



Enduring Resources

475 17th Street Suite 1500 Denver Colorado 80202
Telephone 303 573-1222 Fax 303 573 0461

December 7, 2005

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

Attn.: Ms. Diana Whitney

**RE: Archy Bench #11-22-12-1
SWNW Sec 1 T11S-R22E
Uintah County, Utah**

Dear Ms. Whitney:

Enclosed is an original application to drill concerning the referenced proposed well. This information was also submitted to the Bureau of Land Management.

Enduring Resources, LLC is requesting the Utah Division of Oil, Gas and Mining to hold this application and all future information as confidential.

If any questions arise or additional information is required, please contact me at 303-350-5114.

Very truly yours,

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian
Landman - Regulatory Specialist

/ps
Enclosures:

RECEIVED

DEC 12 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: UTU-73903	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Enduring Resources, LLC		9. WELL NAME and NUMBER: Archy Bench 11-22-12-1	
3. ADDRESS OF OPERATOR: 475 17th St., Ste 1500 CITY Denver STATE CO ZIP 80220		PHONE NUMBER: (303) 350-5114	10. FIELD AND POOL, OR WILDCAT: Undesignated
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2503' FNL - 497' FWL AT PROPOSED PRODUCING ZONE: Same		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 1 11S 22E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 37.9 miles southwest of Bonanza, UT		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 497'	16. NUMBER OF ACRES IN LEASE: 1341	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) n/a none	19. PROPOSED DEPTH: 8,163	20. BOND DESCRIPTION: RLB0008031	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5764 RT-KB	22. APPROXIMATE DATE WORK WILL START: 2/1/2006	23. ESTIMATED DURATION: 20 days	

PROPOSED CASING AND CEMENTING PROGRAM

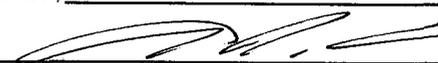
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
20"	14" line pipe	40	3 yards	Ready Mix		
11"	8-5/8" J-55 24#	2,000	Premium Lead	138 sxs	3.50	11.1
			Premium Tail	138 sxs	1.15	15.8
7-7/8"	4-1/2" N-80 11.6#	6,315	Class G	134 sxs	3.3	11.0
			50/50 Poz Class G	899 sxs	1.56	14.3

ATTACHMENTS

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

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

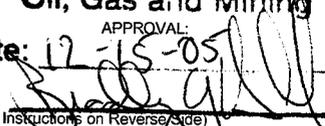
CONFIDENTIAL

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist
SIGNATURE  DATE 12/7/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-37486

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

APPROVAL:
Date: 12-15-05
By: 
(See Instructions on Reverse Side)

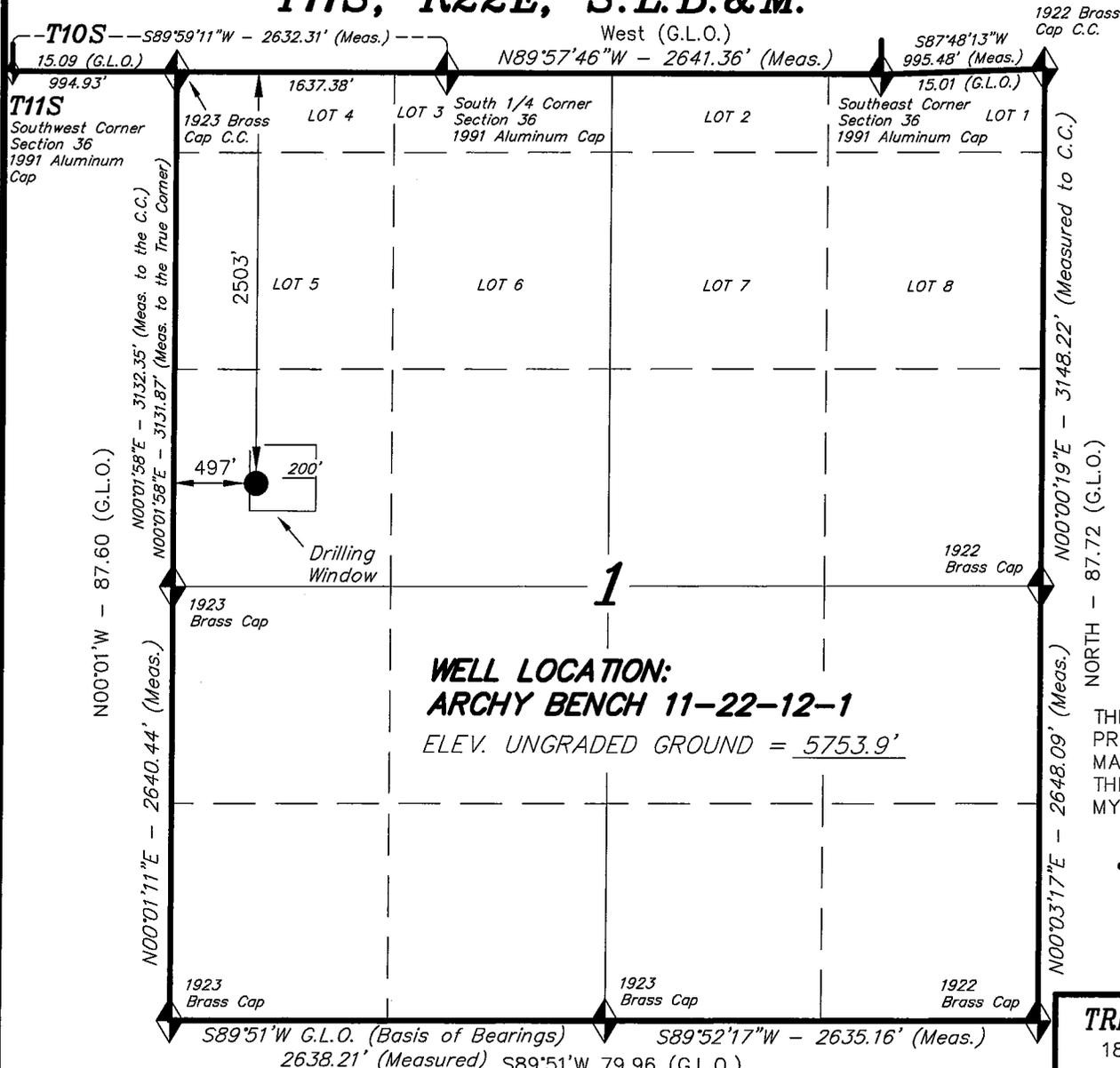
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DEC 12 2005

DIV. OF OIL, GAS & MINING

**Federal Approval of this
Action is Necessary**

T11S, R22E, S.L.B.&M.

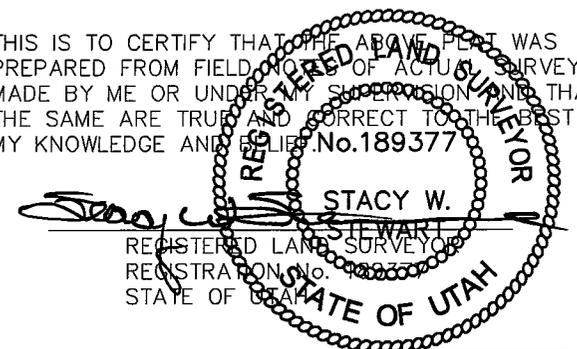
ENDURING RESOURCES



WELL LOCATION, ARCHY BENCH 11-22-12-1, LOCATED AS SHOWN IN THE SW 1/4 NW 1/4 OF SECTION 1, T11S, R22E, S.L.B.&M. UTAH COUNTY, UTAH.

WELL LOCATION:
ARCHY BENCH 11-22-12-1
 ELEV. UNGRADED GROUND = 5753.9'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. No. 189377



◆ = SECTION CORNERS LOCATED
 BASIS OF ELEV; U.S.G.S. 7-1/2 min
 QUAD (ARCHY BENCH)

ARCHY BENCH 11-22-12-1
 (Surface Location) NAD 83
 LATITUDE = 39° 53' 28.68"
 LONGITUDE = 109° 24' 40.11"

TRI STATE LAND SURVEYING & CONSULTING
 180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
 (435) 781-2501

DATE DRAWN: 6-1-05	SURVEYED BY: J.H.	SHEET 2
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	OF 9

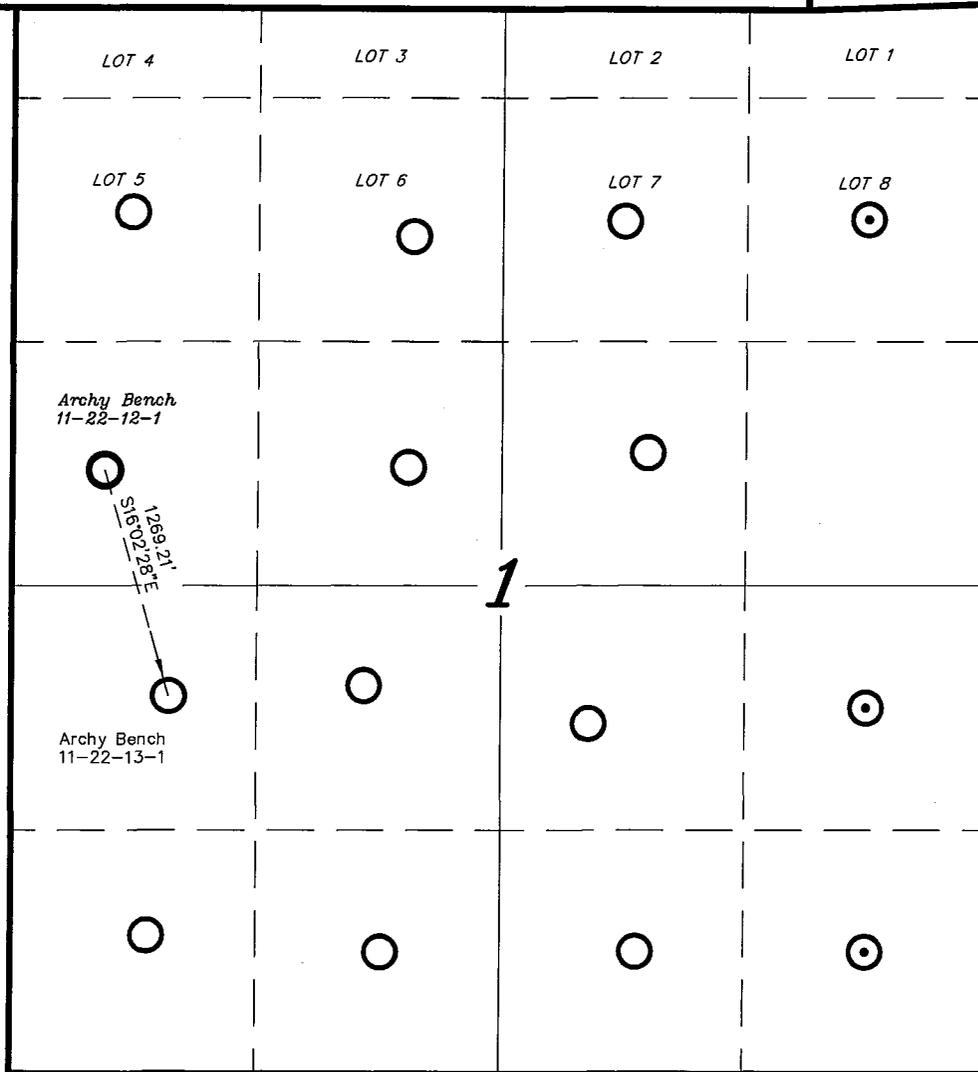
T11S, R22E, S.L.B.&M.

