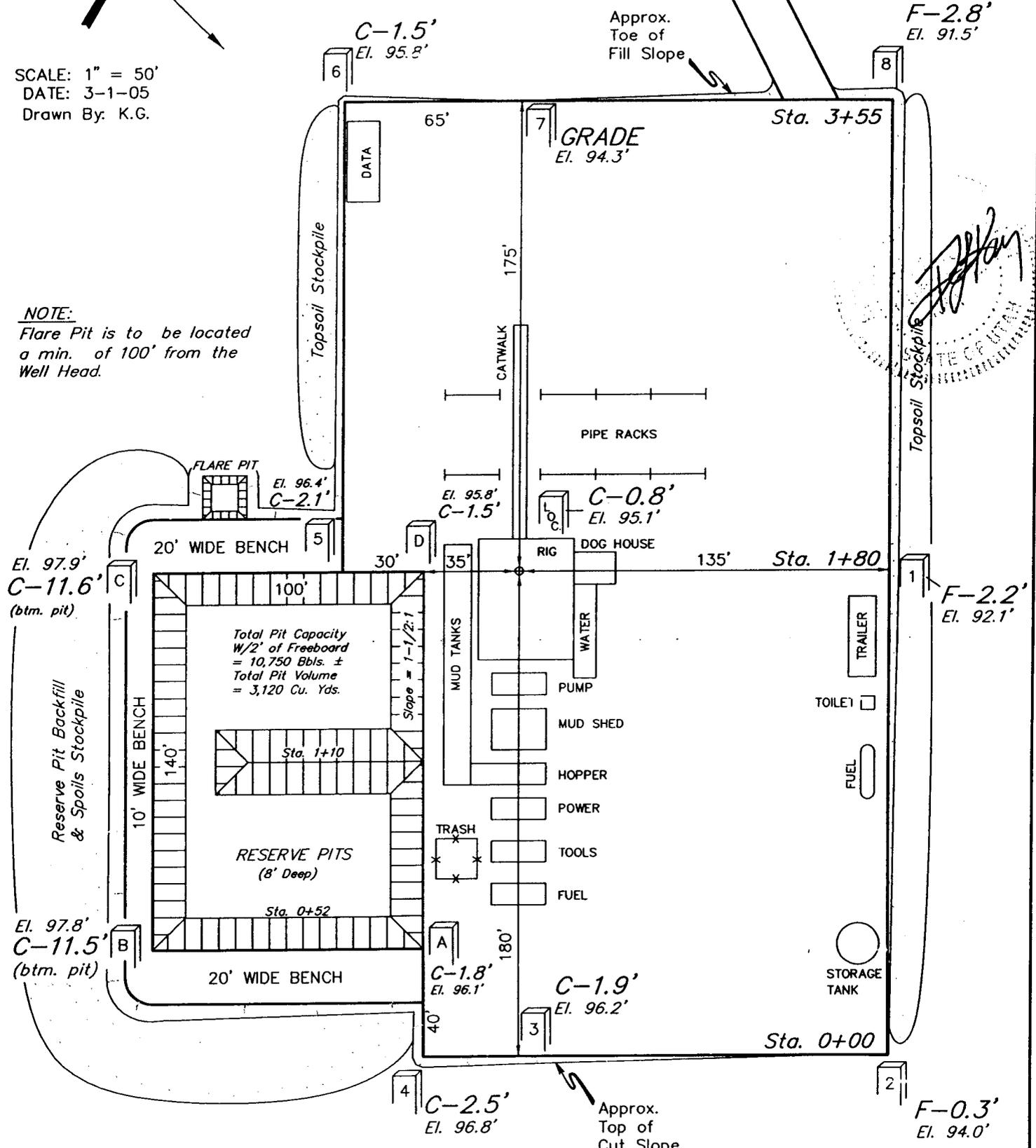
LCU #7-3H
SECTION 3, T11S, R20E, S.L.B.&M.
2000' FNL 2000' FEL



Proposed Access Road

SCALE: 1" = 50'
DATE: 3-1-05
Drawn By: K.G.

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



[Handwritten Signature]
STATE OF UTAH
ENGINEERING & LAND SURVEYING

Elev. Ungraded Ground at Location Stake = 4995.1'
Elev. Graded Ground at Location Stake = 4994.3'

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

DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

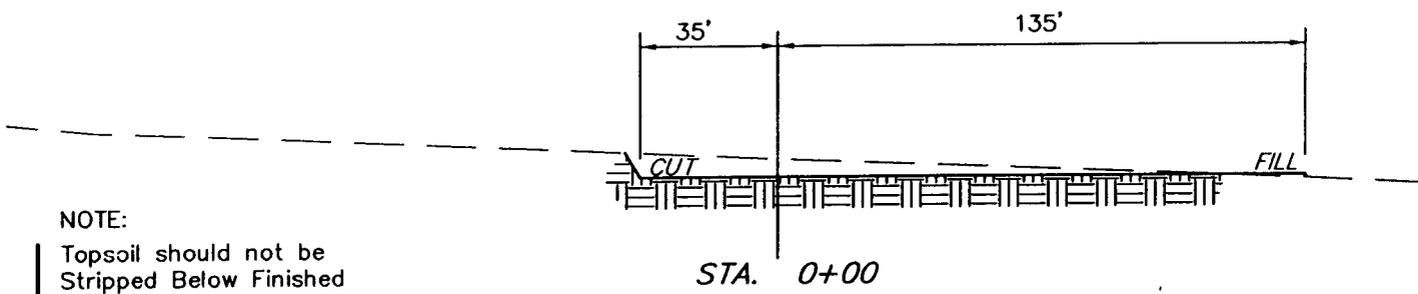
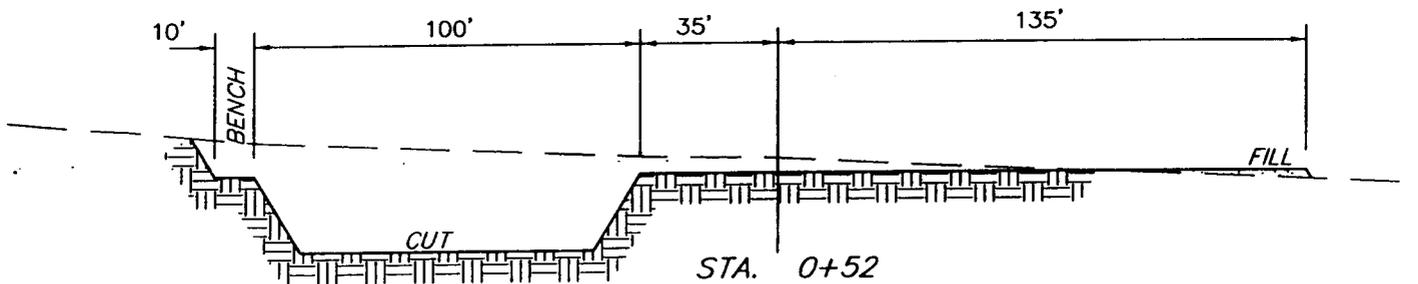
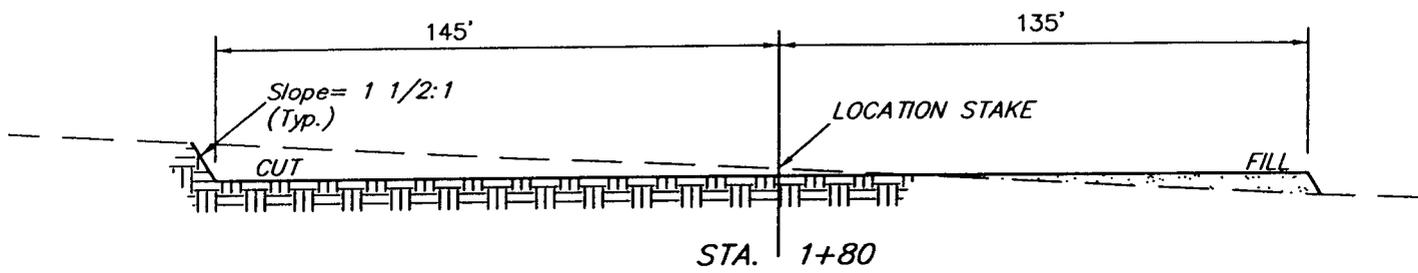
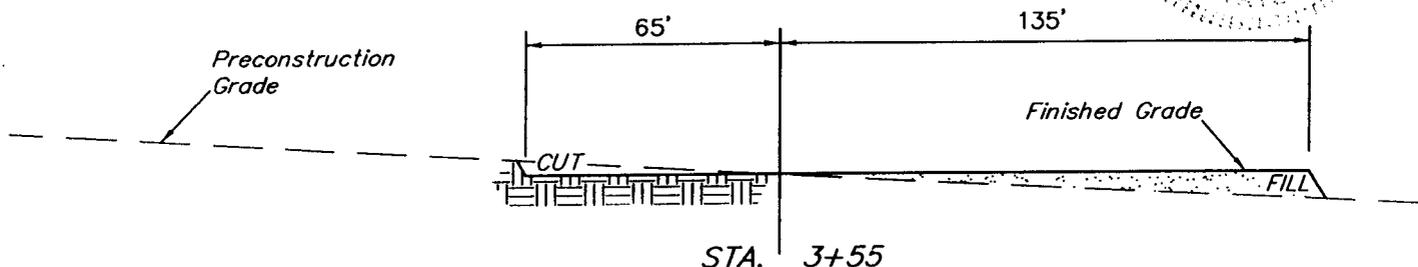
LCU #7-3H

SECTION 3, T11S, R20E, S.L.B.&M.

2000' FNL 2000' FEL



1" = 20'
X-Section
Scale
1" = 50'
DATE: 3-1-05
Drawn By: K.G.



NOTE:

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

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,380 Cu. Yds.
Remaining Location	= 4,690 Cu. Yds.
TOTAL CUT	= 8,070 CU.YDS.
FILL	= 3,130 CU.YDS.

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION!

EXCESS MATERIAL	= 4,940 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,940 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

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

DOMINION EXPLR. & PROD., INC.

LCU #7-3H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 3, T11S, R20E, S.L.B.&M.

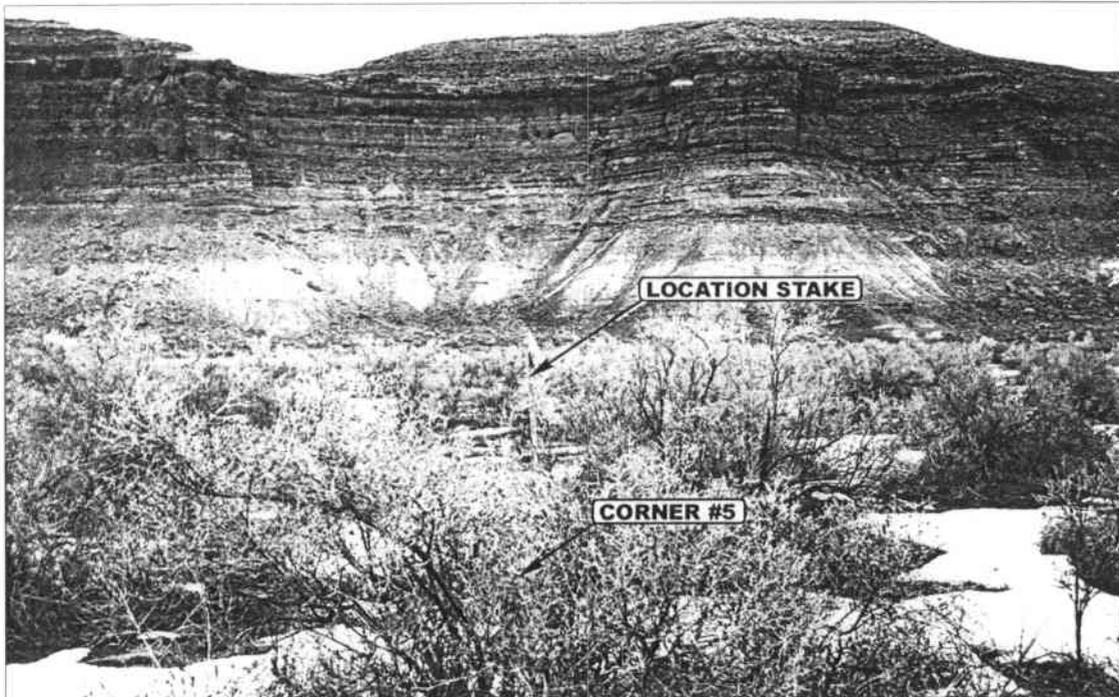


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

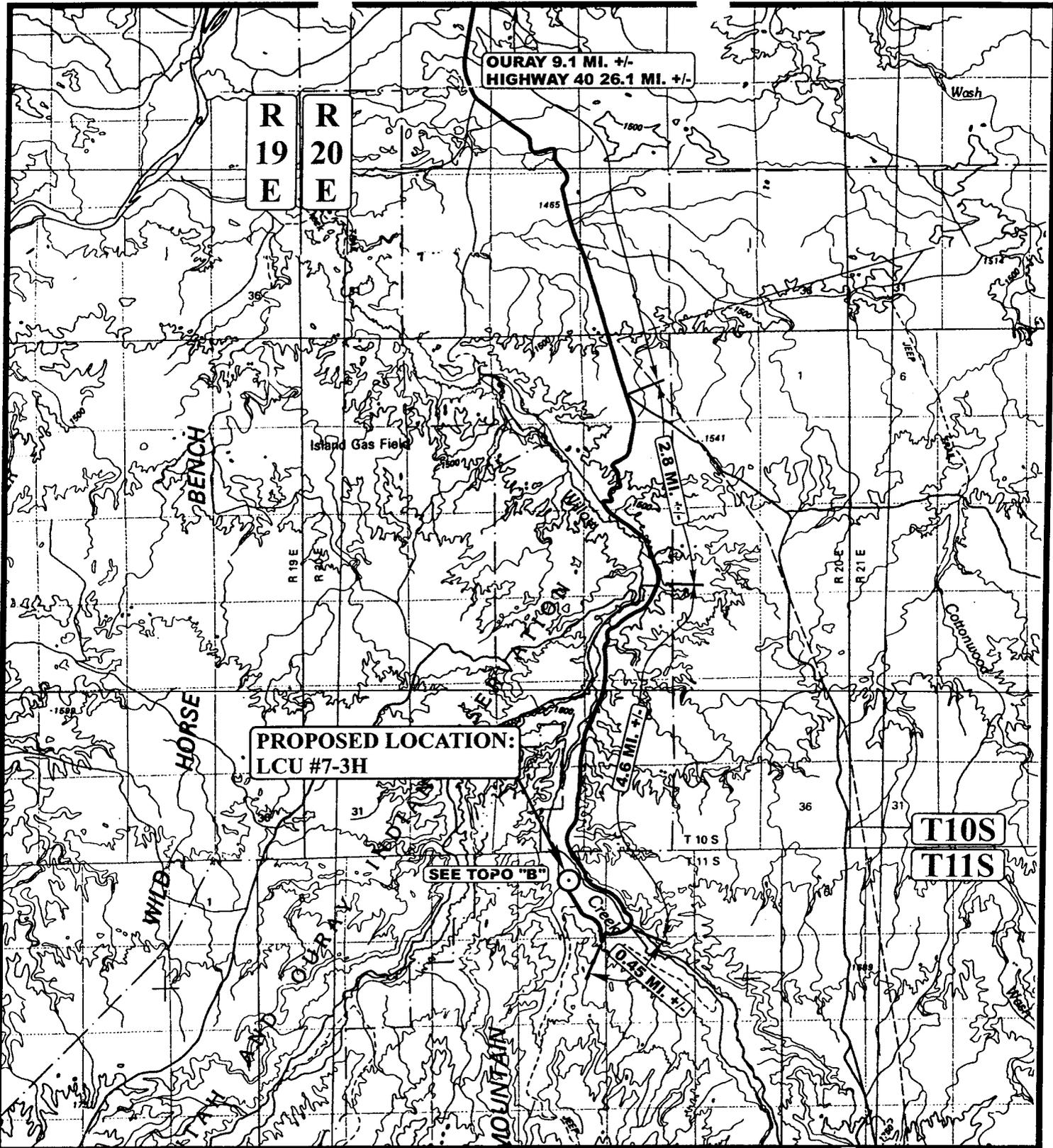
CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS	02	18	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: M.A.	DRAWN BY: C.P.		REVISED: 00-00-00	



LEGEND:

○ PROPOSED LOCATION



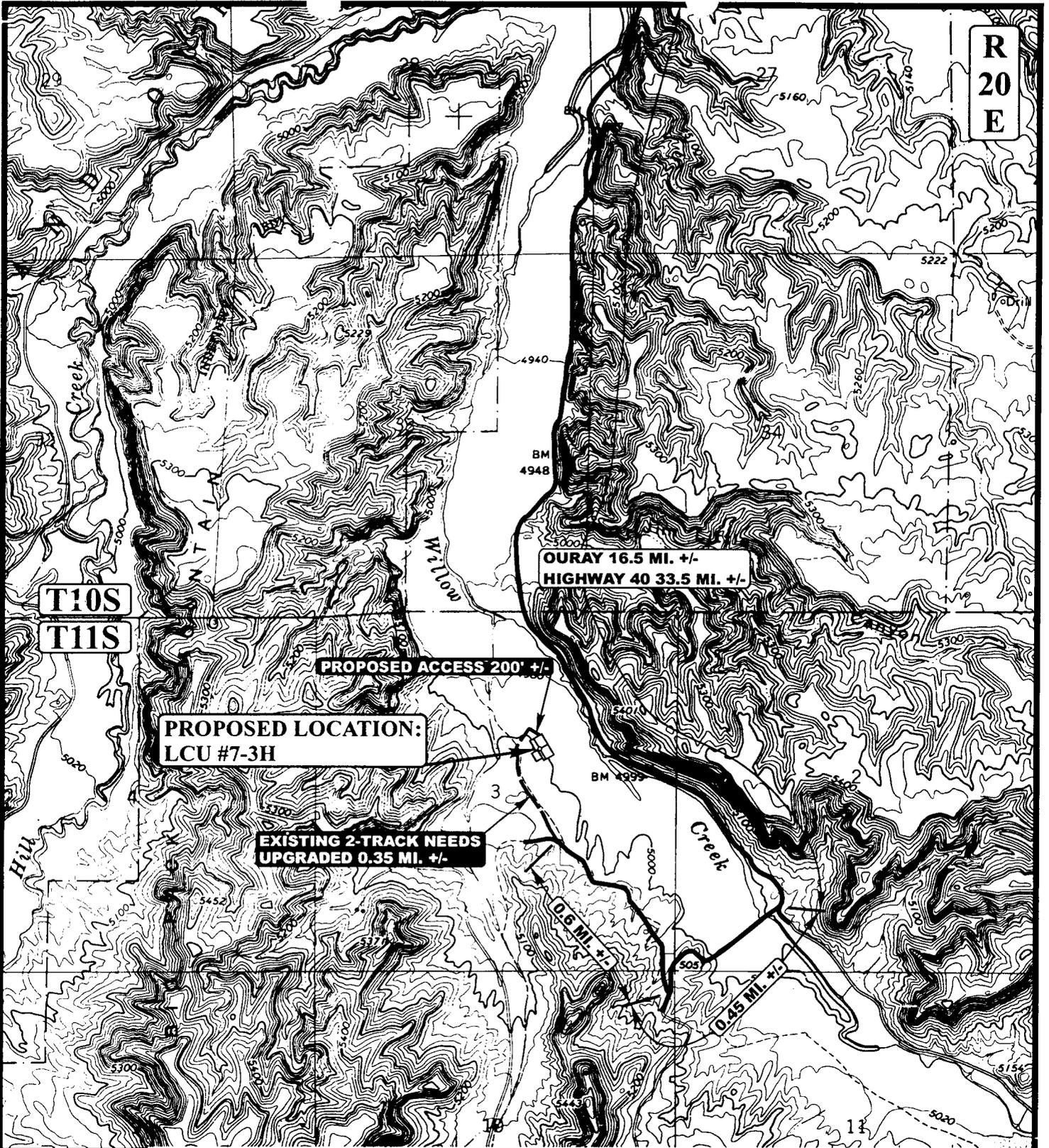
DOMINION EXPLR. & PROD., INC.

