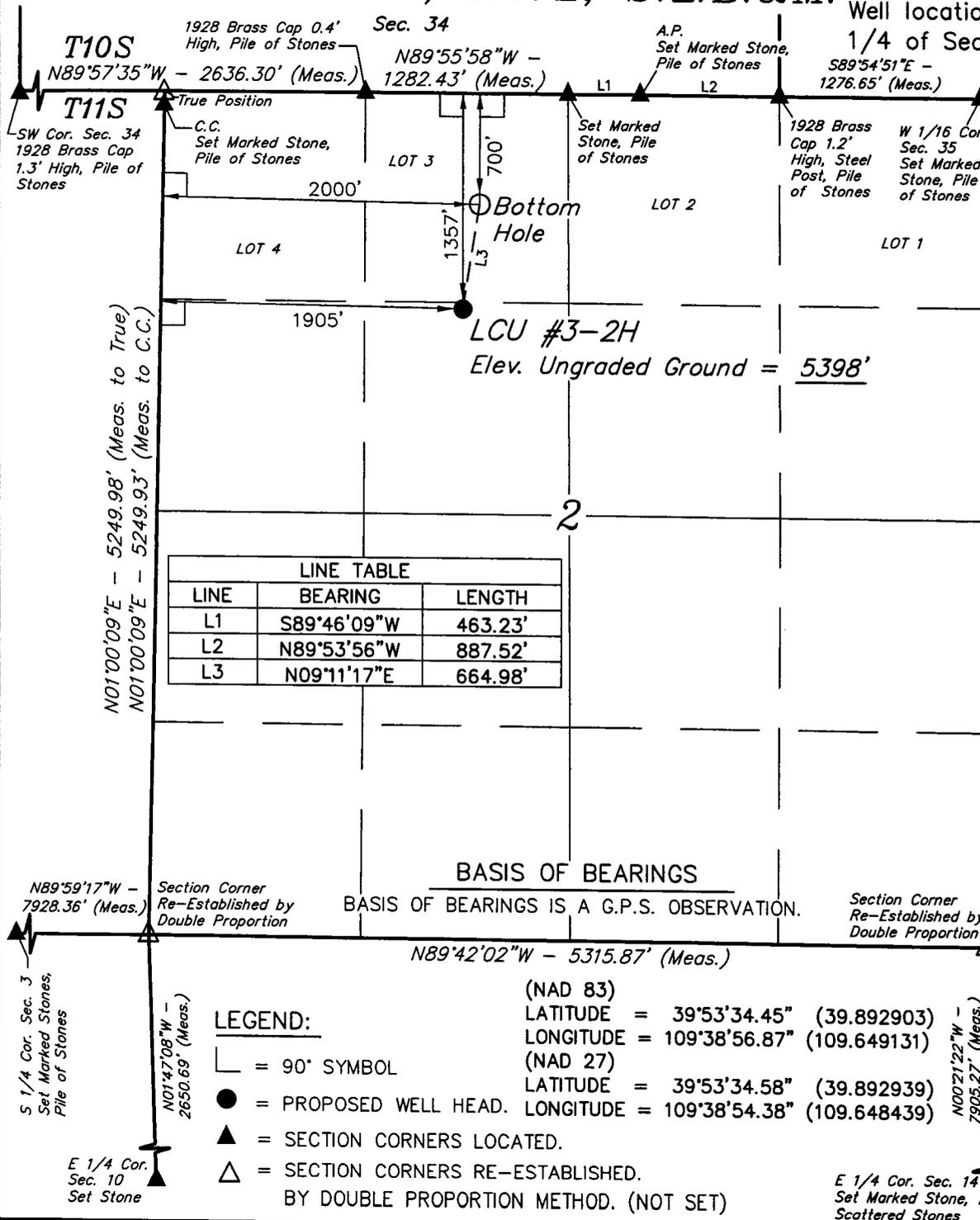




T11S, R20E, S.L.B.&M.

DOMINION EXPLR. & PROD., INC.

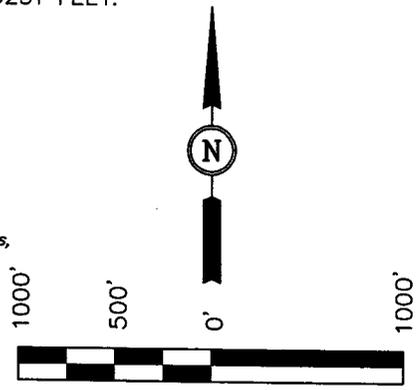
Well location, LCU #3-2H, located as shown in the SE 1/4 NW 1/4 of Section 2, T11S, R20E, S.L.B.&M. Uintah County, Utah.



| LINE TABLE |             |         |
|------------|-------------|---------|
| LINE       | BEARING     | LENGTH  |
| L1         | S89°46'09"W | 463.23' |
| L2         | N89°53'56"W | 887.52' |
| L3         | N09°11'17"E | 664.98' |

BASIS OF ELEVATION

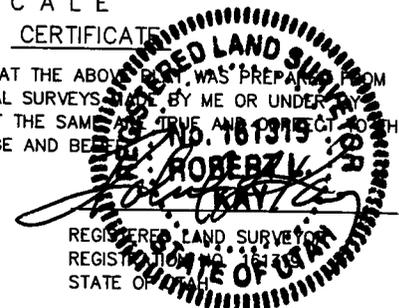
SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



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

LEGEND:

- └─┘ = 90° SYMBOL
  - = PROPOSED WELL HEAD.
  - ▲ = SECTION CORNERS LOCATED.
  - △ = SECTION CORNERS RE-ESTABLISHED.
- BY DOUBLE PROPORTION METHOD. (NOT SET)

(NAD 83)  
 LATITUDE = 39°53'34.45" (39.892903)  
 LONGITUDE = 109°38'56.87" (109.649131)  
 (NAD 27)  
 LATITUDE = 39°53'34.58" (39.892939)  
 LONGITUDE = 109°38'54.38" (109.648439)

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

|                         |                                      |                        |
|-------------------------|--------------------------------------|------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>03-20-06           | DATE DRAWN:<br>3-22-06 |
| PARTY<br>B.B. B.C. P.M. | REFERENCES<br>G.L.O. PLAT            |                        |
| WEATHER<br>COOL         | FILE<br>DOMINION EXPLR. & PROD., INC |                        |



300 E. Mineral Ave., Suite 10  
Littleton, CO 80122-2631  
303/781-8211 303/781-1167 Fax

June 5, 2006

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

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.  
**LCU 3-2H**

*Surface Location: 1,357' FNL & 1,905' FWL SE/4 NW/4*  
*Target Location: 700' FNL & 2,000' FWL, NE/4 NW/4 (Lot 3)*  
Section 2, T11S, R20E, SLB&M, Uintah County, Utah

Dear Mrs. Whitney:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the Application for Permit to Drill (APD) for the above referenced State administered directional well. A request for exception to spacing (R649-3-11) is hereby requested based on topography since the well is located within 460' of the drilling unit boundary. Dominion Exploration & Production, Inc. is the only owner and operator within 460' of the proposed well and all points along the intended well bore path. Included with the APD is the following supplemental information:

- Exhibit "A" - Survey plats, layouts and photos of the proposed well site;
- Exhibit "B" - Proposed location maps with access and utility corridors;
- Exhibit "C" - Production site layout;
- Exhibit "D" - Drilling Plan;
- Exhibit "E" - Surface Use Plan;
- Exhibit "F" - Typical BOP and Choke Manifold diagram.

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

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

Sincerely,

Don Hamilton  
Agent for Dominion

cc: Fluid Mineral Group, BLM—Vernal Field Office  
Carla Christian, Dominion  
Ken Secrest, Dominion

RECEIVED  
JUN 08 2006

DIV. OF OIL, GAS & MINING

ORIGINAL  
CONFIDENTIAL

# DRILLING PLAN

## APPROVAL OF OPERATIONS

### Attachment for Permit to Drill

**Name of Operator:** Dominion Exploration & Production  
**Address:** 14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
**Well Location:** LCU 3-2H  
SHL: 1357' FNL & 1905' FWL Section 2-11S-20E  
BHL: 700' FNL & 2000' FWL Section 2-11S-20E  
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

| <u>Formation</u>   | <u>Depth</u> |
|--------------------|--------------|
| Wasatch Tongue     | 3,715'       |
| Green River Tongue | 4,075'       |
| Wasatch            | 4,215'       |
| Chapita Wells      | 5,065'       |
| Uteland Buttes     | 6,215'       |
| Mesaverde          | 6,995'       |

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

| <u>Formation</u>   | <u>Depth</u> | <u>Type</u> |
|--------------------|--------------|-------------|
| Wasatch Tongue     | 3,715'       | Oil         |
| Green River Tongue | 4,075'       | Oil         |
| Wasatch            | 4,215'       | Gas         |
| Chapita Wells      | 5,065'       | Gas         |
| Uteland Buttes     | 6,215'       | Gas         |
| Mesaverde          | 6,995'       | Gas         |

4. PROPOSED CASING PROGRAM

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

| <u>Type</u>  | <u>Size</u> | <u>Weight</u> | <u>Grade</u> | <u>Conn.</u> | <u>Top</u> | <u>Bottom</u> | <u>Hole</u> |
|--------------|-------------|---------------|--------------|--------------|------------|---------------|-------------|
| Surface      | 13-3/8"     | 48.0 ppf      | H-40         | STC          | 0'         | 500'          | 17-1/2"     |
| Intermediate | 9-5/8"      | 36.0 ppf      | J-55         | LTC          | 0'         | 3,100'        | 12-1/4"     |
| Production   | 5-1/2"      | 17.0 ppf      | MAV-80       | LTC          | 0'         | 7,950'        | 7-7/8"      |

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized.

Intermediate hole: To be drilled using a diverter stack with rotating head to divert flow from rig floor.

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

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## DRILLING PLAN

### APPROVAL OF OPERATIONS

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

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

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

#### 6. MUD SYSTEMS

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

| <u>Depths</u>   | <u>Mud Weight (ppg)</u> | <u>Mud System</u>                       |
|-----------------|-------------------------|---|
| 0' – 500'       | 8.4                     | Air foam mist, no pressure control      |
| 500' – 3,100'   | 8.6                     | Fresh water, rotating head and diverter |
| 3,100' – 7,950' | 8.6                     | Fresh water/2% KCL/KCL mud system       |

#### 7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a contact ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 80' from the wellhead.

#### 8. AUXILIARY EQUIPMENT TO BE USED

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

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

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

#### 10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

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

#### 11. WATER SUPPLY

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

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## DRILLING PLAN

### APPROVAL OF OPERATIONS

#### 12. CEMENT SYSTEMS

##### a. Surface Cement:

Drill 17-1/2" hole to 500' and cement 13-3/8" to surface with 450 sks class "C" cement with 2% CaCl<sub>2</sub> and 1/4 #/sk. Polyflake (volume includes 70% excess). Top out as necessary.

##### b. Intermediate Casing Cement:

- Drill 12-1/4" hole to 3,100'±, run and cement 9-5/8" to surface.
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.
- Cement to surface not required due to surface casing set deeper than normal.

| <u>Type</u> | <u>Sacks</u> | <u>Interval</u> | <u>Density</u> | <u>Yield</u> | <u>Hole</u><br><u>Volume</u> | <u>Cement</u><br><u>Volume</u> |
|-------------|--------------|-----------------|----------------|--------------|------------------------------|--------------------------------|
| Lead        | 300          | 0'-2,000'       | 11.0 ppg       | 3.82 CFS     | 644 CF                       | 1,128 CF                       |
| Tail        | 390          | 2,000'-3,100'   | 15.6 ppg       | 1.18 CFS     | 251 CF                       | 439 CF                         |

Intermediate design volumes based on 75% excess of gauge hole.

Lead Mix: Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.  
Slurry yield: 3.82 cf/sack                      Slurry weight: 11.00 #/gal.  
Water requirement: 22.95 gal/sack  
Compressives @ 130°F: 157 psi after 24 hours

Tail Mix: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.  
Pump Time: 1 hr. 5 min. @ 90 °F.  
Compressives @ 95 °F: 24 Hour is 4,700 psi

##### c. Production Casing Cement:

- Drill 7-7/8" hole to 7,950'±, run and cement 5 1/2".
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 2% KCL.

| <u>Type</u> | <u>Sacks</u> | <u>Interval</u> | <u>Density</u> | <u>Yield</u> | <u>Hole</u><br><u>Volume</u> | <u>Cement</u><br><u>Volume</u> |
|-------------|--------------|-----------------|----------------|--------------|------------------------------|--------------------------------|
| Lead        | 90           | 3,415'-4,215'   | 11.5 ppg       | 3.12 CFS     | 139 CF                       | 277 CF                         |
| Tail        | 740          | 4,215'-7,950'   | 13.0 ppg       | 1.75 CFS     | 647 CF                       | 1294 CF                        |

Production design volumes based on 35% excess of gauge hole. Actual volumes will be calculated from caliper log to bring lead cement to 800' above top of Wasatch + 15% excess, and tail cement to top of Wasatch +15%.

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

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

#### 13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: September 1, 2006  
Duration: 14 Days

**SITE DETAILS**

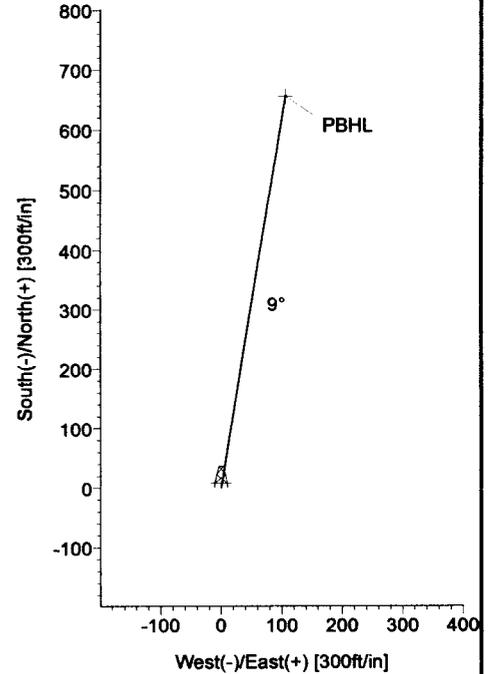
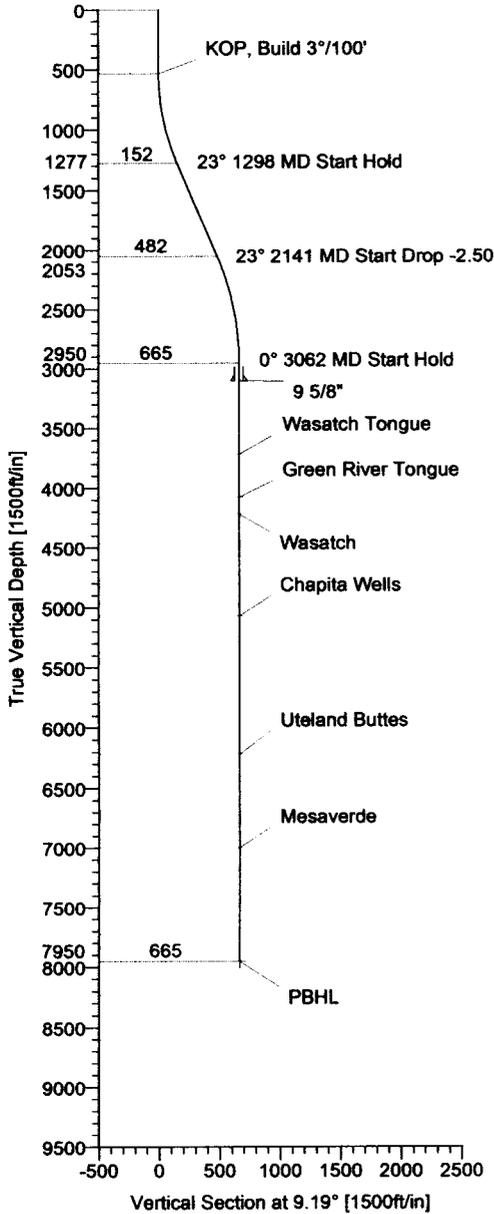
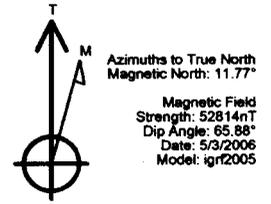
LCU 3-2H  
 Sec 2, T11S, R20E  
 Uintah County, UT

Site Centre Latitude: 39°53'34.450N  
 Longitude: 109°38'56.870W

Ground Level: 5395.00  
 Positional Uncertainty: 0.00  
 Convergence: 1.19

# Dominion E&P

Field: Uintah County, UT  
 Site: LCU 3-2H  
 Well: Well #3-2H  
 Wellpath: Original Hole  
 Plan: Plan #1



**TARGET DETAILS**

| Name | TVD     | +N/-S  | +E/-W  | Latitude      | Longitude      | Shape |
|------|---------|--------|--------|---------------|----------------|-------|
| PBHL | 7950.00 | 656.45 | 106.18 | 39°53'40.938N | 109°38'55.508W | Point |

**FORMATION TOP DETAILS**

| No. | TVDPath | MDPath  | Formation          |
|-----|---------|---------|--------------------|
| 1   | 3715.00 | 3827.39 | Wasatch Tongue     |
| 2   | 4075.00 | 4187.39 | Green River Tongue |
| 3   | 4215.00 | 4327.39 | Wasatch            |
| 4   | 5065.00 | 5177.39 | Chapita Wells      |
| 5   | 6215.00 | 6327.39 | Uteland Buttes     |
| 6   | 6995.00 | 7107.39 | Mesaverde          |

**REFERENCE INFORMATION**

Co-ordinate (N/E) Reference: Site Centre LCU 3-2H, True North  
 Vertical (TVD) Reference: Est. RKB @ 5415.0 0.00  
 Section (VS) Reference: Site Centre (0.00N,0.00E)  
 Measured Depth Reference: Est. RKB @ 5415.0 0.00  
 Calculation Method: Minimum Curvature

**WELL DETAILS**

| Name       | +N/-S | +E/-W | Northing   | Easting    | Latitude      | Longitude      | Slot |
|------------|-------|-------|------------|------------|---------------|----------------|------|
| Well #3-2H | 0.00  | 0.00  | 7135100.92 | 2159686.00 | 39°53'34.450N | 109°38'56.870W | N/A  |

**FIELD DETAILS**

Uintah County, UT  
 Utah - Natural Buttes  
 USA

Geodetic System: US State Plane Coordinate System 1983  
 Ellipsoid: GRS 1980  
 Zone: Utah, Central Zone  
 Magnetic Model: igrf2005

System Datum: Mean Sea Level  
 Local North: True North

**SECTION DETAILS**

| Sec | MD      | Inc   | Azi  | TVD     | +N/-S  | +E/-W  | DLeg | TFace  | VSec   | Target |
|-----|---------|-------|------|---------|--------|--------|------|--------|--------|--------|
| 1   | 0.00    | 0.00  | 9.19 | 0.00    | 0.00   | 0.00   | 0.00 | 0.00   | 0.00   |        |
| 2   | 530.00  | 0.00  | 9.19 | 530.00  | 0.00   | 0.00   | 0.00 | 0.00   | 0.00   |        |
| 3   | 1297.94 | 23.04 | 9.19 | 1277.41 | 150.37 | 24.32  | 3.00 | 9.19   | 152.32 |        |
| 4   | 2140.86 | 23.04 | 9.19 | 2053.10 | 476.01 | 76.99  | 0.00 | 0.00   | 482.19 |        |
| 5   | 3062.39 | 0.00  | 9.19 | 2950.00 | 656.45 | 106.18 | 2.50 | 180.00 | 664.98 |        |
| 6   | 8062.39 | 0.00  | 9.19 | 7950.00 | 656.45 | 106.18 | 0.00 | 0.00   | 664.98 | PBHL   |

Ryan Energy Technologies  
 475 17th Street, Suite 1330  
 Denver, CO 80202  
 303-298-2830 Office  
 303-508-6102 Fax



Plan: Plan #1 (Well #3-2H-Original Hole)  
 Created By: Ray Williams Date: 5/3/2008  
 Checked: \_\_\_\_\_ Date: \_\_\_\_\_  
 Reviewed: \_\_\_\_\_ Date: \_\_\_\_\_  
 Approved: \_\_\_\_\_ Date: \_\_\_\_\_

**CONFIDENTIAL**



# Ryan Energy Technologies Planning Report



|                                 |  |                       |                |
|---------------------------------|--|-----------------------|----------------|
| <b>Company:</b> Dominion E&P    | <b>Date:</b> 5/3/2006  | <b>Time:</b> 15:48:30 | <b>Page:</b> 1 |
| <b>Field:</b> Uintah County, UT | <b>Co-ordinate(NE) Reference:</b> Site: LCU 3-2H, True North |                       |                |
| <b>Site:</b> LCU 3-2H           | <b>Vertical (TVD) Reference:</b> Est. RKB @ 5415.0 0.0       |                       |                |
| <b>Well:</b> Well #3-2H         | <b>Section (VS) Reference:</b> Site (0.00N,0.00E,9.19Azi)    |                       |                |
| <b>Wellpath:</b> Original Hole  | <b>Plan:</b> Plan #1   |                       |                |

|   |                                       |
|---|---------------------------------------|
| <b>Field:</b> Uintah County, UT<br>Utah - Natural Buttes<br>USA | <b>Map Zone:</b> Utah, Central Zone   |
| <b>Map System:</b> US State Plane Coordinate System 1983        | <b>Coordinate System:</b> Site Centre |
| <b>Geo Datum:</b> GRS 1980                                      | <b>Geomagnetic Model:</b> igrf2005    |
| <b>Sys Datum:</b> Mean Sea Level                                |                                       |

|   |                                |                                   |  |
|---|--------------------------------|-----------------------------------|--|
| <b>Site:</b> LCU 3-2H<br>Sec 2, T11S, R20E<br>Unitah County, UT |                                |                                   |  |
| <b>Site Position:</b>   | <b>Northing:</b> 7135100.92 ft | <b>Latitude:</b> 39 53 34.450 N   |  |
| <b>From:</b> Geographic   | <b>Easting:</b> 2159686.00 ft  | <b>Longitude:</b> 109 38 56.870 W |  |
| <b>Position Uncertainty:</b> 0.00 ft                            |                                | <b>North Reference:</b> True      |  |
| <b>Ground Level:</b> 5395.00 ft                                 |                                | <b>Grid Convergence:</b> 1.19 deg |  |

|                                      |                                   |
|--------------------------------------|-----------------------------------|
| <b>Well:</b> Well #3-2H              | <b>Slot Name:</b>                 |
| <b>Well Position:</b> +N/-S 0.00 ft  | <b>Northing:</b> 7135100.92 ft    |
| +E/-W 0.00 ft                        | <b>Easting:</b> 2159686.00 ft     |
| <b>Position Uncertainty:</b> 0.00 ft | <b>Latitude:</b> 39 53 34.450 N   |
|                                      | <b>Longitude:</b> 109 38 56.870 W |

|  |   |
|--|---|
| <b>Wellpath:</b> Original Hole               | <b>Drilled From:</b> Surface              |
| <b>Current Datum:</b> Est. RKB @ 5415.0      | <b>Tie-on Depth:</b> 0.00 ft              |
| <b>Magnetic Data:</b> 5/3/2006               | <b>Above System Datum:</b> Mean Sea Level |
| <b>Field Strength:</b> 52814 nT              | <b>Declination:</b> 11.77 deg             |
| <b>Vertical Section:</b> Depth From (TVD) ft | <b>Mag Dip Angle:</b> 65.88 deg           |
|  | <b>+N/-S ft</b>                           |
|  | <b>+E/-W ft</b>                           |
|  | <b>Direction deg</b>                      |
| 7950.00                                      | 0.00                                      |
| 0.00   | 0.00                                      |
| 0.00   | 9.19                                      |

|                       |                                |
|-----------------------|--------------------------------|
| <b>Plan:</b> Plan #1  | <b>Date Composed:</b> 5/3/2006 |
|                       | <b>Version:</b> 1              |
| <b>Principal:</b> Yes | <b>Tied-to:</b> From Surface   |

**Plan Section Information**

| MD<br>ft | Incl<br>deg | Azlm<br>deg | TVD<br>ft | +N/-S<br>ft | +E/-W<br>ft | DLS<br>deg/100ft | Build<br>deg/100ft | Turn<br>deg/100ft | TFO<br>deg | Target |
|----------|-------------|-------------|-----------|-------------|-------------|------------------|--------------------|-------------------|------------|--------|
| 0.00     | 0.00        | 9.19        | 0.00      | 0.00        | 0.00        | 0.00             | 0.00               | 0.00              | 0.00       |        |
| 530.00   | 0.00        | 9.19        | 530.00    | 0.00        | 0.00        | 0.00             | 0.00               | 0.00              | 0.00       |        |
| 1297.94  | 23.04       | 9.19        | 1277.41   | 150.37      | 24.32       | 3.00             | 3.00               | 0.00              | 9.19       |        |
| 2140.86  | 23.04       | 9.19        | 2053.10   | 476.01      | 76.99       | 0.00             | 0.00               | 0.00              | 0.00       |        |
| 3062.39  | 0.00        | 9.19        | 2950.00   | 656.45      | 106.18      | 2.50             | -2.50              | 0.00              | 180.00     |        |
| 8062.39  | 0.00        | 9.19        | 7950.00   | 656.45      | 106.18      | 0.00             | 0.00               | 0.00              | 0.00       | PBHL   |

**Survey**

| MD<br>ft | Incl<br>deg | Azlm<br>deg | TVD<br>ft | +N/-S<br>ft | +E/-W<br>ft | VS<br>ft | DLS<br>deg/100ft | Build<br>deg/100ft | Turn<br>deg/100ft | Tool/Comment       |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|--------------------|
| 530.00   | 0.00        | 9.19        | 530.00    | 0.00        | 0.00        | 0.00     | 0.00             | 0.00               | 0.00              | KOP, Build 3°/100' |
| 600.00   | 2.10        | 9.19        | 599.98    | 1.27        | 0.20        | 1.28     | 3.00             | 3.00               | 0.00              |                    |
| 700.00   | 5.10        | 9.19        | 699.78    | 7.46        | 1.21        | 7.56     | 3.00             | 3.00               | 0.00              |                    |
| 800.00   | 8.10        | 9.19        | 799.10    | 18.81       | 3.04        | 19.05    | 3.00             | 3.00               | 0.00              |                    |
| 900.00   | 11.10       | 9.19        | 897.69    | 35.27       | 5.70        | 35.73    | 3.00             | 3.00               | 0.00              |                    |
| 1000.00  | 14.10       | 9.19        | 995.27    | 56.80       | 9.19        | 57.54    | 3.00             | 3.00               | 0.00              |                    |
| 1100.00  | 17.10       | 9.19        | 1091.58   | 83.35       | 13.48       | 84.43    | 3.00             | 3.00               | 0.00              |                    |
| 1200.00  | 20.10       | 9.19        | 1186.34   | 114.83      | 18.57       | 116.32   | 3.00             | 3.00               | 0.00              |                    |
| 1297.94  | 23.04       | 9.19        | 1277.41   | 150.37      | 24.32       | 152.32   | 3.00             | 3.00               | 0.00              |                    |
| 1300.00  | 23.04       | 9.19        | 1279.31   | 151.16      | 24.45       | 153.13   | 0.00             | 0.00               | 0.00              |                    |
| 1400.00  | 23.04       | 9.19        | 1371.33   | 189.80      | 30.70       | 192.26   | 0.00             | 0.00               | 0.00              |                    |
| 1500.00  | 23.04       | 9.19        | 1463.36   | 228.43      | 36.95       | 231.40   | 0.00             | 0.00               | 0.00              |                    |
| 1600.00  | 23.04       | 9.19        | 1555.38   | 267.06      | 43.20       | 270.53   | 0.00             | 0.00               | 0.00              |                    |
| 1700.00  | 23.04       | 9.19        | 1647.41   | 305.69      | 49.45       | 309.67   | 0.00             | 0.00               | 0.00              |                    |
| 1800.00  | 23.04       | 9.19        | 1739.43   | 344.33      | 55.69       | 348.80   | 0.00             | 0.00               | 0.00              |                    |



# Ryan Energy Technologies Planning Report



|                                 |  |                       |                |
|---------------------------------|--|-----------------------|----------------|
| <b>Company:</b> Dominion E&P    | <b>Date:</b> 5/3/2006  | <b>Time:</b> 15:48:30 | <b>Page:</b> 2 |
| <b>Field:</b> Uintah County, UT | <b>Co-ordinate(NE) Reference:</b> Site: LCU 3-2H, True North |                       |                |
| <b>Site:</b> LCU 3-2H           | <b>Vertical (TVD) Reference:</b> Est. RKB @ 5415.0 0.0       |                       |                |
| <b>Well:</b> Well #3-2H         | <b>Section (VS) Reference:</b> Site (0.00N,0.00E,9.19Azi)    |                       |                |
| <b>Wellpath:</b> Original Hole  | <b>Plan:</b> Plan #1   |                       |                |

**Survey**

| MD<br>ft | Incl<br>deg | Azim<br>deg | TVD<br>ft | +N/-S<br>ft | +E/-W<br>ft | VS<br>ft | DLS<br>deg/100ft | Build<br>deg/100ft | Turn<br>deg/100ft | Tool/Comment       |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|--------------------|
| 1900.00  | 23.04       | 9.19        | 1831.46   | 382.96      | 61.94       | 387.94   | 0.00             | 0.00               | 0.00              |                    |
| 2000.00  | 23.04       | 9.19        | 1923.48   | 421.59      | 68.19       | 427.07   | 0.00             | 0.00               | 0.00              |                    |
| 2100.00  | 23.04       | 9.19        | 2015.50   | 460.22      | 74.44       | 466.21   | 0.00             | 0.00               | 0.00              |                    |
| 2140.86  | 23.04       | 9.19        | 2053.10   | 476.01      | 76.99       | 482.19   | 0.00             | 0.00               | 0.00              |                    |
| 2200.00  | 21.56       | 9.19        | 2107.82   | 498.16      | 80.58       | 504.63   | 2.50             | -2.50              | 0.00              |                    |
| 2300.00  | 19.06       | 9.19        | 2201.60   | 532.42      | 86.12       | 539.34   | 2.50             | -2.50              | 0.00              |                    |
| 2400.00  | 16.56       | 9.19        | 2296.80   | 562.61      | 91.00       | 569.92   | 2.50             | -2.50              | 0.00              |                    |
| 2500.00  | 14.06       | 9.19        | 2393.24   | 588.68      | 95.22       | 596.33   | 2.50             | -2.50              | 0.00              |                    |
| 2600.00  | 11.56       | 9.19        | 2490.74   | 610.56      | 98.76       | 618.50   | 2.50             | -2.50              | 0.00              |                    |
| 2700.00  | 9.06        | 9.19        | 2589.12   | 628.23      | 101.61      | 636.39   | 2.50             | -2.50              | 0.00              |                    |
| 2800.00  | 6.56        | 9.19        | 2688.19   | 641.64      | 103.78      | 649.98   | 2.50             | -2.50              | 0.00              |                    |
| 2900.00  | 4.06        | 9.19        | 2787.75   | 650.77      | 105.26      | 659.23   | 2.50             | -2.50              | 0.00              |                    |
| 3000.00  | 1.56        | 9.19        | 2887.62   | 655.61      | 106.04      | 664.13   | 2.50             | -2.50              | 0.00              |                    |
| 3062.39  | 0.00        | 9.19        | 2950.00   | 656.45      | 106.18      | 664.98   | 2.50             | -2.50              | 0.00              |                    |
| 3100.00  | 0.00        | 9.19        | 2987.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3200.00  | 0.00        | 9.19        | 3087.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3212.39  | 0.00        | 9.19        | 3100.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | 9 5/8"             |
| 3300.00  | 0.00        | 9.19        | 3187.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3400.00  | 0.00        | 9.19        | 3287.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3500.00  | 0.00        | 9.19        | 3387.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3600.00  | 0.00        | 9.19        | 3487.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3700.00  | 0.00        | 9.19        | 3587.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3800.00  | 0.00        | 9.19        | 3687.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 3827.39  | 0.00        | 9.19        | 3715.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | Wasatch Tongue     |
| 3900.00  | 0.00        | 9.19        | 3787.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4000.00  | 0.00        | 9.19        | 3887.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4100.00  | 0.00        | 9.19        | 3987.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4187.39  | 0.00        | 9.19        | 4075.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | Green River Tongue |
| 4200.00  | 0.00        | 9.19        | 4087.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4300.00  | 0.00        | 9.19        | 4187.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4327.39  | 0.00        | 9.19        | 4215.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | Wasatch            |
| 4400.00  | 0.00        | 9.19        | 4287.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4500.00  | 0.00        | 9.19        | 4387.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4600.00  | 0.00        | 9.19        | 4487.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4700.00  | 0.00        | 9.19        | 4587.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4800.00  | 0.00        | 9.19        | 4687.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 4900.00  | 0.00        | 9.19        | 4787.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5000.00  | 0.00        | 9.19        | 4887.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5100.00  | 0.00        | 9.19        | 4987.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5177.39  | 0.00        | 9.19        | 5065.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | Chapita Wells      |
| 5200.00  | 0.00        | 9.19        | 5087.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5300.00  | 0.00        | 9.19        | 5187.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5400.00  | 0.00        | 9.19        | 5287.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5500.00  | 0.00        | 9.19        | 5387.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5600.00  | 0.00        | 9.19        | 5487.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5700.00  | 0.00        | 9.19        | 5587.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5800.00  | 0.00        | 9.19        | 5687.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 5900.00  | 0.00        | 9.19        | 5787.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 6000.00  | 0.00        | 9.19        | 5887.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 6100.00  | 0.00        | 9.19        | 5987.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 6200.00  | 0.00        | 9.19        | 6087.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 6300.00  | 0.00        | 9.19        | 6187.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |
| 6327.39  | 0.00        | 9.19        | 6215.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | Uteland Buttes     |
| 6400.00  | 0.00        | 9.19        | 6287.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |                    |



