

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 11-3H, 2,100' FSL, 2,000' FWL, NE/4 SW/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**

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001

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

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

|   |   |  |
|---|---|--|
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>   |   | 5. LEASE DESIGNATION AND SERIAL NO.<br><b>UTU-34350</b>                  |
| b. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>                   |   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br><b>N/A</b>                       |
| 2. NAME OF OPERATOR<br><b>Dominion Exploration &amp; Production, Inc.</b>   |   | 7. UNIT AGREEMENT NAME <b>CP-201</b><br><b>Little Canyon Unit</b>        |
| 3. ADDRESS AND TELEPHONE NO.<br><b>14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134, 405-749-5263</b>  |   | 8. FARM OR LEASE NAME, WELL NO.<br><b>LCU 11-3H</b>                      |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*<br>At surface <b>2,100' FSL, 2,000' FWL NE/4 SW/4 44159694</b><br>At proposed prod. zone <b>2,100' FSL, 2,000' FWL NE/4 SW/4 109,666868</b> |   | 9. API WELL NO.<br><b>43-047-36776</b>                                   |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br><b>13.86 miles south of Ouray, Utah</b>  |   | 10. FIELD AND POOL, OR WILDCAT<br><b>Natural Buttes Hill Creek</b>       |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)<br><b>2,000'</b>  | 16. NO. OF ACRES IN LEASE<br><b>640</b> | 11. SEC., T., R., M., OR BLK.<br><b>Section 3, T11S, R20E, SLB&amp;M</b> |
| 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.<br><b>1,950'</b>   | 19. PROPOSED DEPTH<br><b>8,700'</b>     | 12. COUNTY OR PARISH<br><b>Utah</b>                                      |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.)<br><b>5,030' GR</b>  |   | 13. STATE<br><b>Utah</b>   |
|   |   | 17. NO. OF ACRES ASSIGNED TO THIS WELL<br><b>40 acres</b>                |
|   |   | 20. ROTARY OR CABLE TOOLS<br><b>Rotary</b>                               |
|   |   | 22. APPROX. DATE WORK WILL START*<br><b>August 1, 2005</b>               |

| 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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*Federal Approval of this  
Action is Necessary*

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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. 43-047-36776 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 DATE 06-14-05  
ENVIRONMENTAL SCIENTIST III

**\*See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

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

# DOMINION EXPLR. & PROD., INC.

Well location, LCU #11-3H, located as shown in the NE 1/4 SW 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  
1374.11' (Meas.)

-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

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, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



SCALE

## CERTIFICATE

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

*Robert J. Kay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 1161319  
STATE OF UTAH

## 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' |

3

LCU #11-3H  
Elev. Ungraded Ground = 5030'

## BASIS OF BEARINGS

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

(NAD 83)  
LATITUDE = 39°53'16.50" (39.887917)  
LONGITUDE = 109°40'04.04" (109.667789)  
(NAD 27)  
LATITUDE = 39°53'16.63" (39.887953)  
LONGITUDE = 109°40'01.55" (109.667097)

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

## UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

|                         |                                       |                        |
|-------------------------|---------------------------------------|------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>4-13-05             | DATE DRAWN:<br>4-19-05 |
| PARTY<br>B.B. J.M. K.G. | REFERENCES<br>G.L.O. PLAT             |                        |
| WEATHER<br>COOL         | FILE<br>DOMINION EXPLR. & PROD., INC. |                        |

A.P. Set Stone, Pile of Stones

S 1/4 Cor. Sec. 33,  
1928 Brass Cap,  
0.4' High, E-W  
Fenciline, Set  
Marked Stone

Section Corner  
Re-Established  
Mathematically  
(Not Set On  
Ground)

Section 33  
Section 34

N01°00'09"E - 5249.93' (Meas. to C.C.)  
N01°00'09"E - 5249.98' (Meas. to True)

N00°50'01"E - 2672.22' (Meas.)

N00°50'19"E - 2636.19' (Meas.)

N00°06'07"E  
2635.92' (Meas.)

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)

N01°47'08"W  
2650.69' (Meas.)

S89°47'18"E  
7973.74' (Meas.)

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

W 1/4 Cor. Sec. 10,  
Set Marked Stone

**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 11-3H  
 2100' FSL & 2000' FWL  
 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     | 3,290'       |
| Green River Tongue | 3,620'       |
| Wasatch            | 3,760'       |
| Chapita Wells      | 4,635'       |
| Uteland Buttes     | 5,710'       |
| Mesaverde          | 6,475'       |

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

| <u>Formation</u>   | <u>Depth</u> | <u>Type</u> |
|--------------------|--------------|-------------|
| Wasatch Tongue     | 3,290'       | Oil         |
| Green River Tongue | 3,620'       | Oil         |
| Wasatch            | 3,760'       | Gas         |
| Chapita Wells      | 4,635'       | Gas         |
| Uteland Buttes     | 5,710'       | Gas         |
| Mesaverde          | 6,475'       | 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'±.

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## DRILLING PLAN

### APPROVAL OF OPERATIONS

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

Surface hole: No BOPE 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 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 contant 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 H<sub>2</sub>S gas.

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**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 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.

| Type    | Sacks | Interval      | Density  | Yield    | Hole<br>Volume | Cement<br>Volume | Excess            |
|---------|-------|---------------|----------|----------|----------------|------------------|-------------------|
| 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.

| Type | Sacks | Interval      | Density  | Yield    | Hole<br>Volume | Cement<br>Volume | Excess |
|------|-------|---------------|----------|----------|----------------|------------------|--------|
| 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

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**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 11-3H  
2100' FSL & 2000' FWL  
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 Thursday, May 19, 2005 at approximately 2:00 pm. In attendance at the onsite inspection were the following individuals:

|               |                       |                                       |
|---------------|-----------------------|---------------------------------------|
| Ken Secrest   | Foreman               | Dominion E & P, Inc.                  |
| Robert Kay    | Engineer              | 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    |
| Randy Jackson | Foreman               | Jackson Construction                  |
| Don Hamilton  | Permitting Agent      | Buys & Associates, Inc.               |

1. Existing Roads:
  - a. The proposed well site is located approximately 13.86 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 access road that presently accesses the L.F. 1-3 an access is proposed trending north approximately 0.1 miles 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 road to the L.F. 1-3 may need minor upgrades 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 0.1 miles 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 southwest side of the well site and traverse 472' south 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 191' is associated with this well.
- j. With this application Dominion requests permission to upgrade the federal portion of the existing 3" surface pipeline to a 4" surface pipeline across Federal surface to the existing pipeline near the 1-10H previously requested for upgrade from 3" to 8" 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 northwest 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 south.
- c. The pad and road designs are consistent with BLM and Tribal 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 Ute Tribal 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 BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.
- 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 #11-3H  
SECTION 3, T11S, R20E, S.L.B.&M.

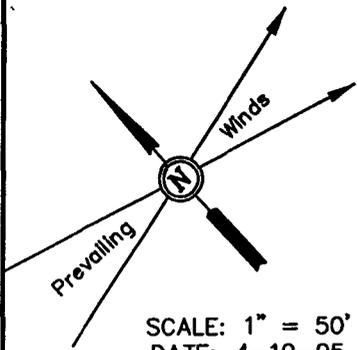
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON 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, THEN WESTELRY DIRECTION APPROXIMATELY 0.9 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.95 MILES.

**MINION EXPLR. & PROD., INC.**

**LOCATION LAYOUT FOR**

LCU #11-3H  
SECTION 3, T11S, R20E, S.L.B.&M.  
2100' FSL 2000' FWL



SCALE: 1" = 50'  
DATE: 4-19-05  
Drawn By: K.G.

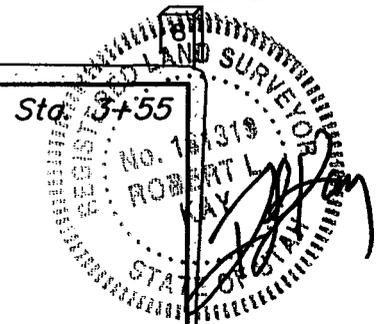
Approx. Toe of Fill Slope

F-3.0'  
El. 27.1'

F-3.8'  
El. 26.3'

F-3.8'  
El. 26.3'

Sta. 3+55



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

CONSTRUCT DIVERSION DITCH

Reserve Pit Backfill & Spoils Stockpile

FLARE PIT  
El. 31.6'  
C-1.5'

El. 33.7'  
C-11.6'  
(btm. pit)

20' WIDE BENCH

El. 30.9'  
C-0.8'

C-0.3'  
El. 30.4'

RIG DOG HOUSE

135' Sta. 1+80

Topsail Stockpile

C-1.4'  
El. 31.5'

Approx. Top of Cut Slope

10' WIDE BENCH

Total Pit Capacity  
W/2' of Freeboard  
= 10,750 Bbls. ±  
Total Pit Volume  
= 3,120 Cu. Yds.

Sta. 1+10

Slope = 1-1/2:1

RESERVE PITS  
(8' Deep)

Sta. 0+52

El. 39.2'  
C-17.1'  
(btm. pit)

20' WIDE BENCH

C-6.7'  
El. 36.8'

C-6.8'  
El. 36.9'

Round Corners as Needed

Sta. 0+00

Reserve Pit Backfill & Spoils Stockpile

C-7.6'  
El. 37.7'

Proposed Access Road

C-7.1'  
El. 37.2'

Install 18" CMP

Elev. Ungraded Ground at Location Stake = 5030.4'  
Elev. Graded Ground at Location Stake = 5030.1'

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 800 East • Vernal, Utah 84078 • (435) 789-1017

**MINION EXPLR. & PROD., INC.**

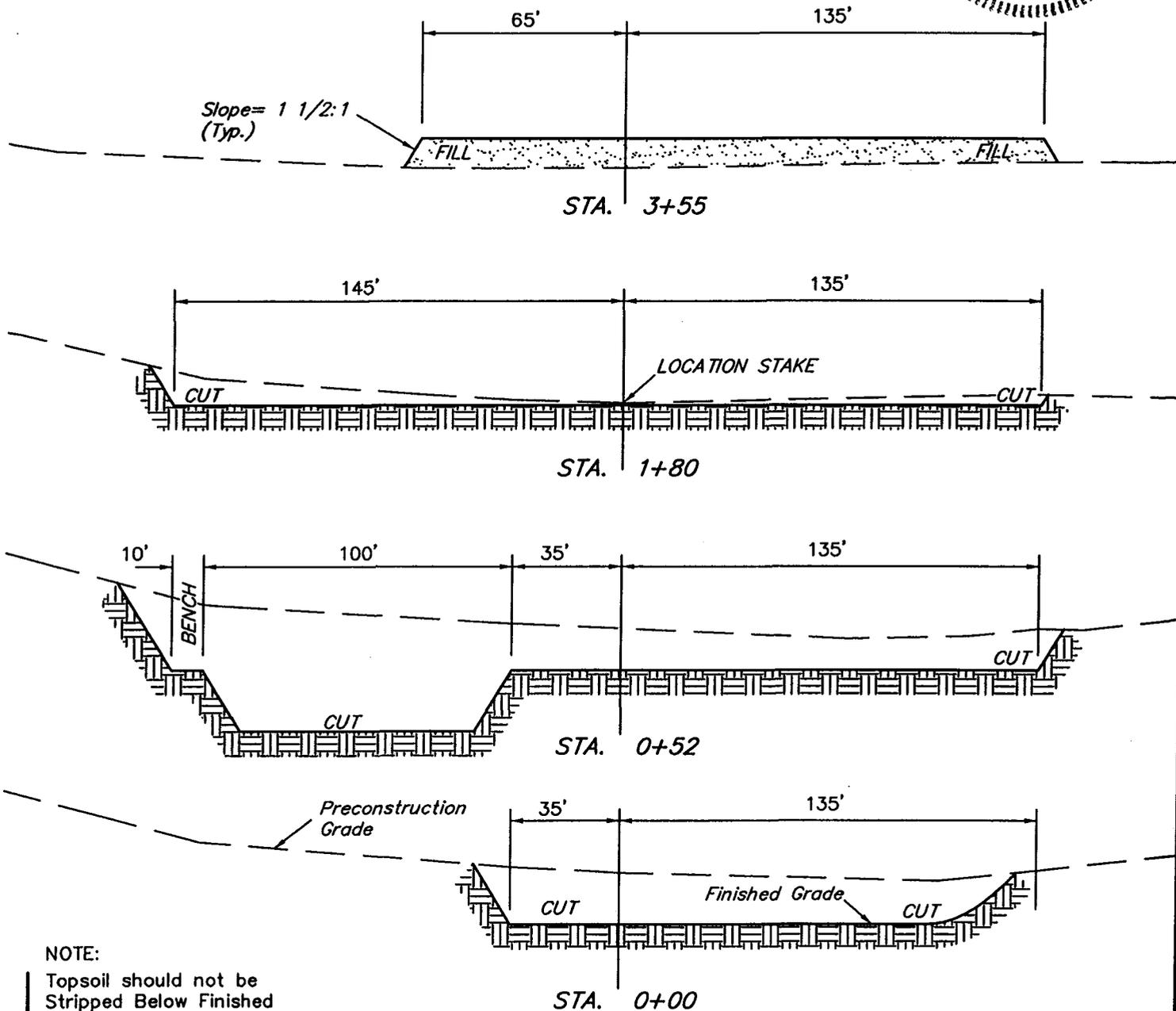
**TYPICAL CROSS SECTIONS FOR**

LCU #11-3H  
SECTION 3, T11S, R20E, S.L.B.&M.  
2100' FSL 2000' FWL



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

DATE: 4-19-05  
Drawn By: K.G.



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

**APPROXIMATE YARDAGES**

|                        |                         |
|------------------------|-------------------------|
| CUT                    |                         |
| (6") Topsoil Stripping | = 1,790 Cu. Yds.        |
| Remaining Location     | = 10,850 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 12,640 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 2,690 CU.YDS.</b>  |

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

|   |                  |
|---|------------------|
| EXCESS MATERIAL                         | = 9,950 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.)   | = 3,350 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 6,600 Cu. Yds. |

