



Enduring Resources

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

August 2, 2006

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

Attn.: Ms. Diana Whitney

RE: Enduring Resources, LLC
Long Draw 12-24-31-26
NW-NE 26-12S-24E
State Lease: ML-47090
Uintah County, Utah

Dear Ms. Whitney:

Enclosed are two original applications to drill concerning the above-referenced proposed well. This information was also submitted to SITLA.

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

If any questions arise or additional information is required, please contact me at 303-350-5719

Very truly yours,

ENDURING RESOURCES, LLC

Evette Bissett
Regulatory Compliance Assistant

Enclosures:

cc: SITLA w/ attachments

RECEIVED
AUG 04 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: ML-47090 | 6. SURFACE: State |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> | | | | 8. UNIT or CA AGREEMENT NAME: | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | | | 9. WELL NAME and NUMBER: Long Draw 12-24-31-26 | |
| 3. ADDRESS OF OPERATOR: 475 17th St., Ste 1500 CITY Denver STATE CO ZIP 80220 | | | PHONE NUMBER: (303) 350-5719 | 10. FIELD AND POOL, OR WILDCAT: Undesignated Wildcat | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 461' FNL - 1962' FEL AT PROPOSED PRODUCING ZONE: Same | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 12S 24E | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 25.7 Southwest of Bonanza, UT | | | | 12. COUNTY: Uintah | 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 461' | 16. NUMBER OF ACRES IN LEASE: 960 | | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 acres | | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1000' + | 19. PROPOSED DEPTH: 5,285 | | 20. BOND DESCRIPTION: RLB0008031 | | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6491' RT-KB | 22. APPROXIMATE DATE WORK WILL START: 10/1/2006 | | 23. ESTIMATED DURATION: 20 days | | |

| 24. PROPOSED CASING AND CEMENTING PROGRAM | | | | | | | |
|---|---|-----------|-------|---------------|---|-----------|-----------|
| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | | | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT | | |
| 20" | 14" | line pipe | | 40 | 3 yards | Ready Mix | |
| 11" | 8-5/8" | J-55 | 24# | 2,016 | Premium Lead | 138 sxs | 3.50 11.1 |
| | | | | | Premium Tail | 138 sxs | 1.15 15.8 |
| 7-7/8" | 4-1/2" | N-80 | 11.6# | 5,285 | Class G | 11 sxs | 3.3 11.0 |
| | | | | | 50/50 Poz Class G | 689 sxs | 1.56 14.3 |

25. ATTACHMENTS

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

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

NAME (PLEASE PRINT) Evette Bissett TITLE Regulatory Compliance Assistant

SIGNATURE *Evette Bissett* DATE 8/2/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38435

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

APPROVAL:

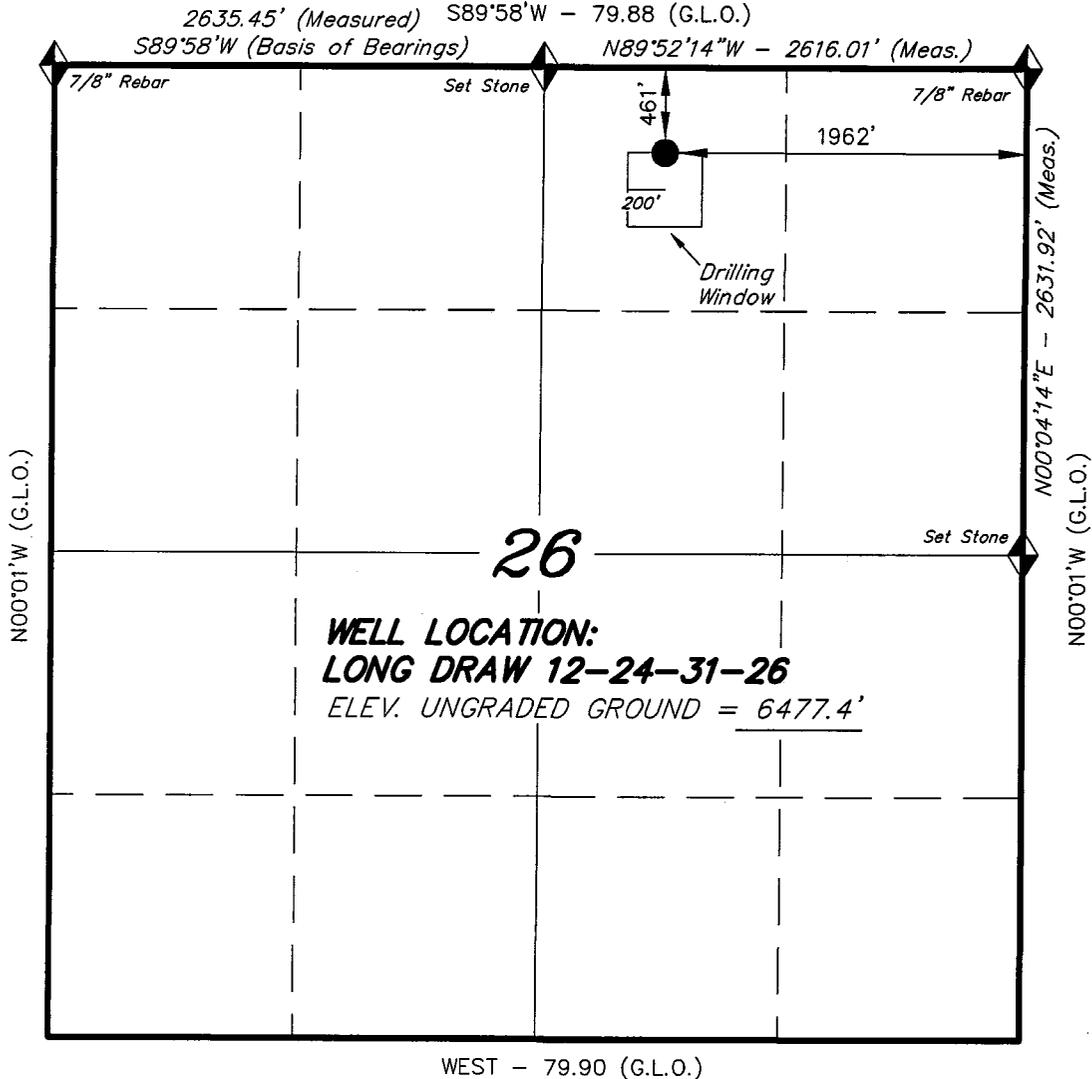
Date: 10-10-06
(See Instructions on Reverse Side)

By: *[Signature]*

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AUG 04 2006
DIV OF OIL, GAS & MINING

T12S, R24E, S.L.B.&M.

ENDURING RESOURCES

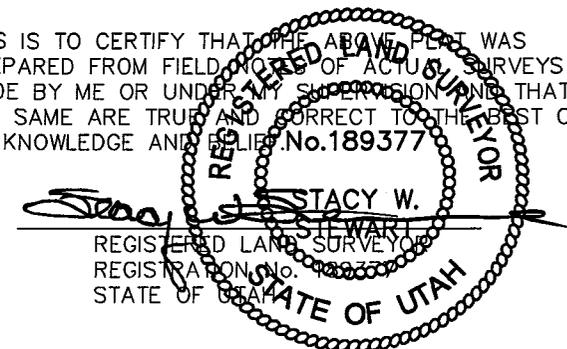


WELL LOCATION, LONG DRAW 12-24-31-26,
 LOCATED AS SHOWN IN THE NW 1/4 NE 1/4
 OF SECTION 26, T12S, R24E, S.L.B.&M.
 UTAH COUNTY, UTAH.



26
WELL LOCATION:
LONG DRAW 12-24-31-26
 ELEV. UNGRADED GROUND = 6477.4'

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



Stacy W. Stewart
 STACY W. STEWART
 REGISTERED LAND SURVEYOR
 REGISTRATION No. 189377
 STATE OF UTAH

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

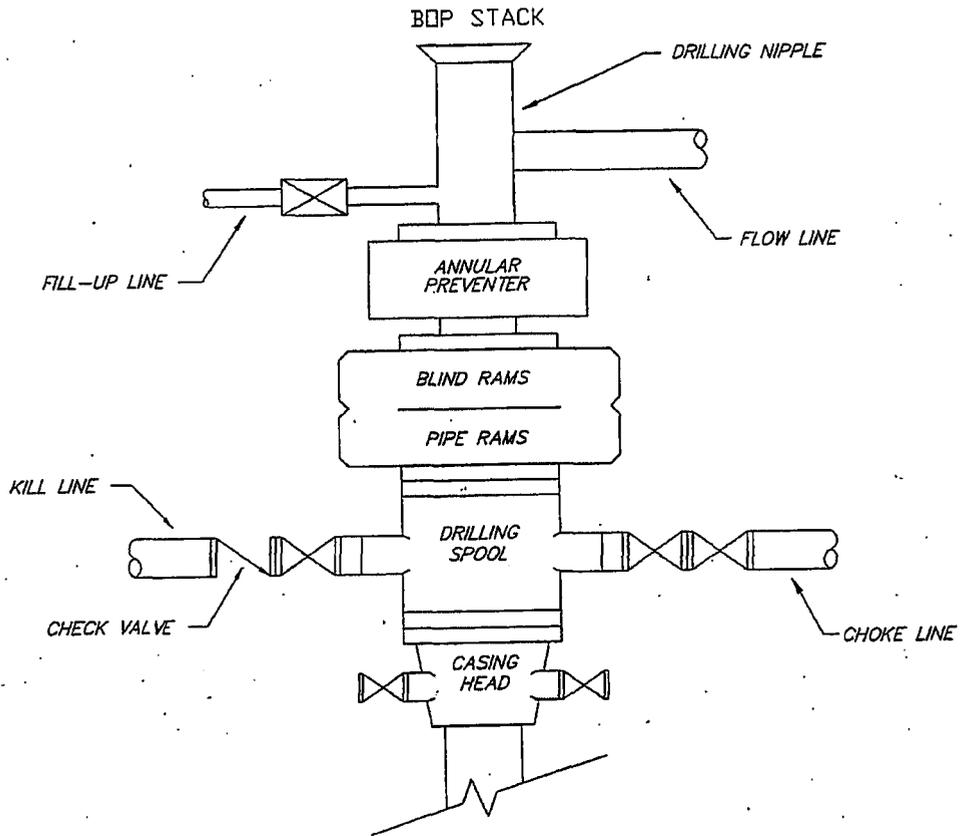
| | | |
|-------------------------|-------------------|--------------------------|
| DATE DRAWN: 06-29-06 | SURVEYED BY: J.H. | SHEET 2 |
| REVISED: | DRAWN BY: F.T.M. | |
| NOTES: | SCALE: 1" = 1000' | OF 10 |

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

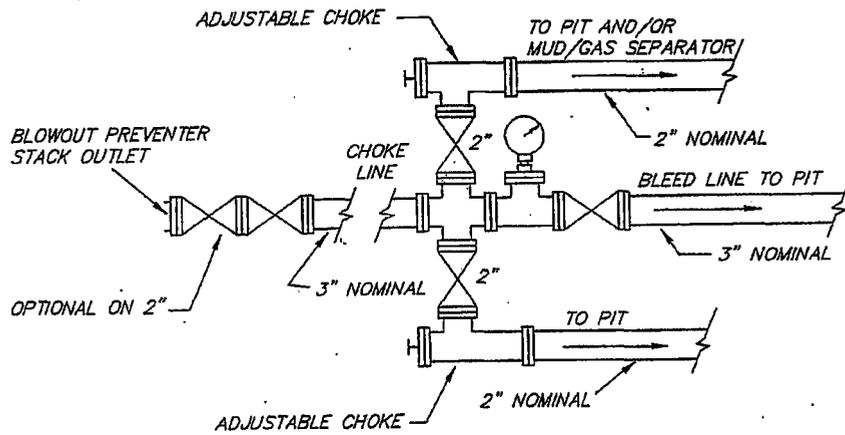
LONG DRAW 12-24-31-26
 (Surface Location) NAD 83
 LATITUDE = 39° 45' 07.70"
 LONGITUDE = 109° 11' 45.50"

