



Enduring Resources

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

August 30, 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
Park Canyon 11-25-22-9
SENW 9-11S-25E
Lease: Fee
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
SEP 01 2006
DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: FEE	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
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: Park Canyon 11-25-22-9	
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 Widener	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1927' FNL - 2032' FWL <i>660369X 39.878320</i> AT PROPOSED PRODUCING ZONE: <i>4415725 Y - 109.124689</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 9 11S 25E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15.7 Southeast of Bonanzal, UT				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1927'		16. NUMBER OF ACRES IN LEASE: 640		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: 5,460		20. BOND DESCRIPTION: RLB0008031	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5967' RT-KB		22. APPROXIMATE DATE WORK WILL START: 11/1/2006		23. ESTIMATED DURATION: 20 days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
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#	5,460	Class G	13 sxs	3.3	11.0
			50/50 Poz Class G	661sxs	1.56	14.3

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 8/30/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-04738572

Approved by the
Utah Division of
Oil, Gas and Mining

RECEIVED
SEP 01 2006

APPROVAL:

Date: 02-27-07 DIV. OF OIL, GAS & MINING

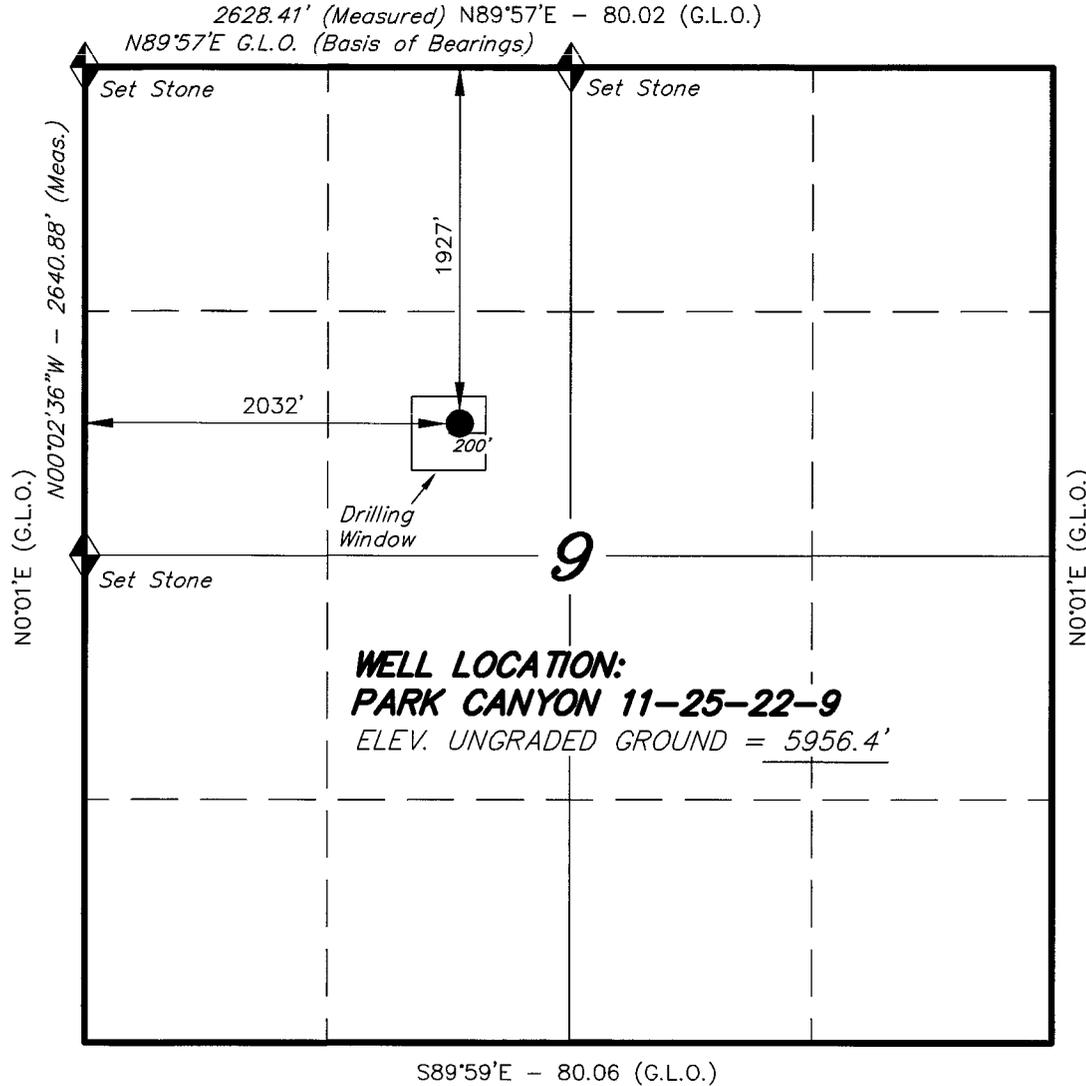
(See Instructions on Reverse Side)

By: *[Signature]*

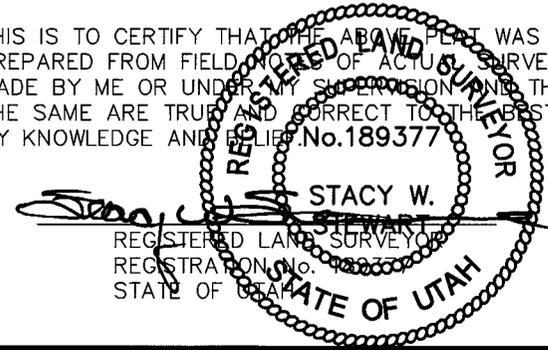
T11S, R25E, S.L.B.&M.

ENDURING RESOURCES

WELL LOCATION, PARK CANYON
11-25-22-9, LOCATED AS SHOWN IN
THE SE 1/4 NW 1/4 OF SECTION 9, T11S,
R25E, S.L.B.&M. UTAH 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



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

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min
QUAD (WEAVER RIDGE)

PARK CANYON 11-25-22-9
(Surface Location) NAD 83
LATITUDE = 39° 52' 41.97"
LONGITUDE = 109° 07' 31.01"

DATE DRAWN: 04-21-06	SURVEYED BY: J.H.	SHEET 2 OF 9
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

**Enduring Resources, LLC
Park Canyon 11-25-22-9
SENW 9-T11S-R25E
Uintah County, Utah
Lease: Fee**

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

Formation	Depth (K.B.)
Uinta	Surface
Green River	0
Wasatch	2239
Mesaverde	3277

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

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5967'	
Oil / Gas	Green River	0
Oil /Gas	Wasatch	2239
Oil /Gas	Mesaverde	3277
	Estimated TD	5460

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 – 5460' (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)
5460' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/2.24 (d)	7780/2.98 (e)	223/4.10(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	123	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	13	25	11.0	3.3
4-1/2"	Tail	3621	50/50 POZ Class G + 2% gel + 1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	661	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'-5460' (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 2839 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 1638 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. Anticipated Starting Dates:

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

9. Variations:

None anticipated

10. Other:

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

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

Directions to the Park Canyon 11-25-22-9 Well Pad

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza heading south on a paved road for a distance of approximately 5.6 where there is a turn to the right. Do not turn right. Continue southeasterly for a distance of 4.2 miles to a turn to the left. Turn left and proceed southerly for approximately 4.4 miles to turn to the right. Turn right and proceed northwesterly for approximately 1.4 miles to the beginning of the proposed access. Turn right onto proposed access and proceed northwesterly for a distance of approximately 330' (less than 0.1 miles) to the proposed Park Canyon 11-25-22-9 well pad.

Enduring Resources, LLC

Park Canyon 11-25-22-9

SENW 9-11S-25E

Uintah County, Utah

Lease: Fee

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Beginning at the city of Bonanza, Utah, leave the city of Bonanza heading south on a paved road for a distance of approximately 5.6 where there is a turn to the right. Do not turn right. Continue southeasterly for a distance of 4.2 miles to a turn to the left. Turn left and proceed southerly for approximately 4.4 miles to turn to the right. Turn right and proceed northwesterly for approximately 1.4 miles to the beginning of the proposed access. Turn right onto proposed access and proceed northwesterly for a distance of approximately 330' (less than 0.1 miles) to the proposed Park Canyon 11-25-22-9 well pad.

2. Planned Access Roads:

The proposed access road will be approximately 330 feet of new construction all on-lease.

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. None: Pending (staked) Wells:

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:

50'	Surface Pipeline	On-Lease	Fee
-0-	Surface Pipeline	Off-Lease	n/a

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 less than 225 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 to tie-in to a steel surface pipeline that is located next to the county road.

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:

Water will be purchased from American Gilsonite from the following source: Water Right No. 49-222, Application/Claim No. A29909/a4958, Certificate No. 9915 ("AGC Water Right"). The AGC Water Right consists of nineteen underground water wells located in Sec.2, T10S, R24E, SLBM, piped to and stored in a cistern located in Section 25, T9S, R24E.

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

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized 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 stockpiles(s).

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

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

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

All pits shall be fence to the following minimum standards:

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

Access: Fee, Cliffs Sinfuels, Corp.

Pipeline: Fee, Cliffs Sinfuels, Corp.

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

RIGHT-OF-WAY and SURFACE DAMAGE AGREEMENT

(_____ Resources Corporation _____)

THIS AGREEMENT is made and entered into by and between _____ and Cliffs Synfuel Corporation (Cliffs),
_____ (hereinafter referred to as "Grantor"), effective _____, 200 .

WHEREAS, Grantor is the surface owner of _____ quarter Section _____ Township 11 South Range 25 East, Uintah County, Utah (hereinafter referred to as the "Land(s)"); and

WHEREAS, _____ desires to enter onto and cross such Lands for the purpose of drilling an exploratory oil and/or gas well, _____ (WELL), located in the _____ quarter of the _____ quarter, Section _____ Township 11 South, Range 25 East, Uintah County, Utah (hereinafter referred to as the "Drillsite").

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- I. _____, shall pay Grantor the sum of \$3,000.00 up front payment for damages to surface of the Lands for road access to the Drillsite and for the Drillsite for the drilling of the WELL. Within sixty days of completion of the Well either as a producer or a plugged and abandoned well, _____ shall survey the new access road and the Drillsite to compensate Cliffs for any additional damage that may have occurred during drilling and completion operations. Compensation will be on a \$1,500.00 per acre cost for any damages exceeding 2.0 acres and such compensation, if due, will be paid within thirty (30) days of the surveyor's report being released. _____ shall utilize existing access routes to the maximum extent feasible, so as to minimize surface disturbances for access to facilities.
- II. _____ and their assigns or agents shall have the right to use a reasonable amount of access road across the Lands and shall have the right to move derricks, drilling tools, vehicles, and all other machinery and equipment necessary or incident to the re-drilling, drilling, testing completion, operation of the WELL. Such activity shall be restricted to existing public roads or access roads covered by this agreement. Any roads or surface facilities may be relocated at Cliffs' expense if needed due to oil shale mining or processing in the future.
- III. This Agreement and the rights granted herein are effective and shall continue in full force and effect so long as operations are conducted on the WELL. Upon execution of this Agreement, all payments due hereunder shall be paid concurrently. Operations are defined under terms of the oil and gas lease with Cliffs as taken by Contex Energy, which is _____'s land agent and acquisition company, and under the Rules and Regulations defined by the State of Utah.
- IV. Cattle guards or gates will be constructed, if requested by Grantor, at all places where the openings go through the existing fences and gates will be kept closed at all times except when opened for passage of traffic. Also, gates shall be installed to limit access to producing wells on roads constructed by _____, if by mutual agreement between _____ and Cliffs.
- V. If there is any fill used for roads constructed across any drainage, then culverts will be used for the free flow of water through said drainage.
- VI. If the access road departs from existing established roadways and new construction is required, topsoil will be segregated and stockpiled for replacement during reclamation activities.
- VII. It is understood that any road constructed across the said Lands shall not exceed 30 feet in total width, including the total disturbed area between the outside of each berm, without the prior approval of Grantor.
- VIII. Upon completion of the WELL as a dry hole and the subsequent abandonment thereof, and at the request of the Grantor, any drill pads and newly constructed road will be restored and seeded within 180 days to the condition it was in prior to commencement of operations insofar as reasonably possible. Any preexisting roads, and the improvements thereto, which are constructed by _____, shall be left in a good and usable condition for the continued use by Grantor. Reclaimed areas will be reseeded with a wildlife mixture approved by the Utah Division of Wildlife.
- IX. In the event that the WELL is completed as a producer of oil and/ or gas, _____ shall build and maintain a permanent access road in conformance with the already established county road including any variances granted by the county for existing roads to the Drillsite. Disturbed areas not used for production will be regraded and seeded with an approved wildlife seed mix within 90 days unless prohibited by weather.

