

**ENDURING RESOURCES, LLC**

425 Seventeenth Street, Suite 1500  
Denver, Colorado 80202  
Telephone: 303-573-1222  
Facsimile: 303-573-0461

May 18, 2006

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

Attention: Diana Whitney

RE: **Rock House 10-23-23-32 Lease Serial No.: ML- 47063**  
**Surface Location: NWSW Sec. 32-10S-23E**  
**1622' FSL – 966' FWL**  
**Bottom Hole Location: NESW Section 32-10S-23E**  
**1980' FSL – 1980' FWL**  
**Uintah County, Utah**

Dear Ms. Whitney

Attached are two applications to drill for the above-referenced proposed well. This well will be drilled on federal lands.

Enduring Resources, LLC respectfully requests that this information, and future information, be held confidential.

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

**ENDURING RESOURCES, LLC**



Alvin R. (Al) Arlian  
Landman – Regulatory Specialist

ara/

Attachments as stated:

Cc: SITLA

RECEIVED

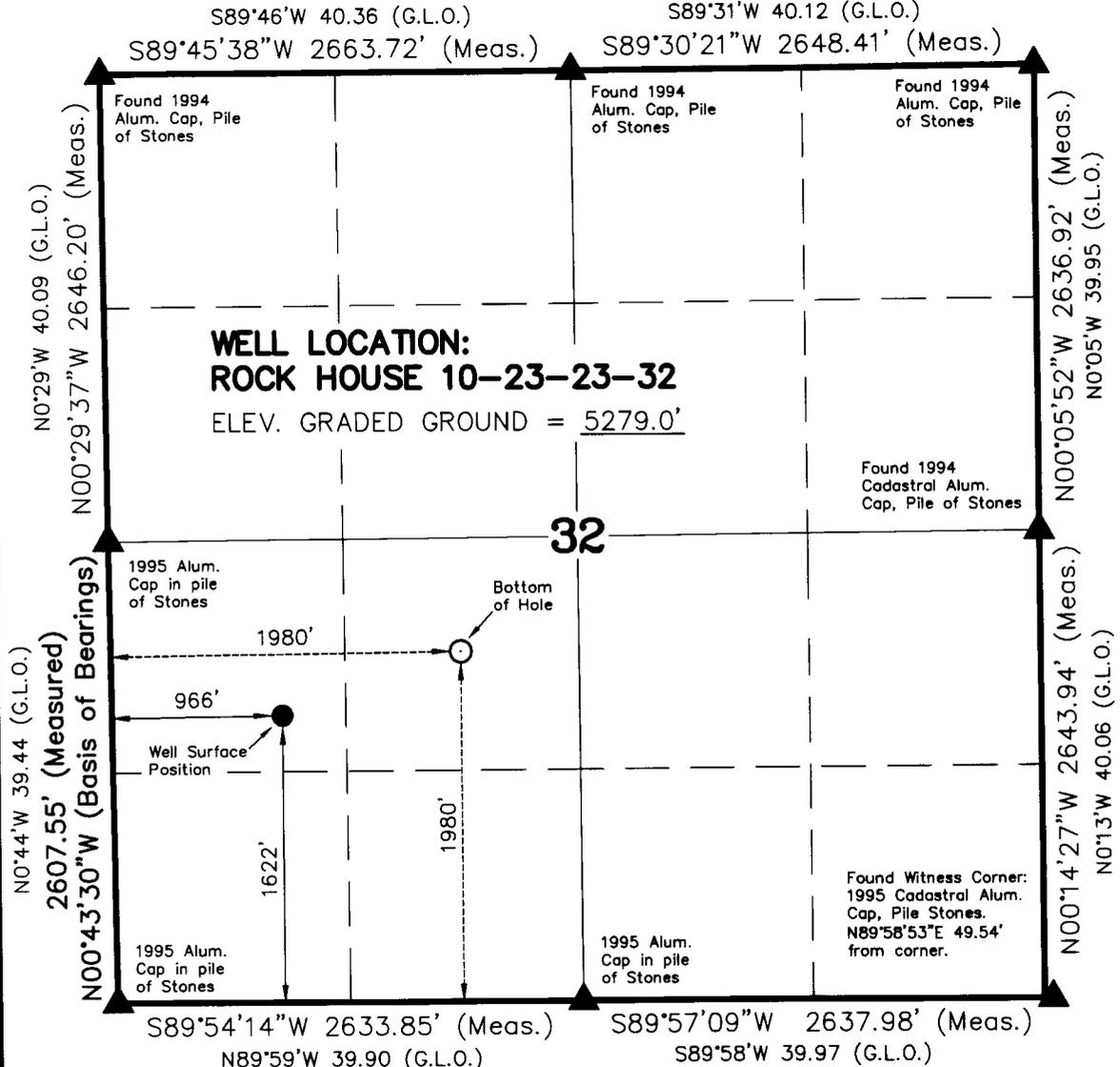
MAY 30 2006

DIV. OF OIL, GAS & MINING



# T10S, R23E, S.L.B.&M.

# ENDURING RESOURCES



WELL LOCATION, ROCK HOUSE 10-23-23-32, LOCATED AS SHOWN IN THE NE 1/4 SW 1/4 OF SECTION 32, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH.

**NOTES:**

- Well footages are measured at right angles to the Section Lines.
- The Bottom of hole bears N70°23'46"E 1071.42' from the Surface Position.
- Bearings are based on Global Positioning Satellite observations.
- BASIS OF ELEVATION IS TRIANGULATION STATION JEK 19 ET 1966 WHICH IS LOCATED NEAR THE SOUTH 1/4 CORNER OF SECTION 8, T11S, R23E, S.L.B.&M. THE ELEVATION OF THIS TRIANGULATION STATION IS SHOWN ON THE ARCHY BENCH SE 7.5 MIN. QUADRANGLE AS BEING 6054'.



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.

KOLBY R. KAY  
 No. 362251  
 REGISTERED LAND SURVEYOR  
 STATE OF UTAH

▲ = SECTION CORNERS LOCATED

**ROCK HOUSE 10-23-23-32**  
**(Bottom Hole) NAD 83 Autonomous**  
 LATITUDE = 39° 54' 12.97"  
 LONGITUDE = 109° 21' 11.18"

**ROCK HOUSE 10-23-23-32**  
**(Surface Position) NAD 83 Autonomous**  
 LATITUDE = 39° 54' 09.42"  
 LONGITUDE = 109° 21' 24.13"

<b>TIMBERLINE LAND SURVEYING, INC.</b>		<b>SHEET</b> <b>2a</b> <b>OF 9</b>
38 WEST 100 NORTH. - VERNAL, UTAH 84078 (435) 789-1365		
DATE SURVEYED: 12-12-05	SURVEYED BY: K.R.K.	
DATE DRAWN: 12-23-05	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

**ENDURING RESOURCES, LLC**  
425 Seventeenth Street, Suite 1500  
Denver, Colorado 80202  
Telephone: 303-573-1222  
Facsimile: 303-573-0461

May 25, 2006

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

RE: **Rock House 10-23-23-32 Well** (3-well Location)  
**Lease Serial No.: ML- 47063**  
**Surface Location: NWSW Sec. 32-10S-23E**  
**1622' FSL – 966' FWL**  
**Bottom Hole Location: NESW Section 32-10S-23E**  
**1980' FSL – 1980' FWL**  
**Uintah County, Utah**

Dear Ms. Whitney:

When it appears feasible, Enduring Resources, LLC, and its 50% non-operating partner, The Houston Exploration Company (collectively hereinafter 100% "Leasehold Owners") are attempting to use multi-well pads to reduce surface impact. Therefore, the Leasehold Owners respectfully requests a spacing exception for the above-referenced well. Two additional wells will be drilled from this well pad. Surface locations will be 25', more or less apart. BHL's for each well will be in its own "assigned" 40-acre, 200' drilling window. No BHL's will be within 960' of each other. The two new wells on this pad are being drilled directionally. One well has already been drilled.

The Leasehold Owners are the only lease owners within a 460' radius of any

- point of any of the well bores,
- surface locations, and
- BHL's, to be drilled (one well already drilled) from this pad.

Therefore, the Leasehold Owners hereby grants themselves permission for the exception well locations and permission to directionally drill the above-referenced well.

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 ([aarlian@enduringresources.com](mailto:aarlian@enduringresources.com)).

Very truly yours

**ENDURING RESOURCES, LLC**



Alvin R. (Al) Arlian  
Landman – Regulatory Specialist

Very truly yours

**HOUSTON EXPLORATION COMPANY**



Alvin R. (Al) Arlian  
Agent

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**MAY 30 2006**

DIV. OF OIL, GAS & MINING

# Enduring Resources, LLC

**Rock House 10-23-23-32**  
NE-SW 32-10S-23E (Bottom Hole Location)  
NW-SW 32-10S-23E (Surface Location)  
Uintah County, Utah

State Lease: ML-47063

## ONSHORE ORDER 1 - DRILLING PLAN

### 1. Estimated Tops of Geological Markers:

Formation	Depth (K.B.)
Uinta	Surface
Green River	519'
Wasatch	3269'
Mesaverde	5145'

### 2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

Substance	Formation	Depth (K.B.) TVD
	KB-Uinta Elevation: 5295' est.	
Oil / Gas	Green River	519'
Oil / Gas	Wasatch	3269'
Oil / Gas	Mesaverde	5145'
	TD	7690'

An 11" 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 – 2016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 7690' (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)
7690' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.59 (d)	7780/2.12 (e)	223/2.91 (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 <sup>3</sup> /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 <sub>2</sub> + 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 ft<sup>3</sup>/sx) cement will be premium cement w/ 3% CaCl<sub>2</sub> + 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 <sup>3</sup> /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl <sub>2</sub> + 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 <sup>3</sup> /sx)
4-1/2"	Lead	1153	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	102	25	11.0	3.3
4-1/2"	Tail	4821	50/50 POZ Class G + 2% gel + 1% CaCl <sub>2</sub> + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	880	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'-7690' (KB)	8.8-9.8	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 H<sub>2</sub>S 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 3,999 psi (calculated at 0.52 psi/foot of hole) and maximum anticipated surface pressure equals approximately 2307 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. **Variations:**

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.

A measurement while drilling (MWD) system will be used to track and control the directional path of the wellbore.

# Enduring Resources, LLC

**Rock House 10-23-23-32**  
NE-SW 32-10S-23E (Bottom Hole Location)  
NW-SW 32-10S-23E (Surface Location)  
Uintah County, Utah  
State Lease: ML-47063

## MULTI-POINT SURFACE USE & OPERATIONS PLAN

### 1. Existing Roads:

**Directions to the Rock House 10-23-23-32 Rock House 10-23-24-32 and Rock House 12-32 (existing well) Wells' Pad (three-well pad).**

FROM THE INTERSECTION OF U.S. HIGHWAY 40 AND 500 EAST STREET IN VERNAL, UTAH PROCEED IN AN EASTERLY THEN SOUTHERLY DIRECTION ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.3 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 45 APPROXIMATELY 40.5 MILES TO THE JUNCTION OF THE DRAGON ROAD (COUNTY B ROAD 4180). THIS ROAD IS LOCATED APPROXIMATELY 4.8 MILES SOUTH OF BONANZA, UTAH. EXIT LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG COUNTY B ROAD 4180 APPROXIMATELY 4.0 MILES TO THE JUNCTION OF THE KINGS WELLS ROAD (COUNTY B ROAD 4190). EXIT RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION ALONG COUNTY B ROAD 4190 APPROXIMATELY 8.7 MILES TO THE JUNCTION OF THE ATCHEE RIDGE ROAD (COUNTY B ROAD 4270). CONTINUE ALONG COUNTY B ROAD 4190 IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 4.3 MILES TO THE JUNCTION OF THE LONG DRAW ROAD (COUNTY B ROAD 4260). CONTINUE ALONG COUNTY B ROAD 4190 IN A SOUTHERLY, THEN WESTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE JUNCTION OF COUNTY B ROAD 4160. EXIT RIGHT AND PROCEED IN A NORTHERLY DIRECTION ALONG COUNTY B ROAD 4160 APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THE BITTER CREEK ROAD (COUNTY B ROAD 4120). EXIT LEFT AND PROCEED IN A WESTERLY DIRECTION ALONG COUNTY B ROAD 4120 APPROXIMATELY 1.9 MILES TO THE JUNCTION OF COUNTY B ROAD 4230. EXIT RIGHT AND PROCEED IN A NORTHERLY DIRECTION ALONG COUNTY B ROAD 4230 APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THE ATCHEES WASH ROAD (COUNTY B ROAD 4240). EXIT RIGHT AND PROCEED IN A NORTHERLY DIRECTION ALONG COUNTY B ROAD 4240 APPROXIMATELY 2.7 MILES TO A CLASS D COUNTY ROAD. EXIT LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE SADDLETREE DRAW ROAD (COUNTY B ROAD 4230); EXIT RIGHT AND PROCEED IN A NORTHELY DIRECTION ALONG COUNTY B ROAD 4230 APPROXIMATELY 4.4 MILES TO THE EXISTING ACCESS ROAD. EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG THE ACCESS ROAD APPROXIMATELY 0.1 MILES TO THE WELL LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 76.7 MILES IN A SOUTHEASTERLY DIRECTION.

## 2. Planned Access Roads:

The proposed access road is the same road as to the Rock House 12-32, an existing and producing well. Please refer to Topo Map "B" for this road...

This 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:                             |
| b. | None: | Injection Wells:                         |
| c. | Seven | Producing Wells:                         |
|    |       | i. Rock House 11-31 NESW Sec 31-10S-23E  |
|    |       | ii. Rock House 12D-32 SWNW Sec 32-10S23E |

- iii. Rock House 10-23-12-32 SWNW Sec 32-10S-23E
- iv. Rock House 6D-32 SENW Sec 32-10S-23E
- v. Rock House 10-23-32-32 Sec 32-10S-23E
- vi. Rock House 10-23-21-32 NENW Sec 32-10S-23E
- VII. Rock House 10D-32 NWSE Sec 32-10S-23E

- 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. Various: Pending (staked) Wells:
- Enduring has approximately 20 wells permitting in Sections 31 and 32 (many directional multi-well pad locations).

**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 complying 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	n/a pipeline already to pad
	OFF-LEASE	n/a pipeline already to pad

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed. The surface gas gathering line is already laid: New Construction for pipeline

- a. ON-LEASE approximately -0- feet, and
- b. OFF-LEASE approximately -0- feet.

The existing Rock House 12-32 Well pipeline begins at the well site. 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:**

Whenever practical, water will be obtained from Enduring Resources LLC Water Right Number 49-2215 or Water Right Number 49-2216 (\*See Townships of permitted Use below). If those sources are not available, a new water source shall be submitted prior to commencing operations. (These permits have one-year terms and then must be renewed)

\*Enduring Water Permits' Townships of Use:

T10S-R22E	T11S-R22E	T12S-R22E
<b><u>T10S-R23E</u></b>	T11S-R23E	T12S-R23E
T10S-R24E	T11S-R24E	T12S-R24E

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 fro 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 well be constructed on the location and will not be located within natural drainage, where a flood hazard exits or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake 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 **of the last well to be drilled from this pad**, 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 (**and drilling the other directional wells**) 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:**

Well pad will not be enlarged for its current size.

**Surface Ownership: Location, Access and Pipeline Route:**

Wellsite: SITLA

Access: SITLA

Pipeline: SITLA

**11. Other Information**

**On-site Inspection for Location, Access and Pipeline Route:**

The on-site was conducted February 9, 2006.

1. To be scheduled by DOG&M.

**Special Conditions of Approval:**

**None for this well(s) existing pad.**

**Archeology:**

- a. Metcalf Archaeological Consultants previously prepared for the Rock House 10D-32 Utah Project #U-04-MM-1069b.

**Paleontology:**

- A It appears that a Paleo Report was not prepared before this Rock House 12D well pad was build.

