

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: Patented	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: Little Canyon	
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		9. WELL NAME and NUMBER: LCU 12-12H	
3. ADDRESS OF OPERATOR: 14000 Quail Sp Pkwy CITY Oklahoma City STATE OK ZIP 73134		PHONE NUMBER: (405) 749-5263	10. FIELD AND POOL, OR WILDCAT: undesignated
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,900' FSL & 650' FWL, AT PROPOSED PRODUCING ZONE: 1,900' FSL & 650' FWL,		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 12 11S 20E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15.06 miles south of Ouray, Utah		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 650'	16. NUMBER OF ACRES IN LEASE: 120	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) None	19. PROPOSED DEPTH: 8,400	20. BOND DESCRIPTION: SITLA Blanket 76S 63050 361	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.) 5,035' GR	22. APPROXIMATE DATE WORK WILL START: 11/1/2006	23. ESTIMATED DURATION: 14 days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8" J-55 ST 32#	2,000	see Drilling Plan
7-7/8"	5-1/2" Mav 80 L 17#	8,400	see Drilling Plan

*OLD LOCATION
2006
9/21*

ATTACHMENTS

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

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- COMPLETE DRILLING PLAN
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.
SIGNATURE Don Hamilton DATE 6/26/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38342

APPROVAL:

CONFIDENTIAL

RECEIVED

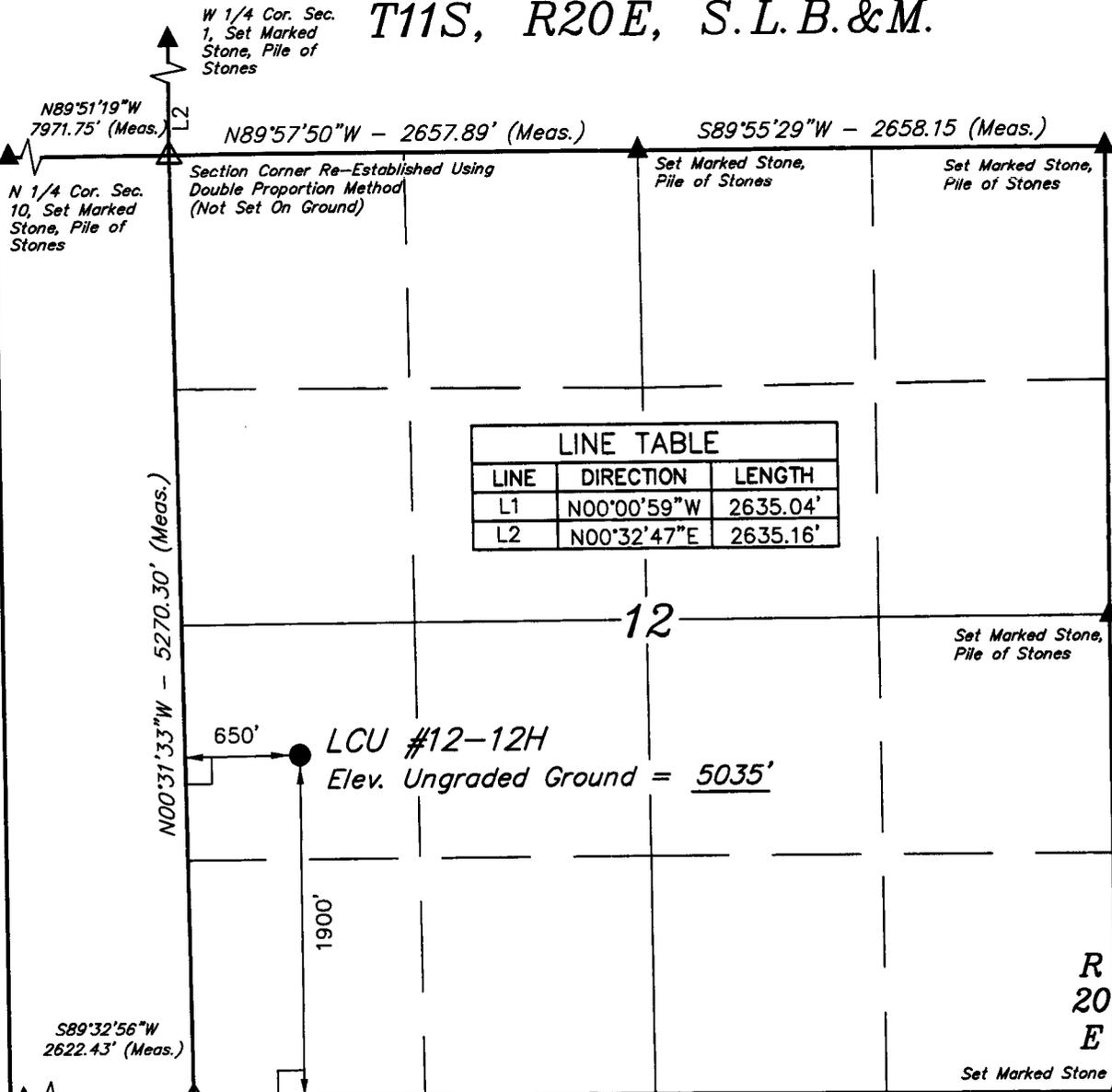
JUN 28 2006

DIV. OF OIL, GAS & MINING

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

DOMINION EXPLR. & PROD., INC.

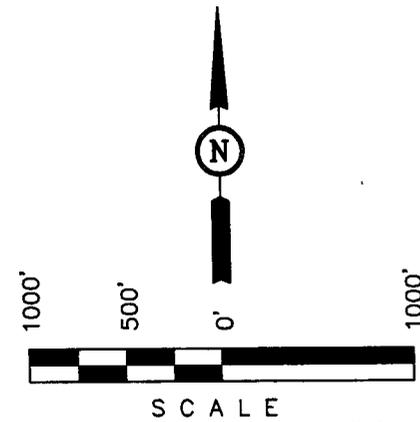
Well location, LCU #12-12H, located as shown in the NW 1/4 SW 1/4 of Section 12, T11S, R20E, S.L.B.&M. Uintah County Utah.



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°00'59"W	2635.04'
L2	N00°32'47"E	2635.16'

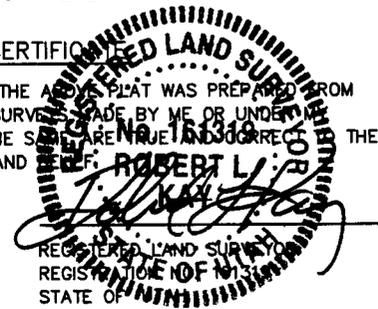
BASIS OF ELEVATION

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.



CERTIFICATION

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



BASIS OF BEARINGS

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

(NAD 83)
 LATITUDE = 39°52'22.40" (39.872889)
 LONGITUDE = 109°38'05.33" (109.634814)
 (NAD 27)
 LATITUDE = 39°52'22.52" (39.872922)
 LONGITUDE = 109°38'02.85" (109.634125)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED (NOT SET ON GROUND)

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

SCALE 1" = 1000'	DATE SURVEYED: 03-28-06	DATE DRAWN: 04-04-06
PARTY B.B. B.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC	

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 12-12H
1,887' FSL & 628' FWL, NW/4 SW/4,
Section 12-11S-20E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3,040'
Green River Tongue	3,365'
Wasatch	3,500'
Chapita Wells	4,320'
Uteland Buttes	5,370'
Mesaverde	6,130'

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

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3,040'	Oil
Green River Tongue	3,365'	Oil
Wasatch	3,500'	Gas
Chapita Wells	4,320'	Gas
Uteland Buttes	5,370'	Gas
Mesaverde	6,130'	Gas

4. PROPOSED CASING PROGRAM

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

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Surface	8-5/8"	32.0 ppf	J-55	STC	0'	2,000'	12-1/4"
Production	5-1/2"	17.0 ppf	MAV-80	LTC	0'	8,400'	7-7/8"

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

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

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

Production hole: Prior to drilling out the surface casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from 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' – 2,000'	8.4	Air foam mist, rotating head and diverter
2,000' – 8,400'	8.6	Fresh water/2% KCL/KCL mud system

7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a constant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 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 surface casing.
- The gamma ray will be left on to record from total depth to surface casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to surface casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

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

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

<u>Type</u>	<u>Sacks</u>	<u>Interval</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>	<u>Cement</u>
					<u>Volume</u>	<u>Volume</u>
Lead	219	0'-1,500'	11.0 ppg	3.82 CFS	619 CF	836 CF
Tail	236	1,500'-2,000'	15.6 ppg	1.18 CFS	206 CF	279 CF
Top Out	100	0'-200'	15.6 ppg	1.18 CFS	87 CF	118 CF

Surface design volumes based on 35% excess of gauge hole.

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

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

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

c. Production Casing Cement:

- Drill 7-7/8" hole to 8,400'±, 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</u>	<u>Density</u>	<u>Yield</u>	<u>Hole</u>	<u>Cement</u>
					<u>Volume</u>	<u>Volume</u>
Lead	90	2,700'-3,500'	11.5 ppg	3.12 CFS	139 CF	277 CF
Tail	980	3,500'-8,400'	13.0 ppg	1.75 CFS	849 CF	1698 CF

Production design volumes are estimates 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% excess.

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: November 1, 2006
 Duration: 14 Days

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SURFACE USE PLAN

CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 12-12H
1,887' FSL & 628' FWL, NW/4 SW/4,
Section 12-11S-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 fee surface use agreement is necessary prior to any construction activities associated with this well.

A state onsite inspection is pending at this time.

1. Existing Roads:
 - a. The proposed well site is located approximately 15.06 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 Little Canyon Unit boundary.

2. Planned Access Roads:

- a. From the proposed LCU 13-12H access road an access is proposed trending northeast approximately 0.1 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. DOGM 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 0.1 miles long and adequate site distance exists in all directions.
- f. One culvert 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 southwest side of the well site and traverse 561' southwest to the existing LCU 13-12H pipeline corridor.
- i. The new gas pipeline will be an 8" 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 561' 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 southeast 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 southwest.
- c. The pad and road designs are consistent with DOGM and landowner specification
- d. A pre-construction meeting with responsible company representative, contractors and Alameda 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 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 landowner.

11. **Surface and Mineral Ownership:**

- a. Surface Ownership – Fee surface; owned by: Alameda Corp. 13.67%, O.S. Wyatt Jr. 86.33 James R. Eltzroth P.O. Box 270780, Corpus Christi TX, 78471. The landowner contact is Tom Jenkins who can be reached at 435-828-4158.
- b. Mineral Ownership – Fee surface; owned by: Alameda Corp. 13.67%, O.S. Wyatt Jr. 86.33 James R. Eltzroth P.O. Box 270780, Corpus Christi TX, 78471. The landowner contact is Tom Jenkins who can be reached at 435-828-4158.