# Ryan Energy Technologies Planning Report



|   |  |
|---|--|
| <b>Company:</b> Dominion E&P<br><b>Field:</b> Uintah County, UT<br><b>Site:</b> LCU 3-2H<br><b>Well:</b> Well #3-2H<br><b>Wellpath:</b> Original Hole | <b>Date:</b> 5/3/2006<br><b>Co-ordinate(NE) Reference:</b> Site: LCU 3-2H, True North<br><b>Vertical (TVD) Reference:</b> Est. RKB @ 5415.0 0.0<br><b>Section (VS) Reference:</b> Site (0.00N,0.00E,9.19Azi)<br><b>Plan:</b> Plan #1 |
|---|--|

### Survey

| MD<br>ft | Incl<br>deg | Azim<br>deg | TVD<br>ft | +N/-S<br>ft | +E/-W<br>ft | VS<br>ft | DLS<br>deg/100ft | Build<br>deg/100ft | Turn<br>deg/100ft | Tool/Comment |
|----------|-------------|-------------|-----------|-------------|-------------|----------|------------------|--------------------|-------------------|--------------|
| 6500.00  | 0.00        | 9.19        | 6387.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 6600.00  | 0.00        | 9.19        | 6487.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 6700.00  | 0.00        | 9.19        | 6587.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 6800.00  | 0.00        | 9.19        | 6687.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 6900.00  | 0.00        | 9.19        | 6787.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7000.00  | 0.00        | 9.19        | 6887.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7100.00  | 0.00        | 9.19        | 6987.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7107.39  | 0.00        | 9.19        | 6995.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | Mesaverde    |
| 7200.00  | 0.00        | 9.19        | 7087.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7300.00  | 0.00        | 9.19        | 7187.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7400.00  | 0.00        | 9.19        | 7287.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7500.00  | 0.00        | 9.19        | 7387.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7600.00  | 0.00        | 9.19        | 7487.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7700.00  | 0.00        | 9.19        | 7587.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7800.00  | 0.00        | 9.19        | 7687.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 7900.00  | 0.00        | 9.19        | 7787.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 8000.00  | 0.00        | 9.19        | 7887.61   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              |              |
| 8062.39  | 0.00        | 9.19        | 7950.00   | 656.45      | 106.18      | 664.98   | 0.00             | 0.00               | 0.00              | PBHL         |

### Targets

| Name                     | Description<br>Dip. | TVD<br>Dir. | +N/-S<br>ft | +E/-W<br>ft | Map<br>Northing<br>ft | Map<br>Easting<br>ft | ← Latitude →<br>Deg Min Sec | ← Longitude →<br>Deg Min Sec |
|--------------------------|---------------------|-------------|-------------|-------------|-----------------------|----------------------|-----------------------------|------------------------------|
| PBHL<br>-Plan hit target |                     | 7950.00     | 656.45      | 106.18      | 7135759.43            | 2159778.57           | 39 53 40.938 N              | 109 38 55.508 W              |

### Casing Points

| MD<br>ft | TVD<br>ft | Diameter<br>in | Hole Size<br>in | Name   |
|----------|-----------|----------------|-----------------|--------|
| 3212.39  | 3100.00   | 9.625          | 12.250          | 9 5/8" |

### Formations

| MD<br>ft | TVD<br>ft | Formations         | Lithology | Dip Angle<br>deg | Dip Direction<br>deg |
|----------|-----------|--------------------|-----------|------------------|----------------------|
| 3827.39  | 3715.00   | Wasatch Tongue     |           | 0.00             | 0.00                 |
| 4187.39  | 4075.00   | Green River Tongue |           | 0.00             | 0.00                 |
| 4327.39  | 4215.00   | Wasatch            |           | 0.00             | 0.00                 |
| 5177.39  | 5065.00   | Chapita Wells      |           | 0.00             | 0.00                 |
| 6327.39  | 6215.00   | Uteland Buttes     |           | 0.00             | 0.00                 |
| 7107.39  | 6995.00   | Mesaverde          |           | 0.00             | 0.00                 |

### Annotation

| MD<br>ft | TVD<br>ft |                    |
|----------|-----------|--------------------|
| 530.00   | 530.00    | KOP, Build 3"/100' |

## SURFACE USE PLAN

### CONDITIONS OF APPROVAL

#### *Attachment for Permit to Drill*

**Name of Operator:** Dominion Exploration & Production  
**Address:** 14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
**Well Location:** LCU 3-2H  
SHL: 1357' FNL & 1905' FWL Section 2-11S-20E  
BHL: 700' FNL & 2000' FWL Section 2-11S-20E  
Uintah County, UT

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

A state onsite inspection is pending at this time.

1. Existing Roads:
  - a. The proposed well site is located approximately 13.59 miles south of Ouray, UT.
  - b. Directions to the proposed well site have been attached at the end of Exhibit B.
  - c. The use of roads under State and County Road Department maintenance are necessary to access the Little Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
  - d. All existing roads will be maintained and kept in good repair during all phases of operation.
  - e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
  - f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
  - g. An off-lease federal, tribal or fee Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing state lease boundary.

2. Planned Access Roads:

- a. From the proposed LCU 5-2H access road an access is proposed trending northwest approximately 0.2 miles to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 24' travel surface within a 30' disturbed area.
- c. SITLA approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed since the access road is only 0.2 miles long and adequate site distance exists in all directions.
- f. No culverts and no low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from SITLA, Federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

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

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Calsbad Canyon / Desert Tan to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

- d. A tank battery will be constructed on this location; it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the southeast side of the well site and traverse 1,157'; southeast to the proposed LCU 5-35F pipeline corridor.
- i. The new gas pipeline will be a 6" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 1,157' is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

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

6. Source of Construction Material:

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

7. Methods of Handling Waste Disposal:

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

8. Ancillary Facilities:

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

9. Well Site Layout: (See Exhibit B)

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

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the SITLA or the appropriate County Extension Office.

- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the SITLA.

11. Surface and Mineral Ownership:

- a. Surface Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.
- b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Additional information:
  - a. No drainage crossings that require additional State or Federal approval are being crossed.
  - b. No raptor habitat is known to exist within 1 mile of the proposed wellsite.

13. Operator's Representative and Certification

| <u>Title</u>                       | <u>Name</u>     | <u>Office Phone</u> |
|------------------------------------|-----------------|---------------------|
| Company Representative (Roosevelt) | Ken Secrest     | 1-435-722-4521      |
| Company Representative (Oklahoma)  | Carla Christian | 1-405-749-5263      |
| Agent for Dominion                 | Don Hamilton    | 1-435-719-2018      |

Certification:

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

Signature: Don Hamilton Date: 6-5-06

ORIGINAL

DOMINION EXPLR. & PROD., INC.

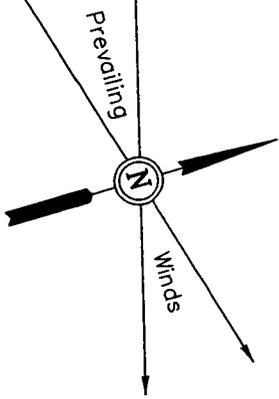
LOCATION LAYOUT FOR

LCU #3-2H & #6-2H

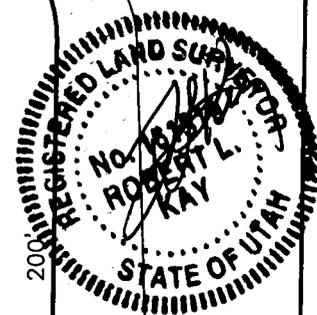
SECTION 2, T11S, R20E, S.L.B.&M.

SE 1/4 NW 1/4

Approx. Toe of Fill Slope F-6.9' El. 87.8'



SCALE: 1" = 50'  
DATE: 03-22-06  
Drawn By: P.M.

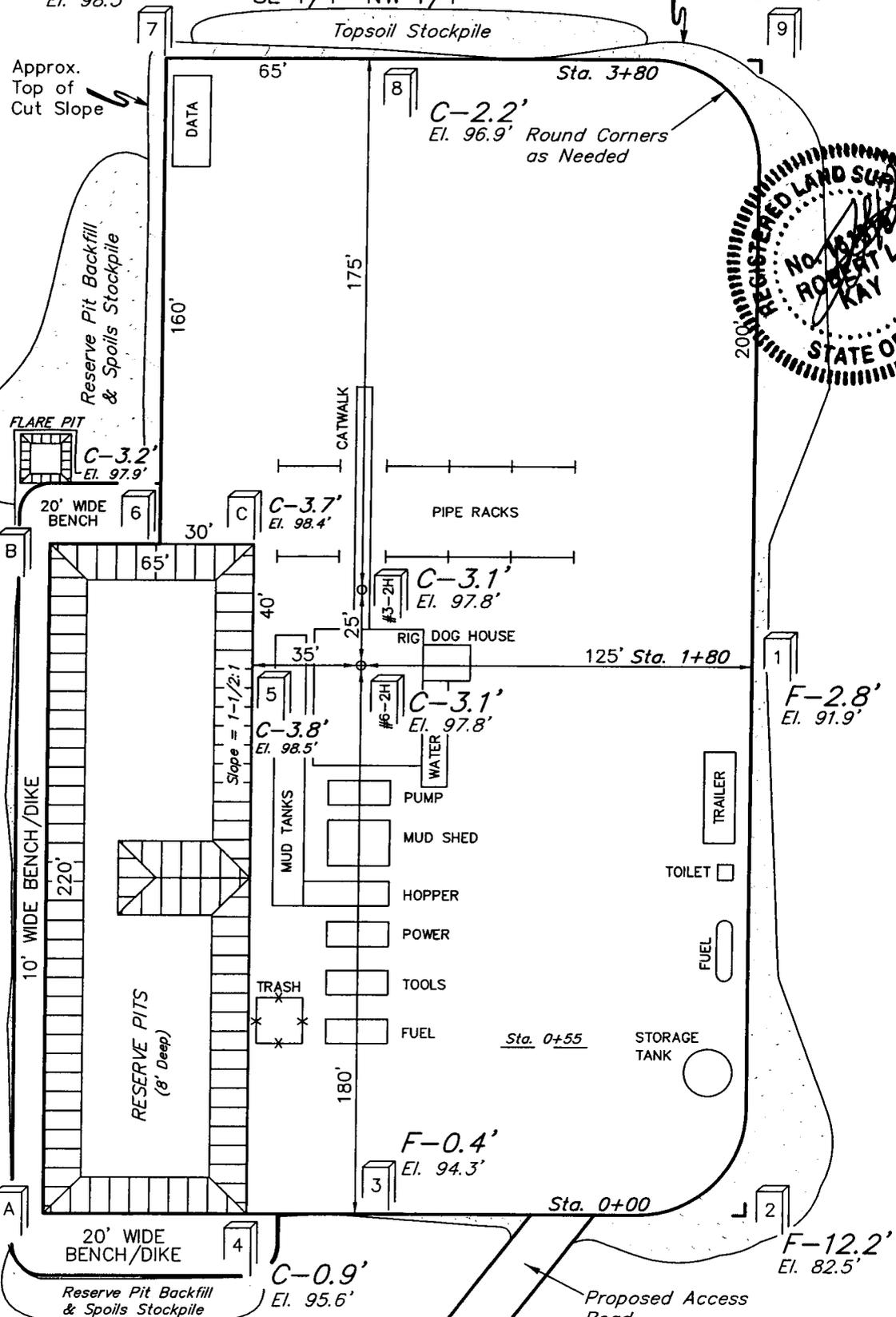


**NOTE:**  
Flare Pit is to be located a min. of 100' from the Well Head.

NO DISTURANCE

Total Pit Capacity  
W/2' of Freeboard  
= 10,690 Bbbls. ±  
Total Pit Volume  
= 3,170 Cu. Yds.

El. 95.4'  
C-8.7' (btm. pit)



Elev. Ungraded Ground at #6-2H Location Stake = 5397.8'  
Elev. Graded Ground at #6-2H Location Stake = 5394.7'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (801) 789-1017

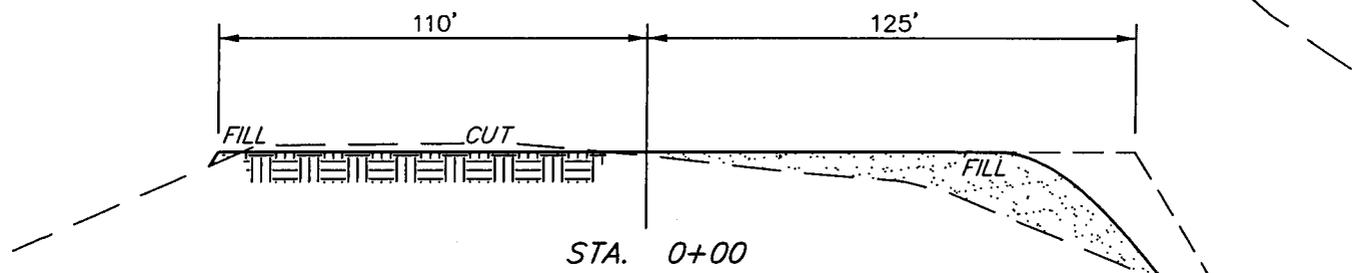
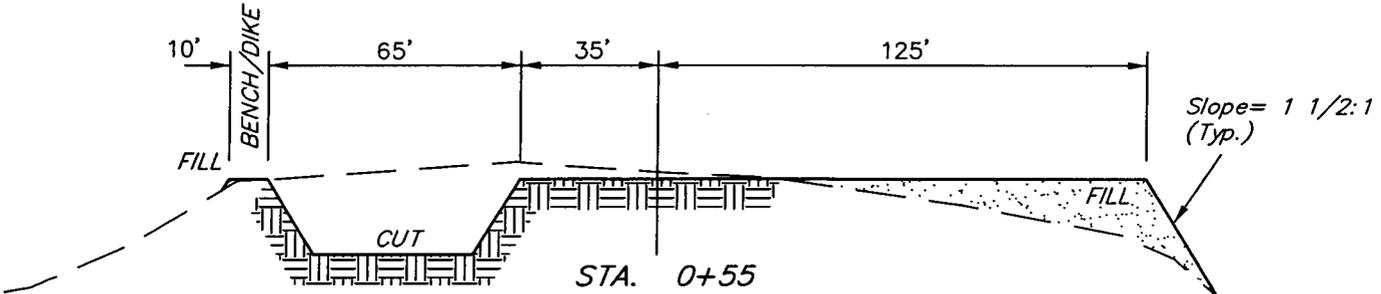
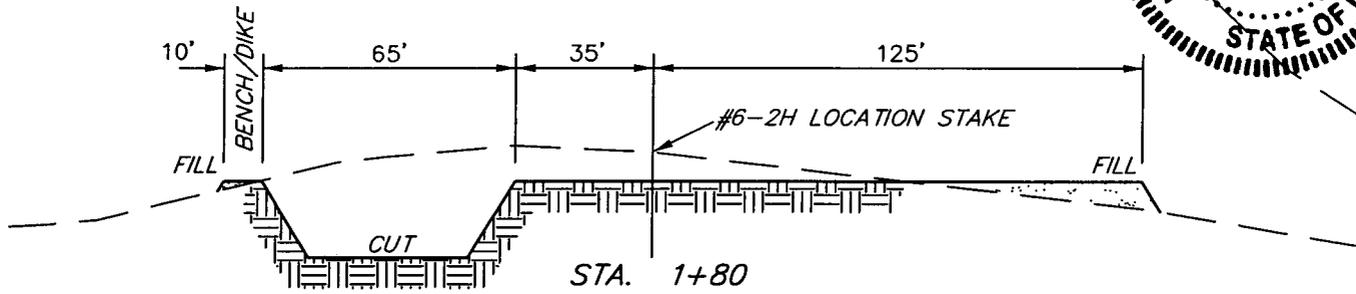
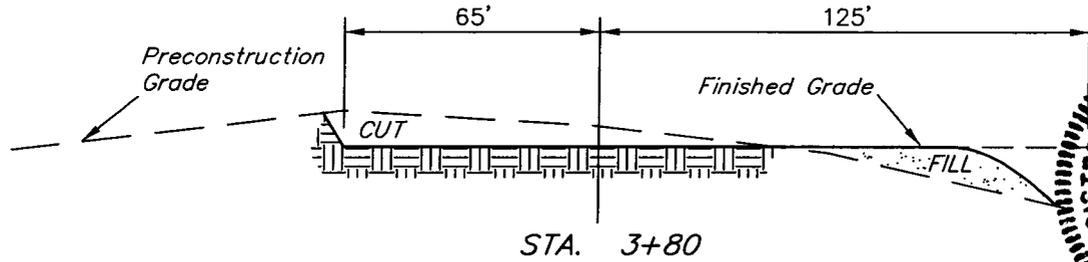
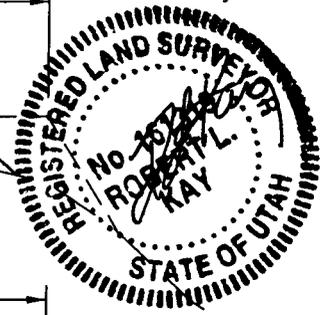
DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

LCU #3-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4

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

DATE: 03-22-06  
Drawn By: P.M.



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

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

|                        |          |                      |
|------------------------|----------|----------------------|
| CUT                    |          |                      |
| (6") Topsoil Stripping | =        | 1,800 Cu. Yds.       |
| Remaining Location     | =        | 6,010 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>=</b> | <b>7,810 CU.YDS.</b> |
| <b>FILL</b>            | <b>=</b> | <b>4,420 CU.YDS.</b> |

|  |   |                |
|--|---|----------------|
| EXCESS MATERIAL                                    | = | 3,390 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)           | = | 3,390 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Interim Rehabilitation) | = | 0 Cu. Yds.     |

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85 So. 200 East \* Vernal, Utah 84078 \* (801) 789-1017

# DOMINION EXPLR. & PROD., INC.

## LCU #3-2H & #6-2H

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 2, T11S, R20E, S.L.B.&M.

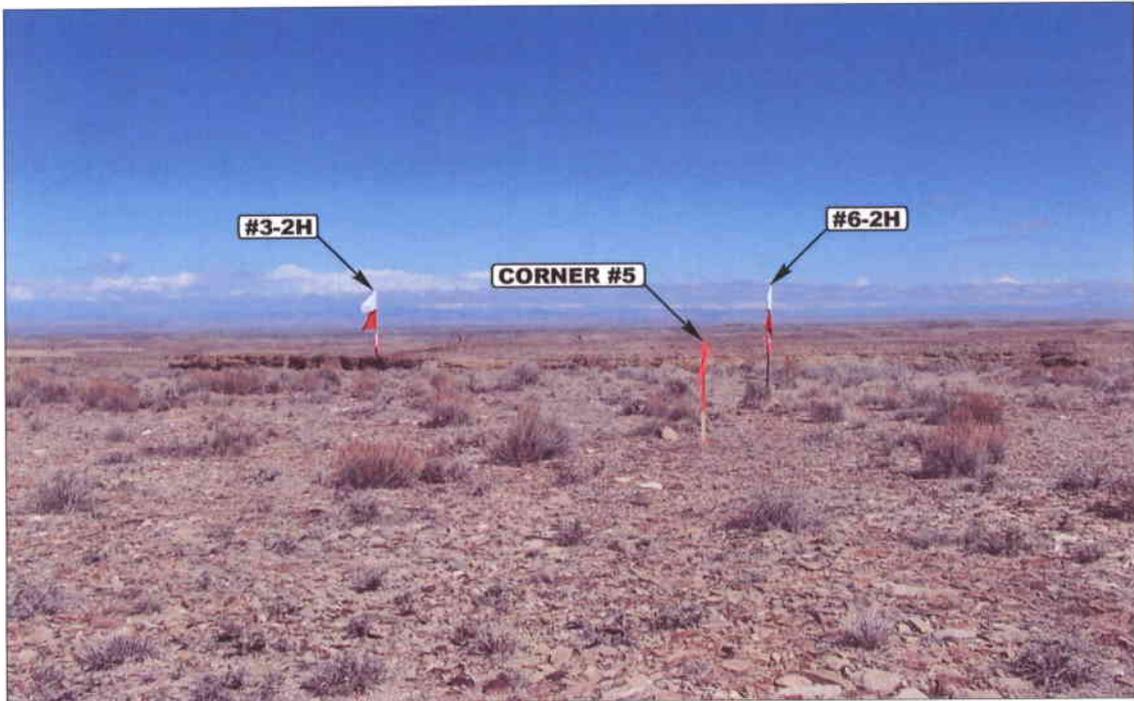


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

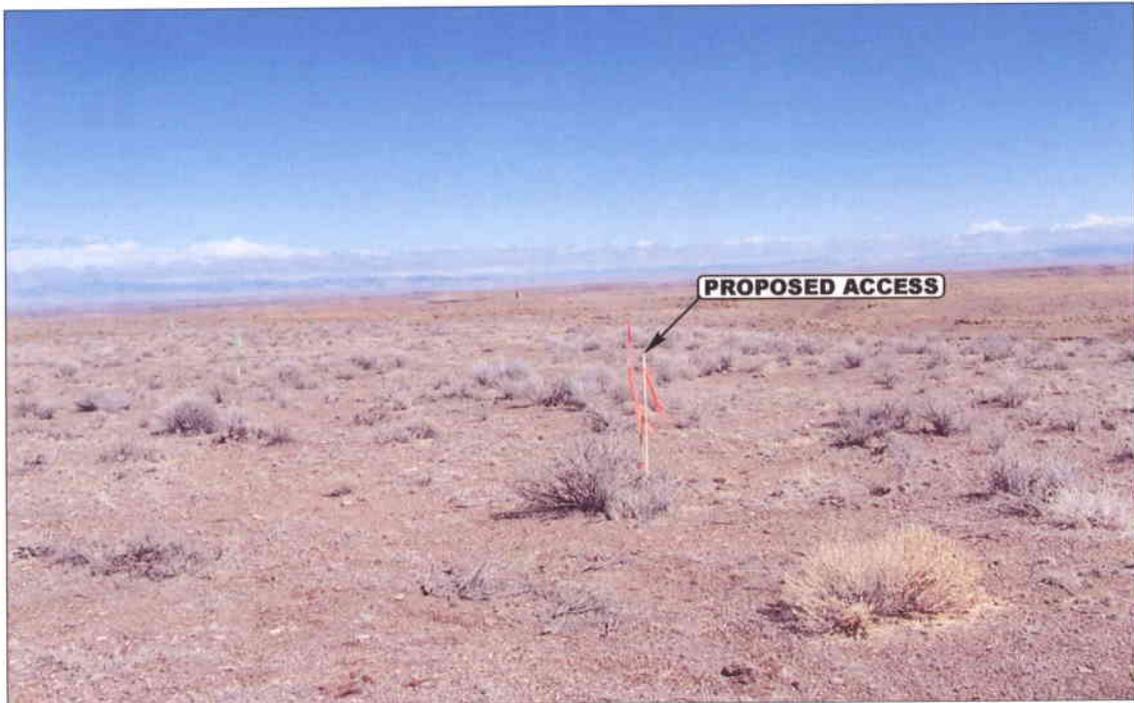


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

LOCATION PHOTOS

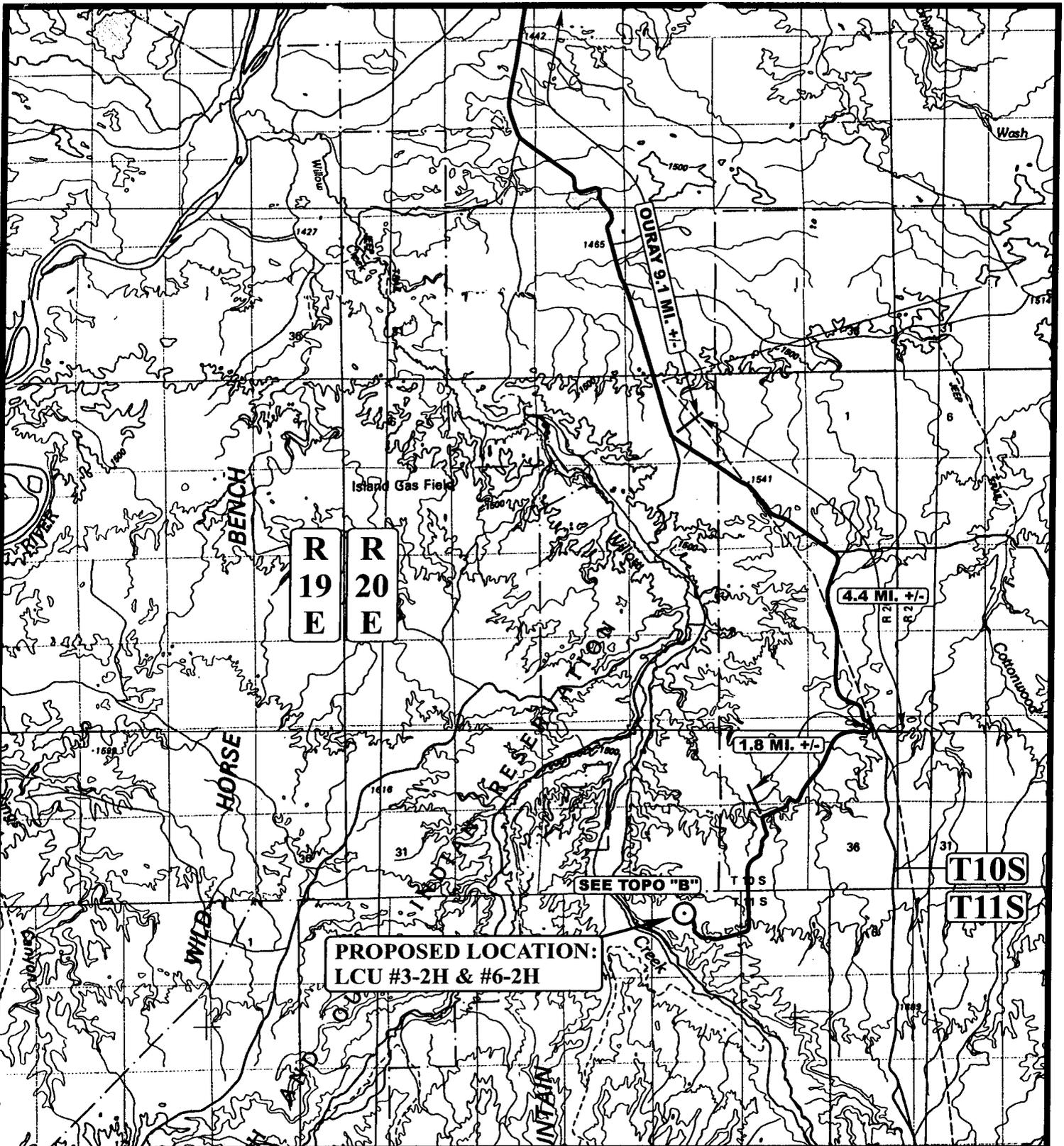
03 27 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: B.C.