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:**

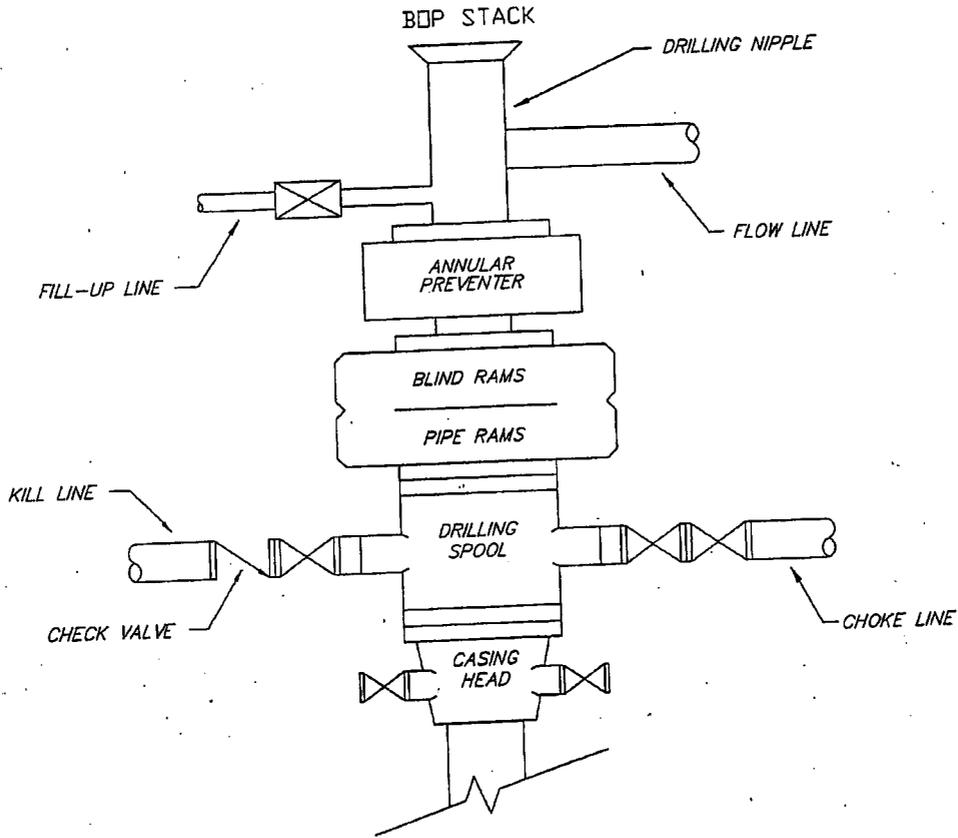
**Representatives:**

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

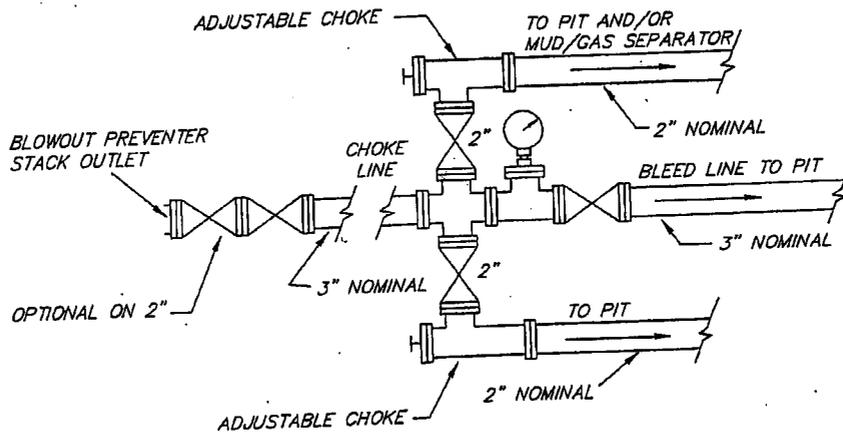
Teme Singleton  
Vice President – Operations  
Enduring Resources, LLC  
475 17<sup>th</sup> Street, Suite 1500  
Denver, Colorado 80202  
Office Tel: 303-350-5711  
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[tsingleton@enduringresources.com](mailto:tsingleton@enduringresources.com)

**ENDURING RESOURCES, LLC**

*TYPICAL 3,000 p.s.i.  
BLOWOUT PREVENTER SCHEMATIC*



*TYPICAL 3,000 p.s.i.  
CHOKE MANIFOLD SCHEMATIC*



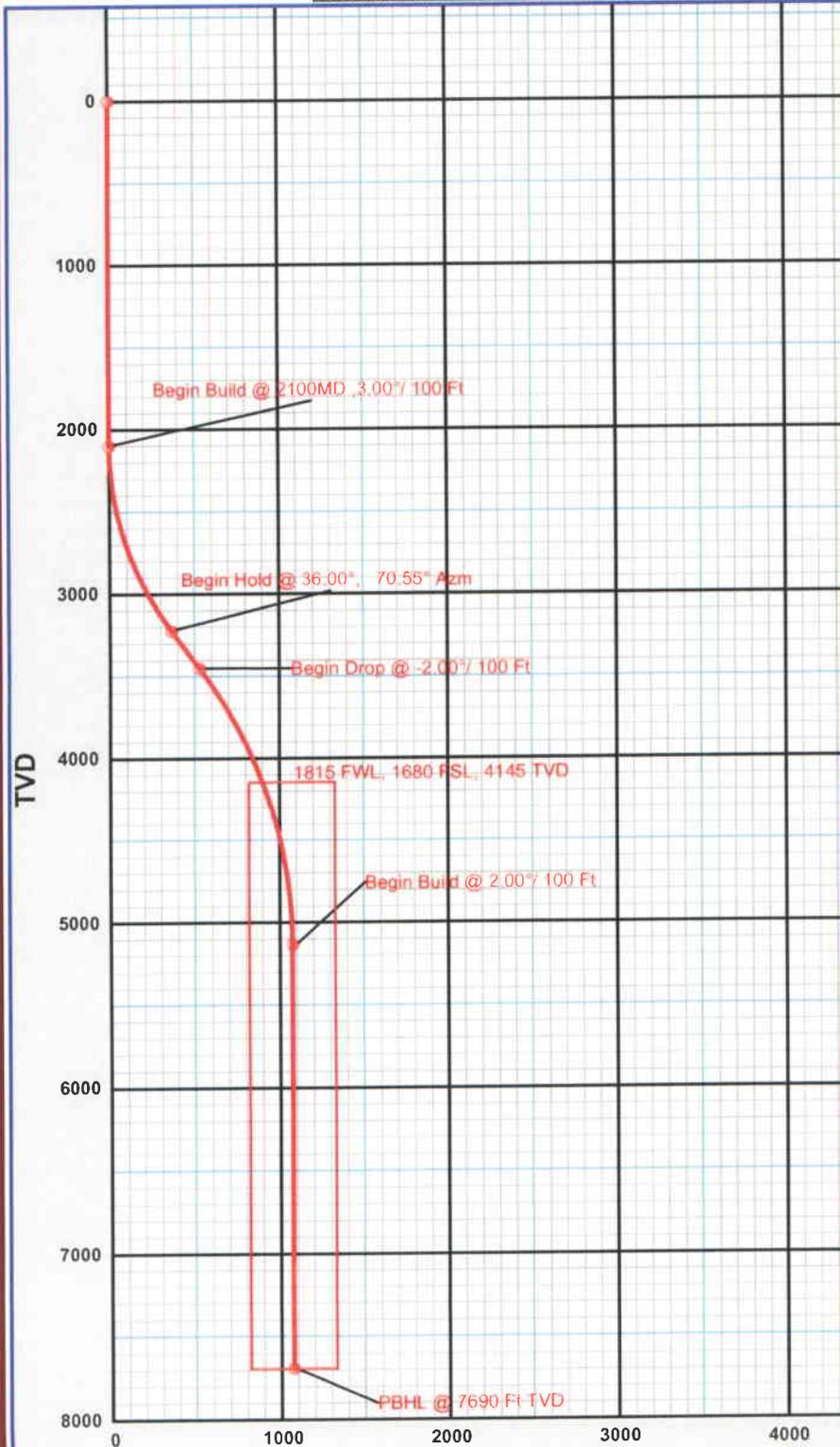


## JOB INFORMATION

Company Name: Enduring Resources  
 Location: Uintah County, Utah  
 Well name: Rock House 10-23-23-32  
 Report Date: Friday, April 21, 2006  
 State/Province : Utah  
 Job Number: 0421

### Critical Points for Rock House 10-23-23-32 B-Proposal

MD Ft	INC Deg	Azm Deg	TVD Ft	NS Ft	EW Ft	VS Ft	DLS	Comments
0.00	0.00	0.00	0.00	0.00	0.00	0.00		Begin Hold @ 0.00°, 0.00° Azm
2100.00	0.00	0.00	2100.00	0.00	0.00	0.00		Begin Build @ 2100MD, 3.00°/ 100 Ft
3300.00	36.00	70.55	3222.59	121.46	343.94	121.46	3.00	Begin Hold @ 36.00°, 70.55° Azm
3579.00	36.00	70.55	3448.30	176.06	498.57	176.06	0.00	Begin Drop @ -2.00°/ 100 Ft
5379.00	0.00	0.00	5132.18	358.25	1014.47	358.25	2.00	Begin Build @ 2.00°/ 100 Ft
5379.00	0.00	0.00	5132.18	358.25	1014.47	358.25	1.98	Begin Hold @ 0.00°, 0.00° Azm
7936.82	0.00	0.00	7690.00	358.25	1014.47	358.25	0.00	PBHL @ 7690 Ft TVD

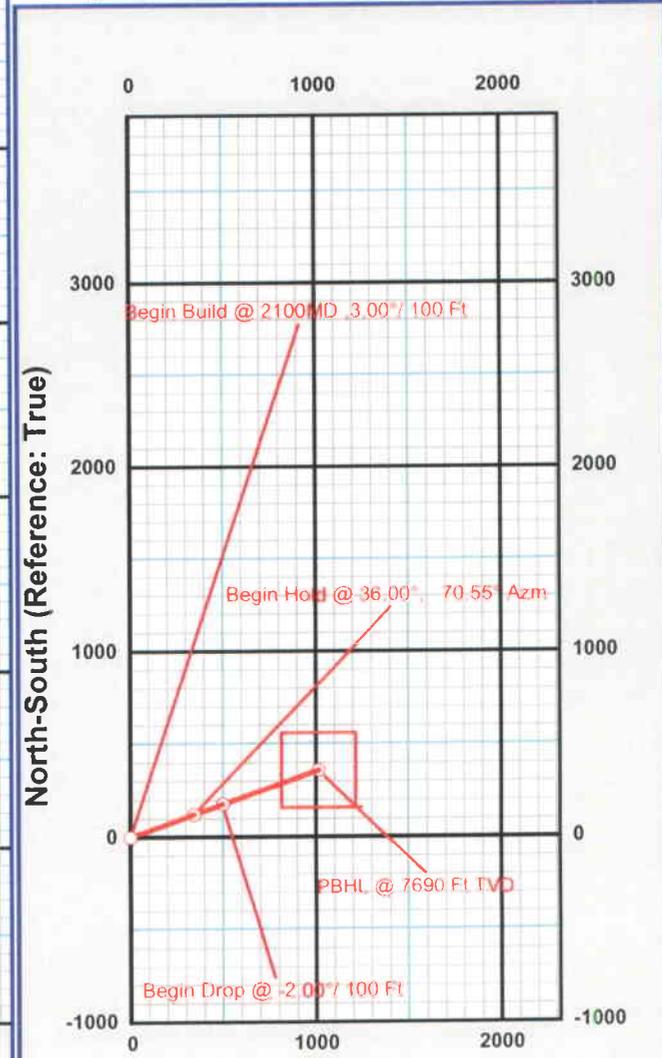


Vertical Section @ 70.55° (1000Ft / Division)

TARGETS									
Name	Shape	Description	TVD Ft	NS Ft	EW Ft	Dip Deg	Dip Dir°	Closure Ft	Closure Dir
PBHL	CUBE	400 X 4003545Ft	7690	358.00	1014.00	0	0	1075.34	70.55

### GEODETICS

Grid System UT83-C  
 Datum: NAD83  
 Group: US-SPC83  
 Units: FEET  
 Surface Location: 966 FWL, 1622 FSL  
 Latitude: 39° 54' 9.4198" N  
 Longitude: -109° 21' 24.1300" W  
 Convergence: 1.37°E  
 Scale Factor: 0.9999



East-West (1000Ft / Division)



Job Number: 0421  
 Company: Enduring Resources  
 Lease/Well: Rock House 10-23-23-32  
 Location: Uintah County, Utah  
 Rig Name:  
 RKB: 0.00 Ft  
 Vertical Datum:

State/Country:  
 Declination:  
 Grid:  
 Project name: Rock House 10-23-23-32 B-Project  
 Date/Time: 21-Apr-06 / 15:04  
 Well Name: Rock House 10-23-23-32 B-Proposal  
 North Reference: True North  
 Convergence: 1.3730°

Predator Technologies  
Proposed Survey

**WinsURV3D SURVEY CALCULATIONS**  
 Minimum Curvature Method  
 Vertical Section Plane 70.55°  
 Vertical Section Referenced to Wellhead  
 Local Coordinates Referenced to Structure Reference :  
 EW=2241627.93 Ft, NS=7140469.90 Ft  
 Direction referenced to True North

Measured Depth Ft	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	LOCALS		Vertical Section Ft	CLOSURE		Dogleg Severity Deg/100
				N-S Ft	E-W Ft		Distance Ft	Direction Deg	
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Begin Build @ 2100MD ,3.00°/ 100 Ft</b>									
2100.00	0.00	0.00	2100.00	0.00	0.00	0.00	0.00	0.00	0.00
2130.00	0.90	70.54	2130.00	0.08	0.22	0.24	0.24	70.54	3.00
2160.00	1.80	70.55	2159.99	0.31	0.89	0.94	0.94	70.55	3.00
2190.00	2.70	70.55	2189.97	0.71	2.00	2.12	2.12	70.55	3.00
2220.00	3.60	70.55	2219.92	1.26	3.55	3.77	3.77	70.55	3.00
2250.00	4.50	70.55	2249.85	1.96	5.55	5.89	5.89	70.55	3.00
2280.00	5.40	70.55	2279.73	2.82	7.99	8.48	8.48	70.55	3.00
2310.00	6.30	70.55	2309.58	3.84	10.88	11.53	11.53	70.55	3.00
2340.00	7.20	70.55	2339.37	5.02	14.20	15.06	15.06	70.55	3.00
2370.00	8.10	70.55	2369.10	6.34	17.97	19.05	19.05	70.55	3.00
2400.00	9.00	70.55	2398.77	7.83	22.17	23.51	23.51	70.55	3.00
2430.00	9.90	70.55	2428.36	9.47	26.82	28.44	28.44	70.55	3.00
2460.00	10.80	70.55	2457.87	11.27	31.90	33.83	33.83	70.55	3.00
2490.00	11.70	70.55	2487.30	13.21	37.42	39.68	39.68	70.55	3.00
2520.00	12.60	70.55	2516.62	15.32	43.37	46.00	46.00	70.55	3.00
2550.00	13.50	70.55	2545.85	17.57	49.76	52.77	52.77	70.55	3.00
2580.00	14.40	70.55	2574.96	19.98	56.58	60.00	60.00	70.55	3.00
2610.00	15.30	70.55	2603.96	22.54	63.83	67.69	67.69	70.55	3.00
2640.00	16.20	70.55	2632.83	25.25	71.51	75.83	75.83	70.55	3.00
2670.00	17.10	70.55	2661.58	28.11	79.61	84.43	84.43	70.55	3.00
2700.00	18.00	70.55	2690.18	31.13	88.14	93.48	93.48	70.55	3.00
2730.00	18.90	70.55	2718.64	34.29	97.09	102.97	102.97	70.55	3.00
2760.00	19.80	70.55	2746.94	37.60	106.47	112.91	112.91	70.55	3.00
2790.00	20.70	70.55	2775.09	41.06	116.26	123.29	123.29	70.55	3.00
2820.00	21.60	70.55	2803.07	44.66	126.46	134.12	134.12	70.55	3.00
2850.00	22.50	70.55	2830.87	48.41	137.08	145.38	145.38	70.55	3.00
2880.00	23.40	70.55	2858.50	52.31	148.11	157.08	157.08	70.55	3.00

