



June 29, 2006

VIA OVERNIGHT MAIL

Diana Whitney
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

**RE: Application for Permit to Drill
Rogers 16-43
SWSE Section 16-7S-20E SLB&M
Uintah County, UT**

Dear Diana:

Enclosed is our Application for Permit to Drill for the subject well location. Please keep this application "**CONFIDENTIAL**". Included with the APD is the following supplemental information:

Survey plats, location map with access corridors, and layouts of the proposed well site;
Form 5;
Drilling Plan;
Typical BOP and Choke Manifold diagrams;
Surface Use Plan;
Water Permit;
Surface Damage Agreement

Should you require any additional information, please contact me or Layle Robb at (303) 296-4505.

Sincerely,

Karin Kuhn
Engineering Technician

Enclosures

RECEIVED

JUN 30 2006

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: Fee	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: NA	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: NA Aurora (Deep)	
2. NAME OF OPERATOR: Elk Resources, Inc.			9. WELL NAME and NUMBER: Rogers 16-43	
3. ADDRESS OF OPERATOR: 1401 17th St., Suite 700 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: WINDS Winds (Control)	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 658' FSL, 2000' FEL 613074X 40.205471 4451199Y AT PROPOSED PRODUCING ZONE: 658' FSL, 2000' FEL CONFIDENTIAL -109.6-11385			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approx. 22.75 miles southwest of Vernal, UT			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 658'	16. NUMBER OF ACRES IN LEASE: 1921.86	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) NA	19. PROPOSED DEPTH: 14,500	20. BOND DESCRIPTION: B000969		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4811' GR	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: 45-55 Days + 30 Days Completion		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17 1/2	13 3/8" H-40 48#	880	Class V 765 sx 1.2, 15.6 ppg
12 1/4	9 5/8" K-55 36#	4,500	See drlg plan
8 3/4	7" P-110 26#	10,000	See drlg plan
6 1/8"	4 1/2" P-110 13.5#	14,500	See drlg plan

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Karin Kuhn TITLE Engineering Technician

SIGNATURE *Karin Kuhn* DATE 6/22/2006

(This space for State use only)

API NUMBER ASSIGNED: 13047-38347 APPROVAL: _____

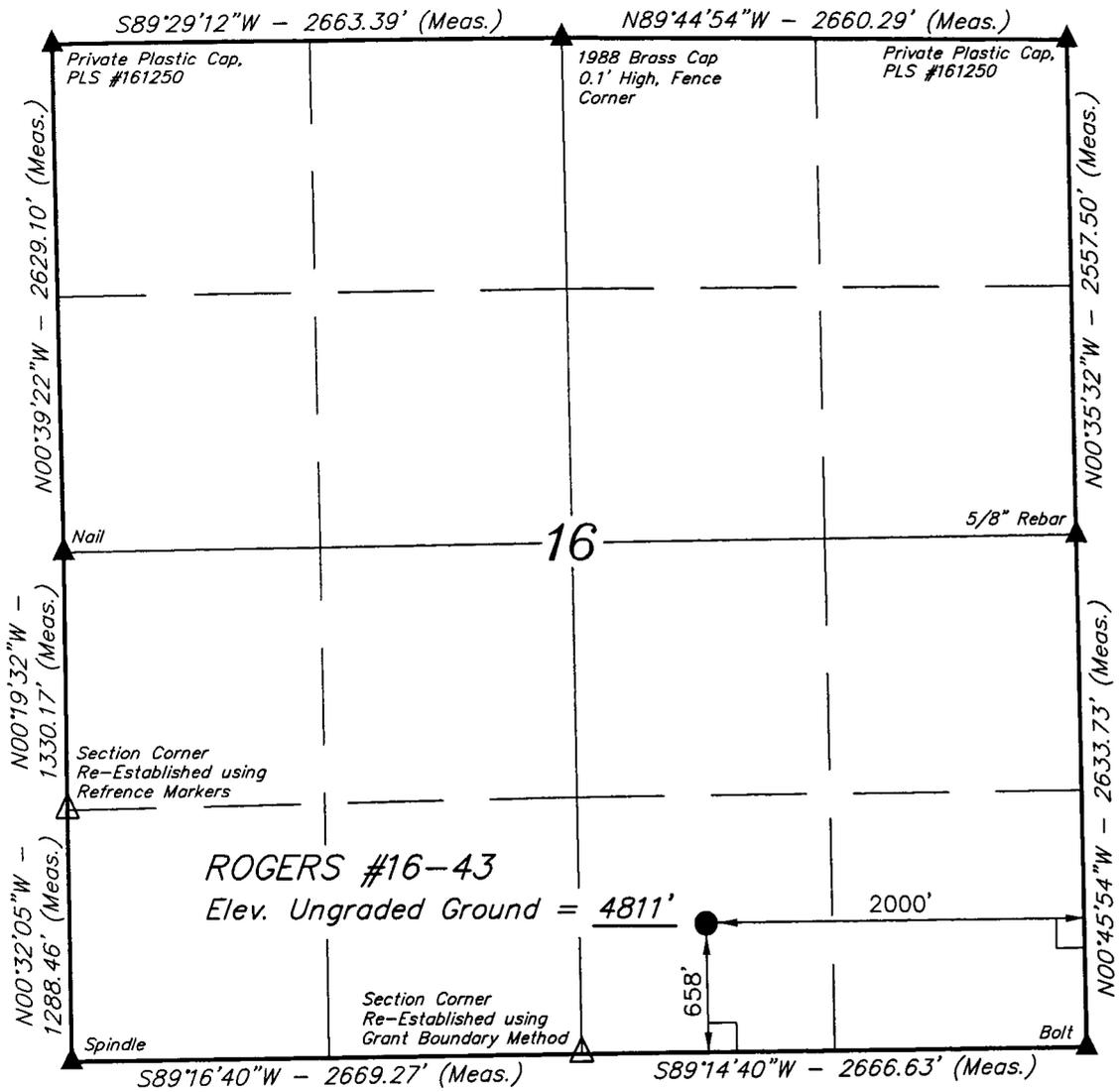
Approved by the
 Utah Department of
 Oil, Gas and Mining
 Date: 07-31-06
 By: *[Signature]*

(11/2001) (See Instructions on Reverse Side)

T7S, R20E, S.L.B.&M.

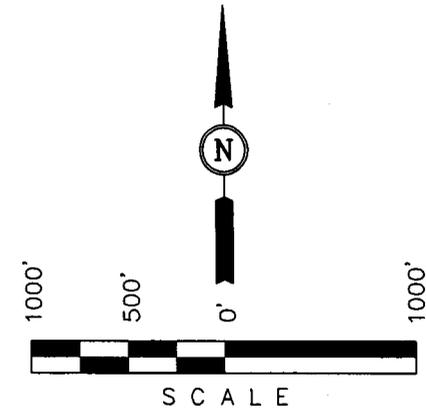
ELK RESOURCES, INC.

Well location, ROGERS #16-43, located as shown in the SW 1/4 SE 1/4 of Section 16, T7S, R20E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

BENCH MARK (38EAM) LOCATED IN THE SW 1/4 OF SECTION 9, T7S, R20E, S.L.B.&M. TAKEN FROM THE PELICAN LAKE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4942 FEET.



CERTIFICATE

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

Robert H. King
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)
 LATITUDE = $40^{\circ}12'19.56''$ (40.205433)
 LONGITUDE = $109^{\circ}40'19.56''$ (109.672100)
 (AUTONOMOUS NAD 27)
 LATITUDE = $40^{\circ}12'19.70''$ (40.205472)
 LONGITUDE = $109^{\circ}40'17.06''$ (109.671406)

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.
- = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground)

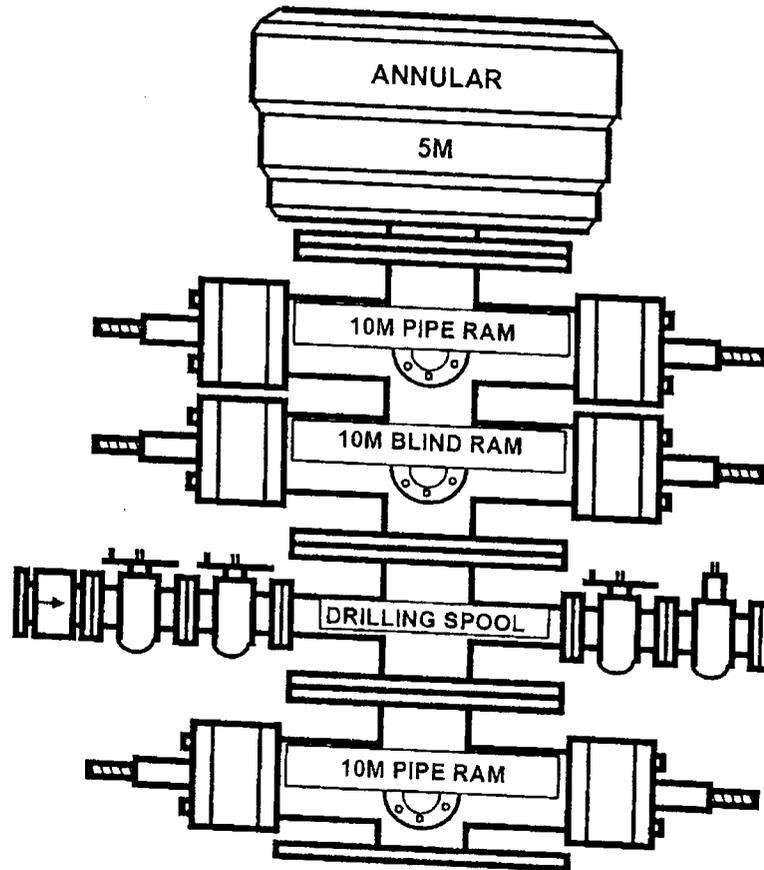
UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-25-06	DATE DRAWN: 02-15-06
PARTY D.A. C.F. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ELK RESOURCES, INC.	

TYPICAL BLOWOUT PREVENTER

ROTARY

7 1/16" 10M BOP STACK



From: "Karin Kuhn" <kkuhn@elkresources.net>
To: "Clinton Dworshak" <clintondworshak@utah.gov>
Date: 7/25/2006 5:10:57 PM
Subject: RE: Elk Rogers 16-43 BOP & Casing

Clint:

Attached is the requested BOP schematic. It is my understanding that you and Layle Robb discussed the casing issue.

Thanks for your help.

Karin Kuhn

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

From: Clinton Dworshak [mailto:clintondworshak@utah.gov]
Sent: Tuesday, July 25, 2006 3:38 PM
To: Karin Kuhn
Subject: Elk Rogers 16-43 BOP & Casing

Karin,

The BOP (5,000) is not sufficient for the Rogers 16-43 APD. We suggest a 10,000 BOP. Also will need a schematic.

*Layle Robb
10,000 BOP ok
7/25/06*

The intermediate casing string set to 4,500 ft bursts at that depth. We suggest a higher rated casing.

*Layle Robb 303-389-1925
Int Csg 1 - To protect Birds Nest / not
pressure Control -*

Thank you,
Clint

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Fee (Ivan Rogers, et ux)

LEASE NUMBER: Rogers 16-43

and hereby designates

NAME: Elk Resources, Inc.

ADDRESS: 1401 17th St., Suite 700

city Denver state CO zip 80202

as his (check one) agent / operator , with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)
T7S R20E SLB&M, Section 16 SWSE

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 5-30-06

BY: (Name) _____
(Signature) Douglas W. Jones BW
(Title) Attorney in Fact
(Phone) _____

OF: (Company) EnCana Oil & Gas (USA) Inc.
(Address) 370 17th Street, Suite 1700
city Denver
state CO zip 80202

RECEIVED TEMPORARY APPLICATION TO APPROPRIATE WATER

WATER RIGHT VERNAL STATE OF UTAH

Rec. by BFW
Fee Amt. \$ 75⁰⁰
Receipt # 06-03303

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 43 - 11785
(BWHITE)

TEMPORARY APPLICATION NUMBER: T76445

1. OWNERSHIP INFORMATION:

LAND OWNED? No

A. NAME: Elk Resources Inc
ADDRESS: Alamo Plaza
1401 17th Street, Suite 700
Denver, CO 80202

B. PRIORITY DATE: June 29, 2006

FILING DATE: June 29, 2006

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 1.25 acre-feet

B. SOURCE: unnamed dugout pond

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) N 500 feet E 700 feet from SW corner, Section 16, T 7S, R 20E, SLBM

D. COMMON DESCRIPTION: 28 miles southwest of Vernal

3. WATER USE INFORMATION:

OTHER: from Jul 1 to Jun 30. OIL EXPLORATION: drilling and completion of Rogers 16-43
Acre Feet allowed by this Right for this Use: 1.25
Water for drilling will be pumped from pond owned by landowner which is filled from irrigation runoff.

PLACE OF USE: (which includes all or part of the following legal subdivisions:)

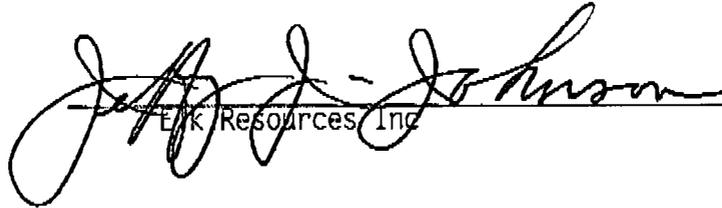
Northwest Quarter				Northeast Quarter				Southwest Quarter				Southeast Quarter				Section	
BS TOWN RANG SC	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	Totals
SL 75 20E 16				*					*				*		X	*	0.0000
Group Total:																0.0000	

4. EXPLANATORY:

Oil well is being drilled on land owned by Ivan Rogers.

5. SIGNATURE OF APPLICANT(S):

The applicant(s) hereby acknowledge(s) that he/she/they are citizen(s) of the United States of America or intend(s) to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of information contained herein, at the time of filing, rests with the applicant(s).



Erik Resources, Inc

DRILLING PLAN

Elk Resources, Inc.
Rogers 16-43
SW/SE of Section 16, T-7-S, R-20-E, S.L.B. & M.
Uintah County, Utah

1,2,3 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth</u>
Uinta	800'
Uinta (Possible pay intervals)	2500'*
Green River	3400'*
Wasatch	6940'*
Mesaverde	10100'*
Castle Gate	13200'
Mancos	13400'
Blackhawk	14100'*
Emery SS	14300'*
Proposed TD	14500'

PROSPECTIVE PAY* oil and gas

4 Casing Program

<u>HOLE</u>	<u>SETTING DEPTH</u>		<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
<u>SIZE</u>	<u>from</u>	<u>to</u>					
26"	surface	50-75'	20"				
17 1/2"	surface	880'	13 3/8"	48#	H-40	ST&C	New
12 1/4"	surface	4,500'	9 5/8"	36#	K-55	ST&C	New
8 3/4"	surface	10,000'	7"	26#	P-110	LT&C	New
6 1/8"	10,000'	14,500'	4 1/2"	13.5#	P-110	UFJ	New

5 Cementing Program

20" Conductor Ready mix

13 3/8" 765 sx Class V + 2% CaCl + 1/4 pps Flocele: 15.6 ppg, 1.2 cf/sk (50% excess)

9 5/8" Stage 1: 100 sx 50/50 Poz + 2% gel + 6% Halad-322 + 1 pps Granulite + 5% salt + 1/4 pps Flocele; 14.4 ppg, 1.41 cf/sk (15% excess).
Stage 2: Lead 200 sx HiFill + 16% gel + 0.75% Econolite + 7.5 pps gilsonite + 1/4 Flocele; 11.0 ppg, 3.81 cf/sk (200% excess).
Stage 2: Tail 275 sx 50/50 Poz + 2% gel + 6% Halad-322 + 1 pps Granulate + 5% salt

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- 7” Stage 1: 300 sx 50/50 Poz + 2% gel + 6% Halad-322 + 1 pps Granulite + 5% salt + ¼ pps Flocele; 14.4 ppg, 1.41 cf/sk (no excess)
 Stage 2: Lead 200 sx HiFill + 16% gel + 0.75% Econolite + 7.5 pps gilsonite + ¼ Flocele; 11.0 ppg, 3.81 cf/sx (200% excess). **NOTE: If 9 5/8” OD casing is not run, protect to 2000’ w/ 930 sx instead of 150 sx.**
 Stage 2: Tail 275 sx 50/50 Poz + 2% gel + 6% Halad-322 + 1 pps Granulate + 5% salt + ¼ pps Flocele; 14.4 ppg, 1.41 cf/sk.
- 6 1/8” 405 sx 50/50 Poz 2% gel + 0.3% CFR-3 + 0.15% HR+12 + 20% SSA-1 + 0.4% Halad-344; 14.35 ppg, 1.41 cf/sk (35% excess)

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 880’	N/A			Water
880 – 4500’	8.4 / 8.6 ppg	32	NC	Spud Mud
4500 – 10000’	8.4 / 9.0 ppg	28	NC	KCL Water/Gel
10000 – 14500’	9.0/12.0 ppg	34	10	KCL/Gel/Polymer

7 BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
Surf. - 1000’	None
1000’ – 10,000’	5000# Ram type double BOP and annular
10,000’ – 14,500’	10,000# Ram type double BOP and 5000# annular

Drilling spool to accommodate choke and kill lines.

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 5,000#
 ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS OF THE STATE OF UTAH.

THE STATE OF UTAH, DIVISION OF OIL, GAS AND MINING WILL BE NOTIFIED 24 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Upper and Lower Kelly cock
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

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9 Testing, Logging and Core Programs

Cores	None anticipated
Testing	None anticipated
Sampling	10' samples; surface casing to TD.
Surveys	Run every 1000' and on trips
Logging	Resistivity, neutron density, and caliper from TD to surface casing. Gamma ray from TD to surface

10 Anticipated Abnormal Pressures or Temperatures

None anticipated.

11 Drilling Schedule

Spud	Approximately August 1, 2006
Duration	30 days drilling time 30 days completion time

HAZARDOUS MATERIAL DECLARATION

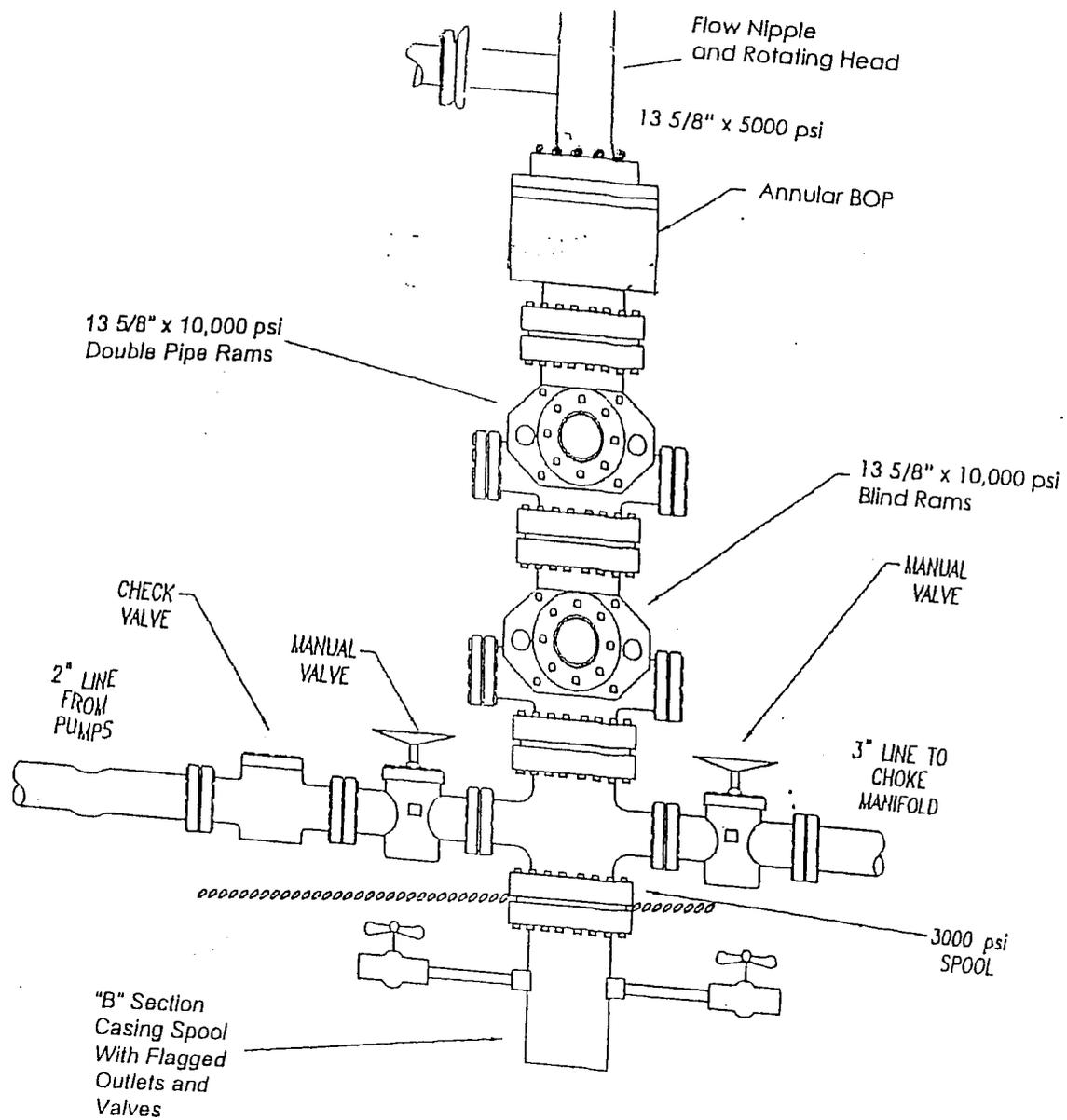
Rogers 16-43

Elk Resources, Inc. guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

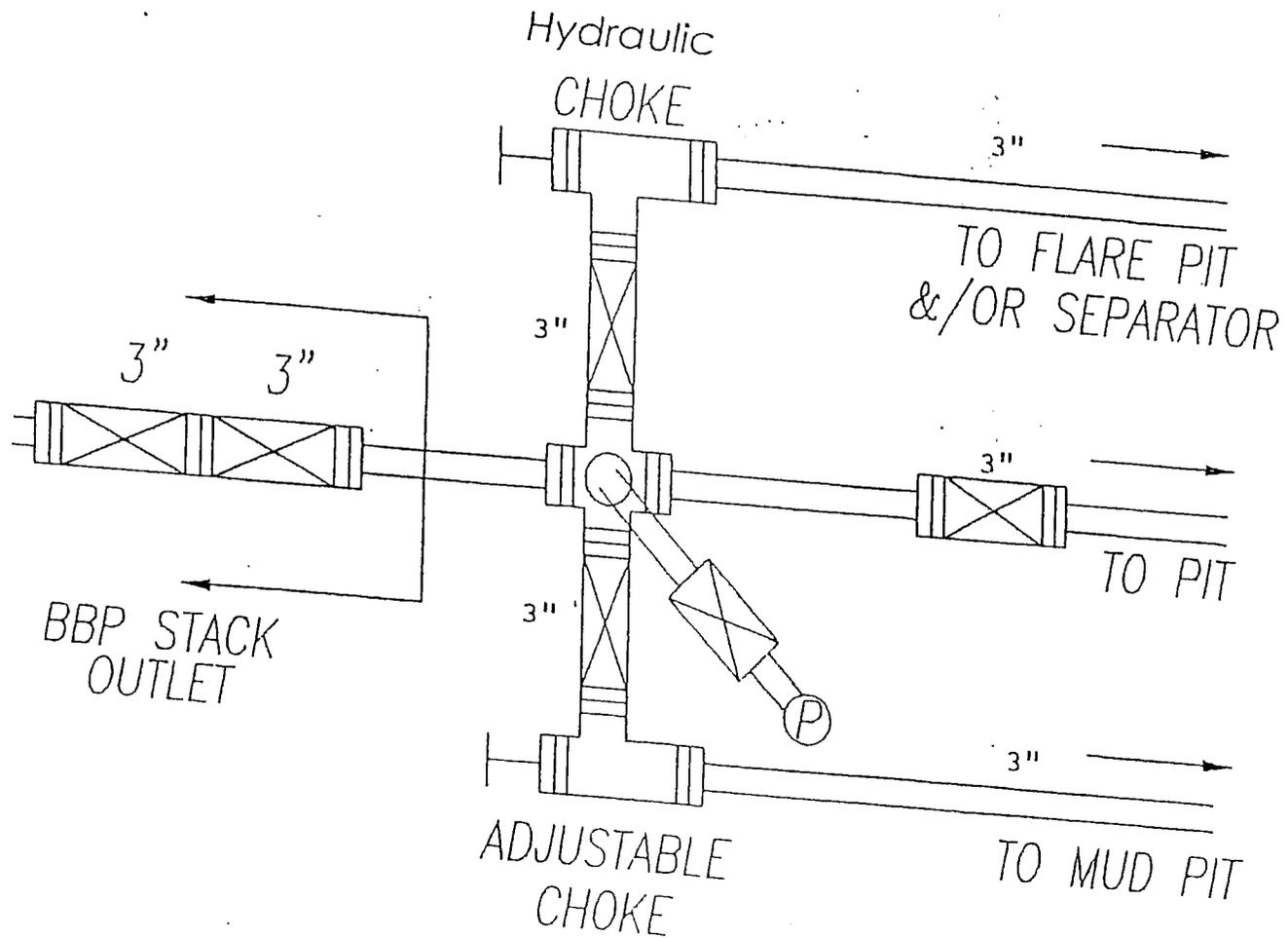
Elk Resources, Inc. guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.

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BOP Equipment



CHOKE MANIFOLD



SURFACE USE PLAN

Rogers 16-43

Attachment to Permit to Drill

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

The onsite inspection for the referenced well is pending with the Division of Oil, Gas and Mining and the landowner:

1. Existing Roads:

- a. The proposed well site is located approximately 22.75 miles South-westerly of Vernal, Utah.
- b. The following are directions to the proposed well site:
Proceed in a Southerly direction from Vernal, Utah along U.S. Highway 40 approximately 14 miles; go South on State Highway 88 for 7.0 miles to an existing road; head Easterly for 1.5 miles on the existing road; then make a right or head West 0.25 miles to the access road; head Northwesterly for 0.1 miles on the access road to the drilling location. See attached plat included with Exhibit B.
- c. The use of roads under Federal, State and County Road Department maintenance are necessary to access the Rogers 16-43 location. All existing roads will be maintained and kept in good repair during all phases of operation.
- d. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- e. Since no improvements are anticipated to the State, County, or BLM access roads, no topsoil striping will occur.

2. Planned Access Roads:

- a. From the existing surface county road, a new access is proposed trending easterly approximately 40 feet to the proposed well site. The access consists of entirely new disturbance across previously cultivated ground and crosses no significant drainages.
- b. The proposed access road crosses surface owned by Ivan Rogers. A copy of the fee surface damage agreement is attached.
- c. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.

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- d. A maximum grade of 4% 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. No low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
 - g. No surfacing material will come from Federal or SITLA lands.
 - h. One gate is anticipated at this time as the fence is crossed leaving the paved surface.
 - 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 pending fee surface use agreement.
 - 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 a one-mile radius of the proposed well; there is one producing well within this radius.
4. **Location of Production Facilities:**
- a. All permanent structures will be painted a flat, non-reflective Desert Brown to match the standard environmental colors. All facilities will be painted within six month of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
 - b. If productive, 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.
 - c. If productive, a tank battery will be constructed on this lease, 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 oil and natural gas production and measurement.
 - d. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
 - e. 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.
 - f. 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.