ENDURING RESOURCES

**SECTION DRILLING MAP
ARCHY BENCH 11-22-12-1**

T10S

T11S



LEGEND

- = Vertical Well
- ⊙ = Directional Well Bottom Hole

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE DRAWN: 6-1-05	SURVEYED BY: J.H.	SHEET 1 OF 9
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

SELF-CERTIFICATION STATEMENT

The following self-certification statement is provided per federal requirements dated June 15, 1988.

Please be advised that Enduring Resources, LLC is considered to be the operator of the following well.

Archy Bench #11-22-12-1
SWNW 2503' FNL 497' FWL
Section 1 T11S-R22E S.L.B.& M.
Lease Serial No.: UTU-73903
Uintah County, Utah

Enduring Resources, LLC is responsible under the terms and conditions of the lease for the operations conducted upon leased lands. Bond coverage is provided by UTB000173.



Alvin R. Arlian
Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202
(303) 350-5114

Enduring Resources, LLC
Archy Bench #11-22-12-1
SWNW Sec. 1 T11S-R22E
Uintah County, Utah
Lease # UTU-073903

ONSHORE ORDER 1 - DRILLING PLAN

1. **Estimated Tops of Geological Markers:**

Formation	Depth (K.B.)
Uinta	Surface
Green River	886'
Wasatch	3639'
Mesaverde	6129'

2. **Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals: (5764.4 estimated KB)**

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5764'	
Oil / Gas	Green River	886'
Oil /Gas	Wasatch	3639'
Oil /Gas	Mesaverde	6129'
	Estimated TD	8163'

A 12-1/4" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. **Pressure Control Equipment: (3000 psi schematic attached)**

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.
- D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
11"	8-5/8"	24#	J-55	ST&C	0 – 2,016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 8,163' (KB)

The surface casing will have guide shoe, 1 joint, insert float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	8-5/8", 24#/ft, J55, STC	1370/1.52(a)	2950/3.28(b)	244/5.81(c)
8163' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.50 (d)	7780/1.99 (e)	223/2.74 (f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	138	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂+0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl ₂ + 0.25 pps celloflake	As Req.		15.8	1.15

Production Casing and Liner - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4-1/2"	Lead	1523	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	134	25	11.0	3.3
4-1/2"	Tail	4924	50/50 POZ Class G + 2% gel + 1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	899	25	14.3	1.56

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' - 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-8163' (KB)	8.8-10.2	8 - 10 ml	32-42	Water/Gel

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. **Evaluation Program:**

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

- Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML
TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 4,245 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2,449 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. Anticipated Starting Dates:

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 10 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

9. Variances:

None anticipated

10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Single Shot directional surveys will be dropped every 2000 feet. Maximum allowable angle is 5 degrees.

**Enduring Resources, LLC
Archy Bench #11-22-12-1
SWNW Sec. 1 - T11S-R22E
Uintah County, Utah
Lease # UTU-073903**

Directions to the Archy Bench 11-22-12-1 Well Pad

Beginning at the city of Bonanza, Utah: Leave the city of Bonanza heading southerly on state highway 45 for a distance of approximately 4.9 miles and turn left on to Road 4170 (Southam Canyon Road). Continue southwest on Road 4170 approximately 8.5 miles to Road 4160 (Asphalt Wash Road) and turn left. Continue south on Road 4160 approximately 9.5 miles until it intersects with Road 4120 (Bitter Creek Road). Turn right and go 1.9 miles on Road 4120 to Road 4230 (Saddletree Draw Road) and turn right. Go 4.8 miles on Road 4230 and turn left on to Road 4150 (Archy Bench Road). Go approximately 4.2 miles on Road 4150 to the turn-off point for the new access. Go right, 195 feet to the proposed well pad.

**Enduring Resources, LLC
Archy Bench #11-22-12-1
SWNW Sec. 1 - T11S-R22E
Uintah County, Utah
Lease # UTU-073903**

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the Archy Bench 11-22-12-1 Well Pad

Beginning at the city of Bonanza, Utah: Leave the city of Bonanza heading southerly on state highway 45 for a distance of approximately 4.9 miles and turn left on to Road 4170 (Southam Canyon Road). Continue southwest on Road 4170 approximately 8.5 miles to Road 4160 (Asphalt Wash Road) and turn left. Continue south on Road 4160 approximately 9.5 miles until it intersects with Road 4120 (Bitter Creek Road). Turn right and go 1.9 miles on Road 4120 to Road 4230 (Saddletree Draw Road) and turn right. Go 4.8 miles on Road 4230 and turn left on to Road 4150 (Archy Bench Road). Go approximately 4.2 miles on Road 4150 to the turn-off point for the new access. Go right, 195 feet to the proposed well pad.

Total distance from Bonanza, Utah to the proposed well location is approximately 37.9 miles in a southwesterly direction.

2. Planned Access Roads:

The proposed access road will be approximately 195 feet of new construction (ON-LEASE). An additional 4/5 mile of two-track ON-LEASE will have to be improved and, the balance of the ON-LEASE road is the Arch Bench Road and will not have to be improved. No new road will have to be built OFF-LEASE. Please refer to Topo Map "B" for the takeoff point for the new ON-LEASE road construction.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):

The following wells are wells located within a one (1) mile or greater radius of the proposed location.

- a. None: Water Wells: (1) one BLM stock water dam (WRNUM: 49-336)
- b. None: Injection Wells:
- c. None: Producing Wells:
 - i. Archy Bench State 1-2, NENE of Sec 2-11S-22E (S/I) API#: 43-047-31489
 - ii. NBU 70-34B, NESW of Sec 34-10S-22E (S/I) API#: 43-047-30577
 - iii. Archy Bench 1-7, SWNE of Sec 1-10S-22E API#: 43-047-35931
- d. None: Drilling Wells:
- e. None: Shut-in Wells:
- f. None: Temporarily Abandoned Wells:
- g. None: Disposal Wells:
- h. None: Abandoned Wells:
- i. None: Dry Holes:
- j. None: Observation Wells:
- k. One: Pending (staked) Wells:
 - i. Archy Bench 11-22-21-1
 - ii. Archy Bench 11-22-31-1
 - iii. Archy Bench 11-22-22-1

- iv. Archy Bench 11-22-13-1
- v. Archy Bench 11-22-14-1
- vi. Archy Bench 11-22-24-1
- vii. Archy Bench 11-22-34-1
- viii. Archy Bench 11-22-33-1
- ix. Archy Bench 11-22-23-1
- x. Archy Bench 11-22-11-1

4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Carlsbad Canyon (2.5Y 6/2). Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline:	ON-LEASE	-50'	(next to existing pipeline)	BLM
	OFF-LEASE	-0'	no OFF-LEASE pipeline	

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately less than 50 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

- a. ON-LEASE approximately -50 feet, and
- b. OFF-LEASE (none)

of 3 inch or less diameter steel, unpainted, welded gas gathering line is proposed.

The proposed pipeline will begin at the well site; and tie-in directly to an existing pipeline (east) adjacent to the well pad. The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. Location and Type of Water Supply:

Water will be obtained from the White River by Tu and Frum, Inc. Water User Claim #49-2185, Application #T75517, or by Target Trucking Water User Claim #43-2195, or by Dalbo Inc. Water User Claim #43-8496

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6 Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained,

fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8. Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. **Plans for Surface Reclamation:**

Producing Location:

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

To be provided by DOG&M and/or American Gilsonite and the BLM.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: Bureau of Land Management

Access: Bureau of Land Management

Pipeline: Bureau of Land management

12. Other Information**On-site Inspection for Location, Access and Pipeline Route:**

The on-site was conducted September 21, 2005.

Special Conditions of Approval:

None.

Archeology:

- a. A Cultural Resource Inventory Report is pending and to be prepared by Montgomery Archaeological Consultants.

Paleontology:

- a. A Paleontology Reconnaissance Report is pending and to be prepared by Intermountain Paleo-Consulting.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