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

# DOMINION EXPLR. & PROD., INC.

LCU #11-3H

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

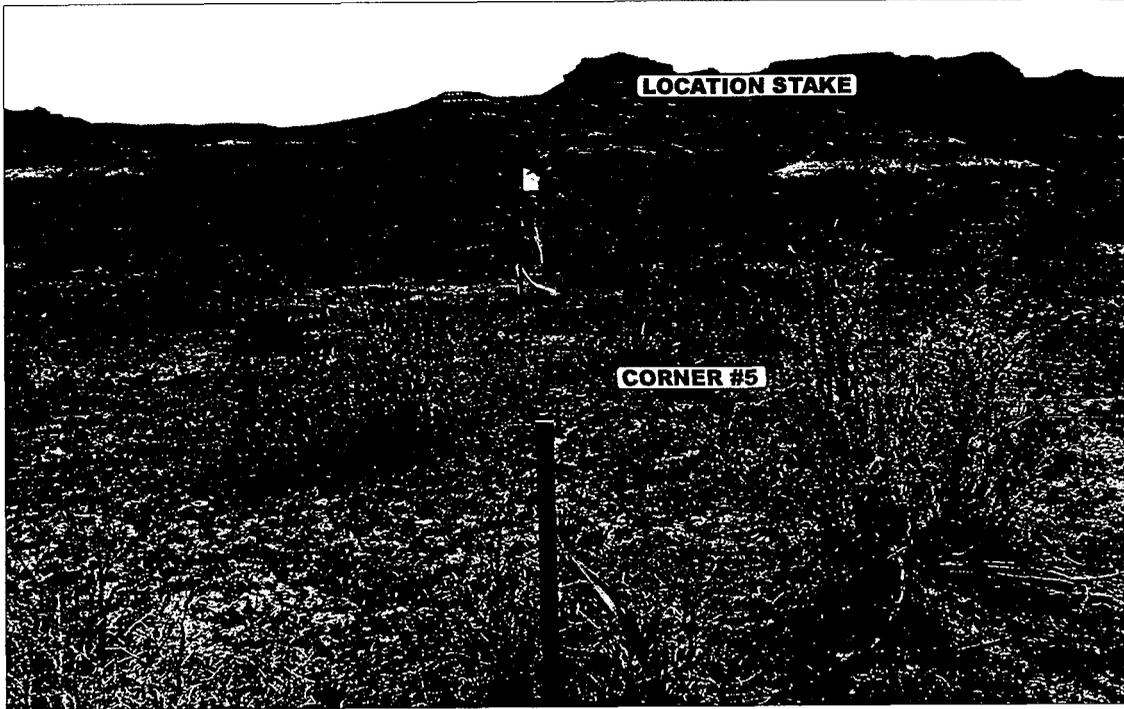


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

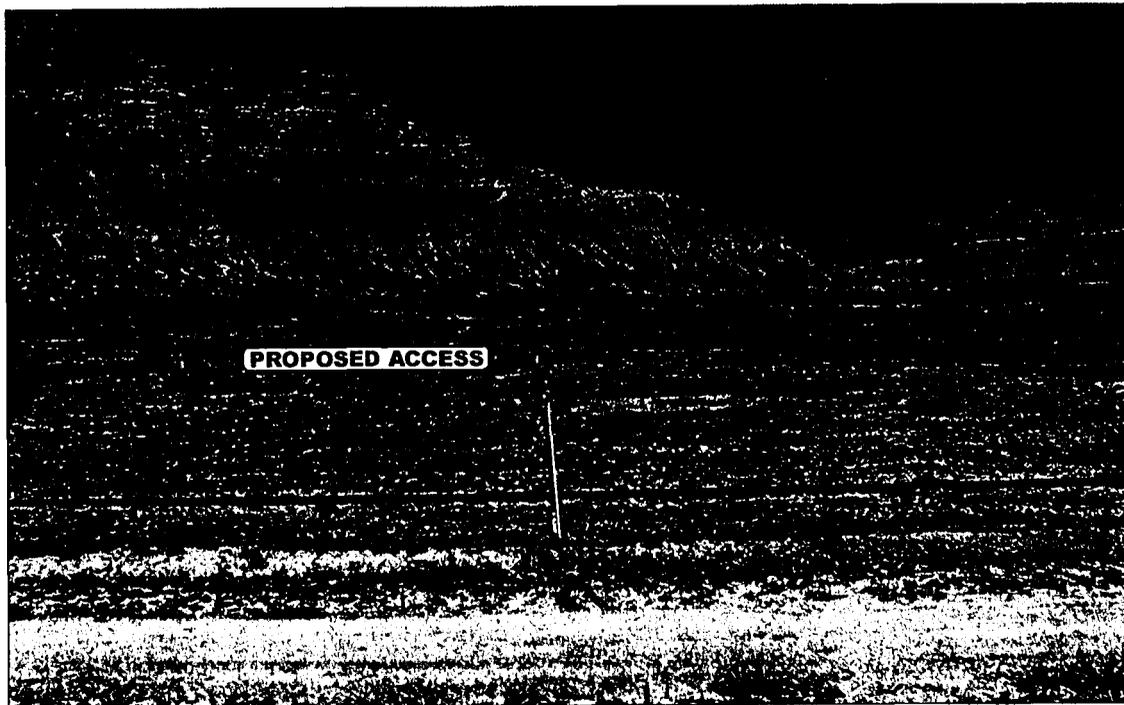


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

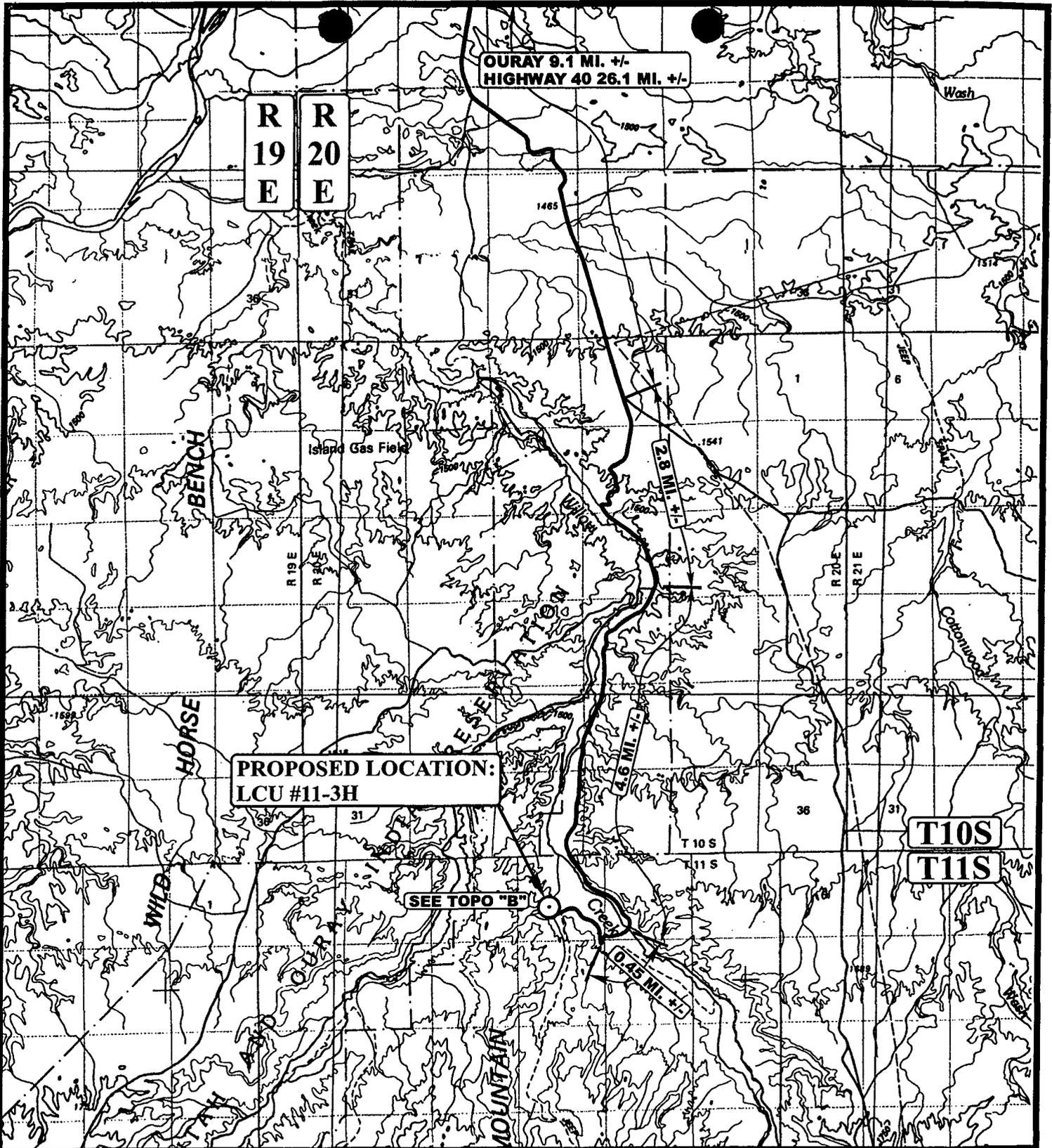
CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

|                 |                |     |                   |       |
|-----------------|----------------|-----|-------------------|-------|
| LOCATION PHOTOS | 04             | 14  | 05                | PHOTO |
|                 | MONTH          | DAY | YEAR              |       |
| TAKEN BY: B.B.  | DRAWN BY: C.P. |     | REVISED: 00-00-00 |       |



OURAY 9.1 MI. +/-  
HIGHWAY 40 26.1 MI. +/-

R  
19  
E

R  
20  
E

PROPOSED LOCATION:  
LCU #11-3H

T10S  
T11S

SEE TOPO "B"

**LEGEND:**

○ PROPOSED LOCATION

**DOMINION EXPLR. & PROD., INC.**

LCU #11-3H  
SECTION 3, T11S, R20E, S.L.B.&M.  
2100' FSL 2000' FWL



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

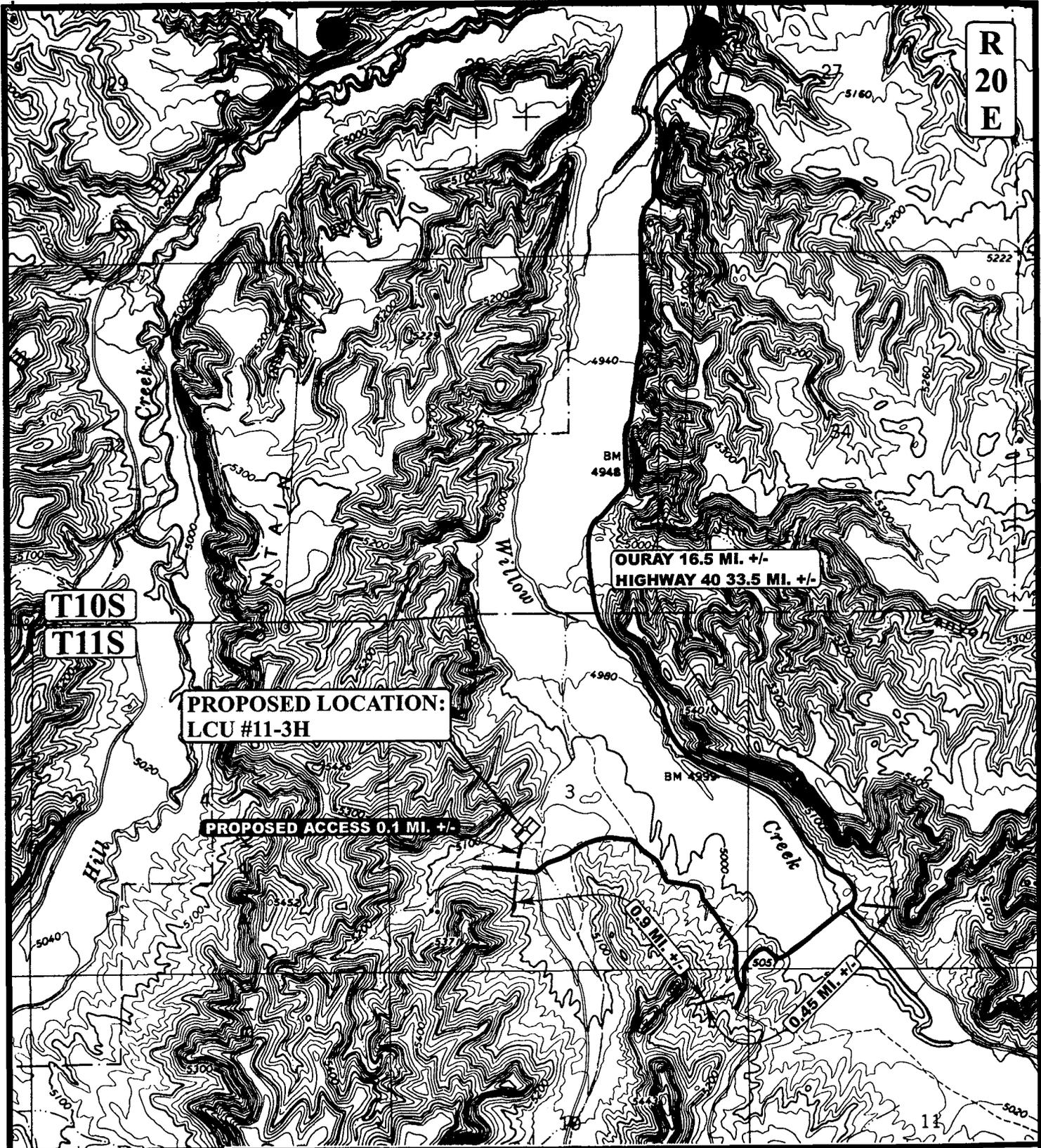


TOPOGRAPHIC  
MAP

|       |     |      |
|-------|-----|------|
| 04    | 14  | 05   |
| MONTH | DAY | YEAR |

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





R  
20  
E

T10S  
T11S

PROPOSED LOCATION:  
LCU #11-3H

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

PROPOSED ACCESS 0.1 MI. +/-

**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

**DOMINION EXPLR. & PROD., INC.**

LCU #11-3H  
SECTION 3, T11S, R20E, S.L.B.&M.  
2100' FSL 2000' FWL

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

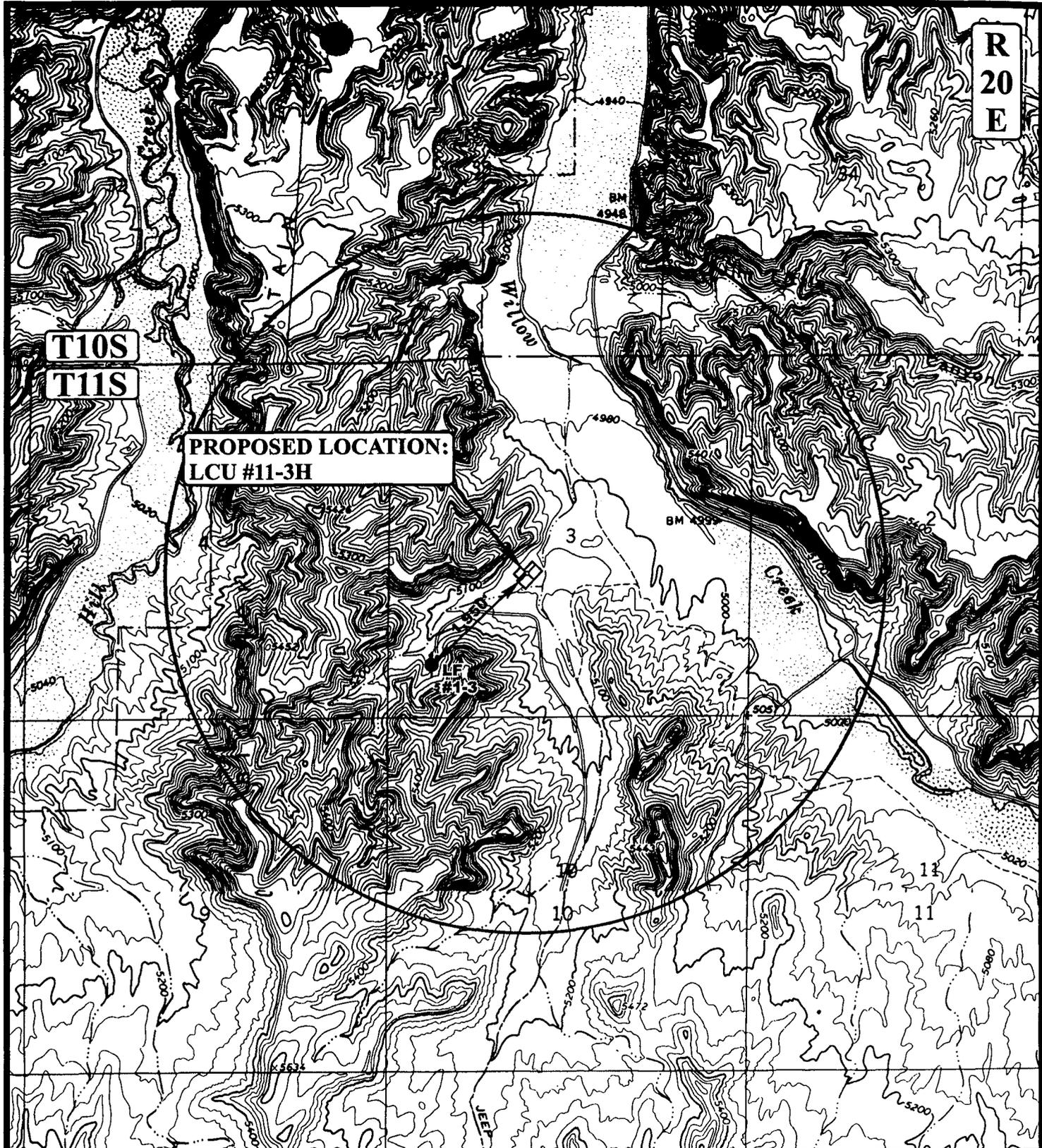
TOPOGRAPHIC MAP  
04 14 05  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B**  
TOPO

R  
20  
E

T10S  
T11S

PROPOSED LOCATION:  
LCU #11-3H



**LEGEND:**

- ∅ DISPOSAL WELLS
- PRODUCING WELLS
- ⬮ SHUT IN WELLS
- ⊕ WATER WELLS
- ⬮ ABANDONED WELLS
- ⬮ TEMPORARILY ABANDONED

**DOMINION EXPLR. & PROD., INC.**

LCU #11-3H  
SECTION 3, T11S, R20E, S.L.B.&M.  
2100' FSL 2000' FWL



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

TOPOGRAPHIC  
MAP

04 14 05  
MONTH DAY YEAR

SCALE: 1" = 2000'

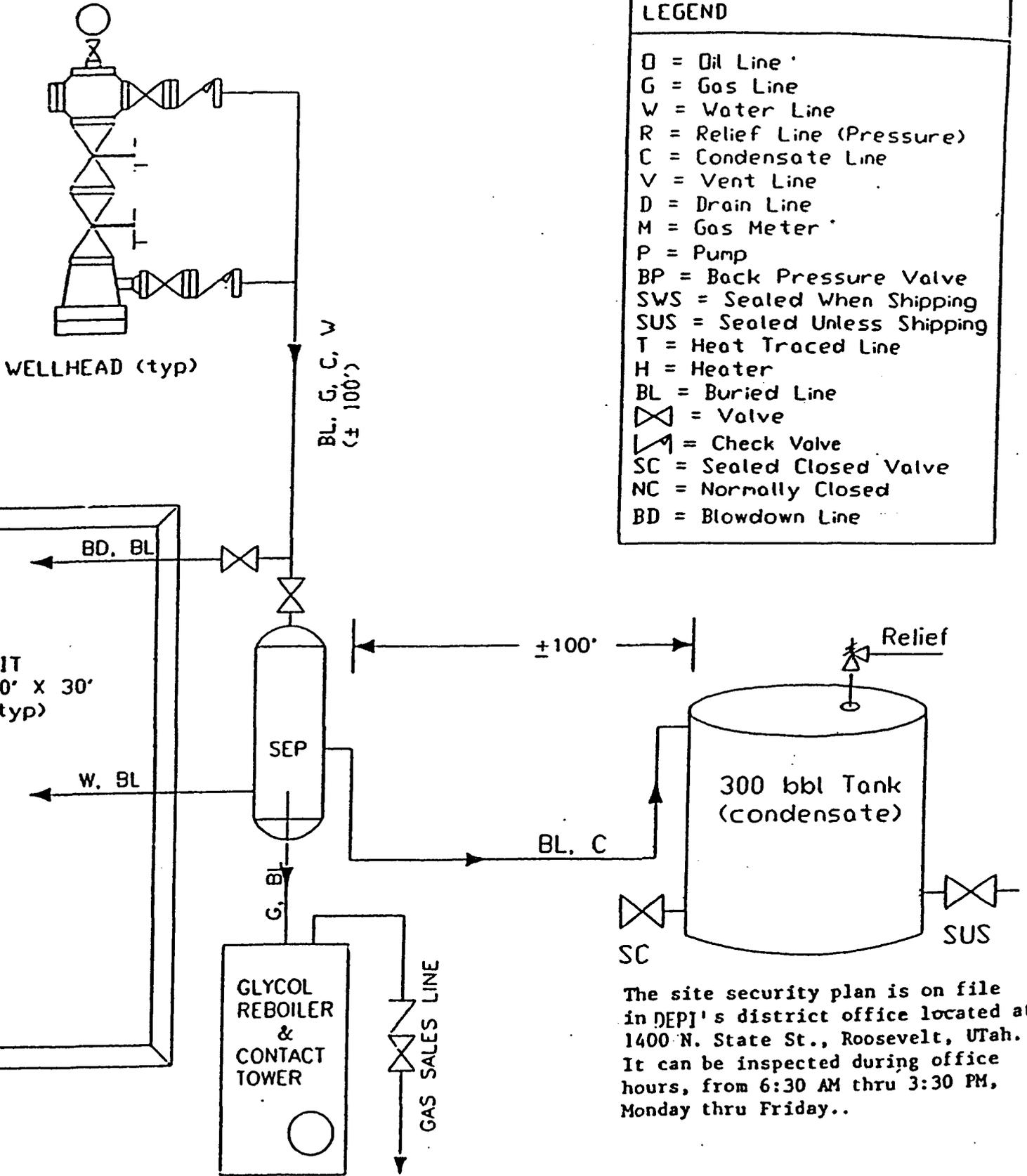
DRAWN BY: C.P. REVISED: 00-00-00





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

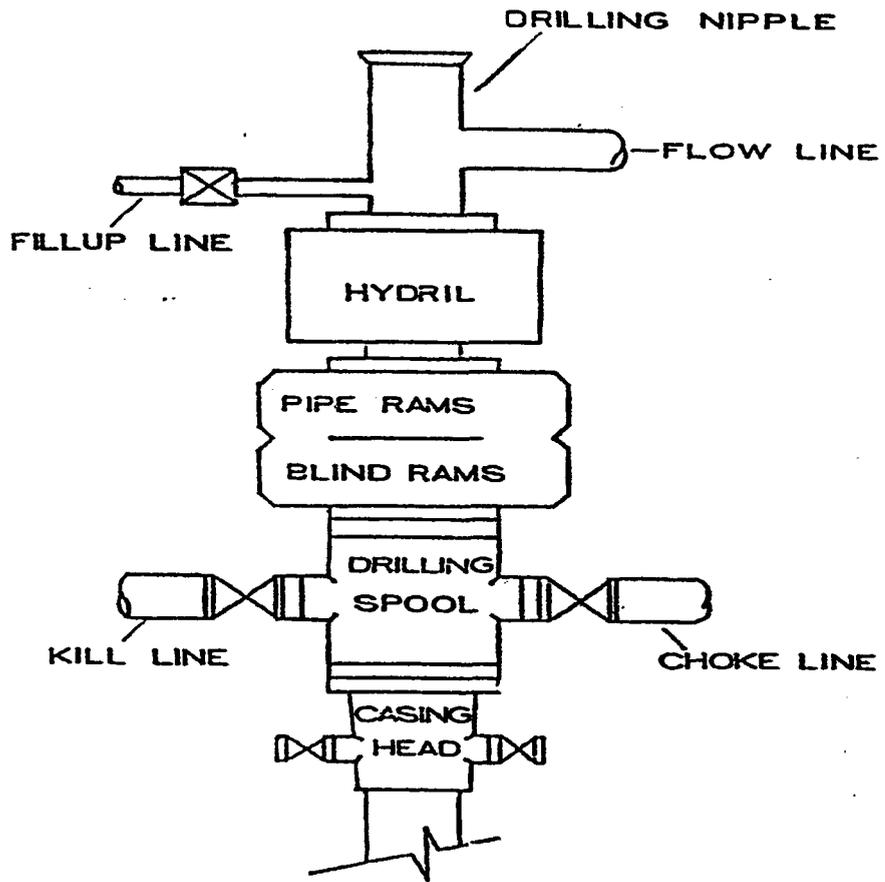


The site security plan is on file in NEPJ's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

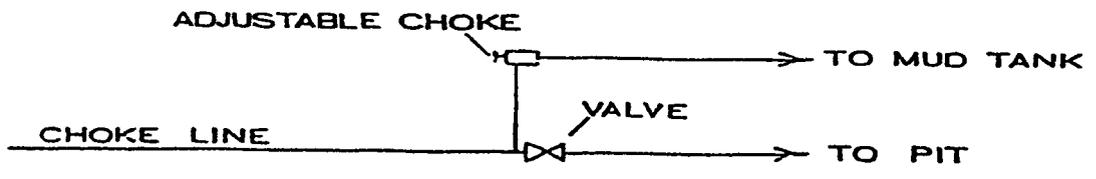
DOMINION EXPLORATION & PRODUCTION, INC.