REVISED: 00-00-00



**LEGEND:**

○ PROPOSED LOCATION



**DOMINION EXPLR. & PROD., INC.**

LCU #3-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4

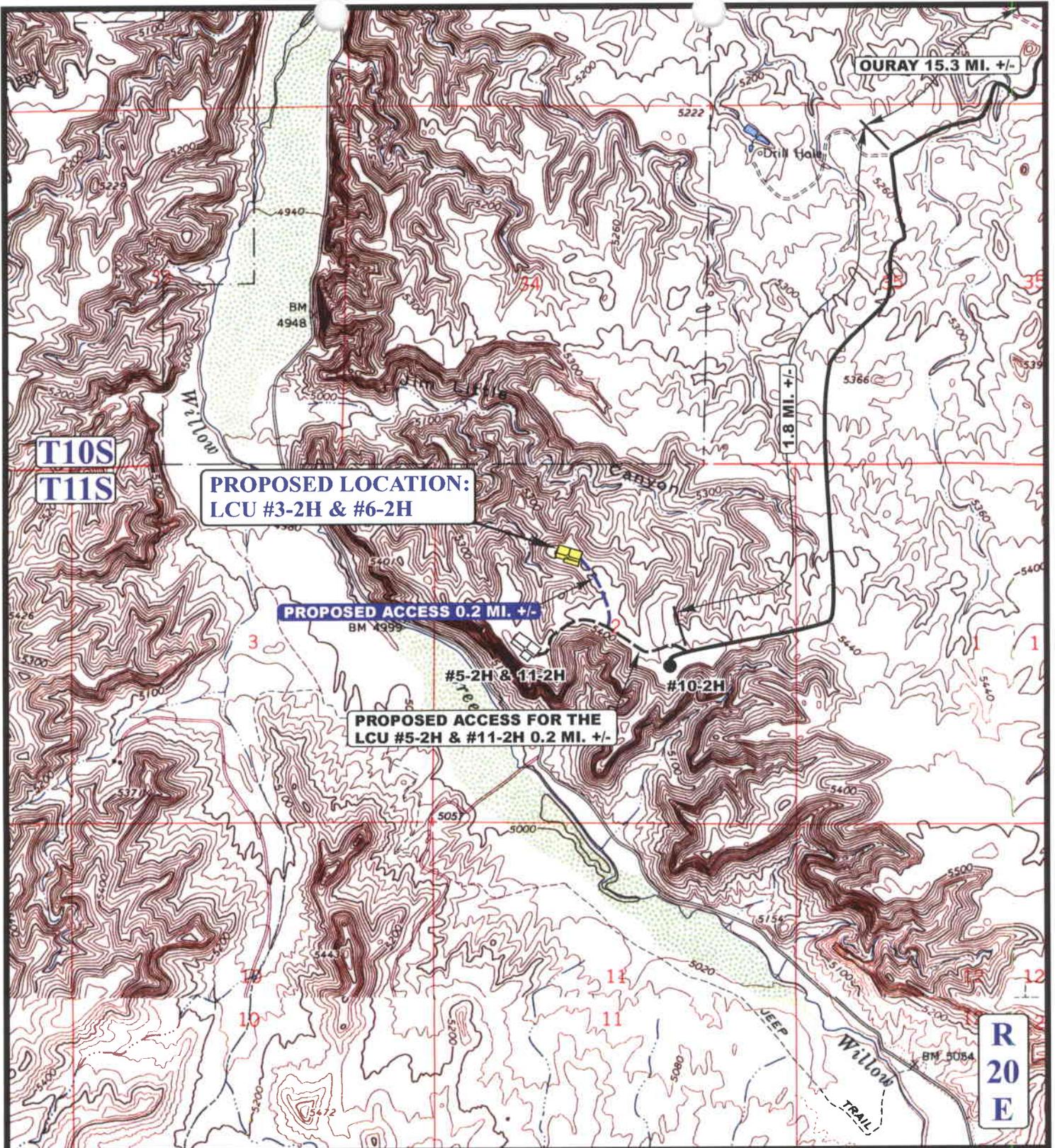


Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC 03 27 06  
MAP MONTH DAY YEAR

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





**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



**DOMINION EXPLR. & PROD., INC.**

LCU #3-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4

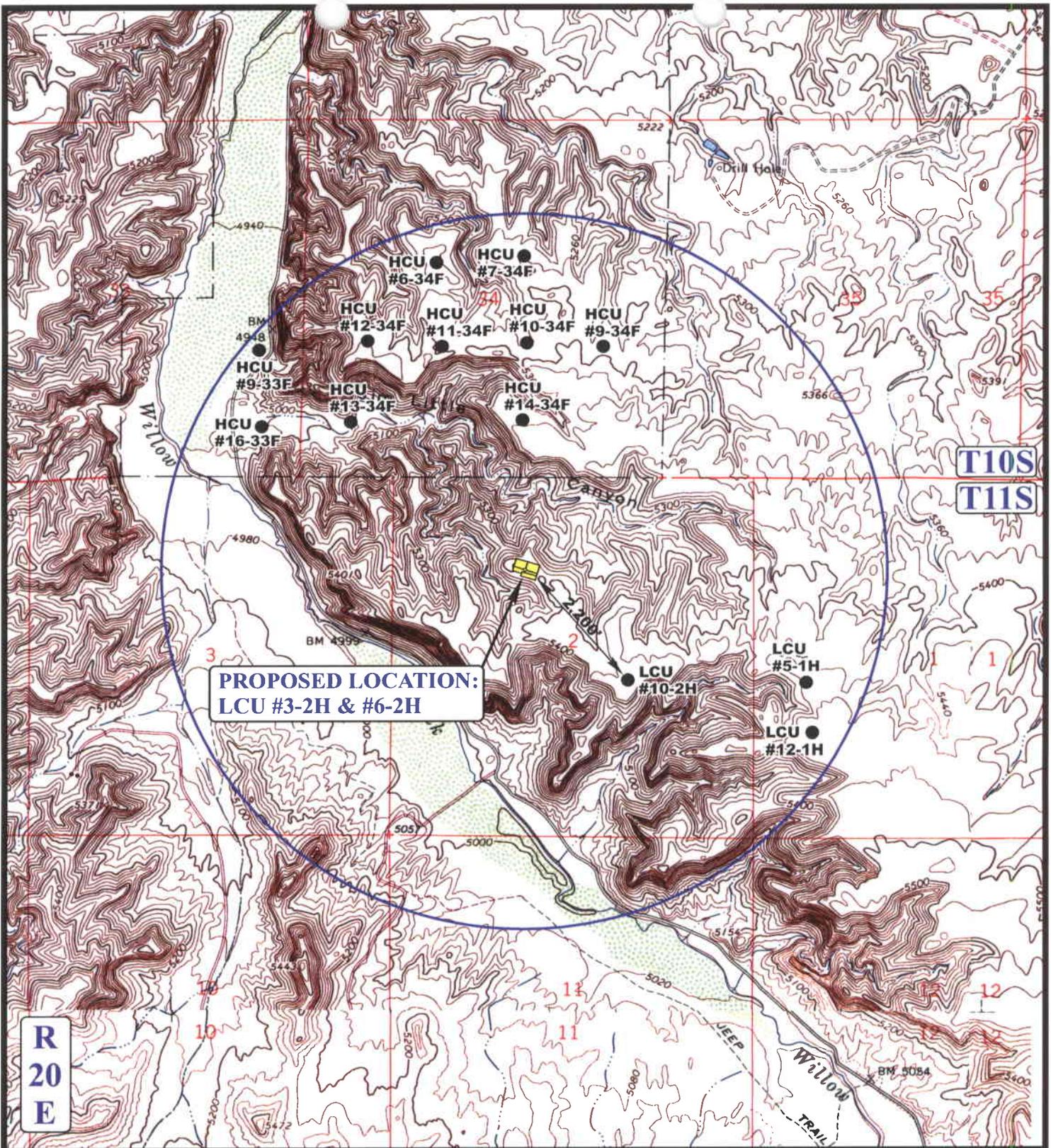


Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 03 27 06  
**MAP** MONTH DAY YEAR

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





**PROPOSED LOCATION:  
LCU #3-2H & #6-2H**

**R  
20  
E**

**T10S  
T11S**

**LEGEND:**

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



**DOMINION EXPLR. & PROD., INC.**

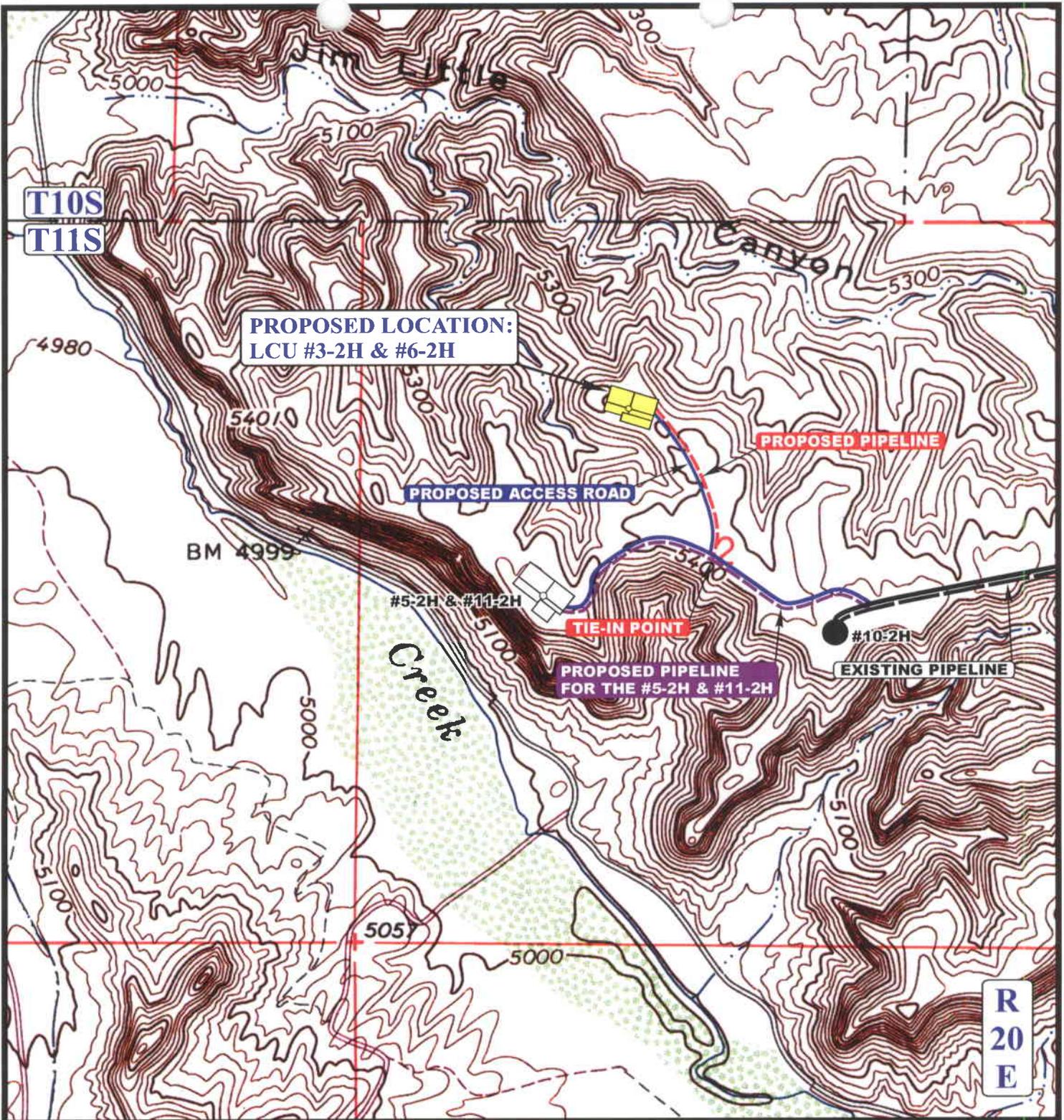
**LCU #3-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4**



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

**TOPOGRAPHIC MAP**  
03 27 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00





**PROPOSED LOCATION:  
LCU #3-2H & #6-2H**

**PROPOSED PIPELINE**

**PROPOSED ACCESS ROAD**

**TIE-IN POINT**

**PROPOSED PIPELINE  
FOR THE #5-2H & #11-2H**

**EXISTING PIPELINE**

**R  
20  
E**

**APPROXIMATE TOTAL PIPELINE DISTANCE = 1,157' +/-**

**LEGEND:**

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



**DOMINION EXPLR. & PROD., INC.**

**LCU #3-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4**



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

**TOPOGRAPHIC MAP** 03 27 06  
MONTH DAY YEAR

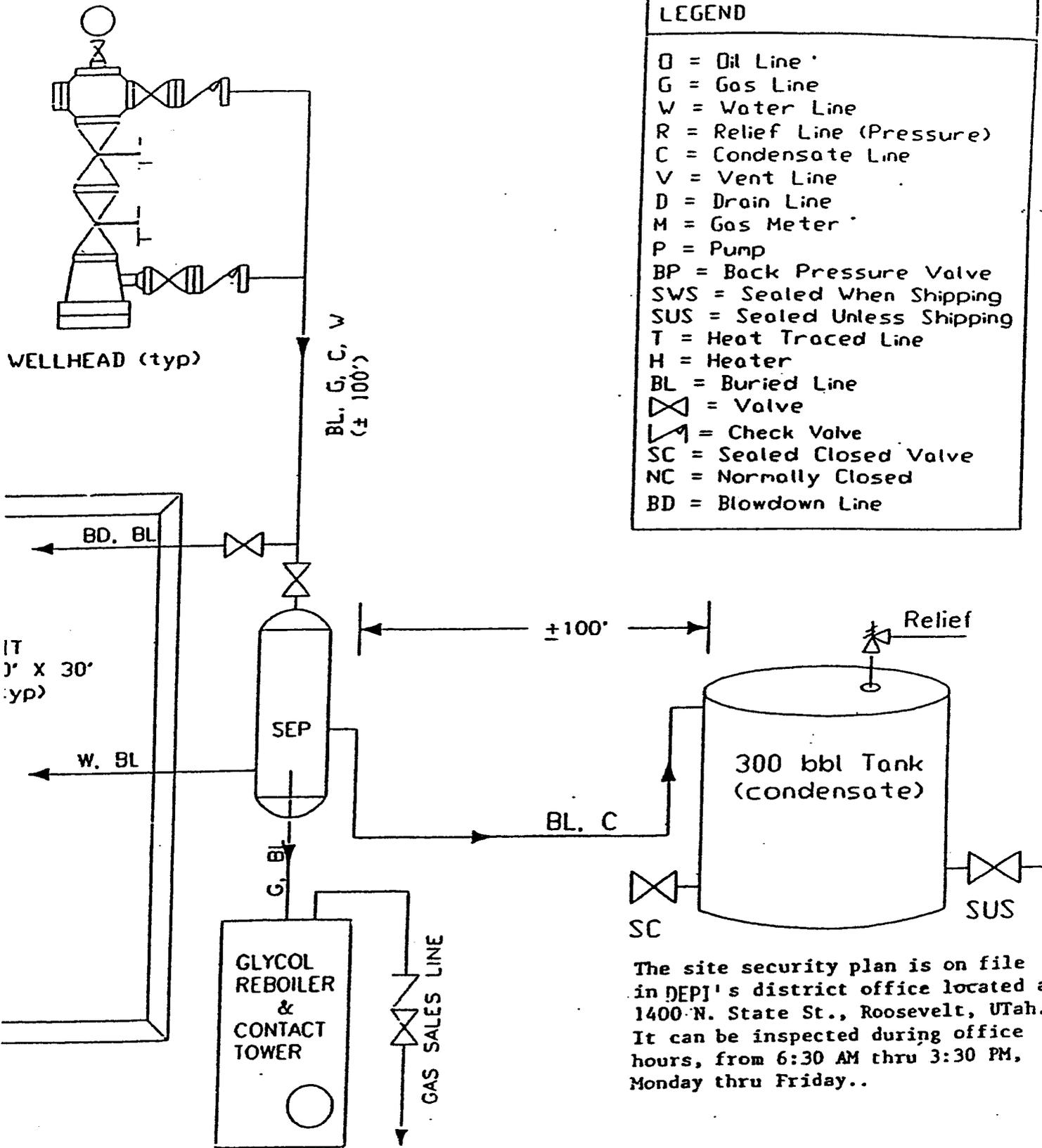
SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00



DOMINION EXPLR. & PROD., INC.  
LCU #3-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 13.5 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN WESTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #5-2H & #11-2H TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.5 MILES.



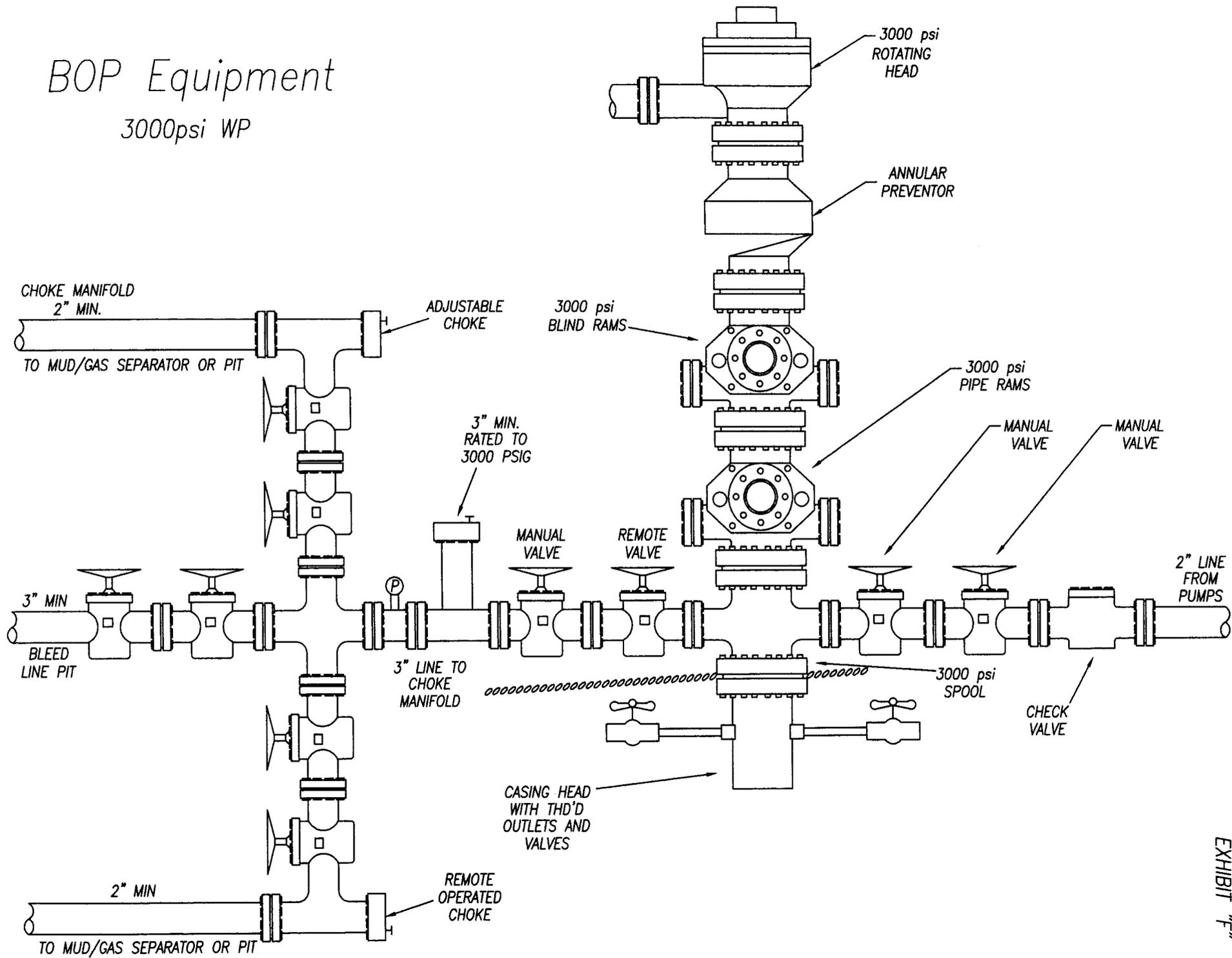
**LEGEND**

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

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

# BOP Equipment

3000psi WP



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/08/2006

|                                |
|--------------------------------|
| API NO. ASSIGNED: 43-047-38272 |
|--------------------------------|

WELL NAME: LCU 3-2H  
 OPERATOR: DOMINION EXPL & PROD ( N1095 )  
 CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

SE NW 02 110S 200E  
 SURFACE: 1357 FNL 1905 FWL  
 BOTTOM: 0700 FNL 2000 FWL *NE NW*  
 COUNTY: UINTAH  
 LATITUDE: 39.89293 LONGITUDE: -109.6484  
 UTM SURF EASTINGS: 615561 NORTHINGS: 4416538  
 FIELD NAME: HILL CREEK ( 617 )

| INSPECT LOCATN BY: / / |          |         |
|------------------------|----------|---------|
| Tech Review            | Initials | Date    |
| Engineering            | DKD      | 7/20/06 |
| Geology                |          |         |
| Surface                |          |         |

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-48771  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

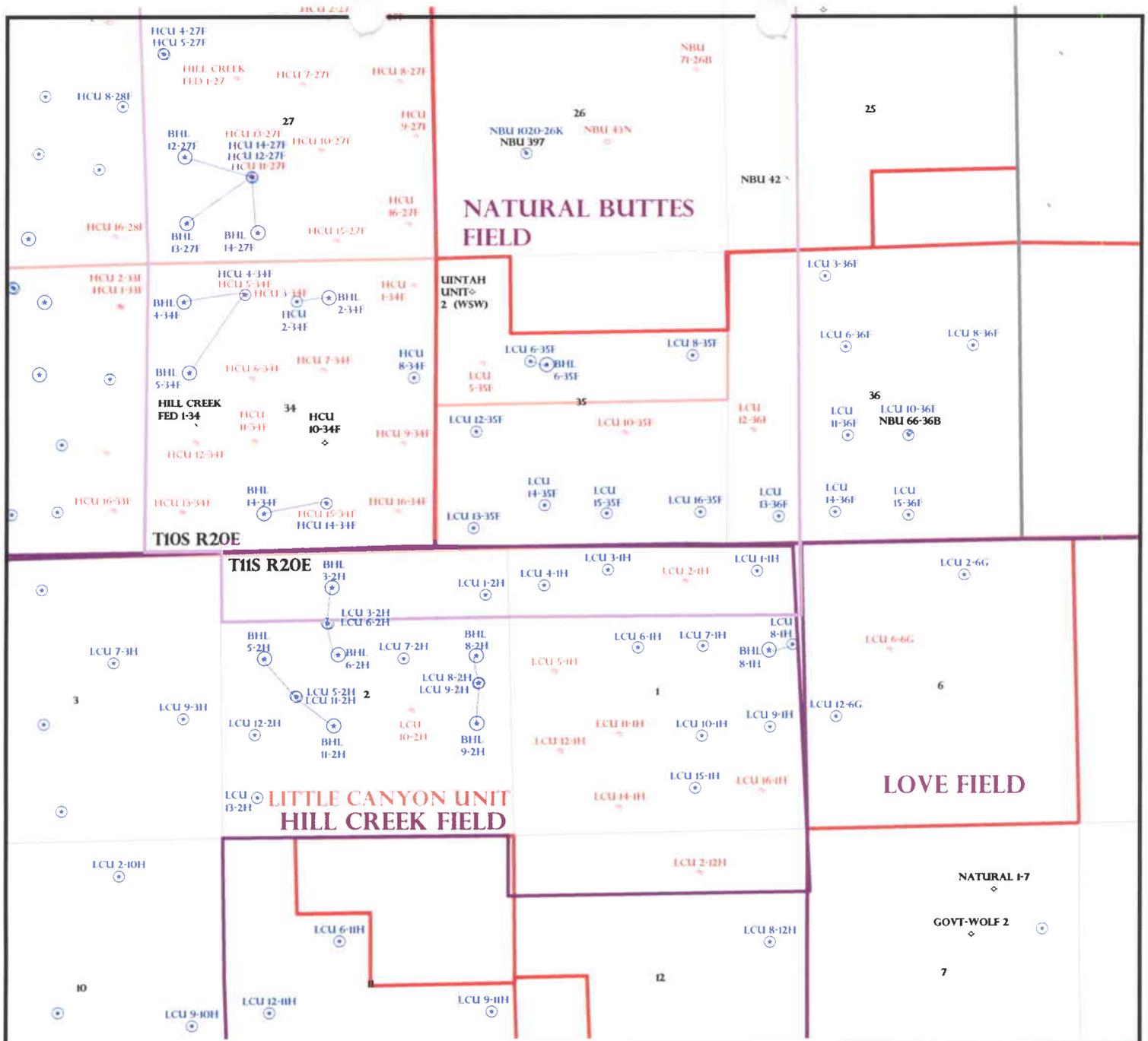
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 76S63050600 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-10447 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: Needs Permit (06-27-06)

STIPULATIONS: 1- Spacing Stip  
2- STATEMENT OF BASIS  
3- Surface Csg Cont Stip



OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 2 T. 11S R. 20E

FIELD: HILL CREEK (617)

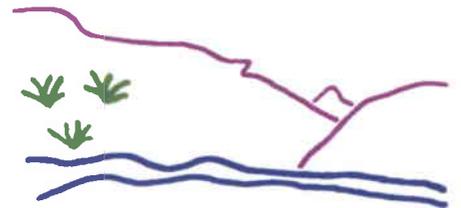
COUNTY: UINTAH

SPACING: R649-3-11 / DIRECTIONAL DRILLING

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

- Unit Status**
- EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PENDING
  - PI OIL
  - PP GAS
  - PP GEOTHERML
  - PP OIL
  - SECONDARY
  - TERMINATED

- Wells Status**
- \* GAS INJECTION
  - \* GAS STORAGE
  - x LOCATION ABANDONED
  - o NEW LOCATION
  - x PLUGGED & ABANDONED
  - \* PRODUCING GAS
  - o PRODUCING OIL
  - \* SHUT-IN GAS
  - \* SHUT-IN OIL
  - x TEMP. ABANDONED
  - \* TEST WELL
  - o WATER INJECTION
  - o WATER SUPPLY
  - o WATER DISPOSAL
  - o DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 16-JUNE-2006

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

**OPERATOR:** \_\_\_\_\_ DOMINION EXPLORATION & PRODUCTION, INC.  
**WELL NAME & NUMBER:** \_\_\_\_\_ LCH 3-2H  
**API NUMBER:** \_\_\_\_\_ 43-047-38254  
**LOCATION:** 1/4,1/4 SE/NW Sec:2 TWP:11S RNG: 20E 1905' FWL 1357' FNL  
**BOTTOM HOLE:** 1/4,1/4 NE/NW Sec:2 TWP: 11S RNG: 20E 700'FNL 2000' FWL

**Geology/Ground Water:**

Dominion proposes to set 500 feet of surface casing and 3,100 feet of intermediate casing, both cemented to the surface. The base of the moderately saline water is estimated at 4,400 feet. A search of Division of Water Rights records shows 2 water wells within a 10,000 foot radius of the proposed location. One well is 2,500 feet deep and the other has no depth listed. Both wells are over a mile from the proposed location. The wells are owned by the BLM. Use is listed as stock/wildlife watering. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers. The production string cement should be brought up above the base of the moderately saline water to prevent it from mixing with fresher waters up hole.

**Reviewer:** \_\_\_\_\_ Brad Hill                      **Date:** \_\_\_\_\_ 07-06-2006

**Surface:**

The pre-drill investigation of the surface was performed on 06/27/2006. This site is on State surface with State minerals. Ed Bonner and Jim Davis of SITLA and Ben Williams, Utah Division of Wildlife Resources, were invited to the pre-site. Mr. Davis and Mr. Williams attended. The site is approximately 14 miles southwest of Ouray, Utah and in an field area known as Little Canyon. Sub-drainages are into Willow Creek approximately ¼ miles to the west. Willow Creek contains a perennial stream and drains northerly approximately 10 miles into the Green River. All sub-drainages in the area are dry or ephemeral. The area consists of several large open flats with somewhat frequent, steep side-draws. The Uintah and Ouray Indian Reservation is to the west. This is a directional well planned on the same pad as the LCU 6-2H, which is also a directional well. The location is planned near west end of a ridge, which runs in a east-west direction toward Willow Creek. The ridge slopes abruptly to the north and south. Cut will occur from the south side of the location and be deposited as fill on the north side. Approximately 0.2 miles of road will be constructed to the location leading from the road to the planned LCU 5 & 11-2H wells. The ridge has poor native desert shrub-grass vegetation. Surface run-off is light. Mr. Williams, of the UDWR stated the area is classified as yearlong critical habitat for antelope but water not forage is the factor limiting the growth of the herd. It is also classified as limited value yearlong habitat for deer and elk. He did not recommend any restrictions for any of these species. He gave Mr. Davis and Mr. Hamilton (Consultant for Dominion) a copy of his write-up and a recommended seed mix for re-vegetating the site.

**Reviewer:** \_\_\_\_\_ Floyd Bartlett                      **Date:** \_\_\_\_\_ 06/29/2006

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

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

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

**OPERATOR:** DOMINION EXPLORATION & PRODUCTION, INC.

**WELL NAME & NUMBER:** LCH 3-2H

**API NUMBER:** 43-047-38254

**LEASE:** State ML-048771 **FIELD/UNIT:** Natural Buttes

**LOCATION:** 1/4,1/4 SE/NW Sec:2 TWP:11S RNG: 20E 1905' FWL 1357' FNL

**BOTTOM HOLE:** 1/4,1/4 NE/NW Sec:2 TWP: 11S RNG: 20E 700' FNL 2000' FWL

**GPS COORD (UTM):** 615552 X; 4416541 Y **SURFACE OWNER:** S.I.T.L.A.

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

**PARTICIPANTS**

Floyd Bartlett (DOGM), (Don Hamilton, Buys and Associates-Consultant), Ken Secrist and Karla Christian (Dominion), Jim Davis (SITLA), Ben Williams (UDWR), Brandon Bowthorpe (U.E.L.S.), Bill McClure and Randy Jackson, (Dirt Contractors).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

The general area is located approximately 14 miles southwest of Ouray, Utah and is known as Little Canyon area. Drainages are into Willow Creek approximately 1/2 miles to the west. Willow Creek drains northerly approximately 10 miles into the Green River. All sub-drainages in the area are dry or ephemeral. The area consists of several large open flats with somewhat frequent, steep side-draws. The Uintah and Ouray Indian Reservation is to the west.

This is a directional well planned on the same pad as the LCU 6-2H, which is also a directional well. The location is planned near west end of a ridge, which runs in a east-west direction toward Willow Creek. The ridge slopes abruptly to the north and south. Cut will occur from the south side of the location and be deposited as fill on the north side. Approximately 0.2 miles of road will be constructed to the location leading from the road to the planned LCU 5 & 11-2H wells. The ridge has poor native desert shrub-grass vegetation. Surface run-off is light.

**SURFACE USE PLAN**

CURRENT SURFACE USE: Wildlife and Livestock Grazing, Hunting.

PROPOSED SURFACE DISTURBANCE: A location 365' by 190' with the reserve pit and stockpiles of spoils outside this area.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Several exist and others are planned. See TOPO C.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling wells. A pipeline 1,157 feet long, will follow the access road to a tie-in point with the pipeline planned for the LCU 5&11-2H wells

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be borrowed from site during construction of location.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): Unlikely. Area is isolated. Most activity in general area is oilfield related.

#### **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. Sewage facilities, storage and disposal will be handled by commercial contractor. Trash will be contained in trash baskets and hauled to an approved land fill.

#### **ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Poorly vegetated with shadscale, globe mallow, halogeton, broom snake-weed, horsebrush, cheatgrass and curly mesquite. Pronghorn, coyotes, songbirds, raptors, rodents, rabbits, deer, elk, wild horses.

SOIL TYPE AND CHARACTERISTICS: Moderately deep, light brown gravelly loam.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. No stability problems are anticipated with the location.

PALEONTOLOGICAL POTENTIAL: Survey was completed on 4-26-2006 and will be submitted.

#### **RESERVE PIT**

CHARACTERISTICS: 65' by 220' and eight feet deep. The pit is longer than normal to serve the two wells currently planned from the location. It is located within a cut on the south east side of the location.

LINER REQUIREMENTS (Site Ranking Form attached): With the location situated above the canyon breaks which run into the Willow Creek drainage, a pit liner is required. A 16 mil liner with a felt sub-liner is proposed by the operator. Sensitivity level II.

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

As per surface use agreement.

SURFACE AGREEMENT: SITLA lease.

CULTURAL RESOURCES/ARCHAEOLOGY: An archeologist has inspected the site. A copy of this report will be submitted to the State of Utah.

**OTHER OBSERVATIONS/COMMENTS**

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope but water not forage is the factor limiting the growth of the herd. It is also classified as limited value yearlong habitat for deer and elk. He did not recommend any restrictions for any of these species. He furnished Jim Davis of SITLA and Don Hamilton, Dominion Permit Agent copies of his evaluation and a recommended deed mix to be used when the site is re-vegetated.

ATV's were used to reach the location.

The investigation was conducted on a sunny, very hot day.

**ATTACHMENTS**

Photos of this site were taken and placed on file.

