

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

FORM 3

AMENDED REPORT   
(highlight changes)

|  |  |   |                                 |   |                       |
|--|--|---|---------------------------------|---|-----------------------|
| <b>APPLICATION FOR PERMIT TO DRILL</b>   |  |   |                                 | 5. MINERAL LEASE NO:<br>U-10166                                       | 6. SURFACE:<br>Indian |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>   |  |   |                                 | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>Ute Indian Tribe             |                       |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> |  |   |                                 | 8. UNIT or CA AGREEMENT NAME:<br>N/A                                  |                       |
| 2. NAME OF OPERATOR:<br>Miller, Dyer & Co., LLC  |  |   |                                 | 9. WELL NAME and NUMBER:<br>Flat Rock 3-29-14-20                      |                       |
| 3. ADDRESS OF OPERATOR:<br>475 17th St Suite 1200 CITY Denver STATE CO ZIP 80202   |  |   | PHONE NUMBER:<br>(303) 292-0949 | 10. FIELD AND POOL, OR WILDCAT:<br>Flat Rock 600                      |                       |
| 4. LOCATION OF WELL (FOOTAGES)<br>AT SURFACE: 881 FNL 2123 FWL<br>AT PROPOSED PRODUCING ZONE: SAME   |  |   |                                 | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:<br>NENW 29 14S 20E S |                       |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:<br>See Topo Map "A" (Attached)   |  |   |                                 | 12. COUNTY:<br>Uintah   | 13. STATE:<br>UTAH    |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)<br>881   |  | 16. NUMBER OF ACRES IN LEASE:<br>1280             |                                 | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL:<br>40                      |                       |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)<br>1800  |  | 19. PROPOSED DEPTH:<br>12,350                     |                                 | 20. BOND DESCRIPTION:<br>RLB0008085                                   |                       |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):<br>7409 GR   |  | 22. APPROXIMATE DATE WORK WILL START:<br>9/1/2005 |                                 | 23. ESTIMATED DURATION:<br>1 Month                                    |                       |

24. **PROPOSED CASING AND CEMENTING PROGRAM**

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT      |
|--------------|---|---------------|--|
| 12-1/4"      | 9-5/8" K-55 36#                         | 1,500         | Class G & Prem Lite 422 sacks 2.28 & 1.17 12 & 15.8  |
| 7-7/8"       | 5-1/2" N-80 17#                         | 12,350        | Class G & Prem Lite 1447 sacks 2.28 & 1.17 12 & 15.8 |
|              |   |               |  |
|              |   |               |  |
|              |   |               |  |
|              |   |               |  |
|              |   |               |  |
|              |   |               |  |

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Jeff Lang TITLE Vice President of Operations  
SIGNATURE [Signature] DATE 6/22/05

(This space for State use only)

API NUMBER ASSIGNED: 43-047-36745

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

Date: 07/06/05  
By: [Signature]

**RECEIVED  
JUN 21 2005**

DIV. OF OIL, GAS & MINING

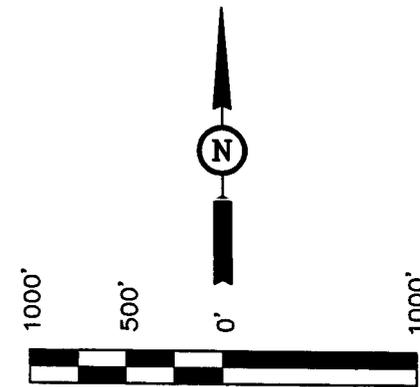
# T14S, R20E, S.L.B.&M.

MILLER, DYER & CO. LLC.

Well location, FLAT ROCK #3-29-14-20, located as shown in the NE 1/4 NW 1/4 of Section 29, T14S, R20E, S.L.B.&M. Uintah County, Utah.

## BASIS OF ELEVATION

BENCH MARK (59WF) LOCATED IN THE NW 1/4 OF SECTION 10, T15S, R20E, S.L.B.&M. TAKEN FROM THE FLAT ROCK MESA QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7449 FEET.

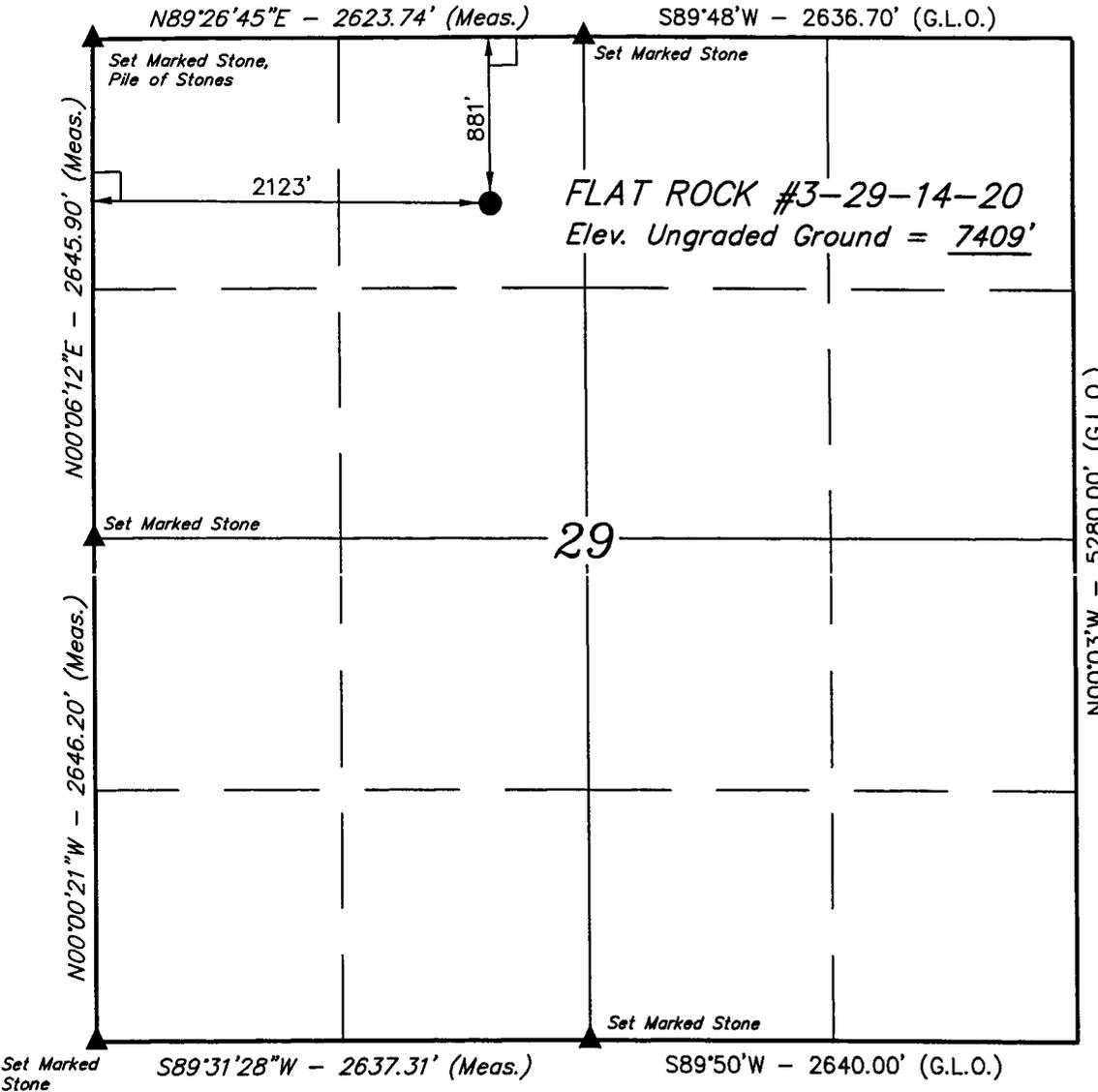


SCALE

## 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

*John G. Gray*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH



## BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.  
 (AUTONOMOUS NAD 83)  
 LATITUDE = 39°34'30.60" (39.575167)  
 LONGITUDE = 109°42'13.54" (109.703761)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 39°34'30.73" (39.575203)  
 LONGITUDE = 109°42'11.05" (109.703069)

## LEGEND:

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

UNTAH ENGINEERING & LAND SURVEYING  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (801) 789-1017

|                         |                                 |                         |
|-------------------------|---------------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>05-11-05      | DATE DRAWN:<br>05-17-05 |
| PARTY<br>J.F. Z.G. C.G. | REFERENCES<br>G.L.O. PLAT       |                         |
| WEATHER<br>WARM         | FILE<br>MILLER, DYER & CO. LLC. |                         |

**DRILLING PLAN  
MILLER, DYER & CO. LLC**

**Flat Rock #3-29-14-20  
NENW Section 29 T14S-R20E**

1.

| <u>Estimated Formation Tops:</u> | <u>MD</u> |  |
|----------------------------------|-----------|--|
| Green River                      | Surface   |  |
| Wasatch                          | 2,345'    | Oil and/or gas<br>anticipated > 3,000' |
| Mesaverde                        | 4,500'    | Gas                                    |
| Castlegate Sandstone             | 6,338'    | Gas                                    |
| Mancos Shale                     | 6,622'    | Gas                                    |
| Dakota Sandstone                 | 10,561'   | Gas                                    |
| Cedar Mountain                   | 10,624'   | Gas                                    |
| Morrison                         | 10,850'   | Gas                                    |
| Curtis                           | 11,377'   | Gas                                    |
| Entrada Sandstone                | 11,560'   | Gas                                    |
| Carmel                           | 11,560'   | Gas                                    |
| Wingate                          | 11,895'   | Gas                                    |
| Chinle                           | 12,250'   | Gas                                    |
| TD                               | 12,350'   |  |

2. Miller, Dyer & Co. LLC's Minimum Specification for Pressure Control Equipment and Testing:
- a. 5,000 PSI WP Double Gate Blowout Preventer with Annular Preventer (schematic diagram attached)
  - b. BOPE will be pressure tested upon installation, whenever a seal subject to test pressure is broken or repairs are made; and at least once a every 30 days. Chart recorders shall be used for all pressure tests. Ram-type preventers and related pressure control equipment will be pressure tested to the rated working pressure of the stack assembly if a test plug is used. If a test plug is not used, the stack assembly will be tested to the rated working pressure of the stack assembly or to 70% of the minimum internal yield pressure of the casing, whichever is less. Annular-type preventers will be pressure tested to 50% of rated working pressure.
  - c. All casing strings will be pressure tested to 0.22 psi/ft or 1,500 psi, whichever is greater, prior to drilling plug after cementing. Test pressure not to exceed 70% of the internal yield pressure for the casing.
  - d. Miller Dyer will comply with all requirements for well control specified in BLM Onshore Order #2.

3. Auxiliary Equipment:
  - a. Kelly cock – Yes
  - b. Float sub at bit – No
  - c. Mud logger & instrumentation – Yes
  - d. Full-opening safety valve on rig floor – Yes
  - e. Rotating head – No

4. Casing Program:

|            | Setting Depth    | Hole Size | Casing O.D. | Grade     | Weight/Ft.      |
|------------|------------------|-----------|-------------|-----------|-----------------|
| Conductor  | 40'              | 20"       | 16"         | Contactor | 0.250" wall     |
| Surface    | 1,500'           | 12-1/4"   | 9-5/8"      | K-55      | 36.00#<br>(new) |
| Production | 0'-12,350'<br>MD | 7-7/8"    | 5-1/2"      | N-80      | 17# (new)       |

- Subject to review on the basis of actual conditions encountered. Production casing depth will be adjusted based on results.

5. Cement Program:

**Conductor: 0'-40'**  
Ready Mix to surface

**Surface Casing: 0'-1,500'**

Hole Size: 12-1/4"  
Casing Size: 9-5/8", 36#  
Setting Depth (ft): 1500  
Float Collar Depth (ft): 1460  
Casing Volume (ft3/ft): 0.4340  
Casing Volume (bbl/ft): 0.0773  
Annular Volume (ft3/ft): 0.3132

**Lead Slurry:**  
Top Depth: 0  
Bottom Depth: 1000  
Cement Weight (ppg): 12.0  
Cement Yield (ft3/sk): 2.28  
Excess (%): 50  
Total Sacks: 206.1

**Tail Slurry (Annular):**  
Top Depth: 1000  
Bottom Depth: 1500  
Cement Weight (ppg): 15.8  
Cement Yield (ft3/sk): 1.17  
Excess (%): 50  
Total Sacks: 200.8

**Tail Slurry (Float Shoe):**  
Top Depth: 1460  
Bottom Depth: 1500  
Cement Weight (ppg): 15.8  
Cement Yield (ft3/sk): 1.17  
Excess (%): 0  
Total Sacks: 14.8

Displacement (bbls): 112.9

**Type of Cement**

Premium Lite Cement + 2% bwoc  
Calcium Shloride + 0.25% bwoc Cello Flake + 1  
gals/100 sack FP-6L + 8% bwoc Bentonite +  
0.2% bwoc Sodium Metasilicate + 124.5% Fresh  
Water

**Type of Cement**

Class G Cement + 2% bwoc Calcium  
Chloride + 0.25 lbs/sack Cello Flake + 44.3%  
Fresh Water

**Type of Cement**

Class G Cement + 2% bwoc Calcium  
Chloride + 0.25 lbs/sack Cello Flake + 44.3%  
Fresh Water

## Production Casing: 0'-12,350' (MD) Stage 1

Hole Size: 7-7/8"  
Casing Size: 5-1/2", 17#  
Setting Depth (ft): 12350  
Float Collar Depth (ft): 12310  
Casing Volume (ft3/ft): 0.1305  
Casing Volume (bbl/ft): 0.0232  
Annular Volume (ft3/ft): 0.1733

### Stage 1:

#### Lead Slurry (Annular):

Top Depth: 7000  
Bottom Depth: 10000  
Cement Weight (ppg): 12.0  
Cement Yield (ft3/sk): 2.28  
Excess (%): 15  
Total Sacks: 262.2

#### Type of Cement

Premium Lite Cement + 2% bwoc  
Calcium Shloride + 0.25% bwoc Cello Flake + 1  
gals/100 sack FP-6L + 8% bwoc Bentonite +  
0.2% bwoc Sodium Metasilicate + 124.5% Fresh  
Water

#### Tail Slurry (Annular):

Top Depth: 10000  
Bottom Depth: 12350  
Cement Weight (ppg): 15.8  
Cement Yield (ft3/sk): 1.17  
Excess (%): 15  
Total Sacks: 400.3

#### Type of Cement

Class G Cement + 2% bwoc Calcium  
Chloride + 0.25 lbs/sack Cello Flake + 44.3%  
Fresh Water

#### Tail Slurry (Float Shoe):

Top Depth: 12310  
Bottom Depth: 12350  
Cement Weight (ppg): 15.8  
Cement Yield (ft3/sk): 1.17  
Excess (%): 0  
Total Sacks: 4.5

#### Type of Cement

Class G Cement + 2% bwoc Calcium  
Chloride + 0.25 lbs/sack Cello Flake + 44.3%  
Fresh Water

Displacement (bbls): 285.6

## Production Casing: 0'-12,350' (MD) Stage 2

|                          |                                |
|--------------------------|--------------------------------|
| Hole Size:               | 7-7/8"                         |
| Casing Size:             | 5-1/2", 17 #                   |
| Setting Depth (ft):      | 12350                          |
| DV Tool Depth (ft):      | 7000                           |
| Casing Volume (ft3/ft):  | 0.1305                         |
| Casing Volume (bbl/ft):  | 0.0232                         |
| Annular Volume (ft3/ft): | 0.1733                         |
| Annular Volume (ft3/ft): | 0.2691 (inside surface casing) |

### Stage 2:

#### Lead Slurry (Inside Surface Casing):

|                        |       | <u>Type of Cement</u>                         |
|------------------------|-------|---|
| Top Depth:             | 0     | Premium Lite Cement + 2% bwoc                 |
| Bottom Depth:          | 1500  | Calcium Shloride + 0.25% bwoc Cello Flake + 1 |
| Cement Weight (ppg):   | 12.0  | gals/100 sack FP-6L + 8% bwoc Bentonite +     |
| Cement Yield (ft3/sk): | 2.28  | 0.2% bwoc Sodium Metasilicate + 124.5% Fresh  |
| Excess (%):            | 0     | Water   |
| Total Sacks:           | 177.0 |   |

#### Lead Slurry (Annular):

|                        |       | <u>Type of Cement</u>                        |
|------------------------|-------|--|
| Top Depth:             | 1500  | Class G Cement + 2% bwoc Calcium             |
| Bottom Depth:          | 4000  | Chloride + 0.25 lbs/sack Cello Flake + 44.3% |
| Cement Weight (ppg):   | 12.0  | Fresh Water                                  |
| Cement Yield (ft3/sk): | 2.28  |  |
| Excess (%):            | 15    |  |
| Total Sacks:           | 218.5 |  |

#### Tail Slurry:

|                        |       | <u>Type of Cement</u>                        |
|------------------------|-------|--|
| Top Depth:             | 4000  | Class G Cement + 2% bwoc Calcium             |
| Bottom Depth:          | 7000  | Chloride + 0.25 lbs/sack Cello Flake + 44.3% |
| Cement Weight (ppg):   | 15.8  | Fresh Water                                  |
| Cement Yield (ft3/sk): | 1.17  |  |
| Excess (%):            | 15    |  |
| Total Sacks:           | 384.8 |  |

Displacement (bbls): 162.4

Actual cement volumes will be based on caliper log calculations and drilling experience.

6. Testing, Logging, Coring:
  - a. Drill stem tests – non anticipated
  - b. Electric logs - DIL/SP/GR, FDC/CNL/CAL/PE/GR, BHC sonic/GR all from TD to surface
  - c. Coring – possible sidewall coring in the Dakota, Cedar Mountain, Morrison and Entrada.
  
7. Drilling Fluids:
  - a. Surface hole will be drilled with air and produced water saved in pit for mud drilling.
  - b. Well will be drilled with a low solids non-dispersed mud. In the event of severe lost circulation, the mud may be aerated.

8. **Abnormal Pressures and Hazards:**
  - a. No abnormal pressures or hydrogen sulfide are anticipated based on drilling to similar depths in the Flat Rock Field, approximately .25 miles to the southwest. The Del-Rio/Orion 29-7A produced a 36-hour shut-in pressure of 3,100 psi and a calculated formation pore pressure of approximately 4,000 psi at 11,700'.

**SURFACE USE PLAN  
MILLER, DYER & CO. LLC**

**Flat Rock #3-29-14-20  
NENW Section 29 T14S-R20E**

1. Existing Roads:
  - a. Topographic Map "A" shows the vicinity of the well, including a portion of the Agency Draw Road. This road is reached from Ouray, Utah, by following the Seep Ridge Road south to Buck Canyon; taking the Buck Canyon road west to the Willow Creek Road; then north on the Willow Creek Road to Santio Crossing, which is at the junction of the Willow Creek Road and the Agency Draw Road.
  - b. Topographic Map "B" shows the point approximately 53 miles south of Ouray where the access road to the well departs from the Agency Draw Road 1 mile south of the Flat Rock Mesa Road. Beyond this point the access road consists of 1 mile of existing lease road leading to the Flat Rock #3-29-120 location, and 0.15 mile of new road branching off this road just before it reaches the 3-29-14-20 location.
  
2. Planned Access Road: (refer to Topographic Map "D")
  - a. Length of new road will be approximately 0.15 mile.
  - b. The right-of-way width is 30' (15' on either side of the centerline) with a 20-foot wide running surface.
  - c. Maximum grade will be less than 2%
  - d. No turn-outs are planned.
  - e. The new road will be crowned, ditched and dipped to provide adequate drainage.
  - f. Culverts will be used if necessary.
  - g. No gates or cattle guards will be needed. Nor will any existing facilities be modified.
  - h. The proposed road was flagged when the location was staked.
  - i. The authorized officer will be contacted at least 24 hours in advance of commencement of construction of the access road and well pad.
  
3. Location of Existing Wells:
  - a. The nearest producing well is the Del-Rio/Orion #29-7A, located approximately 1870' southwest of the proposed well location in Section 29-T14S-R20E.
  
4. Location of Existing and/or Proposed Facilities:
  - a. There are no existing facilities on the proposed well pad. All proposed facilities will be contained within the proposed location site (see attached "Location Layout"). Topographic Map "D" shows the proposed route for a gas line, to be co-located in the access road right-of-way, and connected to the Miller, Dyer & Co. LLC gathering system.



8. **Ancillary Facilities:**
  - a. No airstrips will be built. Mobile living quarters and office facilities for supervisors, geologists, mud engineers, mud loggers and air compressor personnel will be confined to the drilling location as shown on the "Location Layout" diagram. The drilling crew will be housed on location.
9. **Well Site Layout:**
  - a. Refer to attached "Typical Cross Section" diagram for cuts and fills and relation to topography.
  - b. Refer to "Location Layout" diagram for location of mud tanks, reserve and flare pits, pipe racks, living facilities and top soil stockpiles.
  - c. Refer to "Location Layout" diagram for rig orientation, access road and parking area. Parking area will be in the northeast corner of the location.
10. **Plans for Restoration of the Surface:**
  - a. **Producing well location**
    - i. Immediately upon well completion the location and surrounding area will be cleared of all tubing, equipment, debris, materials, trash and junk not required for production.
    - ii. Immediately upon well completion any hydrocarbons on the reserve pit will be removed and disposed of properly.
    - iii. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days of the date of well completion, or as soon thereafter as is practical. Before any dirt work takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc removed. The liner will be perforated and torn prior to backfilling.
    - iv. Access roads will be graded and maintained to prevent erosion and accommodate year-round traffic.
    - v. All disturbed areas not needed for operations will be seeded with the mixture required by the BIA in the manner specified by the BIA.
  - b. **Dry Hole/Abandoned Location**
    - i. At such time as it is determined that the well is to be plugged and abandoned, the operator will submit a subsequent report of abandonment to the BLM and the BIA. The BLM will attach plugging conditions of approval, and the BIA will attach conditions of approval for the restoration of the surface.
11. **Surface Ownership:**
  - a. Access roads and location are held in trust for the Ute Indian Tribe by the United States. The operator has obtained a right-of-way with the BIA and submitted payment for damages as specified in its Exploration and Development Agreement with the Ute Indian Tribe.
12. **Additional Information:**

- a. The operator will inform all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and will inform the assigned monitor and the authorized officer (AO) at the BIA. Within five working days the AO will inform the operator as to:
  - i. Whether the materials appear to be eligible for the National Register of Historic Places;
  - ii. The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
  - iii. A time frame for the AO to complete an expedited review under 36 CFR 900.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.
- b. If the operator wishes at any time to relocate activities to avoid the cost of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will be allowed to resume construction.
- c. At the request of the Ute Indian Tribe, a 30'-wide fire break will be bladed around the perimeter of the location.

13. Lessee's or Operator's Representative and Certification:

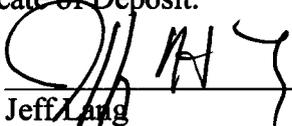
- a. Jeff Lang, Vice President of Operations  
Miller, Dyer & Co. LLC  
475 17<sup>th</sup> Street, Suite 1200  
Denver, CO 80202  
Office: 303 292 0949 Ext 102  
FAX: 303 292 3901  
Cell: 303 503 3730  
Email: [jeff@millerdyer.com](mailto:jeff@millerdyer.com)

I hereby certify that I have inspected the proposed drill site and access road; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Miller, Dyer & Co. LLC, and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that Miller, Dyer & Co. LLC is considered to be the operator of the Flat Rock #3-29-14-20 well; NENW of Section 29, T14S-R20E and all producing zones;

Uintah County, Utah; and is responsible for the operations conducted upon the leased lands. Bond coverage is provided by Certificate of Deposit.