Measured Depth Ft	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	LOCALS		Vertical Section Ft	CLOSURE		Dogleg Severity Deg/100
				N-S Ft	E-W Ft		Distance Ft	Direction Deg	
2910.00	24.30	70.55	2885.93	56.34	159.55	169.21	169.21	70.55	3.00
2940.00	25.20	70.55	2913.18	60.53	171.39	181.77	181.77	70.55	3.00
2970.00	26.10	70.55	2940.22	64.85	183.64	194.75	194.75	70.55	3.00
3000.00	27.00	70.55	2967.06	69.32	196.28	208.16	208.16	70.55	3.00
3030.00	27.90	70.55	2993.68	73.92	209.32	221.99	221.99	70.55	3.00
3060.00	28.80	70.55	3020.08	78.66	222.76	236.24	236.24	70.55	3.00
3090.00	29.70	70.55	3046.26	83.55	236.58	250.90	250.90	70.55	3.00
3120.00	30.60	70.55	3072.20	88.56	250.79	265.96	265.96	70.55	3.00
3150.00	31.50	70.55	3097.90	93.72	265.38	281.44	281.44	70.55	3.00
3180.00	32.40	70.55	3123.35	99.00	280.35	297.31	297.31	70.55	3.00
3210.00	33.30	70.55	3148.56	104.42	295.69	313.59	313.59	70.55	3.00
3240.00	34.20	70.55	3173.50	109.97	311.41	330.25	330.25	70.55	3.00
3270.00	35.10	70.55	3198.18	115.65	327.49	347.31	347.31	70.55	3.00
<b>Begin Hold @ 36.00°, 70.55° Azm</b>									
3300.00	36.00	70.55	3222.59	121.46	343.94	364.75	364.75	70.55	3.00
3400.00	36.00	70.55	3303.49	141.03	399.36	423.53	423.53	70.55	0.00
3500.00	36.00	70.55	3384.39	160.60	454.78	482.31	482.31	70.55	0.00
<b>Begin Drop @ -2.00°/ 100 Ft</b>									
3579.00	36.00	70.55	3448.30	176.06	498.57	528.74	528.74	70.55	0.00
3609.00	35.40	70.55	3472.66	181.89	515.08	546.25	546.25	70.55	2.00
3639.00	34.80	70.55	3497.21	187.64	531.34	563.50	563.50	70.55	2.00
3669.00	34.20	70.55	3521.93	193.30	547.36	580.49	580.49	70.55	2.00
3699.00	33.60	70.55	3546.83	198.87	563.14	597.22	597.22	70.55	2.00
3729.00	33.00	70.55	3571.91	204.35	578.67	613.69	613.69	70.55	2.00
3759.00	32.40	70.55	3597.15	209.75	593.95	629.90	629.90	70.55	2.00
3789.00	31.80	70.55	3622.57	215.06	608.99	645.84	645.84	70.55	2.00
3819.00	31.20	70.55	3648.14	220.28	623.77	661.52	661.52	70.55	2.00
3849.00	30.60	70.55	3673.89	225.41	638.29	676.92	676.92	70.55	2.00
3879.00	30.00	70.55	3699.79	230.45	652.57	692.06	692.06	70.55	2.00
3909.00	29.40	70.55	3725.85	235.40	666.58	706.92	706.92	70.55	2.00
3939.00	28.80	70.55	3752.06	240.25	680.34	721.51	721.51	70.55	2.00
3969.00	28.20	70.55	3778.42	245.02	693.84	735.83	735.83	70.55	2.00
3999.00	27.60	70.55	3804.94	249.69	707.07	749.87	749.87	70.55	2.00
4029.00	27.00	70.55	3831.60	254.28	720.05	763.63	763.63	70.55	2.00
4059.00	26.40	70.55	3858.40	258.76	732.76	777.11	777.11	70.55	2.00
4089.00	25.80	70.55	3885.34	263.16	745.20	790.30	790.30	70.55	2.00
4119.00	25.20	70.55	3912.41	267.46	757.38	803.22	803.22	70.55	2.00
4149.00	24.60	70.55	3939.63	271.67	769.29	815.85	815.85	70.55	2.00
4179.00	24.00	70.55	3966.97	275.78	780.93	828.19	828.19	70.55	2.00
4209.00	23.40	70.55	3994.44	279.79	792.30	840.25	840.25	70.55	2.00
4239.00	22.80	70.55	4022.03	283.71	803.40	852.02	852.02	70.55	2.00
4269.00	22.20	70.55	4049.75	287.53	814.23	863.50	863.50	70.55	2.00
4299.00	21.60	70.55	4077.58	291.26	824.78	874.69	874.69	70.55	2.00
4329.00	21.00	70.55	4105.53	294.89	835.05	885.59	885.59	70.55	2.00
4359.00	20.40	70.55	4133.60	298.42	845.05	896.20	896.20	70.55	2.00
4389.00	19.80	70.55	4161.77	301.85	854.77	906.50	906.50	70.55	2.00
4419.00	19.20	70.55	4190.05	305.19	864.22	916.52	916.52	70.55	2.00
4449.00	18.60	70.55	4218.43	308.42	873.38	926.24	926.24	70.55	2.00
4479.00	18.00	70.55	4246.91	311.56	882.26	935.66	935.66	70.55	2.00
4509.00	17.40	70.55	4275.49	314.60	890.86	944.78	944.78	70.55	2.00
4539.00	16.80	70.55	4304.17	317.53	899.18	953.60	953.60	70.55	2.00
4569.00	16.20	70.55	4332.93	320.37	907.21	962.12	962.12	70.55	2.00
4599.00	15.60	70.55	4361.78	323.11	914.96	970.34	970.34	70.55	2.00
4629.00	15.00	70.55	4390.72	325.74	922.43	978.25	978.25	70.55	2.00

Measured Depth Ft	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	LOCALS		Vertical Section Ft	CLOSURE		Dogleg Severity Deg/100
				N-S Ft	E-W Ft		Distance Ft	Direction Deg	
4659.00	14.40	70.55	4419.74	328.28	929.60	985.87	985.87	70.55	2.00
4689.00	13.80	70.55	4448.83	330.71	936.50	993.17	993.17	70.55	2.00
4719.00	13.20	70.55	4478.01	333.04	943.10	1000.18	1000.18	70.55	2.00
4749.00	12.60	70.55	4507.25	335.27	949.42	1006.88	1006.88	70.55	2.00
4779.00	12.00	70.55	4536.56	337.40	955.44	1013.27	1013.27	70.55	2.00
4809.00	11.40	70.55	4565.94	339.43	961.18	1019.35	1019.35	70.55	2.00
4839.00	10.80	70.55	4595.37	341.35	966.62	1025.13	1025.13	70.55	2.00
4869.00	10.20	70.55	4624.87	343.17	971.78	1030.59	1030.59	70.55	2.00
4899.00	9.60	70.55	4654.43	344.89	976.64	1035.75	1035.75	70.55	2.00
4929.00	9.00	70.55	4684.03	346.50	981.21	1040.60	1040.60	70.55	2.00
4959.00	8.40	70.55	4713.69	348.01	985.49	1045.14	1045.14	70.55	2.00
4989.00	7.80	70.55	4743.39	349.42	989.48	1049.36	1049.36	70.55	2.00
5019.00	7.20	70.55	4773.13	350.73	993.17	1053.28	1053.28	70.55	2.00
5049.00	6.60	70.55	4802.91	351.93	996.57	1056.88	1056.88	70.55	2.00
5079.00	6.00	70.55	4832.73	353.02	999.67	1060.18	1060.18	70.55	2.00
5109.00	5.40	70.55	4862.58	354.01	1002.48	1063.15	1063.15	70.55	2.00
5139.00	4.80	70.55	4892.46	354.90	1005.00	1065.82	1065.82	70.55	2.00
5169.00	4.20	70.55	4922.37	355.69	1007.22	1068.18	1068.18	70.55	2.00
5199.00	3.60	70.55	4952.30	356.37	1009.14	1070.22	1070.22	70.55	2.00
5229.00	3.00	70.55	4982.25	356.94	1010.77	1071.94	1071.94	70.55	2.00
5259.00	2.40	70.55	5012.22	357.41	1012.10	1073.36	1073.36	70.55	2.00
5289.00	1.80	70.55	5042.20	357.78	1013.14	1074.46	1074.46	70.55	2.00
5319.00	1.20	70.55	5072.19	358.04	1013.88	1075.24	1075.24	70.55	2.00
5349.00	0.60	70.55	5102.18	358.20	1014.32	1075.71	1075.71	70.55	2.00
<b>Begin Build @ 2.00°/ 100 Ft</b>									
5379.00	0.00	0.00	5132.18	358.25	1014.47	1075.87	1075.87	70.55	2.00
<b>Begin Hold @ 0.00°, 0.00° Azm</b>									
5379.00	0.00	0.00	5132.18	358.25	1014.47	1075.87	1075.87	70.55	1.98
5479.00	0.00	0.00	5232.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
5579.00	0.00	0.00	5332.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
5679.00	0.00	0.00	5432.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
5779.00	0.00	0.00	5532.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
5879.00	0.00	0.00	5632.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
5979.00	0.00	0.00	5732.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6079.00	0.00	0.00	5832.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6179.00	0.00	0.00	5932.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6279.00	0.00	0.00	6032.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6379.00	0.00	0.00	6132.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6479.00	0.00	0.00	6232.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6579.00	0.00	0.00	6332.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6679.00	0.00	0.00	6432.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6779.00	0.00	0.00	6532.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6879.00	0.00	0.00	6632.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
6979.00	0.00	0.00	6732.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7079.00	0.00	0.00	6832.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7179.00	0.00	0.00	6932.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7279.00	0.00	0.00	7032.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7379.00	0.00	0.00	7132.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7479.00	0.00	0.00	7232.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7579.00	0.00	0.00	7332.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7679.00	0.00	0.00	7432.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7779.00	0.00	0.00	7532.18	358.25	1014.47	1075.87	1075.87	70.55	0.00
7879.00	0.00	0.00	7632.18	358.25	1014.47	1075.87	1075.87	70.55	0.00

Measured Depth Ft	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	LOCALS		Vertical Section Ft	CLOSURE		Dogleg Severity Deg/100
				N-S Ft	E-W Ft		Distance Ft	Direction Deg	
<b>PBHL @ 7690 Ft TVD</b>									
7936.82	0.00	0.00	7690.00	358.25	1014.47	1075.87	1075.87	70.55	0.00

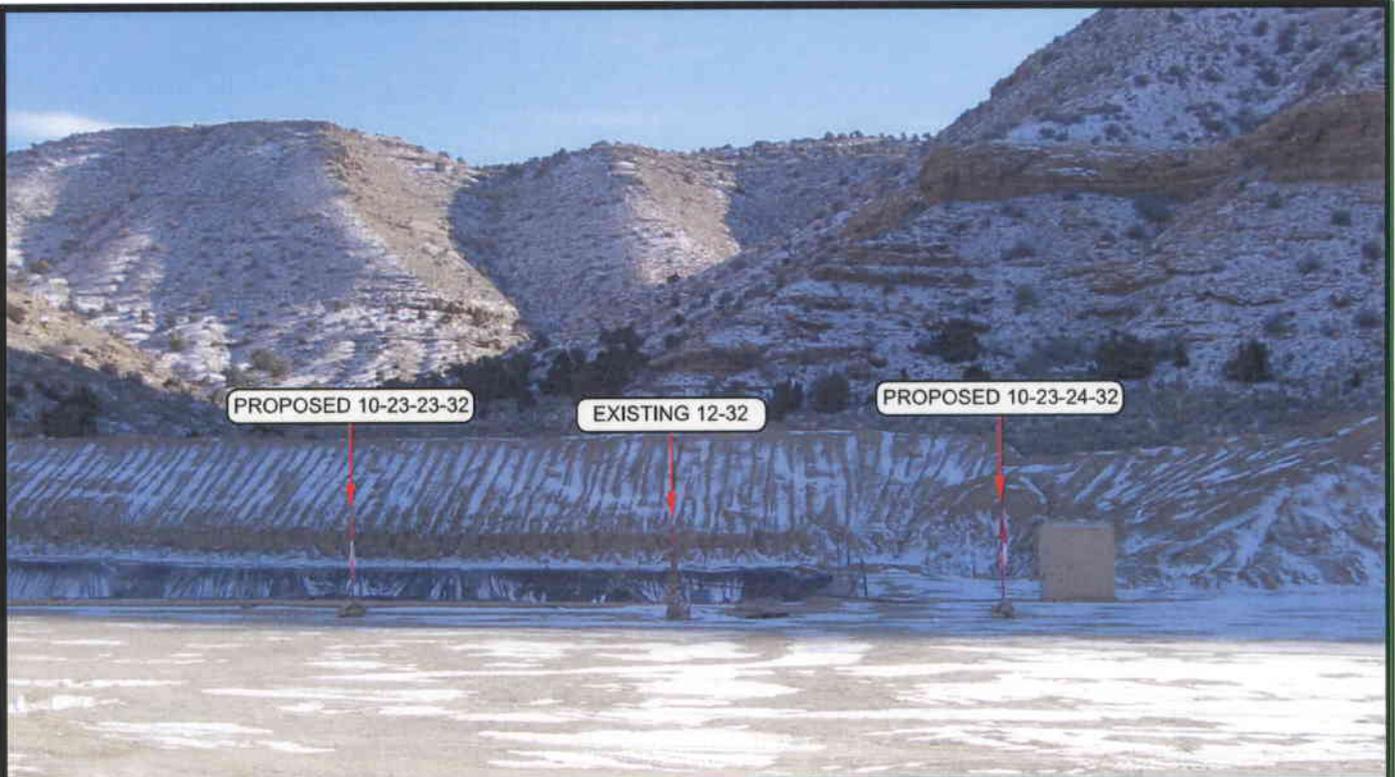


PHOTO VIEW: TO LOCATION

CAMERA ANGLE: SOUTHEASTERLY



PHOTO VIEW: EXISTING ROAD

CAMERA ANGLE: EASTERLY

**ENDURING RESOURCES**

**ROCK HOUSE 12-32-10-23, ROCK HOUSE 10-23-23-32  
& ROCK HOUSE 10-23-24-32  
SECTION 32, T10S, R23E, S.L.B.&M.  
1610' FSL & 944' FWL**

**LOCATION PHOTOS**

TAKEN BY: K.R.K.

DRAWN BY: M.W.W.

DATE TAKEN: 12-12-05

DATE DRAWN: 12-23-05

REVISED:

**Timberline Land Surveying, Inc.**  
38 West 100 North Vernal, Utah 84078  
(435) 789-1365

**SHEET  
1  
OF 9**

# ENDURING RESOURCES

## WELL PAD INTERFERENCE PLAT ROCK HOUSE 12-32-10-23, ROCK HOUSE 10-23-23-32 & ROCK HOUSE 10-23-24-32



**SURFACE POSITION FOOTAGES:**

ROCK HOUSE 10-23-23-32  
1622' FSL & 966' FWL

ROCK HOUSE 12-32-10-23  
1610' FSL & 944' FWL

ROCK HOUSE 10-23-24-32  
1598' FSL & 922' FWL

**BOTTOM HOLE FOOTAGES**

ROCK HOUSE 10-23-23-32  
1980' FSL & 1980' FWL

ROCK HOUSE 12-32-10-23  
VERTICAL

ROCK HOUSE 10-23-24-32  
660' FSL & 1980' FWL

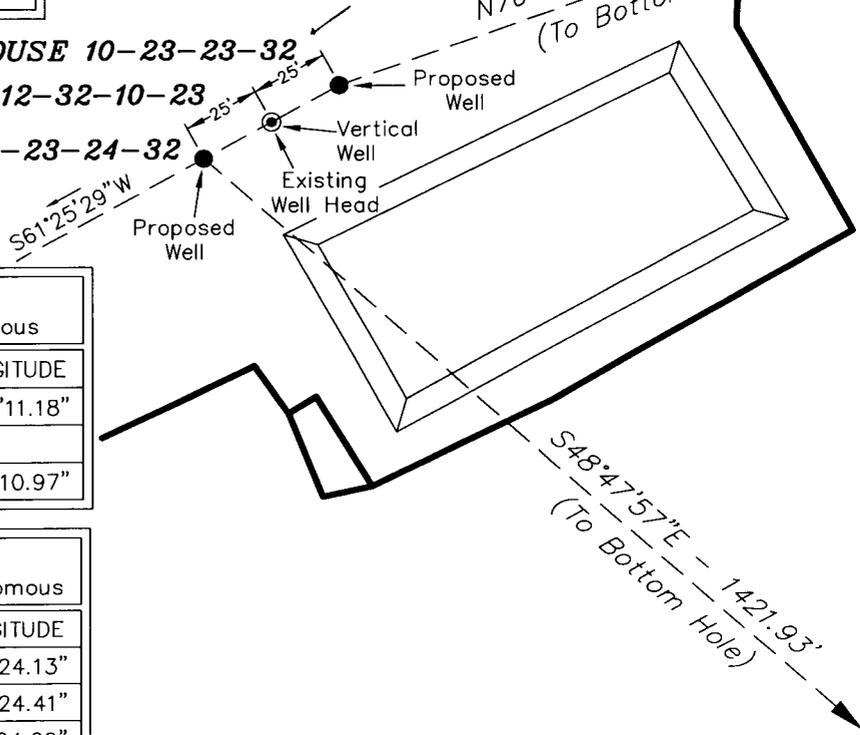
BASIS OF ELEVATION IS TRIANGULATION STATION JEK 19 ET 1966 WHICH IS LOCATED NEAR THE SOUTH 1/4 CORNER OF SECTION 8, T11S, R23E, S.L.B.&M. THE ELEVATION OF THIS TRIANGULATION STATION IS SHOWN ON THE ARCHY BENCH SE 7.5 MIN. QUADRANGLE AS BEING 6054'.