LCU #7-3H
SECTION 3, T11S, R20E, S.L.B.&M.
2000' FNL 2000' FEL

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

TOPOGRAPHIC 02 18 05
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





**R
20
E**

T10S

T11S

**PROPOSED LOCATION:
LCU #7-3H**

**EXISTING 2-TRACK NEEDS
UPGRADED 0.35 MI. +/-**

**OURAY 16.5 MI. +/-
HIGHWAY 40 33.5 MI. +/-**

PROPOSED ACCESS 200' +/-

0.6 MI. +/-

0.45 MI. +/-

LEGEND:

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



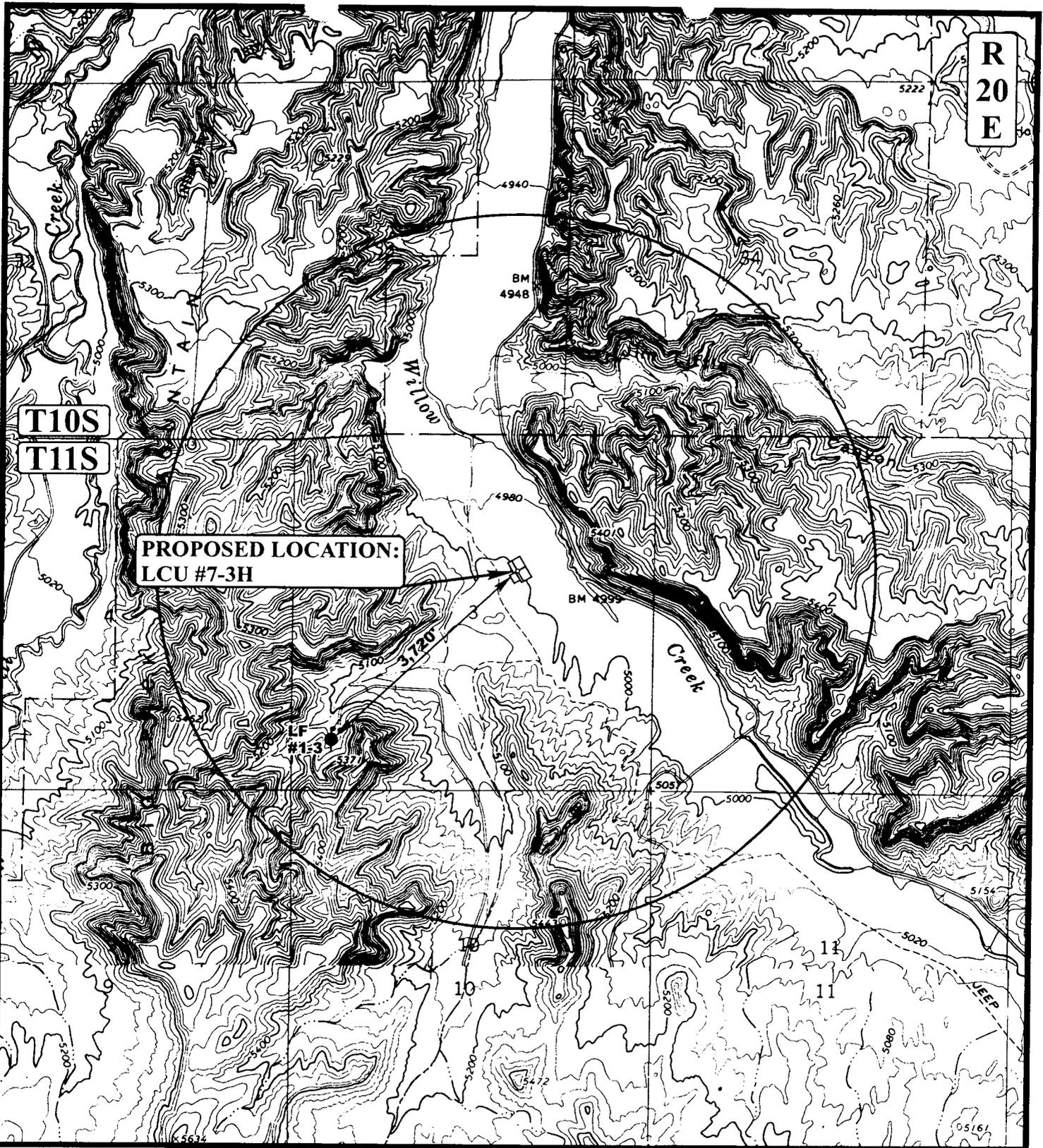
DOMINION EXPLR. & PROD., INC.

**LCU #7-3H
SECTION 3, T11S, R20E, S.L.B.&M.
2000' FNL 2000' FEL**

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

TOPOGRAPHIC 02 18 05
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO



LEGEND:

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

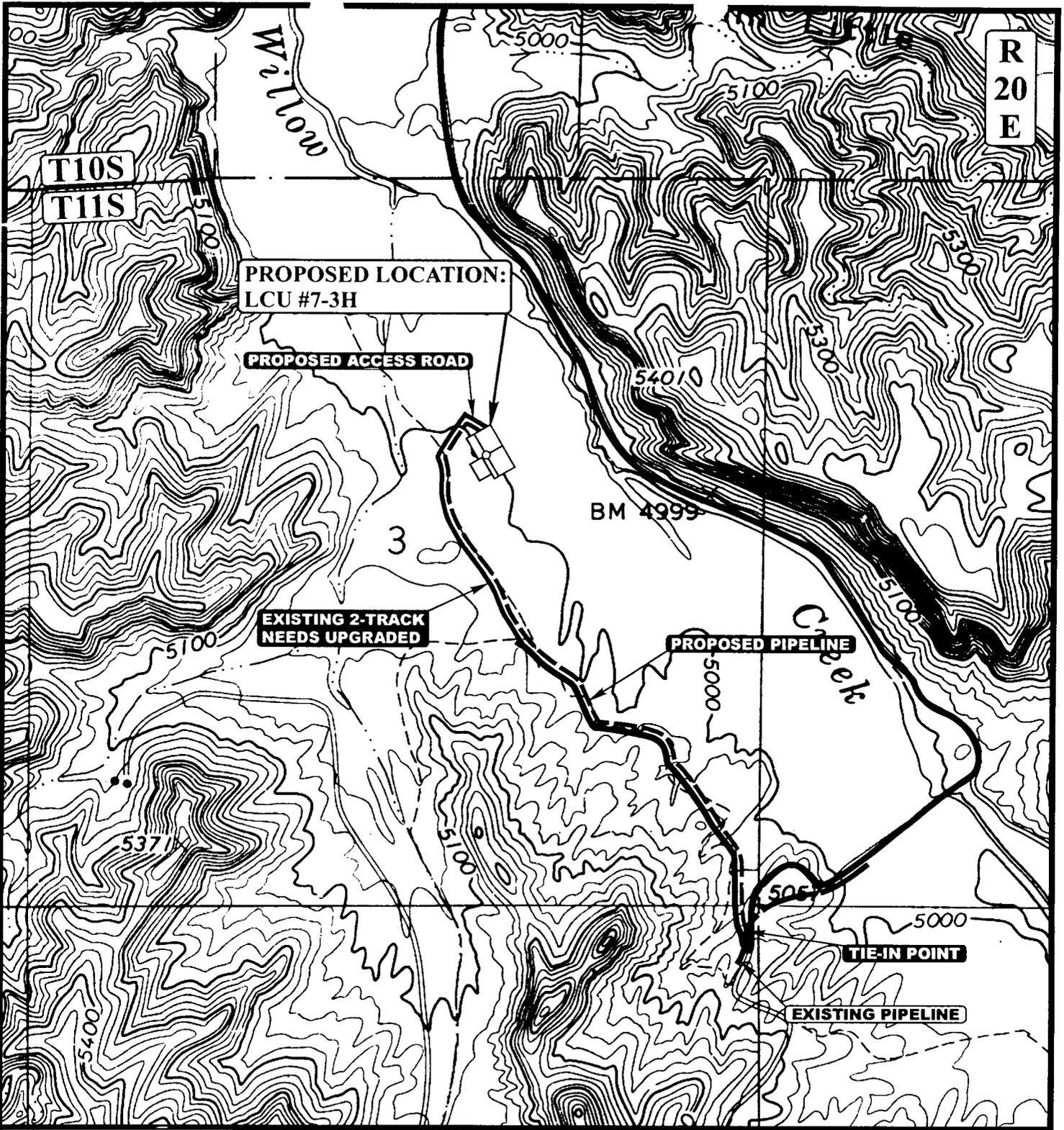
DOMINION EXPLR. & PROD., INC.

LCU #7-3H
 SECTION 3, T11S, R20E, S.L.B.&M.
 2000' FNL 2000' FEL

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



TOPOGRAPHIC MAP	02 MONTH	18 DAY	05 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.		REVISED: 00-00-00	



APPROXIMATE TOTAL PIPELINE DISTANCE = 4,770' +/-

LEGEND:

	PROPOSED ACCESS ROAD
	EXISTING PIPELINE
	PROPOSED PIPELINE

DOMINION EXPLR. & PROD., INC.
 LCU #7-3H
 SECTION 3, T11S, R20E, S.L.B.&M.
 2000' FNL 2000' FEL

U&Ls Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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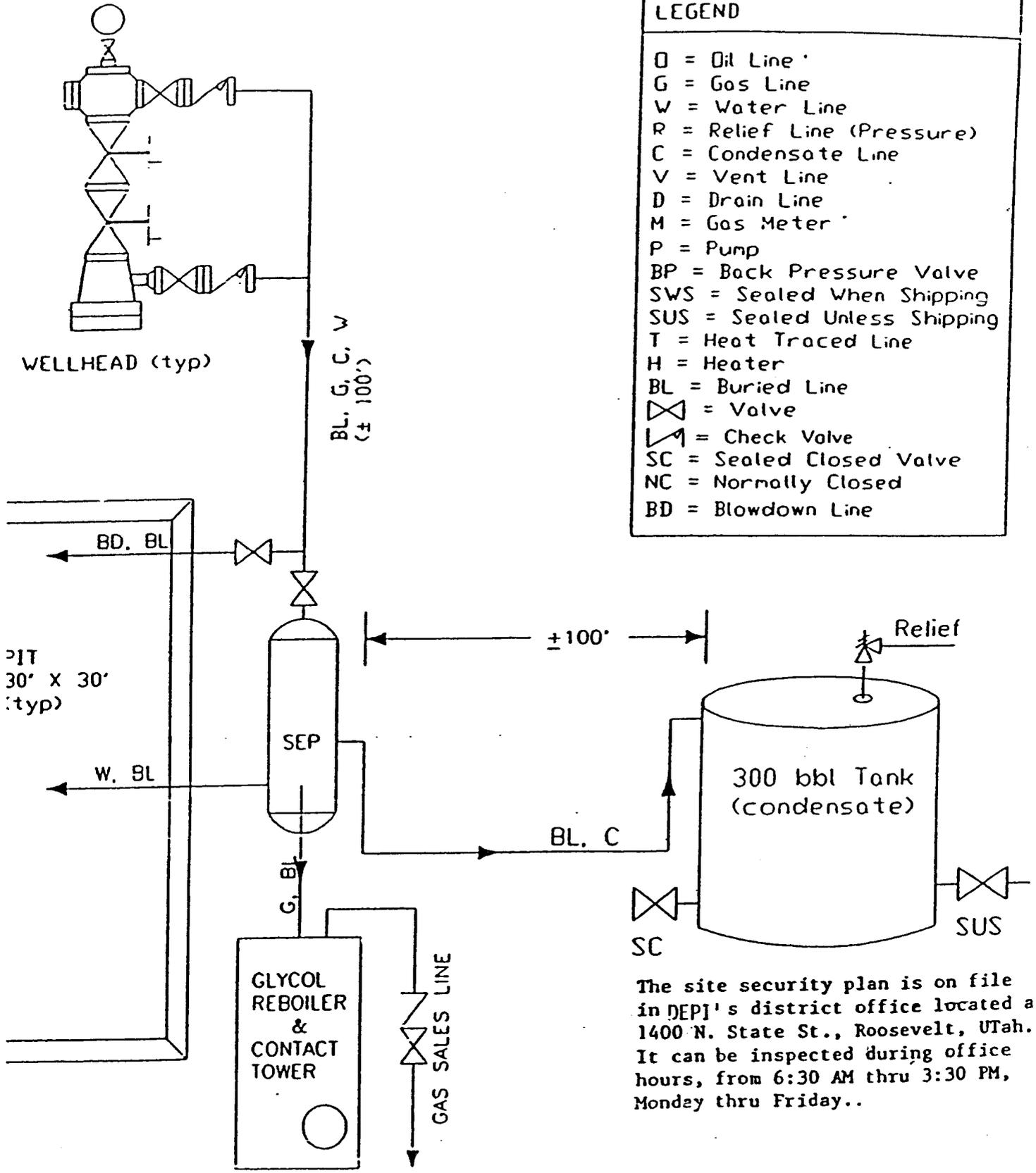


TOPOGRAPHIC	02	18	05	D TOPO
MAP	MONTH	DAY	YEAR	
SCALE: 1" = 1000'	DRAWN BY: C.P.		REVISED: 00-00-00	

CONFIDENTIAL

LEGEND

- O = Oil Line
- G = Gas Line
- W = Water Line
- R = Relief Line (Pressure)
- C = Condensate Line
- V = Vent Line
- D = Drain Line
- M = Gas Meter
- P = Pump
- BP = Back Pressure Valve
- SWS = Sealed When Shipping
- SUS = Sealed Unless Shipping
- T = Heat Traced Line
- H = Heater
- BL = Buried Line
- ⊗ = Valve
- ↗ = Check Valve
- SC = Sealed Closed Valve
- NC = Normally Closed
- BD = Blowdown Line

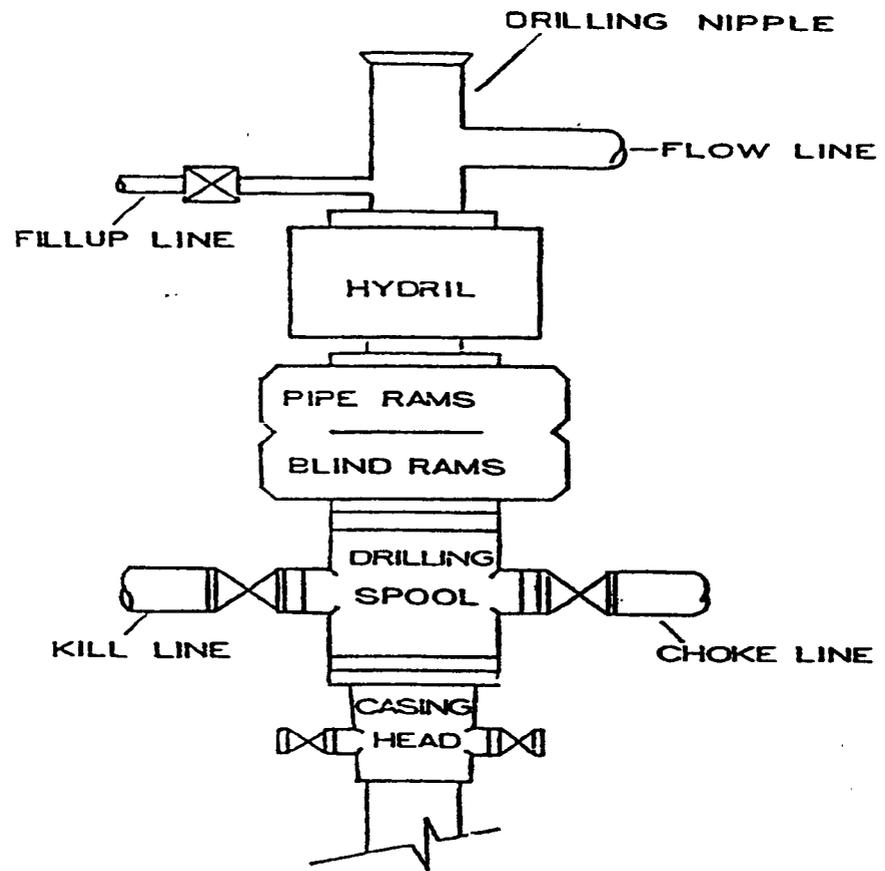


The site security plan is on file in DEPI's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

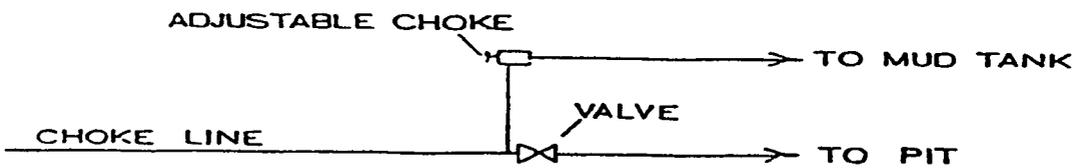
DOMINION EXPLORATION & PRODUCTION, INC.

not to scale

BOP STACK



CHOKER MANIFOLD



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/03/2005

API NO. ASSIGNED: 43-047-36775

WELL NAME: LCU 7-3H

OPERATOR: DOMINION EXPL & PROD (N1095)

CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

SWNE 03 110S 200E
 SURFACE: 2000 FNL 2000 FEL
 BOTTOM: 2000 FNL 2000 FEL
 UINTAH
 HILL CREEK (617)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-44090-A
 SURFACE OWNER: 4 - Fee
 PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

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

LATITUDE: 39.89109

LONGITUDE: -109.6623

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 76S630500330)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-10447)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