6/22/05  
Date

  
\_\_\_\_\_  
Jeff Lang  
Vice President of Operations

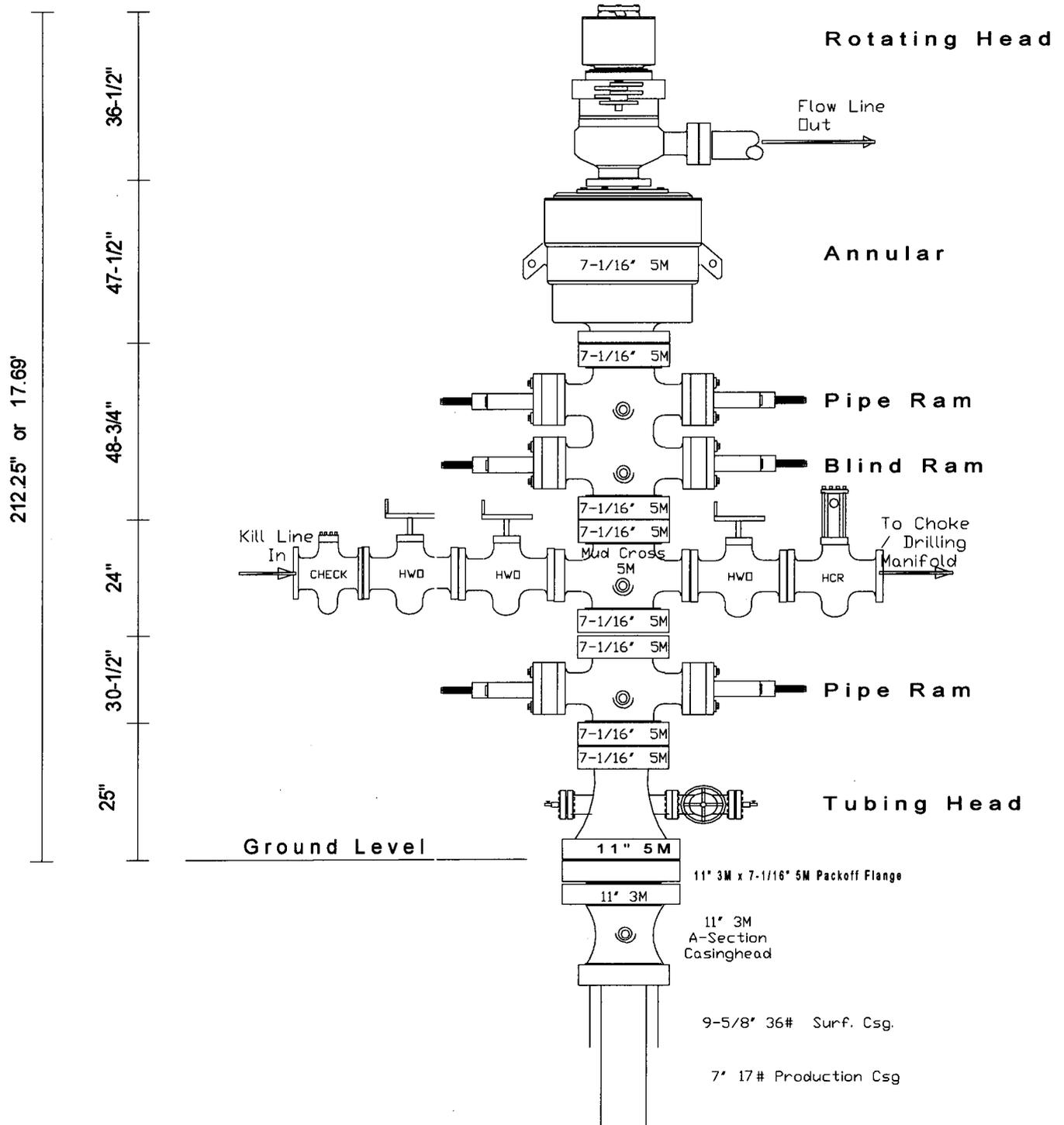
The onsite inspection for this well was conducted on \_\_\_\_\_, 2005

Participants in the onsite inspection were:

Robert Kay, Uintah Engineering & Land Surveying  
John E. Dyer, Miller, Dyer & Co. LLC

- \_\_\_\_\_ Ute Indian Tribe
- \_\_\_\_\_ Ute Indian Tribe
- \_\_\_\_\_ (contractor....)
- \_\_\_\_\_ BIA rep
- \_\_\_\_\_ State of Utah rep

# FLAT ROCK #3-29-14-20 Typical BOP Stack Configuration





Diverting Works: Water truck pump from creek

Source: Willow Creek

Stream Alt Required?: No

-----  
PLACE OF USE OF WATER RIGHT\*\*\*\*\*

|                      | NORTH-WEST¼ | NORTH-EAST¼ | SOUTH-WEST¼ | SOUTH-EAST¼ |
|----------------------|-------------|-------------|-------------|-------------|
|                      | NW NE SW SE |
| ALL T 14S R 20E SLBM | *           |             |             |             |

-----  
USES OF WATER RIGHT\*\*\*\*\*

-----  
WATER RIGHT CLAIMS IN COMMON: 1667

.....  
###OIL EXPLORATION Drilling and completion of oil/gas wells on Flat Rock Mesa PER:

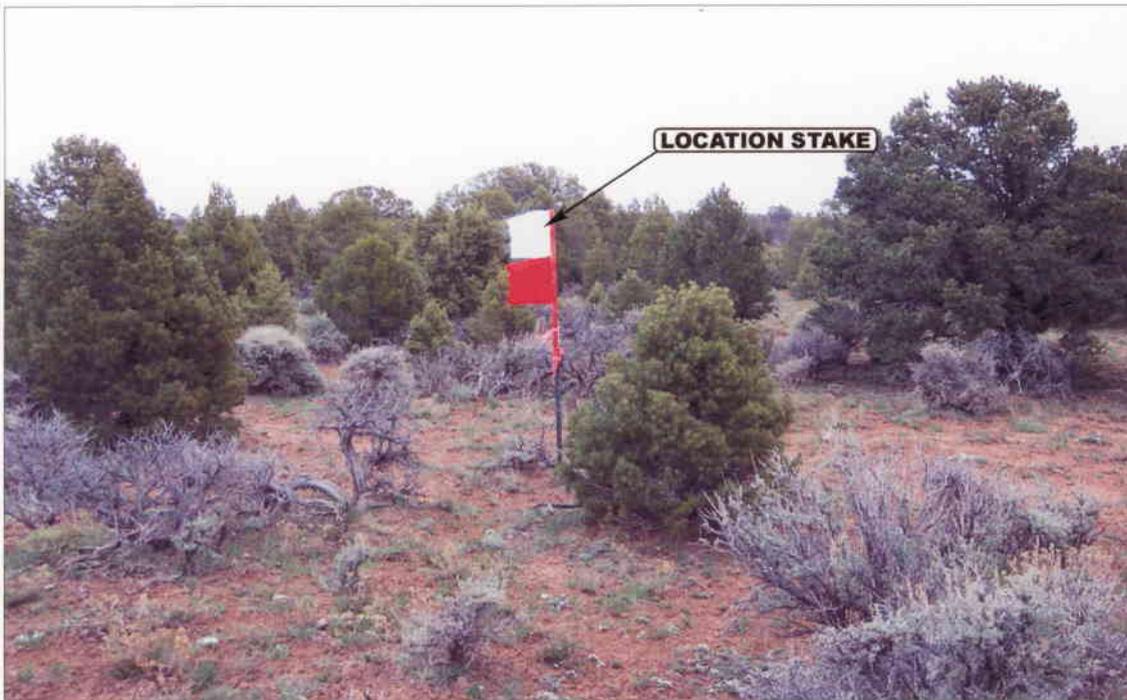
-----  
OTHER COMMENTS\*\*\*\*\*

Point of diversion is on BLM land. Permission is being obtained.

\*\*\*\*\*  
\*\*\*\*\*E N D O F D A T A\*\*\*\*\*  
\*\*\*\*\*

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

**MILLER, DYER & CO. LLC**  
**FLAT ROCK #3-29-14-20**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 29, T14S, 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: NORTHEASTERLY**



- Since 1964 -

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

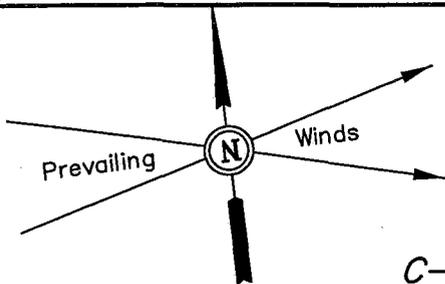
|                        |                |                   |           |           |           |              |
|------------------------|----------------|-------------------|-----------|-----------|-----------|--------------|
| <b>LOCATION PHOTOS</b> |                |                   | <b>05</b> | <b>13</b> | <b>05</b> | <b>PHOTO</b> |
|                        |                |                   | MONTH     | DAY       | YEAR      |              |
| TAKEN BY: J.F.         | DRAWN BY: C.P. | REVISED: 00-00-00 |           |           |           |              |

MILLER, DYER & CO. E.L.C.

LOCATION LAYOUT FOR

FLAT ROCK #3-29-14-20  
SECTION 29, T14S, R20E, S.L.B.&M.

881' FNL 2123' FWL



SCALE: 1" = 50'  
DATE: 05-17-05  
DRAWN BY: C.G.

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

C-1.1'  
El. 409.2'

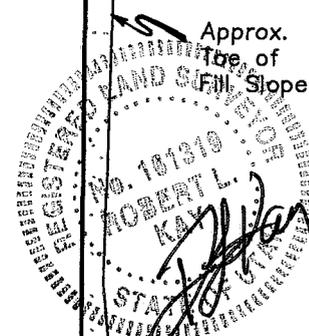
Proposed Access Road

F-6.3'  
El. 401.8'

Sta. 3+60

F-0.9'  
El. 407.2'

Round Corners as Needed



Approx. Top of Fill Slope

C-14.5'  
El. 412.6'  
(Btm. Pit)

Flare Pit

C-1.0'  
El. 409.1'

C-1.2'  
El. 409.3'

Sta. 1+75

F-2.5'  
El. 405.6'

Reserve Pit Backfill & Spoils Stockpile

10' WIDE BENCH

RESERVE PITS (10' Deep)

Sta. 0+85

1 1/2:1 Slope

C-15.1'  
El. 413.2'  
(Btm. Pit)

C-3.9'  
El. 412.0'

C-5.0'  
El. 413.1'

Sta. 0+00

C-5.5'  
El. 413.6'

Approx. Top of Cut Slope

F-0.3'  
El. 407.8'

Total Pit Capacity  
W/2' of Freeboard  
= 8,390 Bbls. ±  
Total Pit Volume  
= 2,330 Cu. Yds.

Elev. Ungraded Ground at Location Stake = 7409.3'

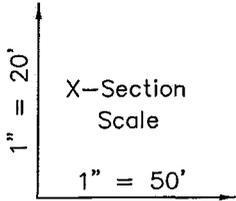
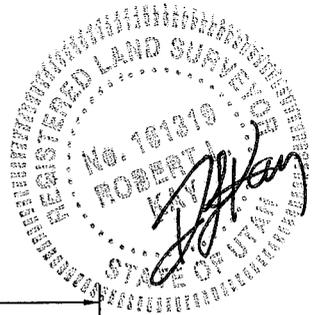
Elev. Graded Ground at Location Stake = 7408.1'

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

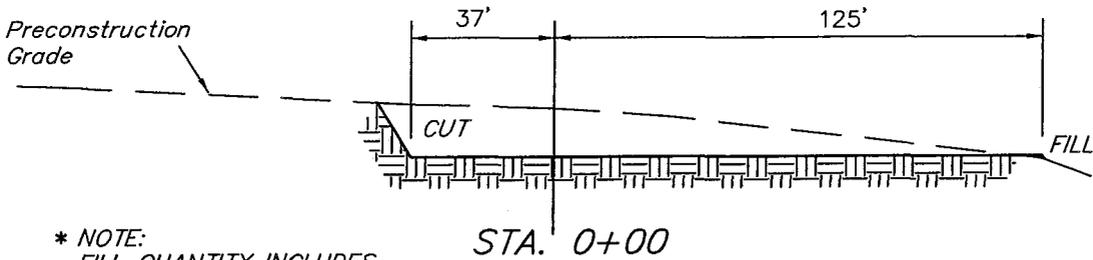
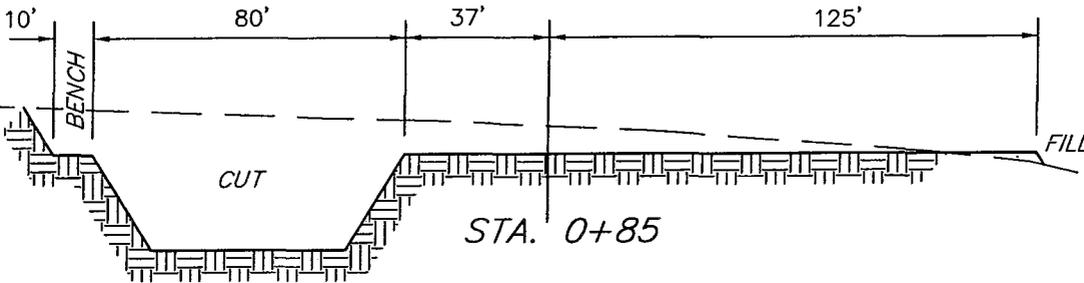
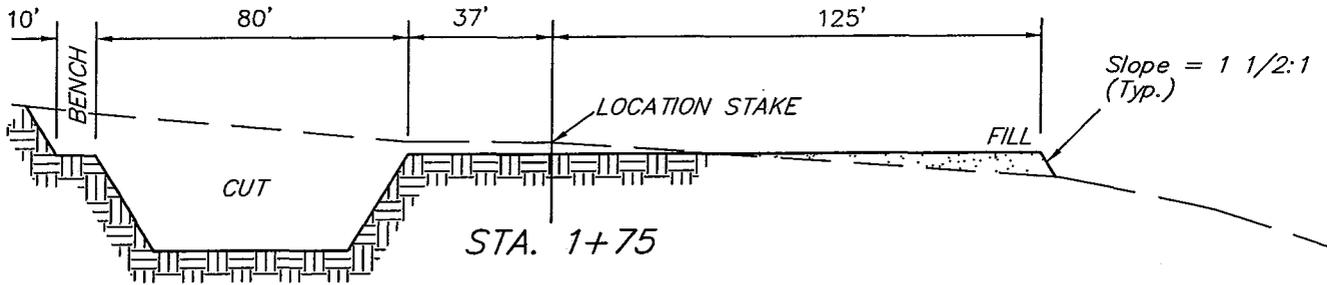
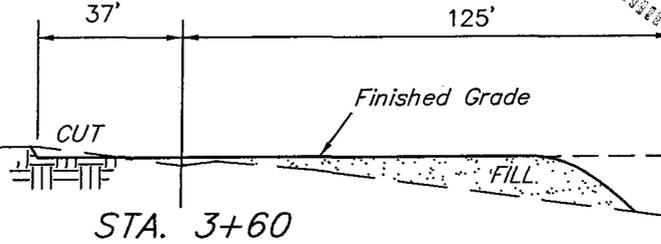
MILLER, DYER & CO. LLC.

TYPICAL CROSS SECTIONS FOR

FLAT ROCK #3-29-14-20  
SECTION 29, T14S, R20E, S.L.B.&M.  
881' FNL 2123' FWL



DATE: 05-17-05  
DRAWN BY: C.G.



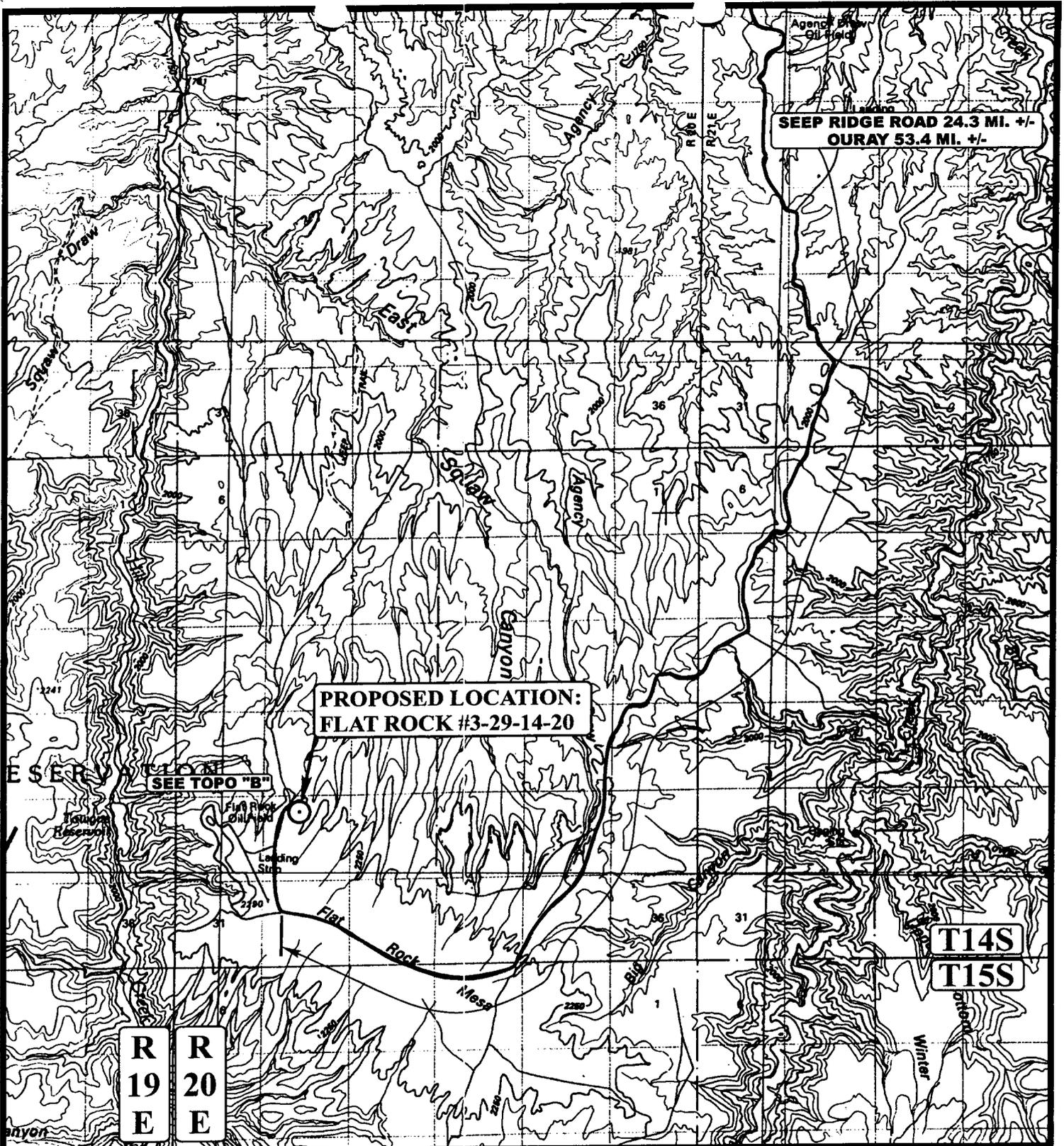
\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

|                         |                        |
|-------------------------|------------------------|
| CUT                     |                        |
| (12") Topsoil Stripping | = 2,910 Cu. Yds.       |
| Remaining Location      | = 4,740 Cu. Yds.       |
| <b>TOTAL CUT</b>        | <b>= 7,650 CU.YDS.</b> |
| <b>FILL</b>             | <b>= 3,580 CU.YDS.</b> |

|  |                  |
|--|------------------|
| EXCESS MATERIAL                            | = 4,070 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)   | = 4,070 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Rehabilitation) | = 0 Cu. Yds.     |

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



**PROPOSED LOCATION:  
FLAT ROCK #3-29-14-20**

**SEEP RIDGE ROAD 24.3 MI. +/-  
OURAY 53.4 MI. +/-**

**SEE TOPO "B"**

**R 19 E  
R 20 E**

**T14S  
T15S**

**LEGEND:**

○ PROPOSED LOCATION



**MILLER, DYER & CO. LLC**

**FLAT ROCK #3-29-14-20  
SECTION 29, T14S, R20E, S.L.B.&M.  
NE 1/4 NW 1/4**



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

**TOPOGRAPHIC** 05 13 05  
**MAP** MONTH DAY YEAR

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



R 19  
E

R 20  
E

**PROPOSED LOCATION:  
FLAT ROCK #3-29-14-20**

**PROPOSED ACCESS 0.15 MI. +/-**

**EXISTING 2-TRACK NEEDS  
UPGRADED 0.3 MI. +/-**

**#29-7A  
0.1 MI. +/-**

**0.8 MI. +/-**

**SEEP RIDGE ROAD 24.3 MI. +/-  
OURAY 53.4 MI. +/-**

**T14S  
T15S**

**LEGEND:**

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



**MILLER, DYER & CO. LLC**

**FLAT ROCK #3-29-14-20  
SECTION 29, T14S, R20E, S.L.B.&M.  
NE 1/4 NW 1/4**



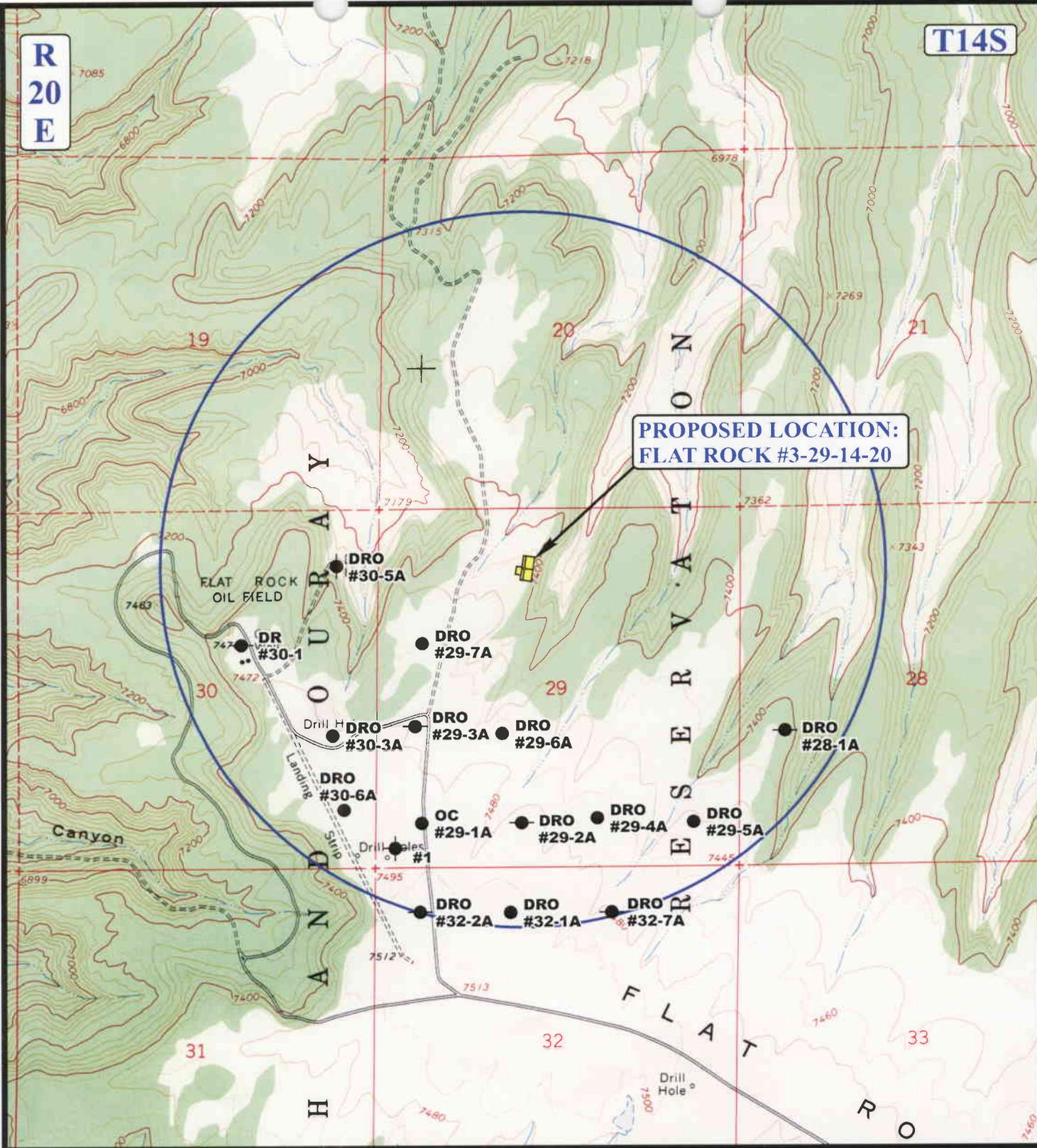
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP** 05 13 05  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00