- X. Upon completion of the WELL as a well capable of oil and/or gas production, this Agreement shall continue in full force and effect and _____ shall pay in advance to Grantor an annual access rental of two hundred dollars (\$200) per pad and \$200 per acre of roadway (30-foot width), or a minimum of \$500 to include the pad and roadway for each well, whichever is greater, on or before January 31st of each year thereafter until the subject well is plugged and abandoned and operations cease thereon.
- XI. It is expressly understood that the settlement amounts in paragraph I are only for construction of a road and drilling location and is not a settlement for any damages to contiguous property, personal property of the Grantor or a release of any personal injuries that may be sustained by reason of the operations carried on by _____ or its agents.
- XII. This Agreement does not cover pipeline easements and _____ acknowledges that it must secure a separate agreement prior to laying pipeline related to production of gas or oil on Cliffs' lands.
- XIII. This Agreement shall not be assigned, nor the rights hereunder transferred in any manner without the prior written consent of Grantor, which consent shall not be unreasonably withheld.
- XIV. _____ shall comply at its own expense with the Workman's Compensation Law of the State of Utah and shall maintain such insurance throughout the duration of this Agreement, and shall furnish Grantor prior to beginning work on the Lands evidence of such insurance and at each policy period thereafter renewal evidence that such insurance is being maintained. _____ with respect to its operation in connection with this Agreement, shall also purchase or provide for (1) comprehensive general public liability insurance with a combined single limit not less than One Million Dollars (\$1,000,000) for bodily injury and property damage; and (ii) automobile insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) for bodily injury and property damage. At Grantor's request, _____ shall furnish Grantor with a certificate or certificates of insurance secured and maintained hereunder and Grantor shall be an additional insured thereon.
- XV. In the event any person or entity (including Grantor) suffers a loss of any kind or character, or death or injury, (1) as a result of a breach of this Agreement by _____, or its agents, contractors, or employees, or (2) as a result of _____ or its agents, contractors, or employees performing on the Drillsite or elsewhere, any action, directly or indirectly, in furtherance of a right hereunder, or (3) from any cause whatsoever while being on the Lands and the Drillsite to conduct any work or service for _____, _____ shall reimburse, indemnify defend and hold harmless Grantor for any and all losses, costs, claims, liability, litigation, demands, damages and expenses (including all attorney fees) of every kind or character which Grantor may suffer or be subject to as a result of said loss or injury whether or not such losses, costs, claims, liabilities, litigation, demands, damages, and expenses (including all attorney fees) result from the condition of Grantor's premises or facilities, unless through the sole negligence of Grantor or its agents.
- XVI. _____ shall provide Grantor with not less than forty-eight (48) hours advance notice, either by phone, mail or in person, of _____'s intent to enter upon the Land for the purpose of commencing operations thereon. _____ shall conduct its operations in such a manner as to use no more Land than is reasonably necessary and shall use all reasonable efforts not to interfere with the use of the Land by the Permittee in that certain Consolidated Grazing Permit dated January 1, 1998 by and between Grantor, as Owner, and O. S. Wyatt, Jr., as Permittee, or the rights of subsequent grazing permittees. All drilling fluid pits shall be fenced within ten days of end of drilling the WELL as a producer or dry hole and then the pits will be reclaimed and reseeded within 180 days of the completion of the well as a producer or dry hole. Surface structures shall be fenced, if they represent a potential hazard to livestock, by mutual agreement between _____ and Cliffs. The type of fencing to be mutually agreed upon by _____ and Cliffs. _____ will have ten days to effect repairs or problems with fences when notified by e-mail or in writing by Cliffs. _____ can request an extension of the closure of pits beyond the 180 days from the completion of the WELL if closing the pits represents a potential hazard or closing the pits at that time will not comply with the State of Utah's reclamation requirements and pit closure requirements. An extension will not be unreasonably withheld.
- XVII. _____ shall have the right at any time, and from time to time, to remove any or all property, fixtures, equipment and materials, placed by _____ on the Land, including the right to draw and remove casing. Within 90 days after plugging of the WELL this Agreement will expire and, _____ shall remove all remaining property, fixtures, equipment and materials that were placed by _____ on the Land. Such removal shall be accomplished at _____'s sole cost, risk, and expense. If such items are not removed within 90 days, Grantor shall have the right to remove those items from the Land and bill the associated cost for such removal to _____.

- XVIII. This agreement restricts the _____'s use of Grantor's lands to the sole purpose of exploration and production of oil and/or gas at this specific site. It does not grant _____, its contractors, or its agents the right to use the Grantor's property for any other purpose.
- XIX. All operations of _____ hereunder which involve drilling for and producing of oil and gas, or both, or the cessation, or abandonment, of its operations shall be conducted in a good and workmanlike manner and in accordance with standard oil field practices and in accordance with all applicable federal, state and local statutes and regulations including specifically, but not by way of limitation, such laws and regulations governing the operation, maintenance and reclamation of well sites, pipelines, tank batteries, and other related facilities as may be utilized by _____ and its operations hereunder. _____ shall further adhere to and abide by all federal, state and local environmental statutes and regulations addressing air, water, and solid waste pollution and the handling storage, storage, use and disposal of hazardous substances as prescribed in The Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. & 9601, et seq. (CERCLA). _____ shall provide Grantor with copies of all applications for environmental permits, notices of violation or alleged violations of any environmental laws, governmental requests for any information pertaining to environmental issues relating to the Land or products produced therefrom or _____'s use thereof, copies of any responses from _____'s to said requests, and any environmental investigations, reports, or studies involving the Land or products produced therefrom or the use thereof by _____ which, from time to time, may be obtained by _____.
- XX. _____ also agrees to abide by the laws or regulations of the State of Utah designed to protect either coal seams or oil shale deposits, including but not limited to those specific rules set forth the in the General Rules and Regulations of the Utah Board of Oil, Gas and Mining, as amended, pertaining to such matters. _____ acknowledges that the Land under this agreement was designated as an "Oil Shale Area" on August 22, 1985, amended in May of 2001, and _____ hereby agrees to follow the Board's procedure for wells drilled in designated "Oil Shale Areas" as set forth in the aforementioned General Rules and Regulations as amended in 2001.
- XXI. The provisions hereof shall be considered as covenants running with the Land during the life of the Agreement and all modifications thereof, and any assignment of the Agreement shall be subject to the provisions thereof.
- XXII. This Agreement constitutes the entire Agreement between the parties hereto as to the subject matters herein set forth and supersedes all prior written or oral agreements relative thereto except for said LETTER AGREEMENT entitled GENERAL RIGHT-OF-WAY and SURFACE DAMAGE AGREEMENT entered into and signed between _____ and Cliffs Synfuels Corporation dated July 1st, 2001 as this agreement will be subordinate to that said agreement. No change, modification, alteration or amendment to this Agreement shall be binding upon the parties hereto except as specifically expressed in writing and signed by each party agreeing to be bound thereby.

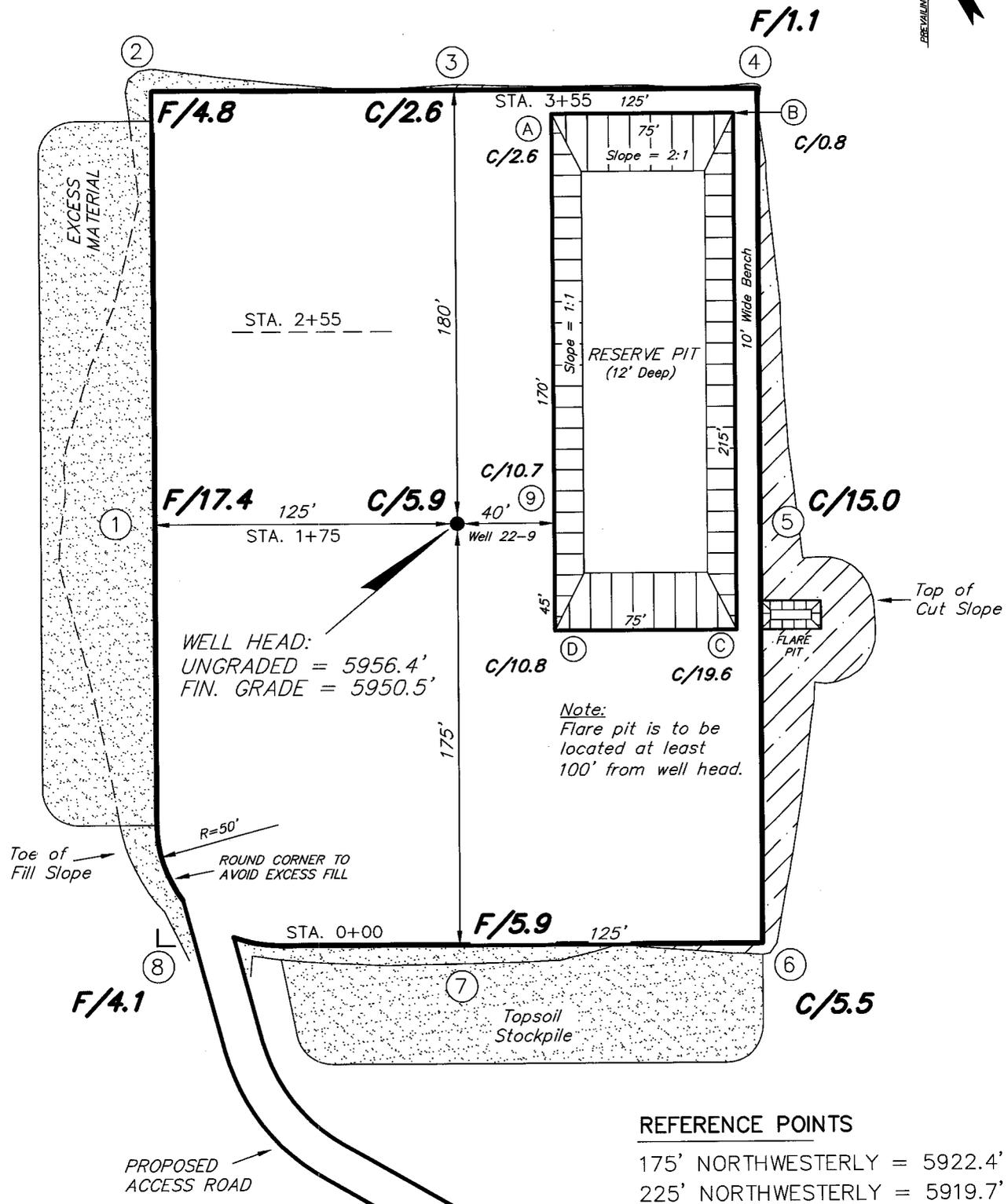
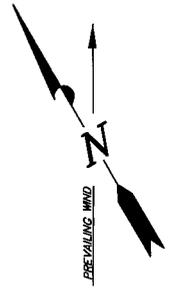
CLIFFS SYNFUEL CORP.