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 Fee 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: 10-19-06

ORIGINAL

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

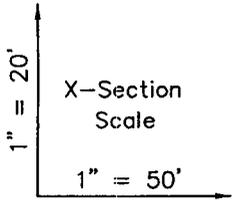
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #9-11H TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE PROPOSED #9-11H AND THE BEGINNING OF THE PROPOSED ACCESS FOR THE #13-12H TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.1 MILES.

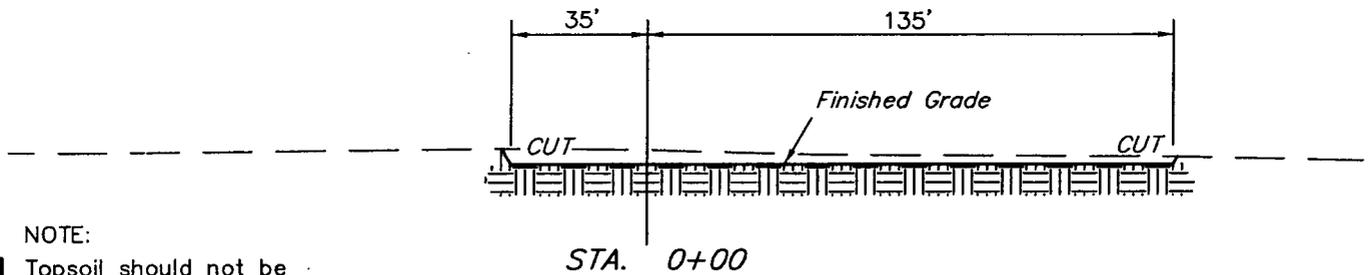
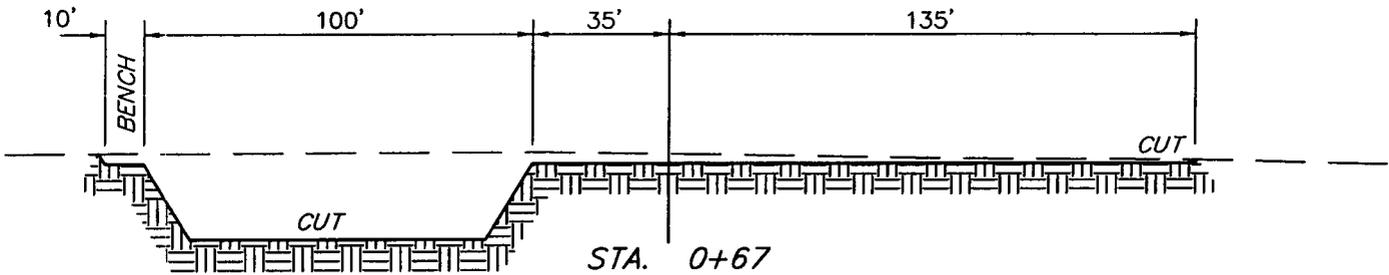
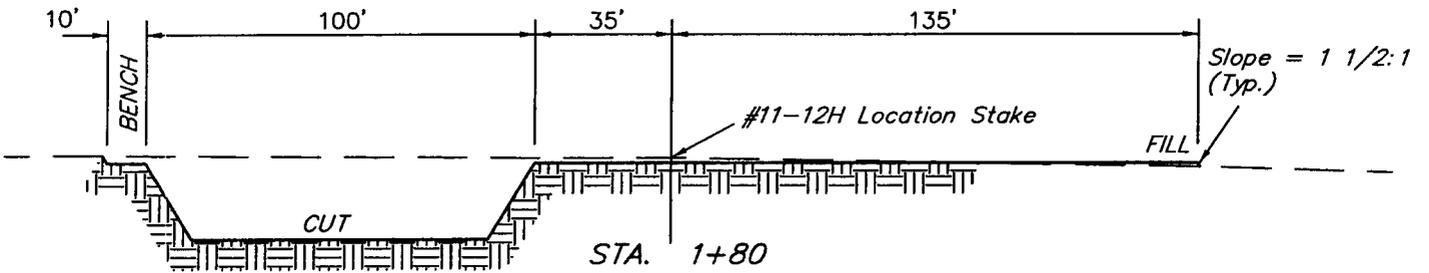
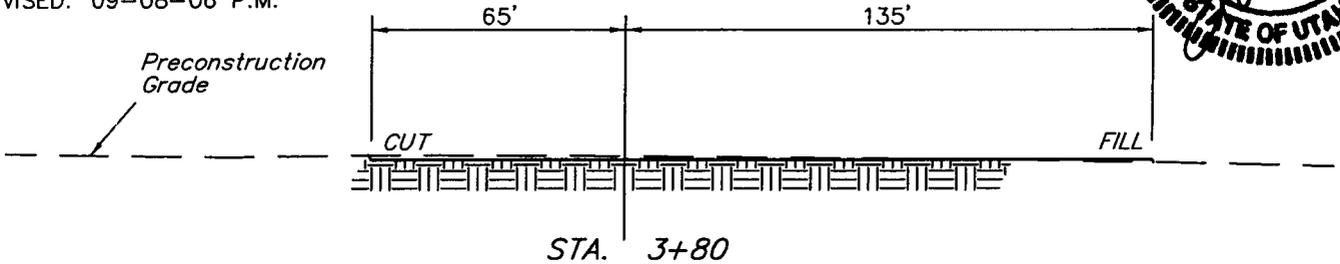
DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

LCU #12-12H & #11-12H
SECTION 12, T11S, R20E, S.L.B.&M.
NW 1/4 SW 1/4



DATE: 04-04-06
Drawn By: L.K.
REVISED: 06-27-06 P.M.
REVISED: 09-08-06 P.M.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,490 Cu. Yds.
Remaining Location	= 3,720 Cu. Yds.
TOTAL CUT	= 7,210 CU.YDS.
FILL	= 1,830 CU.YDS.

EXCESS MATERIAL	= 5,380 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 5,380 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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

DOMINION EXPLR. & PROD., INC.

LCU #12-12H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 12, T11S, R20E, S.L.B.&M.

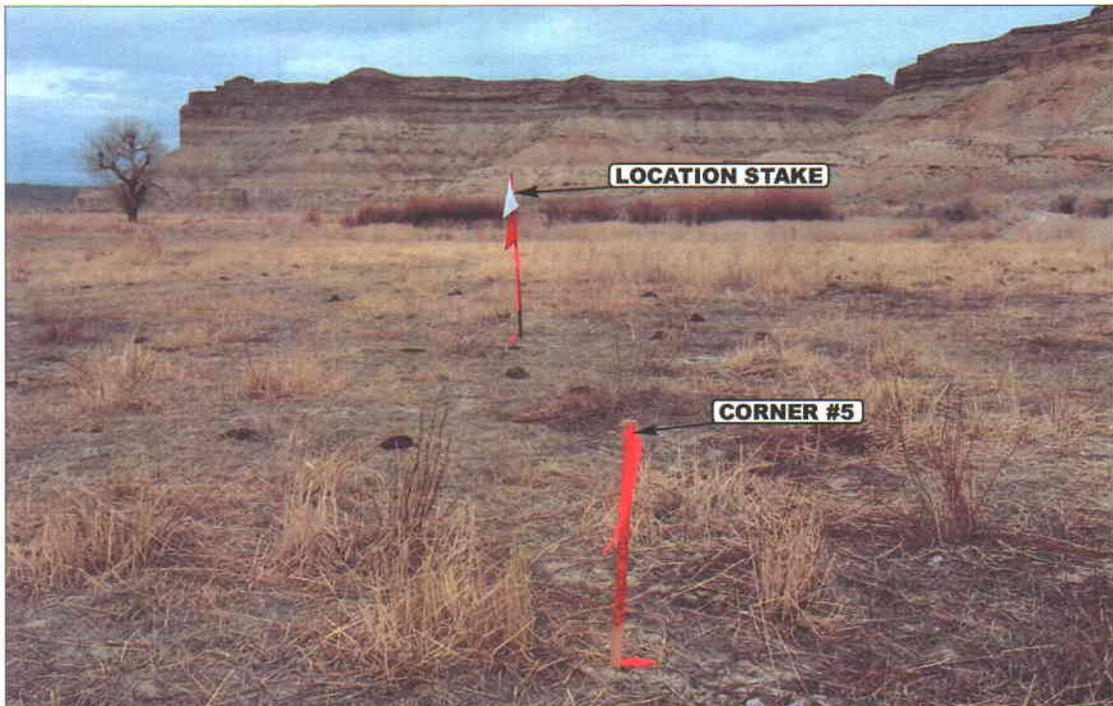


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS

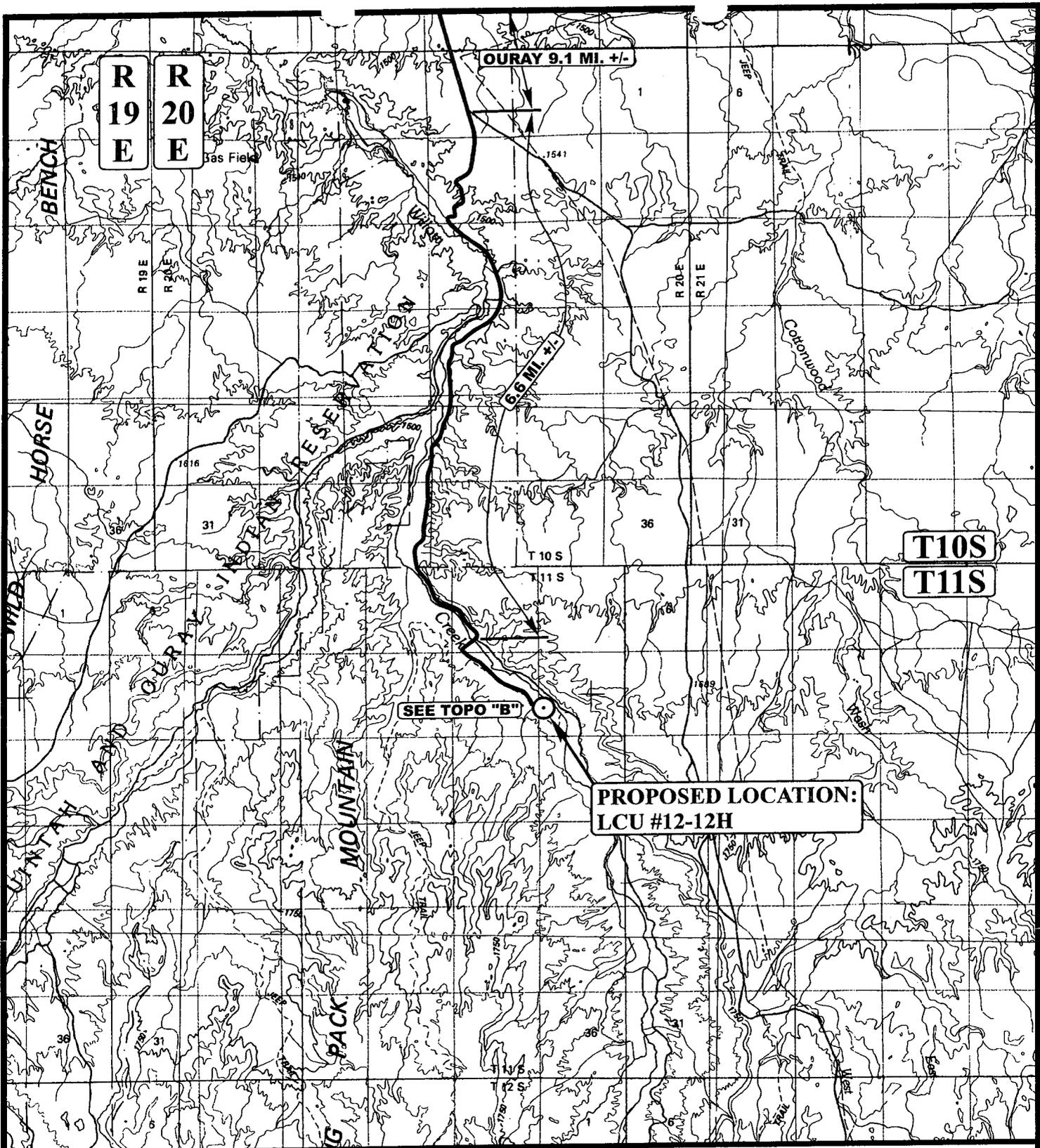
03 30 06
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