|         |                      |              |
|---------|----------------------|--------------|
| l:      |                      | not to scale |
| FLOWSEP | TYPICAL FLOW DIAGRAM | date: / /    |

# BOP STACK



# CHOKER MANIFOLD



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/03/2005

API NO. ASSIGNED: 43-047-36776

WELL NAME: LCU 11-3H  
OPERATOR: DOMINION EXPL & PROD ( N1095 )  
CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NESW 03 110S 200E  
SURFACE: 2100 FSL 2000 FWL  
BOTTOM: 2100 FSL 2000 FWL  
UINTAH  
HILL CREEK ( 617 )

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

LEASE TYPE: 1 - Federal  
LEASE NUMBER: UTU-34350  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: MVRD  
COALBED METHANE WELL? NO

LATITUDE: 39.88802  
LONGITUDE: -109.6669

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)

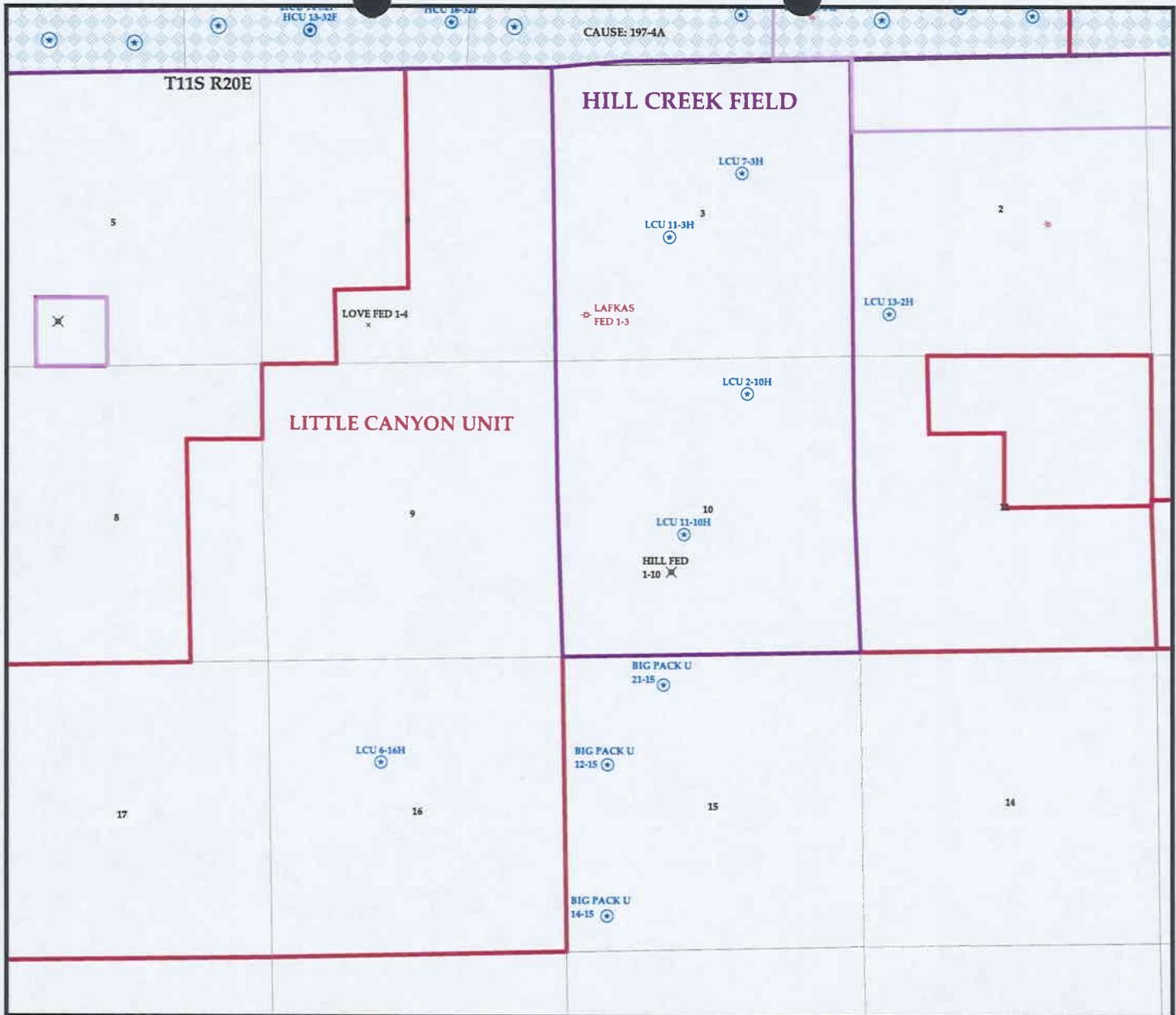
LOCATION AND SITING:

- \_\_\_ 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: \_\_\_\_\_

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

1. Federal approval  
2. Spacing stip



**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**



| 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

# 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 |
|------|-----------|----------|
|------|-----------|----------|

(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



**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*

June 14, 2005

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

Re: Little Canyon Unit 11-3H Well, 2100' FSL, 2000' FWL, NE SW, 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 43-047-36776.

Sincerely,

Gil Hunt  
Acting 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

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 Springs Parkway, OKC, OK 73134

3b. Phone No. (include area code)  
 (405) 749-5263

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 2100' FSL & 2000' FWL, NE SW Sec. 3-11S-20E

5. Lease Serial No.  
 UTU-34350

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 11-3H

9. API Well No.  
 43-047-36776

10. Field and Pool, or Exploratory Area  
 Natural Buttes

11. County or Parish, State  
 Uintah, UT

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

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off   |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> 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       | APD Extension                             |
|  | <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.)

The state permit for this well expires June 14, 2006. Dominion is hereby requesting a one year extension.

NO OPERATOR  
 7-21-06  
 CHD

**Approved by the**  
 Utah Division of  
 Oil, Gas and Mining  
 Date: 05-24-06  
 By: *[Signature]*

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

Carla Christian

Signature *Carla Christian*                      Date                      5/18/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

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**  
 MAY 22 2006  
 DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-36776  
**Well Name:** LCU 11-3H  
**Location:** Section 3-11S-20E, 2100' FSL & 2000' FWL  
**Company Permit Issued to:** Dominion Exploration & Production, Inc.  
**Date Original Permit Issued:** 6/14/2005

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

Following is a checklist of some items related to the application, which should be verified.

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

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

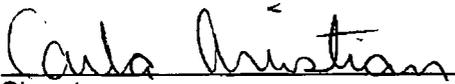
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

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

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

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

  
Signature

5/18/2006

Date

Title: Sr. Regulatory Specialist

Representing: Dominion Exploration & Production, Inc.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED  
(Other instructions on reverse side)  
JUN - 6 2005  
By \_\_\_\_\_

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 2,100' FSL, 2,000' FWL NE/4 SW/4  
 At proposed prod. zone 2,100' FSL, 2,000' FWL NE/4 SW/4

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 13.86 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) 2,000'  
 16. NO. OF ACRES IN LEASE 640  
 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. 1,950'  
 19. PROPOSED DEPTH 8,700'  
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5,030' GR  
 22. APPROX. DATE WORK WILL START\* August 1, 2005

5. LEASE DESIGNATION AND SERIAL NO.  
 UTU-34350

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

7. UNIT AGREEMENT NAME  
 Little Canyon Unit

8. FARM OR LEASE NAME, WELL NO.  
 LCU 11-3H

9. API WELL NO.  
 43,047,36776

10. FIELD AND POOL, OR WILDCAT  
 Natural Buttes

11. SEC., T., R., M., OR BLK.  
 Section 3, T11S, R20E, SLB&M

12. COUNTY OR PARISH  
 Uintah

13. STATE  
 Utah

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  
 DEC 21 2006

DIV. OF OIL, GAS & MINING

ORIGINAL  
 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. \_\_\_\_\_ 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 DATE 12-7-2006  
Lands & Mineral Resources

NOTICE OF APPROVAL

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

DLBMT087A

CONDITIONS OF APPROVAL ATTACHED



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

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

|          |                                   |            |                         |
|----------|-----------------------------------|------------|-------------------------|
| Company: | Dominion Exploration & Production | Location:  | NESW, Sec 3, T11S, R20E |
| Well No: | LCU 11-3H                         | Lease No:  | UTU-34350               |
| API No:  | 43-047-36776                      | 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 |
| Petroleum Engineer:                        | Jim Ashley     | Office: 435-781-4470 |                    |
| 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:               | Charles Sharp  | Office: 435-781-4486 |                    |
| 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
- **RBU 11-3H:** Berm and ditch from corners 1 to 8 because the pad is in the corner of the floodplain.
- 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 Wheat grass | <i>Agropyron cristatum</i> | 4 lbs per acre |
| Western Wheat grass          | <i>Agropyron smithii</i>   | 4 lbs per acre |
| Needle and Thread grass      | <i>Stipa comata</i>        | 4 lbs per acre |

- 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**

- Mahogany Oil Shale is above the 2000' cutoff. Please isolate and protect.
- Usable water is likely present between 2000' and 4405'. 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 (¼, 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.

**DIVISION OF OIL, GAS AND MINING**

**CONFIDENTIAL**

**SPUDDING INFORMATION**

Name of Company: **Dominion Exploration & Production**

Well Name: **LCU 11-3H**

API No: **43-047-36776** Lease Type: **Federal**

Section **03** Township **11S** Range **20E** County **Uintah**

Drilling Contractor **Bill Jr's** Rig # **6**

**SPUDDED:**

Date **5-29-07**

Time **9:00 AM**

How **Dry**

**Drilling will Commence:** \_\_\_\_\_

Reported by **Pat Wisener**

Telephone # **435-828-1455**

Date **5-29-07** Signed **RM**

ENTITY ACTION FORM

Operator: Dominion Exploration & Production, Inc. Operator Account Number: N1095  
Address: 14000 Quail Springs Parkway, Suite 600  
city Oklahoma City  
state OK zip 73134 Phone Number: 405-749-5237

Well 1 43-047-36776

| API Number              | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County              |
|-------------------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|---------------------|
| <del>43-047-36437</del> | LCU 11-3H             |                   | NESW      | 3   | 11S                              | 20E | Uintah              |
| Action Code             | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |                     |
| A                       | 99999                 | 16104             | 5/29/2007 |     | 5/30/07                          |     |                     |
| Comments: <u>MVRD</u>   |                       |                   |           |     |                                  |     | <b>CONFIDENTIAL</b> |

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:<br> |                       |                   |           |     |                                  |     |        |

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:<br> |                       |                   |           |     |                                  |     |        |

**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  
Regulatory Specialist 5/30/2007  
Title Date

RECEIVED

MAY 30 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-34350**

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 11-3H**

9. API Well No.  
**43-047-36776**

10. Field and Pool, or Exploratory Area  
**Natural Buttes**

11. County or Parish, State  
**Uintah, UT**

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)  
**2100' FSL & 2000' FWL, NE SW, Sec. 3-11S-20E**

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

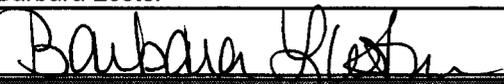
| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |   |
|---|---|---|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume)            |
| <input 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<br><b>Spud Well</b> |

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.)

5/29/07 - Spud well. Ran 52 jts 8-5/8", 32#, J-55, ST&C csg set @ 2205'. Cmt lead w/250 sks Hi Fill V, 11.0 ppg, 3.82 yld. Tail w/200 sks Class G, 15.8 ppg, 1.15 yld. Tail w/225 sks Class G, 15.8 ppg, 1.15 yld. 6 bbls to pit. Vernal BLM Rep Cliff Johnsen witnessed.

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

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

Signature  Date **6/6/2007**

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

JUN 13 2007

DIV. OF OIL, GAS & MINING

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

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

|   |  |   |
|---|--|---|
|   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:           |
|   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:             |
|   |  | 7. UNIT or CA AGREEMENT NAME:                     |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 8. WELL NAME and NUMBER:<br><b>SEE ATTACHED</b>   |
| 2. NAME OF OPERATOR:<br>XTO Energy Inc. <i>N2615</i>  |  | 9. API NUMBER:<br><b>SEE ATTACHED</b>             |
| 3. ADDRESS OF OPERATOR: 810 Houston Street<br>CITY Fort Worth STATE TX ZIP 76102                              |  | 10. FIELD AND POOL, OR WILDCAT:<br>Natural Buttes |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: SEE ATTACHED  |  | COUNTY: Uintah                                    |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  |  | STATE: <b>UTAH</b>                                |

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<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____ | <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<br>(Submit Original Form Only)<br>Date of work completion:<br>_____              | <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** 91271107  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

**RECEIVED**  
**AUG 06 2007**  
DIV. OF OIL, GAS & MINING

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 |
|------------|---------------------|---------|-----|------|------|----------------|--------|---------|------|------|
| 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 | twp  | 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

43-017-36774  
3115 20e

**HALLIBURTON**

**Cementing Job Summary**

*The Road to Excellence Starts with Safety*

|                                       |                                    |                            |                        |
|---------------------------------------|------------------------------------|----------------------------|------------------------|
| Sold To #: 301599                     | Ship To #: 2604505                 | Quote #:                   | Sales Order #: 5414709 |
| Customer: XTO ENERGY INC              |                                    | Customer Rep: GUINN, VINCE |                        |
| Well Name: LCU                        | Well #: 11-3 H                     | API/UWI #:                 |                        |
| Field: NATURAL BUTTES                 | City (SAP): VERNAL                 | County/Parish: Uintah      | State: Utah            |
| Contractor: Frontier Drilling         | Rig/Platform Name/Num: Frontier2   |                            |                        |
| Job Purpose: Cement Production Casing |                                    |                            |                        |
| Well Type: Development Well           | Job Type: Cement Production Casing |                            |                        |
| Sales Person: KRUGER, ROBERT          | Srvc Supervisor: BERECE, TERRY     | MBU ID Emp #: 222819       |                        |

**Job Personnel**

| HES Emp Name            | Exp Hrs | Emp #  | HES Emp Name             | Exp Hrs | Emp #  | HES Emp Name     | Exp Hrs | Emp #  |
|-------------------------|---------|--------|--------------------------|---------|--------|------------------|---------|--------|
| ARGUEDO, JACOB          | 7.5     | 329409 | BERECE, TERRY Lee        | 7.5     | 222819 | LEWIS, GREGORY R | 7.5     | 397156 |
| MCLEAN, DANIEL<br>Craig | 7.5     | 419186 | RICHMOND, SHANE<br>Allen | 7.5     | 241364 |                  |         |        |

**Equipment**

| HES Unit # | Distance-1 way |
|------------|----------------|------------|----------------|------------|----------------|------------|----------------|
|            | 50 mile        | 10205674   | 50 mile        | 10221070   | 50 mile        | 10804583   | 50 mile        |
| 10825967   | 50 mile        | 10948688   | 50 mile        | 10978339   | 50 mile        |            |                |

**Job Hours**

| Date     | On Location Hours | Operating Hours | Date | On Location Hours | Operating Hours | Date | On Location Hours | Operating Hours |
|----------|-------------------|-----------------|------|-------------------|-----------------|------|-------------------|-----------------|
| 10/11/07 | 7                 | 5               |      |                   |                 |      |                   |                 |

TOTAL Total is the sum of each column separately

**Job**

**Job Times**

| Formation Name         | Formation Depth (MD) | Top | Bottom            | Called Out   | Date            | Time            | Time Zone |
|------------------------|----------------------|-----|-------------------|--------------|-----------------|-----------------|-----------|
|                        |                      |     |                   |              | 10 - Oct - 2007 | 23:30           | MST       |
| Form Type              |                      |     | BHST              | 165 degF     | On Location     | 11 - Oct - 2007 | 01:30     |
| Job depth MD           | 9138. ft             |     | Job Depth TVD     | 9138. ft     | Job Started     | 11 - Oct - 2007 | 04:08     |
| Water Depth            |                      |     | Wk Ht Above Floor | 6. ft        | Job Completed   | 11 - Oct - 2007 | 08:10     |
| Perforation Depth (MD) | From                 |     | To                | Departed Loc | 11 - Oct - 2007 | 08:00           | MST       |

**Well Data**

| Description           | New / Used | Max pressure psig | Size in | ID in | Weight lbm/ft | Thread | Grade | Top MD ft | Bottom MD ft | Top TVD ft | Bottom TVD ft |
|-----------------------|------------|-------------------|---------|-------|---------------|--------|-------|-----------|--------------|------------|---------------|
| 8 5/8" SURFACE CASING | Used       |                   | 8.625   | 7.921 | 32.           |        | J-55  |           | 2400.        |            |               |
| 7 7/8" Open Hole      |            |                   |         | 7.875 |               |        |       | 2400.     | 9138.        |            |               |
| 5 1/2" Production     | Used       |                   | 5.5     | 4.892 | 17.           |        |       |           | 9138.        |            |               |

**Sales/Rental/3<sup>rd</sup> Party (HES)**

| Description                              | Qty | Qty uom | Depth | Supplier |
|--|-----|---------|-------|----------|
| CLAMP - LIMIT - 5-1/2 - HINGED -         | 1   | EA      |       |          |
| CTRZR ASSY,5 1/2 CSG X 7 7/8 HOLE,HINGED | 30  | EA      |       |          |
| SHOE,FLOAT,5 1/2 8RD,2 3/4 SUPER SEAL    | 1   | EA      |       |          |
| CLR,FLT,5-1/2 8RD,14-23PPF,2-3/4         | 1   | EA      |       |          |
| KIT,HALL WELD-A                          | 1   | EA      |       |          |
| PLUG,CMTG,TOP,5 1/2,HWE,4.38 MIN/5.09 MA | 1   | EA      |       |          |

**Tools and Accessories**

| Type         | Size | Qty | Make | Depth | Type        | Size | Qty | Make | Depth | Type           | Size | Qty | Make |
|--------------|------|-----|------|-------|-------------|------|-----|------|-------|----------------|------|-----|------|
| Guide Shoe   |      |     |      |       | Packer      |      |     |      |       | Top Plug       |      |     |      |
| Float Shoe   |      |     |      |       | Bridge Plug |      |     |      |       | Bottom Plug    |      |     |      |
| Float Collar |      |     |      |       | Retainer    |      |     |      |       | SSR plug set   |      |     |      |
| Insert Float |      |     |      |       |             |      |     |      |       | Plug Container |      |     |      |
| Stage Tool   |      |     |      |       |             |      |     |      |       | Centralizers   |      |     |      |