BASIS OF BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SECTION 32, T10S, R23E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR  $N00^{\circ}43'30''W$

EXISTING GRADED GROUND  
ELEVATION OF PAD IS 5279.0'

RELATIVE COORDINATES		
From Surface Position to Bottom Hole		
WELL	NORTH	EAST
23-32	359'	1,009'
12-32	VERTICAL	
24-32	-937'	1,070'

**ROCK HOUSE 10-23-23-32**  
**ROCK HOUSE 12-32-10-23**  
**ROCK HOUSE 10-23-24-32**

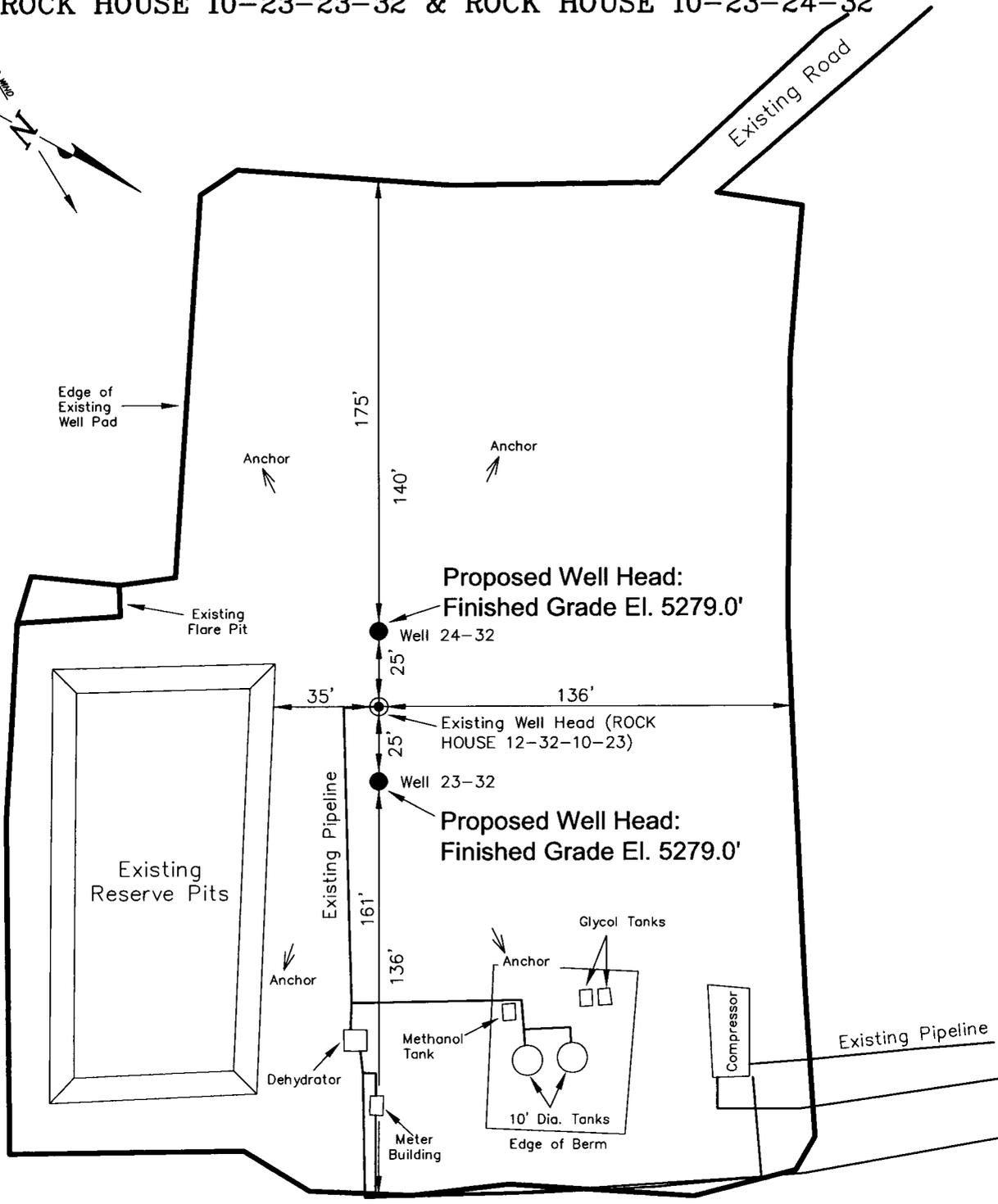
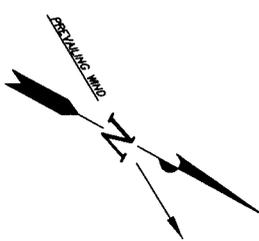


LATITUDE & LONGITUDE		
Bottom Hole - (NAD 83) Autonomous		
WELL	N. LATITUDE	W. LONGITUDE
23-32	39°54'12.97"	109°21'11.18"
12-32	VERTICAL	
24-32	39°53'59.93"	109°21'10.97"

LATITUDE & LONGITUDE		
Surface Position - (NAD 83) Autonomous		
WELL	N. LATITUDE	W. LONGITUDE
23-32	39°54'09.42"	109°21'24.13"
12-32	39°54'09.31"	109°21'24.41"
24-32	39°54'09.19"	109°21'24.69"

# ENDURING RESOURCES

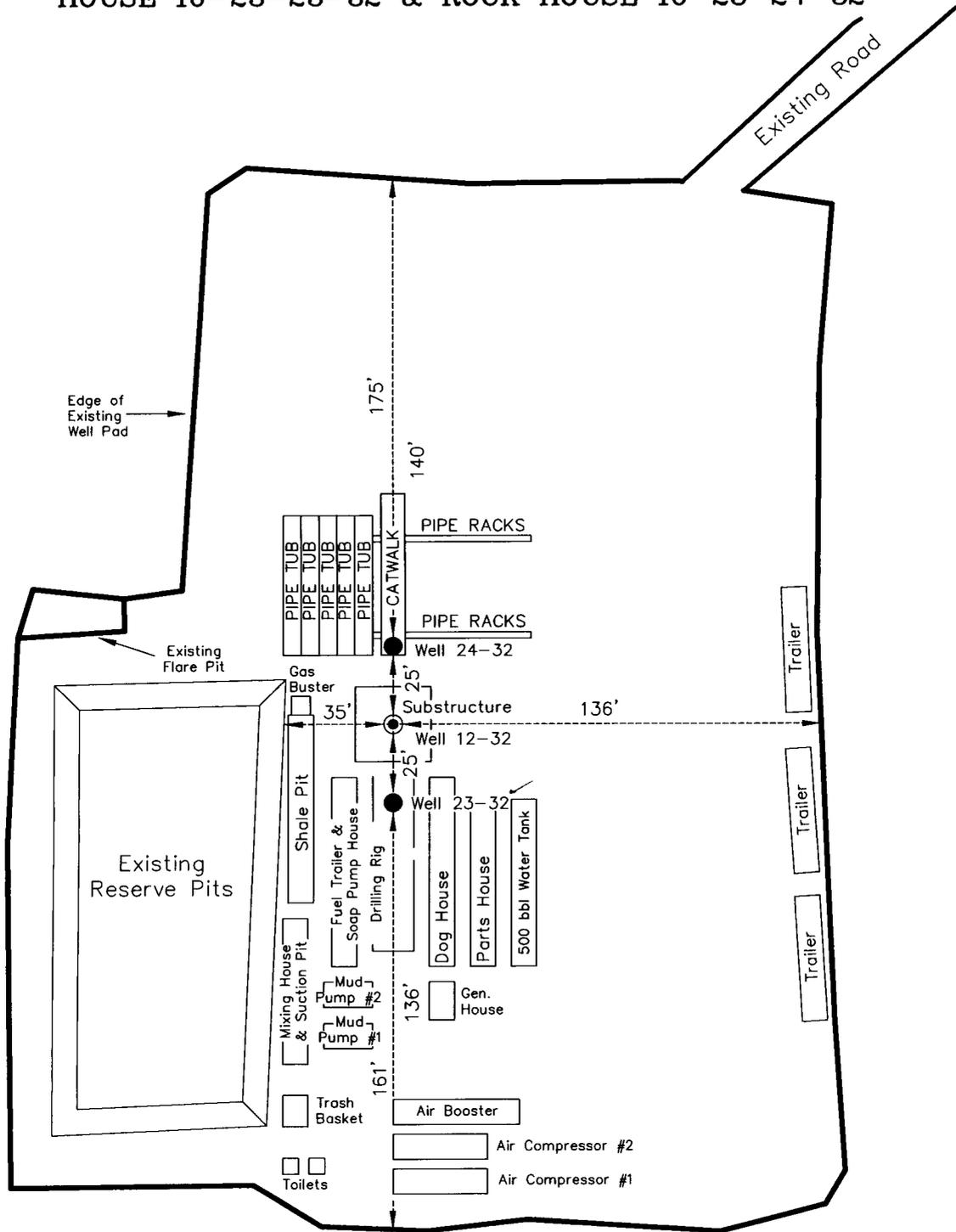
**CUT SHEET – ROCK HOUSE 12-32-10-23,  
ROCK HOUSE 10-23-23-32 & ROCK HOUSE 10-23-24-32**



Section 32, T10S, R23E, S.L.B.&M.		Qtr/Qtr Location: NW SW	Footage Location: 1610' FSL & 944' FWL
Date Surveyed: 12-12-05	Date Drawn: 12-23-05	Date Last Revision:	<b>Timberline</b> (435) 789-1365 <b>Land Surveying, Inc.</b> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: K.R.K.	Drawn By: M.W.W.	Scale: 1" = 50'	
			<b>SHEET</b> <span style="font-size: 2em;">4</span> <b>OF 9</b>

# ENDURING RESOURCES

TYPICAL RIG LAYOUT – ROCK HOUSE 12-32-10-23, ROCK HOUSE 10-23-23-32 & ROCK HOUSE 10-23-24-32

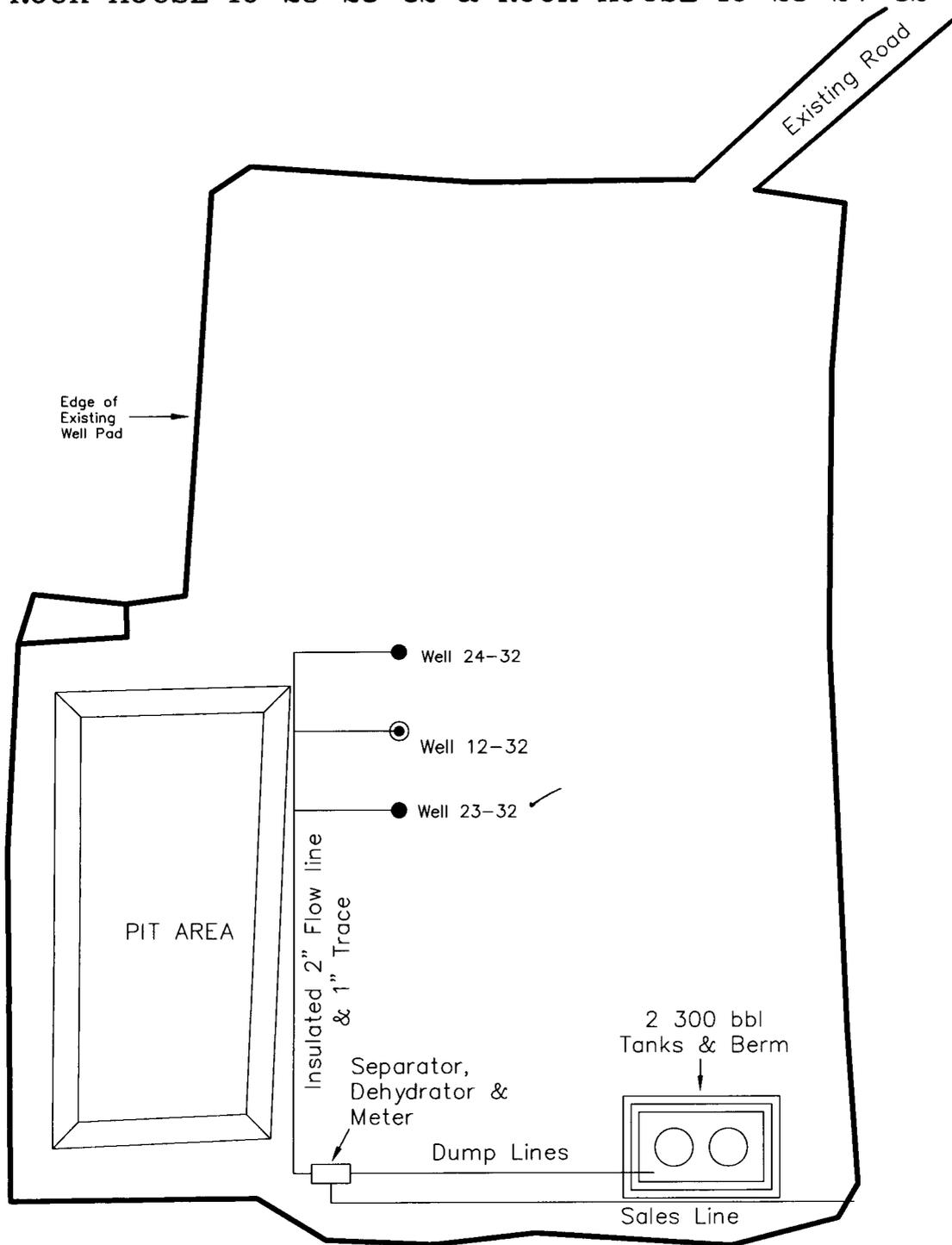


Section 32, T10S, R23E, S.L.B.&M.		Qtr/Qtr Location: NW SW	Footage Location: 1610' FSL & 944' FWL
Date Surveyed: 12-12-05	Date Drawn: 12-23-05	Date Last Revision:	<b>Timberline</b> (435) 789-1365 <b>Land Surveying, Inc.</b> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: K.R.K.	Drawn By: M.W.W.	Scale: 1" = 50'	

SHEET  
**5**  
OF 9

# ENDURING RESOURCES

TYPICAL PRODUCTION LAYOUT – ROCK HOUSE 12-32-10-23,  
ROCK HOUSE 10-23-23-32 & ROCK HOUSE 10-23-24-32



Section 32, T10S, R23E, S.L.B.&M.		Qtr/Qtr Location: NW SW	Footage Location: 1610' FSL & 944' FWL
Date Surveyed: 12-12-05	Date Drawn: 12-23-05	Date Last Revision:	<b>Timberline</b> (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: K.R.K.	Drawn By: M.W.W.	Scale: 1" = 50'	



**LEGEND**

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER

**TOPOGRAPHIC MAP "A"**

DATE SURVEYED: 12-12-05  
 DATE DRAWN: 12-23-05  
 REVISED: 05-18-06

SCALE: 1"=10,000' DRAWN BY: M.W.W.

