

September 26, 2005

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

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.
LCU 12-11H, 2,045' FSL & 765' FWL, NW/4 SW/4,
Section 11, T11S, R20E, SLB&M, Uintah County, Utah

Dear Fluid Minerals Group:

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

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

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

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan;

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

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

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

Sincerely,

Don Hamilton

Don Hamilton
Agent for Dominion

cc: Diana Whitney, Division of Oil, Gas and Mining
Carla Christian, Dominion

RECEIVED

SEP 29 2005

DIV. OF OIL, GAS & MINING

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

| | |
|--|---|
| 5. Lease Serial No. UTU-73436 | |
| 6. If Indian, Allottee or Tribe Name N/A | |
| 7. If Unit or CA Agreement, Name and No. Little Canyon Unit | |
| 8. Lease Name and Well No. LCU 12-11H | |
| 9. API Well No. 43-047-37199 | |
| 10. Field and Pool, or Exploratory Natural Gases Undesignated | 11. Sec., T. R. M. or Blk. and Survey of Area Section 11, T11S, R20E, SLB&M |
| 12. County or Parish Uintah | 13. State UT |
| 14. Distance in miles and direction from nearest town or post office* 14.91 miles south of Ouray, Utah | 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 765' |
| 16. No. of acres in lease 1,280 acres | 17. Spacing Unit dedicated to this well 40 acres |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,900' | 19. Proposed Depth 8,625' |
| 20. BLM/BIA Bond No. on file 76S 63050 0330 | 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,165' GR |
| 22. Approximate date work will start* 01/15/2006 | 23. Estimated duration 14 days |

24. Attachments

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

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

| | | |
|--------------------------------------|---|---------------------------|
| 25. Signature Don Hamilton | Name (Printed/Typed) Don Hamilton | Date 09/26/2005 |
|--------------------------------------|---|---------------------------|

Title
Agent for Dominion

| | | |
|---|--|-------------------------|
| Approved by (Signature) Bradley G. Hill | Name (Printed/Typed) BRADLEY G. HILL | Date 10-03-05 |
|---|--|-------------------------|

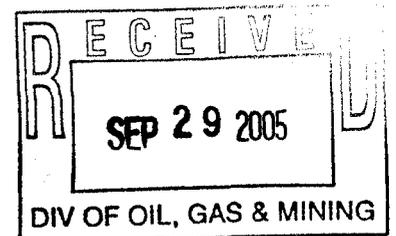
Title
ENVIRONMENTAL SCIENTIST III

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

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

*(Instructions on page 2)

Federal Approval of this
Action is Necessary



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C.C. NE Cor. Sec. 3,
Set Marked Stone True Position
Pile of Stones

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

DOMINION EXPLR. & PROD., INC.

Well location, LCU #12-11H, located as shown in the NW 1/4 SW 1/4 of Section 11, T11S, R20E, S.L.B.&M. Uintah County Utah.

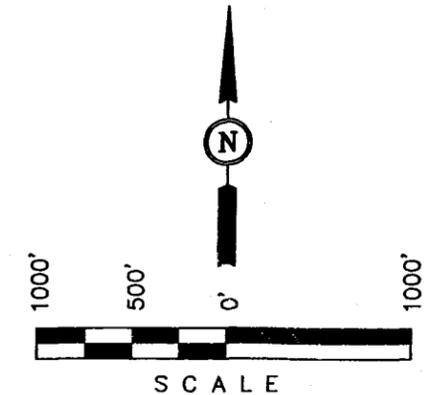
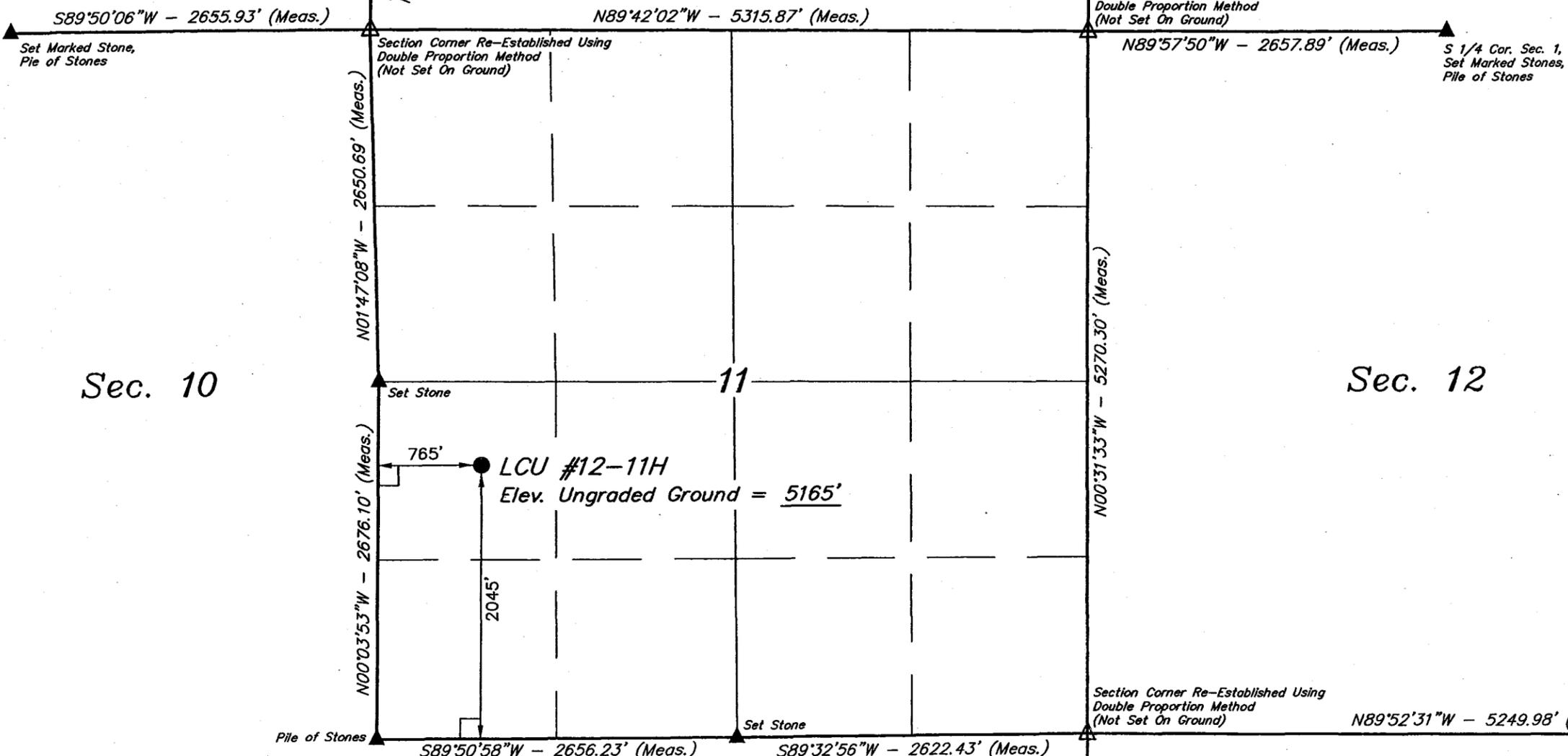
BASIS OF ELEVATION

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

Sec. 3

Sec. 2

Sec. 1



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 H. Gray
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

- LEGEND:**
- └─┘ = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.
 - △ = SECTION CORNERS RE-ESTABLISHED.
- BY DOUBLE PROPORTION METHOD. (Not Set On Ground)

BASIS OF BEARINGS
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.
(NAD 83)
LATITUDE = 39°52'23.62" (39.873228)
LONGITUDE = 109°39'11.35" (109.653153)
(NAD 27)
LATITUDE = 39°52'23.74" (39.873261)
LONGITUDE = 109°39'08.86" (109.652461)

| | | |
|--|--------------------------------------|------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 6-29-05 | DATE DRAWN: 6-30-05 |
| PARTY B.B. J.M. K.G. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE DOMINION EXPLR. & PROD., INC | |

Sec. 13

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 12-11H
2045' FSL & 765' FWL
Section 11-11S-20E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

| <u>Formation</u> | <u>Depth</u> |
|--------------------|--------------|
| Wasatch Tongue | 3,230' |
| Green River Tongue | 3,560' |
| Wasatch | 3,680' |
| Chapita Wells | 4,640' |
| Uteland Buttes | 5,720' |
| Mesaverde | 6,310' |

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

| <u>Formation</u> | <u>Depth</u> | <u>Type</u> |
|--------------------|--------------|-------------|
| Wasatch Tongue | 3,230' | Oil |
| Green River Tongue | 3,560' | Oil |
| Wasatch | 3,680' | Gas |
| Chapita Wells | 4,640' | Gas |
| Uteland Buttes | 5,720' | Gas |
| Mesaverde | 6,310' | Gas |

4. PROPOSED CASING PROGRAM

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

| <u>Type</u> | <u>Size</u> | <u>Weight</u> | <u>Grade</u> | <u>Conn.</u> | <u>Top</u> | <u>Bottom</u> | <u>Hole</u> |
|-------------|-------------|---------------|--------------|--------------|------------|---------------|-------------|
| Surface | 8-5/8" | 32.0 ppf | J-55 | STC | 0' | 2,000' | 12-1/4" |
| Production | 5-1/2" | 17.0 ppf | MAV-80 | LTC | 0' | 8,625' | 7-7/8" |

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

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DRILLING PLAN

APPROVAL OF OPERATIONS

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

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

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

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

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

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

6. MUD SYSTEMS

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

| <u>Depths</u> | <u>Mud Weight (ppg)</u> | <u>Mud System</u> |
|-----------------|-------------------------|---|
| 0' - 2,000' | 8.4 | Air foam mist, rotating head and diverter |
| 2,000' - 8,625' | 8.6 | Fresh water/2% KCL/KCL mud system |

7. BLOOIE LINE

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

8. AUXILIARY EQUIPMENT TO BE USED

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

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

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

10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

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

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DRILLING PLAN

APPROVAL OF OPERATIONS

11. WATER SUPPLY

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

12. CEMENT SYSTEMS

a. Surface Cement:

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

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

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

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

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

c. Production Casing Cement:

- Drill 7-7/8" hole to 8,625'±, run and cement 5 1/2".
- Cement interface is at 4,000', which is typically 500'-1,000' above shallowest pay.
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 3% KCL.

| <u>Type</u> | <u>Sacks</u> | <u>Interval</u> | <u>Density</u> | <u>Yield</u> | <u>Hole</u> | <u>Cement</u> | <u>Excess</u> |
|-------------|--------------|-----------------|----------------|--------------|---------------|---------------|---------------|
| | | | | | <u>Volume</u> | <u>Volume</u> | |
| Lead | 160 | 3,700'-4,700' | 11.5 ppg | 3.12 CFS | 175 CF | 350 CF | 100% |
| Tail | 435 | 4,700'-8,625' | 13.0 ppg | 1.75 CFS | 473 CF | 946 CF | 100% |

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

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

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

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: January 15, 2006
Duration: 14 Days

SURFACE USE PLAN

CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 12-11H
2045' FSL & 765' FWL
Section 11-11S-20E
Uintah County, UT

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

The federal onsite inspection for the referenced well was conducted on Tuesday, September 6, 2005 at approximately 3:30 pm. In attendance at the onsite inspection were the following individuals:

| | | |
|-------------------|-----------------------|---------------------------------------|
| Ken Secrest | Foreman | Dominion E & P, Inc. |
| Karl Wright | Nat. Res. Prot. Spec. | Bureau of Land Management – Vernal |
| Amy Torres | Biologist | Bureau of Land Management – Vernal |
| Brandon Bowthorpe | Surveyor | Uintah Engineering and Land Surveying |
| Jason Robins | Surveyor Helper | Uintah Engineering and Land Surveying |
| Bill McClure | Foreman | LaRose Construction |

1. **Existing Roads:**
 - a. The proposed well site is located approximately 14.91 miles south of Ouray, UT.
 - b. Directions to the proposed well site have been attached at the end of Exhibit B.
 - c. The use of roads under State and County Road Department maintenance are necessary to access the Little Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
 - d. All existing roads will be maintained and kept in good repair during all phases of operation.
 - e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
 - f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
 - g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing Little Canyon Unit boundary.

2. Planned Access Roads:

- a. From the proposed LCU 6-11H access road an access is proposed trending southwest approximately 0.7 miles to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 24' travel surface within a 30' disturbed area.
- c. BLM approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with minor cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 0.7 miles long and adequate site distance exists in all directions.
- f. No culverts or low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Desert Brown to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the south side of the well site and traverse 3,618' northeast to the proposed 8" or less pipeline corridor that will service the east LCU 6-11H area
- i. The new gas pipeline will be an 8" or less steel line within a 50' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 3,618' is associated with this well.
- j. The pipeline will be buried trending southwest from the proposed LCU 6-11H until bedrock is encountered then will be surface laid to the proposed wellsite.
- k. Dominion intends on installing the pipeline by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:

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

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.

- c. The reserve pit will be located outboard of the location and along the west side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 12 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
- k. **Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.**
- l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the southwest.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 355' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- l. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On and BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.

- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.
- b. Mineral Ownership – Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Our understanding of the results of the onsite inspection are:
 - a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
 - b. The pipeline will be buried trending southwest from the proposed LCU 6-11H until bedrock is encountered then will be surface laid to the proposed wellsite.

13. Operator's Representative and Certification

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

Certification:

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

Signature: Don Hamilton Date: 9-26-05

DOMINION EXPLR. & PROD., INC.
LCU #12-11H
SECTION 11, T11S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #9-11H TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #6-11H TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.0 MILES.