Summit Version: 7.20.130

Thursday, October 11, 2007 06:43:00

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NOV 13 2007

DIV. OF OIL, GAS & MINING

# HALLIBURTON

# Cementing Job Summary

| Miscellaneous Materials                  |                     |  |           |                                   |                        |                           |                  |              |                        |  |
|--|---------------------|--|-----------|-----------------------------------|------------------------|---------------------------|------------------|--------------|------------------------|--|
| Gelling Aqt                              | Conc                | Surfactant                                   | Conc      | Acid Type                         | Qty                    | Conc                      | %                |              |                        |  |
| Treatment Fld                            | Conc                | Inhibitor                                    | Conc      | Sand Type                         | Size                   | Qty                       |                  |              |                        |  |
| Fluid Data                               |                     |  |           |                                   |                        |                           |                  |              |                        |  |
| Stage/Pkg #: 1                           |                     |  |           |                                   |                        |                           |                  |              |                        |  |
| Fluid #                                  | Stage Type          | Fluid Name                                   | Qty       | Qty uom                           | Mixing Density lbm/gal | Yield ft <sup>3</sup> /sk | Mix Fluid Gal/sk | Rate bbl/min | Total Mix Fluid Gal/sk |  |
| 1  | MUD FLUSH           | MUD FLUSH - ZI - SBM (13383)                 | 50.00     | bbl                               | 8.4                    | .0                        | .0               | 5.0          |                        |  |
| 2  | 3% KCL Water        |  | 10.00     | bbl                               | 8.48                   | .0                        | .0               | 5.0          |                        |  |
| 3  | Lead Cement         | HIGHFILL CEMENT - SBM (17579)                | 160.0     | sacks                             | 11.6                   | 3.12                      | 17.83            | 5.0          | 17.83                  |  |
|  |                     | 17.804 Gal FRESH WATER                       |           |                                   |                        |                           |                  |              |                        |  |
| 4  | Tail Cement         | HALLIBURTON LIGHT PREMIUM PLUS - SBM (14241) | 950.0     | sacks                             | 13.                    | 1.75                      | 9.06             | 5.0          | 9.06                   |  |
|  |                     | 3 % POTASSIUM CHLORIDE 7% (100001585)        |           |                                   |                        |                           |                  |              |                        |  |
|  |                     | 1 % ECONOLITE (100001580)                    |           |                                   |                        |                           |                  |              |                        |  |
|  |                     | 0.6 % HALAD(R)-322, 50 LB (100003846)        |           |                                   |                        |                           |                  |              |                        |  |
|  |                     | 0.2 % HR-5, 50 LB SK (100005050)             |           |                                   |                        |                           |                  |              |                        |  |
|  |                     | 9.06 Gal FRESH WATER                         |           |                                   |                        |                           |                  |              |                        |  |
| 5  | 3% KCL Displacement |  | 211.00    | bbl                               | 8.48                   | .0                        | .0               | 5.0          |                        |  |
| Calculated Values                        |                     |  | Pressures |                                   |                        | Volumes                   |                  |              |                        |  |
| Displacement                             | 211                 | Shut In: Instant                             |           | Lost Returns                      | No                     | Cement Slurry             | 385              | Pad          |                        |  |
| Top Of Cement                            |                     | 5 Min  |           | Cement Returns                    | no                     | Actual Displacement       | 211              | Treatment    |                        |  |
| Frac Gradient                            |                     | 15 Min                                       |           | Spacers                           |                        | Load and Breakdown        |                  | Total Job    |                        |  |
| Rates                                    |                     |  |           |                                   |                        |                           |                  |              |                        |  |
| Circulating                              |                     | Mixing                                       |           | Displacement                      |                        | Avg. Job                  |                  | 5.5          |                        |  |
| Cement Left In Pipe                      | Amount              | 44.56 ft                                     | Reason    | Shoe Joint                        |                        |                           |                  |              |                        |  |
| Frac Ring # 1 @                          | ID                  | Frac ring # 2 @                              | ID        | Frac Ring # 3 @                   | ID                     | Frac Ring # 4 @           | ID               |              |                        |  |
| The Information Stated Herein is Correct |                     |  |           | Customer Representative Signature |                        |                           |                  |              |                        |  |
|  |                     |  |           | <i>[Signature]</i>                |                        |                           |                  |              |                        |  |

Summit Version: 7.20.130

Thursday, October 11, 2007 06:43:00

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NOV 13 2007

DIV. OF OIL, GAS & MINING

| Well:            |               | API Number: | Commenced: |
|------------------|---------------|-------------|------------|
| HCU 12-29FA      | drlg rpts/wcr | 4304735507  | 11/06/2004 |
| REU 27-18F       | drlg rpts/wcr | 4304738555  | 01/07/2007 |
| REU 11-17E       | drlg rpts/wcr | 4304737057  | 02/20/2007 |
| REU 15-9E        | wcr           | 4304737747  | 02/21/2007 |
| REU 1-3E         | drlg rpts/wcr | 4304736810  | 03/02/2007 |
| REU 13-16F       | drlg rpts/wcr | 4304735348  | 03/19/2007 |
| LCU 15-9H        | drlg rpts/wcr | 4304736806  | 04/12/2007 |
| RBU 1-17E        | drlg rpts/wcr | 4304736429  | 04/25/2007 |
| Ute Tribal 2-11H | drlg rpts/wcr | 4304739064  | 05/07/2007 |
| RBU 8B-17E       | drlg rpts/wcr | 4304738780  | 05/14/2007 |
| LCU 14-3H        | drlg rpts/wcr | 4304736805  | 05/20/2007 |
| LCU 16-3H        | drlg rpts/wcr | 4304738382  | 05/26/2007 |
| LCU 11-3H        | drlg rpts/wcr | 4304736776  | 05/29/2007 |
| LCU 10-3H        | drlg rpts/wcr | 4304738381  | 06/03/2007 |
| RBU 31-10E       | drlg rpts/wcr | 4304738595  | 06/21/2007 |
| RBU 17-15E       | drlg rpts/wcr | 4304738596  | 06/22/2007 |
| RBU 32-13E       | drlg rpts/wcr | 4304738548  | 06/23/2007 |
| RBU 28-18F       | drlg rpts/wcr | 4304738543  | 06/24/2007 |

## NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
  - Form 8, Well Completion or Recompletion Report and Log
  - A copy of electric and radioactivity logs, if run
  - A copy of drillstem test reports,
  - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
  - A copy of core analyses, and lithologic logs or sample descriptions if compiled
  - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

---

As of the mailing of this notice, the division has not received the required reports for

Operator: XTO Energy, Inc Today's Date: 11/27/2007

Well: API Number: Drilling Commenced:

See Attachment

To avoid compliance action, required reports should be mailed within 7 business days to:

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

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File  
Compliance File

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**UTU-34350**

**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 CR-201**

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**LCU 11-3H**

2. NAME OF OPERATOR:  
**XTO ENERGY INC.**

9. API NUMBER:  
**4304736776**

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

PHONE NUMBER:  
**(505) 333-3100**

10. FIELD AND POOL, OR WILDCAT:  
**WSTCH/MVRD HILL CREEK**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **2100' FSL & 2000' FWL**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESW 3 11S 20E S**

STATE: **UTAH**

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

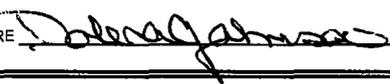
| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
|---|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____                      | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <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<br>(Submit Original Form Only)<br>Date of work completion:<br><b>12/27/2007</b> | <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: <b>1ST DELIVERY</b> |
|   | <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.

XTO Energy Inc first delivered this well to Canyon Gas on 12/27/2007 @ 1:00 pm.

NAME (PLEASE PRINT) Dee Johnson

TITLE REGULATORY COMPLIANCE TECH

SIGNATURE 

DATE 1/3/2008

(This space for State use only)

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**JAN 09 2008**

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

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

FORM 9

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b>   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br><b>UTU34350</b>        |
| 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:                             |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____  |  | 7. UNIT or CA AGREEMENT NAME:<br><b>LITTLE CANYON UNIT CR-201</b> |
| 2. NAME OF OPERATOR:<br><b>XTO ENERGY INC.</b>   |  | 8. WELL NAME and NUMBER:<br><b>LCU 11-03H</b>                     |
| 3. ADDRESS OF OPERATOR:<br><b>382 CR 3100</b> CITY <b>AZTEC</b> STATE <b>NM</b> ZIP <b>87410</b>   |  | 9. API NUMBER:<br><b>4304736776</b>                               |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: <b>2100' FSL &amp; 2000' FWL</b>   |  | 10. FIELD AND POOL, OR WILDCAT:<br><b>WASATCH-MESAVERDE</b>       |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESW 3 11S 20E S</b>   |  | COUNTY: <b>UINTAH</b>   |
|  |  | STATE: <b>UTAH</b>  |

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<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____                     | <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<br>(Submit Original Form Only)<br>Date of work completion:<br><b>1/31/2008</b> | <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: <b>MONTHLY DRILLING REPORT</b> |
|  | <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 report for the period of 01/01/2008 to 01/31/2008.

|   |                           |
|---|---------------------------|
| NAME (PLEASE PRINT) <u>DOLENA JOHNSON</u> | TITLE <u>OFFICE CLERK</u> |
| SIGNATURE <u><i>Dolena Johnson</i></u>    | DATE <u>2/5/2008</u>      |

(This space for State use only)

**RECEIVED**  
**FEB 08 2008**

**Farmington Well Workover Report**

|                           |                       |                |
|---------------------------|-----------------------|----------------|
| <b>LITTLE CANYON UNIT</b> | <b>Well # 011-03H</b> | <b>MV/WSTC</b> |
|---------------------------|-----------------------|----------------|

**Objective:** Drill & Complete

**First Report:** 10/11/2007

**AFE:** 715417

**1/1/08** F. 0 , 115 , 269 MCF, FTP 0 psig, FCP 120 psig, 30/64, LP 119 psig, SP 0 psig, DP 0 psig, 24 hrs.

**1/2/08** F. 0 , 182 , 297 MCF, FTP 0 psig, FCP 120 psig, 48/64, LP 115 psig, SP 0 psig, DP 0 psig, 24 hrs.

**1/3/08** F. 0 , 0 , 295 MCF, FTP 0 psig, FCP 115 psig, 48/64, LP 110 psig, SP 0 psig, DP 0 psig, 24 hrs.  
FCP 120 psig. MIRU Temple WS #2. Ppd 50 bbls of trtd 2% KCl wtr dwn csg & KW. ND frac vlv, NU BOP. SWI & SDFN. 6679 BLWTR.

**1/4/08** SICP 950 psig, BD well to 200 psig, and contrl w/80 bbls trtd 2% KCl wtr. TIH w/4-3/4" rock tooth bit, SS, BRS, SN & 183 jts of 2-3/8" 4.7#, J-55, EUE, 8rd tbg. EOT @ 6,008'. SWI & SDFN. 6599 BLWTR.

**1/5/08** PL. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, n/a, LP 0 psig, SP 0 psig, DP 0 psig, 24 hrs. Workover.  
SITP 0 psig, SICP 1500 psig. Att to equalize press to the Hydrill, Hydrill would not hold. Change Hydrill to stripping head. Estb circion, DO CFP's @ 6,020', 6,960', 7,500', (70' of sd) 8,080' & 8,490'. FCP 850 psig. TIH to 8,814', did not tg fill. Circ well cln. LD 8 jts & Ld 260 jts of 2-3/8", 4.7#, J-55, EUE, 8rd tbg on hgr. EOT @ 8,561', SN @ 8,559'. CW perfs fr/5,590' - 6,004', UB perfs fr/6,932' - 6,938', MV perfs fr/7,318' - 8,687'. RU swb tls & RIH w/1.90" tbg broach to 8,559', POH & LD swb tls. ND BOP, NU WH. Dropd ball & ppd off bit, SS & 1/2 of BRS @ 2,500 psig. Well KO. F well for 1/2 hr recd 35 bbls of wtr, SWI & SDFWE. Ttl wtr ppd 350 bbls, Ttl wtr rec 500 bbls. 6449 BLWTR.

**1/6/08** PL. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, n/a, LP 0 psig, SP 0 psig, DP 0 psig, 0 hrs. Workover.

**1/7/08** PL. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, n/a, LP 0 psig, SP 0 psig, DP 0 psig, 24 hrs. Workover.

**1/8/08** F. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, 48/64, LP 0 psig, SP 0 psig, DP 0 psig, 24 hrs. Workover.  
SITP 2200 psig, SICP 2600 psig. OWU @ 13:00 hrs. F. 0 BO, 490 BLW, 17 hrs, FTP 2200 - 490 psig, SICP 2600 - 1235 psig, 32-26/64" ck. Rets of gas, wtr, no sd. 5959 BLWTR.

| Flow | Zone: | MV | Event Desc: |  | Avg   | Choke | Top Interval:    | Bottom Interval: |
|------|-------|----|-------------|--|-------|-------|------------------|------------------|
|      |       |    |             |  | Press | Size  | 0                | 0                |
|      |       |    |             |  |       |       | BBLS             |                  |
|      |       |    |             |  |       |       | Rec              | Comments         |
|      |       |    | 1:00:00 PM  |  | 2,600 | 32/64 | 0                | OWU.             |
|      |       |    | 2:00:00 PM  |  | 2,350 | 32/64 | 56               | CLEAR CK.        |
|      |       |    | 3:00:00 PM  |  | 2,190 | 32/64 | 60               | fld/gas.         |
|      |       |    | 4:00:00 PM  |  | 2,050 | 32/64 | 56               | fld/gas.         |
|      |       |    | 5:00:00 PM  |  | 1,850 | 32/64 | 44               | fld/gas.         |
|      |       |    | 6:00:00 PM  |  | 1,725 | 24/64 | 22               | Chng CK.         |
|      |       |    | 7:00:00 PM  |  | 1,650 | 24/64 | 22               | fld/gas.         |
|      |       |    | 8:00:00 PM  |  | 1,700 | 24/64 | 22               | fld/gas.         |
|      |       |    | 9:00:00 PM  |  | 1,550 | 24/64 | 36               | fld/gas.         |
|      |       |    | 10:00:00 PM |  | 1,550 | 18/64 | 20               | Chng CK.         |
|      |       |    | 11:00:00 PM |  | 1,575 | 18/64 | 14               | Chng CK.         |
|      |       |    | 12:00:00 AM |  | 1,550 | 48/64 | 22               | Chng CK.         |
|      |       |    | 1:00:00 AM  |  | 1,350 | 22/64 | 32               | slugs/gas.       |
|      |       |    | 2:00:00 AM  |  | 1,350 | 22/64 | 16               | slugs/gas.       |
|      |       |    | 3:00:00 AM  |  | 1,350 | 24/64 | 18               | Chng CK.         |
|      |       |    | 4:00:00 AM  |  | 1,325 | 48/64 | 28               | slugs/gas.       |
|      |       |    | 5:00:00 AM  |  | 1,235 | 26/64 | 22               | Chng CK.         |
|      |       |    |             |  |       |       | <b>Ttl Bbls:</b> | 490              |

**1/9/08** F. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, 48/64, LP 0 psig, SP 0 psig, DP 0 psig, 0 hrs. Workover.

FTP 200 psig, SICP 1200 psig. F. 0 BO, 197 BLW, 9 hrs, FTP 200 - 0 psig, SICP 1235 - 1585 psig, 26-48/64" ck. Rets of gas, wtr, no sd. Well loaded up @ 16:00 hrs. SWI 4 hrs. SITP 265 psig. OWU on 1" ck. No flow 3 hrs. SIWIFPBU. 5762 BLWTR.

| Flow | Zone:       | MV        |       |                  | Top Interval: 5,590 | Bottom Interval: 8,687 |
|------|-------------|-----------|-------|------------------|---------------------|------------------------|
|      | Event Desc: | FLOW BACK |       |                  |                     |                        |
|      |             | Avg       | Choke | BBLS             |                     |                        |
|      | Time        | Press     | Size  | Rec              | Comments            |                        |
|      | 6:00:00 AM  | 1,200     | 30/64 | 20               |                     |                        |
|      | 7:00:00 AM  | 1,150     | 48/64 | 24               |                     |                        |
|      | 8:00:00 AM  | 1,090     | 32/64 | 40               |                     |                        |
|      | 9:00:00 AM  | 1,050     | 48/64 | 4                | Chng ck.            |                        |
|      | 10:00:00 AM | 1,050     | 48/64 | 6                |                     |                        |
|      | 11:00:00 AM | 1,010     | 48/64 | 4                |                     |                        |
|      | 12:00:00 PM | 1,000     | 48/64 | 32               |                     |                        |
|      | 1:00:00 PM  | 1,000     | 48/64 | 25               |                     |                        |
|      | 2:00:00 PM  | 1,075     | 48/64 | 20               |                     |                        |
|      | 3:00:00 PM  | 1,150     | 48/64 | 20               |                     |                        |
|      | 4:00:00 PM  | 1,210     | 48/64 | 2                | SI.                 |                        |
|      | 5:00:00 PM  | 1,275     | 48/64 | 0                | SI.                 |                        |
|      | 6:00:00 PM  | 1,310     | 48/64 | 0                | SI.                 |                        |
|      | 7:00:00 PM  | 1,360     | 48/64 | 0                | Open up.            |                        |
|      | 8:00:00 PM  | 1,400     | 48/64 | 0                | No flow.            |                        |
|      | 9:00:00 PM  | 1,400     | 48/64 | 0                | No flow.            |                        |
|      | 10:00:00 PM | 1,400     | 48/64 | 0                | SI.                 |                        |
|      | 11:00:00 PM | 1,450     | 48/64 | 0                | SI.                 |                        |
|      | 12:00:00 AM | 1,500     | 48/64 | 0                | SI.                 |                        |
|      | 1:00:00 AM  | 1,510     | 48/64 | 0                | SI.                 |                        |
|      | 2:00:00 AM  | 1,525     | 48/64 | 0                | SI.                 |                        |
|      | 3:00:00 AM  | 1,550     | 48/64 | 0                | SI.                 |                        |
|      | 4:00:00 AM  | 1,560     | 48/64 | 0                | SI.                 |                        |
|      | 5:00:00 AM  | 1,585     | 48/64 | 0                | SI.                 |                        |
|      |             |           |       | <b>Ttl Bbls:</b> | 197                 |                        |

1/11/08 SITP 590 psig, SICP 1700 psig. Bd tbg, no fld rec. RIH w/swb tls. S. 120 BLW & KO well flwg. OWU @ 13:00 hrs. F. 0 BO, 240 BLW, 12 hrs, FTP 450 - 95 psig, SICP 1390 - 910 psig, 48/64" ck. Rets of gas, wtr, no sd. 5402 BLWTR. SITP 600 psig. SICP 1,700 psig. MIRU Tech Swabbing SWU. BD tbg. PU & RIH w/swb tls. SN @ 8,559'. BFL @ 2,900' FS. S. 0 BO, 118 BW, 10 runs, 8 hrs. FFL @ 1,800' FS. KO well flwg. FTP 90 psig. SICP 1,680 psig. RWTT @ 12:00 p.m., 1-10-08. RDMO Tech Swabbing SWU.

| Flow | Zone:       | MV/WSTC   |       |      | Top Interval: 5,590 | Bottom Interval: 8,687 |
|------|-------------|-----------|-------|------|---------------------|------------------------|
|      | Event Desc: | FLOW BACK |       |      |                     |                        |
|      |             | Avg       | Choke | BBLS |                     |                        |
|      | Time        | Press     | Size  | Rec  | Comments            |                        |
|      | 6:00:00 AM  | 1,700     |       | 0    | SI.                 |                        |
|      | 7:00:00 AM  | 1,700     |       | 0    | SI.                 |                        |
|      | 8:00:00 AM  | 1,700     |       | 0    | Start swb.          |                        |
|      | 9:00:00 AM  | 1,700     |       | 0    |                     |                        |
|      | 10:00:00 AM | 1,690     |       | 0    |                     |                        |
|      | 11:00:00 AM | 1,690     | 48/64 | 120  | KWO turn to tk.     |                        |
|      | 12:00:00 PM | 1,390     | 48/64 | 20   |                     |                        |
|      | 1:00:00 PM  | 1,200     | 48/64 | 28   |                     |                        |
|      | 2:00:00 PM  | 1,130     | 48/64 | 28   |                     |                        |
|      | 3:00:00 PM  | 1,140     | 48/64 | 20   |                     |                        |
|      | 4:00:00 PM  | 1,050     | 48/64 | 26   |                     |                        |
|      | 5:00:00 PM  | 1,000     | 48/64 | 24   |                     |                        |
|      | 6:00:00 PM  | 1,000     | 48/64 | 16   |                     |                        |
|      | 7:00:00 PM  | 1,000     | 48/64 | 32   |                     |                        |

|                  |       |       |            |                 |
|------------------|-------|-------|------------|-----------------|
| 8:00:00 PM       | 900   | 48/64 | 24         |                 |
| 9:00:00 PM       | 890   | 48/64 | 12         |                 |
| 10:00:00 PM      | 910   | 48/64 | 8          |                 |
| 11:00:00 PM      | 990   | 48/64 | 2          | fld stopped SI. |
| 12:00:00 AM      | 1,060 | 48/64 | 0          | SI.             |
| 1:00:00 AM       | 1,110 | 48/64 | 0          | SI.             |
| 2:00:00 AM       | 1,175 | 48/64 | 0          | SI.             |
| 3:00:00 AM       | 1,225 | 48/64 | 0          | SI.             |
| 4:00:00 AM       | 0     | 48/64 | 0          | SI.             |
| 5:00:00 AM       | 0     | 48/64 | 0          | SI.             |
| <b>Ttl Bbls:</b> |       |       | <b>360</b> |                 |

|             |                    |             |                  |                            |                               |
|-------------|--------------------|-------------|------------------|----------------------------|-------------------------------|
| <i>Swab</i> | <b>Zone:</b>       | MV/WSTC     |                  |                            |                               |
|             | <b>Event Desc:</b> | SWAB        |                  | <b>Top Interval:</b> 5,590 | <b>Bottom Interval:</b> 8,687 |
|             |                    | <b>Swab</b> | <b>Beg</b>       | <b>BBLs</b>                |                               |
|             | <b>Time</b>        | <b>Runs</b> | <b>FL</b>        | <b>Rec</b>                 | <b>Comments</b>               |
|             | 7:00:00 AM         | 1           | 2,900            | 11                         | BFL @ 2,900'.                 |
|             | 7:30:00 AM         | 8           | 2,600            | 95                         |                               |
|             | 11:30:00 AM        | 1           | 1,800            | 12                         | FFL @ 1,800'.                 |
|             |                    |             | <b>Ttl Bbls:</b> | <b>118</b>                 |                               |

1/12/08 F. 0 , 134 , 0 MCF, FTP 40 psig, SICP 900 psig, 48/64, LP 100 psig, SP 0 psig, DP 0 psig, 14 hrs. flowing to tk.