Floyd Bartlett  
DOGM REPRESENTATIVE

06/27/2006 3:30 PM  
DATE/TIME

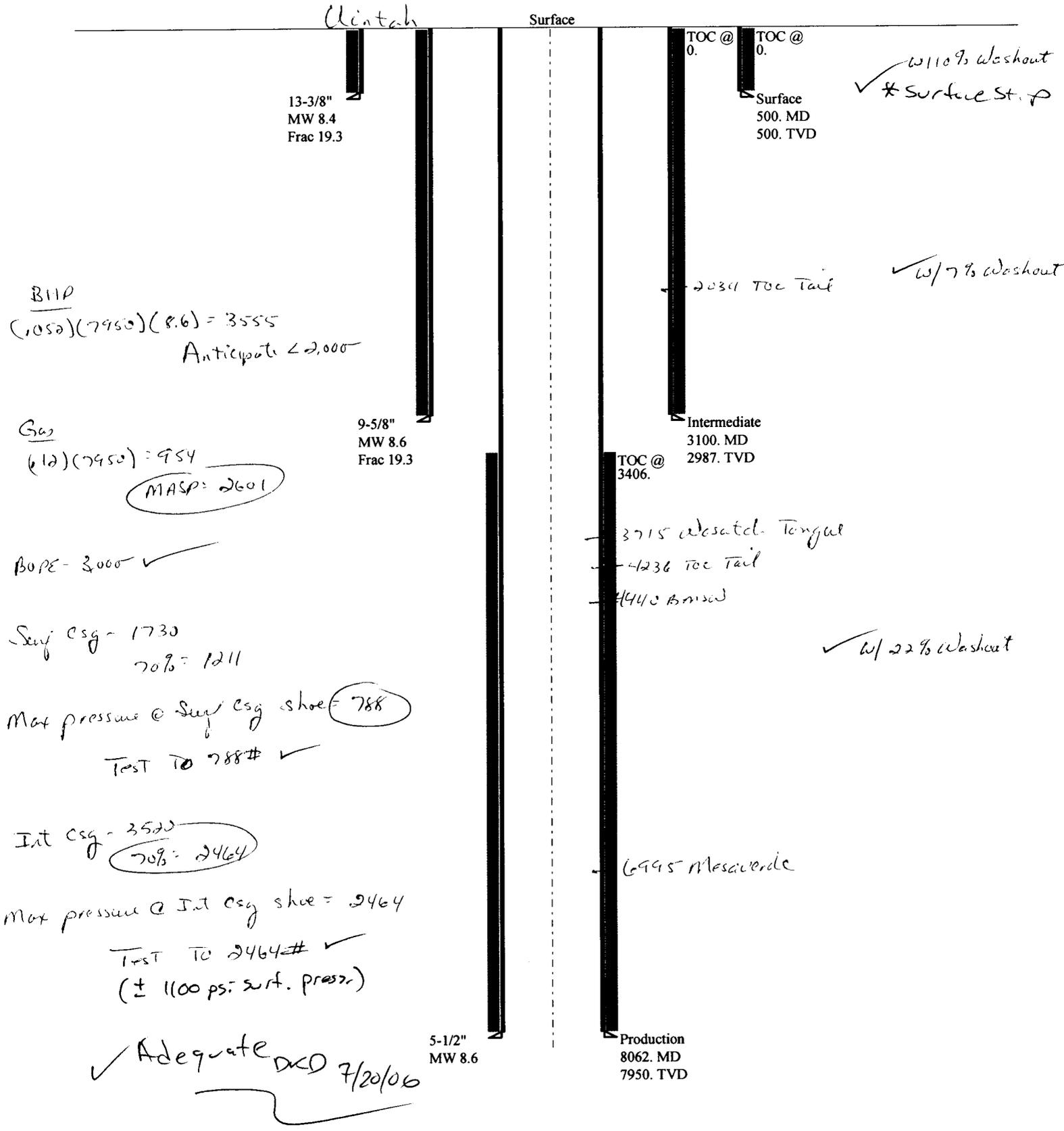
**Evaluation Ranking Criteria and Ranking Scale  
For Reserve and Onsite Pit Liner Requirements**

| <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>0</u>            |
| Native Soil Type  |                |                     |
| Low permeability  | 0              |                     |
| Mod. permeability                                       | 10             |                     |
| High permeability                                       | 20             | <u>10</u>           |
| Fluid Type  |                |                     |
| Air/mist  | 0              |                     |
| Fresh Water   | 5              |                     |
| TDS >5000 and <10000                                    | 10             |                     |
| TDS >10000 or Oil Base Mud Fluid                        | 15             |                     |
| containing significant levels of hazardous constituents | 20             | <u>5</u>            |
| Drill Cuttings  |                |                     |
| Normal Rock   | 0              |                     |
| Salt or detrimental                                     | 10             | <u>0</u>            |
| Annual Precipitation (inches)                           |                |                     |
| <10   | 0              |                     |
| 10 to 20  | 5              |                     |
| >20   | 10             | <u>0</u>            |
| Affected Populations                                    |                |                     |
| <10   | 0              |                     |
| 10 to 30  | 6              |                     |
| 30 to 50  | 8              |                     |
| >50   | 10             | <u>0</u>            |
| Presence of Nearby Utility Conduits                     |                |                     |
| Not Present   | 0              |                     |
| Unknown   | 10             |                     |
| Present   | 15             | <u>0</u>            |

**Final Score**      15      (Level II)

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.

# 07-06 Dominion LCU 3-2-1 Casing Schematic



Well name:

**07-06 Dominion LCU 3-2H**

Operator: **Dominion Exploration and Production**

String type: **Surface**

Project ID:  
43-047-38272

Location: **Uintah County**

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 82 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 250 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 440 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 500 psi

No backup mud specified.

**Tension:**

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

Tension is based on buoyed weight.  
Neutral point: 438 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 2,988 ft  
Next mud weight: 8.600 ppg  
Next setting BHP: 1,335 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 500 ft  
Injection pressure 500 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       | 500                 | 13.375                  | 48.00                   | H-40             | ST&C                 | 500                  | 500                 | 12.59                   | 46.9                    |
| 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       | 218                 | 740                     | 3.393                   | 500              | 1730                 | 3.46                 | 21                  | 322                     | 15.30 J                 |

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

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

Date: July 11,2006  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 500 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 Dominion LCU 3-2H</b>             |                             |
| Operator:    | <b>Dominion Exploration and Production</b> |                             |
| String type: | Intermediate                               | Project ID:<br>43-047-38272 |
| Location:    | Uintah County                              |                             |

|   |                                    |                                     |
|---|------------------------------------|-------------------------------------|
| <b>Design parameters:</b>                   | <b>Minimum design factors:</b>     | <b>Environment:</b>                 |
| <u>Collapse</u>                             | <u>Collapse:</u>                   | H2S considered? No                  |
| Mud weight: 8.600 ppg                       | Design factor 1.125                | Surface temperature: 75 °F          |
| Design is based on evacuated pipe.          |                                    | Bottom hole temperature: 117 °F     |
|   |                                    | Temperature gradient: 1.40 °F/100ft |
|   |                                    | Minimum section length: 1,500 ft    |
|   | <u>Burst:</u>                      | Cement top: Surface                 |
|   | Design factor 1.00                 |                                     |
| <u>Burst</u>                                |                                    |                                     |
| Max anticipated surface pressure: 2,598 psi | <u>Tension:</u>                    | Directional well information:       |
| Internal gradient: 0.120 psi/ft             | 8 Round STC: 1.80 (J)              | Kick-off point 0 ft                 |
| Calculated BHP 2,956 psi                    | 8 Round LTC: 1.80 (J)              | Departure at shoe: 665 ft           |
| No backup mud specified.                    | Buttress: 1.60 (J)                 | Maximum dogleg: 3 °/100ft           |
|   | Premium: 1.50 (J)                  | Inclination at shoe: 0 °            |
|   | Body yield: 1.50 (B)               | <b>Re subsequent strings:</b>       |
|   | Tension is based on buoyed weight. | Next setting depth: 7,950 ft        |
|   | Neutral point: 2,718 ft            | Next mud weight: 8.600 ppg          |
|   |                                    | Next setting BHP: 3,552 psi         |
|   |                                    | Fracture mud wt: 19.250 ppg         |
|   |                                    | Fracture depth: 3,058 ft            |
|   |                                    | Injection pressure 3,058 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       | 3100                | 9.625     | 36.00                   | J-55  | LT&C       | 2987                 | 3100                | 8.796               | 220.7                   |

| 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       | 1335                | 2020                    | 1.514                  | 2956             | 3520                 | 1.19                | 94                  | 453                     | 4.83 J                |

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

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

Date: July 11, 2006  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 2987 ft, a mud weight of 8.6 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.*

|              |  |                             |
|--------------|--|-----------------------------|
| Well name:   | <b>07-06 Dominion LCU 3-2H</b>             |                             |
| Operator:    | <b>Dominion Exploration and Production</b> |                             |
| String type: | Production                                 | Project ID:<br>43-047-38272 |
| Location:    | Uintah County                              |                             |

**Design parameters:**

**Collapse**  
Mud weight: 8.600 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Burst:**  
Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 186 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: 3,406 ft

**Burst**

Max anticipated surface pressure: 2,598 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 3,552 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)

**Directional well information:**

Kick-off point 0 ft  
Departure at shoe: 665 ft  
Maximum dogleg: 3 °/100ft  
Inclination at shoe: 0 °

Tension is based on buoyed weight.  
Neutral point: 7,025 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       | 8062                | 5.5                     | 17.00                   | Mav-80           | LT&C                 | 7950                 | 8062                | 4.767                   | 277.8                   |
| 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       | 3552                | 6290                    | 1.771                   | 3552             | 7740                 | 2.18                 | 118                 | 273                     | 2.32 B                  |

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

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

Date: July 11,2006  
Salt Lake City, Utah

Remarks:  
Collapse is based on a vertical depth of 7950 ft, a mud weight of 8.6 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.*



**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

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

Re: Little Canyon Unit 3-2H Well, 1357' FNL, 1905' FWL, SE NW, Sec. 2,  
T. 11 South, R. 20 East, Bottom Location 700' FNL, 2000' FWL, NE NW,  
Sec. 2, T. 11 South, R. 20 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38272.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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



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 the surface.

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

FORM 3

AMENDED REPORT   
(highlight changes)

|  |   |  |  |                      |
|--|---|--|--|----------------------|
| <b>APPLICATION FOR PERMIT TO DRILL</b>   |   |  | 5. MINERAL LEASE NO:<br><b>ML-48771</b>                                  | 6. SURFACE:<br>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:<br>N/A                             |                      |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> |   |  | 8. UNIT or CA AGREEMENT NAME:<br>Little Canyon                           |                      |
| 2. NAME OF OPERATOR:<br>Dominion Exploration & Production, Inc.  |   |  | 9. WELL NAME and NUMBER:<br>LCU 3-2H                                     |                      |
| 3. ADDRESS OF OPERATOR:<br>14000 Quail Sp Pkwy CITY Oklahoma City STATE OK ZIP 73134   |   | PHONE NUMBER:<br>(405) 749-5263                      | 10. FIELD AND POOL, OR W/LDCAT:<br><del>North Cross</del> Hill Creek 617 |                      |
| 4. LOCATION OF WELL (FOOTAGES)<br><br>AT SURFACE: 1,357' FNL & 1,905' FWL SE/4 NW/4<br>AT PROPOSED PRODUCING ZONE: 700' FNL & 2,000' FWL, NE/4 NW/4 (Lot 3)                              |   |  | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:<br><br>2 11 20 S        |                      |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:<br>13.59 miles south of Ouray, Utah  |   |  | 12. COUNTY:<br>Uintah  | 13. STATE:<br>UTAH   |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)<br>1,357'  | 16. NUMBER OF ACRES IN LEASE:<br>638.50           | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL:<br>40     |  |                      |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)<br>2,200'  | 19. PROPOSED DEPTH:<br>7,950                      | 20. BOND DESCRIPTION:<br>SITLA Blanket 76S 63050 361 |  |                      |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):<br>5,398'  | 22. APPROXIMATE DATE WORK WILL START:<br>9/1/2006 | 23. ESTIMATED DURATION:<br>14 days                   |  |                      |

24. **PROPOSED CASING AND CEMENTING PROGRAM**

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT |
|--------------|---|---------------|---|
| 17-1/2"      | 13-3/8" H-40 ST 48#                     | 500           | see Drilling Plan                               |
| 12-1/4"      | 9-5/8" J-55 LT 36#                      | 3,100         | see Drilling Plan                               |
| 7-7/8"       | 5-1/2" Mav 80 L 17#                     | 7,950         | see Drilling Plan                               |
|              |   |               | (8,062' MD)                                     |
|              |   |               |   |
|              |   |               |   |
|              |   |               |   |
|              |   |               |   |

25. **ATTACHMENTS**

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

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

**CONFIDENTIAL**

ORIGINAL

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.  
SIGNATURE Don Hamilton DATE 6/5/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38272

Surf 615581 X  
4416528 Y  
39.892905  
109.642351

Approved by the  
Utah D. APPROVAL of  
Oil, Gas and Mining

Date: 6/20/06  
By: [Signature]  
615588 X  
4416738 Y  
39.894726  
-109.648007

RECEIVED

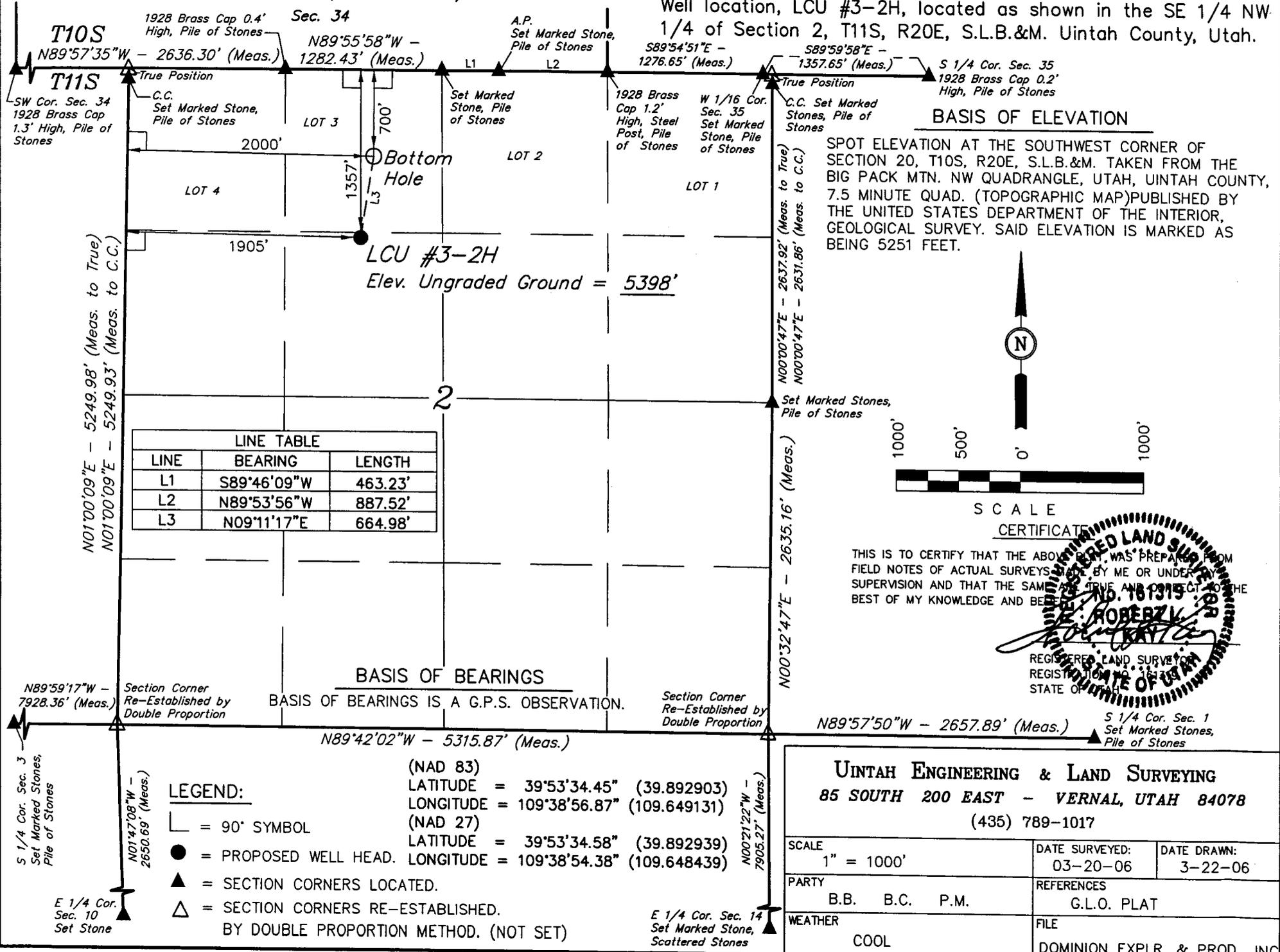
JUN 08 2006

DIV. OF OIL, GAS & MINING

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

DOMINION EXPLR. & PROD., INC.

Well location, LCU #3-2H, located as shown in the SE 1/4 NW 1/4 of Section 2, T11S, R20E, S.L.B.&M. Uintah County, Utah.



| LINE TABLE |             |         |
|------------|-------------|---------|
| LINE       | BEARING     | LENGTH  |
| L1         | S89°46'09"W | 463.23' |
| L2         | N89°53'56"W | 887.52' |
| L3         | N09°11'17"E | 664.98' |

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

**LEGEND:**

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

(NAD 83)  
 LATITUDE = 39°53'34.45" (39.892903)  
 LONGITUDE = 109°38'56.87" (109.649131)  
 (NAD 27)  
 LATITUDE = 39°53'34.58" (39.892939)  
 LONGITUDE = 109°38'54.38" (109.648439)

BY DOUBLE PROPORTION METHOD. (NOT SET)

**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

**ROBERT L. ROBERTS**  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161315  
 STATE OF UTAH

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

|                         |                                      |                        |
|-------------------------|--------------------------------------|------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>03-20-06           | DATE DRAWN:<br>3-22-06 |
| PARTY<br>B.B. B.C. P.M. | REFERENCES<br>G.L.O. PLAT            |                        |
| WEATHER<br>COOL         | FILE<br>DOMINION EXPLR. & PROD., INC |                        |

**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 7/11/2006 10:04:31 AM  
**Subject:** Well Clearance

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

Enduring Resources, LLC  
Buck Camp 12-22-12-2  
Rock House 10-23-24-32  
Rock House 10-23-11-32

Dominion E&P, Inc  
LCU 3-2H  
LCU 6-2H  
LCU 8-2H  
LCU 7-2H  
LCU 9-2H

The Houston Exploration Company  
East Coyote 3-2-8-25  
East Coyote 4-2-8-25  
East Coyote 6-2-8-25  
East Coyote 8-2-8-25  
East Coyote 10-2-8-25  
East Coyote 12-2-8-25  
East Coyote 14-2-8-25  
East Coyote 16-2-8-25

Kerr McGee Oil & Gas Onshore LP (Westport)  
State 1021-36M  
State 1021-36L  
NBU 1022-18F  
Bitter Creek 1122-2B  
Bitter Creek 1122-2H  
NBU 1021-2C

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

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

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160  
(UT-922)

June 16, 2006

**Memorandum**

**To:** Assistant District Manager Minerals, Vernal District

**From:** Michael Coulthard, Petroleum Engineer

**Subject:** 2006 Plan of Development Little Canyon Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Little Canyon Unit, Uintah County, Utah.

| API#                    | WELL NAME                                     | LOCATION                               |
|-------------------------|---|--|
| (Proposed PZ MesaVerde) |   |  |
| 43-047-38272            | LCU 3-2H Sec 02 T11S R20E 1357 FNL 1905 FWL   | BHL Sec 02 T11S R20E 0700 FNL 2000 FWL |
| 43-047-38255            | LCU 6-2H Sec 02 T11S R20E 1364 FNL 1929 FWL   | BHL Sec 02 T11S R20E 1950 FNL 2100 FWL |
| 43-047-38256            | LCU 8-2H Sec 02 T11S R20E 2498 FNL 0602 FEL   | BHL Sec 02 T11S R20E 2000 FNL 0650 FEL |
| 43-047-38259            | LCU 9-2H Sec 02 T11S R20E 2508 FNL 0625 FEL   | BHL Sec 02 T11S R20E 2000 FSL 0650 FEL |
| 43-047-38258            | LCU 7-2H Sec 02 T11S R20E 2031 FNL 1960 FEL   |  |
| 43-047-38257            | LCU 12-2H Sec 02 T11S R20E 1859 FSL 0562 FWL  |  |
| 43-047-38260            | LCU 15-36F Sec 36 T10S R20E 0468 FSL 2034 FEL |  |

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

/s/ Michael L. Coulthard

**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:<br><b>ML-48771</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:<br><b>N/A</b>   |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____  |  | 7. UNIT or CA AGREEMENT NAME:<br><b>Little Canyon</b>   |
| 2. NAME OF OPERATOR:<br><b>Dominion Exploration &amp; Production, Inc.</b>   |  | 8. WELL NAME and NUMBER:<br><b>LCU 3-2H</b>   |
| 3. ADDRESS OF OPERATOR:<br><b>14000 Quail Spr. Pkwy</b> CITY <b>Oklahoma City</b> STATE <b>OK</b> ZIP <b>73134</b>   | PHONE NUMBER:<br><b>(405) 749-5237</b> | 9. API NUMBER:<br><b>4304738272</b>   |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: <b>1,357' FNL, 1,905' FWL</b><br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENW 2 11S 20E S</b>  |  | 10. FIELD AND POOL, OR WILDCAT:<br><b>Hill Creek</b><br>COUNTY: <b>Uintah</b><br>STATE: <b>UTAH</b> |

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

| TYPE OF SUBMISSION  | TYPE OF ACTION  |   |  |
|---|---|---|--|
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>(Submit in Duplicate)<br>Approximate date work will start:<br><u>5/17/2007</u> | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION           |
| <input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>(Submit Original Form Only)<br>Date of work completion:                                  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON                     |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                           |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                           |
|   | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                          |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                          |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: <u>15' Relocation</u> |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

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

Dominion Exploration & Production, Inc. requests permission to relocate the surface location for the referenced well 15' prior to drilling of the previously approved APD. The new location results from the RBU 4-2H being relocated onto the proposed LCU 3-2H / LCU 6-2H pad to minimize the potential for directional collision. Following is the updated location information for the LCU 3-2H:

**Surface Location:** 1,361' FNL & 1,920' FWL, SE/4 NW/4, Section 2, T11S, R20E, SLB&M  
**Target Location:** 657' FNL & 1,915' FWL, Lot 3 (NE/4 NW/4), Section 2, T11S, R20E, SLB&M

**ORIGINAL**

Attached please find an updated Form 3, complete plat package and updated Directional Drilling Plan and Surface Use plan to replace those previously submitted within the APD package.

The location of the surface and target location as well as all points along the intended well bore path are within Cause No. 259-01 and are not within 460 feet of the unit boundary of any uncommitted tracts.

Approved by the  
Utah Division of  
Oil, Gas and Mining

**CONFIDENTIAL**

|   |                        |  |
|---|------------------------|--|
| NAME (PLEASE PRINT) <u>Don Hamilton</u> | Date: <u>01-29-07</u>  | TITLE <u>Agent for Dominion Exploration &amp; Production</u> |
| SIGNATURE <u>Don Hamilton</u>           | By: <u>[Signature]</u> | DATE <u>1/23/2007</u>  |

(This space for State use only)  
Surf  
415565X  
4414536Y  
39.892913  
- 109.892913

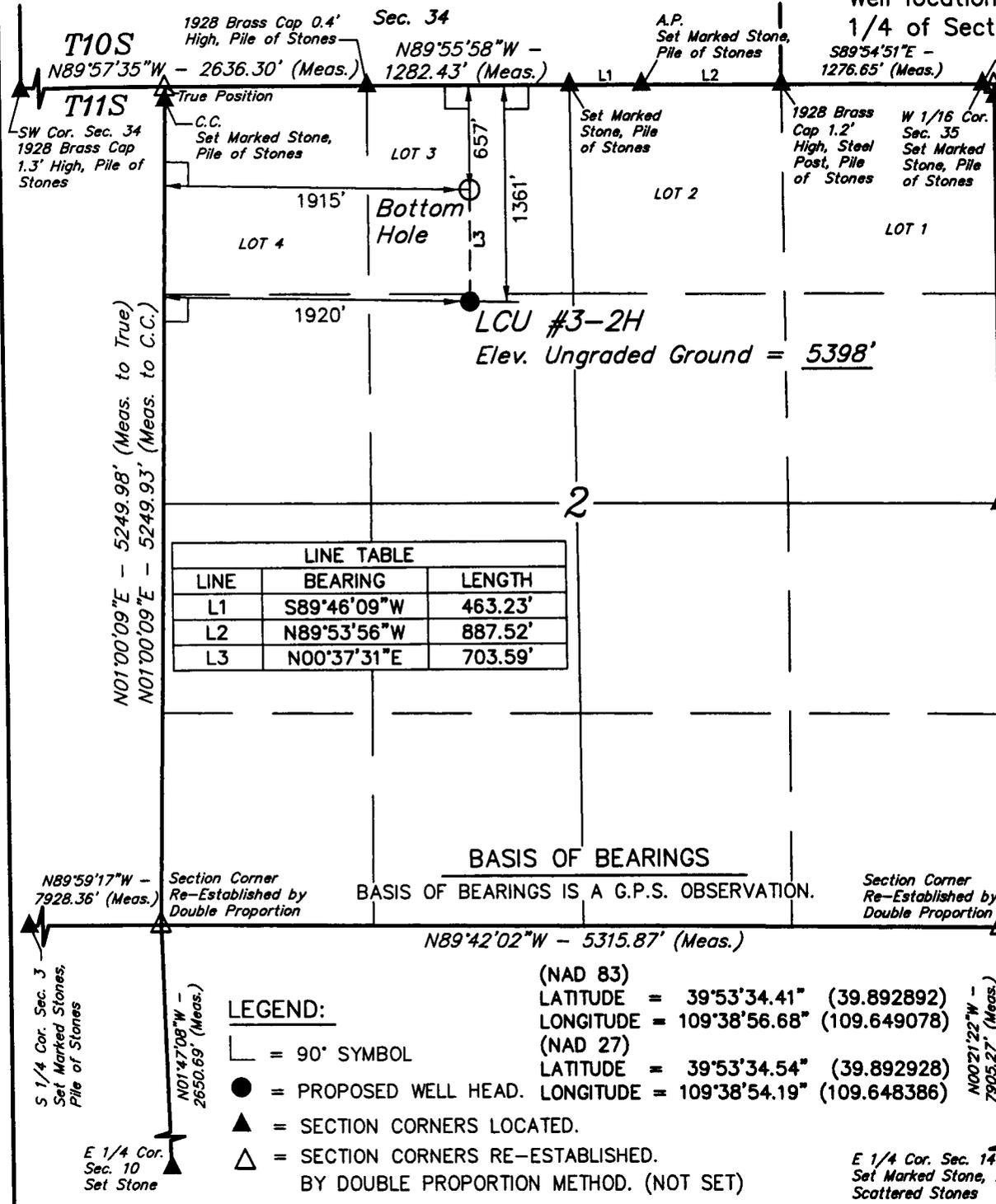
BHL 415562X  
4414750Y  
39.894843  
(See Instructions on Reverse Side)  
-109.648311

**RECEIVED**  
**JAN 26 2007**  
DIV. OF OIL, GAS & MINING

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

# DOMINION EXPLR. & PROD., INC.

Well location, LCU #3-2H, located as shown in the SE 1/4 NW 1/4 of Section 2, T11S, R20E, S.L.B.&M. Uintah County, Utah.



| LINE TABLE |             |         |
|------------|-------------|---------|
| LINE       | BEARING     | LENGTH  |
| L1         | S89°46'09"W | 463.23' |
| L2         | N89°53'56"W | 887.52' |
| L3         | N00°37'31"E | 703.59' |

### BASIS OF BEARINGS

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

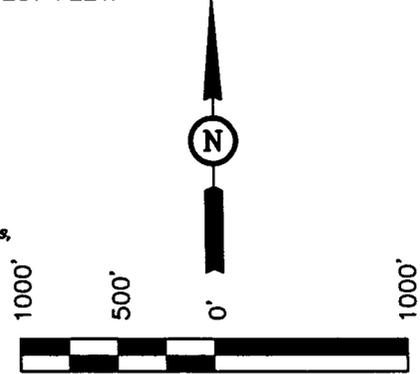
### LEGEND:

- ☐ = 90° SYMBOL
  - = PROPOSED WELL HEAD.
  - ▲ = SECTION CORNERS LOCATED.
  - △ = SECTION CORNERS RE-ESTABLISHED.
- BY DOUBLE PROPORTION METHOD. (NOT SET)

(NAD 83)  
 LATITUDE = 39°53'34.41" (39.892892)  
 LONGITUDE = 109°38'56.68" (109.649078)  
 (NAD 27)  
 LATITUDE = 39°53'34.54" (39.892928)  
 LONGITUDE = 109°38'54.19" (109.648386)

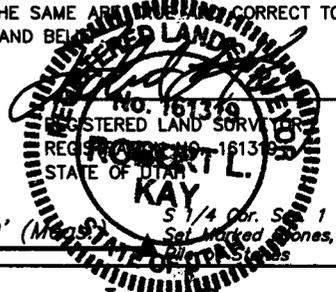
### BASIS OF ELEVATION

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



### SCALE CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REVISED: 12-15-06

N89°57'50"W - 2657.89' (Meas.)

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

|                         |                                      |                        |
|-------------------------|--------------------------------------|------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>03-20-06           | DATE DRAWN:<br>3-22-06 |
| PARTY<br>B.B. B.C. P.M. | REFERENCES<br>G.L.O. PLAT            |                        |
| WEATHER<br>COOL         | FILE<br>DOMINION EXPLR. & PROD., INC |                        |

**From:** "Don Hamilton" <starpoint@etv.net>  
**To:** "Diana Mason" <dianawhitney@utah.gov>  
**Date:** 1/29/2007 8:07 AM  
**Subject:** Re: Sundry notices

Diana:

The bottomhole also moved 95 feet to better drain the target area.

Don

----- Original Message -----

**From:** "Diana Mason" <dianawhitney@utah.gov>  
**To:** <starpoint@etv.net>  
**Sent:** Friday, January 26, 2007 1:47 PM  
**Subject:** Sundry notices

Don,

I noticed on the sundry for the LCU 3-2H you stated the surface is changing locations but I noticed that the BHL has different footages as well. Will you verify.

Diana



# DIRECTIONAL DRILLING PLAN

## APPROVAL OF OPERATIONS

### Attachment for Permit to Drill

**Name of Operator:** Dominion Exploration & Production  
**Address:** 1400 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
**Well Location:** LCU 3-2H  
SHL: 1361' FNL & 1920' FWL, Sec. 2-11S-20E  
BHL: 657' FNL & 1915' FWL, Sec. 2-11S-20E  
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

| <u>Formation</u>  | <u>Depth (MD)</u> |
|-------------------|-------------------|
| Wasatch Tongue    | 3,840'            |
| Uteland Limestone | 4,200'            |
| Wasatch           | 4,340'            |
| Chapita Wells     | 5,190'            |
| Uteland Buttes    | 6,340'            |
| Mesaverde         | 7,120'            |

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

| <u>Formation</u>  | <u>Depth (MD)</u> | <u>Type</u> |
|-------------------|-------------------|-------------|
| Wasatch Tongue    | 3,840'            | Oil         |
| Uteland Limestone | 4,200'            | Oil         |
| Wasatch           | 4,340'            | Gas         |
| Chapita Wells     | 5,190'            | Gas         |
| Uteland Buttes    | 6,340'            | Gas         |
| Mesaverde         | 7,120'            | Gas         |

4. PROPOSED CASING PROGRAM

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

| <u>Type</u>  | <u>Size</u> | <u>Weight</u> | <u>Grade</u> | <u>Conn.</u> | <u>Top</u> | <u>Bottom (MD)</u> | <u>Hole</u> |
|--------------|-------------|---------------|--------------|--------------|------------|--------------------|-------------|
| Surface      | 13-3/8"     | 48.0 ppf      | H-40         | STC          | 0'         | 500'               | 17-1/2"     |
| Intermediate | 9-5/8"      | 36.0 ppf      | J-55         | STC          | 0'         | 3,250'             | 12-1/4"     |
| Production   | 5-1/2"      | 17.0 ppf      | MAV-80       | LTC          | 0'         | 8,075'             | 7-7/8"      |

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized.

