

TALON RESOURCES INC

October 26, 2005

Mrs. Diana Whitney
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—
State 2-2-14-22, 501' FNL, 2033' FEL Section 2, T14S, R22E, SLB&M. Uintah County, Utah
State 6-2-14-22, 1981' FNL, 1988' FWL Section 2, T14S, R22E, SLB&M. Uintah County, Utah

Dear Mrs. Whitney:

On behalf of Summit Operating, LLC (Summit), Talon Resources, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for each of the above referenced wells. Included with each APD is the following supplemental information:

- Exhibit "A" - Survey plats and layouts of the proposed well site;
- Exhibit "B" - Proposed location maps with utility corridors;
- Exhibit "C" - Drilling site layout;
- Exhibit "D" - Drilling Program;
- Exhibit "E" - Multi Point Surface Use Plan;
- Exhibit "F" - Typical road cross-section;
- Exhibit "G" - Typical BOP diagram, Typical wellhead manifold diagram

Please accept this letter as Summit's written request for confidential treatment of all information contained in and pertaining to this application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this application. Please feel free to contact myself, or Mr. David Lillywhite at 1-435-940-9001 if you have any questions or need additional information.

Sincerely,



Larry W. Johnson—Agent for Summit Operating, LLC.

cc: Mr. Ed Bonner, SITLA
Mr. David Lillywhite, Summit Operating
Mr. David Allin, Consultant to Summit Operating

RECEIVED
OCT 28 2005
DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-49783	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>	7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A		
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>	8. UNIT or CA AGREEMENT NAME: N/A		
2. NAME OF OPERATOR: Summit Operating, LLC		9. WELL NAME and NUMBER: State 2-2-14-22	
3. ADDRESS OF OPERATOR: 2064 Prospector Ave 10 th Park City		PHONE NUMBER: (435) 940-9001	10. FIELD AND POOL, OR WILDCAT: Soap Ridge Undesignated
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 501' FNL, 2033' FEL AT PROPOSED PRODUCING ZONE: 501' FNL, 2033' FEL		CITY STATE ZIP Park City UT 84060	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14 22 S
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 45 miles south of Ouray, Utah		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 501'	16. NUMBER OF ACRES IN LEASE 624	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) See attached map	19. PROPOSED DEPTH: 11,440	20. BOND DESCRIPTION: N2315	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6689' GR	22. APPROXIMATE DATE WORK WILL START: 11/15/2005	23. ESTIMATED DURATION: 14 Days	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12-3/4"	9-5/8" J-55 LT&C 36#	2,000	HHF	350 Sacks	3.2 cu ft/ sk 11.6 ppg
			Premium	200 Sacks	1.17 cu ft/ sk 15.8 ppg
7-7/8"	5-1/2" N-80 LT&C 17#	11,501	Super flush/water		9.2/8.33 ppg
			50/50 Poz Premium AG	450 sacks	1.49 cu ft/sk 13.5 ppg
			Hi Fill Mod	405 sacks	3.85 cu ft/sk 11.0 ppg
			Premium AG	50 sacks	1.15 cu ft/sk 15.8 ppg

25. ATTACHMENTS

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

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

NAME (PLEASE PRINT) Larry W. Johnson TITLE Agent for Summit Operating LLC
SIGNATURE *Larry W. Johnson* DATE 10/26/05

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37337

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-17-06
By: *[Signature]*

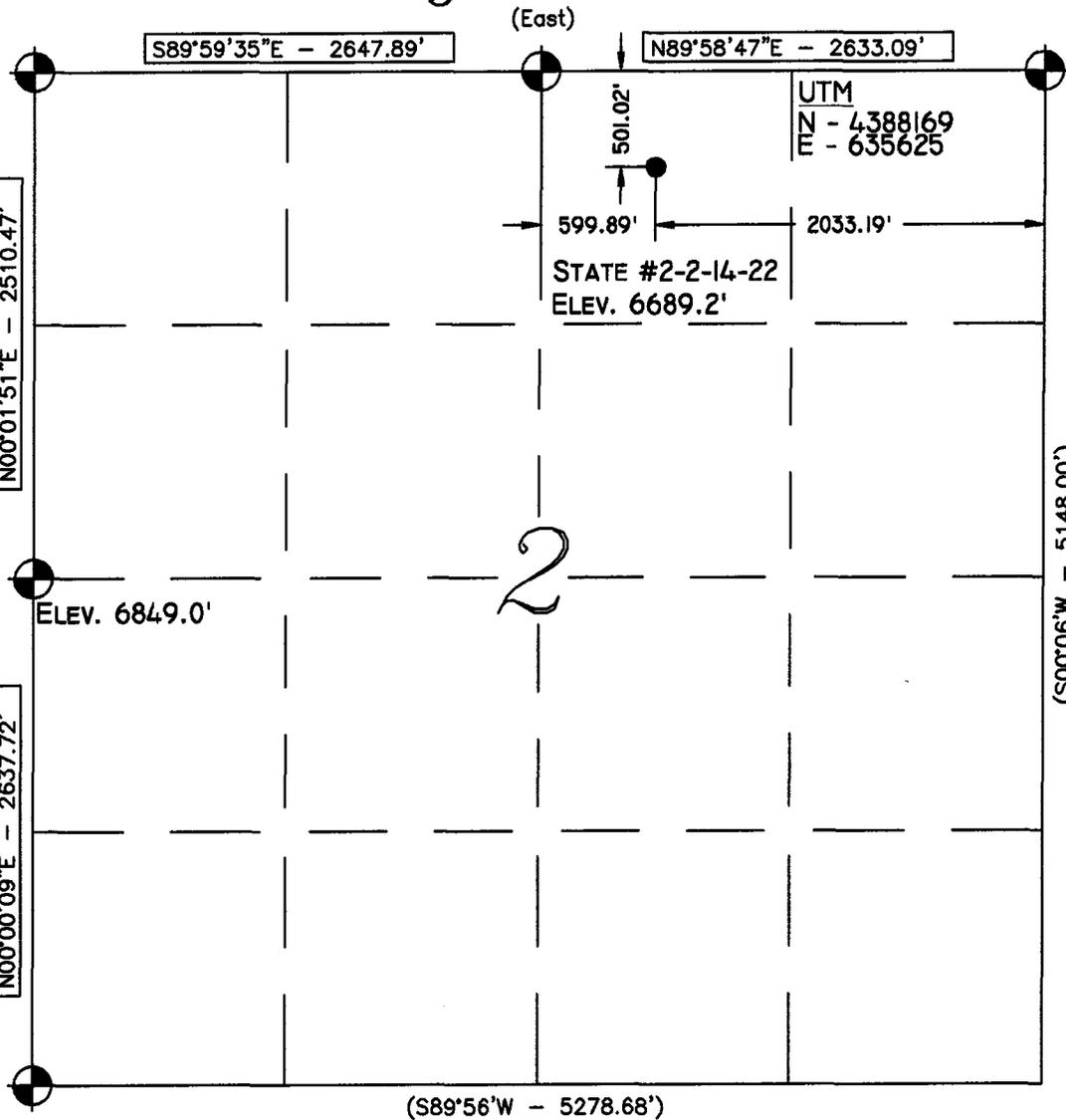
RECEIVED

OCT 28 2005

DIV. OF OIL, GAS & MINING

Range 22 East

Township 14 South



Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 6849.0' being at the West Quarter Corner of Section 2, Township 14 South, Range 22 East, Salt Lake Base & Meridian, as shown on the Bates Knolls Quadrangle 7.5 Minute Series Map.

Description of Location:

Proposed Drill Hole located in the NW1/4 NE1/4 of Section 2, T14S, R22E, S.L.B.&M., being 501.02' South and 2033.19' West from the Northeast Corner of Section 2, T14S, R22E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@etv.net

SUMMIT OPERATING

State #2-2-14-22
 Section 2, T14S, R22E, S.L.B.&M.
 Uintah County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./J.S.H.
Drawing No. A-1	Date: 10/25/05
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 1965

Legend

- Drill Hole Location
- ⊙ Brass Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Rock Pile
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
 39°38'03.986" N
 109°25'10.596" W

GRAPHIC SCALE



(IN FEET)
 1 inch = 1000 ft.

EXHIBIT "D"
DRILLING PROGRAM

Attached to UDOGM Form 3
Summit Operating, LLC
State 2-2-14-22
NW/4 NE/4, Sec. 2, T14S, R22E, SLB & M
501' FNL, 2033' FEL
Uintah County, Utah

1. The Geologic Surface Formation

Green River

2. Estimated Tops of Important Geologic Markers

KB	Ground + 22'
Wasatch	1811'
Mesaverde Group	3571'
Castlegate	5433'
Mancos Shale	5766'
Dakota Silt	9395'
Dakota Marker	9443'
Morrison	9697'
Summerville/Curtis	10172'
Entrada Sandstone	10237'
Carmel	10382'
Navajo Sandstone	10451'
Kayenta	10595'
Wingate Sandstone	10727'
Triassic Chinle	11117'
Triassic Shinarump Conlomerate	11290'
Triassic Moenkopi	11327'

3. Projected Gas & Water Zones

No Groundwater is anticipated to be encountered. Water encountered will be reported on a Form 7 "Report of Water Encountered During Drilling".

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

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Surface casing will be tested to 1500 psi for 15 minutes. Pressure drop is not to exceed 150 psi.

7) The Proposed Casing and Cementing Programs

Casing Program

HOLE SIZE	SETTING DEPTH (INTERVAL)	SIZE (OD)	WEIGHT, GRADE & JOINT	CONDITION
12-1/4"	2000'	9-5/8"	36# J-55 LT&C	New
7 -7/8"	11,440'	5-1/2"	17# N-80 LT&C	New

Cement Program

Surface Casing:

Lead: 350 sacks HHF
 Weight: 11.6 # / gal
 Yield: 3.2 cu.ft / sk

Tail: 200 sacks Premium
 Weight: 15.8 # / gal
 Yield: 1.17 cu.ft / sk

Production Casing: Two stage with multiple stage cementer placed at 9,400'

Stage 1: Lead: Super flush / water *Stage 2:* Lead: 405 sacks Hi Fill Mod
 Weight: 9.2 # / gal / 8.33 #/gal Weight: 11.0 #/gal
 Yield: 3.85 cu.ft / sk

Tail: 450 sacks 50./50 Poz Premium AG Tail: 50 sacks Premium AG
 Weight: 13.5 #/gal Weight: 15.8 #/gal
 Yield: 1.49 cu.ft/sk Yield: 1.15 cu.ft/sk

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement

circulated, location of the cementing tools, etc.;

- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. The Operator's Minimum Specifications for Pressure Control

Exhibit "G" is a schematic diagram of the blowout preventer equipment. An 11" 5,000 psi Double gate Hydraulic BOP with one (1) blind ram and one (1) pipe ram and Annular Preventer; equipped with a 3,000 psi automatic choke manifold. The BOP will be tested and charted using a BOP tester and test plug to 5,000 psi for 10 minutes. The Annular Preventer will be tested to 2,500 psi for 10 minutes. All text will be recorded in the Driller's log book. Physical operation of the BOP will be checked on each trip.

6. The Type and Characteristics of the Proposed Circulating Muds

Surface hole will be drilled with air/mist/foam
Long string hole will be drilled with KCL/gel/chem. mud

7. The Testing, Logging and Coring Programs are as followed

Testing --

DST's are not planned

Logging --

End of Surface casing - TD Gamma Ray, Density, Neutron, Porosity,
Induction, Caliper, Sonic

Coring --

No coring is planned for this location

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in The area nor at the depths anticipated in this well. Bottom hole pressure expected is 3,800 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

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8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: November 15, 2005.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
Multipoint Surface Use Plan

Attached to UDOGM Form 3
Summit Operating, LLC
State 2-2-14-22
NW/4 NE/4, Sec. 2, T14S, R22E, SLB & M
501' FNL, 2033' FWL
Uintah County, Utah^E

1. Existing Roads

- a. The proposed access road will be Constructed consistent with the State of Utah and Summit Operating, LLC, and will encroach on Uintah County Road 4610. County Road 4610 is the main access into this area.
- b. Existing roads will be maintained in the same or better condition. See Exhibit "B".

2. Planned Access

Approximately 2000' (.38 miles) of new access will be required (See Exhibit "B") Access is determined by acquired Right of way by the surface owner.

- a. Maximum Width: 24'
- b. Maximum grade: 10 %
- c. Turnouts: None
- d. Drainage design: 1 – 24" culvert and 2 – 18" culverts may be required along the new portion of the road. Water will be diverted around the road as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.
- f. Existing trees will be left in place where practical to provide screening and buffer areas.

3. Location of Existing Wells

- a. See Exhibit "B", Drawing L-1. There is existing well locations within a one mile radius of the proposed location.

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will follow.
- b. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be obtained from Bitter Creek, Permit #T75377
- b. Water will be transported by truck over approved access roads.
- c. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. Any necessary construction materials needed will be obtained locally from a private source and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. A reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will be lined with a synthetic liner. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.

- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or location.
- c. In the event fluids are produced, any oil will be retained in tanks until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of trailers to be located on the drill site.

9. Well-site Layout

- a. Available topsoil will be removed from the location and stockpiled. Location of the rig, reserve and blooie pits, and drilling support equipment will be located as shown on Attachment "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the blooie pit. The blooie pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by then existed conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the well-site is to be abandoned, all disturbed areas will be recontoured to the natural contour as is possible.