1/13/08 F. 0 , 198 , 0 MCF, FTP 30 psig, SICP 750 psig, 48/64, LP 105 psig, SP 0 psig, DP 0 psig, 24 hrs. flowing to tk.

1/14/08 F. 0 , 166 , 0 MCF, FTP 25 psig, SICP 600 psig, 48/64, LP 110 psig, SP 0 psig, DP 0 psig, 24 hrs. flowing to tk.

1/15/08 F. 0 , 49 , 0 MCF, FTP 120 psig, SICP 800 psig, 48/64, LP 105 psig, SP 0 psig, DP 0 psig, 24 hrs. flowing to tk.

1/16/08 F. 0 , 80 , 0 MCF, FTP 250 psig, SICP 800 psig, , LP 108 psig, SP 0 psig, DP 0 psig, 24 hrs. Flowing to tk.

1/17/08 F. 0 , 4 , 0 MCF, FTP 150 psig, SICP 900 psig, 48/64, LP 109 psig, SP 0 psig, DP 0 psig, 24 hrs. flowing to tk.

1/18/08 F. 0 , 4 , 20 MCF, FTP 1225 psig, SICP 1300 psig, 48/64, LP 118 psig, SP 0 psig, DP 0 psig, 24 hrs. 20 hours swb.

1/19/08 F. 0 , 5 , 105 MCF, FTP 1100 psig, SICP 1150 psig, 48/64, LP 115 psig, SP 0 psig, DP 0 psig, 24 hrs.

1/20/08 F. 0 , 36 , 0 MCF, FTP 20 psig, SICP 791 psig, 48/64, LP 133 psig, SP 0 psig, DP 0 psig, 24 hrs.

1/21/08 F. 0 , 67 , 0 MCF, FTP 143 psig, SICP 951 psig, 48/64, LP 128 psig, SP 0 psig, DP 0 psig, 24 hrs.

1/22/08 F. 0 , 5 , 133 MCF, FTP 116 psig, SICP 827 psig, 48/64, LP 136 psig, SP 0 psig, DP 0 psig, 24 hrs.



# Survey Report

Well Name: LCU 11-3H

43-047-36716  
3 11s 200

**Hint: Enter the date by the survey type for when this survey type started and that will control which surveys appear on the daily report.**

| Wellbores     |                  |            |                       |                 |                |                |                 |
|---------------|------------------|------------|-----------------------|-----------------|----------------|----------------|-----------------|
| Wellbore Name | Deviation Survey | VS Dir (°) | Kick Off Depth (ftKB) | Kick Off Method | Lat/Long Datum | Latitude (DMS) | Longitude (DMS) |
| Original Hole |                  |            |                       |                 |                |                |                 |

| Deviation Surveys |                        |                    |                   |               |                |                 |
|-------------------|------------------------|--------------------|-------------------|---------------|----------------|-----------------|
| Date              | Description            |                    |                   |               |                | Declination (°) |
| 10/3/2007         |                        |                    |                   |               |                |                 |
| MD Tie In (ftKB)  | Inclination Tie In (°) | Azimuth Tie In (°) | TVD Tie In (ftKB) | NSTie In (ft) | EW Tie In (ft) |                 |
| 0.00              | 0.00                   | 0.00               | 0.00              | 0.00          | 0.00           | 0.00            |

| Survey Data |          |         |                |          |                |            |         |         |         |               |
|-------------|----------|---------|----------------|----------|----------------|------------|---------|---------|---------|---------------|
| MD (ftKB)   | Incl (°) | Azm (°) | Survey Company | Bad Data | Override Calc? | TVD (ftKB) | VS (ft) | NS (ft) | EW (ft) | DLS (°/100ft) |
| 2,205.00    | 0.92     | 0.00    |                | No       | No             |            |         |         |         |               |
| 3,161.00    | 1.83     | 0.00    |                | No       | No             |            |         |         |         |               |
| 4,176.00    | 1.86     | 0.00    |                | No       | No             |            |         |         |         |               |
| 5,127.00    | 1.83     | 0.00    |                | No       | No             |            |         |         |         |               |
| 6,142.00    | 1.93     | 0.00    |                | No       | No             |            |         |         |         |               |
| 7,123.00    | 1.98     | 0.00    |                | No       | No             |            |         |         |         |               |
| 8,135.00    | 1.96     |         |                | No       | No             |            |         |         |         |               |
| 9,077.00    | 2.33     |         |                | No       | No             |            |         |         |         |               |

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**JAN 14 2008**

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

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

FORM 9

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b>   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br><b>UTU34350</b>        |
| 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:                             |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____  |  | 7. UNIT or CA AGREEMENT NAME:<br><b>LITTLE CANYON UNIT CR-201</b> |
| 2. NAME OF OPERATOR:<br><b>XTO ENERGY INC.</b>   |  | 8. WELL NAME and NUMBER:<br><b>LCU 11-3H</b>                      |
| 3. ADDRESS OF OPERATOR:<br><b>382 CR 3100</b> CITY <b>AZTEC</b> STATE <b>NM</b> ZIP <b>87410</b>   |  | 9. API NUMBER:<br><b>4304736776</b>                               |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: <b>2100' FSL &amp; 2000' FWL</b>   |  | 10. FIELD AND POOL, OR WLDCAT:<br><b>WASATCH MESAVERDE</b>        |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESW 3 11S 20E S</b>   |  | COUNTY: <b>UINTAH</b><br>STATE: <b>UTAH</b>                       |

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<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____                     | <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<br>(Submit Original Form Only)<br>Date of work completion:<br><b>1/10/2008</b> | <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: <b>MONTHLY REPORTING</b> |
|  | <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 report for the period of 10/05/2007 to 01/10/2008.

|   |                           |
|---|---------------------------|
| NAME (PLEASE PRINT) <u>DOLENA JOHNSON</u> | TITLE <u>OFFICE CLERK</u> |
| SIGNATURE <u><i>Dolena Johnson</i></u>    | DATE <u>1/15/2008</u>     |

(This space for State use only)

**RECEIVED**  
**JAN 18 2008**  
DIV. OF OIL, GAS & MINING

**Farmington Well Workover Report**

|                           |                     |                |
|---------------------------|---------------------|----------------|
| <b>LITTLE CANYON UNIT</b> | <b>Well # 11-3H</b> | <b>MV/WSTC</b> |
|---------------------------|---------------------|----------------|

- Objective:** Drill & Complete  
**First Report:** 10/11/2007  
**AFE:** 715417  
**10/12/07** Wellview has drilling detail and accumulated cost.
- 
- 10/18/07** Std inst 210' of 4" .188W X42 steel gas pipeline. Std pre-fabrication for 3" mtr run. Compl bldg 4" pipeline anchor. Compl 4 -4", 1 - 2", & 1 - 3" welds. SDFN.
- 
- 10/19/07** Compl 4" tie-in on pipeline & tie-ins on 3" mtr run. Compl 7 -4" & 2 - 2", welds. Compl pipeline tie-in. Compl inst of pipeline anchor. Compl pigging of 4" .188W X42 steel gas line. SDWO x-ray & PT sched for 10/19/07
- 
- 10/20/07** Compl PT on 4" .188W X42 steel gas line @ 840 for 8hrs. PT good.
- 
- 10/21/07** Wellview has all the drilling details and accumulated cost.
- 
- 11/8/07** Rpt for AFE #715417 to D&C. MI build pads for sep/dehy combo unit, tk & mtr. Set 12' x 15' Rocky Mountain O tk (SN 500337) w/500K htr & 12' x 15' Rocky Mountain wtr tk (SN 500338) w/500k htr. Set 3 ph Cimarron sep/dehy combo unit w/pre htr w/500k heater & 20" X 9' sep (SN 1167) & 16" x 16' absorber tower (SN1212) & dehy w/250k htr (SN 1706-108). Build pad & set 3" sales mtr run w/Daniels Simplex w/600 psi flgs. Run 2" sch 80 TBE bare pipe fr/WH to combo unit & fr/combo unit to prod tk. Run 2" In fr/combo unit to sales mtr. Run 1/2" steel tbg for heat tr to tk & WH. Inst tk containment ring 44" x 52" x 10 ga & paint Carlsbad Tan. Ins & tin flw ln & tk ln. Susp rept pending further activity.
- 
- 12/17/07** Cont rpt for AFE # 715417 to D&C. MIRU Perf-Log WL. RIH w/logging tls. Tgd PBTD @ 9078'. Run CBL fr/9078' - 100'. TOC @ 600' FS. POH & LD logging tls. RU pmp trk. PT csg & frac vlv to 5000 psig. Gd tst. RIH w/3-3/8" csg gun and perf MV zone # 1 fr/8535' - 38', 8548' - 50', 8582' - 85', 8674' - 76' & 8685' - 87' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.50" pene.) 41 holes ttl. MIRU Schlumberger frac equip. SWI & SDFWE due to Schlumberger mech BD.
- 
- 12/18/07** SICP 0 psig. MIRU Schlumberger WS frac equip. SWI & SDFN due to Schlumberger mech BD.
- 
- 12/19/07** PT surf lines to 7500 psig. Attd Frac of MV zone #1 perfs fr/8535' - 8687' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/57,109 gals 2% KCl wtr carrying 60,409 lbs 20/40 Tempered LC sd. Max sd conc 3.0 ppg, Used 450 Mscf N2, 2033 BLWTR. Aborted frac due to rate& gel load problems. Cut sd & over flshd w/33 bbls. SWI & SDFN. Sent Schlumberger equip in for rep.
- 
- 12/20/07** SICP 0 psig. PT surf lines to 7500 psig. RE-Frac MV zone #1 perfs fr/8535' - 8687' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/62,095 gals 2% KCl wtr carrying 73,505 lbs 20/40 Tempered LC sd & 21,776 lbs 20/40 Super LC sd. Max sd conc 5.9 ppg, ISIP 4995 psig, 5" SIP 4875 psig, ATP psig. 1.04 Frac grad. Used 698 Mscf N2, 1583 BLWTR. RIH & set 5-1/2" CFP @ 8490', PT plg to 6,000 psig. Gd tst. RIH w/3-3/8" csg gun and perf MV zone # 2 fr/8370 - 73', 8466'- 69' & 8474-77' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.5" pene.) 30 holes ttl. FET test showed 9 of 30 holes open. Ppd 750 gls 15% HCL, flshd w/250 bbls 2% KCl & attd to BD addl perfs. FET indic no change. 1033 BLWTR. SWI 4 hrs. 4699 ttl BLWTR. SICP 3800 psig. OWU on 20/64ck. F. 652 BW, 9 hrs, 3800 - 2250 psig, 20/64 ck. 3997 BLWTR.

|             |                    |              |                  |                            |                               |
|-------------|--------------------|--------------|------------------|----------------------------|-------------------------------|
| <i>Flow</i> | <b>Zone:</b>       | MV           |                  |                            |                               |
|             | <b>Event Desc:</b> | Flow Back    |                  | <b>Top Interval:</b> 8,370 | <b>Bottom Interval:</b> 8,687 |
|             |                    | <b>Avg</b>   | <b>Choke</b>     | <b>BBLs</b>                |                               |
|             | <b>Time</b>        | <b>Press</b> | <b>Size</b>      | <b>Rec</b>                 | <b>Comments</b>               |
|             | 8:30:00 PM         | 3,800        | 20/64            | 0                          | OWU.                          |
|             | 9:30:00 PM         | 3,500        | 20/64            | 56                         | Fld & gas.                    |
|             | 10:30:00 PM        | 3,500        | 20/64            | 63                         | Fld & gas.                    |
|             | 11:30:00 PM        | 3,000        | 20/64            | 65                         | Fld & gas.                    |
|             | 12:30:00 AM        | 3,000        | 20/64            | 78                         | Fld, gas & lt sd.             |
|             | 1:30:00 AM         | 2,600        | 20/64            | 85                         | Fld, gas & lt sd.             |
|             | 2:30:00 AM         | 2,450        | 20/64            | 69                         | Fld, gas & lt sd.             |
|             | 3:30:00 AM         | 2,400        | 20/64            | 74                         | Fld & gas.                    |
|             | 4:30:00 AM         | 2,250        | 20/64            | 82                         | Fld & gas.                    |
|             | 5:30:00 AM         | 2,250        | 20/64            | 80                         | Fld & gas.                    |
|             |                    |              | <b>Ttl Bbls:</b> | 652                        |                               |

12/21/07 SICP 3300 psig. RIH w/3-3/8" csg gun & Re-perf MV zone # 2 fr/8370' - 73', 8466' - 69' & 8474' - 77' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.5" pene.) 30 holes ttl. FET test showed 19 of 30 holes opn. Frac MV zone #2 perfs fr/8370' - 8477' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/111,218 gals 2% KCl wtr carrying 67,338 lbs 20/40 Tempered LC sd & 35,000 lbs 20/40 Super LC sd. Max sd conc 6.5 ppg, ISIP 4416 psig, 5" SIP 4290 psig, ATP 5218 psig. 0.96 Frac grad. Used 788 Mscf N2, 1636 BLWTR. RIH & set 5-1/2" CFP @ 8,080', PT plg to 6,000 psig. Gd tst. RIH w/3-3/8" csg gun & perf MV zone # 3 fr/7977' - 80', 7996' - 8000' & 8040' - 44' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.5" pene.) 36 holes ttl. Frac MV zone #3 perfs fr/7977' - 8044' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/46,916 gals 2% KCl wtr carrying 45,021 lbs 20/40 Tempered LC sd & 31,263 lbs 20/40 Super LC. Max sd conc 6.8 ppg, ISIP 3652 psig, 5" SIP 3600 psig, ATP 4503 psig. 0.89 Frac grad. Used 535 Mscf N2, 1201 BLWTR. 6834 ttl BLWTR. SWI & SDFN.

12/22/07 SICP 3100. RIH & set 5-1/2" CFP @ 7500', PT plg to 6,000 psig. Gd tst. RIH w/3-3/8" csg gun & perf MV zone # 4 fr/7318' - 20', 7409' - 12' & 7448' - 52' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.5" pene) 21 holes ttl. FET test showed 18 of 30 holes opn. Frac MV zone #4 perfs fr/7318' - 7452' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/49,806 gals 2% KCl wtr carrying 60,423 lbs 20/40 Jordan sd & 31,759 lbs 20/40 Super LC sd. Max sd conc 8.1 ppg, ISIP 3528 psig, 5" SIP 3455 psig, ATP 4379 psig. 0.92 Frac grad. Used 540 Mscf N2, 1285 BLWTR. RIH & set 5-1/2" CFP @ 6960', PT plg to 6,000 psig. Gd tst. RIH w/3-3/8" csg gun & perf UB zone # 5 fr/6932' - 38' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.5" pene.) 19 holes ttl. FET test showed 17 of 19 holes opn. Frac UB zone #5 perfs fr/6932' - 6938' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/37,473 gals 2% KCl wtr carrying 38,776 lbs 20/40 Jordan sd & 25,369 lbs 20/40 Super LC sd. Max sd conc 8.0 ppg, ISIP 4524 psig, 5" SIP 4400 psig, ATP 4976 psig. 1.04 Frac grad. Used 420 Mscf N2, 961 BLWTR. RIH & set 5-1/2" CFP @ 6020', PT plg to 6,000 psig. Gd tst. RIH w/3-3/8" csg gun & perf CW zone # 6 fr/5590' - 96' & 6002' - 6004' w/3 JSPF (Titan EXP-3325-321T 25 gm chrgs, 0.42" EHD, 46.5" pene.) 19 holes ttl. FET tst showed 23 of 26 holes opn. Frac CW zone #6 perfs fr/5590' - 6004' dwn 5-1/2" csg w/30Q N2 foamed XL fld (YF115ST) gel w/46,975 gals 2% KCl wtr carrying 44,945 lbs 20/40 Jordan sd & 47,110 lbs 20/40 Super LC sd. Max sd conc 8.0 ppg, ISIP 2923 psig, 5" SIP 2750 psig, ATP 3649 psig. 0.83 Frac grad. Used 470 Mscf N2, 1616 BLWTR. 3862 ttl today, 10,696 ttls BLWTR. SWI 4 hrs & RDMO Schlumberger frac crew. SICP 2400 psig. OWU 18/64 ck, F. 0 BO, 817 BLW, 8.5 hrs, FCP 2400 - 2150 psig, 18/64" ck. Rets gas, lt wtr, lt sd. 9879 BLWTR.

| Flow | Zone:       | MV/WSTC   |            |           | Top Interval:     | 5,590 | Bottom Interval: | 8,687 |
|------|-------------|-----------|------------|-----------|-------------------|-------|------------------|-------|
|      | Event Desc: | Flow Back |            |           |                   |       |                  |       |
|      | Time        | Avg Press | Choke Size | BBLs Rec  | Comments          |       |                  |       |
|      | 10:00:00 PM | 2,400     | 18/64      | 0         | OWU.              |       |                  |       |
|      | 11:00:00 PM | 2,200     | 18/64      | 53        | Gas.              |       |                  |       |
|      | 12:00:00 AM | 2,000     | 18/64      | 99        | Gas & fld.        |       |                  |       |
|      | 1:00:00 AM  | 2,350     | 18/64      | 51        | Gas & fld.        |       |                  |       |
|      | 2:00:00 AM  | 2,250     | 18/64      | 114       | Gas, fld & lt sd. |       |                  |       |
|      | 3:00:00 AM  | 2,200     | 18/64      | 105       | Gas, fld & lt sd. |       |                  |       |
|      | 4:00:00 AM  | 2,150     | 18/64      | 131       | Gas, fld & lt sd. |       |                  |       |
|      | 5:00:00 AM  | 2,150     | 18/64      | 85        | Gas, fld & lt sd. |       |                  |       |
|      | 6:00:00 AM  | 2,150     | 18/64      | 95        | Gas & fld.        |       |                  |       |
|      | 7:00:00 AM  | 2,150     | 18/64      | 84        | Gas & fld.        |       |                  |       |
|      |             |           |            | Ttl Bbls: | 817               |       |                  |       |

12/23/07 FCP 2150 psig. F. 0 BO, 974 BLW, 24 hrs, FCP 2150 - 650 psig, 18- 22/64" ck. Rets gas, wtr, no sd. 8905 BLWTR.

| Flow | Zone:       | MV/WSTC   |            |          | Top Interval: | 5,590 | Bottom Interval: | 8,687 |
|------|-------------|-----------|------------|----------|---------------|-------|------------------|-------|
|      | Event Desc: | Flow Back |            |          |               |       |                  |       |
|      | Time        | Avg Press | Choke Size | BBLs Rec | Comments      |       |                  |       |
|      | 7:00:00 AM  | 2,150     | 18/64      | 35       | Gas & fld.    |       |                  |       |
|      | 8:00:00 AM  | 2,000     | 18/64      | 112      | Gas & fld.    |       |                  |       |
|      | 9:00:00 AM  | 1,900     | 18/64      | 67       | Gas & fld.    |       |                  |       |
|      | 10:00:00 AM | 1,900     | 18/64      | 56       | Gas & fld.    |       |                  |       |
|      | 11:00:00 AM | 1,900     | 18/64      | 28       | Gas & fld.    |       |                  |       |
|      | 12:00:00 PM | 2,000     | 18/64      | 39       | Gas & fld.    |       |                  |       |
|      | 1:00:00 PM  | 2,000     | 18/64      | 135      | Gas & fld.    |       |                  |       |
|      | 2:00:00 PM  | 1,800     | 18/64      | 39       | Gas & fld.    |       |                  |       |
|      | 3:00:00 PM  | 1,750     | 18/64      | 30       | Gas & fld.    |       |                  |       |
|      | 4:00:00 PM  | 1,600     | 18/64      | 45       | Gas & fld.    |       |                  |       |
|      | 5:00:00 PM  | 1,450     | 18/64      | 34       | Gas & fld.    |       |                  |       |
|      | 6:00:00 PM  | 1,300     | 18/64      | 16       | Gas & fld.    |       |                  |       |

|             |       |       |    |            |
|-------------|-------|-------|----|------------|
| 7:00:00 PM  | 1,300 | 22/64 | 43 | Chngd ck.  |
| 8:00:00 PM  | 1,250 | 22/64 | 35 | Gas & fld. |
| 9:00:00 PM  | 1,200 | 22/64 | 18 | Gas & fld. |
| 10:00:00 PM | 1,100 | 22/64 | 36 | Gas & fld. |
| 11:00:00 PM | 1,100 | 22/64 | 38 | Gas & fld. |
| 12:00:00 AM | 1,100 | 22/64 | 36 | Gas & fld. |
| 1:00:00 AM  | 1,000 | 22/64 | 49 | Gas & fld. |
| 2:00:00 AM  | 850   | 22/64 | 22 | Gas & fld. |
| 3:00:00 AM  | 800   | 22/64 | 36 | Gas & fld. |
| 4:00:00 AM  | 750   | 22/64 | 5  | Gas & fld. |
| 5:00:00 AM  | 650   | 22/64 | 5  | Gas & fld. |
| 6:00:00 AM  | 650   | 22/64 | 15 | Gas & fld. |

Ttl Bbls: 974

12/24/07 FCP 650 psig. F. 0 BO, 389 BLW, 24 hrs, FCP 650 - 650 psig, 16/64" ck. Rets gas, lt wtr, no sd. 8516 BLWTR.