DOMINION EXPLR. & PROD., INC.

LCU #12-12H
SECTION 12, T11S, R20E, S.L.B.&M.



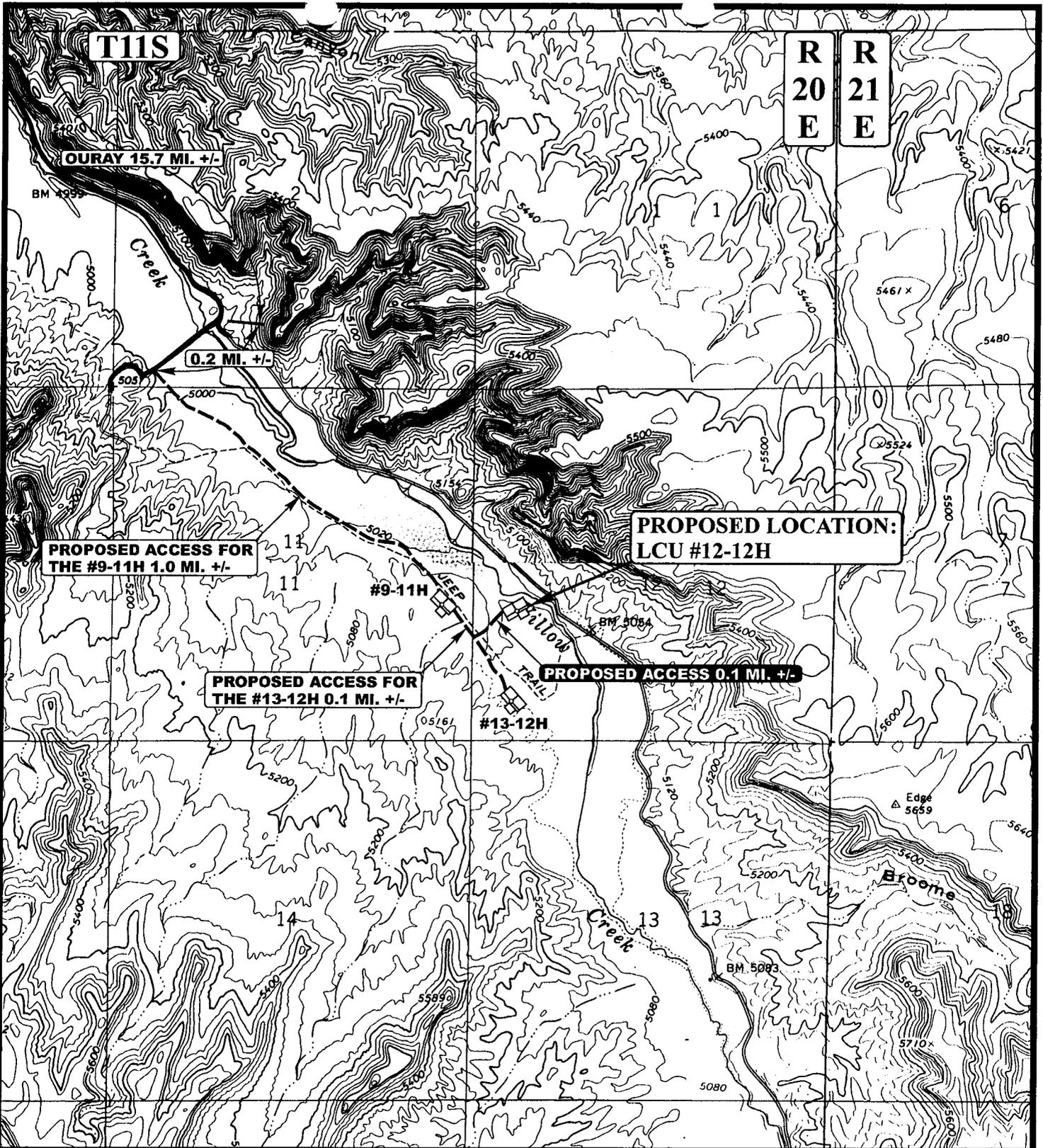
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP

03 30 06
MONTH DAY YEAR

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





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



DOMINION EXPLR. & PROD., INC.

LCU #12-12H
SECTION 12, T11S, R20E, S.L.B.&M.



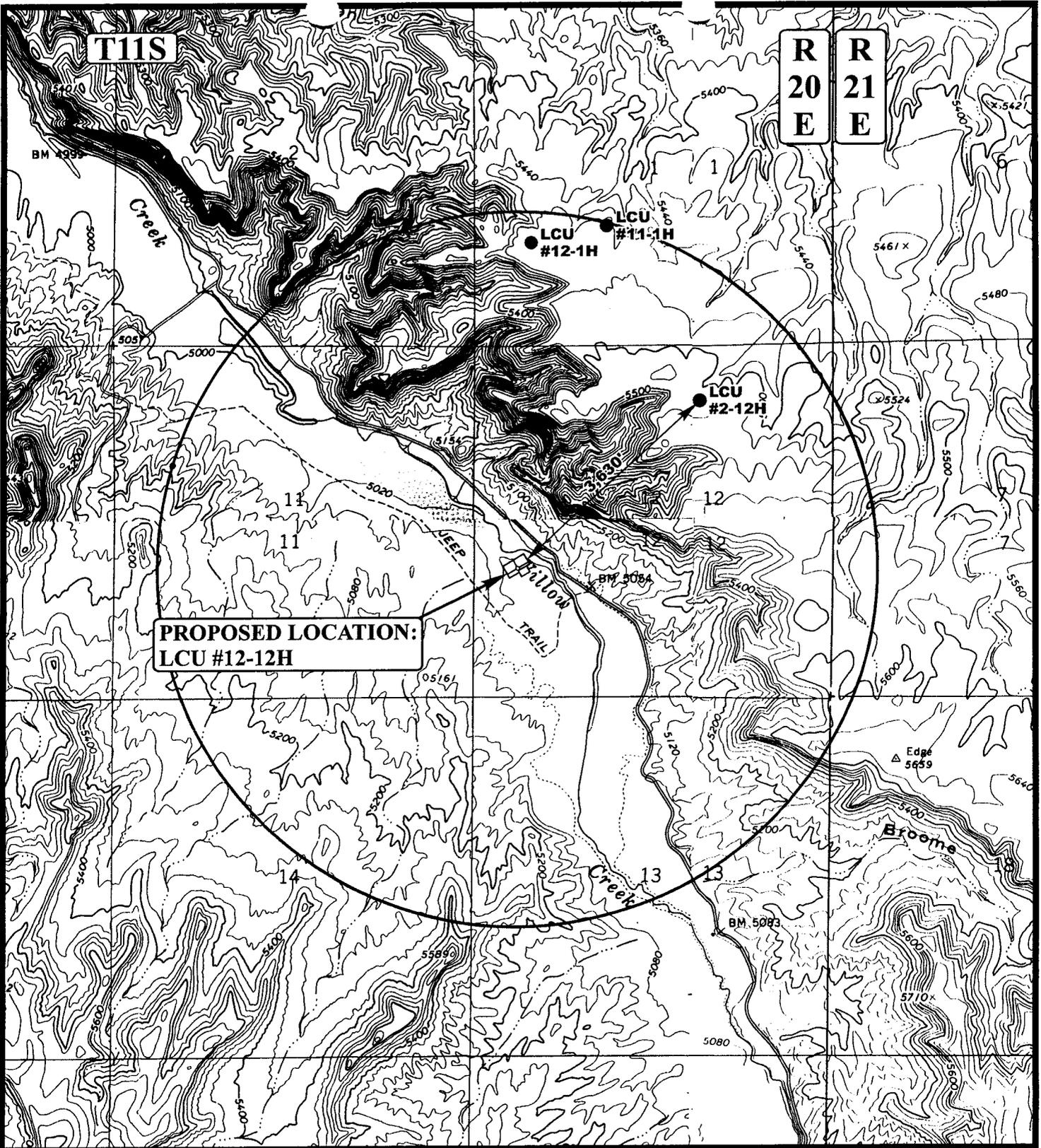
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

03	30	06
MONTH	DAY	YEAR



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



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

LEGEND:

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

DOMINION EXPLR. & PROD., INC.