R  
20  
E

T14S



**PROPOSED LOCATION:  
FLAT ROCK #3-29-14-20**

**LEGEND:**

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

**MILLER, DYER & CO. LLC**

**FLAT ROCK #3-29-14-20  
SECTION 29, T14S, R20E, S.L.B.&M.  
NE 1/4 NW 1/4**



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

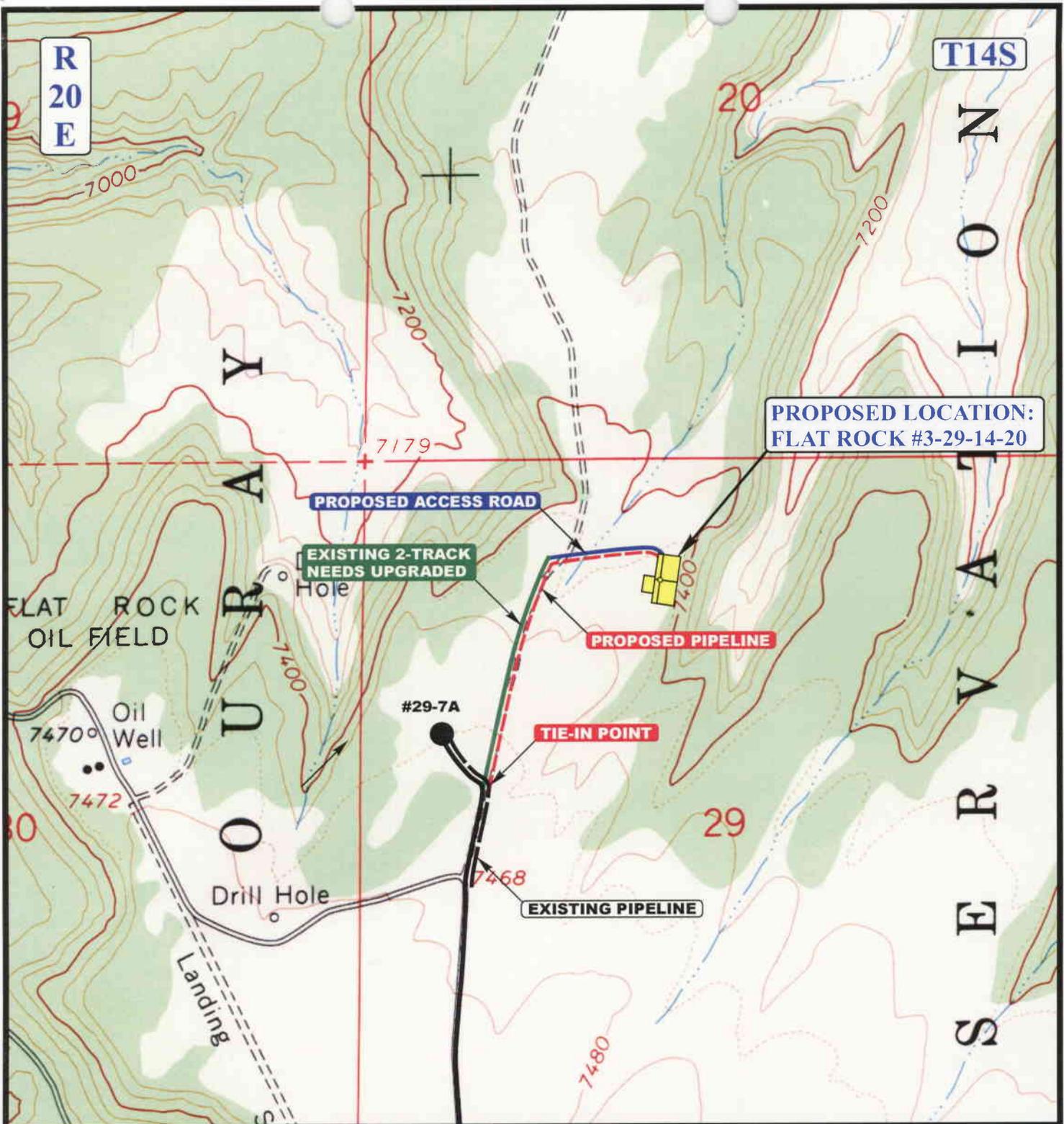


**TOPOGRAPHIC  
MAP**

**05 13 05**  
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 2,513' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- - - - - EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

**MILLER, DYER & CO. LLC**

FLAT ROCK #3-29-14-20  
SECTION 29, T14S, R20E, S.L.B.&M.  
NE 1/4 NW 1/4



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



TOPOGRAPHIC MAP 05 13 05  
MONTH DAY YEAR

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



MILLER, DYER & CO. LLC  
FLAT ROCK #3-29-14-20  
SURFACE USE AREA & CORRIDOR RIGHT-OF-WAY  
SECTION 29, T14S, R20E, S.L.B.&M.

TOTAL CORRIDOR RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 2508.37' OR 0.475 MILES. WIDTH OF RIGHT-OF-WAY IS 30' (15' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 1.728 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH )  
COUNTY OF UTAH ) SS

ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR MILLER, DYER & CO. LLC, THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION): THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE SURFACE USE AREA AND CORRIDOR RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES; AND THAT SAID RIGHT-OF-WAY, 0.475 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.

*Robert L. Kay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 21 DAY OF June 2005.

MY COMMISSION EXPIRES Aug 17, 2006

*Tracy U. Benline*  
NOTARY PUBLIC  
VERNAL, UTAH

NOTARY PUBLIC  
TRACY U. BENLINE  
600 East 8000 South  
Vernal, Utah 84058  
My Commission Expires  
August 17, 2006  
State of Utah

APPLICANT'S CERTIFICATE

I, JEFF LANG, DO HEREBY CERTIFY THAT I AM THE AGENT FOR MILLER, DYER & CO. LLC, HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS SURFACE USE AREA AND CORRIDOR RIGHT-OF-WAY, 0.475 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 25+08.37, THAT SAID SURFACE USE AREA AND CORRIDOR RIGHT-OF-WAY ARE ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.

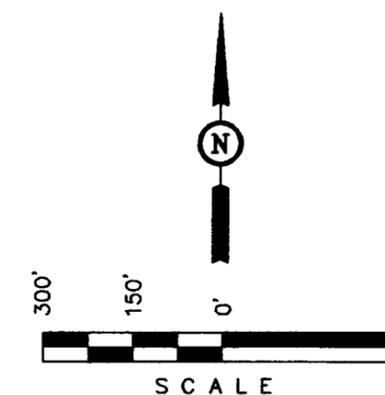
*Jeff Lang*  
APPLICANT  
6/22/05  
TITLE

MILLER, DYER & CO. LLC

# LOCATION SURFACE USE AREA & CORRIDOR RIGHT-OF-WAY ON UTE TRIBAL LANDS

(For FLAT ROCK #3-29-14-20)

LOCATED IN SECTION 29, T14S, R20E, S.L.B.&M. UTAH COUNTY, UTAH



## SURFACE USE AREA DESCRIPTION

BEGINNING AT A POINT IN THE NE 1/4 NW 1/4 OF SECTION 29, T14S, R20E, S.L.B.&M. WHICH BEARS S37°03'34"W 843.37' FROM THE NORTH 1/4 CORNER OF SAID SECTION 29, THENCE S81°59'59"E 185.70'; THENCE S08°00'01"W 410.00'; THENCE N81°59'59"W 292.00'; THENCE N08°00'01"E 410.00'; THENCE S81°59'59"E 106.30' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 2.748 ACRES MORE OR LESS.

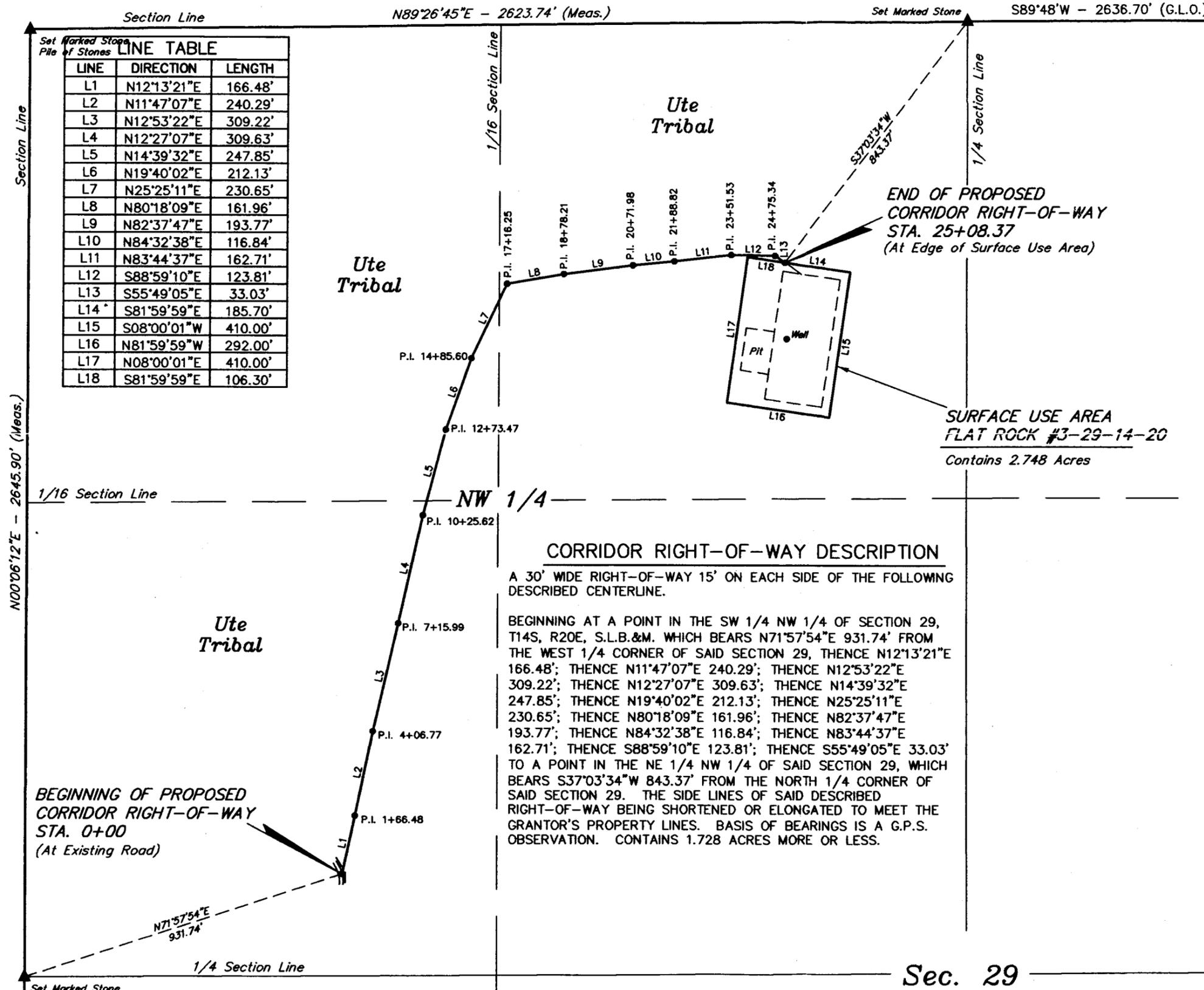
## CERTIFICATE

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 D. Miller*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

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

|                         |                           |
|-------------------------|---------------------------|
| SCALE<br>1" = 300'      | DATE<br>05-17-05          |
| PARTY<br>J.F. Z.G. C.G. | REFERENCES<br>G.L.O. PLAT |
| WEATHER<br>WARM         | FILE<br>4 3 9 1 3         |



Set Marked Stone  
Pile of Stones

| LINE | DIRECTION   | LENGTH  |
|------|-------------|---------|
| L1   | N12°13'21"E | 166.48' |
| L2   | N11°47'07"E | 240.29' |
| L3   | N12°53'22"E | 309.22' |
| L4   | N12°27'07"E | 309.63' |
| L5   | N14°39'32"E | 247.85' |
| L6   | N19°40'02"E | 212.13' |
| L7   | N25°25'11"E | 230.65' |
| L8   | N80°18'09"E | 161.96' |
| L9   | N82°37'47"E | 193.77' |
| L10  | N84°32'38"E | 116.84' |
| L11  | N83°44'37"E | 162.71' |
| L12  | S88°59'10"E | 123.81' |
| L13  | S55°49'05"E | 33.03'  |
| L14  | S81°59'59"E | 185.70' |
| L15  | S08°00'01"W | 410.00' |
| L16  | N81°59'59"W | 292.00' |
| L17  | N08°00'01"E | 410.00' |
| L18  | S81°59'59"E | 106.30' |

## CORRIDOR RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 NW 1/4 OF SECTION 29, T14S, R20E, S.L.B.&M. WHICH BEARS N71°57'54"E 931.74' FROM THE WEST 1/4 CORNER OF SAID SECTION 29, THENCE N12°13'21"E 166.48'; THENCE N11°47'07"E 240.29'; THENCE N12°53'22"E 309.22'; THENCE N12°27'07"E 309.63'; THENCE N14°39'32"E 247.85'; THENCE N19°40'02"E 212.13'; THENCE N25°25'11"E 230.65'; THENCE N80°18'09"E 161.96'; THENCE N82°37'47"E 193.77'; THENCE N84°32'38"E 116.84'; THENCE N83°44'37"E 162.71'; THENCE S88°59'10"E 123.81'; THENCE S55°49'05"E 33.03' TO A POINT IN THE NE 1/4 NW 1/4 OF SAID SECTION 29, WHICH BEARS S37°03'34"W 843.37' FROM THE NORTH 1/4 CORNER OF SAID SECTION 29. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 1.728 ACRES MORE OR LESS.

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

▲ = SECTION CORNERS LOCATED.

Sec. 29

N00°06'12"E - 2645.90' (Meas.)

N89°26'45"E - 2623.74' (Meas.)

S89°48'W - 2636.70' (G.L.O.)

1/16 Section Line

1/16 Section Line

1/4 Section Line

Ute Tribal

Ute Tribal

Ute Tribal

NW 1/4

## CORRIDOR RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 NW 1/4 OF SECTION 29, T14S, R20E, S.L.B.&M. WHICH BEARS N71°57'54"E 931.74' FROM THE WEST 1/4 CORNER OF SAID SECTION 29, THENCE N12°13'21"E 166.48'; THENCE N11°47'07"E 240.29'; THENCE N12°53'22"E 309.22'; THENCE N12°27'07"E 309.63'; THENCE N14°39'32"E 247.85'; THENCE N19°40'02"E 212.13'; THENCE N25°25'11"E 230.65'; THENCE N80°18'09"E 161.96'; THENCE N82°37'47"E 193.77'; THENCE N84°32'38"E 116.84'; THENCE N83°44'37"E 162.71'; THENCE S88°59'10"E 123.81'; THENCE S55°49'05"E 33.03' TO A POINT IN THE NE 1/4 NW 1/4 OF SAID SECTION 29, WHICH BEARS S37°03'34"W 843.37' FROM THE NORTH 1/4 CORNER OF SAID SECTION 29. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 1.728 ACRES MORE OR LESS.

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

▲ = SECTION CORNERS LOCATED.

Sec. 29

BEGINNING OF PROPOSED CORRIDOR RIGHT-OF-WAY STA. 0+00 (At Existing Road)

END OF PROPOSED CORRIDOR RIGHT-OF-WAY STA. 25+08.37 (At Edge of Surface Use Area)

SURFACE USE AREA FLAT ROCK #3-29-14-20 Contains 2.748 Acres

N71°57'54"E 931.74'

S37°03'34"W 843.37'

P.I. 14+85.60

P.I. 12+73.47

P.I. 10+25.62

P.I. 7+15.99

P.I. 4+06.77

P.I. 1+66.48

P.I. 17+16.25

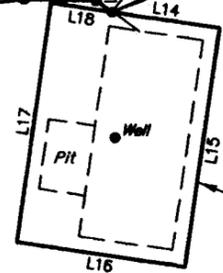
P.I. 18+78.21

P.I. 20+71.98

P.I. 21+88.82

P.I. 23+51.53

P.I. 24+75.34



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/27/2005

API NO. ASSIGNED: 43-047-36795

WELL NAME: FLAT ROCK 3-29-14-20  
 OPERATOR: MILLER, DYER & CO, LLC ( N2580 )  
 CONTACT: JEFF LANG

PHONE NUMBER: 303-292-0949

PROPOSED LOCATION:

NENW 29 140S 200E  
 SURFACE: 0881 FNL 2123 FWL  
 BOTTOM: 0881 FNL 2123 FWL  
 UINTAH  
 FLAT ROCK ( 600 )

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-10166  
 SURFACE OWNER: 2 - Indian  
 PROPOSED FORMATION: WINGT  
 COALBED METHANE WELL? NO

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

LATITUDE: 39.57514  
 LONGITUDE: -109.7030

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. RLB0008085 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-1667 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

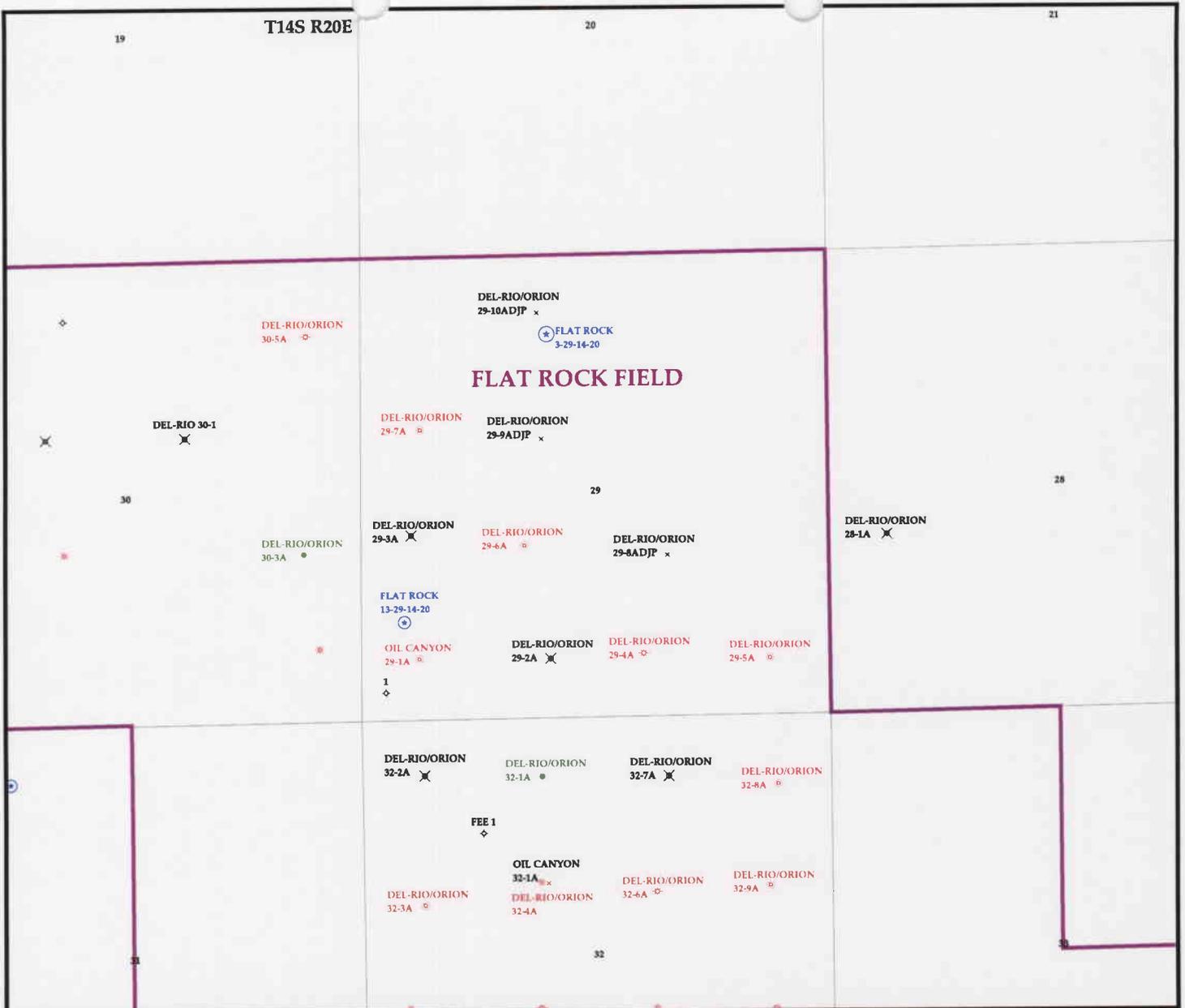
LOCATION AND SITING:

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

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

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

*1- Federal Approval*  
*2- Spacing Strip*



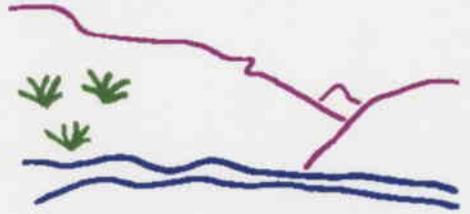
OPERATOR: MILLER,DYER & CO LLC (N2580)

SEC: 29 T. 14S R. 20E

FIELD: FLAT ROCK (600)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

| Wells                 | Units.shp      | Fields.shp   |
|-----------------------|----------------|--------------|
| ◊ GAS INJECTION       | □ EXPLORATORY  | □ ABANDONED  |
| ◊ GAS STORAGE         | □ GAS STORAGE  | □ ACTIVE     |
| × LOCATION ABANDONED  | □ NF PP OIL    | □ COMBINED   |
| ⊕ NEW LOCATION        | □ NF SECONDARY | □ INACTIVE   |
| ◊ PLUGGED & ABANDONED | □ PENDING      | □ PROPOSED   |
| ✱ PRODUCING GAS       | □ PI OIL       | □ STORAGE    |
| ● PRODUCING OIL       | □ PP GAS       | □ TERMINATED |
| ◊ SHUT-IN GAS         | □ PP GEOTHERML |              |
| → SHUT-IN OIL         | □ PP OIL       |              |
| × TEMP. ABANDONED     | □ SECONDARY    |              |
| ◊ TEST WELL           | □ TERMINATED   |              |
| ▲ WATER INJECTION     |                |              |
| ◆ WATER SUPPLY        |                |              |
| ♣ WATER DISPOSAL      |                |              |



PREPARED BY: DIANA WHITNEY  
DATE: 27-JUNE-2005

**MILLER  
DYER & CO. LLC**

475 Seventeenth Street, Suite 1200  
Denver, Colorado 80202  
P: 303-292-0949  
F: 303-292-3901

RECEIVED

JUL 11 2005

DIV. OF OIL, GAS & MINING

July 8, 2005

Via: FAX (801) 359 3940

Ms Diana Whitney  
Division of Oil, Gas and Mining  
**P O Box 145801**  
Salt Lake City, UT 84114-5801

RE: Exception Location to Drill  
**Flat Rock #3-29-14-20**  
Section 29, T14S R20E  
U-10166  
Uintah County, Utah

Dear Ms Whitney:

Miller, Dyer & Co. LLC, as Operator, is proposing to drill and has made application with the Division of Oil, Gas and Mining ("DOGM") for a permit to drill the following well:

**Flat Rock #3-29-14-20**

Location: 2123' FWL, 881' FNL, (NENW) Section 29, T14S R20E, Uintah County, Utah

Lease: U-10166; Record Title Owner – Chicago Energy Associates, LLC

Designated Operator: Miller, Dyer & Co. LLC (Designation on file with DOGM & SITLA)

*Pursuant to Rule R649-3-3, Miller, Dyer & Co. LLC is making application and seeking DOGM's administrative authority to grant an exception to the locating and siting requirements for this well.*

The Flat Rock #3-29-14-20 well is approximately 21' outside of the 200' drilling tolerance from the center of the 40-acre drilling unit designated as the NENW of Section 29. The present location of this well as surveyed and staked allows access the Entrada Formation as observed by our seismic survey.