13, **Lessee's or Operator's Representatives:**

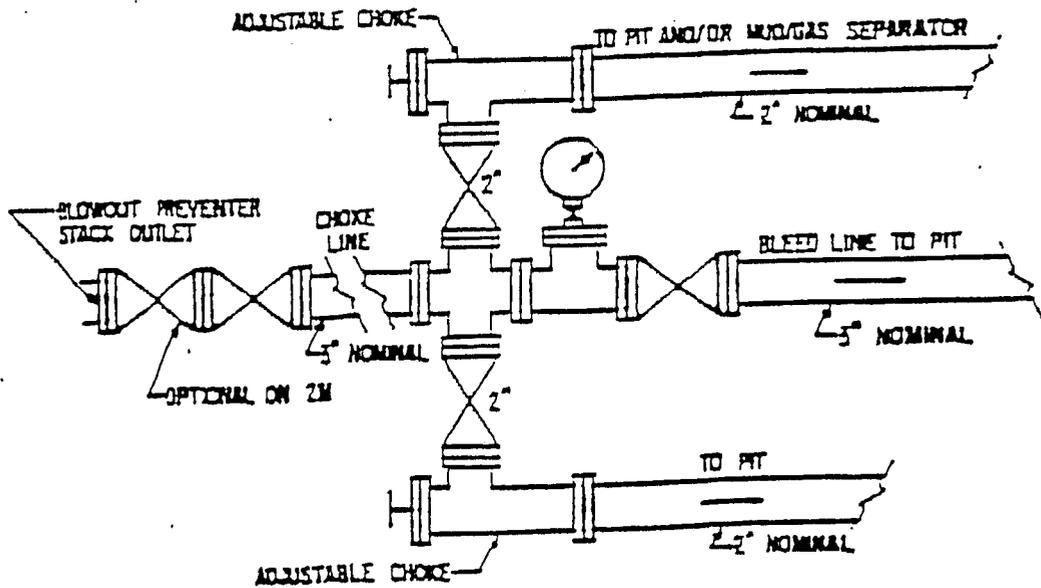
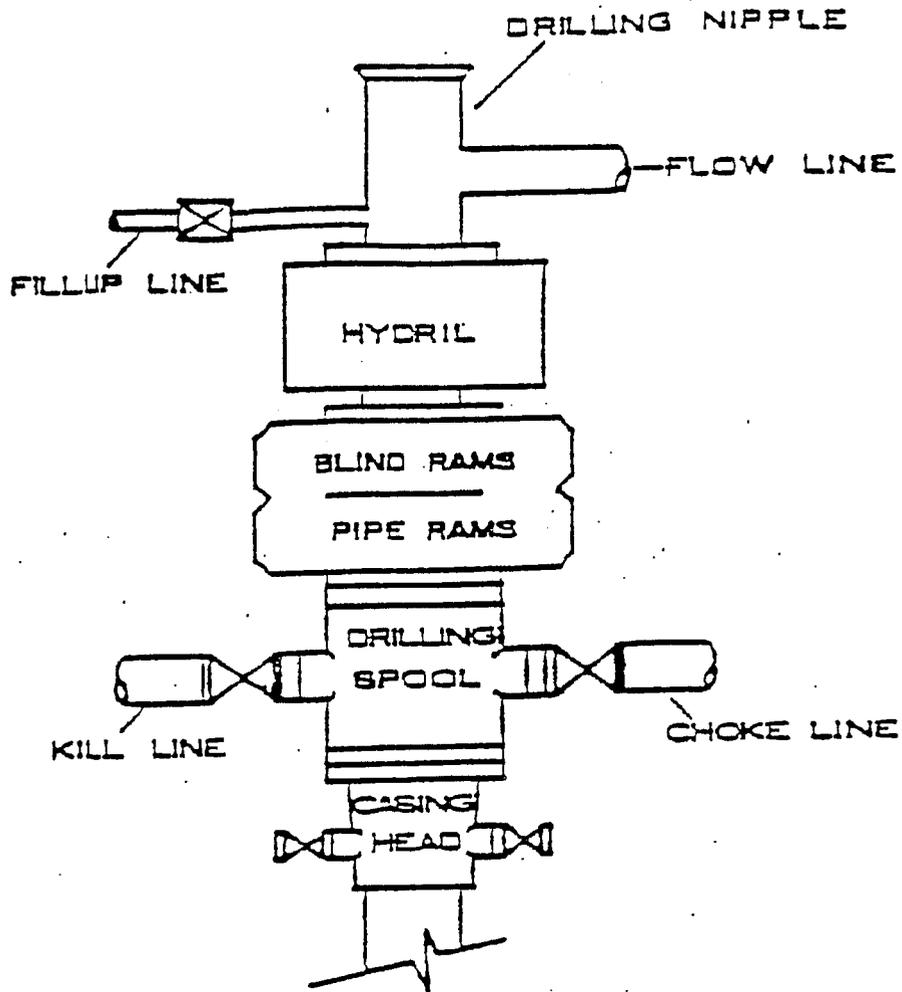
Representatives:

Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461
aarlian@enduringresources.com

Frank Hutto
Vice President – Operations
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-573-5102
Fax Tel: 303-573-0461
fhutto@enduringresources.com

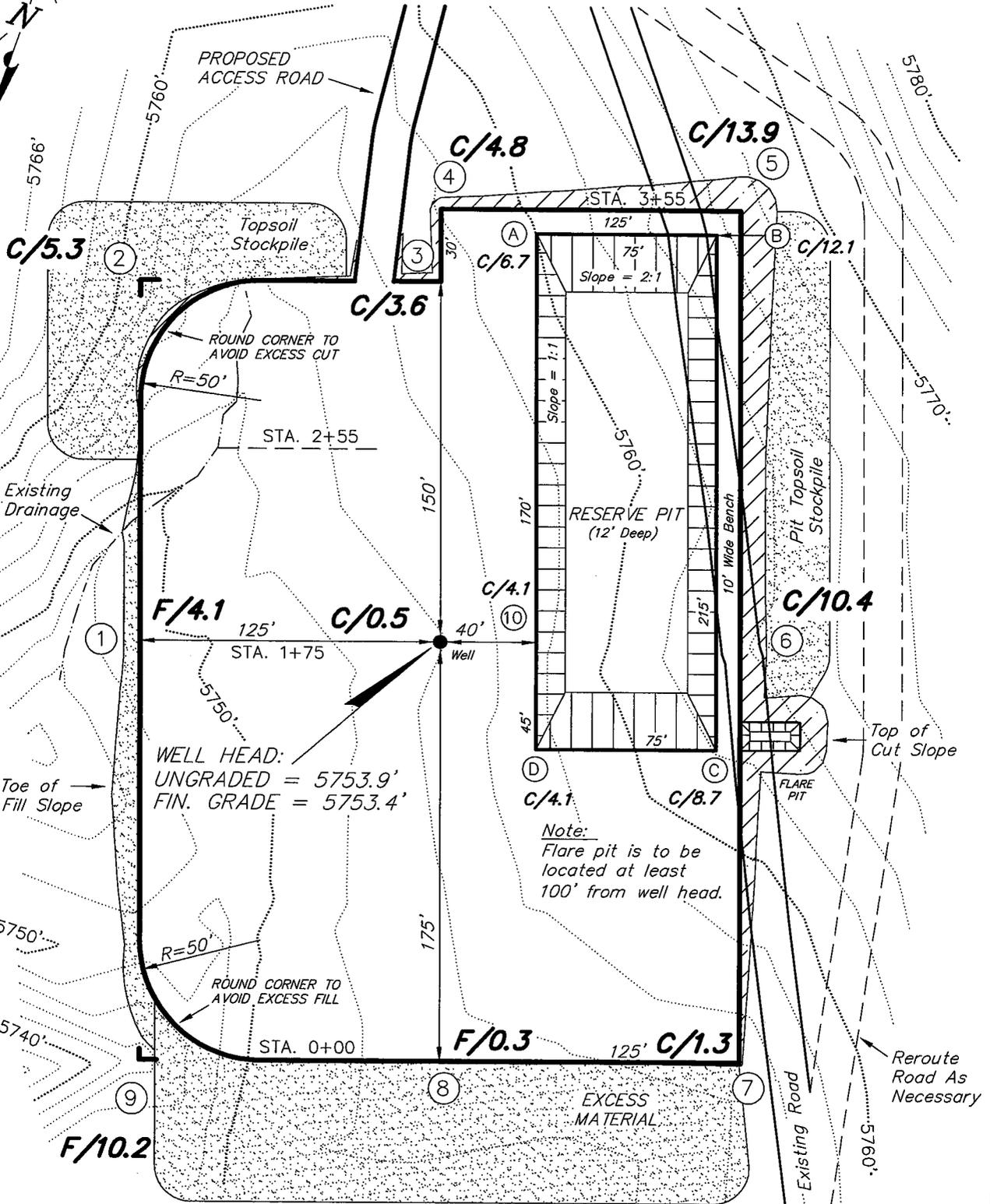
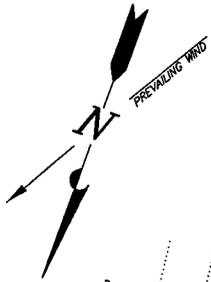
3,000 PSI

BOP STACK



ENDURING RESOURCES

ARCHY BENCH 11-22-12-1
Section 1, T11S, R22E, S.L.B.&M.



WELL HEAD:
UNGRADED = 5753.9'
FIN. GRADE = 5753.4'

Note:
Flare pit is to be located at least 100' from well head.

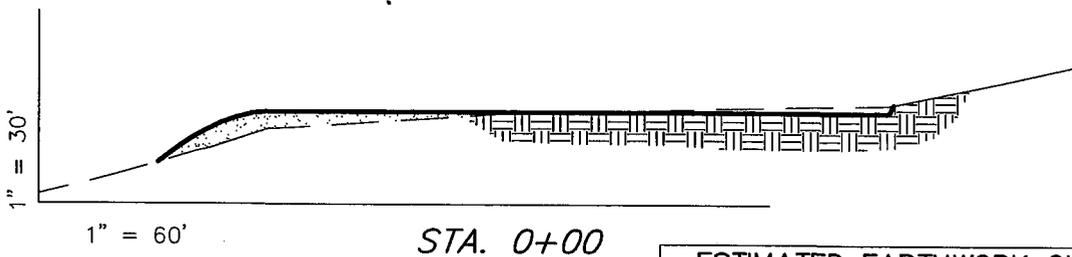
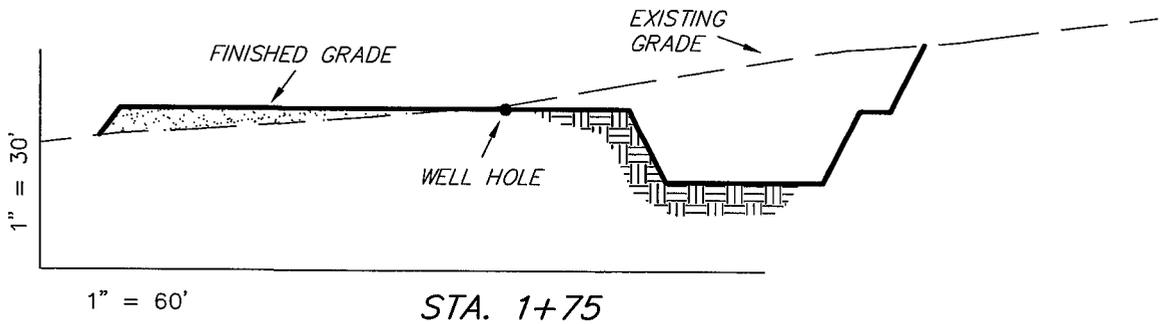
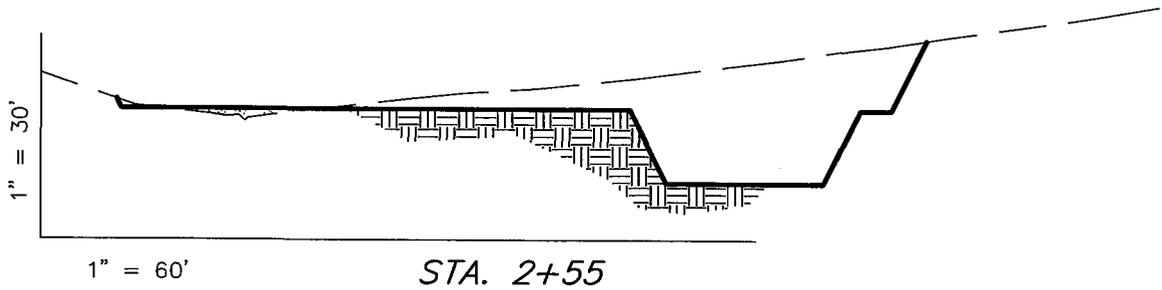
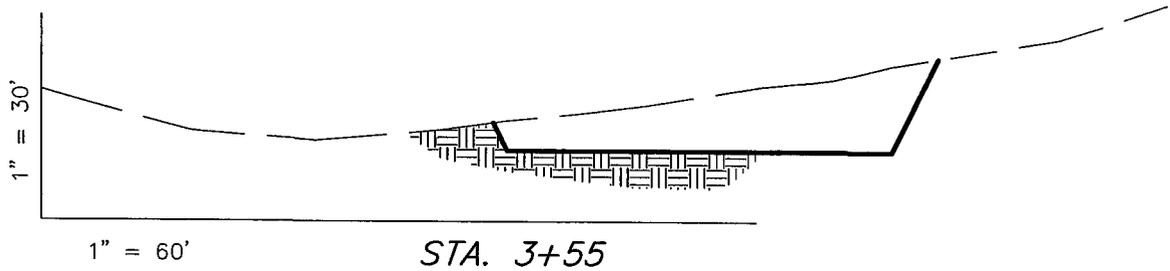
SURVEYED BY: J.H.	DATE DRAWN: 6-1-05
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