11. Surface Ownership

- a. The well-site and access road will be constructed on lands owned by the School and Institutional Trust Lands Administration, 675 East 500 South, Salt Lake City, Utah 84102-2818; 801-538-5100. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is wildlife habitat and grazing. The nearest dwelling is approximately 7 miles West. Nearest live water is in Willow Creek, 7 miles West.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The back-slope and fore-slope will be constructed no steeper than 3:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations shall be on the well-site during construction and drilling operations.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. **Company Representative**

David Lillywhite
Summit Operating, LLC.
2064 Prospector Avenue
Suite 102
Park City, Utah 84060
1-435-940-9001

Permitting Consultant

Larry W. Johnson
Talon Resources, Inc.
195 North 100 West
Huntington, UT. 84528
1-435-687-5310

Excavation Contractor

Stubbs & Stubbs Oilfield Construction
437 South 800 East
Vernal, Utah 84078
1-435-789-8874

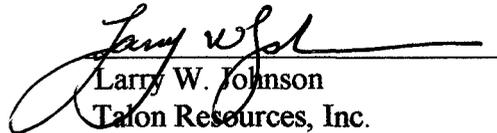
Mail Approved A.P.D. To:

Company Representative

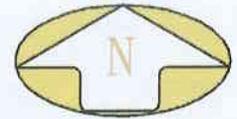
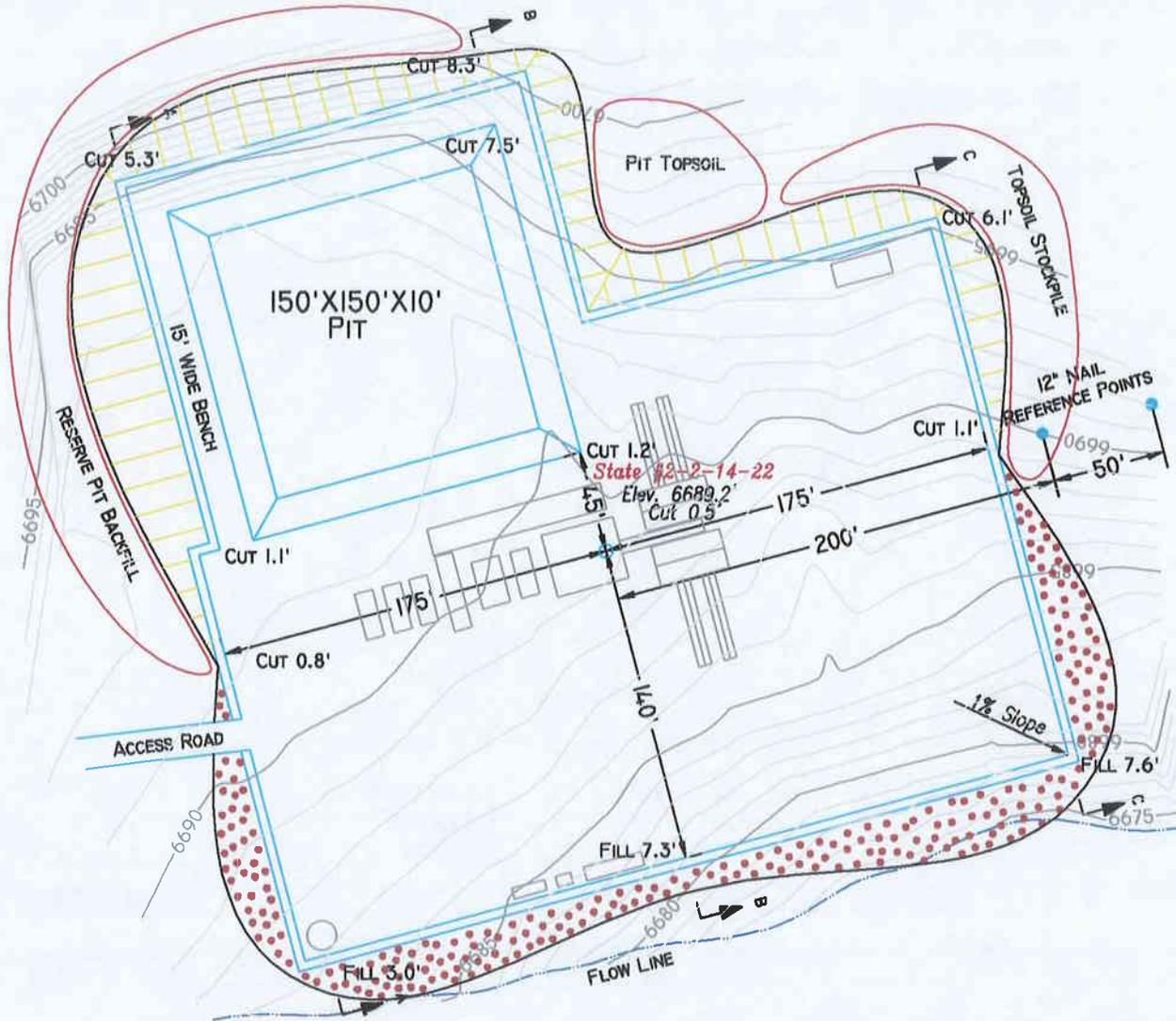
14. **Certification**

I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Summit Operating, LLC. and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10/26/05
Date


Larry W. Johnson
Talon Resources, Inc.

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 6689.2'
 ELEVATION OF GRADED GROUND AT LOCATION STAKE = 6688.7'



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

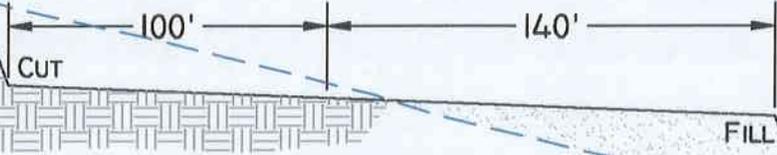
E-Mail taloneetv.net

SUMMIT OPERATING

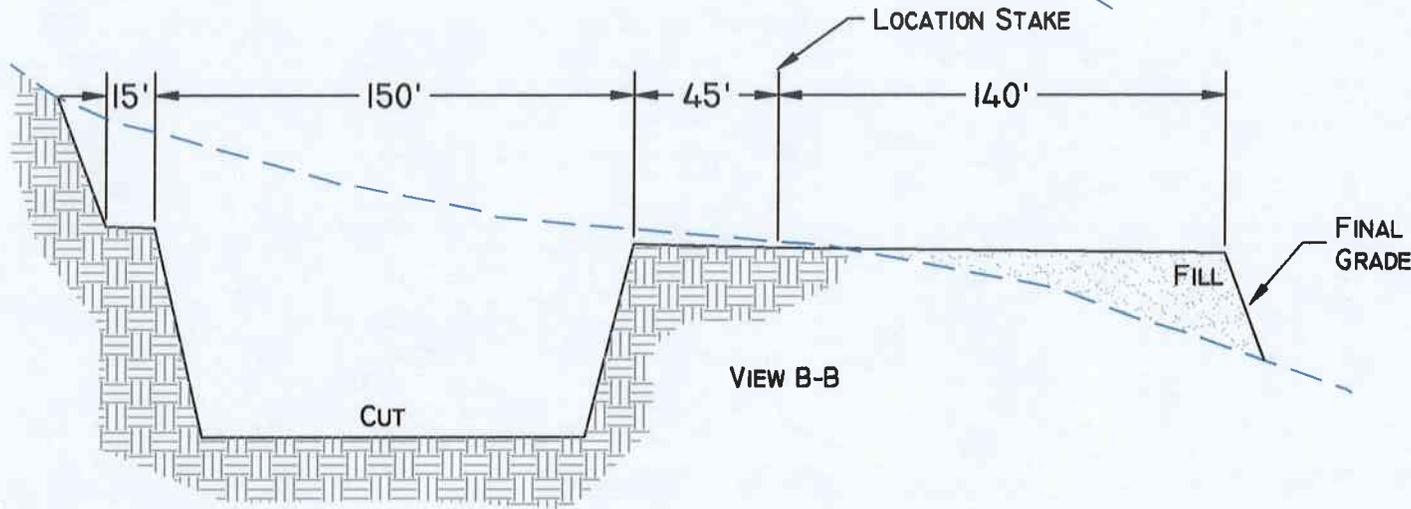
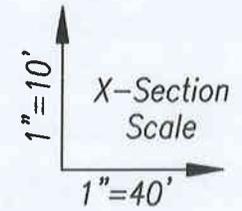
LOCATION LAYOUT
 Section 2, T14S, R22E, S.L.B.&M.
 State #2-2-14-22

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. A-2	Date: 10/25/05
	Scale: 1" = 80'
Sheet 2 of 4	Job No. 1965

PRECONSTRUCTION GRADE



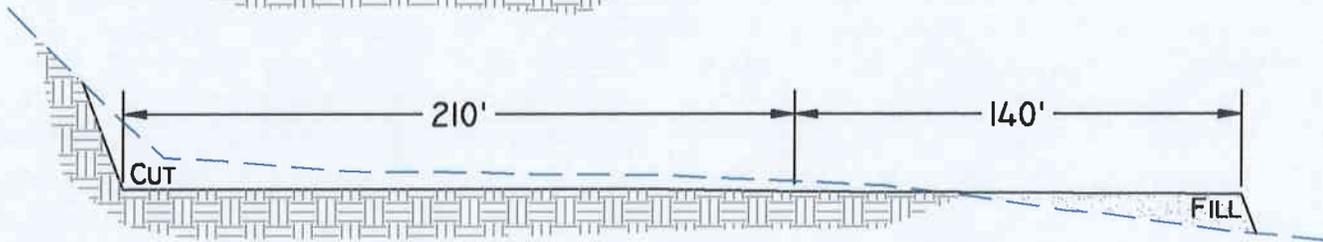
VIEW C-C



VIEW B-B

FINAL GRADE

SLOPE = 1 1/2 : 1



VIEW A-A



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talonsetv.net

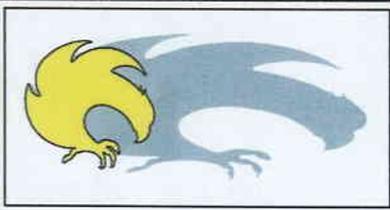
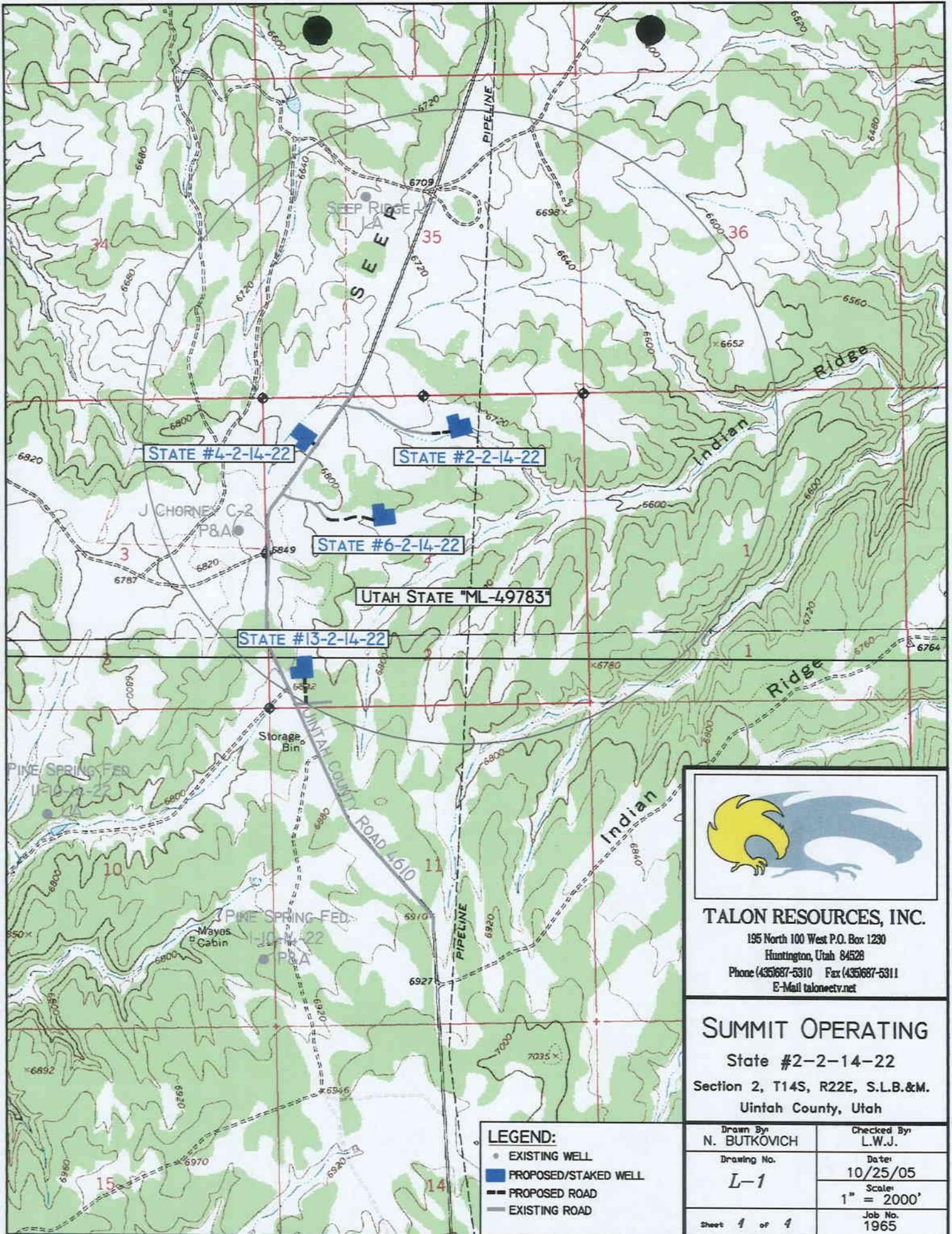
SUMMIT OPERATING

TYPICAL CROSS SECTION
Section 2, T14S, R22E, S.L.B.&M.
State #2-2-14-22

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 10/25/05
	Scale: 1" = 60'
Sheet 3 of 4	Job No. 1965

APPROXIMATE YARDAGES

CUT
 (6")TOPSOIL STRIPPING = 1,915 Cu. YDS.
 REMAINING LOCATION = 7,515 Cu, YDS.
 (INCLUDING TOPSOIL STRIPPING)
 TOTAL CUT (INCLUDING PIT) = 14,295 Cu. Yds.
 TOTAL FILL = 4,610 Cu. Yds.