Chicago Energy Associates, LLC is the owner within a 460-foot radius of the proposed well location and is the owner of directly and diagonally offsetting drilling units of the proposed well location.

Miller-Dyer and Chicago Energy Associates, LLC respectfully requests an administrative approval by the division of an exception location for the well referenced above.

Yours truly,  
MILLER, DYER & CO. LLC



Jeff Lang  
Vice President of Operations



**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*

July 11, 2005

Miller, Dyer & CO., LLC  
475 17th St., Suite 1200  
Denver, CO 80202

Re: Flat Rock 3-29-14-20 Well, 881' FNL, 2123' FWL, NE NW, Sec. 29,  
T. 14 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-36795.

Sincerely,

Gil Hunt  
Acting Associate Director

pab  
Enclosures

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

**Operator:** Miller, Dyer & CO., LLC  
**Well Name & Number** Flat Rock 3-29-14-20  
**API Number:** 43-047-36795  
**Lease:** U-10166

**Location:** NE NW                      **Sec.** 29                      **T.** 14 South                      **R.** 20 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

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

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

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

4006M

RECEIVED

JUN 27 2005

Form 3160-3  
(August 1999)

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
FLM VERNAL, UTAH

APPLICATION FOR PERMIT TO DRILL OR REENTER

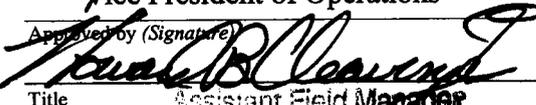
|  |   |  |
|--|---|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |   | 5. Lease Serial No.<br>U-10166   |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone |   | 6. If Indian, Allottee or Tribe Name<br>Ute Indian Tribe                       |
| 2. Name of Operator<br>Miller, Dyer & Co., LLC   |   | 7. If Unit or CA Agreement, Name and No.<br>N/A                                |
| 3a. Address<br>475 17th St. Suite 1200 Denver, CO 80202  | 3b. Phone No. (include area code)<br>303-292-0949   | 8. Lease Name and Well No.<br>Flat Rock 3-29-14-20                             |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface 881 FNL 2123 FWL NENW<br>At proposed prod. zone Same  |   | 9. API Well No.<br>43-047-316795   |
| 14. Distance in miles and direction from nearest town or post office*<br>See Topo Map "A" (Attached)   |   | 10. Field and Pool, or Exploratory<br>Flat Rock                                |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>881'  | 16. No. of Acres in lease<br>1280                   | 11. Sec., T., R., M., or Blk. and Survey or Area<br>Sec. 29, T14S, R20E, SLB&M |
| 17. Spacing Unit dedicated to this well<br>40  | 12. County or Parish<br>Uintah                      | 13. State<br>Utah  |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br>1800'  | 19. Proposed Depth<br>12,350'                       | 20. BLM/BIA Bond No. on file<br>UTB000058                                      |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>7409' GL  | 22. Approximate date work will start*<br>09/01/2005 | 23. Estimated duration<br>1 Month  |
| 24. Attachments  |   |  |

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

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

25. Signature:  Name (Printed/Typed): Jeff Lang Date: 6/22/05

Title: Vice President of Operations

Approved by (Signature):  Name (Printed/Typed): Office: RECEIVED OCT 11 2005 Date: 10/13/2005

Title: Assistant Field Manager  
Mineral Resources

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease with, GAS & MINING applicant to conduct operations thereon. Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL



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:** Miller, Dyer & Co., LLC      **Location:** NENW Sec 29, T14S, R20E  
**Well No:** Flat Rock 3-29-14-20      **Lease No:** UTU-10166

Petroleum Engineer: Matt Baker      Office: 435-781-4490      Cell: 435-828-4470  
Petroleum Engineer: Michael Lee      Office: 435-781-4432      Cell: 435-828-7875  
Supervisory Petroleum Technician: Jamie Sparger      Office: 435-781-4502      Cell: 435-828-3913  
BLM FAX Machine      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.

***Downhole Conditions of Approval***

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

**SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. All BOPE shall be 3M rated.

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. 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.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**

4. 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 and 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 and 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.

5. 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.
6. 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.
7. 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 and 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 should 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.

8. 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, Worland Field Office.
9. 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.
10. 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.
11. A schematic facilities diagram as required by Onshore Oil and 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 and 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 and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. 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).

- f. 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.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
13. 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.
14. 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.
15. Pursuant to Onshore Oil and 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 should 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.
16. 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.

- A 30 foot corridor right-of-way shall be approved. Upon completion of each pipeline in corridor, they shall be identified and filed with the Ute Tribe.
- A qualified Archeologist accompanied by a Tribal Technician will monitor construction of pipelines. If pipelines are buried, Right-of-Way must be modified to reflect that with Agency Superintendent approval.
- The Ute Tribe Energy and Minerals Department is to be notified, in writing 48 hours prior to the construction.
- Construction Notice shall be given to the Ute Tribe Energy and Minerals Department Monday through Thursday. The Company understands that they may be responsible for costs incurred by the Ute Tribe after hours.
- The Company shall inform contractors to maintain construction of pipelines within the approved ROWs.
- The Company shall assure the Ute Tribe that all contractors including subcontractors, leasing contractors, etc. have acquired a current and valid Ute Tribal Business License and have Access Permits prior to construction, and will have these permits in vehicles at all times.
- You are hereby notified that working under the "umbrella" of a company does not allow you to be in the field, and can be subject to those fines of the Ute Tribe Severance Tax Ordinance.
- Any deviation of submitted APDs and ROW applications, the Company will notify the Ute Tribe and the BIA in writing, and will receive written authorization of any such change with appropriate authorization (Agency Superintendent).
- The Company will implement and have available upon request a "Safety and Emergency Plan." The Company's safety director will ensure its compliance.
- All Company Employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APDs and/or ROW permissions/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations should be confine to the area examined and approved, and to existing roadways and/or evaluated access routes.
- All personnel shall refrain from collecting artifacts, any paleontological fossils, and disturbing any significant cultural resources in the area.
- Ute Tribe Energy and Minerals Department shall be notified immediately should any cultural remains from sub-surface deposits be exposed or identified during construction. All construction activities will immediately cease.
- All mitigative stipulations contained in the BIA Site Specific Environmental Assessment (EA) will be strictly adhered.
- Upon completion of Application for Corridor Right-of-Way, the Company will notify the Ute Tribe Energy and Minerals Department so a Tribal technician can verify Affidavit of Completion.
- Secondary containment must be adequate.
- Berm entire location from corner #8 to corner #10 to keep fluids on location.
- Paint all tanks and equipment juniper green or equivalent to blend with the surroundings.
- Use appropriate pipeline crossings to access road.
- Use silt catchment structure where horse trail crosses access road to prevent further erosion.

304736795  
145 20E 29

November 2, 2005

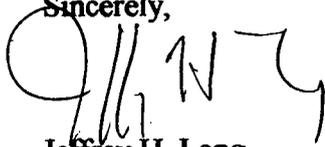
State of Utah  
Department of Natural Resources  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801  
Attn: Mr. Dustin Doucet

Dear Mr. Doucet,

Attached are two copies of a proposed revision Miller, Dyer and Co. wishes to make to two drilling permits you have previously approved. We would like to set larger surface casing to a greater depth than previously planned. This will allow us more options should we encounter difficulties while drilling the wells.

Your prompt attention to this matter is greatly appreciated. If you have any questions, please call me at 303-292-0949 x102.

Sincerely,



Jeffrey H. Lang  
Vice President – Operations  
Miller, Dyer & Co. LLC  
475 Seventeenth Street, Suite 1200  
Denver, Colorado 80202

RECEIVED

NOV 03 2005

DIV. OF OIL, GAS & MINING

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well [ ] Oil Well [X] Gas well [ ] Other

2. Name of Operator Miller, Dyer & Co. LLC

3. Address and Telephone No. 475 17th Street, Suite 1200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 881 FNL 2123 FWL NENW 29 14S 20E S

5. Lease Designation and Serial No. U-10166
6. If Indian, Allottee or Tribe Name
7. If unit or CA, Agreement Designation N/A
8. Well Name and No. Flat Rock 3-29-14-20
9. API Well No. 43-047-36785
10. Field and Pool, or Exploratory Area Flat Rock
11. County or Parish, State Uintah, UT

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

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Abandonment, Recompletion, Plugging Back, Casing repair, Altering Casing, Other, Change of Plans, New Construction, Non-Routine Fracturing, Water Shut-off, Conversion to Injection, Dispose Water.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Revision to the surface casing design previously submitted for this well. Instead of setting 2400' of 24#, 8-5/8", J-55, STC surface casing, Miller, Dyer & Co. wishes to set 3150' of 36#, 9-5/8", J-55, STC surface casing. To facilitate this, a 12-1/4" surface hole will be drilled instead of an 11" surface hole. The surface cementing design will then be modified as described in the attachment. Once the surface casing is set and cemented, a 8-3/4" production hole will be drilled instead of the 7-7/8" hole originally proposed. A 5-1/2" production string will then be set which will include 5000' of new 17", L-80, LTC casing that Miller, Dyer & Co already owns. The resultant changes to the cementing program for the production string are included as well as the stress analysis for both the 9-5/8" and 5-1/2" casing strings.

The larger surface casing is being run to facilitate the setting of a 7" intermediate if difficult drilling or hole conditions warrant this. It is not our intent to set an intermediate string, but we will certainly acquire the proper authorizations should this become necessary.

COPY SENT TO OPERATOR
Date: 11-15-05
INITIALS: CHD
Date: November 1, 2005

14. I hereby certify that the foregoing is true and correct
Signed [Signature]

Title Vice President of Operations

(This space of Federal or State office use.)

Approved by
Conditions of approval, if any:

Accepted by the Utah Division of Oil, Gas and Mining

Date Federal Approval Of This Action Is Necessary

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

Date: [Signature]
By: [Signature]

RECEIVED
NOV 03 2005

**DRILLING PLAN REVISIONS  
MILLER, DYER & CO. LLC  
November 1, 2005**

**Flat Rock #3-29-14-20  
NENW Section 29 T14S-R20E**

**Proposed Casing Program**

|            | Setting Depth   | Hole Size | Casing O.D. | Grade     | Weight/Ft.  | Thread   |
|------------|-----------------|-----------|-------------|-----------|-------------|----------|
| Conductor  | 40'             | 20"       | 16"         | Conductor | 0.250" wall |          |
| Surface    | 3,150'          | 12-1/4"   | 9-5/8"      | J-55      | 36#         | STC      |
| Production | 0'-1,500'       | 8-3/4"    | 5-1/2"      | N-80      | 17#         | Buttress |
|            | 1,500'-5,350'   | 8-3/4"    | 5-1/2"      | N-80      | 17#         | LTC      |
|            | 5,350'-10,350'  | 8-3/4"    | 5-1/2"      | L-80      | 17#         | LTC      |
|            | 10,350'-12,350' | 8-3/4"    | 5-1/2"      | N-80      | 20#         | LTC      |

- Subject to review on the basis of actual conditions encountered. Production casing depth will be adjusted based on results.
- **Depending on availability, we may substitute 17#, P-110, LTC instead of the 20#, N-80, LTC for the bottom 2000' (10,350' – 12,350') of the 5-1/2" production string**

**Proposed Cementing Program**

**Conductor Casing: 0'-40'**

Ready Mix to surface

**Surface Casing: 0'-3,150'**

**Lead Cement:**

0'-2800'  
11.0 ppg Hi-Fill  
16% gel  
10 #/sk gilsonite  
3% salt  
3 #/sk GR-3 (ground rubber)  
¼ #/sk cello flake  
Cement yield = 3.82 ft<sup>3</sup>/sk w/ 23 gal/sk water  
Annular volume = 2800' \* 0.3132 ft<sup>3</sup>/ft = 877.0 ft<sup>3</sup>  
Excess = 40%  
Total volume w/ excess = 877.0 ft<sup>3</sup> \* 1.40 = 1227.8 ft<sup>3</sup>  
**Lead Cement Requirement = 1227.8 ft<sup>3</sup> / 3.82 ft<sup>3</sup>/sk = 321 sks**

**Tail Cement:**

2800'-3150' plus shoe joint  
15.8 ppg Class G  
1% CaCl<sub>2</sub>  
¼ #/sk cello flake  
Cement yield = 1.15 ft<sup>3</sup>/sk w/ 5 gal/sk water  
Annular volume = 350' \* 0.3132 ft<sup>3</sup>/ft = 109.6 ft<sup>3</sup>  
Excess = 35%  
Total annular volume w/ excess = 109.6 ft<sup>3</sup> \* 1.35 = 148.0 ft<sup>3</sup>  
Shoe volume = 45' \* 0.4340 ft<sup>3</sup>/ft = 19.5 ft<sup>3</sup>  
Excess (shoe) = 0%  
Total volume w/ excess (incl. shoe) = 148.0 + 19.5 = 167.5 ft<sup>3</sup>  
**Tail Cement Requirement = 167.5 ft<sup>3</sup> / 1.15 ft<sup>3</sup>/sk = 146 sks**

**Displacement Volume:**

3105' \* 0.0773 bbl/ft = 240.0 bbls

**Top Out Cement:**

0-200' (displaced down backside w/ 1" string)  
15.8 ppg Class G  
3% CaCl<sub>2</sub>  
¼ #/sk cello flake  
Cement yield = 1.15 ft<sup>3</sup>/sk w/ 5 gal/sk water  
Annular volume = 200' \* 0.3132 ft<sup>3</sup>/ft = 62.6 ft<sup>3</sup>  
Excess = 40%  
Total volume w/ excess = 62.6 ft<sup>3</sup> \* 1.40 = 87.7 ft<sup>3</sup>  
**Top Out Cement Requirement = 87.7 ft<sup>3</sup> / 1.15 ft<sup>3</sup>/sk = 76 sks**

**Production Casing: 0'-12,350' (DV Tool @ 9000')**

**Stage 1**

**Cement:**

9000'-12350'

13.5 ppg Halliburton Poz Premium (or equivalent)

5 #/sk Silicalite Compacted (light weight additive)

0.4% Halad®-344 (low fluid loss control)

0.2% Super CBL (gas migration control)

0.2% HR-12 (retarder)

0.25 #/sk Flocele (lost circulation additive)

0.2% CFR-3 (dispersant)

20% SSA-1 (additive material)

Cement yield = 1.73 ft<sup>3</sup>/sk w/ 8.2 gal/sk water

Annular volume = 3350' \* 0.2526 ft<sup>3</sup>/ft = 846.2 ft<sup>3</sup>

Excess = 25%

Total volume w/ excess = 846.2 ft<sup>3</sup> \* 1.25 = 1057.8 ft<sup>3</sup>

Shoe volume = 45' \* 0.1305 ft<sup>3</sup>/ft = 5.9 ft<sup>3</sup>

Excess (shoe) = 0%

Total volume w/ excess (incl. shoe) = 1057.8 + 5.9 = 1063.7 ft<sup>3</sup>

**Stage 1 Cement Requirement = 1063.7 ft<sup>3</sup> / 1.73 ft<sup>3</sup>/sk = 615 sks**

**Displacement Volume:**

(12350'-45') \* 0.0232 bbl/ft = 286 bbls

**Stage 2 (DV tool to 500' inside surface casing)**

**Lead Cement:**

2650'-8820'

11.0 ppg Halliburton Hi-Fill (or equivalent)

16% Bentonite (light weight additive)

0.75% Econolite (light weight additive)

10 #/sk gilsonite (lost circulation additive)

0.25 #/sk Flocele (lost circulation additive)

3% salt

1% HR-7 (retarder)

Cement yield = 3.84 ft<sup>3</sup>/sk w/ 23 gal/sk water

Volume inside surface casing = 500' \* 0.1305 ft<sup>3</sup>/ft = 65.3 ft<sup>3</sup>

Excess = 0%

Annular volume = 5670' \* 0.2526 ft<sup>3</sup>/ft = 1432.2 ft<sup>3</sup>

Excess = 25%

Annular volume w/ excess = 1432.2 ft<sup>3</sup> \* 1.25 = 1790.3 ft<sup>3</sup>

Total volume = 65.3 + 1790.3 = 1855.6 ft<sup>3</sup>

**Lead Cement Requirement = 1855.6 ft<sup>3</sup> / 3.84 ft<sup>3</sup>/sk = 483 sks**

**Tail Cement:**

8820' – 9000'

15.8 ppg Premium cement

0.2% HR-5 (retarder)

Cement yield = 1.15 ft<sup>3</sup>/sk w/ 5 gal/sk water

Annular volume = 180' \* 0.2526 ft<sup>3</sup>/ft = 45.5 ft<sup>3</sup>

Excess = 25%

Annular volume w/ excess = 45.5 ft<sup>3</sup> \* 1.25 = 56.9 ft<sup>3</sup>

**Tail Cement Requirement = 50 sks**

**Displacement Volume:**

9000' \* 0.0232 bbl/ft = 209 bbls

**IMPORTANT NOTICE:** This information should be checked by the engineer responsible for the design to insure its accuracy. U. S. Steel makes no express or implied warranty of any kind in respect either to the information furnished or the materials referred to or as to the suitability thereof for any particular application, use or purpose, and expressly disclaims any and all such warranties. Anyone making use of this information does so at their own risk and assumes full responsibility as to its suitability for the use intended and any and all liability resulting from such use.

Date: 11-01-2005 16:00

**U. S. STEEL GENERATED CHECK STRING DESIGN**

**CASING COMBINATION DESIGN NO** C00979  
**SUBMITTED BY** Jeff Lang  
**CUSTOMER** Miller, Dyer & Co.  
**OUTSIDE DIAMETER** 9.625  
**MUD WEIGHT** 8.600  
**SOUR SERVICE** NO

| ITEM NUMBER | LENGTH FEET | ZONE FEET | WEIGHT LB/FT | GRADE | JOINT TYPE  | SECTION WEIGHT LB | TOTAL WEIGHT LB |
|-------------|-------------|-----------|--------------|-------|-------------|-------------------|-----------------|
| 1           | 3150        | 0-3150    | 36           | J-55  | SHORT ROUND | 113400            | 113400          |

| ***** SAFETY-FACTORS ***** |                            |                        |                           |                         |                 |
|----------------------------|----------------------------|------------------------|---------------------------|-------------------------|-----------------|
| ITEM NUMBER                | EXTERNAL PRESSURE COLLAPSE | TENSION YIELD STRENGTH | TENSION ULTIMATE STRENGTH | INTERNAL YIELD PRESSURE | LEAK RESISTANCE |
| TARGET                     | 1.125                      | 1.250                  | 1.800                     | 1.000                   | 1.000           |
| 1                          | 1.436                      | 3.936                  | 3.471                     | 2.502                   | 6.014           |

**Note: Safety Factors for Internal Yield Pressure (Pipe or joint) and Leak Resistance are based on an Internal Pressure of 1407 PSI.**

Copyright 2001 United States Steel

**IMPORTANT NOTICE:** This information should be checked by the engineer responsible for the design to insure its accuracy. U. S. Steel makes no express or implied warranty of any kind in respect either to the information furnished or the materials referred to or as to the suitability thereof for any particular application, use or purpose, and expressly disclaims any and all such warranties. Anyone making use of this information does so at their own risk and assumes full responsibility as to its suitability for the use intended and any and all liability resulting from such use.

Date: 11-01-2005 17:38

**U. S. STEEL GENERATED CHECK STRING DESIGN**

|                                     |                    |
|-------------------------------------|--------------------|
| <b>CASING COMBINATION DESIGN NO</b> | C00981             |
| <b>SUBMITTED BY</b>                 | Jeff Lang          |
| <b>CUSTOMER</b>                     | Miller, Dyer & Co. |
| <b>OUTSIDE DIAMETER</b>             | 5.500              |
| <b>MUD WEIGHT</b>                   | 9.300              |
| <b>SOUR SERVICE</b>                 | NO                 |

| ITEM NUMBER | LENGTH FEET | ZONE FEET   | WEIGHT LB/FT | GRADE | JOINT TYPE | SECTION WEIGHT LB | TOTAL WEIGHT LB |
|-------------|-------------|-------------|--------------|-------|------------|-------------------|-----------------|
| 1           | 1500        | 0-1500      | 17           | N-80  | BUTTRESS   | 25500             | 215950          |
| 2           | 3850        | 1500-5350   | 17           | N-80  | LONG ROUND | 65450             | 190450          |
| 3           | 5000        | 5350-10350  | 17           | L-80  | LONG ROUND | 85000             | 125000          |
| 4           | 2000        | 10350-12350 | 20           | N-80  | LONG ROUND | 40000             | 40000           |

| ***** SAFETY - FACTORS ***** |                            |                        |                           |                         |                 |  |
|------------------------------|----------------------------|------------------------|---------------------------|-------------------------|-----------------|--|
| ITEM NUMBER                  | EXTERNAL PRESSURE COLLAPSE | TENSION YIELD STRENGTH | TENSION ULTIMATE STRENGTH | INTERNAL YIELD PRESSURE | LEAK RESISTANCE |  |
| TARGET                       | 1.125                      | 1.250                  | 1.800                     | 1.000                   | 1.000           |  |
| 1                            | 6.655                      | 1.838                  | 2.066                     | 1.297                   | 2.699           |  |
| 2                            | 2.116                      | 1.574                  | 1.825                     | 1.297                   | 2.207           |  |
| 3                            | 1.215                      | 2.398                  | 2.706                     | 1.297                   | 2.207           |  |
| 4                            | 1.481                      | 9.226                  | 10.697                    | 1.540                   | 2.207           |  |

**Note: Safety Factors for Internal Yield Pressure (Pipe or joint) and Leak Resistance are based on an Internal Pressure of 5966 PSI.**

Copyright 2001 United States Steel

**IMPORTANT NOTICE:** This information should be checked by the engineer responsible for the design to insure its accuracy. U. S. Steel makes no express or implied warranty of any kind in respect either to the information furnished or the materials referred to or as to the suitability thereof for any particular application, use or purpose, and expressly disclaims any and all such warranties. Anyone making use of this information does so at their own risk and assumes full responsibility as to its suitability for the use intended and any and all liability resulting from such use.