Tri State (435) 781-2501
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

ENDURING RESOURCES

CROSS SECTIONS

ARCHY BENCH 11-22-12-1



NOTE:
UNLESS OTHERWISE NOTED
CUT SLOPES ARE AT 1:1
FILL SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	9,100	3,460	Topsoil is not included in Pad Cut	5,640
PIT	5,390	0		5,390
TOTALS	14,490	3,460	1,710	11,030

SURVEYED BY: J.H.	DATE DRAWN: 6-1-05
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

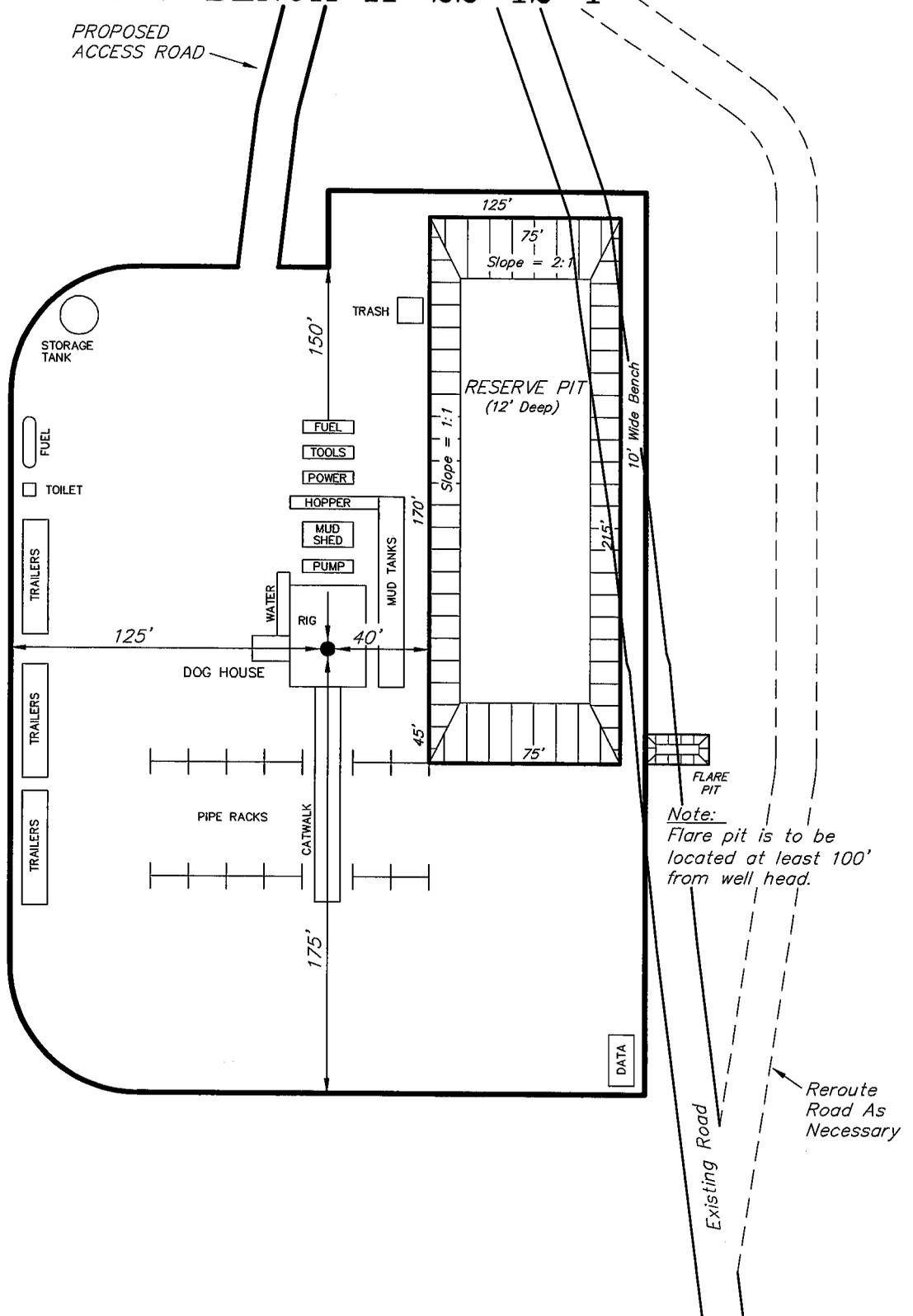
Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
(435) 781-2501

SHEET
4
OF 9

ENDURING RESOURCES

TYPICAL RIG LAYOUT

ARCHY BENCH 11-22-12-1

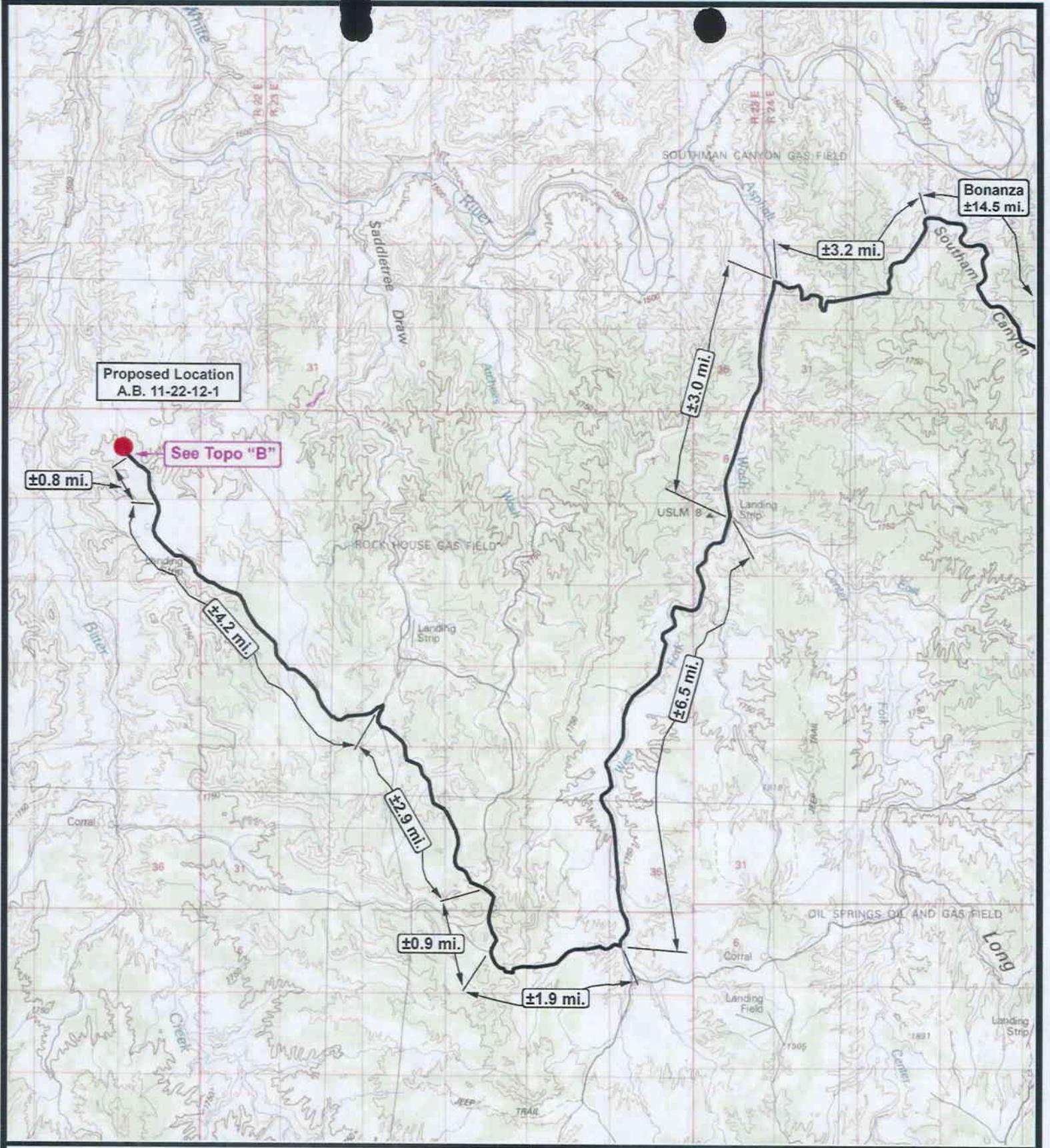


Note:
Flare pit is to be located at least 100' from well head.