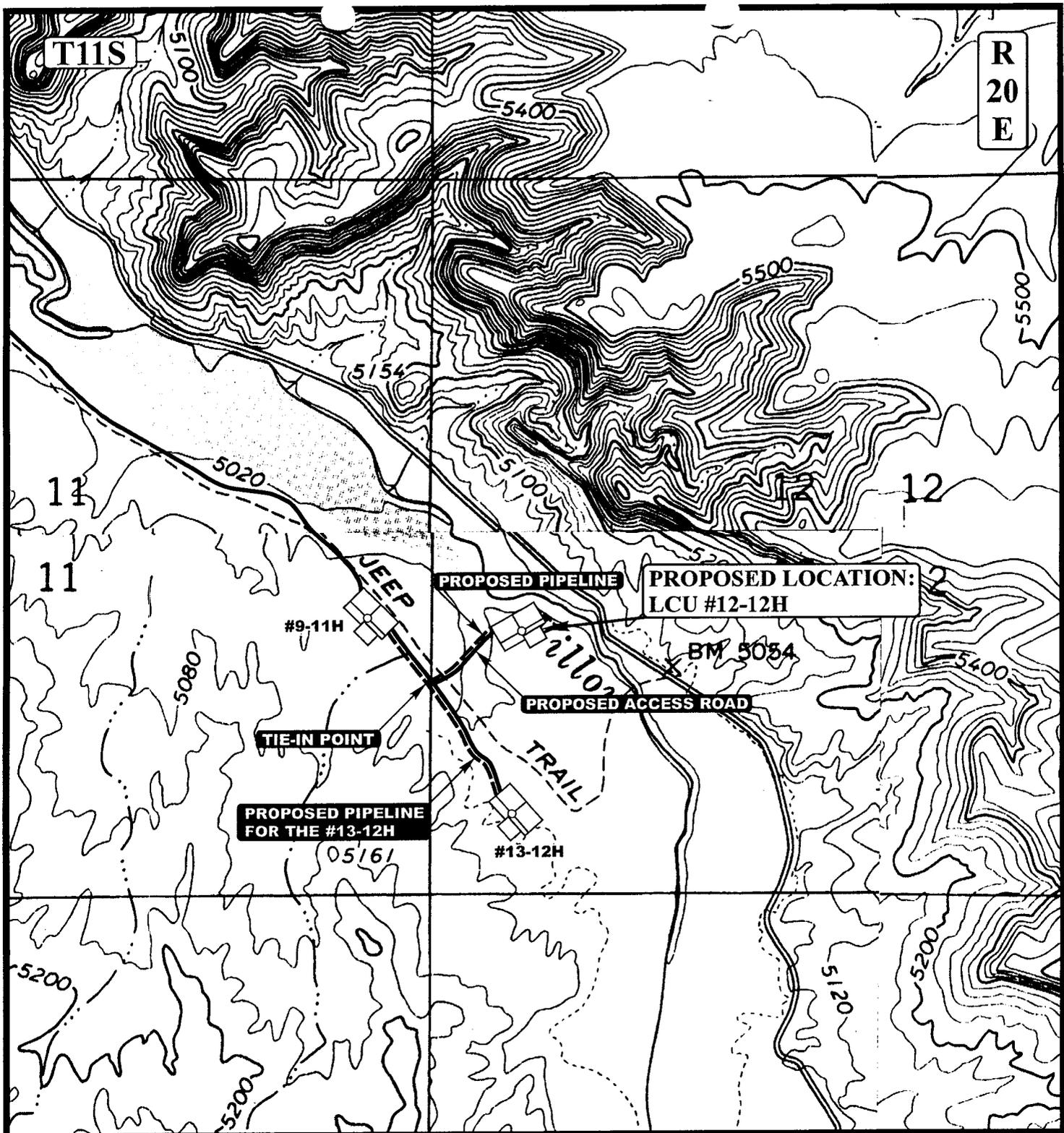
**LCU #12-12H
SECTION 12, T11S, R20E, S.L.B.&M.**



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

TOPOGRAPHIC MAP
 03 30 06
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 561' +/-

LEGEND:

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

DOMINION EXPLR. & PROD., INC.

LCU #12-12H

SECTION 12, T11S, R20E, S.L.B.&M.

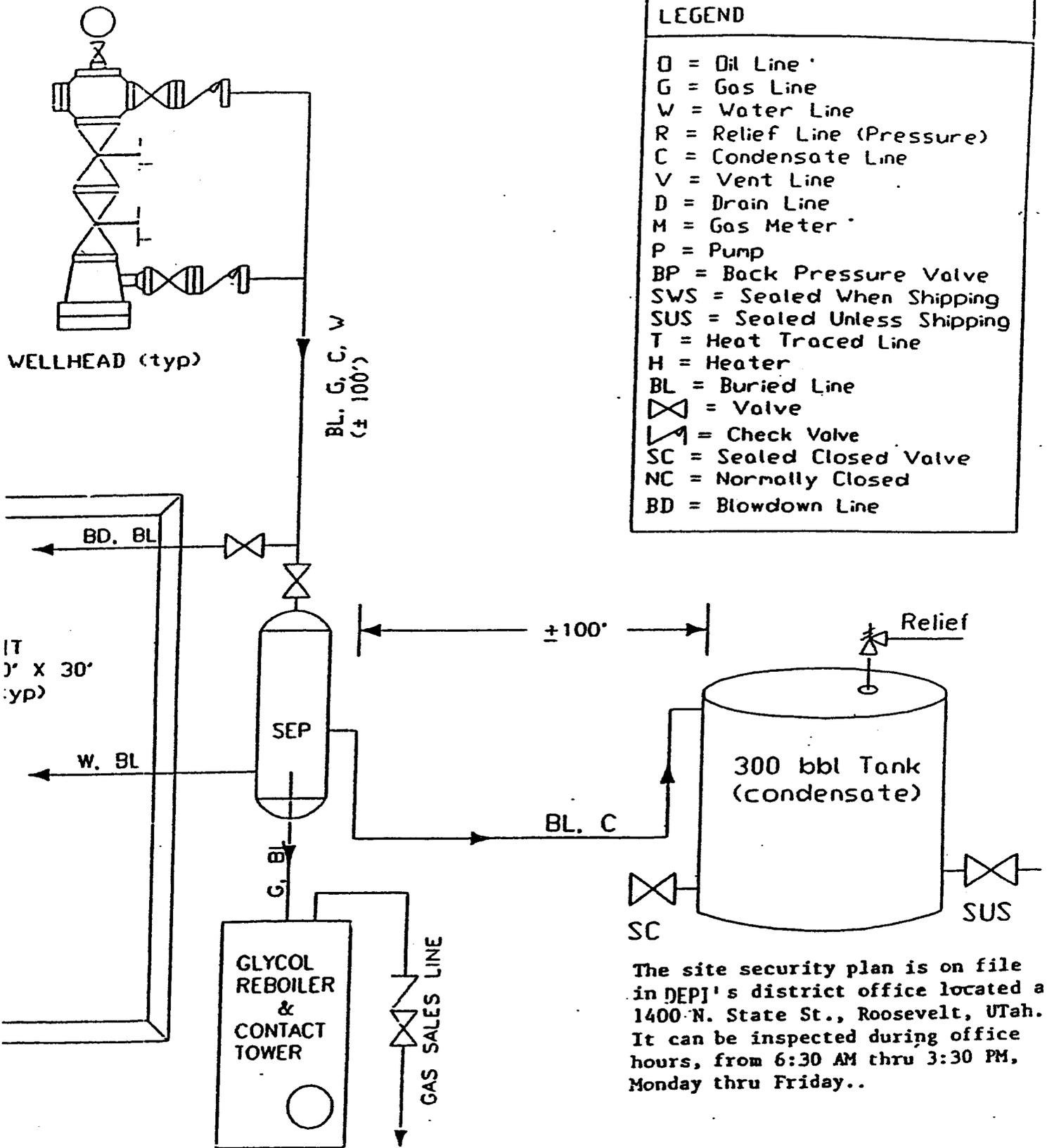


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 03 30 06
 MONTH DAY YEAR

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





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 DEPJ'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

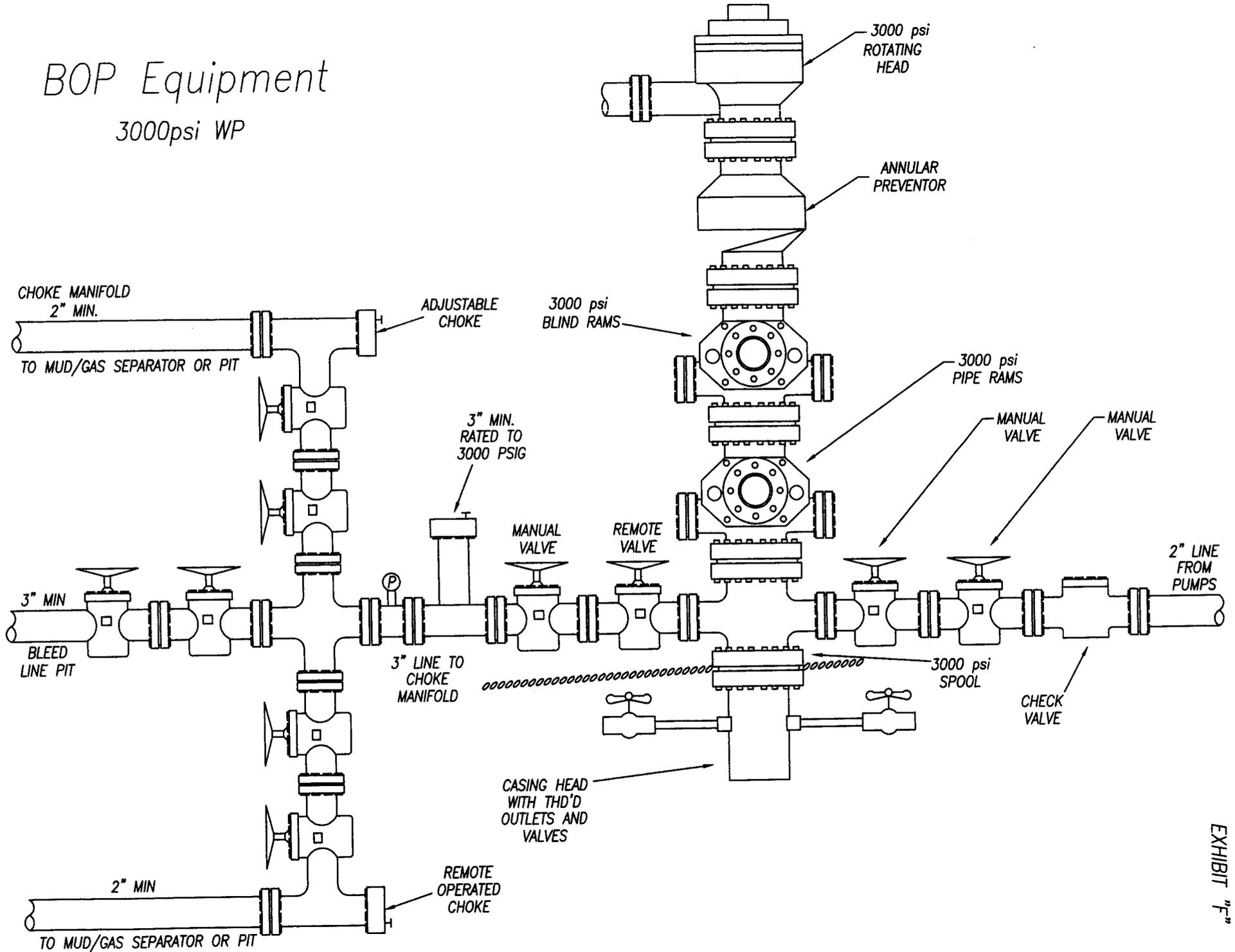


EXHIBIT "F"