Date: 11-01-2005 19:48

**U. S. STEEL GENERATED CHECK STRING DESIGN**

|                                     |                    |
|-------------------------------------|--------------------|
| <b>CASING COMBINATION DESIGN NO</b> | C00982             |
| <b>SUBMITTED BY</b>                 | Jeff Lang          |
| <b>CUSTOMER</b>                     | Miller, Dyer & Co. |
| <b>OUTSIDE DIAMETER</b>             | 5.500              |
| <b>MUD WEIGHT</b>                   | 9.300              |
| <b>SOUR SERVICE</b>                 | NO                 |

| ITEM NUMBER | LENGTH FEET | ZONE FEET   | WEIGHT LB/FT | GRADE | JOINT TYPE | SECTION WEIGHT LB | TOTAL WEIGHT LB |
|-------------|-------------|-------------|--------------|-------|------------|-------------------|-----------------|
| 1           | 1500        | 0-1500      | 17           | N-80  | BUTTRESS   | 25500             | 209950          |
| 2           | 3850        | 1500-5350   | 17           | N-80  | LONG ROUND | 65450             | 184450          |
| 3           | 5000        | 5350-10350  | 17           | L-80  | LONG ROUND | 85000             | 119000          |
| 4           | 2000        | 10350-12350 | 17           | P-110 | LONG ROUND | 34000             | 34000           |

| ***** SAFETY-FACTORS ***** |                            |                        |                           |                         |                 |
|----------------------------|----------------------------|------------------------|---------------------------|-------------------------|-----------------|
| ITEM NUMBER                | EXTERNAL PRESSURE COLLAPSE | TENSION YIELD STRENGTH | TENSION ULTIMATE STRENGTH | INTERNAL YIELD PRESSURE | LEAK RESISTANCE |
| TARGET                     | 1.125                      | 1.250                  | 1.800                     | 1.000                   | 1.000           |
| 1                          | 6.749                      | 1.891                  | 2.125                     | 1.297                   | 2.699           |
| 2                          | 2.136                      | 1.625                  | 1.884                     | 1.297                   | 2.207           |
| 3                          | 1.221                      | 2.519                  | 2.842                     | 1.297                   | 2.207           |
| 4                          | 1.254                      | 12.123                 | 13.088                    | 1.784                   | 2.207           |

**Note: Safety Factors for Internal Yield Pressure (Pipe or joint) and Leak Resistance are based on an Internal Pressure of 5966 PSI.**

Copyright 2001 United States Steel

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: MILLER, DYER & CO LLC

Well Name: FLAT ROCK 3-29-14-20

Api No: 43-047-36795 Lease Type: FEDERAL

Section 29 Township 14S Range 20E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

**SPUDDED:**

Date 11/05/05

Time \_\_\_\_\_

How DRY

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

Reported by JOHN FINDLAY

Telephone # \_\_\_\_\_

Date 11/07/2005 Signed CHD



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas well Other

2. Name of Operator

Miller, Dyer & Co. LLC

3. Address and Telephone No.

475 17th Street, Suite 1200, Denver, CO 80202 (303) 292-0949

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

881 FNL 2123 FWL NENW 29 14S 20E S

5. Lease Designation and Serial No.

U-10166

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

N/A

8. Well Name and No.

Flat Rock 3-29-14-20

9. API Well No.

43-047-36795

10. Field and Pool, or Exploratory Area

Flat Rock

11. County or Parish, State

Uintah, UT

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

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent Subsequent Report Final Abandonment Notice

- Abandonment Recompletion Plugging Back Casing repair Altering Casing Other

- Change of Plans New Construction Non-Routine Fracturing Water Shut-off Conversion to Injection Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Revision to the casing and cementing program to include an additional string of surface casing. Specifically, Miller, Dyer & Co. wishes to set 200' of 13-3/8", 48#, H-40, STC casing. This would not change the plans for the conductor, surface, or production casing and cementing procedures submitted previously. To facilitate this, a 14-3/4" hole would drilled to 200' after the 16" conductor pipe was set and cemented. Once the 13-3/8" casing was run to 200', the well would be cemented conventionally to surface using 50 sx of 15.8 ppg Class G cement with 2% CaCl2 and 1/4 #/sk cello flake. This calculation assumes an excess of 35% with a cement yield of 1.15 ft3/sk w/ 5 gal/sk of water.

This revision is being made as the surface hole will no longer be drilled with the "spud rig" as originally planned. Instead, the surface hole will be drilled utilizing the deep rig. In the event we need to drill portions of the surface hole utilizing air, the operation will be safer with the addition of the 200' of 13-3/8" surface casing.

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

Signed [Signature]

Title Vice President of Operations

Date December 20, 2005

(This space of Federal or State office use.)

Approved by

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

Federal Approval Of This Action Is Necessary

Conditions of approval, if any:

Date: 12/28/05

By: [Signature]

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

OPERATOR 133-06

\*See Instruction on Reverse Side

RECEIVED DEC 27 2005 DIVISION OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budgeted Bureau No. 1004-0135  
Expires March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas well     Other

2. Name of Operator  
**Miller, Dyer & Co. LLC**

3. Address and Telephone No.  
**475 17th Street, Suite 1200, Denver, CO 80202    (303) 292-0949**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**881 FNL 2123 FWL  
 NENW 29 14S 20E S**

5. Lease Designation and Serial No.  
 U-10166

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation  
 N/A

8. Well Name and No.  
**Flat Rock 3-29-14-20**

9. API Well No.  
**43-047-36795**

10. Field and Pool, or Exploratory Area  
**Flat Rock**

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

12. CHECK APPROPRIATE BOX(S) 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"/> Abandonment                |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Recompletion               |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Plugging Back              |
|  | <input type="checkbox"/> Casing repair              |
|  | <input type="checkbox"/> Altering Casing            |
|  | <input type="checkbox"/> Other _____                |
|  | <input checked="" type="checkbox"/> Change of Plans |
|  | <input type="checkbox"/> New Construction           |
|  | <input type="checkbox"/> Non-Routine Fracturing     |
|  | <input type="checkbox"/> Water Shut-off             |
|  | <input type="checkbox"/> Conversion to Injection    |
|  | <input type="checkbox"/> Dispose Water              |

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Revision to the cementing program for the 9-5/8" intermediate casing due to excessive lost circulation during the drilling of the 12-1/4" intermediate hole. The revision entails utilizing a foamed cement instead of a conventional cement due to the formation's inability to support a conventional column of cement. The proposed procedure is attached.

Also, the original plan called for setting a 13-3/8" surface string to 200'. While the hole was drilled to accommodate 200' of casing, we were unable to get the casing past 125' (3 joints). After attempting to ream the hole and run the casing for over 30 hours, the decision was made by our drilling consultant and the wellsite supervisor to cement the casing at 125'. The well was cemented conventionally to surface with no cement fall-back. I apologize for the failure to make the proper notification when this decision was made.

COPY SENT TO OPERATOR  
 Date: 2-14-06  
 Initials: CHD

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

Signed: [Signature] Title: **Vice President of Operations** Date: January 25, 2006

(This space of Federal or State office use.)

Approved by: \_\_\_\_\_ Title: **Accepted by the Utah Division of Oil, Gas and Mining**

Conditions of approval, if any: \_\_\_\_\_ Date: 2/3/06

Federal Approval Of This Action Is Necessary

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

\*See Instruction on Reverse Side

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

**Miller Dyer & Company LLC  
475 17th Street Suite 1200  
Denver, Colorado 80202**

Flat Rock 3-29-14-20

Uintah County, Utah  
United States of America

Submitted by:  
Aaron James  
Halliburton Energy Services  
1125 17th Street #1900  
Denver, Colorado 80202  
303.899.4700

SERVICE CENTER:  
SERVICE COORDINATOR:  
OPER. ENGINEER:  
FRANCHISE LEADER:  
CMT ENGINEER:  
PHONE NUMBER:

Vernal, Utah  
Willis Lefevre  
Richard Curtice  
Rob Kruger  
Kyle Scott  
435 789 2550

**HALLIBURTON**

## Cementing Best Practices

- 1. Cement quality and weight:** You must choose a cement slurry that is designed to solve the problems specific to each casing string.
- 2. Waiting time:** You must hold the cement slurry in place and under pressure until it reaches its' initial set without disturbing it. A cement slurry is a time-dependent liquid and must be allowed to undergo a hydration reaction to produce a competent cement sheath. A fresh cement slurry can be worked (thickening or pump time) as long as it is in a plastic state and before going through its' transition phase. If the cement slurry is not allowed to transition without being disturbed, it may be subjected to changes in density, dilution, settling, water separation, and gas cutting that may lead to a lack of zonal isolation and possible bridging in the annulus.
- 3. Pipe movement:** Pipe movement may be one of the single most influential factors in mud removal. Reciprocation and/or rotation mechanically breaks up gelled mud and changes the flow patterns in the annulus to improve displacement efficiency.
- 4. Mud properties (for cementing):**

**Rheology:**  
Plastic Viscosity (PV) < 15 centipoise (cp)  
Yield Point (YP) < 10 lb/100 ft<sup>2</sup>  
These properties should be reviewed with the Mud Engineer, Drilling Engineer, and Company Representative(s) to ensure no hole problems are created.

**Gel Strength:**  
The 10-second/10-minute gel strength values should be such that the 10-second and 10-minute readings are close together or flat (i.e., 5/6). The 30-minute reading should be less than 20 lb/100 ft<sup>2</sup>. Sufficient shear stress may not be achieved on a primary cement job to remove mud left in the hole if the mud were to develop more than 25 lb/100 ft<sup>2</sup> of gel strength.

**Fluid Loss:**  
Decreasing the filtrate loss into a permeable zone enhances the creation of a thin, competent filter cake. A thin, competent filter cake created by a low fluid loss mud system is desirable over a thick, partially gelled filter cake. A mud system created with a low fluid loss will be more easily displaced. The fluid loss value should be < 15 cc's (ideal would be 5 cc's).
- 5. Circulation:** Prior to cementing circulate hole volume twice, or until well conditioned mud is being returned to the surface. There should be no cutting in the mud returns. An annular velocity of 260 feet per minute is optimum (SPE/IADC 18617), if possible.
- 6. Flow rate:** Turbulent flow is the most desirable flow regime for mud removal. If turbulence cannot be achieved pump at as high a flow rate that can practically and safely be used to create the maximum flow energy. The highest mud removal is achieved when the maximum flow energy is obtained.
- 7. Pipe Centralization:** This Cement will take the path of least resistance, therefore proper centralization is important to help prevent the casing from contacting the borehole wall. A minimum standoff of 70% should be targeted for optimum displacement efficiency.
- 8. Rat hole:** A weighted viscous pill placed in the rat hole prior to cementing will minimize the risk of higher density cement mixing with lower density mud when the well is static.
- 9. Top and Bottom plugs:** A top and bottom plug are recommended to be run on all primary casing jobs. The bottom plug should be run after the spacer and ahead of the first cement slurry.
- 10. Spacers and flushes:** Spacers and/or flushes should be used to prevent contamination between the cement slurry and the drilling fluid. They are also used to clean the wellbore and aid with bonding. To determine the volume, either a minimum of 10 minutes contact time or 1000 ft. of annular fill, whichever is greater, is recommended.

**Job Information****Surface Foam Cement Option**

---

Flat Rock

3-29-14-20

Surface Openhole

0 - 3150 ft (MD)

0 - 3150 ft (TVD)

Inner Diameter

12.250 in

Job Excess

1.00 %

Surface Casing

0 - 3150 ft (MD)

0 - 3150 ft (TVD)

Outer Diameter

9.625 in

Inner Diameter

8.921 in

Linear Weight

36 lbm/ft

Casing Grade

J-55

Job Excess

0 %

Mud Type

Water Based Mud

Mud Weight

8.50 lbm/gal

BHST

120 degF

BHCT

95 degF

## Calculations

## Surface Foam Cement Option

---

|   |                           |             |
|---|---------------------------|-------------|
| Spacer:   |                           |             |
| Total Spacer                                    | = 56.15 ft <sup>3</sup>   | = 10.00 bbl |
| Spacer:   |                           |             |
| Total Spacer                                    | = 112.29 ft <sup>3</sup>  | = 20.00 bbl |
| Spacer:   |                           |             |
| Total Spacer                                    | = 56.15 ft <sup>3</sup>   | = 10.00 bbl |
| Cement : (1500.00 ft fill)                      |                           |             |
| 1500.00 ft * 0.3132 ft <sup>3</sup> /ft * 100 % | = 939.56 ft <sup>3</sup>  |             |
| Total Foamed Lead Cement                        | = 939.56 ft <sup>3</sup>  |             |
|   | = 167.34 bbl              |             |
| Sacks of Cement                                 | = 416 sks                 |             |
| Cement : (1300.00 ft fill)                      |                           |             |
| 1300.00 ft * 0.3132 ft <sup>3</sup> /ft * 100 % | = 814.29 ft <sup>3</sup>  |             |
| Total Foamed Lead Cement                        | = 814.29 ft <sup>3</sup>  |             |
|   | = 145.03 bbl              |             |
| Sacks of Cement                                 | = 442 sks                 |             |
| Cement : (350.00 ft fill)                       |                           |             |
| 350.00 ft * 0.3132 ft <sup>3</sup> /ft * 100 %  | = 219.23 ft <sup>3</sup>  |             |
| Tail Cement                                     | = 219.23 ft <sup>3</sup>  |             |
|   | = 39.05 bbl               |             |
| Shoe Joint Volume: (45.00 ft fill)              |                           |             |
| 45.00 ft * 0.4341 ft <sup>3</sup> /ft           | = 19.53 ft <sup>3</sup>   |             |
|   | = 3.48 bbl                |             |
| Tail plus shoe joint                            | = 238.76 ft <sup>3</sup>  |             |
|   | = 42.53 bbl               |             |
| Total Tail                                      | = 180 sks                 |             |
| Total Pipe Capacity:                            |                           |             |
| 3150.00 ft * 0.4341 ft <sup>3</sup> /ft         | = 1367.30 ft <sup>3</sup> |             |
|   | = 243.53 bbl              |             |
| Displacement Volume to Shoe Joint:              |                           |             |
| Capacity of Pipe - Shoe Joint                   | = 243.53 bbl - 3.48 bbl   |             |
|   | = 240.05 bbl              |             |

## Job Recommendation

## Surface Foam Cement Option

### Fluid Instructions

Fluid 1: Water Based Spacer  
Water Spacer

Fluid Density: 8.34 lbm/gal  
Fluid Volume: 10 bbl

### Fluid 2: Reactive Spacer

SUPER FLUSH  
68 lbm/bbl Halliburton Super Flush (Water Additive)

Fluid Density: 9.20 lbm/gal  
Fluid Volume: 20 bbl

### Fluid 3: Water Spacer

Water Spacer

Fluid Density: 8.34 lbm/gal  
Fluid Volume: 10 bbl

### Fluid 4: Foamed Lead Cement

50/50 Poz Premium

5 lbm/sk Silicalite Compacted (Light Weight Additive)  
20 % SSA-1 (Additive Material)  
0.1 % FDP-C766-05 (Low Fluid Loss Control)  
0.2 % Versaset (Thixotropic Additive)  
1.5 % Zonesealant 2000 (Foamer)

Foamed Fluid Weight 8.5 lbm/gal  
Fluid Weight 14.34 lbm/gal  
Slurry Yield: 1.32 ft<sup>3</sup>/sk  
Total Mixing Fluid: 4.55 Gal/sk  
Top of Fluid: 0 ft  
Calculated Fill: 1500 ft  
Volume: 167.34 bbl  
Calculated Sacks: 415.68 sks  
Proposed Sacks: 420 sks

### Fluid 5: Foamed Lead Cement

50/50 Poz Premium

5 lbm/sk Silicalite Compacted (Light Weight Additive)  
20 % SSA-1 (Additive Material)  
0.1 % FDP-C766-05 (Low Fluid Loss Control)  
0.2 % Versaset (Thixotropic Additive)  
1.5 % Zonesealant 2000 (Foamer)

Foamed Fluid Weight 10.5 lbm/gal  
Fluid Weight 14.34 lbm/gal  
Slurry Yield: 1.32 ft<sup>3</sup>/sk  
Total Mixing Fluid: 4.55 Gal/sk  
Top of Fluid: 1500 ft  
Calculated Fill: 1300 ft  
Volume: 145.03 bbl  
Calculated Sacks: 442.31 sks  
Proposed Sacks: 450 sks

### Fluid 6: Tail Cement

50/50 Poz Premium

5 lbm/sk Silicalite Compacted (Light Weight Additive)  
20 % SSA-1 (Additive Material)  
0.1 % FDP-C766-05 (Low Fluid Loss Control)  
0.2 % Versaset (Thixotropic Additive)

Fluid Weight 14.34 lbm/gal  
Slurry Yield: 1.32 ft<sup>3</sup>/sk  
Total Mixing Fluid: 4.55 Gal/sk  
Top of Fluid: 2800 ft  
Calculated Fill: 350 ft  
Volume: 42.53 bbl  
Calculated Sacks: 180.47 sks  
Proposed Sacks: 190 sks

**Fluid 7: Mud**  
**Water Displacement**

**Fluid Density: 8.33 lbm/gal**  
**Fluid Volume 240.05 bbl**

**Fluid 8: Top Out Cement**  
**Premium Cement**

94 lbm/sk Premium Cement (Cement)  
2 % Calcium Chloride (Accelerator)

**Fluid Weight 15.80 lbm/gal**  
**Slurry Yield: 1.17 ft<sup>3</sup>/sk**  
**Total Mixing Fluid: 5.02 Gal/sk**  
**Proposed Sacks: 200 sks**

**Job Procedure**

**Surface Foam Cement Option**

**Detailed Pumping Schedule**

| Fluid # | Fluid Type | Fluid Name              | Surface Density<br>lbm/gal | Estimated Avg Rate<br>bbl/min | Downhole Volume |
|---------|------------|-------------------------|----------------------------|-------------------------------|-----------------|
| 1       | Spacer     | Water Spacer            | 8.3                        |                               | 10 bbl          |
| 2       | Spacer     | SUPER FLUSH             | 9.2                        |                               | 20 bbl          |
| 3       | Spacer     | Water Spacer            | 8.3                        |                               | 10 bbl          |
| 4       | Cement     | Foam Lead Filler Cement | 14.3                       |                               | 420 sks         |
| 5       | Cement     | Foamed Lead Cement      | 14.3                       |                               | 450 sks         |
| 6       | Cement     | Tail Cement             | 14.3                       |                               | 190 sks         |
| 7       | Mud        | Water Displacement      | 8.3                        |                               | 240.05 bbl      |
| 8       | Cement     | Cap Cement              | 15.8                       |                               | 200 sks         |

**Foam Output Parameter Summary:**

| Fluid #        | Fluid Name              | Unfoamed Liquid Volume | Beginning Density<br>lbm/gal | Ending Density<br>lbm/gal | Beginning Rate<br>scf/bbl | Ending Rate<br>scf/bbl |
|----------------|-------------------------|------------------------|------------------------------|---------------------------|---------------------------|------------------------|
| <b>Stage 1</b> |                         |                        |                              |                           |                           |                        |
| 4              | Foam Lead Filler Cement | 97.95bbl               | 8.5                          | 8.5                       | 17.0                      | 193.5                  |
| 5              | Foamed Lead Cement      | 104.22bb<br>1          | 10.5                         | 10.5                      | 102.6                     | 207.3                  |
| 6              | Tail Cement             | 39.05bbl               | 14.3                         | 14.3                      |                           |                        |

**Foam Design Specifications:**

Foam Calculation Method: Constant Density  
 Backpressure: 50 psig  
 Bottom Hole Circulating Temp: 95 degF  
 Mud Outlet Temperature: 80 degF

Calculated Gas = 26263.3 scf  
 Additional Gas = 40000 scf  
 Total Gas = 66263.3 scf

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well: Oil Well, Gas well (checked), Other. 2. Name of Operator: Miller, Dyer & Co. LLC. 3. Address and Telephone No.: 475 17th Street, Suite 1200, Denver, CO 80202 (303) 292-0949. 4. Location of Well: 881 FNL 2123 FWL NENW 29 14S 20E S.

5. Lease Designation and Serial No.: U-10166. 6. If Indian, Allottee or Tribe Name. 7. If unit or CA, Agreement Designation: N/A. 8. Well Name and No.: Flat Rock 3-29-14-20. 9. API Well No.: 43-047-36795. 10. Field and Pool, or Exploratory Area: Flat Rock. 11. County or Parish, State: Uintah, UT.

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

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Abandonment, Recompletion, Plugging Back, Casing repair, Altering Casing, Other, Change of Plans & APD, New Construction, Non-Routine Fracturing, Water Shut-off, Conversion to Injection, and Dispose Water.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Miller, Dyer and Co. LLC proposes the following remedial procedure to complete the cementing of the 9-5/8" intermediate casing which is set at 3227'. The original cement job consisted of pumping a foamed cement job which was designed to bring cement back to surface. During the pumping of this job, the surface treating pressure began increasing rapidly and we were forced to shut down before the entire job was displaced. When we tripped in the hole to drill out the excess cement left in the pipe, we encountered the cement top at 1755' as anticipated. After drilling the cement out to the shoe, we have run a bond log and found the top of the cement to be at approximately 710' on the outside of the casing.

The annulus will not hold a column of water. We have confirmed this by pumping 125% of the calculated volume of the annulus from the surface to the top of the cement (710'). We will now pump cement top jobs in the amount of 30-100 sx of Class G cement w/ 2% calcium chloride down the backside. The cement will be pumped through a 1" piece of tubing extending approximately 1' down into the annulus. We are unable to run the 1" tubing down deeper into the annulus due to the tight clearances between the 13-3/8" surface casing and the 9-5/8" intermediate casing. These 30-100 sack jobs will be repeated until the annulus is full.

14. I hereby certify that the foregoing is true and correct. Signed: [Signature] Title: Vice President of Operations Date: February 1, 2006

(This space of Federal or State office use.) Approved by: [Signature] Date: 2-10-06 Conditions of approval, if any: CHD

Accepted by the Utah Division of Oil, Gas and Mining. Title: [Signature] 317106

Federal Approval Of This Action Is Necessary

RECEIVED FEB 06 2006

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

\*See Instruction on Reverse Side

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budgeted Bureau No. 1004-0135  
Expires March 31, 1993

*STATE COPY*  
**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

*SUBMIT IN TRIPLICATE*

**CONFIDENTIAL**

1. Type of Well

Oil Well  Gas well  Other

2. Name of Operator

Miller, Dyer & Co. LLC

3. Address and Telephone No.

475 17th Street, Suite 1200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

881 FNL 2123 FWL  
NENW 29 14S 20E S

5. Lease Designation and Serial No.

U-10166

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

N/A

8. Well Name and No.

Flat Rock 3-29-14-20

9. API Well No.

43-047-36795

10. Field and Pool, or Exploratory Area

Flat Rock

11. County or Parish, State

Uintah, UT

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

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing repair
- Altering Casing
- Other \_\_\_\_\_
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Please see attached daily drilling report summary

**MILLER DYER AND CO. LLC REQUESTS THAT ALL INFORMATION BE KEPT CONFIDENTIAL.**

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

Signed

Title

**Vice President of Operations**

Date May 22, 2006

(This space of Federal or State office use.)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

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

**RECEIVED**

**JUN 09 2006**

\*See Instruction on Reverse Side

DIV. OF OIL, GAS & MINING

# Miller, Dyer & Co. LLC

475 17th Street, suite 1200  
DENVER, COLORADO 80202  
PHONE 303-292-0949 FAX 303-292-3901

## DAILY DRILLING REPORT

LEASE NAME & WELL NO.