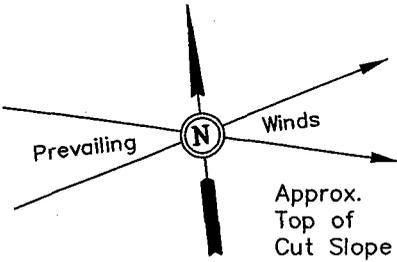
DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

LCU #12-11H

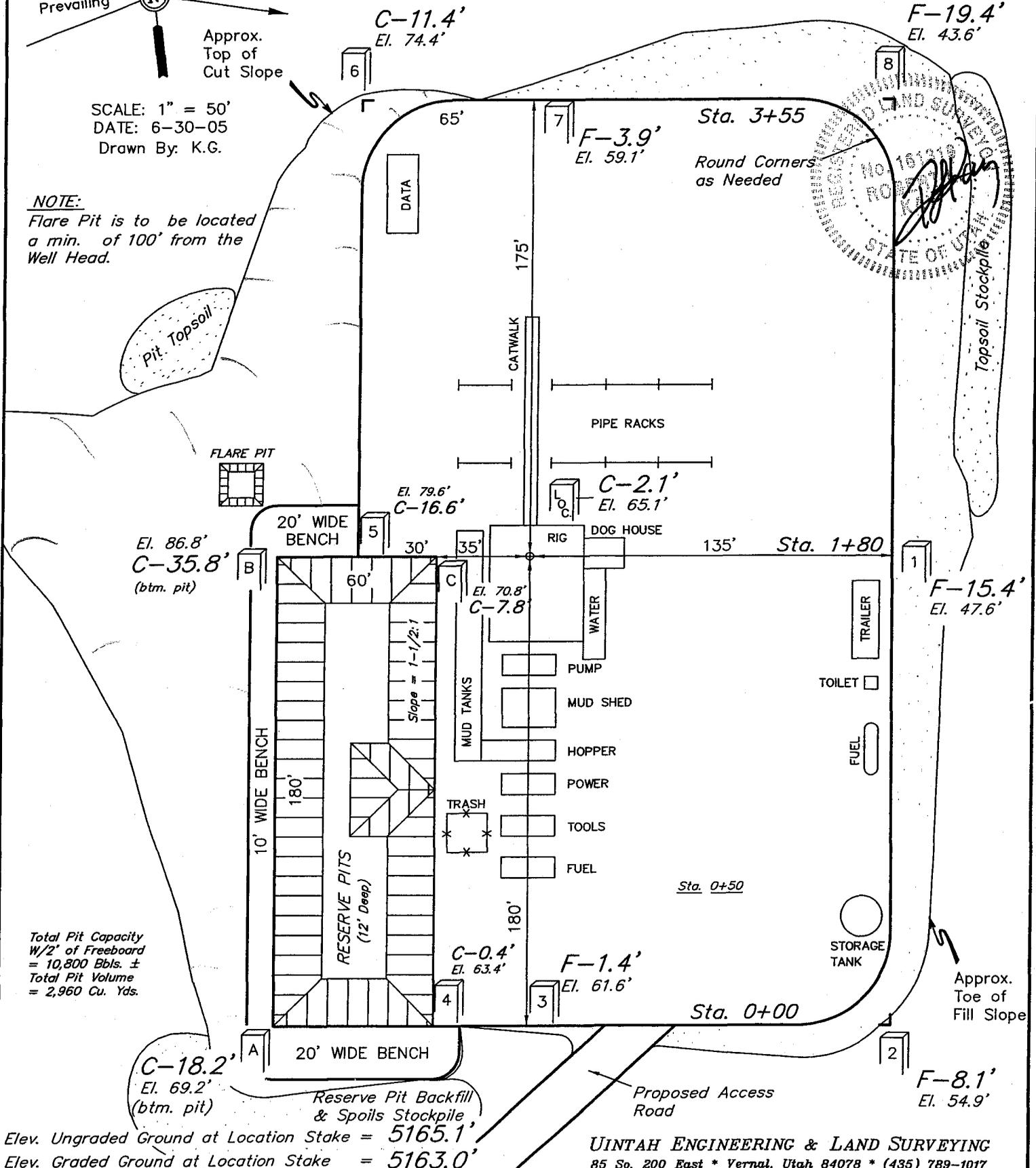
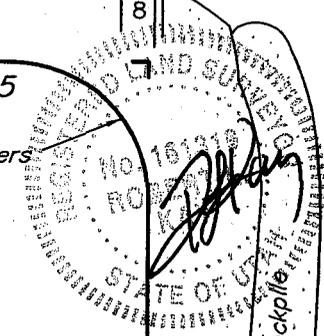
SECTION 11, T11S, R20E, S.L.B.&M.

2045' FSL 765' FWL



SCALE: 1" = 50'
DATE: 6-30-05
Drawn By: K.G.

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



Total Pit Capacity
W/2' of Freeboard
= 10,800 Bbls. ±
Total Pit Volume
= 2,960 Cu. Yds.

C-18.2' El. 69.2' (btm. pit)
Reserve Pit Backfill & Spoils Stockpile

Elev. Ungraded Ground at Location Stake = 5165.1'
Elev. Graded Ground at Location Stake = 5163.0'

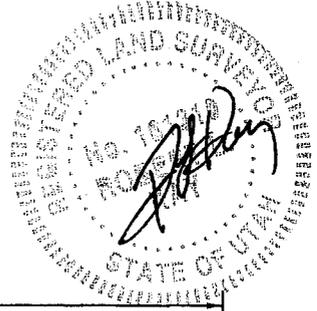
DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

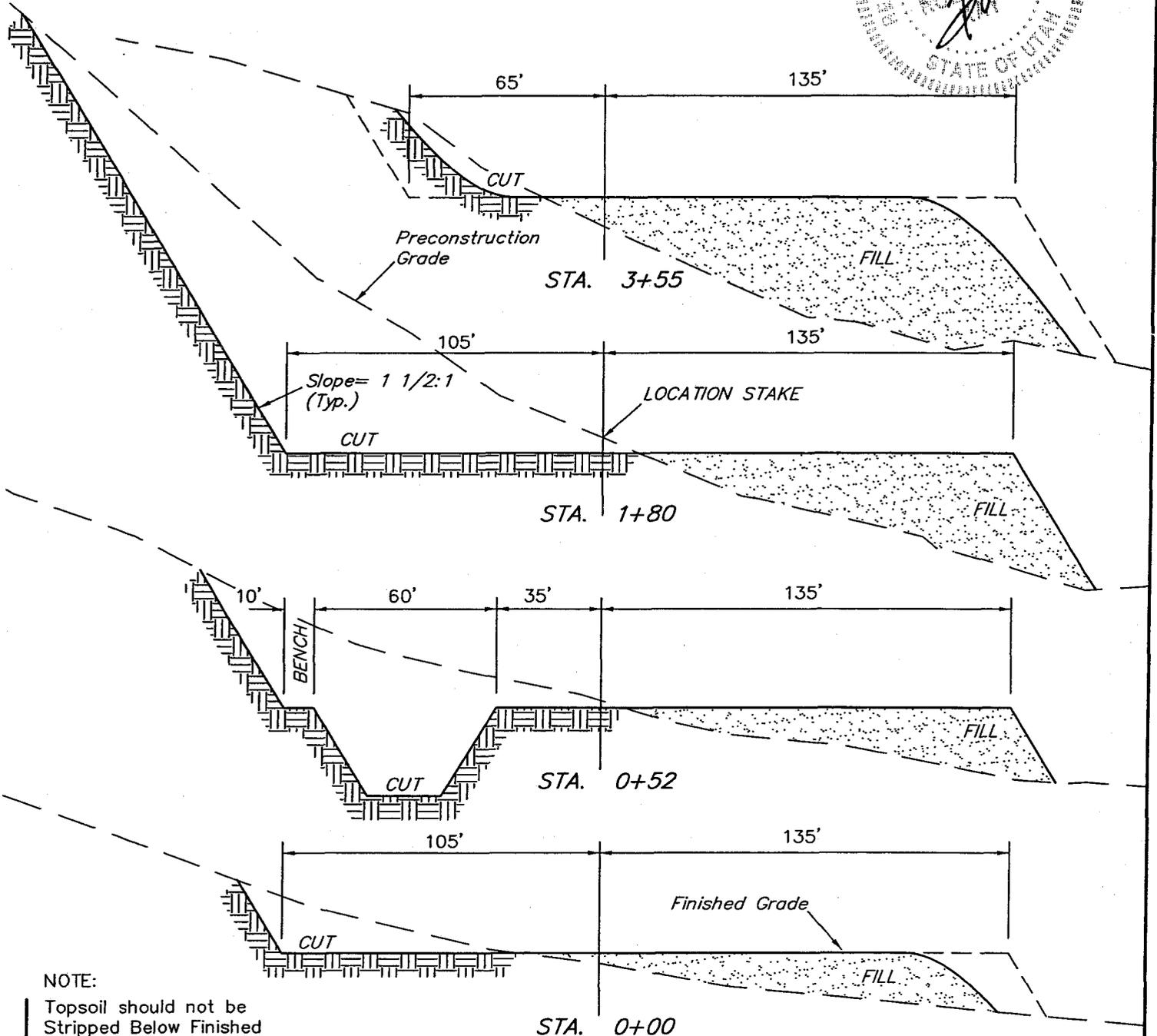
LCU #12-11H

SECTION 11, T11S, R20E, S.L.B.&M.

2045' FSL 765' FWL



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



NOTE:

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

*** NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | |
|------------------------|-------------------------|
| CUT | |
| (6") Topsoil Stripping | = 2,250 Cu. Yds. |
| Remaining Location | = 20,900 Cu. Yds. |
| TOTAL CUT | = 23,150 CU.YDS. |
| FILL | = 18,340 CU.YDS. |

| | |
|---|------------------|
| EXCESS MATERIAL | = 4,810 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,730 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 1,080 Cu. Yds. |

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

DOMINION EXPLR. & PROD., INC.

LCU #12-11H

LOCATED IN UINTAH COUNTY, UTAH

SECTION 11, T11S, R20E, S.L.B.&M.

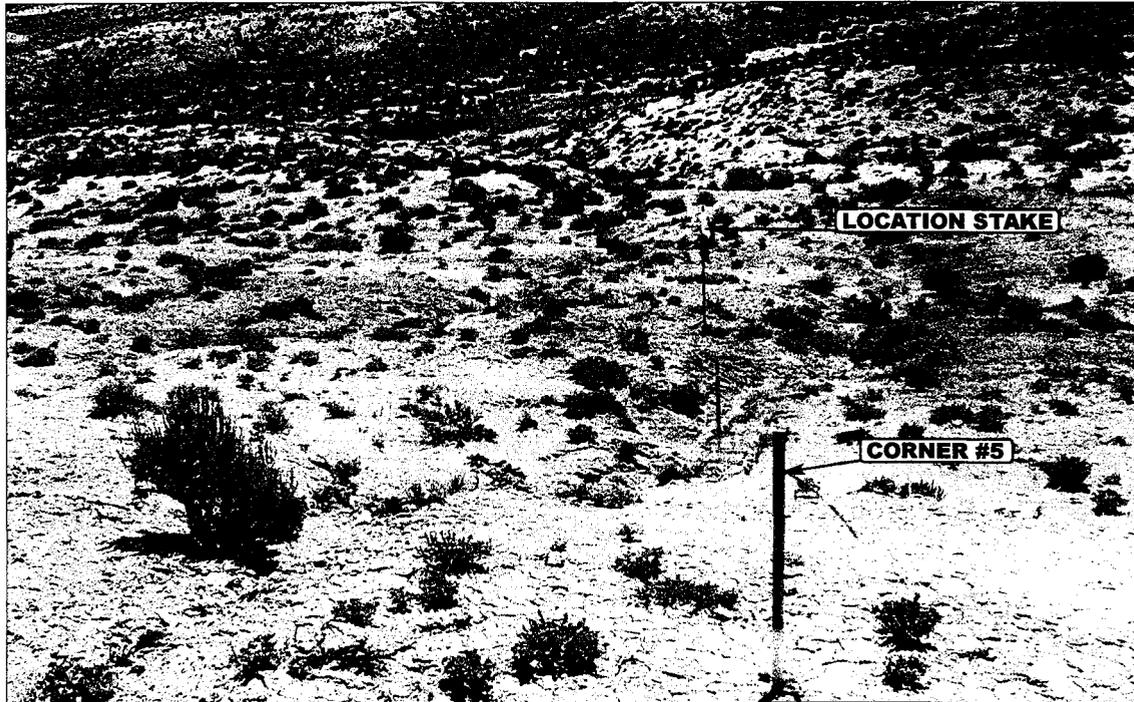


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

E&L**S**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

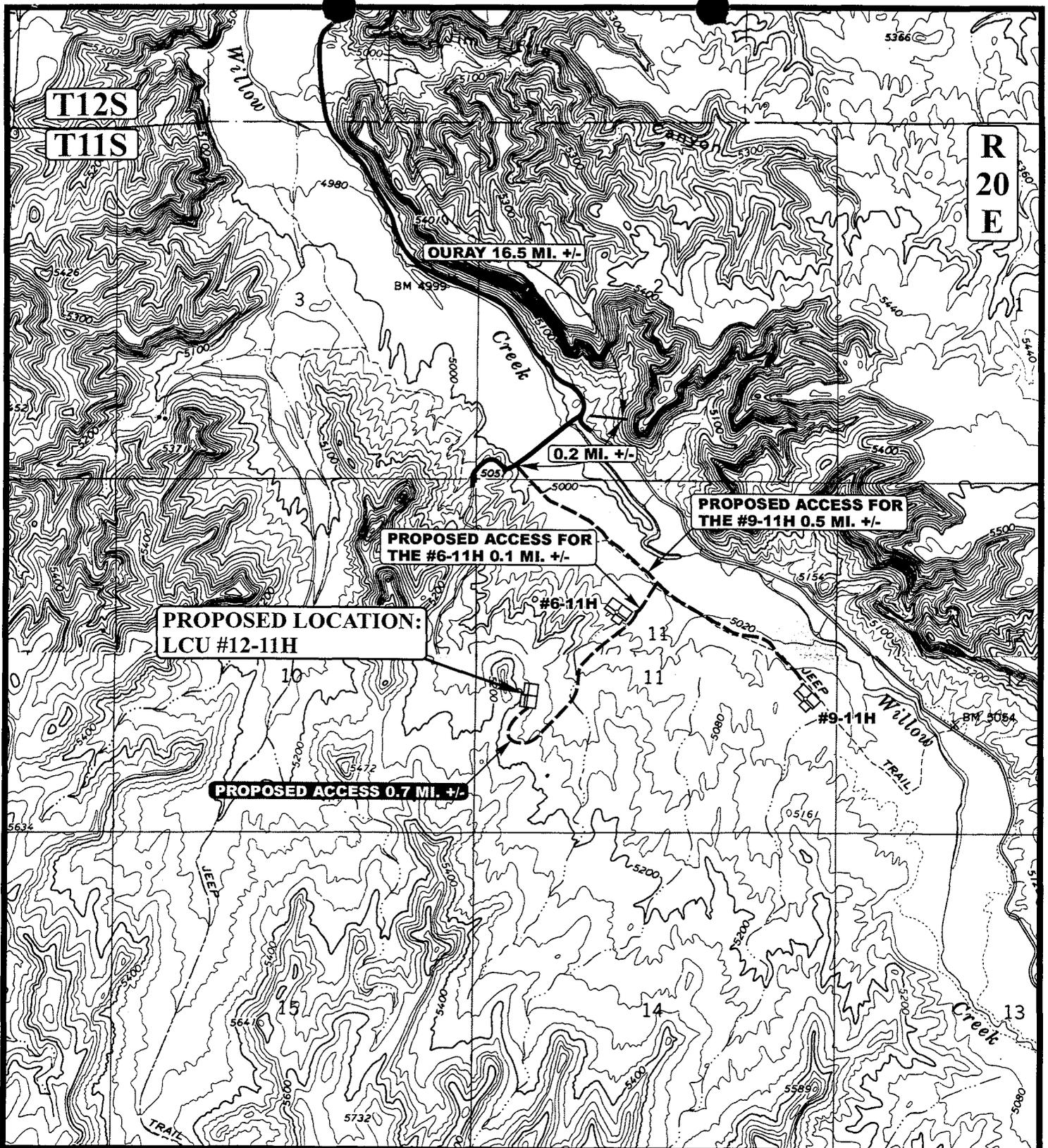
06 30 05
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: C.P.