**ENDURING RESOURCES**

**Rock House 10-23-23-32**

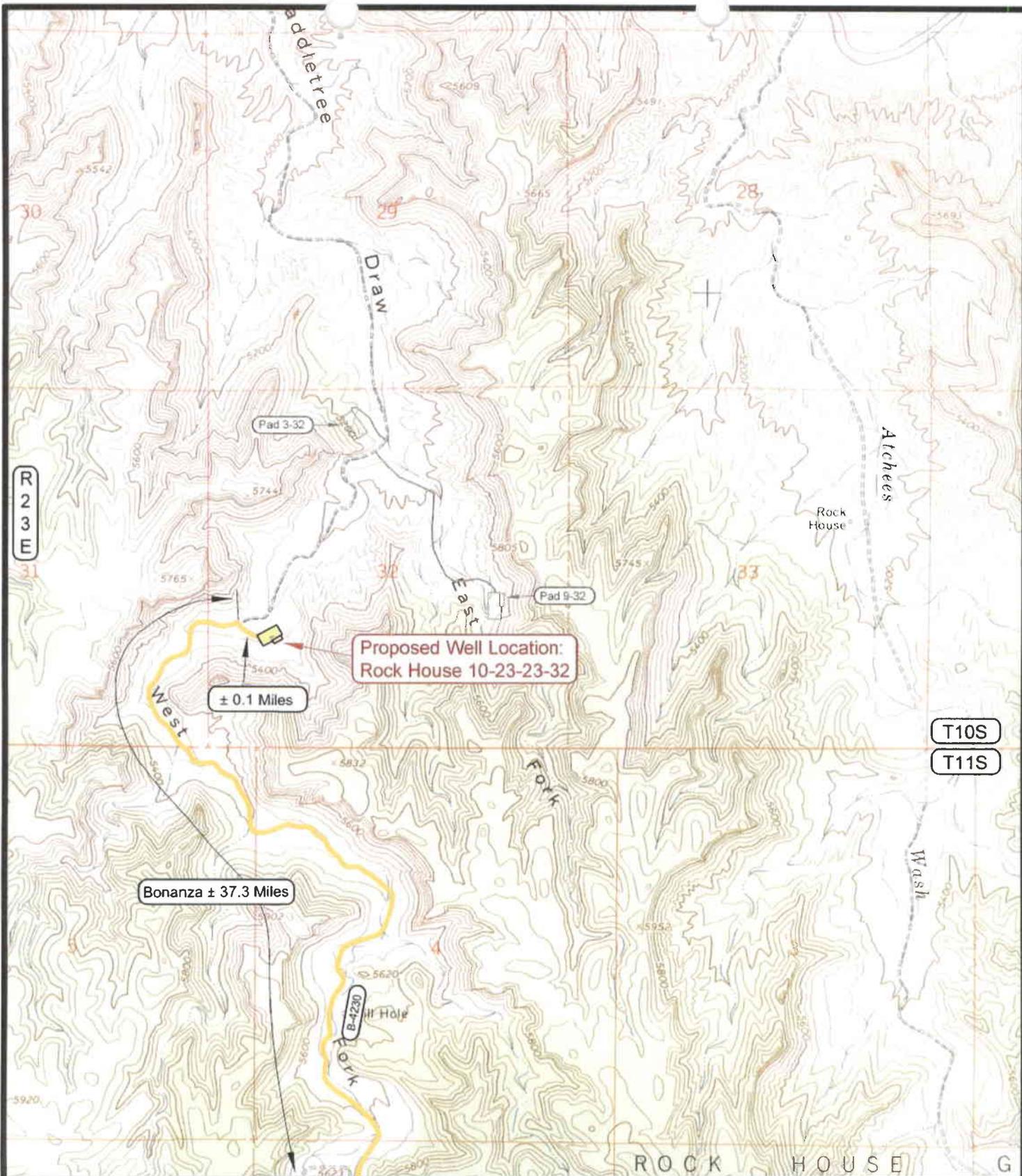
Other wells on this pad: Rock House 10-23-24-32  
 & Rock House 12-32-10-23

**SECTION 32, T10S, R23E, S.L.B.&M.**

**Timberline Land Surveying, Inc.**

38 West 100 North Vernal, Utah 84078  
 (435) 789-1365

**SHEET  
 7  
 OF 9**



**LEGEND**

- PROPOSED ACCESS ROAD
- ..... = SUBJECT WELL
- ..... = SHARED ACCESS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER
- = LEASE LINE AND / OR PROPERTY LINE

**TOPOGRAPHIC MAP "B"**

DATE SURVEYED: 12-12-05

DATE DRAWN: 12-23-05

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED: 05-18-06

**ENDURING RESOURCES**

**Rock House 10-23-23-32**

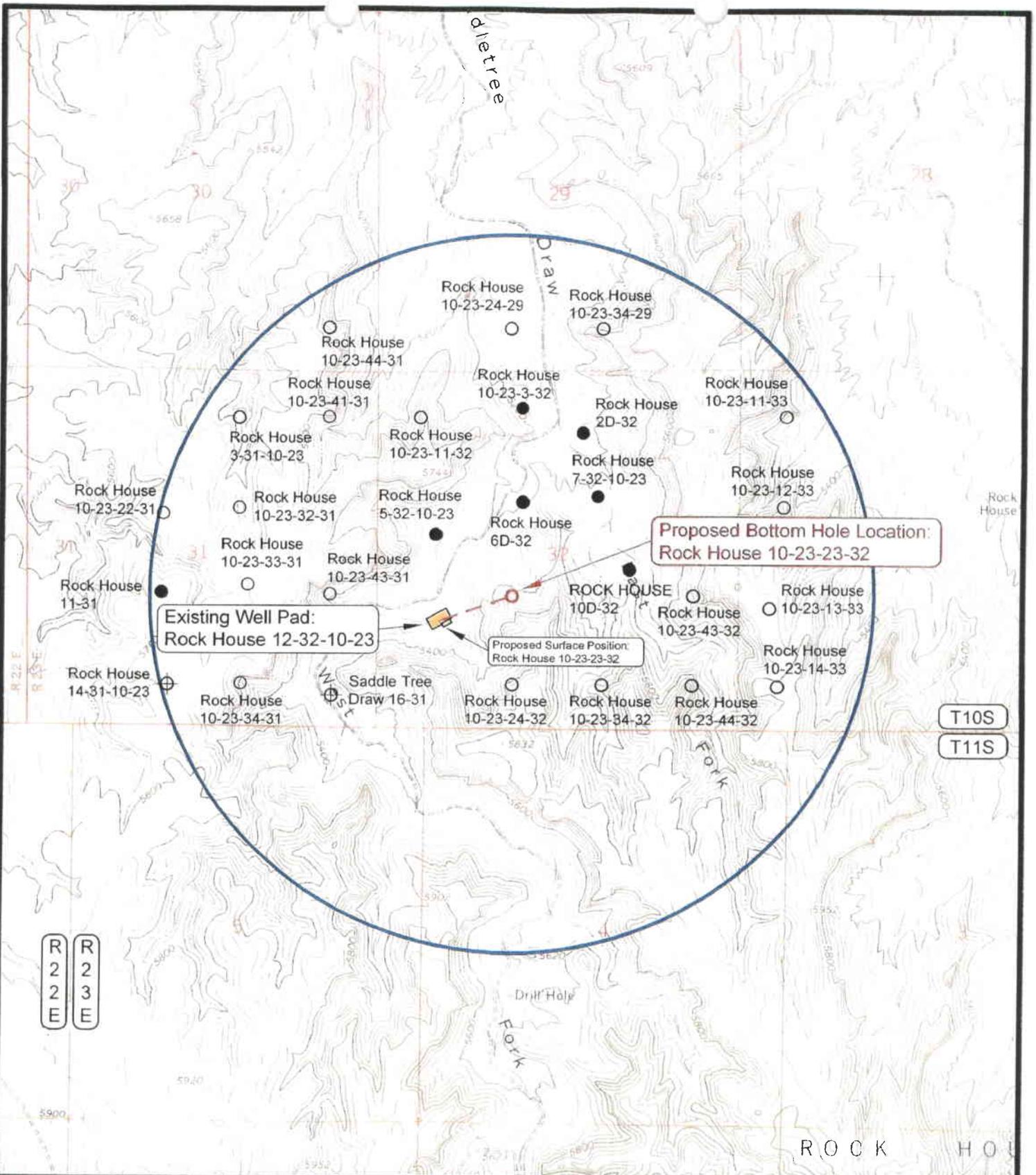
Other wells on this pad: Rock House 10-23-24-32  
& Rock House 12-32-10-23

**SECTION 32, T10S, R23E, S.L.B.&M.**

**Timberline Land Surveying, Inc.**

38 West 100 North Vernal, Utah 84078  
(435) 789-1365

SHEET  
**8**  
OF 9



**LEGEND**

- ⊗ = DISPOSAL WELL
- = PRODUCING WELL
- = SHUT IN WELL
- = PROPOSED WELL
- ⊗ = WATER WELL
- = ABANDONED WELL
- = TEMPORARILY ABANDONED WELL
- ⊕ = ABANDONED LOCATION

**TOPOGRAPHIC MAP "C"**

DATE SURVEYED: 12-12-05

DATE DRAWN: 12-23-05

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

**ENDURING RESOURCES**

**Rock House 12-32-10-23, Rock House 10-23-23-32  
& Rock House 10-23-24-32  
SECTION 32, T10S, R23E, S.L.B.&M.**

**Timberline Land Surveying, Inc.**

38 West 100 North Vernal, Utah 84078  
(435) 789-1365

**SHEET**

**9a**

OF 9

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: <b>ML-47063</b>	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>			9. WELL NAME and NUMBER: <b>Rock House10-23-23-32</b>	
3. ADDRESS OF OPERATOR: <b>475 17th St., Ste 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80220</b>			PHONE NUMBER: <b>(303) 350-5114</b>	10. FIELD AND POOL, OR WILDCAT: <del>Undesignated</del> <b>Natural</b>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>1622' FSL - 966' FWL NWSW</b> <i>640545X 4418032 39.102015 - 109.355712</i> AT PROPOSED PRODUCING ZONE: <b>1980' FSL - 1980' FWL NESW</b> <i>640852X 4418148Y 39.903601 - 109.352301</i>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 32 10S 23E S</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>78.4 miles southeast of Vernal, UT</b>			12. COUNTY: <b>Uintah</b>	13. STATE: <b>UTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>1980' - BHL 966' - Surface</b>		16. NUMBER OF ACRES IN LEASE: <b>640</b>		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40 acres</b>
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>25' - Surface 1,000' +/- BHL</b>		19. PROPOSED DEPTH: <b>7,690</b>		20. BOND DESCRIPTION: <b>RLB0008031</b>
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>5295' KB-RT</b>		22. APPROXIMATE DATE WORK WILL START: <b>7/1/2006</b>		23. ESTIMATED DURATION: <b>20 days</b>

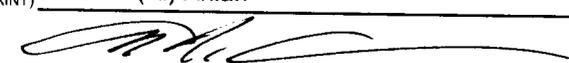
24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
20"	14" line pipe	40	3 yards	Ready Mix	
11"	8-5/8" J-55 24#	2,016	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#	7,690	Class G	102 sxs	3.3 11.0
			50/50 Poz Class G	880 sxs	1.56 14.3

25. **ATTACHMENTS**

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

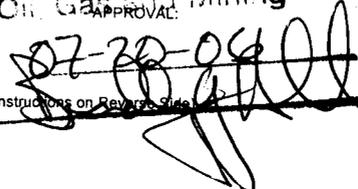
- |  |  |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER     | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                                   |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR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

NAME (PLEASE PRINT) Alvin R. (Al) Arlian TITLE Landman - Regulatory Specialist  
SIGNATURE  DATE 5/24/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38153

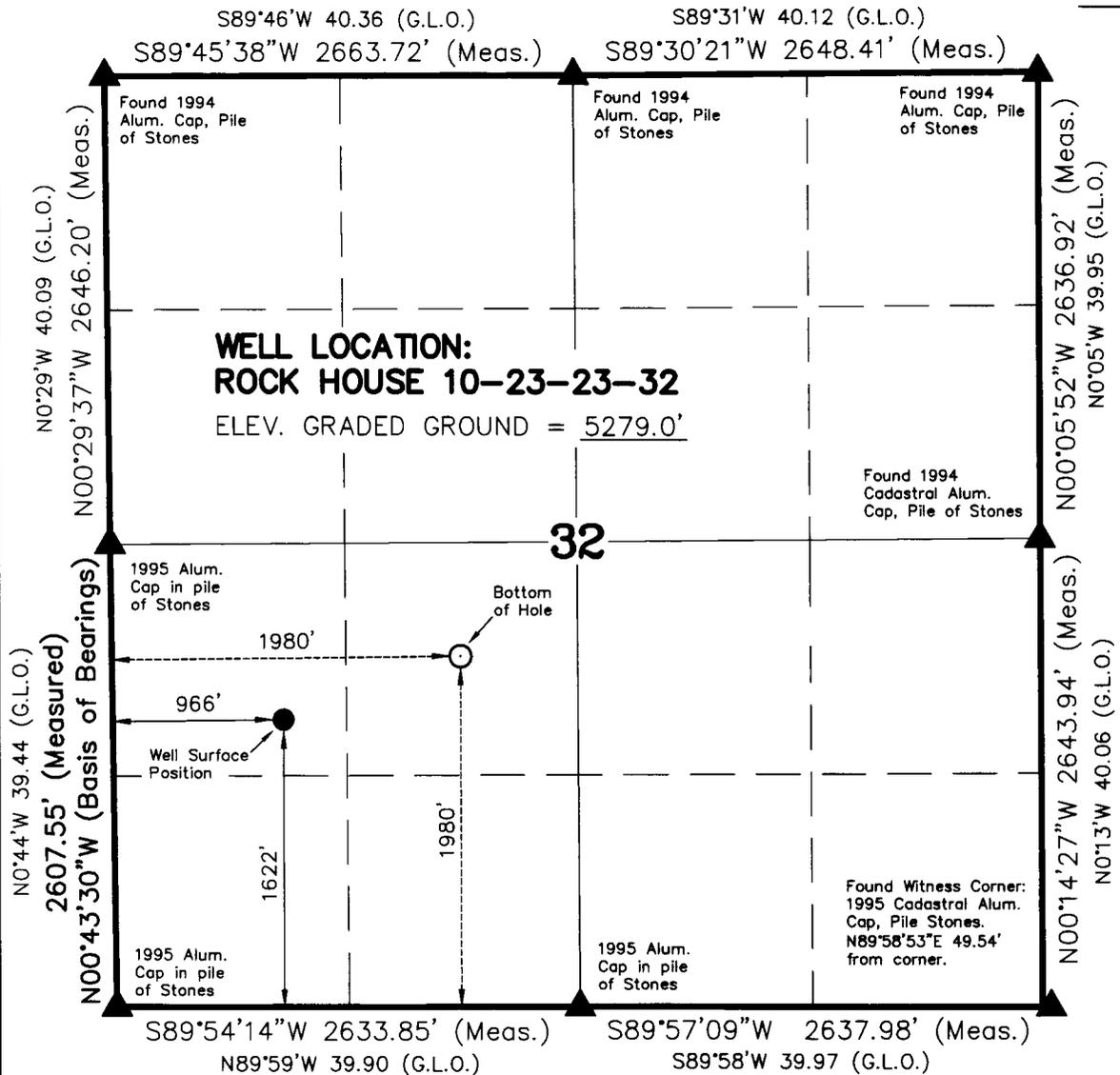
**Approved by the**  
Utah Division of  
Oil, Gas and Mining  
APPROVAL

Date: 07-20-06  
By: 

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

# T10S, R23E, S.L.B.&M.

# ENDURING RESOURCES



WELL LOCATION, ROCK HOUSE 10-23-23-32, LOCATED AS SHOWN IN THE NE 1/4 SW 1/4 OF SECTION 32, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH.

**NOTES:**

- Well footages are measured at right angles to the Section Lines.
- The Bottom of hole bears N70°23'46"E 1071.42' from the Surface Position.
- Bearings are based on Global Positioning Satellite observations.
- BASIS OF ELEVATION IS TRIANGULATION STATION JEK 19 ET 1966 WHICH IS LOCATED NEAR THE SOUTH 1/4 CORNER OF SECTION 8, T11S, R23E, S.L.B.&M. THE ELEVATION OF THIS TRIANGULATION STATION IS SHOWN ON THE ARCHY BENCH SE 7.5 MIN. QUADRANGLE AS BEING 6054'.