SURVEYED BY: J.H.	DATE DRAWN: 6-1-05
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

(435) 781-2501



ENDURING RESOURCES

**Archy Bench 11-22-12-1
Sec. 1, T11S, R22E, S.L.B.&M.**

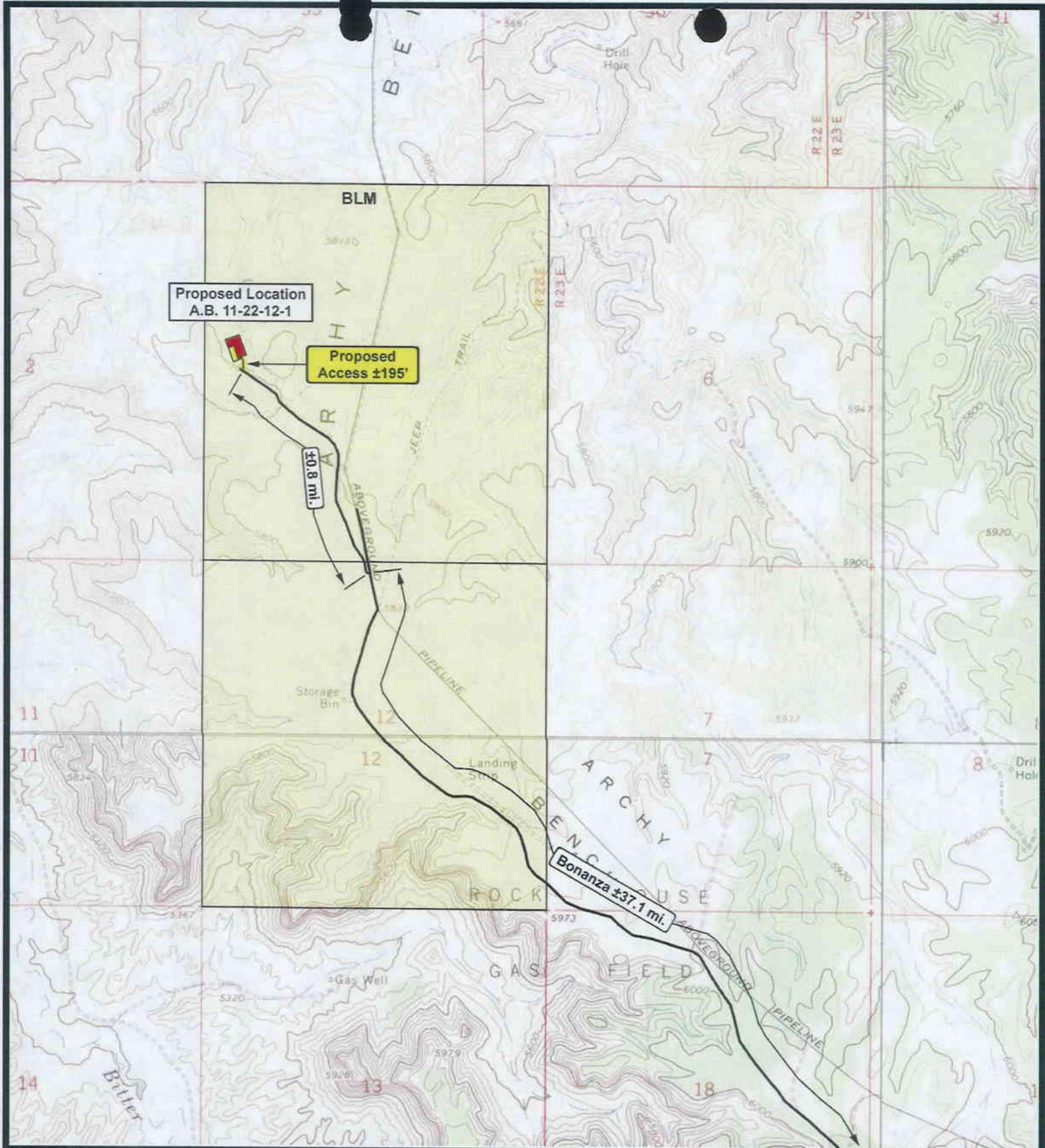


**Tri-State
Land Surveying Inc.**
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 100,000'
DRAWN BY: bgm
DATE: 07-12-2005

Legend
 Existing Road
 Proposed Access

TOPOGRAPHIC MAP
"A"
SHEET 6 OF 9



ENDURING RESOURCES

Archy Bench 11-22-12-1
Sec. 1, T11S, R22E, S.L.B.&M.



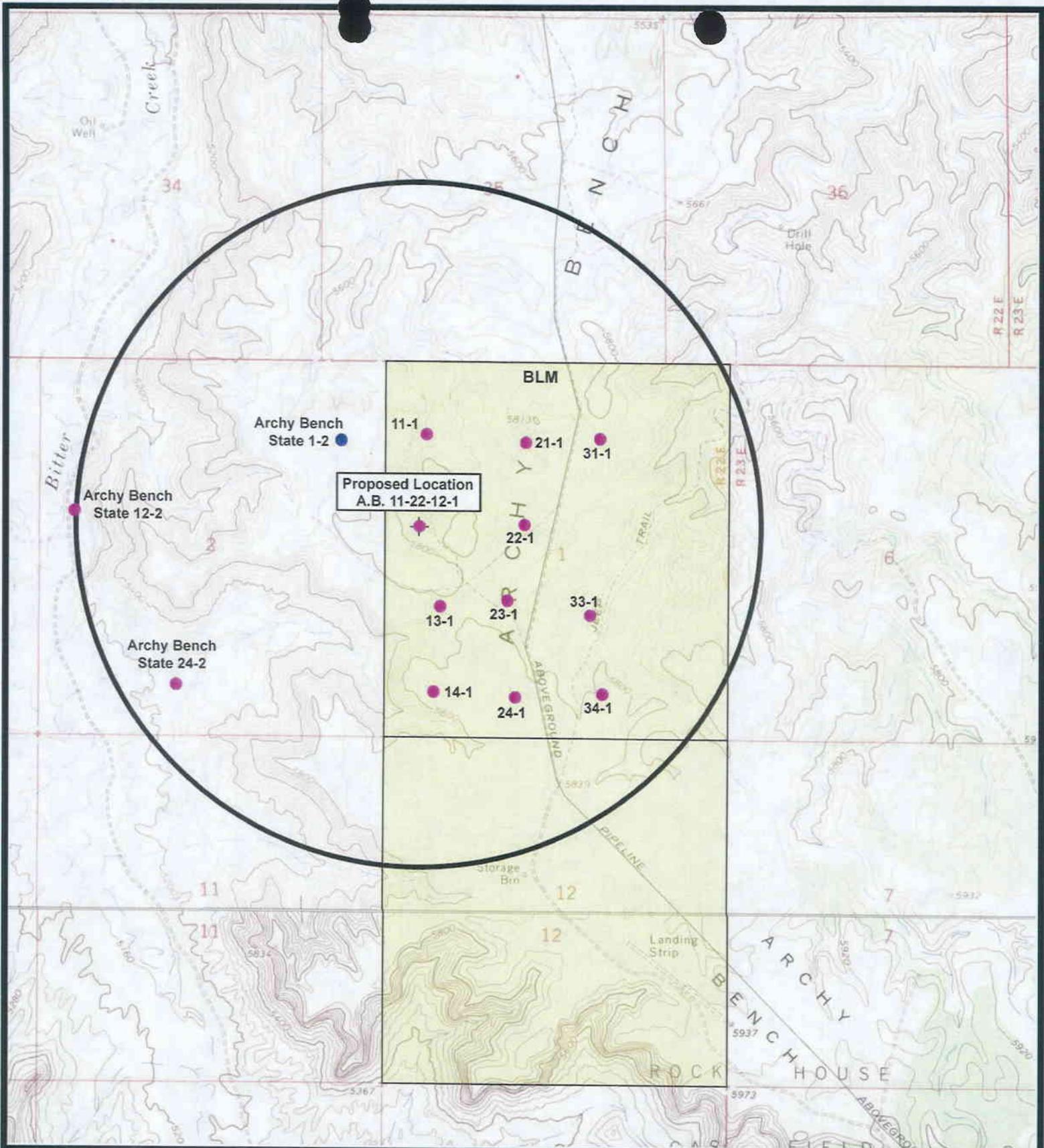
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 07-15-2005

Legend

-  Existing Road
-  Proposed Access

TOPOGRAPHIC MAP **SHEET**
"B" **7**
OF 9



ENDURING RESOURCES

Archy Bench 11-22-12-1
Sec. 1, T11S, R22E, S.L.B.&M.



Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 07-14-2005

Legend

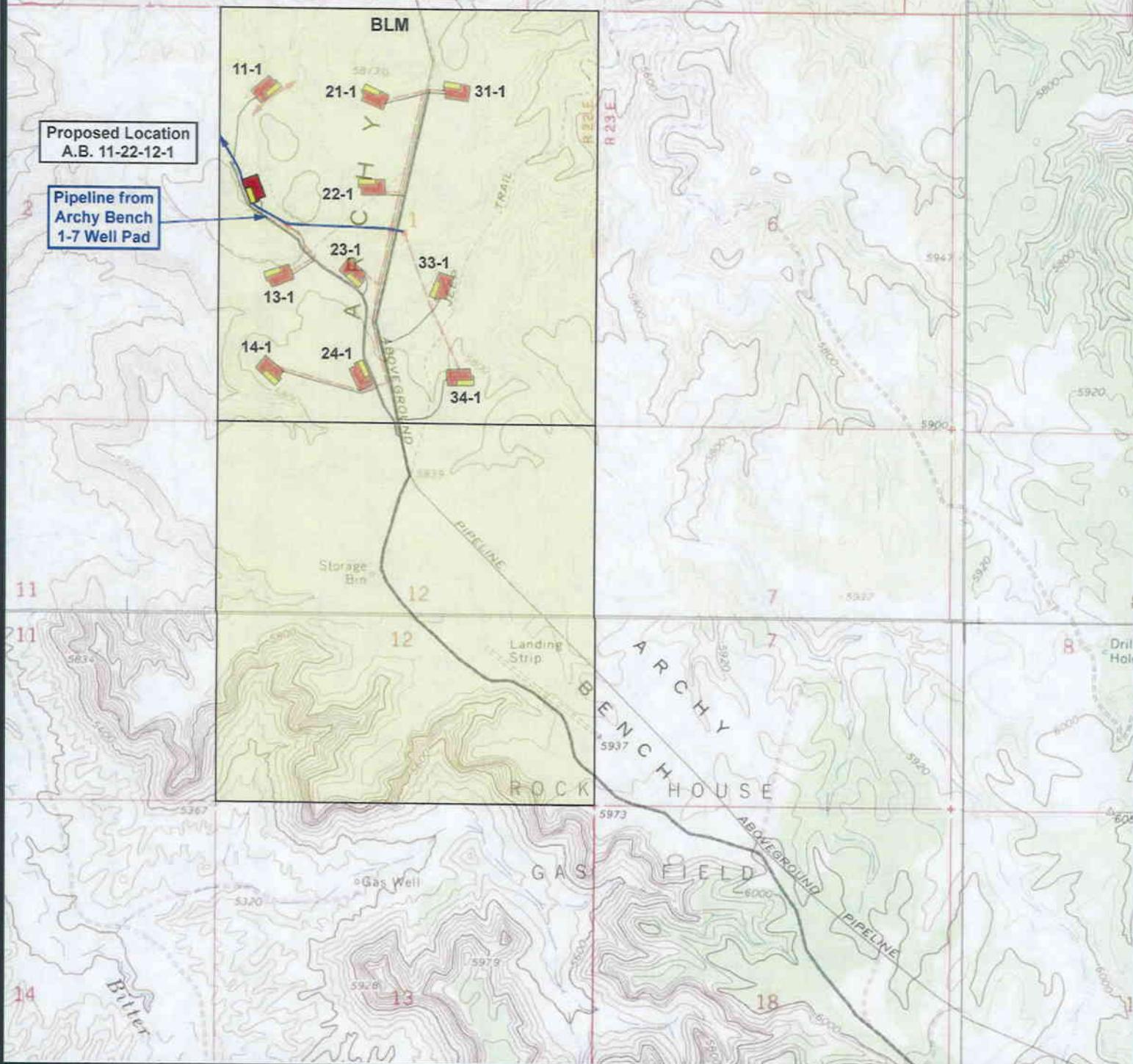
- Proposed Location
- Existing Location
- One-Mile Radius

TOPOGRAPHIC MAP **SHEET**
C **8**
 OF 9

Note: Well Pad 12-1 uses Pipeline from A.B. 1-7.