REVISED: 00-00-00



T12S
T11S

R
20
E

OURAY 16.5 MI. +/-

PROPOSED ACCESS FOR
THE #6-11H 0.1 MI. +/-

PROPOSED ACCESS FOR
THE #9-11H 0.5 MI. +/-

PROPOSED LOCATION:
LCU #12-11H

PROPOSED ACCESS 0.7 MI. +/-

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

DOMINION EXPLR. & PROD., INC.

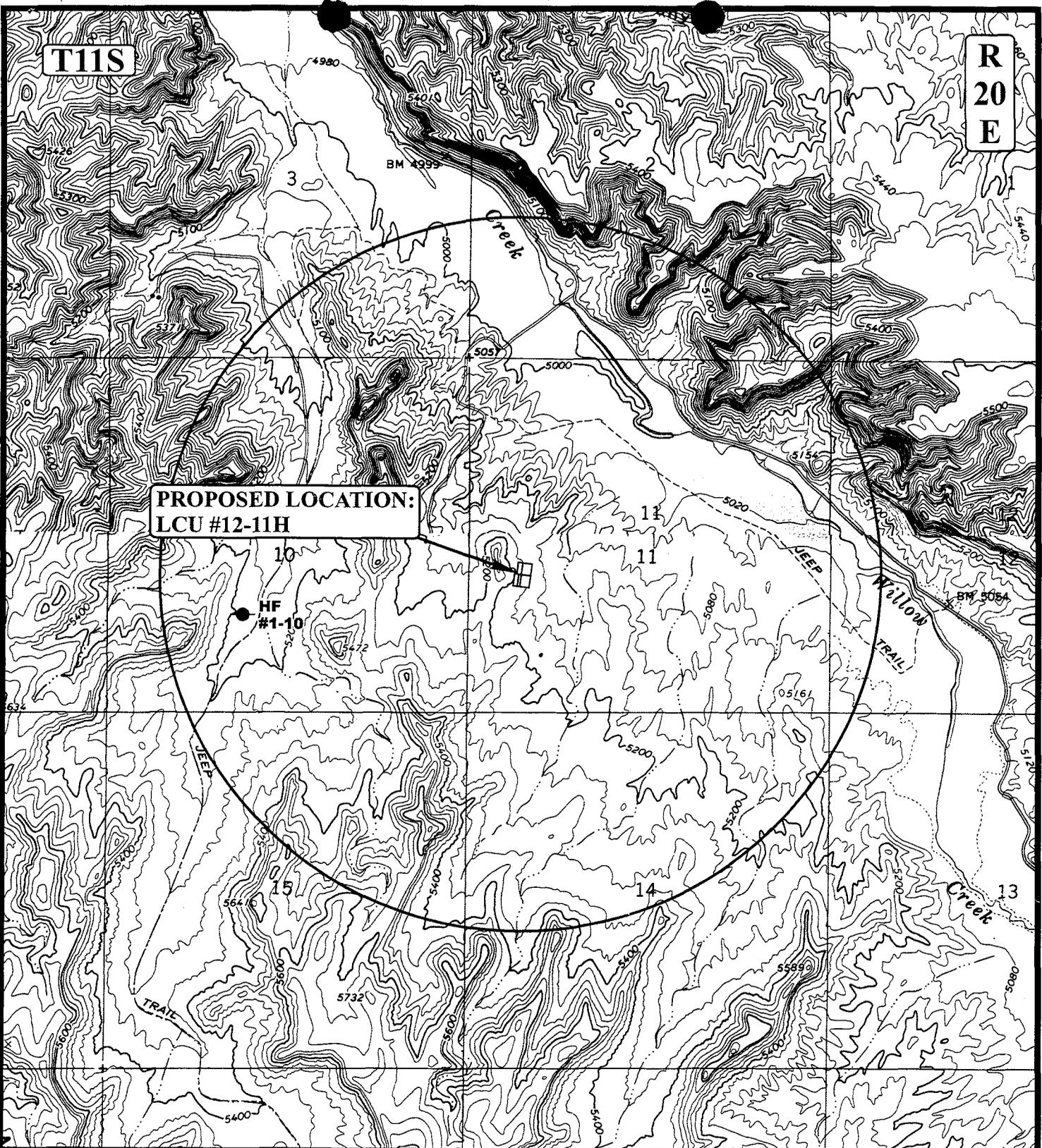
LCU #12-11H
SECTION 11, T11S, R20E, S.L.B.&M.
2045' FSL 765' FWL



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

TOPOGRAPHIC MAP
06 30 05
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





T11S

R
20
E

**PROPOSED LOCATION:
LCU #12-11H**

HF
#1-10

LEGEND:

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

DOMINION EXPLR. & PROD., INC.

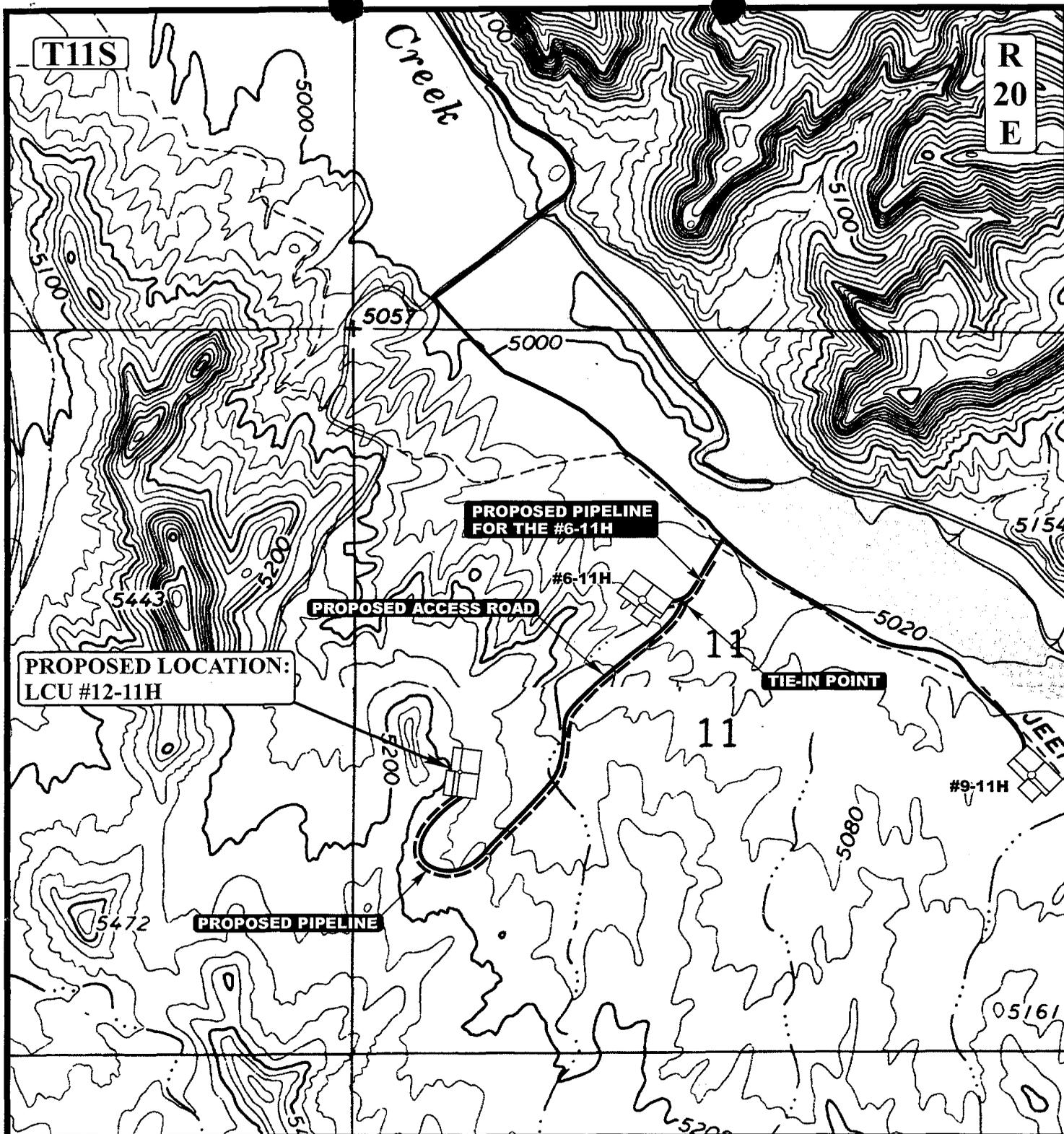
LCU #12-11H
SECTION 11, T11S, R20E, S.L.B.&M.
2045' FSL 765' FWL

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



TOPOGRAPHIC 06 30 05
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 3,618' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - PROPOSED PIPELINE
- - - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)



DOMINION EXPLR. & PROD., INC.

LCU #12-11H
SECTION 11, T11S, R20E, S.L.B.&M.
2045' FSL 765' FWL



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

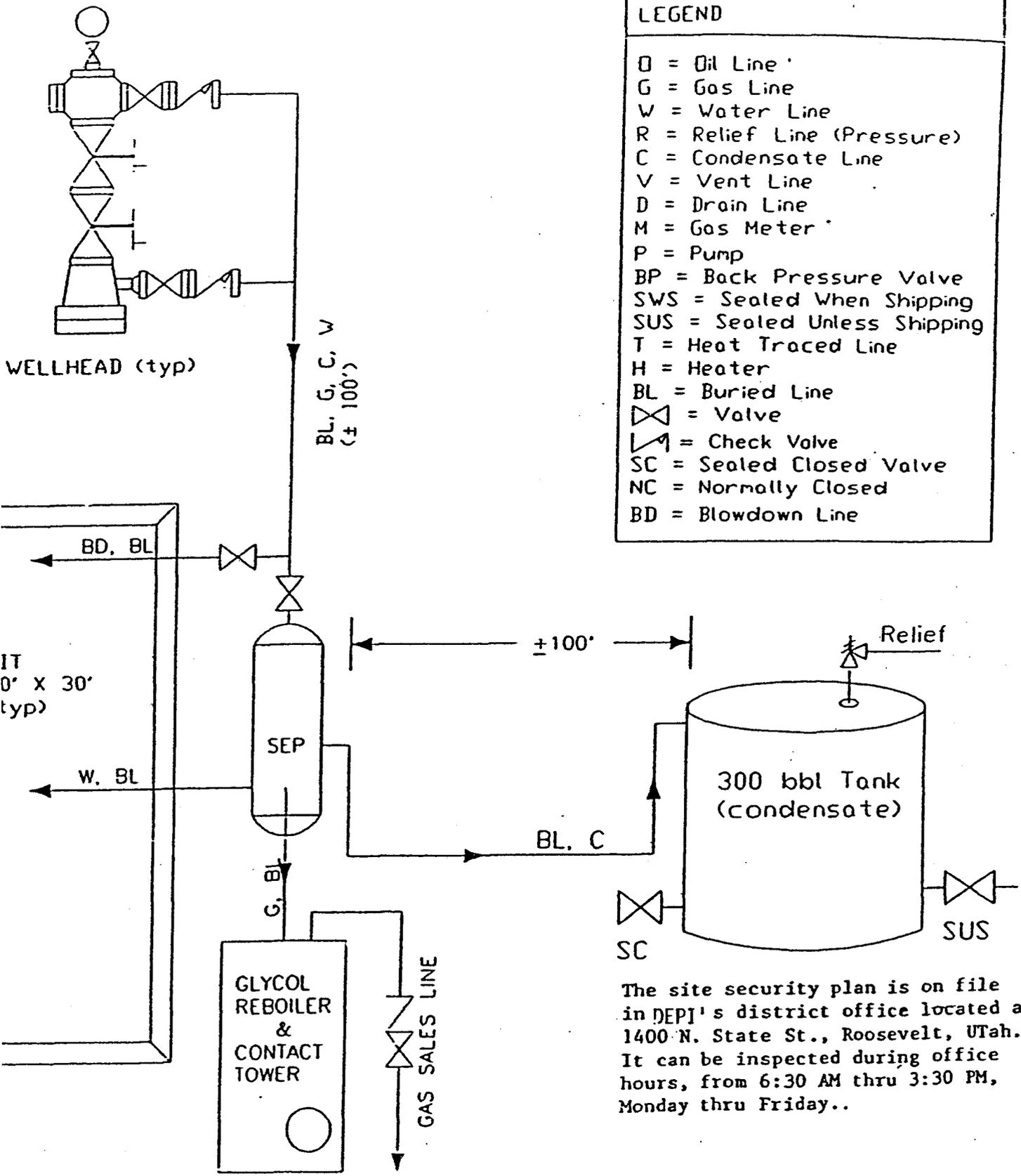
TOPOGRAPHIC
MAP

06 30 05
MONTH DAY YEAR

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



CONFIDENTIAL

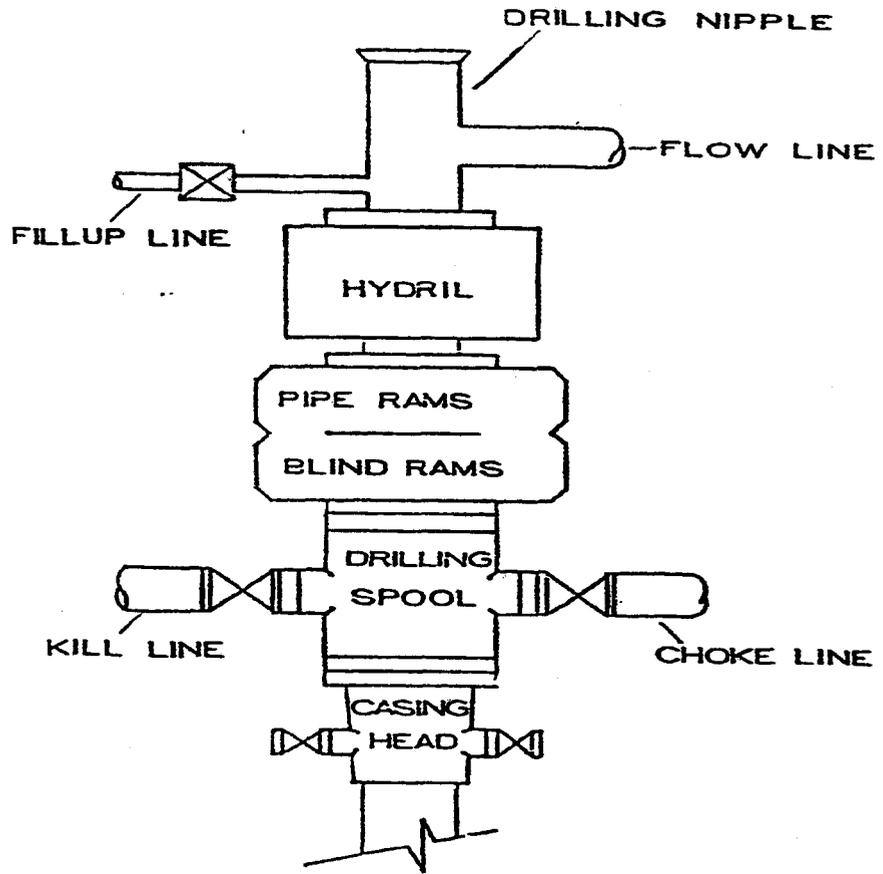


- LEGEND
- = Oil Line
 - G = Gas Line
 - W = Water Line
 - R = Relief Line (Pressure)
 - C = Condensate Line
 - V = Vent Line
 - D = Drain Line
 - M = Gas Meter
 - P = Pump
 - BP = Back Pressure Valve
 - SWS = Sealed When Shipping
 - SUS = Sealed Unless Shipping
 - T = Heat Traced Line
 - H = Heater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