ENDURING RESOURCES, LLC

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



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



Enduring Resources, LLC
Long Draw 12-24-31-26
NW-NE 26-T12S-R24E
Uintah County, Utah
State Lease: ML-47090

ONSHORE ORDER 1 - DRILLING PLAN

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

| Formation | Depth (K.B.) |
|-------------|--------------------|
| Uinta | Surface |
| Green River | 0 |
| Wasatch | 1913 |
| Mesaverde | 2887 |

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

| Substance | Formation | Depth (K.B.) |
|-----------|---------------------------|--------------|
| | | |
| | KB-Uinta Elevation: 6491' | |
| Oil / Gas | Green River | 0 |
| Oil /Gas | Wasatch | 1913 |
| Oil /Gas | Mesaverde | 2887 |
| | Estimated TD | 5285 |

A 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

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

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

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

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

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

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

Blow-Out Preventer

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

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

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

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

E. Miscellaneous Information:

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

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

| Hole Size | Casing Size | Wt./Ft. | Grade | Joint | Depth Set (MD) |
|-----------|-------------|---------|-------|-------|----------------------|
| 20" | 14" O.D. | | | | 40' (GL) |
| 11" | 8-5/8" | 24# | J-55 | ST&C | 0 – 2,016' (KB) est. |
| 7-7/8" | 4-1/2" | 11.6# | N-80 | LT&C | 0 – 5285' (KB) |

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

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

B. Casing Design Parameters:

| Depth (MD) | Casing | Collapse(psi)/SF | Burst (psi)/SF | Tension(mlbs)/SF |
|------------|-----------------------------|------------------|----------------|------------------|
| 40' (GL) | 14" OD | | | |
| 2016' (KB) | 8-5/8", 24#/ft, J55, STC | 1370/1.52(a) | 2950/3.28(b) | 244/5.81(c) |
| 5285' (KB) | 4-1/2", 11.6#/ft, N-80, LTC | 6350/2.31 (d) | 7780/3.08(e) | 223/4.23(f) |

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

PROPOSED CEMENTING PROGRAM

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

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

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

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

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

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

| CASING | SLURRY | FT. of FILL | CEMENT TYPE | SXS | EXCESS (%) | WEIGHT (ppg) | YIELD (ft ³ /sx) |
|--------|--------|-------------|---|-----|------------|--------------|-----------------------------|
| 4-1/2" | Lead | 97 | Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender | 11 | 25 | 11.0 | 3.3 |
| 4-1/2" | Tail | 3772 | 50/50 POZ Class G + 2% gel + 1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam | 689 | 25 | 14.3 | 1.56 |

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

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

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

| Interval (MD) | Mud Weight | Fluid Loss | Viscosity | Mud Type |
|------------------|------------|------------|-----------|-----------|
| 0' - 2016' (KB) | | No cntrl | | Air/mist |
| 2000'-3000' (KB) | 8.4-8.6 | No cntrl | 28-36 | Water |
| 3000'-5285' (KB) | 8.8-9.8 | 8 - 10 ml | 32-42 | Water/Gel |

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

6. **Evaluation Program:**

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

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

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

7. **Abnormal Conditions:**

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

Maximum anticipated bottom hole pressure equals approximately 2748 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 1586 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

None anticipated

10. **Other:**

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

Single Shot directional surveys will be dropped every 2000 feet to monitor hole angle.

Directions to the Long Draw 12-24-31-26 Well Pad

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza traveling southerly on state highway 45 for a distance of approximately 11.0 miles where there is a turn-off to the right. Turn right, leaving state highway 45, and proceed westerly for approximately 1.9 miles where the road forks. Turn left and proceed southwesterly for approximately 4.9 miles where the road forks again. Turn left and proceed southerly for a distance of approximately 0.8 miles to a turn-off to the right. Turn right and proceed southerly for a distance of approximately 5.7 miles. Thence, turn left and proceed southeasterly for a distance of approximately 1.4 miles to the beginning of the proposed access. Turn right onto proposed access and proceed southerly for approximately 230' (less than 0.1 mile) to the proposed Long Draw 12-24-31-26 well pad.

Enduring Resources, LLC

Long Draw 12-24-31-26

NW-NE 26-12S-24E

Uintah County, Utah

State Lease: ML-47090

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza traveling southerly on state highway 45 for a distance of approximately 11.0 miles where there is a turn-off to the right. Turn right, leaving state highway 45, and proceed westerly for approximately 1.9 miles where the road forks. Turn left and proceed southwesterly for approximately 4.9 miles where the road forks again. Turn left and proceed southerly for a distance of approximately 0.8 miles to a turn-off to the right. Turn right and proceed southerly for a distance of approximately 5.7 miles. Thence, turn left and proceed southeasterly for a distance of approximately 1.4 miles to the beginning of the proposed access. Turn right onto proposed access and proceed southerly for approximately 230' (less than 0.1 mile) to the proposed Long Draw 12-24-31-26 well pad.

2. Planned Access Roads:

The proposed access road will be approximately 230 feet of new construction all on-lease. The balance of the access route will be by using County Road 4280, and then the last 1.4 miles by using the Upper Long Draw Road to the take-off point of the new construction.

230' *New construction on-lease.

| | |
|----------------|--|
| 108' | Upper Long Draw Road on-lease |
| 936' | Upper Long Draw Road off-lease (SITLA) |
| <u>19,326'</u> | County Road 4280 off-lease BLM |
| 20,600' | |

*ALL NEW CONSTRUCTION IS ON SITLA LANDS.

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

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

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest

Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

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

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

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

- | | | |
|----|-------|--|
| a. | None: | Water Wells: |
| b. | None: | Injection Wells: |
| c. | None: | Producing Wells: |
| d. | None: | Drilling Wells: |
| e. | None: | Shut-in Wells: |
| f. | None: | Temporarily Abandoned Wells: |
| g. | None: | Disposal Wells: |
| h. | None: | Abandoned Wells: |
| i. | None: | Dry Holes: |
| j. | None: | Observation Wells: |
| k. | (1): | Pending (staked) Wells: |
| | | 1. Enduring Resources has one staked well in this area |

4. **Location of Existing and/or Proposed Facilities:**

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

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

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective,

earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be designated by DOG&M and SITLA. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

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

Gas Gathering Pipeline for this well will be:

| | |
|----------------|-------------------|
| 338' | On-lease. |
| 936' | Off-lease (SITLA) |
| <u>19,326'</u> | Off-lease BLM |
| 20,600' | |

If this well is capable of economic production, a 4" (or less) steel surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately 20,600 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

The proposed pipeline will begin at the well site; and be laid on the surface next to the new access road, then follow the county roads to the tie-in to a steel surface pipeline that is located next to the county road on the north edge of Section 11-12S-24E.

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

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

5. Location and Type of Water Supply:

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

*Enduring Water Permits' Townships of Use:

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

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

No water well is to be drilled on this lease.

6 Source of Construction Materials:

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

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

7. Methods of Handling Waste Materials:

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

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

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

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

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

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash well is burned on location.

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

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

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

threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

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

8. Ancillary Facilities:

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

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

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

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

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

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

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig

availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:

Producing Location:

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

Dry Hole/Abandoned Location:

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

Seed Mixture for Windrowed Top Soil Will Included:

To be provided by the DOG&M and/or SITLA.

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

Wellsite: SITLA

Access: SITLA and County Road

Pipeline: SITLA and BLM

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

The on-site will be scheduled by SITLA and DOG&M.

Special Conditions of Approval:

- Tanks and Production Equipment shall be painted pursuant of SITLA and DOG&M.
- Surface Gathering Pipeline shall be 4" or less

Archeology:

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

Paleontology:

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

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

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

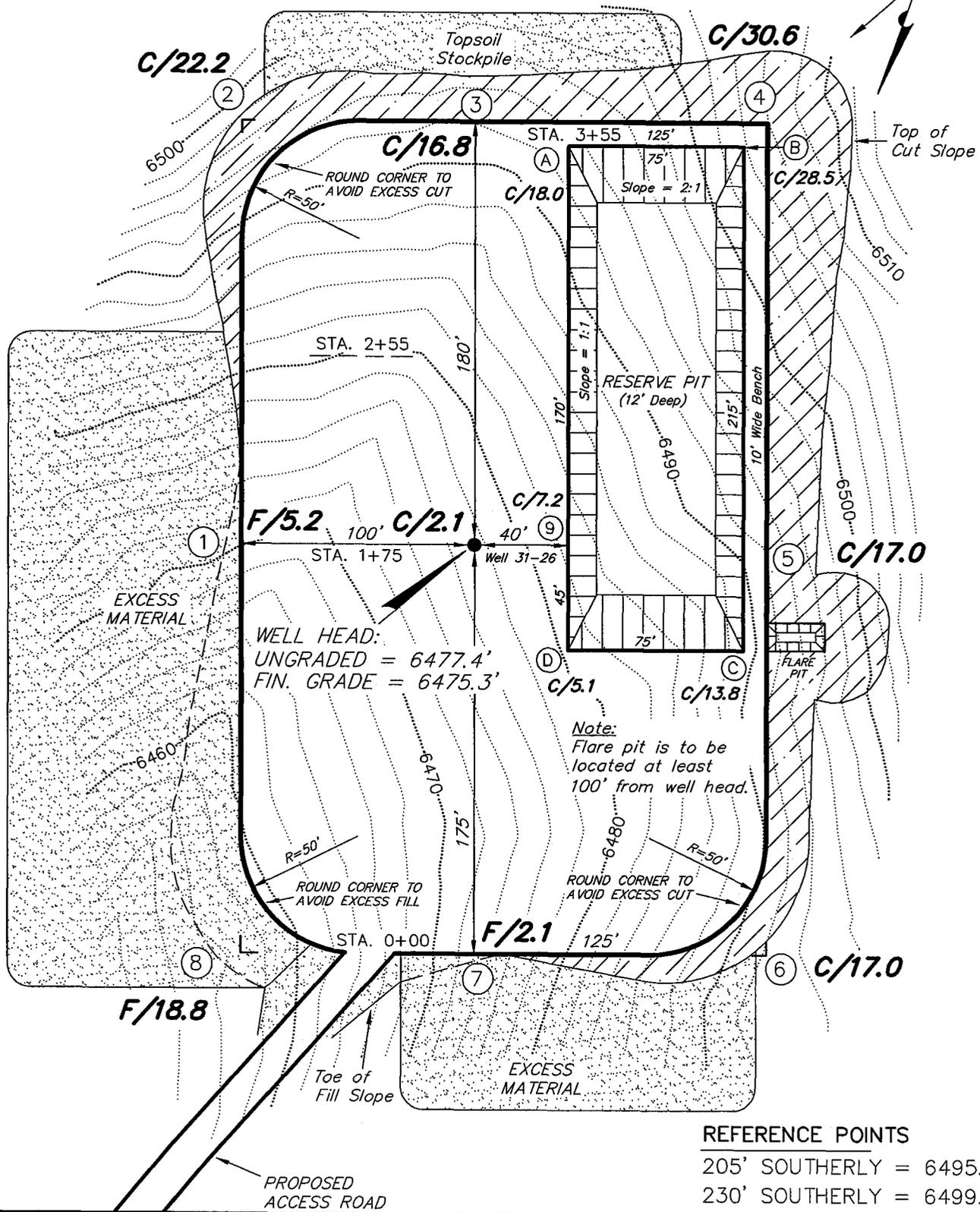
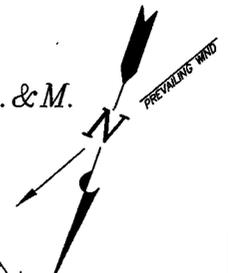
Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461
aarlian@enduringresources.com

Teme Singleton
Drilling Engineer
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-573-5711
Fax Tel: 303-573-0461
tsingleton@enduringresources.com

ENDURING RESOURCES

LONG DRAW 12-24-31-26

Pad Location: NWNE Section 26, T12S, R24E, S.L.B.&M.