Proposed Location
A.B. 11-22-12-1

Pipeline from
Archy Bench
1-7 Well Pad



ENDURING RESOURCES

Archy Bench 11-22-12-1
Sec. 1, T11S, R22E, S.L.B.&M.



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: bgm

DATE: 08-10-2005

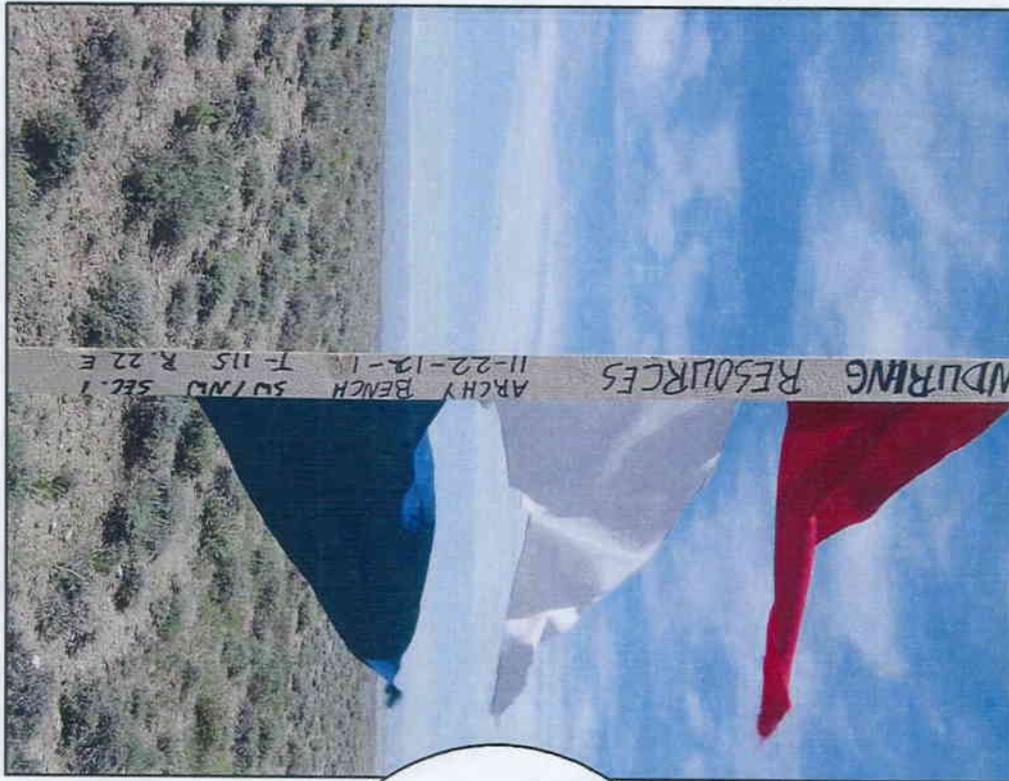
Legend

- Roads
- Existing Gas Line
- 1-7 Pipeline
- Proposed Gas Line

TOPOGRAPHIC MAP

"D"

SHEET
9
OF 9



CENTER STAKE

Date Photographed: 05/26/2005

Date Drawn: 07/13/2005

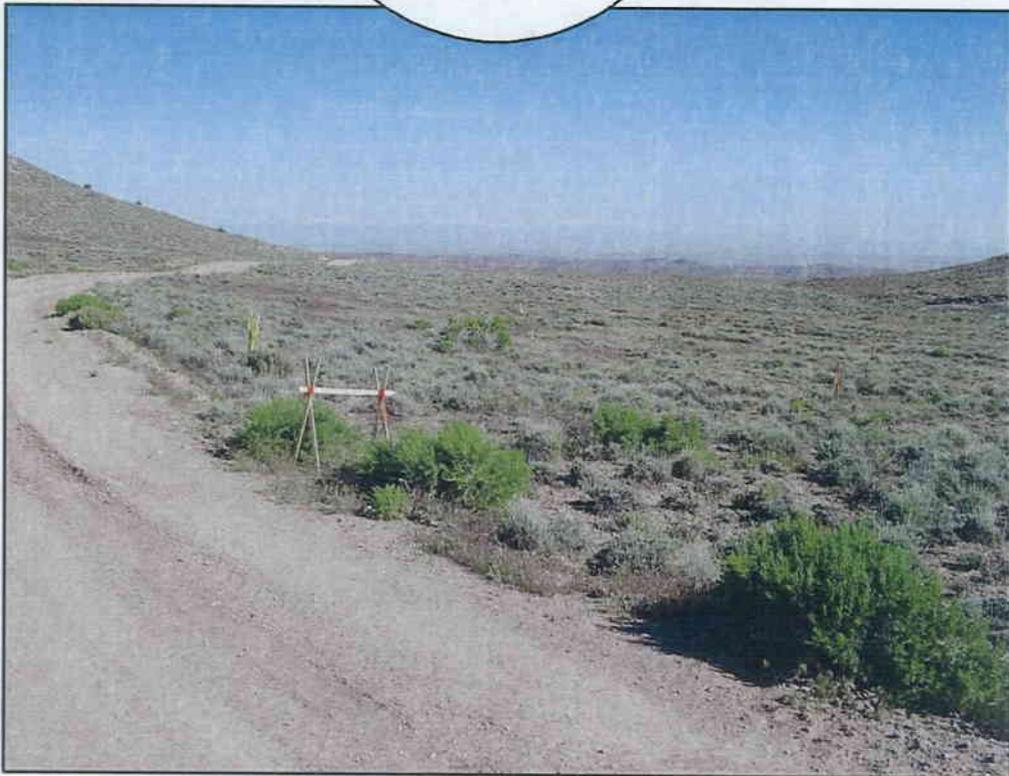
Drawn By: bgm

**LOOKING NORTH
ACCESS**


ENDURING RESOURCES

A.B. 11-22-12-1


*Tri-State
Land Surveying, Inc.*
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078





NORTH


ENDURING RESOURCES

A.B. 11-22-12-1

Date Photographed: 05/26/2005

Date Drawn: 07/13/2005

Drawn By: bgm


*Tri-State
Land Surveying Inc.*
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

EAST





SOUTH


ENDURING RESOURCES
A.B. 11-22-12-1

Date Photographed: 05/26/2005
Date Drawn: 07/13/2005
Drawn By: bgm


*Tri-State
Land Surveying Inc.*
(435) 791-2501
180 North Vernal Ave. Vernal, Utah 84078

WEST



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/12/2005

API NO. ASSIGNED: 43-047-37486

WELL NAME: ARCHY BENCH 11-22-12-1
 OPERATOR: ENDURING RESOURCES, LLC (N2750)
 CONTACT: AL ARLIAN

PHONE NUMBER: 303-350-5114

PROPOSED LOCATION:

SWNW 01 110S 220E
 SURFACE: 2503 FNL 0497 FWL
 BOTTOM: 2503 FNL 0497 FWL
 UINTAH
 UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-73903
 SURFACE OWNER: 1 - Federal
 PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

LATITUDE: 39.89130
 LONGITUDE: -109.4104

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. RLB0008031)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- 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: 210-04
Eff Date: 4-12-2004
Siting: 460' fr ext dri u bdrng ? 920' fr other wells.
- ____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-federal approval

**NATURAL BUTTES UNIT
NATURAL BUTTES FIELD**

T10S R22E

T11S R22E

T11S R23E

BITTER CREEK
H-22-2R

ARCHY BENCH
STAD 1-2

BITTER CREEK
H-22-2H

ARCHY BENCH
H-22-2H-1

ARCHY BENCH
H-22-2H-1

ARCHY BENCH
H-22-2H-1

ARCHY BENCH
H-22-2H-4

ARCHY BENCH
H-22-2H-4

ARCHY BENCH
H-22-2H-7

ARCHY BENCH
H-22-2H-1

ARCHY BENCH
H-22-2H-1

ARCHY BENCH
H-22-2H-1

ARCHY BENCH
H-22-2

SHARPLES-
TEXACO ST 1
ROCK HOUSE
H-36

ROCK HOUSE
H-22-13-36

ROCK HOUSE
H-22-14-36

35

36

NBU
H-22-35K

NBU
H-22-35J

NBU
H-22-35I

NBU
H-22-35N

NBU
H-22-35O

2

1

6

BITTER CREEK FIELD

CAUSE: 210-04 / 4-12-2004

**ROCK HOUSE FIELD
MARBLE MANSION II UNIT**

OPERATOR: ENDURING RES LLC (N2750)

SEC: 1 T. 11S R. 22E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

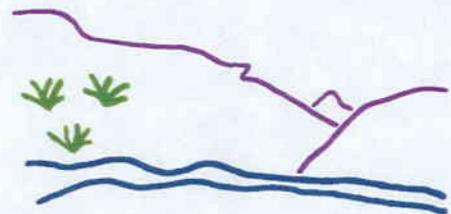
CAUSE: 210-04 / 4-12-2004

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: 14-DECEMBER-2005



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

December 15, 2005

Enduring Resources, LLC
475 17th St., Ste. 1500
Denver, CO 80202

Re: Archy Bench 11-22-12-1 Well, 2503' FNL, 497' FWL, SW NW, Sec. 1,
T. 11 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 43-047-37486.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Enduring Resources, LLC
Well Name & Number Archy Bench 11-22-12-1
API Number: 43-047-37486
Lease: UTU-73903

Location: SW NW **Sec.** 1 **T.** 11 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