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5. Location and Type of Water:

- a. Water for construction and drilling has been obtained through a direct purchase agreement with the landowner. See attached Temporary Application to Appropriate Water (Permit #T76445).

6. Source of Construction Material:

- a. No construction materials will be removed from Ute Tribal, SITLA or BLM lands.
- b. 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 onsite.
- c. The reserve pit will be located outboard of the location and along the northwest 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 12-mil minimum thickness plastic nylon-reinforced liner material. The liner will overlay a felt pad only if rock is encountered during excavation. 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. 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.
- h. 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, saltwater or other produced fluids will be cleaned up and removed.
- i. 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.
- j. Sanitary facilities will be onsite 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.

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8. Ancillary Facilities:

- a. Garbage containers and portable toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout:

- a. The well will be properly identified in accordance with State regulations.
- b. Access to the well pad will be from the south and west.
- c. The pad and road designs are consistent with State and Federal specifications.
- d. A pre-construction meeting with responsible company representative, contractors, landowner representatives and the Utah Division of Oil, Gas and Mining 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; 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 specification 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. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- i. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a window 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.
- j. Pits will remain fenced until site cleanup.
- k. The blooie line will be located at least 100 feet from the well head.
- l. 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, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the Utah Division of Oil, Gas and Mining or the appropriate County Extension Office.
- c. Upon well completion, any hydrocarbons in the pit shall be removed. 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

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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. The landowner recommended seed mix will be detailed within their surface-use documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership: Ivan Rogers and Mary Afton Rogers, 8C69 Box 200, Randlett, UT 84063 – (435) 545-2527
- b. Mineral Ownership: Ivan Rogers and Mary Afton Rogers, 8C69 Box 200, Randlett, UT 84063 – (435) 545-2527

12. Other Information:

- a. A fee surface damage agreement with Ivan Rogers and Mary Afton Rogers is attached.

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13. Operator's Representative and Certification:

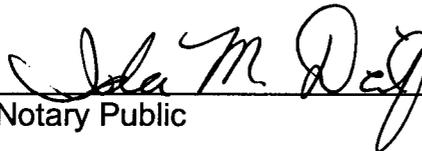
I hereby certify that I, or person under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with operations herein will be performed by _____, (construction contractor has not been determined) and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

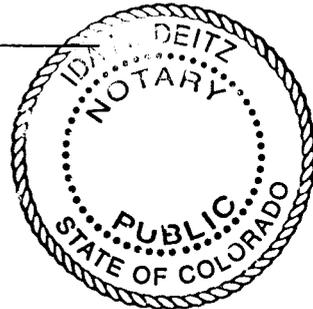
Name and Title 
Layle Robb, Vice President of Drilling and Production

STATE OF COLORADO
COUNTY OF DENVER

Subscribed and sworn to before me this 26th day of June, 2006.

My commission Expires: 9/25/2007


Notary Public



SURFACE DAMAGE AGREEMENT
(ROGERS #16-43 LOCATION)

THIS AGREEMENT dated April 20, 2006 between Ivan Rogers and Mary Afton Rogers, husband and wife, whose address is 8C69 Box 200, Randlett, UT 84063, hereinafter referred to as "Surface Owner", and Elk Resources, Inc., whose address is 1401 17th Street, Suite 700, Denver, CO 80202 hereinafter referred to as "Operator".

WITNESSETH:

WHEREAS, Surface Owner represents that they are the owners in fee and in possession of the surface estate for the following described lands in Uintah County, Utah, hereinafter referred to as "Lands", to wit:

A Tract of land lying in the SW/4SE/4 of Section 16, Township 7 South, Range 20 East containing 3.893 acres, more or less and more fully described on Exhibit "A" attached hereto and made a part hereof.

WHEREAS, Operator has or will acquire certain leasehold interests in the oil and gas mineral estate in the Lands and proposes to conduct drilling and subsequent production operations on the Lands; and

WHEREAS, Surface Owner is generally aware of the nature of the operations which may be conducted under oil and gas leases covering the mineral estate of the Lands; and

WHEREAS, the parties believe that it is in their mutual best interest to agree to the amount of damages to be assessed incident to the operations of Operator on the premises in the exploration for, development and production of oil, gas and/or other leasehold substances under the terms of those certain oil and gas leases now owned or which may be acquired by Operator covering portions of the mineral estate of the Lands; and,

WHEREAS, the parties believe that a reasonable estimate can be made of the damages which will result from the exploration, development and production operations contemplated by such oil and gas leases.

NOW, THEREFORE, in consideration of ten dollars and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Operator has the right of ingress and egress and to the use of those portions of the Lands which it requires for oil and gas exploration, development and production operations, including tank batteries and other production facilities and the transportation of produced substances from the leasehold, and also the right to construct and use roads and pipelines across portions of the Lands. Operator shall pay Surface Owner as liquidated damages the following sum as full settlement and satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, completion, sidetracking, reworking, equipping and production operations, contemplated by the oil and gas leases covering the Lands, unless otherwise specifically provided herein:

a. Wellsites and Access. _____ for the said Rogers #16-43 wellsite and the new access road to be constructed and located on the Lands, together with any lands used for production facilities or other necessary facilities in connection with the wellsites. If, by reasons directly resulting from the operations of Operator, there is damage to real or personal property upon the Lands which is not associated with usual and customary operations, such as (but not limited to) damage to livestock, structures, buildings, fences, culverts, cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by Operator, or Operator will pay reasonable compensation to Surface Owner for such additional damage.

b. Power Lines and Pipelines. For each new power line or new pipeline installed by Operator, Operator shall pay to Owner the sum of Ten dollars (\$10.00) per rod for each such line. Operator shall be responsible for back filling, re-packing, re-seeding, and re-contouring the surface so as not to interfere with Owner's operations. Operator shall provide Owner with a survey showing the location of all power lines, pipelines and gathering systems promptly after their installation. All pipelines and gathering systems located by Operator on the Lands shall be buried to a depth of at least three (3) feet below the surface, and surface marked in accordance with industry standards. All easements and rights-of-way for power lines and pipelines shall be fifty (50) feet in width during initial construction and reclamation activities, and after completion of initial construction and reclamation activities such easements and rights-of-way shall revert to twenty-five (25) feet in width being twelve and one-half (12.5) feet on each side of the centerline of the line. Notwithstanding, Operator shall have the right to temporarily lay pipelines on the surface for a period not to exceed three years with the consent of the Owner, which consent shall not be unreasonably withheld. All power lines shall be installed underground to a depth of at least three (3) feet below the surface whenever reasonably practical to do so.

2. Operator agrees to consult with the surface owner and/or tenant as to all routes of ingress and egress. Prior to the construction of any roads, pipelines, tank battery installations, or installation of any other equipment on the leased premises, Operator shall consult with the surface owner and/or tenant as to the location and direction of same.

3. It is the intention of the parties hereto to cause as little interference with farming operations on the leased premises as reasonably possible, including but specifically not limited to the operation of any pivotal irrigation sprinkler system, or any other irrigation method. If any circular irrigation sprinkler system is in use at the time of initial drilling operations on the leased premises, then any subsequent production equipment, including but specifically not limited to pump jacks, hydraulic lifting equipment, or any other equipment necessary to produce any oil or gas from such well, shall be recessed to such depths, or ramps constructed, so as to allow the continued use of such circular irrigation system.

4. In the event any well hereunder is plugged and abandoned, Operator agrees that Operator will, within a reasonable time, restore Surface Owner's surface estate as near as practical to its original condition found prior to Operator's operations. It is understood and agreed that Surface Owner may elect in writing, prior to cessation of operations of Operator, to have any road constructed under the terms of this

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Agreement remain upon the property, in which event Operator agrees to leave such road or roads in reasonable condition.

5. Operator is responsible for acquiring all necessary permits, licenses, fees, etc. incident to its operations on the Lands.

6. In the event Surface Owner considers that Operator has not complied with all its obligations hereunder, both express and implied, Surface Owner shall notify Operator in writing, setting out specifically in what respects Operator has breached this contract. Operator shall then have sixty (60) days to meet or commence to meet all or any part of the breaches alleged by Surface Owner. The service of said notice shall be precedent to the bringing of any action by Surface Owner for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Operator. In the event of litigation, the prevailing party's reasonable attorney's fees will be paid by the opposing party.

7. Operator shall be responsible and shall remain liable for any environmental problems on the subject lands which are caused by or through its operations. To the extent that any such claims are asserted, Operator will be responsible for any remediation required as provided by state regulations. This assumption of liability, however, does not include any third-party operations on the subject lands or any Surface Owner actions which could cause environmental problems but is limited solely to the actions of Operator. Operator hereby indemnifies and holds harmless Surface Owner from any and all environmental problems it causes on the Lands.

8. In the event Surface Owner owns less than the entire fee interest in the Lands, then any payment stated herein shall be proportionately reduced to the interest owned.

9. This Agreement shall remain in full force and effect from the date hereof and for so long thereafter as Operator's oil and gas operations affecting the Lands are in effect.

10. When the word "Operator" is used in this Agreement, it shall also mean the successors and assigns of Operator, including but not limited to its employees and officers, agents, affiliates, contractors, subcontractors and/or purchasers.

11. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties.

ADDITIONAL PROVISIONS:

Operator agrees to fence locations and access roads in such a manner as to turn livestock.

Surface Owner agrees to allow Operator to use and amount of water not to exceed 1.5 acre feet in order to conduct operations hereunder. Operator acknowledges that this is a one-time allotment, during and completion operations only and not a permanent sale of any water rights. Operator agrees to consult with Surface Owner, prior to filling a holding pond on the location and to do so in a timely fashion and in such a way as to not in any way interfere with Surface Owner's irrigation system.

This Agreement shall be sit specific and apply only to the 40.00 acres above described.

Operator agrees, as soon as is practicable after its operations are complete, to contract the initial location to an area as small as possible and to move as much equipment as is possible from the location in order to interfere as little as possible with the Surface Owner's now existing use of the Lands.

Surface Owner acknowledges that payment received as damages for the is Agreement constitutes payment in full and includes estimated compensation for lost income from crops cultivated on such Lands, if any, and compensation for reseeding field. Any other unanticipated damages will be covered under Section 1 of this Agreement.

SURFACE OWNER:

Ivan Rogers
By Ivan Rogers

Mary Afton Rogers
Mary Afton Rogers

SS/Tax ID# _____

STATE of Utah
COUNTY of Uintah

ACKNOWLEDGEMENT-INDIVIDUAL

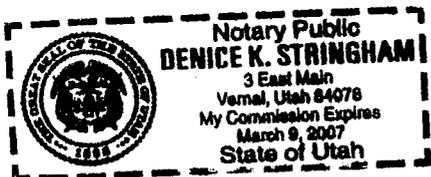
BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 11 day of May, 2006, personally appeared Ivan Rogers & Mary Afton Rogers

_____ , to me known to be the identical person _____ that described in and who executed the within and foregoing instrument of writing and acknowledged to me _____ he _____ duly executed same as _____ free and voluntary act and deed for the uses and purposes therein set forth and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires: March 09, 2007

Denice K Stringham
Notary Public:
Address: Vernal Ut



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ELK RESOURCES, INC.

ROGERS #16-43

LOCATED IN UINTAH COUNTY, UTAH
SECTION 16, T7S, R20E, S.L.B.&M.

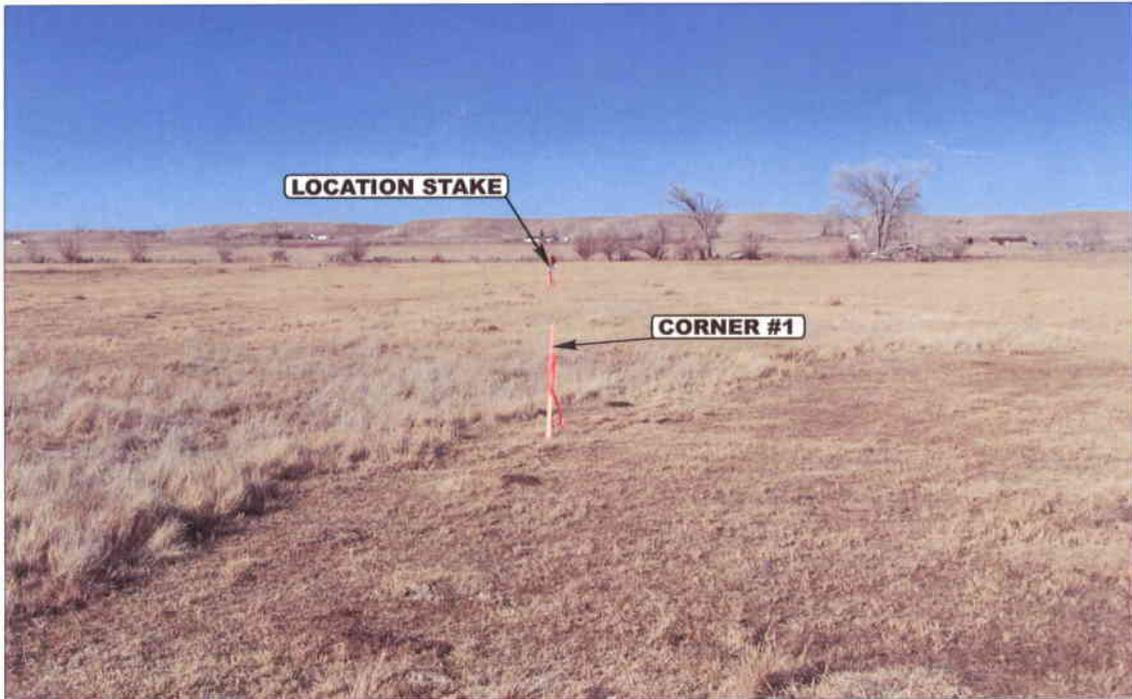


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

02 23 06
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: C.P.

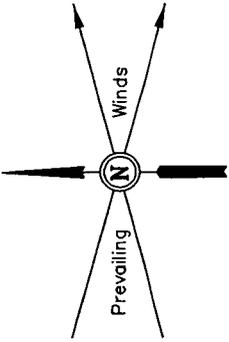
REVISED: 00-00-00

ELK RESOURCES, INC.

LOCATION LAYOUT FOR

ROGERS #16-43
SECTION 16, T7S, R20E, S.L.B.&M.
658' FSL 2000' FEL

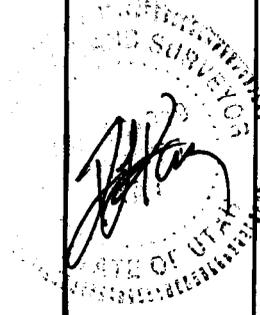
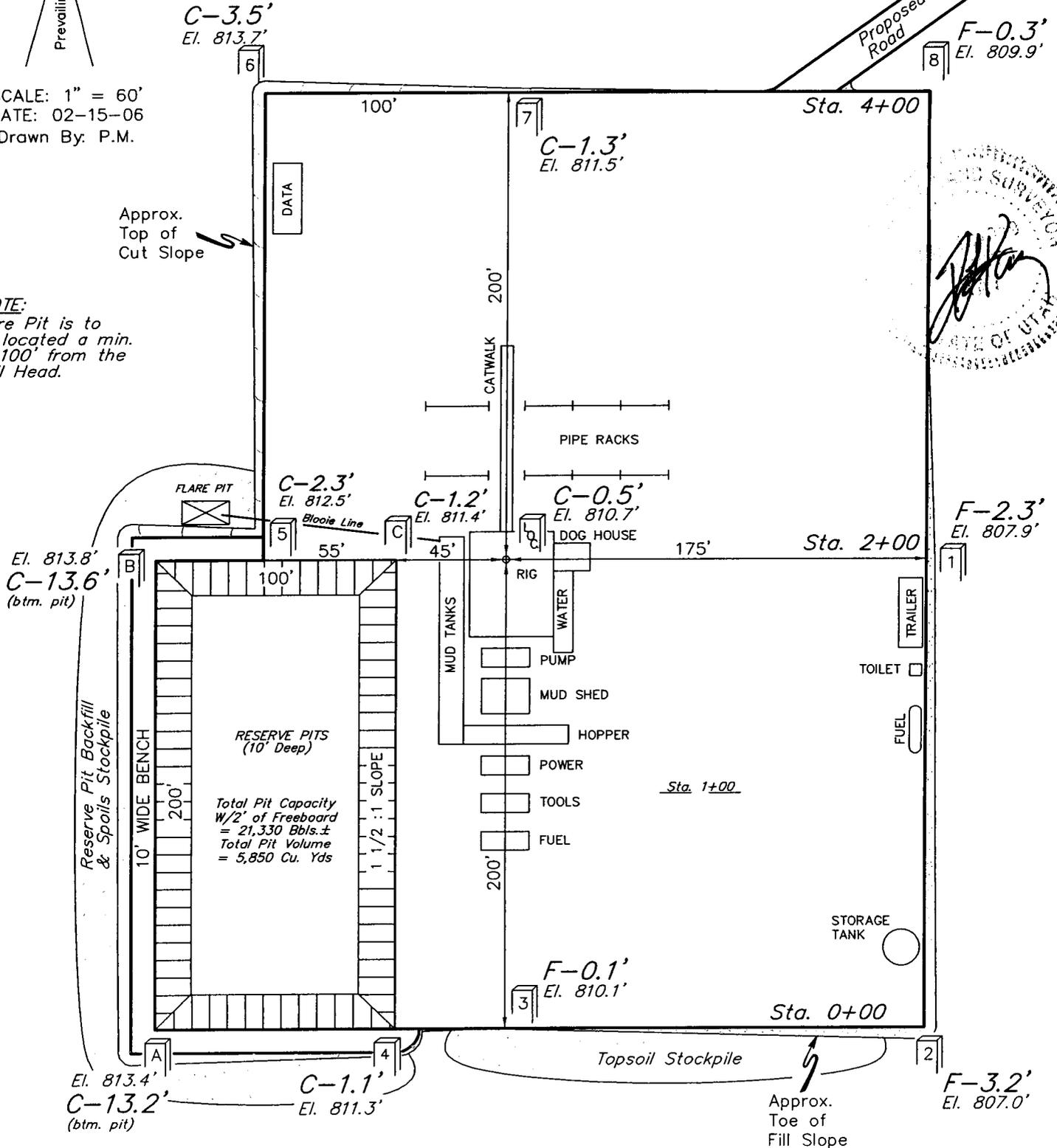
FIGURE #1



SCALE: 1" = 60'
DATE: 02-15-06
Drawn By: P.M.

Approx. Top of Cut Slope

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



Elev. Ungraded Ground at Location Stake = 4810.7'
Elev. Graded Ground at Location Stake = 4810.2'

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

ELK RESOURCES, INC.

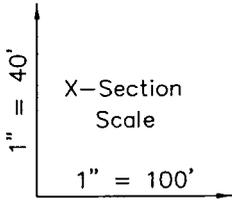
FIGURE #2

TYPICAL CROSS SECTIONS FOR

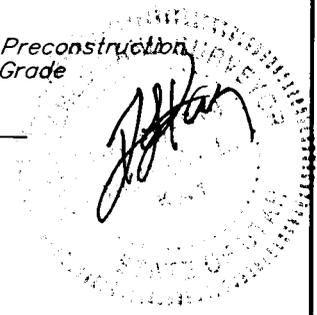
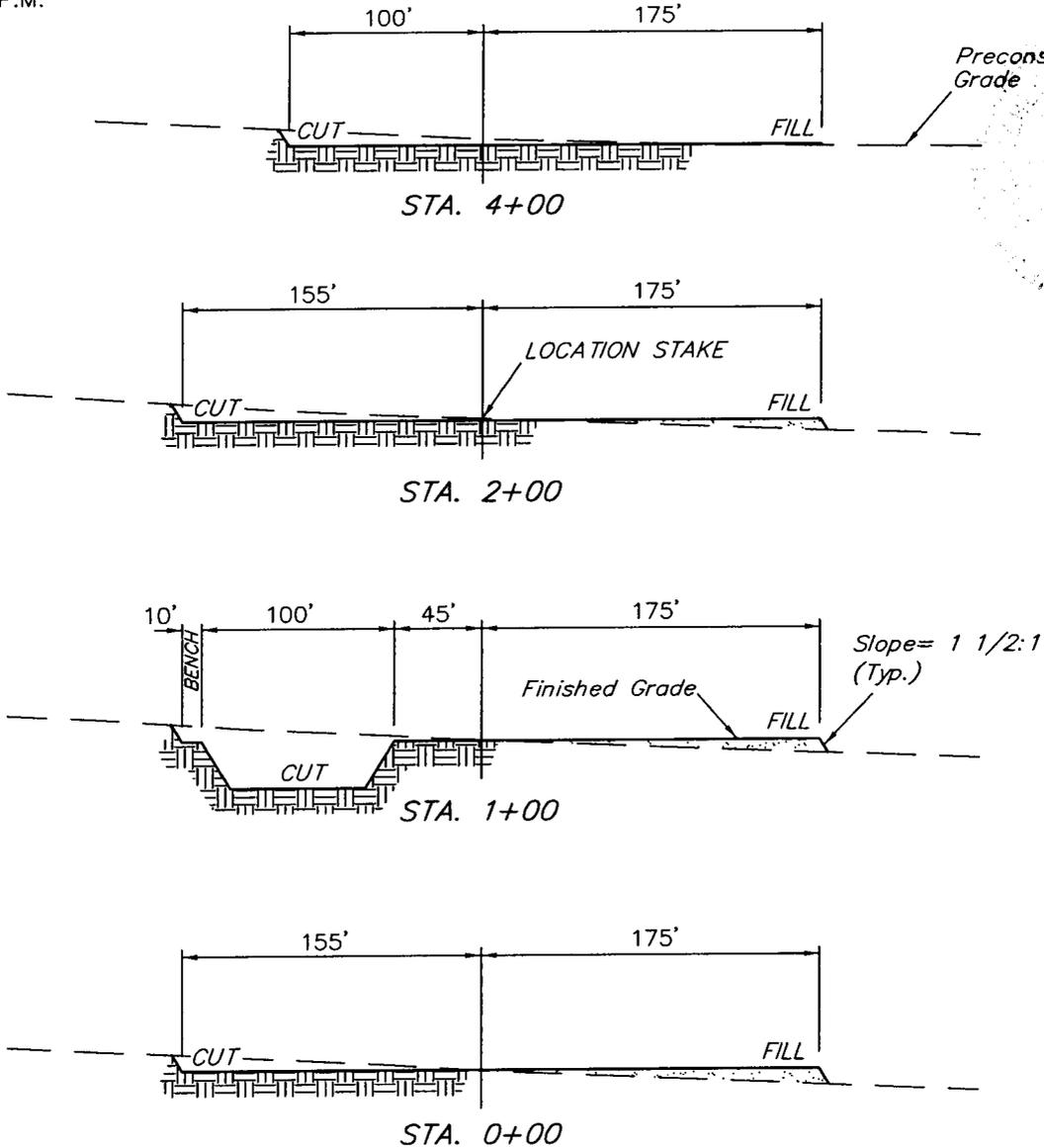
ROGERS #16-43

SECTION 16, T7S, R20E, S.L.B.&M.

658' FSL 2000' FEL



DATE: 02-15-06
Drawn By: P.M.



NOTE:

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

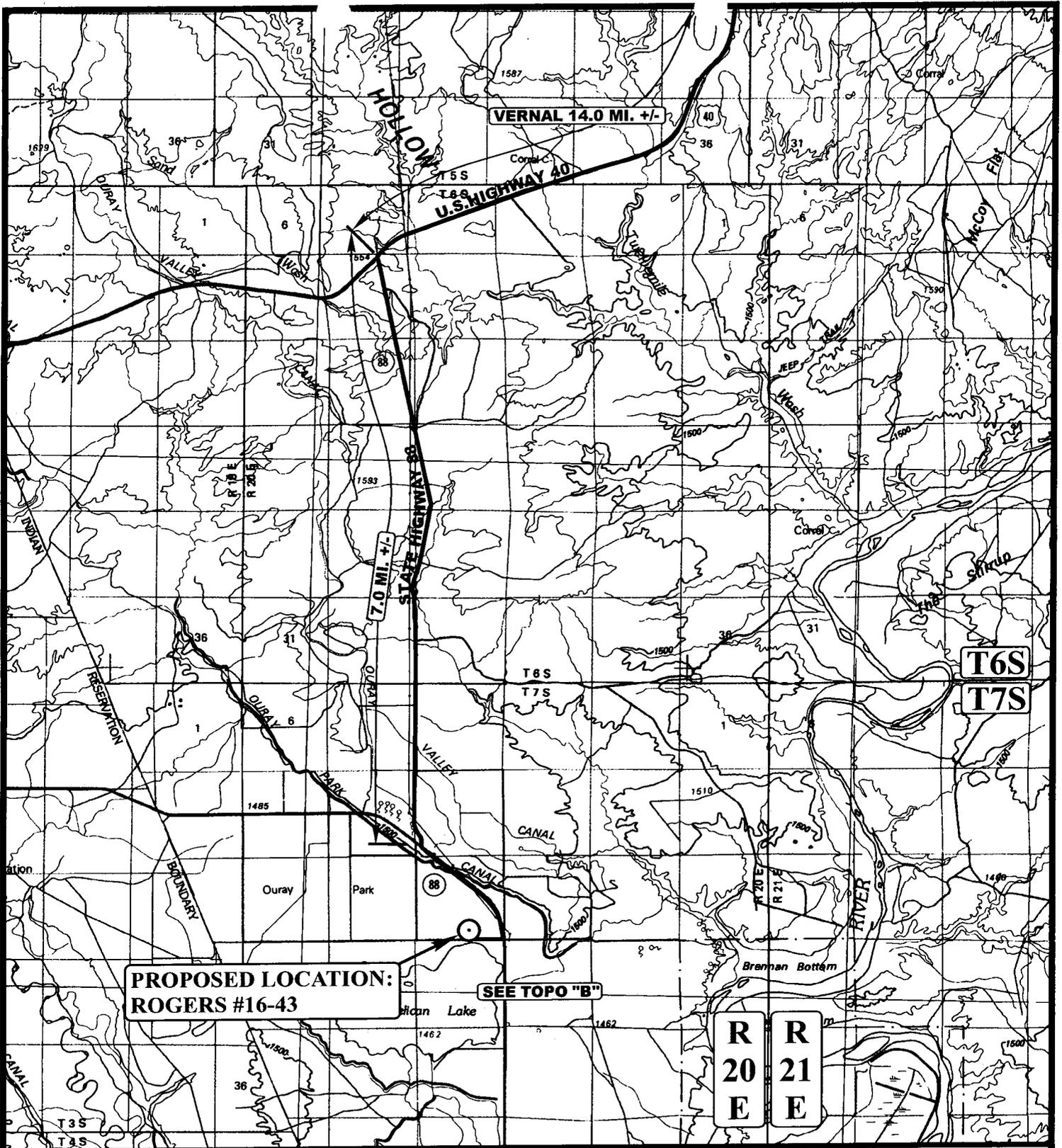
* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 4,810 Cu. Yds.
Remaining Location	= 7,670 Cu. Yds.
TOTAL CUT	= 12,480 CU.YDS.
FILL	= 4,740 CU.YDS.