REFERENCE POINTS

205' SOUTHERLY = 6495.4'
 230' SOUTHERLY = 6499.5'

| | |
|-------------------|----------------------|
| SURVEYED BY: J.H. | DATE DRAWN: 06-29-06 |
| DRAWN BY: F.T.M. | SCALE: 1" = 60' |
| NOTES: | |

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

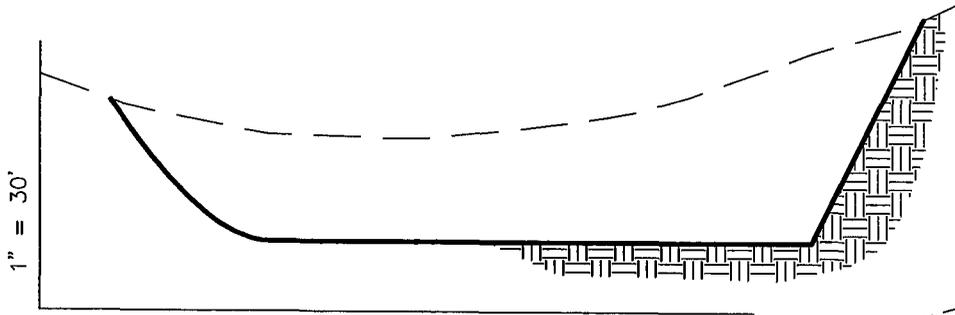
SHEET
3
 OF 10

ENDURING RESOURCES

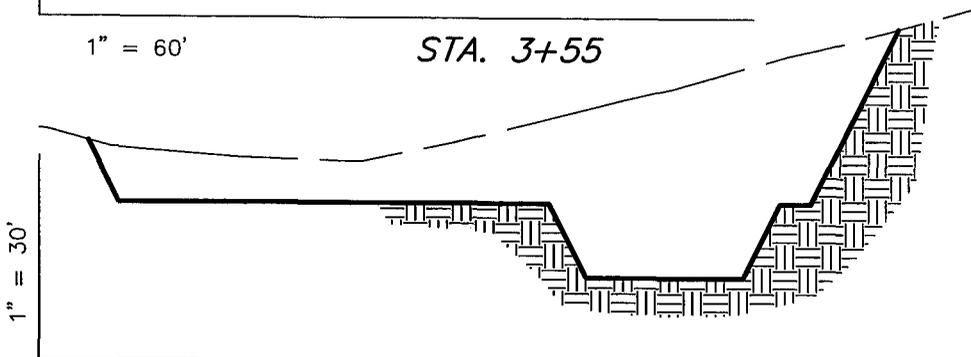
CROSS SECTIONS

LONG DRAW 12-24-31-26

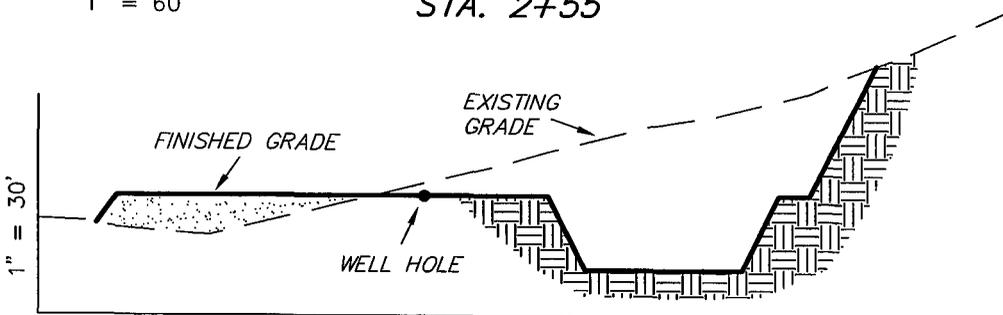
Pad Location: NWNE Section 26, T12S, R24E, S.L.B.&M.



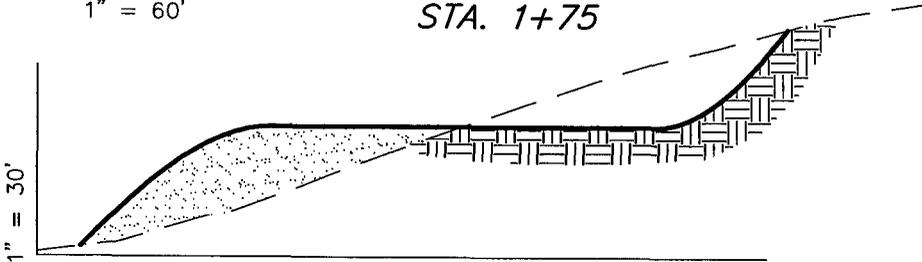
1" = 60' STA. 3+55



1" = 60' STA. 2+55



1" = 60' STA. 1+75



1" = 60' STA. 0+00

ESTIMATED EARTHWORK QUANTITIES
(No Shrink or swell adjustments have been used)
(Expressed in Cubic Yards)

| ITEM | CUT | FILL | 6" TOPSOIL | EXCESS |
|--------|--------|-------|------------------------------------|--------|
| PAD | 28,070 | 7,290 | Topsoil is not included in Pad Cut | 20,780 |
| PIT | 5,390 | 0 | | 5,390 |
| TOTALS | 33,460 | 7,290 | 1,900 | 26,170 |

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

SURVEYED BY: J.H. DATE DRAWN: 06-29-06
DRAWN BY: F.T.M. SCALE: 1" = 60'

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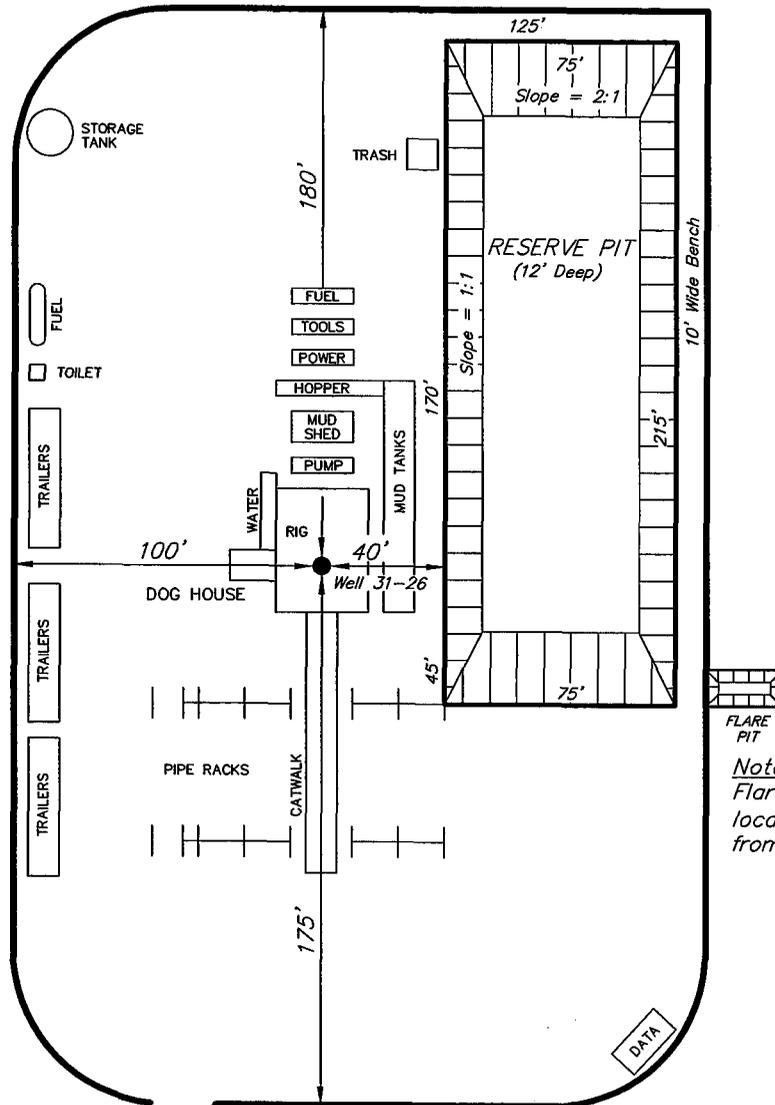
SHEET
4
OF 10

ENDURING RESOURCES

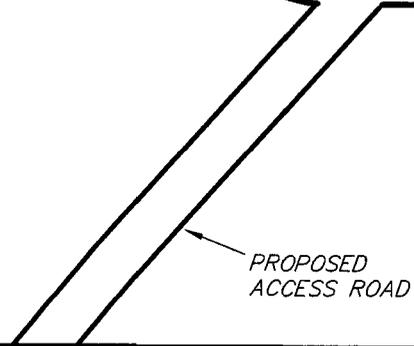
TYPICAL RIG LAYOUT

LONG DRAW 12-24-31-26

Pad Location: NWNE Section 26, T12S, R24E, S.L.B.&M.



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



| | |
|-------------------|----------------------|
| SURVEYED BY: J.H. | DATE DRAWN: 06-29-06 |
| DRAWN BY: F.T.M. | SCALE: 1" = 60' |
| NOTES: | |

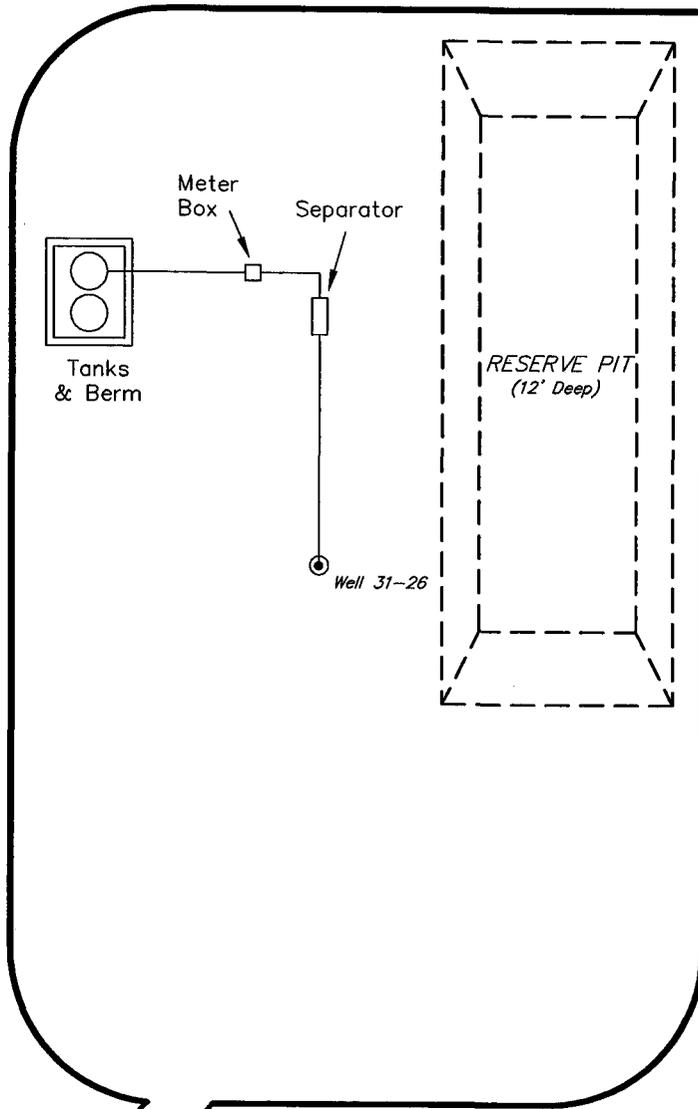
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ENDURING RESOURCES

PRODUCTION SCHEMATIC

LONG DRAW 12-24-31-26

Pad Location: NWNE Section 26, T12S, R24E, S.L.B.&M.