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

Form 3160-3
(April 2004)

500 12 2005

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-73903
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Enduring Resources, LLC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 475 17th Street, Suite 1500 Denver, CO 80202		8. Lease Name and Well No. Archy Bench 11-22-12-1
3b. Phone No. (include area code) 303-350-5114		9. API Well No. 43-047-37486
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWNW 2503' FNL 497' FWL At proposed prod. zone Same as surface		10. Field and Pool, or Exploratory undesignated
14. Distance in miles and direction from nearest town or post office* 37.9 miles Southwesterly from Bonanza, Utah		11. Sec., T. R. M. or Blk. and Survey or Area Sec 1 T11S R22E S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 497'	16. No. of acres in lease 1341.28	12. County or Parish Uintah
17. Spacing Unit dedicated to this well 40 acres	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1269.21'	19. Proposed Depth 8163'	20. BLM/BIA Bond No. on file BLM - UTB000173
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5753.9' GL Ungraded	22. Approximate date work will start* 02/16/2005	23. Estimated duration 20 days

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) Alvin R. (Al) Arlian	Date 12-7-05
---	--	-----------------

Title Landman - Regulatory Specialist

Approved by (Signature) 	Name (Printed/Typed) Thomas R. Camp	Date 05/16/2006
Title Assistant Field Manager Mineral Resources	Office	

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

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

*(Instructions on page 2)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

MAY 24 2006

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Enduring Resources LLC Location: SWNW, Sec 1, T11S, R22E
Well No: Archy Bench 11-22-12-1 Lease No: UTU-73903
API No: 43-047-37486 Agreement: N/A

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Roger Hall	Office: 435-781-4470	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Nathaniel West	Office: 435-781-4447	
Natural Resource Specialist:	Chris Carusona	Office: 435-781-4441	
After hours contact number: (435) 781-4513		FAX: (435) 781-4410	

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

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

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

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

DRILLING AND CONSTRUCTION

- Enduring Resources, LLC will comply with all applicable local, state, and/or federal laws, regulations, and/or statutes.
- In accordance with the Migratory Bird Treaty Act if a nest is found the operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer.
- Construction related traffic shall be restricted to approved routes. Cross-country vehicle travel shall not be allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. may be needed to control the erosion. The operator shall submit a proposal to control erosion to the BLM.
- The reserve pit shall be double lined with felt and a 12 ml or greater liner or single lined with 16ml or greater.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The liner is to be cut at the level of the cuttings or treated to prevent the reemergence of the pit liner and pit material to the surface or its interference with long-term successful re-vegetation. Any excess liner material removed from the pit is to be disposed of at an authorized disposal site.
- When the reserve pit contains fluids or toxic substances, the operator must ensure that animals do not ingest or become entrapped in pit fluids.
- Drill cuttings and mud shall remain in the reserve pit until DRY. The reserve pit must be free of oil and other liquid and solid wastes, allowed to dry, be pumped dry, or solidified in-situ prior to filling. The reserve pit shall not be "squeezed," (filled with soil while still containing fluids) or "cut" (puncturing the pit liner while still containing fluids to allow pit fluids to drain from the pit).
- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are NOT allowed.
- Notify the Authorized Officer 48 hours prior to surface disturbing activities.
- All well facilities not regulated by OSHA shall be painted Olive Black.

- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.
- Noxious weeds and any undesirable plants, as determined by the BLM, shall be controlled by the operator. The operator shall submit a pesticide use proposal to control weeds if they develop on the location, access road, or pipeline corridor.
- Trees must be removed from the location must be piled separately off location and saved for final reclamation purposes.
- Interim Reclamation (see below):
- Where possible, strip six inches of topsoil from the location as shown on the cut sheet. After the well is completed, the topsoil shall be spread and re-contoured on the location and immediately seeded with the seed mix below.
- Interim Reclamation Seed Mix for location:
 - Hycrest Crested Wheat grass *Agropyron cristatum* 4lbs. /acre
 - Needle and Thread grass *Stipa comata* 4lbs. /acre
 - Indian Rice grass *Pleuraphis hymenoides* 4lbs. /acre
- Certified weed free seed and straw shall be used for final and interim reclamation. The operator shall submit a receipt with certification for the seed and any straw used on location.
- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed it should be re-contoured, then the area should be seeded in the same manner as the topsoil.
- There shall be no primary or secondary noxious weeds in the seed mixture.
- Once the location is plugged and abandoned contact the Authorized Officer for final reclamation plans.
- The above listed seed mix shall be used to seed all unused portions of the pad including the topsoil and stock piles, and the reserve pits. Re-seeding may be required if the first seeding is not successful.
- The seed shall be drilled or disked into the ground or hand broadcast onto the ground. Planting depth shall not exceed one-half inch using a seed drill. If the seed is hand broadcast then the seed mixture shall be doubled and the area raked or chained to cover the seed.

- Water Use for drilling/construction purposes:
 - Implement Reasonable and Prudent Measure (1):
 - If the pump head is located in the river channel, do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate fish.
- Screen all pump intakes with 1/4" mesh material.
- Report any fish impinged on the intake screen to the Service (801.975.3330) or the Utah Division of Wildlife Resources:
 - Northeastern Region
 - 152 East 100 North, Vernal UT 84078
 - Phone: (435) 781-9453

CULTURAL AND PALEONTOLOGICAL RESOURCES STIPULATION:

- Any cultural and/or paleontological resource (historic or prehistoric site or object or fossil) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer.
- Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery shall be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values.
- The holder shall be responsible for the cost of evaluation and a decision as to proper mitigation measures shall be made by the authorized officer after consulting with the holder.

COMPLETION and PRODUCTION:

- Blow back fluids from completion operations shall be contained such that hydrocarbons are not introduced into the reserve pit.
- Reserve pits shall maintain a minimum of 2 feet of freeboard.
- During all road building, pad construction, drilling, well completion, producing and abandonment activities, all gasoline, diesel powered equipment used must be equipped with approved spark arresters or mufflers.
- Production facilities (including dikes) shall be placed on cut and a minimum of 20' from the toe of the backcut.
- Pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, trash fish, etc., without the prior written approval of the BLM. A request for approval of planned uses of pesticides shall be submitted 4 months prior to the proposed starting date.
- No production pits shall be allowed on the location.
- Load outs shall be inside the dike. A drip barrel shall be installed under the end of the loadout line.

- All production facilities, i.e. pump, pump house, storage tanks, oil-water separator, galvanized dikes, propane tanks, etc. shall be painted with a lusterless color (Carlsbad Canyon). All facilities shall be painted within six (6) months of installation.
- The well location shall be maintained in a clean environmentally friendly manner, using good house keeping practices.
- Equipment not being used for production shall not be stored on the well location.
- All oil and chemical barrels shall be labeled and have a spill containment device to protect soils from possible contamination.

ABANDONED WELL

- A sundry notice shall be submitted to the BLM prior to abandonment, a final reclamation seed mix shall be designated at the time the sundry is approved. The seed mix in the APD is not to be used for final reclamation.
- The seed shall be drilled or hand broadcast and harrowed into the ground during September of the year following earthwork for initial or final reclamation. Planting depth shall not exceed one-half inch using a seed drill. Weed seed free mulch shall also be applied to the planting area sufficiently to uniformly cover 80% of the seeded area. Hydroseeding and mulching can also be used, but seeding rates will need to be doubled.
- The cut and fill slopes shall be recontoured to original contours. The entire disturbed area shall then be back-filled with topsoil, landscaped, seeded and fenced to exclude livestock. The fence shall remain in place. It shall be removed prior to approval of final abandonment.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing.
- A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe.
- For surface casing cementing program, stage Top Out or Top Job is to bring cement to surface.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.

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

- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production.

Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

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

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 depth, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73903
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
		7. UNIT or CA AGREEMENT NAME: n/a
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Archy Bench 11-22-12-1
2. NAME OF OPERATOR: Enduring Resources, LLC		9. API NUMBER: 4304737486
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		10. FIELD AND POOL, OR WILDCAT: Undesignated
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2503' FNL - 497' FWL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 1 11S 22E S		STATE: UTAH

CONFIDENTIAL

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>10/9/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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>Request for APD Extension</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.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 12-14-2006
TO: 12-14-2007

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

Date: 10-16-06
By: [Signature]

DATE SENT TO OPERATOR:
Date: 10-18-06
Time: PM

NAME (PLEASE PRINT) <u>Evette Bissett</u>	TITLE <u>Regulatory Compliance Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/9/2006</u>

(This space for State use only)

RECEIVED
OCT 12 2006
DIV. OF OIL, GAS & MINING

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

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

API: 4304737486
Well Name: Archy Bench 11-22-12-1
Location: 2503' FNL - 497' FWL, SWNW, Sec 1, T11S-R22E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 12/14/2005

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

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

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

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

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

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

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

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

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

Luette Bussitt
Signature

10/9/2006
Date

Title: Regulatory Compliance Assistant

Representing: Enduring Resources, LLC

RECEIVED
OCT 12 2006
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		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73903
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		7. UNIT or CA AGREEMENT NAME: n/a
		8. WELL NAME and NUMBER: Archy Bench 11-22-12-1
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		9. API NUMBER: 4304737486
2. NAME OF OPERATOR: Enduring Resources, LLC		10. FIELD AND POOL, OR WILDCAT: Undesignated
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 350-5719
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2503' FNL - 497' FWL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 1 11S 22E S		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Request for APD Extension</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.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 10/16/2007
TO: 10/16/2008

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-15-07
By: [Signature]

COPIES SENT TO ORIGINAL
DATE: 10-16-07
BY: RM

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/12/2007</u>

(This space for State use only)

RECEIVED

OCT 15 2007

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

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

API: 4304737486
Well Name: Archy Bench 11-22-12-1
Location: 2503' FNL - 497' FWL, SWNW, Sec 1, T11S-R22E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 12/14/2005
5

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

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

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

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

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

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

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

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

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



Signature

10/12/2007

Date

Title: Landman - Regulatory Specialist

Representing: Enduring Resources, LLC

RECEIVED

OCT 15 2007

DIV. OF OIL, GAS & MINING

RECEIVED
VERNAL FIELD OFFICE
Oct 25, 2007
2008 JAN 29 AM 8:15

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-73903
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Enduring Resources, LLC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 475 17th Street, Suite 1500 Denver, CO 80202		8. Lease Name and Well No. Archy Bench 11-22-12-1
3b. Phone No. (include area code) 303-350-5114		9. API Well No. 43-047-37486
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWNW 2503' FNL 497' FWL At proposed prod. zone Same as surface		10. Field and Pool, or Exploratory undesignated
14. Distance in miles and direction from nearest town or post office* 37.9 miles Southwesterly from Bonanza, Utah		11. Sec., T. R. M. or Blk. and Survey or Area Sec 1 T11S R22E S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 497'	16. No. of acres in lease 1341.28	17. Spacing Unit dedicated to this well 40 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1269.21'	19. Proposed Depth 8163'	20. BLM/BIA Bond No. on file BLM - UTB000173
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5753.9' GL Ungraded	22. Approximate date work will start* 06/01/2008	23. Estimated duration 20 days