By: _____
Gary D. Aho, President

By: _____

ENDURING RESOURCES

PARK CANYON 11-25-22-9
Section 9, T11S, R25E, S.L.B.&M.



REFERENCE POINTS

175' NORTHWESTERLY = 5922.4'
225' NORTHWESTERLY = 5919.7'

SURVEYED BY:	J.H.	DATE DRAWN:	04-21-06
DRAWN BY:	F.T.M.	SCALE:	1" = 60'
NOTES:			

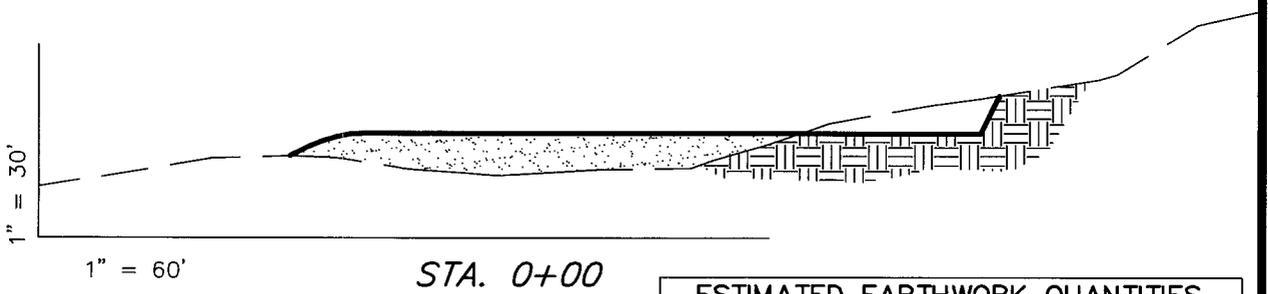
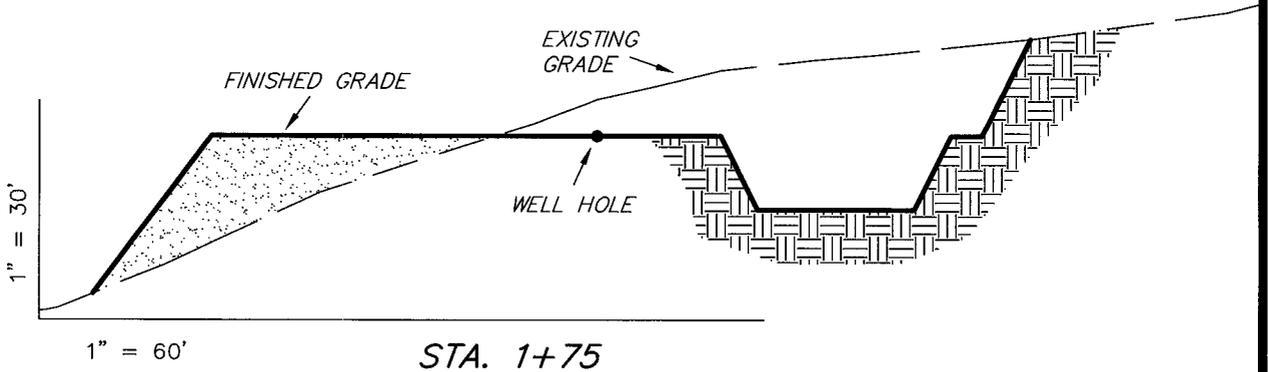
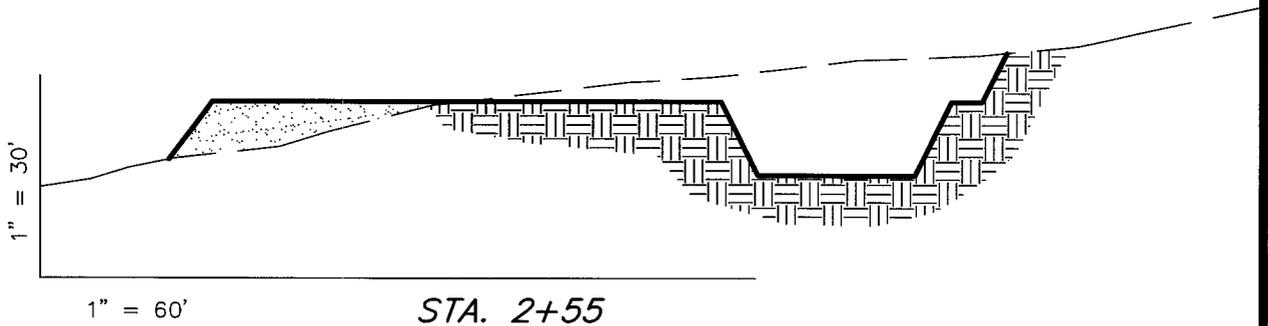
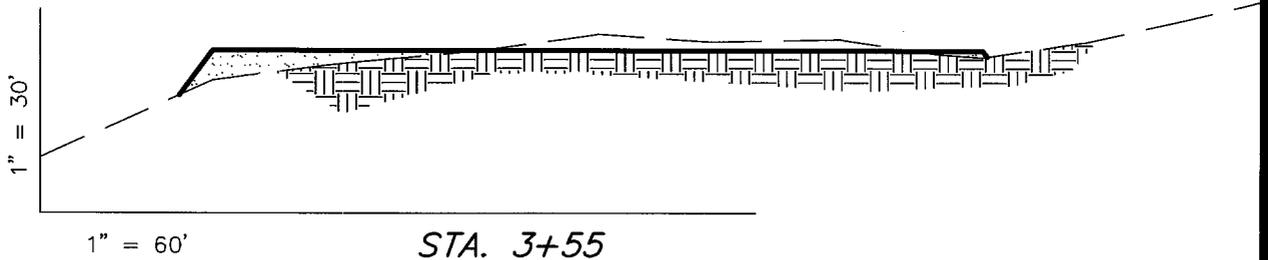
Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
(435) 781-2501

SHEET
3
OF 9

ENDURING RESOURCES

CROSS SECTIONS

PARK CANYON 11-25-22-9



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

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	13,700	13,700	Topsoil is not included in Pad Cut	0
PIT	5,390	0		5,390
TOTALS	19,090	13,700	1,920	5,390

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

SURVEYED BY: J.H. DATE DRAWN: 04-21-06
DRAWN BY: F.T.M. SCALE: 1" = 60'
NOTES:

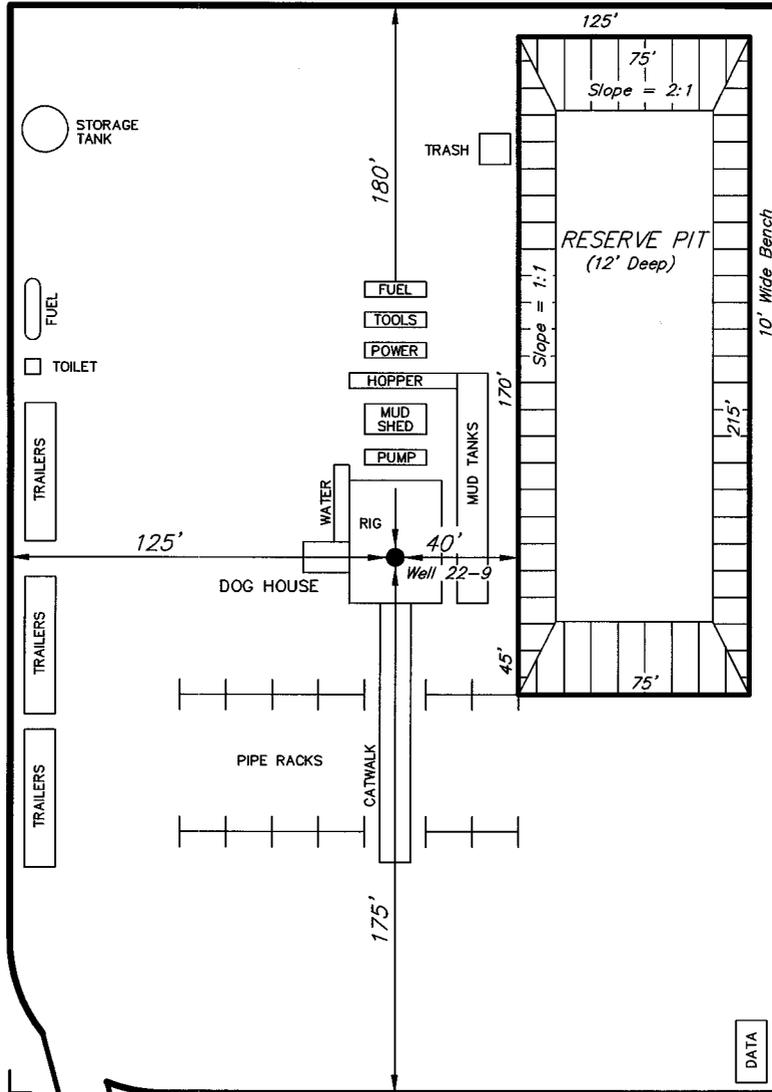
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SHEET
4
OF 9