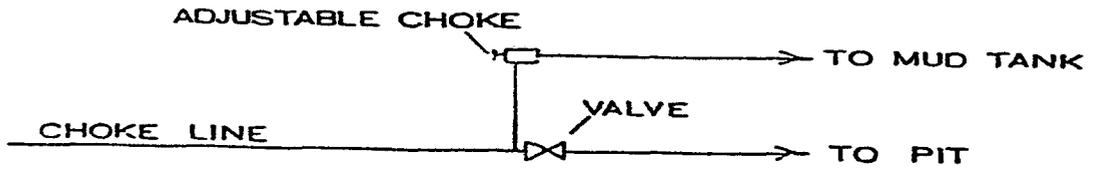
The site security plan is on file in DEPI's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

DOMINION EXPLORATION & PRODUCTION, INC.

BOP STACK



CHOKER MANIFOLD



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/29/2005

API NO. ASSIGNED: 43-047-37199

WELL NAME: LCU 12-11H
 OPERATOR: DOMINION EXPL & PROD (N1095)
 CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NWSW 11 110S 200E
 SURFACE: 2045 FSL 0765 FWL
 BOTTOM: 2045 FSL 0765 FWL
 UINTAH
 UNDESIGNATED (2)
 LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-73436
 SURFACE OWNER: 1 - Federal
 PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

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

LATITUDE: 39.87331
 LONGITUDE: -109.6524

RECEIVED AND/OR REVIEWED:

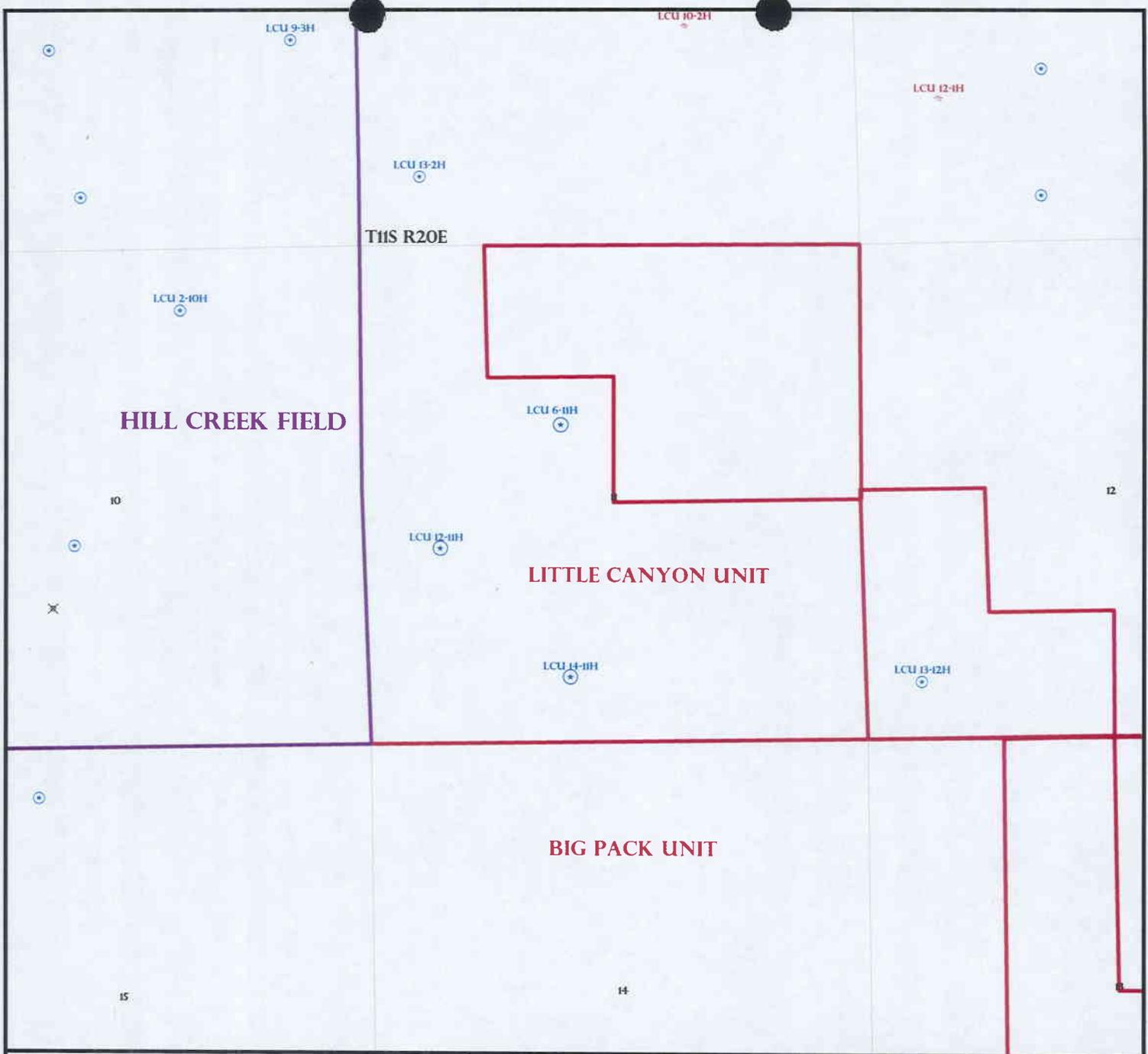
Plat
 Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. 76S630500330)
 Potash (Y/N)
 Oil Shale 190-5 (B) or 190-3 or 190-13
 Water Permit
 (No. 43-10447)
 RDCC Review (Y/N)
 (Date: _____)
 Fee Surf Agreement (Y/N)
 Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- Spacing Strip



OPERATOR: DOMINION EXPL & PROD (N1095)
 SEC: 11 T. 11S R. 20E
 FIELD: UNDESIGNATED (002)
 COUNTY: UINTAH
 SPACING: R649-3-2 / GENERAL SITING

| Field Status | Unit Status |
|--------------|--------------|
| ABANDONED | EXPLORATORY |
| ACTIVE | GAS STORAGE |
| COMBINED | NF PP OIL |
| INACTIVE | NF SECONDARY |
| PROPOSED | PENDING |
| STORAGE | PI OIL |
| TERMINATED | PP GAS |
| | PP GEOTHERML |
| | PP OIL |
| | SECONDARY |
| | TERMINATED |

Wells Status

| | |
|---|---------------------|
| ⊕ | GAS INJECTION |
| ⊗ | GAS STORAGE |
| ⊗ | LOCATION ABANDONED |
| ⊙ | NEW LOCATION |
| ⊕ | PLUGGED & ABANDONED |
| ⊗ | PRODUCING GAS |
| ⊙ | PRODUCING OIL |
| ⊕ | SHUT-IN GAS |
| ⊙ | SHUT-IN OIL |
| ⊗ | TEMP. ABANDONED |
| ⊙ | TEST WELL |
| ⊕ | WATER INJECTION |
| ⊙ | WATER SUPPLY |
| ⊕ | WATER DISPOSAL |
| ⊙ | DRILLING |



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

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

September 30, 2005

Memorandum

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

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

| API# | WELL NAME | LOCATION |
|-------------------------|-------------------|-----------------------------|
| (Proposed PZ MesaVerde) | | |
| 43-047-37198 | LCU 6-11H Sec 11 | T11S R20E 1946 FNL 2056 FWL |
| 43-047-37199 | LCU 12-11H Sec 11 | T11S R20E 2045 FSL 0765 FWL |
| 43-047-37200 | LCU 14-11H Sec 11 | T11S R20E 0668 FSL 2121 FWL |

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

/s/ Michael L. Coulthard

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



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

October 3, 2005

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

Re: Little Canyon Unit 12-11H Well, 2045' FSL, 765' FWL, NW SW, Sec. 11,
T. 11 South, R. 20 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37199.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

SEP 29 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | |
|--|--|
| 5. Lease Serial No. UTU-73436 | |
| 6. If Indian, Allottee or Tribe Name N/A | |
| 7. If Unit or CA Agreement, Name and No. Little Canyon Unit | |
| 8. Lease Name and Well No. LCU 12-11H | |
| 9. APL Well No. 304737199 | |
| 10. Field and Pool, or Exploratory Natural Buttes | |
| 11. Sec., T. R. M. or Blk. and Survey or Area Section 11, T11S, R20E, SLB&M | |
| 12. County or Parish Uintah | |
| 13. State UT | |
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | |
| 2. Name of Operator Dominion Exploration & Production, Inc. | |
| 3a. Address 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 | 3b. Phone No. (include area code) 405-749-5263 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2,045' FSL & 765' FWL, NW/4 SW/4, At proposed prod. zone 2,045' FSL & 765' FWL, NW/4 SW/4, | |
| 14. Distance in miles and direction from nearest town or post office* 14.91 miles south of Ouray, Utah | |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 765' | 16. No. of acres in lease 1,280 acres |
| 17. Spacing Unit dedicated to this well 40 acres | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1,900' |
| 19. Proposed Depth 8,625' | 20. BLM/BIA Bond No. on file 76S 63050 0330 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5,165' GR | 22. Approximate date work will start* 01/15/2006 |
| 23. Estimated duration 14 days | |

24. Attachments

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

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

| | | |
|--------------------------------------|---|---------------------------|
| 25. Signature <i>Don Hamilton</i> | Name (Printed/Typed) Don Hamilton | Date 09/26/2005 |
|--------------------------------------|---|---------------------------|

Title
Agent for Dominion

| | | |
|---|----------------------|---------------------------|
| Approved by (Signature) <i>Steven B. Clary</i> | Name (Printed/Typed) | Date 01/27/2006 |
|---|----------------------|---------------------------|

Title
Assistant Field Manager

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

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

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

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

RECEIVED

FEB 02 2006

DIV. OF OIL, GAS & MINING

ORIGINAL

CONFIDENTIAL



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

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



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Dominion Exploration & Production, Inc Location: NWSW, Sec 11, T11S, R20E
Well No: LCU 12-11H Lease No: UTU-73436
API No: 43-047-37199 Agreement: Little Canyon Unit

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

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

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

NOTIFICATION REQUIREMENTS

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

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

- Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APDs
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee would submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the Best Management Practice of the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, reseeding the area using appropriate reclamation methods. The AO would provide written approval or concurrence within 30 calendar days of receipt.
- The following seed mixture shall be used:

| | | |
|--------------------|----------------------------|---------------|
| Crested Wheatgrass | <i>Agropyron cristatum</i> | 12 lbs. /acre |
|--------------------|----------------------------|---------------|

Other reclamation methods including but not limited to mulching or soil treatments may be required on a site-specific basis.

- If paleontologic resources are uncovered during construction activities, the operator shall immediately suspend all operations that will further disturb such resources, and immediately notify the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.
- All pits will be lined, and the locations will be bermed to reduce the sediment and debris going into Willow Creek.
- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing.
- A Cement Bond Log shall be run from the production casing shoe to the surface casing shoe.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.
- All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.
- BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.

- No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be

submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
 - Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
 - All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed

permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: DOMINION EXPL & PROD INC

Well Name: LCU 12-11H

Api No: 43-047-37199 Lease Type: FEDERAL

Section 11 Township 11S Range 20E County UINTAH

Drilling Contractor BILL JRS RIG # 6

SPUDDED:

Date 5/25/06

Time 9:30 AM

How DRY

Drilling will Commence: _____

Reported by PAT WISENER

Telephone # (435) 828-1455

Date 05/26/2006 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Dominion Exploration & Production, Inc. Operator Account Number: N 1095
 Address: 14000 Quall Springs Parkway, Suite 600
city Oklahoma City
state Ok zip 73134 Phone Number: (405) 749-1300

Well 1

| Well ID Number | Well Name | OC | Sec | Twp | Rng | County | |
|-----------------------|------------------|-------------------|------------|----------------------------------|-----|--------|-----------------------|
| 43-047-37199 | LCU 12-11H | NWSW | 11 | 11S | 20E | Uintah | |
| Action Code | Entity ID Number | New Entity Number | Start Date | Entity Assignment Effective Date | | | |
| A | 99999 | 15389 | 5/25/2006 | 5/31/06 | | | |
| Comments: <u>mVRD</u> | | | | | | | CONFIDENTIAL K |

Well 2

| Well ID Number | Well Name | OC | Sec | Twp | Rng | County | |
|----------------|------------------|-------------------|------------|----------------------------------|-----|--------|--|
| | | | | | | | |
| Action Code | Entity ID Number | New Entity Number | Start Date | Entity Assignment Effective Date | | | |
| | | | | | | | |
| Comments: | | | | | | | |

Well 3

| Well ID Number | Well Name | OC | Sec | Twp | Rng | County | |
|----------------|------------------|-------------------|------------|----------------------------------|-----|--------|--|
| | | | | | | | |
| Action Code | Entity ID Number | New Entity Number | Start Date | Entity Assignment Effective Date | | | |
| | | | | | | | |
| Comments: | | | | | | | |

ACTION CODES:

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

Carla Christian

Name (Please Print)

Carla Christian

Signature

Sr. Regulatory Specialist

5/30/2006

Title

Date

(5/2000)

RECEIVED

MAY 31 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN DUPLICATE. Other Instructions on reverse side.