EXCESS MATERIAL	= 7,740 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 7,740 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:
ROGERS #16-43**

SEE TOPO "B"

**R
20
E**

**R
21
E**

LEGEND:
 ○ PROPOSED LOCATION



ELK RESOURCES, INC.
ROGERS #16-43
SECTION 16, T7S, R20E, S.L.B.&M.
658' FSL 2000' FEL

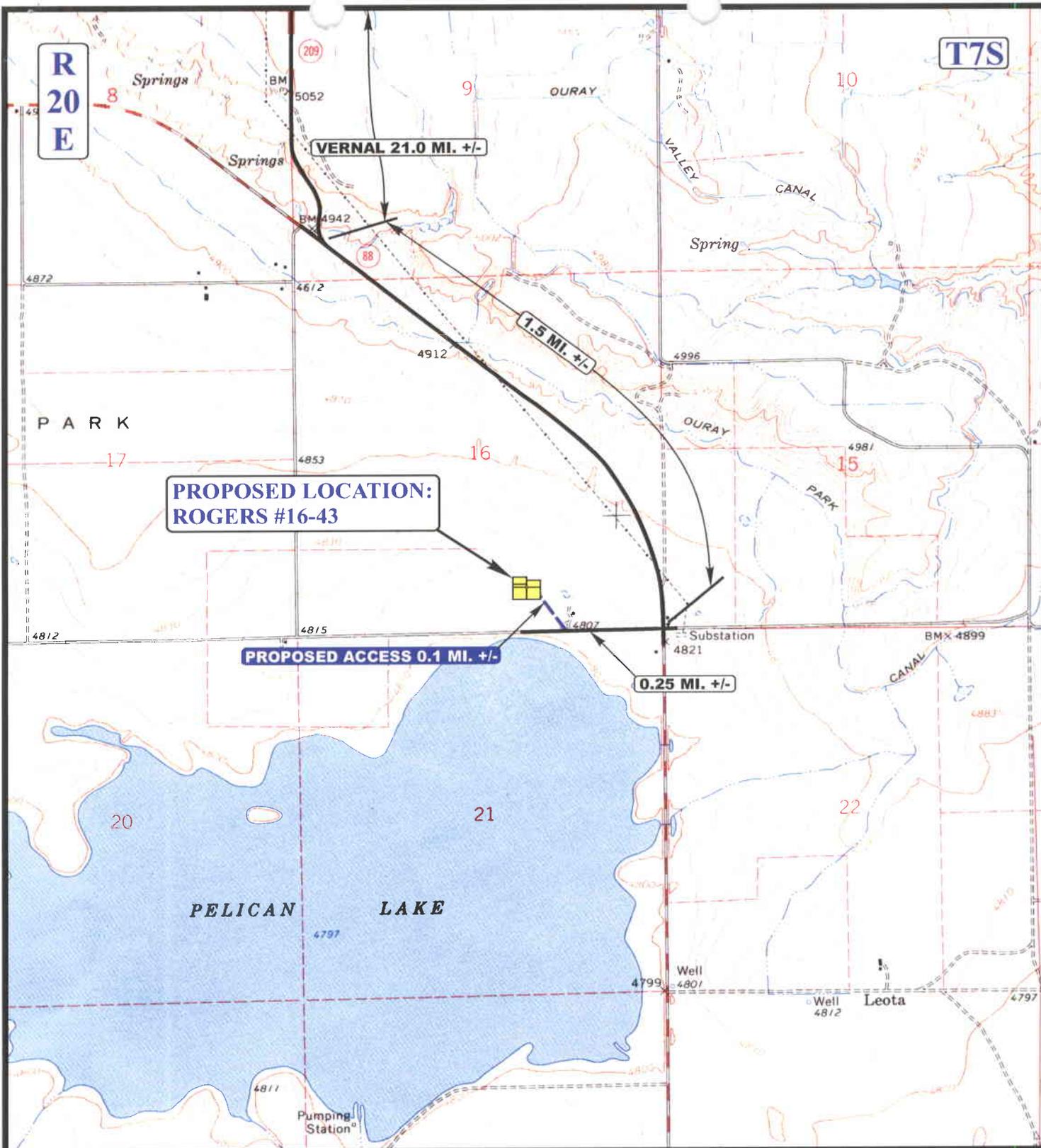
UES
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

02	23	06
MONTH	DAY	YEAR

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

TOPO



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



ELK RESOURCES, INC.

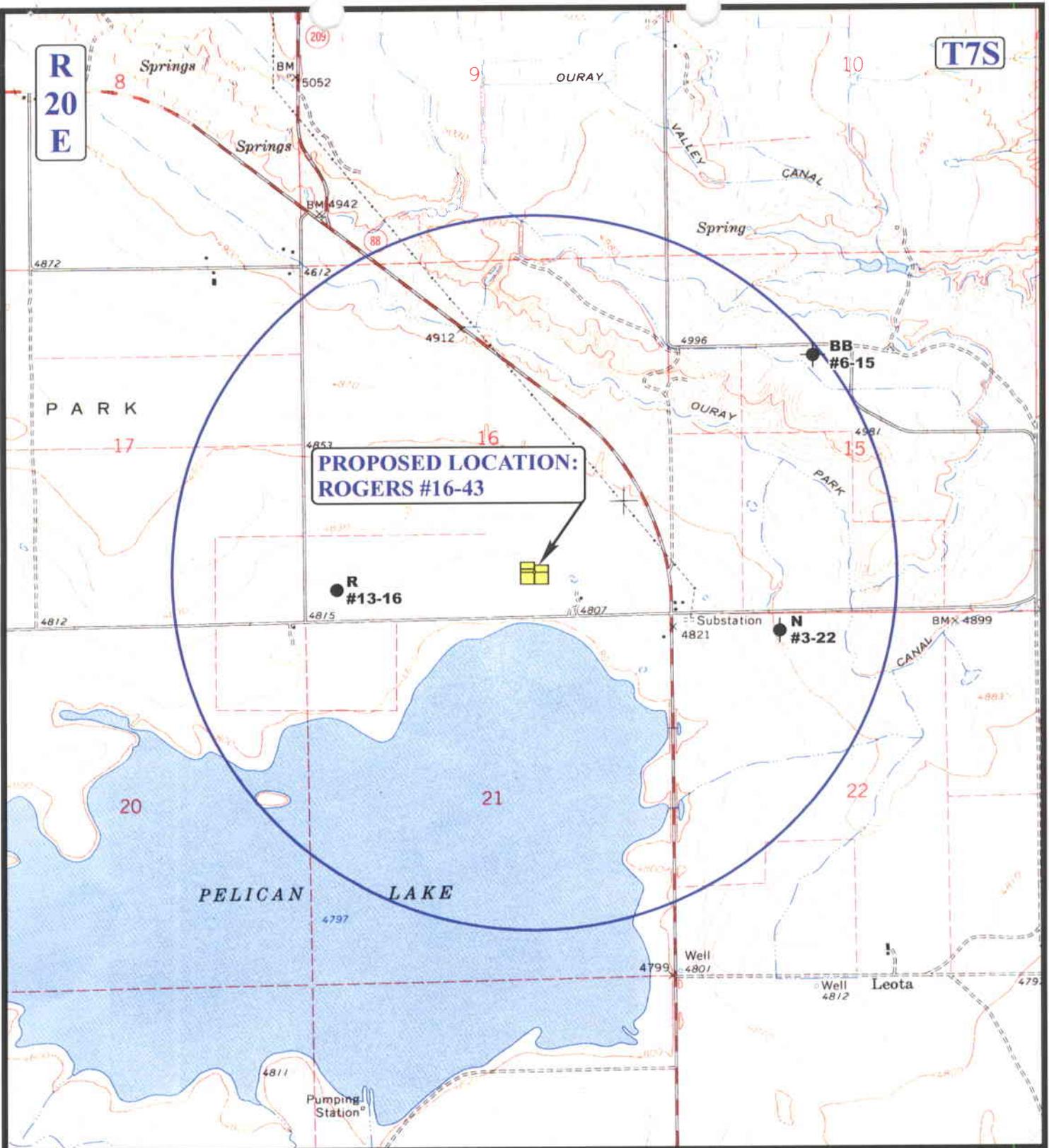
ROGERS #16-43
SECTION 16, T7S, R20E, S.L.B.&M.
658' FSL 2000' FEL

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 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP

02	23	06
MONTH	DAY	YEAR

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



**PROPOSED LOCATION:
ROGERS #16-43**

LEGEND:

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



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ELK RESOURCES, INC.

ROGERS #16-43
SECTION 16, T7S, R20E, S.L.B.&M.
658' FSL 2000' FEL

**TOPOGRAPHIC
MAP**

02	23	06
MONTH	DAY	YEAR

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



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/30/2006

API NO. ASSIGNED: 43-047-38347

WELL NAME: ROGERS 16-43
 OPERATOR: ELK RESOURCES, INC. (N2755)
 CONTACT: KARIN KUHN

PHONE NUMBER: 303-296-4505

PROPOSED LOCATION:

SWSE 16 070S 200E
 SURFACE: 0658 FSL 2000 FEL
 BOTTOM: 0658 FSL 2000 FEL
 COUNTY: UINTAH
 LATITUDE: 40.20547 LONGITUDE: -109.6714
 UTM SURF EASTINGS: 613074 NORTHINGS: 4451199
 FIELD NAME: UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	Dkj	7/23/06
Geology		
Surface		

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

PROPOSED FORMATION: EMRY
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. B000969)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-11785)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- ___ R649-2-3.
- Unit: AURORA (DEEP)
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 191-3
Eff Date: 8-27-1987
Siting: 500' fr unit boundary
- ___ R649-3-11. Directional Drill

COMMENTS: Needs Prosite (07-13-06)

STIPULATIONS: 1- STATEMENT OF BASIS
2- Surf. Csg Cont Stip

T7S R20E

BRENNAN
BOTTOM FI

AURORA DEEP UNIT

CAUSE: 191-3 / 8-27-1981

16

ROGERS 16-43

ROGERS 11-46

OPERATOR: ELK PRODUCTION INC (N2755)

SEC: 16 T. 7S R. 20E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

CAUSE: 191-3 / 8-27-1981

Field Status

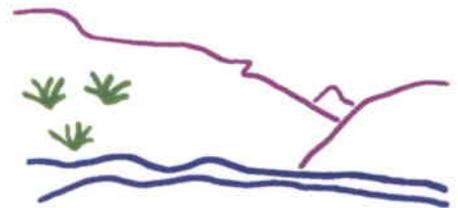
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

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: 17-JULY-2006

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

OPERATOR: ELK RESOURCES, INC.
WELL NAME & NUMBER: ROGERS #16-43
API NUMBER: 43-047-38947
LOCATION: 1/4,1/4SW/SE Sec: 16 TWP: 7S RNG: 20E 2000' FEL 658' FSL

Geology/Ground Water:

Elk proposes to set 880 feet of surface pipe, cemented to surface. The depth to the base of the moderately saline water at this location is estimated to be at approximately 300 feet. A search of Division of Water Rights records shows 8 water wells within a 10,000 foot radius of the proposed location. These wells are more than a mile from the proposed location and are listed for domestic use and stock watering. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect any useable ground water.

Reviewer: Brad Hill **Date:** 07-19-2006

Surface:

The predrill investigation of the surface was performed on 7/13/06. This site is on fee surface and fee minerals, and appears to be the best site for a location in the immediate area. The surface owner Ivan Rodgers, and a son in-law attended the on-site. Jeff Johnson represented Elk Resources. A landowner agreement has been signed. Mr. Rodgers stated he had no specific concerns regarding the drilling of this well or the construction of this location. He requested that a gate be installed at the access to the pasture and also on the entrance to the location. The location will be fenced. If water is encountered near the surface, digging a cutoff trench north of the location to intercept and divert flows will be investigated. If a high water table is encountered, imported fill may be necessary to elevate the pad and the access road. I expressed the need to fully contain the water and drilling fluids in the reserve pit and any future storage on the site after the well is completed. In the close proximity of Pelican Lake, this is essential.

Reviewer: Floyd Bartlett **Date:** 7/13/06

Conditions of Approval/Application for Permit to Drill:

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

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

OPERATOR: ELK RESOURCES, INC.
WELL NAME & NUMBER: ROGERS #16-43
API NUMBER: 43-047-38947
LEASE: PATENT/FEE FIELD/UNIT: WILDCAT
LOCATION: 1/4,1/4SW/SE Sec: 16 TWP: 7S RNG: 20E 2000' FEL 658' FSL
LEGAL WELL SITING: 500 F SEC. LINE; 500 F ¼ LINE.
GPS COORD (UTM): 4451198N 613075E SURFACE OWNER: IVAN RODGERS

PARTICIPANTS

FLOYD BARTLETT (DOGM), Jeff Johnson (Elk Resources), IVAN RODGERS (OWNER), LONNIE HOGAN (SON IN-LAW) AND (LaRose Construction)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Site is on the south east corner of a sprinkler-irrigated pasture with a gentle slope draining south toward Pelican Lake. The swamp line of Pelican Lake is approximately 150 yards south of the south end of the proposed location. Ivan Rodgers home is about 1/5 mile to the northeast.

Ouray, Utah is seven miles to the south, and Roosevelt, Utah is 16 miles to the northwest. Much of the surrounding area is irrigated farm land.

SURFACE USE PLAN

CURRENT SURFACE USE: irrigated pasture land and livestock grazing.

PROPOSED SURFACE DISTURBANCE: Location will be 400' by 270'. Access road will be 0.1 miles in length from an existing county road.

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

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be located on the location and added following completion of the well. The location of the pipeline has not yet been determined.

SOURCE OF CONSTRUCTION MATERIAL: Current plans are to obtain all construction materials from the site. If a high water table is encountered following digging a test pit, imported borrow will be used to construct the location and road as needed.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OF CONCERNS? (EXPLAIN): Possibly. Pelican Lake is a popular warm water fisheries. Fishermen, who use the lake, the UDWR which manages the fisheries and

the BLM which manages a boat ramp-recreation development may have concerns about potential degradation of the fisheries.

WASTE MANAGEMENT PLAN:

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

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: The depth of the water table in the area will be determined by digging a pit in the reserve pit area. No wetlands are expected to be affected if proper construction is completed and containment of liquids is maintained on the location.

FLORA/FAUNA: Native pasturelands. Fox tail, orchard grass, salt grass, sporobolous, milkweed. A small patch of Mush Thistle is immediately west of the proposed location. Prairie dogs, deer, small mammals and waterfowl.

SOIL TYPE AND CHARACTERISTICS: Surface is a deep sandy loam. Cobble rock may be within the depth of the reserve pit.

EROSION/SEDIMENTATION/STABILITY: Very little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: 200' BY 100' AND TEN FEET DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL BE REQUIRED FOR RESERVE PIT. Sensitivity level I.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER LANDOWNER AGREEMENT

SURFACE AGREEMENT: YES

CULTURAL RESOURCES/ARCHAEOLOGY: Site is on fee surface. Owner stated he did not desire that an archeological survey be completed.

OTHER OBSERVATIONS/COMMENTS

Owner requested that a gate be installed at the access to the pasture and also on the entrance to the location. The location will be fenced. If water is encountered near the surface, digging a cutoff trench north

of the location to intercept and divert flows will be investigated. If a high water table is encountered, imported fill may be necessary to elevate the pad and the access road..

I expressed the need to contain the water and drilling fluids in the reserve pit and any future storage on the site after the well is completed. In the close proximity of Pelican Lake, this is essential.

This predrill investigation was conducted on a hot, sunny day.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

FLOYD BARTLETT
DOGM REPRESENTATIVE

7/13/06 09:00 AM
DATE/TIME

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

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

Final Score 42 (Level I Sensitivity)

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

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

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

07-06 Elk Rogers 16-4

Casing Schematic

Surface

13-3/8"
MW 8.4
Frac 19.3

BIHP

$$(0.52)(10)(14,500) = 9048$$

Gus

$$(10)(14,500) = 1740$$

$$\text{MASP} = 7308$$

$$\text{MASP} = 5858 \text{ psi}$$

$$\text{BOPE} = 10,000 \text{ (Stip)}$$

10 m prepared (see 7/25/06 email)

$$\text{Int (1)} = 3520$$

$$70\% = 2464$$

$$\text{Max pressure @ Int 1} = 3470$$

Test to 2464 #
(± 500 ps surf. press.) ✓

Surf csg - 1730

$$70\% = 1211$$

$$\text{Max pressure @ Surf csg shoe} = 1216$$

Test to 1211 #
(± 800 ps surf. press.) ✓

$$\text{Int csg (2)} = 9950$$

$$70\% = 6965$$

$$\text{Max pressure @ Int csg (2)} = 858$$

Test to 6965 #
(± 200 psi surf. press.) ✓

✓ Adequate O.K. 7/28/06



9-5/8"
MW 8.6
Frac 19.3

7"
MW 9.
Frac 19.3

4-1/2"
MW 12.

TOC @ 0.
TOC @ 772.
Surface 880. MD

3400 Green River

4000 Bird's Nest
potential lost circ.

TOC @ 4481.
Intermediate 4500. MD

6940 casing

10100
Mesaverde
Intermediate (2) 10000. MD

TOC @ 10934.

13400
Mancoos

Production Liner
14500. MD

✓ w/ 19% washout
* surf. stop

✓ w/ 29% washout

✓ w/ 15% washout

✓ w/ 15% washout
O.K.

Well name:	07-06 Elk Rogers 16-43	
Operator:	Elk Production LLC	Project ID:
String type:	Surface	43-047-38347
Location:	Uintah County	

Design parameters:	Minimum design factors:	Environment:
Collapse	Collapse:	H2S considered? No
Mud weight: 8.400 ppg	Design factor 1.125	Surface temperature: 75 °F
Design is based on evacuated pipe.		Bottom hole temperature: 87 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 250 ft
	Burst:	Cement top: Surface
	Design factor 1.00	
Burst		Non-directional string.
Max anticipated surface pressure: 774 psi	Tension:	
Internal gradient: 0.120 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 880 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	Re subsequent strings:
	Tension is based on buoyed weight.	Next setting depth: 4,500 ft
	Neutral point: 772 ft	Next mud weight: 8.600 ppg
		Next setting BHP: 2,010 psi
		Fracture mud wt: 19.250 ppg
		Fracture depth: 880 ft
		Injection pressure 880 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	880	13.375	48.00	H-40	ST&C	880	880	12.59	82.6

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	384	740	1.927	880	1730	1.97	37	322	8.69 J

Prepared by: Clinton Dworshak
 Utah Div. of Oil & Mining
 Phone: 801-538-5280
 FAX: 801-359-3940
 Date: July 25, 2006
 Salt Lake City, Utah

Remarks:
 Collapse is based on a vertical depth of 880 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:	07-06 Elk Rogers 16-43	
Operator:	Elk Production LLC	Project ID:
String type:	Intermediate	43-047-38347
Location:	Uintah County	

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 3,475 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 4,015 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 3,927 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 138 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 772 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 10,000 ft
 Next mud weight: 9.000 ppg
 Next setting BHP: 4,675 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 4,500 ft
 Injection pressure: 4,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	4500	9.625	36.00	K-55	ST&C	4500	4500	8.765	320.4
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	2010	2020	1.005	4015	3520	0.88	141	423	2.99 J

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

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

Date: July 25, 2006
 Salt Lake City, Utah

Remarks:
 Collapse is based on a vertical depth of 4500 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.

Well name:	07-06 Elk Rogers 16-43	
Operator:	Elk Production LLC	Project ID:
String type:	Intermediate (2)	43-047-38347
Location:	Uintah County	

Design parameters:

Collapse

Mud weight: 9.000 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 5,416 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 6,616 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 8,642 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 215 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 4,482 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 14,500 ft
 Next mud weight: 9.500 ppg
 Next setting BHP: 7,156 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 10,000 ft
 Injection pressure 10,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	10000	7	26.00	HCP-110	LT&C	10000	10000	6.151	524.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4675	7800	1.668	6616	9950	1.50	225	693	3.08 J

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

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

Date: July 25,2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 10000 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	07-06 Elk Rogers 16-43	
Operator:	Elk Production LLC	Project ID:
String type:	Production Liner	43-047-38347
Location:	Uintah County	

Design parameters:

Collapse

Mud weight: 12,000 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 7,299 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 9,039 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 13,703 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 278 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 10,934 ft

Liner top: 10,000 ft
 Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	4500	4.5	13.50	P-110	LT&C	14500	14500	3.795	119.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	9039	10680	1.182	9039	12410	1.37	50	338	6.76 J

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

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

Date: July 25, 2006
 Salt Lake City, Utah

Remarks:

For this liner string, the top is rounded to the nearest 100 ft. Collapse is based on a vertical depth of 14500 ft, a mud weight of 12 ppg. The 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.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

July 17, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Aurora Unit, Uintah County,
Utah.

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

API#	WELL NAME	LOCATION
	(Proposed PZ Blackhawk)	
43-047-38347	Rogers 16-43 Sec 16	T07S R20E 0658 FSL 2000 FEL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File – Aurora Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:7-17-06



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

July 31, 2006

Elk Production, LLC
1401 17th St. #700
Denver, CO 80202

Re: Rogers 16-43 Well, 658' FSL, 2000' FEL, SW SE, Sec. 16, T. 7 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 43-047-38347.

Sincerely,

A handwritten signature in black ink that reads "K. Michael Johnston".

For Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Elk Production, LLC
Well Name & Number Rogers 16-43
API Number: 43-047-38347
Lease: Fee

Location: SW SE Sec. 16 T. 7 South R. 20 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

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

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

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

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

3. **Reporting Requirements**

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

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

5. Surface casing shall be cemented to the surface.

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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: NA
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
2. NAME OF OPERATOR: Elk Resources, Inc.		8. WELL NAME and NUMBER: Rogers 16-43
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304738347
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		10. FIELD AND POOL, OR WILDCAT: Undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 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: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Change Water Source for Drig</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.

Water for the drilling of the Rogers 16-43 will be pumped into tank trucks and trucked to the well site. Please see the attached approved Temporary Application Number 45-6177 (T77046). The source of the water is the Green River. Elk will be using a portion of the allocated amount of water for the drilling of the subject well.

COPY SENT TO OPERATOR
Date: 06/01/07
Initials: CHD

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u><i>Karin Kuhn</i></u>	DATE <u>5/23/2007</u>

(This space for State use only) APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 5/29/07
BY: *[Signature]* (See Instructions on Reverse Side)

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Water Rights

MICHAEL R. STYLER JERRY D. OLDS
Executive Director *State Engineer/Division Director*

ORDER OF THE STATE ENGINEER

For Temporary Application Number 45-6177 (T77046)

Temporary Application Number 45-6177 (T77046) in the name of Elk Resources Inc was filed on April 18, 2007, to appropriate 20.00 acre-feet of water from a surface source to be located South 850 feet and East 750 feet from the N¼ Corner of Section 31, T6S, R21E, SLB&M. The water is to be used for oil exploration (drilling and completion of oil/gas wells in South Book Cliffs). The water is to be used in all or portion(s) of T5S, R19E, SLB&M; T5S, R20E, SLB&M; T6S, R19E, SLB&M; T6S, R20E, SLB&M; T7S, R19E, SLB&M; T8S, R20E, SLB&M; and T7S, R20E, SLB&M.

Notice of this temporary application was not published in a newspaper. It is the opinion of the State Engineer that it meets the criteria of Section 73-3-5.5 for temporary applications.

It appears that this temporary application can be approved without affecting existing water rights.

It is, therefore, **ORDERED** and Temporary Application Number 45-6177 (T77046) is hereby **APPROVED** subject to prior rights and the condition that this application will automatically, **PERMANENTLY LAPSE** on April 26, 2008.

Inasmuch as this application proposes to divert water from a surface source, the applicant is required to contact the Stream Alteration Section of the Division of Water Rights at 801-538-7240 to obtain a Stream Alteration permit in addition to this Temporary Application.

This application is also approved according to the conditions of the current appropriation policy guidelines for the Colorado River Drainage, adopted March 7, 1990.

This approval is limited to the rights to divert and beneficially use water and does not grant any rights of access to, or use of land, or facilities not owned by the applicant.

This approval is granted subject to prior rights. The applicant shall be liable to mitigate or provide compensation for any impairment of or interference with prior rights as such may be stipulated among parties or decreed by a court of competent jurisdiction.

Failure on your part to comply with the requirements of the applicable statutes (73-3-5.5 and 73-3-8 of the Utah Code) may result in forfeiture of this temporary application.

This application shall expire one year from the date hereof.

ORDER OF THE STATE ENGINEER
Temporary Application Number
45-6177 (T77046)
Page 2

It is the applicant's responsibility to maintain a current address with this office and to update ownership of their water right. Please notify this office immediately of any change of address or for assistance in updating ownership.

Your contact with this office, should you need it, is with the Eastern Regional Office. The telephone number is 435-781-5327.

This Order is subject to the provisions of Administrative Rule R655-6-17 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code which provide for filing either a Request for Reconsideration with the State Engineer or an appeal with the appropriate District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this Order. However, a Request for Reconsideration is not a prerequisite to filing a court appeal. A court appeal must be filed within 30 days after the date of this Order, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Dated this 26 day of April, 2007.

Jerry D. Olds
Jerry D. Olds, P.E., State Engineer

Mailed a copy of the foregoing Order this 26 day of April, 2007 to:

Elk Resources Inc
Jeffrey J. Johnson
P. O. Box 817
Roosevelt, UT 84066

Stream Alteration Section
Division of Water Rights

BY: Kelly K. Horne
Kelly K. Horne, Appropriation Secretary

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

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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: NA
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
2. NAME OF OPERATOR: Elk Resources, Inc.		8. WELL NAME and NUMBER: Rogers 16-43
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304738347
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S ⁰ 20E S STATE: UTAH		

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

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

The APD for the subject location was approved on 7/31/06 and is scheduled to expire soon. Elk requests to extend the APD expiration date for one year (expiring 7/31/08). A sundry was approved on 5/29/07 changing the water source; there have been no other changes to the original APD. Please see the attached APD Request for Permit Extension Validation form.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-02-07
By: [Signature]

7-3-07
RM

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/27/2007</u>

(This space for State use only)

RECEIVED
JUL 02 2007

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

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

API: 4304738347
Well Name: Rogers 16-43
Location: SWSE Section 16-T7S-R20E, Uintah County, UT
Company Permit Issued to: Elk Resources, Inc.
Date Original Permit Issued: 7/31/2006

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

6/27/2007
Date

Title: Sr. Engineering Technician

Representing: Elk Resources, Inc.

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DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

Change of Operator (Well Sold)

X - Operator Name Change/Merger

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

2/11/2008

FROM: (Old Operator): N2755-Elk Resources, Inc. 1401 17th St, Suite 700 Denver, CO 80202 Phone: 1 (303) 296-4505	TO: (New Operator): N3480-Elk Resources, LLC. 1401 17th St, Suite 700 Denver, CO 80202 Phone: 1 (303) 296-4505
---	--

WELL NAME	CA No.	SEC TWN RNG	Unit:	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: 4/24/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 4/24/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 4/29/2008
- a. Is the new operator registered in the State of Utah: NO Business Number: _____
- b. If **NO**, the operator was contacted on: 4/29/2008
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: N/A
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/13/2008 BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/13/2008
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 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: 4/29/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/29/2008
- Bond information entered in RBDMS on: 4/29/2008
- Fee/State wells attached to bond in RBDMS on: 4/29/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: ok

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000135
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B000969
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** 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: n/a

COMMENTS: Bond was amended from Elk Resources, Inc to Elk Resources, LLC

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: See Attached List
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: NA
		7. UNIT or CA AGREEMENT NAME: Aurora "Deep" Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: See Attached List	
2. NAME OF OPERATOR: ELK RESOURCES, LLC	9. API NUMBER: See List	
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: See Attached List
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____	COUNTY: UINTAH	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____	STATE: UTAH	

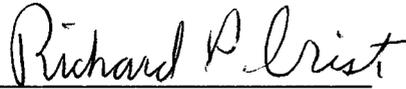
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

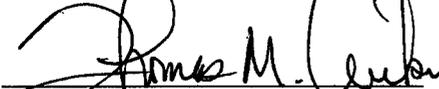
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: CHANGE OF OPERATOR
	<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 February 11, 2008, Elk Resources, LLC became the operator of the wells on the attached list.