ENDURING RESOURCES

TYPICAL RIG LAYOUT

PARK CANYON 11-25-22-9

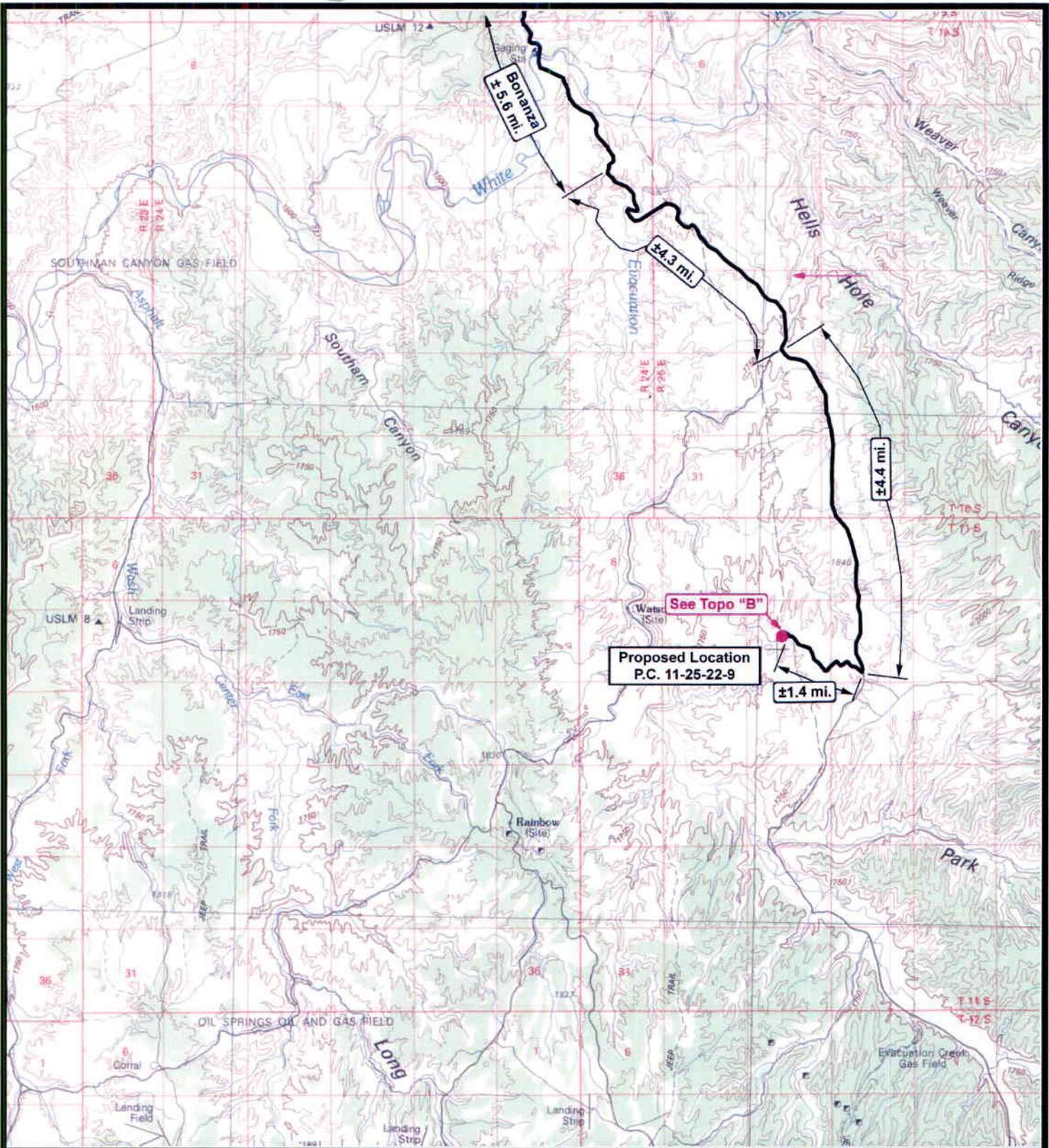


Note:
Flare pit is to be located at least 100' from well head.

SURVEYED BY: J.H.	DATE DRAWN: 04-21-06
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

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ENDURING RESOURCES

**Park Canyon 11-25-22-9
Sec. 9, T11S, R25E, S.L.B.&M.**

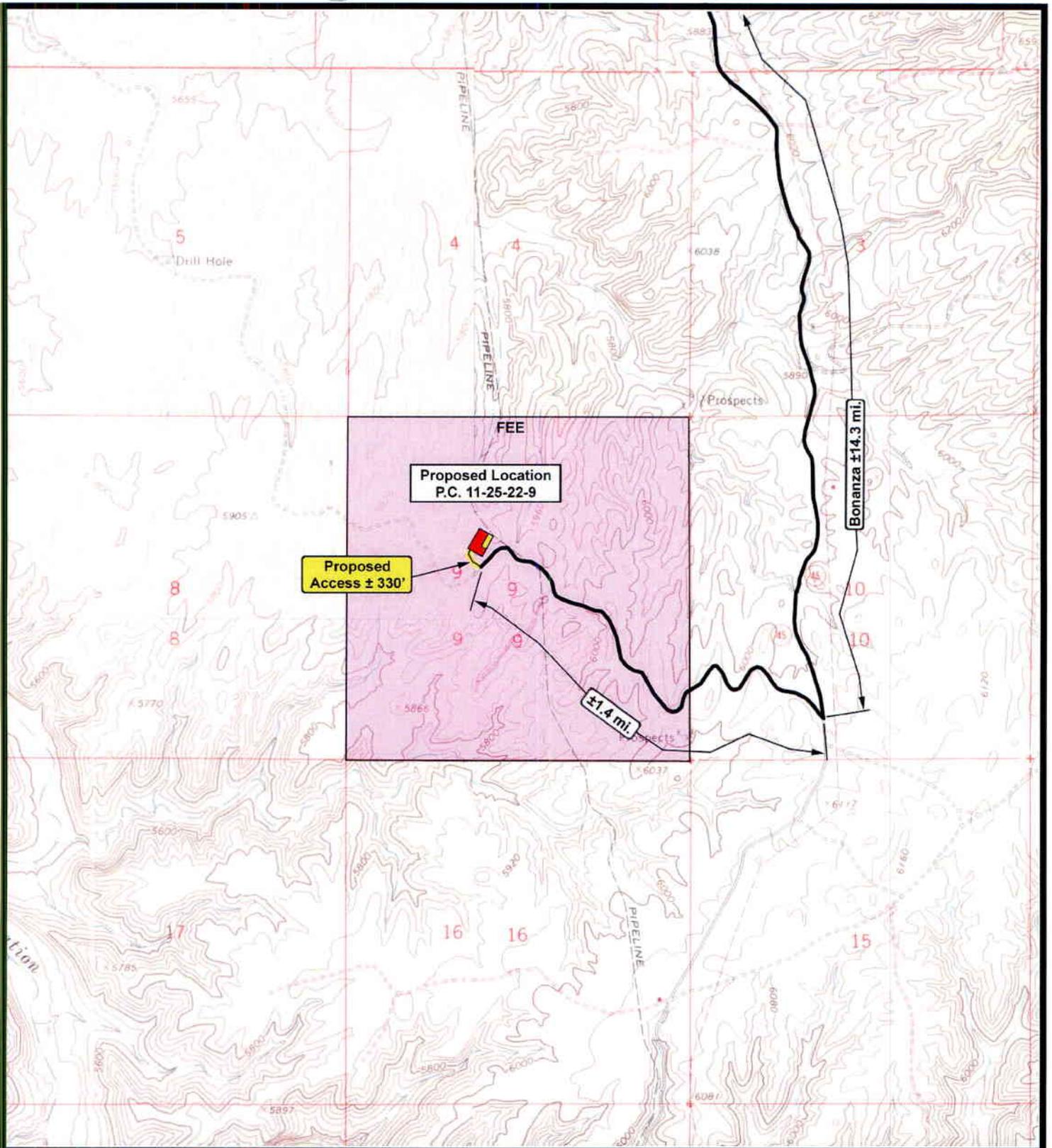


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Land Surveying Inc.**
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: mw
DATE: 05-04-2006

Legend	
	Existing Road
	Proposed Access

TOPOGRAPHIC MAP
"A"
SHEET **6**
OF 9



ENDURING RESOURCES

Park Canyon 11-25-22-9
Sec. 9, T11S, R25E, S.L.B.&M.



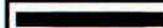
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 05-04-2006

Legend

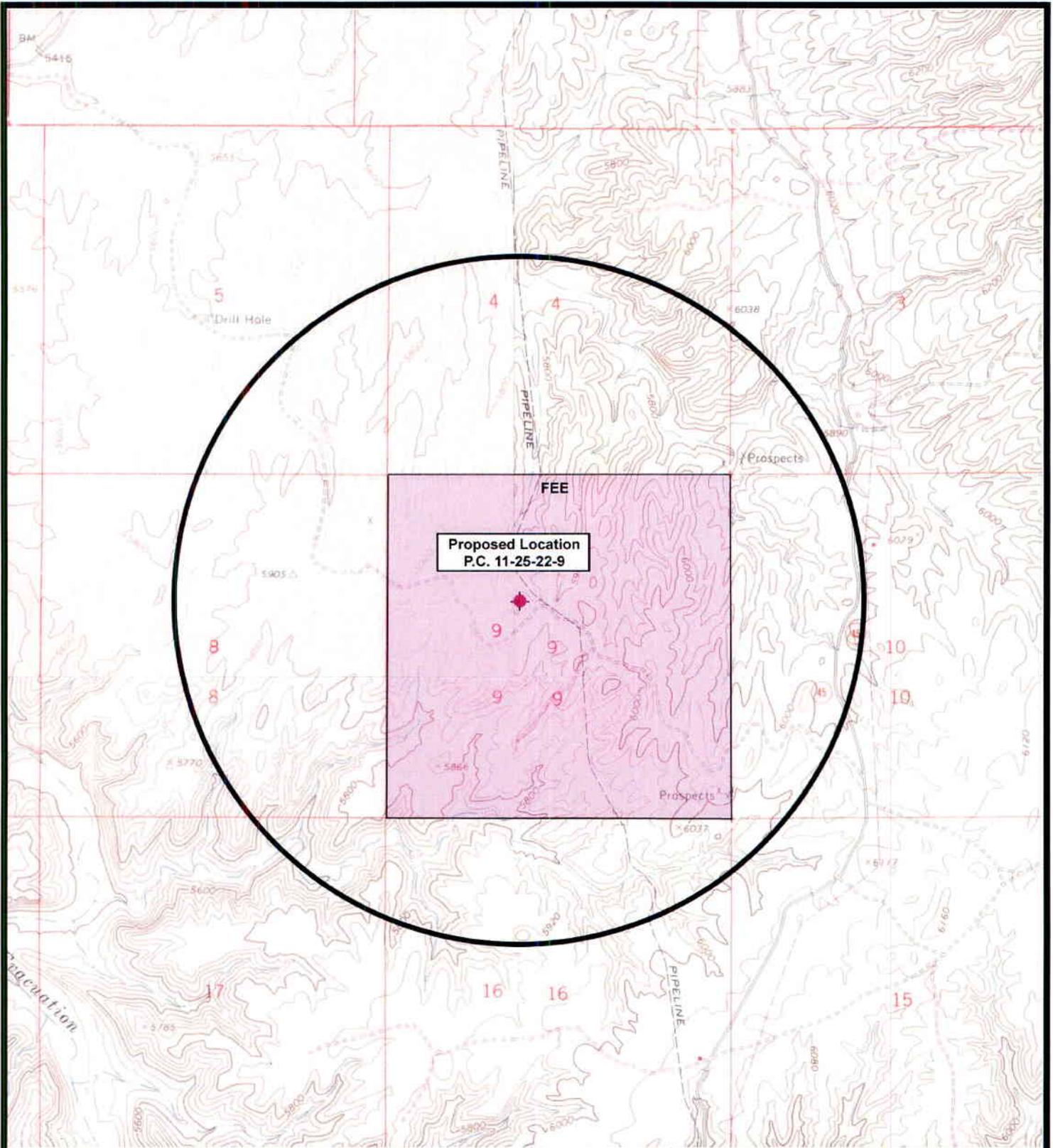
-  Existing Road
-  Proposed Access

TOPOGRAPHIC MAP

"B"

SHEET

7
OF 9




ENDURING RESOURCES
Park Canyon 11-25-22-9
Sec. 9, T11S, R25E, 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: 05-03-2006