TALON RESOURCES, INC.
 195 North 100 West P.O. Box 1230
 Huntington, Utah 84528
 Phone (435)687-5310 Fax (435)687-5311
 E-Mail talon@etv.net

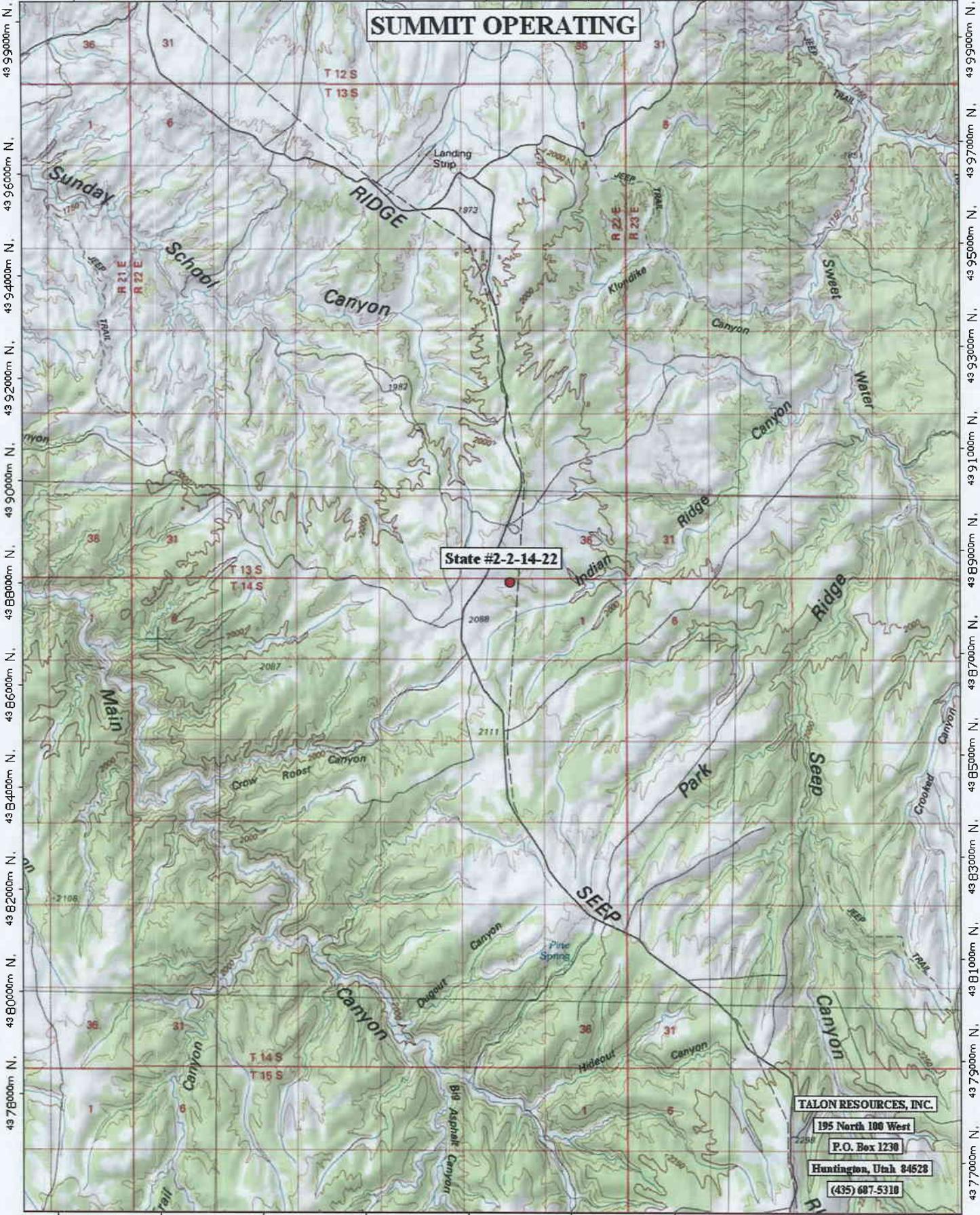
SUMMIT OPERATING
 State #2-2-14-22
 Section 2, T14S, R22E, S.L.B.&M.
 Uintah County, Utah

LEGEND:
 ● EXISTING WELL
 ■ PROPOSED/STAKED WELL
 --- PROPOSED ROAD
 — EXISTING ROAD

Drawn By N. BUTKOVICH	Checked By L.W.J.
Drawing No. L-1	Date 10/25/05
	Scale 1" = 2000'
Sheet 1 of 4	Job No. 1965

627000mE, 629000mE, 631000mE, 633000mE, 635000mE, 637000mE, 639000mE, NAD27 Zone 12S 644000mE.

SUMMIT OPERATING



State #2-2-14-22

TALON RESOURCES, INC.

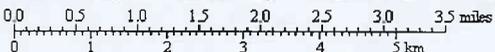
195 North 100 West

P.O. Box 1230

Huntington, Utah 84528

(435) 687-5310

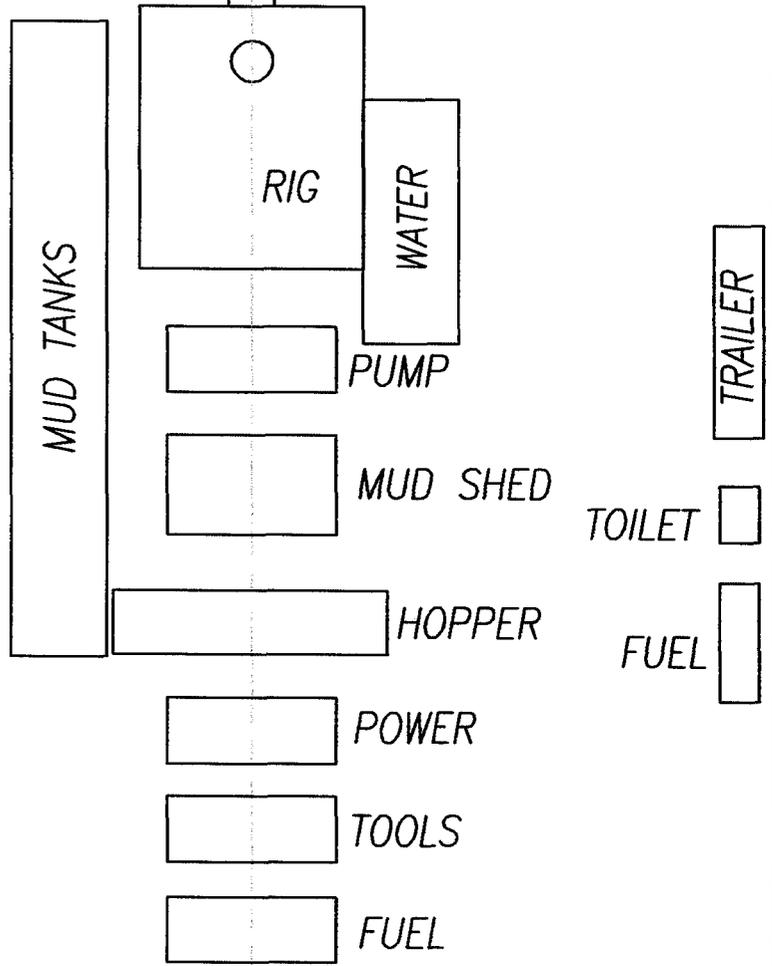
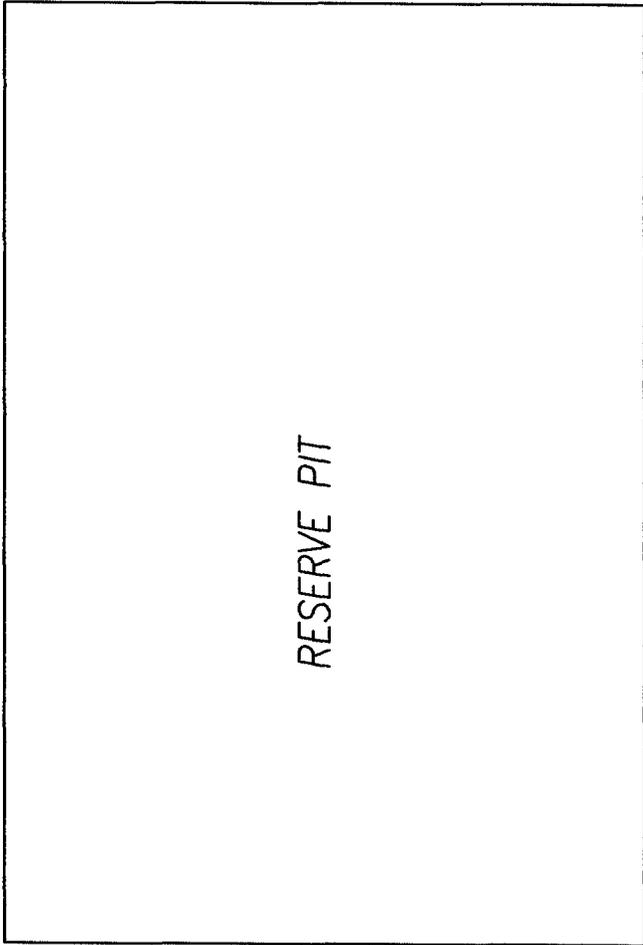
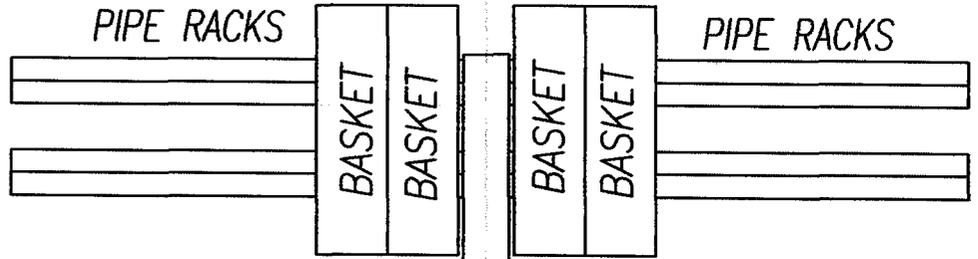
627000mE, 629000mE, 631000mE, 633000mE, 635000mE, 637000mE, 639000mE, NAD27 Zone 12S 644000mE.



Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

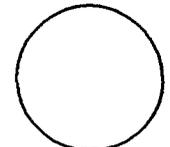
Summit Operating

DATA



STORAGE TANK

RIG & EQUIPMENT LAYOUT
(Not to Scale)



TYPICAL ROAD CROSS-SECTION

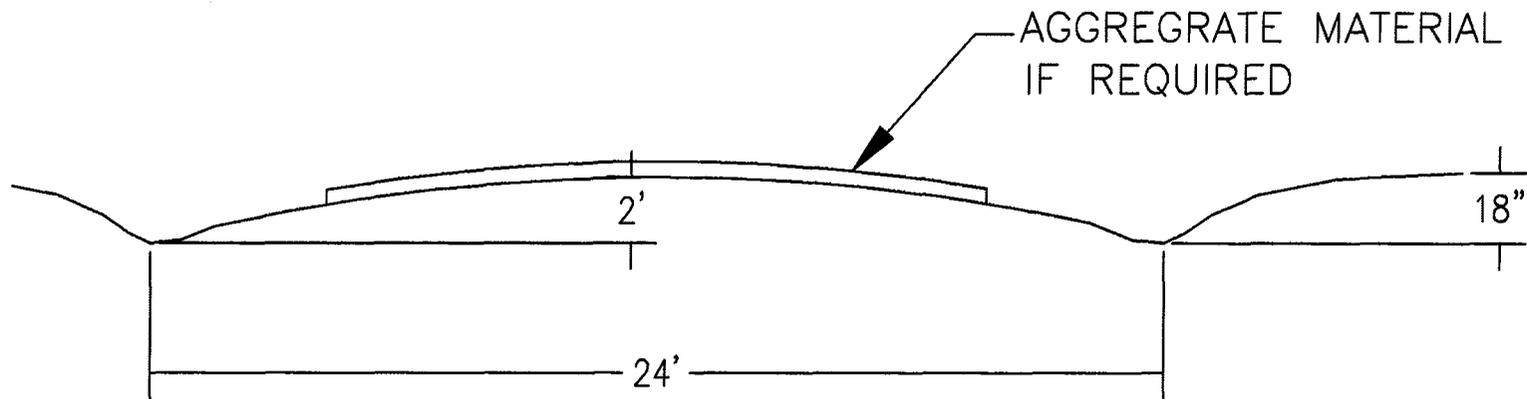
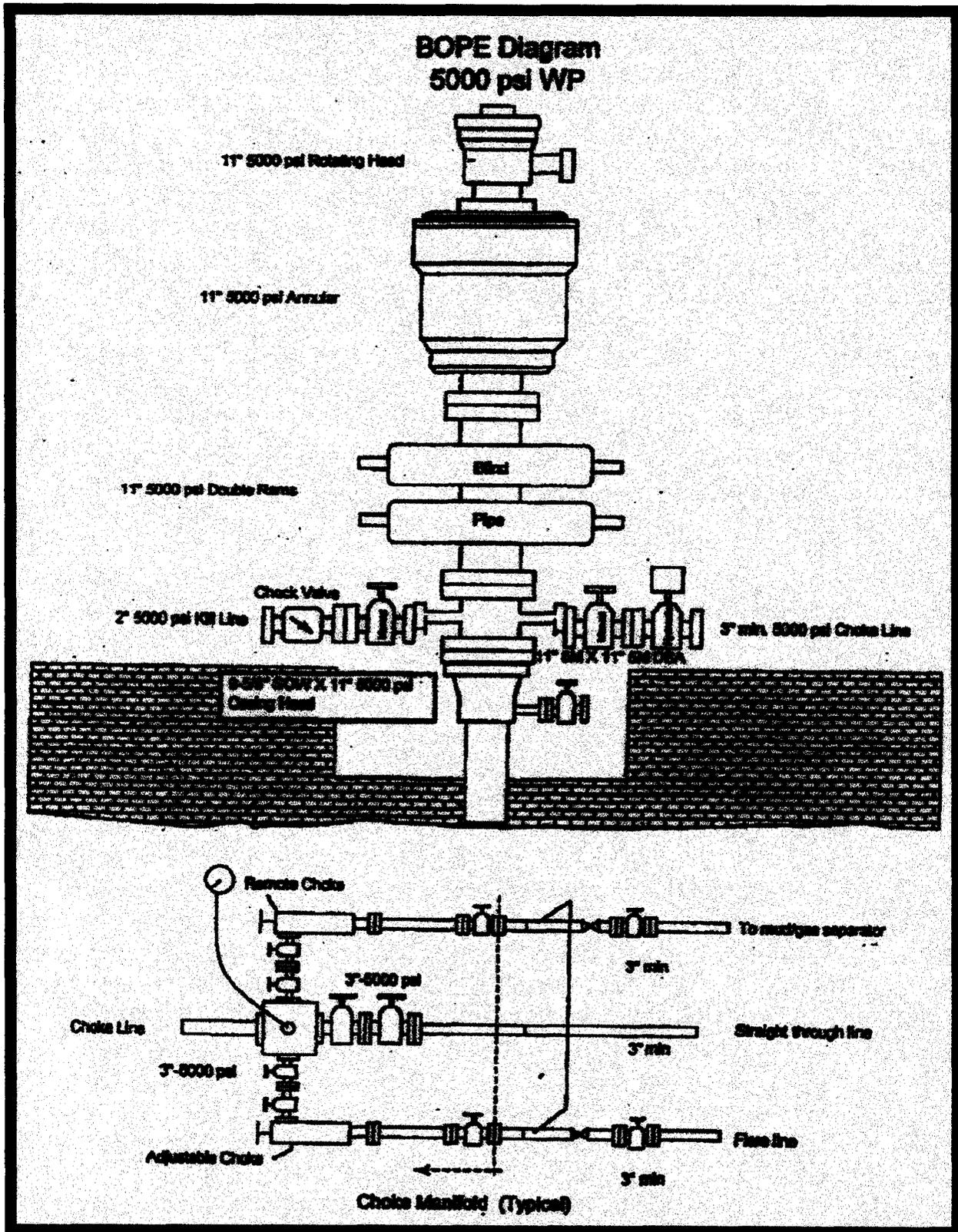