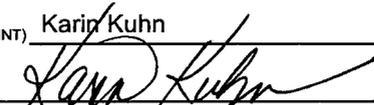
Previous Operator:
ELK RESOURCES, INC. (N2755)
a Texas limited liability company
1401 17th Street, Suite 700
Denver, CO 80202

New Operator:
ELK RESOURCES, LLC N3480
a Texas limited liability company
1401 17th Street, Suite 700
Denver, CO 80202


Richard P. Crist
Executive Vice President Business Development


Thomas M. Wilson
CEO

BLM BOND = UTB000135
State + Fee BOND = B000969

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE 	DATE <u>4/14/2008</u>

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well_name	sec	twp	rng	api	entity	lease	well	stat	flag	qtr_qtr	unit	l_num
ROGERS 13-16	16	070S	200E	4304736538	14989	Fee	OW	P		SWSW	AURORA (DEEP)	FEE
NIELSEN 3-22	22	070S	200E	4304736539	14806	Fee	OW	P		NENW	AURORA (DEEP)	FEE
WALL 13-17	17	070S	200E	4304736668	15363	Federal	GW	S		SWSW	AURORA (DEEP)	UTU-75092
ROGERS 16-43	16	070S	200E	4304738347		Fee	GW	APD	C	SWSE	AURORA (DEEP)	FEE
AURORA FED 5-32	05	070S	200E	4304738463		Federal	OW	APD	C	NESW	AURORA (DEEP)	U-75241
AURORA FED 26-33	26	070S	200E	4304738468		Federal	OW	APD	C	NWSE	AURORA (DEEP)	UTU-80689
J GENTRY 17-24	17	070S	200E	4304738865		Fee	GW	APD	C	SENE	AURORA (DEEP)	FEE
ARGYLE 8-43	08	070S	200E	4304738866		Fee	GW	APD	C	SWSE	AURORA (DEEP)	FEE



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
UTU-0143511, et al.
BLM Bond Number: UTB000135
Surety Bond Number: B000971

March 13, 2008

NOTICE

Elk Resources, LLC
1401 17th Street, Suite 700
Denver, Colorado 80202

U.S. Specialty Insurance Co.
13403 Northwest Freeway
Houston, Texas 77040

MERGER RECOGNIZED

We received acceptable evidence of the merger of Elk Resources, Inc. into Elk Resources, LLC. Elk Resources, LLC is the surviving entity. This recognition is effective February 6, 2008, as certified by the Secretary of State, State of Texas.

We have documented the merger by copy of this notice in the oil and gas lease files identified on the enclosed exhibit. We have also updated our automated records. We compiled the exhibit from leases shown on our automated records system and any list of leases you provided. The exhibit also reflects serial numbers of agreements where you are the operator. We are notifying the Minerals Management Service and all Bureau of Land Management (BLM) offices of the merger by copies of this notice.

If you find additional leases where the merging parties maintain an interest, please contact this office. We will document the records under our jurisdiction, and if the leases are under the jurisdiction of another State Office, we will notify them.

This merger affects the following bond(s) held by the BLM:

BLM Bond Number: UTB000135	Amount: \$ 25,000	Surety/Other Identifier: B000971
BLM Bond Number: UTB000299	Amount: \$ 5,000	Surety/Other Identifier: B004125

We have updated our bond file and automated system to reflect the merger. If the principal's/obligor's name also changed, we have updated our records to reflect the correct name. No rider is necessary as the change occurred by operation of law. We are in the process

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DIV. OF OIL, GAS & MINING

of determining the total liability for the leases affected by the merger and may require increased coverage in a later action.

If you have any questions, please contact Leslie Wilcken at (801) 539-4112.

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

Enclosure

1-Exhibit: List of Leases

cc (w/encl):

MMS-MRM, Attn: (Leona Reilly)

State of Utah, DOGM

Vernal Field Office

Branch Chief, Lands & Reality

Merger/Name Change File

Connie Seare

Dave Mascarenas

Susan Bauman

Electronic copies (w/encl):

BLM_Bond_Surety

BLM_Fluids_Forum

Lease #	Agreement #	
UTU-0143511	UTU-82456X	Aurora (Deep)
UTU-0143512	UTU-82456A	
UTU-04378	UTU-84716X	Ouray Valley
UTU-21308	UTU-86071X	N Horseshoe
UTU-74417		Bend (Pending)
UTU-75092		
UTU-75093		
UTU-75673		
UTU-76259		
UTU-76260		
UTU-76261		
UTU-78445		
UTU-80689		
UTU-82565		
UTU-82566		
UTU-82567		
UTU-85219		
UTU-85487		
UTU-85488		
UTU-85489		
UTU-85589		
UTU-85590		
UTU-85591		

CONFIDENTIAL

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: Fee	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit	
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Rogers 16-43
2. NAME OF OPERATOR: Elk Resources, LLC	9. API NUMBER: 4304738347
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 296-4505
10. FIELD AND POOL, OR WILDCAT: Undesignated	
4. LOCATION OF WELL	
FOOTAGES AT SURFACE: 658' FSL, 2000' FEL	COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S	STATE: UTAH

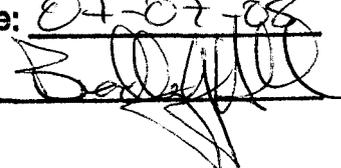
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 7/15/2008	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input checked="" type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<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	

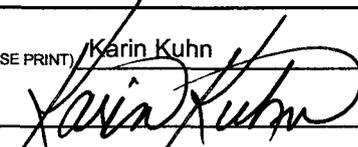
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is a revised drilling plan for the subject well location, which has been revised again since the plan submitted on the sundry dated 6/11/08. The revision to the original APD is to change the total depth to be drilled to 10000' instead of 14500' and complete the well in the Wasatch, Green River and Uinta formations. Also attached is a copy of an updated water permit for our water source; Elk will be using a portion of the allocated amount of water for the drilling of the subject well.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-07-08
By: 

COPY SENT TO OPERATOR
Date: 7.9.2008
Initials: KS

NAME (PLEASE PRINT) Karin Kuhn TITLE Sr. Engineering Technician
SIGNATURE  DATE 6/18/2008

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DIV. OF OIL, GAS & MINING

DRILLING PLAN

Elk Resources, Inc.
Rogers 16-43
4304738347
SW/SE of Section 16, T-7-S, R-20-E, SLBM
Uintah County, Utah

1,2,3 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas, and Other Minerals

<u>Formation</u>	<u>Depth</u>
Uinta	800'
Uinta (Possible pay intervals)	2500'*
Green River	3400'*
Wasatch	6940'*
Proposed TD	10000'

PROSPECTIVE PAY* oil and gas

4 Casing Program

<u>HOLE SIZE</u>	<u>SETTING DEPTH</u>		<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COND.</u>
	<u>from</u>	<u>to</u>					
20"	surface	50-75'	16"				
17"	surface	900'	13 3/8"	54.5#	J-55	ST&C	Recond
12 1/4"	surface	4500'	9 5/8"	40#	N-80	LT&C	New
8 3/4"	surface	10,000'	5 1/2"	17#	N-80	LT&C	New

5 Cementing Program

16" Conductor	Ready mix
13 3/8"	Lead: 150 sx Howco HLC + 0.125#/sk Poly-E-Flake @ 11 ppg and 3.355 cf/sk (100% excess) Tail: 450 sx Class V + 2% CaCl + 1/4 pps Flocele: 15.6 ppg, 1.2 cf/sk
9 5/8"	Lead: 750 sx Howco HLC + 0.125#/sk Poly-E-Flake @ 11 ppg and 3.355 cf/sk (100% excess) Tail: 270 sx Class V + 2% CaCl + 1/4 pps Flocele: 15.6 ppg, 1.2 cf/sk
5 1/2"	2230 sxs of foamed cement (HOWCO Elastiseal) with 0.5% HR601 and 35% SSA-1. Base cement is 15.6 ppg, foamed to 12.5 ppg and 1.564 cf/sk. 50% excess in openhole section. Top Out to cap the foamed cement with 200 sxs of Premium with 2% Calcium chloride @ 15.6 ppg, 1.2 cf/sk

6 Mud Program

<u>INTERVAL</u>	<u>WEIGHT</u>	<u>VISCOSITY</u>	<u>FLUID LOSS</u>	<u>REMARKS</u>
Surf. - 900'	N/A			Water
900 - 4500'	8.4 / 8.6 ppg	32	NC	Spud Mud
4500 - 10000'	8.4 / 10.0 ppg	32 to 50	<15	DAP/Gel

7 BOP and Pressure Containment Data

Depth Intervals

Surf. - 900'
 900' -- 10000'

BOP Equipment

Diverter on conductor riser
 5000# RAMS and annular
 $(10 \text{ ppg} \cdot .052) - 0.22) \cdot 10000' = 3000 \text{ psi}$

Drilling spool to accommodate choke and kill lines.

ANCILLARY EQUIPMENT AND CHOKE MANIFOLD RATED AT 5,000# AS A MINIMUM.
 ALL BOP AND BOPE TESTS WILL BE IN ACCORDANCE WITH THE REQUIREMENTS
 OF THE STATE OF UTAH.

THE STATE OF UTAH, DIVISION OF OIL, GAS AND MINING WILL BE NOTIFIED 24
 HOURS IN ADVANCE OF ALL BOP PRESSURE TESTS.

8 Auxiliary equipment

- a) Upper and Lower Kelly cock
- b) Floor stabbing valve 5000#
- c) Safety valve(s) and subs to fit all string connections in use

9 Testing, Logging and Core Programs

Cores None anticipated
 Testing None anticipated
 Sampling 10' samples; surface casing to TD.
 Surveys Run every 1000' and on trips
 Logging Resistivity, neutron density, and caliper from TD to surface casing. Gamma ray from TD to surface

10 Anticipated Abnormal Pressures or Temperatures

None anticipated.

11 Drilling Schedule

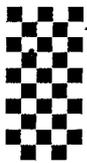
Spud	Approximately July 15, 2008
Duration	25 days drilling time
	12 days completion time

HAZARDOUS MATERIAL DECLARATION

Rogers 16-43

Elk Resources, Inc. guarantees that during the drilling and completion of the above referenced well, we will not use, produce, or store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Super Amendments and Reauthorization Act (SARA) of 1986.

Elk Resources, Inc. guarantees that during the drilling and completion of the above referenced well, we will use, produce, store, transport, or dispose less than the threshold planning quantity (TPQ) of any extremely hazardous substances as defined in 40 CFR 355.



TEMPORARY APPLICATION TO APPROPRIATE WATER

Rec. by [Signature]

Fec Amt. \$ \$75.00 Cash

Receipt # 08-02961

STATE OF UTAH

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 45-6346
(002085BWHITE)

TEMPORARY APPLICATION NUMBER:

1. OWNERSHIP INFORMATION:

LAND OWNED? No

A. NAME: Elk Resources Inc
ADDRESS: P. O. Box 817
Roosevelt, UT 84066

B. PRIORITY DATE:

FILING DATE:

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 20.0 acre-feet

B. SOURCE: Green River

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) S 850 feet E 750 feet from N $\frac{1}{4}$ corner, Section 31, T 6S, R 21E, SLBM
DIVERT WORKS: pump into tank trucks and haul to place of use

D. COMMON DESCRIPTION: 14 miles southwest of Vernal

3. WATER USE INFORMATION:

OTHER: from Jun 15 to Jun 14. OIL EXPLORATION: drilling and completion of oil/gas wells in South Book Cliffs

The Acre Foot SOLE SUPPLY contributed by 00-2085 for OIL EXPLORATION use in this group is 20.0. Water will be used from June 15, 2008 to June 14, 2009.

PLACE OF USE: (which includes all or part of the following legal subdivisions:)

BS TOWN RANG SC	----- Northwest Quarter -----*				-----*----- Northeast Quarter -----*				-----*----- Southwest Quarter -----*				-----*----- Southeast Quarter -----*				Section Totals
	NW	NE	SW	SE *	NW	NE	SW	SE *	NW	NE	SW	SE *	NW	NE	SW	SE	
SL 5S 19E	Entire TOWNSHIP																0.0000
SL 5S 20E	Entire TOWNSHIP																0.0000
SL 6S 19E	Entire TOWNSHIP																0.0000
SL 6S 20E	Entire TOWNSHIP																0.0000
SL 7S 19E	Entire TOWNSHIP																0.0000
SL 7S 20E	Entire TOWNSHIP																0.0000
SL 8S 20E	Entire TOWNSHIP																0.0000
																Group Total: 0.0000	

TASK

EMPLOYEE

4. EXPLANATORY:

Property where access to point of diversion is located is owned by Steven Pierson. Applicant has written agreement for access.

5. SIGNATURE OF APPLICANT(S):

The applicant(s) hereby acknowledge(s) that he/she/they are citizen(s) of the United States of America or intend(s) to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of information contained herein, at the time of filing, rests with the applicant(s).

Ann M. E. Pate

EK Resources Inc



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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Elk Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		8. WELL NAME and NUMBER: Rogers 16-43
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S		9. API NUMBER: 4304738347
		10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/WSTC/GR/UJINT/
		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: 8/4/2008	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> 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>Extend APD</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.

The APD for the subject location was originally approved on 7/31/06 and is scheduled to expire soon. Elk requests to extend the APD expiration date for one year (expiring 7/31/09). Our sundry to change the drilling plan was approved on 7/10/2008 with an updated water permit. We are currently building location and anticipate spudding the well on 8/4/2008. 2

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-17-08
By: [Signature]

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JUL 17 2008

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u>[Signature]</u>	DATE <u>7/16/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR

Date: 7.18.2008
Initials: KS

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

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

API: 4304738347
Well Name: Rogers 16-43
Location: SWSE Section 16-T7S-R20E, Uintah County, UT
Company Permit Issued to: Elk Resources, LLC
Date Original Permit Issued: 7/31/2006

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

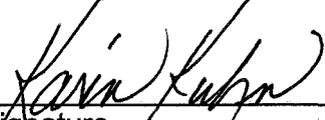
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

7/16/2008

Date

Title: Sr. Engineering Technician

Representing: Elk Resources, LLC

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DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ELK RESOURCES, LLC

Well Name: ROGERS 16-43

Api No: 43-047-38347 Lease Type: FEE

Section 16 Township 07S Range 20E County UINTAH

Drilling Contractor _____ RIG # _____

SPUDDED:

Date 07/28/08

Time _____

How DRY

Drilling will Commence: _____

Reported by JOHN WISLER

Telephone # (303) 339-1925

Date 07/28/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Elk Resources, LLC
Address: 1401 17th Street, Suite 700
city Denver
state CO zip 80202

Operator Account Number: N 3480
Phone Number: (303) 296-4505

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738347	Rogers 16-43	SWSE	16	7S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	16977	7/28/2008		7/30/08	
Comments: <u>Set conductor pipe. Waiting on drilling rig.</u> <u>WSTC</u>						CONFIDENTIAL

Well 2

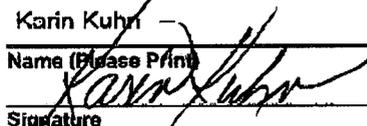
API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments: 						

Well 3

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

ACTION CODES:

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

Karin Kuhn
Name (Please Print)

Signature
Sr. Engineering Technician 7/29/2008
Title Date

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DIV. OF OIL, GAS & MINING

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

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Elk Resources, LLC		6. IF INDIAN ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		8. WELL NAME and NUMBER: Rogers 16-43
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S		9. API NUMBER: 4304738347
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Drennan Bottom/W3TC/GR/UINT/
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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/28/2008	<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>Dry Spud Notice</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.

The subject well was dry spudded on 7/28/08. Conductor pipe was set @ 60' and cemented with 300 sx.

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u>Karin Kuhn</u>	DATE <u>7/29/2008</u>

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

FORM 9

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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: NA
		7. UNIT OR CA AGREEMENT NAME: Aurora Deep Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Rogers 16-43	
2. NAME OF OPERATOR: Elk Resources, LLC		9. API NUMBER: 4304738347
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/WSTC/GR/UINT/
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/28/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Dry Spud Notice</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.
The subject well was dry spudded on 7/28/08. Conductor pipe was set @ 60' and cemented with 300 sx.

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE	DATE <u>7/29/2008</u>

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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: Fee
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: NA
		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Rogers 16-43
2. NAME OF OPERATOR: Elk Resources, LLC		9. API NUMBER: 4304738347
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/WS/GR/UINTA
PHONE NUMBER: (303) 296-4505		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S		STATE: UTAH

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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: 8/20/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Set Surf Casing
	<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.

The subject well was rotary spudded on 8/13/08. MIRU Unit Rig #138. Drilled and surveyed to 900'. Set 13 3/8", 54.5#, LSC, STC surface casing @ 860'. Cement 13 3/8" surface casing with Lead: 420 sx Premium Lite II with 8% Bentonite (BWOW) + 0.5% Sodium Metasilicate (BWOW) + 3% KCl2, mixed @ 12.5 12.5 ppg. Yield = 2.04 ft³/sk, and 11.19 gps water. Calculated with 100% excess from 600' to surface. Tail: 298 sx Class G with 2% CaCl2 (BWOW) + 1/4 PPS Cello-flake mixed at 15.8 ppg. Yield = 1.17 ft³/sk, and 5.0 pgs. Calculated with 50% excess from 900' to 600'; 221 bbls slurry. Wait on cement. Nipple up BOPs. Pressure test surface casing @ 1500 psi for 30 min. Currently preparing to drill out.

NAME (PLEASE PRINT) Karin Kuhn	TITLE Sr. Engineering Technician
SIGNATURE	DATE 8/20/2008

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Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

GR/WS	7S 20E 16 SWSE	4PUD	43047383470000
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SYNOPSIS: 8/13/2008 to 8/19/08: The subject well was rotary spudded on 8/13/08. MIRU Unit Rig #138. Drilled and surveyed to 900'. Set 13 3/8", 54.5#, LSC, STC surface casing @ 860'. Cement 13 3/8" surface casing with Lead: 420 sx Premium Lite II with 8% Bentonite (BWOW) + 0.5% Sodium Metasilicate (BWOW) + 3% KCl2, mixed @ 12.5 12.5 ppg. Yield = 2.04 ft³/sk, and 11.19 gps water. Calculated with 100% excess from 600' to surface. Tail: 298 sx Class G with 2% CaCl2 (BWOW) + 1/4 PPS Cello-flake mixed at 15.8 ppg. Yield = 1.17 ft³/sk, and 5.0 pgs. Calculated with 50% excess from 900' to 600'; 221 bbls slurry. Wait on cement. Nipple up BOPs. Pressure test surface casing @ 1500 psi for 30 min.

7/28/08: MIRU Pete Martin Drg. Drg spud well 7/28/2008. Set conductor pipe @ 60' & cmt w/ 300 sx. Currently WO drg rig.

Daily Detail:

8/13/2008 Finished mobilization. Set desander. Test wireline machine. Finish conductor. Test run mud pumps. Berm oil bunker & pre-mix. Final pre-spud inspection. Spuded well 8/13/08 am.

8/14/2008 TD: 284' (made 284'). RU floor, make up x-sub, saver sub. Lower kelly valve, tong torque gauge, load cell rotary torque. Test mud pmps through 17 1/2" bit. Look for tong head to torque bit sub. Drilling from 59' - 97'. Tag conductor cement @ 59'. Drilling from 97' - 270', rough drilling bounce. Circ & survey @ 270', 3/4 deg. Rig service. TOH to ispect bit, bit OK. TIH drilling rough bounce.

8/15/2008 TD: 622' (made 338'). Drilling ahead. Deviation survey @ 361' - .75deg. Drilling. Wireline survey @ 573' - 2 deg. Drilling.

8/18/2008 TD 900' (made 278'). Drilled & surveyed to 900'. Set surface csg 13 3/8" @ 860'. Cemented csg w/ 221 sx cement.

8/19/2008 TD 900' (made 0). NU BOP, adjust rotating head, flow line. Fabricate choke line, gas buster, fix risers in pits. RU lubricator for rotating head. Weld up flow line flanges, choke line. RU vent & flare lines.

8/20/2008 TD 900' (made 0). NU BOP. Hook up equipment. Pressure tst upper rams, HCR, kill line valve, choke line, check valve, manifold valves, lower pipe rams & blind rams 5 min low @ 250 psi & 10 min high @ 3000 psi. Super choke @ 500 psi for 10 min, surface csg @ 1500 psi for 30 min. PU 12 1/4" BHA w/ mill tooth, RIH & drlg ahead.

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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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Elk Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		8. WELL NAME and NUMBER: Rogers 16-43
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S		9. API NUMBER: 4304738347
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/WS/GR/UINTA
STATE: UTAH		

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 9/5/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Set 9 5/8" Casing
	<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.

Operations Update 8/21/2008 to present:
Pressure test surface casing to 1500 psi for 30 min; test not witnessed by State Rep, but charts picked up the following day. Test BOPs, etc. Drilled out cement float, shoe, and cement. Drilled and surveyed 12 1/4" hole to 4505'. Ran logs from 855'-4505'. Set 9 5/8", 40#, L80, LTC casing @ 4505'. Cement 9 5/8" casing with Lead: 630 sx Premium Lite II (198.8 bbls); Tail: 825 sx 50/50 Poz (183 bbls). Bumped plug, floats held. Wait on cement. Pressure test casing to 4020# for 30 min. Test safety equipment. Prepare to drill out cement.

RECEIVED
SEP 08 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u><i>Karin Kuhn</i></u>	DATE <u>9/5/2008</u>

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Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

GR/WS	7S 20E 16 SWSE	4PUD	43047383470000
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SYNOPSIS: Intermediate Casing (8/21-9/5/08): Pressure tst surf csg to 1500 psi for 30 min. Drid out cmt float, shoe, & cmt. Drid & surveyed 12 1/4" hole to 4505'. Ran logs f/ 855'-4505'. Set 9 5/8", 40#, L80, LTC csg @ 4505'. Cmt 9 5/8" casing w/ Lead: 630 sx Premium Lite II (198.8 bbbls); Tail: 825 sx 50/50 Poz (183 bbbls). Bumped plug, floats held. WOC. Pressure tst csg to 4020# for 30 min. Tst safety equipment. Prep to drill out cmt.

8/13/2008 to 8/20/08: The subject well was rotary spudded on 8/13/08. MIRU Unit Rig #138. Drilled and surveyed to 900'. Set 13 3/8", 54.5#, LSC, STC surface casing @ 860'. Cement 13 3/8" surface casing with Lead: 420 sx Premium Lite II with 8% Bentonite (BWOW) + 0.5% Sodium Metasilicate (BWOW) + 3% KCl2, mixed @ 12.5 12.5 ppg. Yield = 2.04 ft³/sk, and 11.19 gps water. Calculated with 100% excess from 600' to surface. Tail: 298 sx Class G with 2% CaCl2 (BWOW) + 1/4 PPS Cello-flake mixed at 15.8 ppg. Yield = 1.17 ft³/sk, and 5.0 pgs. Calculated with 50% excess from 900' to 600'; 221 bbbls slurry. Wait on cement. Nipple up BOPs. Pressure test surface casing @ 1500 psi for 30 min.

7/28/08: MIRU Pete Martin Drg. Drg spud well 7/28/2008. Set conductor pipe @ 60' & cmt w/ 300 sx. Currently WO drg rig.

Daily Detail:

-
- 8/21/2008 TD 900' (made 0). Finish fabricating gas buster lines, work on koomey hydraulic pmps. Strap & lay out BHA, install wear bushing, install drill nipple. PU mud motor & bit. Rig service, function test blind rams, BOP, drill. PU IBS stabilizers, LD 1-8" DC. TI w/BHA #3 to 770', LD 3 jts HWDP. Work on shakers. Tighten rotating head bolts & flow line sensor, repair vlv on desander. Short 2 hands on morning tour, green hands JSA meetings & paper work on TI & LD DP. Plan: Tag up & dri out cmt float collar & guide shoe, if no cmt @ shoe dri 10' of formation & perform FIT to 10 ppg mud wt. Dri 12 1/4" hole w/ mill tooth bit. Watch for fluid loss & deviation problems.
-
- 8/22/2008 TD 1150' (made 250'). Run choke line from manifold, buster to flare pit. Drill cement, float & shoe. Tag cement @ 790'. Work on mud pmps. Check for psi. Charger pmp malfunction, lost key way. Drlg 12 1/4" hole, drlg ahead. Circ pmp sweep & drop survey. Night crew short 1 hand. Plan forward: TO & PU a PDC bit. Trip back to btm & drill ahead.
-
- 8/25/2008 TD: 2161' (made 1011'). Drilled & surveyed from 1,150' to 2,161'.
-
- 8/26/2008 TD: 2,863' (made 702'). Drill & survey from 2,161' to 2,863'.
-
- 8/27/2008 TD: 3,450' (made 587'). Drill from 2,863' to 3,213'. Rig service. Deviation survey @ 3,213', inclination 2.0 deg. Drilling F/ 3,213' to 3,437'.
-
- 8/28/2008 TD: 3,813' (made 363'). Drilling F/ 3,437' to 3,704'. Rig service. Deviation survey @ 3,704', inclination 2.75 deg. Drilling F/ 3,704' to 3,739'. Rig repair, change piston on pmp. Drilling F/ 3,739' to 3,813'. Wellbore took a 43 bbbls loss @ 3,784' w/ minor seepage & was controlled w/ one LCM sweep. Forward plan: Trip for new PDC bit. Will drop Totco to confirm inclination & pickup jars.
-
- 8/29/2008 TD: 3,970' (made 157'). Drilling F/ 3,813' to 3,831'. Circulate cln for trip. Mix & pmp slug which did not slug pipe. Trip for bit #7, bit #6 slower than desired PR w/ 7 blades. No hole problems tripping out or back in. Broke circ half way to break dn high gel strengths. Wash to bottom for safety, no fill. No losses reported while tripping. Bit #7 is a 6 bladed bit & also picked up jars. Drilled to 3,970'. Forward Plan: Continue drilling 12 - 1/4" hole to 4,500' to log & run 9 - 5/8" csg.
-
- 9/2/2008 TD: 4,505' (made 535'). Drilled & surveyed F/3,970' to 4,130'. Drilled F/ 4,130' to 4,446'. Drilled F/ 4,446' to 4,505'. RU Baker Atlas Wireline Services, ran dual Laterlog. Wireline logging w/ Diapole Sonic F/ 4,505' to 855'. RD Baker Atlas Wireline surface equipment, diverted pack-off, release personnel. Conditioned hole. Pmp out cellar, pull wear bushing, change 4 1/2" bottom pipe rams to 9 5/8" csg rams @ report time. Forward Plan: Finish changing rams, test bonnet doors. RU csg crews & run 9 5/8" csg. Cement when on bottom.
-
- 9/3/2008 TD: 4,505' (made 0). Finish changing out 4 1/2" bottom pipe rams to 9 5/8" csg rams. RU B&C Quick tester. Set test plug. Test 13 - 5/8" bonnet door seals to 2000 psi (OK). RU Rocking Mountain csg tools. RU BJ Services cement equipment. Pmpd 20 bbbls pre-flush FW spacer, 30 bbbls mud Cln I, & 20 bbbls FW Spacer w/ bottom plug. Followed w/ lead of 198.8 bbbls/ 630 sxs Pr4emium Lite II Cement + additives. Followed w/ tail cement of 183 bbbls/ 825 sxs (50/50) POZ (fly ash): Class 'G' cement + additives. Pmpd w/ no returns until 210 bbbls into displacement & regained partial returns. Bumped plug. Check floats, floats held OK. Set slips w/ 170,000 lbs final string weight. Begin to nipple dn rotating head & 13-5/8" BOP stack. Bled dn koomey & cut off csg. Forward Plan: Set out 13-3/8" BOP & set in 11" & NU same.
-
- 9/4/2008 TD: 4,505' (made 0). Nipple dn 13 - 5/8" BOPs. PU stack & make rough cut on csg. Lay dn cut off jt (12'). Finish nipple dn single & double ram 13 - 5/8" BOP & set out w/ pole truck. Make final cut on 9 - 5/8" csg. NU 13 - 5/8" 5M X 11" section. Test to 5M w/ oil(OK). NU 5M 4" spacer. Set in 11" BOP drsd w/ 4 1/2" rams on bottom & blinds on top. Set in 11' 5m annular preventer. NU rotating head & install flowline. Changed out kill line to choke manifold. PU 11" tst plug & set in C-22 profile. Tst pipe rams to 5000 psi high for 10 min & 250 psi lower for 5 min. Tst annular to 2500 psi high for 10 min & 250 low for 5 min. Pull 4 - 1/2" pipe from BOP stack. Close & tst blind rams to 5000 psi high for 10 min & 250 psi low for 5 min. Tst kill the manual & HCR to same. Tst all choke valves & hydrolic choke to same high low pressures & times. Pulled tst plug. Begin tstg floor safety valves & high pressure circg system @ report time. All tst on chart & witnessed this AM by State Rep. Forward Plan: Finish tstg, change liners on pmps & condition surface mud system to desired properties. PU 8 - 3/4" PDC bit & BHA to TIH."
-

Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

9/5/2008 TD: 4,505' (made 0). Continuing to test floor safety valves. Testing high pressure circ system back to pmps. Test csg. State rep inspector did not approve vibrator hose temporarily installed until steell line could be fabricated. Fabricate steel targeted choke line. Nipple up rotating head & flow line. Dissassemble mud pmps to change out 6" liners to 5.5" liners. Nipple up new steel targeted choke line from BOP to manifold. RU B&C quick testers. Test choke line. Made additional modifications to flow line. Installed 5.5" liners in both pmps & air out same. PU 8 - 3/4" PDC bit & begin making up BHA for production hole section. Forward Plan: Continue to make up BHA & TIH to drill out. Conditioning mud to desired properties.