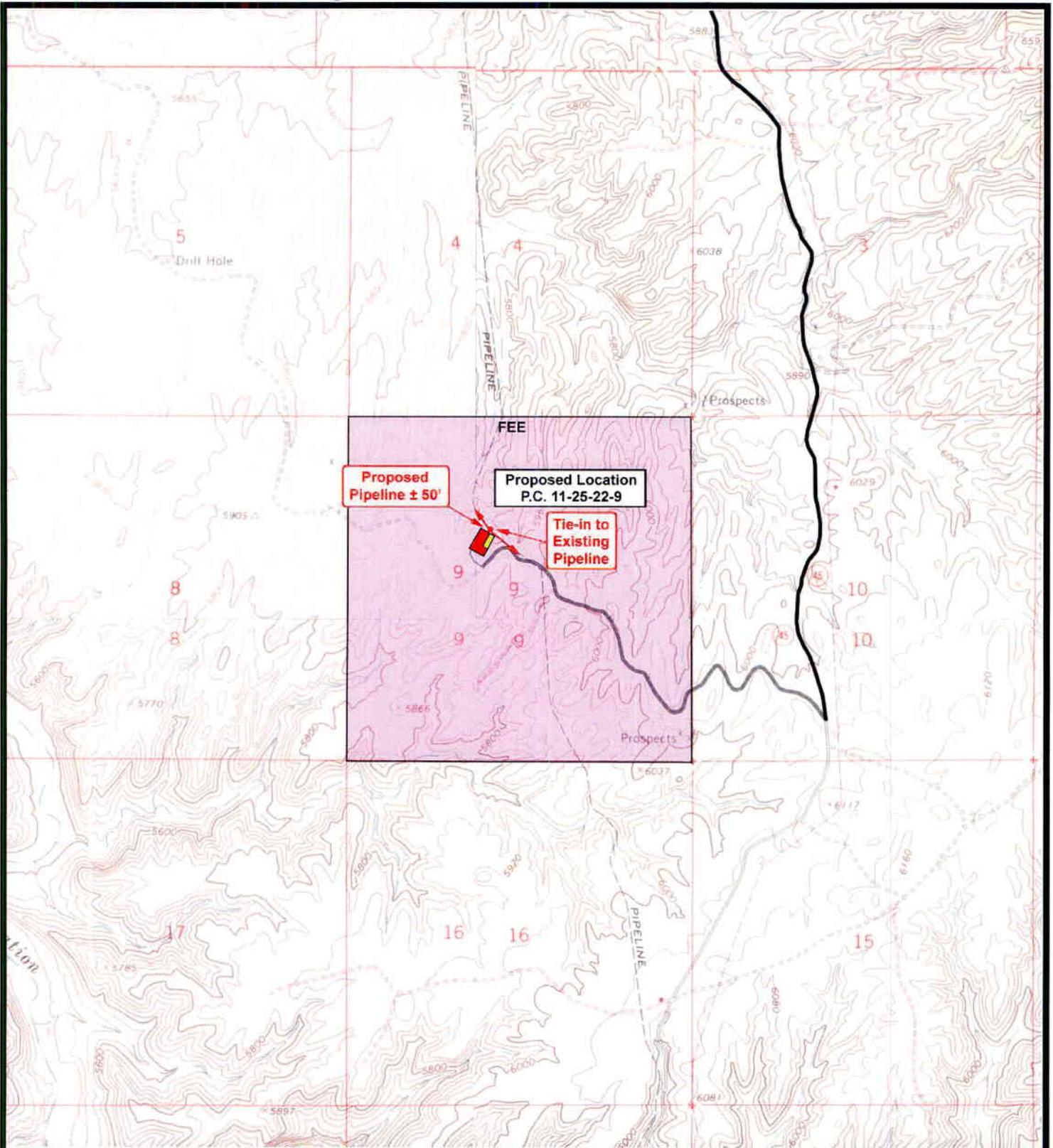
Legend

- Location
- One-Mile Radius

TOPOGRAPHIC MAP

"C"

SHEET
8
OF 9



ENDURING RESOURCES

**Park Canyon 11-25-22-9
Sec. 9, T11S, R25E, S.L.B.&M.**



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180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 05-04-2006

Legend

- Roads
- Existing Gas Line
- Proposed Gas Line

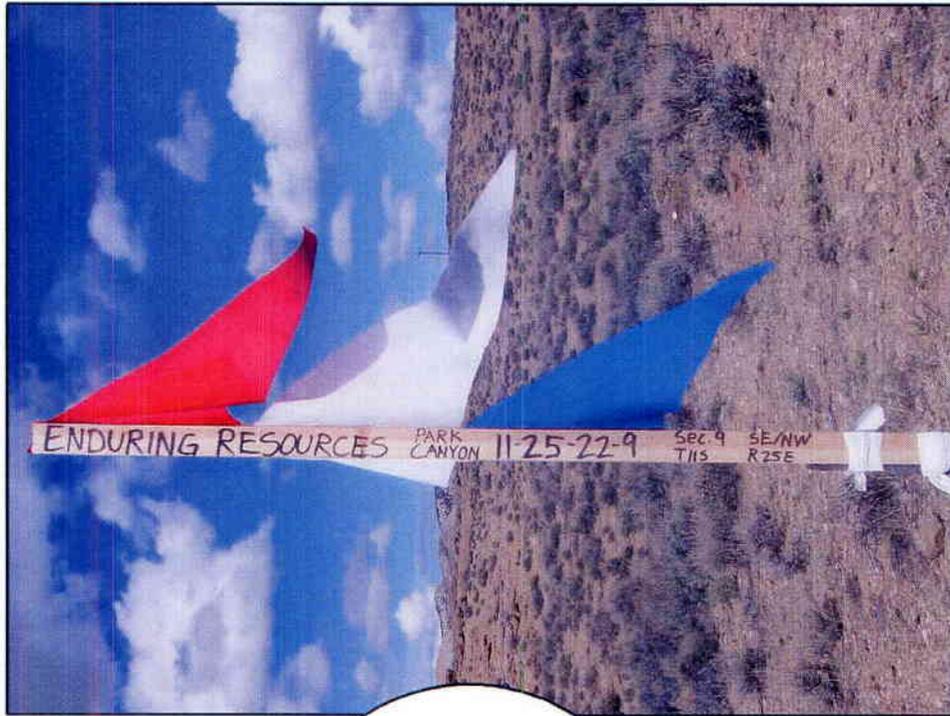
TOPOGRAPHIC MAP

"D"

SHEET

9

OF 9



CENTER STAKE


ENDURING RESOURCES
P.C. 11-25-22-9

Date Photographed: 04/18/2006
Date Drawn: 05/03/2006
Drawn By: mw


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

**LOOKING WEST
ACCESS**





NORTH


ENDURING RESOURCES

P.C. 11-25-22-9

Date Photographed: 04/18/2006

Date Drawn: 05/03/2006

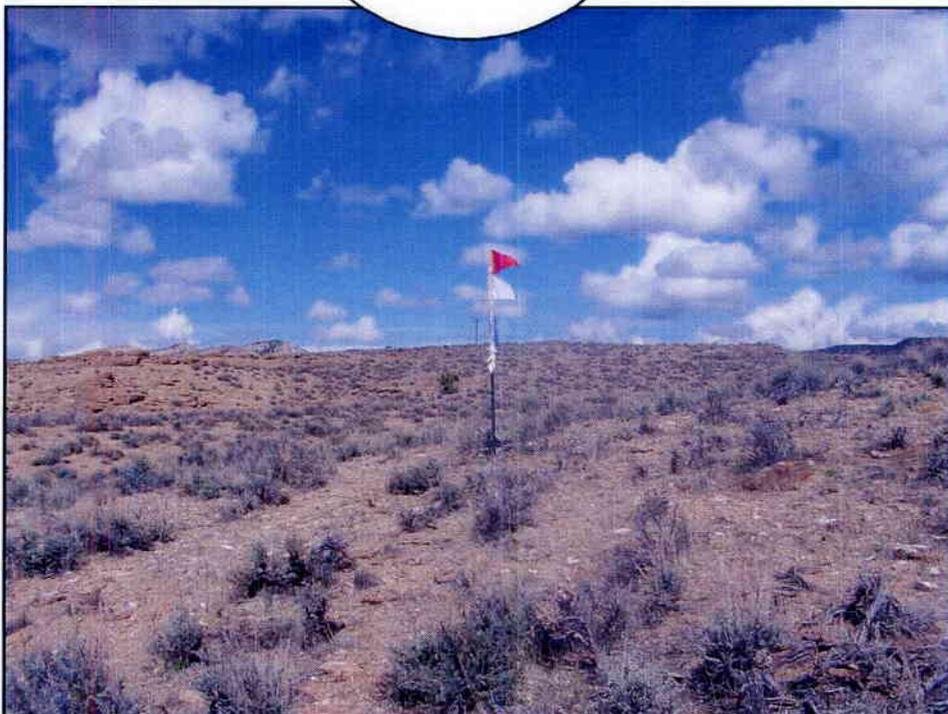
Drawn By: mw


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Land Surveying Inc.*

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180 North Vernal Ave. Vernal, Utah 84078

EAST





SOUTH


ENDURING RESOURCES

P.C. 11-25-22-9

Date Photographed: 04/18/2006

Date Drawn: 05/03/2006

Drawn By: mw


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

WEST



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/01/2006

API NO. ASSIGNED: 43-047-38572

WELL NAME: PARK CYN 11-25-22-9
 OPERATOR: ENDURING RESOURCES, LLC (N2750)
 CONTACT: EVETTE BISSETT

PHONE NUMBER: 303-350-5719

PROPOSED LOCATION:

SENW 09 110S 250E
 SURFACE: 1927 FNL 2032 FWL
 BOTTOM: 1927 FNL 2032 FWL
 COUNTY: UINTAH
 LATITUDE: 39.87832 LONGITUDE: -109.1247
 UTM SURF EASTINGS: 660369 NORTHINGS: 4415725
 FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKE	12/1/06
Geology		
Surface		

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

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008031)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-222)
- RDCC Review (Y/N)
(Date: 10/03/2006)
- 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 (11-21-06)

STIPULATIONS:

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

T11S R25E

PARK CYN II-25-22-9

9

10

QUEST 6-15

15

16

17

PARK CYN II-25-34-16

KICKER FIELD

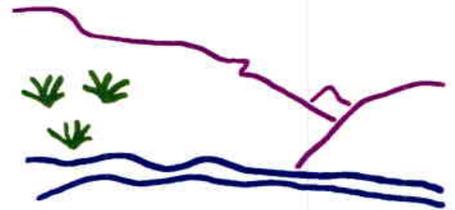
OPERATOR: ENDURING RES LLC (N2750)

SEC: 9 T.11S R. 25E

FIELD: WILDCAT (001)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 18-SEPTEMBER-2006

- 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

Application for Permit to Drill

Statement of Basis

11/27/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
177	43-047-38572-00-00		GW	P	No
Operator	ENDURING RESOURCES, LLC	Surface Owner-APD			
Well Name	PARK CYN 11-25-22-9	Unit			
Field	WILDCAT	Type of Work			
Location	SENW 9 11S 25E S 0 FL 0 FL GPS Coord (UTM) 660369E 4415725N				

Geologic Statement of Basis

Enduring proposes to set 2,016 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 5,300 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the 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. The proposed surface casing should adequately protect any potentially useable aquifers. Production casing cement should be brought up above the base of the moderately saline ground water.

Brad Hill
APD Evaluator

11/27/2006
Date / Time

Surface Statement of Basis

The proposed location is approximately 14.3 miles southeast of Bonanza, UT in the Evacuation Creek area. Bonanza is approximately 35 air miles southeast of Vernal, UT. Drainages in the area run toward Evacuation Creek which is generally a perennial stream but does become intermittent during dry summers. Access to the area is by the Dragon Uintah County road. Infrequent seeps or springs occur in the draws or swales. Topography is characterized by rolling terrain intermixed between sometimes steep hills and canyons.

The Park Canyon 11-25-22-9 is approximately 1.4 miles west of the Dragon Road accessed by an existing low standard oil field development road. Approximately 330 feet of new road will be constructed north to the location. The location is on a moderately steep north facing sidehill. It was moved to the east to avoid a swale. Two draws run thru the location but will not need to be diverted.

The surface and minerals in the area are owned by Cliff Synfuel Corp. Mr Mark Dryer (909-475-3993) was contacted by telephone on 9/11/2006. He said that no one from the Corporation would attend the presite visit. The proposed site appears to be the best location for drilling and operating a well in the immediate area.