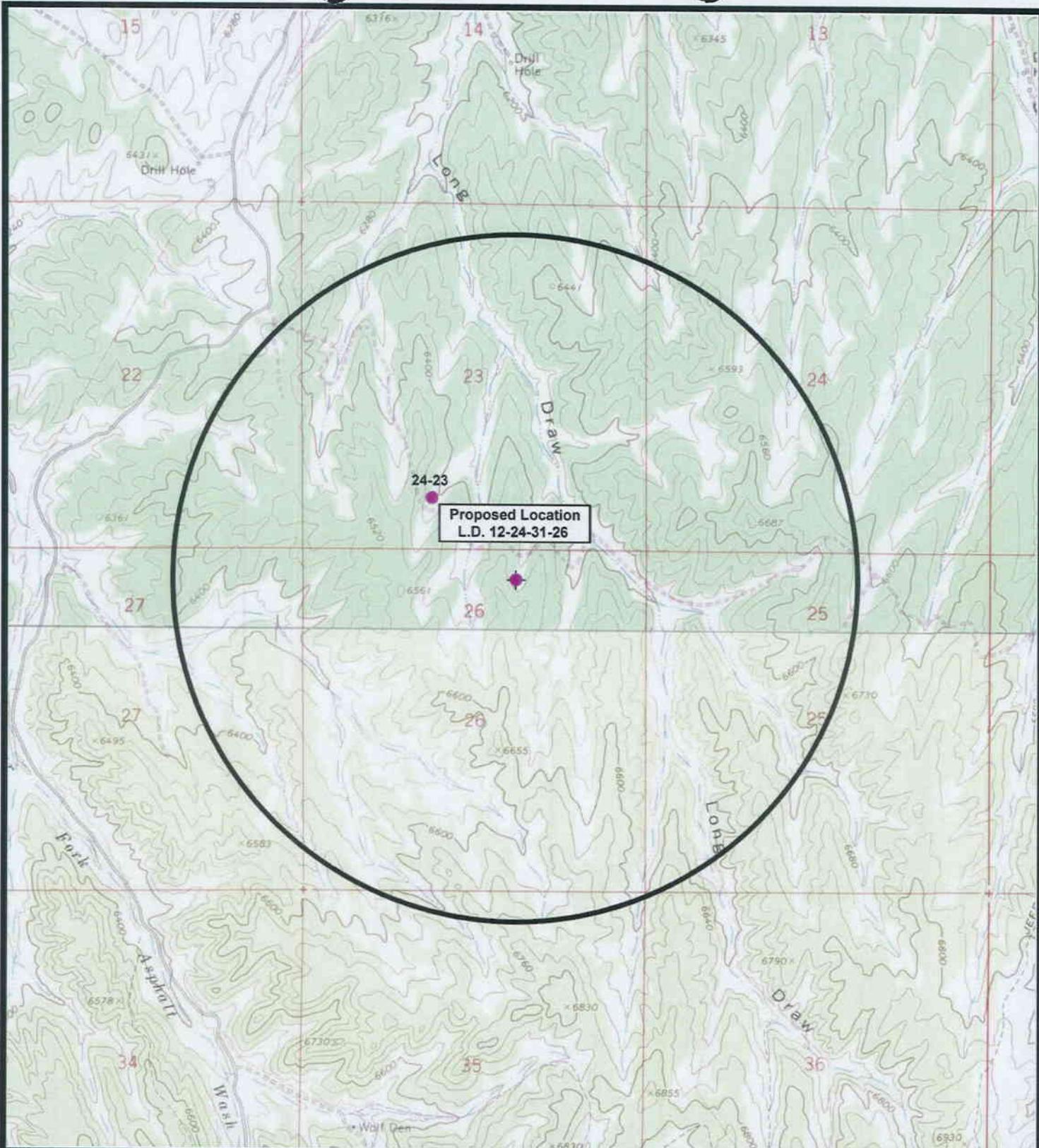


FLARE
PIT

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

| | |
|-------------------|----------------------|
| SURVEYED BY: J.H. | DATE DRAWN: 06-29-06 |
| DRAWN BY: F.T.M. | SCALE: 1" = 60' |
| NOTES: | |

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ENDURING RESOURCES

Long Draw 12-24-31-26
Sec. 26, T12S, R24E, S.L.B.&M.



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

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 06-30-2006

Legend

- Location
- One-Mile Radius

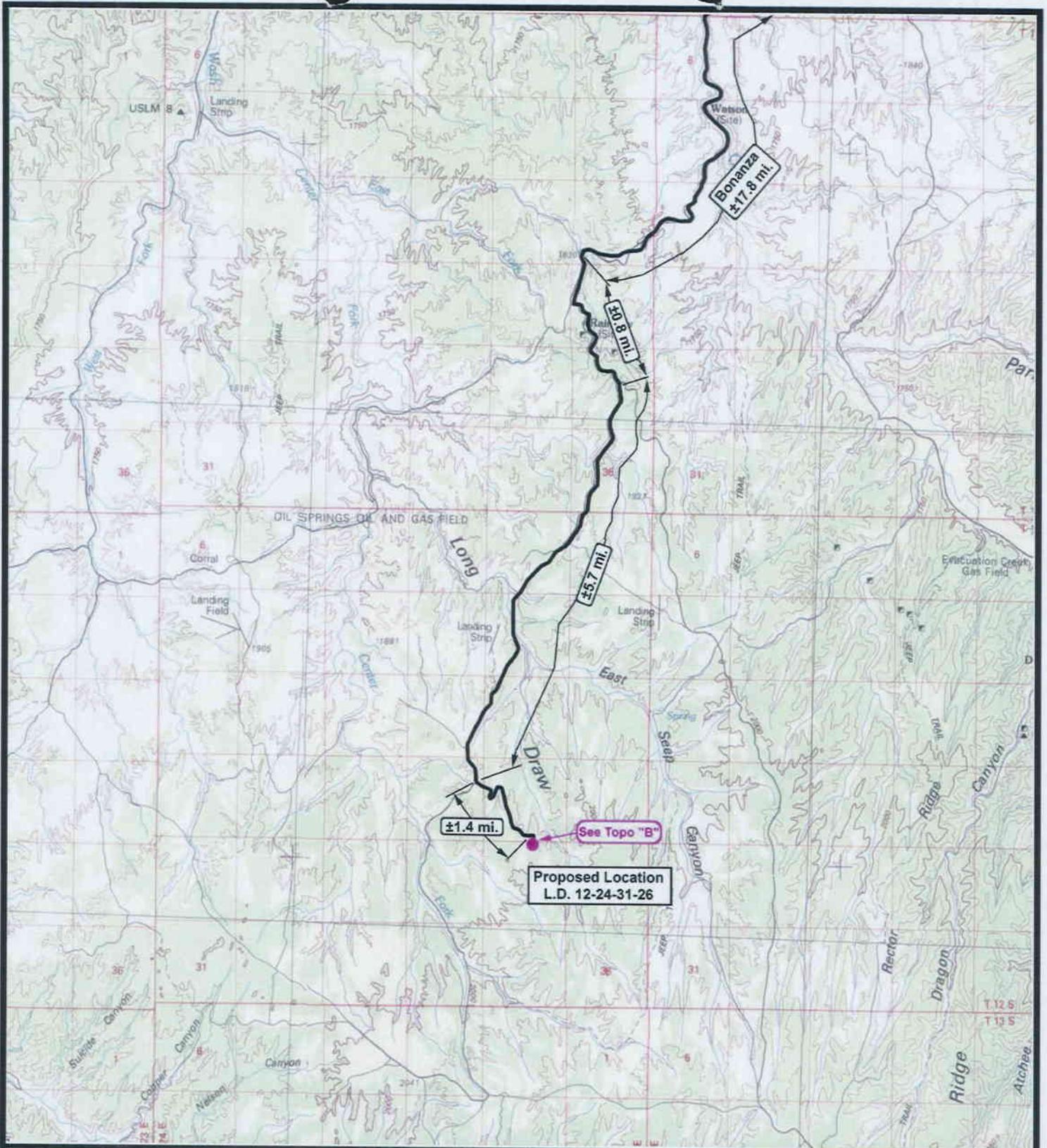
TOPOGRAPHIC MAP

"C"

SHEET

9

OF 10



ENDURING RESOURCES

Long Draw 12-24-31-26
Sec. 26, T12S, R24E, S.L.B.&M.



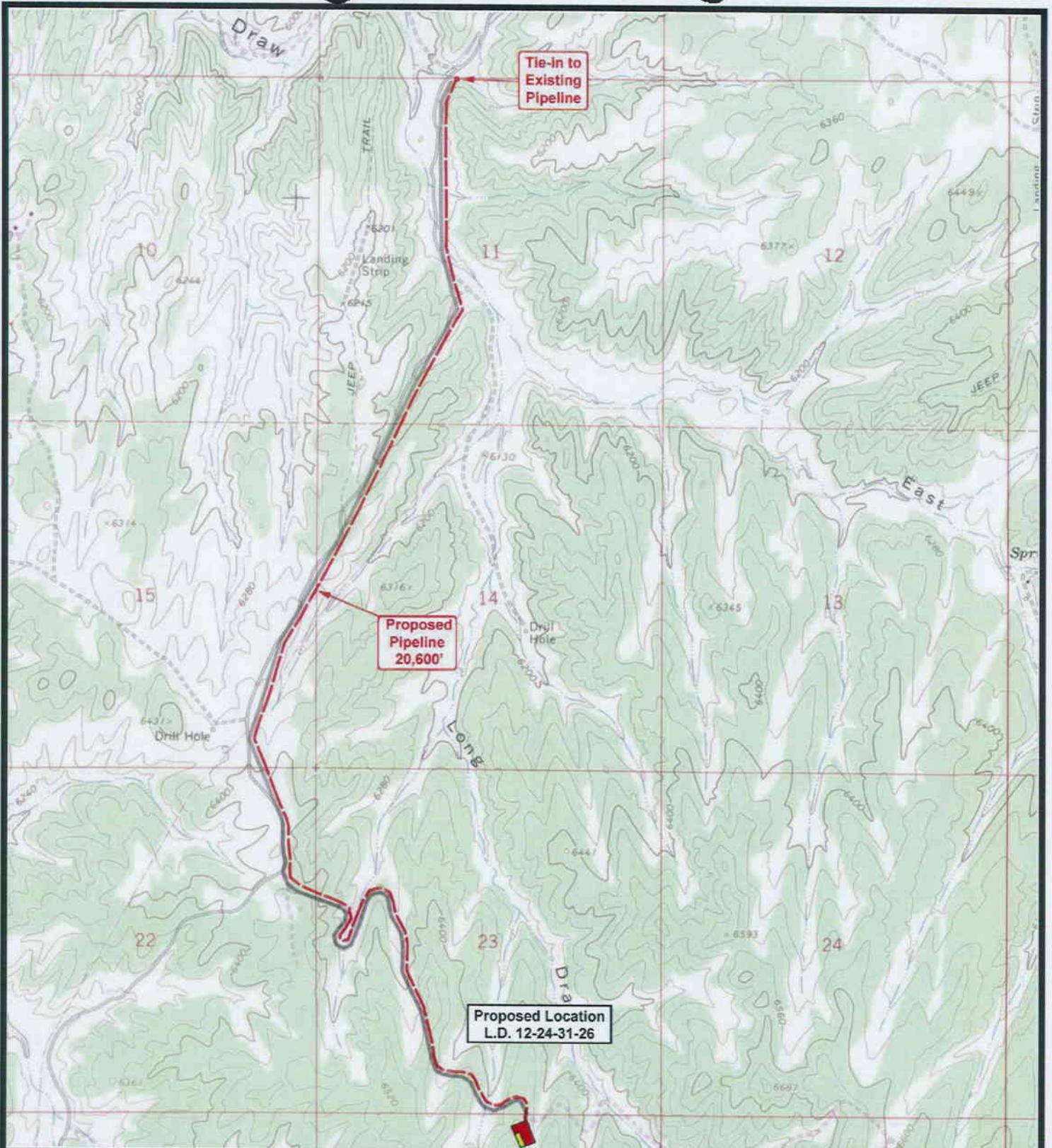
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 : 100,000
DRAWN BY: mw
DATE: 06-30-2006

Legend

— Existing Road
 — Proposed Access

TOPOGRAPHIC MAP **SHEET**
"A" **7**
OF 10



ENDURING RESOURCES

Long Draw 12-24-31-26
Sec. 26, T12S, R24E, S.L.B.&M.