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. 362251  
 KOLBY R. KAY  
 REGISTERED LAND SURVEYOR  
 STATE OF UTAH

▲ = SECTION CORNERS LOCATED

**ROCK HOUSE 10-23-23-32**  
**(Bottom Hole) NAD 83 Autonomous**  
 LATITUDE = 39° 54' 12.97"  
 LONGITUDE = 109° 21' 11.18"

**ROCK HOUSE 10-23-23-32**  
**(Surface Position) NAD 83 Autonomous**  
 LATITUDE = 39° 54' 09.42"  
 LONGITUDE = 109° 21' 24.13"

<b>TIMBERLINE LAND SURVEYING, INC.</b>		<b>SHEET</b>
38 WEST 100 NORTH. - VERNAL, UTAH 84078 (435) 789-1365		
DATE SURVEYED: 12-12-05	SURVEYED BY: K.R.K.	<b>2a</b>
DATE DRAWN: 12-23-05	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	<b>OF 9</b>

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/30/2006

API NO. ASSIGNED: 43-047-38153

WELL NAME: ROCK HOUSE 10-23-23-32  
 OPERATOR: ENDURING RESOURCES, LLC ( N2750 )  
 CONTACT: AL ARLIAN

PHONE NUMBER: 303-350-5114

PROPOSED LOCATION:

NWSW 32 100S 230E  
 SURFACE: 1622 FSL 0966 FWL  
 BOTTOM: 1980 FSL 1980 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.90262 LONGITUDE: -109.3559  
 UTM SURF EASTINGS: 640545 NORTHINGS: 4418032  
 FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DLD	7/20/06
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-47063  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. RLB0008031 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-2216 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: PRESITE (06-13-06)

STIPULATIONS: *[Signature]*  
2- Spacing Slip  
3- STATEMENT OF BASIS  
4- Surface Csg Cont Strip



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

**OPERATOR:** ENDURING RESOURCES, LLC  
**WELL NAME & NUMBER:** ROCK HOUSE 10-23-23-32. This is a directional well planned off the same pad as 2 other wells; the Rock House 12-32-10-23, an existing vertical well and the planned Rock House 10-23-24-32 a directional well.  
**API NUMBER:** 43-047-38153  
**LOCATION:** 1/4,1/4 NW/SW Sec: 32 TWP: 10S RNG: 23E 966' FWL 1622' FSL (SITLA)  
(PRODUCING ZONE) NE/SW; 1980' FSL; 1980' FWL: (SITLA)

**Geology/Ground Water:**

Enduring proposes to set 2,016 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 2,300 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta/Green River Formation transition. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers. Production casing cement should be brought up above the base of the moderately saline ground water.

**Reviewer:** Brad Hill                      **Date:** 07-03-06

**Surface:**

The pre-drill investigation of the surface was performed on June 13, 2006.

This is a directional well planned off the same pad as 2 other wells: the Rock House 12-32-10-23, an existing vertical well and the planned Rock House 10-23-24-32 a directional well.

Ed Bonner and Jim Davis of SITLA were invited by e-mail on June 6, 2006 to attend the investigation. Neither attended.

The selected location appears to be the best site for drilling multiple wells from a single location. No significant stability problems are anticipated.

**Reviewer:** Floyd Bartlett                      **Date:** 06/19/2006

**Conditions of Approval/Application for Permit to Drill:**

1. The reserve pit used for the Rock House 12-32-10-23 well is still open but the liner is torn in the north section of the pit. An additional liner must be added in this section. The integrity of the liner in the other section needs to be determined and replaced or repaired as needed.

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

**OPERATOR:** ENDURING RESOURCES, LLC

**WELL NAME & NUMBER:** ROCK HOUSE 10-23-23-32 (NOTE: This is a directional well planned off the same pad as 2 other wells: the Rock House 12-32-10-23, an existing vertical well and the planned Rock House 10-23-24-32 a directional well.)

**API NUMBER:** 43-047-38153

**LEASE:** ML-47063 **FIELD/UNIT:** Undesignated

**LOCATION:** 1/4,1/4 NW/SW Sec: 32 TWP: 10S RNG: 23E 966' FWL 1622' FSL (SITLA)  
(PRODUCING ZONE) NE/SW; 1980' FSL; 1980' FWL: (SITLA)

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

**GPS COORD (UTM):** 0640537 E; 4418038 N **SURFACE OWNER:** SITLA

**PARTICIPANTS**

Floyd Bartlett (DOGM), Douglas Hammond (Enduring Resources) Mike Stewart (Ponderosa Construction), Colby Kay (Timberline Land Surveying, Inc.), Ben Williams (UDWR)

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

The proposed Rock House 10-23-23-32 well lies in the bottom of Saddle Tree Draw on an existing pad originally constructed by Houston Exploration and contains a producing gas well operated by agreement by Enduring Resources.

Saddle Tree Draw is an ephemeral wash only flowing during the spring runoff and intense summer rainstorms. The White River is approximately 1-1/2 miles downstream to the north. No springs or seeps are known in the area. The location is approximately 12 air miles south west of Bonanza Ut, and approximately 77.4 road miles southeast of Vernal, UT. Access from Bonanza is by State Highway, Uintah County and oilfield development roads to the existing pad.

Topography in the general area is broad canyon bottoms separated by steep and often ledgy side-slopes, which top out onto broad ridge tops. Frequent outwash plains and deposits occur along the sides of the major bottoms. The ridge top to be used as access is frequently broken with side draws leaving near the top.

**SURFACE USE PLAN**

CURRENT SURFACE USE: Existing gas well, wildlife and domestic sheep grazing and hunting.

PROPOSED SURFACE DISTURBANCE: The existing pad will be changed.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Several. See attached map from GIS database.

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

existing pipeline will be used for transportation of the gas.

SOURCE OF CONSTRUCTION MATERIAL: No additional needed.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?  
EXPLAIN: Any public interest should be positive since a single pad is being used to locate 3 wells. Surface disturbance will be significantly reduced.

#### **WASTE MANAGEMENT PLAN:**

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

#### **ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: The location contains no vegetation. Pronghorn, rodents, songbirds, raptors, elk, deer, bobcat, coyote.

SOIL TYPE AND CHARACTERISTICS: Rocky sandy loam.

EROSION/SEDIMENTATION/STABILITY: No significant erosion occurs from the existing pad. and no stability concerns are anticipated with the drilling of additional wells on the location.

PALEONTOLOGICAL POTENTIAL: none

#### **RESERVE PIT**

CHARACTERISTICS: The reserve pit used for the 12-32-10-23 well is still open but the liner is torn in the north section of the pit. An additional liner will be added in this section. The existing pit is expected to be adequate in size for drilling the additional wells.

LINER REQUIREMENTS (Site Ranking Form attached): Sensitivity score is 40 and a rating Level II. The integrity of the liner should be monitored during future use.

#### **SURFACE RESTORATION/RECLAMATION PLAN**

As per landowner agreement with SITLA.

SURFACE AGREEMENT: In place.

CULTURAL RESOURCES/ARCHAEOLOGY: Previously completed for the existing well.

OTHER OBSERVATIONS/COMMENTS

Ed Bonner and Jim Davis of SITLA were invited by e-mail on June 6, 2006 to attend the investigation. Neither was in attendance.

ATTACHMENTS

Photos of site have been taken and placed on file.

Floyd Bartlett  
DOGM REPRESENTATIVE

06/13/2006 2:30 PM  
DATE/TIME

**E valuation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

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

**Final Score**                    40                    (Level II Sensitivity)

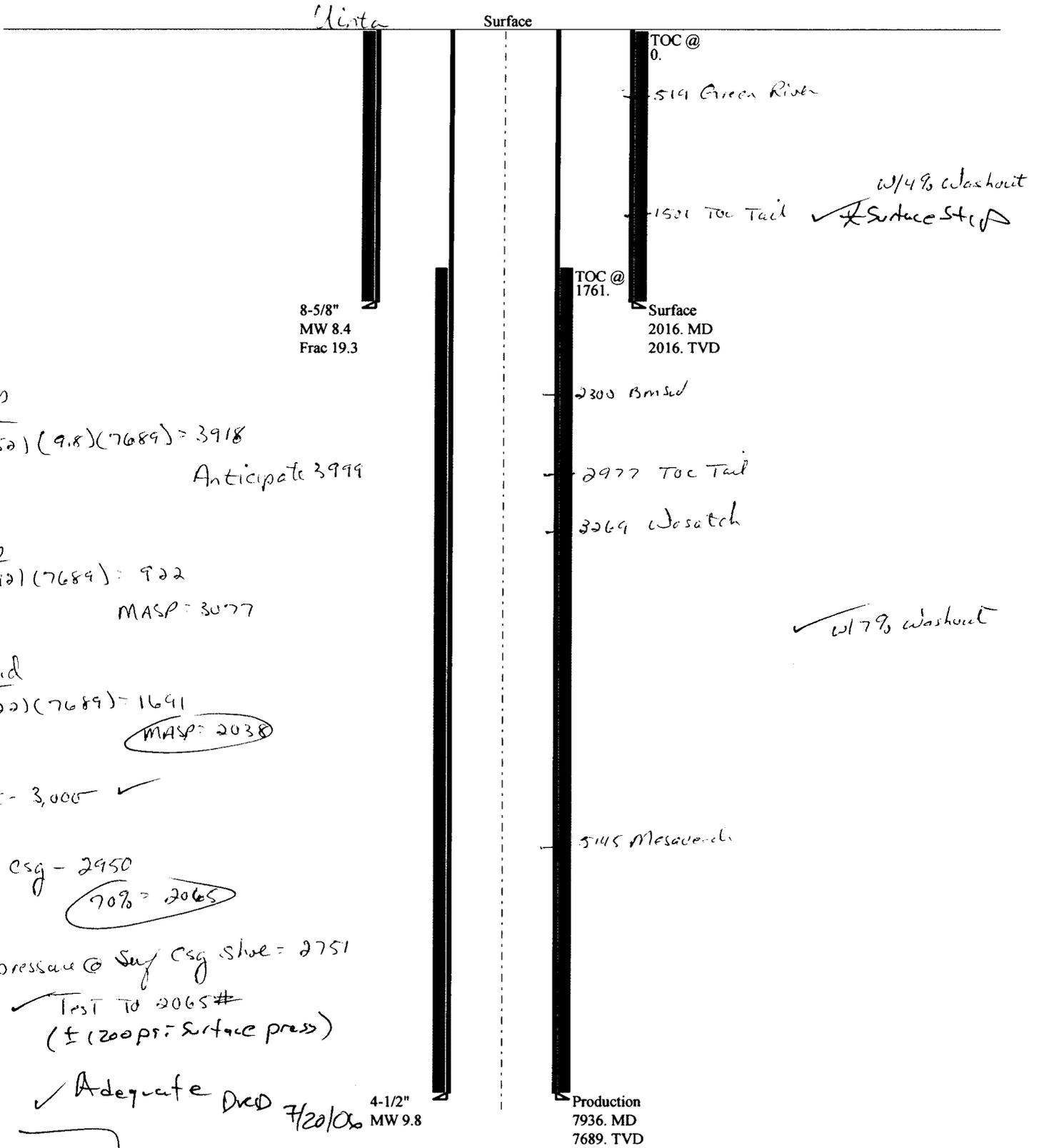
Sensitivity Level I = 20 or more; total containment is required.

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

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

# 7-06 Enduring Rock House 1 23-23-32

## Casing Schematic



BHP

$$(0.052)(9.8)(7689) = 3918$$

Anticipate 3999

Gas

$$(0.12)(7689) = 922$$

MASP = 3077

Fluid

$$(0.22)(7689) = 1691$$

MASP = 2038

BORE - 3,000 ✓

Surf csg - 2950

70% = 2065

Mat pressure @ Surf csg shoe = 2751

✓ Test to 2065#  
(± 1200 psi - surface press)

✓ Adequate Dred

Well name:	<b>07-06 Enduring Rock House 10-23-23-32</b>	
Operator:	<b>Enduring Resource, LLC</b>	Project ID:
String type:	Surface	43-047-38153
Location:	Uintah County	

**Design parameters:**

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

**Minimum design factors:**

**Collapse:**  
 Design factor 1.125

**Environment:**

H2S considered? No  
 Surface temperature: 75 °F  
 Bottom hole temperature: 103 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 500 ft

**Burst:**  
 Design factor 1.00

Cement top: Surface

**Burst**

Max anticipated surface pressure: 1,774 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP 2,016 psi

No backup mud specified.

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

Non-directional string.

Tension is based on buoyed weight.  
 Neutral point: 1,762 ft

**Re subsequent strings:**

Next setting depth: 7,689 ft  
 Next mud weight: 9.800 ppg  
 Next setting BHP: 3,914 psi  
 Fracture mud wt: 19.250 ppg  
 Fracture depth: 2,016 ft  
 Injection pressure 2,016 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2016	8.625	24.00	J-55	ST&C	2016	2016	7.972	97.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	880	1370	1.557	2016	2950	1.46	42	244	5.77 J

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

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

Date: July 3, 2006  
 Salt Lake City, Utah

Remarks:  
 Collapse is based on a vertical depth of 2016 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:	<b>07-06 Enduring Rock House 10-23-23-32</b>	
Operator:	<b>Enduring Resource, LLC</b>	Project ID:
String type:	Production	43-047-38153
Location:	Uintah County	

**Design parameters:**

**Collapse**  
Mud weight: 9.800 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 183 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

**Burst**

Max anticipated surface pressure: 1,251 psi  
Internal gradient: 0.346 psi/ft  
Calculated BHP 3,914 psi

**Burst:**  
Design factor 1.00

Cement top: 1,761 ft

No backup mud specified.

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

**Directional well information:**  
Kick-off point 0 ft  
Departure at shoe: 1076 ft  
Maximum dogleg: 3 °/100ft  
Inclination at shoe: 0 °

Tension is based on buoyed weight.  
Neutral point: 6,810 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7936	4.5	11.60	N-80	LT&C	7689	7936	3.875	184

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3914	6350	1.622	3914	7780	1.99	76	223	2.93 J

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

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

Date: July 3, 2006  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 7689 ft, a mud weight of 9.8 ppg. The casing is considered to be evacuated for collapse purposes.  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.  
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

*Engineering responsibility for use of this design will be that of the purchaser.*

**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 6/27/2006 10:17:58 AM  
**Subject:** Well Clearance

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

Dominion E&P, Inc  
LCU 1-2H

Enduring Resources, LLC  
Rock House 10-23-23-32  
Rock House 11-23-11-2

EOG Resources, Inc  
Big Spring 3-36 GR  
East Chapita 30-16

The Houston Exploration Company  
North Horseshoe 1-16-6-21  
North Horseshoe 13-16-6-21  
North Horseshoe 13-2-6-21  
North Horseshoe 15-2-6-21

Kerr McGee Oil & Gas Onshore LP  
NBU 921-25A  
NBU 921-25P  
NBU 921-35J  
NBU 922-32K2

Questar Exploration & Production  
HR 2MU-2-12-23  
HR 3MU-2-12-23  
HR 6MU-2-12-23 (Cleared provided operator follows arch consultants recommendation to move location avoiding significant site)  
HR 10MU-2-12-23  
HR 12MU-2-12-23  
HR 14MU-2-12-23  
HR 16MU-2-12-23

Stone Energy Corporation  
Stone Rush 44-32-8-17

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

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



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

July 20, 2006

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

Re: Rock House 10-23-23-32 Well, 1622' FSL, 966' FWL, NW SW, Sec. 32,  
T. 10 South, R. 23 East, Bottom Location 1980' FSL, 1980' FWL, NE SW,  
Sec. 32, T. 10 South, R. 23 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 43-047-38153.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
SITLA

**Operator:** Enduring Resources, LLC  
**Well Name & Number** Rock House 10-23-23-32  
**API Number:** 43-047-38153  
**Lease:** ML-47063

**Location:** NW SW **Sec.** 32 **T.** 10 South **R.** 23 East  
**Bottom Location:** NE SW **Sec.** 32 **T.** 10 South **R.** 23 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

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

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

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

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

#### 3. Reporting Requirements

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

4. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

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

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

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



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

FORM 6

ENTITY ACTION FORM

Operator: Enduring Resources, LLC Operator Account Number: N 2750  
 Address: 475 17th Street, Suite 1500  
city Denver  
state CO zip 80202 Phone Number: (303) 350-5114

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738153	Rock House 10-23-23-32	NESW	32	10S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	15571	8/16/2006		8/17/06	
Comments: Above is BHL, Surface location NWSW 32-10S-23W (three well pad). MVRD						<b>CONFIDENTIAL</b>

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738196	Rock House 10-23-24-32	SESW	32	10S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	15572	8/16/2006		8/17/06	
Comments: Above is BHL, Surface location NWSW 32-10S-23W (three well pad). MVRD						<b>CONFIDENTIAL</b>

Well 3

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

ACTION CODES:

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

Alvin R. (Al) Arlian

Name (Please Print)

Signature

Landman-Regulatory

Title

8/17/2006

Date

AUG 17 2006

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**ML-47063**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
**n/a**

7. UNIT or CA AGREEMENT 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.

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

8. WELL NAME and NUMBER:  
**Rock House 10-23-23-32**

2. NAME OF OPERATOR:  
**Enduring Resources, LLC**

**CONFIDENTIAL**

9. API NUMBER:  
**4304738153**

3. ADDRESS OF OPERATOR:  
**475 17th Street, Suite 1500      Denver      STATE CO      ZIP 80202**

PHONE NUMBER:  
**(303) 350-5114**

10. FIELD AND POOL, OR WILDCAT:  
**Natural Buttes**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **1622' FSL - 966' FSL**      COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 32 10S 23E S**      STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>8/17/2006</b>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Run deeper conductor.</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Running 80' of 14" conductor instead of 40" of 14" conductor to help facilitate directional drilling.