Intermediate hole: To be drilled using a diverter stack with rotating head to divert flow from rig floor.

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

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## DRILLING PLAN

### APPROVAL OF OPERATIONS

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

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

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

#### 6. MUD SYSTEMS

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

| <u>Depths (MD)</u> | <u>Mud Weight (ppg)</u> | <u>Mud System</u>                       |
|--------------------|-------------------------|---|
| 0' – 500'          | 8.4                     | Air foam mist, no pressure control      |
| 500' – 3,250'      | 8.6                     | Fresh water, rotating head and diverter |
| 3,250' – 8,075'    | 8.6                     | Fresh water/2% KCL/KCL mud system       |

#### 7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a contact ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 80' from the wellhead.

#### 8. AUXILIARY EQUIPMENT TO BE USED

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

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

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

#### 10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

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

#### 11. WATER SUPPLY

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

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## DRILLING PLAN

### APPROVAL OF OPERATIONS

#### 12. CEMENT SYSTEMS

##### a. Surface Cement:

- Drill 17-1/2" hole to 500' and cement 13-3/8" to surface with 450 sks class "C" cement with 2% CaCl<sub>2</sub> and 1/4 #/sk. Polyflake (volume includes 70% excess). Top out as necessary. Casing to be centralized with a total of 5 centralizers.

##### b. Intermediate Casing Cement:

- Drill 12-1/4" hole to 3,250' (MD) ±, run and cement 9-5/8" to surface.
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug one joint off bottom e) bottom three joints thread locked f) pump job with bottom plug only. Casing to be centralized with a total of 15 centralizers.
- Cement to surface not required due to surface casing set deeper than normal.

| <u>Type</u> | <u>Sacks</u> | <u>Interval (MD)</u> | <u>Density</u> | <u>Yield</u> | <u>Hole</u><br><u>Volume</u> | <u>Cement</u><br><u>Volume</u> |
|-------------|--------------|----------------------|----------------|--------------|------------------------------|--------------------------------|
| Lead        | 380          | 0'-3,210'            | 10.5 ppg       | 4.14 CFS     | 899 CF                       | 1573 CF                        |
| Tail        | 254          | 3,210'-3,250'        | 15.6 ppg       | 1.2 CFS      | 174 CF                       | 304 CF                         |

Intermediate design volumes based on 75% excess of gauge hole.

**Lead Mix:** Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.  
Slurry yield: 4.14 cf/sack      Slurry weight: 10.5 #/gal.  
Water requirement: 26.07 gal/sack  
Compressives @ 110°F: 72 psi after 24 hours

**Tail Mix:** Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 46.5% fresh water.  
Slurry yield: 1.20 cf/sack      Slurry weight: 15.6 #/gal.  
Pump Time: 1 hr. 5 min. @ 110 °F.  
Compressives @ 110 °F: 2,500 psi after 24 hours

##### c. Production Casing Cement:

- Drill 7-7/8" hole to 8,075' (MD) ±, run and cement 5 1/2".
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 2% KCL.
- Production casing to be centralized with 30 centralizers.

| <u>Type</u> | <u>Sacks</u> | <u>Interval (MD)</u> | <u>Density</u> | <u>Yield</u> | <u>Hole</u><br><u>Volume</u> | <u>Cement</u><br><u>Volume</u> |
|-------------|--------------|----------------------|----------------|--------------|------------------------------|--------------------------------|
| Lead        | 90           | 3,540'-4,340'        | 11.5 ppg       | 3.12 CFS     | 139 CF                       | 277 CF                         |
| Tail        | 740          | 4,340'-8,075'        | 13.0 ppg       | 1.75 CFS     | 647 CF                       | 1294 CF                        |

Production design volumes based on 35% excess of gauge hole. Actual volumes will be calculated from caliper log to bring lead cement to 800' above top of Wasatch + 15% excess, and tail cement to top of Wasatch +15%.

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

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

#### 13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: May 17, 2007  
Duration: 14 Days

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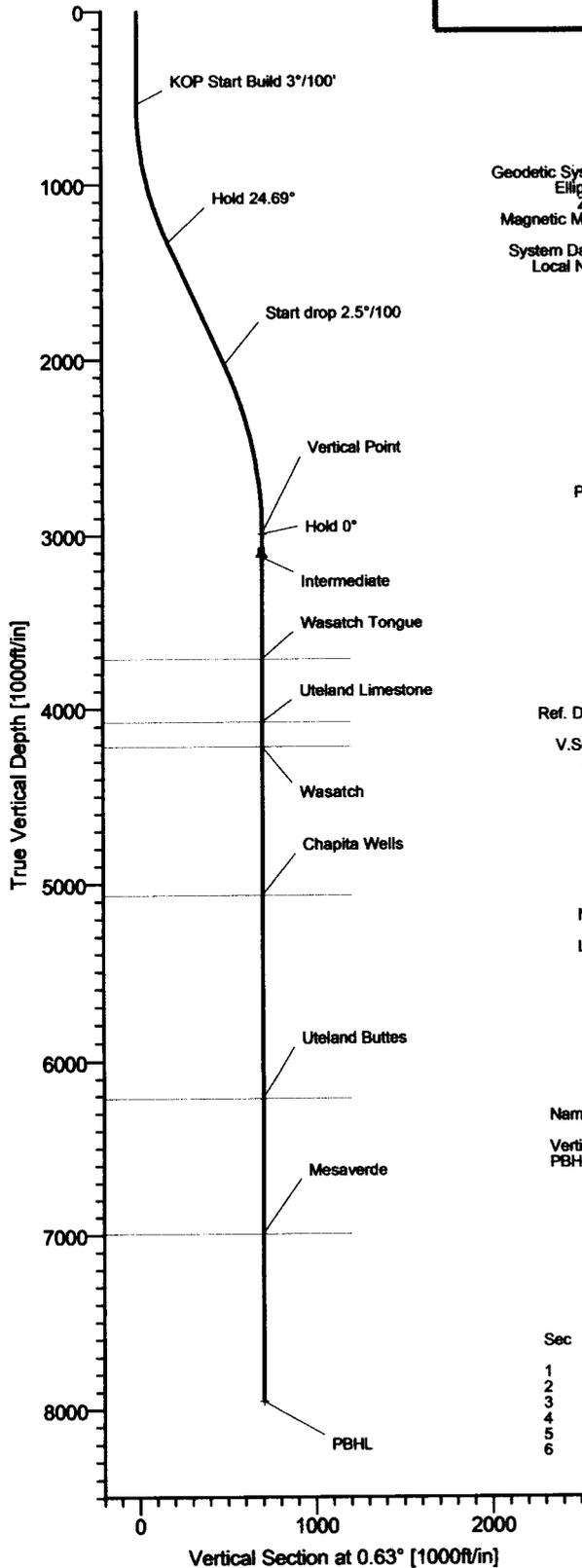
### Dominion Exploration & Production

Field: Uintah County, Utah  
 Site: LCU 3-2H  
 Well: LCU 3-2H  
 Wellpath: Original Hole  
 Plan: Plan #1



Azimuths to True North  
 Magnetic North: 11.68°

Magnetic Field  
 Strength: 52749nT  
 Dip Angle: 65.87°  
 Date: 1/8/2007  
 Model: igr2005



#### FIELD DETAILS

Uintah County, Utah  
 Utah - Natural Buttes  
 USA

Geodetic System: US State Plane Coordinate System 1983  
 Ellipsoid: GRS 1980  
 Zone: Utah, Central Zone  
 Magnetic Model: igr2005  
 System Datum: Mean Sea Level  
 Local North: True North

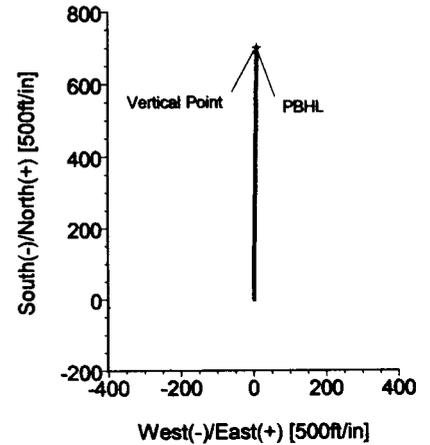
#### SITE DETAILS

LCU 3-2H  
 Sec.2, T10S, R20E  
 Site Centre Latitude: 39°53'34.450N  
 Longitude: 109°38'56.870W  
 Ground Level: 5395.00  
 Positional Uncertainty: 0.00  
 Convergence: 1.19

#### WELLPATH DETAILS

##### Original Hole

|                  |             |             |                   |
|------------------|-------------|-------------|-------------------|
| Rig:             | Est RKB     | 5415.00ft   |                   |
| Ref. Datum:      |             |             |                   |
| V. Section Angle | Origin +N-S | Origin +E-W | Starting From TVD |
| 0.63°            | 0.00        | 0.00        | 0.00              |



#### WELL DETAILS

| Name     | +N-S | +E-W | Northing   | Easting    | Latitude      | Longitude      | Slot |
|----------|------|------|------------|------------|---------------|----------------|------|
| LCU 3-2H | 0.00 | 0.00 | 7135100.92 | 2159686.00 | 39°53'34.450N | 109°38'56.870W | N/A  |

#### TARGET DETAILS

| Name           | TVD     | +N-S   | +E-W | Shape |
|----------------|---------|--------|------|-------|
| Vertical Point | 2990.00 | 703.55 | 7.68 | Point |
| PBHL           | 7950.00 | 703.55 | 7.68 | Point |

#### FORMATION TOP DETAILS

| No. | TVDPath | MDPath  | Formation         |
|-----|---------|---------|-------------------|
| 1   | 3715.00 | 3840.44 | Wasatch Tongue    |
| 2   | 4075.00 | 4200.44 | Uteland Limestone |
| 3   | 4215.00 | 4340.44 | Wasatch           |
| 4   | 5065.00 | 5190.44 | Chapita Wells     |
| 5   | 6215.00 | 6340.44 | Uteland Buttes    |
| 6   | 6995.00 | 7120.44 | Mesaverde         |

#### SECTION DETAILS

| Sec | MD      | Inc   | Azi  | TVD     | +N-S   | +E-W | DLeg | TFace  | VSec   | Target         |
|-----|---------|-------|------|---------|--------|------|------|--------|--------|----------------|
| 1   | 0.00    | 0.00  | 0.63 | 0.00    | 0.00   | 0.00 | 0.00 | 0.00   | 0.00   |                |
| 2   | 540.00  | 0.00  | 0.63 | 540.00  | 0.00   | 0.00 | 0.00 | 0.00   | 0.00   |                |
| 3   | 1363.04 | 24.69 | 0.63 | 1337.80 | 174.60 | 1.91 | 3.00 | 0.63   | 174.61 |                |
| 4   | 2127.83 | 24.69 | 0.63 | 2032.67 | 494.04 | 5.39 | 0.00 | 0.00   | 494.07 |                |
| 5   | 3115.44 | 0.00  | 0.63 | 2990.00 | 703.55 | 7.68 | 2.50 | 180.00 | 703.59 | Vertical Point |
| 6   | 8075.44 | 0.00  | 0.63 | 7950.00 | 703.55 | 7.68 | 0.00 | 0.63   | 703.59 | PBHL           |

Ryan Energy Technologies  
 19510 Oil Center Blvd  
 Houston, TX 77073  
 Ph: 281-443-1414  
 Fx: 281-443-1676



Plan: Plan #1 (LCU 3-2H Original Hole)  
 Created By: Alexis Gonzalez Date: 1/8/2007  
 Checked: \_\_\_\_\_ Date: \_\_\_\_\_  
 Reviewed: \_\_\_\_\_ Date: \_\_\_\_\_  
 Approved: \_\_\_\_\_ Date: \_\_\_\_\_

**CONFIDENTIAL**





# Ryan Energy Technological Planning Report



|  |                                   |                                   |                |
|--|-----------------------------------|-----------------------------------|----------------|
| <b>Company:</b> Dominion Exploration & Product | <b>Date:</b> 1/9/2007             | <b>Time:</b> 08:44:31             | <b>Page:</b> 2 |
| <b>Field:</b> Uintah County, Utah              | <b>Co-ordinate(NE) Reference:</b> | <b>Well:</b> LCU 3-2H, True North |                |
| <b>Site:</b> LCU 3-2H                          | <b>Vertical (TVD) Reference:</b>  | <b>Est RKB</b> 5415.0             |                |
| <b>Well:</b> LCU 3-2H                          | <b>Section (VS) Reference:</b>    | <b>Well (0.00N,0.00E,0.63Azi)</b> |                |
| <b>Wellpath:</b> Original Hole                 | <b>Plan:</b>                      | <b>Plan #1</b>                    |                |

| Survey   |             |             |           |            |            |          |                  |                    |                   |                     |
|----------|-------------|-------------|-----------|------------|------------|----------|------------------|--------------------|-------------------|---------------------|
| MD<br>ft | Incl<br>deg | Azim<br>deg | TVD<br>ft | +N-S<br>ft | +E-W<br>ft | VS<br>ft | DLS<br>deg/100ft | Build<br>deg/100ft | Turn<br>deg/100ft | Tool/Comment        |
| 1900.00  | 24.69       | 0.63        | 1825.67   | 398.88     | 4.35       | 398.90   | 0.00             | 0.00               | 0.00              |                     |
| 2000.00  | 24.69       | 0.63        | 1916.53   | 440.65     | 4.81       | 440.68   | 0.00             | 0.00               | 0.00              |                     |
| 2100.00  | 24.69       | 0.63        | 2007.39   | 482.42     | 5.27       | 482.45   | 0.00             | 0.00               | 0.00              |                     |
| 2127.83  | 24.69       | 0.63        | 2032.67   | 494.04     | 5.39       | 494.07   | 0.00             | 0.00               | 0.00              | Start drop 2.5°/100 |
| 2200.00  | 22.89       | 0.63        | 2098.71   | 523.15     | 5.71       | 523.18   | 2.50             | -2.50              | 0.00              |                     |
| 2300.00  | 20.39       | 0.63        | 2191.66   | 560.01     | 6.11       | 560.05   | 2.50             | -2.50              | 0.00              |                     |
| 2400.00  | 17.89       | 0.63        | 2286.12   | 592.79     | 6.47       | 592.83   | 2.50             | -2.50              | 0.00              |                     |
| 2500.00  | 15.39       | 0.63        | 2381.93   | 621.42     | 6.78       | 621.45   | 2.50             | -2.50              | 0.00              |                     |
| 2600.00  | 12.89       | 0.63        | 2478.90   | 645.84     | 7.05       | 645.87   | 2.50             | -2.50              | 0.00              |                     |
| 2700.00  | 10.39       | 0.63        | 2576.83   | 666.00     | 7.27       | 666.04   | 2.50             | -2.50              | 0.00              |                     |
| 2800.00  | 7.89        | 0.63        | 2675.56   | 681.88     | 7.44       | 681.92   | 2.50             | -2.50              | 0.00              |                     |
| 2900.00  | 5.39        | 0.63        | 2774.88   | 693.43     | 7.57       | 693.47   | 2.50             | -2.50              | 0.00              |                     |
| 3000.00  | 2.89        | 0.63        | 2874.61   | 700.64     | 7.65       | 700.69   | 2.50             | -2.50              | 0.00              |                     |
| 3100.00  | 0.39        | 0.63        | 2974.56   | 703.50     | 7.68       | 703.54   | 2.50             | -2.50              | 0.00              |                     |
| 3115.44  | 0.00        | 0.63        | 2990.00   | 703.55     | 7.68       | 703.59   | 2.50             | -2.50              | 0.00              | Vertical Point      |
| 3200.00  | 0.00        | 0.63        | 3074.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3250.44  | 0.00        | 0.63        | 3125.00   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              | Intermediate        |
| 3300.00  | 0.00        | 0.63        | 3174.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3400.00  | 0.00        | 0.63        | 3274.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3500.00  | 0.00        | 0.63        | 3374.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3600.00  | 0.00        | 0.63        | 3474.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3700.00  | 0.00        | 0.63        | 3574.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3800.00  | 0.00        | 0.63        | 3674.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 3840.44  | 0.00        | 0.63        | 3715.00   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              | Wasatch Tongue      |
| 3900.00  | 0.00        | 0.63        | 3774.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4000.00  | 0.00        | 0.63        | 3874.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4100.00  | 0.00        | 0.63        | 3974.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4200.00  | 0.00        | 0.63        | 4074.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4200.44  | 0.00        | 0.63        | 4075.00   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              | Uteland Limestone   |
| 4300.00  | 0.00        | 0.63        | 4174.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4340.44  | 0.00        | 0.63        | 4215.00   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              | Wasatch             |
| 4400.00  | 0.00        | 0.63        | 4274.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4500.00  | 0.00        | 0.63        | 4374.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4600.00  | 0.00        | 0.63        | 4474.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4700.00  | 0.00        | 0.63        | 4574.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4800.00  | 0.00        | 0.63        | 4674.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 4900.00  | 0.00        | 0.63        | 4774.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5000.00  | 0.00        | 0.63        | 4874.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5100.00  | 0.00        | 0.63        | 4974.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5190.44  | 0.00        | 0.63        | 5065.00   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              | Chapita Wells       |
| 5200.00  | 0.00        | 0.63        | 5074.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5300.00  | 0.00        | 0.63        | 5174.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5400.00  | 0.00        | 0.63        | 5274.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5500.00  | 0.00        | 0.63        | 5374.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5600.00  | 0.00        | 0.63        | 5474.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5700.00  | 0.00        | 0.63        | 5574.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5800.00  | 0.00        | 0.63        | 5674.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 5900.00  | 0.00        | 0.63        | 5774.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 6000.00  | 0.00        | 0.63        | 5874.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 6100.00  | 0.00        | 0.63        | 5974.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 6200.00  | 0.00        | 0.63        | 6074.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 6300.00  | 0.00        | 0.63        | 6174.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |
| 6340.44  | 0.00        | 0.63        | 6215.00   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              | Uteland Buttes      |
| 6400.00  | 0.00        | 0.63        | 6274.56   | 703.55     | 7.68       | 703.59   | 0.00             | 0.00               | 0.00              |                     |



# Ryan Energy Technologied Planning Report



|  |  |                       |                |
|--|--|-----------------------|----------------|
| <b>Company:</b> Dominion Exploration & Product | <b>Date:</b> 1/9/2007  | <b>Time:</b> 08:44:31 | <b>Page:</b> 3 |
| <b>Field:</b> Uintah County, Utah              | <b>Co-ordinate(NE) Reference:</b> Well: LCU 3-2H, True North |                       |                |
| <b>Site:</b> LCU 3-2H                          | <b>Vertical (TVD) Reference:</b> Est RKB 5415.0              |                       |                |
| <b>Well:</b> LCU 3-2H                          | <b>Section (VS) Reference:</b> Well (0.00N,0.00E,0.63Azi)    |                       |                |
| <b>Wellpath:</b> Original Hole                 | <b>Plan:</b> Plan #1   |                       |                |

### Survey

| MD<br>ft | Incl<br>deg | Azin<br>deg | TVD<br>ft | +N-S<br>ft | +E/-W<br>ft | VS<br>ft | DLS<br>deg/100ft | Build<br>deg/100ft | Turn<br>deg/100ft | Tool/Comment |
|----------|-------------|-------------|-----------|------------|-------------|----------|------------------|--------------------|-------------------|--------------|
| 6500.00  | 0.00        | 0.63        | 6374.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 6600.00  | 0.00        | 0.63        | 6474.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 6700.00  | 0.00        | 0.63        | 6574.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 6800.00  | 0.00        | 0.63        | 6674.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 6900.00  | 0.00        | 0.63        | 6774.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7000.00  | 0.00        | 0.63        | 6874.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7100.00  | 0.00        | 0.63        | 6974.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7120.44  | 0.00        | 0.63        | 6995.00   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              | Mesaverde    |
| 7200.00  | 0.00        | 0.63        | 7074.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7300.00  | 0.00        | 0.63        | 7174.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7400.00  | 0.00        | 0.63        | 7274.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7500.00  | 0.00        | 0.63        | 7374.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7600.00  | 0.00        | 0.63        | 7474.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7700.00  | 0.00        | 0.63        | 7574.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7800.00  | 0.00        | 0.63        | 7674.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 7900.00  | 0.00        | 0.63        | 7774.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 8000.00  | 0.00        | 0.63        | 7874.56   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              |              |
| 8075.44  | 0.00        | 0.63        | 7950.00   | 703.55     | 7.68        | 703.59   | 0.00             | 0.00               | 0.00              | PBHL         |

### Targets

| Name             | Description<br>Dip. | Dir. | TVD<br>ft | +N-S<br>ft | +E/-W<br>ft | Map<br>Northing<br>ft | Map<br>Easting<br>ft | ← Latitude →    |     |     | ← Longitude → |     |     |
|------------------|---------------------|------|-----------|------------|-------------|-----------------------|----------------------|-----------------|-----|-----|---------------|-----|-----|
|                  |                     |      |           |            |             |                       |                      | Deg             | Min | Sec | Deg           | Min | Sec |
| Vertical Point   |                     |      | 2990.00   | 703.55     | 7.68        | 7135804.482159679.12  | 39 53 41.403 N       | 109 38 56.771 W |     |     |               |     |     |
| -Plan hit target |                     |      |           |            |             |                       |                      |                 |     |     |               |     |     |
| PBHL             |                     |      | 7950.00   | 703.55     | 7.68        | 7135804.482159679.12  | 39 53 41.403 N       | 109 38 56.771 W |     |     |               |     |     |
| -Plan hit target |                     |      |           |            |             |                       |                      |                 |     |     |               |     |     |

### Casing Points

| MD<br>ft | TVD<br>ft | Diameter<br>in | Hole Size<br>in | Name         |
|----------|-----------|----------------|-----------------|--------------|
| 3250.44  | 3125.00   | 9.625          | 9.625           | Intermediate |

### Formations

| MD<br>ft | TVD<br>ft | Formations        | Lithology | Dip Angle<br>deg | Dip Direction<br>deg |
|----------|-----------|-------------------|-----------|------------------|----------------------|
| 3840.44  | 3715.00   | Wasatch Tongue    |           | 0.00             | 0.00                 |
| 4200.44  | 4075.00   | Uteland Limestone |           | 0.00             | 0.00                 |
| 4340.44  | 4215.00   | Wasatch           |           | 0.00             | 0.00                 |
| 5190.44  | 5065.00   | Chapita Wells     |           | 0.00             | 0.00                 |
| 6340.44  | 6215.00   | Uteland Buttes    |           | 0.00             | 0.00                 |
| 7120.44  | 6995.00   | Mesaverde         |           | 0.00             | 0.00                 |

### Annotation

| MD<br>ft | TVD<br>ft |                         |
|----------|-----------|-------------------------|
| 540.00   | 540.00    | KOP Start Build 3°/100' |
| 1363.04  | 1337.80   | Hold 24.69°             |
| 2127.83  | 2032.67   | Start drop 2.5°/100'    |
| 3115.44  | 2990.00   | Hold 0°                 |

## **SURFACE USE PLAN**

### **CONDITIONS OF APPROVAL**

#### *Attachment for Permit to Drill*

**Name of Operator:** Dominion Exploration & Production  
**Address:** 14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
**Well Location:** LCU 3-2H  
SHL: 1361' FNL & 1920' FWL, Sec. 2-11S-20E  
BHL: 657' FNL & 1915' FWL, Sec. 2-11S-20E  
Uintah County, UT

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

The state onsite inspection was conducted on 6-27-06

1. **Existing Roads:**
  - a. The proposed well site is located approximately 13.59 miles south of Ouray, UT.
  - b. Directions to the proposed well site have been attached at the end of Exhibit B.
  - c. The use of roads under State and County Road Department maintenance are necessary to access the Little Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
  - d. All existing roads will be maintained and kept in good repair during all phases of operation.
  - e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
  - f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
  - g. An off-lease federal, tribal or fee Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing state lease boundary.

2. Planned Access Roads:

- a. From the proposed LCU 5-2H / LCU 11-2H access road an access is proposed trending northwest approximately 0.2 miles to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 24' travel surface within a 30' disturbed area.
- c. SITLA approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed.
- f. No culverts and no low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from SITLA, Federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

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

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Calsbad Canyon / Desert Tan to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this location; it will be surrounded by a dike of

sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.

- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the southeast side of the well site and traverse 1,157'; southeast to the proposed LCU 5-2H / LCU 11-2H pipeline corridor.
- i. The new gas pipeline will be a 10" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 1,157' is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

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

6. Source of Construction Material:

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

7. Methods of Handling Waste Disposal:

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

8. Ancillary Facilities:

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

9. Well Site Layout: (See Exhibit B)

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

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the SITLA or the appropriate County Extension Office.

- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the SITLA.

11. Surface and Mineral Ownership:

- a. Surface Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.
- b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Additional information:
  - a. No drainage crossings that require additional State or Federal approval are being crossed.
  - b. No raptor habitat is known to exist within 1 mile of the proposed wellsite.

13. Operator's Representative and Certification

| <u>Title</u>                       | <u>Name</u>    | <u>Office Phone</u> |
|------------------------------------|----------------|---------------------|
| Company Representative (Roosevelt) | Ken Secrest    | 1-435-722-4521      |
| Company Representative (Oklahoma)  | Barbara Lester | 1-405-749-5237      |
| Agent for Dominion                 | Don Hamilton   | 1-435-719-2018      |

**Certification:**

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

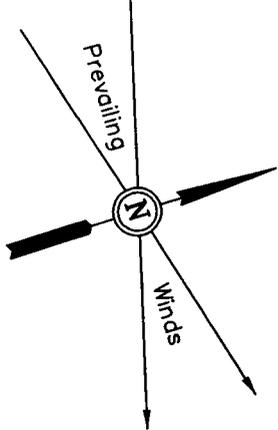
Signature: Don Hamilton Date: 1-23-07

# DOMINION EXPLR. & PROD., INC.

## LOCATION LAYOUT FOR

LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4

Approx. Toe of Fill Slope  
F-6.9'  
El. 87.8'



SCALE: 1" = 50'  
DATE: 03-22-06  
Drawn By: P.M.  
REVISED: 12-15-06



**NOTE:**  
Flare Pit is to be located by 100' from the well head.

**NO DISTURBANCE**

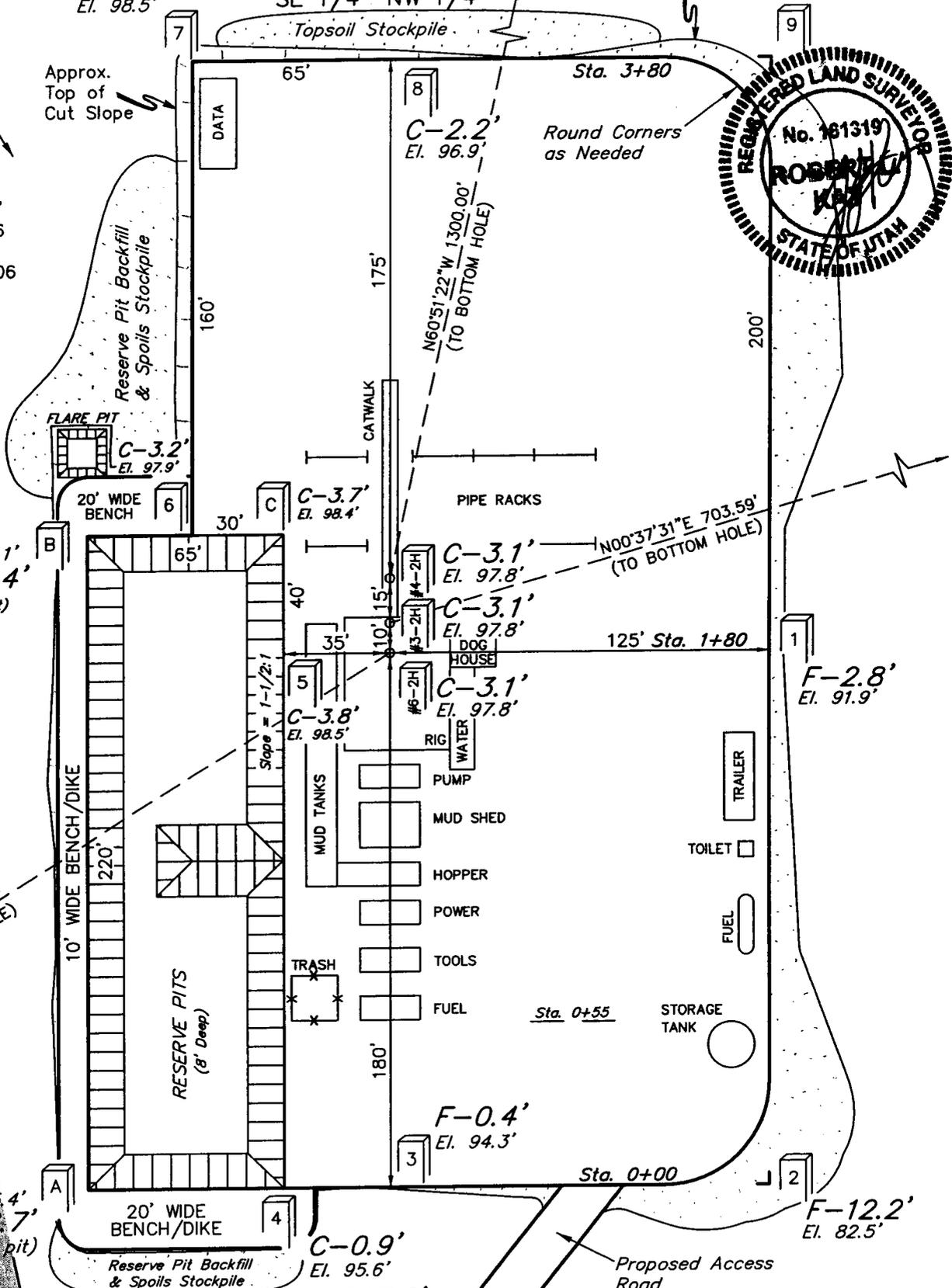
S15°18'36"E 607.88'  
(TO BOTTOM HOLE)

Total Pit Capacity, W/2' of Freeboard = 10,690 Bbls. ±  
Total Pit Volume = 3,170 Cu. Yds.

El. 95.4'  
C-8.7'  
(btm. pit)

20' WIDE BENCH/DIKE

Reserve Pit Backfill & Spoils Stockpile



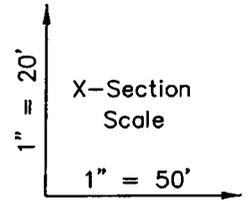
Elev. Ungraded Ground at #6-2H Location Stake = 5397.8'  
Elev. Graded Ground at #6-2H Location Stake = 5394.7'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (801) 789-1017

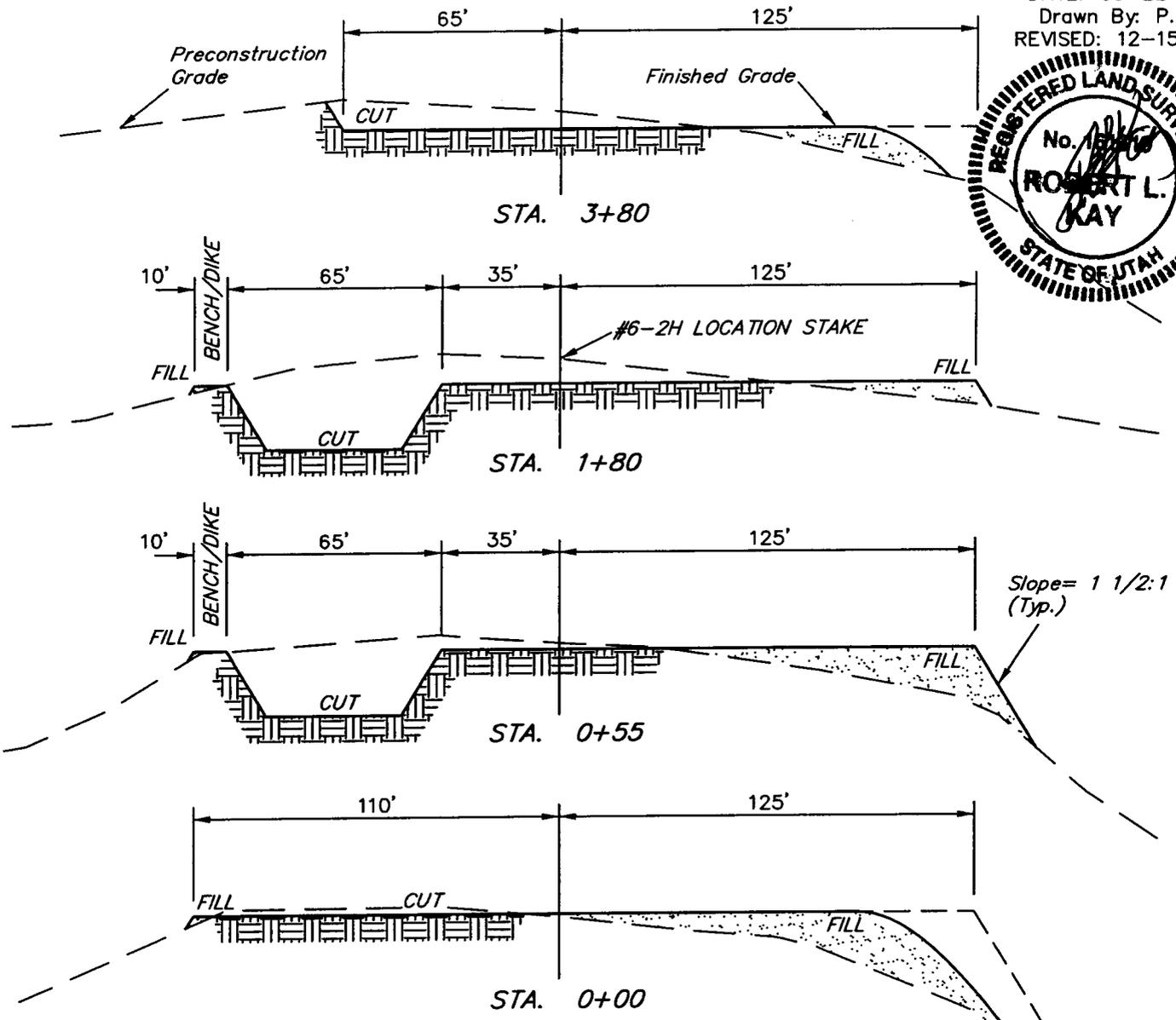
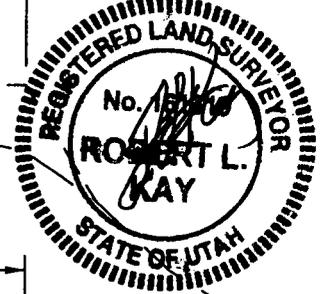
# DOMINION EXPLR. & PROD., INC.

## TYPICAL CROSS SECTIONS FOR

LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4



DATE: 03-22-06  
Drawn By: P.M.  
REVISED: 12-15-06



**NOTE:**

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

**\* NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

**APPROXIMATE YARDAGES**

|                        |                        |
|------------------------|------------------------|
| CUT                    |                        |
| (6") Topsoil Stripping | = 1,800 Cu. Yds.       |
| Remaining Location     | = 6,010 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 7,810 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 4,420 CU.YDS.</b> |

|  |                  |
|--|------------------|
| EXCESS MATERIAL                                    | = 3,390 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)           | = 3,390 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Interim Rehabilitation) | = 0 Cu. Yds.     |

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East \* Vernal, Utah 84078 \* (801) 789-1017

# DOMINION EXPLR. & PROD., INC.

## LCU #3-2H, #4-2H & #6-2H

LOCATED IN UTAH COUNTY, UTAH  
SECTION 2, T11S, R20E, S.L.B.&M.

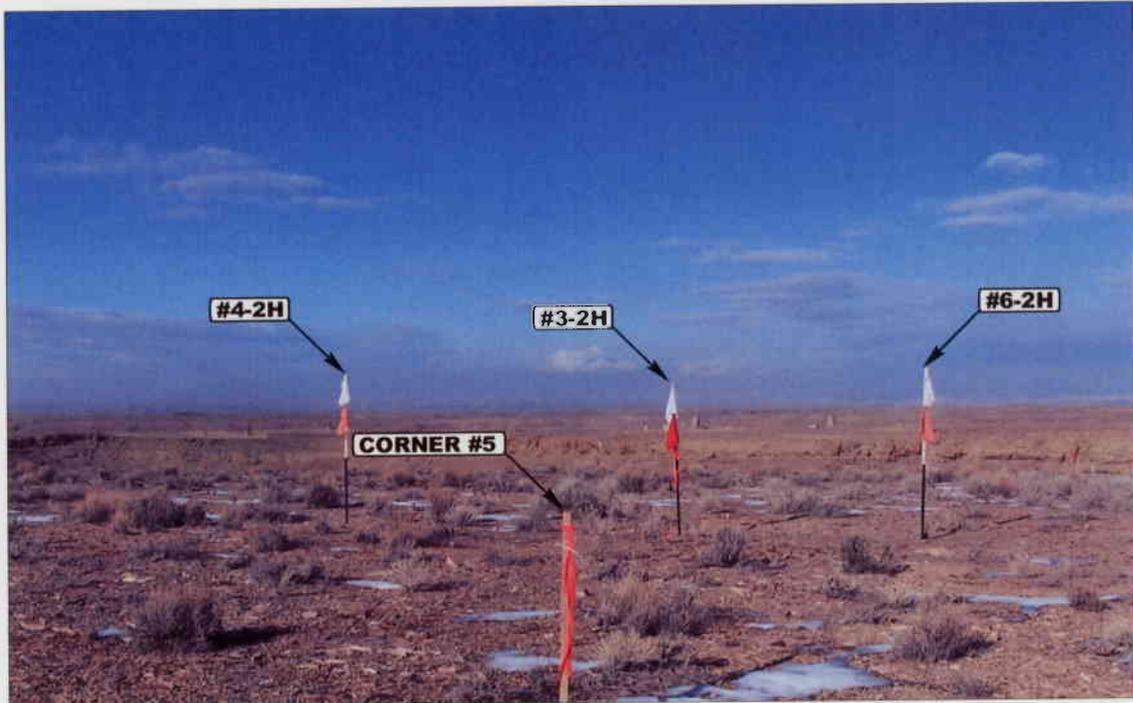


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKES

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



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

LOCATION PHOTOS

03 27 06  
MONTH DAY YEAR

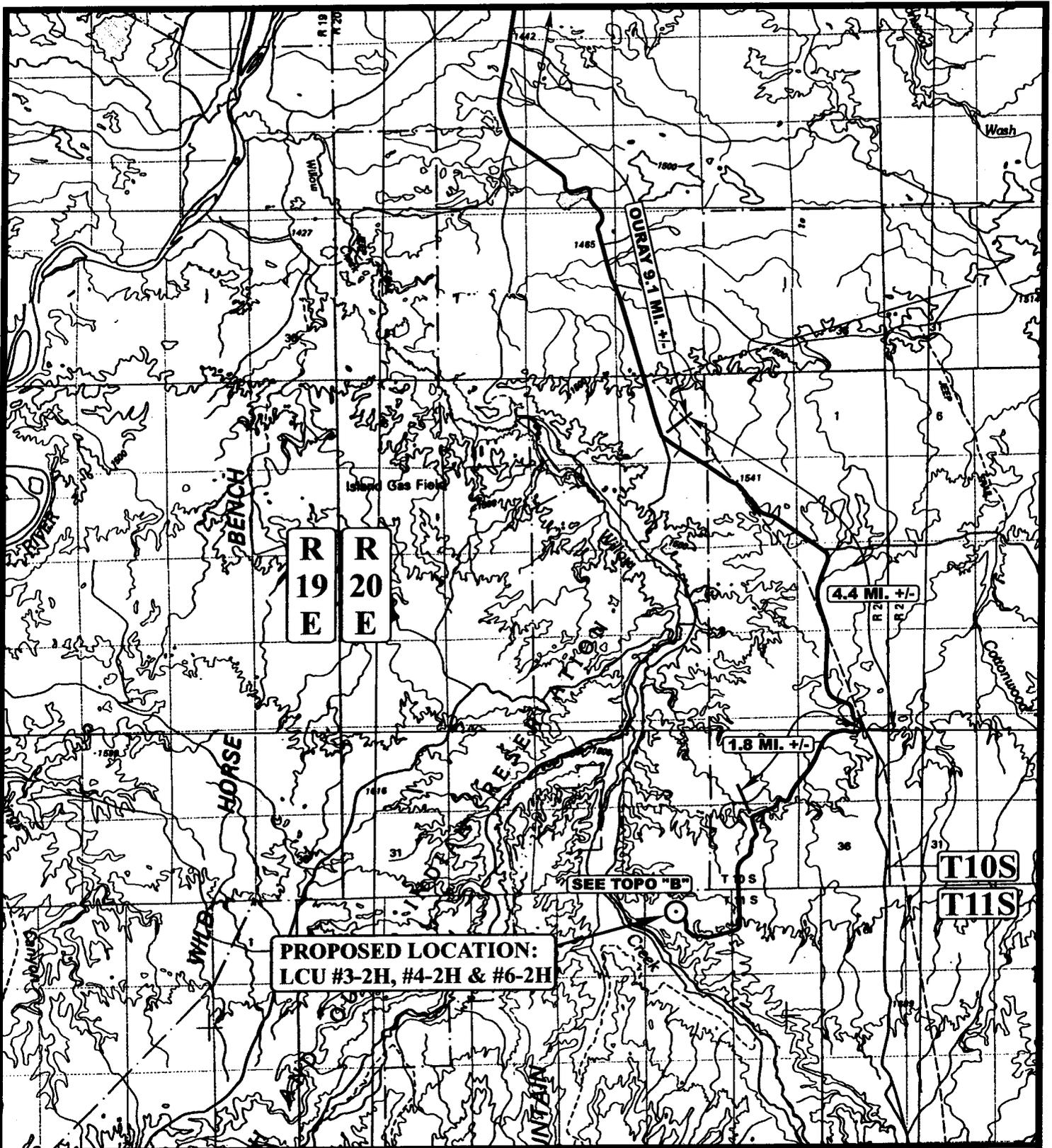
PHOTO

TAKEN BY: B.B.

DRAWN BY: B.C.

REV: 12-13-06 L.K.

- Since 1964 -



**PROPOSED LOCATION:  
LCU #3-2H, #4-2H & #6-2H**

**LEGEND:**

○ PROPOSED LOCATION

**DOMINION EXPLR. & PROD., INC.**

LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4



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

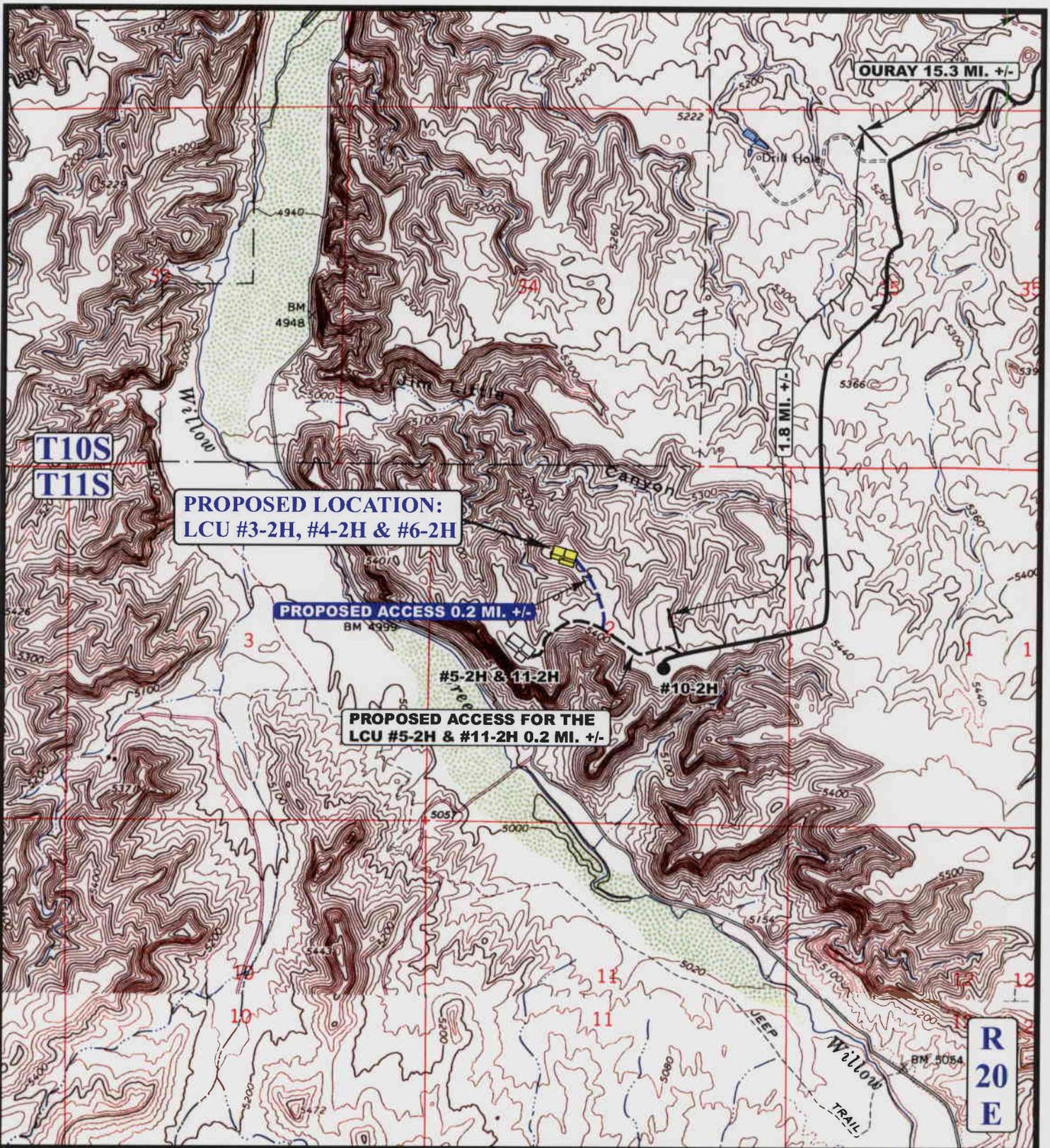


**TOPOGRAPHIC  
MAP**

|       |     |      |
|-------|-----|------|
| 03    | 27  | 06   |
| MONTH | DAY | YEAR |

SCALE: 1:100,000 DRAWN BY: B.C. REV: 12-13-06 L.K.





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**DOMINION EXPLR. & PROD., INC.**

LCU #3-2H, #4-2H & #6-2H  
 SECTION 2, T11S, R20E, S.L.B.&M.  
 SE 1/4 NW 1/4

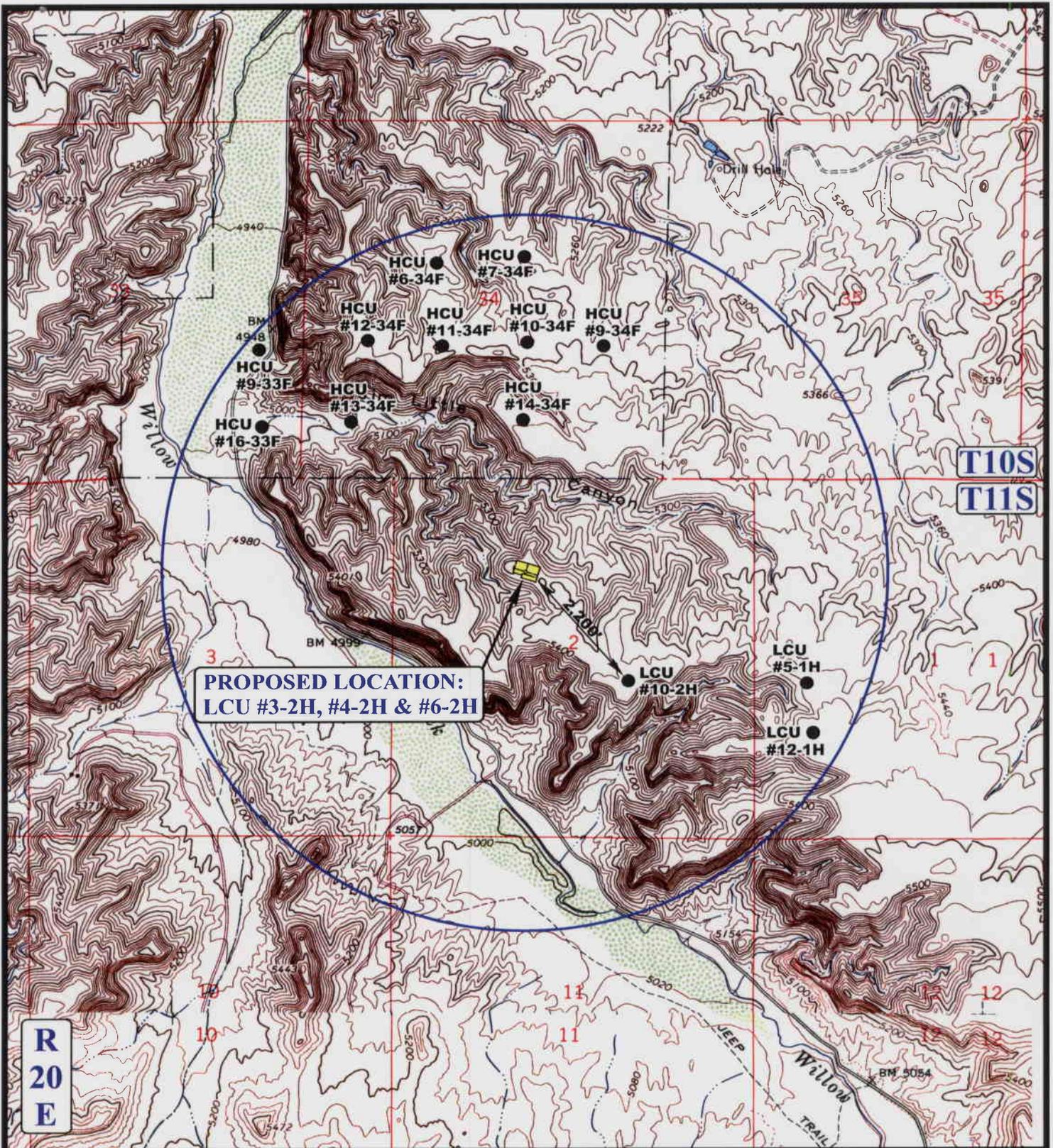


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 03 27 06  
**MAP** MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: B.C. REV: 12-13-06 L.K.





**PROPOSED LOCATION:  
LCU #3-2H, #4-2H & #6-2H**

**R  
20  
E**

**T10S  
T11S**

**LEGEND:**

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

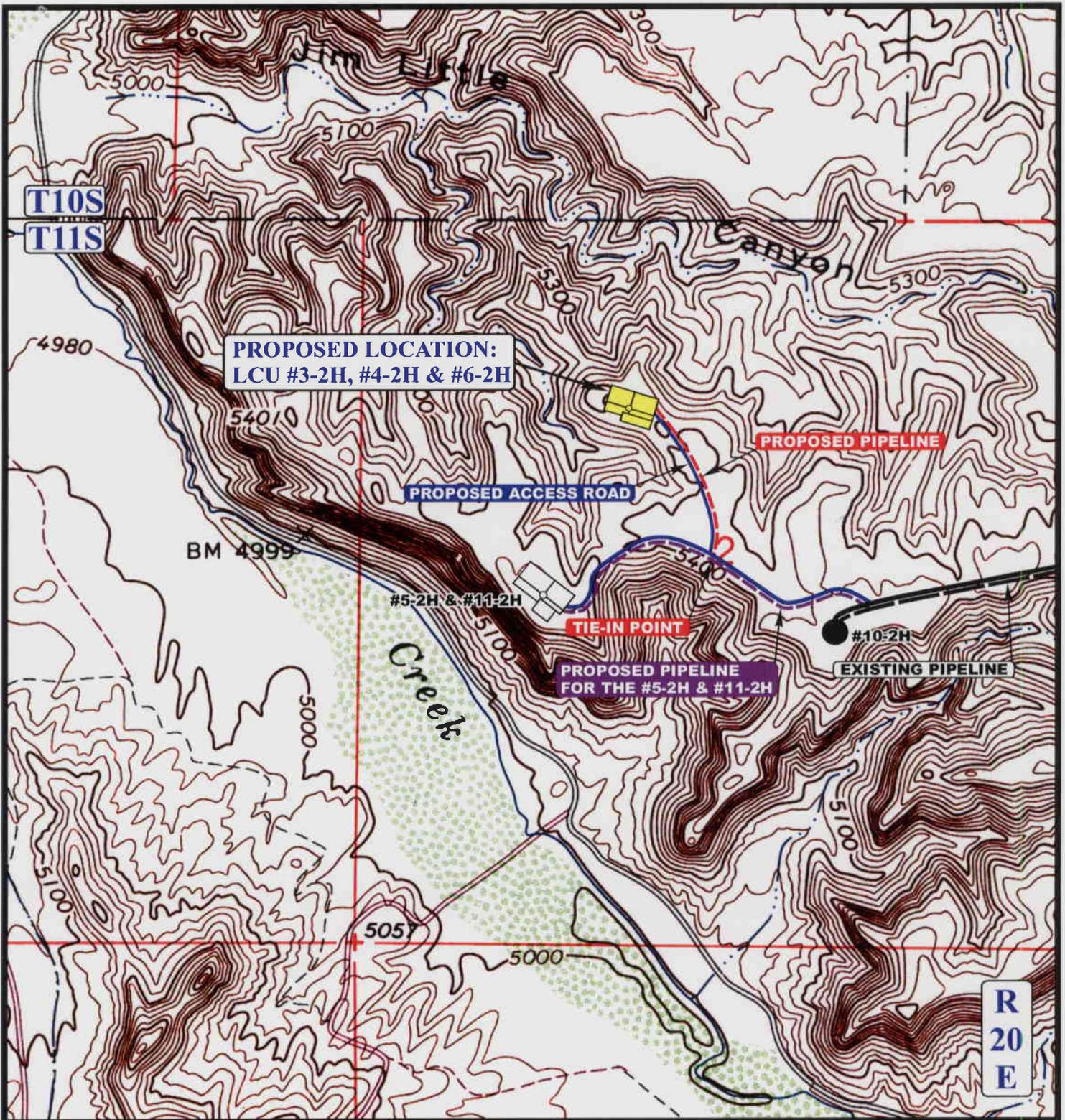
**DOMINION EXPLR. & PROD., INC.**

**LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4**

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

**TOPOGRAPHIC MAP** 03 27 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: B.C. REV: 12-13-06 L.K. **TOPO**





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1,157' +/-**

**LEGEND:**

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



**DOMINION EXPLR. & PROD., INC.**

LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4



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

**TOPOGRAPHIC MAP** 03 27 06  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: B.C. REV: 12-13-06 L.K.



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

**CONFIDENTIAL**

FORM 9

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b>   |  | 3. LEASE DESIGNATION AND SERIAL NUMBER:<br>ML-48771 |
| 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:<br>N/A        |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____  |  | 7. UNIT or CA AGREEMENT NAME:<br>Little Canyon Unit |
| 2. NAME OF OPERATOR:<br>Dominion Exploration & Production, Inc.  |  | 8. WELL NAME and NUMBER:<br>LCU 3-2H                |
| 3. ADDRESS OF OPERATOR:<br>P.O. Box 1360 CITY Roosevelt STATE UT ZIP 84066   |  | 9. API NUMBER:<br>4304738272                        |
| PHONE NUMBER:<br>(435) 722-4521  |  | 10. FIELD AND POOL, OR WILDCAT:<br>Hill Creek       |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: 1,361' FNL & 1,920' FWL,<br>COUNTY: Uintah<br>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 2 11S 20E S<br>STATE: UTAH   |  |   |

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

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

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

Dominion Exploration & Production, Inc. hereby requests a one year extension of the state permit for the referenced well  
This is the first extension that has been requested.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-20-07  
By: [Signature]

|   |  |
|---|--|
| NAME (PLEASE PRINT) <u>Don Hamilton</u> | TITLE <u>Agent for Dominion Exploration &amp; Production, Inc.</u> |
| SIGNATURE <u>Don Hamilton</u>           | DATE <u>8/16/2007</u>  |

(This space for State use only)

8-21-07  
pm

(See Instructions on Reverse Side)

RECEIVED  
AUG 20 2007

(5/2000)

DIV. OF OIL, GAS & MINING

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

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

**API:** 4304738272  
**Well Name:** LCU 3-2H  
**Location:** SENW 2 11S-20E 1,361' FNL & 1,920' FWL  
**Company Permit Issued to:** DOMINION EXPL & PROD INC  
**Date Original Permit Issued:** 7/20/2007 *h*

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

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

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

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

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

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

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

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

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

Don Hamilton  
Signature

8/16/2007  
Date

Title: Agent

Representing: DOMINION EXPL & PROD INC

RECEIVED  
AUG 20 2007

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

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

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

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

7/1/2007

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

**CA No.**

**Unit:**

**LITTLE CANYON**

| WELL NAME         | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
|-------------------|-----|-----|-----|--------|-----------|------------|-----------|-------------|
| SEE ATTACHED LIST |     |     |     |        |           |            |           |             |

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

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

**DATA ENTRY:**

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

**BOND VERIFICATION:**

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

**LEASE INTEREST OWNER NOTIFICATION:**

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

**COMMENTS:**

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

|   |  |  |
|---|--|--|
|   |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:                  |
|   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:                    |
|   |  | 7. UNIT or CA AGREEMENT NAME:                            |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 8. WELL NAME and NUMBER:<br><b>SEE ATTACHED</b>          |
| 2. NAME OF OPERATOR:<br><b>XTO Energy Inc. N2615</b>  |  | 9. API NUMBER:<br><b>SEE ATTACHED</b>                    |
| 3. ADDRESS OF OPERATOR: 810 Houston Street<br>CITY <b>Fort Worth</b> STATE <b>TX</b> ZIP <b>76102</b>         |  | 10. FIELD AND POOL, OR WILDCAT:<br><b>Natural Buttes</b> |
| PHONE NUMBER:<br><b>(817) 870-2800</b>  |  |  |
| 4. LOCATION OF WELL   |  |  |
| FOOTAGES AT SURFACE: <b>SEE ATTACHED</b>  |  | COUNTY: <b>Uintah</b>                                    |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  |  | STATE: <b>UTAH</b>                                       |

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

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

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

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

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

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

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

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

(This space for State use only)

**APPROVED** 9127107

**Earlene Russell**  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

**RECEIVED**

**AUG 06 2007**

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

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

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

|  |   |
|--|---|
| Well name:                               | SEE ATTACHED LIST   |
| API number:                              |   |
| Location:                                | Qtr-Qtr:                      Section:                      Township                      Range |
| Company that filed original application: | DOMINION E&P  |
| Date original permit was issued:         |   |
| Company that permit was issued to:       | DOMINION E&P  |

| Check one                           | Desired Action:   |
|-------------------------------------|---|
| <input type="checkbox"/>            | Transfer pending (unapproved) Application for Permit to Drill to new operator   |
| <input type="checkbox"/>            | The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application. |
| <input checked="" type="checkbox"/> | Transfer approved Application for Permit to Drill to new operator   |
| <input type="checkbox"/>            | The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.   |

| Following is a checklist of some items related to the application, which should be verified.  | Yes                                 | No                                  |
|---|-------------------------------------|-------------------------------------|
| If located on private land, has the ownership changed?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If so, has the surface agreement been updated?  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?                           | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?                                      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?                                      | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Has the approved source of water for drilling changed?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Is bonding still in place, which covers this proposed well? Bond No. <u>104312762</u>   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) HOLLY C. PERKINS Title REGULATORY COMPLIANCE TECH  
 Signature *Holly C. Perkins* Date 08/27/2007  
 Representing (company name) XTO ENERGY INC.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

**AUG 30 2007**

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

| api        | well_name  | qtr  | qtr | sec  | twp  | rng         | lease_num | entity | Lease   | well | stat |
|------------|------------|------|-----|------|------|-------------|-----------|--------|---------|------|------|
| 4304736892 | LCU 5-9H   | SWNW | 09  | 110S | 200E | UTU-34350   |           |        | Federal | GW   | APD  |
| 4304736893 | LCU 5-17H  | SWNW | 17  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304736896 | LCU 11-9H  | NESW | 09  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304737059 | LCU 2-17H  | NWNE | 17  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304737285 | LCU 11-17H | NESW | 17  | 110S | 200E | UTU-76265   |           |        | Federal | OW   | APD  |
| 4304737286 | LCU 7-17H  | SWNE | 17  | 110S | 200E | UTU-76265   |           |        | Federal | OW   | APD  |
| 4304737448 | LCU 9-8H   | NESE | 08  | 110S | 200E | UTU-76265   |           |        | Federal | OW   | APD  |
| 4304737653 | LCU 14-9H  | SESW | 09  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304737997 | LCU 9-10H  | NESE | 10  | 110S | 200E | UTU-44089   |           |        | Federal | GW   | APD  |
| 4304738069 | LCU 8-35F  | SENE | 35  | 100S | 200E | U-01470D    |           |        | Federal | GW   | APD  |
| 4304738070 | LCU 12-35F | NWSW | 35  | 100S | 200E | U-01470D    |           |        | Federal | GW   | APD  |
| 4304738071 | LCU 15-35F | SWSE | 35  | 100S | 200E | U-01470D    |           |        | Federal | GW   | APD  |
| 4304738072 | LCU 16-35F | SESE | 35  | 100S | 200E | U-01470D    |           |        | Federal | GW   | APD  |
| 4304738073 | LCU 1-1H   | NENE | 01  | 110S | 200E | UTU-76264   |           |        | Federal | GW   | APD  |
| 4304738074 | LCU 9-9H   | NWSE | 09  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304738093 | LCU 9-1H   | NESE | 01  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738094 | LCU 6-1H   | SENE | 01  | 110S | 200E | UTU-76264   |           |        | Federal | GW   | APD  |
| 4304738095 | LCU 4-1H   | NWNW | 01  | 110S | 200E | UTU-76264   |           |        | Federal | GW   | APD  |
| 4304738096 | LCU 3-1H   | NENW | 01  | 110S | 200E | UTU-76264   |           |        | Federal | GW   | APD  |
| 4304738097 | LCU 15-1H  | SWSE | 01  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738098 | LCU 10-1H  | NWSE | 01  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738183 | LCU 6-35F  | SENE | 35  | 100S | 200E | U-01470C    |           |        | Federal | GW   | APD  |
| 4304738184 | LCU 8-9H   | NWSE | 09  | 110S | 200E | UTU-34350   |           |        | Federal | GW   | APD  |
| 4304738185 | LCU 8-1H   | SENE | 01  | 110S | 200E | UTU-76264   |           |        | Federal | GW   | APD  |
| 4304738296 | LCU 3-17H  | NENW | 17  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304738297 | LCU 12-17H | NWSW | 17  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304738298 | LCU 13-17H | SWSW | 17  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304738379 | LCU 2-3H   | NWNE | 03  | 110S | 200E | UTU-44090-A |           |        | Federal | GW   | NEW  |
| 4304738419 | LCU 16-10H | SESE | 10  | 110S | 200E | UTU-44089   |           |        | Federal | GW   | APD  |
| 4304738420 | LCU 5-11H  | SWNW | 11  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738421 | LCU 10-11H | NWSE | 11  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738422 | LCU 13-11H | SWSW | 11  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738423 | LCU 15-11H | SWSE | 11  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738424 | LCU 16-11H | SESE | 11  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738503 | LCU 4-12H  | NENW | 12  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738504 | LCU 5-12H  | NENW | 12  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738505 | LCU 6-12H  | NENW | 12  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738676 | LCU 12-9H  | NWSW | 09  | 110S | 200E | UTU-76265   |           |        | Federal | GW   | APD  |
| 4304738677 | LCU 6-9H   | SENE | 09  | 110S | 200E | UTU-34350   |           |        | Federal | GW   | APD  |
| 4304738678 | LCU 4-11H  | NWNW | 11  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738679 | LCU 9-12H  | NESE | 12  | 110S | 200E | UTU-73436   |           |        | Federal | GW   | APD  |
| 4304738682 | LCU 14-6G  | SESW | 06  | 110S | 210E | UTU-81728   |           |        | Federal | GW   | APD  |
| 4304738683 | LCU 13-6G  | SWSW | 06  | 110S | 210E | UTU-81728   |           |        | Federal | GW   | APD  |
| 4304738684 | LCU 10-6G  | NWSE | 06  | 110S | 210E | UTU-81728   |           |        | Federal | GW   | APD  |
| 4304738685 | LCU 5-6G   | SWNW | 06  | 110S | 210E | UTU-75700   |           |        | Federal | GW   | APD  |
| 4304738686 | LCU 4-6G   | NWNW | 06  | 110S | 210E | UTU-75700   |           |        | Federal | GW   | APD  |
| 4304738687 | LCU 7-6G   | SWNE | 06  | 110S | 210E | UTU-075700  |           |        | Federal | GW   | APD  |
| 4304738688 | LCU 3-6G   | NENW | 06  | 110S | 210E | UTU-075700  |           |        | Federal | GW   | APD  |