Flat Rock 3-29-14-20

RIG NAME AND NUMBER

Patterson Rig # 136

FIELD

Flat Rock

COUNTY

Uintah County, Utah

STATE

TOTAL DEPTH

12286

Rot. Hrs cum Rot. Hrs

621.5

FOOTAGE DRILLED

0

LAST CASING SIZE, WEIGHT, GRADE

9 5/8 SURFACE

SET #

3222

### Activity Detail

1/14/2006 WAIT ON & INSTALL CROWN  
STRING UP & RAISE DERRICK

1/15/2006 RIG UP FLOOR, DERRICK NIPPLE UP CONDUCTOR & PICKUP KELLY  
STRAP & PICKUP BHA  
DRLG 14 3/4 CONDUCTOR HOLE

1/16/2006 DRLG 14 3/4 CONDUCTOR FR 80 TO 94  
RIG SERVICE  
DRLG 14 3/4 CONDUCTOR FR 80 TO 230

1/17/2006 DRLG 14 3/4 CONDUCTOR 230 TO 235  
TRIP OUT HOLE  
RIG UP CASERS RUN CSG  
TRIP IN HOLE REAM OUT TIGHT HOLE  
WAIT ON CASING  
RUN CSG TIGHT SPOT  
TRIP IN HOLE REAM TIGHT SPOT  
TRIP OUT HOLE  
TRY TO RUN CSG - SAME SPOT IS TIGHT  
REAM TIGHT SPOT  
TRY TO RUN CSG - SAME SPOT IS TIGHT  
**TRIP OUT HOLE**

### WAIT ON REAMER

1/18/2006 WAIT ON REAMER  
REAM FR 70' TO 235'  
TRIP OUT HOLE  
RUN CSG & CEMENT 13 3/8 CONDUCTOR @ 125'  
WAIT ON CEMENT  
NIPPLE DOWN CONDUCTOR, CUT OFF CSG, WELD ON FLANGE FOR DEVERTER  
CHANGE OUT SWIVEL

1/19/2006 CHANGE OUT SWIVEL  
SLIP & CUT DRLG LINE  
LAY DOWN DC OUT OF DERRICK - PICK UP BIT AND+B79 MUD MTR  
DRLG CEMENT & SHOE  
DRLG FR 235 TO 504

1/20/2006 DRILL F/ 504-753  
DEV. SURVEY @ 668' = .9 DEG.  
DRILL WITH ONE PUMP FROM 753-855 - BUILDING VOL. PUMPING LCM  
DRILL F/ 855-909  
REPAIR PASON DEPTH SENSOR  
DRILL F / 909-1098

DRILLING WITH ONE PUMP TO AVOID LOSS OF CIRC, MIXING LCM AS NEEDED TO  
SHAKERS BYPASSED, USING PREMIX, FRESH WATER, AND DUMPING SAND TRAP TO KEEP M.W. DOWN

1/21/2006 DRILL F/ 1098-1161

# Miller, Dyer & Co. LLC

475 17th Street, suite 1200  
DENVER, COLORADO 80202  
PHONE 303-292-0949 FAX 303-292-3901

## DAILY DRILLING REPORT

LEASE NAME & WELL NO.

Flat Rock 3-29-14-20

FIELD

Flat Rock

RIG NAME AND NUMBER

Patterson Rig # 136

COUNTY

Uintah County, Utah

STATE

TOTAL DEPTH

12286

Rot. Hrs cum Rot. Hrs

621.5

FOOTAGE DRILLED

0

LAST CASING SIZE, WEIGHT, GRADE

9 5/8 SURFACE

SET

3222

### Activity Detail

RIG SERVICE

DRILL F/ 1161-1193

PICK UP OFF BTM. SLOW PUMP DOWN TO 60 SPM, MIX LCM, BUILD VOL.

WIRELINE SURVEY / SURVEY @ 1108 = 1.1 DEGREES

DRILL F / 1193-1384

TRIP OUT OF HOLE -CHANGE OUT- BIT

1/22/2006 TRIP IN HOLE WITH BIT #3

DRILL F/ 1384-1411

PICK UP OFF BTM, SLOW PUMP TO 60 SPM, MIX LCM, TRY TO REGAIN VOL.

TRIP OUT OF HOLE

RIG DOWN EXISTING FLOWLINE, READY TO BUILD NEW ONE FOR AIR PACKAGE

FABRICATE NEW FLOW LINE, START RIGGING UP AIR PACKAGE

1/23/2006 FINISH MAKING NEW FLOW LINE, SET IN AND RIG UP AIR PACKAGE

DRILL F/ 1411-1541

1/24/2006 WAIT ON HELI-COIL FOR OIL CAP ON GENERATOR

DRILL F/ 1541-1917

LOSSING CIRC, DRILLING WITH AIR ONLY.

1/25/2006 COMPRESSORS DOWN

DRILL F/ 1917-1980

RUG SERVICE

DRILL F/ 1980-2032

DRILL F/ 2032-2342 / WORK TIGHT HOLE

1/26/2006 DRLG FR 2342 TO 2482

SURVEY @ 2400

DRLG FR 2482 TO 2695

1/27/2006 DRLG FR 2695 TO 2704

AIR COMPRESSERS DOWN (RUN OUT OF FUEL)

DRLG FR 2704 TO 2765

RIG SERVICE

DRLG FR 2765 TO 2984

1/28/2006 DRLG FR 2984 TO 3046

RIG SERVICE

DRLG FR 3046 TO 3190

1/29/2006 DRLG FR 3190 TO 3237

5 STD SHORT TRIP & TRIP OUT OF HOLE

NIPPLE DOWN ROTATING HEAD, WELD FLANGE & NIPPLE UP ANNULAR

RIG UP CASERS & RUN CASING

1/30/2006 RUN CSG & CIRC. , CEMENT 9 5/8 36# RAN 77 JTS. SA 3222'

WAIT ON CEMENT ( CEMENT BRIDGED OFF WITH 100 BBLS. OF CEMENT IN THE CSG LEFT TO DISPLACE )

WENT TO CUT OFF CSG PIPE FELL ABOUT 5". WAIT ON CEMENT

# Miller, Dyer & Co. LLC

475 17th Street, suite 1200  
DENVER, COLORADO 80202  
PHONE 303-292-0949 FAX 303-292-3901

## DAILY DRILLING REPORT

LEASE NAME & WELL NO.

Flat Rock 3-29-14-20

RIG NAME AND NUMBER

Patterson Rig # 136

FIELD

Flat Rock

COUNTY

Uintah County, Utah

STATE

SET

TOTAL DEPTH

12286

Rot. Hrs cum Rot. Hrs

621.5

FOOTAGE DRILLED

0

LAST CASING SIZE, WEIGHT, GRADE

9 5/8 SURFACE

3222

### Activity Detail

1/31/2006 WAIT ON CEMENT

CUT OFF CSG - NIPPLE DOWN ANNULAR  
WELD ON WELLHEAD AND PRESSURE TEST  
NIPPLE UP B.O.P.  
LAY DOWN 8" DC

2/1/2006 T.I.H., TAG CEMENT @ 1755

DRLG CEMENT FR 1755 TO 2070  
RIG SERVICE  
DRLG CEMENT FR 2070 TO 3179  
T. O. H.  
WAIT ON BAKER ATLAS

2/2/2006 WAIT ON BAKER ATLAS

RIG UP & RUN BOND LOG  
RIG UP HALCO & PUMP 52 BBLs WATER, NO RETURNS  
PUMP 14.1 BBLs, 50 SKS 2% CALCIUM CHLORIDE, TO TOP OFF SURFACE  
WAIT ON CEMENT  
PUMP 42.9 BBLs, 150 SKS 2% CALCIUM CHLORIDE, TO TOP OFF SURFACE  
WAIT ON CEMENT TO PRESSURE TEST B.O.P.  
PRESSURE TEST B.O.P.

2/3/2006 WAIT ON ANNULAR

NIPPLE UP ANNULAR  
PRESSURE TEST ANNULAR 2500 PSI FOR 1/2 HR, CASING TO 1000 PSI FOR 1/2 HR  
NIPPLE UP SPACER SPOOL & ROTATING HEAD  
TRIP IN HOLE  
DRILL FLOAT SHOE AND PERFORM LEAK OFF TEST 700#  
DRLG FR 3237 TO 3452

2/4/2006 DRLG FR 3452 TO 3485

DROP SURVEY, T. O. H. TO CHECK BIT  
CHANGE BITS TRIP IN HOLE  
WASH & REAM FR 3290 TO 3469  
DRLG FR 3469 TO 4270

2/5/2006 DRLG FR 4270 TO 4703

RIG SERVICE  
DRLG FR 4703 TO 5015  
WIRE LINE SURVEY  
DRLG FR 5015 TO 5436

2/6/2006 DRLG FR 5436 TO 5516

SURVEY @ 5434  
DRLG FR 5516 TO 5547  
RIG SERVICE  
DRLG FR 5547 TO 6016  
SURVEY @ 5934  
DRLG FR 6016 TO 6041

# Miller, Dyer & Co. LLC

475 17th Street, suite 1200  
DENVER, COLORADO 80202  
PHONE 303-292-0949 FAX 303-292-3901

## DAILY DRILLING REPORT

LEASE NAME & WELL NO.

Flat Rock 3-29-14-20

RIG NAME AND NUMBER

Patterson Rig # 136

FIELD

Flat Rock

COUNTY

Uintah County, Utah

STATE

TOTAL DEPTH

12286

Rot. Hrs cum Rot. Hrs

621.5

FOOTAGE DRILLED

0

LAST CASING SIZE, WEIGHT, GRADE

9 5/8 SURFACE

SET #

3222

### Activity Detail

2/7/2006 DRLG FR 6041 TO 6141

RIG SERVICE

DRLG FR 6141 TO 6389

2/8/2006 DRLG FR 6389 TO 6420

TRIP FOR BIT, DROP SURVEY - TIGHT HOLE FR 5100 TO 3250

CHANGE BITS ,PICK UP DC, LAY DOWN DP, T.I.H.

WASH & REAM FR 6390 TO 6420

DRLG FR 6420 TO 6551

2/9/2006 DRLG FR 6551 TO 6646

T. O. H.

CHANGE MUD MTRS & BITS, T. I. H.

SLIP & CUT DRLG LINE

T. I. H.

WASH & REAM FR 5000 TO 5200

T. I. H.

WASH & REAM FR 6520 TO 6646

DRLG FR 6646 TO 6664

2/10/2006 DRLG FR 6664 TO 6668

RUN SURVEY

DRILL F/ 6668-7515

2/11/2006 DRILL F/ 7515'-7707'

RIG SERVICE

DRILL F/ 7707'-8574'

2/12/2006 DRILL F/ 8574'-8770'

RIG SERVICE "GREASE CROWN & BLOCKS"

DRILL F/ 8770'-8970'

DRILL F/ 8970'-9394'

2/13/2006 DRILL F/ 8574'-9847'

DRILL F/ 9847'-10,183'

2/14/2006 DRILL F/ 10,183'-10,427'

RIG SERVICE

DRILL F/ 10,427'-10,653'

PUMP HIGH VIS SWEEP / CIRC. BTMS UP GAS / PUMP PILL / DROP SURVEY

T.O.O.H, S.L.M, -CHANGE OUT- BIT & MOTOR

2/15/2006 TRIP IN HOLE

BREAK DOWN STANDS, SINGLE IN HOLE F/ 4425-4734

T.I.H, BREAK DOWN LAST STAND, REAM OUT OF GAGE HOLE TO BTM. 10565-10653

DRILL F/ 10653-10680

RUN WIRE LINE SURVEY

DRILL F/ 10680-10760

2/16/2006 DRILL F/ 10760-10776

**Miller, Dyer & Co. LLC**

475 17th Street, suite 1200  
DENVER, COLORADO 80202  
PHONE 303-292-0949 FAX 303-292-3901

**DAILY DRILLING REPORT**

LEASE NAME & WELL NO.

Flat Rock 3-29-14-20

RIG NAME AND NUMBER

Patterson Rig # 136

FIELD

Flat Rock

COUNTY

Uintah County, Utah

STATE

TOTAL DEPTH

12286

Rot. Hrs cum Rot. Hrs

621.5

FOOTAGE DRILLED

0

LAST CASING SIZE, WEIGHT, GRADE

9 5/8 SURFACE

SET @

3222

**Activity Detail**

DEV. SURVEY @ 10694

DRILL F/ 10776-10839

DEV. SURVEY @ 10757

DRILL F/ 10757-10910

2/17/2006 DRLG FR 10910 TO 10965  
RIG SERVICE  
DRLG FR 10965 TO 10968  
PUMP PILL, DROP SURVEY, T. O. H.  
WORK TIGHT HOLE FR 4205 TO 4130  
T.O.H.  
TRIP IN HOLE TO SHOE  
SLIP AND CUT DRILLING LINE  
TRIP IN HOLE

2/18/2006 T. I. H.  
REAM FR 10890 TO 10968  
DRLG FR 10968 TO 10997  
RIG SERVICE  
DRLG FR 10997 TO 11144

2/19/2006 DRLG FR 11144 TO 11184  
RIG SERVICE  
DRLG FR 11184 TO 11215  
PUMP PILL TRIP OUT OF HOLE  
T.I.H.  
REAM 47' TO BOTTOM  
DRLG FR 11215 TO 11236

2/20/2006 DRLG FR 11236 TO 11278  
RIG SERVICE  
DRLG FR 11278 TO 11395

2/21/2006 DRLG FR 11395 TO 11434  
RIG SERVICE  
DRLG FR 11434 TO 11516  
PUMP PILL, DROP SURVEY, T. O. H.

2/22/2006 T. O. H.  
CHANGE OUT MUD MTRS, PICKUP DCS  
TRIP IN HOLE  
REAM FR 11485 TO 11516  
DRLG FR 11516 TO 11646

2/23/2006 DRLG FR 11646 TO 11743  
RIG SERVICE  
DRLG FR 11743 TO 11834

2/24/2006 DRLG FR 11834 TO 11900  
RIG SERVICE

# Miller, Dyer & Co. LLC

475 17th Street, suite 1200  
DENVER, COLORADO 80202  
PHONE 303-292-0949 FAX 303-292-3901

## DAILY DRILLING REPORT

LEASE NAME & WELL NO.

Flat Rock 3-29-14-20

RIG NAME AND NUMBER

Patterson Rig # 136

FIELD

Flat Rock

COUNTY

Uintah County, Utah

STATE

TOTAL DEPTH

12286

Rot. Hrs cum Rot. Hrs

621.5

FOOTAGE DRILLED

0

LAST CASING SIZE, WEIGHT, GRADE

9 5/8 SURFACE

SET

3222

### Activity Detail

DRLG FR 11900 TO 11996

2/25/2006 DRLG FR 11996 TO 12026

RIG SERVICE

DRLG FR 12026 TO 12061

MIX & PUMP PILL - T.O.H.

TRIP IN HOLE

2/26/2006 TRIP IN HOLE

REAM FR 11994 TO 12061

DRLG FR 12061 TO 12152

RIG SERVICE

DRLG FR 12152 TO 12286

SHORT TRIP 10 STDS

CIRC. & COND. HOLE FOR LOGS

2/27/2006 CIRC. & COND. HOLE FOR LOGS

T. O. H. FOR LOGS ( WORK TIGHT HOLE @ 4750 )

RIG UP & LOGGING W/HALCO - LOGGERS DEPTH 12292

2/28/2006 LOGGING W/HALCO

T. I. H.

CIRC. TO LAY DOWN D. P.

LAY DOWN D. P. & D. C.

RIG UP & RUN CASING

3/1/2006 RUNNING 301 JTS 5 1/2 - 17# CASING; SA 12,274'

CIRC. CASING

RIG UP HALCO CEMENT FIRST STAGE

CIRC FOR SECOND STAGE

CEMENT SECOND STAGE

3/2/2006 LAND PLUG 1200 PSI - 2400 TO CLOSE TOOL

NIPPLE DOWN - CLEAN MUD TANKS ( LENGTH OF TIME DUE TO HAVING TO HAUL MUD OFF RESERVE PIT FULL

AFTER CEMENT JOB

CONFIDENTIAL

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

AMENDED REPORT [ ] FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL [ ] GAS WELL [x] DRY [ ] OTHER [ ]
b. TYPE OF WORK: NEW WELL [x] HORIZ. LATS. [ ] DEEP-EN [ ] RE-ENTRY [ ] DIFF. RESVR [ ] OTHER [ ]

5. LEASE DESIGNATION AND SERIAL NUMBER: U-10166

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Indian Tribe

7. UNIT or CA AGREEMENT NAME: N/A

8. WELL NAME and NUMBER: Flat Rock 3-29-14-20

2. NAME OF OPERATOR: Miller, Dyer & Co. LLC

9. API NUMBER: 4304736795

3. ADDRESS OF OPERATOR: 475 17th St. Suite 1200 CITY Denver STATE CO ZIP 80202
PHONE NUMBER: (303) 292-0949

10. FIELD AND POOL, OR WILDCAT: Flat Rock

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 881 FNL 2123 FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same
AT TOTAL DEPTH: Same

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 29 14S 20E S

12. COUNTY: Uintah 13. STATE: UTAH

14. DATE SPURRED: 1/15/2006 15. DATE T.D. REACHED: 2/26/2006 16. DATE COMPLETED: 6/15/2006
ABANDONED [ ] READY TO PRODUCE [x]

17. ELEVATIONS (DF, RKB, RT, GL): 7431 KB 7409 GL

18. TOTAL DEPTH: MD 12,286 TVD 12,286 19. PLUG BACK T.D.: MD 12,232 TVD 12,232

21. DEPTH BRIDGE MD 11,900 PLUG SET: TVD 11,900

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
HRI, SDL, DSN, GR, SP

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

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

Table with 10 columns: 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

25. TUBING RECORD

Table with 10 columns: SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD), SIZE, DEPTH SET (MD), PACKER SET (MD)

26. PRODUCING INTERVALS

Table with 5 columns: FORMATION NAME, TOP (MD), BOTTOM (MD), TOP (TVD), BOTTOM (TVD)

27. PERFORATION RECORD

Table with 10 columns: INTERVAL (Top/Bot - MD), SIZE, NO. HOLES, PERFORATION STATUS

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

Table with 2 columns: DEPTH INTERVAL, AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS: [x] ELECTRICAL/MECHANICAL LOGS [ ] GEOLOGIC REPORT [ ] DST REPORT [ ] DIRECTIONAL SURVEY [ ] SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION [ ] CORE ANALYSIS [x] OTHER: Cement Bond Log

30. WELL STATUS: Producing RECEIVED

**31. INITIAL PRODUCTION**

**INTERVAL A (As shown in Item #26)**

|                      |             |                         |             |                     |               |                           |            |                  |                    |                                |
|----------------------|-------------|-------------------------|-------------|---------------------|---------------|---------------------------|------------|------------------|--------------------|--------------------------------|
| DATE FIRST PRODUCED: |             | TEST DATE:<br>3/30/2006 |             | HOURS TESTED:<br>12 |               | TEST PRODUCTION RATES: →  | OIL - BBL: | GAS - MCF:<br>2  | WATER - BBL:<br>1  | PROD. METHOD:<br>swab / flow   |
| CHOKE SIZE:          | TBG. PRESS. | CSG. PRESS.             | API GRAVITY | BTU - GAS           | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: | GAS - MCF:<br>50 | WATER - BBL:<br>24 | INTERVAL STATUS:<br>below CIBP |

**INTERVAL B (As shown in Item #26)**

|                      |             |                        |             |                     |               |                           |            |                   |                    |                                |
|----------------------|-------------|------------------------|-------------|---------------------|---------------|---------------------------|------------|-------------------|--------------------|--------------------------------|
| DATE FIRST PRODUCED: |             | TEST DATE:<br>4/5/2006 |             | HOURS TESTED:<br>21 |               | TEST PRODUCTION RATES: →  | OIL - BBL: | GAS - MCF:<br>6   | WATER - BBL:<br>1  | PROD. METHOD:<br>swab / flow   |
| CHOKE SIZE:          | TBG. PRESS. | CSG. PRESS.            | API GRAVITY | BTU - GAS           | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: | GAS - MCF:<br>150 | WATER - BBL:<br>12 | INTERVAL STATUS:<br>below CIBP |

**INTERVAL C (As shown in Item #26)**

|                                   |             |                         |             |                      |               |                           |            |                   |                   |                               |
|-----------------------------------|-------------|-------------------------|-------------|----------------------|---------------|---------------------------|------------|-------------------|-------------------|-------------------------------|
| DATE FIRST PRODUCED:<br>6/19/2006 |             | TEST DATE:<br>4/12/2006 |             | HOURS TESTED:<br>137 |               | TEST PRODUCTION RATES: →  | OIL - BBL: | GAS - MCF:<br>187 | WATER - BBL:<br>1 | PROD. METHOD:<br>flow         |
| 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:<br>producing |

**INTERVAL D (As shown in Item #26)**

|                                   |                      |                         |             |                     |               |                           |                 |                     |                   |                               |
|-----------------------------------|----------------------|-------------------------|-------------|---------------------|---------------|---------------------------|-----------------|---------------------|-------------------|-------------------------------|
| DATE FIRST PRODUCED:<br>6/19/2006 |                      | TEST DATE:<br>5/22/2006 |             | HOURS TESTED:<br>24 |               | TEST PRODUCTION RATES: →  | OIL - BBL:      | GAS - MCF:<br>189   | WATER - BBL:<br>1 | PROD. METHOD:<br>flow         |
| CHOKE SIZE:<br>10                 | TBG. PRESS.<br>2,500 | CSG. PRESS.<br>2,500    | API GRAVITY | BTU - GAS<br>1,025  | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL:<br>6 | GAS - MCF:<br>2,409 | WATER - BBL:<br>4 | INTERVAL STATUS:<br>producing |

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

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) |
|-------------|----------|-------------|------------------------------|-------------|----------------------|
| Green River | 0        | 2,465       | Water bearing sandstone      | Green River | 0                    |
| Wasatch     | 2,465    | 4,663       | Gas / water sands            | Wasatch     | 2,465                |
| Mesaverde   | 4,663    | 6,433       | Gas / water sands            | Mesaverde   | 4,663                |
| Castlegate  | 6,433    | 10,558      | Sandstone                    | Castlegate  | 6,433                |
| Dakota      | 10,558   | 10,943      | Sand / shale                 | Dakota      | 10,558               |
| Morrison    | 10,943   | 11,588      | Sand / shale                 | Morrison    | 10,943               |
| Entrada     | 11,588   | 11,878      | Gas sand                     | Entrada     | 11,588               |
| Carmel      | 11,878   | 11,933      | Shale                        | Carmel      | 11,878               |
| Kayenta     | 11,933   | 12,066      | Gas / Water Sand             | Kayenta     | 11,943               |
| Wingate     | 12,066   |             | Gas / Water Sand             | Wingate     | 12,066               |

**35. ADDITIONAL REMARKS (Include plugging procedure)**

28. (cont'): 11,597'-11,691' Acid: 2500 gals of 7.5% HCl w/ 200 biosealers; PLEASE TREAT THIS WELL AS A TIGHT HOLE

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

NAME (PLEASE PRINT) Jeff Lang TITLE Vice President of Operations  
 SIGNATURE [Signature] DATE 12/5/2006

This report must be submitted within 30 days of

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

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

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

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

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

3/30/2006

Perforated well 4 SPF 12,100-12,104, 12,088-12,094 and 12,084 to 12,086. Well had no pressure after perforating, no visible fluid loss. Rigged down wire line. Picked up 5 1/2 packer, PSN and TIH on 63 stands 2 7/8 tubing. SWIFN 3/31/2006

Finish TIH with 365 joints 2 7/8 tubing and packer and set packer at 12,033.32. Hooked up Halliburton and tested casing to 1000 PSI, held. Hooked up to tubing and pumped 500 gallons 7.5% HCL. Started pumping 2 BPM, well built to 3500 PSI and broke back to 2500 PSI at 2.1 BPM. Pumping 4.1 BPM at 3250 PSI when acid hit formation 3100 PSI at 4.2 BPM with acid, saw some ball action 20 to 30 PSI jumps. Displaced acid 1 bbl past bottom perforation at 12,104. ISIP 2000, 5 min 1381, 10 min 1132, 15 min 957. Total fluid load 85 bbls.