Complete cement and pipe report to follow.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE 

DATE 8/17/2006

(This space for State use only)

**AUG 21 2006**

**ENDURING RESOURCES, LLC**

425 Seventeenth Street, Suite 1500

Denver, Colorado 80202

Telephone: 303-573-1222

Facsimile: 303-573-0461

CONFIDENTIAL

September 15, 2006

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

**RE: Well Logs  
Rock House 10-23-23-32  
NWSE- 32-T10S-R23E  
Uintah County, Utah**

*API # 43-049-38153*

Ladies and Gentlemen:

Attached is one original copy of the logs run on the above-referenced well.

***Please hold this information as "confidential" as long as allowed.***

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 ([aarlian@enduringresources.com](mailto:aarlian@enduringresources.com)).

Very truly yours

**ENDURING RESOURCES, LLC**



Alvin R. (Al) Arlian  
Landman – Regulatory Specialist

ara/  
Enclosures as stated:

**RECEIVED**

**SEP 20 2006**

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-47063</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>n/a</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>n/a</b>
2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>		8. WELL NAME and NUMBER: <b>Rock House 10-23-23-32</b>
3. ADDRESS OF OPERATOR: <b>475 17th Street, Suite 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>		9. API NUMBER: <b>4304738153</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1622' FSL - 966' FSL</b>		10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 32 10S 23E S</b>		COUNTY: <b>Uintah</b>
		STATE: <b>UTAH</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>10/19/2006</b>	<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 checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>First Gas Sales</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

First sales on October 18, 2006. This well flows into the Canyon Pipeline System at CDM #3.

Date	MCFD
10-19-06	185
10-20-06	975
10-21-06	975
10-22-06	366

Completion Report to Follow.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>10/24/2006</u>

(This space for State use only)

**RECEIVED**  
**OCT 31 2006**  
DIV. OF OIL, GAS & MINING

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

**CONFIDENTIAL**

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

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

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**ML-47063**

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

7. UNIT or CA AGREEMENT NAME  
**N/A**

8. WELL NAME and NUMBER:  
**Rock House 10-23-23-32**

2. NAME OF OPERATOR:  
**Enduring Resources, LLC**

9. API NUMBER:  
**4304738153**

3. ADDRESS OF OPERATOR:  
**475 17th St, Suite 1500** CITY **Denver** STATE **CO** ZIP **80202** PHONE NUMBER: **(303) 573-1222**

10. FIELD AND POOL, OR WILDCAT  
**Natural Buttes**

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: **1622' FSL - 966' FWL, NWSW**  
AT TOP PRODUCING INTERVAL REPORTED BELOW: **1980' FSL - 1980' FWL, NESW**  
**1944 FSL 2018 FWL**  
AT TOTAL DEPTH: **1980' FSL - 1980' FWL, NESW**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
**NWSW 32 10S 23E**

12. COUNTY **Uintah** 13. STATE **UTAH**

14. DATE SPUDED: **8/29/2006** 15. DATE T.D. REACHED: **9/11/2006** 16. DATE COMPLETED: **10/18/2006** ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):  
**5296 RKB**

18. TOTAL DEPTH: MD **7,430** TVD **7,288** 19. PLUG BACK T.D.: MD **7,353** TVD **7,211** 20. IF MULTIPLE COMPLETIONS, HOW MANY? \* **6** 21. DEPTH BRIDGE MD **7,269** PLUG SET: TVD **7,127**

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
**Previously submitted PE, TC, GIR**

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14"	Linepipe	0	20		3 yards		0 (CIR)	0
12-1/4"	9 5/8 J55	36#	17	2,025		CI G 950	230	17(CIR)	0
7-7/8"	4 1/2 N80	11.60#	17	7,399		CI G 1,295	332	1014(CBL)	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) Mesaverde	6,094	6,892	5,952	6,750	6,094 6,892	1'slot	5	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B) Wasatch	5,171	5,172	5,029	5,030	5,171 5,172	1'slot	1	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6,094 - 6,892	Placed 183,196 lbs Ottawa 20/40 proppant in Mesaverde formation.
5,171 - 5,172	Placed 51,007 lbs Ottawa 20/40 proppant in Wasatch formation.

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

30. WELL STATUS:  
**Producing**

**RECEIVED**

**31. INITIAL PRODUCTION**

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

DATE FIRST PRODUCED: 10/18/2006		TEST DATE: 11/13/2006		HOURS TESTED: 624		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 314	WATER - BBL: 100	PROD. METHOD: 26 day avg
CHOKE SIZE: 64/64	TBG. PRESS.	CSG. PRESS. 450	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 374	WATER - BBL: 123	INTERVAL STATUS: Producing

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

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

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

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

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

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

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

Sold

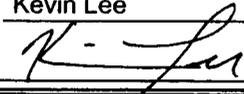
**33. SUMMARY OF POROUS ZONES (Include Aquifers):**

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

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Green River	536				
Wasatch	3,286				
Mesaverde	5,146				

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

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

NAME (PLEASE PRINT) Kevin Lee TITLE Engineering Tech  
 SIGNATURE  DATE 11/16/2006

This report must be submitted within 30 days of

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

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

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

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

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



# Scientific Drilling International

## Survey Report

<b>Company:</b> ENDURING RESOURCES	<b>Date:</b> 10/29/2006	<b>Time:</b> 15:54:23	<b>Page:</b> 1
<b>Field:</b> Rock House	<b>Co-ordinate(NE) Reference:</b>	<b>Site:</b> Uintah County, UT, Grid North	
<b>Site:</b> Uintah County, UT	<b>Vertical (TVD) Reference:</b>	SITE 0.0	
<b>Well:</b> Rock House 10-23-32	<b>Section (VS) Reference:</b>	Well (0.00N,0.00E,71.50Azi)	
<b>Wellpath:</b> DH - Job #33D0806699	<b>Survey Calculation Method:</b>	Minimum Curvature	<b>Db:</b> Sybase

<b>Survey:</b> 08/27/06-09/09/06	<b>Start Date:</b> 08/27/2006
<b>Company:</b> Scientific Drilling Internatio	<b>Engineer:</b> Lamb/Lamb/Newlen/Gillespie
<b>Tool:</b>	<b>Tied-to:</b> From Surface

**Survey**

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
312.00	0.35	334.70	312.00	-0.11	0.86	-0.41	0.11	0.95	334.70
405.00	0.67	312.47	404.99	-0.41	1.49	-0.93	0.40	1.75	327.96
436.00	0.26	260.01	435.99	-0.57	1.60	-1.13	1.78	1.96	324.63
465.00	0.33	88.62	464.99	-0.55	1.59	-1.11	2.03	1.94	324.92
494.00	0.65	75.16	493.99	-0.31	1.63	-0.87	1.17	1.85	331.87
525.00	1.07	72.53	524.99	0.16	1.76	-0.43	1.36	1.81	346.43
554.00	1.62	74.11	553.98	0.84	1.96	0.23	1.90	1.97	6.62
585.00	2.03	70.54	584.96	1.82	2.26	1.17	1.37	2.54	27.31
616.00	3.01	76.00	615.93	3.18	2.64	2.47	3.25	3.62	43.15
646.00	3.74	76.18	645.88	4.94	3.06	4.19	2.43	5.19	53.82
677.00	4.56	76.87	676.80	7.18	3.58	6.37	2.65	7.31	60.63
708.00	5.25	77.02	707.69	9.82	4.18	8.95	2.23	9.88	64.96
739.00	5.82	76.24	738.54	12.79	4.88	11.86	1.85	12.82	67.66
769.00	6.26	76.61	768.38	15.94	5.62	14.93	1.47	15.95	69.39
800.00	6.91	76.45	799.17	19.48	6.44	18.39	2.10	19.48	70.69
831.00	7.51	76.94	829.93	23.36	7.34	22.17	1.95	23.36	71.69
862.00	8.32	76.05	860.63	27.61	8.34	26.32	2.64	27.61	72.43
923.00	9.13	75.43	920.92	36.84	10.62	35.29	1.34	36.85	73.25
954.00	8.88	75.50	951.54	41.68	11.84	39.99	0.81	41.70	73.51
985.00	9.16	76.99	982.16	46.52	12.99	44.71	1.18	46.56	73.80
1015.00	9.55	77.68	1011.76	51.37	14.06	49.47	1.35	51.43	74.13
1046.00	9.81	78.63	1042.32	56.55	15.13	54.57	0.98	56.63	74.50
1077.00	10.37	77.83	1072.84	61.94	16.24	59.88	1.86	62.05	74.83
1107.00	10.95	76.67	1102.32	67.46	17.46	65.30	2.06	67.59	75.03
1138.00	11.16	75.17	1132.75	73.39	18.91	71.06	1.15	73.53	75.10
1200.00	10.63	74.27	1193.63	85.09	22.00	82.37	0.90	85.25	75.05
1230.00	10.33	73.72	1223.13	90.54	23.50	87.61	1.05	90.71	74.98
1261.00	10.02	74.63	1253.64	96.01	24.99	92.88	1.13	96.18	74.94
1292.00	10.42	76.36	1284.15	101.50	26.37	98.20	1.63	101.68	74.97
1323.00	10.44	77.30	1314.64	107.08	27.65	103.67	0.55	107.29	75.07
1353.00	10.22	77.40	1344.15	112.44	28.83	108.92	0.74	112.67	75.18
1384.00	10.20	77.44	1374.66	117.90	30.02	114.28	0.07	118.16	75.28
1415.00	10.75	75.63	1405.14	123.52	31.34	119.76	2.07	123.79	75.34
1476.00	10.40	71.96	1465.11	134.70	34.46	130.51	1.24	134.98	75.21
1538.00	9.81	70.96	1526.14	145.57	37.91	140.82	0.99	145.83	74.93
1634.00	9.61	69.93	1620.77	161.76	43.33	156.08	0.28	161.98	74.48
1666.00	9.18	71.42	1652.34	166.98	45.06	161.01	1.54	167.19	74.37
1698.00	8.97	71.65	1683.94	172.03	46.66	165.79	0.67	172.23	74.28
1730.00	9.47	70.33	1715.53	177.16	48.33	170.64	1.70	177.35	74.19
1762.00	10.07	69.52	1747.06	182.59	50.19	175.74	1.92	182.77	74.06
1794.00	10.46	68.50	1778.55	188.28	52.24	181.06	1.34	188.45	73.91
1826.00	10.74	67.55	1810.00	194.16	54.44	186.52	1.03	194.30	73.73
1858.00	10.64	67.36	1841.45	200.08	56.72	192.00	0.33	200.21	73.54
1890.00	10.44	68.29	1872.91	205.92	58.93	197.42	0.82	206.03	73.38
1922.00	10.50	67.85	1904.38	211.72	61.10	202.82	0.31	211.82	73.24
1954.00	10.32	67.01	1935.85	217.49	63.32	208.16	0.74	217.57	73.08
1975.00	10.15	66.62	1956.51	221.21	64.79	211.59	0.87	221.28	72.98
2051.00	10.37	65.55	2031.30	234.69	70.28	223.96	0.38	234.73	72.58



# Scientific Drilling International

## Survey Report

<b>Company:</b> ENDURING RESOURCES	<b>Date:</b> 10/29/2006	<b>Time:</b> 15:54:23	<b>Page:</b> 2
<b>Field:</b> Rock House	<b>Co-ordinate(NE) Reference:</b>	<b>Site:</b> Uintah County, UT, Grid North	
<b>Site:</b> Uintah County, UT	<b>Vertical (TVD) Reference:</b>	SITE 0.0	
<b>Well:</b> Rock House 10-23-32	<b>Section (VS) Reference:</b>	Well (0.00N,0.00E,71.50Azi)	
<b>Wellpath:</b> DH - Job #33D0806699	<b>Survey Calculation Method:</b> Minimum Curvature	<b>Db:</b> Sybase	

### Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
2115.00	12.38	71.06	2094.04	247.28	74.89	235.70	3.57	247.31	72.37
2211.00	13.90	71.35	2187.52	269.10	81.91	256.36	1.58	269.13	72.28
2307.00	14.97	71.05	2280.49	293.03	89.63	279.01	1.12	293.05	72.19
2404.00	16.06	69.46	2373.96	318.97	98.41	303.42	1.21	318.98	72.03
2499.00	16.44	66.29	2465.16	345.49	108.42	328.04	1.02	345.49	71.71
2595.00	16.41	68.35	2557.25	372.56	118.89	353.08	0.61	372.56	71.39
2627.00	15.89	68.41	2587.98	381.44	122.17	361.35	1.63	381.45	71.32
2659.00	16.29	68.63	2618.73	390.30	125.41	369.61	1.26	390.30	71.26
2691.00	17.47	69.06	2649.35	399.58	128.77	378.27	3.71	399.59	71.20
2723.00	18.43	70.13	2679.79	409.44	132.20	387.52	3.17	409.45	71.16
2820.00	18.00	70.85	2771.93	439.75	142.33	416.09	0.50	439.76	71.12
2916.00	18.37	71.91	2863.14	469.71	151.89	444.49	0.52	469.72	71.13
3012.00	19.54	70.43	2953.93	500.89	161.97	473.99	1.32	500.90	71.13
3108.00	19.18	70.44	3044.50	532.71	172.63	503.98	0.38	532.73	71.09
3204.00	18.06	70.50	3135.48	563.36	182.87	532.87	1.17	563.37	71.06
3300.00	19.25	68.68	3226.43	594.04	193.59	561.64	1.38	594.07	70.98
3397.00	18.39	67.06	3318.24	625.27	205.37	590.63	1.04	625.31	70.83
3493.00	17.91	67.05	3409.47	655.08	217.03	618.16	0.50	655.16	70.65
3589.00	19.52	68.48	3500.39	685.82	228.67	646.68	1.74	685.92	70.53
3685.00	19.10	68.49	3590.99	717.52	240.31	676.21	0.44	717.64	70.44
3781.00	18.74	68.47	3681.80	748.61	251.73	705.17	0.38	748.76	70.35
3877.00	18.65	67.89	3772.74	779.32	263.17	733.74	0.22	779.50	70.27
3974.00	18.54	67.20	3864.67	810.18	274.98	762.32	0.25	810.40	70.16
4068.00	17.91	69.12	3953.96	839.53	285.92	789.60	0.93	839.78	70.09
4164.00	17.91	69.68	4045.31	869.03	296.31	817.24	0.18	869.30	70.07
4260.00	16.10	73.57	4137.11	897.09	305.20	843.85	2.23	897.35	70.12
4357.00	15.36	73.98	4230.47	923.36	312.55	869.10	0.77	923.59	70.22
4451.00	15.35	74.14	4321.12	948.23	319.39	893.03	0.05	948.43	70.32
4547.00	13.87	72.71	4414.01	972.43	326.28	916.24	1.59	972.61	70.40
4645.00	12.28	74.06	4509.47	994.58	332.63	937.48	1.65	994.75	70.46
4740.00	11.08	80.42	4602.50	1013.70	336.93	956.20	1.85	1013.82	70.59
4836.00	9.06	83.87	4697.02	1030.19	339.27	972.81	2.20	1030.28	70.77
4932.00	7.27	84.41	4792.04	1043.50	340.67	986.37	1.87	1043.55	70.95
5028.00	5.24	90.62	4887.47	1053.56	341.21	996.80	2.23	1053.59	71.10
5124.00	4.17	89.07	4983.14	1061.03	341.22	1004.68	1.12	1061.04	71.24
5220.00	2.28	105.44	5078.99	1065.94	340.77	1010.01	2.17	1065.95	71.36
5317.00	3.25	89.68	5175.88	1070.16	340.27	1014.62	1.26	1070.16	71.46
5413.00	3.06	95.50	5271.73	1075.08	340.04	1019.89	0.39	1075.08	71.56
5445.00	3.04	98.10	5303.69	1076.62	339.84	1021.58	0.44	1076.62	71.60
5541.00	1.34	104.03	5399.61	1079.85	339.21	1025.19	1.78	1079.85	71.69
5637.00	1.61	103.13	5495.58	1081.94	338.63	1027.59	0.28	1081.95	71.76
5733.00	1.15	101.22	5591.55	1083.93	338.14	1029.85	0.48	1083.94	71.82
5830.00	0.90	90.73	5688.54	1085.49	337.94	1031.57	0.32	1085.51	71.86
5926.00	1.14	85.03	5784.52	1087.13	338.01	1033.27	0.27	1087.15	71.89
6022.00	1.17	109.67	5880.50	1088.83	337.77	1035.15	0.51	1088.86	71.93
6118.00	1.18	113.79	5976.48	1090.33	337.04	1036.97	0.09	1090.37	71.99
6214.00	1.62	119.49	6072.45	1091.97	335.97	1039.06	0.48	1092.03	72.08
6311.00	0.57	123.63	6169.44	1093.18	335.03	1040.66	1.08	1093.26	72.15
6407.00	0.79	141.97	6265.43	1093.70	334.24	1041.46	0.32	1093.78	72.21
6503.00	1.03	133.23	6361.42	1094.33	333.13	1042.50	0.29	1094.43	72.28
6599.00	1.45	133.64	6457.39	1095.30	331.70	1044.00	0.44	1095.43	72.37
6631.00	1.38	137.17	6489.38	1095.65	331.14	1044.56	0.35	1095.79	72.41