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

FORM 9

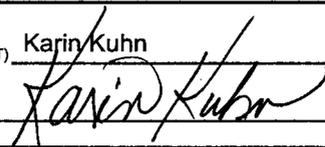
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Rogers 16-43	
2. NAME OF OPERATOR: Elk Resources, LLC		9. API NUMBER: 4304738347
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/WS/GR/UINTA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/1/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Set 5 1/2" Casing</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.

Operations Update 9/5/2008 to 10/2/2008: Drilled cement and float equipment from 4455'-4505'. Drilled and surveyed new hole from 4505' to 10000'. Reached total depth of 10,000' on 9/24/2008. Ran Dual Laterolog, Density w/ Caliper, Neutron, Gamma Ray logs from 7867' to 4488'. Logger's tool came apart and left stabilizer pad in hole. Pushed stabilizer to bottom. Ran Borehole Image, XMAC-F1, STAR, DLL, ZDL/CN, Spectralog/GR/Caliper log from 4488' to 9998'. Set 5 1/2", 17# casing @ 10000'. Cement 5 1/2" casing with Lead: 50 sx Premium Lite II, 3% KCL, 10% gel, 0.5% SM, 5#/sk KS, 1/4#/sk Celloflake, 0.2% R-35#/BLSF. Tail: 960 sx Premium Lite II HS, 3% KCL, 0.7% FL-250, .4% R-31/4# sk Celloflake, 5#/sk KS 5#/BLSF (651 bbls slurry). Bumped plug, floats held. See attached cement job report. Wait on cement, cut off casing. Released rig 10/1/2008. Wait on completion rig.

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE 	DATE <u>10/2/2008</u>

(This space for State use only)

RECEIVED
OCT 06 2008



CEMENT JOB REPORT

CUSTOMER Elk Resources, Inc.		DATE 30-SEP-08	F.R. # 1001370778	SERV. SUPV. Rick Edwards											
LEASE & WELL NAME ROGERS #16-43 - API 43047389470000		LOCATION 16-7S-20E		COUNTY-PARISH-BLOCK Uintah Utah											
DISTRICT Vernal		DRILLING CONTRACTOR RIG # UNIT #138		TYPE OF JOB Long String											
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES											
Cement Plug, Rubber, Top 5-1/2 in	Float Collar, Pop Valve, 5-1/2 - 8rd	SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT ³	WATER GPS	PUMP TIME HR:MIN	BBI SLURRY	BBI MIX WATER							
MATERIALS FURNISHED BY BJ															
3% KCL WATER			8.4				20								
MUD CLEAN I			8.4				20								
FRESH WATER			8.34				10								
PLIIS3%KCL10%GEL0.5%SM5#SKKS1/4#SKCFO.2%R-35#BLSF		50	11	3.38	20.52	03:30	31	25.16							
PLIHS3%KCL0.7%FL-250.4%R-31/4#SKCF5#SKKS5#BLSF		960	13	1.97	9.68	03:47	337	221.23							
CLAYTREAT WATER			8.34				233								
Available Mix Water 760 Bbl.		Available Displ. Fluid 490 Bbl.		TOTAL			651	246.39							
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS								
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE					
8.75	0	10000	5.5	17	CSG	10057		10057	10016.9	0					
LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID					
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT			
9.625	40	CSG	4500	NO PACKER		0	0	0	5.5	8 RD	WATER BASED MU	9.4			
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER				
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator					
233	BBLS	CLAYTREAT WATER	8.34	1900	0	0	0	0	1064	4500	RIG TANK				
Circulation Prior to Job															
Circulated Well: Rig <input checked="" type="checkbox"/> BJ				Circulation Time: 2				Circulation Rate: 7 BPM							
Mud Density In: 9.4 LBS/GAL				Mud Density Out: 9.4 LBS/GAL				PV & YP Mud In: 11				PV & YP Mud Out: 11			
Gas Present: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>				Units:				Solids Present at End of Circulation: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>							
Displacement And Mud Removal															
Displaced By: Rig <input type="checkbox"/> BJ <input checked="" type="checkbox"/>				Amount Bled Back After Job: 0 BBLS											
Returns During Job: <input type="checkbox"/> NONE <input type="checkbox"/> PARTIAL <input checked="" type="checkbox"/> FULL				Method Used to Verify Returns: E.O.											
Cement Returns at Surface: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO				Were Returns Planned at Surface: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES											
Pipe Movement: <input type="checkbox"/> ROTATION <input checked="" type="checkbox"/> RECIPROCATION <input type="checkbox"/> NONE <input type="checkbox"/> UNABLE DUE TO STUCK PIPE															
Centralizers: <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES				Quantity: 60				Type: <input type="checkbox"/> BOW <input type="checkbox"/> RIGID							
Job Pumped Through: <input type="checkbox"/> CHOKE MANIFOLD <input type="checkbox"/> SQUEEZE MANIFOLD <input type="checkbox"/> MANIFOLD <input type="checkbox"/> NO MANIFOLD															
Plugs															
Number of Attempts by BJ:				Competition:				Wiper Balls Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Quantity:			
Plug Catcher Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES								Parabow Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES							
Was There a Bottom: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES								Top of Plug: FT				Bottom of Plug: FT			
Squeezes (Update Original Treatment Report for Primary Job)															
BLOCK SQUEEZE <input type="checkbox"/>				SHOE SQUEEZE <input type="checkbox"/>				TOP OF LINER SQUEEZE <input type="checkbox"/>				PLANNED <input type="checkbox"/> UNPLANNED <input type="checkbox"/>			
Liner Packer: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				Bond Log: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				PSI Applied:				Fluid Weight: LBS/GAL			
Casing Test (Update Original Treatment Report for Primary Job)															
Casing Test Pressure: PSI				With LBS/GAL Mud				Time Held: Hours Minutes							
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING: N/A															
PRESSURE/RATE DETAIL						EXPLANATION									

CEMENT JOB REPORT



Shoe Test (Update Original Treatment Report for Primary Job)

Depth Drilled out of Shoe: FT	Target EMW: LBS/GAL	Actual EMW: LBS/GAL
Number of Times Tests Conducted:	Mud Weight When Test was Conducted: LBS/GAL	

Problems Before Job (I.E. Running Casing, Circulating Well, ETC)

Problems During Job (I.E. Lost Returns, Equipment Failure, Bulk Delivery, Foaming, ETC)
 HAD TO SHUT DOWN FOR 4 MIN. ON DISPL. TO FIX A BROKEN WATER CONNECTION ON RIG TANK.

Problems After Job (I.E. Gas at Surface, Float Equipment Failed, ETC)

PRESSURE/RATE DETAIL						EXPLANATION		
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW	CO. REP.	
	PIPE	ANNULUS				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
						TEST LINES	4500 PSI	
						CIRCULATING WELL - RIG	<input checked="" type="checkbox"/>	BJ
11:50	0	0	0	0		ON LOCATION		
12:30	0	0	0	0		START RIG UP		
01:30	0	0	0	0		END RIG UP		
06:45	0	0	0	0		SAFETY MEETING		
07:26	4500	0	0	0	H2O	POPOFF & LINE TEST		
07:28	3500	0	0	0	H2O	KICKOUT TEST		
07:33	540	0	5.2	0	SAPCER	START 3% KCL SPACER		
07:37	540	0	5.2	20	SAPCER	END H2O SAPCER, START MUDCLEAN SAPCER		
07:41	565	0	5.2	20	SAPCER	END MUDCLEAN SPACER, START H2O SPACER		
07:43	615	0	5.2	10	LEAD CMT	END H2O SPACER, START LEAD SLURRY		
07:51	540	0	5	31	TAIL CMT	END LEAD SLURRY, START TAIL SLURRY		
08:58	0	0	0	337		END TAIL SLURRY, SHUT DOWN, WASH P&S		
09:03	118	0	6.5	0	2% CLAY	DROP PLUG, START DISPL.		
09:14	0	0	0	60	2% CLAY	SHUT DOWN BROKEN H2O CONNECTION ON RIG TANK		
09:18	118	0	6	0	2% CALY	START PUMPING		
09:21	250	0	5.5	25	2% CLAY	CAUGHT CMT		
09:45	1670	0	2	128	2% CLAY	SLOW RATE		
09:54	2400	0	0	20		BUMP PLUG 500 PSI OVER PUMP PRESSURE SHUT DOWN		
09:58	0	0	0	0		CHECK FLOATS, FLOATS HELD!		
						THANKS! REX & CREW		

BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	Service Supervisor Signature:
<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	1900	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	0	651	2400	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	<i>Rex Edwards</i>



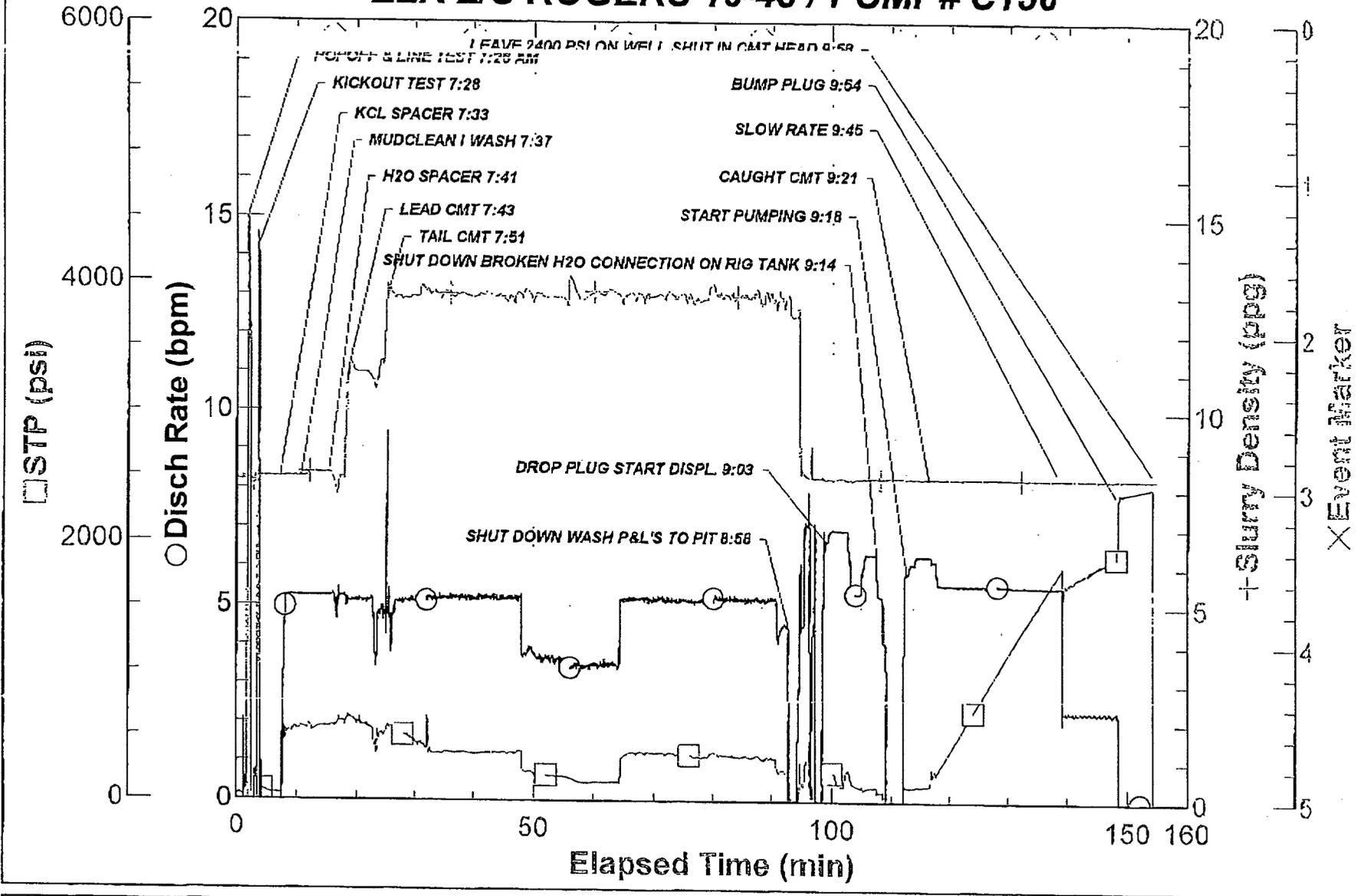
BJ Services JobMaster Program Version 3.10

Job Number: 1001370778

Customer: ELK RESOURCES

Well Name: ROGERS #16-43

ELK L/S ROGERS 16-43 / PUMP# C156



Sep-30-2008 12:43pm From-BJ SERVICES VERNAL 435 789 4530 T-036 P.004/004 F-194

Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

GR/WS	7S 20E 16 SWSE	4PUD	43047383470000
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SYNOPSIS: Long String (9/5/08-10/01/08): Drilled cement and float equipment from 4455'-4505'. Drilled and surveyed new hole from 4505' to 10000'. Reached total depth of 10,000' on 9/24/2008. Ran Dual Laterolog, Density w/ Caliper, Neutron, Gamma Ray logs from 7867' to 4488'. Logger's tool came apart and left stabilizer pad in hole. Pushed stabilizer to bottom. Ran Borehole Image, XMAC-F1, STAR, DLL, ZDL/CN, Spectralog/GR/Caliper log from 4488' to 9998'. Set 5 1/2", 17# casing @ 10000'. Cement 5 1/2" casing with Lead: 50 sx Premium Lite II, 3% KCL, 10% gel, 0.5% SM, 5#/sk KS, 1/4#/sk Celloflake, 0.2% R-35#/BLSF. Tail: 960 sx Premium Lite II HS, 3% KCL, 0.7% FL-250, .4% R-31/4# sk Celloflake, 5#/sk KS 5#/BLSF (651 bbls slurry). Bumped plug, floats held. See attached cement job report. Wait on cement, cut off casing. Released rig 10/1/2008. Wait on completion rig.

Intermediate Casing (8/21-9/5/08): Pressure tst surf csg to 1500 psi for 30 min. Drid out cmt float, shoe, & cmt. Drid & surveyed 12 1/4" hole to 4505'. Ran logs f/ 855'-4505'. Set 9 5/8", 40#, L80, LTC csg @ 4505'. Cmt 9 5/8" casing w/ Lead: 630 sx Premium Lite II (198.8 bbls); Tail: 825 sx 50/50 Poz (183 bbls). Bumped plug, floats held. WOC. Pressure tst csg to 4020# for 30 min. Tst safety equipment. Prep to drill out cmt.

8/13/2008 to 8/20/08: The subject well was rotary spudded on 8/13/08. MIRU Unit Rig #138. Drilled and surveyed to 900'. Set 13 3/8", 54.5#, LSC, STC surface casing @ 860'. Cement 13 3/8" surface casing with Lead: 420 sx Premium Lite II with 8% Bentonite (BWOW) + 0.5% Sodium Metasilicate (BWOW) + 3% KCl2, mixed @ 12.5 12.5 ppg. Yield = 2.04 ft³/sk, and 11.19 gps water. Calculated with 100% excess from 600' to surface. Tail: 298 sx Class G with 2% CaCl2 (BWOW) + 1/4 PPS Cello-flake mixed at 15.8 ppg. Yield = 1.17 ft³/sk, and 5.0 pgs. Calculated with 50% excess from 900' to 600'; 221 bbls slurry. Wait on cement. Nipple up BOPs. Pressure test surface casing @ 1500 psi for 30 min.

7/28/08: MIRU Pete Martin Drg. Drg spud well 7/28/2008. Set conductor pipe @ 60' & cmt w/ 300 sx. Currently WO drg rig.

Daily Detail:

9/5/2008 TD: 4,505' (made 0). Continuing to test floor safety valves. Testing high pressure circ system back to pmps. Test csg. State rep inspector did not approve vibrator hose temporarily installed until steell line could be fabricated. Fabricate steel targeted choke line. Nipple up rotating head & flow line. Dissassemble mud pmps to change out 6" liners to 5.5" liners. Nipple up new steel targeted choke line from BOP to manifold. RU B&C quick testers. Test choke line. Made additional modifications to flow line. Installed 5.5" liners in both pmps & air out same. PU 8 - 3/4" PDC bit & begin making up BHA for production hole section. Forward Plan: Continue to make up BHA & TIH to drill out. Conditioning mud to desired properties.

9/8/2008 TD: 5,489' (made 984'). Finish rigging up flow & fill lines. Strap BHA. Cut drill line. PU BHA & TIH. Drilled cement & float equipment. Tag cement @ 4,455' to 4,505'. Hard cement in shoe track, no fit required. Condition mud & circ. Run mud check before drilling ahead w/ proper properties. Drill F/ 4,505' to 4,750'. Last sample @ 4,732' - 90% Shale & 10% Sandstone. Drill w/ no problems to survey point. Run Totco survey @ 4,773', incl 1.75 deg. Drilled & surveyed @ 5,002', Incl 3.25 deg. Drilling w/ higher RPM & less WOB. Survey @ 5,389' Inc 4 deg. Continue to drill ahead @ reduced parameters until Gyrodata could be set up. Wiper to 4,221'(inside shoe), prior to dropping gyro survey, no hole problems. Pmp sweep, build slug wait on survey equipment & crew RU. Drop Gyrodata, pmp slug. TOOH taking gyro surveys every stand to 500'. Made up same bit & BHA. TIH w/ reduced parameters until steerable tools & personnel arrive.

9/9/2008 TD: 5,597' (made 108'). Continue drilling ahead w/ reduced WOB & increased surface RPM while mobilizing steerable tools & personnel. Rig service. Drilling, POOH. Handle BHA laying dn performance motor & stabilizers. PU professional directional steerable BHA & MWD. Scribe MWD. Shallow test MWD. TIH w/ MWD. Forward Plan: Finish TIH w/ steerable assembly. Take check shot @ last gyro point, survey to total depth w/ MWD steerable drill.

9/10/2008 TD: 5,897' (made 300'). Rotary dri to kelly prior to making 1st slide. Slide 6' w/ 100L tool face, AROP = 3FPH. Rotary dri to see 1st slide on MWD to determine yield of assembly (AROP=14.9 FPH). Rotary dri ahead. Pressure increased by 500 psi & unable to make bit dri. Possible motor has failed. Circ & built slug. TOOH for new bit & motor. No hole problems during trip. Hole took proper fill. Forward Plan: Finish trip, inspect bit & motor, change out same. TIH & continue drlg & nudging wellbore to max PR.

9/11/2008 TD: 6,440' (made 543'). TOOH lay dn mud mtr, bit, PU mtr & bit, orient directional tools. TIH fill pipe @ 4,580', check mud tool - OK. Ream. Drill/slide F/ 5,897' to 6,440'.

9/12/2008 TD: 7,001' (made 561'). Drilling, rig service, drilling. Charges F/ corrosion inhibitor.

9/15/2008 TD: 7,642' (made 641'). Drilling, rig service, drilling. Mix & pmp dry pill. TOOH for bit & motor, LD motor & bit. Work on direct tools. Test direct tools, make up bit # 11. TIH. Wash & ream F/7,210' to 7,320'. Drilling. Work on mud pmps #1 & #2, move pipe, drilling, sliding. Drilling F/7,549' to 7,639'. TOOH w/ bit #11. Slip & cut drilling line. TIH w/ bit #12. Wash & ream.

9/16/2008 TD: 7,857' (made 215'). Drilled F/ 7,639' to 7,857'. Work tight hole. Ream tight hole.

9/18/2008 TD: 7,921' (made 64'). Drill F/ 7,857' to 7,858'. Condition mud. Circ & mix LCM sweeps for losses. Drill f/ 7,858' to 7,906'. Condition mud, mix & pmp dry pill. TOOH, lay dn MWD tool, break bit, function pipe & blind rams. Break UBHO, Monel Motors & lay dn same. Wait on bit & junk basket. Unload & strap junk basket & bit sub. TIH, fill pipe @ 4,368'. Finish TIH w/ tricone & junk basket tag bttm @ 7,644' ld top jt of last 5 std. Tag under gauge hole @ 7,680'. Work tight hole F/ 7,834' to 7,865'. Ream to bttm w/ junk basket. Drill F/7,906' to 7,914' & to 7,921'. Circ bttms up. Pmp slug, TOOH, lay dn bit sub & junk basket. PU directional tools & scribe motor. TIH, fill pipe, test directional tools.

Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

-
- 9/19/2008 TD: 8,325' (made 404'). TIH, wash & ream 2 jts. Drill F/ 7,921' to 8,013'. Loss of circulation @ 8,155' (60 bbls loss). Drill & slide.
-
- 9/20/2008 TD: 8491' (made 166'). Rotary drl, service rig. Slide 8' TF 30R. Rotary drl. Seal fluid loss w/ LCM pill. Work pipe, build & pmp slug. TOOH w/ bit #13. Tight spots @ 6800' to 6400'. CO bit & mtr. Function tst BOP rams. Repair mud pmp (swab). Plan to TIH w/ bit #15.
-
- 9/21/2008 TD: 8780' (made 289'). PU directional tools. Orient MM & MWD, surf tst both. LD & repair pulser. MU bit & TIH w/ bit #15. Tag tight spot & loose returns @ 8190'. PU kelly, work pipe. Mix & pmp LCM pill to regain circ. W&R f/ 8159'-8259'. Run 1 std & 4 jts. Wash last 60' for safety w/ 5' soft fill. Rotary drill f/ 8491'-8568' (77'). Srvc rig. Rotary drl f/ 8566'-8780' (291'). Drlg ahead.
-
- 9/22/2008 TD: 9208' (made 428'). Rotary drl f/ 8780'-8934' (154'). Srvc rig. Rotary drl f/ 8934'-9182' (248'). Chg swab in #1 pmp (#2 pmp discharge manifold washed out, need welder). Rotary drl f/ 9182'-9208' (26').
-
- 9/23/2008 TD: 9,553' (made 345'). Drilled F/ 9,208' to 9,553'.
-
- 9/24/2008 TD: 9,846' (made 293'). Drilled F/ 9,553' to 9,846'.
-
- 9/25/2008 TD: 10,000' (made 154'). Rotary drill F/ 9,846' to 10,000' TD. Circ 2 hole capacity, catching 20 min samples. Pmp slug, short trip to shoe, normal overpull, no losses, 5' soft fill. Circ hole cln for logs, checking for pressure shales (no pressure shale).
-
- 9/26/2008 TD: 10,000' (made 0'). C&C mud, circ hole cln for TOH to log. POOH f/ logs. LD directional tools & bit. Run dual laterolg, density w/ caliper, neutron & GR. Log f/ 7867'-4488' (csg). TIH to 1600'. Slip & cut drlg line. Finish TIH (wiper trip).
-
- 9/27/2008 TD: 10,000' (made 0'). Wiper trip in hole. W&R tight hole f/ 7930'-8000'. TIH to 9930'. WTB. Due to mud cut @ surf to 8.5 ppg, raised mud wt to 9.5 original (ECD) to kill well. Mix & pmp dry slug. POOH for logs. PU logging tool, run to btm @ 9995' TVD (Dual Laterolotg, Density w/ caliper, Neutron & GR).
-
- 9/28/2008 TD: 10,000' (made 0'). Logger's tool came apart & left stabilizer pad in hole. TIH for wiper trip to push stabilizer to btm, lost returns @ 4000' (100 bbls). PU kelly, pmp LCM sweep to regain circ, circ btms up. TIH to 7200', hit tight spot. PU kelly, W&R to 8130'. TIH to 9940', installing rotating head. W&R to btm, w/ 5' soft fill. Circ hole cln w/ btms up. Build dry slug for TOH. Pmp dry pipe slug & TOH for log #2 run w/ 1 hand short. RU loggers. Run logs, monitoring mud volume for gain or loss.
-
- 9/29/2008 TD: 10,000' (made 0'). Finish logging, RD loggers. TIH. Circ hole cln & condition mud. LDDP.
-
- 9/30/2008 TD: 10,000' (made 0'). LD DP & break dn kelly. Pull wear ring. RU csg crew. Run 5.5" csg. Circ & condition mud. RU cementers.
-
- 10/1/2008 TD: 10,000' (made 0'). RU cementers. Pressure tst lines & pmpd cmt. ND BOP & set slips. WOC, cln mud pits. Lift stack & cut off csg (released rig @ 19:00 hr). RD to move to Aurora Fed location.