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

| api        | well_name  | qtr_qtr | sec | twp  | rng  | lease_num   | entity | Lease   | well | stat |
|------------|------------|---------|-----|------|------|-------------|--------|---------|------|------|
| 4304738784 | LCU 11-35F | NESW    | 35  | 100S | 200E | UTU-82703   |        | Federal | GW   | APD  |
| 4304738788 | LCU 6-10H  | SENW    | 10  | 110S | 200E | UTU-44089   |        | Federal | GW   | APD  |
| 4304738789 | LCU 13-10H | SWSW    | 10  | 110S | 200E | UTU-44089   |        | Federal | GW   | APD  |
| 4304738790 | LCU 11-11H | SESW    | 11  | 110S | 200E | UTU-73436   |        | Federal | GW   | APD  |
| 4304738791 | LCU 3-12H  | NENW    | 12  | 110S | 200E | UTU-73436   |        | Federal | GW   | APD  |
| 4304738892 | LCU 7-10H  | SWNE    | 10  | 110S | 200E | UTU-44089   |        | Federal | GW   | APD  |
| 4304738893 | LCU 1-12H  | NENE    | 12  | 110S | 200E | UTU-73436   |        | Federal | GW   | APD  |
| 4304738946 | LCU 13-1H  | NWSW    | 01  | 110S | 200E | UTU-73436   |        | Federal | GW   | APD  |
| 4304738947 | LCU 16-12H | SESE    | 12  | 110S | 200E | UTU-73436   |        | Federal | GW   | APD  |
| 4304739050 | LCU 15-4H  | SWSE    | 04  | 110S | 200E | UTU-81430   |        | Federal | GW   | APD  |
| 4304739158 | LCU 15-3H  | SWSE    | 03  | 110S | 200E | UTU-34350   |        | Federal | GW   | APD  |
| 4304739159 | LCU 5-3H   | NENE    | 04  | 110S | 200E | UTU-44090-A |        | Federal | GW   | APD  |
| 4304739160 | LCU 4-3H   | NENE    | 04  | 110S | 200E | UTU-44090-A |        | Federal | GW   | APD  |
| 4304739161 | LCU 8-8H   | SENE    | 08  | 110S | 200E | UTU-81430   |        | Federal | GW   | APD  |
| 4304739220 | LCU 9-35F  | NESE    | 35  | 100S | 200E | UTU-82703   |        | Federal | GW   | APD  |
| 4304739221 | LCU 7-35F  | SWNE    | 35  | 100S | 200E | UTU-82703   |        | Federal | GW   | APD  |
| 4304739224 | LCU 14-10H | SESW    | 10  | 110S | 200E | UTU-44089   |        | Federal | GW   | APD  |
| 4304739225 | LCU 3-10H  | NENW    | 10  | 110S | 200E | UTU-44089   |        | Federal | GW   | APD  |
|            |            |         |     |      |      |             |        |         |      |      |
| 4304736773 | LCU 6-16H  | SENW    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |
| 4304736808 | LCU 13-12H | SWSW    | 12  | 110S | 200E | FEE         |        | Fee     | GW   | APD  |
| 4304736809 | LCU 12-16H | NWSW    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |
| 4304738027 | LCU 1-2H   | NENE    | 02  | 110S | 200E | ML-48771    |        | State   | GW   | APD  |
| 4304738255 | LCU 6-2H   | SENW    | 02  | 110S | 200E | ML-48771    |        | State   | GW   | APD  |
| 4304738272 | LCU 3-2H   | SENW    | 02  | 110S | 200E | ML-48771    |        | State   | GW   | APD  |
| 4304738343 | LCU 14-2H  | SESW    | 02  | 110S | 200E | ML-48771    |        | State   | GW   | APD  |
| 4304738675 | LCU 16-2H  | NWSW    | 01  | 110S | 200E | ML-48771    |        | State   | GW   | APD  |
| 4304738680 | LCU 10-16H | NWSE    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |
| 4304738681 | LCU 14-16H | SESW    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |
| 4304738785 | LCU 5-36F  | SWNW    | 36  | 100S | 200E | ML-47391    |        | State   | GW   | APD  |
| 4304739173 | LCU 13-16H | SWSW    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |
| 4304739174 | LCU 11-16H | NESW    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |
| 4304739223 | LCU 4-16H  | NWNW    | 16  | 110S | 200E | ML-48772    |        | State   | GW   | APD  |



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO  
3180  
UT-922

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

August 10, 2007

Re: Little Canyon Unit  
Uintah County, Utah

Gentlemen:

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

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

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

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

Sincerely,

*/s/ Greg J. Noble*

Greg J. Noble  
Acting Chief, Branch of Fluid Minerals

Enclosure

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

**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:<br><b>ML-48771</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:<br><b>N/A</b>        |
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____  |  | 7. UNIT or CA AGREEMENT NAME:<br><b>Little Canyon Unit</b> |
| 2. NAME OF OPERATOR:<br><b>XTO Energy, Inc.</b>  |  | 8. WELL NAME and NUMBER:<br><b>LCU 3-2H</b>                |
| 3. ADDRESS OF OPERATOR:<br><b>P.O. Box 1360</b> CITY <b>Roosevelt</b> STATE <b>UT</b> ZIP <b>84066</b>   |  | 9. API NUMBER:<br><b>4304738272</b>                        |
| PHONE NUMBER:<br><b>(435) 722-4521</b>   |  | 10. FIELD AND POOL, OR WILDCAT:<br><b>Hill Creek</b>       |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: <b>1,361' FNL &amp; 1,920' FWL,</b>  |  | COUNTY: <b>Uintah</b>                                      |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENW 2 11S 20E S</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<br>(Submit in Duplicate)<br><br>Approximate date work will start:<br>_____<br><br><input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br><br>Date of work completion:<br>_____ | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION             |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                  |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON                       |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR                             |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                             |
|   | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                            |
|   | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                            |
|   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: <u>Permit Extension</u> |
|   | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |  |

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

XTO Energy, Inc. hereby requests a one year extension of the state permit for the referenced well

This is the second extension that has been requested.

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

Date: 07-21-08  
By: [Signature]

|  |   |
|--|---|
| NAME (PLEASE PRINT) <u>Kendell Johnson</u> | TITLE <u>Agent for XTO Energy, Inc.</u> |
| SIGNATURE <u>[Signature]</u>               | DATE <u>7/21/2008</u>                   |

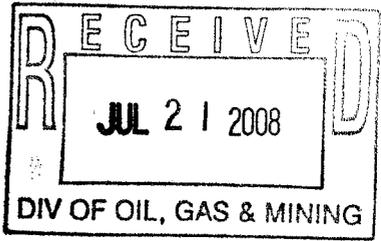
(This space for State use only)

**COPY SENT TO OPERATOR**

Date: 7-23-2008

Initials: KS

(See Instructions on Reverse Side)





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

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

**API:** 4304738272  
**Well Name:** LCU 3-2H  
**Location:** SENW 2 11S-20E 1,361' FNL & 1,920' FWL  
**Company Permit Issued to:** XTO Energy, Inc.  
**Date Original Permit Issued:** 7/20/2008

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

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

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

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

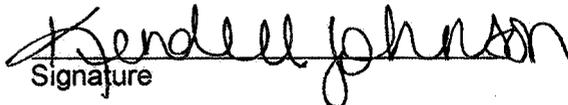
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

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

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

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

  
Signature

7/21/2008  
Date

Title: Agent \_\_\_\_\_

Representing: XTO Energy, Inc. \_\_\_\_\_

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br><b>ML-48771</b> |
| 2. NAME OF OPERATOR:<br><b>XTO Energy, Inc.</b>   |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br><b>N/A</b>        |
| 3. ADDRESS OF OPERATOR:<br><b>P.O. Box 1360</b> CITY <b>Roosevelt</b> STATE <b>UT</b> ZIP <b>84066</b>        |  | 7. UNIT or CA AGREEMENT NAME:<br><b>Little Canyon Unit</b> |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: <b>1,361' FNL &amp; 1,920' FWL,</b>                               |  | 8. WELL NAME and NUMBER:<br><b>LCU 3-2H</b>                |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENW 2 11S 20E S</b>  |  | 9. API NUMBER:<br><b>4304738272</b>                        |
| COUNTY: <b>Uintah</b>   |  | 10. FIELD AND POOL, OR WILDCAT:<br><b>Hill Creek</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<br>(Submit in Duplicate)<br>Approximate date work will start:<br>_____          | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION                           |
|   | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                                |
|   | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON                                     |
|   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input type="checkbox"/> OPERATOR CHANGE                  | <input type="checkbox"/> TUBING REPAIR   |
|   | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE   |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:<br>_____ | <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>Relocation of Surface Location</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.

XTO Energy, Inc. requests permission to relocate the surface location for the referenced well 10.44' prior to drilling of the previously approved APD. The new location results from an increase in spacing from 15' to 20' between the proposed well and the two additional proposed wells on the same location. Following is the updated location information for the LCU 3-2H:

Surface Location: 1,358' FNL & 1,910' FWL, SE 1/4 NW 1/4, Section 2, T11S, R20E, SLB&M.

615562x 39.892921  
4416537y -109.648339

Attached please find an updated Form 3, Exhibit 'A' and Exhibit 'D' to replace those previously approved within the APD package.

The location of the surface and target location as approved by the Utah Division of Oil, Gas and Mining along the intended well bore path are within Cause No. 259-01 and are not within 460 feet of any uncommenced tracts of the unit boundary.

Oil, Gas and Mining

ORIGINAL

Date: 08-07-08

By: [Signature]

NAME (PLEASE PRINT) Don Hamilton

TITLE Agent for XTO Energy, Inc.

SIGNATURE Don Hamilton

DATE 8/4/2008

RECEIVED

(This space for State use only)

**COPY SENT TO OPERATOR**

Date: 8.11.2008

Initials: KS

(See Instructions on Reverse Side)

AUG 05 2008

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT   
(highlight changes)

|  |   |  |   |   |
|--|---|--|---|---|
| <b>APPLICATION FOR PERMIT TO DRILL</b>   |   |  | 5. MINERAL LEASE NO:<br><b>ML-48771</b>                       | 6. SURFACE:<br>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:<br>N/A                  |   |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> |   |  | 8. UNIT or CA AGREEMENT NAME:<br>Little Canyon                |   |
| 2. NAME OF OPERATOR:<br>XTO Energy, Inc.   |   |  | 9. WELL NAME and NUMBER:<br>LCU 3-2H                          |   |
| 3. ADDRESS OF OPERATOR:<br>P.O. Box 1360   |   | CITY Roosevelt STATE UT ZIP 84066                | PHONE NUMBER:<br>(435) 722-4521                               | 10. FIELD AND POOL, OR WILDCAT:<br>Natural Buttes |
| 4. LOCATION OF WELL (FOOTAGES)<br>AT SURFACE: 1,358' FNL & 1,910' FWL, SE/4 NW/4,<br>AT PROPOSED PRODUCING ZONE: 657' FNL & 1,915' FWL, Lot 3 (NE/4 NW/4),                               |   |  | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:<br>2 11 20 S |   |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:<br>13.59 miles south of Ouray, Utah  |   |  | 12. COUNTY:<br>Uintah   | 13. STATE:<br>UTAH                                |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)<br>1,358'  | 16. NUMBER OF ACRES IN LEASE:<br>638.50           | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL:<br>40 |   |   |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)<br>20'   | 19. PROPOSED DEPTH:<br>8,070                      | 20. BOND DESCRIPTION:<br>SITLA 104312-762        |   |   |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):<br>5,398'  | 22. APPROXIMATE DATE WORK WILL START:<br>9/1/2008 | 23. ESTIMATED DURATION:<br>14 days               |   |   |

**24. PROPOSED CASING AND CEMENTING PROGRAM**

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT |
|--------------|---|---------------|---|
|              | 14" Cond.                               | 40            |   |
| 12-1/4"      | 9-5/8" J-55 ST 36#                      | 2,237         | see Drilling Plan                               |
| 7-7/8"       | 5-1/2" N-80 LT 17#                      | 8,070         | see Drilling Plan                               |
|              |   |               | (8000' TVD)                                     |
|              |   |               |   |
|              |   |               |   |
|              |   |               |   |

**25. ATTACHMENTS**

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

- WELL PLAN OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER  
 EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- COMPLETE DRILLING PLAN  
 FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

**ORIGINAL**

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for XTO Energy, Inc.  
SIGNATURE Don Hamilton DATE 8/4/2008

(This space for State use only)

API NUMBER ASSIGNED: \_\_\_\_\_

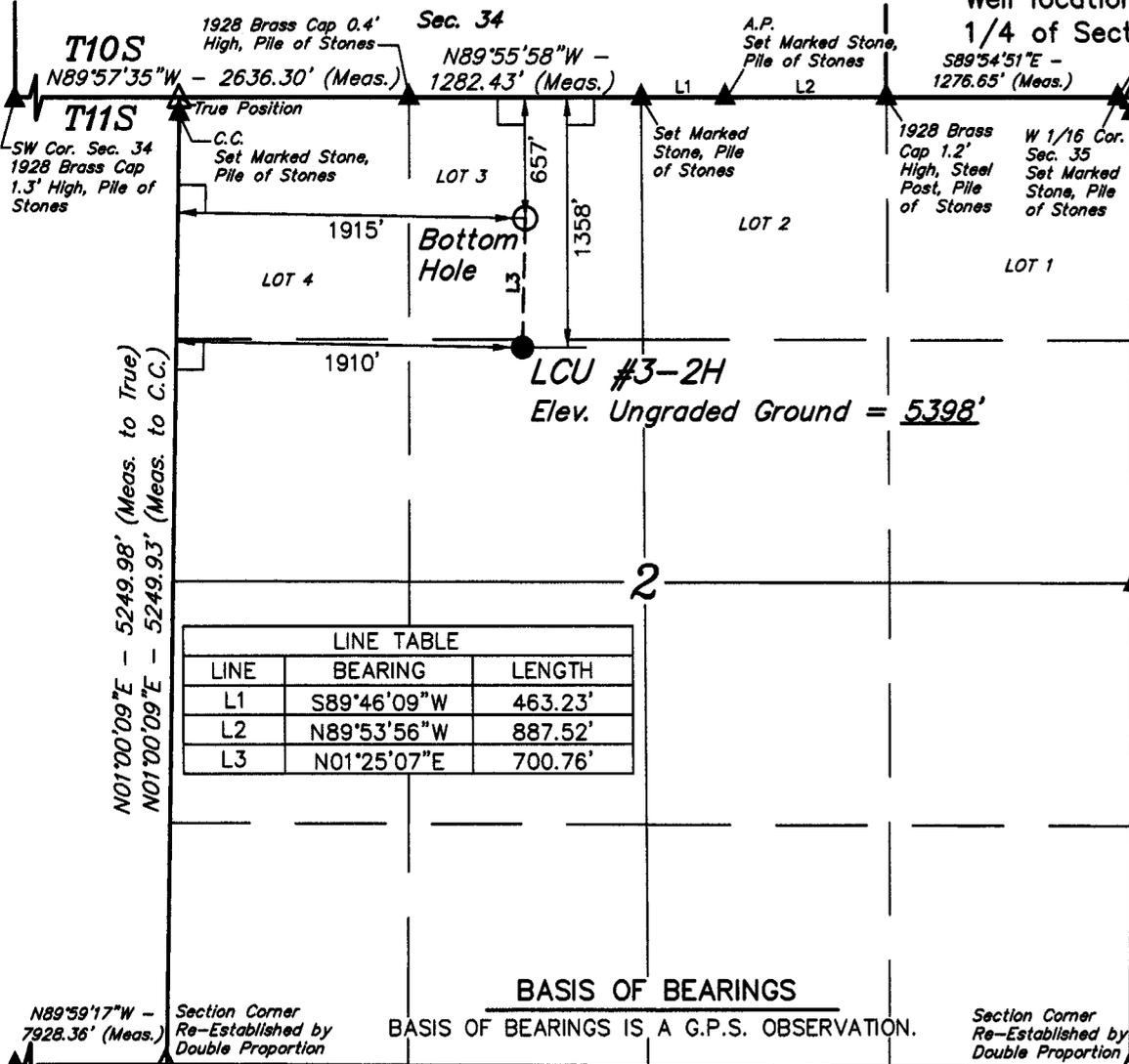
APPROVAL: \_\_\_\_\_

**RECEIVED**  
**AUG 05 2008**  
DIV. OF OIL, GAS & MINING

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

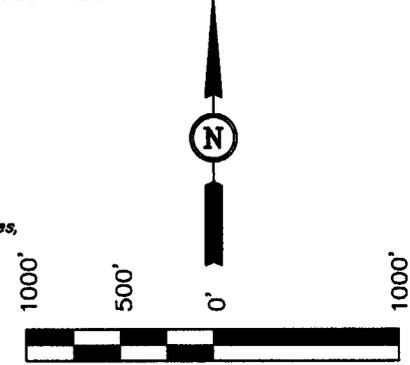
XTO ENERGY, INC.

Well location, LCU #3-2H, located as shown in the SE 1/4 NW 1/4 of Section 2, T11S, R20E, S.L.B.&M. Uintah County, Utah.



## BASIS OF ELEVATION

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



| LINE TABLE |             |         |
|------------|-------------|---------|
| LINE       | BEARING     | LENGTH  |
| L1         | S89°46'09"W | 463.23' |
| L2         | N89°53'56"W | 887.52' |
| L3         | N01°25'07"E | 700.76' |

## BASIS OF BEARINGS

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

## LEGEND:

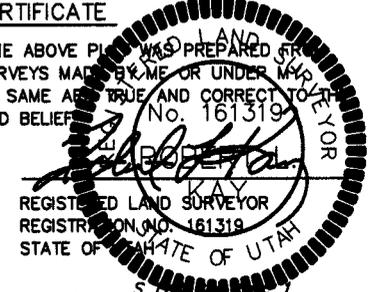
- └─┘ = 90° SYMBOL
  - = PROPOSED WELL HEAD.
  - ▲ = SECTION CORNERS LOCATED.
  - △ = SECTION CORNERS RE-ESTABLISHED.
- BY DOUBLE PROPORTION METHOD. (NOT SET)

(NAD 83)  
 LATITUDE = 39°53'34.44" (39.892900)  
 LONGITUDE = 109°38'56.81" (109.649114)  
 (NAD 27)  
 LATITUDE = 39°53'34.57" (39.892936)  
 LONGITUDE = 109°38'54.32" (109.648422)

N00000°47'E - 2637.92' (Meas. to True)  
 N00032°47'E - 2635.16' (Meas.)  
 N00021°22'W - 7905.27' (Meas.)

## SCALE CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REVISED: 06-17-08 D.P.  
 REVISED: 02-11-08 L.K.

N89°57'50"W - 2657.89' (Meas.)

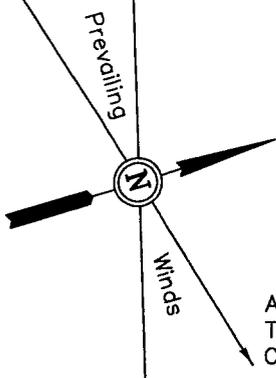
**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

|                         |                            |                        |
|-------------------------|----------------------------|------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>03-20-06 | DATE DRAWN:<br>3-22-06 |
| PARTY<br>B.B. B.C. P.M. | REFERENCES<br>G.L.O. PLAT  |                        |
| WEATHER<br>COOL         | FILE<br>XTO ENERGY, INC    |                        |

**XTO ENERGY, INC.**

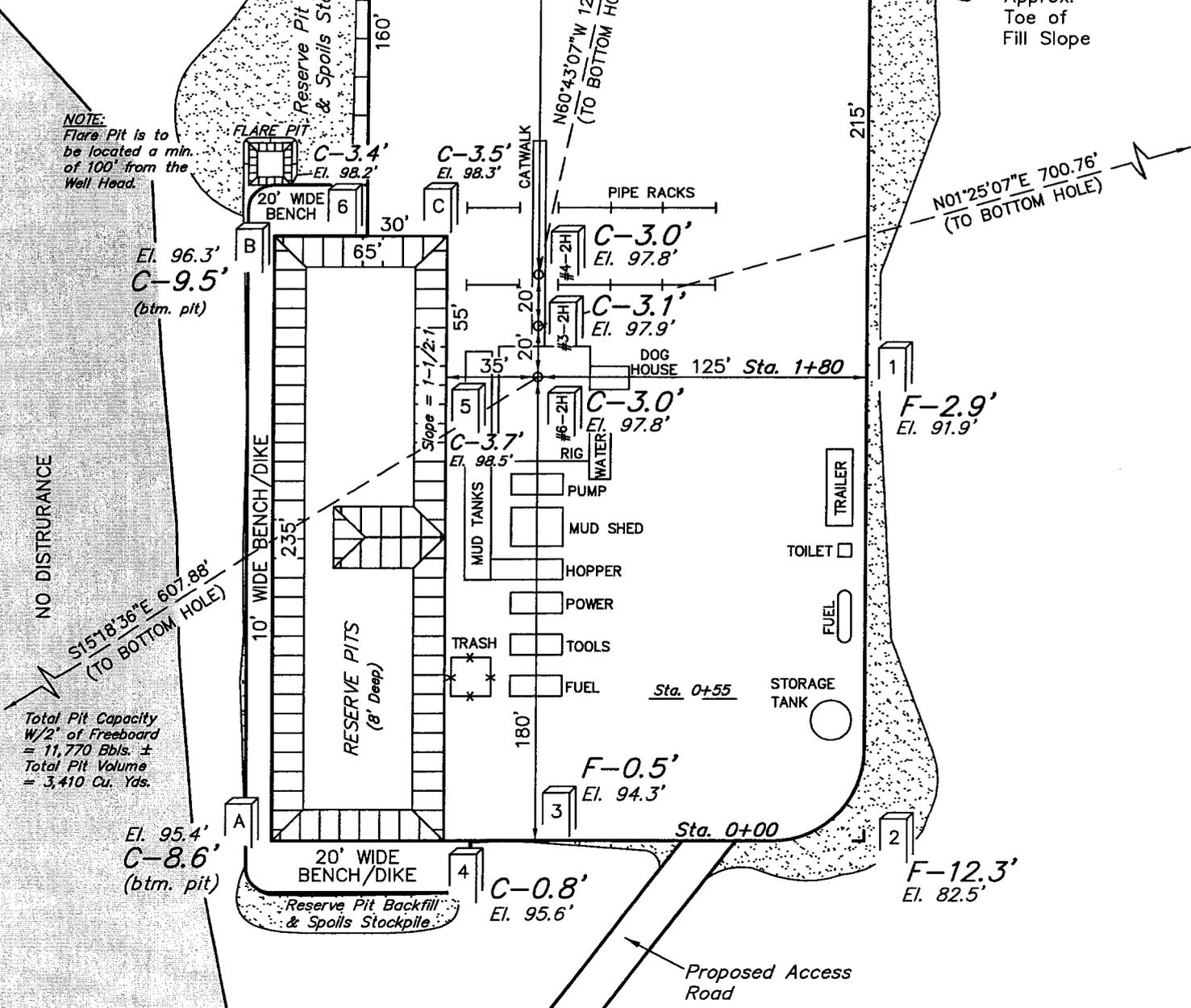
**LOCATION LAYOUT FOR**

LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4



SCALE: 1" = 60'  
DATE: 03-22-06  
Drawn By: P.M.  
REVISED: 12-15-06  
REVISED: 02-11-08 L.K.  
REVISED: 06-17-08 D.P.

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



Total Pit Capacity  
W/2' of Freeboard  
= 11,770 Bbls. ±  
Total Pit Volume  
= 3,410 Cu. Yds.

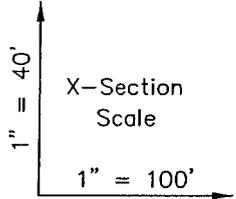
Elev. Ungraded Ground at #6-2H Location Stake = 5397.8'  
Elev. Graded Ground at #6-2H Location Stake = 5394.8'

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East \* Vernal, Utah 84078 \* (801) 789-1017

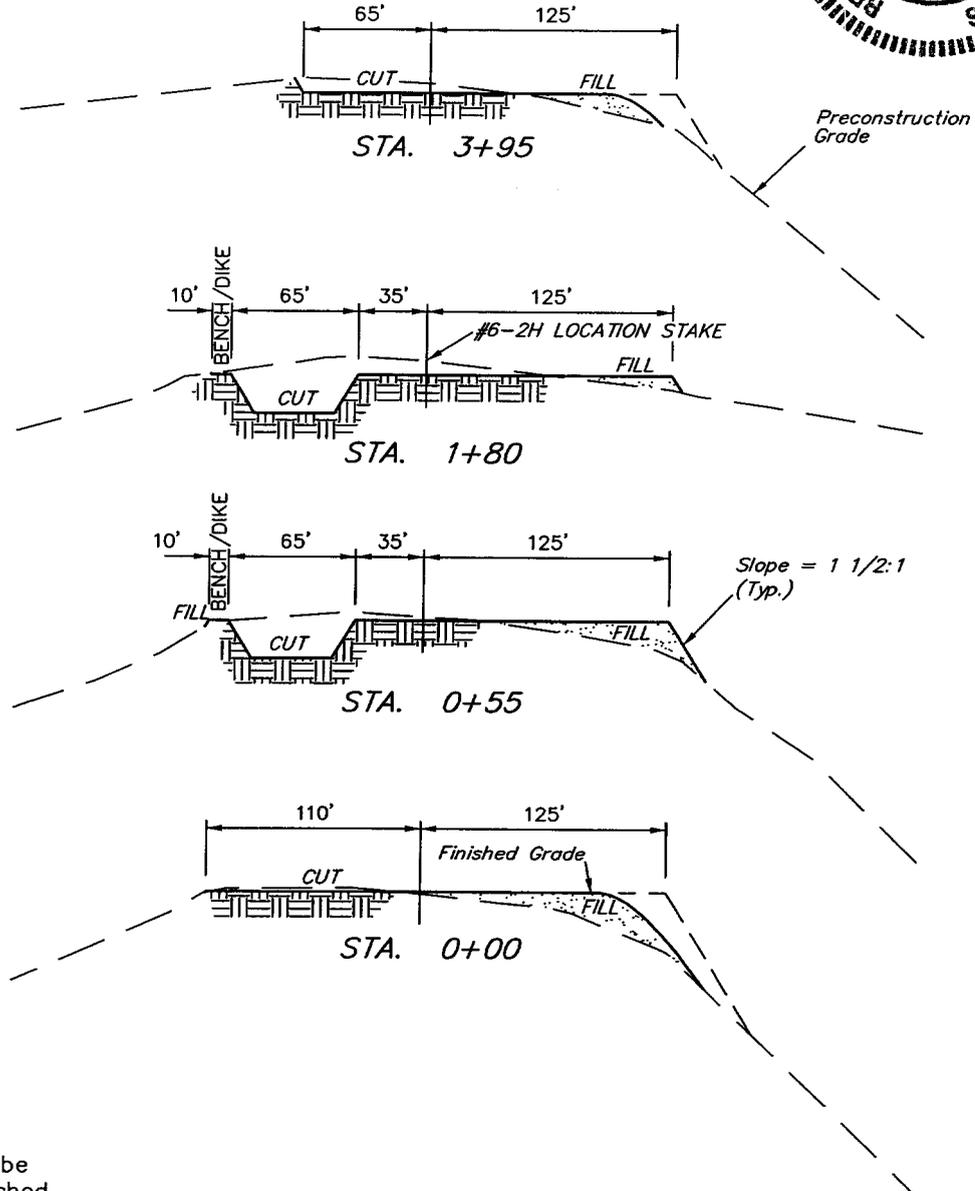
XTO ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

LCU #3-2H, #4-2H & #6-2H  
SECTION 2, T11S, R20E, S.L.B.&M.  
SE 1/4 NW 1/4



DATE: 03-22-06  
Drawn By: P.M.  
REVISED: 12-15-06  
REVISED: 02-11-08 L.K.  
REVISED: 06-17-08 D.P.



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

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

|                        |          |                      |
|------------------------|----------|----------------------|
| CUT                    |          |                      |
| (6") Topsoil Stripping | =        | 1,870 Cu. Yds.       |
| Remaining Location     | =        | 6,470 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>=</b> | <b>8,340 CU.YDS.</b> |
| <b>FILL</b>            | <b>=</b> | <b>4,760 CU.YDS.</b> |

|  |   |                |
|--|---|----------------|
| EXCESS MATERIAL                                    | = | 3,580 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)           | = | 3,580 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Interim Rehabilitation) | = | 0 Cu. Yds.     |

# XTO ENERGY INC.

LCU 3-2H

APD Data

August 3, 2008

Location: 1358' FNL & 1910' FWL, Sec. 2, T11S, R20E County: Uintah

State: Utah

Bottomhole Location: 657' FNL & 1915' FWL, Sec. 2, T11S, R20E

GREATEST PROJECTED TD: 8070' MD/ 8000' TVD

OBJECTIVE: Wasatch/Mesaverde

APPROX GR ELEV: 5398'

Est KB ELEV: 5412' (14' AGL)

## 1. MUD PROGRAM:

| INTERVAL   | 0' to 2237' | 2237' to 8070'                |
|------------|-------------|-------------------------------|
| HOLE SIZE  | 12.25"      | 7.875"                        |
| MUD TYPE   | FW/Spud Mud | KCl Based LSND / Gel Chemical |
| WEIGHT     | 8.80 ppg    | 8.6-9.2 ppg                   |
| VISCOSITY  | NC          | 30-60 sec-qt <sup>-1</sup>    |
| WATER LOSS | NC          | 8-15 cc/30 min                |

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes. The mud system will be monitored visually/manually.

## 2. CASING PROGRAM:

Surface Casing: 9.625" casing set at ±2237'MD/2200'TVD in a 12.25" hole filled with 8.8 ppg mud

| Interval | Length | Wt  | Gr   | Cplg | Coll Rating (psi) | Burst Rating (psi) | Jt Str (M-lbs) | ID (in) | Drift (in) | SF Coll | SF Burst | SF Ten |
|----------|--------|-----|------|------|-------------------|--------------------|----------------|---------|------------|---------|----------|--------|
| 0'-2237' | 2237'  | 36# | J-55 | ST&C | 2020              | 3520               | 394            | 8.921   | 8.765      | 2.57    | 4.47     | 4.89   |

Production Casing: 5.5" casing set at ±8070'MD/8000'TVD in a 7.875" hole filled with 9.20 ppg mud.

| Interval | Length | Wt  | Gr   | Cplg | Coll Rating (psi) | Burst Rating (psi) | Jt Str (M-lbs) | ID (in) | Drift (in) | SF Coll | SF Burst | SF Ten |
|----------|--------|-----|------|------|-------------------|--------------------|----------------|---------|------------|---------|----------|--------|
| 0'-8070' | 8070'  | 17# | N-80 | LT&C | 6280              | 7740               | 348            | 4.892   | 4.767      | 2.07    | 2.56     | 2.54   |

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

## 3. WELLHEAD:

- A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom (or slip-on, weld-on) and 11-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 5,000 psig WP, 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

## 4. CEMENT PROGRAM:

- A. Surface: 9.625", 36#, J-55 (or equiv.), ST&C casing to be set at ±2237' in 12.25" hole.

### LEAD:

±220 sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 11.0 ppg, 3.82 ft<sup>3</sup>/sk, 22.95 gal wtr/sx.

### TAIL:

350 sx Class G or equivalent cement with bonding additive, LCM, dispersant, & fluid loss mixed at 15.6 ppg, 1.2 cuft/sx

*Total estimated slurry volume for the 9.625" surface casing is 1260.2 ft<sup>3</sup>. Slurry includes 75% excess of calculated open hole annular volume to 2237'.*

B. Production: 5.5", 17#, N-80 (or equiv.), LT&C casing to be set at ±8070' in 7.875" hole.

LEAD:

±228 sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 11.6 ppg, 3.10 ft<sup>3</sup>/sk, 17.71 gal wtr/sx.

TAIL:

400 sx Class G or equivalent cement with poz, bonding additive, LCM, dispersant, & fluid loss mixed at 13.0 ppg, 1.49 cuft/sx, 9.09 gal/sx.

*Total estimated slurry volume for the 5.5" production casing is 1302.6 ft<sup>3</sup>. Slurry includes 15% excess of calculated open hole annular volume.*

*Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string. The production casing is designed for 1737' top of cement.*

**5. LOGGING PROGRAM:**

- A. Mud Logger: The mud logger will come on at intermediate casing point and will remain on the hole until TD. The mud will be logged in 10' intervals.
- B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (8070') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (8070') to 2237'. Run Gamma Ray to surface.

**6. FORMATION TOPS:**

Please see attached directional plan.

**7. ANTICIPATED OIL, GAS, & WATER ZONES:**

- A. No Change.

**8. BOP EQUIPMENT:**

Surface will utilize a 500 psi or greater diverter.

Production hole will be drilled with a 3000 psi BOP stack.

Minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes

occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

- Annular BOP -- 1500 psi
- Ram type BOP -- 3000 psi
- Kill line valves -- 3000 psi
- Choke line valves and choke manifold valves -- 3000 psi
- Chokes -- 3000 psi
- Casing, casinghead & weld -- 1500 psi
- Upper kelly cock and safety valve -- 3000 psi
- Dart valve -- 3000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Vernal, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.

- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP & Choke manifold diagrams.

9. **COMPANY PERSONNEL:**

| <b><u>Name</u></b> | <b><u>Title</u></b>     | <b><u>Office Phone</u></b> | <b><u>Home Phone</u></b> |
|--------------------|-------------------------|----------------------------|--------------------------|
| John Egelston      | Drilling Engineer       | 505-333-3163               | 505-330-6902             |
| Bobby Jackson      | Drilling Superintendent | 505-333-3224               | 505-486-4706             |
| Jeff Jackson       | Project Geologist       | 817-885-2800               |                          |



# Well Name: LCU 3-2H

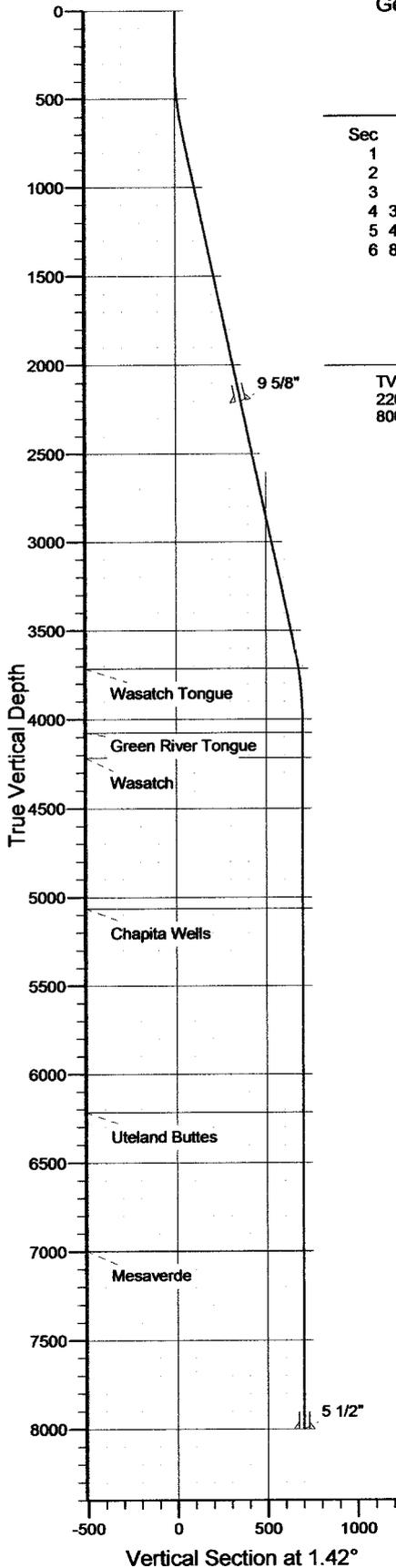
San Juan Division  
Drilling Department

Calculation Method: Minimum Curvature  
Geodetic Datum: North American Datum 1983  
Lat: 39° 53' 34.440 N  
Long: 109° 38' 56.796 W



Azimuths to True North  
Magnetic North: 11.47°

Magnetic Field  
Strength: 52556.1nT  
Dip Angle: 65.83°  
Date: 8/3/2008  
Model: IGRF200510



### SECTION DETAILS

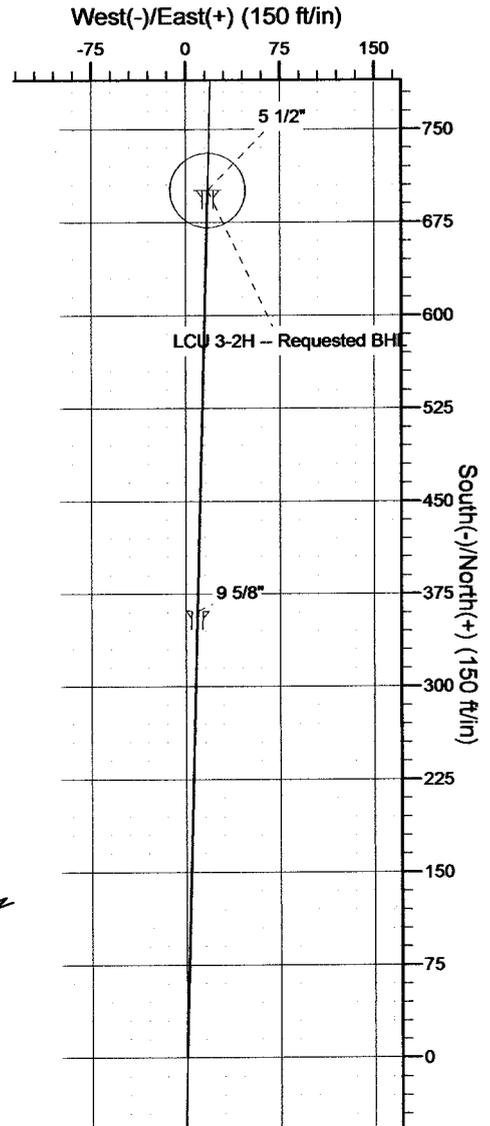
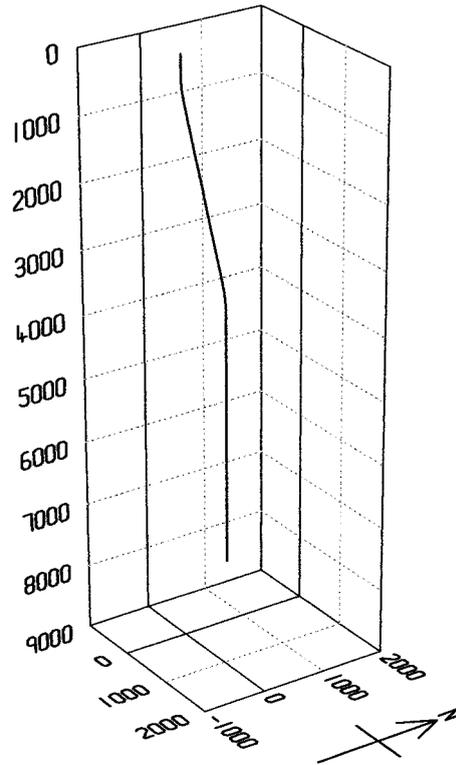
| Sec | MD     | Inc   | Azi  | TVD    | +N/-S | +E/-W | DLeg | TFace  | VSec  | Target                    |
|-----|--------|-------|------|--------|-------|-------|------|--------|-------|---------------------------|
| 1   | 0.0    | 0.00  | 0.00 | 0.0    | 0.0   | 0.0   | 0.00 | 0.00   | 0.0   |                           |
| 2   | 300.0  | 0.00  | 0.00 | 300.0  | 0.0   | 0.0   | 0.00 | 0.00   | 0.0   |                           |
| 3   | 699.8  | 11.99 | 1.42 | 696.9  | 41.7  | 1.0   | 3.00 | 1.42   | 41.7  |                           |
| 4   | 3670.9 | 11.99 | 1.42 | 3603.1 | 658.9 | 16.3  | 0.00 | 0.00   | 659.1 |                           |
| 5   | 4070.7 | 0.00  | 0.00 | 4000.0 | 700.5 | 17.3  | 3.00 | 180.00 | 700.8 | LCU 3-2H -- Requested BHL |
| 6   | 8070.7 | 0.00  | 0.00 | 8000.0 | 700.5 | 17.3  | 0.00 | 0.00   | 700.8 |                           |

### CASING DETAILS

| TVD    | MD     | Name   | Size  |
|--------|--------|--------|-------|
| 2200.0 | 2236.5 | 9 5/8" | 9-5/8 |
| 8000.0 | 8070.7 | 5 1/2" | 5-1/2 |

### FORMATION TOP DETAILS

| TVDPath | MDPath | Formation          |
|---------|--------|--------------------|
| 3715.0  | 3784.6 | Wasatch Tongue     |
| 4075.0  | 4145.7 | Green River Tongue |
| 4215.0  | 4285.7 | Wasatch            |
| 5065.0  | 5135.7 | Chapita Wells      |
| 6215.0  | 6285.7 | Uteland Buttes     |
| 6995.0  | 7065.7 | Mesaverde          |



# **XTO Energy**

**Natural Buttes Wells(NAD83)**

**LCU 3-2H**

**LCU 3-2H**

**LCU 3-2H**

**Plan: Sundry'd Wellbore**

## **Standard Planning Report**

**03 August, 2008**

**XTO Energy, Inc.**  
Planning Report

**Database:** EDM 2003.14 Single User Db  
**Company:** XTO Energy  
**Project:** Natural Buttes Wells(NAD83)  
**Site:** LCU 3-2H  
**Well:** LCU 3-2H  
**Wellbore:** LCU 3-2H  
**Design:** Sundry'd Wellbore

**Local Co-ordinate Reference:** Well LCU 3-2H  
**TVD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**MD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

|                    |   |                      |                            |
|--------------------|---|----------------------|----------------------------|
| <b>Project</b>     | Natural Buttes Wells(NAD83), Vernal, UT |                      |                            |
| <b>Map System:</b> | US State Plane 1983                     | <b>System Datum:</b> | Mean Sea Level             |
| <b>Geo Datum:</b>  | North American Datum 1983               |                      | Using Well Reference Point |
| <b>Map Zone:</b>   | Utah Northern Zone                      |                      |                            |

|                              |                      |                     |                 |                          |                   |
|------------------------------|----------------------|---------------------|-----------------|--------------------------|-------------------|
| <b>Site</b>                  | LCU 3-2H, T11S, R20E |                     |                 |                          |                   |
| <b>Site Position:</b>        |                      | <b>Northing:</b>    | 3,125,893.90 ft | <b>Latitude:</b>         | 39° 53' 34.440 N  |
| <b>From:</b>                 | Lat/Long             | <b>Easting:</b>     | 2,159,859.43 ft | <b>Longitude:</b>        | 109° 38' 56.796 W |
| <b>Position Uncertainty:</b> | 0.0 ft               | <b>Slot Radius:</b> | "               | <b>Grid Convergence:</b> | 1.22 °            |

|                             |                                       |        |                            |                 |                      |                   |
|-----------------------------|---------------------------------------|--------|----------------------------|-----------------|----------------------|-------------------|
| <b>Well</b>                 | LCU 3-2H, S-Well to Wasatch/Mesaverde |        |                            |                 |                      |                   |
| <b>Well Position</b>        | <b>+N/-S</b>                          | 0.0 ft | <b>Northing:</b>           | 3,125,893.90 ft | <b>Latitude:</b>     | 39° 53' 34.440 N  |
|                             | <b>+E/-W</b>                          | 0.0 ft | <b>Easting:</b>            | 2,159,859.43 ft | <b>Longitude:</b>    | 109° 38' 56.796 W |
| <b>Position Uncertainty</b> |                                       | 0.0 ft | <b>Wellhead Elevation:</b> | 5,398.0 ft      | <b>Ground Level:</b> | 5,398.0 ft        |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | LCU 3-2H          |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | IGRF200510        | 8/3/2008           | 11.47                  | 65.83                | 52,556                     |

|                          |                              |                   |                      |                      |  |
|--------------------------|------------------------------|-------------------|----------------------|----------------------|--|
| <b>Design</b>            | Sundry'd Wellbore            |                   |                      |                      |  |
| <b>Audit Notes:</b>      |                              |                   |                      |                      |  |
| <b>Version:</b>          | <b>Phase:</b>                | PROTOTYPE         | <b>Tie On Depth:</b> | 0.0                  |  |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b>    | <b>Direction (°)</b> |  |
|                          | 0.0                          | 0.0               | 0.0                  | 1.42                 |  |

| <b>Plan Sections</b> |                 |             |                     |            |            |                       |                      |                     |         |                     |
|----------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|----------------------|---------------------|---------|---------------------|
| Measured Depth (ft)  | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target              |
| 0.0                  | 0.00            | 0.00        | 0.0                 | 0.0        | 0.0        | 0.00                  | 0.00                 | 0.00                | 0.00    |                     |
| 300.0                | 0.00            | 0.00        | 300.0               | 0.0        | 0.0        | 0.00                  | 0.00                 | 0.00                | 0.00    |                     |
| 699.8                | 11.99           | 1.42        | 696.9               | 41.7       | 1.0        | 3.00                  | 3.00                 | 0.00                | 1.42    |                     |
| 3,670.9              | 11.99           | 1.42        | 3,603.1             | 658.9      | 16.3       | 0.00                  | 0.00                 | 0.00                | 0.00    |                     |
| 4,070.7              | 0.00            | 0.00        | 4,000.0             | 700.5      | 17.3       | 3.00                  | -3.00                | 0.00                | 180.00  | LCU 3-2H -- Request |
| 8,070.7              | 0.00            | 0.00        | 8,000.0             | 700.5      | 17.3       | 0.00                  | 0.00                 | 0.00                | 0.00    |                     |

**XTO Energy, Inc.**  
Planning Report

**Database:** EDM 2003.14 Single User Db  
**Company:** XTO Energy  
**Project:** Natural Buttes Wells(NAD83)  
**Site:** LCU 3-2H  
**Well:** LCU 3-2H  
**Wellbore:** LCU 3-2H  
**Design:** Sundry'd Wellbore

**Local Co-ordinate Reference:** Well LCU 3-2H  
**TVD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**MD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

**Planned Survey**

| Measured Depth (ft)              | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|----------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| 0.0                              | 0.00            | 0.00        | 0.0                 | 0.0        | 0.0        | 0.0                   | 0.00                  | 0.00                 | 0.00                |
| 100.0                            | 0.00            | 0.00        | 100.0               | 0.0        | 0.0        | 0.0                   | 0.00                  | 0.00                 | 0.00                |
| 200.0                            | 0.00            | 0.00        | 200.0               | 0.0        | 0.0        | 0.0                   | 0.00                  | 0.00                 | 0.00                |
| 300.0                            | 0.00            | 0.00        | 300.0               | 0.0        | 0.0        | 0.0                   | 0.00                  | 0.00                 | 0.00                |
| 400.0                            | 3.00            | 1.42        | 400.0               | 2.6        | 0.1        | 2.6                   | 3.00                  | 3.00                 | 0.00                |
| 500.0                            | 6.00            | 1.42        | 499.6               | 10.5       | 0.3        | 10.5                  | 3.00                  | 3.00                 | 0.00                |
| 600.0                            | 9.00            | 1.42        | 598.8               | 23.5       | 0.6        | 23.5                  | 3.00                  | 3.00                 | 0.00                |
| 699.8                            | 11.99           | 1.42        | 696.9               | 41.7       | 1.0        | 41.7                  | 3.00                  | 3.00                 | 0.00                |
| 800.0                            | 11.99           | 1.42        | 794.9               | 62.5       | 1.5        | 62.5                  | 0.00                  | 0.00                 | 0.00                |
| 900.0                            | 11.99           | 1.42        | 892.7               | 83.3       | 2.1        | 83.3                  | 0.00                  | 0.00                 | 0.00                |
| 1,000.0                          | 11.99           | 1.42        | 990.5               | 104.0      | 2.6        | 104.1                 | 0.00                  | 0.00                 | 0.00                |
| 1,100.0                          | 11.99           | 1.42        | 1,088.4             | 124.8      | 3.1        | 124.9                 | 0.00                  | 0.00                 | 0.00                |
| 1,200.0                          | 11.99           | 1.42        | 1,186.2             | 145.6      | 3.6        | 145.6                 | 0.00                  | 0.00                 | 0.00                |
| 1,300.0                          | 11.99           | 1.42        | 1,284.0             | 166.4      | 4.1        | 166.4                 | 0.00                  | 0.00                 | 0.00                |
| 1,400.0                          | 11.99           | 1.42        | 1,381.8             | 187.1      | 4.6        | 187.2                 | 0.00                  | 0.00                 | 0.00                |
| 1,500.0                          | 11.99           | 1.42        | 1,479.6             | 207.9      | 5.1        | 208.0                 | 0.00                  | 0.00                 | 0.00                |
| 1,600.0                          | 11.99           | 1.42        | 1,577.4             | 228.7      | 5.7        | 228.7                 | 0.00                  | 0.00                 | 0.00                |
| 1,700.0                          | 11.99           | 1.42        | 1,675.3             | 249.5      | 6.2        | 249.5                 | 0.00                  | 0.00                 | 0.00                |
| 1,800.0                          | 11.99           | 1.42        | 1,773.1             | 270.2      | 6.7        | 270.3                 | 0.00                  | 0.00                 | 0.00                |
| 1,900.0                          | 11.99           | 1.42        | 1,870.9             | 291.0      | 7.2        | 291.1                 | 0.00                  | 0.00                 | 0.00                |
| 2,000.0                          | 11.99           | 1.42        | 1,968.7             | 311.8      | 7.7        | 311.9                 | 0.00                  | 0.00                 | 0.00                |
| 2,100.0                          | 11.99           | 1.42        | 2,066.5             | 332.5      | 8.2        | 332.6                 | 0.00                  | 0.00                 | 0.00                |
| 2,200.0                          | 11.99           | 1.42        | 2,164.3             | 353.3      | 8.7        | 353.4                 | 0.00                  | 0.00                 | 0.00                |
| 2,236.5                          | 11.99           | 1.42        | 2,200.0             | 360.9      | 8.9        | 361.0                 | 0.00                  | 0.00                 | 0.00                |
| <b>9 5/8"</b>                    |                 |             |                     |            |            |                       |                       |                      |                     |
| 2,300.0                          | 11.99           | 1.42        | 2,262.2             | 374.1      | 9.3        | 374.2                 | 0.00                  | 0.00                 | 0.00                |
| 2,400.0                          | 11.99           | 1.42        | 2,360.0             | 394.9      | 9.8        | 395.0                 | 0.00                  | 0.00                 | 0.00                |
| 2,500.0                          | 11.99           | 1.42        | 2,457.8             | 415.6      | 10.3       | 415.8                 | 0.00                  | 0.00                 | 0.00                |
| 2,600.0                          | 11.99           | 1.42        | 2,555.6             | 436.4      | 10.8       | 436.5                 | 0.00                  | 0.00                 | 0.00                |
| 2,700.0                          | 11.99           | 1.42        | 2,653.4             | 457.2      | 11.3       | 457.3                 | 0.00                  | 0.00                 | 0.00                |
| 2,800.0                          | 11.99           | 1.42        | 2,751.2             | 478.0      | 11.8       | 478.1                 | 0.00                  | 0.00                 | 0.00                |
| 2,900.0                          | 11.99           | 1.42        | 2,849.1             | 498.7      | 12.3       | 498.9                 | 0.00                  | 0.00                 | 0.00                |
| 3,000.0                          | 11.99           | 1.42        | 2,946.9             | 519.5      | 12.9       | 519.7                 | 0.00                  | 0.00                 | 0.00                |
| 3,100.0                          | 11.99           | 1.42        | 3,044.7             | 540.3      | 13.4       | 540.4                 | 0.00                  | 0.00                 | 0.00                |
| 3,200.0                          | 11.99           | 1.42        | 3,142.5             | 561.0      | 13.9       | 561.2                 | 0.00                  | 0.00                 | 0.00                |
| 3,300.0                          | 11.99           | 1.42        | 3,240.3             | 581.8      | 14.4       | 582.0                 | 0.00                  | 0.00                 | 0.00                |
| 3,400.0                          | 11.99           | 1.42        | 3,338.1             | 602.6      | 14.9       | 602.8                 | 0.00                  | 0.00                 | 0.00                |
| 3,500.0                          | 11.99           | 1.42        | 3,436.0             | 623.4      | 15.4       | 623.6                 | 0.00                  | 0.00                 | 0.00                |
| 3,600.0                          | 11.99           | 1.42        | 3,533.8             | 644.1      | 15.9       | 644.3                 | 0.00                  | 0.00                 | 0.00                |
| 3,670.9                          | 11.99           | 1.42        | 3,603.1             | 658.9      | 16.3       | 659.1                 | 0.00                  | 0.00                 | 0.00                |
| 3,700.0                          | 11.12           | 1.42        | 3,631.6             | 664.7      | 16.5       | 664.9                 | 3.00                  | -3.00                | 0.00                |
| 3,784.6                          | 8.58            | 1.42        | 3,715.0             | 679.2      | 16.8       | 679.4                 | 3.00                  | -3.00                | 0.00                |
| <b>Wasatch Tongue</b>            |                 |             |                     |            |            |                       |                       |                      |                     |
| 3,800.0                          | 8.12            | 1.42        | 3,730.2             | 681.4      | 16.9       | 681.6                 | 3.00                  | -3.00                | 0.00                |
| 3,900.0                          | 5.12            | 1.42        | 3,829.5             | 692.9      | 17.2       | 693.1                 | 3.00                  | -3.00                | 0.00                |
| 4,000.0                          | 2.12            | 1.42        | 3,929.3             | 699.2      | 17.3       | 699.5                 | 3.00                  | -3.00                | 0.00                |
| 4,070.7                          | 0.00            | 0.00        | 4,000.0             | 700.5      | 17.3       | 700.8                 | 3.00                  | -3.00                | 0.00                |
| <b>LCU 3-2H -- Requested BHL</b> |                 |             |                     |            |            |                       |                       |                      |                     |
| 4,100.0                          | 0.00            | 0.00        | 4,029.3             | 700.5      | 17.3       | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,145.7                          | 0.00            | 0.00        | 4,075.0             | 700.5      | 17.3       | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| <b>Green River Tongue</b>        |                 |             |                     |            |            |                       |                       |                      |                     |
| 4,200.0                          | 0.00            | 0.00        | 4,129.3             | 700.5      | 17.3       | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,285.7                          | 0.00            | 0.00        | 4,215.0             | 700.5      | 17.3       | 700.8                 | 0.00                  | 0.00                 | 0.00                |

**XTO Energy, Inc.**  
Planning Report

**Database:** EDM 2003.14 Single User Db  
**Company:** XTO Energy  
**Project:** Natural Buttes Wells(NAD83)  
**Site:** LCU 3-2H  
**Well:** LCU 3-2H  
**Wellbore:** LCU 3-2H  
**Design:** Sundry'd Wellbore

**Local Co-ordinate Reference:** Well LCU 3-2H  
**TVD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**MD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

**Planned Survey**

| Measured Depth (ft)   | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N-S (ft) | +E-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|-----------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-----------------------|----------------------|---------------------|
| <b>Wasatch</b>        |                 |             |                     |           |           |                       |                       |                      |                     |
| 4,300.0               | 0.00            | 0.00        | 4,229.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,400.0               | 0.00            | 0.00        | 4,329.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,500.0               | 0.00            | 0.00        | 4,429.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,600.0               | 0.00            | 0.00        | 4,529.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,700.0               | 0.00            | 0.00        | 4,629.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,800.0               | 0.00            | 0.00        | 4,729.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 4,900.0               | 0.00            | 0.00        | 4,829.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,000.0               | 0.00            | 0.00        | 4,929.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,100.0               | 0.00            | 0.00        | 5,029.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,135.7               | 0.00            | 0.00        | 5,065.0             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| <b>Chapita Wells</b>  |                 |             |                     |           |           |                       |                       |                      |                     |
| 5,200.0               | 0.00            | 0.00        | 5,129.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,300.0               | 0.00            | 0.00        | 5,229.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,400.0               | 0.00            | 0.00        | 5,329.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,500.0               | 0.00            | 0.00        | 5,429.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,600.0               | 0.00            | 0.00        | 5,529.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,700.0               | 0.00            | 0.00        | 5,629.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,800.0               | 0.00            | 0.00        | 5,729.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 5,900.0               | 0.00            | 0.00        | 5,829.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,000.0               | 0.00            | 0.00        | 5,929.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,100.0               | 0.00            | 0.00        | 6,029.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,200.0               | 0.00            | 0.00        | 6,129.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,285.7               | 0.00            | 0.00        | 6,215.0             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| <b>Uteland Buttes</b> |                 |             |                     |           |           |                       |                       |                      |                     |
| 6,300.0               | 0.00            | 0.00        | 6,229.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,400.0               | 0.00            | 0.00        | 6,329.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,500.0               | 0.00            | 0.00        | 6,429.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,600.0               | 0.00            | 0.00        | 6,529.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,700.0               | 0.00            | 0.00        | 6,629.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,800.0               | 0.00            | 0.00        | 6,729.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 6,900.0               | 0.00            | 0.00        | 6,829.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,000.0               | 0.00            | 0.00        | 6,929.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,065.7               | 0.00            | 0.00        | 6,995.0             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| <b>Mesaverde</b>      |                 |             |                     |           |           |                       |                       |                      |                     |
| 7,100.0               | 0.00            | 0.00        | 7,029.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,200.0               | 0.00            | 0.00        | 7,129.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,300.0               | 0.00            | 0.00        | 7,229.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,400.0               | 0.00            | 0.00        | 7,329.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,500.0               | 0.00            | 0.00        | 7,429.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,600.0               | 0.00            | 0.00        | 7,529.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,700.0               | 0.00            | 0.00        | 7,629.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,800.0               | 0.00            | 0.00        | 7,729.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 7,900.0               | 0.00            | 0.00        | 7,829.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 8,000.0               | 0.00            | 0.00        | 7,929.3             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| 8,070.7               | 0.00            | 0.00        | 8,000.0             | 700.5     | 17.3      | 700.8                 | 0.00                  | 0.00                 | 0.00                |
| <b>5 1/2"</b>         |                 |             |                     |           |           |                       |                       |                      |                     |

# XTO Energy, Inc.

## Planning Report

**Database:** EDM 2003.14 Single User Db  
**Company:** XTO Energy  
**Project:** Natural Buttes Wells(NAD83)  
**Site:** LCU 3-2H  
**Well:** LCU 3-2H  
**Wellbore:** LCU 3-2H  
**Design:** Sundry'd Wellbore

**Local Co-ordinate Reference:** Well LCU 3-2H  
**TVD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**MD Reference:** Rig KB @ 5412.0ft (Frontier #6)  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature

### Targets

| Target Name<br>- hit/miss target<br>- Shape                          | Dip Angle<br>(°) | Dip Dir.<br>(°) | TVD<br>(ft) | +N/-S<br>(ft) | +E/-W<br>(ft) | Northing<br>(ft) | Easting<br>(ft) | Latitude         | Longitude         |
|--|------------------|-----------------|-------------|---------------|---------------|------------------|-----------------|------------------|-------------------|
| LCU 3-2H – Requested<br>- plan hits target<br>- Circle (radius 30.0) | 0.00             | 0.00            | 4,000.0     | 700.5         | 17.3          | 3,126,594.65     | 2,159,861.84    | 39° 53' 41.361 N | 109° 38' 56.574 W |

### Casing Points

| Measured<br>Depth<br>(ft) | Vertical<br>Depth<br>(ft) | Name   | Casing<br>Diameter<br>(") | Hole<br>Diameter<br>(") |
|---------------------------|---------------------------|--------|---------------------------|-------------------------|
| 2,236.5                   | 2,200.0                   | 9 5/8" | 9-5/8                     | 12-1/4                  |
| 8,070.7                   | 8,000.0                   | 5 1/2" | 5-1/2                     | 7-7/8                   |

### Formations

| Measured<br>Depth<br>(ft) | Vertical<br>Depth<br>(ft) | Name               | Lithology | Dip<br>(°) | Dip<br>Direction<br>(°) |
|---------------------------|---------------------------|--------------------|-----------|------------|-------------------------|
| 3,784.6                   | 3,715.0                   | Wasatch Tongue     |           | 0.00       |                         |
| 4,145.7                   | 4,075.0                   | Green River Tongue |           | 0.00       |                         |
| 4,285.7                   | 4,215.0                   | Wasatch            |           | 0.00       |                         |
| 5,135.7                   | 5,065.0                   | Chapita Wells      |           | 0.00       |                         |
| 6,285.7                   | 6,215.0                   | Uteland Buttes     |           | 0.00       |                         |
| 7,065.7                   | 6,995.0                   | Mesaverde          |           | 0.00       |                         |



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

August 5, 2009

XTO Energy Inc.  
382 Road 3100  
Aztec, NM 87410

Re: APD Rescinded – LCU 3-2H, Sec. 2 T. 11S, R. 20E  
Uintah County, Utah API No. 43-047-38272

Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 20, 2006. On August 20, 2007 and July 21, 2008, the Division granted a one-year APD extension.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 5, 2009. A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
SITLA, Ed Bonner