# Scientific Drilling International Survey Report

Company: ENDURING RESOURCES      Date: 10/29/2006      Time: 15:54:23      Page: 3  
Field: Rock House      Co-ordinate(NE) Reference: Site: Uintah County, UT, Grid North  
Site: Uintah County, UT      Vertical (TVD) Reference: SITE 0.0  
Well: Rock House 10-23-32      Section (VS) Reference: Well (0.00N,0.00E,71.50Azi)  
Wellpath: DH - Job #33D0806699      Survey Calculation Method: Minimum Curvature      Db: Sybase

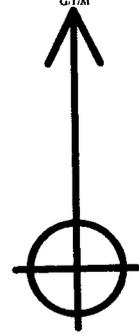
### Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
6727.00	1.76	144.24	6585.35	1096.57	329.09	1046.21	0.44	1096.75	72.54
6823.00	2.28	140.00	6681.29	1097.70	326.44	1048.30	0.56	1097.95	72.70
6981.00	2.28	140.00	6839.16	1100.01	321.62	1052.34	0.00	1100.39	73.01

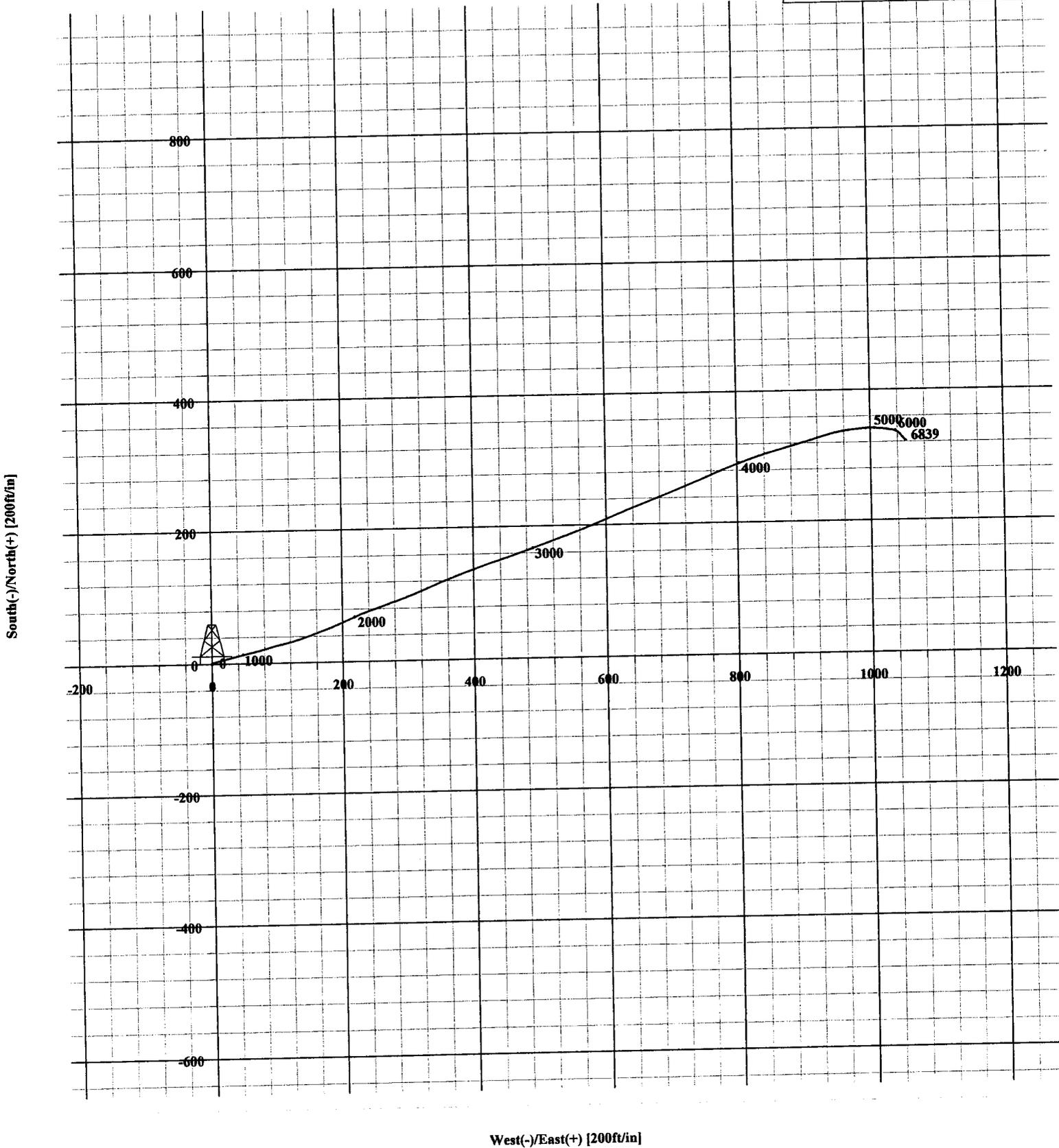


**Scientific  
Drilling**

**Field: Rock House**  
**Site: Uintah County, UT**  
**Well: Rock House 10-23-32**  
**Wellpath: DH - Job #33D0806699**  
**Survey: 08/27/06-09/09/06**



Azimuth to Grid North  
 True North: 0.00°  
 Magnetic North: 0.00°  
 Magnetic Field  
 Strength: 0.7  
 Dip Angle: 0.00°  
 Date: 10/29/2006  
 Model: igr2000



CONFIDENTIAL

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47063
		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
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Rock House 10-23-23-32	
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 4304738153	
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 350-5114	10. FIELD AND POOL, OR WILDCAT: Natural Buttes
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1622' FSL - 966' FSL	COUNTY: Uintah	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 23E S	STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 5/1/2007	<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 checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

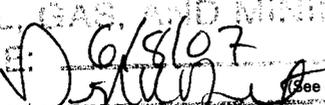
In order to prevent waste of gas, as defined by law; to protect the correlative rights of all parties concerned; to prevent the drilling of un-necessary wells; and to insure proper and efficient development and promote conservation of the gas resources of the State of Utah, Enduring Resources, LLC respectfully request approval to perforate and commingle the Wasatch and Mesaverde formations "pools" in the same well bore.

- Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs.
- These formations shall be commingled in the well bore and produced concurrently in a single string of 2-3/8" production tubing.
- Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units.
- Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas lease or production units overlying the "pool."

COPIES SENT TO OPERATOR  
DATE: 6-11-07  
BY: RM

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>5/1/2007</u>

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING  
DATE: 5/6/07  
BY: 

(5/2000) (See Instructions on Reverse Side)

RECEIVED  
MAY 04 2007  
DIV. OF OIL, GAS & MINING

**ENDURING RESOURCES, LLC**

425 Seventeenth Street, Suite 1500  
Denver, Colorado 80202  
Telephone: 303-573-1222  
Facsimile: 303-573-0461

May 1, 2007

The Houston Exploration Company  
1100 Louisiana, #2000  
Houston, TX 77002

**CERTIFIED MAIL**  
**ARTICLE NO: 7006 2760 0001 4272 3909**

Attention: Land Department

**RE: Commingling Application**  
**Rock House 10-23-23-32**  
**1622' FSL - 966' FWL ( BHL= NESW) Sec 32, 10S-23E**  
**Uintah County, Utah**

Dear Leasehold Interest Owner:

Enduring Resources, LLC ("Enduring") has filed an application with the State of Utah Division of Oil, Gas, and Mining requesting approval of the Wasatch and Mesaverde formations (pools) in the above-referenced well to be commingled.

Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs. These formations (pools) shall be commingled in the well's well bore.

Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units. Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas leases or production units overlying the commingled pools (commingled formations).

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

**ENDURING RESOURCES, LLC**



Alvin R. (Al) Arlian  
Landman – Regulatory Specialist

ara/

Attachments as stated:

# AFFIDAVIT OF MAILING

State of Colorado            )  
City and                        )ss.  
County of Denver            )

Alvin R. Arlian (hereinafter sometimes referred to as "Affiant"), of lawful age, being first duly sworn upon oath, deposes and says:

1. Affiant is a Landman-Regulatory Specialist for Enduring Resources, LLC (hereinafter sometimes referred to as "Enduring") whose address is 475 17<sup>th</sup> Street, Denver, Colorado 80202,
2. Enduring is the operator of the following described oil and gas well:  
  
**Rock House 10-23-23-32  
1622' FSL - 966' FWL (BHL= NESW) Sec 32, 10S-23E  
Uintah County, Utah**
3. A cursory search of applicable records confirmed that the following parties are the only leasehold interest owners in the contiguous oil and gas wells, contiguous oil and gas leases, or contiguous oil and gas well production units overlying the "pool."
  1. The Houston Exploration Company
  - 2.
  - 3.
  - 4.
4. On Tuesday, May 01, 2007 Affiant mailed (or caused to be mailed) in U.S. Mail, with postage prepaid, a copy of the attached Application for Commingling two or more pools (formations) in one well bore of the well described in Paragraph No. 2 above which said Application for Commingling (Form 9) has/had concurrently been filed with the State of Utah Division of Oil, Gas, and Mining (and if applicable, copies sent to SITLA, and the Bureau of Land Management), and
5. Attached is a map showing the location of wells' located on contiguous oil and gas leases and/or production units.

Affiant saith no more.



Alvin R. Arlian, Affiant

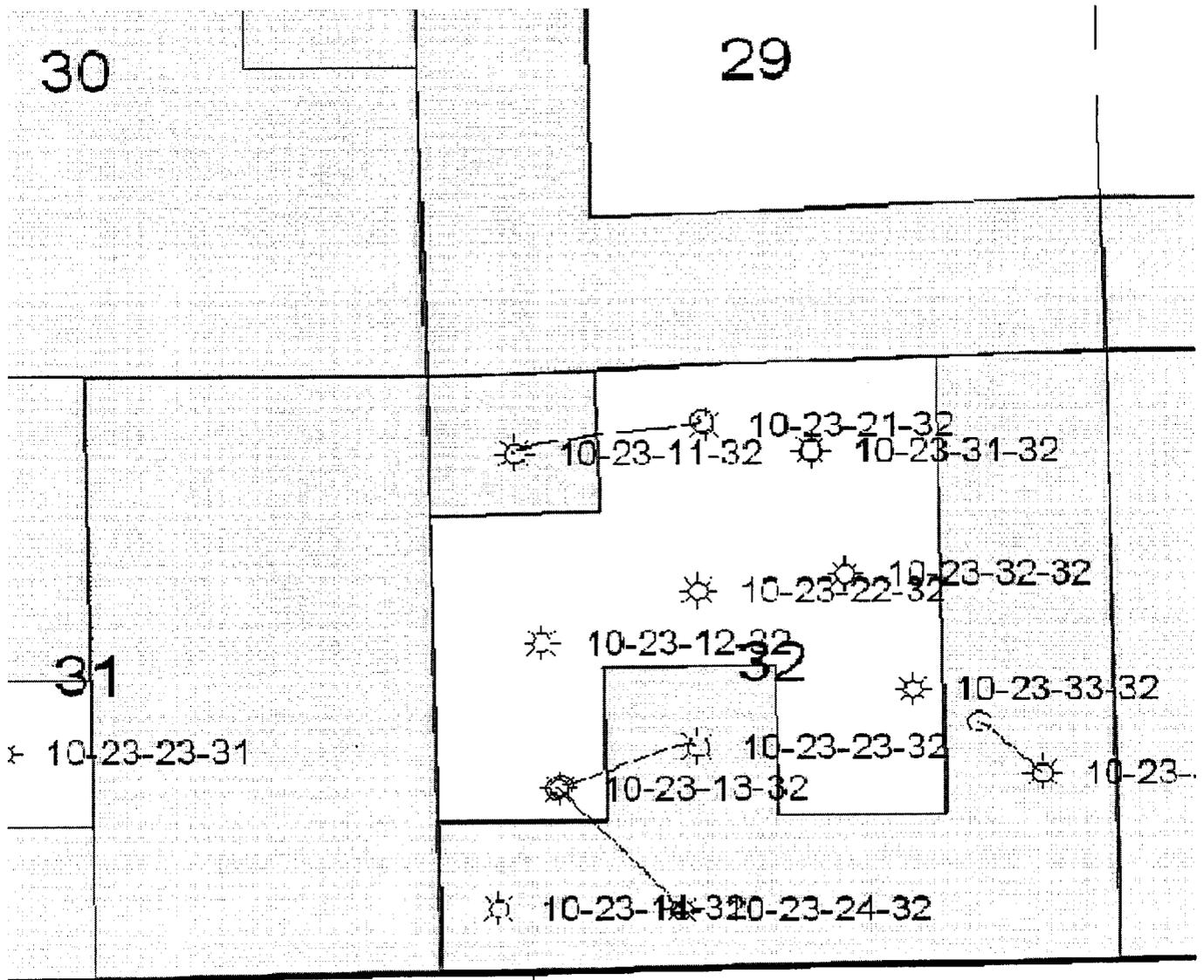
Scribed and sworn to before me this 1st day of May, 2007 by Alvin R. Arlian.

9/23/2009  
My Commission Expires:



Notary Public.

MAP ATTACHED TO ENDURING RESOURCES, LLC COMMINGLING  
APPLICATION FOR ROCK HOUSE 10-23-23-32 LOCATED IN THE NESW  
SEC. 32, T10S-R23E



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

**CONFIDENTIAL** FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-47063

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

n/a

7. UNIT or CA AGREEMENT NAME:

n/a

8. WELL NAME and NUMBER:

Rock House 10-23-23-32

9. API NUMBER:

4304738153

10. FIELD AND POOL, OR WILDCAT:

Natural Buttes

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

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

2. NAME OF OPERATOR:  
Enduring Resources, LLC

3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 350-5114

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 1622' FSL - 966' FSL COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 23E S STATE: UTAH

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

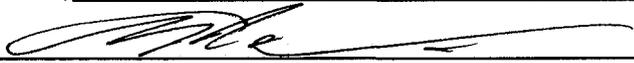
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/9/2009	<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: Pit Closed and Reseeded
	<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.

11-9-2007 Pit has been backfilled and reseeded.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE 

DATE 11/9/2009

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RECEIVED  
NOV 15 2007  
DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47063
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT OR CA AGREEMENT NAME: n/a
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Rock House 10-23-23-32
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304738153
PHONE NUMBER: (303) 350-5114		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1622' FSL - 966' FSL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 23E S		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 9/25/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Conformation of</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Commingling.</u>

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

First sales on October 18, 2006.

Conformation that well was commingled in the Wasatch and Mesaverde formations "pools" in the initial completion attempt.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>9/25/2008</u>

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**RECEIVED**

**SEP 30 2008**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> ML-47063
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> ROCK HOUSE 10-23-23-32	
<b>2. NAME OF OPERATOR:</b> Enduring Resources, LLC	<b>9. API NUMBER:</b> 43047381530000	
<b>3. ADDRESS OF OPERATOR:</b> 475 17th Street, Suite 1500 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 350-5114 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1622 FSL 0966 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 32 Township: 10.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> UINTAH	
	<b>STATE:</b> UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:  <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/8/2011  <input type="checkbox"/> SPUD REPORT Date of Spud:  <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Workover-perforate tubi"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
Workover and perforate tubing. Re-Perforate: 2 jspf @ 5151, and 2 jspf @ 5161' 4 jspf total 6-8-2011 MIRU J W Wireline. ISIP 300/300. RIH w/ 1.8" GR-JB to SN @ 6560. RIH w/ perforating guns and perforate tubing with 4 jspf, 0 degree phasing @ 5151' and 5161' across a collar @ 5156'. RD J W Wireline. FSIP 300/300. SWIFN and turn well over to Pumper. End of Report.		
<b>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY</b>		
<b>NAME (PLEASE PRINT)</b> Alvin Arian	<b>PHONE NUMBER</b> 303 350-5114	<b>TITLE</b> Landman-Regulatory
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/13/2011	