Tri-State
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 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 06-29-2006

Legend

- Roads
- Proposed Gas Line

TOPOGRAPHIC MAP
"D"
SHEET 10 OF 10



CENTER STAKE


ENDURING RESOURCES
L.D. 12-24-31-26

Date Photographed: 06/13/2006
Date Drawn: 06/29/2006
Drawn By: mw


Tri-State
Land Surveying Inc.
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**LOOKING SOUTH
ACCESS**





NORTH


ENDURING RESOURCES
L.D. 12-24-31-26

Date Photographed: 06/15/2006
Date Drawn: 06/29/2006
Drawn By: mw


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Land Surveying Inc.
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180 North Vernal Ave. Vernal, Utah 84078

EAST





SOUTH


ENDURING RESOURCES

L.D. 12-24-31-26

Date Photographed: 06/15/2006

Date Drawn: 06/29/2006

Drawn By: mw


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WEST

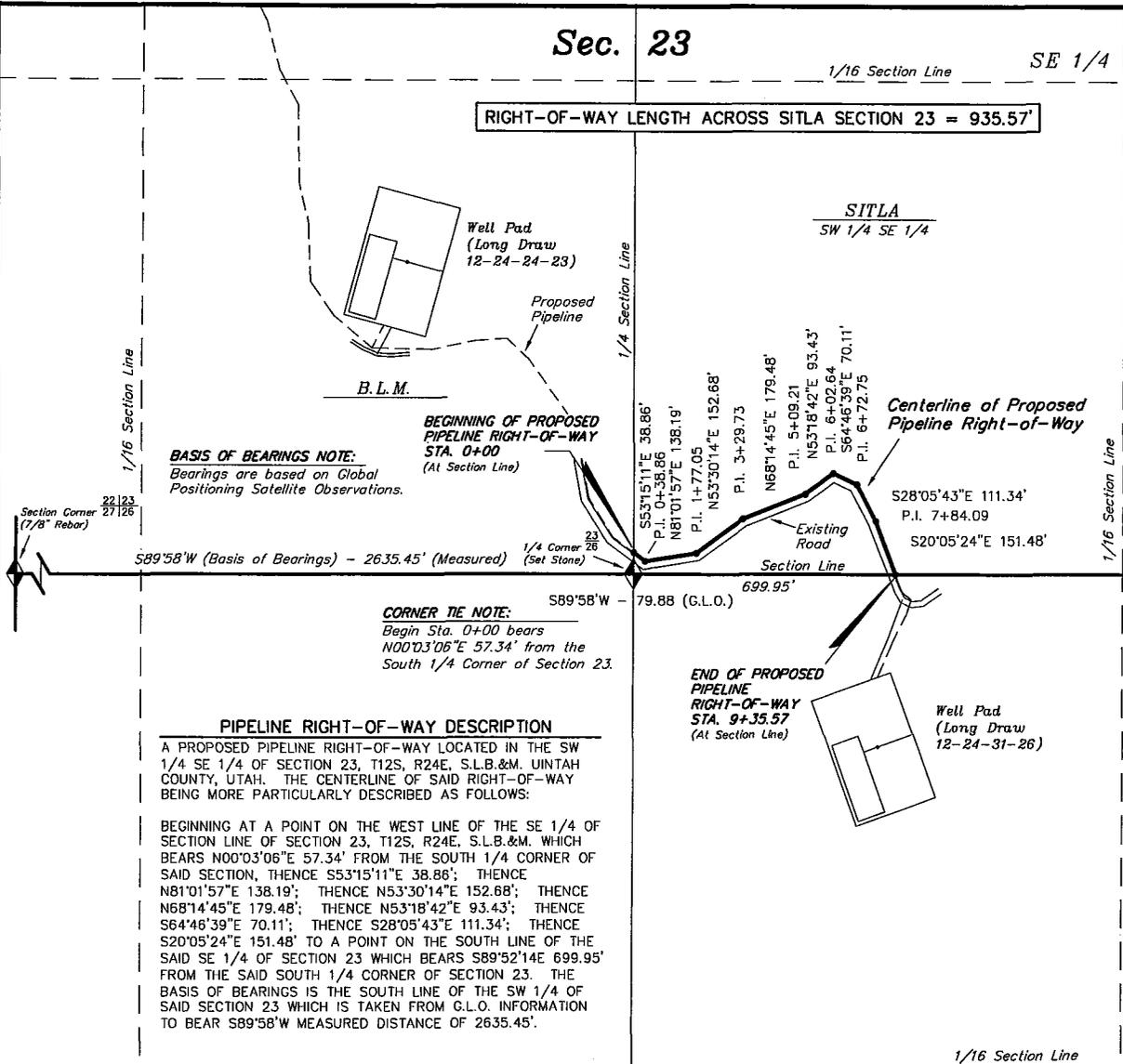


Sec. 23

1/16 Section Line

SE 1/4

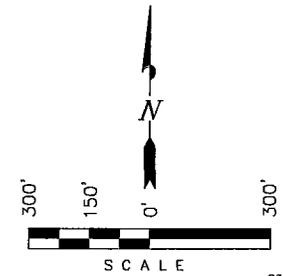
RIGHT-OF-WAY LENGTH ACROSS SITLA SECTION 23 = 935.57'



ENDURING RESOURCES

**PROPOSED PIPELINE
RIGHT-OF-WAY ACROSS SITLA**
For Long Draw 12-24-31-26 Well Pad

Located in the SW 1/4 SE 1/4 of
Section 23, T12S, R24E, S.L.B.&M.
Uintah County, Utah



BASIS OF BEARINGS NOTE:
Bearings are based on Global
Positioning Satellite Observations.

**BEGINNING OF PROPOSED
PIPELINE RIGHT-OF-WAY
STA. 0+00**
(At Section Line)

**Centerline of Proposed
Pipeline Right-of-Way**

**END OF PROPOSED
PIPELINE
RIGHT-OF-WAY
STA. 9+35.57**
(At Section Line)

CORNER TIE NOTE:
Begin Sta. 0+00 bears
N00°03'06"E 57.34' from the
South 1/4 Corner of Section 23.

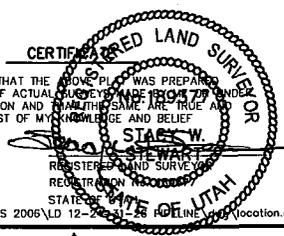
PIPELINE RIGHT-OF-WAY DESCRIPTION

A PROPOSED PIPELINE RIGHT-OF-WAY LOCATED IN THE SW 1/4 SE 1/4 OF SECTION 23, T12S, R24E, S.L.B.&M. UTAH COUNTY, UTAH. THE CENTERLINE OF SAID RIGHT-OF-WAY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF THE SE 1/4 OF SECTION LINE OF SECTION 23, T12S, R24E, S.L.B.&M. WHICH BEARS N00°03'06"E 57.34' FROM THE SOUTH 1/4 CORNER OF SAID SECTION, THENCE S53°15'11"E 38.86'; THENCE N81°01'57"E 138.19'; THENCE N53°30'14"E 152.68'; THENCE N68°14'45"E 179.48'; THENCE N53°18'42"E 93.43'; THENCE S64°46'39"E 70.11'; THENCE S28°05'43"E 111.34'; THENCE S20°05'24"E 151.48' TO A POINT ON THE SOUTH LINE OF THE SAID SE 1/4 OF SECTION 23 WHICH BEARS S89°52'14"E 699.95' FROM THE SAID SOUTH 1/4 CORNER OF SECTION 23. THE BASIS OF BEARINGS IS THE SOUTH LINE OF THE SW 1/4 OF SAID SECTION 23 WHICH IS TAKEN FROM G.L.O. INFORMATION TO BEAR S89°58'W MEASURED DISTANCE OF 2635.45'.

LEGEND

- ◆ = SECTION CORNERS FOUND
- P.I. = POINT OF INTERSECTION



FILE: \\Server\drawings\Drawings\ENDURING RES 2006\LD 12-24-31-26 FOR LINE VEG Vocation.dwg

| |
|-------------------|
| SURVEYED BY: J.H. |
| DRAWN BY: F.T.M. |
| DATE: 07-27-06 |
| SCALE: 1" = 300' |
| DWG # 06-0094 |

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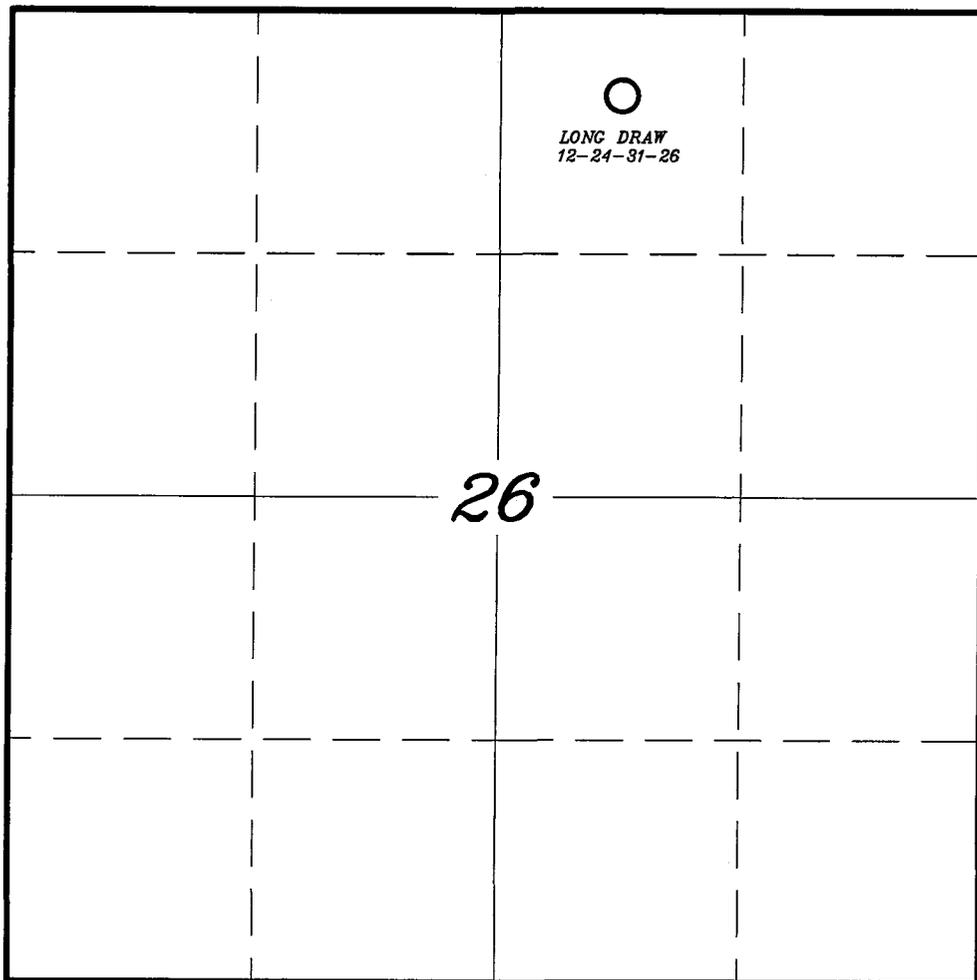
Sec. 26

1/16 Section Line

T12S, R24E, S.L.B.&M.