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

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
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: NA
			7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: Rogers 16-43
2. NAME OF OPERATOR: Elk Resources, LLC		9. API NUMBER: 4304738347	
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/Wasatch
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL			COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S			STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/6/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Operations Update</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Completions Start</u>

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

Operations Update: On 10/17/08, ran CBL from 3500' to 10000'; estimate TOC @ 4050'. Perf'd from 9743'-9783', 2 SPF (80 shots), frac'd with 19841 gals Pad, 72367 gals Treating Fluid, 10000# White 100M Sand, 177918# Tempered LC 20/40 Sand, 9454 gals Flush. Set flow-back bridge plug @ 9620' and CBP @ 9500'. Perf from 9346'-9380', 2 SPF (68 shots); frac'd with 28480 gals Pad, 75215 gals Treating Fluid, 10000# White 100M Sand, 189029# Tempered LC 20/40 Sand, and 9022 gals Flush. Set flow-back bridge plug @ 9100'. Perf from 8203'-8249', 2 SPF (92 shots). Frac with 14784 gals Pad, 63956 gals Treating Fluid, 8000# White 100M Sand, 169925# Tempered LC 20/40 Sand, and 7930 gals Flush. Set flow-back bridge plug @ 8000'. Perf from 7764'-7772', 4 SPF (32 shots), 7664'-7670', 4 SPF (24 shots), 7315'-7318', 4 SPF (12 shots), and 7276'-7290, 4 SPF (56 shots). Frac with 18115 gals Pad, 70788 gals Treating Fluid, 10000# White 100M Sand, 196075# Tempered LC 20/40 Sand, and 7090 gals Flush. Flowed back frac. Run in hole with tubing and bit. Drill up flow-back bridge plug @ 7995'. Drill up flow-back bridge plug @ 8969'. Drill up flow-back bridge plug @ 8897'. Tag CBP @ 9299' and drill up plug. Tag flow-back bridge plug @ 9403'; attempt to drill. Plug not drilling up but moving; moved to 9409'. Moved plug to 9441'. Tagged remaining CP @ 9566'. Drilled up remaining CP @ 9566'. Cleaned out well bore to 9925'. Roll hole with foam unit. Currently washing to PBSD and roll hole.

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE	DATE <u>11/7/2008</u>

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Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

GR/WS 7S 20E 16 SWSE 4PUD 43047383470000

SYNOPSIS: On 10/17/08, ran CBL from 3500' to 10000'; estimate TOC @ 4050'. Perf'd from 9743'-9783', 2 SPF (80 shots), frac'd with 19841 gals Pad, 72367 gals Treating Fluid, 10000# White 100M Sand, 177918# Tempered LC 20/40 Sand, 9454 gals Flush. Set flow-back bridge plug @ 9620' and CBP @ 9500'. Perf from 9346'-9380', 2 SPF (68 shots); frac'd with 28480 gals Pad, 75215 gals Treating Fluid, 10000# White 100M Sand, 189029# Tempered LC 20/40 Sand, and 9022 gals Flush. Set flow-back bridge plug @ 9100'. Perf from 8203'-8249', 2 SPF (92 shots). Frac with 14784 gals Pad, 63956 gals Treating Fluid, 8000# White 100M Sand, 169925# Tempered LC 20/40 Sand, and 7930 gals Flush. Set flow-back bridge plug @ 8000'. Perf from 7764'-7772', 4 SPF (32 shots), 7664'-7670', 4 SPF (24 shots), 7315'-7318', 4 SPF (12 shots), and 7276'-7290, 4 SPF (56 shots). Frac with 18115 gals Pad, 70788 gals Treating Fluid, 10000# White 100M Sand, 196075# Tempered LC 20/40 Sand, and 7090 gals Flush. Flowed back frac. Run in hole with tubing and bit. Drill up flow-back bridge plug @ 7995'. Drill up flow-back bridge plug @ 8969'. Drill up flow-back bridge plug @ 8897'. Tag CBP @ 9299' and drill up plug. Tag flow-back bridge plug @ 9403'; attempt to drill. Plug not drilling up but moving; moved to 9409'. Moved plug to 9441'. Tagged remaining CP @ 9566'. Drilled up remaining CP @ 9566'. Cleaned out well bore to 9925'. Currently cleaning out well bore to PBTD.

Long String (9/5/08-10/01/08): Drilled cement and float equipment from 4455'-4505'. Drilled and surveyed new hole from 4505' to 10000'. Reached total depth of 10,000' on 9/24/2008. Ran Dual Laterolog, Density w/ Caliper, Neutron, Gamma Ray logs from 7867' to 4488'. Logger's tool came apart and left stabilizer pad in hole. Pushed stabilizer to bottom. Ran Borehole Image, XMAC-F1, STAR, DLL, ZDL/CN, Spectralog/GR/Caliper log from 4488' to 9998'. Set 5 1/2", 17# casing @ 10000'. Cement 5 1/2" casing with Lead: 50 sx Premium Lite II, 3% KCL, 10% gel, 0.5% SM, 5#/sk KS, 1/4#/sk Celloflake, 0.2% R-35#/BLSF. Tail: 960 sx Premium Lite II HS, 3% KCL, 0.7% FL-250, .4% R-31/4# sk Celloflake, 5#/sk KS 5#/BLSF (651 bbls slurry). Bumped plug, floats held. See attached cement job report. Wait on cement, cut off casing. Released rig 10/1/2008. Wait on completion rig.

Intermediate Casing (8/21-9/5/08): Pressure tst surf csg to 1500 psi for 30 min. Drid out cmt float, shoe, & cmt. Drid & surveyed 12 1/4" hole to 4505'. Ran logs f/ 855'-4505'. Set 9 5/8", 40#, L80, LTC csg @ 4505'. Cmt 9 5/8" casing w/ Lead: 630 sx Premium Lite II (198.8 bbls); Tail: 825 sx 50/50 Poz (183 bbls). Bumped plug, floats held. WOC. Pressure tst csg to 4020# for 30 min. Tst safety equipment. Prep to drill out cmt.

8/13/2008 to 8/20/08: The subject well was rotary spudded on 8/13/08. MIRU Unit Rig #138. Drilled and surveyed to 900'. Set 13 3/8", 54.5#, LSC, STC surface casing @ 860'. Cement 13 3/8" surface casing with Lead: 420 sx Premium Lite II with 8% Bentonite (BWOW) + 0.5% Sodium Metasilicate (BWOW) + 3% KCl2, mixed @ 12.5 12.5 ppg. Yield = 2.04 ft³/sk, and 11.19 gps water. Calculated with 100% excess from 600' to surface. Tail: 298 sx Class G with 2% CaCl2 (BWOW) + 1/4 PPS Cello-flake mixed at 15.8 ppg. Yield = 1.17 ft³/sk, and 5.0 pgs. Calculated with 50% excess from 900' to 600'; 221 bbls slurry. Wait on cement. Nipple up BOPs. Pressure test surface casing @ 1500 psi for 30 min.

7/28/08: MIRU Pete Martin Drg. Drg spud well 7/28/2008. Set conductor pipe @ 60' & cmt w/ 300 sx. Currently WO drg rig.

Daily Detail:

10/17/2008 Prep location for frac job (10/6-17/08). Ran CBL f/ 9890 to 4050' (lite @ 6700' WL did not pickup short jts).

10/22/2008 Heat wtr for frac; tst csg to 5000#, set frac vlv for job.

10/23/2008 RU lub & set up gun. RIH w/ Gamma to tie in w/ CBL. Plan to tie off to logs & shoot 1st stage perf for BJ frac on 10/24/08.

10/27/2008 RU lub & set up gun. RIH w/ gamma to tie in w/ CBL. Tie off to logs for BJ frac. TOH w/ gun. RD lub. Heat frac tanks to bump & roll in boicite f/ BJ. Frac well in 4 stages: Perf f/ 9743'-9783', 2 SPF, 80 shots total. Frac f/ 9743'-9783' Stage 1: 19841 gals Pad, 72367 gals Treating Fluid, 9454 gals Flush, 10000# White 100M, 177918# Tempered LC 20/40 Sand. Perf f/ 9346'-9380', 2 SPF, 68 total shots. Frac f/ 9346'-9380' Stage 2: 28480 gals Pad, 75215 gals Treating Fluid, 9022 gals Flush, 10000# White 100M, 189029# Tempered LC 20/40 Sand. Perf f/ 8203'-8249', 2 SPF, 92 total shots. Frac f/ 8203'-8249' Stage 3: 15784 gals Pad, 63956 gals Treating Fluid, 7930 gals Flush, 8000# White 100M, 169925# Tempered LC, 20/40 Sand. Perf f/ 7276'-7290', 4 SPF, 56 shots, 7315'-7318', 4 SPF, 12 shots, 7664'-7670', 4 SPF, 24 shots, 7764'-7772', 4 SPF 32 shots (124 total shots). Frac f/ 7276'-7772' Stage 4: 18115 gals Pad, 70788 gals Treating Fluid, 7090 Flush, 10000# White 100M, 196075# Tempered LC 20/40 Sand. Flow back top 3 zones on 20/64" chk. Recovered 1440 bbls fluid

10/28/2008 Flowing back well. Opnd up to load well for rig op. MI rig to location. Spot rig, eqpt & base beam.

10/29/2008 Opnd well f/ 20/64" chk to full opn. Well dead. RU rig. Hook up closing unit to BOP. Function tst BOP & ND frac vlv. NU BOP. RU work floor, tbg eqpt & beaver slide. WO pipe racks, spot pipe racks & unload tbg. Tally tbg & PU 4 3/4" rock bit. RIH w/ 4000' (130 jts) 2 7/8", 6.5#, N80 EUE tbg. SDFN.

10/30/2008 Opnd well, 0 SICP, 0 SITP. Resume to tally & PU tbg, tag'g FBBP @ 7995' KB. RU pmp lines to tbg & try to roll hole w/ fluid. Pmpd 2.5 bpm @ 500 psi getting 1.5 bpm in returns losing fluid. RD pmp line. POOH w/ tbg to 4000' so foam unit could lift hydrostatic head. Spot & RU foam unit. Run pmp lines & RU blow dn line to pit. SDFN.

Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

-
- 10/31/2008 RU foam unit & power swivel. Swivel up w/ jt #252. Unload wellbore w/ foam unit. Drl up FBBP @ 7995' & swivel dn jt #253 to make sure plug went dn hole. Hang swivel in derrick. PU tbg, tag'g @ 8946'. Swivel up w/ jt #286. RU foam unit & clear tbg w/ wtr. Get tbg clear w/ air & started to roll. Set wt on bit to keep cones f/ spinning & FBBP moved dn hole. Swivel 1 jt & tag FBBP @ 8969'. Wshd for 10 min. Set 1000# on bit to keep cones f/ spinning & secured swivel. SDFN. Plan to drl up FBBP @ 8969' & proceed to PBTD.
-
- 11/3/2008 Drl up FBBP @ 8897'. Hang swivel in derrick. PU tbg, tag'g CBP @ 9299'. RU swivel. Fell thru CBP @ 9299'. Hang swivel in derrick. PU tb, tag'g FBBP @ 9403'. Start rolling hole w/ foam unit & drlg FBBP. Plug not drlg up, but moving. Moved CP f/ 9,403' to 9,409'. PU 1 jt verify CP not hanging up, moving CP to 9,441'. Hang swivel in derrick. PU tbg, tagging remaining CP @ 9,566'. Kelly up w/ jt #305. Drl on remaining CP @ 9,566'. Bit not torqing up or making hole. Cln well bore & POOH w/ tbg. Stand DCs in derrick. PU 4 5/8" flat btm mill w/ slight concave. RIH w/ 3 1/8" collars (4) out of derrick & tbg. Tag CP @ 9,566'. Break circ w/ foam unit. Mill up debris & remaining CP. Cln out well bore to 9,925' KB. Leave foam unit rolling hole.
-
- 11/4/2008 Cln up equipment & wrk on brakes. Wait on foam unit.
-
- 11/6/2008 Wait on mechanics for rig brakes. RIH w/ 313 jts tagging fill @ 9880'. RU swivel & kelly up w/ jt #313. Roll hole w/ foam unit getting returns of oil & paraffin followed by "chocolate" color wtr. Washed sand f/ to 9925' KB. Rolled hole w/ foam unit. Recovered total 1420 bbls w/ 284 bbls prmpd.
-
- 11/7/2008 Finish rolling hole w/ foam unit. Pmp top kill of 20 bbls to retrieve prmp thru plug. RD swivel. POOH w/ tbg, having to top kill out of the hole. LD 6 - 3 1/8" DCs. LD BHA. Tbg & BHA were blistered from not enough chemical on foam unit (R&W). Inspected tbg & BHA. SDFN.

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

FORM 9

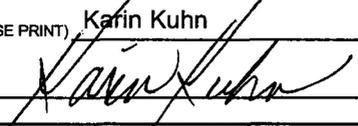
SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: Rogers 16-43
2. NAME OF OPERATOR: Elk Resources, LLC			9. API NUMBER: 4304738347
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/Wasatch
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL			COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S			STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/28/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Completion</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>Operations Update</u>

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

Operations Update from 11/6/08 to 11/28/08: Finished rolling hole w/ foam unit. Begin running in hole with 2 7/8" tubing. Found bad spot in sand line @ 5600'. Roll hole with 55 gals corrosion inhibitor and de-scaler chemicals. Roll hole with emulsion breaker. Swab well. Pump 71 bbls 15% HCl @ 7200'. Swab back acid. Final Fluid Level @ 6800'; EOT @ 8599'. Run rods and pump. Hook up pumping unit. Well put on production 11/28/2008.

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE 	DATE <u>12/3/2008</u>

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DIV. OF OIL, GAS & MINING

Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

GR/WS

7S 20E 16 SWSE

4PUD

43047383470000

SYNOPSIS: Completion Operations 10/17/08 - 11/28/08: Ran CBL from 3500' to 10000'; estimate TOC @ 4050'. Perf'd from 9743'-9783', 2 SPF (80 shots), frac'd with 19841 gals Pad, 72367 gals Treating Fluid, 10000# White 100M Sand, 177918# Tempered LC 20/40 Sand, 9454 gals Flush. Set flow-back bridge plug @ 9620' and CBP @ 9500'. Perf from 9346'-9380', 2 SPF (68 shots); frac'd with 28480 gals Pad, 75215 gals Treating Fluid, 10000# White 100M Sand, 189029# Tempered LC 20/40 Sand, and 9022 gals Flush. Set flow-back bridge plug @ 9100'. Perf from 8203'-8249', 2 SPF (92 shots). Frac with 14784 gals Pad, 63956 gals Treating Fluid, 8000# White 100M Sand, 169925# Tempered LC 20/40 Sand, and 7930 gals Flush. Set flow-back bridge plug @ 8000'. Perf from 7764'-7772', 4 SPF (32 shots), 7664'-7670', 4 SPF (24 shots), 7315'-7318', 4 SPF (12 shots), and 7276'-7290, 4 SPF (56 shots). Frac with 18115 gals Pad, 70788 gals Treating Fluid, 10000# White 100M Sand, 196075# Tempered LC 20/40 Sand, and 7090 gals Flush. Flowed back frac. Run in hole with tubing and bit. Drill up flow-back bridge plug @ 7995'. Drill up flow-back bridge plug @ 8969'. Drill up flow-back bridge plug @ 8897'. Tag CBP @ 9299' and drill up plug. Tag flow-back bridge plug @ 9403'; attempt to drill. Plug not drilling up but moving; moved to 9409'. Moved plug to 9441'. Tagged remaining CP @ 9566'. Drilled up remaining CP @ 9566'. Cleaned out well bore to 9925'. Rolled hole w/ foam unit. Begin RIH w/ 2 7/8" tubing. Found bad spot in sand line @ 5600'. Roll hole w/ 55 gals corrosion inhibitor & de-scaler chemicals. Roll hole w/ emulsion breaker. Swab well. Pump 71 bbls 15% HCl @ 7200'. Swab back acid. FFL @ 6800'; EOT @ 8599'. Run rods & pmp. Hook up pmpg unit. Well put on production 11/28/2008.

Long String (9/5/08-10/01/08): Drilled cement and float equipment from 4455'-4505'. Drilled and surveyed new hole from 4505' to 10000'. Reached total depth of 10,000' on 9/24/2008. Ran Dual Laterolog, Density w/ Caliper, Neutron, Gamma Ray logs from 7867' to 4488'. Logger's tool came apart and left stabilizer pad in hole. Pushed stabilizer to bottom. Ran Borehole Image, XMAC-F1, STAR, DLL, ZDL/CN, Spectralog/GR/Caliper log from 4488' to 9998'. Set 5 1/2", 17# casing @ 10000'. Cement 5 1/2" casing with Lead: 50 sx Premium Lite II, 3% KCL, 10% gel, 0.5% SM, 5#/sk KS, 1/4#/sk Celloflake, 0.2% R-35#/BLSF. Tail: 960 sx Premium Lite II HS, 3% KCL, 0.7% FL-250, .4% R-31/4# sk Celloflake, 5#/sk KS 5#/BLSF (651 bbls slurry). Bumped plug, floats held. See attached cement job report. Wait on cement, cut off casing. Released rig 10/1/2008. Wait on completion rig.

Intermediate Casing (8/21-9/5/08): Pressure tst surf csg to 1500 psi for 30 min. Drid out cmt float, shoe, & cmt. Drid & surveyed 12 1/4" hole to 4505'. Ran logs f/ 855'-4505'. Set 9 5/8", 40#, L80, LTC csg @ 4505'. Cmt 9 5/8" casing w/ Lead: 630 sx Premium Lite II (198.8 bbls); Tail: 825 sx 50/50 Poz (183 bbls). Bumped plug, floats held. WOC. Pressure tst csg to 4020# for 30 min. Tst safety equipment. Prep to drill out cmt.

8/13/2008 to 8/20/08: The subject well was rotary spudded on 8/13/08. MIRU Unit Rig #138. Drilled and surveyed to 900'. Set 13 3/8", 54.5#, LSC, STC surface casing @ 860'. Cement 13 3/8" surface casing with Lead: 420 sx Premium Lite II with 8% Bentonite (BWOW) + 0.5% Sodium Metasilicate (BWOW) + 3% KCl2, mixed @ 12.5 12.5 ppg. Yield = 2.04 ft³/sk, and 11.19 gps water. Calculated with 100% excess from 600' to surface. Tail: 298 sx Class G with 2% CaCl2 (BWOW) + 1/4 PPS Cello-flake mixed at 15.8 ppg. Yield = 1.17 ft³/sk, and 5.0 pgs. Calculated with 50% excess from 900' to 600'; 221 bbls slurry. Wait on cement. Nipple up BOPs. Pressure test surface casing @ 1500 psi for 30 min.

7/28/08: MIRU Pete Martin Drg. Drg spud well 7/28/2008. Set conductor pipe @ 60' & cmt w/ 300 sx. Currently WO drg rig.

Daily Detail:

- 11/6/2008 Wait on mechanics for rig brakes. RIH w/ 313 jts tagging fill @ 9880'. RU swivel & kelly up w/ jt #313. Roll hole w/ foam unit getting returns of oil & paraffin followed by "chocolate" color wtr. Washed sand f/ to 9925' KB. Rolled hole w/ foam unit. Recovered total 1420 bbls w/ 284 bbls pmpd.
- 11/7/2008 Finish rolling hole w/ foam unit. Pmp top kill of 20 bbls to retrieve pmp thru plug. RD swivel. POOH w/ tbg, having to top kill out of the hole. LD 6 - 3 1/8" DCs. LD BHA. Tbg & BHA were blistered from not enough chemical on foam unit (R&W). Inspected tbg & BHA. SDFN.
- 11/10/2008 RIH w/ 288 jts 2 7/8" tbg slow. Wait on BJ Services analysis on tbg. POOH w/ 110 jts to get above top perf @ 7272'. Secure well & drain up equipment. RIH w/ 50 stds out of derrick. Laid dn 100 jts on pipe racks, 143 jts 2 7/8" N-80 on racks. RD tbg equipment & wrk floor. RDMO to RU 3-19, prepare for frac.
- 11/11/2008 Road rig to location. Spot rig & RU. RU wrk floor, beaver slide. PU 100 jts of 2 7/8", 6.5# N-80 EUE tbg. RU swab & RIH w/ sand line to find fluid level for HCL job. Found bad spots "cats ass" in sand line @ 5600' +/- POOH w/ sand line. SDFN.
- 11/12/2008 RU foam unit & unload 115 bbls oil & wtr f/ well bore. Roll hole w/ 9 1/2 GPM 2% KCL wtr, 3 GPM foam, 3 GPM corrosion inhibitor & 6 GPM de-scaler. Note: Rolled 55 gal de-scaler/corrosion chemical.
- 11/13/2008 Put new 9/16" sandline on rig. RU hot oiler to flow bck tank & start to roll w/ imulsion breaker. RU 3" lubricator & open well to start swabbing. Tag fluid @ 4600'. POOH. Gas migrating over hot oiler. Shut well in. Transfer 160 bbls oil f/ 500 bbls flow bck tank to south production tank.
- 11/14/2008 Blow dn tbg & start swabbing. Tag fluid @ 4200'. Made total 20 swab runs recovering 178 bbls fluids @ 30% oil & 70% wtr. Laid dn swab & lubricator. SDFN.

Elk Production LLC Field Activity Report

AURORA UNIT

ROGERS 16-43

-
- 11/17/2008 Check sinker bars & PU swab. Tag fluid @ 5,200' & make 18 runs recovering 137 bbls fluids. Last cut @ 70% oil & 30% wtr leaving fluid level @ 5,600'. Laid dn swab & SDFN. SICP @ 500 psi & SITP slight blow. Blow dn 160 psi on tbg. RIH w/ swab tagging fluid @ 5,600'. Make 21 runs swabbing FL dn to 6,600', recovering 160 bbls, (80% oil, 19.5% wtr, .5% BS. Laid dn swab & lubricator. SDFN. Blow dn 160 psi on tbg. Tag fluid @ 5,100' swabbing total 160 bbls in 20 runs. Swabbed FL dn to 6,600' @ 85% oil, 14% wtr & 1% BS. Laid dn swab & lubricator SDFN.
-
- 11/18/2008 Blow dn well. RD swab & lubricator. POOH, LD 288 jts 2 7/8", 6.5#, N-80 EUE tbg. PU 2 7/8" collar, 1 jt, 3.1 OD desander, 4' 2 7/8" sub, SN 56 jts 5 1/2" Baker Anchor Catcher & 121 jts. SDFN
-
- 11/19/2008 RIH w/ remaining 118 jts tbg, landing @ 9800' (EOT). WO BJ. RU BJ to csg. Tst pmp & lines to 3500 psi. Pmp 71 bbls 15% HCL & displaced to top perf @ 7200' w/ 39 bbls 2% KCCL wtr. Wash up pmp & lines. RD BJ. RU swab & swab back a total of 202 bbls acid, flush & oil tstg PH to 4%. RD swab & lu7bricator. SDFN.
-
- 11/20/2008 PU swab. Tag fluid @ 5200' & swab well dn to 6400' in 24 runs. Recovered 190 bbls fluid, 80% oil, 20% wtr, traces of BS. SDFN.
-
- 11/24/2008 PU swab & lubricator. RIH & tag fluid @ 5,600'. Made 16 runs recovering 100 bbls of gassy fluid @ 80% oil cut. LD 24 jts leaving 271 total jts in hole. RD swab leaving final FL @ 6,800'. Land tbg putting EOT @ 8,599'+. RD tbg equipment. ND BOP. Set anchor w/ 16k tention. SDFN. PU 2 1/2" X 1 1/2" X 27' RHBC pmp & PU rods. Space out rod string. RD rig & MO. Hook up pmpg unit; put well on production 11/28/08.

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

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

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

3. ADDRESS OF OPERATOR: **1401 17th St., #700** CITY **Denver** STATE **CO** ZIP **80202** PHONE NUMBER: **(303) 296-4505**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **658' FSL, 2000' FEL**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **658' FSL, 2000' FEL**
AT TOTAL DEPTH: **658' FSL, 2000' FEL** *617 fsl 1994 fel per HSM review*

5. LEASE DESIGNATION AND SERIAL NUMBER: **Fee**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: **NA**

7. UNIT or CA AGREEMENT NAME: **Aurora Deep Unit**

8. WELL NAME and NUMBER: **Rogers 16-43**

9. API NUMBER: **4304738347**

10. FIELD AND POOL, OR WILDCAT: **Brennan Bottom/Wasatch**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWSE 18 7S 19E S 202**

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

14. DATE SPURRED: **7/28/2008** 15. DATE T.D. REACHED: **9/24/2008** 16. DATE COMPLETED: **11/21/2008** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **4811' GL, 4822' KB**

18. TOTAL DEPTH: MD **10,000** TVD **9995** 19. PLUG BACK T.D.: MD **9,925** TVD **9920** 20. IF MULTIPLE COMPLETIONS, HOW MANY? **1** 21. DEPTH BRIDGE PLUG SET: MD _____ TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
DLL, STAR, ZDDCN, DLS, XMAC, CBL/GR, CCL
MCL, GR, XMAA, CAL, DL, COMP2, CN, DS

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
	20"		0	60					
17.5	13.38 LSC	54.5	0	862		P11,G 818	221	0-Circ	
13	9 5/8 40	L-80	0	4,505		P11,Poz 1,455	382	0-Circ	
8 3/4"	5 1/2 17#	P-110	4,728	10,000		P11 1,010	651	4050'-CBL	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	8,599							

26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) Wasatch	7,276	9,783			9,743 - 9,783	.41	80	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)					9,348 - 9,380	.41	68	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)					8,203 - 8,249	.41	92	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)					7,276 - 7,772	.41	124	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
9743'-9783'	19841galsPad,72367galsTreatingFluid,10000#100MSd,177918#TmprdLC20/40Sd,9454galsFlush
9346'-9380'	28480galsPad,75215galsTreatingFluid,10000#100MSd,189029#TmprdLC20/40Sd,9022galsFlush
8203'-8249'	14784galsPad,63956galsTreatingFluid,8000#100MSd,169925#TmprdLC20/40Sd,7930galsFlush

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

30. WELL STATUS: **Producing**

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 11/28/2008		TEST DATE: 12/1/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 46	GAS - MCF: 0	WATER - BBL: 47	PROD. METHOD: Pump
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 46	GAS - MCF: 0	WATER - BBL: 47	INTERVAL STATUS: A

INTERVAL B (As shown in Item #26)

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

INTERVAL C (As shown in Item #26)

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

INTERVAL D (As shown in Item #26)

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

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

Sold (if it produces gas)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Ulta	673
				Green River	3,579
				Lower Green River	6,673
				Wasatch	7,583
				Mesaverde	10,443

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Karin Kuhn

TITLE Sr. Engineering Technician

SIGNATURE *Karin Kuhn*

DATE 12/11/2008

This report must be submitted within 30 days of

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

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

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

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

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

Rogers 16-43
SWSE Sec. 16-T7S-R20E
API – 43-047-38347

Formation Treatment: 10/24/08-10/25/08

Stage I

PERFS: 9743-9783; 2 SPF, 0.41", 80 Shots Total

Fractured the Wasatch Formation – As measured totals: Pad 19,841 gals, Treating Fluid 72,367 gals, Flush 9,454 gals; White, 100M Sand 10,000 lbs, Tempered LC, 20/40 Sand 177,918 lbs - MTP @ 4820 psi - ATP @ 3487 psi - Max Rate @ 53 bpm – Frac Grad @ 0.779 psi/ft - ISIP 7601

Stage II

PERFS: 9,346-9,380; 2 SPF, 0.41", 68 Shots Total

Fractured the Wasatch Formation – As measured totals: Pad 28,480 gals, Treating Fluid 75,215 gals, Flush 9,022 gals; White, 100M Sand 10,000 lbs, Tempered LC, 20/40 Sand 189,029 lbs - MTP @ 4056 psi - ATP @ 3076 psi - Max Rate @ 60 bpm – Frac Grad @ 0.705 psi/ft - ISIP 6600

Stage III

PERFS: 8,203-8,249; 2 SPF, 0.41", 92 Shots Total

Fractured the Wasatch Formation – As measured totals: Pad 15,784 gals, Treating Fluid 63,956 gals, Flush 7,930 gals; White, 100M Sand 8,000 lbs, Tempered LC, 20/40 Sand 169,925 lbs - MTP @ 4890 psi - ATP @ 3389 psi - Max Rate @ 61 bpm – Frac Grad @ 0.585 psi/ft - ISIP 4811

Stage IV

PERFS: 7,276-7,290; 4 SPF, 0.41", 56 Shots Total

PERFS: 7,315-7,318; 4 SPF, 0.41", 12 Shots Total

PERFS: 7,664-7,670; 4 SPF, 0.41", 24 Shots Total

PERFS: 7,764-7,772; 4 SPF, 0.41", 32 Shots Total

Fractured the Wasatch Formation – As measured totals: Pad 18,115 gals, Treating Fluid 70,788 gals, Flush 7,090 gals; White, 100M Sand 10,000 lbs, Tempered LC, 20/40 Sand 196,075 lbs - MTP @ 3487 psi - ATP @ 2564 psi - Max Rate @ 72 bpm – Frac Grad @ 0.639 psi/ft - ISIP 4811

Elk Resources, Inc.