Flow Zone: MV/WSTC  
 Event Desc: Flow Back Top Interval: 5,590 Bottom Interval: 8,687

| Time        | Avg Press | Choke Size | BBLS Rec | Comments   |
|-------------|-----------|------------|----------|------------|
| 7:00:00 AM  | 650       | 18/64      | 18       | Chngd ck.  |
| 8:00:00 AM  | 600       | 18/64      | 18       | Gas & fld. |
| 9:00:00 AM  | 550       | 18/64      | 18       | Gas & fld. |
| 10:00:00 AM | 500       | 18/64      | 13       | Gas & fld. |
| 11:00:00 AM | 550       | 18/64      | 18       | Gas & fld. |
| 12:00:00 PM | 550       | 18/64      | 9        | Gas & fld. |
| 1:00:00 PM  | 550       | 18/64      | 18       | Gas & fld. |
| 2:00:00 PM  | 550       | 18/64      | 13       | Gas & fld. |
| 3:00:00 PM  | 550       | 18/64      | 13       | Gas & fld. |
| 4:00:00 PM  | 550       | 18/64      | 18       | Gas & fld. |
| 5:00:00 PM  | 550       | 18/64      | 17       | Gas & fld. |
| 6:00:00 PM  | 550       | 18/64      | 20       | Gas & fld. |
| 7:00:00 PM  | 550       | 16/64      | 25       | Chngd ck.  |
| 8:00:00 PM  | 550       | 16/64      | 18       | Gas & fld. |
| 9:00:00 PM  | 550       | 16/64      | 22       | Gas & fld. |
| 10:00:00 PM | 550       | 16/64      | 18       | Gas & fld. |
| 11:00:00 PM | 550       | 16/64      | 13       | Gas & fld. |
| 12:00:00 AM | 550       | 16/64      | 0        | Gas & fld. |
| 1:00:00 AM  | 600       | 16/64      | 19       | Gas & fld. |
| 2:00:00 AM  | 600       | 16/64      | 8        | Gas & fld. |
| 3:00:00 AM  | 600       | 16/64      | 17       | Gas & fld. |
| 4:00:00 AM  | 600       | 16/64      | 23       | Gas & fld. |
| 5:00:00 AM  | 650       | 16/64      | 18       | Gas & fld. |
| 6:00:00 AM  | 650       | 16/64      | 15       | Gas & fld. |

Ttl Bbls: 389

12/25/07 FCP 650 psig. F. 0 BO, 267 BLW, 24 hrs, FCP 650 - 600 psig, 16/64" ck. Rets gas, lt wtr, no sd. 8249 BLWTR.

Flow Zone: MV/WSTC  
 Event Desc: Flow Back Top Interval: 5,590 Bottom Interval: 8,687

| Time       | Avg Press | Choke Size | BBLS Rec | Comments   |
|------------|-----------|------------|----------|------------|
| 7:00:00 AM | 650       | 16/64      | 15       | Chngd ck.  |
| 8:00:00 AM | 600       | 16/64      | 16       | Gas & fld. |
| 9:00:00 AM | 550       | 16/64      | 16       | Gas & fld. |

|                  |     |       |            |            |
|------------------|-----|-------|------------|------------|
| 10:00:00 AM      | 500 | 16/64 | 8          | Gas & fld. |
| 11:00:00 AM      | 550 | 16/64 | 18         | Gas & fld. |
| 12:00:00 PM      | 550 | 16/64 | 13         | Gas & fld. |
| 1:00:00 PM       | 550 | 16/64 | 17         | Gas & fld. |
| 2:00:00 PM       | 550 | 16/64 | 4          | Gas & fld. |
| 3:00:00 PM       | 550 | 16/64 | 4          | Gas & fld. |
| 4:00:00 PM       | 550 | 16/64 | 9          | Gas & fld. |
| 5:00:00 PM       | 550 | 16/64 | 9          | Gas & fld. |
| 6:00:00 PM       | 575 | 16/64 | 10         | Gas & fld. |
| 7:00:00 PM       | 575 | 16/64 | 9          | Gas & fld. |
| 8:00:00 PM       | 600 | 16/64 | 12         | Gas & fld. |
| 9:00:00 PM       | 600 | 16/64 | 14         | Gas & fld. |
| 10:00:00 PM      | 600 | 16/64 | 6          | Gas & fld. |
| 11:00:00 PM      | 600 | 16/64 | 8          | Gas & fld. |
| 12:00:00 AM      | 600 | 16/64 | 9          | Gas & fld. |
| 1:00:00 AM       | 600 | 16/64 | 12         | Gas & fld. |
| 2:00:00 AM       | 600 | 16/64 | 14         | Gas & fld. |
| 3:00:00 AM       | 600 | 16/64 | 13         | Gas & fld. |
| 4:00:00 AM       | 600 | 16/64 | 9          | Gas & fld. |
| 5:00:00 AM       | 600 | 16/64 | 14         | Gas & fld. |
| 6:00:00 AM       | 600 | 16/64 | 8          | Gas & fld. |
| <b>Ttl Bbls:</b> |     |       | <b>267</b> |            |

12/26/07 FCP 600 psig, F. 0 BO, 190 BLW, 24 hrs, FCP 650 - 600 psig, 16/64" ck. Rets gas, lt wtr, 8059 BLWTR.

|             |                    |              |              |                            |                               |
|-------------|--------------------|--------------|--------------|----------------------------|-------------------------------|
| <i>Flow</i> | <b>Zone:</b>       | MV/WSTC      |              |                            |                               |
|             | <b>Event Desc:</b> | Flow Back    |              | <b>Top Interval:</b> 5,590 | <b>Bottom Interval:</b> 8,687 |
|             |                    | <b>Avg</b>   | <b>Choke</b> | <b>BBLS</b>                |                               |
|             | <b>Time</b>        | <b>Press</b> | <b>Size</b>  | <b>Rec</b>                 | <b>Comments</b>               |
|             | 7:00:00 AM         | 600          | 16/64        | 5                          | Gas & fld.                    |
|             | 8:00:00 AM         | 600          | 16/64        | 5                          | Gas & fld.                    |
|             | 9:00:00 AM         | 600          | 16/64        | 5                          | Gas & fld.                    |
|             | 10:00:00 AM        | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 11:00:00 AM        | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 12:00:00 PM        | 600          | 16/64        | 0                          | Gas & fld.                    |
|             | 1:00:00 PM         | 600          | 16/64        | 18                         | Gas & fld.                    |
|             | 2:00:00 PM         | 600          | 16/64        | 0                          | Gas & fld.                    |
|             | 3:00:00 PM         | 600          | 16/64        | 4                          | Gas & fld.                    |
|             | 4:00:00 PM         | 600          | 16/64        | 18                         | Gas & fld.                    |
|             | 5:00:00 PM         | 600          | 16/64        | 0                          | Gas & fld.                    |
|             | 6:00:00 PM         | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 7:00:00 PM         | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 8:00:00 PM         | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 9:00:00 PM         | 600          | 16/64        | 13                         | Gas & fld.                    |
|             | 10:00:00 PM        | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 11:00:00 PM        | 600          | 16/64        | 5                          | Gas & fld.                    |
|             | 12:00:00 AM        | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 1:00:00 AM         | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 2:00:00 AM         | 600          | 16/64        | 4                          | Gas & fld.                    |
|             | 3:00:00 AM         | 600          | 16/64        | 9                          | Gas & fld.                    |
|             | 4:00:00 AM         | 600          | 16/64        | 4                          | Gas & fld.                    |
|             | 5:00:00 AM         | 600          | 16/64        | 14                         | Gas & fld.                    |
|             | 6:00:00 AM         | 600          | 16/64        | 14                         | Gas & fld.                    |
|             | <b>Ttl Bbls:</b>   |              |              | <b>190</b>                 |                               |

12/27/07 FCP 425 psig, F. 0 BO, 128 BLW, 24 hrs, FCP 650 - 400 psig, 16/64" ck. Rets gas, lt wtr, 7931 BLWTR.

| Flow | Zone:       | MV/WSTC   |            |                  | Top Interval: 5,590 | Bottom Interval: 8,687 |
|------|-------------|-----------|------------|------------------|---------------------|------------------------|
|      | Event Desc: | Flow Back |            |                  |                     |                        |
|      | Time        | Avg Press | Choke Size | BBLs Rec         | Comments            |                        |
|      | 7:00:00 AM  | 600       | 16/64      | 8                | Chngd ck.           |                        |
|      | 8:00:00 AM  | 550       | 16/64      | 12               | Gas & fld.          |                        |
|      | 9:00:00 AM  | 550       | 16/64      | 8                | Gas & fld.          |                        |
|      | 10:00:00 AM | 550       | 16/64      | 12               | SI for Breco.       |                        |
|      | 11:00:00 AM | 600       | 16/64      | 0                | SI for Breco.       |                        |
|      | 12:00:00 PM | 700       | 16/64      | 0                | SI for Breco.       |                        |
|      | 1:00:00 PM  | 800       | 16/64      | 0                | SI for Breco.       |                        |
|      | 2:00:00 PM  | 825       | 16/64      | 0                | Gas & fld.          |                        |
|      | 3:00:00 PM  | 700       | 16/64      | 4                | Gas & fld.          |                        |
|      | 4:00:00 PM  | 650       | 16/64      | 12               | Gas & fld.          |                        |
|      | 5:00:00 PM  | 600       | 16/64      | 8                | Gas & fld.          |                        |
|      | 6:00:00 PM  | 600       | 16/64      | 4                | Gas & fld.          |                        |
|      | 7:00:00 PM  | 550       | 16/64      | 4                | Gas & fld.          |                        |
|      | 8:00:00 PM  | 550       | 16/64      | 4                | Gas & fld.          |                        |
|      | 9:00:00 PM  | 500       | 16/64      | 4                | Gas & fld.          |                        |
|      | 10:00:00 PM | 500       | 16/64      | 4                | Gas & fld.          |                        |
|      | 11:00:00 PM | 500       | 16/64      | 4                | Gas & fld.          |                        |
|      | 12:00:00 AM | 450       | 16/64      | 4                | Gas & fld.          |                        |
|      | 1:00:00 AM  | 400       | 16/64      | 8                | Gas & fld.          |                        |
|      | 2:00:00 AM  | 425       | 16/64      | 4                | Gas & fld.          |                        |
|      | 3:00:00 AM  | 400       | 16/64      | 0                | Gas & fld.          |                        |
|      | 4:00:00 AM  | 450       | 16/64      | 8                | Gas & fld.          |                        |
|      | 5:00:00 AM  | 400       | 16/64      | 12               | Gas & fld.          |                        |
|      | 6:00:00 AM  | 400       | 16/64      | 4                | Gas & fld.          |                        |
|      |             |           |            | <b>Ttl Bbls:</b> | 128                 |                        |

12/28/07 FCP 100 psig, F. 0 BO, 80 BLW, 24 hrs, FCP 400 - 100 psig, 17/64" ck. Rets gas, lt wtr, 7851 BLWTR. Cont rpt for XTO AFE #715417 to D&C. FCP 450 psig, OWU @ 1:00 p.m., 12-27-07. Delv first gas sales to Canyon Gas via XTO Little Canyon Check CDP. IFR 1,000 MCFPD.

| Flow | Zone:       | MV/WSTC   |            |          | Top Interval: 5,590 | Bottom Interval: 8,687 |
|------|-------------|-----------|------------|----------|---------------------|------------------------|
|      | Event Desc: | Flow Back |            |          |                     |                        |
|      | Time        | Avg Press | Choke Size | BBLs Rec | Comments            |                        |
|      | 7:00:00 AM  | 400       | 16/64      | 8        | Gas & fld.          |                        |
|      | 8:00:00 AM  | 250       | 24/64      | 4        | Chngd ck.           |                        |
|      | 9:00:00 AM  | 250       | 24/64      | 8        | Gas & fld.          |                        |
|      | 10:00:00 AM | 250       | 48/64      | 8        | Chngd ck.           |                        |
|      | 11:00:00 AM | 250       | 48/64      | 4        | Gas & fld.          |                        |
|      | 12:00:00 PM | 250       | 48/64      | 0        | Gas & fld.          |                        |
|      | 1:00:00 PM  | 250       | 48/64      | 4        | Turn well to sales. |                        |
|      | 2:00:00 PM  | 350       | 29/64      | 4        | Gas & fld.          |                        |
|      | 3:00:00 PM  | 150       | 29/64      | 4        | Gas & fld.          |                        |
|      | 4:00:00 PM  | 250       | 29/64      | 4        | Gas & fld.          |                        |
|      | 5:00:00 PM  | 250       | 29/64      | 8        | Gas & fld.          |                        |
|      | 6:00:00 PM  | 250       | 29/64      | 0        | Gas & fld.          |                        |
|      | 7:00:00 PM  | 250       | 17/64      | 2        | Chngd ck.           |                        |
|      | 8:00:00 PM  | 200       | 17/64      | 2        | Gas & fld.          |                        |
|      | 9:00:00 PM  | 200       | 17/64      | 2        | Gas & fld.          |                        |
|      | 10:00:00 PM | 150       | 17/64      | 2        | Gas & fld.          |                        |

|                  |     |       |           |            |
|------------------|-----|-------|-----------|------------|
| 11:00:00 PM      | 150 | 17/64 | 2         | Gas & fld. |
| 12:00:00 AM      | 150 | 17/64 | 2         | Gas & fld. |
| 1:00:00 AM       | 150 | 17/64 | 2         | Gas & fld. |
| 2:00:00 AM       | 150 | 17/64 | 2         | Gas & fld. |
| 3:00:00 AM       | 100 | 17/64 | 2         | Gas & fld. |
| 4:00:00 AM       | 100 | 17/64 | 2         | Gas & fld. |
| 5:00:00 AM       | 100 | 17/64 | 2         | Gas & fld. |
| 6:00:00 AM       | 100 | 17/64 | 2         | Gas & fld. |
| <b>Ttl Bbls:</b> |     |       | <b>80</b> |            |

12/30/07 F. 0 , 56 , 258 MCF, FTP 0 psig, FCP 355 psig, 29/64, LP 152 psig, SP 0 psig, DP 0 psig, 14 hrs.

12/31/07 F. 0 , 52 , 151 MCF, FTP 0 psig, FCP 240 psig, 30/64, LP 124 psig, SP 0 psig, DP 0 psig, 24 hrs.

1/1/08 F. 0 , 115 , 269 MCF, FTP 0 psig, FCP 120 psig, 30/64, LP 119 psig, SP 0 psig, DP 0 psig, 24 hrs.

1/2/08 F. 0 , 182 , 297 MCF, FTP 0 psig, FCP 120 psig, 48/64, LP 115 psig, SP 0 psig, DP 0 psig, 24 hrs.

1/3/08 F. 0 , 0 , 295 MCF, FTP 0 psig, FCP 115 psig, 48/64, LP 110 psig, SP 0 psig, DP 0 psig, 24 hrs.  
FCP 120 psig. MIRU Temple WS #2. Ppd 50 bbls of trtd 2% KCl wtr dwn csg & KW. ND frac vlv, NU BOP. SWI & SDFN. 6679 BLWTR.

1/4/08 SICP 950 psig. BD well to 200 psig, and contrl w/80 bbls trtd 2% KCl wtr. TIH w/4-3/4" rock tooth bit, SS, BRS, SN & 183 jts of 2-3/8" 4.7#, J-55, EUE, 8rd tbg. EOT @ 6,008'. SWI & SDFN. 6599 BLWTR.

1/5/08 PL. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, n/a, LP 0 psig, SP 0 psig, DP 0 psig, 24 hrs. Workover.  
SITP 0 psig, SICP 1500 psig. Att to equalize press to the Hydrill, Hydrill would not hold. Change Hydrill to stripping head. Estb circion, DO CFP's @ 6,020', 6,960', 7,500', (70' of sd) 8,080' & 8,490'. FCP 850 psig. TIH to 8,814', did not tg fill. Circ well cln. LD 8 jts & Ld 260 jts of 2-3/8", 4.7#, J-55, EUE, 8rd tbg on hgr. EOT @ 8,561', SN @ 8,559'. CW perfs fr/5,590' - 6,004', UB perfs fr/6,932' - 6,938', MV perfs fr/7,318' - 8,687'. RU swb tils & RIH w/1.90" tbg broach to 8,559', POH & LD swb tils. ND BOP, NU WH. Dropd ball & ppd off bit, SS & 1/2 of BRS @ 2,500 psig. Well KO. F well for 1/2 hr recd 35 bbls of wtr, SWI & SDFWE. Ttl wtr ppd 350 bbls, Ttl wtr rec 500 bbls. 6449 BLWTR.

1/6/08 PL. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, n/a, LP 0 psig, SP 0 psig, DP 0 psig, 0 hrs. Workover.

1/7/08 PL. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, n/a, LP 0 psig, SP 0 psig, DP 0 psig, 24 hrs. Workover.