ENDURING RESOURCES

SECTION DRILLING MAP
LONG DRAW 12-24-31-26



LEGEND

- = Vertical Well
- ⊙ = Directional Well (Bottom Hole)

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

| | | |
|-------------------------|-------------------|----------------------------|
| DATE DRAWN: 06-29-06 | SURVEYED BY: J.H. | SHEET 1 OF 10 |
| REVISED: | DRAWN BY: F.T.M. | |
| NOTES: | SCALE: 1" = 1000' | |

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/04/2006

API NO. ASSIGNED: 43-047-38435

WELL NAME: LONG DRAW 12-24-31-26

OPERATOR: ENDURING RESOURCES, LLC (N2750)

PHONE NUMBER: 303-350-5719

CONTACT: EVETTE BISSETT

PROPOSED LOCATION:

NWNE 26 120S 240E
 SURFACE: 0461 FNL 1962 FEL
 BOTTOM: 0461 FNL 1962 FEL
 COUNTY: UINTAH
 LATITUDE: 39.75214 LONGITUDE: -109.1952
 UTM SURF EASTINGS: 654621 NORTHINGS: 4401596
 FIELD NAME: WILDCAT (1)

| INSPECT LOCATN BY: / / | | |
|------------------------|----------|---------|
| Tech Review | Initials | Date |
| Engineering | DKD | 10/6/06 |
| Geology | | |
| Surface | | |

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47090
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008031)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2215)
- RDCC Review (Y/N)
(Date: 08/26/2006)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS:

Needs Permit (09-20-06)

STIPULATIONS:

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

T12S R2

22

23

24

LONG DRAW 12-24-31-26



27

26

25

34

35

36

OPERATOR: ENDURING RES LLC (N2570)

SEC: 26 T.12S R. 24E

FIELD: WILDCAT (001)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status

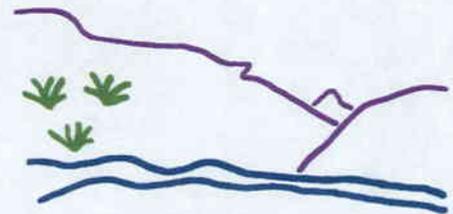
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

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

Wells Status

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 11-AUGUST-2006

Application for Permit to Drill

Statement of Basis

9/28/2006

Utah Division of Oil, Gas and Mining

Page 1

| APD No | API WellNo | Status | Well Type | Surf Ownr | CBM |
|------------------|--|--------|--------------------------|-----------|-----|
| 60 | 43-047-38435-00-00 | | GW | S | No |
| Operator | ENDURING RESOURCES, LLC | | Surface Owner-APD | | |
| Well Name | LONG DRAW 12-24-31-26 | | Unit | | |
| Field | WILDCAT | | Type of Work | | |
| Location | NWNE 26 12S 24E S 0 F L 0 F L GPS Coord (UTM) 654621E 4401596N | | | | |

Geologic Statement of Basis

Enduring proposes to set 40 feet of conductor and 1,016 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of section 24. The surface formation at this location is the Green River Formation. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresh waters uphole. The proposed surface casing should adequately protect any potentially useable aquifers.

Brad Hill
APD Evaluator

9/28/2006
Date / Time

Surface Statement of Basis

The proposed location is in the Long Draw Fork of the East Fork of Asphalt Draw. It is approximately 50 air miles southeast of Vernal, Utah and 26 road miles south of Bonanza, Ut. It will be accessed by constructing 230 feet of new road and up-grading 1.4 miles of very low standard two-track Uintah County road. Both the surface and Minerals are on SITLA lands.

Topography is broken or rolling, consisting of sagebrush dominated draws separated by pinion juniper ridges. The ridges generally are not steep sided being crossed with the access road. No springs or seeps are known to exist in the area. Constructed ponds for livestock watering are scattered through the area.

The specific proposed location is a sagebrush type in the head of a small draw which extends a short distance to the north and joins a larger draw. Topography is moderately sloping requiring a 30 foot cut on the up-slope side of the pad.

Ben Williams represented the DWR at the site visit. He stated the area is within the heart of the critical winter habitat for both deer and elk. In addition the well pad is proposed in a sagebrush type which furnishes winter forage for both species. He explained to Doug Hammond of Enduring Resources and Dennis Petty of Tri-State Land Surveying that when an opportunity exist, it is preferred that pads be located within the pinion/juniper types not the sagebrush. The Pinion/Juniper type is abundant in the area and furnishes little forage for big game. He suggested to Jim Davis of SITLA and Mr. Hammond a seasonal restriction period in which road and pad construction, drilling and work-over activities not occur. This period would be from November 15 to March 31. Currently little activity or travel during this period occurs within this area as the two-track road is somewhat impassable except to ATV's

Floyd Bartlett
Onsite Evaluator

9/20/2006
Date / Time

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

9/28/2006

Page 2

Conditions of Approval / Application for Permit to Drill

| Category | Condition |
|-----------------|---|
| Pits | A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit. |

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator ENDURING RESOURCES, LLC
Well Name LONG DRAW 12-24-31-26
API Number 43-047-38435-0 **APD No** 60 **Field/Unit** WILDCAT
Location: 1/4,1/4 NWNE **Sec** 26 **Tw** 12S **Rng** 24E 0 FL 0 FL
GPS Coord (UTM) 654553 4401805 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Doug Hammond (Enduring Resources), Jim Davis (SITLA), Mike Stewart (Ponderosa Construction), Ben Williams and Bill James (UDWR), Dennis Petty (Tri-State Land Surveying)

Regional/Local Setting & Topography

The proposed location is in the Long Draw Fork of the East Fork of Asphalt Draw. It is located approximately 50 airmiles southeast of Vernal Utah and 26 road miles south of Bonanza, Ut. It will be accessed by constructing 230 feet of new road and up-grading 1.4 miles of very low standard two-track Uintah County road.

Topography is broken, consisting of sagebrush dominated draws separated by pinion juniper ridges. The ridges generally are not steep sided and are crossed with the access road. No springs or seeps are known to exist in the area. Constructed ponds for livestock watering are scattered through the area.

The proposed location is a sagebrush type in the head of a small draw which extends a short distance to the north and joins a larger draw. Topography is moderately sloping requiring a 30 foot cut on the up-slope side of the pad.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat
Deer Winter Range

New Road

| Miles | Well Pad | Src Const Material | Surface Formation |
|--------------|------------------|---------------------------|--------------------------|
| | Width 215 | Length 355 | Onsite |
| | | | UNTA |

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Big sagebrush type dominated by big sagebrush. Also includes bluegramma, pinion/juniper, fringe sage, bud sage, greasewood and four winged saltbrush.

Deer, elk, coyotes, rabbits and small mammals and birds.

Soil Type and Characteristics

Deep sandy loam with small shale on surface. Subsurface will be shale.

Erosion Issues Y

Surface erosion is common in area exceledated by intense summer storms. No significant sedimentation is expected to occur onto the constructed pad. Frequent erosion will occur on the access road.

Sedimentation Issues Y

See above

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potential Observed?** N **Cultural Survey Run?** Y **Cultural Resources?**

Reserve Pit

Site-Specific Factors

Site Ranking

| | | |
|--|------------------|----|
| Distance to Groundwater (feet) | 100 to 200 | 5 |
| Distance to Surface Water (feet) | >1000 | 0 |
| Dist. Nearest Municipal Well (ft) | >5280 | 0 |
| Distance to Other Wells (feet) | >1320 | 0 |
| Native Soil Type | Mod permeability | 10 |
| Fluid Type | Fresh Water | 5 |
| Drill Cuttings | Normal Rock | 0 |
| Annual Precipitation (inches) | 10 to 20 | 5 |
| Affected Populations | <10 | 0 |
| Presence Nearby Utility Conduits | Not Present | 0 |

Final Score 25 1 **Sensitivity Level**

Characteristics / Requirements

The reserve pit is located in an area of cut on the southwest side of the location. It is 170' x 75' x 12' deep.

Closed Loop Mud Required? **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Ben Williams represented the DWR at the site visit. He stated the area is within the heart of the critical winter habitat for both deer and elk. In addition the location is in a sagebrush type which furnishes winter forage for both species. He explained to Doug Hammond of Enduring Resources and Dennis Petty of Tri-State Land Surveying that when an opportunity exist, it is preffered that locations be located within the pinion/juniper types not the sagebrush. The Pinion/Juniper type is abundant in the area and furnishes little forage for big game. He suggested to Jim Davis of SITLA and Mr. Hammond a seasonal restriction period in which road and pad construction, drilling and work-over activities not occur. This period would be from November 15 to March 31. Currently little activity or travel during this period occurs within this area as the two-track road is somewhat impassable except to ATV's

The location was accessed by ATV's on a cold rainy day.

Floyd Bartlett

9/20/2006

Evaluator

Date / Time

STATE ACTIONS
Resource Development Coordinating Committee
Governor's Office of Planning and Budget
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

| | |
|--|---|
| 1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801 | 2. Approximate date project will start: Upon Approval or August 25, 2006 |
| 3. Title of proposed action: Application for Permit to Drill | |
| 4. Description of Project: Enduring Resources, LLC proposes to drill the Long Draw 12-24-31-26 well (wildcat) on a State lease ML-47090, Uintah County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence. | |
| 5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 461' FNL 1962' FEL, NW/4 NE/4, Section 26, Township 12 South, Range 24 East, Uintah County, Utah | |
| 6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres -- not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed. | |
| 7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted? | |
| 8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A | |
| 9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Uintah Basin Association of Governments | |
| 10. For further information, contact: Diana Whitney Phone: (801) 538-5312 | 11. Signature and title of authorized officer  Gil Hunt, Associate Director Date: August 11, 2006 |

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: ML-47090 | 6. SURFACE: State |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> | | | | 8. UNIT or CA AGREEMENT NAME: | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | | | 9. WELL NAME and NUMBER: Long Draw 12-24-31-26 | |
| 3. ADDRESS OF OPERATOR: 475 17th St., Ste 1500 CITY Denver STATE CO ZIP 80220 | | | PHONE NUMBER: (303) 350-5719 | 10. FIELD AND POOL, OR WILDCAT: Unconsolidated Wildcat | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 461' FNL - 1962' FEL <i>654621x 39.752140</i> AT PROPOSED PRODUCING ZONE: <i>4401596y Same -109.195210</i> | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 12S 24E | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 25.7 Southwest of Bonanza, UT | | | | 12. COUNTY: Uintah | 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 461' | | 16. NUMBER OF ACRES IN LEASE: 960 | | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 acres | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1000' + | | 19. PROPOSED DEPTH: 5,285 | | 20. BOND DESCRIPTION: RLB0008031 | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6491' RT-KB | | 22. APPROXIMATE DATE WORK WILL START: 10/1/2006 | | 23. ESTIMATED DURATION: 20 days | |

24. **PROPOSED CASING AND CEMENTING PROGRAM**

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT | | | |
|--------------|---|---------------|---|-----------|------|------|
| 20" | 14" line pipe | 40 | 3 yards | Ready Mix | | |
| 11" | 8-5/8" J-55 24# | 2,016 | Premium Lead | 138 sxs | 3.50 | 11.1 |
| | | | Premium Tail | 138 sxs | 1.15 | 15.8 |
| 7-7/8" | 4-1/2" N-80 11.6# | 5,285 | Class G | 11 sxs | 3.3 | 11.0 |
| | | | 50/50 Poz Class G | 689 sxs | 1.56 | 14.3 |
| | | | | | | |
| | | | | | | |

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Evette Bissett TITLE Regulatory Compliance Assistant

SIGNATURE *Evette Bissett* DATE 8/2/2006

(This space for State use only)