Uintah County, UT

Rogers

No. 16-43

Original Hole

Design: Surveys

Standard Survey Report

25 September, 2008



Professional Directional Survey Report



Company: Elk Resources, Inc.	Local Co-ordinate Reference: Well No. 16-43	
Project: Uintah County, UT	TVD Reference: 4811' GL + 15' KB @ 4828.00ft (Unit 138)	
Site: Rogers	MD Reference: 4811' GL + 15' KB @ 4828.00ft (Unit 138)	
Well: No. 16-43	North Reference: True	
Wellbore: Original Hole	Survey Calculation Method: Minimum Curvature	
Design: Surveys	Database: EDM 2003.21 Single User Db	

Project	Uintah County, UT		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Central Zone		

Site Rogers			
Site Position:		Northing: 7,248,771.29ft	Latitude: 40° 12' 19.560 N
From: Lat/Long		Easting: 2,150,912.13ft	Longitude: 109° 40' 19.560 W
Position Uncertainty: 0.00 ft		Slot Radius: "	Grid Convergence: 1.17 °

Well No. 16-43			
Well Position		Northing: 7,248,771.29 ft	Latitude: 40° 12' 19.560 N
		Easting: 2,150,912.13 ft	Longitude: 109° 40' 19.560 W
Position Uncertainty	0.00 ft	Wellhead Elevation: 4,811.00 ft	Ground Level: 4,811.00 ft

Wellbore Original Hole					
Magnetic	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2008/09/08	11.52	66.08	52,718

Design Surveys					
Audit Notes: SHL 658' FSL, 2000' FEL, Sec 16-T7S-R20E					
Version: 1.0	Phase: ACTUAL	Tie On Depth: 0.00			
Vertical Section:	Depth From (TVD) (ft)	+N-S (ft)	+E-W (ft)	Direction (°)	
	0.00	0.00	0.00	181.00	

Survey Program Date 2008/09/25					
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description	
78.00	5,415.00	Gyro Survey (Original Hole)	SRG-GYRO-MS	surface readout gyro multishot	
5,488.00	9,938.00	MWD Survey (Original Hole)	MWD	MWD - Standard	
10,000.00	10,000.00	Projected to TD (Original Hole)	Projection	Projection	

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
78.00	0.15	307.74	78.00	0.06	-0.08	-0.06	0.19	0.19	0.00
168.00	0.28	246.15	168.00	0.05	-0.38	-0.04	0.27	0.14	-68.43
259.00	0.66	232.98	259.00	-0.36	-1.00	0.38	0.43	0.42	-14.47
350.00	1.37	232.84	349.98	-1.33	-2.28	1.37	0.78	0.78	-0.15
440.00	1.58	228.65	439.95	-2.80	-4.07	2.87	0.26	0.23	-4.66
470.00	1.81	216.78	469.94	-3.45	-4.67	3.54	1.40	0.77	-39.57
561.00	1.78	212.42	560.89	-5.80	-6.28	5.91	0.15	-0.03	-4.79
653.00	1.37	209.27	652.86	-7.96	-7.59	8.10	0.48	-0.45	-3.42
744.00	1.26	207.56	743.83	-9.80	-8.58	9.95	0.13	-0.12	-1.88
836.00	1.29	211.26	835.81	-11.58	-9.59	11.75	0.10	0.03	4.02

Professional Directional Survey Report



Company: Elk Resources, Inc.
Project: Uintah County, UT
Site: Rogers
Well: No. 16-43
Wellbore: Original Hole
Design: Surveys

Local Co-ordinate Reference: Well No. 16-43
TVD Reference: 4811' GL + 15' KB @ 4826.00ft (Unit 138)
MD Reference: 4811' GL + 15' KB @ 4826.00ft (Unit 138)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.21 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
928.00	1.25	207.83	927.79	-13.36	-10.59	13.54	0.09	-0.04	-3.73
1,020.00	1.19	206.53	1,019.77	-15.10	-11.49	15.30	0.07	-0.07	-1.41
1,111.00	1.17	209.36	1,110.75	-16.75	-12.37	16.97	0.07	-0.02	3.10
1,203.00	1.13	208.88	1,202.73	-18.37	-13.26	18.59	0.04	-0.04	-0.51
1,296.00	0.98	206.26	1,295.72	-19.88	-14.06	20.12	0.17	-0.16	-2.82
1,390.00	0.99	203.54	1,389.70	-21.35	-14.74	21.80	0.05	0.01	-2.89
1,483.00	0.87	203.28	1,482.69	-22.73	-15.34	23.00	0.13	-0.13	-0.28
1,576.00	0.67	186.27	1,575.68	-23.92	-15.68	24.19	0.32	-0.22	-18.29
1,667.00	0.62	188.49	1,666.67	-24.93	-15.64	25.20	0.23	-0.05	-19.54
1,760.00	0.63	168.01	1,759.67	-25.93	-15.43	26.19	0.01	0.01	-0.52
1,853.00	0.60	169.28	1,852.66	-26.90	-15.23	27.17	0.04	-0.03	1.34
1,944.00	0.60	179.63	1,943.66	-27.77	-15.14	28.03	0.15	-0.11	11.40
2,038.00	0.48	194.51	2,037.66	-28.56	-15.24	28.82	0.14	-0.02	15.83
2,130.00	0.59	193.31	2,129.65	-29.39	-15.44	29.66	0.12	0.12	-1.30
2,222.00	0.64	197.85	2,221.65	-30.34	-15.71	30.61	0.08	0.05	4.93
2,315.00	0.85	199.72	2,314.64	-31.49	-16.10	31.76	0.23	0.23	2.01
2,408.00	0.97	197.50	2,407.63	-32.89	-16.57	33.17	0.13	0.13	-2.39
2,500.00	1.17	202.91	2,499.61	-34.50	-17.17	34.79	0.24	0.22	5.88
2,593.00	1.23	202.94	2,592.59	-36.29	-17.93	36.60	0.06	0.06	0.03
2,685.00	1.37	202.57	2,684.57	-38.22	-18.74	38.54	0.15	0.15	-0.40
2,778.00	1.33	198.57	2,777.54	-40.26	-19.51	40.60	0.11	-0.04	-4.30
2,872.00	1.35	189.46	2,871.52	-42.39	-20.04	42.73	0.23	0.02	-9.69
2,965.00	1.43	192.37	2,964.49	-44.61	-20.47	44.96	0.11	0.09	3.13
3,058.00	1.52	189.74	3,057.46	-46.95	-20.92	47.31	0.12	0.10	-2.83
3,153.00	1.51	187.79	3,152.42	-49.44	-21.31	49.80	0.08	-0.01	-2.05
3,245.00	1.64	185.17	3,244.39	-51.95	-21.59	52.32	0.16	0.14	-2.85
3,337.00	1.51	185.34	3,336.35	-54.47	-21.82	54.84	0.14	-0.14	0.18
3,429.00	1.57	185.98	3,428.32	-56.93	-22.06	57.30	0.07	0.07	0.70
3,520.00	1.35	176.92	3,519.29	-59.24	-22.14	59.61	0.35	-0.24	-9.96
3,617.00	1.25	178.14	3,616.27	-61.44	-22.04	61.81	0.11	-0.10	1.26
3,705.00	1.04	184.35	3,704.25	-63.19	-22.07	63.57	0.28	-0.24	7.06
3,797.00	0.94	191.47	3,796.24	-64.76	-22.28	65.14	0.17	-0.11	7.74
3,889.00	0.69	193.24	3,888.23	-66.04	-22.56	66.43	0.27	-0.27	1.92
3,980.00	0.04	178.37	3,979.22	-66.61	-22.69	68.99	0.72	-0.71	-16.34
4,072.00	0.46	149.94	4,071.22	-66.96	-22.50	67.34	0.46	0.46	-30.90
4,165.00	2.59	189.41	4,164.19	-69.36	-22.66	69.74	2.42	2.29	42.44
4,257.00	1.47	190.70	4,256.13	-72.57	-23.22	72.96	1.22	-1.22	1.40
4,350.00	1.36	198.44	4,349.10	-74.78	-23.78	75.18	0.24	-0.13	8.32
4,444.00	0.99	194.54	4,443.08	-76.61	-24.34	77.03	0.39	-0.38	-4.15
4,537.00	0.92	181.93	4,536.07	-78.14	-24.56	78.55	0.24	-0.08	-13.56
4,630.00	1.04	180.60	4,629.05	-79.73	-24.60	80.15	0.13	0.13	-1.43
4,723.00	1.23	180.11	4,722.03	-81.57	-24.61	81.99	0.20	0.20	-0.53
4,816.00	1.60	181.67	4,815.01	-83.87	-24.65	84.28	0.40	0.40	1.68
4,908.00	1.97	182.17	4,906.96	-86.73	-24.75	87.15	0.40	0.40	0.54
5,000.00	2.36	184.00	4,998.90	-90.20	-24.94	90.62	0.43	0.42	1.99
5,091.00	2.66	183.22	5,089.81	-94.18	-25.19	94.60	0.33	0.33	-0.86
5,184.00	2.80	182.84	5,182.70	-98.60	-25.41	99.03	0.15	0.15	-0.62
5,276.00	2.91	181.83	5,274.59	-103.18	-25.59	103.61	0.13	0.12	-0.88
5,369.00	3.18	180.28	5,367.46	-108.12	-25.68	108.55	0.30	0.29	-1.67
5,415.00	3.36	179.74	5,413.38	-110.74	-25.68	111.17	0.40	0.39	-1.17
Last Gyro Survey at 5415' MD									
5,488.00	3.40	179.20	5,486.25	-115.05	-25.64	115.48	0.07	0.05	-0.74
5,563.00	3.30	177.20	5,561.13	-119.43	-25.50	119.85	0.21	-0.13	-2.67
5,625.00	2.80	162.00	5,623.04	-122.65	-24.95	123.07	1.53	-0.81	-24.52

Professional Directional Survey Report



Company: Elk Resources, Inc.
Project: Uintah County, UT
Site: Rogers
Well: No. 16-43
Wellbore: Original Hole
Design: Surveys

Local Co-ordinate Reference: Well No. 16-43
TVD Reference: 4811' GL + 15' KB @ 4826.00ft (Unit 138)
MD Reference: 4811' GL + 15' KB @ 4826.00ft (Unit 138)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.21 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,686.00	2.70	156.00	5,683.97	-125.38	-23.90	125.78	0.50	-0.16	-9.84
5,747.00	2.50	144.90	5,744.91	-127.78	-22.55	128.15	0.89	-0.33	-18.20
5,810.00	2.20	143.30	5,807.85	-129.87	-21.04	130.22	0.49	-0.48	-2.54
5,872.00	2.30	140.50	5,869.81	-131.79	-19.54	132.11	0.24	0.16	-4.52
5,935.00	2.10	141.00	5,932.76	-133.68	-18.01	133.95	0.32	-0.32	0.79
5,996.00	2.10	140.20	5,993.72	-135.39	-16.59	135.66	0.05	0.00	-1.31
6,058.00	1.90	138.10	6,055.88	-137.02	-15.18	137.27	0.34	-0.32	-3.39
6,119.00	1.80	132.20	6,116.85	-138.42	-13.79	138.64	0.35	-0.16	-9.67
6,180.00	1.80	119.30	6,177.62	-139.53	-12.25	139.73	0.68	0.00	-21.15
6,241.00	1.80	121.10	6,238.59	-140.50	-10.59	140.66	0.09	0.00	2.95
6,303.00	1.90	124.70	6,300.56	-141.58	-8.91	141.72	0.25	0.16	5.81
6,364.00	1.80	124.90	6,361.53	-142.71	-7.29	142.81	0.18	-0.16	0.33
6,426.00	1.90	110.90	6,423.49	-143.63	-5.53	143.71	0.74	0.16	-22.58
6,488.00	1.90	96.70	6,485.46	-144.12	-3.55	144.16	0.76	0.00	-22.90
6,549.00	1.80	88.60	6,546.43	-144.18	-1.59	144.19	0.56	-0.16	-16.56
6,610.00	1.80	82.90	6,607.40	-144.01	0.31	143.98	0.19	0.00	-6.07
6,671.00	1.50	52.10	6,668.37	-143.40	1.89	143.34	1.51	-0.49	-50.49
6,733.00	0.90	52.70	6,730.36	-142.60	2.92	142.53	0.97	-0.97	0.97
6,795.00	0.30	81.30	6,792.36	-142.28	3.47	142.20	1.05	-0.97	46.13
6,857.00	0.30	1.30	6,854.36	-142.10	3.63	142.01	0.62	0.00	-129.03
6,920.00	0.70	337.90	6,917.35	-141.57	3.49	141.49	0.70	0.63	-37.14
6,982.00	1.00	344.20	6,979.35	-140.70	3.20	140.63	0.51	0.48	10.16
7,043.00	1.40	338.60	7,040.33	-139.50	2.79	139.43	0.68	0.66	-9.18
7,104.00	1.50	345.00	7,101.31	-138.03	2.31	137.97	0.31	0.16	10.49
7,166.00	1.80	346.40	7,163.29	-136.30	1.87	136.25	0.49	0.48	2.26
7,228.00	2.10	346.20	7,225.25	-134.25	1.37	134.21	0.48	0.48	-0.32
7,287.00	2.00	345.80	7,284.21	-132.20	0.86	132.17	0.17	-0.17	-0.68
7,348.00	1.80	345.30	7,345.18	-130.25	0.35	130.22	0.33	-0.33	-0.82
7,410.00	2.10	359.00	7,407.14	-128.17	0.09	128.15	0.89	0.48	22.10
7,472.00	2.10	354.60	7,469.10	-125.90	-0.04	125.88	0.26	0.00	-7.10
7,533.00	1.80	346.90	7,530.07	-123.86	-0.36	123.84	0.65	-0.49	-12.62
7,595.00	2.20	354.70	7,592.03	-121.72	-0.69	121.72	0.78	0.65	12.58
7,656.00	2.30	355.60	7,652.98	-119.34	-0.89	119.33	0.17	0.18	1.48
7,719.00	2.30	344.30	7,715.93	-116.86	-1.33	116.86	0.72	0.00	-17.94
7,780.00	2.30	345.40	7,776.88	-114.50	-1.97	114.51	0.07	0.00	1.80
7,841.00	2.00	343.70	7,837.84	-112.29	-2.58	112.32	0.50	-0.49	-2.79
7,902.00	2.40	349.80	7,898.80	-110.01	-3.11	110.05	0.76	0.66	10.00
7,966.00	2.40	351.90	7,962.74	-107.37	-3.53	107.41	0.14	0.00	3.28
8,027.00	2.50	354.70	8,023.68	-104.78	-3.83	104.83	0.26	0.16	4.59
8,089.00	2.60	357.20	8,085.62	-102.03	-4.03	102.08	0.24	0.16	4.03
8,151.00	2.30	358.60	8,147.57	-99.38	-4.13	99.43	0.49	-0.48	2.26
8,212.00	2.20	350.40	8,208.52	-97.00	-4.35	97.06	0.55	-0.16	-13.44
8,273.00	2.60	347.30	8,269.46	-94.49	-4.85	94.57	0.69	0.66	-5.08
8,335.00	2.70	347.30	8,331.40	-91.70	-5.48	91.78	0.16	0.16	0.00
8,398.00	2.60	349.20	8,394.33	-88.85	-6.08	88.94	0.21	-0.16	3.02
8,521.00	2.80	352.30	8,517.19	-83.13	-7.00	83.24	0.20	0.16	2.52
8,582.00	2.70	354.70	8,578.12	-80.22	-7.33	80.34	0.25	-0.16	3.93
8,644.00	2.80	350.40	8,640.05	-77.28	-7.72	77.40	0.37	0.16	-6.94
8,705.00	2.60	356.90	8,700.99	-74.42	-8.04	74.55	0.60	-0.33	10.66
8,767.00	2.80	354.60	8,762.92	-71.51	-8.26	71.65	0.37	0.32	-3.71
8,829.00	2.70	356.40	8,824.85	-68.55	-8.50	68.69	0.21	-0.16	2.90
8,890.00	2.60	0.70	8,885.78	-65.73	-8.57	65.87	0.36	-0.16	7.05
8,950.00	2.50	2.80	8,945.72	-63.08	-8.49	63.20	0.23	-0.17	3.50
9,012.00	2.40	10.80	9,007.66	-60.44	-8.18	60.57	0.57	-0.16	12.90

Professional Directional Survey Report



Company: Elk Resources, Inc.	Local Co-ordinate Reference: Well No. 16-43	
Project: Uintah County, UT	TVD Reference: 4811' GL + 15' KB @ 4826.00ft (Unit 138)	
Site: Rogers	MD Reference: 4811' GL + 15' KB @ 4826.00ft (Unit 138)	
Well: No. 16-43	North Reference: True	
Wellbore: Original Hole	Survey Calculation Method: Minimum Curvature	
Design: Surveys	Database: EDM 2003.21 Single User Db	

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
9,073.00	2.30	13.30	9,068.61	-57.99	-7.66	58.12	0.23	-0.16	4.10
9,135.00	2.20	21.30	9,130.57	-55.87	-6.94	55.78	0.53	-0.16	12.90
9,196.00	1.90	26.70	9,191.53	-53.67	-6.08	53.77	0.56	-0.49	7.21
9,258.00	1.90	18.80	9,253.49	-51.77	-5.30	51.86	0.37	0.00	-11.13
9,320.00	1.90	23.40	9,315.46	-49.85	-4.66	49.93	0.25	0.00	7.42
9,383.00	1.80	28.10	9,378.43	-48.02	-3.68	48.08	0.29	-0.16	7.46
9,445.00	1.50	28.60	9,440.40	-46.45	-2.83	46.49	0.48	-0.48	0.81
9,507.00	1.40	32.70	9,502.38	-45.10	-2.04	45.13	0.23	-0.16	6.61
9,568.00	1.40	44.80	9,563.36	-43.95	-1.11	43.96	0.48	0.00	19.84
9,659.00	1.10	55.70	9,654.34	-42.66	0.40	42.65	0.42	-0.33	11.98
9,752.00	1.10	64.90	9,747.32	-41.78	1.94	41.74	0.19	0.00	9.89
9,814.00	1.10	63.60	9,809.31	-41.27	3.02	41.21	0.04	0.00	-2.10
9,875.00	0.80	74.20	9,870.30	-40.89	3.95	40.81	0.57	-0.49	17.38
9,938.00	1.20	86.10	9,933.29	-40.73	5.03	40.63	0.71	0.63	18.89
Last MWD Survey at 9938' MD									
10,000.00	1.20	86.10	9,995.28	-40.64	6.33	40.52	0.00	0.00	0.00
Projected to TD at 10,000' MD, 9995.28' TVD									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N-S (ft)	+E-W (ft)	
5,415.00	5,413.38	-110.74	-25.68	Last Gyro Survey at 5415' MD
9,938.00	9,933.29	-40.73	5.03	Last MWD Survey at 9938' MD
10,000.00	9,995.28	-40.64	6.33	Projected to TD at 10,000' MD, 9995.28' TVD

Project: Uintah County, UT
Site: Rogers
Well: No. 16-43
Wellbore: Original Hole
Design: Final Surveys
Rig: Unit 138

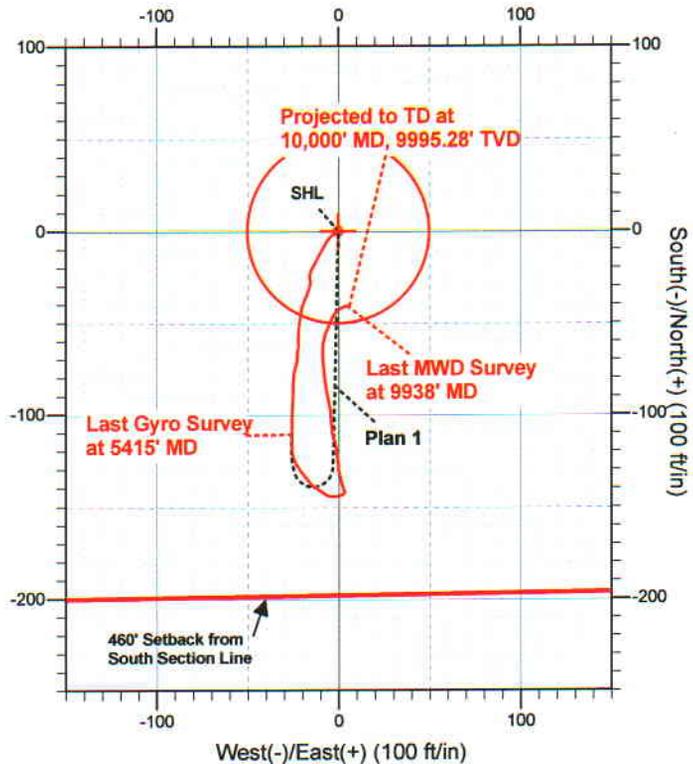
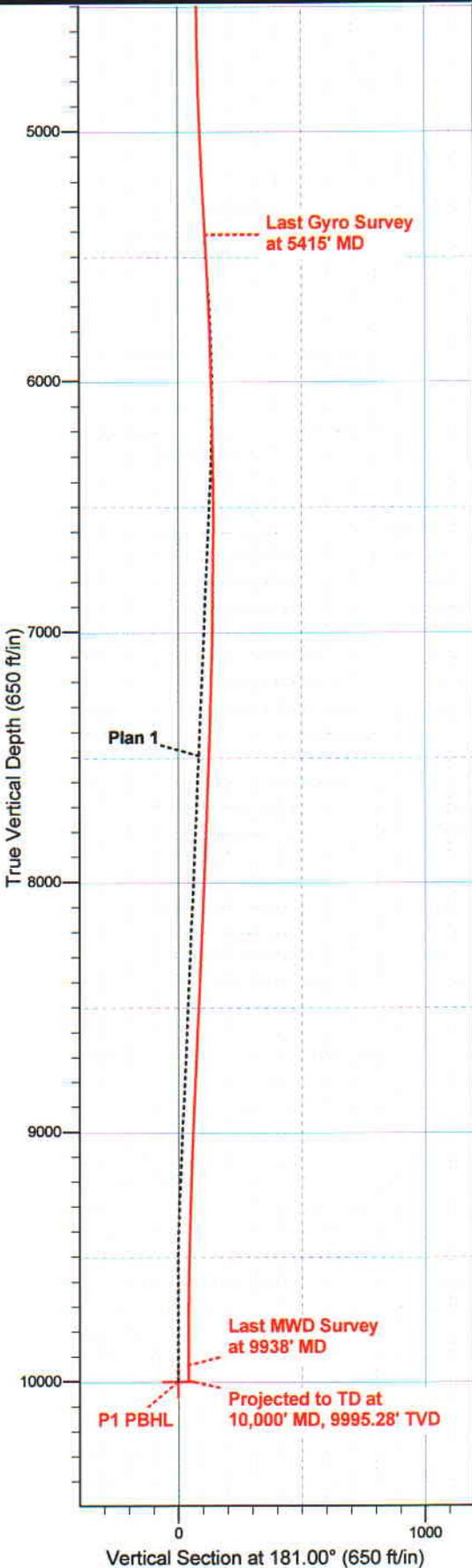
Surface Location			
US State Plane 1983 Utah Central Zone Elevation: 4811' GL + 15' KB @ 4826.00ft (Unit 138)			
Northing	Easting	Latitude	Longitude
7248771.29	2150912.13	40° 12' 19.560 N	109° 40' 19.560 W
SHL 658' FSL, 2000' FEL, Sec 16-T7S-R20E			

To convert a Magnetic Direction to a True Direction, Add 11.52° East

Magnetic Model: IGRF200510 Date: 08-Sep-08

Azimuths to True North

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
P1 PBHL	10000.00	0.00	0.00	7248771.29	2150912.13	Circle (Radius: 50.00)



Project: Uintah County, UT
Site: Rogers
Well: No. 16-43
Wellbore: Original Hole
Design: Final Surveys
Rig: Unit 138

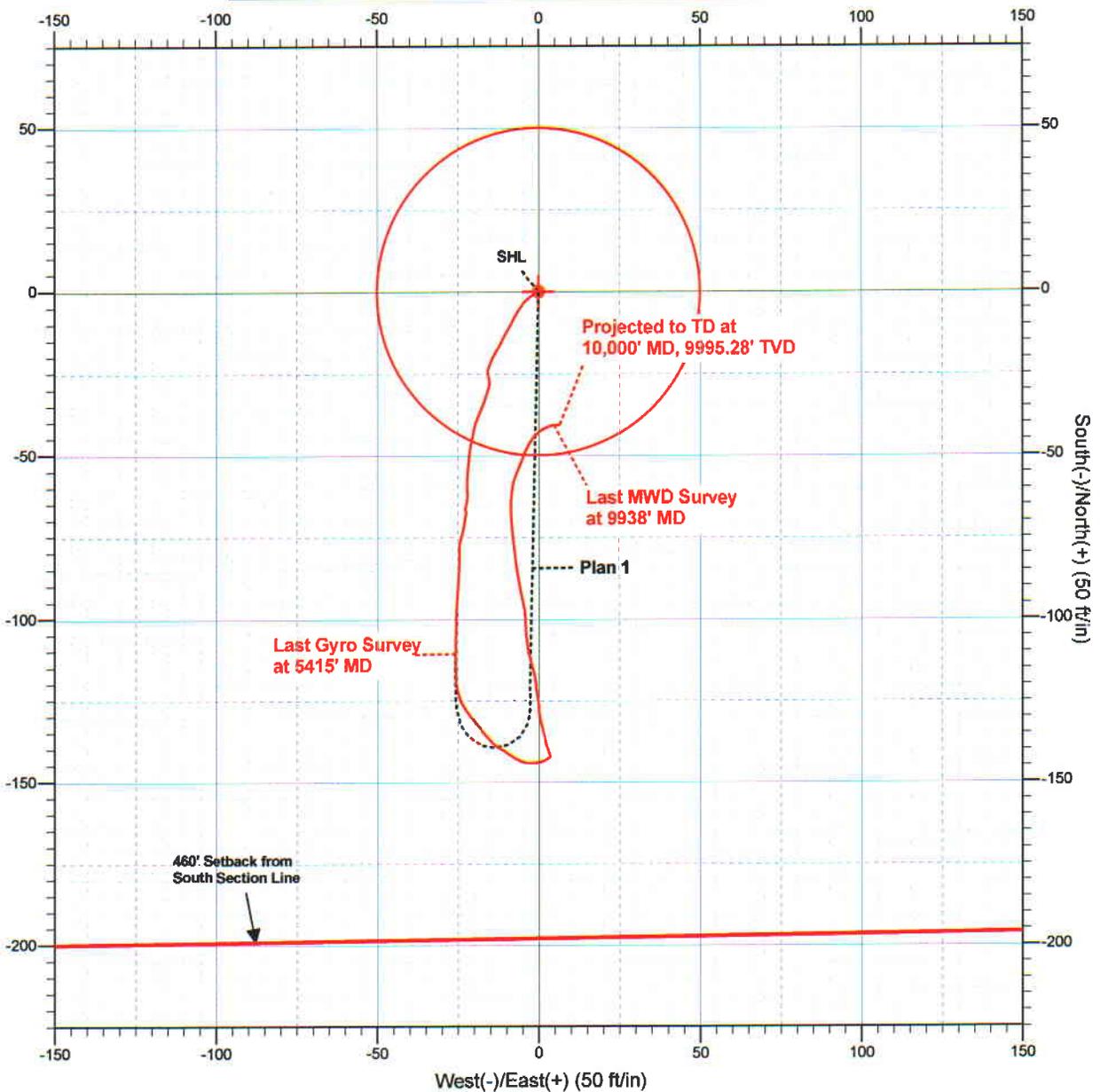
Surface Location			
US State Plane 1983 Utah Central Zone			
Elevation: 4811' GL + 15' KB @ 4826.00ft (Unit 138)			
Northing	Easting	Latitude	Longitude
7248771.29	2150912.13	40° 12' 19.560 N	109° 40' 19.560 W
SHL 658' FSL, 2000' FEL, Sec 16-T7S-R20E			

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
P1 PBHL	10000.00	0.00	0.00	7248771.29	2150912.13	Circle (Radius: 50.00)

To convert a Magnetic Direction to a True Direction, Add 11.52° East

Magnetic Model: IGRF200510 Date: 08-Sep-08

Azimuths to True North



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

5. LEASE DESIGNATION AND SERIAL NUMBER: Fee	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA	
7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit	
8. WELL NAME and NUMBER: Rogers 16-43	
9. API NUMBER: 4304738347	
10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/Wasatch/GR	

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

1. TYPE OF WELL: OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
Elk Resources, LLC

3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 296-4505

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 658' FSL, 2000' FEL COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 2/1/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

With this Sundry Notice, Elk Resources, LLC is requesting authority to commingle Wasatch and Green River production in the referenced well bore. A workover of the well has begun to recomplete the subject well to the Green River formation; a bridge plug will be set @ 7200' above the Wasatch perms. The Green River formation will be perforated and tested from 5962'-7043'. The well was originally drilled and cased to a total depth of 10000' in the Wasatch formation. The well was completed in and has produced from the Wasatch formation. Upon approval of this commingling request, Elk plans to remove the bridge plug separating the Green River and Wasatch producing formations and thereby commingle the combined production in the well bore.

Elk Resources, LLC has complied with Utah DOGM Rule R649-3-22 by sending a copy of this application to all owners of all contiguous oil and gas leases and drilling units adjacent to this well and the overlying pools to be commingled along with a plat showing the relative offsetting wells and leases/drilling units.

The royalty, overriding royalty, and working interests are identical in each zone. The Green River and Wasatch formations at this location are not subject to DOGM spacing orders and is located within the Aurora (Deep) Unit. Therefore, Elk will not allocate production for reporting purposes to each zone individually, but the commingled production stream will be reported as the combined Green River/Wasatch formations.

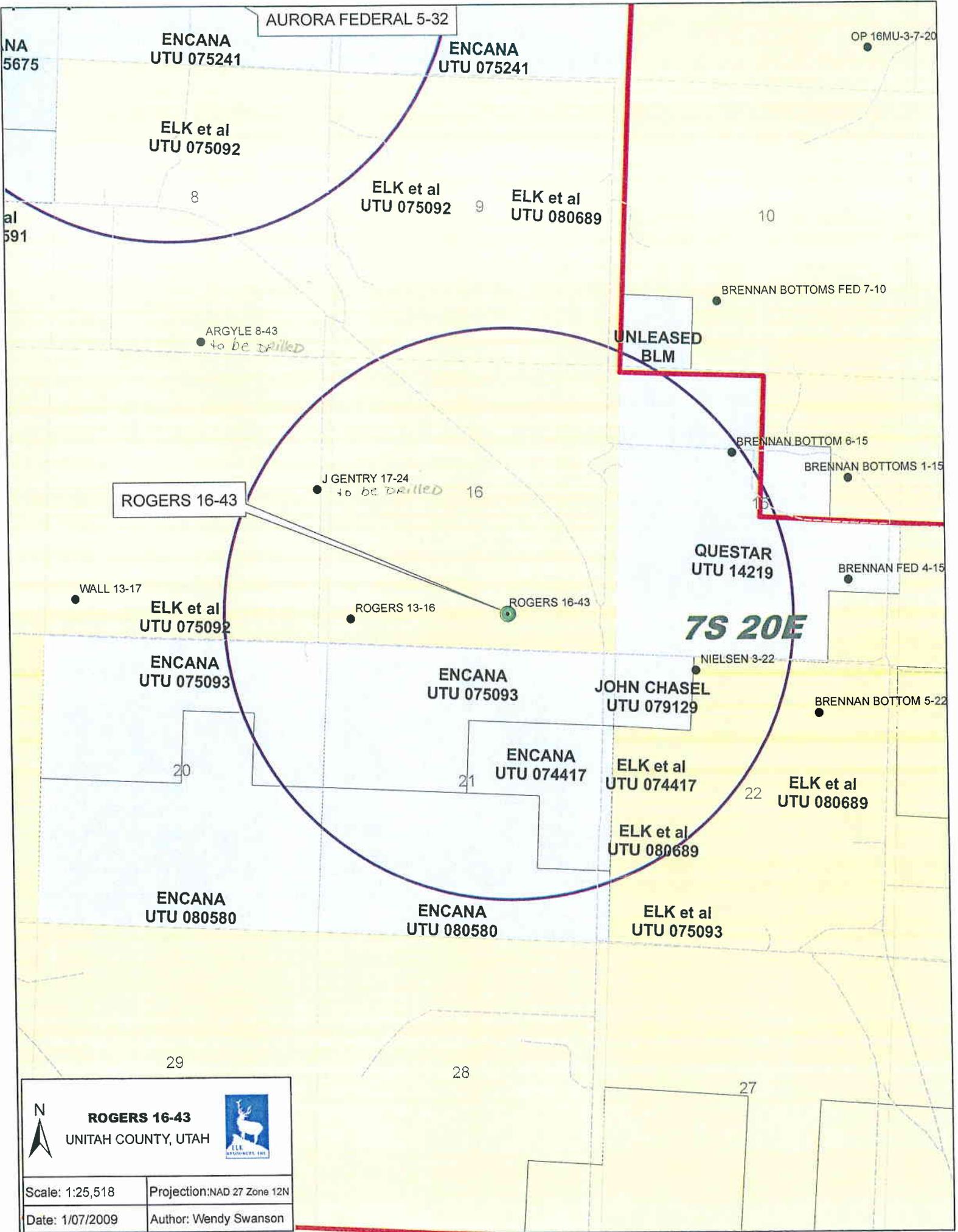
NAME (PLEASE PRINT) Karin Kuhn TITLE Sr. Engineering Technician

SIGNATURE *Karin Kuhn* DATE 1/9/2009

COPY SENT TO OPERATOR
(This space for State use only)
Date: 2-5-2009
Initials: KS

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE 2/4/09
BY: *[Signature]*

RECEIVED
JAN 12 2009
DIV. OF OIL, GAS & MINING



AURORA FEDERAL 5-32

NA 5675

ENCANA UTU 075241

ENCANA UTU 075241

OP 16MU-3-7-20

ELK et al UTU 075092

ELK et al UTU 075092

ELK et al UTU 080689

al 591

ARGYLE 8-43
to be drilled

UNLEASED BLM

BRENNAN BOTTOMS FED 7-10

ROGERS 16-43

J GENTRY 17-24
to be drilled

BRENNAN BOTTOM 6-15

BRENNAN BOTTOMS 1-15

QUESTAR UTU 14219

BRENNAN FED 4-15

7S 20E

WALL 13-17

ELK et al UTU 075092

ROGERS 13-16

ROGERS 16-43

ENCANA UTU 075093

ENCANA UTU 075093

JOHN CHASEL UTU 079129

BRENNAN BOTTOM 5-22

20

21

ENCANA UTU 074417

ELK et al UTU 074417

22

ELK et al UTU 080689

ELK et al UTU 080689

ENCANA UTU 080580

ENCANA UTU 080580

ELK et al UTU 075093

29

28

27

ROGERS 16-43
UNITAH COUNTY, UTAH

Scale: 1:25,518	Projection: NAD 27 Zone 12N
Date: 1/07/2009	Author: Wendy Swanson

Rogers 16-43
4304738347
SWSE Section 16-7S-20E
Uintah County, UT

Owners Within One-Mile Radius

Elk Resources, LLC
1401 17th Street, Suite 700
Denver, CO 80202

QEP Uinta Basin, Inc.
Attn: Bob LaRocque
1050 17th Street, Suite 500
Denver, CO 80265

EOG
Attn: Mike Schween
600 17th Street, Suite 1000N
Denver, CO 80202

EnCana Oil & Gas Co., (USA), Inc.
Attn: Bob Weaver
370 17th Street, Suite 1700
Denver, CO 80202

Forest Oil Corporation
Attn: Chuck Rasey
707 17th Street, Suite 3600
Denver, CO 80202

John Chasel
2285 Lucky John Drive
Park City, UT 84060

Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, UT 84078

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: Fee
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: NA
		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Rogers 16-43	
2. NAME OF OPERATOR: Elk Resources, LLC	9. API NUMBER: 4304738347	
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 296-4505	10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/Wasatch/GR

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 658' FSL, 2000' FEL COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 20E S STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 2/3/2009	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Commingle Wasatch & Green River Fm</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Work began on 1/2/2009 to recomplate the subject well to the Green River. Set plug @ 7200'. Perf from 6878' to 7043'. Frac perfs with 12,500 gals Pad, 49,648 gals Treating Fluid, 7500# 100 Mesh White Sand, 103,538# Tempered LC 20/40 Sand, and 7,652 gals Flush. Set plug 6822'. Perf from 6300' to 6778'. Frac with 10,500 gals Pad, 70,805 gals Treating Fluid, 7,500# 100 Mesh White Sand, 122,069# Tempered LC 20/40 Sand, and 13,264 gals Flush. Set plug @ 6274'. Perf from 5914' to 6248'. Frac with 20,009 gals Pad, 81,936 gals Treating Fluid, 10,000# 100 Mesh White Sand, 251,550# Tempered LC 20/40 Sand, and 11,962 Flush. Set plug @ 5890'. Perf from 5606' to 5854'. Frac with 15,002 gals Pad, 38,459 gals Treating Fluid, and 10,000# 100 Mesh White Sand, 76,244# Tempered LC 20/40 Sand, and 11,689 gals Flush. Flow back frac. Drill out plugs. While drilling out fourth plug, coil tubing became stuck. Fish mud motor. Top of fish @ 7177'. Work fish. Pulled out of hole with fish. Tag fourth plug @ 7200' and drill on plug. Roll hole clean. Tag PBSD @ 9885'. Run rods and tubing. Put well on production 2/3/09, producing from Wasatch and Green River formations.

RECEIVED
FEB 16 2009

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE	DATE <u>2/16/2009</u>

(This space for State use only)

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

FORM 6

ENTITY ACTION FORM

Operator: Elk Resources, LLC Operator Account Number: N 3480
 Address: 1401 17th Street, Suite 700
city Denver
state CO zip 80202 Phone Number: (303) 296-4505

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738347	Rogers 16-43		SWSE	16	7S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
E	16977	16977	7/28/2008			2/3/2009	
Comments: To change the formation from WSTC to GR-WS.			CONFIDENTIAL			2/17/09	

Well 2

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

Well 3

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

ACTION CODES:

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

Karin Kuhn

Name (Please Print)

Signature

Sr. Engineering Technician

Title

2/17/2009

Date

RECEIVED

FEB 17 2009

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
<small>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.</small>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Aurora Deep Unit
2. NAME OF OPERATOR: Elk Resources, LLC		8. WELL NAME and NUMBER: Rogers 16-43
3. ADDRESS OF OPERATOR: 1401 17th. St., Suite 700 CITY: Denver STATE: CO ZIP: 80202		9. API NUMBER: 4304738347
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL, 2000' FEL		10. FIELD AND POOL, OR WILDCAT: Brennan Bottom/Wasatch
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 16 7S 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 <small>(Submit In Duplicate)</small> Approximate date work will start: <u>4/6/2009</u>	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Pit Reclamation</u>
<input type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small> Date of work completion: _____		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Elk plans to reclaim the pit for the subject well. Anticipate starting work the week of April 6, 2009.

RECEIVED
MAR 31 2009
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Karin Kuhn</u>	TITLE <u>Sr. Engineering Technician</u>
SIGNATURE <u><i>Karin Kuhn</i></u>	DATE <u>3/31/2009</u>

(This space for State use only)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: AURORA (DEEP)
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: ROGERS 16-43
2. NAME OF OPERATOR: ELK RESOURCES, LLC	9. API NUMBER: 43047383470000
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 700 , Denver, CO, 80202	PHONE NUMBER: 303 296-4505 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0658 FSL 2000 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 16 Township: 07.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: BRENNAN BOTTOM COUNTY: UINTAH STATE: UTAH

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

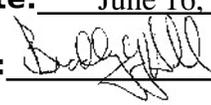
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/16/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input checked="" type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Site Security Diagram

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

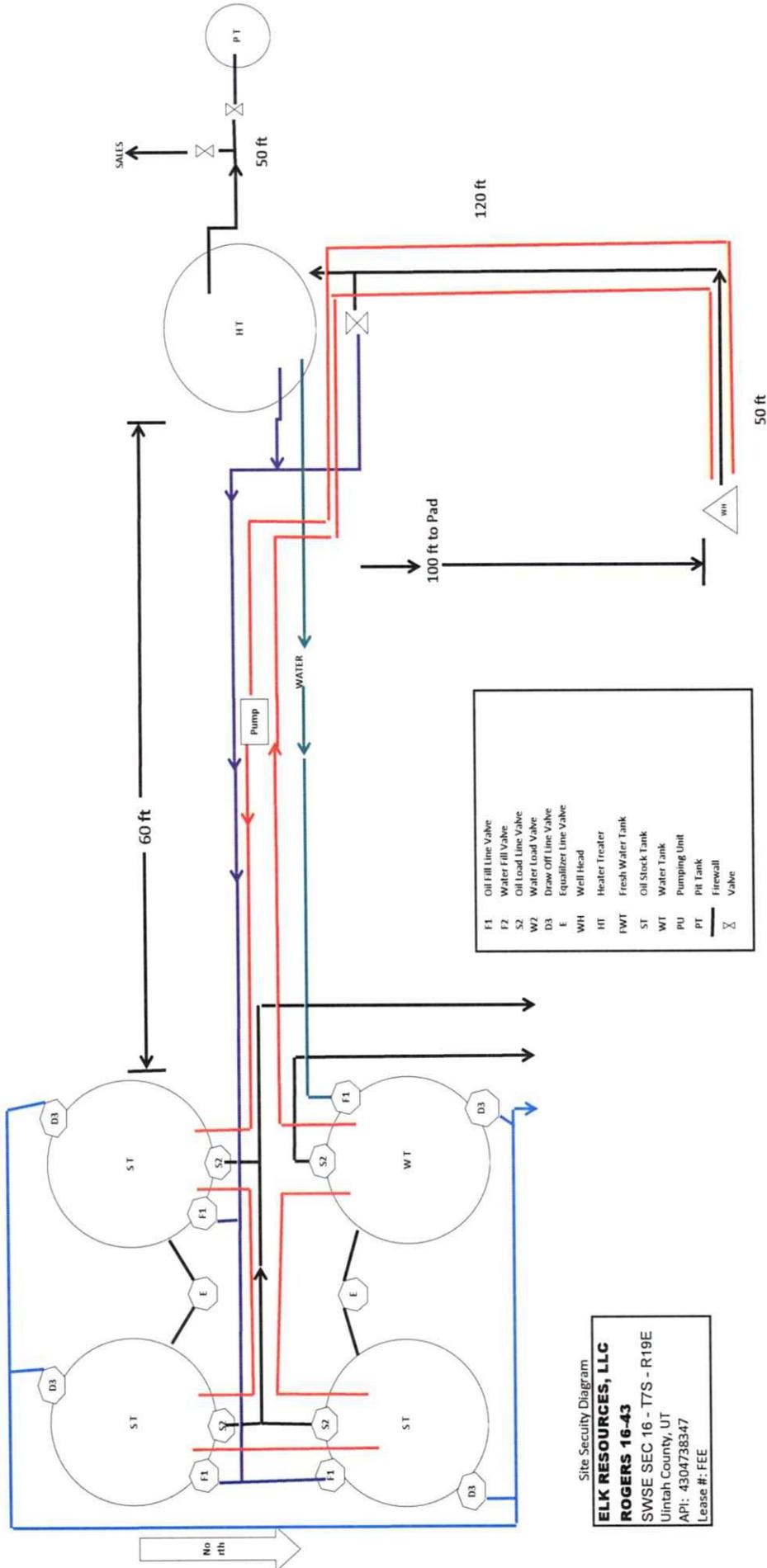
Attached is a copy of a Site Security Diagram for the subject well. Produced water from the subject well is trucked by LaPoint Recycle, LaPoint, Utah, or RN Industries, Roosevelt, Utah, to their nearby commercial evaporating pits.

Accepted by the Utah Division of Oil, Gas and Mining

Date: June 16, 2009

By: 

NAME (PLEASE PRINT) Karin Kuhn	PHONE NUMBER 303 296-4505	TITLE Sr. Engineering Technician
SIGNATURE N/A		DATE 6/16/2009



F1	Oil Fill Line Valve
F2	Water Fill Valve
S2	Oil Load Line Valve
W2	Water Load Valve
D3	Draw Off Line Valve
E	Equalizer Line Valve
WH	Well Head
HT	Heater Treater
FWT	Fresh Water Tank
ST	Oil Stock Tank
WT	Water Tank
PU	Pumping Unit
PT	Pit Tank
—	Firewall
X	Valve

Site Security Diagram
ELK RESOURCES, LLC
ROGERS 16-43
 SWSE SEC 16 - T7S - R19E
 Uintah County, UT
 API: 4304738347
 Lease #: FEE

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 checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Elk Resources, LLC N3480		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 1401 17th Street, Suite 700 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: Aurora (Deep) Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ COUNTY: Uintah		8. WELL NAME and NUMBER:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____ 7S 20E S STATE: UTAH		9. API NUMBER:
PHONE NUMBER: (303) 296-4505		10. FIELD AND POOL, OR WILDCAT:

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"/> 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.

Please see the attached "Transfer of APD" forms and list of wells that are included in this change of operator.
Effective Jan 1, 2011

Previous Operator: Elk Resources, LLC 1401 17th Street, Suite 700 Denver, Colorado 80202 303-296-4505 Utah DOGM Bond # B000969 BLM Bond # B000971	New Operator: N2165 Bill Barrett Corporation 1099 18th Street, Suite 2300 Denver, Colorado 80202 303-293-9100 Utah DOGM Bond # WYB 000040 BLM Bond # LPM 4138148
---	---

Bill Barrett Corp. Representative:
 NAME (PLEASE PRINT) Huntington T Walker TITLE Sr. VP - Card.
 SIGNATURE [Signature] DATE 6/8/11

NAME (PLEASE PRINT) John Whisler TITLE CEO
 SIGNATURE [Signature] DATE 6/8/11

(This space for State use only)

APPROVED 7/11/2011
Earlene Russell
 Division of Oil, Gas and Mining
 Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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JUL 11 2011
 DIV. OF OIL, GAS & MINING

ELK RESOURCES, LLC (N3480) to BILL BARRETT CORPORATION (N2165)
 effective January 1, 2011

well name	sec	twp	rng	api	entity	Lease	well	stat	conf	unit	lease no	zone
ROGERS 13-16	16	070S	200E	4304736538	14989	Fee	OW	P		AURORA (DEEP)	FEE	GR-WS
NIELSEN 3-22	22	070S	200E	4304736539	14806	Fee	OW	P		AURORA (DEEP)	FEE	GRRV
WALL 13-17	17	070S	200E	4304736668	15363	Federal	GW	P		AURORA (DEEP)	UTU-75092	BLKHK
ROGERS 16-43	16	070S	200E	4304738347	16977	Fee	OW	P		AURORA (DEEP)	FEE	GR-WS
AURORA FED 5-32	05	070S	200E	4304738463	17120	Federal	OW	P		AURORA (DEEP)	UTU-75241	GR-WS
AURORA FED 26-33	26	070S	200E	4304738468	17226	Federal	OW	P		AURORA (DEEP)	UTU-80689	GRRV
FOUR STAR 7-32-7-20	07	070S	200E	4304751285	17881	Fee	OW	P	C	AURORA (DEEP)	Patent	WSTC
PELICAN LAKE 16-12-7-20	16	070S	200E	4304751287		Fee	OW	APD	C	AURORA (DEEP)	Patent	
ARGYLE 8-43	08	070S	200E	4304751509		Fee	OW	APD	C	AURORA (DEEP)	Fee	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



Rogers 16-43

IN REPLY REFER TO:
3180 (UTU82456C)
LLUT922100

MAR 06 2012

RECEIVED

MAR 08 2012

DIV. OF OIL, GAS & MINING

Thomas J. Abell
Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

Re: Correction to the Initial
Green River-Wasatch
Formation PA "A"
Aurora (Deep) Unit
Uintah County, Utah

Dear Mr. Abell:

It has come to the attention of this office that the wrong well number was referenced in the approval letter of the Initial Green River-Wasatch Formation Participating Area "A", Aurora (Deep) Unit, UTU82456C.

The correct well number is 16-43-7-20, API No. 43-047-38347, located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$, of Section 16, Township 7 South, Range 20 East, SLM&B, Federal Unit Tract No. 34, Patented Lease.

We apologize for any inconvenience this may have caused. Please direct any questions concerning this matter to Leslie Wilcken of this office at (801) 539-4112.

Sincerely,

Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
FFSL
ONRR w/enclosure (Attn: Leona Reilly)
BLM FOM - Vernal w/enclosure



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO
3180 (UTU82456C)
UT-922

NOV 30 2011

Thomas J. Abell
Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

Re: Initial Green River-Wasatch Formation PA "A"
Aurora (Deep) Unit
Uintah County, Utah

Dear Mr. Abell:

The Initial Green River-Wasatch Formation Participating Area "A", Aurora (Deep) Unit, UTU82456C, is hereby approved effective as of November 21, 2008, pursuant to Section 11 of the Aurora (Deep) Unit Agreement, Uintah County, Utah.

The Initial Green River-Wasatch Formation Participating Area "A" results in an Initial participating area of 160.00 acres and is based upon the completion of Well No. ~~16-42-7-20~~, API No. 43-047-38347, located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$, of Section 16, Township 7 South, Range 20 East, SLM&B, Federal Unit Tract No. 34, Patented Lease, as being a well capable of producing unitized substances in paying quantities.

For production and accounting reporting purposes, all submissions pertaining to the Initial Green River-Wasatch Formation Participating Area "A" shall refer to UTU82456C.

A copy of the approved request is being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the establishment of the Initial Green River-Wasatch Formation Participating Area "A", Aurora (Deep) Unit, and the effective date.

Please direct any questions concerning this approval to Leslie Wilcken of this office at (801) 539-4112.

Sincerely,


Roger L. Bankert
Chief, Branch of Minerals

Enclosure

cc: UDOGM
SITLA
FFSL
ONRR w/Exhibit B (Attn: Leona Reilly)
BLM FOM - Vernal w/enclosure

RECEIVED

DEC 05 2011

DIV. OF OIL, GAS & MINING

RM
BGH
PIC

43-047-38347



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
<http://www.blm.gov/ut/st/en.html>

IN REPLY REFER TO:
3180 (UTU82456X)
UT-922000

MAR 18 2014

Mr. Kevin Funk
Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, Colorado 80202

RECEIVED
MAR 20 2014
DIV. OF OIL, GAS & MINING

Rogers 16-43
75 20E 16

Re: Initial Consolidated
Green River – Wasatch Formation
Participating Area (PA) "A,G"
Aurora (Deep) Unit
Uintah County, Utah

Dear Mr. Funk:

The Initial Consolidated Green River – Wasatch Formation Participating Area "A,G", Aurora (Deep) Unit, UTU82456K, located in Uintah County, Utah, is hereby approved effective as of August 1, 2013, pursuant to Section 11 of the Aurora (Deep) Unit Agreement.

This participating area is a result of the consolidation of the Green River Participating Area "A", UTU82456A, the Green River – Wasatch Participating Area "A", UTU82456C, and the Green River – Wasatch Participating Area "G", UTU82456I, and the addition of 160.00 for a total of 640.00 acres and is based upon the completion of Well No. 4-21D-7-20, API No. 43-047-52633, located in the NW¼NW¼ of Section 21, Township 7 South, Range 20 East, Federal Unit Tract No. 8, Lease No. UTU75093, as a well capable of producing unitized substances in paying quantities.

For production and accounting reporting purposes, all submissions pertaining to the Initial Consolidated Green River – Wasatch Formation PA "A,G" shall refer to UTU82456K.

A copy of the approved request is being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Consolidated Green River -Wasatch Formation PA "A,G", Aurora (Deep) Unit, and its effective date.

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

FORM 6

RECEIVED

APR 03 2014

ENTITY ACTION FORM

Div. of Oil, Gas & Mining

Operator: Bill Barrett Corporation
Address: 1099 18th Street, Suite 2300
city Denver
state CO zip 80202

Operator Account Number: N 2165

Phone Number: (303) 312-8115

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738347	ROGERS 16-43		SWSE	16	7S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	16977	14989				8/1/2013	
Comments: GRWS 4-7-2014							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304752129	Aurora 3-16D-7-20		NENW	16	7S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	18483	14989				8/1/2013	
Comments: GRWS 4-7-2014							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304752633	Aurora Federal 4-21D-7-20		NWNW	21	7S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	19094	14989				8/1/2013	
Comments: GRRV GRWS 4-7-2014							

ACTION CODES:

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

Brady Riley

Name (Please Print)

Brady Riley

Signature

Permit Analyst

Title

4/3/2014

Date