1. Type of Well

Oil Well Gas Well Other

CONFIDENTIAL

2. Name of Operator

Dominion Exploration & Production, Inc.

3a. Address Suite 600
14000 Quail Springs Parkway, OKC, OK 73134

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

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

2045' FSL & 765' FWL, Sec. 11-11S-20E

5. Lease Serial No.

UTU-73436

6. If Indian, Allottee or Tribe Name

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

Little Canyon Unit

8. Well Name and No.

LCU 12-11H

9. API Well No.

43-047-37199

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah, UT

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

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

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

Spud well 5/25/06. 5/27/06 ran 52 jts. 8 5/8", 32#, J-55 csg., set @ 2224'. Cemented lead w/250 sks Hi-Fil "V", 11.0 ppg, 3.82 yld., tailed w/235 sks Class "G", 15.8 ppg, 1.15 yld. Top off w/200 sks Class "G", 15.8 ppg, 1.15 yld., good returns, 20 bbls cmt. to pit.

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

Name (Printed/Typed)

Carla Christian

Title Sr. Regulatory Specialist

Signature

Carla Christian

Date 05/30/2006

Approved by

Title

Date

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

Office

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

RECEIVED

JUN 05 2006

DIV. OF OIL, GAS & MINERAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
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6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
 LCU 12-11H

9. API Well No.
 43-047-37199

10. Field and Pool, or Exploratory Area
 Natural Buttes

11. County or Parish, State
 Uintah, UT

CONFIDENTIAL

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

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

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6/27/06 ran 204 jts. 5 1/2", 17#, M-80, LT&C csg., set @ 8,700'. Cemented lead w/107 sks Prem Plus "V", 3.12 cuft/sk, 11.6 ppg., tailed w/803 sks HLC "V", 1.69 cuft/sk, 13.0 ppg. Cleaned pits, released rig. 7/04/06 Perf'd & Frac'd well.

RECEIVED
JUL 10 2006

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) Carla Christian

Signature *Carla Christian*

Title Sr. Regulatory Specialist

Date 07/06/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Office _____

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

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 7/13/2006 at 11:22:04 AM

Pages : 7 (including Cover)

Subject : LCU 12-11H

+ 115 R20E S-11 43-047-37199

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JUL 13 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 12-11H

| | | | |
|-------------------------------|----------------------------|---------------------------|--|
| DISTRICT : WESTERN | FIELD : NATURAL BUTTES 630 | Event No: 1 | LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E |
| COUNTY & STATE : UINTAH | UT | CONTRACTOR : | |
| WI % : 100.00 AFE # : 0601861 | API # : 43-047-37199 | PLAN DEPTH : 8,625 | SPUD DATE : 05/25/06 |
| DHC : \$594,000 | CWC : \$631,000 | AFE TOTAL : \$1,225,000 | FORMATION : WASATCH/MESAVERDE |
| EVENT DC : \$871,992.35 | EVENT CC : \$392,199.00 | EVENT TC : \$1,264,191.35 | WELL TOTL COST : \$1,396,436 |

REPORT DATE: 06/21/06 MD: 7,750 TVD: 7,750 DAYS: 6 MW: 9.4 VISC: 31
 DAILY: DC: \$70,005.00 CC: \$0.00 TC: \$70,005.00 CUM: DC: \$467,310.00 CC: \$0.00 TC: \$467,310.00
 DAILY DETAILS: DEVIATION SURVEY MISS RUN. DRILLED F/ 7090' KB TO 7137' KB. DEVIATION SURVEY @ 7065' KB 2 DEGREES. DRILLED F/ 7137' KB TO 7429' KB. SERVICE RIG. BOP TEST & DRILL. DRILLED F/ 7429' KB TO 7750' KB.

REPORT DATE: 06/22/06 MD: 8,040 TVD: 8,040 DAYS: 7 MW: 9.5 VISC: 31
 DAILY: DC: \$28,994.00 CC: \$0.00 TC: \$28,994.00 CUM: DC: \$496,304.00 CC: \$0.00 TC: \$496,304.00
 DAILY DETAILS: DRILLED F/ 7750' KB TO 8024' KB. NOTE: COULDN'T TRIP FOR NEW BIT TILL #2 MUD PUMP WAS REPAIRED. REPAIRED #2 MUD PUMP F/ 1300 HRS TILL 1800 HRS 2006. DRILLED F/ 8024' KB TO 8040' KB. TRIP OUT OF HOLE & LD IBS, DOG SUB, MM & BIT. BIT OUT DSX147. TRIP IN HOLE TO 1772' KB. BIT IN HC506ZX. CUT & SLIP DRILL.

REPORT DATE: 06/23/06 MD: 8,465 TVD: 8,465 DAYS: 8 MW: 9.5 VISC: 34
 DAILY: DC: \$30,607.00 CC: \$0.00 TC: \$30,607.00 CUM: DC: \$526,911.00 CC: \$0.00 TC: \$526,911.00
 DAILY DETAILS: TRIP IN HOLE. DRILLED F/ 8040' KB TO 8328' KB. SERVICE RIG. BOP TEST & DRILL. DRILLED F/ 8328' KB TO 8465' KB.

REPORT DATE: 06/24/06 MD: 8,690 TVD: 8,690 DAYS: 9 MW: 9.5 VISC: 34
 DAILY: DC: \$31,604.00 CC: \$0.00 TC: \$31,604.00 CUM: DC: \$558,515.00 CC: \$0.00 TC: \$558,515.00
 DAILY DETAILS: DRILLED F/ 8465' KB TO 8612' KB. SERVICE RIG. BOP TEST & DRILL. DRILLED F/ 8612' KB TO 8690' KB. MIKE W/ ANCHOR DRILLING FLUIDS WORKING ON MUD. MUD AIRED UP.

REPORT DATE: 06/25/06 MD: 8,712 TVD: 8,712 DAYS: 10 MW: 10.2 VISC: 38
 DAILY: DC: \$45,245.22 CC: \$0.00 TC: \$45,245.22 CUM: DC: \$603,760.22 CC: \$0.00 TC: \$603,760.22
 DAILY DETAILS: DRILLED F/ 8690' KB TO 8712' KB. CIRCULATE & CONDITION MUD. TOOH FOR LOGS. RU SCHLUMBERGER. TIH TO 2658' KB. COULDN'T GET ANY DEEPER. TOOH W/ SCHLUMBERGER. TRIP IN HOLE REAM F/ 2300' KB TO 2915' KB. STUCK @ 2915'. CALLED FOR CHEM PILL. CALLED FOR JARS.

REPORT DATE: 06/26/06 MD: 8,712 TVD: 8,712 DAYS: 11 MW: 10.7 VISC: 51
 DAILY: DC: \$42,318.28 CC: \$0.00 TC: \$42,318.28 CUM: DC: \$646,078.50 CC: \$0.00 TC: \$646,078.50
 DAILY DETAILS: PIPE STUCK @ 2915' KB. WAORING PIPE. WAIT FOR FISHING TOOLS & CHEM PILL. SPOT CHEM PILL AROUND OUT SIDE OF CASING. TOOH LD DC & MM. TIH REAMING WALL CAKE TO 3146' KB. CIRCULATE & CONDITION HOLE & MUD. TRIP IN REAMING WALL CAKE F/ 3146' KB TO 6052' KB. FREE F/ 6052' KB TO 8712' KB. CIRCULATE & CONDITION MUD & HOLE.

REPORT DATE: 06/27/06 MD: 8,712 TVD: 8,712 DAYS: 12 MW: 10.8 VISC: 45
 DAILY: DC: \$52,925.09 CC: \$0.00 TC: \$52,925.09 CUM: DC: \$699,003.59 CC: \$0.00 TC: \$699,003.59
 DAILY DETAILS: CIRCULATE. TOOH F/ 8712' KB TO 2861' KB. REAM F/ 2861' KB TO 2011' KB. TIH F/ 2011' KB TO 2483' KB. TOOH TO 2011' KB. TIH F/ 2011' KB TO 3176' KB. CIRCULATE & CONDITION HOLE. TOOH F/ 3176' KB TO SURFACE. RU & RUN OPEN HOLE LOGS F/ 8712' KB TO SURFACE W/ SCHLUMBERGER. TIH HOLE W/ HWDP & DP TO 8712' KB. CIRCULATE. TOOH LD DP, HWDP & BIT. RU CASING CREW.

RECEIVED

JUL 13 2006



WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 12-11H

Event No: 1

DISTRICT : WESTERN

FIELD : NATURAL BUTTES 630

LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0601861

API # : 43-047-37199

PLAN DEPTH : 8,625 SPUD DATE : 05/25/06

DHC : \$594,000

CWC : \$631,000

AFE TOTAL : \$1,225,000

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$871,992.35

EVENT CC : \$392,199.00

EVENT TC : \$1,264,191.35

WELL TOTL COST : \$1,396,436

REPORT DATE: 06/28/06 MD: 8,712 TVD: 8,712 DAYS: 13 MW: 10.7 VISC: 45
 DAILY: DC: \$172,988.76 CC: \$0.00 TC: \$172,988.76 CUM: DC: \$871,992.35 CC: \$0.00 TC: \$871,992.35

DAILY DETAILS: RUN CASING. RUN 203 JOINTS & ONE 21' SHORT JOINT, TWO 6' MARKER JOINTS OF 5.500", 17.0#, MAV-80, LTC, NEW CASING TO 8700.01' KB TD, TOP OF FC @ 8675.87' KB, TOP OF SHOE @ 8698.51' KB, END OF CASING AT 8700.01' KB, @ 1300 HRS 6/27/2006. 4 JOINTS CASING OUT & 2 10' MARKER JOINTS OUT. CIRCULATE. RU HALLIBURTON & CEMENT. CEMENT 5.500" CSG W/ 107 SK OF LEAD CEMENT PREMIUM PLUS V BLEND. ADDITIVES; 16% GEL, .6% EX-1, 3% SALT (BWOC), 1% HR-7, .25# / SK. FLOCELE, 10# GILSONITE. WEIGHT (LB/GAL) 11.60, YIELD (CUFT/SK) 3.12, WATER (GAL/SK) 17.83. TAIL CEMENT; 803 SK OF HLC-TYPE V BLEND. ADDITIVES; 65% CEMENT, 35% POZ, 6% GEL, 3% KCL (BWOW), 1% EX-1, .6% HALAD-322, .2% HR-5. WEIGHT (LB/GAL) 13.00, YIELD (CUFT/SK) 1.69, WATER (GAL/SK) 8.81. FINISHED CEMENTING @ 1900 HRS 6/27/2006. CLEAN PITS. RIG DOWN RIG.

REPORT DATE: 07/01/06 MD: 8,712 TVD: 8,712 DAYS: 14 MW: 10.7 VISC: 45
 DAILY: DC: \$0.00 CC: \$18,552.00 TC: \$18,552.00 CUM: DC: \$871,992.35 CC: \$18,552.00 TC: \$890,544.35

DAILY DETAILS: MIRU SCHLUMBER WIRE LINE AND ACTION HOT OIL SERVICE. RUN CMT BOND LOG UNDER 1500# PRESSURE FROM W.L. PBTD @ 8652' KB TO 100' KB, FOUND CMT TOP @ SURFACE. POOH W/ WIRE LINE, AND PRESSURE TESTED CSG TO 5000 PSI, HELD GOOD. RIH AND PERFORATED STAGE #1, SHUT WELL IN, RDMO WIRE LINE AND HOT OILIER. WAIT ON FRAC DATE.

RECEIVED

JUL 13 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

WELL NAME : LCU 12-11H

Event No: 1

DISTRICT : WESTERN

FIELD : NATURAL BUTTES 630

LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0601861

API # : 43-047-37199

PLAN DEPTH : 8,625 SPUD DATE : 05/25/06

DHC : \$594,000

CWC : \$631,000

AFE TOTAL : \$1,225,000

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$871,992.35

EVENT CC : \$392,199.00

EVENT TC : \$1,264,191.35

WELL TOTL COST : \$1,396,436

REPORT DATE: 07/06/06

MD: 8,712

TVD: 8,712

DAYS: 15

MW: 10.7

VISC: 45

DAILY : DC : \$0.00

CC : \$50,900.00

TC : \$50,900.00

CUM : DC : \$871,992.35

CC : \$69,452.00

TC : \$941,444.35

DAILY DETAILS :

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JUL 13 2006

DIV. OF OIL, GAS & MINING



WELL CHRONOLOGY REPORT

CONFIDENTIAL

| | | | |
|-------------------------------|----------------------------|--|------------------------------|
| WELL NAME : LCU 12-11H | | Event No: 1 | |
| DISTRICT : WESTERN | FIELD : NATURAL BUTTES 630 | LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E | |
| COUNTY & STATE : UTAH | UT | CONTRACTOR : | |
| WI % : 100.00 | AFE # : 0601861 | API # : 43-047-37199 | PLAN DEPTH : 8,625 |
| DHC : \$594,000 | CWC : \$631,000 | AFE TOTAL : \$1,225,000 | SPUD DATE : 05/25/06 |
| EVENT DC : \$871,992.35 | EVENT CC : \$392,199.00 | EVENT TC : \$1,264,191.35 | WELL TOTL COST : \$1,396,436 |

07-05-06 LCU 12-11H. MIRU SCHLUMBERGER frac equipment, tested lines to 7000 psi. Held safety meeting with all personnel. Quality control on gel & breaker systems with on-site lab was verified. Frac'd Mesa Verde Interval # 1, 8604-20', 4 spf, 65 holes, with 31,874# 20/40 PR6000 sand. Pumped frac at an average rate of 23.2 bpm, using 165.4 mscf of N2 and 475 bbls of fluid. Average surface treating pressure was 4088 psi with sand concentrations stair stepping from 1.0 ppg to 4.0 ppg.

2791 gallons Pad YF120ST/N2 gel.

1414 gallons YF120ST/N2 pumped @ 1.0 ppg sand concentration.

2115 gallons YF120ST/N2 pumped @ 2.0 ppg sand concentration.

2115 gallons YF120ST/N2 pumped @ 3.0 ppg sand concentration.

3235 gallons YF120ST/N2 pumped @ 4.0 ppg sand concentration.

8290 gallons WF110 slick water flush.

Total frac fluid pumped 475 bbls. N2 was cut during flush. Ru wire line, RIH and set 8K frac plug @ 8550'. RIH and perforate interval #2 @ 8500-16', 4 spf, 65 holes. Fraced interval #2 w/ 50,486# 20/40 PR6000 sand. Pumped frac at an avg rate of 33.1 bpm, using 278.3 mscf of N2 and 648 bbls of fluid. Avg surface treating pressure was 4654 psi w/ sand concentrations stair stepping from 1.0 ppg to 4.0 ppg.

3490 gallons Pad YF120ST/N2 gel.

2821 gallons YF120ST/N2 pumped @ 1.0 ppg sand concentration.

2821 gallons YF120ST/N2 pumped @ 2.0 ppg sand concentration.

4221 gallons YF120ST/N2 pumped @ 3.0 ppg sand concentration.

4148 gallons YF120ST/N2 pumped @ 4.0 ppg sand concentration.

8257 gallons WF110 slick water flush.

Total frac fluid pumped 648 bbls. N2 was cut during flush. RIH and set 8K frac plug @ 8440', perforate interval # 3 @ 8254-70', 1 spf, 8305-15', 8370-74', 8378-87', 2 spf, 66 holes. Fraced interval #3 w/ 72,364# 20/40 PR6000 sand.

Pumped frac at an avg rate of 41 bpm, using 411.8 mscf of N2 and 853 bbls of fluid. Avg surface treating pressure was 4685 psi w/ sand concentrations stair stepping from 1.0 ppg to 4.0 ppg.

6283 gallons Pad YF120LG/N2 gel.

3528 gallons YF120LG/N2 pumped @ 1.0 ppg sand concentration.

3526 gallons YF120LG/N2 pumped @ 2.0 ppg sand concentration.

5625 gallons YF120LG/N2 pumped @ 3.0 ppg sand concentration.

6996 gallons YF120LG/N2 pumped @ 4.0 ppg sand concentration.

8000 gallons WF110 slick water flush.

Total frac fluid pumped 853 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 7920', perforate interval # 4 @ 7301-09', 7538-57', 2 spf 56 holes. Fraced interval #4 w/ 75,122# 20/40 Ottawa sand. Pumped frac at an avg rate of 36.6 bpm, using 252.7 mscf of N2 and 626 bbls of fluid. Avg surface treating pressure was 4271 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

4189 gallons Pad YF115LG/N2 gel.

2145 gallons pumped YF115LG/N2 @ 2.0 ppg sand concentration.

2121 gallons pumped YF115LG/N2 @ 3.0 ppg sand concentration.

2824 gallons pumped YF115LG/N2 @ 4.0 ppg sand concentration.

2816 gallons pumped YF115LG/N2 @ 5.0 ppg sand concentration.

3401 gallons pumped YF115LG/N2 @ 6.0 ppg sand concentration.

6988 gallons WF110 slick water flush.

Total frac fluid pumped 626 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 7110', perforate interval # 5 @ 6854-80', 2 spf, 6912-17', 6962-66', 1 spf, 64 holes. Fraced interval #5 w/ 100,520# 20/40 Ottawa sand. Pumped frac at an avg rate of 41.8 bpm, using 326.9 mscf of N2 and 688 bbls of fluid. Avg surface treating pressure was 4542 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

4885 gallons Pad YF115LG/N2 gel.

2854 gallons YF115LG/N2 pumped @ 2.0 ppg sand concentration.

2831 gallons YF115LG/N2 pumped @ 3.0 ppg sand concentration.

3524 gallons YF115LG/N2 pumped @ 4.0 ppg sand concentration.

4211 gallons YF115LG/N2 pumped @ 5.0 ppg sand

4187 gallons YF115LG/N2

concentration.

pumped @ 6.0 ppg sand concentration.

5579 gallons WF110 slick water flush.

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WELL CHRONOLOGY REPORT

WELL NAME : LCU 12-11H

Event No: 1

DISTRICT : WESTERN

FIELD : NATURAL BUTTES 630

LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0601861

API # : 43-047-37199

PLAN DEPTH : 8,625 SPUD DATE : 05/25/06

DHC : \$594,000

CWC : \$631,000

AFE TOTAL : \$1,225,000

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$871,992.35

EVENT CC : \$392,199.00

EVENT TC : \$1,264,191.35

WELL TOTL COST : \$1,396,436

Total frac fluid pumped 688 bbls. N2 was not cut during flush. Opened well to the pit on a 12/64 choke. Prep to finish fracing in the morning.

| | | | | | |
|------------------------------|------------------|------------------|-----------------------|------------------|--------------------|
| REPORT DATE: 07/07/06 | MD: 8,712 | TVD: 8,712 | DAYS: 16 | MW: 10.7 | VISC: 45 |
| DAILY: DC: \$0.00 | CC: \$322,747.00 | TC: \$322,747.00 | CUM: DC: \$871,992.35 | CC: \$392,199.00 | TC: \$1,264,191.35 |

DAILY DETAILS: 07-06-06 FCP on a 12/64 (washed out) choke 800# recovered 687 bbls in 16 hours. RIH and set 5K frac plug @ 5920', perforate interval # 6 @ 5532-50', 3 spf, 55 holes. Fraced interval #6 w/ 39,117# 20/40 Ottawa sand. Pumped frac at an avg rate of 28.1 bpm, using 123.3 mscf of N2 and 446 bbls of fluid. Avg surface treating pressure was 2922 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

2797 gallons Pad YF115ST/N2 gel.

2138 gallons YF115ST/N2 pumped @ 2.0 ppg sand concentration.

2832 gallons YF115ST/N2 pumped @ 4.0 ppg sand concentration.

2775 gallons YF115ST/N2 pumped @ 6.0 ppg sand concentration.

5026 gallons WF110 slick water flush.

Total frac fluid pumped 446 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 5400', perforate interval # 7 @ 5199-5207', 5216-24', 3 spf 50 holes. Fraced interval #7 w/ 38,045# 20/40 Ottawa sand. Pumped frac at an avg rate of 27.2 bpm, using 120.1 mscf of N2 and 389 bbls of fluid. Avg surface treating pressure was 2708 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

2794 gallons Pad YF115ST/N2 gel.

2139 gallons pumped YF115ST/N2 @ 2.0 ppg sand concentration.

2841 gallons pumped YF115ST/N2 @ 4.0 ppg sand concentration.

2420 gallons pumped YF115ST/N2 @ 6.0 ppg sand concentration.

4991 gallons WF110 slick water flush.

Total frac fluid pumped 389 bbls. N2 was cut during flush. RIH and set 5K frac plug @ 4600', perforate interval # 8 @ 4375-86', 6 spf, 67 holes. Fraced interval #8 w/ 49,654# 20/40 Ottawa sand. Pumped frac at an avg rate of 27.6 bpm, using 141.1 mscf of N2 and 372 bbls of fluid. Avg surface treating pressure was 2971 psi w/ sand concentrations stair stepping from 2.0 ppg to 6.0 ppg.

2793 gallons Pad YF115ST/N2 gel.

2136 gallons YF115ST/N2 pumped @ 2.0 ppg sand concentration.

2833 gallons YF115ST/N2 pumped @ 4.0 ppg sand concentration.

3817 gallons YF115ST/N2 pumped @ 6.0 ppg sand concentration.

3083 gallons WF110/N2 slick water flush.

Total frac fluid pumped 372 bbls. N2 was not cut during flush. Opened well to the pit on a 12/64 choke. Turned well over to production.

| | | | | | |
|------------------------------|------------|------------|-----------------------|------------------|--------------------|
| REPORT DATE: 07/08/06 | MD: 8,712 | TVD: 8,712 | DAYS: 17 | MW: | VISC: |
| DAILY: DC: \$0.00 | CC: \$0.00 | TC: \$0.00 | CUM: DC: \$871,992.35 | CC: \$392,199.00 | TC: \$1,264,191.35 |

DAILY DETAILS: FLOW REPORT WELL FLOWING UP CSG. TO PIT ON 12/64 CHOKE FCP 1472# RECOVERED 911 BBLs FRAC FLUID CHANGE CHOKE TO 18/64 CHOKE & LEFT TO PIT.

| | | | | | |
|------------------------------|------------|------------|-----------------------|------------------|--------------------|
| REPORT DATE: 07/09/06 | MD: 8,712 | TVD: 8,712 | DAYS: 18 | MW: | VISC: |
| DAILY: DC: \$0.00 | CC: \$0.00 | TC: \$0.00 | CUM: DC: \$871,992.35 | CC: \$392,199.00 | TC: \$1,264,191.35 |

DAILY DETAILS: FLOW REPORT WELL FLOWING UP CSG TO PIT ON 18/64 CHOKE FCP 1355, RECOVERED 966 BBLs FRAC FLUID RU FLOWLINE TURN TO SALES @ 10:00 AM ON 16/64 CHOKE RATE 1.5MMCF/D

| | | | | | |
|------------------------------|------------|------------|-----------------------|------------------|--------------------|
| REPORT DATE: 07/10/06 | MD: 8,712 | TVD: 8,712 | DAYS: 19 | MW: | VISC: |
| DAILY: DC: \$0.00 | CC: \$0.00 | TC: \$0.00 | CUM: DC: \$871,992.35 | CC: \$392,199.00 | TC: \$1,264,191.35 |

DAILY DETAILS: FLOW REPORT WELL FLOWING UP CSG TO SALES MADE 780 MCF, FCP 1473, SLP 116, 0 OIL, 550 WTR. 16/64 CHOKE 14 HRS. PRD. LEFT WELL SAME.

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WELL CHRONOLOGY REPORT

CONFIDENTIAL

WELL NAME : LCU 12-11H

Event No: 1

DISTRICT : WESTERN

FIELD : NATURAL BUTTES 630

LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E

COUNTY & STATE : UINTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0601861

API # : 43-047-37199

PLAN DEPTH : 8,625

SPUD DATE : 05/25/06

DHC : \$594,000

CWC : \$631,000

AFE TOTAL : \$1,225,000

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$871,992.35

EVENT CC : \$392,199.00

EVENT TC : \$1,264,191.35

WELL TOTL COST : \$1,396,436

REPORT DATE: 07/11/06

MD : 8,712

TVD : 8,712

DAYS : 20

MW :

VISC :

DAILY : DC : \$0.00

CC : \$0.00

TC : \$0.00

CUM : DC : \$871,992.35

CC : \$392,199.00

TC : \$1,264,191.35

DAILY DETAILS : FLOW REPORT MADE 1473 MCF, FCP 1461, SLP 117, 53 OIL, 46 WTR. 16/64 CHOKE 24 HR PRD. OPEN WELL TO 17/64 CHOKE.

REPORT DATE: 07/12/06

MD : 8,712

TVD : 8,712

DAYS : 21

MW :

VISC :

DAILY : DC : \$0.00

CC : \$0.00

TC : \$0.00

CUM : DC : \$871,992.35

CC : \$392,199.00

TC : \$1,264,191.35

DAILY DETAILS : FLOW REPORT MADE 1648 MCF, FCP 1400, SLP 155, 42 OIL, 164 WTR. 18/64 CHOKE 24 HRS. PRD. LEFT WELL SAME.

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JUL 13 2006

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 7/19/2006 at 2:32:46 PM

Pages : 2 (including Cover)

Subject : LCU 12-11H

TIS R20E 5-11 43047-37199

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JUL 19 2006

DIV. OF OIL, GAS & MINING


Dominion

WELL CHRONOLOGY REPORT

WELL NAME : LCU 12-11H

DISTRICT : WESTERN

FIELD : NATURAL BUTTES 630

Event No: 1

COUNTY & STATE : UINTAH

UT

LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E

WI % : 100.00 AFE # : 0601861

API # : 43-047-37199

CONTRACTOR :

DHC : \$594,000

CWC : \$631,000

AFE TOTAL : \$1,225,000

PLAN DEPTH : 8,625

SPUD DATE : 05/25/06

EVENT DC : \$871,992.35

EVENT CC : \$392,199.00

EVENT TC : \$1,264,191.35

FORMATION : WASATCH/MESAVERDE

WELL TOTL COST : \$1,396,436

REPORT DATE: 07/12/06

MD : 8,712

TVD : 8,712

DAYS : 21

MW :

VISC :

DAILY : DC : \$0.00

CC : \$0.00

TC : \$0.00

CUM : DC : \$871,992.35

CC : \$392,199.00

TC : \$1,264,191.35

DAILY DETAILS : FLOW REPORT MADE 1648 MCF, FCP 1400, SLP 155, 42 OIL, 164 WTR. 18/64 CHOKE 24 HRS. PRD. LEFT WELL SAME.

REPORT DATE: 07/13/06

MD : 8,712

TVD : 8,712

DAYS : 22

MW :

VISC :

DAILY : DC : \$0.00

CC : \$0.00

TC : \$0.00

CUM : DC : \$871,992.35

CC : \$392,199.00

TC : \$1,264,191.35

DAILY DETAILS : WELL MADE 1881 MCF, FCP 1360, SLP 191, 48 BBLS OIL, 160 BBLS WTR, 18/64 CHOKE, 24 HRS PRODUCTION

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JUL 19 2006

DIV. OF OIL, GAS & MINING

FACSIMILE COVER PAGE

To : Utah Division of Oil, Gas & Mining

From : g

Sent : 7/31/2006 at 3:29:16 PM

Pages : 2 (including Cover)

Subject : LCU 12-11H

TIS R20E S-11 43-040-37199

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JUL 31 2006

DIV. OF OIL, GAS & MINING

**WELL CHRONOLOGY REPORT****WELL NAME : LCU 12-11H**

DISTRICT : WESTERN

FIELD : NATURAL BUTTES 630

Event No: 1

LOCATION : 2045' FSL 765' FWL SEC 11 T 11S R 20E

COUNTY & STATE : UTAH

UT

CONTRACTOR :

WI % : 100.00 AFE # : 0601861

API # : 43-047-37199

PLAN DEPTH : 8,625

SPUD DATE : 05/25/06

DHC : \$594,000

CWC : \$631,000

AFE TOTAL : \$1,225,000

FORMATION : WASATCH/MESAVERDE

EVENT DC : \$871,992.35

EVENT CC : \$392,199.00

EVENT TC : \$1,264,191.35

WELL TOTL COST : \$1,396,436

REPORT DATE: 07/13/06

MD : 8,712

TVD : 8,712

DAYS : 22

MW :

VISC :

DAILY : DC : \$0.00

CC : \$0.00

TC : \$0.00

CUM : DC : \$871,992.35

CC : \$392,199.00

TC : \$1,264,191.35

DAILY DETAILS : WELL MADE 1881 MCF, FCP 1360, SLP 191, 48 BBLS OIL, 160 BBLS WTR, 18/64 CHOKE, 24 HRS PRODUCTION

RECEIVED**JUL 31 2006**

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address Suite 600
 14000 Quail Springs Parkway, OKC, OK 73134

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 2045' FSL & 765' FWL, Sec. 11-11S-20E

5. Lease Serial No.
 UTU-73436

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
 LCU 12-11H

9. API Well No.
 43-047-37199

10. Field and Pool, or Exploratory Area
 Natural Buttes

11. County or Parish, State
 Uintah, UT

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

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

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

First sales 7/8/06.