EXHIBIT "F"

Summit Operating

Summit Operating



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/28/2005

API NO. ASSIGNED: 43-047-37337

WELL NAME: STATE 2-2-14-22
 OPERATOR: SUMMIT OPERATING LLC (N2315)
 CONTACT: LARRY JOHNSON

PHONE NUMBER: 435-687-5310

PROPOSED LOCATION:

NWNE 02 140S 220E
 SURFACE: 0501 FNL 2033 FEL
 BOTTOM: 0501 FNL 2033 FEL
 UINTAH
 UNDESIGNATED (2)
 LEASE TYPE: 3 - State
 LEASE NUMBER: ML-49783
 SURFACE OWNER: 3 - State
 PROPOSED FORMATION: MNKP
 COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKJ	12/10/06
Geology		
Surface		

LATITUDE: 39.63453
 LONGITUDE: -109.4196

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 75B800622)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T75377)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Needs Permit (12-09-05)

STIPULATIONS: 1- Spacing Strip
2- STATEMENT OF BASIS

SEEP RIDGE FIELD

T13S R22E

T14S R22E

J CHORNEY
C-2

STATE
4-2-14-22

STATE
2-2-14-22

STATE
6-2-14-22

STATE
11-2-14-22

2

PINE SPRINGS FIELD

OPERATOR: SUMMIT OPER LLC (N2315)

SEC: 2 T. 14S R. 22E

FIELD: UNDESIGNATED (002)

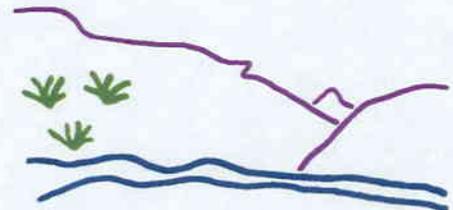
COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

Unit Status	
	EXPLORATORY
	GAS STORAGE
	NF PP OIL
	NF SECONDARY
	PENDING
	PI OIL
	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



Utah Oil Gas and Mining



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

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

OPERATOR: Summit Operating, LLC
WELL NAME & NUMBER: State 2-2-14-22
API NUMBER: 43-047-37337
LOCATION: 1/4,1/4 NW/NE Sec:2TWP: 14S RNG: 22 E 501' FNL 2033' FEL

Geology/Ground Water:

Summit proposes setting 2,000 feet of surface casing cemented to surface. The Base of the moderately saline ground water is estimated to be at a depth of 4,300 feet. A search of Division of Water Rights records indicates that there are three water wells within a 10,000' radius of the center of Section 2. These wells are all within .25 miles of the proposed location. Depth for two of the wells is not listed. One well was drilled to a depth of 1,360 feet. The surface formation at the proposed location is the Green River Formation. The Green River Formation can be a significant aquifer and should be protected. The proposed casing and cement program should adequately protect useable ground water.

Reviewer: Brad Hill **Date:** 12-15-20

Surface:

At the request of Summit Resources LLC, a pre-site for this well was completed on 12/09/2005. The State of Utah (SITLA) owns both the surface and minerals. Mr. David Lillywhite, representing Summit Resources LLC, was contacted by phone on 12/5/2005 and informed of and invited to participate in the presite. He said Mr. Larry Johnson a consultant for Talon Consulting would represent the company. Mr. Ben Williams of the Utah Division of Wildlife Resources and Mr. Jim Davis from SITLA were both contacted by email and both attended. Mr. Williams stated the area is classified as critical value winter habitat for deer and elk. He explained how the areas are classified and recommended to Mr. Johnson, Mr. Davis and Mr. Gerber that they limit their activity from Nov. 15 thru April 15 to protect wintering values for these species. Activity that should be limited include road and pad construction, drilling and work-over rigs. Mr. Williams gave Mr. Johnson and Mr. Davis a written summary of his observations and a recommended seed mix for stabilizing the area. I explained to Mr. Johnson that this is a recommendation from DWR and would not be a condition of the permit that DOGM would issue. Mr. Johnson said he would include this information in his report to Summit Operating. The area poses no surface problems for drilling a well.

Reviewer: Floyd Bartlett **Date:** 12/12/2005

Conditions of Approval/Application for Permit to Drill:

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

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

OPERATOR: Summit Operating, LLC

WELL NAME & NUMBER: State 2-2-14-22

API NUMBER: 43-047-37337

LEASE: ML-49783 **FIELD/UNIT:** Undesignated

LOCATION: 1/4,1/4 NW/NE Sec:2TWP: 14S RNG: 22 E 501' FNL 2033' FEL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 4388179 Y 0635626 X **SURFACE OWNER:** STATE (SITLA)

PARTICIPANTS

Floyd Bartlett (DOGM), Jim Davis (SITLA), Larry Johnson, (Talon Resources-Permit Consultant), Gary Gerber (Stubbs and Stubbs Construction), Ben Williams (Utah Division of Wildlife Resources)

REGIONAL/SETTING TOPOGRAPHY

Site is in Uintah County, Utah in the head of Indian Ridge Canyon and east of the Seep Ridge Uintah County Road. Ouray, Utah is approximately 45 miles to the north. The area is locally known as the old Geo-Kenetics oil shale area. The Willow Creek drainage lies to the west and the Bitter Creek drainage is to the east. The general topography is characterized by open broad to narrow ridges or plateaus intersected by numerous draws or canyons, which often become steep. Drainage is generally northeasterly toward Bitter Creek, which contains a intermittent ephemeral stream. All drainages in the immediate area are ephemeral.

Access to the site from Ouray, UT is following the Seep Ridge Road south approximately 45 miles, then east a short distance on an existing secondary road turning opposite some cattle corrals, then easterly about 600 feet on a road to be constructed. (See Drawing L-1 of the APD)

This location is on a flat area, which appears to have been previously leveled. It possibly was leveled as part of the Geo-Kenetics Oil Shale Pilot Project.

SURFACE USE PLAN

CURRENT SURFACE USE: Summer cattle grazing, small and big game hunting and general recreation.

PROPOSED SURFACE DISTURBANCE: Location of 350'x 250' which includes a reserve pit of 150' x 150' and a 15' wide bench. Approximately 600 feet of new road will be constructed. A pipeline will be laid adjacent to the road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: There are no existing wells within 1 mile radius. This operator within this radius currently plans three other wells. The general area includes an area

operated in the early 1980 as an in-situ oil recovery program from the underlain oil shale. This specific location may lie on the area used for that project.

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

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be obtained from the site.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Probably not as there is oil field activity in the general area. The area was previously within a oil shale pilot project which had significant amounts of surface activities and has since been reclaimed.

WASTE MANAGEMENT PLAN:

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

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Revegetated with a mixture of kochia weed, Russian thistle, big rabbitbrush, 4-winged saltbrush, and hordium jubatum. Deer, elk, mountain lion, coyote and other small mammals and birds.

SOIL TYPE AND CHARACTERISTICS: Shaley light brown sandy clay loam. Exposed shaley surface rock.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. Some of the proposed pad area appears to have been previously leveled. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: 150' x 150' x 10' deep, located on the southwest corner of the location. , The reserve pit is within a cut. A 15' wide bench is planned around the outer edges. Two feet of freeboard is provided.

LINER REQUIREMENTS (Site Ranking Form attached): Level I sensitivity. A pit liner with a sub liner is required for the reserve pit.

SURFACE RESTORATION/RECLAMATION PLAN

As per Land Owner Agreement.

SURFACE AGREEMENT:

A surface agreement has been executed and is on file.

ARCULTURAL RESOURCES/ARCHAEOLOGY: An archaeological survey was completed on 10/24/2005 by MOAC and will be placed in the file.

OTHER OBSERVATIONS/COMMENTS

Ben Williams representing the UDWR stated the area is classified as critical value winter habitat for deer and elk. He explained how the areas are classified and recommended to Mr. Johnson, Mr. Davis and Mr. Gerber that they limit their activity from Nov. 15 thru April 15 to protect wintering values for these species. This activity would include road and pad construction, drilling and work-over rigs. Mr. Williams gave Mr. Johnson and Mr. Davis a written summary of his observations and a recommended seed mix for stabilizing the area. I explained to Mr. Johnson that this is recommendation from DWR and would not be a condition of the permit that DOGM would issue. Mr. Johnson said he would include this information in his report to Summit Operating.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

December 9, 2005; 11:30 AM

DATE/TIME

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

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

Final Score 25 (Level I Sensitivity)

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

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

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







State Online Services

Agency List

Business.utah.gov

Search Utah.gov

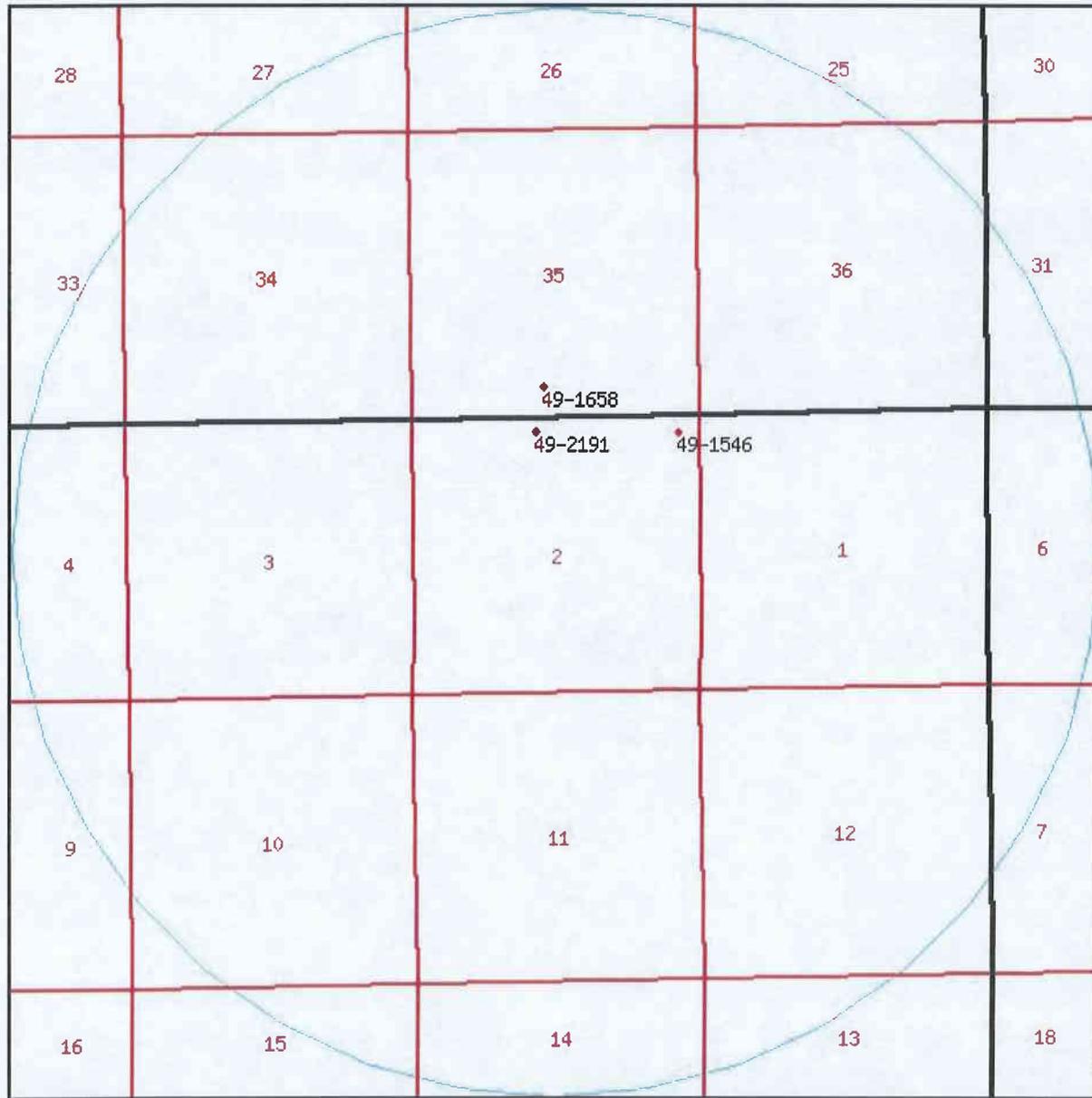


UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 12/15/2005 08:29 AM

Radius search of 10000 feet from a point N2640 E2640 from the SW corner, section 02, Township 14S, Range 22E, SL b&m
Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



0 1300 2600 3900 5200 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>49-1545</u>	Underground S345 W380 NE 02 14S 22E SL		A	19940926	O	0.000	10.000	UINTAH SPECIAL SERVICE DISTRICT BOX 144
<u>49-1546</u>	Underground S345 W380 NE 02 14S 22E SL		A	19940926	I	0.000	12.000	UINTAH SPECIAL SERVICE DISTRICT C/O TOM WARDELL
<u>49-1658</u>	Underground N600 E2400 SW 35 13S 22E SL		A	20010924	OS	0.000	4.730	SHI-BE INC. DUANE AINGE
<u>49-2191</u>	Underground S225 E2250 NW 02 14S 22E SL		U	20041215	S	0.000	4.730	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. C/O RICHARD B. WILCOX

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

Casing Schematic

Green River Surface

9-5/8"
MW 8.4
Frac 19.3

TOC @
143.

1679 TOC
Tail

1811
Wosatch

Surface
2000. MD

w/15% Washout

✓ Surface w/ 15% Washout

BHP

$$(.052)(9.5)(11,440) = 5651$$

Anticipate - 3800

G₆₀

$$(.12)(11,440) = 1372$$

MASP = 4279

BOPE - 5,000 ✓

Seaf csg - 3520

$$70\% = 2464$$

Max pressure @ Surf Shoe = 1724

TEST TO 1700#

(propose TEST TO 1500#) ✓
OK

✓ Adequate DWD 1/10/06

5-1/2"
MW 9.5

Production
11440. MD

TOC @ 3571 Mesaverde ✓
3543.

4303 Bmsc

5766 Mancos Shale

9065 TOC Tail

9395 Dakota silt

9697 Morrison

10451 Navajo

11,117 Triassic

✓ w/15% Washout

Well name:	01-06 Summit State 2-2-14-22		
Operator:	Summit Operating LLC		
String type:	Surface	Project ID:	43-047-37337
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 93 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 250 ft

Cement top: 143 ft

Burst

Max anticipated surface pressure: 1,760 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 2,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on buoyed weight.
 Neutral point: 1,751 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 11,440 ft
 Next mud weight: 9.500 ppg
 Next setting BHP: 5,646 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,000 ft
 Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	9.625	36.00	J-55	LT&C	2000	2000	8.796	142.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	2020	2.315	2000	3520	1.76	63	453	7.18 J

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 810-359-3940

Date: January 5, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	01-06 Summit State 2-2-14-22		
Operator:	Summit Operating LLC	Project ID:	43-047-37337
String type:	Production		
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 9.500 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 4,273 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 5,646 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on buoyed weight.
 Neutral point: 9,792 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 225 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 3,543 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	11440	5.5	17.00	N-80	LT&C	11440	11440	4.767	394.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5646	6290	1.114	5646	7740	1.37	166	348	2.09 J

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining

Phone: 801-538-5280
 FAX: 810-359-3940

Date: January 5, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 11440 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

4 3-047-37337

From: Ed Bonner
To: Whitney, Diana
Date: 11/7/2005 2:58:35 PM
Subject: Re: State 2-2-14-22

Should be ML 49785

>>> Diana Whitney 10/31/05 8:51 AM >>>

From: Ed Bonner
To: Whitney, Diana
Date: 1/9/2006 8:31:10 AM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

The Houston Exploration Company
North Walker Hollow 11-36-6-23
North Walker Hollow 13-36-6-23
North Walker Hollow 15-36-6-23
North Walker Hollow 14-32-6-23

Summit Operating, LLC
State 2-2-14-22
State 4-2-14-22
State 6-2-14-22
State 13-2-14-22

Westport Oil & Gas Company
NBU 1021-16L

If you have any questions regarding this matter please give me a call.

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil



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

January 12, 2006

Summit Operating, LLC
2064 Prospector Ave., Suite 102
Park City, UT 84060

Re: State 2-2-14-22 Well, 501' FNL, 2033' FEL, NW NE, Sec. 2, T. 14 South,
R. 22 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 43-047-37337.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Summit Operating, LLC
Well Name & Number State 2-2-14-22
API Number: 43-047-37337
Lease: ML-49783

Location: NW NE Sec. 2 T. 14 South R. 22 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

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

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

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

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: SUMMIT OPERATING LLC

Well Name: STATE 2-2-14-2

Api No: 43-047-37337 Lease Type: STATE

Section 02 Township 14S Range 22E County UINTAH

Drilling Contractor PETE MARTIN RIG # BUCKET

SPUDDED:

Date 03/29/06

Time _____

How DRY

Drilling will Commence: _____

Reported by LARRY CALDWELL

Telephone # (435) 828-1793

Date 04/03/2006 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Summit Operating, LLC Operator Account Number: N 2315
 Address: PO Box 683909
city Park City
state UT zip 84068-3909 Phone Number: (435) 940-9001

Well 1

4304737337	State 2-2-14-22	NWNE	2	14S	22E	Uintah
A	99999	15319	3/9/2006	4/19/06		
Comments: MNKP				CONFIDENTIAL K		

Well 2

Comments:						

Well 3

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)

Marie Adams

Name (Please Print)

Marie Adams

Signature

Operations

4/14/2006

Title

Date

(5/2000)

RECEIVED
APR 14 2006
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: ML-49785
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Suspended Gas Well</u>		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Summit Operating, LLC		8. WELL NAME and NUMBER: State 2-2-14-22
3. ADDRESS OF OPERATOR: 2064 Prospector Ave, #102, Park City, STATE UT ZIP 84060		9. API NUMBER: 43-047-37337
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL		10. FIELD AND POOL, OR WILDCAT: Seep Ridge

QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE, Section 2, T14S, R 22E, SLM 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: April 9, 2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Suspension of operations</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Construction of this well was suspended on April 9, 2006 after loss of contract with drilling contractor for the primary rotary rig. Operations remain suspended while evaluating the performance of the previously constructed offset well (State 6-2-14-22 in SENW Section 2, T14S, R22E, SLM).

The access road and location was constructed including placement of a liner in the reserve pit, and 9.625" surface casing was set and cemented to 2017.4'. See the attached daily drilling report for details of construction.

Current TD is 2017' (GL).

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

NAME (PLEASE PRINT) <u>David L. Allin</u>	TITLE <u>Agent for Summit Operating, LLC</u>
SIGNATURE <u><i>David L. Allin</i></u>	DATE <u>February 27, 2007</u>

(This space for State use only)

Daily Drilling Report Version 4-9-06

Summit Operating, LLC State 2-2-14-22, API No. 43-047-37337

501' fnl, 2033' fel (NWNE) Section 2, T14S, R22E, SLM, Uintah County, Utah
Graded Ground Level Elevation 6689'

All depths cited are drilling depths prior to open-hole logging

03-24-06: Initial well construction supervised by Lawrence C. Caldwell, II (Caldwell). J & R upgraded existing two-track road from Seep Ridge road for access and started location construction.

03-25-06: Location construction continued.

03-26-06: Location construction continued.

03-27-06: Location construction continued.

03-28-06: Voice-mail notification of dry spud planned 03-30-06 left for Carol Daniels-Utah DOGM by Caldwell. Location construction continued and excavation of reserve pit begun.

03-29-06: Excavation of reserve pit and location construction continued.

03-30-06: Well dry spudded by Pete Martin Drilling, Inc. Drilled 20" hole to 40' below ground level and set 14" conductor casing string. Conductor casing was cemented to surface with Class A cement. Carol Daniels-Utah DOGM notified of dry spud by telephone call from Caldwell. Excavation of reserve pit and location construction continued.

03-31-06: Drilled blast holes for excavation of reserve pit and location construction continued.

04-01-06: Drilled blast holes for excavation of reserve pit and location construction continued.

04-02-06: Blasted reserve pit area, began muck removal and location construction continued.

04-03-06: Bill Jr's Rathole Drilling, Inc. moved on location to drill 12.25" surface casing hole into upper Wasatch Fm (2000-2100'). Commenced drilling 12.25" surface hole out from under 14" conductor casing. Caldwell notified Floyd Bartlett-Utah DOGM of event via telephone. Mucked reserve pit area and trimmed location margins to final grade.

04-04-06: Drilled 12.25" surface hole. Uppermost tongue of Wasatch Fm intersected at 1850' along with significant water influx. Caldwell notified Floyd Bartlett-Utah DOGM via telephone that surface casing cementing would occur overnight. TD for 12.25" surface hole called at 2050'. Ran 2017.4' of 9.625" 32.30 ppf, H-40 casing. Big 4 Cementing rigged up 1" line in annulus at 200' to squeeze cement if necessary and cemented the surface casing with 595 sx of premium (Class G) cement, 10 sx CaCl, 140 lbs flocele, 32 sx gel, 1,600 lbs gilsonite, 451 lbs of NaCl and 480 lbs of

CR-3. Top plug went down after pumping 170 sx in 115.7 bbls (3.82 cu ft/sack) of lead slurry and 200 sx in 41 bbls (1.15 cu ft/sack) of tail slurry. Good circulation noted throughout job. Slight sinking was noted and 150 sx in 30.7 bbls (1.15 cu ft/sack) of slurry was squeezed through 1" line in annulus with good circulation. Cement level sank slightly again and 75 sx in 15.4 bbls (1.15 cu ft/sack) was placed on top of backside. Cement level held OK. 20 bbls of excess cement was circulated to the pit. Net cement placed in annulus was 575 sx in 182.8 bbls of combined lead, tail and top slurries. Reserve pit and location trimming continued. TD 2017' (GL)

04-05-06: Completed location construction. Dug out cellar and set cellar ring. Ordered wellhead and drilling flange from Wellhead, Inc. and pit liner from Diamond J. TD 2017' (GL)

04-07-06: Wellhead, Inc. installed 9.625" wellhead. Pit liner was installed.

04-09-06: Patterson-UTI Drilling, Inc. Rig 136 was released from State 6-2-14-22 offset well but plan to move that rig on and drill State 2-2-14-22 long string hole was suspended when the rig was called back to Peters Point by Bill Barrett Corporation at their discretion. Suspended operations at TD 2017' (GL)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML49783

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
State 2-2-14-22

2. NAME OF OPERATOR:
Summit Operating, LLC

9. API NUMBER:
4304737337

3. ADDRESS OF OPERATOR:
PO Box 683909 CITY Park City STATE UT ZIP 84068

PHONE NUMBER:
(435) 940-9001

10. FIELD AND POOL, OR WILDCAT:
SEEP RIDGE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E

COUNTY: UINTAH
STATE: UTAH

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

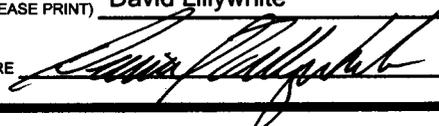
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input 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: _____	<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: <u>WELL UPDATE</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Surface casing has been set and cemented on the above captioned well. We are currently awaiting the availability of a rig to continue to drill the well to TD. We have been very pleased with the performance of the offset well and we hope to have access to a rig and commence drilling on this well before the end of the summer.

NAME (PLEASE PRINT) David Lillywhite

TITLE Manager

SIGNATURE 

DATE 3/22/2007

(This space for State use only)

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MAR 23 2007

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML49783
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: State 2-2-14-22	
2. NAME OF OPERATOR: Summit Operating, LLC	9. API NUMBER: 4304737337	
3. ADDRESS OF OPERATOR: PO Box 683909 CITY Park City STATE UT ZIP 84068	PHONE NUMBER: (435) 940-9001	10. FIELD AND POOL, OR WILDCAT: SEEP RIDGE
4. LOCATION OF WELL FOOTAGES AT SURFACE:		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		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
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>WELL UPDATE</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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RECEIVED
APR 24 2007
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>David Lillywhite</u>	TITLE <u>Manager</u>
SIGNATURE	DATE <u>4/23/2007</u>

(This space for State use only)

Allin Proprietary/ David L. Allin-Consultant

AAPG Certified Petroleum Geologist 2934 ☼ Utah Licensed Professional Geologist 5526699-2250
475 Seasons Drive, Grand Junction, CO, USA 81503-8749
 Telephone: 970-254-3114 Facsimile: 970-254-3117 Mobile: 801-231-7102
 E-mail: allinpro@bresnan.net

Daily Drilling Report Version 5-1-07

Summit Operating, LLC State 2-2-14-22, API No. 43-047-37337
 501' fml, 2033' fel (NWNE) Section 2, T14S, R22E, SLM, Uintah County, Utah
 Graded Ground Level Elevation 6689'

All depths cited are drilling depths prior to open-hole logging

03-24-06: Initial well construction supervised by Lawrence C. Caldwell, II (Caldwell). J & R upgraded existing two-track road from Seep Ridge road for access and started location construction.

03-25-06: Location construction continued.

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03-26-06: Location construction continued.

MAY 02 2007

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DIV. OF OIL, GAS & MINING

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CR-3. Top plug went down after pumping 170 sx in 115.7 bbls (3.82 cu ft/sack) of lead slurry and 200 sx in 41 bbls (1.15 cu ft/sack) of tail slurry. Good circulation noted throughout job. Slight sinking was noted and 150 sx in 30.7 bbls (1.15 cu ft/sack) of slurry was squeezed through 1" line in annulus with good circulation. Cement level sank slightly again and 75 sx in 15.4 bbls (1.15 cu ft/sack) was placed on top of backside. Cement level held OK. 20 bbls of excess cement was circulated to the pit. Net cement placed in annulus was 575 sx in 182.8 bbls of combined lead, tail and top slurries. Reserve pit and location trimming continued. TD 2017' (GL)

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04-07-06: Wellhead, Inc. installed 9.625" wellhead. Pit liner was installed and partially filled with water to hold it in place.

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05-01-06: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

06-01-06: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

07-01-06: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

08-01-06 Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

09-01-06 Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

10-01-06: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

11-01-06: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

12-01-06: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

01-01-07: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

02-01-07: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

03-01-07: Operations suspended pending issuance of a drilling contract for a primary rotary rig to drill the long string hole. TD 2017' (GL)

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML 49783

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

SUNDRY NOTICES AND REPORTS ON WELLS

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL

OIL WELL [] GAS WELL [x] OTHER []

8. WELL NAME and NUMBER:

State 2-2-14-22

2. NAME OF OPERATOR:

Summit Operating, LLC

9. API NUMBER:

43-047-37337

3. ADDRESS OF OPERATOR:

PO Box 683909 CITY Park City STATE UT ZIP 84032

PHONE NUMBER:

(435) 940-9001

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E

STATE:

UTAH

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for various actions like ACIDIZE, DEEPEN, REPERFORATE, etc.

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

Surface casing has been set and cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) David Lillywhite

TITLE President

SIGNATURE

[Handwritten Signature]

DATE

7/27/2007

(This space for State use only)

RECEIVED

JUL 30 2007

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

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

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

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

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.

- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

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

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

Operator: SUMMIT OPERATING, LLC Today's Date: 03/26/2008

Well:	API Number:	Drilling Commenced:
State 2-2-14-22 T14S R22E SEC 02	4304737337	03/29/2006

List Attached

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

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

If you have questions or concerns regarding this matter, please contact Carol Daniels
at (801) 538-5284.

cc: Well File
Compliance File

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49783
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:
2. NAME OF OPERATOR: Summit Operating, LLC		8. WELL NAME and NUMBER: State 2-2-14-22
3. ADDRESS OF OPERATOR: 1441 Ute Blvd, Ste 280 CITY Park City STATE UT ZIP 84098		9. API NUMBER: 4304737337
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL		10. FIELD AND POOL, OR WILDCAT: Seep Ridge
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		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: _____	<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: _____
	<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.

Surface casing has been set and cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) <u>David Lillywhite</u>	TITLE <u>President</u>
SIGNATURE	DATE <u>3/27/2008</u>

(This space for State use only)

RECEIVED
MAR 31 2008

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
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:
2. NAME OF OPERATOR: Summit Operating, LLC		8. WELL NAME and NUMBER: State 2-2-14-22
3. ADDRESS OF OPERATOR: 1441 Ute Blvd, Ste 280 CITY Park City STATE UT ZIP 84098		9. API NUMBER: 4304737337
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL		10. FIELD AND POOL, OR WILDCAT: Seep Ridge
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		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: _____	<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: _____
	<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.

Surface casing has been cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) <u>David Lillywhite</u>	TITLE <u>Manager</u>
SIGNATURE	DATE <u>5/27/2008</u>

(This space for State use only)

RECEIVED
MAY 30 2008
DIV. OF OIL, GAS & MINING

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
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:
2. NAME OF OPERATOR: Summit Operating, LLC		8. WELL NAME and NUMBER: State 2-2-14-22
3. ADDRESS OF OPERATOR: 1441 Ute Blvd Ste 280 CITY Park City STATE UT ZIP 84098		9. API NUMBER: 4304737337
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL		10. FIELD AND POOL, OR WILDCAT: Seep Ridge
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		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: _____	<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: _____
	<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.

Surface casing has been cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Kristi Higgs	TITLE Operations
SIGNATURE	DATE 6/26/2008

(This space for State use only)

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

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
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:
2. NAME OF OPERATOR: Summit Operating, LLC			8. WELL NAME and NUMBER: State 2-2-14-22
3. ADDRESS OF OPERATOR: 1441 Ute Blvd. Ste 280 CITY Park City STATE UT ZIP 84098		PHONE NUMBER: (435) 940-9001	9. API NUMBER: 4304737337
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL			10. FIELD AND POOL, OR WILDCAT: Seep Ridge
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E			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: _____	<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: _____
	<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.

Surface casing has been cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) <u>Kristi Higgs</u>	TITLE <u>Operations</u>
SIGNATURE <u><i>Kristi Higgs</i></u>	DATE <u>7/31/2008</u>

(This space for State use only)

RECEIVED

AUG - 1 2008



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 3, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6206

Ms. Kristi Higgs
Summit Operating, LLC
1441 Ute Blvd, Ste 280
Park City, UT 84098-7628

Re: STATE 2-2-14-22 API 43-047-37337 IAS 22E 2
Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

Dear Ms. Higgs:

Summit Operating, LLC has one (1) State Mineral Lease Well (see attachment A) currently in non-compliance for extended shut-in and temporary abandonment (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3)



Page 2
September 3, 2008
Ms. Higgs

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

JP/js
Enclosure

cc: Jim Davis, SITLA
Compliance File
Well File

Attachment A

	Well Name	API	Lease Type	Years Inactive
1	STATE 2-2-14-22	43-047-37337	ML-49785	2 Years 5 Months

CONFIDENTIAL

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

5. Lease Designation and Serial Number:
ML49785

6. If Indian, Allottee or Tribe Name:

7. If Unit or CA/Agreement, Name:
As Described Below

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and Number
State 2-2-14-22

2. Name of Operator
Summit Operating, LLC

9. API Number:
43-047-37337

3. Address
PO Box 459, Vernal, UT 84078

Phone Number:
435-789-1703

10. Field and Pool, or Wildcat:
As Described Below

4. Location of Well:
NWNE, Section 2, T14S R22E

County: UINTAH

State: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent Approximate date work will start:	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Re-perforate Current Form.
	<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"/> Temp. Abandon
	<input type="checkbox"/> Change to Plans	<input type="checkbox"/> Operator Change	<input type="checkbox"/> Tubing Repair
<input type="checkbox"/> Subsequent Report Date of work completion:	<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 Form.	<input type="checkbox"/> Reclamation of Well Site	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Convert Well Types	<input type="checkbox"/> Re-complete Different Form	Extended Well Shut in

12. Describe Proposed or Completed Operation

The purpose of this sundry notice is to request an extended shut-in status for the above referenced well. The well was drilled to depth of 1,992 feet and new 9 and 5/8" J-55 36 pound surface casing was set and cemented to service. The well is permitted to be drilled to the Entrada formation at a depth of 11,440 feet. We are currently awaiting a drilling rig to finish drilling the well. We are hopeful that we will be able to secure a drilling rig to finish drilling the rig by the end of the year.

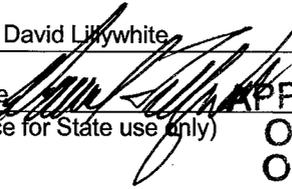
The well currently has no pressure and there are no perforations in the well. If you would like more information about the well, please contact us. We are not aware of any condition associated with the well that would pose a risk to public health or safety or the environment.

COPY SENT TO OPERATOR

Date: 11.6.2008

Initials: KS

Name David Lillywhite Title President

Signature  APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING Date October 1, 2008

(This space for State use only)

DATE: 11/1/08
BY: D. Lillywhite
Extension valid through 4/1/2009

RECEIVED

OCT 07 2008

DIV. OF OIL, GAS & MINING

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		4. LEASE DESIGNATION AND SERIAL NUMBER: UTU-49785
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:
2. NAME OF OPERATOR: Summit Operating, LLC		8. WELL NAME and NUMBER: State 2-2-14-22
3. ADDRESS OF OPERATOR: 1441 W. Ute Blvd. Ste 280 CITY Park City STATE UT ZIP 84098		9. API NUMBER: 4304737337
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL		10. FIELD AND POOL, OR WILDCAT: Seep Ridge
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		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 <small>(Submit in Duplicate)</small> Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<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/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"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Operation Suspended</u>

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

Surface casing has been cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) <u>Kristi Higgs</u>	TITLE <u>Operations</u>
SIGNATURE <u><i>Kristi Higgs</i></u>	DATE <u>3/9/2009</u>

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RECEIVED
MAR 11 2009
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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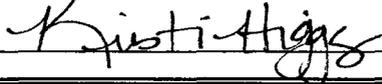
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
2. NAME OF OPERATOR: Summit Operating, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1441 W. Ute Blvd. Ste 280 CITY Park City STATE UT ZIP 84098		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		8. WELL NAME and NUMBER: State 2-2-14-22
		9. API NUMBER: 4304737337
		10. FIELD AND POOL, OR WILDCAT: Seep Ridge
		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: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Operation Suspended</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Surface casing has been cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) <u>Kristi Higgs</u>	TITLE <u>Operations</u>
SIGNATURE 	DATE <u>4/3/2009</u>

RECEIVED

APR 07 2009

DIV. OF OIL, GAS & MINING

(This space for State use only)

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
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		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: State 2-2-14-22	
2. NAME OF OPERATOR: Summit Operating, LLC	9. API NUMBER: 4304737337	
3. ADDRESS OF OPERATOR: 1441 W Ute Blvd. Ste 280 CITY Park City STATE UT ZIP 84098	PHONE NUMBER: (435) 940-9001	10. FIELD AND POOL, OR WILDCAT: Seep Ridge
4. LOCATION OF WELL FOOTAGES AT SURFACE: 501' FNL, 2033' FEL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E		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: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Operations</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Suspended</u>

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

Surface casing has been cemented on the above captioned well. We continue to await rig availability to continue drilling the well.

NAME (PLEASE PRINT) <u>Kristi Higgs</u>	TITLE <u>Operations</u>	
SIGNATURE	DATE <u>5/1/2009</u>	RECEIVED

(This space for State use only)

MAY 07 2009
DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 19, 2011

CERTIFIED MAIL NO.: 7011 0110 0001 3568 1427

Ms. Kristi Higgs
Summit Operating, LLC
1245 Brickyard Road, Ste 210
Salt Lake City, UT 84106

43 047 37337
State 2-2-14-22
IAS 22E 2

Subject: SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Ms. Higgs:

As of January 2011, Summit Operating, LLC (Summit) has one (1) State Lease Well (see Attachment A) that is currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months requires the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining (Division) approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

This is the **SECOND NOTICE** of non-compliance that Summit has received for the above mentioned well. On September 3, 2008, a first notice was sent via certified mail requesting required information to bring this well into compliance. On October 1, 2008, Summit responded with a sundry requesting SI/TA extension on the premise of a drilling rig becoming available in the near future. The Division granted extension valid through April 1, 2009. This extension has since expired. To date the Division has not received any additional information concerning well integrity or noted any progress toward moving this well out of non-compliance status.

Please submit the required information for extended SI/TA status within 30 days of this notice or further actions will be initiated.

Page 2

Summit Operating, LLC

September 19, 2011

For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

Enclosure

cc: Compliance File

Well File

LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive	SI/TA Extension Expired On
2ND NOTICE					
1	STATE 2-2-14-22	43-047-37337	ML-49785	4 Years 10 Months	4/1/2009

RECEIVED

SEP 23 2011

FORM 9

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

DIV. OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-49783

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

NA

7. UNIT or CA AGREEMENT NAME:

NA

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

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER _____

8. WELL NAME and NUMBER:

State 2-2-14-22

2. NAME OF OPERATOR:

Summit Operating, LLC

9. API NUMBER:

430473837 37337

3. ADDRESS OF OPERATOR:

1245 Brickyard Rd, Ste 210 CITY Salt Lake City

STATE UT ZIP 84106

PHONE NUMBER:

(435) 940-9001

10. FIELD AND POOL, OR WILDCAT:

Seep Ridge

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 501' FNL, 2033' FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 2 14S 22E

STATE:

UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>5/1/2012</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Operations</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>suspended</u>

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

Summit Operating, LLC, asks for an extension on the shut-in status of this well until 1 May 2012. Summit plans to drill as soon as possible. This well was drilled to a depth of 1992' and new 9-5/8" J-55 36 pound surface casing was set and cemented to surface. The well currently has no pressure and is full of fluid. It is securely capped and monitored on a regular basis. No pressure or hydrocarbon zones were penetrated. We are not aware of any condition associated with the well that would pose a risk to public health or safety or environmental.

COPY SENT TO OPERATOR

Date: 11-17-2011

Initials: KS

NAME (PLEASE PRINT) Crystal Hammer

TITLE Geo Tech

SIGNATURE [Signature]

DATE 9/21/2011

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 11/14/2011
BY: [Signature]

(This space for State use only)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785	
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:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: STATE 2-2-14-22
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC	9. API NUMBER: 43047373370000
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106	PHONE NUMBER: 435 940-9001 Ext
9. FIELD and POOL or WILDCAT: SEEP RIDGE	4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E 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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 1/2/2012	<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="reporting"/>

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

Summit Operating, LLC hereby notifies of the daily summary for this well.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 January 19, 2012

NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech
SIGNATURE N/A	DATE 1/18/2012	

Well Activity Summary Report

Well: State 2-2-14-22
 Location: NW-NE, Section 2, Township 14 South, Range 22 East, Uintah County, Utah
 Field: Seep Ridge
 Purpose: Drill and Complete.