1/8/08 F. 0 , 0 , 0 MCF, FTP 0 psig, FCP 0 psig, 48/64, LP 0 psig, SP 0 psig, DP 0 psig, 24 hrs. Workover.  
SITP 2200 psig, SICP 2600 psig. OWU @ 13:00 hrs. F. 0 BO, 490 BLW, 17 hrs, FTP 2200 - 490 psig, SICP 2600 - 1235 psig, 32-26/64" ck. Rets of gas, wtr, no sd. 5959 BLWTR.

|      |                    |              |                      |             |                           |
|------|--------------------|--------------|----------------------|-------------|---------------------------|
| Flow | <b>Zone:</b>       | MV           |                      |             |                           |
|      | <b>Event Desc:</b> |              | <b>Top Interval:</b> | 0           | <b>Bottom Interval:</b> 0 |
|      |                    | <b>Avg</b>   | <b>Choke</b>         | <b>BBLs</b> |                           |
|      | <b>Time</b>        | <b>Press</b> | <b>Size</b>          | <b>Rec</b>  | <b>Comments</b>           |
|      | 1:00:00 PM         | 2,600        | 32/64                | 0           | OWU.                      |
|      | 2:00:00 PM         | 2,350        | 32/64                | 56          | CLEAR CK.                 |
|      | 3:00:00 PM         | 2,190        | 32/64                | 60          | fld/gas.                  |
|      | 4:00:00 PM         | 2,050        | 32/64                | 56          | fld/gas.                  |
|      | 5:00:00 PM         | 1,850        | 32/64                | 44          | fld/gas.                  |
|      | 6:00:00 PM         | 1,725        | 24/64                | 22          | Chng CK.                  |
|      | 7:00:00 PM         | 1,650        | 24/64                | 22          | fld/gas.                  |
|      | 8:00:00 PM         | 1,700        | 24/64                | 22          | fld/gas.                  |
|      | 9:00:00 PM         | 1,550        | 24/64                | 36          | fld/gas.                  |
|      | 10:00:00 PM        | 1,550        | 18/64                | 20          | Chng CK.                  |
|      | 11:00:00 PM        | 1,575        | 18/64                | 14          | Chng CK.                  |
|      | 12:00:00 AM        | 1,550        | 48/64                | 22          | Chng CK.                  |
|      | 1:00:00 AM         | 1,350        | 22/64                | 32          | slugs/gas.                |

|                  |       |       |            |            |
|------------------|-------|-------|------------|------------|
| 2:00:00 AM       | 1,350 | 22/64 | 16         | slugs/gas. |
| 3:00:00 AM       | 1,350 | 24/64 | 18         | Chng CK.   |
| 4:00:00 AM       | 1,325 | 48/64 | 28         | slugs/gas. |
| 5:00:00 AM       | 1,235 | 26/64 | 22         | Chng CK.   |
| <b>Ttl Bbls:</b> |       |       | <b>490</b> |            |

1/9/08 F. 0, 0, 0 MCF, FTP 0 psig, FCP 0 psig, 48/64, LP 0 psig, SP 0 psig, DP 0 psig, 0 hrs. Workover.  
 FTP 200 psig, SICP 1200 psig. F. 0 BO, 197 BLW, 9 hrs, FTP 200 - 0 psig, SICP 1235 - 1585 psig, 26-48/64" ck. Rets of gas, wtr, no sd.  
 Well loaded up @ 16:00 hrs. SWI 4 hrs. SITP 265 psig. OWU on 1" ck. No flow 3 hrs. SIWIFPBU. 5762 BLWTR.

Flow **Zone:** MV  
**Event Desc:** FLOW BACK **Top Interval:** 5,590 **Bottom Interval:** 8,687

| <u>Time</u>      | <u>Avg Press</u> | <u>Choke Size</u> | <u>BBLS Rec</u> | <u>Comments</u> |
|------------------|------------------|-------------------|-----------------|-----------------|
| 6:00:00 AM       | 1,200            | 30/64             | 20              |                 |
| 7:00:00 AM       | 1,150            | 48/64             | 24              |                 |
| 8:00:00 AM       | 1,090            | 32/64             | 40              |                 |
| 9:00:00 AM       | 1,050            | 48/64             | 4               | Chng ck.        |
| 10:00:00 AM      | 1,050            | 48/64             | 6               |                 |
| 11:00:00 AM      | 1,010            | 48/64             | 4               |                 |
| 12:00:00 PM      | 1,000            | 48/64             | 32              |                 |
| 1:00:00 PM       | 1,000            | 48/64             | 25              |                 |
| 2:00:00 PM       | 1,075            | 48/64             | 20              |                 |
| 3:00:00 PM       | 1,150            | 48/64             | 20              |                 |
| 4:00:00 PM       | 1,210            | 48/64             | 2               | SI.             |
| 5:00:00 PM       | 1,275            | 48/64             | 0               | SI.             |
| 6:00:00 PM       | 1,310            | 48/64             | 0               | SI.             |
| 7:00:00 PM       | 1,360            | 48/64             | 0               | Open up.        |
| 8:00:00 PM       | 1,400            | 48/64             | 0               | No flow.        |
| 9:00:00 PM       | 1,400            | 48/64             | 0               | No flow.        |
| 10:00:00 PM      | 1,400            | 48/64             | 0               | SI.             |
| 11:00:00 PM      | 1,450            | 48/64             | 0               | SI.             |
| 12:00:00 AM      | 1,500            | 48/64             | 0               | SI.             |
| 1:00:00 AM       | 1,510            | 48/64             | 0               | SI.             |
| 2:00:00 AM       | 1,525            | 48/64             | 0               | SI.             |
| 3:00:00 AM       | 1,550            | 48/64             | 0               | SI.             |
| 4:00:00 AM       | 1,560            | 48/64             | 0               | SI.             |
| 5:00:00 AM       | 1,585            | 48/64             | 0               | SI.             |
| <b>Ttl Bbls:</b> |                  |                   | <b>197</b>      |                 |

1/11/08 SITP 590 psig, SICP 1700 psig. Bd tbq, no fld rec. RIH w/swb tls. S. 120 BLW & KO well flwg. OWU @ 13:00 hrs. F. 0 BO, 240 BLW, 12 hrs, FTP 450 - 95 psig, SICP 1390 - 910 psig, 48/64" ck. Rets of gas, wtr, no sd. 5402 BLWTR. SITP 600 psig. SICP 1,700 psig. MIRU Tech Swabbing SWU. BD tbq. PU & RIH w/swb tls. SN @ 8,559'. BFL @ 2,900' FS. S. 0 BO, 118 BW, 10 runs, 8 hrs. FFL @ 1,800' FS. KO well flwg. FTP 90 psig. SICP 1,680 psig. RWTT @ 12:00 p.m., 1-10-08. RDMO Tech Swabbing SWU.

Flow **Zone:** MV/WSTC  
**Event Desc:** FLOW BACK **Top Interval:** 5,590 **Bottom Interval:** 8,687

| <u>Time</u> | <u>Avg Press</u> | <u>Choke Size</u> | <u>BBLS Rec</u> | <u>Comments</u> |
|-------------|------------------|-------------------|-----------------|-----------------|
| 6:00:00 AM  | 1,700            |                   | 0               | SI.             |
| 7:00:00 AM  | 1,700            |                   | 0               | SI.             |
| 8:00:00 AM  | 1,700            |                   | 0               | Start swb.      |
| 9:00:00 AM  | 1,700            |                   | 0               |                 |
| 10:00:00 AM | 1,690            |                   | 0               |                 |
| 11:00:00 AM | 1,690            | 48/64             | 120             | KWO turn to tk. |
| 12:00:00 PM | 1,390            | 48/64             | 20              |                 |

|             |       |       |    |                 |
|-------------|-------|-------|----|-----------------|
| 1:00:00 PM  | 1,200 | 48/64 | 28 |                 |
| 2:00:00 PM  | 1,130 | 48/64 | 28 |                 |
| 3:00:00 PM  | 1,140 | 48/64 | 20 |                 |
| 4:00:00 PM  | 1,050 | 48/64 | 26 |                 |
| 5:00:00 PM  | 1,000 | 48/64 | 24 |                 |
| 6:00:00 PM  | 1,000 | 48/64 | 16 |                 |
| 7:00:00 PM  | 1,000 | 48/64 | 32 |                 |
| 8:00:00 PM  | 900   | 48/64 | 24 |                 |
| 9:00:00 PM  | 890   | 48/64 | 12 |                 |
| 10:00:00 PM | 910   | 48/64 | 8  |                 |
| 11:00:00 PM | 990   | 48/64 | 2  | fld stopped SI. |
| 12:00:00 AM | 1,060 | 48/64 | 0  | SI.             |
| 1:00:00 AM  | 1,110 | 48/64 | 0  | SI.             |
| 2:00:00 AM  | 1,175 | 48/64 | 0  | SI.             |
| 3:00:00 AM  | 1,225 | 48/64 | 0  | SI.             |
| 4:00:00 AM  | 0     | 48/64 | 0  | SI.             |
| 5:00:00 AM  | 0     | 48/64 | 0  | SI.             |

Ttl Bbls: 360

Swab

Zone: MV/WSTC

Event Desc: SWAB

Top Interval: 5,590

Bottom Interval: 8,687

| Time        | Swab<br>Runs | Beg<br>FL | BBLs<br>Rec | Comments     |
|-------------|--------------|-----------|-------------|--------------|
| 7:00:00 AM  | 1            | 2,900     | 11          | BFL @ 2,900' |
| 7:30:00 AM  | 8            | 2,600     | 95          |              |
| 11:30:00 AM | 1            | 1,800     | 12          | FFL @ 1,800' |
|             |              | Ttl Bbls: | 118         |              |

UINTAH

LCU 11-3H

LOCATION: NESW, Sec 3, T11S, R20E  
CONTRACTOR: Frontier Drilling, 2

DATE: 10/6/2007  
OPERATION: DRLG  
DFS: 132.25 Footage Made: 1,585 Measured Depth: 6,474  
MW: 9.2 VISC: 26  
WOB: 22 RPM: 55  
DMC: CMC: DWC: 77,878.00 CWC: 207,443.00  
TIME DIST: (3.50) DRLG TO 5206. (0.50) SURVEY @ 5127 1.83 DEG. (5.00) DRLG TO 5849. (0.50) RIG SERVICE. (8.50) DRLG TO 6221. (0.50) SURVEY @ 6142 1.93. (5.50) DRLG TO 6474.

DATE: 10/7/2007  
OPERATION: DRLG  
DFS: 133.25 Footage Made: 901 Measured Depth: 7,375  
MW: 9.7 VISC: 30  
WOB: 24 RPM: 55  
DMC: CMC: DWC: 36,581.00 CWC: 244,024.00  
TIME DIST: (9.50) DRLG TO 6823. (0.50) RIG SERVICE. (9.50) DRLG TO 7202. (0.50) SURVEY @ 7123 1.98 DEG. (4.00) DRLG TO 7375.

DATE: 10/8/2007  
OPERATION: -POOH FOR BIT #2  
DFS: 134.25 Footage Made: 820 Measured Depth: 8,195  
MW: 9.4 VISC: 36  
WOB: 25 RPM: 55  
DMC: CMC: DWC: 39,653.00 CWC: 283,677.00  
TIME DIST: (9.00) DRLD 7375-7710' (335' @ 37.2 FPH). (0.50) RIG SERVICE. (10.50) DRLD 7710-8195 (485' @ 46.2 FPH). (3.50) PUMPED PILL AND POOH FOR BIT #2..

DATE: 10/9/2007  
OPERATION: DRLG  
DFS: 135.25 Footage Made: 720 Measured Depth: 8,915  
MW: 9.5 VISC: 35  
WOB: 25 RPM: 45  
DMC: CMC: DWC: 35,280.00 CWC: 318,957.00  
TIME DIST: (1.00) FINISH TOH. (2.00) CO BIT, MM, AND PU 3 DC. (4.00) TIH TO SHOE @ 2205'.. (1.00) SLIP & CUT DRLG LINE.. (3.50) FINISH TIH WASHING 60' TO BTM.. (15.50) DRLD 8195'-8915' (720' @ 46.5 FPH).

DATE: 10/10/2007  
OPERATION: RUNNING OH LOGS  
DFS: 136.25 Footage Made: 241 Measured Depth: 9,156  
MW: 10 VISC: 39  
WOB: 25 RPM: 45  
DMC: CMC: DWC: 39,866.00 CWC: 358,823.00  
TIME DIST: (9.50) DRLD 8915-9156' (241' @ 25.4 FPH). (2.00) CIRC. AND COND. HOLE. (0.50) DROPPED SURVEY AND PUMPED PILL. (3.00) POOH FOR OH LOGS. (1.00) RU SCHLUMBERGER AND HOLD SAFETY MEETING.. (8.00) SCHLUMBERGER RAN DLL/FDC/CNL W/ GR & CAL FROM 9160' LTD TO BASE SURF. CSG. @ 2200'..

DATE: 10/11/2007  
OPERATION: CEMENT CASING  
DFS: 137.25 Footage Made: 0 Measured Depth: 9,156  
MW: 10.2 VISC: 48  
WOB: RPM:  
DMC: CMC: DWC: 170,502.00 CWC: 529,325.00  
TIME DIST: (5.00) TIH TO COND. HOLE AFTER LOGS. (1.50) CIRC. AND COND. HOLE FOR CSG.. (6.50) POOH LAYING DOWN DP AND DC.. (1.00) WO CSG. CREW.. (1.00) RU FRANKS WESTATES CSG. SERV.. (6.00) RAN AND LANDED 215 JTS. (9120') OF 5-1/2", 17#, N-80 LT&C CSG. @ 9138'.. (1.00) RU HALLIBURTON AND HOLD SAFETY MEETING. (2.00) CEMENT 5-1/2" CASING.

DATE: 10/12/2007  
OPERATION: RD MORT  
DFS: 138.25 Footage Made: 0 Measured Depth: 9,156  
MW: VISC: AND PU 3 DC. (4.00)  
WOB: RPM: (15.50) DRLD  
DMC: CMC: DWC: 68,250.00 CWC: 597,575.00

TIME DIST: (0.50) CMT 5-1/2" CSG. W/ 160 SX HALLIBURTON HIGHFILL CMT FOLLOWED BY 950 SX. HALLIBURTON LT. PREM.  
PLUS. DISP. W/ 211 BBL 2% KCL WTR. HAD FULL RETURNS THROUGHOUT. BUMPED PLUG W/ 3215#, 1100# OVER.  
FLOATS HELD OK.. (3.50) CLEANED MUD PITS. RELEASED RIG @ 10:00, 10/11/07.. (20.00) RD ROTARY TOOLS..

**NOTICE OF LATE REPORTING  
DRILLING & COMPLETION INFORMATION**

Utah Oil and Gas Conservation General Rule R649-3-6 states that,

- Operators shall submit monthly status reports for each drilling well (including wells where drilling operations have been suspended).

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
  
- Within 30 days after the completion or plugging of a well, the following shall be filed:
  - Form 8, Well Completion or Recompletion Report and Log
  - A copy of electric and radioactivity logs, if run
  - A copy of drillstem test reports,
  - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
  - A copy of core analyses, and lithologic logs or sample descriptions if compiled
  - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

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As of the mailing of this notice, the division has not received the required reports for

Operator: XTO Energy, Inc. Today's Date: 04/21/2008

Well: LCU 11-3H 11S 2DE 3 API Number: 4304736776 Drilling Commenced: 05/29/2007

List Attached

To avoid compliance action, required reports should be mailed within 7 business days to:

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

If you have questions or concerns regarding this matter, please contact Rachel Medina  
at (801) 538-5260.

cc: Well File  
Compliance File

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

AMENDED REPORT  FORM 8  
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU-344350

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

7. UNIT or CA AGREEMENT NAME  
LITTLE CANYON UNIT

8. WELL NAME and NUMBER:  
LCU 11-3H

9. API NUMBER:  
4304736776

10. FIELD AND POOL, OR WLD CAT  
NATURAL BUTTES

11. QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
NESW 3 11S 20E S

12. COUNTY  
UINTAH

13. STATE  
UTAH

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

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

2. NAME OF OPERATOR:  
XTO Energy Inc.

3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410 PHONE NUMBER: (505) 333-3100

4. LOCATION OF WELL (FOOTAGES):  
AT SURFACE: 2100' FSL & 2000' FWL  
AT TOP PRODUCING INTERVAL REPORTED BELOW:  
AT TOTAL DEPTH:

14. DATE SPULLED: 5/29/2007 15. DATE T.D REACHED: 10/10/2007 16. DATE COMPLETED: 12/27/2007  
ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
5030' GL

18. TOTAL DEPTH: MD 9,160 TVD  
19. PLUG BACK T.D. MD 9,093 TVD  
20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD PLUG SET. TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each):  
DLL/FDC/CNL w/GR & CAL

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

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

| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|------------|----------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 12 1/4"   | 8 5/8" J55 | 32#            | 0        | 2,205       |                      | V & G 675                  | 0                   | SURF          | 0             |
| 7 7/8"    | 5 1/2" J55 | 17#            | 0        | 9,138       |                      | C & G 1,110                | 0                   | SURF          | 0             |
|           |            |                |          |             |                      |                            |                     |               |               |
|           |            |                |          |             |                      |                            |                     |               |               |
|           |            |                |          |             |                      |                            |                     |               |               |

25. TUBING RECORD

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

26. PRODUCING INTERVALS

| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) |
|----------------|----------|-------------|-----------|--------------|
| (A) MVRD       | 7,318    | 8,617       |           |              |
| (B) WSTCH      | 6,002    | 6,938       |           |              |
| (C)            |          |             |           |              |
| (D)            |          |             |           |              |

27. PERFORATION RECORD

| INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS   |
|-------------------------|------|-----------|--|
| 7,318 8,617             | 0.42 | 87        | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
| 6,002 6,938             | 0.42 | 109       | Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/> |
|                         |      |           | Open <input type="checkbox"/> Squeezed <input type="checkbox"/>            |
|                         |      |           | Open <input type="checkbox"/> Squeezed <input type="checkbox"/>            |

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

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL  |
|----------------|--|
| MVRD/WSTCH     | Acidized w/750 gals 15% HCl acid. Frac'd w/30Q N2 foamed XL fluid (YF115ST) gel w/411,592 gals 2% KCl wtr carrying 246,273# 20/40 Tempered LC sand, 192,277 # 20/40 Super LC sand, and 144,144# 20/40 Jordan sand. |

29. ENCLOSED ATTACHMENTS:

- ELECTRICAL/MECHANICAL LOGS  GEOLOGIC REPORT  DST REPORT  DIRECTIONAL SURVEY  
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION  CORE ANALYSIS  OTHER: \_\_\_\_\_

30. WELL STATUS:

(5/2000)

(CONTINUED ON BACK)

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APR 29 2008

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

|                                    |                   |                         |             |                     |               |                          |                 |                 |                     |                    |
|------------------------------------|-------------------|-------------------------|-------------|---------------------|---------------|--------------------------|-----------------|-----------------|---------------------|--------------------|
| DATE FIRST PRODUCED:<br>12/27/2007 |                   | TEST DATE:<br>1/13/2008 |             | HOURS TESTED:<br>24 |               | TEST PRODUCTION RATES: → | OIL - BBL:<br>0 | GAS - MCF:<br>0 | WATER - BBL:<br>198 | PROD. METHOD:<br>F |
| CHOKE SIZE:                        | TBG. PRESS.<br>30 | CSG. PRESS.<br>750      | API GRAVITY | BTU - GAS           | GAS/OIL RATIO | 24 HR PRODUCTION RATES → | OIL - BBL:<br>0 | GAS - MCF:<br>0 | WATER - BBL:<br>198 | INTERVAL STATUS:   |

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

TO BE SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name              | Top (Measured Depth) |
|-----------|----------|-------------|------------------------------|-------------------|----------------------|
|           |          |             |                              | WASATCH TONGUE    | 3.290                |
|           |          |             |                              | UTELAND LIMESTONE | 3.629                |
|           |          |             |                              | WASATCH           | 3.775                |
|           |          |             |                              | CHAPITA WELLS     | 4.653                |
|           |          |             |                              | UTELAND BUTTE     | 5.308                |
|           |          |             |                              | MESAVERDE         | 6.576                |

35. ADDITIONAL REMARKS (include plugging procedure)

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

NAME (PLEASE PRINT) HOLLY C. PERKINS TITLE REGULATORY COMPLIANCE TECH  
 SIGNATURE Holly C. Perkins DATE 2/15/2008

This report must be submitted within 30 days of

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

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

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

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

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

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 34350**

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

7. If Unit or CA/Agreement, Name and/or No.  
**81878X**

8. Well Name and No.  
**Little Canyon Unit 11-3H**

9. API Well No.  
**43-047-36776**

10. Field and Pool, or Exploratory Area  
**Natural Buttes**

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**XTO Energy, Inc.**

3a. Address  
**978 North Crescent Road, Roosevelt, UT. 84066**

3b. Phone No. (include area code)  
**435-722-4521**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2100' FSL & 2000' FWL NE/SW Sec 3,11S, 20E SLB&M**

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 checked="" 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 type="checkbox"/> Other                     |
|   |   |   | <b>Interim Reclamation</b>                         |

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.)