3/31-4/4/2006

Swab with marginal results. TOOH with tbg and pkr.

4/5/2006

Rigged up wire line. Ran gauge ring and junk basket to 12,150. Ran CIBP and set plug at 12,070, pressure tested casing to 1000 PSI, held. Perforated well with 4 SPF at 12,026-12,036, 11,970-11,974, 11,960-11,966, 11,954-11,958. No apparent blow or suck. Shut well in for night.

4/6/2006

TIH with tbg and packer set at 11902'. Hooked up Superior and pressure tested casing to 2000 PSI, Hooked up to tubing. Pumped 500 gallons 7.5% HCL with 50 bio-balls spaced out in middle 300 gallons acid. Started at 2 BPM, broke back at 2450 PSI Pumped acid and balls at 2 BPM at 2200 PSI. Increased rate to 3.8 BPM at 2240 PSI pumping 3.8 BPM at 2200 PSI when acid and balls hit, saw very little ball action pressure ran from 2150 to 2230. ISIP 1470, 5 min 1149 10 min 995, 15 min 874.

4/6-4/11/2006

Swab with marginal results. TOOH with tbg and packer.

4/12/2006

SICP 10 PSI. Held safety meeting. Rigged up wire line and set CIBP at 11900. Ran in hole and perforated well at 11,720-11,736. Rigged down wire line. Well had slight suck after perforating.

4/13/2006

Hooked up Halliburton and spotted 500 gallons 7.5% HCL to 65 bbls (2 bbls from end of tubing), set packer and pumped acid into perfs at 11,720-11,736. Pressure built to 3000 PSI then broke back to 2200PSI @ 4.8 BPM, pressure broke back to 1900 PSI with acid on perforations, finished job at 4.8 BPM @ 1900 PSI. ISIP 600 PSI, 5 min 57 PSI pressure at 0 PSI at 5.5 minutes. Total fluid pumped 82 bbls.

4/13-4/18/2006

Swab with marginal results. TOOH with tbg and packer.

4/19/2006

Rigged up wire line and perforated well from 11,680-11,691 with 4 SPF. Rigged down wire line and shut well in for frac.

4/29/2006

Pumped CO2 frac, (11,680-11,691 & 11,720-11,736) pumping 1000 lbs 100 mesh sand and 86,040 lbs 20/40 ceramic sand. Pumped 18,912 gallons water and 170 tons CO2.

RECEIVED

DEC 12 2006

## Flat Rock 3-29 Completion Summary

Pressure built to 3117 SI then broke back, avg rate 39 BPM (14.8 Slurry, 22.9 CO<sub>2</sub>), avg pressure 3467. Max rate 40.6 (18.23 slurry, 26.9 CO<sub>2</sub>), max pressure 4197. Total foam pumped 56,351 gallons. Flushed treatment to top perforation with 500 gallon cap. Rigged down isolation tool and frac trucks. Flowed well back to flow back tank with pressure starting at 1230 PSI.

5/6/2006

Ran RBP tagged at 11,394'. POOH with RBP. RD wireline.

5/8/2006

Tried unsuccessfully to kill well.

5/9/2006

Killed well with pump truck. RU wireline. Set composite plug at 11,430' to control well.

5/10/2006

TIH with tbg and bit. Tag composite plug.

5/11/2006

Drillout composite plug and cleanout sand. Dropped tbg. Stuck, can't circulate.

5/12/2006

Run freepoint. Perf tbg above stuck point. Circulate water. Still Stuck. Rig up foam unit. Circulate hole and free tbg. Rig down foam unit.

5/15/2006

Pressure too high to kill well

5/16/2006

Kill well and TOOH.

5/17/2006

TIH to cleanout sand.

5/18/2006

Cleanout sand with foam.

5/19/2006

Kill well and TOOH with bit.

5/22/2006

Ran gauge ring and junk basket to 11,750, set RBP at 11670. Bleed well down and test casing and RBP to 1000 PSI for 5 minutes, tested good. Perforated well from 11,635-11,640, 11,614-11,626 and 11,597-11,604 with 4 SPF, well went on slight vacuum after perforating. Rigged down wire line and SWIFN.

5/23/2006

TIH with tbg and packer Set packer at 11540'. Hooked up Halliburton and pumped 2500 gallons acid job, pumping 500 gallons 7.5% acid, 1500 gallons acid with 200 bio balls spaced out evenly and 500 gallons acid. Started with acid, took 15 bbls to fill tubing, pressure climbed to 2930 then broke back to 2850, built to 3100 PSI then broke to 2450 to 2600 with acid on perfs, saw very little ball action. Well went on suck 15 seconds after quit pumping.

5/24/2006

Flow well.

5/25/2006

Start swabbing. TOOH with tbg and packer. TIH with tbg and retrieving head. Release RBP and pull 10 stands. SWIFN. Test upper and lower Entrada.

5/26/2006

## **Ft at Rock 3-29 Completion Summary**

CONFIDENTIAL

TOOH with tbg and RBP. TIH with prod string with EOT at 11,671'.

5/30/2006

Swab well in.

5/31/2006

RDMO

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:

**6/1/2008**

|  |  |
|--|--|
| <b>FROM:</b> (Old Operator):<br>N2580-Miller, Dyer & Co, LLC<br>475 17th St, Suite 1200<br>Denver, CO 80202<br><br>Phone: 1 (303) 292-0949 | <b>TO:</b> ( New Operator):<br>N2680-Whiting Oil & Gas Company<br>1700 Broadway, Suite 2300<br>Denver, CO 80290<br><br>Phone: 1 (303) 837-1661 |
|--|--|

| CA No.            |     | Unit: |     |        |           |            |           |             |
|-------------------|-----|-------|-----|--------|-----------|------------|-----------|-------------|
| 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: 6/5/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/5/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/16/2008
- a. Is the new operator registered in the State of Utah:          Business Number: 5890476-0143
- b. If **NO**, the operator was contacted on:
- a. (R649-9-2)Waste Management Plan has been received on: REQUESTED 7/16/2008
- b. Inspections of LA PA state/fee well sites complete on: done
- 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 not yet BIA not yet
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 7/16/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 7/16/2008
- Bond information entered in RBDMS on: 7/16/2008
- Fee/State wells attached to bond in RBDMS on: 7/16/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: 7/16/2008

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000148
- Indian well(s) covered by Bond Number: RLB0011681
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number RLB0004585
- b. The **FORMER** operator has requested a release of liability from their bond on: not yet

**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: n/a

**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.

|   |  |   |
|---|--|---|
| <b>1. TYPE OF WELL</b><br>OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____                                       |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>See Attached List |
| <b>2. NAME OF OPERATOR:</b><br>Whiting Oil And Gas Company <i>N2680</i>   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>                        |
| <b>3. ADDRESS OF OPERATOR:</b><br>1700 Broadway, Ste 2300 CITY Denver STATE CO ZIP 80290  |  | <b>7. UNIT or CA AGREEMENT NAME:</b>                                |
| <b>4. LOCATION OF WELL</b><br>FOOTAGES AT SURFACE: _____ COUNTY: _____<br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ STATE: <b>UTAH</b> |  | <b>8. WELL NAME and NUMBER:</b><br>See Attached List                |
| <b>PHONE NUMBER:</b> (303) 837-1661   |  | <b>9. API NUMBER:</b>   |
| <b>10. FIELD AND POOL, OR WILDCAT:</b>  |  |   |

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

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |  |
|--|---|---|--|
| <input type="checkbox"/> <b>NOTICE OF INTENT</b><br>(Submit in Duplicate)<br>Approximate date work will start: _____<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>(Submit Original Form Only)<br>Date of work completion: _____ | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
|  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL      |
|  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON           |
|  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input 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 6/1/2008, please change the Operator of record from Miller, Dyer & Co., LLC to Whiting Oil and Gas Corporation. Whiting Oil and Gas Corporation Utah State bond is #~~RLB0004585~~ or Utah BLM Bond #UTB-000148. See attached well list.

*RLB0004585*  
*BIA RLB0011681*

Whiting Oil and Gas Corporation  
1700 Broadway, Suite 2300  
Denver, CO 80290  
(303) 837-1661

Miller, Dyer & Co., LLC  
475 17th Street, Suite 1200 *N2580*  
Denver, CO 80202

Miller, Dyer & Co., LLC

**RECEIVED**  
**JUN 05 2008**

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) JEFFREY H. LANG TITLE VP OPERATIONS  
SIGNATURE *JHL* DATE 6/3/08

Whiting Oil and Gas Corporation

NAME (PLEASE PRINT) Rick Ross TITLE VP OPERATIONS  
SIGNATURE *R Ross* DATE 6/3/08

(This space for State use only)

**APPROVED** 7/16/2008  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

| well_name              | sec | twp  | rng  | api        | entity | lease   | well | stat 2 | flag |
|------------------------|-----|------|------|------------|--------|---------|------|--------|------|
| UTE TRIBAL 32-5A       | 32  | 140S | 200E | 4304710577 | 12655  | State   | GW   | S      |      |
| UTE TRIBAL 30-3A       | 30  | 140S | 200E | 4304710913 | 12395  | Federal | OW   | P      |      |
| UTE TRIBAL 30-5A       | 30  | 140S | 200E | 4304720502 | 12654  | Federal | GW   | S      |      |
| UTE TRIBAL 30-2A       | 30  | 140S | 200E | 4304730641 | 8112   | Federal | GW   | P      |      |
| UTE TRIBAL 29-1A       | 29  | 140S | 200E | 4304730981 | 8118   | Federal | GW   | P      |      |
| UTE TRIBAL 32-1A       | 32  | 140S | 200E | 4304732758 | 12064  | State   | OW   | P      |      |
| UTE TRIBAL 29-2A       | 29  | 140S | 200E | 4304732945 | 8118   | Federal | OW   | P      |      |
| UTE TRIBAL 32-2A       | 32  | 140S | 200E | 4304733333 | 12658  | State   | GW   | P      |      |
| UTE TRIBAL 32-3A       | 32  | 140S | 200E | 4304733334 | 12657  | State   | GW   | S      |      |
| UTE TRIBAL 32-4A       | 32  | 140S | 200E | 4304733335 | 12656  | State   | GW   | P      |      |
| UTE TRIBAL 32-6A       | 32  | 140S | 200E | 4304733337 | 12662  | State   | GW   | P      |      |
| CHIMNEY ROCK 32-11     | 32  | 130S | 210E | 4304733445 | 12984  | State   | GW   | S      |      |
| CHIMNEY ROCK 32-13     | 32  | 130S | 210E | 4304733447 | 12985  | State   | GW   | P      |      |
| CHIMNEY ROCK 32-14     | 32  | 130S | 210E | 4304733448 | 12983  | State   | GW   | P      |      |
| UTE TRIBAL 32-8A       | 32  | 140S | 200E | 4304733557 | 13066  | State   | GW   | P      |      |
| UTE TRIBAL 32-12A      | 32  | 140S | 200E | 4304733558 | 13064  | State   | GW   | P      |      |
| UTE TRIBAL 28-1A       | 28  | 140S | 200E | 4304733595 | 13059  | Federal | GW   | S      |      |
| UTE TRIBAL 30-6A       | 30  | 140S | 200E | 4304733596 | 13062  | Federal | GW   | P      |      |
| UTE TRIBAL 29-4A       | 29  | 140S | 200E | 4304733616 | 13060  | Federal | GW   | P      |      |
| UTE TRIBAL 29-5A       | 29  | 140S | 200E | 4304733617 | 13061  | Federal | GW   | P      |      |
| UTE TRIBAL 32-7A       | 32  | 140S | 200E | 4304733618 | 13065  | State   | GW   | S      |      |
| UTE TRIBAL 32-9A       | 32  | 140S | 200E | 4304733619 | 13067  | State   | GW   | P      |      |
| UTE TRIBAL 32-10A      | 32  | 140S | 200E | 4304733620 | 13054  | State   | GW   | P      |      |
| UTE TRIBAL 32-11A      | 32  | 140S | 200E | 4304733621 | 13058  | State   | GW   | S      |      |
| UTE TRIBAL 32-16A      | 32  | 140S | 200E | 4304734098 | 13449  | State   | GW   | P      |      |
| UTE TRIBAL 29-6A       | 29  | 140S | 200E | 4304734102 | 13443  | Federal | GW   | P      |      |
| UTE TRIBAL 29-7A       | 29  | 140S | 200E | 4304734103 | 13444  | Federal | GW   | P      |      |
| UTE TRIBAL 10-2-15-20  | 02  | 150S | 200E | 4304735625 | 14167  | State   | GW   | P      |      |
| FLAT ROCK 13-29-14-20  | 29  | 140S | 200E | 4304736778 | 15065  | Federal | GW   | P      |      |
| FLAT ROCK 3-29-14-20   | 29  | 140S | 200E | 4304736795 | 15099  | Federal | GW   | P      |      |
| UTE TRIBAL 6-16-14-20  | 16  | 140S | 200E | 4304738506 | 16320  | State   | GW   | P      |      |
| UTE TRIBAL 15-25-14-19 | 30  | 140S | 200E | 4304739052 | 16169  | Indian  | GW   | P      | C    |
| UTE TRIBAL 1-25-14-19  | 30  | 140S | 200E | 4304739053 |        | Indian  | GW   | APD    |      |
| UTE TRIBAL 1-30-14-20  | 30  | 140S | 200E | 4304739665 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 9-30-14-20  | 30  | 140S | 200E | 4304739666 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 7-30-14-20  | 30  | 140S | 200E | 4304739667 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 7-29-14-20  | 29  | 140S | 200E | 4304739668 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 9-29-14-20  | 29  | 140S | 200E | 4304739669 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 12-28-14-20 | 28  | 140S | 200E | 4304739736 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 1-29-14-20  | 29  | 140S | 200E | 4304739737 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 15-29-14-20 | 29  | 140S | 200E | 4304739738 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 3-30-14-20  | 30  | 140S | 200E | 4304739739 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 11-30-14-20 | 30  | 140S | 200E | 4304739740 |        | Federal | GW   | APD    |      |
| UTE TRIBAL 3-32-14-20  | 32  | 140S | 200E | 4304739741 |        | State   | GW   | APD    |      |
| UTE TRIBAL 15-30-14-20 | 30  | 140S | 200E | 4304739942 |        | Federal | GW   | APD    |      |



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410  
<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3162.3

LLUTG01100

December 3, 2008

John D'Hooge  
Whiting Oil & Gas Corp.  
1700 Broadway, Suite 2300  
Denver, CO 80290

4304736795

Re: Change of Operator  
Well No. Flat Rock 3-29-14-20  
NENW, Sec. 29, 14S, R20E  
Uintah County, Utah  
Lease No. UTU-10166

Dear Mr. D'Hooge:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective June 1, 2008, Whiting Oil & Gas Corp. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UTB000148, for all operations conducted on the referenced well on the leased land.

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

Sincerely,

Benna R. Muth  
I & E Specialist

cc: UDOGM  
Miller, Dyer & Co., LLC

RECEIVED

DEC 18 2008

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**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-10166**  
6. If Indian, Allottee or Tribe Name  
Ute Indian Tribe (Surface)

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WHITING OIL & GAS CORP.**

3a. Address  
**1700 BROADWAY, SUITE 2300, DENVER CO 80290**

3b. Phone No. (include area code)  
**303-837-1661**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**881 FNL 2123 FWL, NENW, SEC 29, T14S, R20E**

7. If Unit of CA/Agreement, Name and/or No.  
N/A

8. Well Name and No.  
**FLAT ROCK 3-29-14-20**

9. API Well No.  
**43-047-36795**

10. Field and Pool or Exploratory Area  
**FLAT ROCK**

11. Country or Parish, State  
**UINTAH, UTAH**

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

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

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

Effective 6/1/2008, please change the Operator of record from Miller, Dyer & Co., LLC to Whiting Oil & Gas Corporation. Whiting Oil and Gas Corporation's Utah BLM bond is for \$25,000 under bond number UTB-000148.

Please be advised that Whiting Oil and Gas Corp. is considered to be the operator of the above referenced well and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands.

Whiting Oil and Gas Corporation  
1700 Broadway, Suite 2300  
Denver, CO 80290  
(303) 837-1661

**RECEIVED**

**DEC 18 2008**

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

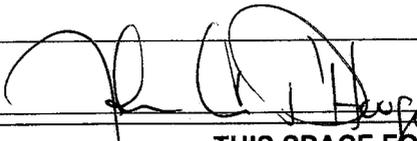
**RECEIVED**  
**VERNAL FIELD OFFICE**  
**2008 JUN 2 PM 4 02**  
**DEPT OF THE INTERIOR**  
**BUREAU OF LAND MGMT**

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

**John D'Hooge**

Title **Central Rockies Asset Manager**

Signature



Date

**6/1/08**

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

Approved by

*Berna Bernuth*

**T&E Specialist**

Date **12-3-08**

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

Office **VERNAL FIELD OFFICE**

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

Division of Oil, Gas and Mining

Operator Change/Name Change Worksheet-for State use only

Effective Date: 8/1/2015

|  |   |
|--|---|
| <b>FORMER OPERATOR:</b>  | <b>NEW OPERATOR:</b>  |
| WHITING OIL & GAS CORPORATION N2680<br>1700 BROADWAY SUITE 2300<br>DENVER CO 80290 | COBRA OIL & GAS CORPORATION N4270<br>PO BOX 8206<br>WICHITA FALLS TX 76307-8206 |
| CA Number(s):  | Unit Name: None   |

**WELL INFORMATION:**

| Well Name         | Sec | TWN | RNG | API | Entity | Mineral | Surface | Type | Status |
|-------------------|-----|-----|-----|-----|--------|---------|---------|------|--------|
| See Attached List |     |     |     |     |        |         |         |      |        |

**OPERATOR CHANGES DOCUMENTATION:**

1. Sundry or legal documentation was received from the **FORMER** operator on: 8/4/2015
2. Sundry or legal documentation was received from the **NEW** operator on: 8/4/2015
3. New operator Division of Corporations Business Number: 9442951-0143

**REVIEW:**

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD on: N/A
3. Reports current for Production/Disposition & Sundries: 10/5/2015
4. OPS/SI/TA well(s) reviewed for full cost bonding: 10/2/2015
5. UIC5 on all disposal/injection/storage well(s) approved on: N/A
6. Surface Facility(s) included in operator change: Chimney Rock Compressor  
Flat Rock Compressor
7. Inspections of PA state/fee well sites complete on (only upon operators request): 10/15/2015

**NEW OPERATOR BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: B009425
2. Indian well(s) covered by Bond Number: B009425
3. State/fee well(s) covered by Bond Number(s): B009455  
B009568-FCB  
B009567-FCB  
B009566-FCB

**DATA ENTRY:**

1. Well(s) update in the **OGIS** on: 10/14/2015
2. Entity Number(s) updated in **OGIS** on: 10/14/2015
3. Unit(s) operator number update in **OGIS** on: N/A
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: 10/14/2015
6. Surface Facilities update in **RBDMS** on: 10/14/2015

**LEASE INTEREST OWNER NOTIFICATION:**

1. The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

From: Whiting Oil Gas Corporation

To: Cobra Oil Gas Corporation

Effective: 8/1/2015

| Well Name              | Section | TWN  | RNG  | API Number | Entity | Mineral | Surface | Type | Status |
|------------------------|---------|------|------|------------|--------|---------|---------|------|--------|
| UTE TRIBAL 32-5A       | 32      | 140S | 200E | 4304710577 | 12655  | State   | Indian  | GW   | P      |
| UTE TRIBAL 30-3A       | 30      | 140S | 200E | 4304710913 | 12395  | Federal | Indian  | OW   | P      |
| UTE TRIBAL 29-1A       | 29      | 140S | 200E | 4304730981 | 8118   | Federal | Indian  | GW   | P      |
| UTE TRIBAL 32-2A       | 32      | 140S | 200E | 4304733333 | 12658  | State   | Indian  | GW   | P      |
| UTE TRIBAL 32-6A       | 32      | 140S | 200E | 4304733337 | 12662  | State   | Indian  | GW   | P      |
| CHIMNEY ROCK 32-13     | 32      | 130S | 210E | 4304733447 | 12985  | State   | State   | GW   | P      |
| CHIMNEY ROCK 32-14     | 32      | 130S | 210E | 4304733448 | 12983  | State   | State   | GW   | P      |
| UTE TRIBAL 32-8A       | 32      | 140S | 200E | 4304733557 | 13066  | State   | Indian  | GW   | P      |
| UTE TRIBAL 32-12A      | 32      | 140S | 200E | 4304733558 | 13064  | State   | Indian  | GW   | P      |
| UTE TRIBAL 30-6A       | 30      | 140S | 200E | 4304733596 | 13062  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 29-5A       | 29      | 140S | 200E | 4304733617 | 13061  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 32-7A       | 32      | 140S | 200E | 4304733618 | 13065  | State   | Indian  | GW   | P      |
| UTE TRIBAL 32-9A       | 32      | 140S | 200E | 4304733619 | 13067  | State   | Indian  | GW   | P      |
| UTE TRIBAL 32-10A      | 32      | 140S | 200E | 4304733620 | 13054  | State   | Indian  | GW   | P      |
| UTE TRIBAL 32-16A      | 32      | 140S | 200E | 4304734098 | 13449  | State   | Indian  | GW   | P      |
| UTE TRIBAL 29-6A       | 29      | 140S | 200E | 4304734102 | 13443  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 29-7A       | 29      | 140S | 200E | 4304734103 | 13444  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 10-2-15-20  | 2       | 150S | 200E | 4304735625 | 14167  | State   | Indian  | GW   | P      |
| FLAT ROCK 13-29-14-20  | 29      | 140S | 200E | 4304736778 | 15065  | Federal | Indian  | GW   | P      |
| FLAT ROCK 3-29-14-20   | 29      | 140S | 200E | 4304736795 | 15099  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 6-16-14-20  | 16      | 140S | 200E | 4304738506 | 16320  | State   | Indian  | GW   | P      |
| UTE TRIBAL 15-25-14-19 | 30      | 140S | 200E | 4304739052 | 16169  | Indian  | Indian  | GW   | P      |
| UTE TRIBAL 1-30-14-20  | 30      | 140S | 200E | 4304739665 | 16997  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 3-30-14-20  | 30      | 140S | 200E | 4304739739 | 17526  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 11-30-14-20 | 30      | 140S | 200E | 4304739740 | 17358  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 5-32-14-20  | 32      | 140S | 200E | 4304739741 | 17406  | State   | Indian  | GW   | P      |
| UTE TRIBAL 15-30-14-20 | 30      | 140S | 200E | 4304739942 | 17237  | Federal | Indian  | GW   | P      |
| UTE TRIBAL 1-25-14-19  | 30      | 140S | 200E | 4304750654 | 17454  | Indian  | Indian  | GW   | P      |
| UTE TRIBAL 13-25-14-19 | 26      | 140S | 190E | 4304750689 | 17808  | Indian  | Indian  | GW   | P      |
| UTE TRIBAL 5-25-14-19  | 26      | 140S | 190E | 4304750690 | 17760  | Indian  | Indian  | GW   | P      |
| UTE TRIBAL 3-25-14-19  | 30      | 140S | 200E | 4304751030 | 17759  | Indian  | Indian  | GW   | P      |
| CHIMNEY ROCK 32-11     | 32      | 130S | 210E | 4304733445 | 12984  | State   | State   | GW   | PA     |
| UTE TRIBAL 32-11A      | 32      | 140S | 200E | 4304733621 | 13058  | State   | Indian  | GW   | PA     |
| FLAT ROCK 13-32-14-20  | 32      | 140S | 200E | 4304736992 | 17354  | State   | Indian  | D    | PA     |
| FLAT ROCK 14-32-14-20  | 32      | 140S | 200E | 4304736993 | 17355  | State   | Indian  | D    | PA     |
| FLAT ROCK 15-32-14-20  | 32      | 140S | 200E | 4304736994 | 17356  | State   | Indian  | D    | PA     |
| UTE TRIBAL 8-25-14-19  | 30      | 140S | 200E | 4304739053 | 17353  | Indian  | Indian  | D    | PA     |
| UTE TRIBAL 30-5A       | 30      | 140S | 200E | 4304720502 | 12654  | Federal | Indian  | GW   | S      |
| UTE TRIBAL 30-2A       | 30      | 140S | 200E | 4304730641 | 8112   | Federal | Indian  | GW   | S      |
| UTE TRIBAL 32-1A       | 32      | 140S | 200E | 4304732758 | 12064  | State   | Indian  | OW   | S      |
| UTE TRIBAL 29-2A       | 29      | 140S | 200E | 4304732945 | 8118   | Federal | Indian  | OW   | S      |
| UTE TRIBAL 32-3A       | 32      | 140S | 200E | 4304733334 | 12657  | State   | Indian  | GW   | S      |
| UTE TRIBAL 32-4A       | 32      | 140S | 200E | 4304733335 | 12656  | State   | Indian  | GW   | S      |
| UTE TRIBAL 28-1A       | 28      | 140S | 200E | 4304733595 | 13059  | Federal | Indian  | GW   | S      |
| UTE TRIBAL 29-4A       | 29      | 140S | 200E | 4304733616 | 13060  | Federal | Indian  | GW   | S      |