Floyd Bartlett
Onsite Evaluator

11/21/2006
Date / Time

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 PARK CYN 11-25-22-9
API Number 43-047-38572-0 **APD No** 177 **Field/Unit** WILDCAT
Location: 1/4,1/4 SENW **Sec** 9 **Tw** 11S **Rng** 25E 0 FL 0 FL
GPS Coord (UTM) 660377 4415713 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Doug Hammond (Enduring Resources), Larry Rowell (Ponderosa Construction), Jim Davis (SITLA), Ben Williams (UDWR), Chris Stewart (Tri-State Land Surveying)

Regional/Local Setting & Topography

The proposed location is approximately 14.3 miles southeast of Bonanza, UT in the Evacuation Creek area. Bonanza is approximately 35 air miles southeast of Vernal, UT. Drainages in the area run toward Evacuation Creek which is generally a perennial stream but does become intermittent during dry summers. Access to the area is by the Dragon Uintah County road. Infrequent seeps or springs occur in the draws or swales. Topography is characterized by rolling terrain intermixed between sometimes steep hills and canyons.

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Surface Use Plan

Current Surface Use

Grazing
Deer Winter Range

New Road

Miles	Well Pad	Length	Src Const Material	Surface Formation
0.05	Width 250	355	Onsite	GRRV

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Moderately vegetated with big sagebrush, cheat grass, broom snakeweed and prickly pear.

Deer, antelope, rabbits, coyotes and numerous small mammals and birds.

Soil Type and Characteristics

Lt. brown moderately deep sandy loam with surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion 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)	>200	0	
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	Present	15	
		Final Score	Sensitivity Level
		35	

Characteristics / Requirements

The reserve pit will be 75' x 215' x 12' deep located within an area of cut on the northeast corner of the location. It will be lined with a 16 mil liner.

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

Other Observations / Comments

The surface and minerals in the area are owned by Cliff Synfuel Corp. Mr Mark Dyer (909-475-3993) was contacted by telephone on 9/11/2006. He said that no one from the Corporation would attend the presite visit.

Floyd Bartlett
Evaluator

11/21/2006
Date / Time

Casing Schematic

Surface

BHP

$$0.052(5460)9.8 = 2782 \text{ psi}$$

anticipate - 2839 psi

Gas

$$.12(5460) = 655$$

$$2782 - 655 = 2217 \text{ psi}$$

MASP

$$BOPF = 3M \checkmark$$

$$\text{Burst } 2950$$

$$70\% = 2065 \text{ psi}$$

Max P @ CSG shoe

$$.22(3444) = 758$$

$$2782 - 758 = 2024 \text{ psi}$$

test 2024 psi ✓

✓ slip ⇒ surf. cont

✓ Adequate ✓
12/1/06

8-5/8"
MW 8.4
Frac 19.3

4-1/2"
MW 9.8

12 1/8"
18 1/8"

~~Wasatch~~ Green River
TOC to surf w/4% w/o

✓ * stop

TOC @
766.

1953

TOC w/11% w/o

TOC @
2038. Surface
2016. MD

2239' Wasatch

3277' Mesaverde

5300' BMSW

Production
5460. MD

Well name:

2006-11 Enduring Park Canyon 11-25-22-9

Operator: **Enduring Resources, LLC**

String type: Surface

Project ID:

43-047-38572

Location: Uintah County, Utah

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 766 ft

Burst

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

No backup mud specified.

Tension:

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

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

Non-directional string.

Re subsequent strings:

Next setting depth: 5,460 ft
Next mud weight: 9.800 ppg
Next setting BHP: 2,780 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,016 ft
Injection pressure: 2,016 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	2016	8.625	24.00	J-55	ST&C	2016	2016	7.972	10378
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	880	1370	1.557 ✓	2016	2950	1.46 ✓	42.3	244	5.77 J ✓

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

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

Date: November 30, 2006
Salt Lake City, Utah

Remarks:

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

Burst strength is not adjusted for tension.

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

Well name:

2006-11 Enduring Park Canyon 11-25-22-9Operator: **Enduring Resources, LLC**String type: **Production**

Project ID:

43-047-38572

Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 9.800 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 151 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 2,038 ft

BurstMax anticipated surface
pressure: 1,578 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,780 psi

No backup mud specified.

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

Tension is based on buoyed weight.

Neutral point: 4,660 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)	Est. Cost (\$)
1	5460	4.5	11.60	N-80	LT&C	5460	5460	3.875	22486
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	2780	6350	2.284 ✓	2780	7780	2.80 ✓	54.1	223	4.13 J ✓

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: 801/538-5357
FAX: 801/359-3940Date: November 30, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 5460 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.

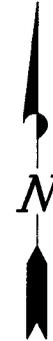
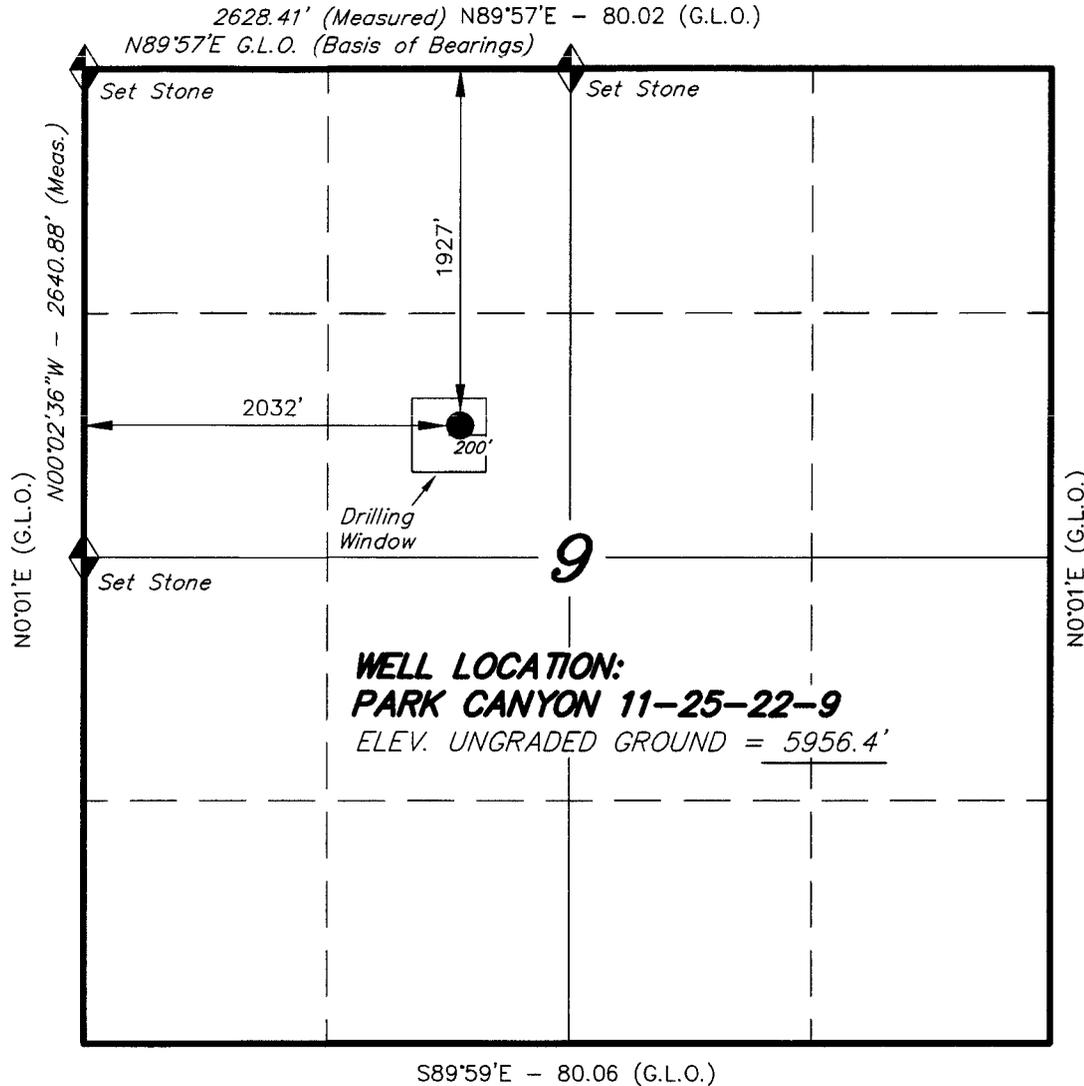
Burst strength is not adjusted for tension.

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

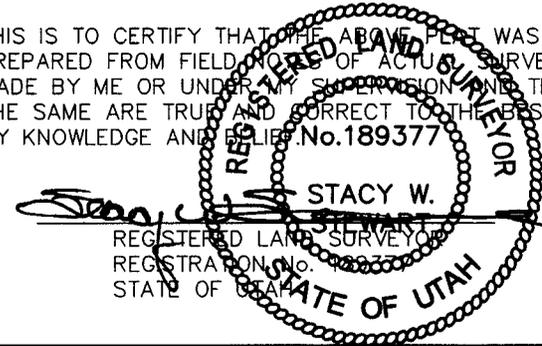
T11S, R25E, S.L.B.&M.

ENDURING RESOURCES

WELL LOCATION, PARK CANYON
11-25-22-9, LOCATED AS SHOWN IN
THE SE 1/4 NW 1/4 OF SECTION 9, T11S,
R25E, S.L.B.&M. UINTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD AND OFFICE 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

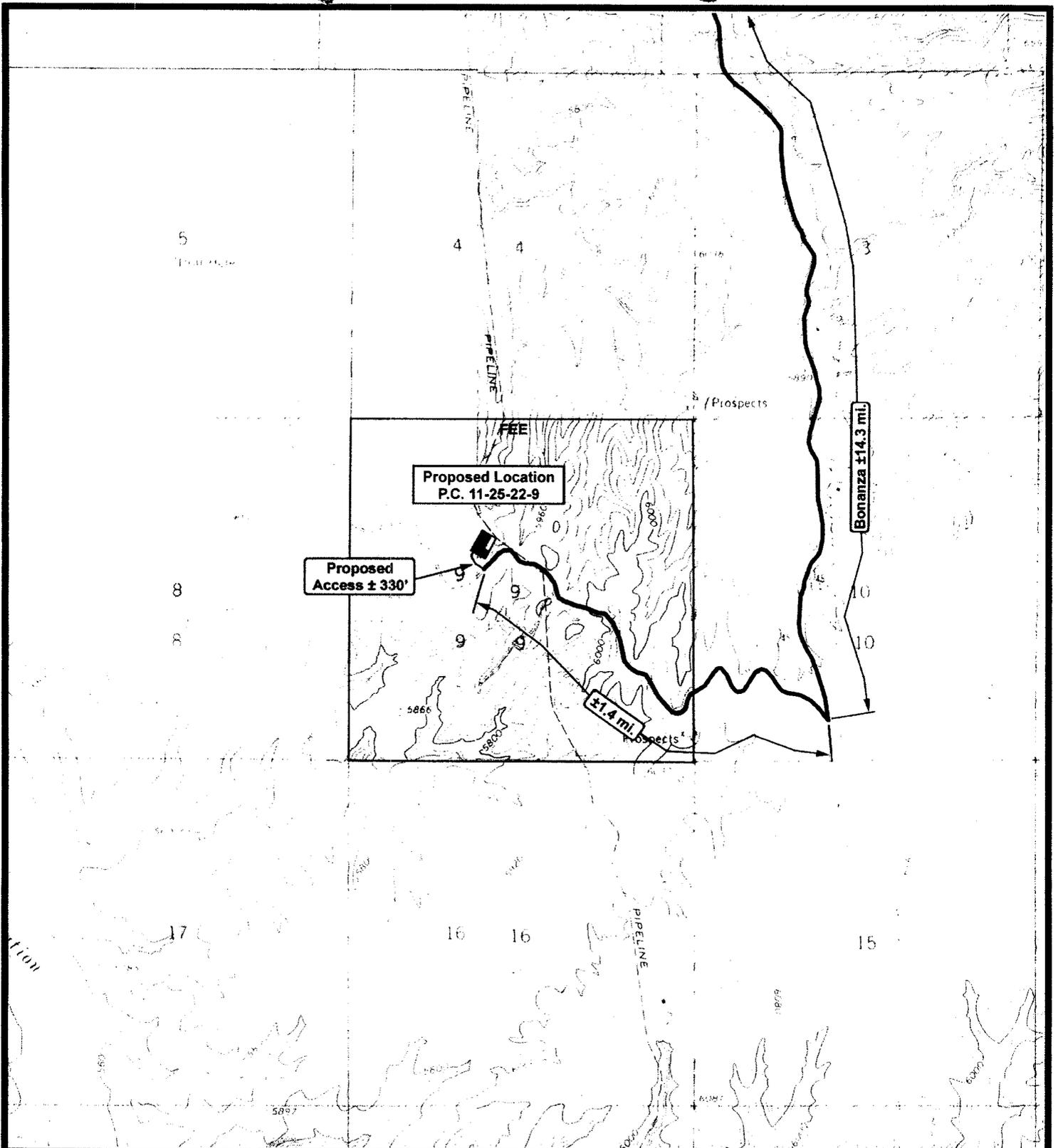


◆ = SECTION CORNERS LOCATED
BASIS OF ELEV; U.S.G.S. 7-1/2 min
QUAD (WEAVER RIDGE)

PARK CANYON 11-25-22-9
(Surface Location) NAD 83
LATITUDE = 39° 52' 41.97"
LONGITUDE = 109° 07' 31.01"

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

DATE DRAWN: 04-21-06	SURVEYED BY: J.H.	SHEET 2 OF 9
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	



ENDURING RESOURCES

Park Canyon 11-25-22-9
Sec. 9, T11S, R25E, 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: 05-04-2006

Legend

-  Existing Road
-  Proposed Access

TOPOGRAPHIC MAP SHEET

"B"

7
OF 9

Pack Canyon 11-25-22-9

RIGHT-OF-WAY and SURFACE DAMAGE AGREEMENT

THIS AGREEMENT is made and entered into by and between Enduring Resources, LLC (hereinafter referred to as "Enduring") and Cliffs Synfuel Corporation (hereinafter referred to as "Grantor"), effective, October 1, 2006.

WHEREAS, Grantor is the surface owner of all of Section 9 and Section 10, Township 11 South, Range 25 East, Uintah County, Utah (hereinafter referred to as the "Land(s)"); and

WHEREAS, Enduring desires to enter onto and cross, and use such Lands for the purpose of drilling an exploratory oil and/or gas well, ("Well"), located in the SE/4NW/4 of Section 9, Township 11 South, Range 25 East, Uintah County, Utah (hereinafter referred to as the "Drillsite").

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Enduring, shall pay Grantor the sum of \$3,000.00 advance payment for damages to surface of the Lands for road access to the Drillsite and for the Drillsite for the drilling of the Well. Within sixty days of completion of the Well either as a producer or a plugged and abandoned well, Enduring shall survey the new access road and the Drillsite to compensate Cliffs for any additional damage that may have occurred during drilling and completion operations. Compensation will be on a \$1,500.00 per acre for any disturbance exceeding 2.0 acres and such compensation, if due, will be paid within thirty (30) days of the surveyor's report being released. Enduring shall utilize existing access routes to the maximum extent feasible, so as to minimize surface disturbances for access to the Drillsite.

2. Enduring and their assigns or agents shall have the right to use a reasonable amount of access road across the Lands and shall have the right to move derricks, drilling tools, vehicles, and all other machinery and equipment necessary or incident to the drilling, re-drilling, testing, completion, and operations of the Well. Such activity shall be restricted to existing public roads or access roads covered by this Agreement. Any roads or surface facilities may be relocated at Cliffs' expense if needed due to oil shale mining or processing in the future, upon the mutual agreement of the parties hereto.

3. This Agreement and the rights granted herein are exclusive and shall continue in full force and effect so long as operations are conducted on the Well. Upon execution of this Agreement, all payments due hereunder shall be paid concurrently except for the post-survey damages discussed in paragraph 1. above. Operations are defined under terms of the Oil and Gas Lease with Grantor as taken by Enduring, and further pursuant to the terms and conditions of the Rules and Regulations defined by the State of Utah

RECEIVED

FEB 07 2007

DIV. OF OIL, GAS & MINING

4. Cattle guards or gates will be constructed, if requested by Grantor, at all places where the openings go through existing fences and gates will be kept closed at all times except when opened for passage of traffic. Also, gates shall be installed to limit access to producing wells on roads constructed by Enduring, by mutual agreement between Enduring and Grantor. If there is any fill used for roads constructed across any drainage, then culverts will be used for the free flow of water through said drainage. If the access road departs from existing established roadways and new construction is required, topsoil will be segregated and stockpiled for replacement during reclamation activities. It is understood that any road constructed across the said Lands shall not exceed 30 feet in total width, when completed, including the total disturbed area between the outside of each berm, without the prior approval of Grantor.

5. Upon completion of the Well as a dry hole and the subsequent abandonment thereof, and at the request of the Grantor, any drill pads and newly constructed road will be restored and seeded within 180 days to the condition it was in prior to commencement of operations insofar as reasonably possible, weather permitting. Any pre-existing roads and any improvements, which are constructed by Enduring, shall be left in a good and usable condition for the continued use by Grantor. Reclaimed areas will be reseeded with a wildlife mixture approved by the Utah Division of Wildlife.

6. In the event that the Well is completed as a producer of oil and/or gas, Enduring shall build and maintain a permanent access road in conformance with the already established county road including any variances granted by the county for existing roads to the Drillsite. Disturbed areas not used for production will be re-graded and seeded with an approved wildlife seed mix within 90 days unless prohibited by weather. Upon completion of the Well as a well capable of oil and/or gas production, this Agreement shall continue in full force and effect and Enduring shall pay in advance to Grantor an annual access rental of two hundred dollars (\$200) per pad and \$200 per acre of roadway (30-foot width), or a minimum of \$500 to include the pad and roadway for each well, whichever is greater, on or before January 31st of each year thereafter until the subject well is plugged and abandoned and operations cease thereon.

7. It is expressly understood that the settlement amounts in paragraph 1 are only for construction of a road and drilling location and is not a settlement for any damages to contiguous property, personal property of the Grantor or a release of any personal injuries that may be sustained by reason of the operations carried on by or its agents.

8. This Agreement does not cover pipeline easements and acknowledges that it must secure a separate agreement prior to laying pipeline related to production of gas or oil on Grantor's lands.

9. This Agreement shall not be assigned, nor the rights hereunder transferred in any manner without the prior written consent of Grantor, which consent shall not be unreasonably withheld. Enduring shall comply at its own expense with the Workman's Compensation Law of the State of Utah and shall maintain such insurance throughout the

duration of this Agreement, and shall furnish Grantor prior to beginning work on the Lands evidence of such insurance and at each policy period thereafter renewal evidence that such insurance is being maintained. Enduring with respect to its operation in connection with this Agreement, shall also purchase or provide for (1) comprehensive general public liability insurance with a combined single limit not less than One Million Dollars (\$1,000,000) for bodily injury and property damage; and (ii) automobile insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) for bodily injury and property damage. At Grantor's request, Enduring shall furnish Grantor with a certificate or certificates of insurance secured and maintained hereunder and Grantor shall be an additional insured thereon.

10. In the event any person or entity (including Grantor) suffers a loss of any kind or character, or death or injury, (1) as a result of a breach of this Agreement by Enduring, or its agents, contractors, or employees, or (2) as a result of Enduring or its agents, contractors, or employees performing on the Drillsite or elsewhere, any action, directly or indirectly, in furtherance of a right hereunder, or (3) from any cause whatsoever while being on the Lands and the Drillsite to conduct any work or service for Enduring, Enduring shall reimburse, indemnify defend and hold harmless Grantor for any and all losses, costs, claims, liability, litigation, demands, damages and expenses (including all attorney fees) of every kind or character which Grantor may suffer or be subject to as a result of said loss or injury whether or not such losses, costs, claims, liabilities, litigation, demands, damages, and expenses (including all attorney fees) result from the condition of Grantor's premises or facilities, unless through the sole negligence of Grantor or its agents.

11. Enduring shall provide Grantor with not less than forty-eight (48) hours advance notice either by phone, mail or in person, of Enduring's intent to enter upon the Land for the purpose of commencing operations thereon. Enduring shall conduct its operations in such a manner as to use no more Land than is reasonably necessary and shall use all reasonable efforts not to interfere with the use of the Land by the "Permittee" in that certain Consolidated Grazing Permit dated January 1, 1998 by and between Grantor, as Owner, and O. S. Wyatt, Jr., as Permittee, or the rights of subsequent grazing Permittee's. All drilling fluid pits shall be fenced within ten days of end of drilling the WELL as a producer or dry hole and then the pits will be reclaimed and reseeded within 180 days of the completion of the well as a producer or dry hole, weather permitting. Surface structures shall be fenced, if they represent a potential hazard to livestock, by mutual agreement between Enduring and Grantor. The type of fencing will be mutually agreed upon between Enduring and Grantor. Enduring will have ten days to effect repairs or problems with fences when notified by e-mail or in writing by Grantor. Enduring can request an extension of the closure of pits beyond the 180 days from the completion of the Well, if closing the pits represents a potential hazard or closing the pits at that time will not comply with the State of Utah's reclamation requirements and pit closure requirements. An extension will not be unreasonably withheld.

12. Enduring shall have the right at any time, and from time to time, to remove any or all property, fixtures, equipment and materials, placed by Enduring on the

Land, including the right to draw and remove casing. Within 90 days after plugging of the Well this Agreement will expire and, Enduring shall remove all remaining property, fixtures, equipment and materials that were placed by on the Land. Such removal shall be accomplished at Endurings sole cost, risk, and expense. If such items are not removed within 90 days, Grantor shall have the right to remove those items from the Land and bill the associated cost for such removal to Enduring.

13. This agreement restricts Enduring 's use of Grantor's lands to the sole purpose of exploration, completion, producing and operation of oil and/or gas at this specific site. It does not grant Enduring, its contractors, or its agents the right to use the Grantor's property for any other purpose.

14. All operations of hereunder which involve drilling for and producing of oil and gas, or both, or the cessation, or abandonment, of its operations shall be conducted in a good and workmanlike manner and in accordance with standard oil field practices and in accordance with all applicable federal, state and local statutes and regulations including specifically, but not by way of limitation, such laws and regulations governing the operation, maintenance and reclamation of well sites, pipelines, tank batteries, and other related facilities as may be utilized by and its operations hereunder. Enduring shall further adhere to and abide by all federal, state and local environmental statutes and regulations addressing air, water, and solid waste pollution and the handling storage, storage, use and disposal of hazardous substances as prescribed in The Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. & 9601, et seq. (CERCLA). Enduring shall provide Grantor with copies of all applications for environmental permits, notices of violation or alleged violations of any environmental laws, governmental requests for any information pertaining to environmental issues relating to the Land or products produced therefrom or Enduring 's use thereof, copies of any responses from Enduring to said requests, and any environmental investigations, reports, or studies involving the Land or products produced therefrom or the use thereof by Enduring which, from time to time, may be obtained by Enduring.