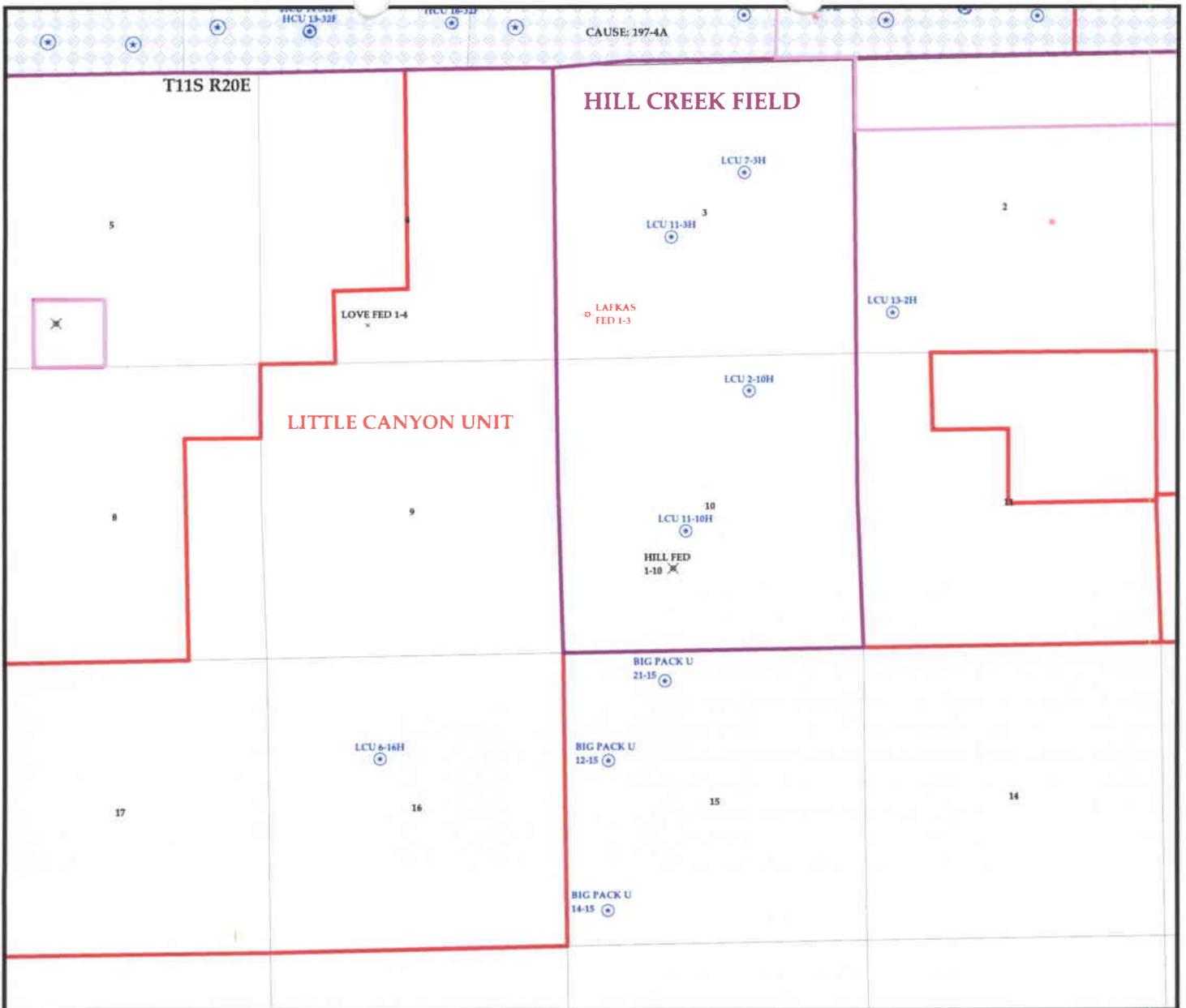
- ___ R649-2-3.
- Unit LITTLE CANYON
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- ___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- ___ R649-3-11. Directional Drill

COMMENTS:

Needs Pres to (07-14-05)

STIPULATIONS:

- 1- Federal Approval
- 2- Spacing Slip
- 3- STATEMENT OF BASIS



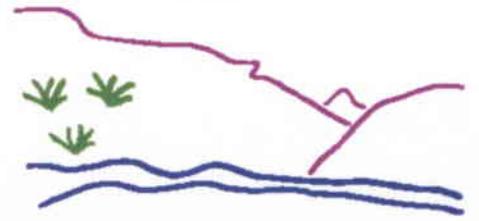
OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 3,10,16 T. 11S R. 20E

FIELD: HILL CREEK (617)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
☉ GAS INJECTION	☐ EXPLORATORY	☐ ABANDONED
⊕ GAS STORAGE	☐ GAS STORAGE	☐ ACTIVE
⊗ LOCATION ABANDONED	☐ NF PP OIL	☐ COMBINED
⊙ NEW LOCATION	☐ NF SECONDARY	☐ INACTIVE
⊖ PLUGGED & ABANDONED	☐ PENDING	☐ PROPOSED
⊛ PRODUCING GAS	☐ PI OIL	☐ STORAGE
● PRODUCING OIL	☐ PP GAS	☐ TERMINATED
⊖ SHUT-IN GAS	☐ PP GEOTHERML	
⊕ SHUT-IN OIL	☐ PP OIL	
⊗ TEMP. ABANDONED	☐ SECONDARY	
⊖ TEST WELL	☐ TERMINATED	
⊙ WATER INJECTION		
⊕ WATER SUPPLY		
⊖ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
DATE: 10-JUNE-2005

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

OPERATOR: _____ DOMINION EXPLORATION & PRODUCTION, INC.
WELL NAME & NUMBER: _____ LCU 7-3H
API NUMBER: _____ 43-047-36755
LOCATION: 1/4,1/4 SW/NE Sec: 3 TWP:11S RNG: 20E 2000' FNL 2000'FEL

Geology/Ground Water:

The mineral rights for the proposed well are owned by the Federal Government. The BLM is the agency responsible for evaluating and approving the casing, cement and drilling programs.

Reviewer: _____ Brad Hill **Date:** _____ 07-28-05

Surface:

The pre-drill investigation of the surface was performed on 7/14/05. This site is on fee surface with USA minerals. Surface owner is the Alameda Corporation. Mr. Tom Jenkins, representative for Alameda, was invited to this investigation on 7/05/05. He was not present. The pre-drill investigation did not reveal any significant issues or situations, which should prohibit drilling of this well. Alameda Corporation, the surface owner, is actively trying to sell their ranch, which includes this area.

Reviewer: _____ Floyd Bartlett **Date:** _____ 7/26 /05

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

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

OPERATOR: DOMINION EXPLORATION & PRODUCTION, INC.
WELL NAME & NUMBER: LCU 7-3H
API NUMBER: 43-047-36775
LEASE: FEE FIELD/UNIT: Little Canyon Unit
LOCATION: 1/4, 1/4 SW/NE Sec: 3 TWP: 11S RNG: 20E 2000' FNL 2000' FEL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): 614374 X 4416315 Y SURFACE OWNER: ALAMEDA CORP.

PARTICIPANTS

DAVID W. HACKFORD, FLOYD BARTLETT (DOGMI), DON HAMILTON (DOMINION),
DAVID WESTON (U.E.L.S.).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Site is within an abandoned agricultural field. It possibly has not been farmed for 20-30 years. The valley floor in this part of the Willow Creek drainage is broad and probably is the historic flood plain. However, Willow Creek is now deeply incised. Willow Creek joins Hill Creek about 3 miles downstream from the site. Side slopes of the plateau above the location are very steep, often with sandstone-faced cliffs. Surface run-off is very light at the location. The Green River is ten miles to the northwest and Ouray, Utah approximately 13 miles to the North.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife and Livestock Grazing, Hunting. An abandoned irrigation ditch is east of the location.

PROPOSED SURFACE DISTURBANCE: Location will be 355' by 270'. Access to the site will be from an existing oil field development road, which crosses Willow Creek about 1/2 mile north of the location. This road proceeds north to within about .035 miles of the well pad. 0.35 miles of two-track road and 200 feet of new road will be improved or constructed to the site.

LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS: LF 1-3 is 3.720 feet south west of this location.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline if needed, will follow access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be borrowed from site during construction of location.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?

(EXPLAIN): Unlikely, . Area is isolated. Significant oilfield activity already occurs in the general area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Geasewood, Russian thistle, annual mustard weed and Kochia spp.: Pronghorn, coyotes, songbirds, raptors, rodents, rabbits, deer, elk.

SOIL TYPE AND CHARACTERISTICS: Very light brown sandy clay.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: 140' by 100' and eight feet deep.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 mil liner is required at this site.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: No.

CULTURAL RESOURCES/ARCHAEOLOGY: Site has been inspected by Jim Truesdale. A copy of his report will be submitted to the State of Utah.

OTHER OBSERVATIONS/COMMENTS

This pre-drill investigation was conducted on a hot, sunny day.

ATTACHMENTS

Photos of this site were taken and placed on file.

Floyd Bartlett & David Hackford
DOG M REPRESENTATIVES

7/14/05 11:30 AM
DATE/TIME

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

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

Final Score 30 (Level II sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

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

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



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 24, 2006

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

Re: Little Canyon Unit 7-3H Well, 2000' FNL, 2000' FEL, SW NE, Sec. 3,
T. 11 South, R. 20 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 43-047-36775.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

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

RECEIVED
SUBMIT IN TRIPlicate*
(Other instructions reverse side)
JUN - 6 2005

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-44090-A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. UNIT AGREEMENT NAME Little Canyon Unit
2. NAME OF OPERATOR Dominion Exploration & Production, Inc.		8. FARM OR LEASE NAME, WELL NO. LCU 7-3H
3. ADDRESS AND TELEPHONE NO. 14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134, 405-749-5263		9. API WELL NO. 43-047-36775
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 2,000' FNL, 2,000' FEL SW/4 NE/4		10. FIELD AND POOL, OR WILDCAT Natural Buttes
At proposed prod. zone 2,000' FNL, 2,000' FEL SW/4 NE/4		11. SEC., T., R., M., OR BLK. Section 3,
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.66 miles south of Ouray, Utah		T11S, R20E, SLB&M
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 625'	16. NO. OF ACRES IN LEASE 309.26	12. COUNTY OR PARISH Uintah
17. NO. OF ACRES ASSIGNED TO THIS WELL 40 acres	18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None	13. STATE Utah
19. PROPOSED DEPTH 8,700'	20. ROTARY OR CABLE TOOLS Rotary	22. APPROX. DATE WORK WILL START* August 1, 2005
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4,995' GR		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55 ST&C	32#	2,000'	252 sks Lead, 219 sks, tail, 100 sks top out—see attached Drilling Plan
7-7/8"	5-1/2" Mav 80 LT&C	17#	8,700'	160 sks Lead, 435 sks Tail—see attached Drilling Plan

Bond Information:

Bond coverage is provided by Travelers Casualty and Surety Company of America, Bond #76S 63050 0330

Other Information:

Drilling Plan and Surface Use Plan are attached.
Dominion requests that this complete application for permit to drill be held confidential.

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OCT 23 2006 CONFIDENTIAL

DIV. OF OIL, GAS & MINING

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

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Dominion DATE May 31, 2005
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE Assistant Field Manager
LANDS & MINERAL RESOURCES DATE 10-6-2006

***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 or the

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
VERNAL, UT 84078

170 South 500 East

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Dominion Exploration & Production **Location:** SWNE, Sec 3, T11S, R20E
Well No: LCU 7-3H **Lease No:** UTU-44090-A
API No: 43-047-36775 **Agreement:** Little Canyon Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After hours contact number:	(435) 781-4513	FAX: (435) 781-4410	

**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 one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- Location Construction
(Notify Karl Wright) - Forty-Eight (48) hours prior to construction of location and access roads
- Location Completion
(Notify Karl Wright) - Prior to moving on the drilling rig.
- Spud Notice
(Notify PE) - Twenty-Four (24) hours prior to spudding the well.
- Casing String & Cementing
(Notify Jamie Sparger SPT) - Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- BOP & Related Equipment Tests
(Notify Jamie Sparger SPT) - Twenty-Four (24) hours prior to initiating pressure tests.
- First Production Notice
(Notify PE) - 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)**

- Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APDs
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee will submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the Best Management Practice of the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil up to the rig anchor points; and, reseeding the area using appropriate reclamation methods.
- The interim seed mix for reclamation will be:

Hy-crest Crested Wheatgrass	<i>Agropyron cristatum</i>	4 lbs per acre
Western Wheatgrass	<i>Agropyron smithii</i>	4 lbs per acre
Needle and Threadgrass	<i>Stipa comata</i>	4 lbs per acre

- The pad will be bermed around the outer edge of the pad to prevent potential flood waters from flowing across the pad and carrying hydrocarbons into Willow Creek.
- If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.
- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil re-spread over the surface; and, the surface re-vegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- The Mahogany Oil shale is above the 2000' cutoff. Please isolate and protect.
- Usable water is likely present between 2000 and 4619 feet. Please isolate and protect all usable water flows.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. 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. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 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.**
- Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.
- All BOPE components will 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 must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.
- BOP drills must 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.
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).

- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of 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.
- All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports must 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.
- Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well must 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.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 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, will 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) will 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 will have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters will be calibrated in place prior to any deliveries. The 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 will 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.
- 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.
- This APD is approved subject to the requirement that, shall 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 (¼¼, 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 will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 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, will 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.

- 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.

ENTITY ACTION FORM

Operator: Dominion Exploration & Production, Inc. Operator Account Number: N 1095
 Address: 14000 Quail Springs Parkway, Suite 600
city Oklahoma City
state OK zip 73134 Phone Number: (405) 749-5237

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36775	LCU 7-3H		SWNE	3	11S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	15777	11/6/2006			11/16/06	
Comments: <u>MVRD</u>							CONFIDENTIAL

Well 2

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

Well 3

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

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Barbara Lester
 Name (Please Print) Barbara Lester
 Signature [Handwritten Signature]
 Title Regulatory Specialist Date 11/6/2006

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 NOV 13 2006

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 11/15/2006 at 5:44:22 PM

Pages : 3 (including Cover)

Subject : LCU 7-3H *TIS RAOE S-03 43-047-36725*

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NOV 15 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

Event No: 1

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700 SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$523,858.00

EVENT CC : \$0.00

EVENT TC : \$523,858.00

WELL TOTL COST : \$523,858

REPORT DATE: 11/08/06 MD : 1,083 TVD : 1,083 DAYS : 3 MW : 8.7 VISC : 43
DAILY : DC : \$34,406.00 CC : \$0.00 TC : \$34,406.00 CUM : DC : \$142,923.00 CC : \$0.00 TC : \$142,923.00
DAILY DETAILS : DRILLING FROM 309 TO 494 REINSTALL CONDUCTER AND FLOW LINE [CAME APART] DRILLING FROM 494 TO 649 REINSTALL CONDUCTER DRILLING FROM 649 TO 1083

REPORT DATE: 11/09/06 MD : 1,979 TVD : 1,979 DAYS : 4 MW : 8.8 VISC : 37
DAILY : DC : \$72,380.00 CC : \$0.00 TC : \$72,380.00 CUM : DC : \$215,303.00 CC : \$0.00 TC : \$215,303.00
DAILY DETAILS : SURVEY AT 1002 1ST MISSRUN 2ND 2' DRILLING FROM 1083 TO 1531 RIG SERVICE DISCUSSE BOP DIRVERTER PROCEEDURES WITH HANDS DRILLING FROM 1531 TO 1797 WORK ON #1 MUD PUMP DRILLING FROM 1797 TO 1979

REPORT DATE: 11/10/06 MD : 2,250 TVD : 2,250 DAYS : 5 MW : 9.5 VISC : 37
DAILY : DC : \$86,614.00 CC : \$0.00 TC : \$86,614.00 CUM : DC : \$301,917.00 CC : \$0.00 TC : \$301,917.00
DAILY DETAILS : DRILLING FROM 1979 TO 2250 CIRCULATE SWEEP AND BOTTOMS UP, PUMP DRY PIPE SLUG PULL OUT OF HOLE RIG UP CASERS AND RUN 52 JOINTS OF 8 5/8" 32# LENGTH 2210.89 SHOE @ 2228'. CIRCULATE RIG DOWN CASERS RIG UP HALLIBURTON HELD PREJOB SAFETY MEETING PRESSURE TEST 4000 PSI, PUMP 20 BBL GEL SWEEP, 250 SX LEAD, 250 SX TAIL, 133 BBL DISPLACEMENT, BUMP PLUG AT 02:15 HOURS WITH 500 PSI OVER,FLOATS NOT HOLDING ATTEMPT WITH 1000 OVER, FLOAT NOT HOLDING, ATTEMPT WITH 2000 OVER FLOAT STILL NOT HOLDING, BUMP PLUG AGAIN LEAVE 750 PSI ON CEMENT HEAD, OBSERVE ANNULAS FOR 1 HOUR CEMENT FELL 20' TOP OFF TO SURFACE AND RIG DOWN HALLIBURTON WAIT ON CEMENT TILL 06:15 HRS

REPORT DATE: 11/11/06 MD : 2,644 TVD : 2,644 DAYS : 6 MW : 8.5 VISC : 26
DAILY : DC : \$76,502.00 CC : \$0.00 TC : \$76,502.00 CUM : DC : \$378,419.00 CC : \$0.00 TC : \$378,419.00
DAILY DETAILS : BLEED OFF PRESSURE AND RIG DOWN CEMENT HEAD NIPPLE DOWN DIVERTER NIPPLE UP B.O.P. TEST PIPE RAMS ,BLIND RAMS, KILL LINE & VALVES, CHOKE LINE MAN. HCR, CHOKE MANNIFOLD & VALVES CHOKES, UPPER AND LOWER KELLY COCKS TO 3000 PSI HIGH 250 PSI LOW FOR 10 MIN. ANNULAR 250 & 1500, CASING 1500 FOR 30 MIN SET WEAR RING PICK UP BIT & MOTER AND RUN IN HOLE TAG CEMENT AT 2186 DRILL PLUG FLOAT AND SHOE DRILLING FROM 2250 TO 2318 FORMATION INTEGRITY TEST DRILLING FROM 2318 TO 2644

REPORT DATE: 11/12/06 MD : 4,756 TVD : 4,756 DAYS : 7 MW : 8.5 VISC : 26
DAILY : DC : \$37,965.00 CC : \$0.00 TC : \$37,965.00 CUM : DC : \$416,384.00 CC : \$0.00 TC : \$416,384.00
DAILY DETAILS : DRILLING FROM 2644 TO 3058 SURVEY @ 3028=MISSRUN DRILLING FROM 3058 TO 3186 SURVEY @ 3106=3' DRILLING FROM 3186 TO 3701***60 GPM WATER FLOW AT 3058*** RIG SERVICE, BOP DRILL PERSONEL TO STATIONS FUNCTION PIPE RAMS 2 MIN 45 SEC DRILLING FROM 3701 TO 4085 SURVEY @ 4002=3' DRILLING FROM 4085 TO 4756

REPORT DATE: 11/13/06 MD : 6,001 TVD : 6,001 DAYS : 8 MW : 9.4 VISC : 37
DAILY : DC : \$38,075.00 CC : \$0.00 TC : \$38,075.00 CUM : DC : \$454,459.00 CC : \$0.00 TC : \$454,459.00
DAILY DETAILS : DRILLING FROM 4756 TO 5076 SURVEY=MISSRUN DRILLING FROM 5076 TO 5106 2ND SURVEY=MISSRUN, 3RD SURVEY=2 1/2' @5021 DRILLING FROM 5106 TO 5458 RIG SERVICE, B.O.P. DRILL PERSONEL TO STATIONS FUNCTION PIPE RAMS 2 MIN DRILLING FROM 5458 TO 6001

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NOV 15 2006



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700

SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$523,858.00

EVENT CC : \$0.00

EVENT TC : \$523,858.00

WELL TOTL COST : \$523,858

REPORT DATE: 11/14/06

MD : 6,897

TVD : 6,897

DAYS : 9

MW : 9.4

VISC : 43

DAILY : DC : \$35,826.00

CC : \$0.00

TC : \$35,826.00

CUM : DC : \$490,285.00

CC : \$0.00

TC : \$490,285.00

 DAILY DETAILS : DRILLING FROM 6001 TO 6295 RIG SERVICE, B.O.P. DRILL PERSONEL TO STATIONS FUNCTION PIPE RAMS
2 MIN 43 SEC. DRILLING FROM 6295 TO 6897

REPORT DATE: 11/15/06

MD : 7,378

TVD : 7,378

DAYS : 10

MW : 9.1

VISC : 37

DAILY : DC : \$33,573.00

CC : \$0.00

TC : \$33,573.00

CUM : DC : \$523,858.00

CC : \$0.00

TC : \$523,858.00

 DAILY DETAILS : DRILLING FROM 6897 TO 7217 RIG SERVICE, BOP DRILL PERSONEL TO STATION FUNCTION PIPE RAMS 3
MIN. 50 SEC. DRILLING FROM 7217 TO 7239 REPAIR MUD LINE DROP SURVEY, PULL OUT OF HOLE,
RETRIEVE SURVEY, LAY DOWN 1ST PDC PICK UP 2ND PDC AND RUN IN HOLE TO SHOE ADJUST DRAW
WORKS BRAKES RUN IN HOLE DRILLING FROM 7239 TO 7378

RECEIVED
NOV 15 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
DOMINION EXPLORATION & PRODUCTION, INC.

3a. Address Suite 600
14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134

3b. Phone No. (include area code)
405-749-5237

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2,000' FNL & 2,000' FEL, SW/4 NE/4, Section 3, T11S, R20e, SLB&M

5. Lease Serial No.
UTU-44090A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Little Canyon Unit

8. Well Name and No.
LCU 7-3H

9. API Well No.
43-047-36775

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah Co., Utah

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

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

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

Spud well - 11/6/06. 11/9/06 - Ran 52 jts., 8 5/8", 32#, J-55, ST&C csg., set @ 2228'. Cemented lead w/250 sks Hi-Fill "V", 11.0 ppg, 3.82 yld, tailed w/250 sks Class "G", 15.8 ppg, 1.15 yld. Currently drilling @7378'.

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

Barbara Lester

Title **Regulatory Specialist**

Signature

Barbara Lester

Date **13-Nov-06**

Approved by

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

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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.

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NOV 20 2006

DIV. OF OIL, GAS & MINING

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 11/21/2006 at 2:37:50 PM

Pages : 3 (including Cover)

Subject : LCU 7-3H *T11S R20F SEC 03 43-047-36775*

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NOV 21 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700

SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$838,712.00

EVENT CC : \$129.00

EVENT TC : \$838,841.00

WELL TOTL COST : \$838,841

REPORT DATE: 11/14/06 MD : 6,897 TVD : 6,897 DAYS : 9 MW : 9.4 VISC : 43
 DAILY : DC : \$35,826.00 CC : \$0.00 TC : \$35,826.00 CUM : DC : \$490,285.00 CC : \$0.00 TC : \$490,285.00
 DAILY DETAILS : DRILLING FROM 6001 TO 6295 RIG SERVICE, B.O.P. DRILL PERSONEL TO STATIONS FUNCTION PIPE RAMS
 2 MIN 43 SEC. DRILLING FROM 6295 TO 6897

REPORT DATE: 11/15/06 MD : 7,378 TVD : 7,378 DAYS : 10 MW : 9.1 VISC : 37
 DAILY : DC : \$33,573.00 CC : \$0.00 TC : \$33,573.00 CUM : DC : \$523,858.00 CC : \$0.00 TC : \$523,858.00
 DAILY DETAILS : DRILLING FROM 6897 TO 7217 RIG SERVICE, BOP DRILL PERSONEL TO STATION FUNCTION PIPE RAMS 3
 MIN. 50 SEC. DRILLING FROM 7217 TO 7239 REPAIR MUD LINE DROP SURVEY, PULL OUT OF HOLE,
 RETREIVE SURVEY, LAY DOWN 1ST PDC PICK UP 2ND PDC AND RUN IN HOLE TO SHOE ADJUST DRAW
 WORKS BRAKES RUN IN HOLE DRILLING FROM 7239 TO 7378

REPORT DATE: 11/16/06 MD : 8,090 TVD : 8,090 DAYS : 11 MW : 9.7 VISC : 34
 DAILY : DC : \$31,340.00 CC : \$0.00 TC : \$31,340.00 CUM : DC : \$555,198.00 CC : \$0.00 TC : \$555,198.00
 DAILY DETAILS : DRILLING FROM 7378 TO 7601 RIG SERVICE, BOP DRILL PERSONEL TO STATIONS FUNCTION ANNULAR 4
 MIN. DRILLING FROM 7601 TO 8090

REPORT DATE: 11/17/06 MD : 8,311 TVD : 8,311 DAYS : 12 MW : 9.7 VISC : 35
 DAILY : DC : \$33,040.00 CC : \$0.00 TC : \$33,040.00 CUM : DC : \$588,238.00 CC : \$0.00 TC : \$588,238.00
 DAILY DETAILS : DRILLING FROM 8090 TO 8311 PUMP SLUG PULL OUT OF HOLE CHANGE BIT AND MOTER RUN IN HOLE
 REAM 8272 TO 8311

REPORT DATE: 11/18/06 MD : 8,719 TVD : 8,719 DAYS : 13 MW : 9.7 VISC : 35
 DAILY : DC : \$30,145.00 CC : \$129.00 TC : \$30,274.00 CUM : DC : \$618,383.00 CC : \$129.00 TC : \$618,512.00
 DAILY DETAILS : DRILLING FROM 8311 TO 8509 WORK ON MUD PUMPS DRILLING FROM 8509 TO 8558 RIG SERVICE, BOP
 DRILL PERSONEL TO STATIONS FUNCTION PIPE RAMS 3 MIN 30 SEC DRILLING FROM 8558 TO 8719 MIX AND
 PUMP DRY PIPE SLUG PULL OUT OF HOLE

REPORT DATE: 11/19/06 MD : 9,054 TVD : 9,054 DAYS : 14 MW : 9.7 VISC : 33
 DAILY : DC : \$31,965.00 CC : \$0.00 TC : \$31,965.00 CUM : DC : \$650,348.00 CC : \$129.00 TC : \$650,477.00
 DAILY DETAILS : LAY DOWN BIT#3 PICK UP BIT#4 RUN IN HOLE TO SHOE [FUNCTION BLIND RAMS] CUT AND SLIP 120' OF
 DRILLING LINE RUN IN HOLE WITH FILL AT AT 4500' DRILLING FROM 8719 TO 8812 RIG SERVICE, BOP
 DRILL PERSONEL TO STATIONS FUNCTION PIPE RAMS 5 MIN. DRILLING FROM 8812 TO 9000 ***TOTAL
 DEPTH*** CIRCULATE BOTTOMS UP DRILLING FROM 9000 TO 9054 ***TOTAL DEPTH*** CIRCULATE
 BOTTTOMS UP SHORT TRIP TO 8528 MIX AND PUMP DRY PIPE SLUG PULL OUT OF HOLE

REPORT DATE: 11/20/06 MD : 9,054 TVD : 9,054 DAYS : 15 MW : 9.7 VISC : 33
 DAILY : DC : \$69,233.00 CC : \$0.00 TC : \$69,233.00 CUM : DC : \$719,581.00 CC : \$129.00 TC : \$719,710.00
 DAILY DETAILS : PULL OUT OF HOLE, LAY DOWN MOTER AND BIT RIG UP SCHUMLUMBERGER HELD PRE JOB SAFETY
 MEETING RUN IN HOLE [TOOL FAILED L/D BAD P/U NEW] RUN IN HOLE TO 2500 WORK PAST OBSRTUCTION
 2800 SAME 3300 SAME RUN IN HOLE [REAM OUT TIGHT SPOT AT 3300] CIRCULATE GAS OUT AND PUMP
 SWEEPS AROUND, PUMP DRY PIPE SLUG PULL OUT OF HOLE

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NOV 21 2006



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700 SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$838,712.00

EVENT CC : \$129.00

EVENT TC : \$838,841.00

WELL TOTL COST : \$838,841

REPORT DATE: 11/21/06

MD : 9,054

TVD : 9,054

DAYS : 16

MW : 9.8

VISC : 34

DAILY : DC : \$30,960.00

CC : \$0.00

TC : \$30,960.00

CUM : DC : \$750,541.00

CC : \$129.00

TC : \$750,670.00

DAILY DETAILS : PULL OUT OF HOLE RIG UP SCHLUMBERGER, HELD PRE JOB SAFETY MEETING, CALIBRATE RUN TRIPPLE COMBO OPEN HOLE LOG TOTAL DEPTH 9063 LOGS STUCK AT 2780 WORK [NO FREEPLAY] RIG UP SHEEVE AND FISHING TOOLS PREJOB SAFETY MEETING [CUT AND THREAD] R.I.H. LACTCH ON FISH PULL OUT WIRE LINE PULL OUT OF HOLE, LAY DOWN LOG TOOLS AND FISHING TOOLS

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NOV 21 2006

DIV. OF OIL, GAS & MINING

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 11/29/2006 at 3:06:52 PM

Pages : 2 (including Cover)

Subject : LCU 7-3H *TIS R20E S-03 43-047-36775*

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NOV 29 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

COUNTY & STATE : UINTAH

UT

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

CONTRACTOR :

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

PLAN DEPTH : 8,700 SPUD DATE : 11/06/06

EVENT DC : \$1,005,308.00

EVENT CC : \$129.00

EVENT TC : \$1,005,437.00

FORMATION : WASATCH/MESAVERDE

WELL TOTL COST : \$1,005,437

REPORT DATE: 11/20/06

MD : 9,054

TVD : 9,054

DAYS : 15

MW : 9.7

VISC : 33

DAILY : DC : \$69,233.00

CC : \$0.00

TC : \$69,233.00

CUM : DC : \$719,581.00

CC : \$129.00

TC : \$719,710.00

DAILY DETAILS : PULL OUT OF HOLE, LAY DOWN MOTER AND BIT RIG UP SCHUMLUMBERGER HELD PRE JOB SAFETY MEETING RUN IN HOLE [TOOL FAILED L/D BAD P/U NEW] RUN IN HOLE TO 2500 WORK PAST OBSRTUCTION 2800 SAME 3300 SAME RUN IN HOLE [REAM OUT TIGHT SPOT AT 3300] CIRCULATE GAS OUT AND PUMP SWEEPS AROUND, PUMP DRY PIPE SLUG PULL OUT OF HOLE

REPORT DATE: 11/21/06

MD : 9,054

TVD : 9,054

DAYS : 16

MW : 9.8

VISC : 34

DAILY : DC : \$30,960.00

CC : \$0.00

TC : \$30,960.00

CUM : DC : \$750,541.00

CC : \$129.00

TC : \$750,670.00

DAILY DETAILS : PULL OUT OF HOLE RIG UP SCHLUMBERGER, HELD PRE JOB SAFETY MEETING, CALIBRATE RUN TRIPPLE COMBO OPEN HOLE LOG TOTAL DEPTH 9063 LOGS STUCK AT 2780 WORK [NO FREEPLAY] RIG UP SHEEVE AND FISHING TOOLS PREJOB SAFETY MEETING [CUT AND THREAD] R.I.H. LACTCH ON FISH PULL OUT WIRE LINE PULL OUT OF HOLE, LAY DOWN LOG TOOLS AND FISHING TOOLS

REPORT DATE: 11/22/06

MD : 9,054

TVD : 9,054

DAYS : 17

MW : 9.8

VISC : 34

DAILY : DC : \$254,767.00

CC : \$0.00

TC : \$254,767.00

CUM : DC : \$1,005,308.00

CC : \$129.00

TC : \$1,005,437.00

DAILY DETAILS : LAY DOWN LOG TOOLS AND FISHING TOOLS RUN IN HOLE TO 8900 WITH FILL AT 3900 CIRCULATE GAS OUT RIG UP CASERS, HELD P.J.S.M. PUMP DRY PIPE SLUG LAY DOWN DRILL STRING HELD PREJOB SAFETY MEETING RIG UP FRANKS CASERS RUN 214 JOINTS OF 5 1/2" 17# MAV-80 SHOE @ 9049, FLOAT @ 9021, 1ST MARKER @ 6497, 2ND MARKER @ 3759 CIRCULATE GAS OUT RIG DOWN FRANKS CASERS, RIG UP HALLIBURTON, HELD P.J.S.M. PRESSURE TEST SURFACE LINES TO 3500 PSI, 50 BBL MUD FLUSH, 10 BBL KCL, 69.5 BBL [125 SX] LEAD CEMENT, 235.6 BBL [756 SX] TAIL CEMENT, 209.3 BBL KCL DISPLACEMENT, BUMP PLUG WITH 500 PSI OVER PLUG DOWN AT 06:15 *****RIG RELEASED AT 06:00 HOURS*****

RECEIVED
NOV 29 2006

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 12/6/2006 at 5:19:18 PM

Pages : 2 (including Cover)

Subject : LCU 7-3H *TIS RAOE S-03 43-047-36725*

CONFIDENTIAL

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DEC 06 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700

SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$1,005,308.00

EVENT CC : \$129.00

EVENT TC : \$1,005,437.00

WELL TOTL COST : \$1,005,437

REPORT DATE: 11/20/06

MD : 9,054

TVD : 9,054

DAYS : 15

MW : 9.7

VISC : 33

DAILY : DC : \$69,233.00

CC : \$0.00

TC : \$69,233.00

CUM : DC : \$719,581.00

CC : \$129.00

TC : \$719,710.00

DAILY DETAILS : PULL OUT OF HOLE, LAY DOWN MOTER AND BIT RIG UP SCHUMLUMBERGER HELD PRE JOB SAFETY MEETING RUN IN HOLE [TOOL FAILED L/D BAD P/U NEW] RUN IN HOLE TO 2500 WORK PAST OBSRTUCTION 2800 SAME 3300 SAME RUN IN HOLE [REAM OUT TIGHT SPOT AT 3300] CIRCULATE GAS OUT AND PUMP SWEEPS AROUND, PUMP DRY PIPE SLUG PULL OUT OF HOLE

REPORT DATE: 11/21/06

MD : 9,054

TVD : 9,054

DAYS : 16

MW : 9.8

VISC : 34

DAILY : DC : \$30,960.00

CC : \$0.00

TC : \$30,960.00

CUM : DC : \$750,541.00

CC : \$129.00

TC : \$750,670.00

DAILY DETAILS : PULL OUT OF HOLE RIG UP SCHLUMBERGER, HELD PRE JOB SAFETY MEETING, CALIBRATE RUN TRIPPLE COMBO OPEN HOLE LOG TOTAL DEPTH 9063 LOGS STUCK AT 2780 WORK [NO FREEPLAY] RIG UP SHEEVE AND FISHING TOOLS PREJOB SAFETY MEETING [CUT AND THREAD] R.I.H. LACTCH ON FISH PULL OUT WIRE LINE PULL OUT OF HOLE, LAY DOWN LOG TOOLS AND FISHING TOOLS

REPORT DATE: 11/22/06

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CC : \$129.00

TC : \$1,005,437.00

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RECEIVED

DEC 06 2006

43-047-36775

LCU 7-3H amended surface use

**AMENDMENT TO EASEMENTS, RIGHTS-OF-WAY
AND SURFACE LOCATION AGREEMENTS**

Whereas, on May 3, 2006, Oscar S. Wyatt, Jr. and Alameda Corporation (collectively "Grantors"), granted and conveyed to Dominion Exploration and Production, Inc. ("Grantee"), an Access Road Easement and Right-of-Way, a Pipeline Easement and Right-of-Way (the "Easements"), and a Well-Site Surface Location ("Well-Site") on and across lands in Uintah County, Utah, copies of which are attached hereto as "Exhibit B."

Whereas, Grantors have requested and Grantee has agreed to change and modify the course, distance, and route of the Easements as well as the location of the Well-Site conveyed to Grantees, in order to accommodate and avoid proposed irrigation equipment or facilities on Grantors' lands.

Whereas, the revised course, distance and route of the Easements and location of the Well-Site has now been determined and agreed upon by the parties, and is set forth on "Exhibit A" to this Amendment.

NOW THEREFORE, for the same consideration, receipt whereof is hereby acknowledged, Grantors ratify, adopt, and confirm, the Easements and Well-Site, as amended, acknowledging that the Easements and Well-Site cover that course, distance, route, and location described in Exhibit "A," and convey and grant to Grantee the Easements and Well-Site on, over and across the lands described in the Easements and Well Site along the course, distance, route, and location described in Exhibit "A" to this Amendment, as if the description of the course, distance, route, and location was originally set out in the Easements and Well-Site. Except as modified by this Amendment, all other terms and conditions of the Easements and Well-Site shall remain in full force and effect.

Grantee joins Grantors in executing this Amendment as acknowledgment that the Easements and Well-Site are limited to the course, distance, route, and location described in Exhibit "A."

This Amendment is executed by Grantors and Grantee as of the date of acknowledgment of their signatures below, but shall be effective as of May 3, 2006.

Dated this 2nd day of November, 2006.

Oscar S. Wyatt, Jr.

By Oscar S Wyatt Jr

DEM

Alameda Corporation

By M. J. Arnold
Its PRESIDENT

RECEIVED
DEC 11 2006

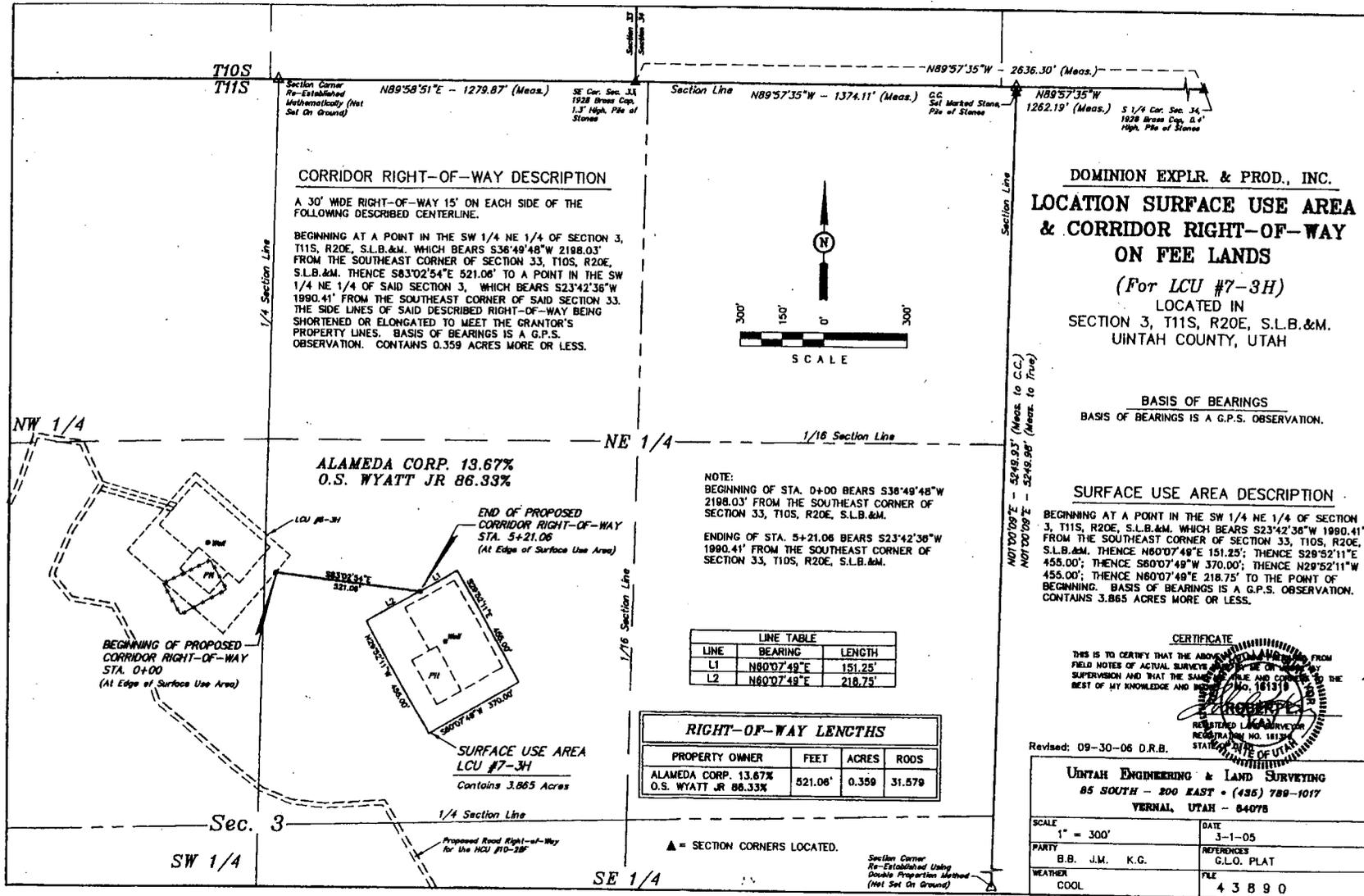
DEM

Dominion Exploration and Production, Inc.

By _____

Its _____

{00015938.1}



CORRIDOR RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.
 BEGINNING AT A POINT IN THE SW 1/4 NE 1/4 OF SECTION 3, T11S, R20E, S.L.B.&M. WHICH BEARS S36°49'48"W 2198.03' FROM THE SOUTHEAST CORNER OF SECTION 33, T10S, R20E, S.L.B.&M. THENCE S83°02'54"E 521.06' TO A POINT IN THE SW 1/4 NE 1/4 OF SAID SECTION 3, WHICH BEARS S23°42'36"W 1990.41' FROM THE SOUTHEAST CORNER OF SAID SECTION 33. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.359 ACRES MORE OR LESS.

**DOMINION EXPLR. & PROD., INC.
 LOCATION SURFACE USE AREA
 & CORRIDOR RIGHT-OF-WAY
 ON FEE LANDS**

(For LCU #7-3H)
 LOCATED IN
 SECTION 3, T11S, R20E, S.L.B.&M.
 UTAH COUNTY, UTAH

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

SURFACE USE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SW 1/4 NE 1/4 OF SECTION 3, T11S, R20E, S.L.B.&M. WHICH BEARS S23°42'36"W 1990.41' FROM THE SOUTHEAST CORNER OF SECTION 33, T10S, R20E, S.L.B.&M. THENCE N80°07'49"E 151.25'; THENCE S29°52'11"E 455.00'; THENCE S80°07'49"W 370.00'; THENCE N29°52'11"W 455.00'; THENCE N80°07'49"E 218.75' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 3.865 ACRES MORE OR LESS.

NOTE:
 BEGINNING OF STA. 0+00 BEARS S36°49'48"W 2198.03' FROM THE SOUTHEAST CORNER OF SECTION 33, T10S, R20E, S.L.B.&M.
 ENDING OF STA. 5+21.06 BEARS S23°42'36"W 1990.41' FROM THE SOUTHEAST CORNER OF SECTION 33, T10S, R20E, S.L.B.&M.

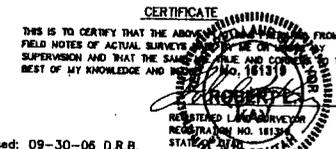
LINE	BEARING	LENGTH
L1	N80°07'49"E	151.25'
L2	N80°07'49"E	218.75'

RIGHT-OF-WAY LENGTHS			
PROPERTY OWNER	FEET	ACRES	RODS
ALAMEDA CORP. 13.67% O.S. WYATT JR 86.33%	521.06'	0.359	31.579

▲ = SECTION CORNERS LOCATED.

Section Corner
 Re-Established Using
 Double Proportion Method
 (Not Set On Ground)

NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE SURVEYOR.
 5249.53' (Meas. to C.C.)
 5249.98' (Meas. to True)



Revised: 09-30-06 D.R.B.	
UTAH ENGINEERING & LAND SURVEYING 85 SOUTH - 200 EAST • (435) 789-1017 VERNAL, UTAH - 84078	
SCALE 1" = 300'	DATE 3-1-05
PARTY B.B. J.M. K.C.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE 4 3 8 9 0

EXHIBIT "A"

EXHIBIT "B"

ACCESS ROAD EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS ACCESS ROAD EASEMENT AND RIGHT-OF-WAY AGREEMENT ("Agreement") is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("Grantors"), and Dominion Exploration and Production, Inc. ("Grantee"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$,

(containing 40.00 acres, more or less)

("Section 3 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 7-3H Well ("Well") to be drilled in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of the said Section 3 Lands; and,

E. Grantee desires to construct, operate, and maintain an access road on the Section 3 Lands to be used both for access to the Well and as a connector road to Grantee's wells in adjoining sections; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the access road easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$530.00 and other good and valuable consideration, Grantors grant, convey, warrant and deliver to Grantee and its successors and assigns, an easement and right-of-way ("Right-of-Way") for roadway purposes over and across the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said, Right-of-Way shall be thirty (30) feet wide, fifteen (15) feet on either side of the centerline, for a distance of 35.29 rods, and contain approximately 0.401 acres.

{00014038.1}

{00015938.1}

1. **Access.** Grantors acknowledge Grantee's right of access over and across the surface estate in the Section 3 Lands and such surface use as is reasonably necessary for access to the Wells and to any future wells.

2. **Compensation for Access Road.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$530.00 for the Right-of-Way which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted and is deemed full payment for the Right-of-Way during its entire term.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Right-of-Way, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Non-Exclusive Grant to Grantee.** Grantee acknowledges Grantors hold title to the respective surface estate. Grantee acknowledges that the road easement and right-of-way is a non-exclusive grant and that Grantor on behalf of itself and its employees, agents, contractors, officers and invitees retain the full right to use the road made the subject of this road easement. Grantee shall repair all damages to the road caused by Grantee's use of the road. Grantee also agrees to pay a reasonable prorate portion of the normal annual maintenance of the road. Grantors, their successors, assigns, invitees, and licensees shall not unreasonably interfere with Grantee's operations on the access roads nor with any of their attendant equipment and operations. Grantee agrees to construct the road contemplated herein in a good and workmanlike manner and in such a way as to not alter the natural drainage and shall keep the roadway clean and free of debris and trash.

7. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its

contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

8. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

9. **Ownership of the Access Road upon Termination.** The access road constructed by Grantee on the Section 3 Lands shall become the Grantors' property upon termination of this Agreement.

10. **Rehabilitation and Restoration.** The access road constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Wells in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the access road, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

11. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

12. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

13. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

14. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Right-of-Way.

15. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

16. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

17. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

18. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

19. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By M. J. Arnold

Its President

DEM

Oscar S. Wyatt, Jr.

By Oscar S. Wyatt Jr

DEM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

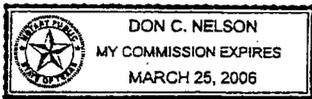
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

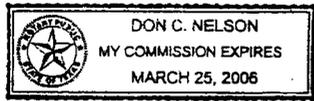


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

{00015938.1}

{00014038.1}

8

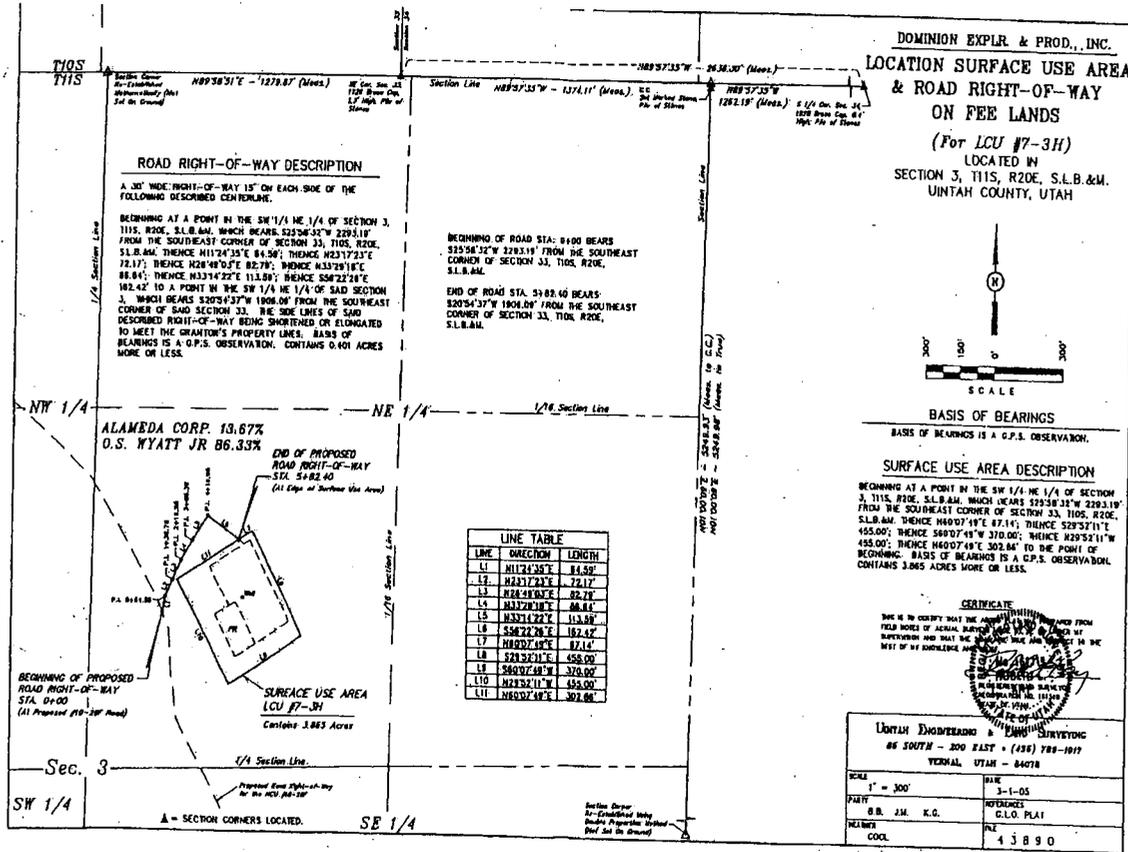


EXHIBIT "A"

PIPELINE EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS PIPELINE EASEMENT AND RIGHT-OF-WAY AGREEMENT ("Agreement") is entered into this 3rd day of May, 2006, by and between OSCAR S. WYATT, JR. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and ALAMEDA CORPORATION whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("Grantors"), and DOMINION EXPLORATION AND PRODUCTION, INC. ("Dominion") ("Grantee"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

(containing 120.00 acres, more or less)

("Section 3 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 7-3H Well ("Well") to be drilled SW $\frac{1}{4}$ NE $\frac{1}{4}$ of the Section 3 Lands; and,

E. Grantee desires to construct, operate, and maintain a natural gas (gathering system) pipeline to the Well; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the pipeline easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$2,484.00 and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, a right-of-way and easement ("Easement") to construct, maintain, operate, inspect, repair, alter, replace and remove pipelines and appurtenant facilities for the transportation of oil, gas, or other hydrocarbons across, under, or over the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Easement shall be 30 (thirty) feet wide, 15 (fifteen) feet on either side of the centerline, for a distance of 165.55 rods, and contain approximately 1.881 acres.

{00014040.1}

1. **Access.** Grantors acknowledge Grantee's non-exclusive right of access on and over the surface estate in the Section 3 Lands and such surface use as is reasonably necessary to produce and transport oil, gas, and associated hydrocarbons, as defined by Utah law. Should Grantee's activities damage any of Grantor's roads or fences, Grantee shall promptly repair or compensate Grantor to repair such damages.

2. **Compensation for Pipeline Right-of-Way and Easement.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$2,484.00 for the Easement which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantee shall have all rights and benefits necessary or convenient for the full enjoyment and use of the rights granted, including the right of ingress and egress over and across the Section 3 Lands to and from the Easement, and the right from time to time to cut trees, undergrowth, and other obstructions that may injure, endanger, or interfere with the Grantee's use of the Easement. Grantee agrees to conduct all of its operations in a good and workmanlike manner and after completion of construction, shall remove all debris, trash, equipment and surplus materials from the right-of-way. Should any of the pipeline be buried, Grantee shall inspect the right-of-way twice a year to insure that there are no wash outs or depressions in the pipeline ditch and if such exist Grantee shall take such actions as necessary to fill in the depressions and restore the surface to the original condition as much as reasonably possible.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future

condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

9. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

10. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

11. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Easement.

12. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

13. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

14. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

15. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

16. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one original.

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By *M. L. Arnold*

Its *President*

Oscar S. Wyatt, Jr.

By *Oscar S. Wyatt, Jr.*

den

den

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

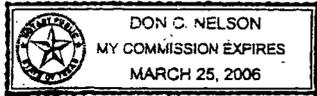
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. F. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

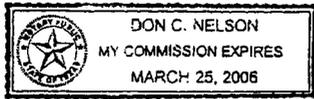


Don C. Nelson
NOTARY PUBLIC
Residing at: Hewstey, HARRIS COUNTY, TX

My Commission Expires:

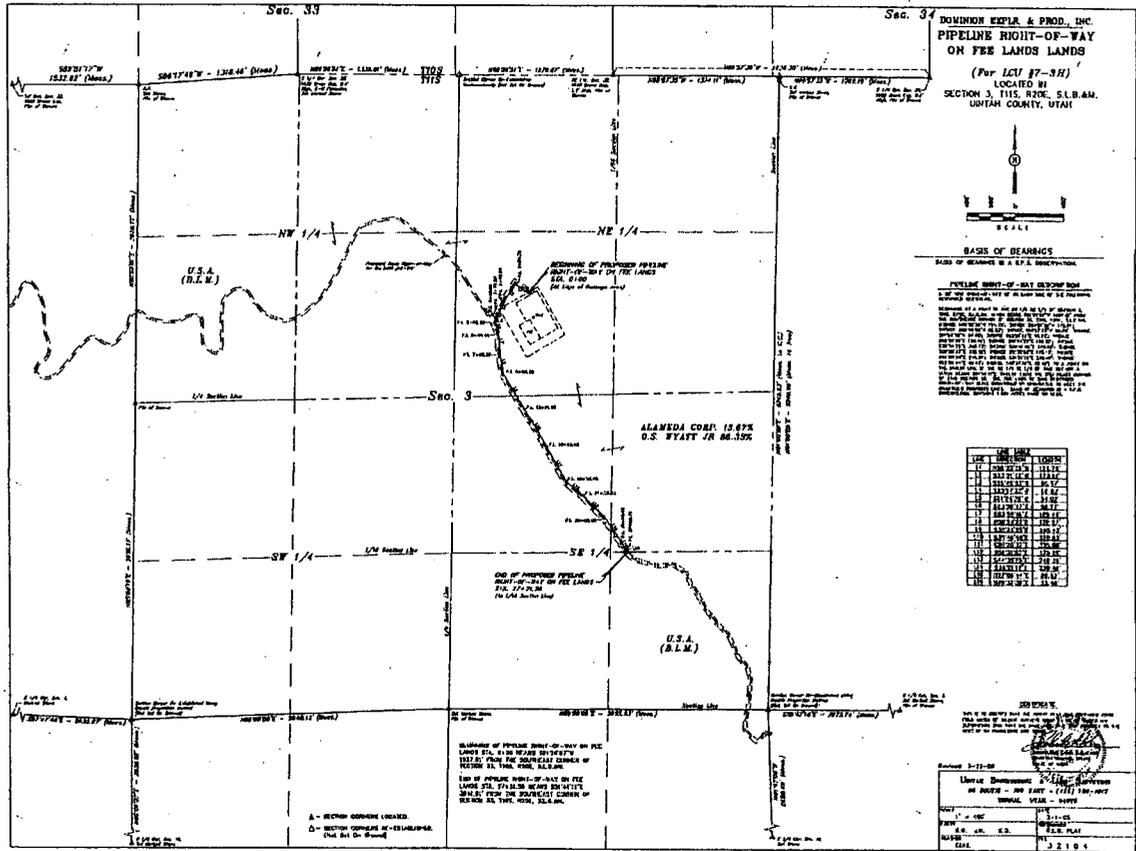
STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR. known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.




NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:



WELL-SITE SURFACE USE AGREEMENT

THIS WELL-SITE SURFACE USE AGREEMENT ("Agreement") is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("Grantors"), and Dominion Exploration and Production, Inc. ("Grantee"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$,

(containing 40.00 acres, more or less)

("Section 3 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 7-3H Well to be drilled in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of the Section 3 Lands (the "Well"); and,

E. Grantee desires to construct, operate, and maintain a well-site for the Well on the Section 3 Lands; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for surface damages that may result from Dominion's construction, operation, and maintenance of the well-site on the Section 3 Lands.

NOW THEREFORE, for and in consideration of the sum of Ten Thousand Dollars (\$10,000.00), and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, rights to construct, operate, and maintain a well-site ("Well-Site") on and over the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Well-Site shall conform substantially to the proposed approximate 3.865 acre, rectangular location described on the attached Exhibit A.

{00014039.2}

{00015938.1}

1. **Access and Use.** Grantors acknowledge Grantee's right of access on and over the surface estate in the Section 3 Lands and such surface use as is reasonably necessary to explore for and produce oil, gas, and associated hydrocarbons, as defined by Utah law. Grantors further acknowledge that Grantee is entitled to use the Well-Site for all drilling, testing, and completion operations, including, but not limited to the use of reserve pits, construction, installation, and maintenance of production equipment and facilities such as flow lines, gas gathering lines, separators, tank batteries, and other equipment or facilities necessary or convenient to the production, transportation, and sale of oil, gas, and other materials produced by or used for production of oil or gas from the Section 3 Lands.

2. **Compensation for Well-Site.** Grantee shall pay to Grantors at the time of the signing of this Agreement the sum of \$10,000.00 for the Well-Site which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Well-Site, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property

under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Ownership of Fences, Gates, and Improvements upon Termination.** Any fences, gates or other improvements constructed by Grantee on the Section 3 Lands except the well-site equipment shall become the Grantors' property upon termination of this Agreement.

9. **Rehabilitation and Restoration.** The Well-Site constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Well in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the Well-Site, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

10. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this Agreement.

11. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

12. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

13. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Well-Site.

14. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

15. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

16. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

17. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

18. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By M. J. Angelo

Its President

DOM

Oscar S. Wyatt, Jr.

By Oscar S. Wyatt Jr.

DOM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

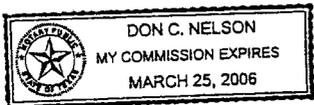
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

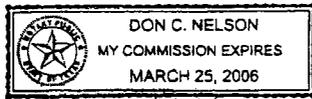


[Signature]
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYETT, JR. known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

{00015938.1}

{00014039.2}

00

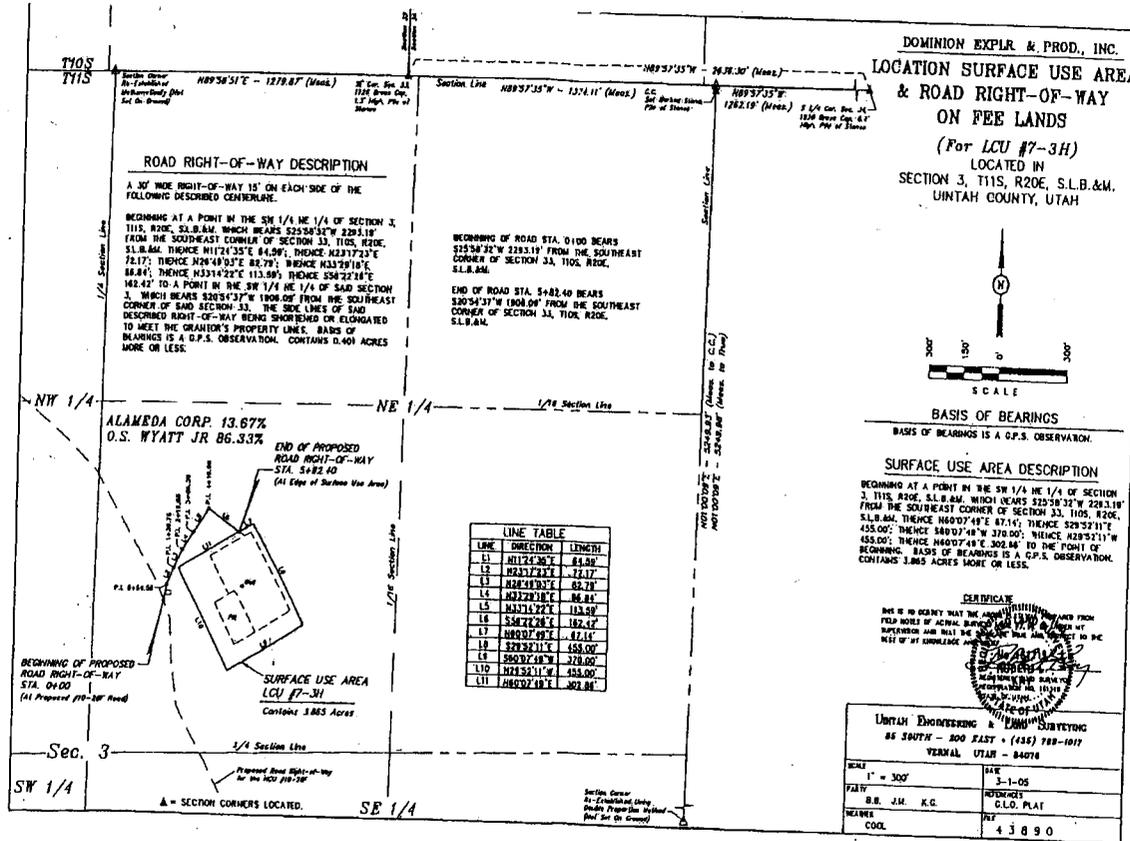


EXHIBIT 5A 27

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 12/14/2006 at 2:43:28 PM

Pages : 2 (including Cover)

Subject : LCU 7-3H *T 115 R 20E S-03*

43-042-36775

CONFIDENTIAL

RECEIVED

DEC 14 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H		Event No: 1	
DISTRICT : WESTERN	FIELD : NATURAL BUTTES	LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E	
COUNTY & STATE : UINTAH	UT	CONTRACTOR :	
WI % : 100.00	AFE # : 0604321	API # : 43-047-36775	PLAN DEPTH : 8,700
DHC : \$628,000	CWC : \$726,990	AFE TOTAL : \$1,354,990	SPUD DATE : 11/06/06
EVENT DC : \$1,005,308.00	EVENT CC : \$16,780.00	EVENT TC : \$1,022,088.00	WELL TOTL COST : \$1,022,088

REPORT DATE: 11/21/06	MD : 9,054	TVD : 9,054	DAYS : 16	MW : 9.8	VISC : 34
DAILY : DC : \$30,960.00	CC : \$0.00	TC : \$30,960.00	CUM : DC : \$750,541.00	CC : \$129.00	TC : \$750,670.00

DAILY DETAILS : PULL OUT OF HOLE RIG UP SCHLUMBERGER, HELD PRE JOB SAFETY MEETING, CALIBRATE RUN TRIPPLE COMBO OPEN HOLE LOG TOTAL DEPTH 9063 LOGS STUCK AT 2780 WORK [NO FREEPLAY] RIG UP SHEEVE AND FISHING TOOLS PREJOB SAFETY MEETING [CUT AND THREAD] R.I.H. LACTCH ON FISH PULL OUT WIRE LINE PULL OUT OF HOLE, LAY DOWN LOG TOOLS AND FISHING TOOLS

REPORT DATE: 11/22/06	MD : 9,054	TVD : 9,054	DAYS : 17	MW : 9.8	VISC : 34
DAILY : DC : \$254,767.00	CC : \$0.00	TC : \$254,767.00	CUM : DC : \$1,005,308.00	CC : \$129.00	TC : \$1,005,437.00

DAILY DETAILS : LAY DOWN LOG TOOLS AND FISHING TOOLS RUN IN HOLE TO 8900 WITH FILL AT 3900 CIRCULATE GAS OUT RIG UP CASERS, HELD P.J.S.M. PUMP DRY PIPE SLUG LAY DOWN DRILL STRING HELD PREJOB SAFETY MEETING RIG UP FRANKS CASERS RUN 214 JOINTS OF 5 1/2" 17# MAV-80 SHOE @ 9049, FLOAT @ 9021, 1ST MARKER @ 6497, 2ND MARKER @ 3759 CIRCULATE GAS OUT RIG DOWN FRANKS CASERS, RIG UP HALLIBURTON, HELD P.J.S.M. PRESSURE TEST SURFACE LINES TO 3500 PSI, 50 BBL MUD FLUSH, 10 BBL KCL, 69.5 BBL [125 SX] LEAD CEMENT, 235.6 BBL [756 SX] TAIL CEMENT, 209.3 BBL KCL DISPLACEMENT, BUMP PLUG WITH 500 PSI OVER PLUG DOWN AT 06:15 *****RIG RELEASED AT 06:00 HOURS*****

REPORT DATE: 12/09/06	MD : 9,012	TVD : 9,012	DAYS : 0	MW :	VISC :
DAILY : DC : \$0.00	CC : \$16,651.00	TC : \$16,651.00	CUM : DC : \$1,005,308.00	CC : \$16,780.00	TC : \$1,022,088.00

DAILY DETAILS : INSTALL FRAC VALVE AND PRESSURE TEST CSGN AND VALVE TO 5,000 PSI. RIG UP SCHLUMBERGER AND RUN CBL FROM 9012' TO CEMENT TOP EST, @ 1300' UNDER 1,000 PSI. PERFORATE FIRST STAGE AS FOLLOWS: 8890-8894', 8980-8992', 16' OF ZONE & 50 HOLES (3 SPF).

wait on frac date.

RECEIVED

DEC 14 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN DUPLICATE - Other Instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other **CONFIDENTIAL**

2. Name of Operator
 Dominion Exploration & Production, Inc.

3a. Address
 14000 Quail Springs Pkwy, STE 600, OKC, OK 73134

3b. Phone No. (include area code)
 405-749-5237

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 2000 FNL & 2000 FEL, SW NE, Sec. 3-11S-20E

5. Lease Serial No.
 UTU-44090A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
 Little Canyon Unit

8. Well Name and No.
 LCU 7-3H

9. API Well No.
 43-047-36775

10. Field and Pool, or Exploratory Area
 Natural Buttes

11. County or Parish, State
 Uintah Co., Utah

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

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

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

11/21/06 - Ran 214 jts 5 1/2", 17# MAV-80, LT&C csg set @ 9049'. Cement lead w/125 sks Hi-Fill "V", 11.6 ppg, 3.12 yld, tailed w/756 sks Class "G", 13.0 ppg, 1.75 yld. Rig released.

RECEIVED

DEC 26 2006

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

Barbara Lester

Title Regulatory Specialist

Signature

Barbara Lester

Date 12/20/06

Approved by

Title

Date

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

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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.

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 1/11/2007 at 2:07:22 PM

Pages : 4 (including Cover)

Subject : LCU 7-3H *TIS R20E S-03 43-047-36775*

CONFIDENTIAL

RECEIVED
JAN 11 2007
DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700

SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$1,005,308.00

EVENT CC : \$281,193.00

EVENT TC : \$1,286,501.00

WELL TOTL COST : \$1,416,357

REPORT DATE: 11/22/06

MD : 9,054

TVD : 9,054

DAYS : 17

MW : 9.8

VISC : 34

DAILY : DC : \$254,767.00

CC : \$0.00

TC : \$254,767.00

CUM : DC : \$1,005,308.00

CC : \$129.00

TC : \$1,005,437.00

DAILY DETAILS : LAY DOWN LOG TOOLS AND FISHING TOOLS RUN IN HOLE TO 8900 WITH FILL AT 3900 CIRCULATE GAS OUT RIG UP CASERS, HELD P.J.S.M. PUMP DRY PIPE SLUG LAY DOWN DRILL STRING HELD PREJOB SAFETY MEETING RIG UP FRANKS CASERS RUN 214 JOINTS OF 5 1/2' 17# MAV-80 SHOE @ 9049, FLOAT @ 9021, 1ST MARKER @ 6497, 2ND MARKER @ 3759 CIRCULATE GAS OUT RIG DOWN FRANKS CASERS, RIG UP HALLIBURTON, HELD P.J.S.M. PRESSURE TEST SURFACE LINES TO 3500 PSI, 50 BBL MUD FLUSH, 10 BBL KCL, 69.5 BBL [125 SX] LEAD CEMENT, 235.6 BBL [756 SX] TAIL CEMENT, 209.3 BBL KCL DISPLACEMENT, BUMP PLUG WITH 500 PSI OVER PLUG DOWN AT 06:15 *****RIG RELEASED AT 06:00 HOURS*****

REPORT DATE: 12/09/06

MD : 9,012

TVD : 9,012

DAYS : 0

MW :

VISC :

DAILY : DC : \$0.00

CC : \$16,651.00

TC : \$16,651.00

CUM : DC : \$1,005,308.00

CC : \$16,780.00

TC : \$1,022,088.00

DAILY DETAILS : INSTALL FRAC VALVE AND PRESSURE TEST CSGN AND VALVE TO 5,000 PSI. RIG UP SCHLUMBERGER AND RUN CBL FROM 9012' TO CEMENT TOP EST, @ 1300' UNDER 1,000 PSI. PERFORATE FIRST STAGE AS FOLLOWS: 8890-8894', 8980-8992', 16' OF ZONE & 50 HOLES (3 SPF).

wait on frac date.

RECEIVED
JAN 11 2007
DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

Event No: 1

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700

SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$1,005,308.00

EVENT CC : \$281,193.00

EVENT TC : \$1,286,501.00

WELL TOTL COST : \$1,416,357

REPORT DATE: 01/05/07

MD : 9,012

TVD : 9,012

DAYS :

MW :

VISC :

DAILY : DC : \$0.00

CC : \$264,413.00

TC : \$264,413.00

CUM : DC : \$1,005,308.00

CC : \$281,193.00

TC : \$1,286,501.00

DAILY DETAILS: W/ SCHLUMBERGER already rigged up. RIH and set 5K frac plug @ 7600', perforate interval # 3 @ 7269-73', 7295-7309', 1 spf, 7381-7404', 2 spf, 67 holes. Fraced interval #3 w/ 80,654# 20/40 Ottawa sand. Pumped frac at an avg rate of 37.6 bpm, using 276 mscf of N2 and 714 bbls of fluid. Avg surface treating pressure was 4287 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

4189 gallons Pad YF115ST/N2 gel.
 2847 gallons YF115ST/N2 pumped @ 2.0 ppg sand concentration.
 2821 gallons YF115ST/N2 pumped @ 3.0 ppg sand concentration.
 2819 gallons YF115ST/N2 pumped @ 4.0 ppg sand concentration.
 2811 gallons YF115ST/N2 pumped @ 5.0 ppg sand concentration.
 3491 gallons YF115ST/N2 pumped @ 6.0 ppg sand concentration.
 7086 gallons WF110 slick water flush.

Total frac fluid pumped 714 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 7220', perforate interval # 4 @ 6998-7005', 7045-53', 1 spf, 7063-72', 7130-46', 2 spf, 7167-76', 1 spf, 79 holes. Fraced interval #4 w/ 104,884# 20/40 Ottawa sand. Pumped frac at an avg rate of 31.1 bpm, using 347.8 mscf of N2 and 843 bbls of fluid. Avg surface treating pressure was 4436 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

6289 gallons Pad YF115ST/N2 gel.
 3555 gallons pumped YF115ST/N2 @ 2.0 ppg sand concentration.
 3521 gallons pumped YF115ST/N2 @ 3.0 ppg sand concentration.
 3519 gallons pumped YF115ST/N2 @ 4.0 ppg sand concentration.
 4219 gallons pumped YF115ST/N2 @ 5.0 ppg sand concentration.
 3986 gallons pumped YF115ST/N2 @ 6.0 ppg sand concentration.
 6775 gallons WF110 slick water flush.

Total frac fluid pumped 843 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 6530', perforate interval # 5 @ 6267-76', 6 spf, 55 holes. Fraced interval #5 w/ 24,214# 20/40 Ottawa sand. Pumped frac at an avg rate of 23.2 bpm, using 92.1 mscf of N2 and 366 bbls of fluid. Avg surface treating pressure was 3635 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

2797 gallons Pad YF115ST/N2 gel.
 1783 gallons pumped YF115ST/N2 @ 2.0 ppg sand concentration.

1428 gallons pumped YF115ST/N2 @ 4.0 ppg sand concentration.
 1744 gallons pumped YF115ST/N2 @ 6.0 ppg sand concentration.
 6064 gallons WF110 slick water flush.

Total frac fluid pumped 366 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 5370', perforate interval # 6 @ 5153-70', 3 spf, 5174-83', 2 spf, 571 holes. Fraced interval #6 w/ 50,574# 20/40 Ottawa sand. Pumped frac at an avg rate of 28.1 bpm, using 150.6 mscf of N2 and 390 bbls of fluid. Avg surface treating pressure was 2914 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

2796 gallons Pad YF115ST/N2 gel.
 1785 gallons YF115ST/N2 pumped @ 2.0 ppg sand concentration.

2132 gallons YF115ST/N2 pumped @ 4.0 ppg sand concentration.
 2111 gallons YF115ST/N2 pumped @ 5.0 ppg sand concentration.

2444 gallons YF115ST/N2 pumped @ 6.0 ppg sand concentration.

3774 gallons WF110/N2 slick water flush.
 Total frac fluid pumped 390 bbls. N2 was not cut during flush. Opened well to the pit on a 12/64 choke. Turned well over to production.

RECEIVED

JAN 11 2007



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 7-3H

Event No: 1

DISTRICT : WESTERN

FIELD : NATURAL BUTTES

LOCATION : 2000' FNL 2000' FEL SEC 3 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0604321

API # : 43-047-36775

PLAN DEPTH : 8,700 SPUD DATE : 11/06/06

DHC : \$628,000

CWC : \$726,990

AFE TOTAL : \$1,354,990

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$1,005,308.00

EVENT CC : \$281,193.00

EVENT TC : \$1,286,501.00

WELL TOTL COST : \$1,416,357

REPORT DATE: 01/06/07 MD : 9,012 TVD : 9,012 DAYS : MW : VISC :
 DAILY : DC : \$0.00 CC : \$0.00 TC : \$0.00 CUM : DC : \$1,005,308.00 CC : \$281,193.00 TC : \$1,286,501.00
 DAILY DETAILS : FLOW REPORT WELL FLOWING TO PIT ON 12/64 CHOKE FCP 1200 PSI, RECOVERED 900 BBLS FRAC FLUID
 CHANGE TO 18/64 CHOKE & LEFT TO PIT.

REPORT DATE: 01/07/07 MD : 9,012 TVD : 9,012 DAYS : MW : VISC :
 DAILY : DC : \$0.00 CC : \$0.00 TC : \$0.00 CUM : DC : \$1,005,308.00 CC : \$281,193.00 TC : \$1,286,501.00
 DAILY DETAILS : FLOW REPORT WELL FLOWING TO PIT ON 18/64 CHOKE FCP 1166, RECOVERED 950 BBLS FRAC FLUID LEFT
 WELL SAME.

REPORT DATE: 01/08/07 MD : 9,012 TVD : 9,012 DAYS : MW : VISC :
 DAILY : DC : \$0.00 CC : \$0.00 TC : \$0.00 CUM : DC : \$1,005,308.00 CC : \$281,193.00 TC : \$1,286,501.00
 DAILY DETAILS : FLOW REPORT WELL FLOWING TO PIT ON 18/64 CHOKE FCP 1244, RECOVERED 400 BBLS FRAC FLUID GAS
 CLEAN & WILL BURN SIW DUE TO CURTAILMENT @ LCU TAP.

REPORT DATE: 01/09/07 MD : 9,012 TVD : 9,012 DAYS : MW : VISC :
 DAILY : DC : \$0.00 CC : \$0.00 TC : \$0.00 CUM : DC : \$1,005,308.00 CC : \$281,193.00 TC : \$1,286,501.00
 DAILY DETAILS : FLOW REPORT WELL SI DUE TO LCU CURTAILMENT SICP 2200 PSI LEFT WELL SI.

REPORT DATE: 01/10/07 MD : 9,012 TVD : 9,012 DAYS : MW : VISC :
 DAILY : DC : \$0.00 CC : \$0.00 TC : \$0.00 CUM : DC : \$1,005,308.00 CC : \$281,193.00 TC : \$1,286,501.00
 DAILY DETAILS : FLOW REPORT WELL SI DUE TO GAS CURTAILMENT TO LCU SICP 2229. LEFT WELL SI.

RECEIVED
 JAN 11 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-44090A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Little Canyon Unit

8. Well Name and No.
LCU 7-3H

9. API Well No.
43-047-36775

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah Co., Utah

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Dominion Exploration & Production, Inc.

3a. Address
14000 Quail Springs Pkwy, STE 600, OKC, OK 73134

3b. Phone No. (include area code)
405-749-5237

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2000 FNL & 2000 FEL, SW NE, Sec. 3-11S-20E

CONFIDENTIAL

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

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

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

1/4/07 - Frac'd & perf'd well.

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

Name (Printed/Typed) **Barbara Lester** Title **Regulatory Specialist**

Signature *Barbara Lester* Date **1/11/07**

Approved by _____ Title _____ Date _____

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

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

RECEIVED
JAN 16 2007
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-44090A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Little Canyon Unit

8. Well Name and No.
LCU 7-3H

9. API Well No.
43-047-36775

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah Co., Utah

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Dominion Exploration & Production, Inc.

3a. Address
14000 Quail Springs Pkwy, STE 600, OKC, OK 73134

3b. Phone No. (include area code)
405-749-5237

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2000 FNL & 2000 FEL, SW NE, Sec. 3-11S-20E

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

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

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

1/12/07 - First Sales

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

Name (Printed/Typed) Barbara Lester	Title Regulatory Specialist
Signature <i>Barbara Lester</i>	Date 2/5/07

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

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

RECEIVED
FEB 09 2007
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-44090A

1a. Type of Well Oil Well Gas Well Dry Other

b. Type of Completion: New Well Work Over Deepen Diff.Resvr.

Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
Little Canyon Unit

8. Lease Name and Well No.
LCU 7-3H

2. Name of Operator
Dominion Exploration & Production, Inc.

3. Address
14000 Quail Springs Pkwy, STE 600, Oklahoma City, OK 73134

3a. Phone No. (include area code)
405-749-5237

9. API Well No.
43-047-36775

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface 2000' FNL & 2000' FEL, SW NE
At top prod. Interval reported below
At total depth

RECEIVED
MAR 30 2007

10. Field and Pool, or Exploratory
Natural Buttes

11. Sec., T., R., M., or Block and Survey or Area
3-11S-20E

12. County or Parish
Uintah

13. State
UT

14. Date Spudded
11/6/2006

15. Date T.D. Reached
11/19/2006

16. Date Completed D&A Ready to prod.
1/12/2007

DIV. OF OIL, GAS & MINING

17. Elevations (DF, RKB, RT, GL)*
4994' GL

18. Total Depth: MD 9054' TVD
19. Plug Back T.D.: MD 9063' TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Platform Express, Lithodensity/Compensated Neutron, High Resolution Laterolog Tool, Cement Bond Log, Gamma Ray CCL

22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

23. Casing and Liner Record (Report all string set in well)

Hole Size	Size/Grade	Wt.(#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J55	32#	Surface	2228'		500 sks		Circ	
7-7/8"	5-1/2" M80	17#	Surface	9049'		881 sks		1300'	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	8931'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) SEE ATTACHMENT						
B)						
C)						
D)						
E)						
F)						

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) SEE ATTACHMENT						
B)						
C)						
D)						
E)						
F)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
SEE ATTACHMENT	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
1/12/2007	2/13/2007	24	→	0	997	22			Flowing
Choke Size	Tbg.Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
48	159	150	→	0	997	22		Producing	

(See instructions and spaces for additional data on reverse side)

28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Description, Contents, etc.	Name	Top
					Meas. Depth
				Wasatch Tongue	3304'
				Uteland Limestone	3602'
				Wasatch	3785'
				Chapita Wells	4660'
				Uteland Buttes	5750'
				Mesaverde	6524'

32. Additional remarks (include plugging procedure)

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd)
 2. Geologic Report
 3. DST Report
 4. Directional Survey
 5. Sundry Notice for plugging and cement verification
 6. Core Analysis
 7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Barbara Lester Title Regulatory Specialist
 Signature  Date March 28, 2007

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.

LCU 7-3H
PERFORATIONS & FRACS

- Interval #1** Mersaverde 8890 - 94
8980 - 92 50 holes
Frac w/45,000# 20/40 PR6000 sd., w/ mscf N2 & bbls YF120ST
- Interval #2** Mesaverde 8595 - 8600
8762 - 68
8781 - 91 55 holes
Frac w/80,000# 20/40 PR6000 sd., w/ mscf N2 & bbls YF120ST
- Interval #3** Mesaverde 7269 - 73
7295 - 7309
7381 - 7404 67 holes
Frac w/80,654# 20/40 Ottawa sd., w/276 mscf N2 & 714 bbls YF115ST
- Interval #4** Mesaverde 6998 - 7005
7045 - 53
7063 - 72
7130 - 46
7167 - 76 79 holes
Frac w/104,884# 20/40 Ottawa sd., w/347.8 mscf N2 & 843 bbls YF115ST
- Interval #5** Wasatch 6267 - 76 55 holes
Frac w/24,214# 20/40 Ottawa sd., w/92.1 mscf N2 & 366 bbls YF115ST
- Interval #6** Wasatch 5153 - 70
5174 - 83 71 holes
Frac w/50,574# 20/40 Ottawa sd., w/150.6 mscf N2 & 390 bbls YF115ST

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

7/1/2007

FROM: (Old Operator): N1095-Dominion Exploration & Production, Inc 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 Phone: 1 (405) 749-1300	TO: (New Operator): N2615-XTO Energy Inc 810 Houston St Fort Worth, TX 76102 Phone: 1 (817) 870-2800
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------

CA No.		Unit:		LITTLE CANYON				
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

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: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- a. Is the new operator registered in the State of Utah: Business Number: 5655506-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- 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 BIA
- Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- 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: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/27/2007
- Bond information entered in RBDMS on: 9/27/2007
- Fee/State wells attached to bond in RBDMS on: 9/27/2007
- Injection Projects to new operator in RBDMS on: 9/27/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000138
 - Indian well(s) covered by Bond Number: n/a
 - a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
 - b. The **FORMER** operator has requested a release of liability from their bond on: 1/23/2008
- The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** 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: _____

COMMENTS:

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: XTO Energy Inc. <i>N2615</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 810 Houston Street CITY Fort Worth STATE TX ZIP 76102		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED		8. WELL NAME and NUMBER: SEE ATTACHED
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: SEE ATTACHED
PHONE NUMBER: (817) 870-2800		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
COUNTY: Uintah		
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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	<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.

Effective July 1, 2007, XTO Energy Inc. has purchased the wells listed on the attachment from:

Dominion Exploration & Production, Inc. *N1095*
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

James D. Abercrombie (405) 749-1300
James D. Abercrombie
Sr. Vice President, General Manager - Western Business Unit

Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.

NAME (PLEASE PRINT) <u>Edwin S. Ryan, Jr.</u>	TITLE <u>Sr. Vice President - Land Administration</u>
SIGNATURE <i>Edwin S. Ryan, Jr.</i>	DATE <u>7/31/2007</u>

(This space for State use only)

APPROVED 9127107
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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AUG 06 2007
DIV. OF OIL, GAS & MINING

(5/2000)

7

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

LITTLE CANYON UNIT

api	well_name	qtr_qtr	sec	twp	rng	lease_num	entity	Lease	well	stat
4304731026	HILL FEDERAL 1-10	NESW	10	110S	200E	U-44089	1368	Federal	GW	TA
4304731178	LAFKAS FED 1-3	SWSW	03	110S	200E	U-34350	1367	Federal	GW	S
4304735639	LCU 5-35F	SWNW	35	100S	200E	U-01470-C	14619	Federal	GW	P
4304735646	LCU 10-35F	NWSE	35	100S	200E	U-01470-D	14619	Federal	GW	P
4304735729	LCU 14-1H	SESW	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304735730	LCU 12-1H	NWSW	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304735731	LCU 2-12H	NWNE	12	110S	200E	UTU-73436	14619	Federal	GW	P
4304736164	LCU 6-6G	SENW	06	110S	210E	UTU-75700	14619	Federal	GW	P
4304736165	LCU 2-1H	NWNE	01	110S	200E	UTU-76264	14619	Federal	GW	P
4304736166	LCU 5-1H	SWNW	01	110S	200E	UTU-76264	14619	Federal	GW	P
4304736167	LCU 16-1H	SESE	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304736168	LCU 11-1H	NESW	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304736607	LCU 11-10H	NESW	10	110S	200E	U-44089	15361	Federal	GW	P
4304736774	LCU 2-10H	NWNE	10	110S	200E	UTU-44089	15330	Federal	GW	P
4304736775	LCU 7-3H	SWNE	03	110S	200E	UTU-44090-A	15777	Federal	GW	P
4304736776	LCU 11-3H	NESW	03	110S	200E	UTU-34350	16104	Federal	GW	DRL
4304736803	LCU 7-1H	SWNE	01	110S	200E	UTU-76264	14619	Federal	GW	P
4304736804	LCU 3-3H	NENW	03	110S	200E	UTU-44090-A	16070	Federal	GW	DRL
4304736805	LCU 14-3H	SESW	03	110S	200E	UTU-34350	16106	Federal	GW	DRL
4304736806	LCU 15-9H	SWSE	09	110S	200E	UTU-76265	16042	Federal	GW	DRL
4304736807	LCU 8-12H	SENE	12	110S	200E	U-73436	14619	Federal	GW	P
4304736811	LCU 14-35F	SESW	35	100S	200E	U-01470-D	14619	Federal	GW	P
4304736812	LCU 13-35F	SWSW	35	100S	200E	U-01470-D	14619	Federal	GW	P
4304736813	LCU 12-6G	NWSW	06	110S	210E	U-72665	15248	Federal	GW	P
4304736891	LCU 9-3H	NESE	03	110S	200E	UTU-34350	16107	Federal	GW	DRL
4304737198	LCU 6-11H	SENW	11	110S	200E	UTU-73436	16009	Federal	GW	P
4304737199	LCU 12-11H	NWSW	11	110S	200E	UTU-73436	16009	Federal	GW	P
4304737200	LCU 14-11H	SESW	11	110S	200E	UTU-73436	16009	Federal	GW	P
4304737449	LCU 9-11H	NESE	11	110S	200E	UTU-73436	16009	Federal	OW	P
4304738380	LCU 6-3H	SENW	03	110S	200E	UTU-44090-A	15939	Federal	GW	DRL
4304738381	LCU 10-3H	NWSE	03	110S	200E	UTU-34350	16157	Federal	GW	DRL
4304738382	LCU 16-3H	SESE	03	110S	200E	UTU-34350	16105	Federal	GW	DRL
4304738991	LCU 2-6GX (RIGSKID)	NWNE	06	110S	210E	UTU-075700	15912	Federal	GW	P
4304739065	UTE TRIBAL 3-11H	NENW	11	110S	200E	14-20-H62-5611	16073	Indian	GW	DRL
4304739066	UTE TRIBAL 7-11H	SWNE	11	110S	200E	14-20-H62-5611	16044	Indian	GW	P
4304739067	UTE TRIBAL 8-11H	SENE	11	110S	200E	14-20-H62-5611	16045	Indian	GW	DRL

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

LITTLE CANYON UNIT

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304735613	LCU 12-36F	NWSW	36	100S	200E	ML-47391	14619	State	GW	P
4304735643	LCU 10-2H	NWSE	02	110S	200E	ML-48771	14630	State	GW	P
4304736611	LCU 13-2H	SWSW	02	110S	200E	ML-48771	15704	State	GW	P
4304736779	LCU 5-2H	NESW	02	110S	200E	ML-48771	99999	State	GW	DRL
4304736780	LCU 11-2H	NESW	02	110S	200E	ML-48771	99999	State	GW	DRL
4304736783	LCU 14-36F	SESW	36	100S	200E	ML-47391	14619	State	GW	P
4304737986	LCU 3-36F	NENW	36	100S	200E	ML-47391	16071	State	GW	DRL
4304737987	LCU 10-36F	NWSE	36	100S	200E	ML-47391	15911	State	GW	S
4304737988	LCU 8-36F	SENE	36	100S	200E	ML-47391	16030	State	GW	P
4304737989	LCU 13-36F	SWSW	36	100S	200E	ML-47391	14619	State	GW	P
4304737999	LCU 6-36F	SENW	36	100S	200E	ML-47391	16059	State	GW	S
4304738026	LCU 11-36F	NESW	36	100S	200E	ML-47391	14619	State	GW	P
4304738256	LCU 8-2H	SENE	02	110S	200E	ML-48771	99999	State	GW	DRL
4304738257	LCU 12-2H	NWSW	02	110S	200E	ML-48771	15750	State	GW	P
4304738258	LCU 7-2H	SWNE	02	110S	200E	ML-48771	15664	State	GW	P
4304738259	LCU 9-2H	SENE	02	110S	200E	ML-48771	99999	State	GW	DRL
4304738260	LCU 15-36F	SWSE	36	100S	200E	ML-47391	15893	State	GW	P



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

Dominion Exploration & Production, Inc.
Attn: James D. Abercrombie
14000 Quail Springs Parkway, #600
Oklahoma City, OK 73134-2600

August 10, 2007

Re: Little Canyon Unit
Uintah County, Utah

Gentlemen:

On August 8, 2007, we received an indenture dated June 30, 2007, whereby Dominion Exploration & Production, Inc. resigned as Unit Operator and XTO Energy Inc. was designated as Successor Unit Operator for the Little Canyon Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 15, 2007. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Little Canyon Unit Agreement.

Your statewide oil and gas bond No. UTB000138 will be used to cover all operations within the River Bend Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Greg J. Noble

Greg J. Noble
Acting Chief, Branch of Fluid Minerals

Enclosure

RECEIVED
AUG 16 2007
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

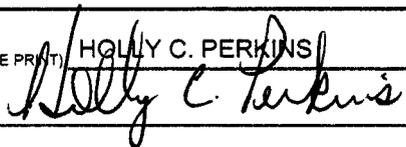
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090A
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: LITTLE CANYON UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000' FNL & 2000' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 3 11S 20E		8. WELL NAME and NUMBER: LCU 7-3H
PHONE NUMBER: (505) 333-3100		9. API NUMBER: 4304736775
COUNTY: UINTAH STATE: UTAH		10. FIELD AND POOL, OR WLD CAT: MESAVERDE

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/4/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>OCT 2007 MONTHLY REPORT</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.

Attached is XTO Energy's monthly rpt for the period of 8/1/2007 to 10/4/2007.

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE 	DATE <u>10/5/2007</u>

(This space for State use only)

RECEIVED
OCT 09 2007
DIV. OF OIL, GAS & MINING

UINTAH

LCU 7-3H

LOCATION :

CONTRACTOR: , PAT.#77

WI %:

AFE#: 0604321

API#: 43-047-36775

DATE FIRST RPT: 11/6/2006

DATE:	1/5/2007				
OPERATION:	TURN WELL OVER TO PRODUCTION.				
DFS:	60.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:	284,413.00	CWC: 1,416,357.00
DATE:	1/6/2007				
OPERATION:	FLOW REPORT WELL FLOWING TO PIT ON 12/64 CHOKE FC				
DFS:	61.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	1/7/2007				
OPERATION:	FLOW REPORT WELL FLOWING TO PIT ON 18/64 CHOKE FCP				
DFS:	62.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	1/8/2007				
OPERATION:	FLOW REPORT WELL FLOWING TO PIT ON 18/64 CHOKE FCP				
DFS:	63.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	1/9/2007				
OPERATION:	FLOW REPORT WELL SI DUE TO LCU CURTAILMENT SICP 22				
DFS:	64.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	1/10/2007				
OPERATION:	FLOW REPORT WELL SI DUE TO GAS CURTAILMENT TO LCU				
DFS:	65.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	1/20/2007				
OPERATION:	FLOW REPORT, 10 HRS FLOWTIME, WELL MADE 237 MSF, F				
DFS:	75.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	1/21/2007				
OPERATION:	WELL MADE 1397 MCF, FCP 1625, SLP 126, 23 OIL, 2 W				
DFS:	76.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:		CWC: 1,416,357.00
DATE:	2/27/2007				
OPERATION:	PREP TO DRILL OUT PLUGS.				
DFS:	113.25	Footage Made:	Measured Depth:		
MW:		VISC:			
WOB:		RPM:			
DMC:		CMC:	DWC:	12,355.00	CWC: 1,428,712.00

DATE: 2/28/2007
OPERATION: TURN WELL OVER TO PRODUCTION.
DFS: 114.25 Footage Made: Measured Depth:
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 56,131.00 CWC: 1,484,843.00

DATE: 3/2/2007
OPERATION: SWAB REPORT, MIRU TRIPLE J SWAB RIG, WLU, SITP 210
DFS: 116.25 Footage Made: Measured Depth:
MW: VISC:
WOB: RPM:
DMC: CMC: DWC: 1,594.00 CWC: 1,486,437.00

Farmington Well Workover Report

LITTLE CANYON UNIT	Well # 7-3H	MV/WSTC
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Objective: Drill & Complete

First Report: 08/01/2007

AFE: 714306

8/2/07 FTP 500 psig, SICP 1,020 psig. MIRU Triple 'J' Services SWU. Bd tbg. RU swb tls & RIH. SN @ 8,929'. BFL scadd to SN. Recd 1/8 BW, 1 run. Recd plngr behind swb. LD plngr. Well KO flwg. F. 3.3 BW, 1 hr. FTP 500 psig, SICP 960 psig. RWTP & RDMO SWU.

8/3/07 F. 0 , 12 , 40 MCF, FTP 750 psig, FCP 950 psig, , LP 107 psig, SP 0 psig, DP 0 psig, 24 hrs.

8/4/07 F. 0 , 0 , 27 MCF, FTP 700 psig, FCP 1000 psig, , LP 119 psig, SP 0 psig, DP 0 psig, 24 hrs.

8/5/07 F. 6 , 10 , 42 MCF, FTP 100 psig, FCP 1000 psig, , LP 127 psig, SP 0 psig, DP 0 psig, 24 hrs.

8/9/07 F. 0 , 0 , 99 MCF, FTP 710 psig, SICP 1014 psig, , LP 124 psig, SP 0 psig, DP 0 psig, 24 hrs.
SITP 863 psig, SICP 973 psig. MIRU Production Logging Services. SN @ 8,929'. PU & RIH w/plngr fish tls to 8,928'. Attempt plngr retr. Could not POH w/plngr past 8,898' FS. Shear SL. SWI. RDMO Production Logging Services.

8/10/07 F. 0 , 0 , 51 MCF, FTP 535 psig, SICP 1018 psig, , LP 138 psig, SP 0 psig, DP 0 psig, 24 hrs.

8/11/07 F. 0 , 0 , 213 MCF, FTP 650 psig, SICP 890 psig, , LP 105 psig, SP 0 psig, DP 0 psig, 24 hrs.

8/12/07 F. 0 , 0 , 245 MCF, FTP 360 psig, SICP 925 psig, , LP 120 psig, SP 0 psig, DP 0 psig, 24 hrs.

8/13/07 F. 0 , 0 , 140 MCF, FTP 370 psig, SICP 940 psig, , LP 111 psig, SP 0 psig, DP 0 psig, 24 hrs. FR for WL/SL operation.

8/25/07 Cont'd rpt for AFE #714306 to D & C. SITP 300 psig, SICP 1000 psig. MIRU Temple #2. Bd tbg & ppd 25 bbls of 2% KCl wtr dwn tbg. Tbg loaded & unable to pmp thru EOT. ND WH, NU BOP. TOH w/200 jts of 2-3/8", 4.7#, J-55, 8rd, tbg, ppd 60 bbls of 2% KCl wtr dwn csg to cntrl well, unable to pmp dwn tbg. TOH w/24 jts of tbg, csg std to flow, ppd an add 35 BW dwn csg. Fin TOH w/60 jts of tbg. LD jt abv SN plgd w/scale. Recd BHBS & plngr. TIH w/4-3/4" rock tooth bit, 5-1/2" csg scr, and 164 jts of tbg. SWI w/EOT @ 5,080'. SDFWE.

8/28/07 SITP 700 psig, SICP 1000 psig. Bd & KW w/100 bbls 2% KCl wtr. Cont TIH w/4-3/4" bit & 5-1/2" csg scr to 9024'. Tgd no fill or sc BU thru perfs. TOH & LD 32 jts tbg, and rack 259 jts tbg in derrick. LD bit & scr. Ppd 65 BW dwn csg & KW. TIH w/NC, SN & 259 jts 2-3/8", 4.7#, J-55, EUE, 8rd tbg. Ld tbg on hgr w/EOT @ 8032', SN @ 8030'. Wasatch perfs @ 5,153' - 6,276', MV perfs fr/6,998' - 8,992'. ND BOP, NU WH. SWI & SDFN. 285 BLWTR.

Tubing

Location:	Lower			
ZONE 1	Desc: MV/WSTC	Top Perf: 5,153	Btm Perf: 8,992	OH: No

Qty	Type	Description	Cond	Top Depth	Btm Depth	Length
1	manual	Tbg hanger	Same	18	19	0.85'
259	Tubing	2-3/8", 4.7#, J-55, EUE, 8rd Tubing	Same	19	8,030	8,011.60'
1	Tubing	2-3/8" SN	Same	8,030	8,032	1.10'
1	Tubing	2-3/8" NC	New	8,032	8,032	0.45'
					Total	8,014.00'
					Landed @	8,014.00'

8/29/07 SITP vac, SICP 1000 psig. RU and RIH w/ 1.91" tbg broach to 8000'. POH & LD broach. RIH w/swb tls. BFL @ 3,000' FS. S. 0 BO, 90 BLW, 23 runs, 9 hrs, FFL @ 4200' FS w/lt blw on tbg. SICP 1000 psig. SWI & SDFN. 195 BLWTR.

Swab	Zone:	MV/WSTC			Top Interval: 5,153	Bottom Interval: 8,992	
	Event Desc:	Swab					
	Time	Swab Runs	Beg FL	BBLs Rec	Comments		
	8:00:00 AM	1	3,000	4	BFL @ 3,000'.		
	8:30:00 AM	1	3,400	3			
	10:00:00 AM	3	3,400	9	Wtr w/lite sd.		
	10:30:00 AM	1	3,400	2	Wtr w/med sd.		
	11:30:00 AM	2	3,400	6	Wtr.		
	12:00:00 PM	1	3,400	3	Wtr w/gas blow.		
	1:00:00 PM	2	3,400	5	Wtr.		
	1:30:00 PM	1	3,400	3	Wtr w/lite sd.		
	2:00:00 PM	1	3,400	3	Wtr w/good gas flow.		
	2:30:00 PM	1	3,400	4	Wtr.		
	3:30:00 PM	2	3,400	8			
	6:30:00 PM	6	4,200	34	Wtr w/lite gas flow.		
	7:00:00 PM	1	4,200	6	FFL @ 4,200'. Wtr w/lite gas flow.		
				Ttl Bbls:	90		

8/30/07 SITP 50 psig, SICP 1100 psig. RIH w/swb tls, BFL @ 4,000' FS, S. 0 BO, 12 BLW, 2 runs, FFL @ 4000' FS w/tbg on vac after swb. SWI RDMO Temples WS #2. 183 BLWTR.

9/1/07 SITP 50 psig, SITP 1,200 psig. MIRU D & S Swabbing SWU. Bd tbg. RU & RIH swb tls. SN @ 8,929'. BFL 4,700' FS. S. tr O, 2 BW, 4 runs, 2 hr, FFL @ 4,700' FS. SDFN.

Swab	Zone:	MV/WSTC			Top Interval: 5,183	Bottom Interval: 8,992	
	Event Desc:	Swab					
	Time	Swab Runs	Beg FL	BBLs Rec	Comments		
	1:50:00 PM	1	4,700	1	BFL @ 4,700'.		
	3:00:00 PM	2	4,700	1			
	3:30:00 PM	1	4,700	1	SDFN.		
				Ttl Bbls:	2		

9/2/07 SITP 50 psig, SITP 1,200 psig. Bd tbg. RU & RIH swb tls. SN @ 8,929'. BFL 5,100' FS. S. tr O, 6 BW, 12 runs, 9 hr, FFL @ 4,600' FS. SDFWE.

Swab	Zone:	MV/WSTC			Top Interval: 5,183	Bottom Interval: 8,992	
	Event Desc:	Swab					
	Time	Swab Runs	Beg FL	BBLs Rec	Comments		
	7:15:00 AM	1	5,100	1	BFL @ 5,100'.		
	3:45:00 PM	10	4,200	5			
	4:15:00 PM	1	4,600	1	FFL @ 4,600'. SDFWE.		
				Ttl Bbls:	6		

9/5/07 SITP 150 psig, SICP 1250 psig. MIRU D & S Swabbing Inc. SWU. Bd tbg. PU & RIH w/swb tls. SN @ 8,032'. BFL 4,800' FS. S. 0 BO, 17.7 BW, 9 runs, 6 hrs. FFL 4,000' FS. Well KO flowing. Cycled plngr to tk, 15 BW. RWTP 5:00 p.m., 9-4-07. FTP 400 psig, SICP 850 psig. RDMO D & S Swabbing Inc.

Flow **Zone:** MV/WSTC
Event Desc: Flow Back **Top Interval:** 5,153 **Bottom Interval:** 8,992

	<u>Avg</u>	<u>Choke</u>	<u>BBLs</u>	
<u>Time</u>	<u>Press</u>	<u>Size</u>	<u>Rec</u>	<u>Comments</u>
3:00:00 PM	475	48/64	15	Cycle plngr to tk.
Ttl Bbls:			15	

Swab **Zone:** MV/WSTC
Event Desc: Swab **Top Interval:** 5,153 **Bottom Interval:** 8,992

	<u>Swab</u>	<u>Beg</u>	<u>BBLs</u>	
<u>Time</u>	<u>Runs</u>	<u>FL</u>	<u>Rec</u>	<u>Comments</u>
7:00:00 AM	1	4,800	1	BFL @ 4,800'. Well on vac.
12:30:00 PM	7	4,400	14	Well on vac.
2:00:00 PM	1	4,000	3	FFL @ 4,000'. KO flwg.
Ttl Bbls:			17.7	

9/7/07 PL. 0 , 66 , 335 MCF, SITP 510 psig, SICP 720 psig, 48/64, LP 121 psig, SP 0 psig, DP 0 psig, 7 hrs. Off cycle.

9/8/07 PL. 32 , 32 , 410 MCF, SITP 320 psig, SICP 540 psig, 48/64, LP 135 psig, SP 0 psig, DP 0 psig, 24 hrs. Off cycle.

9/9/07 PL. 6 , 45 , 426 MCF, SITP 310 psig, SICP 570 psig, 48/64, LP 119 psig, SP 0 psig, DP 0 psig, 24 hrs. Off cycle.

9/10/07 PL. 5 , 46 , 397 MCF, SITP 240 psig, SICP 460 psig, 48/64, LP 117 psig, SP 0 psig, DP 0 psig, 24 hrs. Off cycle. FR for swab.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-44090A

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:
LITTLE CANYON UNIT

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
LCU 7-3H

2. NAME OF OPERATOR
XTO ENERGY INC.

9. API NUMBER:
4304736775

3. ADDRESS OF OPERATOR
382 CR 3100 CITY: AZTEC STATE: NM ZIP: 87410

PHONE NUMBER:
(505) 333-3100

10. FIELD AND POOL OR WLD CAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2000' FNL & 2000' FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 3 11S 20E S

COUNTY: UINTAH
STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/15/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: MONTHLY RPT 10/6/07 - 11/15/07
	<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.
Monthly Report for 10/6/2007 to 11/15/2007 attached.

RECEIVED
NOV 23 2007
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT): HOLLY C. PERKINS TITLE: REGULATORY COMPLIANCE TECH
SIGNATURE: *Holly C. Perkins* DATE: 11/19/2007

(This space for State use only)

Farmington Well Workover Report

LITTLE CANYON UNIT	Well # 7-3H	MV/WSTC
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Objective: Drill & Complete

First Report: 03/02/2007

AFE: 714306

11/6/07 MIRU Craigs Roustabout Service. Fence rmvd 11/01/07. Pit reclaimed 11/05/07. RDMO Craigs R.S. Susp rpts pending further activity.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090-A
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE CANYON
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: LCU 7-3H
2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43047367750000
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410	PHONE NUMBER: 505 333-3159 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FNL 2000 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 03 Township: 11.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: HILL CREEK COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/14/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input checked="" type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: CMT SQZ & PWOP

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

XTO Energy Inc. intends to squeeze cement, acidize & put this well on a pump per the attached procedure.

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

Date: December 08, 2009
By: *Derek [Signature]*

NAME (PLEASE PRINT) Barbara Nicol	PHONE NUMBER 505 333-3642	TITLE Regulatory Clerk
SIGNATURE N/A	DATE 12/4/2009	

**LCU 7-3H
 Sec 3, T 11S, R 20 E
 Uintah County, Utah
 API- 43-047-36775
 XTO # 163764**

AFE # 905188

Cement squeeze, acidize, and put well on pump

Surf csg: 8-5/8", 32#, J-55, ST&C csg @ 2228' Top off to surface
Prod csg: 5-1/2", 17#, N-80, LT&C csg @ 9049' Cmt top @ 1300' PBTD 9030'
Tbg: 2-3/8" L-80 EUE tubing w/ SN and notched collar @ 8032'
Perfs: **WA:** 5153'-70', 5174'-83', 6267'-76'
MV: 6998'-7005', 7045'-53', 7063'-7072', 7130'-46', 7167'-76', 7269'-73',
 7295'-7309', 7381'-7404', 8595'-8600', 8762'-68', 8781'-91', 8890'-94', 8980'-
 92'

PWOP Procedure

- 1) MI and set a Lufkin RM 320-256-120 pumping unit (min ECB 17,400#) with a C-96 engine. Set CB weights as follows:

Description	Weight	Position
Left Lag	3CRO + 2-3BS	7" from end of crank
Left Lead	3CRO +1-3BS	7" from end of crank
Right Lag	3CRO +2-3BS	7" from end of crank
Right Lead	3CRO +1-3BS	7" from end of crank

- 2) MIRU PU. Blow down casing and kill well w/ 2% KCl. ND WH, NU BOP. Unseat tubing hanger. Lower tubing to tag, then tally out of hole. Monitor tubing for indications of scale or corrosion.
- 3) If no indications of scale are found on tubing, PU 4 3/4"x 4' short wash joint and TIH. Tag BRS and attempt to "drill down" to ± 9040'. POH w/ wash joint.
- 4) Based on results of "drill down", consider run with overshot to recover bottom half of BRS.
- 5) MIRU wire line unit and set composite BP @ ±5280'. RD wireline unit, then TIH and set squeeze packer @ ±4990'. Pressure test annulus to 500 psi. Establish water injection rate into perfs. Cement squeeze Wasatch perfs 5153'-5183' with 150 sx class "G" cement. Displace tubing with 21 BBL fresh water. SI tubing and WOC.

- 6) Release packer and POH. PU 4 3/4" bit and bit sub. RIH and drill out squeeze. Pressure test squeeze to 1000 psi after drill out. When test is obtained, continue in hole and drill out CBP @ 5280'.
- 7) Continue in hole with bit and scraper, clean out / drill out ±9040'. Circulate clean and POH.
- 8) TIH w/ "TS" bridge plug, "HD" packer, and 2 3/8" tubing. Treat individual zones per below table. Note that perms 8890'-9882' and 6167'-76' are to have a 30 BBL scale pill and 50 BW spacer ahead of the acid. After stages are treated, release tools and POH.

Bridge Plug Ft	Packer Ft	Perforations Ft	Scale Pill BBL	Spacer BBL	Acid Gal	Flush BBL
9010	8880	8890'-8992'	30	50	500	39
8810	8580	8595'-8791'			700	38
7430	7360	7381'-7404'			700	33
7330	7250	7269'-7309'			500	33
7210	7100	7130'-7176'			700	32
7100	6970	6998'-7072'			700	32
6310	6250	6167'-6176'	30	50	500	29
Total			60	100	4300	235

Note: 4300 gal 15% HCL to contain 48 hr corrosion inhibitor, iron sequestering agent, mutual solvent, and non-emulsifier. 60 BBL Chemical pill to contain fresh water with KCL substitute, 220 gal Nalco EC 6652A Scale inhibitor, 5 gal Nalco Nalco EC 6106 Biocide & 50 gal Fractec IPA 2000. Please note this is a higher concentration of scale chemical than we have used on the dump jobs.

- 9) RIH with production string as follows:
- 2 3/8" x 5 1/2" TEC tubing anchor
 - 2 3/8" x 6' EUE tubing
 - 2 3/8" x 4' EUE perforated tubing sub
 - 2 3/8" x 1.78" S/N
 - 2 3/8" 4.7# EUE tubing to surface

Land tubing in tension with TAC at ±9020'. ND BOP, NU wellhead.

10) Swab tubing until returns are clean and able to be pumped. RIH w/ pump and rod string as follows:

- 2" x 1 1/4" x 16' x 19' RHBC, w/ 8' dip tube
- 3/4" x 4' rod sub
- 3/4" – 21,000 lb HF shear tool
- 10- 1 1/4" API K Sinker Rods
- 30 - 3/4" Norris 96 Rods w/ "T" couplings, 5 molded guides/rod
- 321 - 3/4" Norris 96 Rods w/ "T" couplings
- 3/4"- Norris 96 rod pony rods as necessary to space out
- 1 1/4" x 22' Polish rod w/ 1 1/2" liner

11) Space out pump as required with pony rods. Load tubing and long stroke with rig to ensure pump action. RDMO PU.

12) Start well pumping at 4 SPM and 120" SL. Run dyno and shoot fluid level \pm 1 week after unit has started.

13) Report pre and post start up data to Tom Boyce

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
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	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE CANYON
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: LCU 7-3H
2. NAME OF OPERATOR: XTO ENERGY INC	9. API NUMBER: 43047367750000
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410	PHONE NUMBER: 505 333-3159 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FNL 2000 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 03 Township: 11.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: HILL CREEK COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input checked="" type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/4/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: PWOP

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

XTO Energy Inc. has acidized this well & put it on a pump per the attached summary report.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 10, 2010

NAME (PLEASE PRINT) Barbara Nicol	PHONE NUMBER 505 333-3642	TITLE Regulatory Compliance Tech
SIGNATURE N/A	DATE 2/9/2010	

EXECUTIVE SUMMARY REPORT

12/18/2009 - 2/9/2010
Report run on 2/9/2010 at 1:56 PM

Little Canyon Unit 07-03H

Section 3-11S-20E, Uintah, Utah, Roosevelt

12/21/2009 First rpt for Well Maintenance/ PWOP. MIRU Temples WS rig #2 and equip. Bd well. ND WH, & NU BOP. TOH, LD 259 jts of 2-3/8", 4.7#, J-55, 8rd tbg, SN, and NC. SWI & SDFN. Prep to PU 2-3/8" L-80 tbg, and shoe in the A.M..

===== Little Canyon Unit 07-03H =====

12/22/2009 Bd well and contrl w/20 bbls of trtd 2% KCL wtr. PU & TIH w/4-3/4" mill shoe, BS, SN, and 274 jts of 2-3/8" 4.7#, L-80 8rd, tbg. Tgd @ 8,999', 31' of fill. TOH w/30 jts of tbg. EOT @ 7,995'. SWI & SDFN. Prep to CO fill in the A.M.

===== Little Canyon Unit 07-03H =====

12/23/2009 Bd well. TIH w/30 jts of tbg. Tgd @ 8,999'. RU pwr swivel, and brk circ w/AFU. CO w/shoe to 9,040'. Circ well cln for 2 hrs. Att to work shoe over BRS with no success. TOH w/275 jts tbg, BS, SN and mill shoe. Did not rec BRS. TIH w/NC, SN, and 76 jts tbg. EOT @ 2,500'. SWI & SDFH WE. Prep to TIH w/isolation tls on Monday.

===== Little Canyon Unit 07-03H =====

12/28/2009 Bd well, and contrl w/35 bbls of trtd 2% KCL wtr. TOH w/kill strg. TIH w/Weatherford 5-1/2" TS RBP, and 5-1/2" HD PKR, on 275 jts of 2-3/8" tbg. Set PKR @ 9,002', and tstd shoe jt to 1,500 psig, gd tst. LD 1 jt tbg and set RBP @ 9,010', TOH w/4 jts tbg and left PKR hanging @ 8,876'. SWI & SDFN. Prep to isolate and treat perfs in the A.M..

===== Little Canyon Unit 07-03H =====

12/29/2009 Bd well. Set 5-1/2" pkr @ 8,872'. MIRU Frac-Tech. PT surf equip to 4000 psig. Proceed w/7 stage ac trtmnt as follows: Stage #1. Isol MV perfs fr/8,890' - 8,992'. Trtd perfs w/30 bbls chem pill containing fresh wtr w/kcl sub, 220 gals Nalco EC 6552A sc inhib, 5 gals Nalco EC 6106 Biocide, and 50 gals FracTec IPA 2000. 25 bbl 2% kcl spacer, and 500 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/39 bbls 2% KCL wtr. Max trtg press 3,010 psig @ 1.3 BPM. 5" SIP 2,610 psig. Stage #2. Move tls & Isol MV perfs fr/8,595' - 8,791'. Trtd perfs w/700 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/38 bbls 2% KCL wtr. Max trtg press 2,940 psig @ 1 BPM. 5" SIP 2,120 psig. Stage #3. Move tls. Isol MV perfs fr/7,381' - 7,404'. Trtd perfs w/ 700 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/33 bbls 2% KCL wtr. Max trtg press 3,009 psig @ 2.4 BPM. ISIP 2,758 psig, 5" SIP 2,078 psig. Stage #4. Move tls. Isol MV perfs fr/7,269' - 7,309'. Trtd perfs w/500 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/33 bbls 2% KCL wtr. Max trtg press 3,300 psig @ 2.4 BPM. 5" SIP 2,120 psig. Stage #5. Move tls. Isol WA perfs fr/7,130' - 7,176'. Trtd perfs w/700 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/32 bbls 2% KCL wtr. Max trtg press 2,900 psig @ 3 BPM. 5" SIP 1,002 psig. Stage #6. Move tls, unable to re-set RBP. SWI & SDFN. Prep to chg out iso tls, and fin trtmnt in the A.M..

===== Little Canyon Unit 07-03H =====

EXECUTIVE SUMMARY REPORT

12/18/2009 - 2/9/2010
Report run on 2/9/2010 at 1:56 PM

- 12/30/2009 Bd well. TOH w/216 jts of 2-3/8" tbg, LD RBP & PKR. Replace isol tls and TIH w/5-1/2" RBP, 5-1/2" PKR & 2-3/8" tbg. MIRU Frac-Tech. PT surf equip to 4000 psig. Proceed w/7 stage ac trtmnt as follows: Stage #6. Isol MV perfs fr/6,998' - 7,072'. Trtd perfs w/700 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/32 bbls 2% KCL wtr. Max trtg press 3,009 psig @ 2.5 BPM. 5" SIP 2,500 psig. Stage #7. Move tls & Isol WA perfs fr/6,267' - 6,276'. Trtd perfs w/30 bbl 2% KCL wtr chem pill containing sc inhibitor & biocide, 25 bbl 2% KCL spacer, 500 gals 15% HCL ac w/add's mutual solvent, iron seq & corr inhibitor. Flshd w/29 bbls 2% KCL wtr. Max trtg press 2,920 psig @ 1.4 BPM. ISIP 2,700 psig, 5" SIP 2,214 psig. Bd well, rls PKR, TIH rec RBP, and TOH. LD isol tls. TIH w/ 5-1/2" TAC, 6' x 2-3/8" tbg sub, 4' x 2-3/8" perf sub, SN, and 60 jts of 2-3/8", 4.7#, L-80, 8rd tbg. EOT @ 1,995'. SWI & SDFN. Prep to cont to TIH w/prod tbg in the A.M.
- 12/31/2009 ===== Little Canyon Unit 07-03H =====
Bd well. Cont to TIH w/a ttl of 270 jts 2-3/8" 4,7#, L-80, EUE, 8rd, tbg. Broach all tbg to SN @ 9,011'. ND BOP. Set TAC @ 9,025'. Ld tbg in 15K tens w/donut tbg hgr, SN @ 9,011'. EOT @ 9,025'. PSTD @ 9,040', WA/MV perfs fr/5,153' - 8,992'. NU WH. RU swab tls. BFL @ 2,700' FS. 0 BO, 20 BLW, 5 runs, 2 hrs, FFL @ 3,200' FS, SICP 0 psig. RD swb tls. SWI. SDFHWE.
- 1/4/2010 ===== Little Canyon Unit 07-03H =====
RU & RIH w/swb tls. EOT @ 9,025'. Perfs: 5,153' - 8,992'. BFL @ 3,300' FS. S. 0 BO, 97 BLW, 25 runs, 9 hrs. FFL @ 4,500' FS, SICP 1,000 psig. Fld smpls of black wtr, ac smell, 1" lt sediment in smpl. RD swb tls. SWI. SDFN.
- 1/5/2010 ===== Little Canyon Unit 07-03H =====
RU swb tls. BFL @ 3,800' FS. S. 0 BO, 89 BLW, 23 runs, 9 hrs. FFL @ 5,700' FS, SICP 1,000 psig, black wtr, 7 ph, 1/2" lt sediment in 12 oz smpl. RD swb tls. SWI. SDFN.
- 1/6/2010 ===== Little Canyon Unit 07-03H =====
PU & loaded 2" x 1-1/4" x 19' RHBC-DV pmp (XTO #244) w/1" x 8' dip tube, btm 1' perf. TIH w/pmp BHA, shear tl pinned to 21,000#, 4' x 3/4" rod sub, 10 - 1-1/4" sbs, 30 3/4" Norris 96 skr d w/T cplgs & 5 molded guides pr rod, 318 3/4" Norris 96 skr d w/T cplgs, 4 - 3/4" rod subs (8', 8', 4', 2') & 26' x 1-1/2" PR. Seated pmp. PT tbg to 1500 psig w/18 bbls trtd 2% KCL wtr for 10". Tstd ok. Rlsd press. LS pmp w/rig to 500 psig. Gd PA. Rlsd press. Clamp off rods. SWI. RDMO TWS rig #2. Unable to RWTP. PU not in place. Suspend rpts until further activity.
- 2/4/2010 ===== Little Canyon Unit 07-03H =====
The Little Canyon Unit 7-3H PWOP. Stroke Length 120. 4 SPM. This well is on Route #209. XTO allocation Meter # RS 0919 RF. RTU Group 10. Address 186. Waynes Check CDP Meter #RS1264CT. RWTP @ 5:00 p.m., 2/4/10.

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

FORM 6

ENTITY ACTION FORM

Operator: XTO ENERGY INC. Operator Account Number: N 2615
 Address: 382 CR 3100
city AZTEC
state NM zip 87410 Phone Number: (505) 333-3100

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736773	LCU 6-16H		SENW	16	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	16848	14619 ✓	4/24/2008			12/1/2006 9/11/2008	
Comments: MVRD = WSMVD — 8/24/10							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736774	LCU 2-10H		NWNE	10	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	15330	14619 ✓	4/23/2006			12/1/2006 ✓	
Comments: MVRD = WSMVD — 8/24/10							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736775	LCU 7-3H		SWNE	3	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	15777	14619 ✓	11/6/2006			12/1/2006 1/12/2007	
Comments: MVRD = WSMVD — 8/24/10							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

BARBARA A. NICOL

Name (Please Print)

Barbara A. Nicol

Signature

REGULATORY COMP. TECH 8/18/2010

Title

Date

RECEIVED

AUG 23 2010

DIV. OF OIL, GAS & MINING