<u>Date</u>	<u>Activity</u>
12/5-7/2011	Repaired drilling location. Pumped water from reserve pit and deepened it to ten feet.
12/14/2011	Pumped water from reserve pit and installed a new pit liner. Cut off well cap and welded on a 9-5/8" x 11" 5k casing head.
12/19/2011	Moved Frontier Drilling Rig #2 to location.
12/20/2011	Set rig in and rigged up. Derrick is on floor. Shut down for night and will finish rigging up in day light.
12/21/2011	Continued rigging up Frontier Drilling #2. Broke tour at midnight and NU BOP.
12/22/2011	Continued NU BOP. Tested BOP rams to 5000 psi, annular to 2500 psi, and surface casing to 1500 psi. Rigged up choke lines and gas buster. Filled pits and loaded pipe and drill collars on racks. Picked up bottom-hole assembly and RIH picking up drill pipe.
12/23/2011	Picked up drill pipe and tagged cement top in surface casing at 1862' KB. Drilled out cement, float collar and shoe in surface casing. Drilled to 1991' and tested formation integrity to 100 psi for 9.2 ppg mud equivalent. Drilled 7-7/8" hole to 3068' in 14.5 rotating hours. Surveys were 0.5 degree at 2497' and 1.0 degree at 2997'. Mud is 8.8 ppg with 32 viscosity and no water loss control or KCl.
12/24/2011	Drilled 7-7/8" hole from 3068' to 4258'. Deviation surveys were 2.0 degrees at 3530' and 2.5 degrees at 4030'. Mud is 8.9 ppg with 37 viscosity, 9 water loss, and 2.3% KCl.
12/25/2011	Drilled 7-7/8" hole from 4258' to 5576'. Deviation surveys were 2.0 degrees at 4530' and 5033' and 2.75 degrees at 5536'. Mud is 9.3 ppg with 34 viscosity, 11 water loss, and 3.4% KCl.
12/26/2011	Drilled 7-7/8" hole from 5576' to 7110'. Deviation surveys were 2.5 degrees at 6000', 6470', and 6971'. Mud is 9.3 ppg with 42 viscosity, 8 water loss, and 3.3% KCl.
12/27/2011	Drilled 7-7/8" hole from 7110' to 7423'. Penetration rate slowed from 100 ft/hr to 25 ft/hr. Mixed and pumped pill. Dropped survey and started tripping out to check bit. Worked minor tight hole from 5420' to 5430' and severely tight hole from 3830' to 3050'. Bit 1 showed little wear. TIH with new motor and bit. Washed 45' to bottom. Drilled 7-7/8" hole from 7423' to 7455'. Deviation survey was 2.5 degrees at 7377'. Mud is 9.3 ppg with 44 viscosity, 7 water loss, and 2.5% KCl.
12/28/2011	Drilled 7-7/8" hole from 7455' to 7995'. Mud is 9.3 ppg with 44 viscosity, 7 water loss, and 2.0% KCl.
12/29/2011	Drilled 7-7/8" hole from 7995' to 9211'. Increased circulation rate for part of the day to get better bit cleaning and it resulted in improved penetration rate in lower Mancos shale. Deviation surveys were 3.0 degrees at 7989', 2.94 degrees at 8451', and 3.24 degrees at 8953'. Mud is 9.3 ppg with 44 viscosity, 7 water loss, and 1.9% KCl.
12/30/2011	Drilled 7-7/8" hole from 9211' to 9850'. Deviation survey was 2.43 degrees at 9414'. Mud is 9.6 ppg with 46 viscosity, 6 water loss, and 1.8% KCl.
12/31/2011	Drilled 7-7/8" hole from 9850' to 9900' (TD). Circulated bottoms up, pumped barite pill and short tripped to casing shoe with no tight hole. Circulated bottoms up and TOOHS for logs. Bit 2 in good condition. New SLM showed drillers TD of 9916'KB. RU Weatherford Wireline and ran triple combo logs. Logger's TD was 9904' KB. Mud is 9.5 ppg with 45 viscosity, 6 water loss, pH of 9.5, 11,500 Chlorides, and 1.8% KCl.
1/1/2012	Finished running open-hole logs and RD Weatherford Wireline. TIH with used 7-7/8" rock bit and washed 30' to bottom with no fill. Circulated bottoms up, RU laydown crew, and POOH laying down drill string. RU casing crew and started running 5-1/2", 17#, I-80, LTC, 8rd casing.

Well Activity Summary Report

Well: State 2-2-14-22
Location: NW-NE, Section 2, Township 14 South, Range 22 East, Uintah County, Utah
Field: Seep Ridge
Purpose: Drill and Complete.

1/2/2012 Finished running 5-1/2", 17#, I-80, LTC, 8rd casing to 9904' KB. Circulated bottoms up and RU cementers. Pumped Stage 1 of 225 sacks of 13.5 ppg, 1.43 yld cement and displaced with 229 Bbls water. Circulated through stage tool at 8368' and waited on cement for 4 hours. Pumped Stage 2 of 750 sacks 12.0 ppg, 2.1 yield lead cement followed by 50 sacks of 13.5 ppg, 1.43 yld tail cement. Displaced Stage 2 with 195 Bbls of water. Full returns while cementing. ND BOP and set slips with 130k. Cleaned mud tanks and started rigging down. Frontier Rig #2 released at midnight.

Final drilling report. Reports will be resumed when completion activities commence.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC		8. WELL NAME and NUMBER: STATE 2-2-14-22	
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106		9. API NUMBER: 43047373370000	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E Meridian: S		9. FIELD and POOL or WILDCAT: SEEP RIDGE	
		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: 2/1/2012 <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: <input type="text" value="reporting"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
Summit Operating, LLC hereby reports no new daily activity on this well for January since the last reporting. Daily summaries will be resumed when completion activities commence.			
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 01, 2012			
NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech	
SIGNATURE N/A		DATE 2/1/2012	

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: ML-49785	
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:	
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: STATE 2-2-14-22		
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC	9. API NUMBER: 43047373370000		
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106	PHONE NUMBER: 435 940-9001 Ext	9. FIELD and POOL or WILDCAT: SEEP RIDGE	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E 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: 3/8/2012 <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: <input style="width: 100px;" type="text" value="Monthly Status Report"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>A summary of completion work completed in February is attached. The well is currently waiting for finalization of fracture stimulation design and production facility installation before completion.</p> <div style="text-align: right; font-weight: bold; font-size: 1.2em;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 14, 2012 </div>			
NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech	
SIGNATURE N/A	DATE 3/8/2012		

Well: State 2-2-14-22

Operator: Summit Operating, LLC

Elevation: 6689' GL, 6706' KB

County/State: Uintah County, Utah

SH and BH Location: NW-NE Section 2, T14S-R22E, 501' FNL, 2033' FEL

Purpose: Prepare well for completion.

<u>Date</u>	<u>Activity</u>
02/16/2012	MIRU Martinez Well Service Rig #1. PU 4-3/4" mill tooth bit and bit sub and RIH 60 joints of 2-3/8", 4.7#, N-80, EUE tubing.
02/17/2012	TIH to stage tool. Tagged stage tool at approximately 8370'. Spot pump and tank and filled with water. RU power swivel and circulating head. Drilled out stage tool and plugs and reverse circulated clean. Rigged down power swivel and circulating head. TIH and tagged at approximately 9800'. POOH with tubing
02/20/2012	RU wireline unit to run segmented CCL-CBL-GR. Ran CBL Repeat from 9818' to 9106' with no pressure. Used rig pump to pressure production casing to 1000 psi and re-ran repeat section. Used rig pump to pressure production casing to 2000 psi and re-ran repeat section and continued CBL from 9798' to top of cement at 1350'. RD wireline unit. NU 7-1/16" 5K tubing head adapter with master valve. RU B&C Quick Test and pressured tested casing and tubing head to 5000 psi for 15 minutes. RD B&C Quick Test. ND tubing head adapter. PU 4-3/4" bit and 5-1/2" casing scraper and RIH with 80 stands tubing.
02/21/2012	Continue RIH to stage tool at approximately 8368' KB. Worked bit and scraper through stage tool several times. Continued RIH to PBTD. NU circulating head and circulated approximately 215 Bbls of 4% KCl water mixed with 2.5 gallons biocide and 25 gallons of micro emulsion chemical. ND circulating head. POOH and laid 260 joints of 2-3/8" tubing down on float trailer.
02/22/2012	Repaired tubing tongs continued laying down last 42 joints of tubing, bit, bit sub, and casing scraper. Loosely bolted on tubing head adapter to cover well. RDMO Martinez Well Service Rig #1 (9:15 am).

Sundry Number: 23798 API Well Number: 43047373370000

RECEIVED: Mar. 08, 2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785	
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC		8. WELL NAME and NUMBER: STATE 2-2-14-22	
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106		9. API NUMBER: 43047373370000	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E Meridian: S		9. FIELD and POOL or WILDCAT: SEEP RIDGE	
		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 type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/3/2012			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			
	<input checked="" type="checkbox"/> OTHER		OTHER: <input type="text" value="Monthly Status Report"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>The well is currently waiting for finalization of fracture stimulation design and production facility installation before completion.</p> <div style="text-align: right;"> <p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 12, 2012</p> </div>			
NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech	
SIGNATURE N/A	DATE 4/3/2012		

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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	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: 5/4/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <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: <input style="width: 100px;" type="text" value="Monthly Status Report"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
The well is currently waiting for finalization of fracture stimulation design and production facility installation before completion.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 15, 2012		
NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech
SIGNATURE N/A	DATE 5/4/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9	
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		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: 6/1/2012 <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: <input type="text" value="Monthly Status Report"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
No new activity since previous monthly status report.			
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 06, 2012			
NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech	
SIGNATURE N/A		DATE 6/1/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106	8. WELL NAME and NUMBER: STATE 2-2-14-22
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E Meridian: S	9. API NUMBER: 43047373370000
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106	PHONE NUMBER: 435 940-9001 Ext
9. FIELD and POOL or WILDCAT: SEEP RIDGE	COUNTY: UINTAH
STATE: UTAH	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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/5/2012	<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="Monthly Status Report"/>

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

There is no new activity on this well.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 July 05, 2012**

NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech
SIGNATURE N/A	DATE 7/5/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
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:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: STATE 2-2-14-22
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC	9. API NUMBER: 43047373370000
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106	PHONE NUMBER: 435 940-9001 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: SEEP RIDGE 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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/2/2012	<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="Monthly Status Report"/>

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

There is no new activity on this well.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 August 08, 2012**

NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech
SIGNATURE N/A	DATE 8/2/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER: ML-49785
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:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: STATE 2-2-14-22
2. NAME OF OPERATOR: SUMMIT OPERATING, LLC	9. API NUMBER: 43047373370000
3. ADDRESS OF OPERATOR: 1245 Brickyard Road, Suite 210 , Salt Lake City, UT, 84106	PHONE NUMBER: 435 940-9001 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0501 FNL 2033 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 02 Township: 14.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: SEEP RIDGE 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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/4/2012	<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="Monthly Status Report"/>

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

The well is currently waiting for fracture stimulation before completion.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 September 07, 2012

NAME (PLEASE PRINT) Crystal Hammer	PHONE NUMBER 435 940-9001	TITLE Geo Tech
SIGNATURE N/A	DATE 9/4/2012	

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

CONFIDENTIAL

UNRECORDED REPORT FORM 8
(highlight changes)

LEASE DESIGNATION AND SERIAL NUMBER:
ML-49785

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
NA

7. UNIT or CA AGREEMENT NAME
NA

8. WELL NAME and NUMBER:
State 2-2-14-22

2. NAME OF OPERATOR:
Summit Operating, LLC

9. API NUMBER:
4304737337

3. ADDRESS OF OPERATOR:
1245 Brickyard Rd, Ste 2 CITY Salt Lake City STATE UT ZIP 84106

PHONE NUMBER:
(435) 940-9001

10 FIELD AND POOL, OR WILDCAT
Seep Ridge

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 501 FNL, 2033 FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: same
AT TOTAL DEPTH: same

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWNE 2 14S 22E S

12. COUNTY
Uintah

13. STATE
UTAH

14. DATE SPUDDED: 3/29/2006
15. DATE T.D. REACHED: 12/31/2011
16. DATE COMPLETED: 5/12/2012

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
6689' GL

18. TOTAL DEPTH: MD 7,140 TVD 7,140
19. PLUG BACK T.D.: MD 7,080 TVD 7,080

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
NA

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Induction, Neutron/Density, Cement Bond Log

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8" H-40	36#	0	1,991		Lead 170	116	surface	
				1,991		Tail 200	41		
				1,991		Tail 225	46		
7-7/8"	5-1/2" I-80	17#	0	9,900		13.5ppg 225	57	1350'	
				9,900		12ppg 750	281		
				9,900		13.5ppg 50	13		

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	9,432							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) DK-CM				
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
	see		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
	atch		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
	'd		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
see attached	

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:

Producing

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 9/30/2012		TEST DATE: 10/2/2012		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 262	WATER – BBL: 33	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 222	CSG. PRESS. 427	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 262	WATER – BBL: 33	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Dakota	9,402			Green River	0
Cedar Mountain	9,520			Mesa Verde	3,196
				Castlegate	5,386
				Mancos Shale	5,597
				Dakota	9,402
				Cedar Mountain	9,520
				Morrison	9,664

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Crystal Hammer

TITLE Geology Technician

SIGNATURE 

DATE 10/8/2012

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

Perforation and Fracture Record

Well: State 2-2-14-22
 API: 43-047-37337
 Location: NWN, Sec 2, T 14S, R 22E, SLM, Uintah County, Utah
 Field: Seep Ridge

Perforation Record

Interval (Top/Bot - MD)		Size	No. Holes	Perforation Status
9614	9622	6'	3 SPF	Open
9596	9606	10'	3 SPF	Open
9478	9483	5'	3 SPF	Open
9443	9458	15'	3 SPF	Open

Fracture Record

Depth Interval		Amount and Type of Material
9614	9622	76,000 lbs 20/40 mesh ISP, 28116 gal total water, and 97 tons CO ₂ . Ave treating rate 32.3 BPM and ave treating pressure 3602 psi. Pad included 5500 lbs of 100 mesh white sand at 0.5 ppg. CO ₂ at 70% design quality was run in pad thru 4 ppg stages and excluded from 5 ppg stage and displacement. Breakdown pressure was 2464 psi at 4.8 BPM. ISIP was 3969 psi, 5 min – 3163 psi, 10 min – 2932 psi, and 15 min – 2794 psi. Max treating pressure was 3738 psi.
9596	9606	
9478	9483	126,000 lbs 20/40 mesh ISP, 37472 gal total water, and 133 tons of CO ₂ . Ave treating rate was 32.8 BPM and ave treating pressure was 3805 psi. Pad included 10340 lbs of 100 mesh white sand at 0.5 ppg. CO ₂ at 70% design quality was to be run in pad through 4 ppg stages and excluded from 5 ppg stage and displacement. Ran out of CO ₂ near end of 4 ppg stage. Breakdown pressure was 1868 psi at 4.7 BPM. ISIP was 4359 psi, 5 min – 3688 psi, 10 min – 3409 psi, and 15 min – 3383 psi. Max treating pressure was 4137 psi.
9443	9458	

Alexis Huefner - RE: STATE 2-2-14-22 4304737337

From: "Crystal Hammer" <crystal@summitcorp.net>
To: "Alexis Huefner" <alexishuefner@utah.gov>
Date: 10/12/2012 3:09 PM
Subject: RE: STATE 2-2-14-22 4304737337

Hello,

Sorry about that. The producing formations are the Dakota (top 9402') and Cedar Mountain (9520').