15. Enduring also agrees to abide by the laws or regulations of the State of Utah designed to protect either coal seams or oil shale deposits, including but not limited to those specific rules set forth the in the General Rules and Regulations of the Utah Board of Oil, Gas and Mining, as amended, pertaining to such matters. Enduring acknowledges that the Land under this agreement was designated as an "Oil Shale Area" on August 22. 1985, amended in May of 2001, and Enduring hereby agrees to follow the Board's procedure for wells drilled in designated "Oil Shale Areas" as set forth in the aforementioned General Rules and Regulations as amended in 2001.

16. The provisions hereof shall be considered as covenants running with the Land during the life of the Agreement and all modifications thereof, and any assignment of the Agreement shall be subject to the provisions thereof.

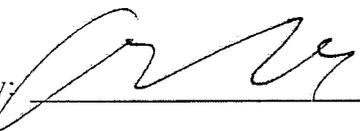
17. This Agreement constitutes the entire Agreement between the parties hereto as to the subject matters herein set forth and supersedes all prior written or oral

agreements relative thereto, except as referenced herein. No change, modification, alteration or amendment to this Agreement shall be binding upon the parties hereto except as specifically expressed in writing and signed by each party agreeing to be bound thereby.

CLIFFS SYNFUEL CORP.

By:  Title: J. A. Trethewey, President

ENDURING RESOURCES, LLC

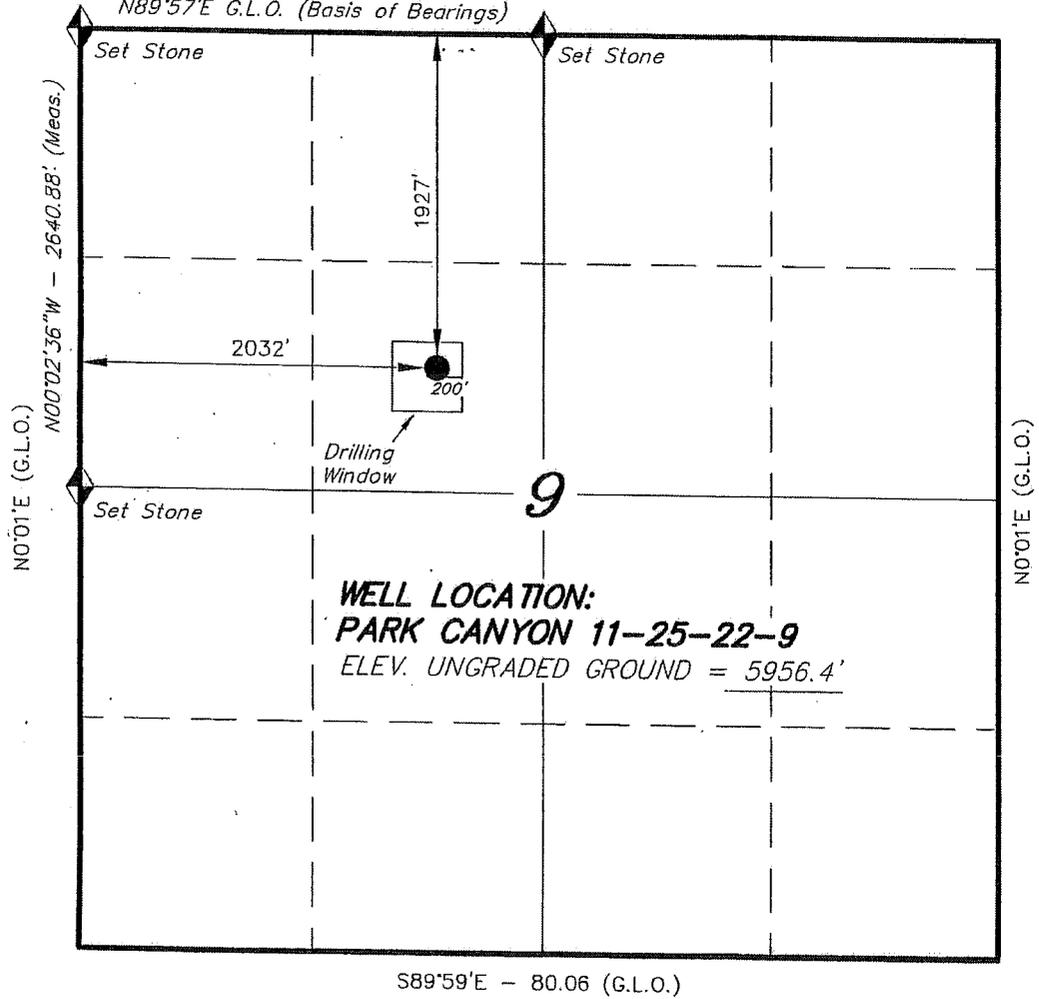
By:  Title: Alex B. Campbell, Vice President

T11S, R25E, S.L.B.&M.

ENDURING RESOURCES

2628.41' (Measured) N89°57'E - 80.02 (G.L.O.)
 N89°57'E G.L.O. (Basis of Bearings)

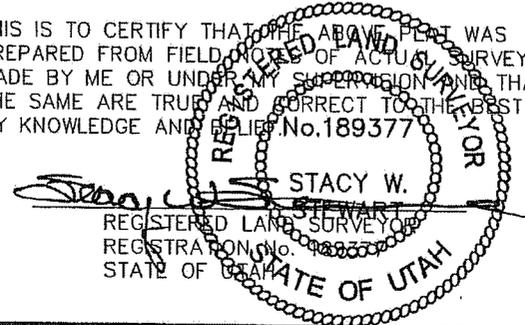
WELL LOCATION, PARK CANYON
 11-25-22-9, LOCATED AS SHOWN IN
 THE SE 1/4 NW 1/4 OF SECTION 9, T11S,
 R25E, S.L.B.&M. UINTAH COUNTY, UTAH.



WELL LOCATION:
PARK CANYON 11-25-22-9
 ELEV. UNGRADED GROUND = 5956.4'



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
 REGISTERED LAND SURVEYOR
 REGISTRATION No. 189377
 STATE OF UTAH

S89°59'E - 80.06 (G.L.O.)

◆ = SECTION CORNERS LOCATED

PARK CANYON 11-25-22-9
 (Surface Location) NAD 83
 LATITUDE = 39° 52' 41.97"
 LONGITUDE = 109° 07' 31.01"

BASIS OF ELEV; U.S.G.S. 7-1/2 min
 QUAD (WEAVER RIDGE)

TRI STATE LAND SURVEYING & CONSULTING

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

DATE DRAWN: 04-21-06	SURVEYED BY: J.H.	SHEET 2 OF 9
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

STATE ACTIONS
Resource Development Coordinating Committee
Public Lands Policy Coordination Office
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: <p style="text-align: center;">Upon Approval or October 2, 2006</p>
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: <p style="text-align: center;">Enduring Resources, LLC proposes to drill the Park Canyon 11-25-22-9 well (wildcat) on a Fee lease, 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.</p>	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) <p style="text-align: center;">1927' FNL 2032' FWL, SE/4 NW/4, Section 9, Township 11 South, Range 25 East, Uintah County, Utah</p>	
6. Possible significant impacts likely to occur: <p style="text-align: center;">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.</p>	
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) <p style="text-align: center;">Uintah Basin Association of Governments</p>	
10. For further information, contact: <p style="text-align: center;">Diana Whitney Phone: (801) 538-5312</p>	11. Signature and title of authorized officer <div style="text-align: center;">  Gil Hunt, Associate Director Date: September 18, 2006 </div>

From: Robert Clark
To: Whitney, Diana
Date: 9/25/2006 8:57:55 AM
Subject: RDCC short turn around responses

The following comments are submitted for **RDCC #7088-7090**.

RDCC # 7088, Comments begins: The Enduring Resources, LLC proposal to drill the Park Canyon 11-25-22-9 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 # 7089, Comments begins: The Wolverine Operating Company of Utah, LLC proposal to drill the Wolverine Milburn 25-1 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>.

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RDCC # 7090 Comments begins: The Marion Energy, Inc. proposal to drill the Cordingly Canyon 2-1 wildcat well, in Carbon 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

From: Ben Williams
To: Bill James
Date: 9/28/2006 3:44:10 PM
Subject: RDCC item # 7088

This item is an APD for a well location in the Bookcliffs area. It is the Park Canyon 11-25-22-9 location and the operator is Enduring Resources. The well is located in an area classified as critical mule deer winter range. It is in some of the lower elevation critical range. As such I would recommend a winter closure of Dec 1 - April 15. This is very open country and any disturbance will impact a very large area. I did not draft a letter but wanted to make this recommendation.

Ben Williams
Habitat Biologist
Utah Division of Wildlife Resources
152 E. 100 N.
Vernal, Utah 84078
office: (435) 781-5357
cell (435) 823-0946



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

February 7, 2007

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

Re: Park Canyon 11-25-22-9 Well, 1927' FNL, 2032' FWL, SE NW, Sec. 9,
T. 11 South, R. 25 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 43-047-38572.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
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. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.
7. Surface casing shall be cemented to surface.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
		7. UNIT or CA AGREEMENT NAME: n/a
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: Park Canyon 11-25-22-9	
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 4304738572	
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver CO ZIP 80202	PHONE NUMBER: (303) 350-5114	10. FIELD AND POOL, OR WILDCAT: Undesignated
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1927' FNL - 2032' FWL		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN SENW 9 11S 25E 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

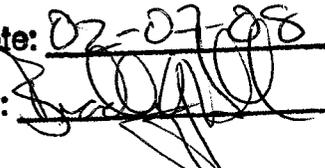
FROM: 02-07-2008
TO: 02-07-2009

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

COPY SENT TO OPERATOR

Date: 2-7-2008

Initials: KS

Date: 02-07-08
By: 

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>2/4/2008</u>

(This space for State use only)

RECEIVED
FEB 06 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: 4304738572
Well Name: Park Canyon 11-25-22-9
Location: 1927' FNL - 2032' FWL, SENW, Sec 9, T11S-R25E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 2/7/2007

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

2/4/2008

 Date

Title: Landman - Regulatory Specialist

Representing: Enduring Resources, LLC

RECEIVED
FEB 06 2008
 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: Fee
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: 1927' FNL - 2032' FWL COUNTY: Uintah		8. WELL NAME and NUMBER: Park Canyon 11-25-22-9
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 9 11S 25E S STATE: UTAH		9. API NUMBER: 4304738572
		10. FIELD AND POOL, OR WILDCAT: Undesignated

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: <u>2/7/2009</u>	<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
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	<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 requests a one year extension of the expiration date of this Application for Permit to Drill.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-23-09
By: [Signature]

COPY SENT TO OPERATOR
Date: 3-4-2009
Initials: KS

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>1/26/2009</u>

(This space for State use only)

RECEIVED
FEB 17 2009



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

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

API: 4304738572
Well Name: Park Canyon 11-25-22-9
Location: 1927' FNL - 2032' FWL SENW Sec. 9, 11S-25E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 2/7/2007

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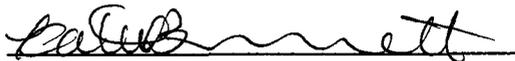
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Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

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


Signature

1/26/2009
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

RECEIVED
FEB 17 2009
DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREGORY S. BELL
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

February 4, 2010

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

Re: APD Rescinded – Park Canyon 11-25-22-9, Sec. 9 T.11S, R. 25E
Uintah County, Utah API No. 43-047-38572

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 7, 2007. On February 7, 2008 and February 23, 2009 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 February 4, 2010.

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

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager