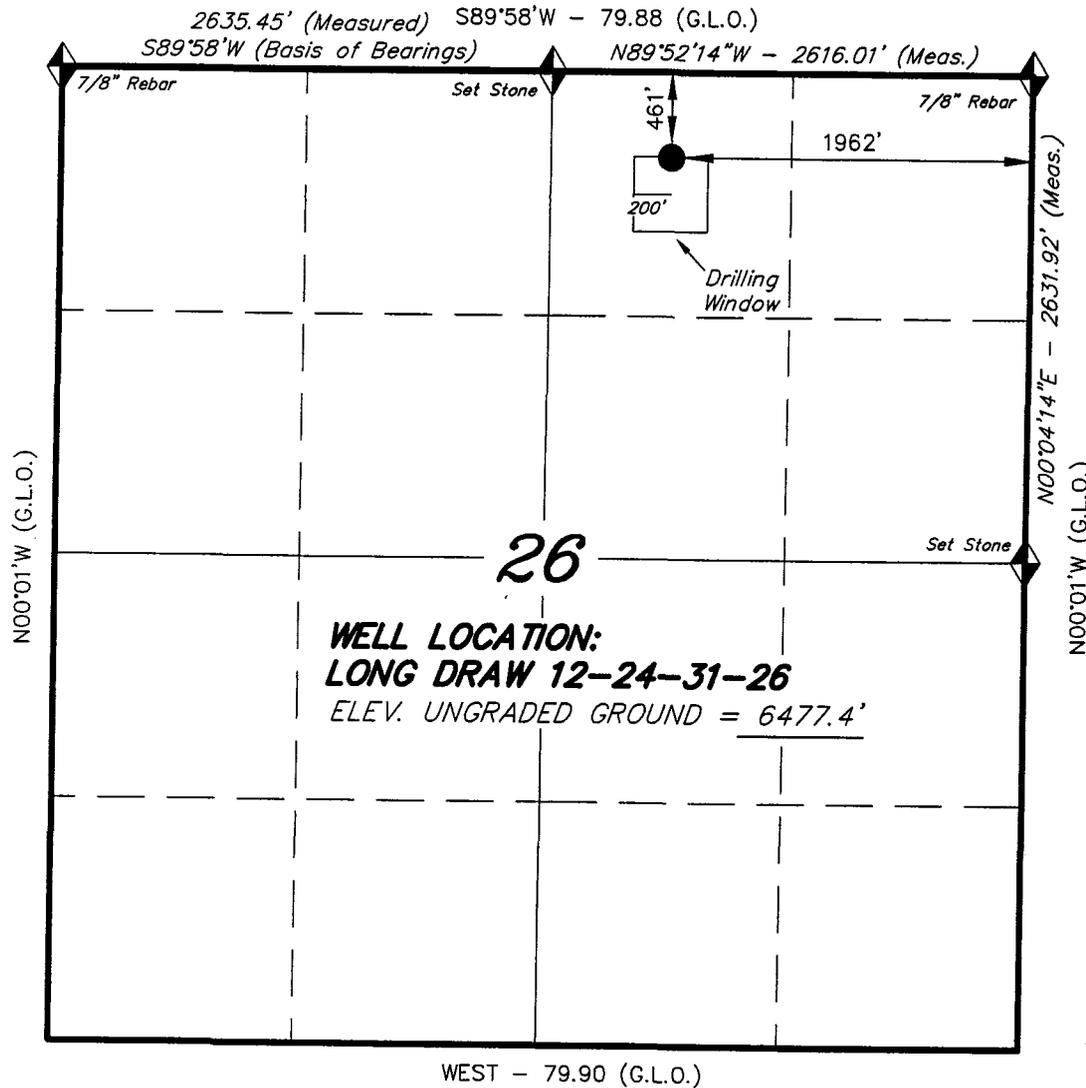
API NUMBER ASSIGNED: 43-047-38435

APPROVAL:

RECEIVED
AUG 04 2006
DIV OF OIL, GAS & MINING

T12S, R24E, S.L.B.&M.

ENDURING RESOURCES



WELL LOCATION, LONG DRAW 12-24-31-26,
 LOCATED AS SHOWN IN THE NW 1/4 NE 1/4
 OF SECTION 26, T12S, R24E, S.L.B.&M.
 Uintah County, Utah.



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

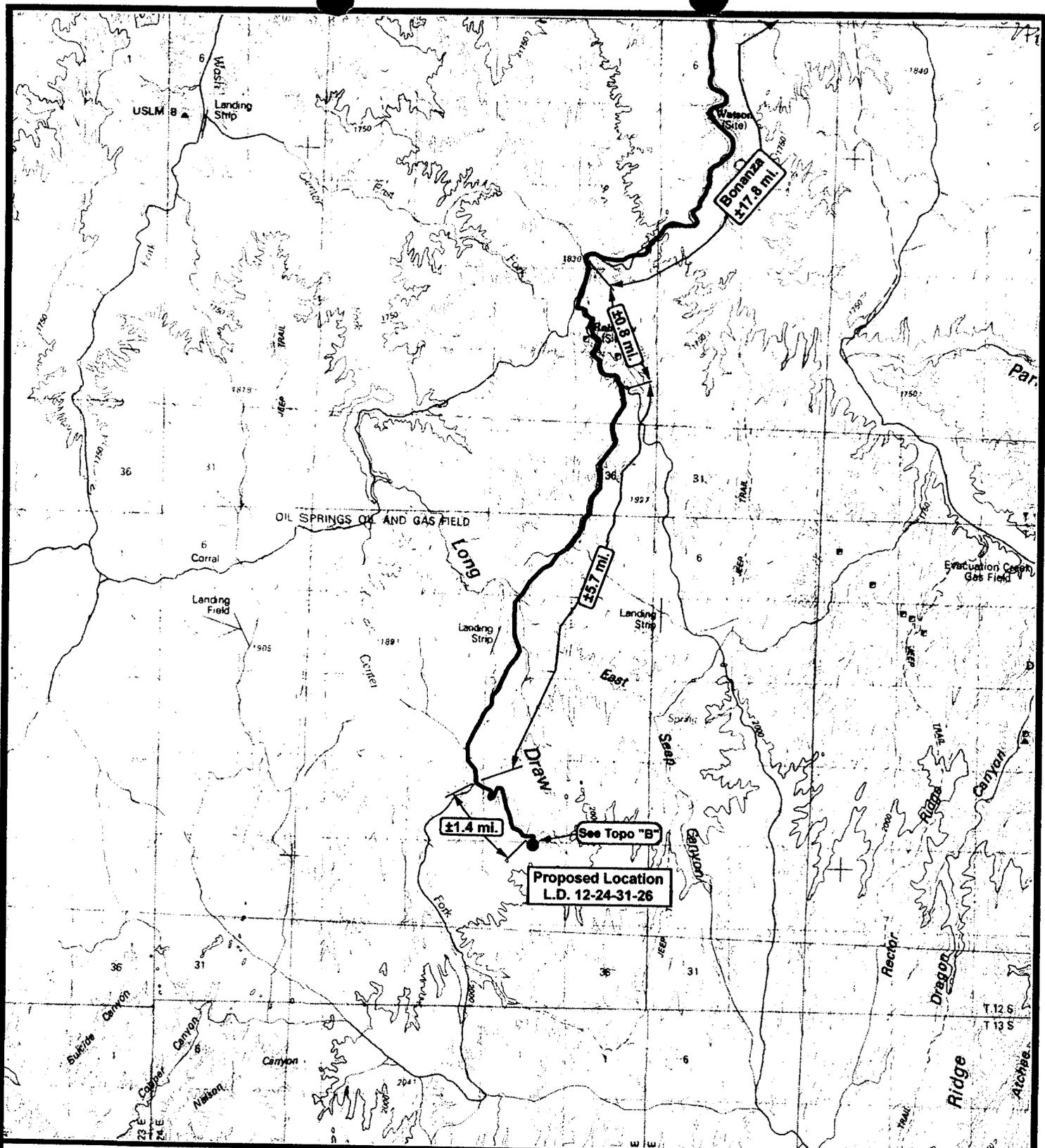
REGISTERED LAND SURVEYOR
 STACY W. STEWART
 REGISTERED LAND SURVEYOR
 REGISTRATION No. 189377
 STATE OF UTAH

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

LONG DRAW 12-24-31-26
 (Surface Location) NAD 83
 LATITUDE = 39° 45' 07.70"
 LONGITUDE = 109° 11' 45.50"

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

| | | |
|-------------------------|-------------------|----------------------------|
| DATE DRAWN: 06-29-06 | SURVEYED BY: J.H. | SHEET 2 OF 10 |
| REVISED: | DRAWN BY: F.T.M. | |
| NOTES: | SCALE: 1" = 1000' | |



ENDURING RESOURCES

**Long Draw 12-24-31-26
Sec. 26, T12S, R24E, S.L.B.&M.**



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

SCALE: 1 : 100,000
DRAWN BY: mw
DATE: 06-30-2006

Legend
 Existing Road
 Proposed Access

TOPOGRAPHIC MAP SHEET
"A"
7
 OF 10

Casing Schematic

Surface

12 1/2" 18 1/2"

Green River

BHP

$$(0.052)(5285)(9.8) = 2693 \text{ psi}$$

anticipate 2748 psi

Gas

$$(1.12)5285 = 634 \text{ psi}$$

$$2693 - 634 = 2059 \text{ psi}$$

MAASP

BOPE - 3M ✓

Surf. csg bursts +

2950

90% 2065

8-5/8" MW 8.4
Frac 19.3

Max press @ csg shoe

$$5285 - 2016 = 3269 \text{ psi}$$

$$3269(1.22) = 719$$

$$2693 - 719 = 1974 \text{ psi}$$

Test to 1974 psi ✓

(± 1200 psi surf press)

⇒ Stop surf. csg cmt ✓

✓ Adequate DUC

10/6/06

4-1/2" MW 9.8

TOC @ 1745 -193

Surface 2016. MD

Wasatch

TOC @ 766. T @ surf w/ 48 west

✓ * Surf. stop

2887' Mesaverde ✓

4000' BMSW

Production 5285. MD

| | | | |
|--------------|---|-------------|--------------|
| Well name: | 2006-10 Enduring Long Draw 12-24-32-24 | | |
| Operator: | Enduring Resource, LLC | | |
| String type: | Surface | Project ID: | 43-047-38484 |
| Location: | Uintah County | | |

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 894 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 1,016 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: 888 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 89 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 500 ft

Cement top: 386 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 5,130 ft
 Next mud weight: 9.800 ppg
 Next setting BHP: 2,612 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 1,016 ft
 Injection pressure: 1,016 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1 | 1016 | 8.625 | 24.00 | J-55 | ST&C | 1016 | 1016 | 7.972 | 363.3 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 443 | 1370 | 3.090 ✓ | 1016 | 2950 | 2.90 ✓ | 21 | 244 | 11.45 J ✓ |

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Minerals

Phone: 801-538-5357
 FAX: 801-359-3940

Date: October 3, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1016 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

| | | | |
|--------------|---|-------------|--------------|
| Well name: | 2006-10 Enduring Long Draw 12-24-31-26 | | |
| Operator: | Enduring Resource, LLC | | |
| String type: | Production | Project ID: | 43-047-38435 |
| Location: | Uintah County | | |

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 1,528 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP: 2,691 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: 4,511 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 149 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft
 Cement top: 1,745 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 | 5285 | 4.5 | 11.60 | N-80 | LT&C | 5285 | 5285 | 3.875 | 461.2 |
| 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 | 2691 | 6350 | 2.360 ✓ | 2691 | 7780 | 2.89 ✓ | 52 | 223 | 4.26 J ✓ |

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Minerals

Phone: 801-538-5357
 FAX: 801-359-3940

Date: October 3, 2006
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 5285 ft, a mud weight of 9.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

From: Robert Clark
To: Whitney, Diana
Date: 8/14/2006 10:34:14 AM
Subject: RDCC short turn around responses

43,047-38435

The following comments are provided in response to short turn around items **RDCC #6916** through **RDCC #6921**, and **RDCC #6943**.