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/28/2006

API NO. ASSIGNED: 43-047-38342

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

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NWSW 12 110S 200E
 SURFACE: 1897 FSL 0628 FWL
 BOTTOM: 1899 FSL 0628 FWL
 COUNTY: UINTAH
 LATITUDE: 39.87293 LONGITUDE: -109.6341
 UTM SURF EASTINGS: 616811 NORTHINGS: 4414337
 FIELD NAME: UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DHG	9/28/06
Geology		
Surface		

LEASE TYPE: 4 - Fee
 LEASE NUMBER: FEE
 SURFACE OWNER: 4 - Fee

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:

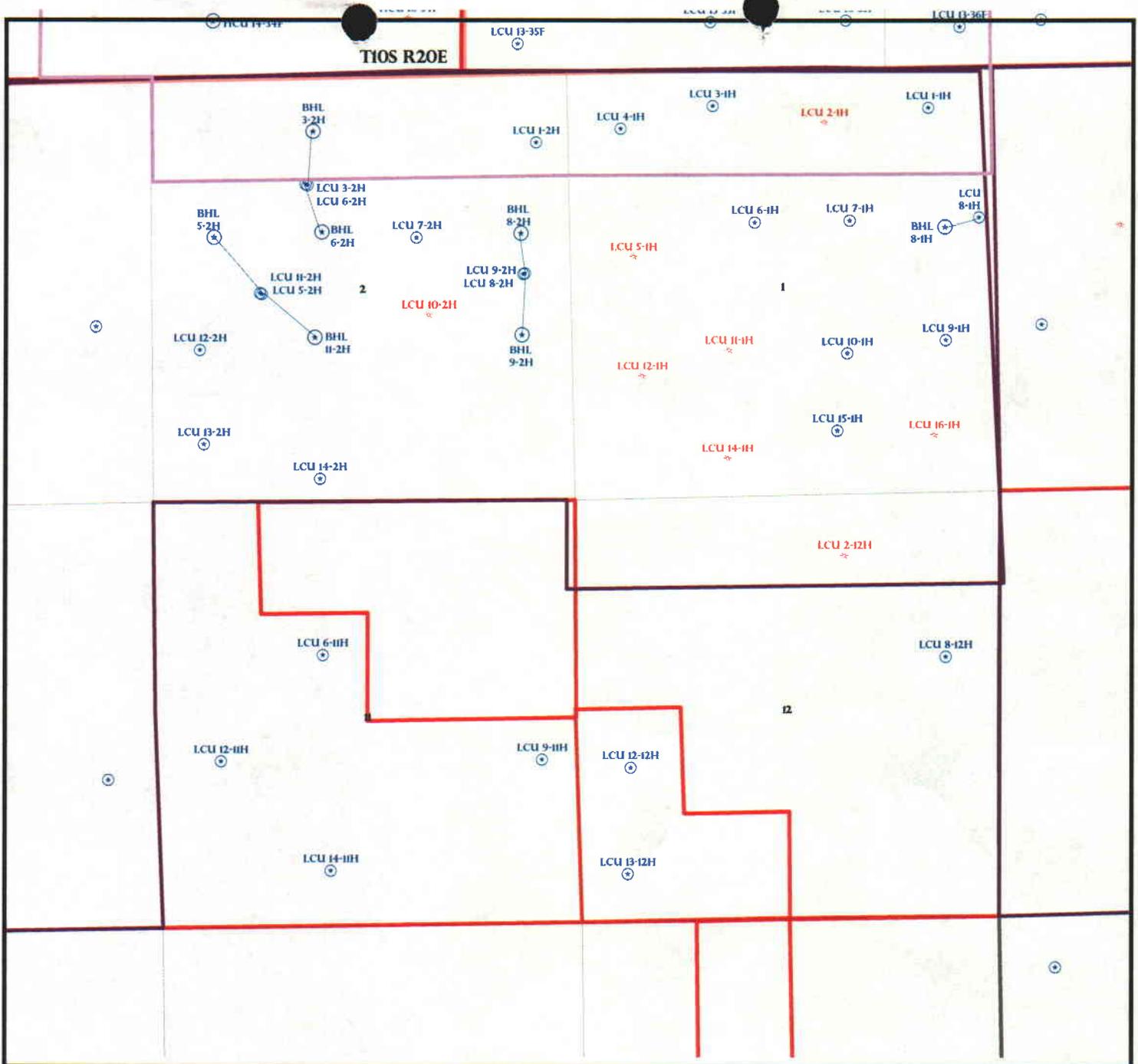
- _____ R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- _____ R649-3-3. Exception
- _____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- _____ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (09-07-06)

STIPULATIONS:

- 1- Spacing Strip
- 2- STATEMENT OF BASIS
- 3- Surf. Csg Cont Strip



OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 12 T. 11S R. 20E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

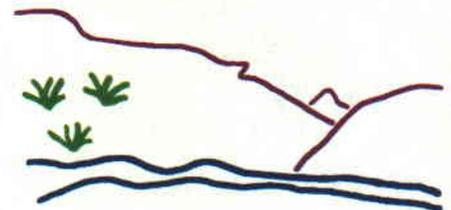
SPACING: R649-3-2 / GENERAL SITING

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

Wells Status

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 29-JUNE-2006

Application for Permit to Drill

Statement of Basis

9/25/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
93	43-047-38342-00-00		GW	P	No
Operator	DOMINION EXPL & PROD INC		Surface Owner-APD Alameda Corp.		
Well Name	LCU 12-12H		Unit		
Field	UNDESIGNATED		Type of Work		
Location	NWSW 12 11S 20E S 0 FL 0 FL GPS Coord (UTM) 616804E 4414333N				

Geologic Statement of Basis

Dominion proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 3,000 feet. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the proposed location. This well is over a mile from the proposed location. The well depth is not listed. The well is 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.

Brad Hill
APD Evaluator

9/25/2006
Date / Time

Surface Statement of Basis

The predrill investigation of the surface was performed on 9/07/06. This site is on Fee surface with Fee minerals. Tom Jenkins was present representing Alameda Corp. (Landowner). He had no concerns regarding the construction of this location or the drilling of this well. Willow Creek has historically changed course in this area, and this location must be monitored on a regular basis, and if the integrity of the location is in danger, it may be necessary to rip-rap the stream bank to protect the location from erosion. A diversion ditch will be re-routed around the south edge of location.

David Hackford
Onsite Evaluator

9/7/2006
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 12 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator DOMINION EXPL & PROD INC
Well Name LCU 12-12H
API Number 43-047-38342-0 **APD No** 93 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWSW **Sec** 12 **Tw** 11S **Rng** 20E 0 FL 0 FL
GPS Coord (UTM) 616812 4414336 **Surface Owner** Alameda Corp.

Participants

David Hackford (DOGM), Ken Secrest (Dominion), Don Hamilton (B&A), Brandon Bowthorpe (UELS), Tom Jenkins (Alameda Corp.).

Regional/Local Setting & Topography

Site is in the bottom of Willow Creek Canyon, 250' southwest of Willow Creek and four miles south of the confluence of Willow Creek and Hill Creek. Willow Creek cuts an incised gulch 25' to 30' below the 100 year floodplain through the bottom of this canyon. Canyon walls are steep with numerous sandstone faces, outcroppings and sheer rock ledges.

Surface Use Plan

Current Surface Use

Grazing

Wildlfe Habitat

New Road

Miles	Well Pad	Length	Src Const Material	Surface Formation
	Width 265	355	Offsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland Y

Willow Creek 100 year floodplain

Flora / Fauna

Tamarix, mustard, gumweed, sage, wildflowers, greasewood, rabbitbrush: Pronghorn, coyotes, songbirds, raptors, rodents, rabbits, deer, elk.

Soil Type and Characteristics

Light brown sandy clay.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y

Paleo Potential Observed? N

Cultural Survey Run? Y

Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	100 to 200	5
Distance to Surface Water (feet)	200 to 300	10
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score 30 1 **Sensitivity Level**

Characteristics / Requirements

Reserve pit will be 165' by 100' and eight feet deep.

Closed Loop Mud Required? N

Liner Required? Y

Liner Thickness 12

Pit Underlayment Required? Y

Other Observations / Comments

The original APD for this well has the wrong footages. Dominion has submitted a sundry notice to DOGM with the correct footages. Correct footages are "1887' FSL 628' FWL".

David Hackford
Evaluator

9/7/2006
Date / Time

Casing Schematic

Surface

12%

18%

BHP
 $(0.052)(8400)(8.6) = 3756 \text{ psi}$
 Anticipate 1500-2000

Gas
 $(0.12)(8400) = 1008$

3756
 -1008
2748 psi MASP

8-5/8"
 MW 8.4
 Frac 19.3

BOPE 3000 ✓

Surf. csg 3930
 70% = 2751

Max @ surf. csg shoe
 $6400(0.22) = 1408$

3756
 -1408
2348 psi

Test to 2348 psi ✓
 (± 1500 psi surf press.)

⇒ Slip surf cmt

✓ Adequate 0.19 9/28/06

5-1/2"
 MW 8.6

TOC @ 480.
 ✓ + Surf. St. P

1620' TOC tail
 1786' TOC tail

Surface
 2000. MD

- 3000' BMSW
- 3040' Wasatch Tongue
- 3365' Green River Tongue
- 3500' Wasatch
- 4320' Chapita Wells

5370' Uteland Buttes

6130' Mesaverde

Production
 8400. MD

Well name:

2006-09 Dominion LCU 12-12HOperator: **Dominion Exploration and Production**String type: **Surface**

Project ID:

43-047-38342

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: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: 481 ft

BurstMax anticipated surface
pressure: 1,686 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,926 psi

No backup mud specified.

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

Tension is based on buoyed weight.

Neutral point: 1,750 ft

Non-directional string.**Re subsequent strings:**Next setting depth: 8,400 ft
Next mud weight: 8.600 ppg
Next setting BHP: 3,753 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,915 ft
Injection pressure: 1,915 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 (ft ³)
1	2000	8.625	32.00	J-55	ST&C	2000	2000	7.875	684.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	2530	2.899	1926	3930	2.04	56	372	6.64 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: September 28, 2006
Salt Lake City, Utah**Remarks:**

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

Burst strength is not adjusted for tension.

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

Well name:

2006-09 Dominion LCU 12-12HOperator: **Dominion Exploration and Production**String type: **Production**

Project ID:

43-047-38342

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: 193 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 703 ft

BurstMax anticipated surface
pressure: 1,905 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,753 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: 7,304 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	8400	5.5	17.00	Mav-80	LT&C	8400	8400	4.767	1096.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3753	6290	1.676	3753	7740	2.06	124	273	2.20 B

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: September 28, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 8400 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.

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: Patented
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: Little Canyon
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.			8. WELL NAME and NUMBER: LCU 12-12H
3. ADDRESS OF OPERATOR: 14000 Quail Spr. Pkwy CITY Oklahoma City STATE OK ZIP 73134		PHONE NUMBER: (405) 749-5263	9. API NUMBER: 4304738342
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,900' FSL, 650' FWL			10. FIELD AND POOL, OR WILDCAT: undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 12 11S 20E S			COUNTY: Uintah
			STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 11/1/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: 25' Relocation
	<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 and bottomhole location for the referenced well 25' prior to approval of the previously submitted APD. The new location results in a swap of the two wellbores on the proposed pad to minimize the potential for a directional collision. Following is the updated location information for the LCU 12-12H:

Surface & Target Location: 1,887' FSL & 628' FWL, NW/4 SW/4, Section 12, T11S, R20E, SLB&M

Attached please find an updated Form 3 and partial plat package to replace those previously submitted within the APD - 109.634213 package.

A request for exception to spacing (R649-3-2) 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.

ORIGINAL CONFIDENTIAL

NAME (PLEASE PRINT) <u>Don Hamilton</u>	TITLE <u>Agent for Dominion Exploration & Production, Inc.</u>
SIGNATURE <u>Don Hamilton</u>	DATE <u>9/12/2006</u>

(This space for State use only)

RECEIVED
SEP 18 2006
DIV. OF OIL, GAS & MINING

WELL-SITE SURFACE USE AGREEMENT

THIS WELL-SITE SURFACE USE AGREEMENT ("**Agreement**") is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("**Grantors**"), and Dominion Exploration and Production, Inc. ("**Grantee**"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 12: NW $\frac{1}{4}$ SW $\frac{1}{4}$

(containing 40.00 acres, more or less)

("Section 12 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 12 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 11-12H Well and the LCU 12-12H Well to be drilled from a single well-site in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of the Section 12 Lands (the "**Wells**"); and,

E. Grantee desires to construct, operate, and maintain a well-site for the Wells on the Section 12 Lands; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for surface damages that may result from Dominion's construction, operation, and maintenance of the well-site on the Section 12 Lands.

NOW THEREFORE, for and in consideration of the sum of Ten Thousand Dollars (\$10,000.00), and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, rights to construct, operate, and maintain a well-site ("**Well-Site**") on and over the Section 12 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Well-Site shall conform substantially to the proposed approximate 4.077 acre, rectangular location described on the attached Exhibit A.

2006-11-11

DEC 11 2006

1. **Access and Use.** Grantors acknowledge Grantee's right of access on and over the surface estate in the Section 12 Lands and such surface use as is reasonably necessary to explore for and produce oil, gas, and associated hydrocarbons, as defined by Utah law. Grantors further acknowledge that Grantee is entitled to use the Well-Site for all drilling, testing, and completion operations, including, but not limited to the use of reserve pits, construction, installation, and maintenance of production equipment and facilities such as flow lines, gas gathering lines, separators, tank batteries, and other equipment or facilities necessary or convenient to the production, transportation, and sale of oil, gas, and other materials produced by or used for production of oil or gas from the Section 12 Lands.

2. **Compensation for Well-Site.** Grantee shall pay to Grantors at the time of the signing of this Agreement the sum of \$10,000.00 for the Well-Site which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 12 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 12 Lands, in which event, the surrendered portion of the Section 12 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Well-Site, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 12 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property

under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
3355 West Alabama
Houston, TX 77098

Alameda Corporation
3355 West Alabama
Houston, TX 77098

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Ownership of Fences, Gates, and Improvements upon Termination.** Any fences, gates or other improvements constructed by Grantee on the Section 12 Lands except the well-site equipment shall become the Grantors' property upon termination of this Agreement.

9. **Rehabilitation and Restoration.** The Well-Site constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Wells in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the Well-Site, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

10. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this Agreement.

11. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

12. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

13. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Well-Site.

14. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

15. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

16. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

17. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

18. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By *M. T. Arnold*

Its *PRESIDENT*

DEM

Oscar S. Wyatt, Jr.

By *Oscar S Wyatt Jr*

DEM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

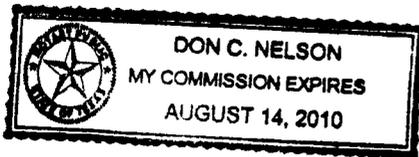
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 22nd day of NOVEMBER, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

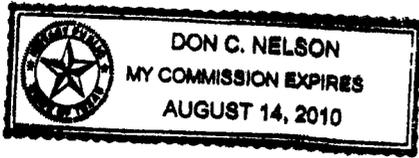


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 22nd day of NOVEMBER, 2006, personally appeared M. T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, TX

My Commission Expires:

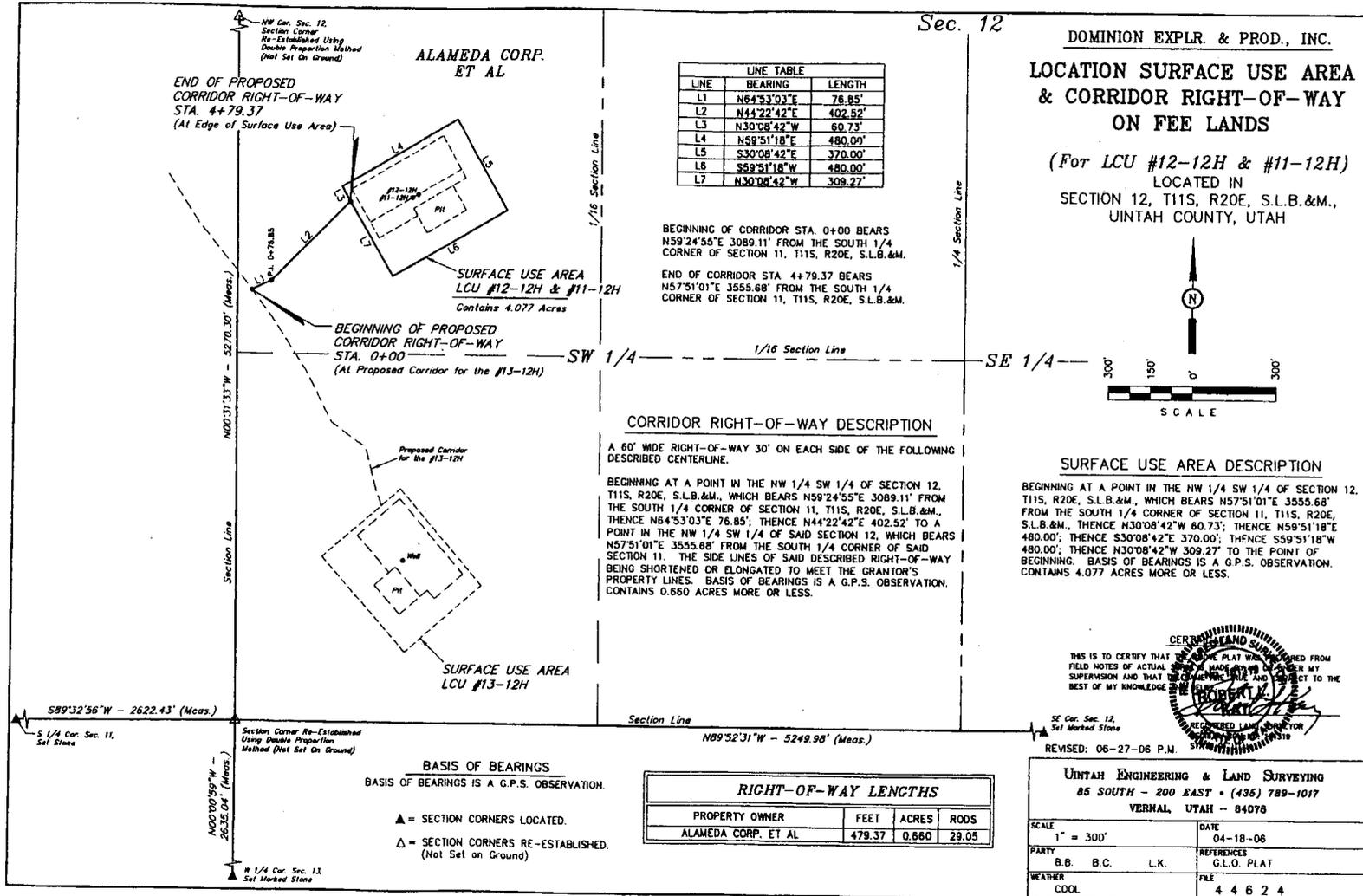


EXHIBIT "A"

ACCESS ROAD EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS ACCESS ROAD EASEMENT AND RIGHT-OF-WAY AGREEMENT ("**Agreement**") is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("**Grantors**"), and Dominion Exploration and Production, Inc. ("**Grantee**"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 12: NW $\frac{1}{4}$ SW $\frac{1}{4}$

(containing 40.00 acres, more or less)

("Section 12 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 12 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 11-12H Well and the LCU 12-12H Well to be drilled from a single well-site in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of the Section 12 Lands (the "**Wells**"); and,

E. Grantee desires to construct, operate, and maintain an access road on the Section 12 Lands to be used both for access to the Wells and as a connector road to Grantee's wells in adjoining sections; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the access road easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$436.00 and other good and valuable consideration, Grantors grant, convey, warrant and deliver to Grantee and its successors and assigns, an easement and right-of-way ("**Right-of-Way**") for roadway purposes over and across the Section 12 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said, Right-of-Way shall be sixty (60) feet wide, thirty (30) feet on either side of the centerline, for a distance of 29.05 rods, and contain approximately 0.660 acres.

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DEC 11 2006

1. **Access.** Grantors acknowledge Grantee's right of access over and across the surface estate in the Section 12 Lands and such surface use as is reasonably necessary for access to the Wells and to any future wells.