Reserve pit was reclaimed & reseeded on 3/13/08 as per APD by Jackson constuction

**RECEIVED**

**AUG 01 2008**

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

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

Name (Printed/Typed) **Jody Mecham** Title **Construction Coordinator**

Signature *Jody Mecham* Date **7/22/08**

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.

**UTAH DIVISION OF OIL, GAS AND MINING**

**NOTICE OF REPORTING PROBLEMS**

Operator: XTO Energy, Inc Account: N2615 Today's Date: 10/13/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: Logs

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

**To avoid compliance action, these reporting problems should be resolved within 7 days.**

Send reports to:

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

Fax to:

(801) 359-3940

*11S 20E 3*

| Type of Report  | Month(s) of Problem Report                              |               |                    |
|---|---|---------------|--------------------|
| <input type="checkbox"/> Production – Form 10<br><input type="checkbox"/> Disposition – Form 11<br><input type="checkbox"/> Gas Plant – Form 13<br><input type="checkbox"/> Enhanced Recovery – UIC Form 2<br><input type="checkbox"/> Injection – UIC Form 3<br><input type="checkbox"/> Other _____ |   |               |                    |
| Type of Report  | Well Name(s)  | API Number(s) | Drilling Commenced |
| <input type="checkbox"/> Spud Notice – Form 9<br><input type="checkbox"/> Drilling Reports – Form 9<br><input type="checkbox"/> Well Completion Report – Form 8<br><input checked="" type="checkbox"/> Other <u>Logs</u>  | LCU 11-3H<br><br><input type="checkbox"/> List Attached | 4304736776    |                    |

Description of Problem:

Per rule R649-3-21 2, within 30 days after the completion of any well drilled or redrilled for the production of oil or gas, form 8, well completion or recompletion report and log, shall be filed with the division, together with a copy of the electric and radioactivity logs, if run.

Well completion report state a DLL, FDC, CNL w/ GR and Cal logs were run on the above well.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File  
RAM  
Well File

## Rule References

### Spud Notice:

Utah Oil and Gas Conservation General Rules R649-3-6 states that,

- The spudding in of a well shall be reported to the division within 24 hours. The report should include the well name and number, drilling contractor, rig number and type, spud date and time, the date that continuous drilling will commence, the name of the person reporting the spud, and a contact telephone number.

### Monthly Drilling Reports:

Utah Oil and Gas Conservation General Rule R649-3-6 states that,

- Operators shall submit monthly status reports for each drilling well (including wells where drilling operations have been suspended). The report should include the well depth and a description of the operations conducted on the well during the month. The report shall be submitted no later than the fifth day of the following calendar month until such time as the well is completed and the well completion report is filed.

### Well Completion Reports:

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded. Within 30 days after the completion or plugging of a well, the following shall be filed:
  - Form 8, Well Completion or Recompletion Report and Log
  - A copy of electric and radioactivity logs, if run
  - A copy of drillstem test reports,
  - A copy of formation water analyses, porosity, permeability or fluid saturation determinations,
  - A copy of core analyses, and lithologic logs or sample descriptions if compiled,
  - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well.

### Monthly Production and Disposition Reports:

Utah Oil and Gas Conservation General Rules R649-8-11 and R649-8-12 state that,

- Operators shall complete Forms 10 and 11 to properly account for the production and disposition of all oil, gas and water from each well, and submit the reports on or before the fifteenth day of the second calendar month following the month of production. Reports are to be submitted for all producing, shut-in, and temporarily-abandoned wells even if the wells did not produce during the report month.

### Monthly Report of Enhanced Recovery:

Utah Oil and Gas Conservation General Rule R649-8-19 states that,

- Operators shall submit UIC Form 2, Monthly Report of Enhanced Recovery Project within 30 days following the end of the month of operations to report the injection pressure, rate, and volume for each enhanced recovery injection well or project.

### Monthly Injection Report:

Utah Oil and Gas Conservation General Rule R649-8-20 states that,

- Operators shall submit UIC Form 3, Monthly Injection Report within 30 days following the end of the month of operations to report the daily injection pressure, rate, and volume for each disposal well and/or storage well.

### Monthly Report of Gas Processing Plant:

Utah Oil and Gas Conservation General Rules R649-6-1, R649-8-14, and R649-8-15 state that,

- Gas processing plant operators shall complete and submit a monthly report to account for the receipt, processing and disposition of all gas by the plant on or before the fifteenth day of the second calendar month following the operations month covered by the report. Plant operators that are required by contractual arrangements to allocate residue gas and extracted liquids to the individual producing wells must complete Form 13-B and submit it as an attachment to Form 13-A to identify each well or entity connected to the plant by API number and to report the metered wet gas volumes, residue gas volumes returned to the field, and all allocated residue gas and natural gas liquid volumes.

|   |  |
|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING | <b>FORM 9</b><br><br><b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU-34350 |
|---|--|

|  |   |
|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>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. | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b><br><br><b>7. UNIT or CA AGREEMENT NAME:</b><br>LITTLE CANYON |
|--|---|

|                                    |  |
|------------------------------------|--|
| <b>1. TYPE OF WELL</b><br>Gas Well | <b>8. WELL NAME and NUMBER:</b><br>LCU 11-3H |
|------------------------------------|--|

|   |   |
|---|---|
| <b>2. NAME OF OPERATOR:</b><br>XTO ENERGY INC | <b>9. API NUMBER:</b><br>43047367760000 |
|---|---|

|  |  |  |
|--|--|--|
| <b>3. ADDRESS OF OPERATOR:</b><br>382 Road 3100 , Aztec, NM, 87410 | <b>PHONE NUMBER:</b><br>505 333-3159 Ext | <b>9. FIELD and POOL or WILDCAT:</b><br>HILL CREEK |
|--|--|--|

|   |   |
|---|---|
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2100 FSL 2000 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NESW Section: 03 Township: 11.0S Range: 20.0E Meridian: S | <b>COUNTY:</b><br>UINTAH<br><br><b>STATE:</b><br>UTAH |
|---|---|

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

| TYPE OF SUBMISSION  | TYPE OF ACTION  |  |   |
|---|---|--|---|
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>2/15/2010<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date: | <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input checked="" type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER:   PWOP |

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

XTO Energy Inc. intends to put this well on a pump with the intent of increasing production. Please see the attached procedure.

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

Date: February 03, 2010

By: *Derek Duff*

|   |                                     |  |
|---|-------------------------------------|--|
| <b>NAME (PLEASE PRINT)</b><br>Barbara Nicol | <b>PHONE NUMBER</b><br>505 333-3642 | <b>TITLE</b><br>Regulatory Compliance Tech |
| <b>SIGNATURE</b><br>N/A                     |                                     | <b>DATE</b><br>2/1/2010                    |

**LCU 11-3H PWOP  
 Sec 3, T 11S, R 20 E  
 Uintah County, Utah  
 API- 43-047-36776  
 XTO # 165594**

**AFE # 907603**

**Put well on pump**

**Surf csg:** 8-5/8", 32#, J-55, ST&C csg @ 2205' Cmt to surface  
**Prod csg:** 5-1/2", 17#, N-80, LT&C csg @ 9138' Cement top @ 650' PBTD @ 9092'  
**Tbg:** 2-3/8" J-55 EUE tubing w/ SN @ 8560'  
**Perfs:** **WA:** 5590'-96', 6002'-04', 6932'-38'  
**MV:** 7318'-20', 7409'-12', 7448'-52', 7977'-80', 7996'-8000', 8040'-44', 8370'-73', 8466'-69', 8474'-77', 8535'-38', 8548'-50', 8582'-85', 8674'-76', 8685'-87'

**PWOP Procedure**

- 1) MI and set a Lufkin RM 320-256-120 pumping unit (min ECB 16,900 #) with a C-96 engine. Install 8" sheave on engine to run 475 RPM at 3 SPM. Set CB weights as follows:

| Description | Weight       | Position              |
|-------------|--------------|-----------------------|
| Left Lag    | 3CRO + 2-3BS | 10" from end of crank |
| Left Lead   | 3CRO + 1-3BS | 10" from end of crank |
| Right Lag   | 3CRO + 2-3BS | 10" from end of crank |
| Right Lead  | 3CRO + 1-3BS | 10" from end of crank |

- 2) MIRU PU. Blow down casing and kill well w/ 2% KCl. ND WH, NU BOP. Unseat tubing hanger and POH. Note presence of scale deposits or corrosion. Consider acid job if scale is found. TIH w/ bit and casing scraper to top of fill, then POH, laying down 2 3/8" J-55 tubing.
- 3) RIH with production string as follows:
- 2 3/8" x 5 1/2" TEC tubing anchor
  - 2 3/8" x 6' EUE tubing sub
  - 2 3/8" x 4' EUE perforated tubing sub
  - 2 3/8" x 1.78" S/N
  - 2 3/8" 4.7# EUE L-80 tubing to surface

Land tubing with TAC @ ± 8740', then ND BOP and NU wellhead. Load tubing with 2% KCL, then pump 20 BBL chemical pill containing scale inhibitor and biocide down annulus. Flush down annulus with 200 BBL KCL using rig pump. Let treatment soak overnight.

- 4) Swab tubing until returns are clean and able to be pumped.
- 5) 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
  - 60 - 3/4" Norris 96 Rods w/ "T" couplings, 5 molded guides/rod
  - 279 - 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
- 6) Space out pump as required with pony rods. Load tubing and long stroke with rig to ensure pump action. RDMO PU.
- 7) Start well pumping at 3 SPM and 120" SL. Run dyno and shoot fluid level  $\pm$  1 week after unit has started.
- 8) Report pre and post start up data to Tom Boyce

**Regulatory**

- Submit NOI and subsequent report to BLM and Utah Division of Oil Gas & Mining for installation of pumping unit.

|  |   |
|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  | <b>FORM 9</b><br><br><b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU-34350                                |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>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. | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b><br><br><b>7. UNIT or CA AGREEMENT NAME:</b><br>LITTLE CANYON       |
| <b>1. TYPE OF WELL</b><br>Gas Well   | <b>8. WELL NAME and NUMBER:</b><br>LCU 11-3H  |
| <b>2. NAME OF OPERATOR:</b><br>XTO ENERGY INC  | <b>9. API NUMBER:</b><br>43047367760000   |
| <b>3. ADDRESS OF OPERATOR:</b><br>382 Road 3100 , Aztec, NM, 87410   | <b>PHONE NUMBER:</b><br>505 333-3159 Ext  |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2100 FSL 2000 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NESW Section: 03 Township: 11.0S Range: 20.0E Meridian: S  | <b>9. FIELD and POOL or WILDCAT:</b><br>HILL CREEK<br><br><b>COUNTY:</b><br>UINTAH<br><br><b>STATE:</b><br>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<br>Approximate date work will start:                 | <input type="checkbox"/> ACIDIZE                       | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> CASING REPAIR                  |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>4/21/2010 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS      | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> CHANGE WELL NAME               |
| <input type="checkbox"/> SPUD REPORT<br>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<br>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: CHEM TRTMT/PWOP                                  |

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

XTO Energy Inc. has performed a chemical treatment on this well & put it on a pumping unit per the attached summary report.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 May 20, 2010

|   |                                     |  |
|---|-------------------------------------|--|
| <b>NAME (PLEASE PRINT)</b><br>Barbara Nicol | <b>PHONE NUMBER</b><br>505 333-3642 | <b>TITLE</b><br>Regulatory Compliance Tech |
| <b>SIGNATURE</b><br>N/A                     | <b>DATE</b><br>5/19/2010            |  |

EXECUTIVE SUMMARY REPORT

3/1/2010 - 5/19/2010  
Report run on 5/19/2010 at 3:59 PM

Little Canyon Unit 11-03H

Section 03-11S-20E, Uintah, Utah, Roosevelt

- 3/9/2010 First rpt Well Maintenance/ PWOP. MIRU Temples WS rig #2 and equip. Bd well. ND WH, NU BOP. LD tbg hgr, TOH & LD 260 jts of 2-3/8", 4.7#, J-55, 8rd tbg & BHA Note: Btm 50 jts of tbg had a lite film of sc on the outside. PU & TIH w/4-1/2" mill shoe, BS & 96 jts of 2-3/8", L-80 tbg. EOT @ 3,195'. SWI & SDFN.
- 3/10/2010 ===== Little Canyon Unit 11-03H =====  
EOT @ 3,195'. PBTB @ 9,092'. WA/MV perfs fr/5,590' - 8,687'. Bd well. TIH w/173 jts 2-3/8" tbg. Tgd 196' of fill @ 8,896'. MIRU AFU. RU pwr swivel & estab circ w/AFU. CO 10' of fill w/WO shoe fr/8,896' - 8,906', drlg became hrd, unable to CO further. Circ well cln for 2.5 hrs. TOH w/71 jts 2-3/8" L-80 tbg. EOT @ 6,994'. SWI & SDFN.
- 3/11/2010 ===== Little Canyon Unit 11-03H =====  
Bd well. Cont to TOH w/199 jts of tbg. LD BS & WO shoe BHA. Did not rec BRS. TIH w/264 jts 2-3/8" 4,6#, L-80, EUE, 8rd tbg, SN & mule shoe col. RU swb tls. RIH w/ XTO's 1.90" tbg broach to SN @ 8,739', no ti spts. POH & LD broach. ND BOP. Set TAC @ 8,754'. Ld tbg in 14K tens w/donut tbg hgr, SN @ 8,739'. EOT @ 8,754'. PBTB @ 8,906', WA/MV perfs fr/5,590' - 8,687'. NU WH. RU & RIH w/swb tls. BFL @ 5,500' FS. S. 0 BO, 14 BLW, 5 runs, 2 hrs, FFL @ 5,300' FS. FTP 0 psig, SICP 150 psig. Fld smpls showed brn wtr, tr of solids. RD swb tls. SWI & SDFN.
- 3/12/2010 ===== Little Canyon Unit 11-03H =====  
RU & RIH w/swb tls. BFL @ 5,200' FS. S. 0 BO, 10 BLW, 3 runs, 1.5 hrs, FFL @ 5,200' FS. FTP 0 psig, SICP 400 psig. Fld smpls showed brn wtr, no solids. RD swb tls. PU & loaded 2" x 1-1/4" x 16' x 19' RHBC pmp (XTO #264) w/1" x 8' GAC. PU & TIH w/pmp BHA, 4' x 3/4" rod sub, shear tl pinned to 26,000#, 10 - 1-1/4" sbs, 60 - 3/4" Norris 96 skr d w/T cplgs & 5 molded guides pr rod, 278 - 3/4" Norris 96 skr d w/T cplgs, 1 - 3/4" rod sub (2') & 26' x 1-1/2" PR. Seated pmp. PT tbg to 500 psig w/18 bbls trtd 2% KCL wtr & 30 gals diesel for 10". Tstd ok. Rltd press. LS pmp w/rig to 1,500 psig. Gd PA. Rltd press. SWO & clamped off rods for PU installation. SWI & RDMO. Unable to RWTP. PU not in place. Rpts suspdn turn well over to facilities.
- 3/15/2010 ===== Little Canyon Unit 11-03H =====  
MIRU Nalco and ppd a 20 bbl chem pill, consisting of standard sc & biocide treatment. Flshd w/200 bbls of trtd 2% KCL wtr. ISIP 0 psig, 5 " 0 psig. SWI & RDMO TWS rig #2. Unable to RWTP. PU not in place. Suspend rpts, turn well over to facilities.
- 4/21/2010 ===== Little Canyon Unit 11-03H =====  
Prep PU for st up. Ppg w/ Arrow C-96 gas engine (Sn #201122-C) @ 3 x 120" SPM, Started PU @ 11:45 a.m., 04/21/10 & RTP. FR for PU engine swap.

|   |  |
|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING | <b>FORM 9</b><br><br><b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU-34350 |
|---|--|

|  |   |
|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>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. | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b><br><br><b>7. UNIT or CA AGREEMENT NAME:</b><br>LITTLE CANYON |
|--|---|

|                                    |  |
|------------------------------------|--|
| <b>1. TYPE OF WELL</b><br>Gas Well | <b>8. WELL NAME and NUMBER:</b><br>LCU 11-3H |
|------------------------------------|--|

|   |   |
|---|---|
| <b>2. NAME OF OPERATOR:</b><br>XTO ENERGY INC | <b>9. API NUMBER:</b><br>43047367760000 |
|---|---|

|  |  |  |
|--|--|--|
| <b>3. ADDRESS OF OPERATOR:</b><br>382 Road 3100 , Aztec, NM, 87410 | <b>PHONE NUMBER:</b><br>505 333-3159 Ext | <b>9. FIELD and POOL or WILDCAT:</b><br>HILL CREEK |
|--|--|--|

|   |   |
|---|---|
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2100 FSL 2000 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NESW Section: 03 Township: 11.0S Range: 20.0E Meridian: S | <b>COUNTY:</b><br>UINTAH<br><br><b>STATE:</b><br>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<br>Approximate date work will start:                | <input type="checkbox"/> ACIDIZE                       | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> CASING REPAIR                  |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>7/8/2010 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS      | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> CHANGE WELL NAME               |
| <input type="checkbox"/> SPUD REPORT<br>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<br>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:   CHEMICAL TREATMEN                              |

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

XTO Energy Inc. has performed a chemical treatment on this well per the following: 07/08/2010: MIRU Nalco Chem truck. Ppd 20 bbl chem pill containing 110 gal Nalco EC 6652A & 5 gal Nalco EC 6106 Biocide dwn 2-3/8" x 5-1/2" TCA. Flshd pill into perms w/200 bbls 2% KCL wtr. SWI overnight let ac soak. RDMO

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 July 20, 2010

|   |                                     |  |
|---|-------------------------------------|--|
| <b>NAME (PLEASE PRINT)</b><br>Barbara Nicol | <b>PHONE NUMBER</b><br>505 333-3642 | <b>TITLE</b><br>Regulatory Compliance Tech |
| <b>SIGNATURE</b><br>N/A                     | <b>DATE</b><br>7/14/2010            |  |

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 |
|---|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304736776  | LCU 11-3H             |                   | NESW      | 3   | 11S | 20E                              | UINTAH |
| Action Code   | Current Entity Number | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| C   | 16104                 | 14619 ✓           | 5/29/2007 |     |     | <del>12/1/2006</del> 2007        |        |
| Comments: MVRD = WSMVD <span style="float: right;">— 8/24/10</span> |                       |                   |           |     |     |                                  |        |

Well 2

| API Number   | Well Name             |                   | QQ        | Sec | Twp | Rng                              | County |
|--|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304736779   | LCU 5-2H              |                   | NESW      | 2   | 11S | 20E                              | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| C  | 16423                 | 14619 ✓           | 9/30/2007 |     |     | <del>12/1/2006</del> 4/24/2008   |        |
| Comments: MVRD = WSMVD <span style="float: right;">BHL = SWNW — 8/24/10</span> |                       |                   |           |     |     |                                  |        |

Well 3

| API Number   | Well Name             |                   | QQ        | Sec | Twp | Rng                              | County |
|--|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304736780   | LCU 11-2H             |                   | NESW      | 2   | 11S | 20E                              | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| C  | 16426                 | 14619 ✓           | 9/29/2007 |     |     | <del>12/1/2006</del> 4/23/2008   |        |
| Comments: MVRD = WSMVD <span style="float: right;">BHL = NESW — 8/24/10</span> |                       |                   |           |     |     |                                  |        |

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