Thanks,

-Crystal Hammer

From: Alexis Huefner [mailto:alexishuefner@utah.gov]
Sent: Friday, October 12, 2012 12:14 PM
To: crystal@summitcorp.net
Subject: STATE 2-2-14-22 4304737337

Hi Crystal,

The division received a well completion report for STATE 2-2-14-22 4304737337 that is missing the formation name. I just want to verify the formation that this well is producing from if you would please email that to me to put into our records.

Please feel free to call me if you have any questions.

Thanks,
Alexis

Alexis Huefner
Division of Oil, Gas & Mining
Office Tech II
alexishuefner@utah.gov
Phone: 801-538-5302
Fax: 801-359-3940

Well: State 2-2-14-22

Operator: Summit Operating, LLC

Elevation: 6689' GL, 6706' KB

County/State: Uintah County, Utah

SH and BH Location: NW-NE Section 2, T14S-R22E, 501' FNL, 2033' FEL

Purpose: Complete well for production.

<u>Date</u>	<u>Activity</u>
09/15/2012	Cameron installed a 10k frac tree with a tubing head isolation sleeve. Pressure tested between isolation sleeve and tubing head to 2000 psi. Pressured surface casing to 1000 psi and closed valve to trap pressure. Finished filling five 500-Bbl tanks with fresh water and four CO2 tanks. Mixed biocide in water tanks.
09/16/2012	Installed flowback lines with choke manifold from frac tree wing valve to 500-Bbl flowback tank. Super heater service warmed frac water to 80 °F.
09/17/2012	Halliburton moved in and started rigging up frac equipment. Rigged up J-W Wireline with crane and 10k lubricator. Picked up and RIH with 3-3/8" hollow carrier. Perforated the Cedar Mountain at 9614'- 9622' (6') and 9596'- 9606' (10') open-hole log depths with 3 SPF on 120° phasing using 22.7 gm Titan GH charges. CBL correlates 2' shallow to open-hole logs. No noticeable blow or suck following perforating with fluid level approximately 650'. Checked surface casing pressure and found it to be approximately 500 psi.
09/18/2012	<p>Rigged up hot oiler to surface casing and pressured it to 1200 psi to be held during frac. Rigged up Halliburton to frac. Work was delayed 3 hours because of mechanical failure on pump that could not be field repaired. Pressure tested surface lines to 7600 psi. Started pumping frac at 11:05 AM. Fracture stimulated perforations at 9614'- 9622' and 9596'- 9606' using 76,000 lbs 20/40 mesh ISP, 28116 gal total water, and 97 tons of CO2. Average treating rate was 32.3 BPM and average treating pressure was 3602 psi. Pad included 5500 lbs of 100 mesh white sand at 0.5 ppg. CO2 at 70% design quality was run in pad through 4 ppg stages and excluded from 5 ppg stage and displacement. Breakdown pressure was 2464 psi at 4.8 BPM. ISIP was 3969 psi, 5 minute – 3163 psi, 10 minute – 2932 psi, and 15 minute – 2794 psi. Maximum treating pressure was 3738 psi.</p> <p>J-W Wireline picked up and RIH with a 5-1/2" composite frac plug (CFP) and 3-3/8" hollow carrier. Set CFP at 9580' and perforated Dakota at 9478'- 9483' (5') and 9443'- 9458' (15') open-hole log depths with 3 SPF on 120° phasing using 22.7 gm Titan GH charges. Pressure was 2200 psi before perforating and 1600 psi immediately after. RD lubricator.</p> <p>Pressure tested surface lines to 7500 psi. Fracture stimulated perforations at 9478'- 9483' and 9443'- 9458' using 126,000 lbs 20/40 mesh ISP, 37472 gal total water, and 133 tons of CO2. Average treating rate was 32.8 BPM and average treating pressure was 3805 psi. Pad included 10340 lbs of 100 mesh white sand at 0.5 ppg. CO2 at 70% design quality was to be run in pad through 4 ppg stages and excluded from 5 ppg stage and displacement. Ran out of CO2 near end of 4 ppg stage. Breakdown pressure was 1868 psi at 4.7 BPM. ISIP was 4359 psi, 5 minute – 3688 psi, 10 minute – 3409 psi, and 15 minute – 3383 psi. Maximum treating pressure was 4137 psi. Finished pumping frac at 3:08 PM. Hot oiler noted loss of pressure from surface casing near end of Dakota frac. Total load fluid is 1785 BW with 1561 BW in formation.</p> <p>Removed Halliburton head from frac tree. Released all stimulation services. Opened well to flow through 16/64 choke at 4:30 PM. Shut-in pressure was 2425 psi. Flowed water and CO2 to open-top tank through the night. By 8:00 AM on 9/18/12, 477 BW had been recovered and well was flowing at instantaneous water rate of 22 Bbls/hr and unknown gas rate with 24/64 choke and 940 psi. Minor amount of proppant is being produced.</p>
09/19/2012	At 8:00 AM, 704 BW had been recovered and well was flowing 7 Bbls water per hour and unknown gas rate (still mostly CO2) with 27/64 choke and 350 psi.

- 09/20/2012 At 8:00 AM, 819 BW of 1785 BW total load had been recovered and well was flowing 4 Bbls water per hour and unknown gas rate (little CO₂) with 48/64 choke and 100 psi.
- 09/21/2012 As of 8:00 AM, 847 BW of 1785 BW total load has been recovered and well was producing 450 MCFD with 253 psi WHP up 5-1/2" casing. Well started producing temporarily to sales at 4:00 PM on 9/20/2012 and in 16 hours recovered 399 MCF, 20 BW, and 2 BC.
- 09/22/2012 Rigged up wireline service with crane. RIH with a 4.75" OD gauge ring and tagged obstruction at 8373' (stage collar depth). Fluid level was approximately 7100'. POOH with gauge ring. RIH with a composite bridge plug and set it at 6993' (CBL Depth). Pumped 150 Bbls of KCl water into casing. Removed frac tree and tubing head isolation sleeve. NU BOP. RD and released wireline service.
- 09/24/2012 RU completion rig. Started picking up and RIH a 4-3/4" bit, pump-off bit sub, X-nipple, and 2-3/8", 4.7#, N-80, EUE tubing. Ran to 4500'. Power swivel and air foam unit on location. SD for weekend.
- 09/25/2012 No pressure on well. Continued picking up and RIH a 4-3/4" bit, pump-off bit sub, X-nipple, and 2-3/8", 4.7#, N-80, EUE tubing to approximately 5000'. RU air foam unit and unloaded water from well. Continued RIH to CBP at 7035' (tubing depth). RU power swivel, established circulation with foam, and drilled out CBP. Circulated clean and shut off foam unit and pumped 6 BW down tubing. Continued RIH with well continuing to flow up casing. Tagged sand in casing at 9476' KB (tubing depth). Pulled bit up to 9248'. Shut down for night because of heavy rain and lightening.
- 09/26/2012 900 psi SICP. Started blowing casing pressure down. Pumped 2.5 BW down tubing then attempted to circulate down tubing with air foam. Tubing pressured up to 2000 psi. POOH to clear plugged tubing. Found possible washed out float in pump-off bit sub and a couple of inches of frac sand below a couple feet pipe dope and rust material at bottom of tubing. Pumped 50 Bbls KCl water down casing with rig pump. Replaced bit and pump-off bit sub and RIH to 7000'. No flow up casing. Installed safety valve on tubing and left casing open to tank on 12/64 choke. SDFN.
- 09/27/2012 40 psi CP. 0 psi TP. Choke was plugged but cleared when opened more. Circulated air-foam down tubing and recovered little fluid. RIH to approximately 9250'. Volume of rain over last two days washed hole around old drilling rat hole and one leg of service rig was sinking past limit of leg extension. Laid down 20 joints of tubing, hung off remaining tubing in well, and laid down rig derrick. Waited for skid to be delivered to cover larger surface area under rig leg. RU service rig and continued RIH to 9430'. RU light plant. Started pumping air-foam down tubing and circulated about 100' of sand off CBP. Tagged CBP at 9581' KB (tubing depth) and drilled it out with 4000 lbs WOB. Continued circulating to 9810' KB without hitting PBTD. Little apparent sand below CBP. Circulated air-foam for an hour then pulled bit to 9433'. Dropped pump-off ball, landed tubing, ND BOP, and NU wellhead. Pumped 20 BW down tubing followed by air-foam. Tubing pressure climbed to 1100 psi, dropped to 1050 psi, and stayed there while continuing to pump air-foam down tubing with no casing pressure or flow. Shut down air-foam unit, shut in casing, and started flowing up tubing at about 11:30 PM. End of tubing after dropping bit is 9432' KB. SDFN with company personnel remaining onsite watching flow.
- 09/28/2012 At 8:00 AM on 9/27, well was flowing unknown volume of gas and 5 BWPH from tubing with SICP of 320 psi and FTP of 35 psi. Casing pressure climbed to 480 psi before remaining liquid in casing came around and up tubing about noon. Continued flowing to a tank overnight and shut well in at 6:30 AM to build pressure needed to turn flow through the production unit. Final gas flow rate was not measured and final water recovery rate was 3 BWPH with 302 psi FCP and 22 psi FTP. Total of 519 BW used to drill out plugs has been recovered. Of completion fluid load totaling 2304 BW, 1450 BW have been recovered.
- 09/29/2012 At 8:00 AM on 9/28, SICP is 400 psi and SITP is 290 psi. Waited 4 hrs for casing pressure to build to 550 psi and turned production through separator with gas to sales at noon.

09/30/2012 At noon, producing 312 MCFD with 240 psi TP and 400 psi CP. Recovered 40 BW in 24 hrs.

09/31/2012 Producing 299 MCFD. Water production not gauged. Telemetry/EFM failure did not allow reading of TP or CP.

10/01/2012 Producing 285 MCFD with TP of 232 psi and CP of 432 psi. Recovered 60 BW over 48 hours. Trouble shooting EFM to provide TP and CP by remote access.

10/02/2012 Producing 262 MCFD with TP of 222 psi and CP of 427 psi. Recovered 33 BW in 24 hrs.

10/03/2012 Producing 245 MCFD with TP of 245 psi and CP of 446 psi. Water production not gauged.

10/04/2012 Producing 240 MCFD with TP of 218 psi and CP of 421 psi. Water production not gauged.

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

FORM 6

ENTITY ACTION FORM

Operator: Summit Operating, LLC
Address: 1245 Brickyard Rd, Ste 210
city Salt Lake City
state UT zip 84106

Operator Account Number: N 2315
Phone Number: (435) 940-9001

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737337	State 2-2-14-22		NWNE	2	14S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	15319	15319	3/9/2006		9/30/12		
Comments: Well completed into Dakota and Cedar Mountain formations. DK-CM CONFIDENTIAL							

Well 2

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

Well 3

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

ACTION CODES:

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

Crystal Hammer

Name (Please Print)

Crystal Hammer
Signature

Geology Technician

10/31/2012
Date

Title

Date

RECEIVED
OCT 31 2012

Div. of Oil, Gas & Mining

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-49785

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
NA

7. UNIT or CA AGREEMENT NAME:
NA

8. WELL NAME and NUMBER:
State 2-2-14-22

9. API NUMBER:
4304737337

10. FIELD AND POOL, OR WILDCAT:
Seep Ridge

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWNE 2 14S 22E S

12. COUNTY:
Uintah

13. STATE:
UTAH

14. DATE SPUNDED: **3/29/2006** 15. DATE T.D. REACHED: **12/31/2011** 16. DATE COMPLETED: **5/12/2012** ABANDONED READY TO PRODUCE 17. ELEVATIONS (DF, RKB, RT, GL):
6689' GL

18. TOTAL DEPTH: MD **9,900** TVD **9,900** 19. PLUG BACK T.D.: MD **9,900** TVD **9,900** 20. IF MULTIPLE COMPLETIONS, HOW MANY? *
NA 21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Induction, Neutron/Density, Cement Bond Log

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8" H-40	36#	0	1,991		Lead 170	116	surface	
				1,991		Tail 200	41		
				1,991		Tail 225	46		
7-7/8"	5-1/2" I-80	17#	0	9,900		13.5ppg 225	57	1350' CBL	
				9,900		12ppg 750	281		
				9,900		13.5ppg 50	13		

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	9,432							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A)						see		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)						atch		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)						'd		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A)						see		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)						atch		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)						'd		Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
see attached	

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:
Producing

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 9/30/2012		TEST DATE: 10/2/2012		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 0	GAS – MCF: 262	WATER – BBL: 33	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS. 222	CSG. PRESS. 427	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 262	WATER – BBL: 33	INTERVAL STATUS:	

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold

33. SUMMARY OF POROUS ZONES (Include Aqifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Dakota	9,402			Green River	0
Cedar Mountain	9,520			Mesa Verde	3,196
				Castlegate	5,386
				Mancos Shale	5,597
				Dakota	9,402
				Cedar Mountain	9,520
				Morrison	9,664

35. ADDITIONAL REMARKS (include plugging procedure)

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

NAME (PLEASE PRINT) Crystal Hammer TITLE Geology Technician
 Digitally signed by Crystal Hammer
 DN: cn=Crystal Hammer, o, ou, email=crystal@summitcorp.net, c=US
 SIGNATURE Date: 2013.03.01 09:29:58 -07'00' DATE 3/1/2013

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340
 1594 West North Temple, Suite 1210
 Box 145801 Fax: 801-359-3940
 Salt Lake City, Utah 84114-5801