2. **Compensation for Access Road.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$436.00 for the Right-of-Way which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted and is deemed full payment for the Right-of-Way during its entire term.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 12 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 12 Lands, in which event, the surrendered portion of the Section 12 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Right-of-Way, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 12 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Non-Exclusive Grant to Grantee.** Grantee acknowledges Grantors hold title to the respective surface estate. Grantee acknowledges that the road easement and right-of-way is a non-exclusive grant and that Grantor on behalf of itself and its employees, agents, contractors, officers and invitees retain the full right to use the road made the subject of this road easement. Grantee shall repair all damages to the road caused by Grantee's use of the road. Grantee also agrees to pay a reasonable prorate portion of the normal annual maintenance of the road. Grantors, their successors, assigns, invitees, and licensees shall not unreasonably interfere with Grantee's operations on the access roads nor with any of their attendant equipment and operations. Grantee agrees to construct the road contemplated herein in a good and workmanlike manner and in such a way as to not alter the natural drainage and shall keep the roadway clean and free of debris and trash.

7. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or

entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

8. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
3355 West Alabama
Houston, TX 77098

Alameda Corporation
3355 West Alabama
Houston, TX 77098

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

9. **Ownership of the Access Road upon Termination.** The access road constructed by Grantee on the Section 12 Lands shall become the Grantors' property upon termination of this Agreement.

10. **Rehabilitation and Restoration.** The access road constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Wells in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the access road, or any respective portion or segment thereof in an

unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

11. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

12. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

13. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

14. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Right-of-Way.

15. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

16. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

17. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

18. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

19. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By *M. J. Arnold*

Its *PRESIDENT*

DM

Oscar S. Wyatt, Jr.

By *Oscar S Wyatt Jr*

ADM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

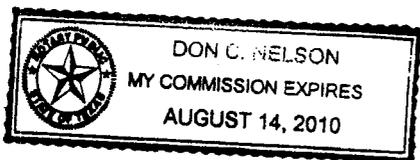
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 22nd day of NOVEMBER, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

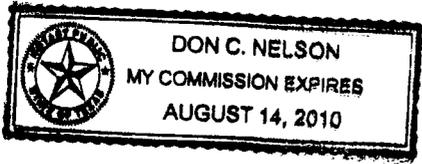


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 22nd day of NOVEMBER, 2006, personally appeared M. I. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, TX

My Commission Expires:

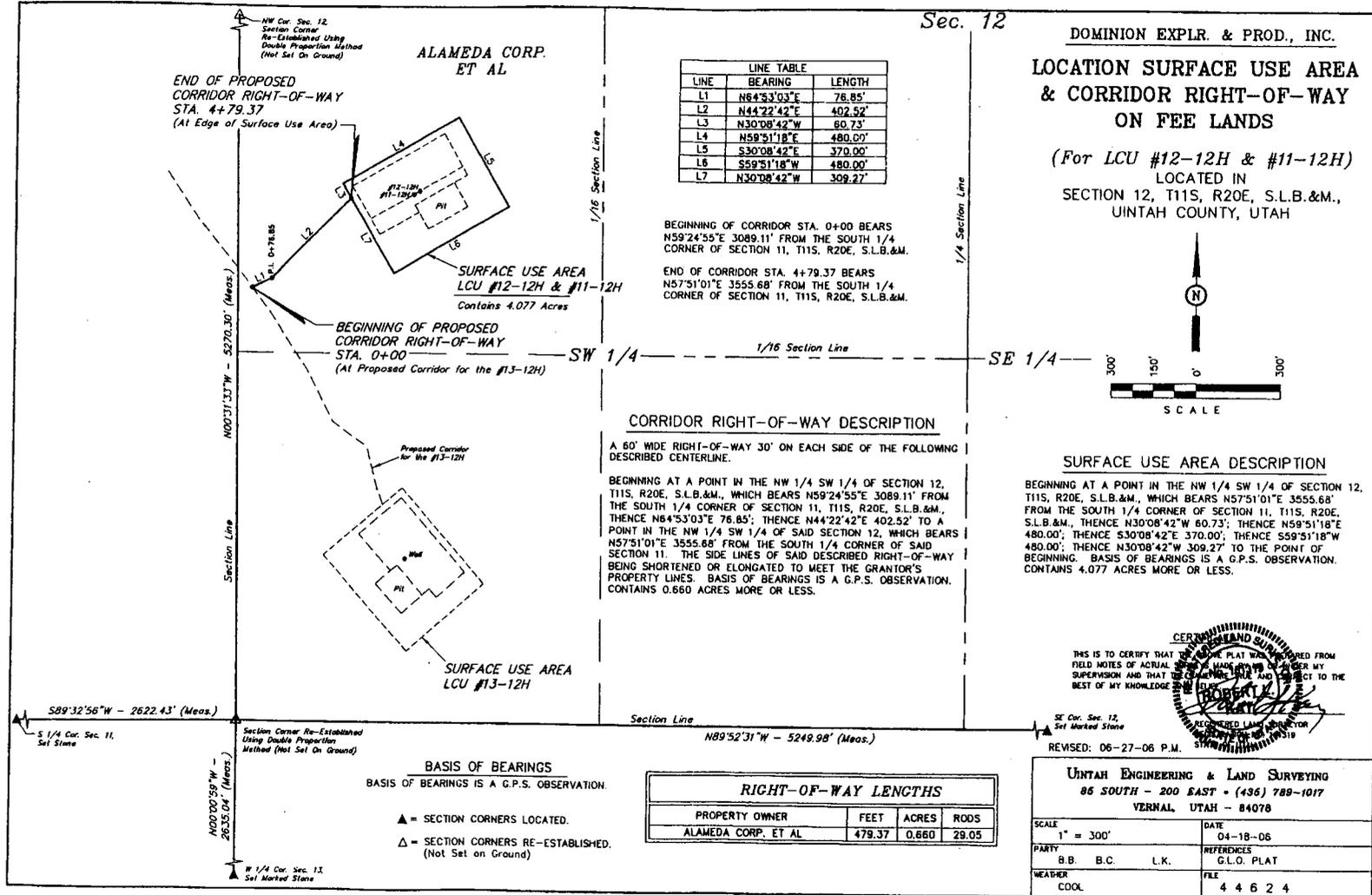


EXHIBIT "A"

PIPELINE EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS PIPELINE EASEMENT AND RIGHT-OF-WAY AGREEMENT (“**Agreement**”) is entered into this 3rd day of May, 2006, by and between **OSCAR S. WYATT, JR.** whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and **ALAMEDA CORPORATION** whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 (“**Grantors**”), and **DOMINION EXPLORATION AND PRODUCTION, INC.** (“**Dominion**”) (“**Grantee**”), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 12: NW¼SW¼

(containing 40.00 acres, more or less)

(“**Section 12 Lands**”); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 12 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 11-12H Well and the LCU 12-12H Well to be drilled from a single well-site in the NW¼SW¼ of the Section 12 Lands (the “**Wells**”); and,

E. Grantee desires to construct, operate, and maintain a natural gas (gathering system) pipeline to the Wells; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the pipeline easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$436.00 and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, a right-of-way and easement (“**Easement**”) to construct, maintain, operate, inspect, repair, alter, replace and remove pipelines and appurtenant facilities for the transportation of oil, gas, or other hydrocarbons across, under, or over the Section 12 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Easement shall be sixty (60) feet wide, thirty (30) feet on either side of the centerline, for a distance of 29.05 rods, and contain approximately 0.660 acres.

1. **Access.** Grantors acknowledge Grantee's non-exclusive right of access on and over the surface estate in the Section 12 Lands and such surface use as is reasonably necessary to produce and transport oil, gas, and associated hydrocarbons, as defined by Utah law. Should Grantee's activities damage any of Grantor's roads or fences, Grantee shall promptly repair or compensate Grantor to repair such damages.

2. **Compensation for Pipeline Right-of-Way and Easement.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$436.00 for the Easement which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 12 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 12 Lands, in which event, the surrendered portion of the Section 12 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantee shall have all rights and benefits necessary or convenient for the full enjoyment and use of the rights granted, including the right of ingress and egress over and across the Section 12 Lands to and from the Easement, and the right from time to time to cut trees, undergrowth, and other obstructions that may injure, endanger, or interfere with the Grantee's use of the Easement. Grantee agrees to conduct all of its operations in a good and workmanlike manner and after completion of construction, shall remove all debris, trash, equipment and surplus materials from the right-of-way. Should any of the pipeline be buried, Grantee shall inspect the right-of-way twice a year to insure that there are no wash outs or depressions in the pipeline ditch and if such exist Grantee shall take such actions as necessary to fill in the depressions and restore the surface to the original condition as much as reasonably possible.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 12 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future

condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
3355 West Alabama
Houston, TX 77098

Alameda Corporation
3355 West Alabama
Houston, TX 77098

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

9. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

10. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

11. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Easement.

12. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

13. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

14. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

15. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

16. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one original.

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By M. J. Arnold

Its PRESIDENT

OPM

Oscar S. Wyatt, Jr.

By Oscar S. Wyatt Jr.

OPM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

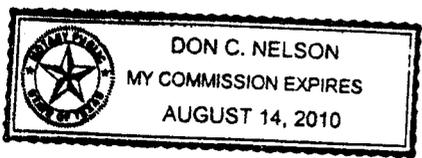
Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 22nd day of NOVEMBER, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

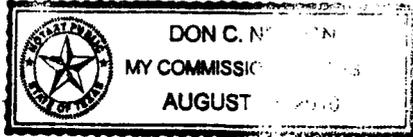


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, TX

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 22nd day of NOVEMBER 2006, personally appeared M. J. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, TX

My Commission Expires:



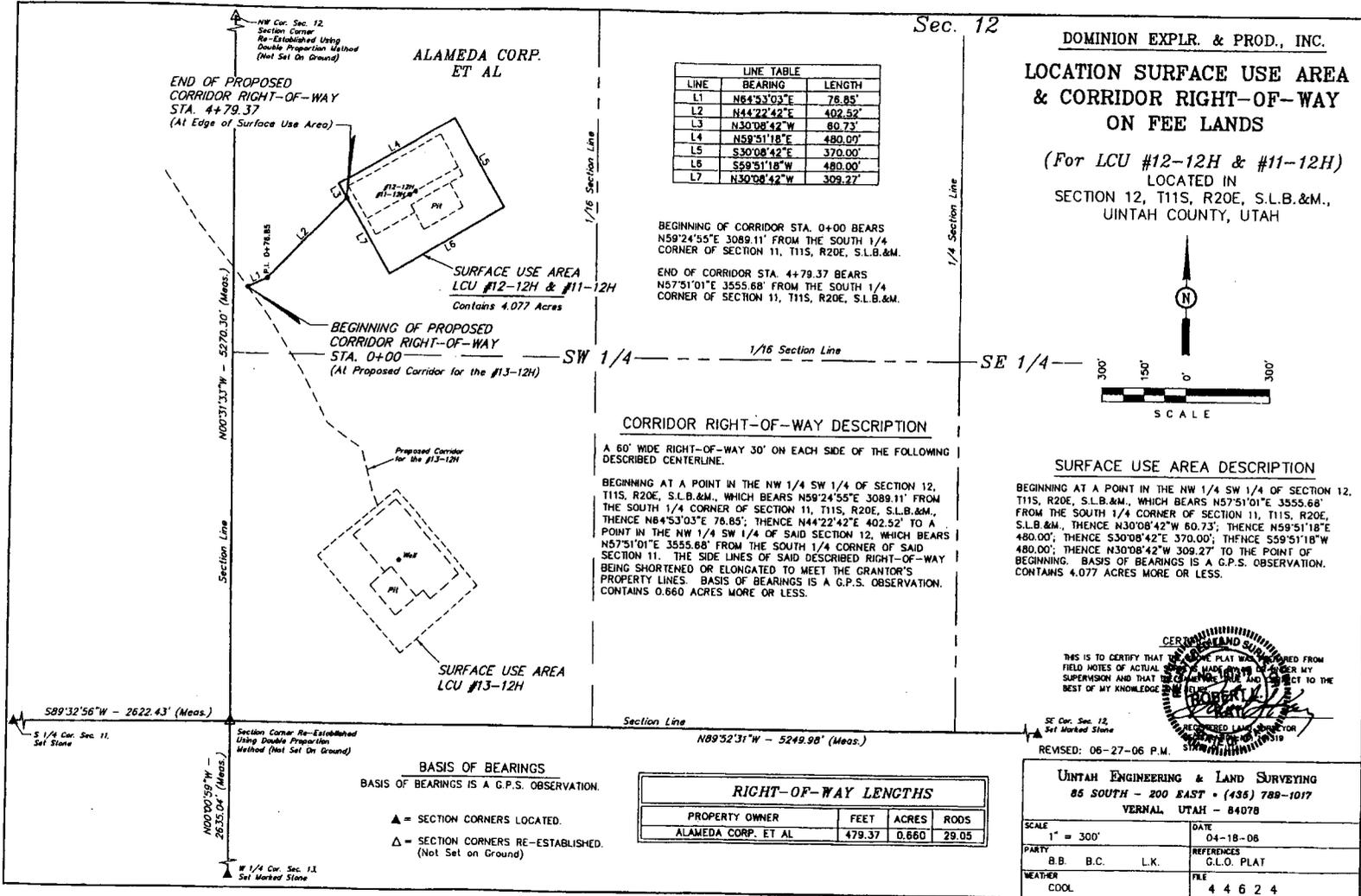


EXHIBIT "A"



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 11, 2006

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

Re: Little Canyon Unit 12-12H Well, 1887' FSL, 628' FWL, NW SW, Sec. 12,
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 43-047-38342.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
Bureau of Land Management, Vernal District Office

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

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

7/1/2007

FROM: (Old Operator):
 N1095-Dominion Exploration & Production, Inc
 14000 Quail Springs Parkway, Suite 600
 Oklahoma City, OK 73134

TO: (New Operator):
 N2615-XTO Energy Inc
 810 Houston St
 Fort Worth, TX 76102

Phone: 1 (405) 749-1300

Phone: 1 (817) 870-2800

CA No.

Unit:

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
- 4a. Is the new operator registered in the State of Utah: _____ Business Number: 5655506-0143
- 4b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. 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
 - 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
 - 3b. 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.

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

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input 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) Edwin S. Ryan, Jr. TITLE Sr. Vice President - Land Administration
SIGNATURE *Edwin S. Ryan, Jr.* DATE 7/31/2007

(This space for State use only)

APPROVED 91271107
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
	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
	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 checked="" type="checkbox"/>
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		<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 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 checked="" type="checkbox"/>
Has the approved source of water for drilling changed?		<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 checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>104312762</u>	<input checked="" 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	tpw	rng	lease_num	entity	Lease	well	stat
4303930028	SKYLINE U 14-28	SESW	28	140S	060E	UTU-77262		Federal	GW	APD
4303930029	SKYLINE U 8-7	SENE	07	150S	060E	UTU-78415		Federal	GW	APD
4304737195	KC 6-33E	SENW	33	100S	190E	UTU-49522		Federal	OW	APD
4304737196	KC 9-33E	NESE	33	100S	190E	UTU-49522		Federal	OW	APD
4304737197	KC 11-33E	NESW	33	100S	190E	UTU-49522		Federal	OW	APD
4304738075	LCU 7-9H	NWSE	09	110S	200E	UTU-76265		Federal	GW	APD
4304738689	RBU 15-8E	NENE	17	100S	190E	U-013766		Federal	GW	APD
4304738783	KC 14-33E	SESW	33	100S	190E	UTU-49522		Federal	GW	APD
4304738868	LOVE 12-20G	NWSW	20	110S	210E	UTU-076040		Federal	GW	APD
4304738889	KC 9-31E	NESE	31	100S	190E	UTU-81719		Federal	GW	APD
4304738890	KC 13-31E	SWSW	31	100S	190E	UTU-81719		Federal	GW	APD
4304738891	KC 12-33E	NWSW	33	100S	190E	UTU-49522		Federal	GW	APD
4304738948	KC 14-31E	SESW	31	100S	190E	UTU-081719		Federal	GW	APD
4304738949	KC 3-33E	NENW	33	100S	190E	UTU-49522		Federal	GW	APD
4304739051	KC 15-31E	SWSE	31	100S	190E	UTU-81719		Federal	GW	APD
4304739068	KC 7-33E	SWNE	33	100S	190E	UTU-49522		Federal	GW	APD
4304739069	KC 13-33E	SWSW	33	100S	190E	UTU-49522		Federal	GW	APD
4304739070	KC 15-33E	SWSE	33	100S	190E	UTU-49522		Federal	GW	APD
4304739415	WHB 4-5H	NWNW	05	110S	200E	UTU-39223		Federal	GW	APD
4304739416	WHB 12-5H	NWSW	05	110S	200E	UTU-39223		Federal	GW	APD
4304739417	WHB 13-5H	SWSW	05	110S	200E	UTU-39223		Federal	GW	APD
4304739440	WHB 4-8H	NWNW	08	110S	200E	UTU-39223		Federal	GW	APD
4304739441	WHB 5-5H	NWNW	05	110S	200E	UTU-39223		Federal	GW	APD
4304738262	KINGS CYN 9-32E	NESE	32	100S	190E	ML-047059		State	GW	APD
4304738342	LCU 12-12H	NWSW	12	110S	200E	FEE		Fee	GW	APD
4304738378	KINGS CYN 11-32E	NESW	32	100S	190E	ML-047059		State	GW	APD
4304738690	KINGS CYN 11-36D	NESW	36	100S	180E	ML-47058		State	GW	NEW
4304738779	KC 5-36D	SWNW	36	100S	180E	ML-47058		State	GW	APD
4304738781	KC 6-32E	SENW	32	100S	190E	ML-47059		State	GW	APD
4304738782	KC 15-32E	NWSE	32	100S	190E	ML-047059		State	GW	APD
4304738786	AP 11-2J	NESW	02	110S	190E	ML-36213		State	GW	APD
4304738787	AP 13-2J	SWSW	02	110S	190E	ML-36213		State	GW	APD
4304738950	KC 13-32E	SESW	32	100S	190E	ML-047059		State	GW	APD
4304739218	KC 14-32E	SESW	32	100S	190E	ML-047059		State	GW	APD
4304739219	KC 16-32E	SESE	32	100S	190E	ML-047059		State	GW	APD
4304739222	LCU 14-12H	SESW	12	110S	200E	FEE		Fee	GW	APD
4304739315	AP 12-2J	NWSW	02	110S	190E	ML-36213		State	GW	NEW

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		5. LEASE DESIGNATION AND SERIAL NUMBER:	
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		PATENTED	
2. NAME OF OPERATOR: XTO Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
3. ADDRESS OF OPERATOR: P.O. Box 1360 Roosevelt CO 84066		7. UNIT or CA AGREEMENT NAME: Undesignated	
4. LOCATION OF WELL		8. WELL NAME and NUMBER: LCU 12-12H	
FOOTAGES AT SURFACE 1,887' FSL & 628' FWL		9. API NUMBER: 4304738342	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: N12SW 12 11S 20E S		10. FIELD AND POOL, OR WILDCAT: Undesignated	
		COUNTY: Uintah	
		STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 first extension that has been requested.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-29-07
By: [Signature]

NAME (PLEASE PRINT) <u>Mamie Griffin</u>	TITLE <u>Agent for XTO Energy, Inc.</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/26/2007</u>

(This space for State use only)

COPY SENT TO OPERATOR
Date: 10-30-07
Initials: RM

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Patented
2. NAME OF OPERATOR: XTO Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 1360 CITY Roosevelt STATE UT ZIP 84066		7. UNIT or CA AGREEMENT NAME: Little Canyon Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,887' FSL & 628' FWL		8. WELL NAME and NUMBER: LCU 12-12H
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 12 11S 20E S		9. API NUMBER: 4304738342
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Undesignated
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>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: 10/30/08
By: [Signature]

NAME (PLEASE PRINT) <u>Kendell Johnson</u>	TITLE <u>Agent for XTO Energy, Inc.</u>
SIGNATURE <u>[Signature]</u>	DATE <u>9/22/2008</u>

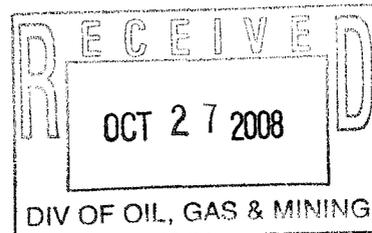
(This space for State use only)

COPY SENT TO OPERATOR

(See Instructions on Reverse Side)

(5/2000)

Date: 10.30.2008
Initials: KS



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

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

API: 4304738342
Well Name: LCU 12-12H
Location: 1,887' FSL & 628' FWL Sec. 12, 11S-20E
Company Permit Issued to: XTO Energy, Inc.
Date Original Permit Issued: 12/11/2006

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

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

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

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

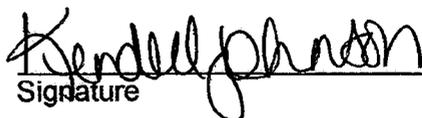
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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


Signature

9/22/2008
Date

Title: Kendell Johnson

Representing: XTO Energy, Inc.



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

December 14, 2009

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

Re: APD Rescinded – Little Canyon Unit 12-12H, Sec. 12 T. 11S, R. 20E
Uintah County, Utah API No. 43-047-38342

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 11, 2006. On October 29, 2007 and October 30, 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 December 14, 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
Brad Hill, Technical Service Manager