24. Attachments

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

- | | |
|--|--|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature 	Name (Printed Typed) Alvin R. (Al) Arlian	Date 10/20/2007
-------------------	---	---------------------------

Title
Landman - Regulatory Specialist

Approved by (Signature) 	Name (Printed Typed) Terry Kevicka	Date 2-8-2008
-----------------------------	--	-------------------------

Title
Assistant Field Manager
Lands & Mineral Resources
Office
VERNAL FIELD OFFICE

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

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on page 2)

RECEIVED
NOTICE OF APPROVAL
FEB 15 2008
DIV. OF OIL, GAS & MINING

UDOGM

NO NOS

OB MIC 0037A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Enduring Resources, LLC
Well No: Archy Bench 11-22-12-1
API No: 43-047-37486

Location: SWNW, Sec. 1, T11S, R22E
Lease No: UTU-73903
Agreement: N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
Supervisory NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:		(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

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

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

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

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

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

This well is located within the Resource Development Group (RDG) EIS project boundary, any **additional mitigation or COA's approved in the Final RDG EIS Record of Decision are also applicable to approval of this proposed action.**

- **Threatened and Endangered Fish Mitigation for Water Supply**
 1. The best method to avoid entrainment is to pump from an off-channel location – one that does not connect to the river during high spring flows. An infiltration gallery constructed in a BLM and Service approved location is best.
 2. If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
 - a. do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
 - b. limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (see above); and
 - c. limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.
 3. Screen all pump intakes with ¼" mesh material.
 4. Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

Northeastern Region

152 East 100 North, Vernal, UT 84078

Phone: (435) 781-9453

- This project is within the RDG EIS area and is also within big game wintering habitat. If the proposed work results in a loss of big sagebrush habitat this loss will need to be mitigated by the operator contributing to a habitat improvement project. The compensation requires 1.5 acres of habitat improvement to each acre of big sagebrush habitat disturbed. Contact the AO for specific on-site or off-site mitigation projects.
- Pipelines shall be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.

- The reserve pit shall be lined with **16 ml** or greater liner to prevent pit leakage and at least **one felt liner (double felt as need to prevent pit leakage)** prior to spudding.
- All permanent facilities, not regulated by OSHA, shall be painted the same color, **Olive Black (5WA20-6)**; within six months of installation.
- During construction the topsoil from the location shall be stripped and windrowed separately from the other excess material. The topsoil windrows shall be re-seeded using the interim seed mix and track walked or drag chained at the time the location is constructed. The topsoil removed from the pit area shall be stored separately and will not be re-seeded until the pit is reclaimed. When the reserve pit is closed, it shall be re-contoured and the topsoil re-spread, and the area shall be seeded using the interim seed mix listed below.
- All boulders with a length or diameter greater than 3 feet, that are found showing at the surface, shall be stockpiled for use during final reclamation.
- Trees and woody debris must be removed from the site and piled separately off site and saved for final reclamation. During final reclamation the trees and woody debris will be loped and scattered over the recontoured and seeded areas, and spread evenly across the site. Trees and woody debris will not account for more than 20% of the total surface area of the site.
- Upon well completion, the well pad location up to the deadmen, shall be recontoured to the approximate natural contours and the stockpiled topsoil shall be spread evenly over the reclaimed area and then re-seeded using the interim seed mix.
- Reclamation:

Interim seed mix:

Hy-crest Crested Wheatgrass	<i>Agropyron cristatum</i>	4 lbs/acre
Indian Ricegrass	<i>Stipa hymenoides</i>	4 lbs/acre
Needle and Threadgrass	<i>Stipa comata</i>	4 lbs/acre

- All pounds are in pure live seed.
 - All seed and mulch shall be certified weed free.
 - Drill seeding is the preferred method.
 - Rates are set for drill seeding; double the rate if broadcasting.
 - If broadcasting seed: The seed shall be walked into the soil with a dozer immediately after the seeding is completed, or covered by soil using a drag chain.
 - Reseeding shall be required if initial seeding is not successful.
- Once the location is plugged and abandoned, the well location and access road shall be recontoured to the natural topography, topsoil shall be respread, and the entire location and access road shall be seeded with the final reclamation seed mix. Seed application shall follow all guidelines in the final reclamation seed mix bullet statement above. If reclamation seeding should take place using the broadcast method, the seed at a minimum shall be walked into the soil with a dozer, immediately after the seeding is completed, or covered by soil using a drag chain.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- For surface casing cementing program, stage Top Out or Top Job is to bring cement to surface. Note that stage TopOut is to bring cement to surface.
- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 300 ft above the surface casing shoe. COA specification is consistent with operators performance standard stated in APD.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth

(from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73903
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2503' FNL - 497' FWL		8. WELL NAME and NUMBER: Archy Bench 11-22-12-1
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 1 11S 22E S		9. API NUMBER: 4304737486
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Undesignated
STATE: UTAH		

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

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

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 10/15/2008
 TO: 10/15/2009

Approved by the
 Utah Division of
 Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 10.16.2008
 Initials: KS

Date: 10-15-08
 By: [Signature]

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman</u>
SIGNATURE <u>[Signature]</u>	DATE <u>9/29/2008</u>

(This space for State use only)

RECEIVED

OCT 14 2008

DIV. OF OIL, GAS & MINING

RESET

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

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

API: 4304737486
Well Name: Archy Bench 11-22-12-1
Location: 2503' FNL - 497' FWL, SWNW, Sec 1, T11S-R22E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 12/14/2005
5

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

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

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

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

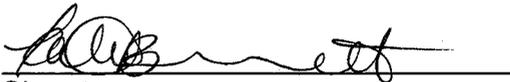
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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


Signature

9/29/2008
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

RECEIVED

OCT 14 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73903
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: ARCHY BENCH 11-22-12-1
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 4304737486000
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2503 FNL 0497 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 01 Township: 11.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: BITTER CREEK COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/15/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<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 checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

Request an one-year extension of APD expiration date.

Approved by the Utah Division of Oil, Gas and Mining

Date: October 15, 2009

By:

NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory
SIGNATURE N/A		DATE 10/15/2009



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047374860000

API: 43047374860000

Well Name: ARCHY BENCH 11-22-12-1

Location: 2503 FNL 0497 FWL QTR SWNW SEC 01 TWP 110S RNG 220E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 12/15/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

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

Signature: Alvin Arlian

Date: 10/15/2009

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: October 15, 2009

By: 

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73903
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: ARCHY BENCH 11-22-12-1
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 43047374860000
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2503 FNL 0497 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 01 Township: 11.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: BITTER CREEK COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/15/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<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 checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Request an one-year extension to APD termination date.

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

Date: 12/14/2010
By: 

NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory
SIGNATURE N/A		DATE 12/14/2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047374860000

API: 43047374860000

Well Name: ARCHY BENCH 11-22-12-1

Location: 2503 FNL 0497 FWL QTR SWNW SEC 01 TWP 110S RNG 220E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 12/15/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

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

Signature: Alvin Arlian

Date: 12/14/2010

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: 12/14/2010

By: 



GARY R. HERBERT
Governor

GREG 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

December 14, 2011

Al Arlian
Enduring Resources, LLC
511-16th Street, Ste. 700
Denver, CO 80202

Re: APD Rescinded – Archy Bench 11-22-12-1, Sec.1 T.11S, R.22E
Uintah County, Utah API No. 43-047-37486

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 15, 2005. October 16, 2006, October 15, 2007, October 15, 2008, October 15, 2009 and December 14, 2010 the Division granted a one-year APD extension. On December 12, 2011, you requested that the APD be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 12, 2011.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
<http://www.blm.gov/ut/st/en/fo/vernal.html>



MAR 26 2012

IN REPLY REFER TO:
3160 (UTG011)

Alvin R. Arlian
Enduring Resources, LLC
511-16th Street, Suite 700
Denver, CO 80202

43 047 37486

Re: Notice of Expiration
Well No. Archy Bench 11-22-12-1
SWNW, Sec. 1, T11S, R22E
Uintah County, Utah
Lease No. UTU-73903

RECEIVED

APR 04 2012

DIV. OF OIL, GAS & MINING

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the above-referenced well was approved on February 8, 2008. A two (2) year extension request of the original APD was received on January 11, 2010. On January 21, 2010 the request was reviewed and the extension request was approved to August 7, 2011, consistent with the expiration of the 390 CX used to process the APD. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

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

Sincerely,

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

cc: UDOGM

Conf. UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

JAN 11 2010

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

BLM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU73903
2. Name of Operator ENDURING RESOURCES, LLC		6. If Indian, Allottee or Tribe Name
3a. Address 475 17TH STREET, SUITE 1500 DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 303-350-5114 Fx: 303-573-0461		8. Well Name and No. ARCHY BENCH 11-22-12-1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T11S R22E SWNW 2503FNL 497FWL 39.53287 N Lat, 109.24401 W Lon		9. API Well No. 43-047-37486
		10. Field and Pool, or Exploratory UNDESIGNATED
		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

Request a 2-year extension to APD termination date (2-8-2010).

VERNAL DIST.
ENG. _____
GEOL. _____
E.S. _____
PMT. _____
A.M. _____

RECEIVED
FEB 25 2010

CONDITIONS OF APPROVAL ATTACHED

DIV. OF OIL, GAS & MINING

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

Electronic Submission #79805 verified by the BLM Well Information System
For ENDURING RESOURCES, LLC, sent to the Vernal
Committed to AFMS for processing by GAIL JENKINS on 01/12/2010 ()

Name (Printed/Typed) AL ARLIAN	Title OPERATIONS
Signature (Electronic Submission)	Date 01/11/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title Petroleum Engineer	Date JAN 21 2010
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

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

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UDOGM

CONDITIONS OF APPROVAL

Enduring Resources, LLC

Notice of Intent APD Extension

Lease: UTU-73903
Well: Archy Bench 11-22-12-1
Location: SWNW Sec 1-T11S-R22E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 8/7/2011.
2. Since the APD was approved under a Categorical Exclusion and the referenced NEPA will expire 8/7/2011, if the well has not been spud by that date this APD will expire and the operator is to cease all operations related to the preparing to drill the well.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

RECEIVED

FEB 25 2010

DIV. OF OIL, GAS & MINING