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

Name (Printed/Typed) Carla Christian Title Sr. Regulatory Specialist

Signature *Carla Christian* Date 08/02/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

RECEIVED
AUG 07 2006
 DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG, GAS & MINING

SEP 11 2006

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

CONFIDENTIAL

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

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

Other _____

5. Lease Serial No.
UTU-73436

6. If Indian, Allottee or Tribe Name
Little Canyon Unit

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

8. Lease Name and Well No.
12-11H

9. API Well No.
43-047-37199

10. Field and Pool, or Exploratory
Natural Buttes

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

12. County or Parish
Uintah

13. State
UT

17. Elevations (DF, RKB, RT, GL)*
5165' GL

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

3. Address
14000 Quail Springs Parkway - Ste. 600 - Okla. City, OK 73134

3a. Phone No. (include area code)
405-749-1300

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface **2045' FSL & 765' FWL, NE SE**
At top prod. interval reported below
At total depth

14. Date Spudded
5/25/2006

15. Date T.D. Reached
6/26/2006

16. Date Completed D&A Ready to prod. **7/8/2006**

18. Total Depth: MD **8712'** TVD _____

19. Plug Back T.D.: MD **8652'** TVD _____

20. Depth Bridge Plug Set: MD _____ TVD _____

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Platform Express Triple Combo Gamma Ray Cement Bond Log

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

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

| Hole Size | Size/Grade | Wt. (#/ft) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Skis & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|------------|----------|-------------|----------------------|------------------------------|-------------------|--------------|---------------|
| 12 1/4" | 8 5/8" | 32# | Surface | 2224' | | 685 Sx | | Circ. | |
| 7 7/8" | 5 1/2" | 17# | Surface | 8700' | | 910 Sx | | Est. TOC 18' | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| | | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom |
|----------------|-----|--------|
| | | |
| See Attachment | | |

26. Perforation Record

| Perforated Interval | Size | No. Holes | Perf. Status |
|---------------------|------|-----------|--------------|
| | | | |
| See Attachment | | | |

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

| Depth Interval | Amount and Type of Material |
|----------------|-----------------------------|
| | |
| See Attachment | |

| Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|-----------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | 7/8/2006 | 8/30/2006 | 24 | → | 15 | 1100 | 29 | | Flowing |
| Flow Rate | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 48 | 0 | 192 | → | 15 | 1100 | 29 | 1;73,333 | Producing | |

8a. Production - Interval B

| Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|----------|-----------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |

See instructions and spaces for additional data on reverse side)

28b Production - Interval C

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

28c. Production - Interval D

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

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

Sold

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation | Top | Bottom | Description, Contents, etc. | Name | Top |
|-----------|-----|--------|-----------------------------|-------------------|-------------|
| | | | | | Meas. Depth |
| | | | | Wasatch Tongue | 3314' |
| | | | | Uteland Limestone | 3552' |
| | | | | Wasatach | 3648' |
| | | | | Chapita Wells | 4540' |
| | | | | Uteland Buttes | 5670' |
| | | | | Mesaverde | 6411' |

32. Additional remarks (include plugging procedure)

33. Circle enclosed attachments:

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

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

Name (please print) Carla Christian Title Sr. Regulatory Specialist
 Signature *Carla Christian* Date September 7, 2006

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

LCU 12-11H Perforations & Frac's

Interval #1 Mesaverde 8604 – 20 65 holes

Frac w/31,874# 20/40 PR6000 sd., w/165.4 mscf of N2 and 475 bbls of YF12OST.

Interval #2 Mesaverde 8500 – 16 65 holes

Frac w/50,486# 20/40 PR6000 sd., w/278.3 mscf of N2 and 648 bbls of YF12OST

Interval #3 Mesaverde 8254 – 70
8305 – 15
8370 – 74
8378 - 87 66 holes

Frac w/72,364# 20/40 PR6000 sd., w/411.8 mscf of N2 and 853 bbls of YF12OST

Interval #4 Mesaverde 7301 – 09
7538 – 57 56 holes

Frac w/75,122# 20/40 Ottawa sd., w/252.7 mscf of N2 and 626 bbls of YF115LG

Interval #5 Mesaverde 6854 – 80
6912 – 17
6962 - 66 64 holes

Frac w/100,520# 20/40 Ottawa sd., w/326.9 mscf of N2 and 688 bbls of YF115LG

Interval #6 Wasatch 5532 - 50 55 holes

Frac w/39,117# 20/40 Ottawa sd., w/123.3 mscf of N2 and 446 bbls of YF115ST

Interval #7 Wasatch 5199 – 07
5216 – 24 50 holes

Frac w/38,045# 20/40 Ottawa sd., w/120.1 mscf of N2 and 389 bbls of YF115ST

Interval #8 Wasatch 4375 – 86 67 holes

Frac w/49,654# 20/40 Ottawa sd., w/141.1 mscf of N2 and 372 bbls of YF115ST

ENTITY ACTION FORM

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

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-----------------------|-------------------|-----------------|-----|-----|----------------------------------|--------|
| 43-047-37199 | LCU 12-11H | | NWSW | 11 | 11S | 20E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| <i>XC</i> | <i>15389</i> | <i>16009</i> | <i>7/1/2006</i> | | | <i>4/5/07</i> | |
| Comments: <i>MVRD = WSMUD per BLM CONFIDENTIAL</i> | | | | | | | |

Well 2

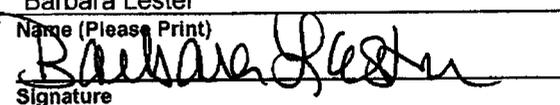
| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| | | | | | | | |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment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

Well 3

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

ACTION CODES:

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

Barbara Lester
 Name (Please Print)

 Signature
 Regulatory Specialist
 Title
 4/5/2007
 Date

RECEIVED
 APR 05 2007



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
3180
UT-922

March 26, 2007

Dominion Exploration & Production, Inc.
c/o UnitSource Incorporated
11184 Huron Street, Suite 16
Denver, Colorado 80234

Re: Initial Wasatch-Mesaverde Formation PA "C"
1st Revision of the
Wasatch-Mesaverde Formation PA "C"
Little Canyon Unit
Uintah County, Utah

Gentlemen:

The Initial Wasatch-Mesaverde Formation PA "C", Little Canyon Unit, CRS No. UTU81878D, is hereby approved effective June 3, 2006, pursuant to Section 11 of the Little Canyon Unit Agreement, Uintah County, Utah.

The Initial Wasatch-Mesaverde Formation PA "C" results in an Initial Participating Area of 160.00 acres and is based upon the completion of Well No. LCU 6-11H, API No. 43-047-37198, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11, Township 11 South, Range 20 East, SLM&B, Unit Tract No. 7, Lease No. UTU73436, as being a well capable of producing unitized substances in paying quantities.

The 1st Revision of the Wasatch-Mesaverde Formation Participating Area "C", Little Canyon Unit, CRS No. UTU81878D is hereby approved effective as of July 1, 2006, pursuant to Section 11 of the Little Canyon Unit Agreement, Uintah County, Utah.

The 1st Revision of the Wasatch-Mesaverde Formation Participating Area "C", results in the addition of 320.00 acres to the participating area for a total of 480.00 acres and is based upon the completions of Well No. LCU 12-11E, API No. 43-047-37199, located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11, Township 11 South, Range 20 East, SLM&B, Unit Tract No. 7, Lease No. UTU73436 and Well No. LCU 14-11H, API No. 43-047-37200, located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11, Township 11 South, Range 20 East, SLM&B, Unit Tract No. 7, Lease No. UTU73436, as wells capable of producing unitized substances in paying quantities.

LCU 12-11H

RECEIVED

MAR 28 2007

DIV. OF OIL, GAS & MINING

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial and the 1st Revision of the Wasatch-Mesaverde Formation Participating Area "C", Little Canyon Unit.

Sincerely,

/s/ R. Allen McKee

R. Allen McKee
Acting Branch of Fluid Minerals

Enclosure

bcc: Division of Oil, Gas & Mining
SITLA
Little Canyon Unit w/enclosure
MMS - Data Management Division (Attn: James Sykes)
Field Manager - Vernal w/enclosure
Agr. Sec. Chron.
Reading File
Central Files

TAThompson:tt:3/26/07

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

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

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

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

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

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

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

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

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

(This space for State use only)

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

(See Instructions on Reverse Side)

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

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

LITTLE CANYON UNIT

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

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

LITTLE CANYON UNIT

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



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
3180
UT-922

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

August 10, 2007

Re: Little Canyon Unit
Uintah County, Utah

Gentlemen:

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

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

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

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

Sincerely,

/s/ Greg J. Noble

Greg J. Noble
Acting Chief, Branch of Fluid Minerals

Enclosure

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

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

| |
|----------------|
| ROUTING |
| 1. DJJ |
| 2. CDW |

X - Change of Operator (Well Sold)

Operator Name Change/Merger

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

7/1/2007

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

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

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- a. Is the new operator registered in the State of Utah: _____ Business Number: 5655506-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

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

BOND VERIFICATION:

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

LEASE INTEREST OWNER NOTIFICATION:

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

COMMENTS:

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

FORM 9

| | | | |
|--|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73436 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | | 7. UNIT or CA AGREEMENT NAME: LITTLE CANYON UNIT |
| 2. NAME OF OPERATOR: XTO ENERGY INC. | | | 8. WELL NAME and NUMBER: LCU 12-11H |
| 3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410 | | PHONE NUMBER: (505) 333-3100 | 9. API NUMBER: 4304737199 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2045' FSL & 765' FWL | | | 10. FIELD AND POOL, OR WILDCAT: HILL CREEK / WSTCH-MVRD |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 11 11S 20E S | | | COUNTY: UINTAH |
| | | | STATE: UTAH |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|--|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 4/29/2008 | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: CLEANOUT |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

XTO Energy Inc. performed cleanout work on this well per the attached morning report.

| | |
|---|-------------------------------|
| NAME (PLEASE PRINT) <u>DOLENA JOHNSON</u> | TITLE <u>REGULATORY CLERK</u> |
| SIGNATURE <u><i>Dolena Johnson</i></u> | DATE <u>6/5/2008</u> |

(This space for State use only)

RECEIVED
JUN 09 2008
DIV. OF OIL, GAS & MINING

Farmington Well Workover Report

| | | |
|---------------------------|-----------------------|----------------|
| LITTLE CANYON UNIT | Well # 012-11H | MV/WSTC |
|---------------------------|-----------------------|----------------|

Objective: Cleanout

First Report: 04/23/2008

4/24/08 FTP 0 psig, FCP 150 psig, MIRU Key # 6013. Bd well. ND WH, NU BOP. PU & found tbg strg stuck. Wrkd tbg strg @ 20K over strg wt & pld free. TOH w/280 jts, 2-3/8", 4.7#, J-55, EUE, 8rd tbg, 2-3/8" SN & BRS. Found hvy external sc BU @ 5100'. Sample taken for analysis. TIH w/4.75" bit, 5.5" csg scr & 135 jts 2-3/8" tbg. SWI & SDFN. 50 BLWTR.

4/28/08 SITP 0 psig, SICP 760 psig, MIRU Tech Swabbing SWU. Bd tbg. RU & RIH w/swb tls. SN @ 8,570'. BFL @ 4,592' FS. S. 0 BO, 88 BW, 18 runs, 10 hrs. FFL @ 5,300' FS. SITP 0 psig, SICP 825 psig. SWI SDFN 4-28-08.

Swab **Zone:** MV/WSTC

Event Desc: SWAB **Top Interval:** 4,375 **Bottom Interval:** 8,620

| Time | Swab Runs | Beg FL | BLS Rec | Comments |
|-------------|------------------|------------------|----------------|-----------------|
| 8:00:00 AM | 1 | 4,592 | 5 | |
| 8:30:00 AM | 16 | 4,600 | 61 | |
| 5:00:00 PM | 1 | 5,300 | 5 | SWI, SDFN. |
| | | Ttl Bbls: | 71.4 | |

4/29/08 SITP 0 psig, SICP 825 psig. Bd tbg. RU & RIH w/swb tls. SN @ 8,570'. BFL @ 5,200' FS. S. 0 BO, 73 BW, 11 runs, 10 hrs. FFL @ 6,900' FS. KO Well FLWG. SITP 620 psig, SICP 840 psig. RWTP @ 3:15 p.m., 4-29-08 RDMO Tech Swabbing SWU.

Swab **Zone:** MV/WSTC

Event Desc: SWAB **Top Interval:** 4,375 **Bottom Interval:** 8,620

| Time | Swab Runs | Beg FL | BLS Rec | Comments |
|-------------|------------------|------------------|----------------|-----------------|
| 7:30:00 AM | 1 | 5,200 | 7 | |
| 8:00:00 AM | 9 | 4,800 | 60 | |
| 2:00:00 PM | 1 | 6,900 | 7 | KO FLWG. |
| | | Ttl Bbls: | 73.48 | |

| | |
|---|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73436 |
|---|--|

| | |
|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: LITTLE CANYON |
|--|---|

| | |
|------------------------------------|---|
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: LCU 12-11H |
|------------------------------------|---|

| | |
|---|---|
| 2. NAME OF OPERATOR: XTO ENERGY INC | 9. API NUMBER: 43047371990000 |
|---|---|

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

| | |
|---|---|
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2045 FSL 0765 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 11 Township: 11.0S Range: 20.0E Meridian: S | COUNTY: Uintah STATE: UTAH |
|---|---|

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input checked="" type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/13/2010 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input checked="" type="checkbox"/> OTHER | OTHER: <input type="text" value="CLEAN OUT"/> |

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

XTO Energy Inc. has acidized & cleaned out this well per the attached summary report.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 16, 2010

| | | |
|---|-------------------------------------|--|
| NAME (PLEASE PRINT) Barbara Nicol | PHONE NUMBER 505 333-3642 | TITLE Regulatory Compliance Tech |
| SIGNATURE N/A | | DATE 8/16/2010 |

Little Canyon Unit 12-11H

8/5/2010: MIRU Temples WS rig #1. EOT @ 8622'. WA/MV perfs fr/4375' - 8620'. PBDT @ 8690'. Att to PT tbg to 1000 psig w/3 bbls TFW @ 60 deg w/success. Unseated pmp. LD 1-1/4" x 26' PR w/1.5" x 14' Inr. TOH w/ 1- 3/4" x 2' rod sub, 294 - 3/4" Norris 96 slick skr d, 40 - 3/4" Norris 96 skr d w/ 5 guides per rod, 8 - 1-1/4" sbs, 1 - 7/8" x 4' rod stabilizer sub, 26 K shear tl, 1 - 7/8" x 4' rod stabilizer sub & 2" x 1-1/4" x 16' x 19" RHBC pmp (XTO # 158) w/ 1" x 8' GAC, Mesh screen. Pmp was stuck open in barrel w/ hvy sc. GAC was plugd w/hvy sc. Smpl taken for analysis. ND WH. Rlsd 5-1/2" TAC @ 8622'. NU BOP. TIH w/2 jts 2-3/8" tbg, tgd fill @ 8668'. TOH & LD 127 jts 2-3/8" 4.7#, J-55, EUE, 8rd tbg. EOT @ 4795'. SWI & SDFN.

8/6/2010: Bd well. Ppd dwn csg w/15 bbls TFW & KW. Contd TOH, LD 158 jts 2-3/8" 4.7#, J-55, 8rd tbg, 2-3/8" SN, 4' x 2-3/8" 4.7#, N-80, EUE, 8rd perf tbg sub, 6' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg sub & 5-1/2" TAC w/ 2-3/8" mule shoe col. Tbg showed lt external sc BU fr/5621' - EOT @ 8622'. Smpl taken for analysis. PU & TIH w/4-3/4" bit, 5-1/2" csg scr & 263 jts 2-3/8" 4.7#, L-80, EUE, 8rd tbg, tgd fill @ 8668'. TOH w/35 jts 2-3/8" tbg. EOT @ 7527'. SWI & SDFWE.

8/9/2010: Bd well. TIH w/32 jts 2-3/8" tbg, tgd fill @ 8668'. RU pwr swvl & AFU. Estb circion. CO 22' fill fr/ 8668' - 8690'. Circ hole cln for 1-1/2 hrs. Ppd dwn tbg w/20 bbls TFW & kld tbg. RD pwr swvl & AFU. TOH w/264 jts 2-3/8" tbg, 5-1/2" csg scr & 4-3/4" bit. PU & TIH w/RBP, pkr & 170 jts 2-3/8" tbg. EOT @ 5627'. SWI & SDFN.

8/10/2010: Bd well. Ppd dwn tbg w/15 bbls TFW & kld tbg. Contd TIH w/93 jts 2-3/8" tbg. Set RBP & PKR, PT tls & tbg to 3500 psig w/19 bbls TFW, 10". Tstd ok. MIRU Frac Tech ac equ. PT surf equ to 5500 psig. Proceed w/8 stage ac trtmnt as follows: stg #1. Move tls & Isol MV perfs fr/8604' - 8620'. Trtd perfs w/315 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/33 bbls TFW. Max trtg press 3078 psig @ .9 BPM. ISIP 2755 psig, 5" SIP 1360 psig. Stg #2. Move tls & Isol MV perfs fr/8500' - 8515'. Trtd perfs w/315 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/33 bbls TFW. Max trtg press 3100 psig @ 2 BPM. ISIP 2439 psig, 5" SIP 0 psig. Stg #3. Move tls & Isol MV perfs fr/ 8254' - 8387'. Trtd perfs w/ 767 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/32 bbls TFW. Max trtg press 3100 psig @ 1.9 BPM. ISIP 2690 psig, 5" SIP 0 psig. Stg #4. Move tls & Isol MV perfs fr/7301' - 7557'. Trtd perfs w/530 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/28 bbls TFW. Max trtg press 3100 psig @ 3.2 BPM, ISIP 2300 psig, 5" SIP 0 psig. Stg #5. Move tls & Isol MV perfs fr/6854' - 6966'. Trtd perfs w/688 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/26 bbls TFW. Max trtg press 3123 psig @ 5.9 BPM, ISIP 912 psig, 5" SIP 0 psig. Stg #6. Move tls & Isol WA perfs fr/5532' - 5550'. Trtd perfs w/354 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/21 bbls TFW. Max trtg press 2800 psig @ 6 BPM, ISIP 0 psig, 5" SIP 0 psig. Stg #7. Move tls Isol WA perfs fr/5199' - 5224'. Trtd perfs w/315 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/20 bbls TFW. Max trtg press 2500 psig @ 6 BPM, ISIP 0 psig, 5" SIP 0 psig. Stg #8. Move tls & Isol WA perfs fr/4375' - 4386'. Trtd perfs w/216 gals 15% HCL ac w/adds, mutual solvent, iron seq, corr inhib & sc inhib. Flshd w/17 bbls TFW. Max trtg press 779 psig @ 4.7 BPM, ISIP 0 psig, 5" SIP 0. RDMO Frac Tech ac equip. Rlsd tls. TOH w/40 jts 2-3/8" tbg. EOT @ 3010'. SWI & SDFN.

8/11/2010: Bd well. Contd TOH w/94 jts 2-3/8" tbg, 2-3/8" SN & 5-1/2" RBP w/ PKR. LD tls. TIH w/2-3/8" mule shoe col, 5-1/2" SH TAC, 8' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg sub, 4' x 2-3/8" 4.7#, N-80, EUE, 8rd perf tbg sub, 2-3/8" SN, 260 jts 2-3/8" 4.7#, L-80, EUE, 8rd tbg, 2 - 10' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg subs & 1 jt 2-3/8" 4.7#, L-80, EUE, 8rd tbg. EOT @ 8650'. RU & RIH w/ XTO 1.901 tbg broach to SN. No ti spots. POH & LD broach. ND BOP. Set 5-1/2" SH TAC @ 8650' & Ld tbg on hgr w/13 K tens. NU WH. SN @ 8631'. EOT @ 8650'. WA perfs fr/4375' - 5550'. MV perfs fr/6854' - 8620'. PBDT @ 8690'. RU & RIH w/swb tls. BFL @ 4200' FS. S, 0 BO, 9 BLW, 2 runs, 1 hr. Smpl taken. Brown wtr, hvy sc solids, no O. FFL @ 4200' FS. SICP 50 psig. SWI & SDFN.

8/12/2010: RU & RIH w/swb tls. BFL @ 4400' FS. S. 1 BO, 85 BLW, 20 runs, 8 hrs. Smpl taken every hr. Gray gas cut wtr, v, ltl solids, ltl O. FFL @ 5200' FS. FCP 300 psig. SWI w/csg flwg to sales. SDFN.

8/13/2010: RU & RIH w/swb tls. BFL @ 4900' FS. S, 0 BO, 23 BLW, 6 runs, 2-1/2 hrs. Smpl taken. White gas cut wtr, tr solids, tr of O, PH 6. PU & loaded new 2" x 1-1/4" x 16' x 19" RHBC pmp (XTO # 296) w/ 1" x 8' GAC. TIH w/pmp, 1 - 7/8" x 4' rod stabilizer sub, 26 K shear tl, 1 - 7/8" rod stabilizer sub, 8 - 1-1/4" sbs w/ T/710 cplg, 40 - 3/4" Norris skr d w/5 molded guides per rod, 295 - 3/4" Norris slick skr d w/ " T " cplgs, 2 - 3/4" rod subs (4', 2') & 1-1/4" x 26' PR w/1.5" x 14' Inr. Seated pmp & SWO. PT tbg to 500 psig w/19 BW. LS pmp to 1000 psig w/rig. Gd PA. HWO & RWTP, ppg @ 120" x 4 SPM. RDMO Temples WS rig #1. Turned well over to prod., begin tst data.

=====Little Canyon Unit 12-11H=====

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

FORM 6

ENTITY ACTION FORM

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

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------------------------|-----------------------|-------------------|-----------|-----|-----|----------------------------------|-----------|
| 4304737198 | LCU 6-11H | | SENW | 11 | 11S | 20E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 16009 | 14619 ✓ | 7/1/2006 | | | 12/1/2006 ✓ | |
| Comments: MVRD = WSMVD | | | | | | | — 8/24/10 |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------------------------|-----------------------|-------------------|-----------|-----|-----|----------------------------------|-----------|
| 4304737199 | LCU 12-11H | | NWSW | 11 | 11S | 20E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 16009 | 14619 ✓ | 5/25/2006 | | | 12/1/2006 ✓ | |
| Comments: MVRD = WSMVD | | | | | | | — 8/24/10 |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------------------------|-----------------------|-------------------|-----------|-----|-----|----------------------------------|-----------|
| 4304737200 | LCU 14-11H | | SESW | 11 | 11S | 20E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 16009 | 14619 ✓ | 5/14/2006 | | | 12/1/2006 ✓ | |
| Comments: MVRD = WSMVD | | | | | | | — 8/24/10 |

ACTION CODES:

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

BARBARA A. NICOL

Name (Please Print)

Barbara A. Nicol

Signature

REGULATORY COMP. TECH 8/18/2010

Title

Date

RECEIVED

AUG 23 2010

DIV. OF OIL, GAS & MINING

| | | |
|---|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73436 |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | | 7. UNIT or CA AGREEMENT NAME: LITTLE CANYON |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: LCU 12-11H | |
| 2. NAME OF OPERATOR: XTO ENERGY INC | 9. API NUMBER: 43047371990000 | |
| 3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410 | PHONE NUMBER: 505 333-3159 Ext | 9. FIELD and POOL or WILDCAT: HILL CREEK |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2045 FSL 0765 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 11 Township: 11.0S Range: 20.0E Meridian: S | COUNTY: UINTAH | |
| | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/23/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER | |
| | <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: PARAFFIN TREATMEN | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO Energy Inc. performed a paraffin treatment & a clean out on this well per the attached summary report. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY | | |
| NAME (PLEASE PRINT) Barbara Nicol | PHONE NUMBER 505 333-3642 | TITLE Regulatory Compliance Tech |
| SIGNATURE N/A | DATE 9/22/2011 | |

Little Canyon Unit 12-11H

8/17/2011: MIRU. Unhung rod string. Loaded tbg w/3 bbls of trtd 2% KCL wtr. PT tbg to 1,200 psig w/2 bbls, gd tst. LS pmp w/rig, gd PA. Unseat pmp. TOH w/ 2- 3/4" rod subs 2' & 4', 295 - 3/4" Norris 96 slick skr d, 40 - 3/4" Norris 96 skr d w/5 guides per rod, 8 - 1-1/4" sbs, 1 - 7/8" x 4' rod stabilizer sub, 26 K shear tl, 1 - 7/8" x 4' rod stabilizer sub & 2" x 1-1/4" x 16' x 19' RHBC pmp. Did not rec 1" x 8' GAC, Mesh screen. TIH w/107 3/4" slick rods, TOH and LD 107 3/4" slick rods. SWI & SDFN.

8/18/2011: Rlsd 5-1/2" TAC @ 8,649'. PU & TIH w/3 jts 2-3/8" tbg. Tgd 12' of fill @ 8,678' (PBD @ 8,690'). TOH w/260 jts 2-3/8", L-80, 4.7#, EUE 8rd tbg, 2-3/8" SN, 4' x 2-3/8" perf sub, 8' x 2-3/8" tbg sub, 5-1/2" TAC & mule shoe col. Recd 1-1/4"x 8' mesh screen GAC stuck in 4' perf sub w/ hvy sc BU. Smpl sent in for anal. SWI & SDFN.

8/19/2011: TIH w/4-3/4" bit, 5-1/2" csg scr, 2-3/8" SN & 263 jts 2-3/8" tbg. Tgd 12' of fill @ 8,678' (PBD @ 8,690'). TOH & LD 2 jts tbg. MIRU hot oil ser. Flshd tbg w/25 bbls htd wtr trtd w/10 gal paraffin solvent. Drpd SV & PT tbg to 2000 psig w/16 BW, gd tst. RDMO hot oil ser. RU swb tls & retr SV. TOH w/ tbg. LD bit & csg scr. SWI & SDFWE.

8/22/2011: Bd & KW w/10 bbls 2% KCl wtr. TIH w/prod tbg strg. RU swb tls. RIH w/XTO's 1.90" tbg broach to SN, no ti spts. POH & LD broach. Set 5-1/2" TAC @ 8,653' w/16K ten. Ld prod tbg on hgr as follows: 1 jt 2-3/8", L-80, 4.7#, EUE 8rd tbg, 2- 10'x 2-3/8" tbg subs. 259 jts 2-3/8", L-80, 4.7#, EUE 8rd tbg, 2-3/8" SN, 2'x 2-3/8" tbg sub, 19' Cavin desander 5-1/2 TAC & 2-3/8" bull plug. SN @ 8,595", TAC/EOT @ 8,653', WA/MV perms fr/5,550- 8,620', fill @ 8,678' & PBD @ 8,690'. ND BOP. NU WH. RU & RIH w/swb tls. BFL @ 4,800' FS. S. 0 BO, 42 BLW, fld smpls of brown wtr w/lt sediment, 10 runs, 3.5 hrs. FFL @ 5,400' FS. Lt blow on tbg. SICP 400 psig. RD swb tls. SWI & SDFN.

8/23/2011: RU & RIH w/swb tls. BFL @ 5400' FS. S. 0 BO, 15 BLW (blk wtr w/lt sediment), 1.5 runs, 2 hrs. FFL @ 5,400' FS. RD swb tls, RU rod tls. PU & loaded pmp @ surf. TIH w/(no screen or strn nip), Nat.2"x1-1/4"x16' x19' RHBC pmp, 1-3'x 7/8" rod cent, 26K shear tl, 1-3'x7/8" rod cent, 15- 1-1/4" sbs, 140- 3/4" Norris 96 skr d w/5 mold on guides per rod, 187 - 3/4" Norris 96 skr d, 6' of 3/4" pony rods (1-2' & 1-4') & 26'x 1-1/4" PR w/1-1/2" Inr. Seat pmp & PT tbg to 1000 psig w/17 BW, gd tst. Rlsd press. LS pmp w/rig to 500 psig. GPA. HWO. RDMO. RWTP ppg @ 3.5 SPM x 144".

=====**Little Canyon Unit 12-11H**=====