**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:  
See attached exhibit

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
See attached exhibit

7. UNIT or CA AGREEMENT NAME:  
See attached exhibit

8. WELL NAME and NUMBER:  
See attached exhibit

9. API NUMBER:  
See attach

10. FIELD AND POOL, OR WILDCAT:  
See attached exhibit

1. TYPE OF WELL OIL WELL  GAS WELL  OTHER See attached exhibit

2. NAME OF OPERATOR:  
COBRA OIL & GAS CORPORATION N4270

3. ADDRESS OF OPERATOR: PO Box 8206 Wichita Falls TX 76307-8206 PHONE NUMBER: (940) 716-5100

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: See attached exhibit COUNTY: Uintah  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH

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

| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
|---|---|---|--|
| <input 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 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 checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br><u>8/1/2015</u> | <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.

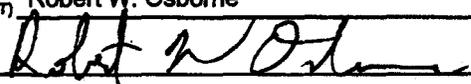
Effective August 1, 2015, Whiting Oil & Gas Corporation resigned as Operator of the wells listed on the attached Exhibit, and Cobra Oil & Gas Corporation has been designated as successor Operator.

Cobra Oil & Gas Corporation  
PO Box 8206  
Wichita Falls, TX 76307-8206  
Phone: (940) 716-5100

Whiting Oil & Gas Corporation N2680  
1700 Broadway, Suite 2300  
Denver, CO 80290  
Phone: (303) 837-1661

  
Rick Ross, Senior Vice President - Operations

Bonds through U.S. Specialty Insurance Company  
Utah State Bond: B009455  
BLM Nationwide Bond: B009425

NAME (PLEASE PRINT) Robert W. Osborne TITLE Vice President  
SIGNATURE  DATE 7/14/15

(This space for State use only)

**APPROVED**

(5/2000)

(See Instructions on Reverse Side)

OCT 14 2015

DIV. OIL GAS & MINING  
BY: Rachel Medina

# Well Exhibit for Utah DOGM

| LEASE/UNIT             | Lease #     | Tribe Name | API #                 | FIELD        | COUNTY | STATE | RESERVOIR             | LOCATION:<br>SEC - TWP - RNG |
|------------------------|-------------|------------|-----------------------|--------------|--------|-------|-----------------------|------------------------------|
| CHIMNEY ROCK 32-11     | ML-47437    |            | 4304733445            | SEEP RIDGE B | UINTAH | UT    | DAKOTA                | 32-T13S-R21E                 |
| CHIMNEY ROCK 32-13     | ML-47437    |            | 4304733447            | SEEP RIDGE B | UINTAH | UT    | DAKOTA-CEDAR MOUNTAIN | 32-T13S-R21E                 |
| CHIMNEY ROCK 32-14     | ML-47437    |            | 4304733448            | SEEP RIDGE B | UINTAH | UT    | DAKOTA-CEDAR MOUNTAIN | 32-T13S-R21E                 |
| FLAT ROCK 13-29-14-20  | UTU10166    |            | 4304736778            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 29-T14S-R20E                 |
| FLAT ROCK 13-32-14-20  | ML-44317    |            | 4304736992            | FLAT ROCK    | UINTAH | UT    | WINGT                 | 32-T14S-R20E                 |
| FLAT ROCK 14-32-14-20  | ML-44317    |            | 4304736993            | FLAT ROCK    | UINTAH | UT    | MESA VERDE            | 32-T14S-R20E                 |
| FLAT ROCK 15-32-14-20  | ML-44317    |            | 4304736994            | FLAT ROCK    | UINTAH | UT    | MESA VERDE            | 32-T14S-R20E                 |
| FLAT ROCK 30-3A        | UTU019837   |            | <del>4304730729</del> | FLAT ROCK    | UINTAH | UT    | N/A                   | 30-T14S-R20E                 |
| FLAT ROCK 3-29-14-20   | UTU10166    |            | 4304736795            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 29-T14S-R20E                 |
| UTE TRIBAL 10-2-15-20  | ML-46842    |            | 4304735625            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 2-T15S-R20E                  |
| UTE TRIBAL 11-30-14-20 | UTU019837   |            | 4304739740            | FLAT ROCK    | UINTAH | UT    | DAKOTA-BUCKHORN       | 30-T14S-R20E                 |
| UTE TRIBAL 1-25-14-19  | 1420H625581 | Ute Tribe  | 4304750654            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 30-T14S-R20E                 |
| UTE TRIBAL 1-30-14-20  | UTU019837   |            | 4304739665            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 30-T14S-R20E                 |
| UTE TRIBAL 13-25-14-19 | 1420H625581 | Ute Tribe  | 4304750689            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 26-T14S-R19E                 |
| UTE TRIBAL 15-25-14-19 | 1420H625581 | Ute Tribe  | 4304739052            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 30-T14S-R20E                 |
| UTE TRIBAL 15-30-14-20 | UTU019837   |            | 4304739942            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 30-T14S-R20E                 |
| UTE TRIBAL 28-1A       | UTU10166    |            | 4304733595            | FLAT ROCK    | UINTAH | UT    | DAKOTA                | 28-T14S-R20E                 |
| UTE TRIBAL 29-1A       | UTU10166    |            | 4304730981            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 29-T14S-R20E                 |
| UTE TRIBAL 29-2A       | UTU10166    |            | 4304732945            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 29-T14S-R20E                 |
| UTE TRIBAL 29-3A       | UTU10166    |            | 4304732946            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 29-T14S-R20E                 |
| UTE TRIBAL 29-4A       | UTU10166    |            | 4304733616            | FLAT ROCK    | UINTAH | UT    | DAKOTA                | 29-T14S-R20E                 |
| UTE TRIBAL 29-5A       | UTU10166    |            | 4304733617            | FLAT ROCK    | UINTAH | UT    | CEDAR MOUNTAIN        | 29-T14S-R20E                 |
| UTE TRIBAL 29-6A       | UTU10166    |            | 4304734102            | FLAT ROCK    | UINTAH | UT    | CURTIS-ENTRADA        | 29-T14S-R20E                 |
| UTE TRIBAL 29-7A       | UTU10166    |            | 4304734103            | FLAT ROCK    | UINTAH | UT    | CURTIS-ENTRADA        | 29-T14S-R20E                 |
| UTE TRIBAL 30-1        | UTU019837   |            | <del>4304715764</del> | FLAT ROCK    | UINTAH | UT    | WASATCH               | 30-T14S-R20E                 |
| UTE TRIBAL 30-2A       | UTU019837   |            | 4304730641            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 30-T14S-R20E                 |
| UTE TRIBAL 30-3A       | UTU019837   |            | 4304710913            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 30-T14S-R20E                 |
| UTE TRIBAL 30-4A       | UTU019837   |            | 4304716520            | FLAT ROCK    | UINTAH | UT    | TW                    | 30-T14S-R20E                 |
| UTE TRIBAL 30-5A       | UTU019837   |            | 4304720502            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 30-T14S-R20E                 |
| UTE TRIBAL 30-6A       | UTU019837   |            | 4304733596            | FLAT ROCK    | UINTAH | UT    | DAKOTA                | 30-T14S-R20E                 |
| UTE TRIBAL 32-10A      | ML-44317    |            | <del>4304753620</del> | FLAT ROCK    | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-11A      | ML-44317    |            | 4304733621            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-12A      | ML-44317    |            | 4304733558            | FLAT ROCK    | UINTAH | UT    | CEDAR MOUNTAIN        | 32-T14S-R20E                 |
| UTE TRIBAL 32-16A      | ML-44317    |            | 4304734098            | FLAT ROCK    | UINTAH | UT    | DAKOTA-CEDAR MOUNTAIN | 32-T14S-R20E                 |
| UTE TRIBAL 32-1A       | ML-44317    |            | 4304732758            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-2A       | ML-44317    |            | 4304733333            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-3A       | ML-44317    |            | 4304733334            | FLAT ROCK    | UINTAH | UT    | WASATCH-MESAVERDE     | 32-T14S-R20E                 |
| UTE TRIBAL 32-4A       | ML-44317    |            | 4304733335            | FLAT ROCK    | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 3-25-14-19  | 1420H625581 | Ute Tribe  | 4304751030            | FLAT ROCK    | UINTAH | UT    | ENTRADA               | 30-T14S-R20E                 |

# Well Exhibit for Utah DOGM

| LEASE/UNIT            | Lease #     | Tribe Name | API #      | FIELD     | COUNTY | STATE | RESERVOIR             | LOCATION:<br>SEC - TWP - RNG |
|-----------------------|-------------|------------|------------|-----------|--------|-------|-----------------------|------------------------------|
| UTE TRIBAL 32-5A      | ML-44317    |            | 4304710577 | FLAT ROCK | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-6A      | ML-44317    |            | 4304733337 | FLAT ROCK | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-7A      | ML-44317    |            | 4304733618 | FLAT ROCK | UINTAH | UT    | WASATCH               | 32-T14S-R20E                 |
| UTE TRIBAL 32-8A      | ML-44317    |            | 4304733557 | FLAT ROCK | UINTAH | UT    | DAKOTA                | 32-T14S-R20E                 |
| UTE TRIBAL 32-9A      | ML-44317    |            | 4304733619 | FLAT ROCK | UINTAH | UT    | DAKOTA-CEDAR MOUNTAIN | 32-T14S-R20E                 |
| UTE TRIBAL 3-30-14-20 | UTU019837   |            | 4304739739 | FLAT ROCK | UINTAH | UT    | ENTRADA               | 30-T14S-R20E                 |
| UTE TRIBAL 5-25-14-19 | 1420H625581 | Ute Tribe  | 4304750690 | FLAT ROCK | UINTAH | UT    | ENTRADA               | 26-T14S-R19E                 |
| UTE TRIBAL 5-32-14-20 | ML-44317    |            | 4304739741 | FLAT ROCK | UINTAH | UT    | DAKOTA ENTRADA        | 32-T14S-R20E                 |
| UTE TRIBAL 6-16-14-20 | ML-47502    |            | 4304738506 | FLAT ROCK | UINTAH | UT    | ENTRADA               | 16-T14S-R20E                 |
| UTE TRIBAL 8-25-14-19 | 1420H625581 | Ute Tribe  | 4304739053 | FLAT ROCK | UINTAH | UT    | N/A                   | 30-T14S-R20E                 |



RECEIVED

AUG 04 2015

DIV. OF OIL, GAS & MINING

July 16, 2015

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

Re: Change of Operator

Whiting Oil and Gas Corporation respectfully submits change of operator  
sundries for Flat Rock field in Uintah County, UT.

The new operator is  
Cobra Oil and Gas Corporation  
PO Box 8206  
Witchita Falls, TX 76307-8206  
Phone: (940) 716-5100

Regulatory Admin for Cobra:  
Barbara Pappas  
940-716-5103  
Barbara@cobraogc.com

Please contact Barbara Pappas or myself if you should have questions or need  
additional information.

Best Regards,

Cara Mezydlo,  
Engineering Technician III – Central Rockies Asset Group  
(303) 876-7091  
Cara.mezydlo@whiting.com

*Whiting Petroleum Corporation  
and its wholly owned subsidiary  
Whiting Oil and Gas Corporation*



RECEIVED  
AUG 04 2015  
DIV. OF OIL, GAS & MINING

July 16, 2015

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

Re: Change of Operator

Whiting Oil and Gas Corporation respectfully submits change of operator sundries for Flat Rock field in Uintah County, UT.

The new operator is  
Cobra Oil and Gas Corporation  
PO Box 8206  
Witchita Falls, TX 76307-8206  
Phone: (940) 716-5100

Regulatory Admin for Cobra:  
Barbara Pappas  
940-716-5103  
Barbara@cobraogc.com

Please contact Barbara Pappas or myself if you should have questions or need additional information.

Best Regards,

Cara Mezydlo,  
Engineering Technician III – Central Rockies Asset Group  
(303) 876-7091  
Cara.mezydlo@whiting.com

*Whiting Petroleum Corporation  
and its wholly owned subsidiary  
Whiting Oil and Gas Corporation*



Rachel Medina &lt;rachelmedina@utah.gov&gt;

## Plugged Wells

8 messages

**Rachel Medina** <rachelmedina@utah.gov>  
To: Barbara Pappas <barbara@cobraogc.com>

Thu, Aug 6, 2015 at 11:05 AM

Hi Barbara,

The following Whiting wells are listed on the request for the Cobra operator change, but are currently plugged. Our Division does not usually move plugged well unless the new operator has plans to reenter the wells. Will this be the case for Cobra?

|                       |    |      |      |            |
|-----------------------|----|------|------|------------|
| CHIMNEY ROCK 32-11    | 32 | 130S | 210E | 4304733445 |
| UTE TRIBAL 32-11A     | 32 | 140S | 200E | 4304733621 |
| FLAT ROCK 13-32-14-20 | 32 | 140S | 200E | 4304736992 |
| FLAT ROCK 14-32-14-20 | 32 | 140S | 200E | 4304736993 |
| FLAT ROCK 15-32-14-20 | 32 | 140S | 200E | 4304736994 |
| UTE TRIBAL 8-25-14-19 | 30 | 140S | 200E | 4304739053 |

Also, the following wells were listed on the exhibit but are not currently operated by Whiting. They will not move in the operator change.

Flat Rock 30-3A 4304730729  
Ute Tribal 30-1 4304715764  
Ute Tribal 30-4A 4304716520

Thanks!

—  
Rachel Medina  
Division of Oil, Gas & Mining  
Bonding Technician  
801-538-5260

**Rachel Medina** <rachelmedina@utah.gov>  
To: Barbara Pappas <barbara@cobraogc.com>

Thu, Aug 6, 2015 at 2:36 PM

Hi Barbara,

Cobra is also taking over 3 State/Fee wells that have been shut in for over a year. Because of this our Petroleum Engineer is requesting a shut in plan and full cost bonding. For the shut in plan you will need to submit an outline and time frame of the plans for each well. To determine full cost bonding you will need to submit a plugging estimate, our engineer will evaluate the cost and set the bond for each well at the estimate or depth bonding (as outline in the rules), whichever is greater.

Please let me know if you have any questions.

Thanks!

[Quoted text hidden]

**Barbara Pappas** <barbara@cobraogc.com>  
To: Rachel Medina <rachelmedina@utah.gov>

Thu, Aug 6, 2015 at 3:10 PM

Rachel:

I have forwarded to my managers and hopefully will have an answer for you soon.

Thanks,

Barbara

**From:** Rachel Medina [mailto:rachelmedina@utah.gov]  
**Sent:** Thursday, August 06, 2015 3:37 PM  
**To:** Barbara Pappas <barbara@cobraogc.com>  
**Subject:** Re: Plugged Wells

[Quoted text hidden]

---

**Rachel Medina** <rachelmedina@utah.gov>  
To: Barbara Pappas <barbara@cobraogc.com>

Fri, Aug 14, 2015 at 8:58 AM

Hi Barbara,

The Division received confirmation that the plugged wells need to be moved to Cobra. At this point we are waiting for shut in plans and plugging estimates on the following wells.

UTE TRIBAL 32-1A  
UTE TRIBAL 32-3A  
UTE TRIBAL 32-4A

Thanks!

[Quoted text hidden]

---

**Charlie Gibson** <charlie@cobraogc.com>  
To: "rachelmedina@utah.gov" <rachelmedina@utah.gov>  
Cc: Rory Edwards <rory@cobraogc.com>, Bobby Hess <bhess@cobraogc.com>, Kyle Gardner <kgardner@cobraogc.com>, Barbara Pappas <barbara@cobraogc.com>

Wed, Aug 19, 2015 at 8:40 AM

Rachel,

We have studied the wells listed below and our estimate to plug the wells is \$20,000/well. We also believe that the wells still have economic potential and plan on working on the wells by 10-1-2015 to attempt to re-establish production. Let me know if you have any questions.

**Charlie Gibson**

Operations Manager

**Cobra Oil & Gas**

**(940)716-5100 (o)**

**(940)781-6260 (c)**

**From:** Rachel Medina [mailto:rachelmedina@utah.gov]  
**Sent:** Friday, August 14, 2015 9:59 AM  
**To:** Barbara Pappas <barbara@cobraogc.com>  
**Subject:** Re: Plugged Wells

Hi Barbara,

[Quoted text hidden]

[Quoted text hidden]

---

**Rachel Medina** <rachelmedina@utah.gov>  
To: Dustin Doucet <dustindoucet@utah.gov>

Wed, Aug 19, 2015 at 4:46 PM

What are your thoughts on the full cost bonding and the shut in plan?  
[Quoted text hidden]

---

**Dustin Doucet** <dustindoucet@utah.gov>  
To: Rachel Medina <rachelmedina@utah.gov>

Wed, Aug 19, 2015 at 6:16 PM

Without more supporting evidence of their P&A cost estimate, I don't feel comfortable with the estimate provided. It appears several plugs may need to be drilled out to properly isolate formations with open perfs with cement as required by rule. I doubt this was taken into consideration in their estimates. Since they are proposing to work the wells over by October 1, 2015, I would be willing to accept the \$30,000 depth bond per well to get these transferred and let them get the work done with the caveat that we will require more information on P&A costs and would require full cost bonds if found to be more than \$30K per well if the work is not done by October 1, 2015.

[Quoted text hidden]

—  
Dustin K. Doucet  
Petroleum Engineer  
Division of Oil, Gas and Mining  
1594 West North Temple, Ste 1210  
Salt Lake City, Utah 84116  
801.538.5281 (ofc)  
801.359.3940 (fax)

web: www.ogm.utah.gov

---

**Rachel Medina** <rachelmedina@utah.gov>  
To: Charlie Gibson <charlie@cobraogc.com>  
Cc: Rory Edwards <rory@cobraogc.com>, Bobby Hess <bhess@cobraogc.com>, Kyle Gardner <kgardner@cobraogc.com>, Barbara Pappas <barbara@cobraogc.com>

Thu, Aug 20, 2015 at 9:09 AM

Hi Charlie,

The following is our Petroleum Engineer's review;

-Ute Tribal 32-1A, Ute Tribal 32-3A and Ute Tribal 32-4A are each required to have a \$30,000.00 individual bond.  
-Cobra's plan to put the wells on production by October 1, 2015 is accepted, however a condition has been placed that if the wells are not producing by October 1st the Division **will require** a new P&A estimate be

submitted and reviewed for full cost bonding.

Please submit bonding for each well, if Cobra needs the new bonding forms again please let me know. As soon as the bond is received we can begin to process the operator change.

Thanks!

[Quoted text hidden]



Rachel Medina &lt;rachelmedina@utah.gov&gt;

## Utah Change of Operator from Whiting to Cobra

1 message

**Charlie Gibson** <charlie@cobraogc.com>

Thu, Aug 13, 2015 at 2:17 PM

To: "rachelmedina@utah.gov" <rachelmedina@utah.gov>

Cc: Jeff Dillard <jeff@cobraogc.com>, Bob Osborne <bob@cobraogc.com>, Stephen Howard <Showard@basinoilandgas.com>, Caven Crosnoe <ccrosnoe@scglaw.com>, Rory Edwards <rory@cobraogc.com>, Phil Rugeley <phil@cobraogc.com>, Rick Haskin <rick@cobraogc.com>, Barbara Pappas <barbara@cobraogc.com>

Dear Rachel,

We have been informed by Whiting Oil and Gas Corporation that you have requested an email from Cobra Oil & Gas Corporation acknowledging that we have agreed to assume all plugging, abandoning and reclamation obligations for the wells described below. In accordance with the terms and conditions of the Purchase and Sale Agreement (Agreement) between Whiting Oil and Gas Corporation (Seller) and Cobra Oil & Gas Corporation, et al (Buyer), please be advised the Buyer assumed the obligation to plug and abandon all wells located on the Lands and reclaim all well sites located on the Lands regardless of when the obligations arose. Accordingly Cobra Oil and Gas Corporation, as Operator, assumes those obligations and liabilities associated with the wells described below:

CHIMNEY ROCK 32130S 210E4304733445  
32-11

UTE TRIBAL 32- 32140S 200E4304733621  
11A

FLAT ROCK 13- 32140S 200E4304736992  
32-14-20

FLAT ROCK 14- 32140S 200E4304736993  
32-14-20

FLAT ROCK 15- 32140S 200E4304736994  
32-14-20

UTE TRIBAL 8- 30140S 200E4304739053  
25-14-19

Flat Rock 30-3A 4304730729

Ute Tribal 30-1 4304715764

Ute Tribal 30-4A 4304716520

Sincerely,

**Charlie Gibson**

Operations Manager

**Cobra Oil & Gas**

**(940)716-5100 (o)**

**(940)781-6260 (c)**