RDCC #6916, Comments begin: The proposal of Enduring Resources, LLC to drill the **Southam Canyon 10-25-34-32** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6917, Comments begin:** The proposal of Enduring Resources, LLC to drill the **Southam Canyon 10-25-14-32** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6918, Comments begin:** The proposal of Enduring Resources, LLC to drill the **Southam Canyon 10-25-11-32** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6919, Comments begin:** The proposal of the Houston Exploration Company to drill the **North Horseshoe 5-16-6-22** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for

preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6920, Comments begin:** The proposal of Petro-Hunt, LLC to drill the **Vonda H. Christensen Family LP 35A-3-1** wildcat well, in Sanpete County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6921, Comments begin:** The proposal of Petro-Hunt, LLC to drill the **Lamb Trust 31B-1-1** wildcat well, in Sanpete County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6943, Comments begin:** The proposal of Enduring Resources, LLC to drill the **Long Draw 12-24-31-26** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. Robert Clark** Division of Air Quality 536-4435

CC: Mcneill, Dave; Wright, Carolyn

MEMORANDUM

Indunas
43-047-38435

DATE: August 15, 2006

TO: Utah Division of Oil, Gas and Mining, Forestry, Fire, and State Lands, and Resource Development Coordinating Committee

FROM: Utah Geological Survey, Ground Water and Paleontology Program

SUBJECT: UGS comments on RDCC items 6916, 6917, 6918, 6919, 6920, 6921, 6922, and 6943.

6916. Division of Oil, Gas and Mining # ML-47065
Short Turn Around; Sec. 32, T10S, R25E
Uintah Co.

Application for Permit to Drill - proposal to drill a wildcat well the Southam Canyon 10-25-34-32 on a State lease ML-47065

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements.

6917. Division of Oil, Gas and Mining
Short Turn Around;; Sec. 32, T10S, R25E
Uintah Co.

Application for Permit to Drill - proposal to drill a wildcat well the Southam Canyon 10-25-14-32 on a State lease ML-47065

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements.

6918. Division of Oil, Gas and Mining
Short Turn Around; Sec. 32, T10S, R25E
Uintah Co.

Application for Permit to Drill - proposal to drill the Southam Canyon 10-25-11-32 on a State lease ML-47065

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements.

6919. Division of Oil, Gas and Mining
Short Turn Around; Sec. 16, T6S, R22E
Uintah Co.

Application for Permit to Drill - proposal to drill a wildcat well the North Horseshoe 5-16-6-22 on a State lease ML-47969

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements.

6920. Division of Oil, Gas and Mining
Short Turn Around; Sec. 35, T16S, R2E
Sanpete Co.

Application for Permit to Drill - proposal to drill a wildcat well the Vonda H. Christ. Fam. 35A-3-1 on a Fee lease

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements.

6921. Division of Oil, Gas and Mining
Short Turn Around; Sec. 31, T15S, R3E
Sanpete Co.

Application for Permit to Drill - proposal to drill a wildcat well the Lamb Trust 31B-1-1 on a Fee lease Fee

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its

easements..

6922. Trust Lands Administration
Other Proposed Actions; State Land Proposals
Sec. 16, T10S, R18E; Uintah Co; Easement #1124

Two paleontological localities with vertebrate fossils, Utah Paleontological Localities Un 1699 and Un 1700, are recorded in our files in this project area. The project is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements and, if these known critical fossil localities are to be impacted, they should be mitigated by a permitted paleontologist.

6943. Division of Forestry, Fire and State Lands
Short Turn Around; Drilling Permits; Sec. 26, T12S, R24E
Uintah Co.
Application for Permit to Drill - proposal to drill a wildcat well the Long Draw 12-24-31-26 on a State lease ML-47090

Although there are no paleontological localities recorded in our files in this project area, it is mapped as T3 (Eocene Uinta and Duchesne River Formations) on the Utah State Geological Map. The Uinta and Duchesne River Formations are among the most paleontological sensitive rock units in Utah and have a strong potential for yielding significant vertebrate fossil localities. The office of the State paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements.

From: Carolyn Wright
To: Whitney, Diana
Date: 8/17/2006 10:39:05 AM
Subject: Fwd: comments

43-047-38435

>>> Shelly Quick 08/15/06 12:52 PM >>>

Project Number: 6943

Sponsor: Division of Forestry, Fire and State Lands

SLB&M: Sec. 26, T12S, R24E

Counties Affected: Uintah

Description: Application for Permit to Drill - proposal to drill a wildcat well the Long Draw 12-24-31-26 on a State lease ML-47090

Comments Due to Sponsor 08/22/2006

Comments:

Well must be sited, drilled, and managed to prevent degradation of water quality through measures to limit erosion, limit stormwater runoff, and limit pollutant loading to runoff. 1- Wellpad placement or expansion disturbs soils. Vegetative and/or structural measures to control erosion should be implemented within 60 days of initial soil disturbance to prevent erosion leaving the site from exceeding the tolerable rate as determined by the local office of USDA/NRCS. Such erosion control shall be maintained for the duration of the lease and shall remain in functional operation when the lease or permit is terminated. 2- If vegetation surrounding the wellpad does not provide at least 60% ground cover within 60 days of creating the wellpad, engineering practices should be implemented within those 60 days to control erosion. Such engineering measures may include mulching, use of fiber mats, cross slope trenching, contour furrows, rock dams, terracing or such other erosion control practices as are required to prevent erosion from exceeding the tolerable rate. 3- No disturbance or degradation to or of surrounding or nearby soils, native or beneficial vegetation, or riparian areas should be permitted outside of the area defined in the permit. 4- No spills nor runoff of chemicals including hydrocarbons, lubricants, salt water, antifreeze, or other potentially damaging materials should be permitted. 5- Before wellpad use is discontinued, permit holder shall restore the site to prevent stormwater runoff from exceeding water quality standards. Erosion from the site shall not exceed the tolerable rate as established by the local office of USDA / NRCS either while the wellpad site is in use, or when it is no longer in active use. No petrochemicals, salt, pesticides, nor other introduced potential pollutants shall be left such that they might be eroded, dissolved, blown, or otherwise carried away to become potential pollutant loads. 6- Employing structural BMPS for access roadways to capture sediment in runoff before it would enter intermittent or perennial streams, or washes, or gullies.

From: Carolyn Wright
To: Whitney, Diana
Date: 8/21/2006 9:19:50 AM
Subject: Fwd: RDCC short turn around responses

43-047-38435

FYI

>>> Robert Clark 8/14/2006 10:33 AM >>>

The following comments are provided in response to short turn around items **RDCC #6916** through **RDCC #6921**, and **RDCC #6943**.

RDCC #6916, Comments begin: The proposal of Enduring Resources, LLC to drill the **Southam Canyon 10-25-34-32** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>.

The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm . **Comments end.**

RDCC #6917, Comments begin: The proposal of Enduring Resources, LLC to drill the **Southam Canyon 10-25-14-32** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>.

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RDCC #6918, Comments begin: The proposal of Enduring Resources, LLC to drill the **Southam Canyon 10-25-11-32** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>.

The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm . **Comments end.**

RDCC #6919, Comments begin: The proposal of the Houston Exploration Company to drill the **North Horseshoe 5-16-6-22** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a

permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6920, Comments begin:** The proposal of Petro-Hunt, LLC to drill the **Vonda H. Christensen Family LP 35A-3-1** wildcat well, in Sanpete County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6921, Comments begin:** The proposal of Petro-Hunt, LLC to drill the **Lamb Trust 31B-1-1** wildcat well, in Sanpete County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end. RDCC #6943, Comments begin:** The proposal of Enduring Resources, LLC to drill the **Long Draw 12-24-31-26** wildcat well, in Uintah County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available on-line at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>. The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. **Comments end.** Robert Clark Division of Air Quality 536-4435

From: Ed Bonner
To: Whitney, Diana
Date: 9/18/2006 11:51:50 AM
Subject: Well Clearance

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

Bill Barrett Corporation

Prickly Pear State 2-36-12-15 (API 43 007 31226)
Prickly Pear State 4-36-12-15 (API 43 007 31227)
Prickly Pear State 12-36-12-15 (API 43 007 31228)

Enduring Resources, LLC

Long Draw 12-24-31-26 (API 43 047 38435)

EOG Resources, Inc

Chapita Wells Unit 1220-02 (API 43 047 37985)
Chapita Wells Unit 1221-02 (API 43 047 38509)
Chapita Wells Unit 1217-02 (API 43 047 38345)
Chapita Wells Unit 1219-02 (API 43 047 38344)
Chapita Wells Unit 1243-02 (API 43 047 38346)

Kerr McGee Oil & Gas Onshore LP

NBU 922-32N-1T (API 43 047 38567)
NBU 922-32H-3T (API 43 047 38569)

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

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



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 10, 2006

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

Re: Long Draw 12-24-31-26 Well, 461' FNL, 1962' FEL, NW NE, Sec. 26,
T. 12 South, R. 24 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 43-047-38435.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Enduring Resources, LLC
Well Name & Number Long Draw 12-24-31-26
API Number: 43-047-38435
Lease: ML-47090

Location: NW NE Sec. 26 T. 12 South R. 24 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 State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
7. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.
8. 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: ML 47038 ML-50088 |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 7. UNIT or CA AGREEMENT NAME: n/a |
| | | 8. WELL NAME and NUMBER: Long Draw 12-24-31-26 |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | 9. API NUMBER: 4304738435 | |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | 10. FIELD AND POOL, OR WILDCAT: Undesignated | |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 | PHONE NUMBER: (303) 350-5719 | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' FNL - 1962' FEL | | COUNTY: Uintah |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 12S 24E S | | STATE: UTAH |

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

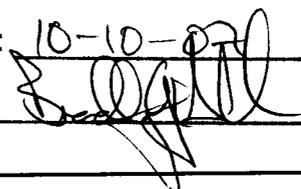
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <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>Request for APD Extension</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

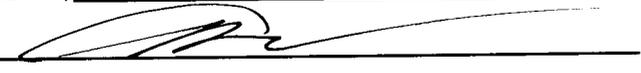
Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill....

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-10-07
By: 

COPY SENT TO OPERATOR
Date: 10-11-07
Initials: RM

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

TITLE Landman - Regulatory Specialist
DATE 10/5/2007

(This space for State use only)

RECEIVED
OCT 09 2007

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

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

API: 4304738435
Well Name: Long Draw 12-24-31-26
Location: 461' FNL - 1962' FEL, NWNE, Sec 26, T12S-R24E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 10/10/2006

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

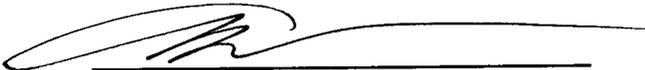
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

10/5/2007

Date

Title: Landman - Regulatory Specialist

Representing: Enduring Resources, LLC

RECEIVED
OCT 09 2007
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|--|--|---|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-50088 |
| 2. NAME OF OPERATOR: Enduring Resources, LLC | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a |
| 3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY: Denver STATE: CO ZIP: 80202 | | 7. UNIT or CA AGREEMENT NAME: n/a |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' FNL - 1962' FEL QTR/QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 12S 24E S | | 8. WELL NAME and NUMBER: Long Draw 12-24-31-26 |
| PHONE NUMBER: (303) 350-5719 | | 9. API NUMBER: 4304738435 |
| COUNTY: Uintah | | 10. FIELD AND POOL, OR WILDCAT: Undesignated |
| STATE: UTAH | | |

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

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

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

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

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-13-08
By: [Signature]

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

(This space for State use only)

COPY SENT TO OPERATOR

Date: 10.14.2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

OCT 09 2008

DIV. OF OIL, GAS & MINING



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

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

API: 4304738435
Well Name: Long Draw 12-24-31-26
Location: 461' FNL - 1962' FEL, NWNE, Sec 26, T12S-R24E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 10/10/2006

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

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

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


Signature

9/29/2008
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

RECEIVED
OCT 09 2008
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 19, 2009

Enduring Resources, LLC
475 17TH Street Ste 1500
Denver, CO 80202

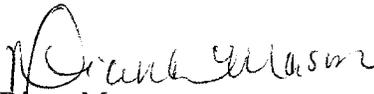
Re: APD Rescinded – Long Draw 12-24-31-26, Sec. 26, T.12S, R. 24E
Uintah County, Utah API No. 43-047-38435

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 10, 2006. On October 10, 2007 and October 13, 2008 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 19, 2009.

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

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner