



***Enduring Resources***

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

December 6, 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  
Southam Canyon 9-24-13-36  
NWSW 36-9S-24E  
State 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.

The fee agreement has been reached with American Gilsonite. As soon as we receive the signed document, a copy will be forwarded to you.

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,

Evette Bissett  
Regulatory Affairs Assistant

Enclosures

cc: SITLA w/ attachments

RECEIVED

DEC 11 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)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: Fee	6. SURFACE: <del>State</del> <b>Fee</b>
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: <i>Bonanza Unit</i>	
2. NAME OF OPERATOR: Enduring Resources, LLC				9. WELL NAME and NUMBER: Southam Canyon 9-24-13-36	
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: <del>Undesignated</del> <i>Bonanza</i> 555	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1868' FSL - 855' FWL <i>656388X 39.990233</i> AT PROPOSED PRODUCING ZONE: <i>4428070Y Same -109.168259</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 4.3 South of Bonanza, UT				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 855'		16. NUMBER OF ACRES IN LEASE: 200		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: 6,340		20. BOND DESCRIPTION: RLB0008031	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5376' RT-KB		22. APPROXIMATE DATE WORK WILL START: 1/20/2007		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#	6,340	Class G	66 sxs	3.3	11.0
			50/50 Poz Class G	710 sxs	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 PLAN 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 Affairs Assistant  
SIGNATURE *Evette Bissett* DATE 12/6/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38910

(11/2001)

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

APPROVAL:

Date: 02-07-07

(See Instructions on Reverse Side)

By: *[Signature]*

**RECEIVED**

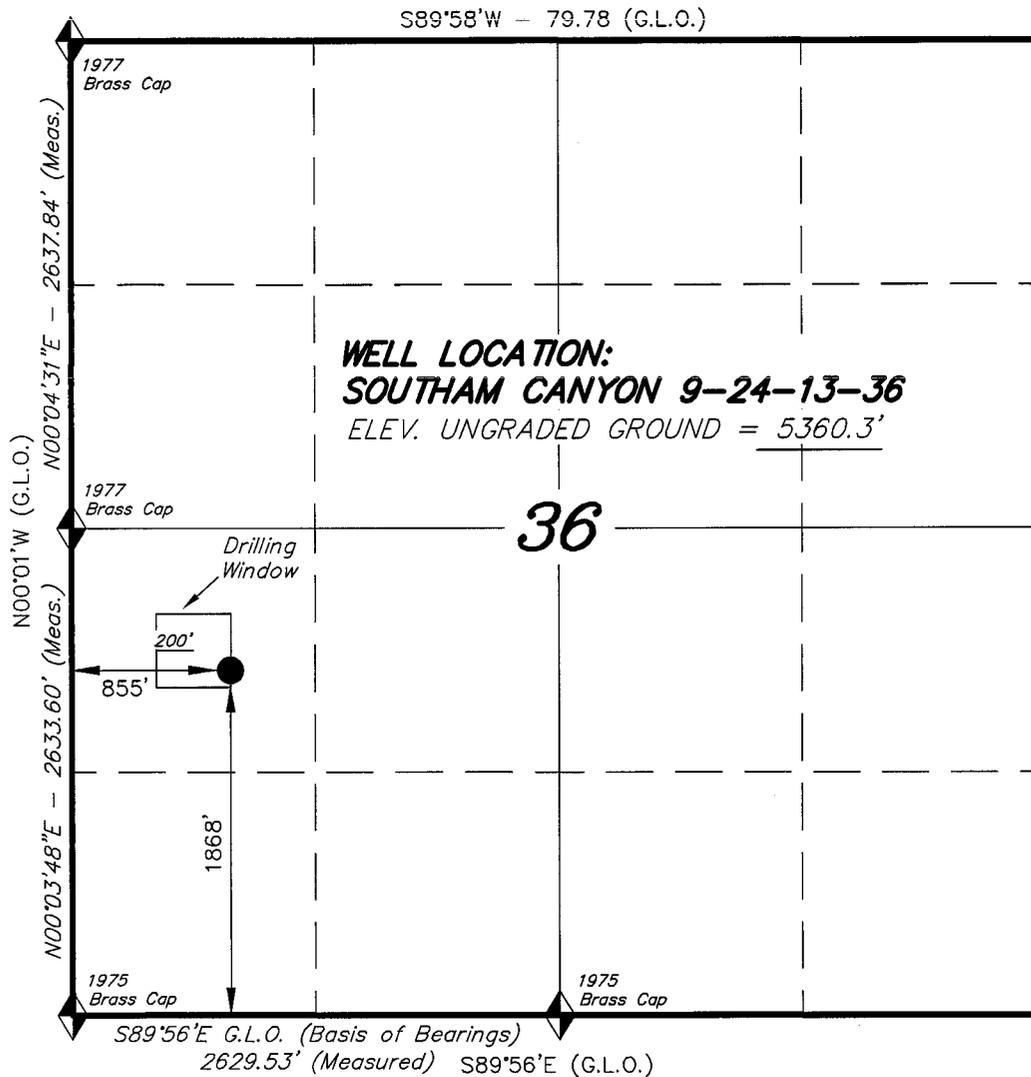
DEC 11 2006

DIV. OF OIL, GAS & MINING

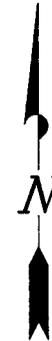
**T9S, R24E, S.L.B.&M.**

**ENDURING RESOURCES**

WELL LOCATION, SOUTHAM CANYON  
 9-24-13-36, LOCATED AS SHOWN IN THE  
 NW 1/4 SW 1/4 OF SECTION 36, T9S,  
 R24E, S.L.B.&M. UINTAH COUNTY, UTAH.

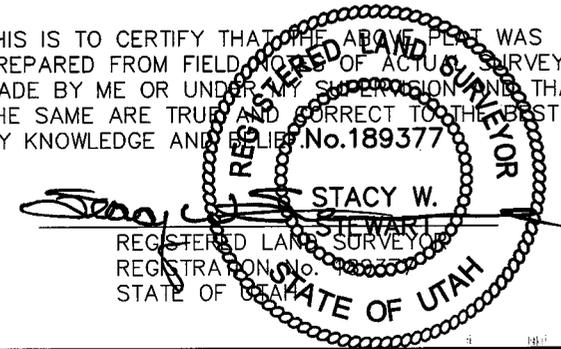


NORTH (G.L.O.)



**WELL LOCATION:**  
**SOUTHAM CANYON 9-24-13-36**  
 ELEV. UNGRADED GROUND = 5360.3'

THIS IS TO CERTIFY THAT THE ABOVE PLAN 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



◆ = SECTION CORNERS LOCATED

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

**SOUTHAM CANYON 9-24-13-36**  
 (Surface Location) NAD 83  
 LATITUDE = 39° 59' 24.83"  
 LONGITUDE = 109° 10' 08.25"

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

DATE DRAWN: 11-21-06	SURVEYED BY: K.G.S.	<b>SHEET</b> <b>2</b> <b>OF 10</b>
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

*Southam Canyon 9-24-13-36*

RIGHT-OF-WAY and DAMAGE AGREEMENT

THIS AGREEMENT is made and entered into by and between, AMERICAN GILSONITE COMPANY, (hereinafter referred to as "Grantor") and ENDURING RESOURCES, LLC (hereinafter referred to as "Grantee") effective December 1, 2006.

WHEREAS, Grantee desires to enter onto and cross Grantor's property located in the NWSW of Section 36-9S-24E (hereinafter referred to as the "Lands") for the purpose of drilling an exploratory oil and/or gas well, Southam Canyon 9-24-13-36 ("Well"), located in the NWSW of Section 36, Township 9 South, Range 24 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. Grantee shall pay Grantor the sum of \$1,000.00 up front payment for damages to surface of the Lands for road access to the Well. Within sixty days of completion of the Well either as a producer or a plugged and abandoned well, Grantee shall survey the new access road Grantor for any additional damage that may have occurred during drilling and completion operations. Compensation will be on a \$3,000.00 per acre cost for any damages exceeding 4.0 acres and such compensation, if due, will be paid within thirty (30) days of the surveyor's report being released. Grantee shall utilize existing access routes to the maximum extent feasible, so as to minimize surface disturbances for access to facilities.
- II. Grantee 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 wells. 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 Grantor's expense if needed due to gilsonite 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 Grantor, and under the Rules and Regulations defined by the State of Utah.
- IV. Cattle guards and 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 Grantee if by mutual agreement between Grantee and Grantor.
- 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 any drilled pursuant hereto Well as a dry hole and the subsequent abandonment thereof, and at the request of the Grantor, and 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 Grantee, shall be left in a good and useable 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, Grantee shall build and maintain a permanent access road in conformance with the already established county road standards for producing oil and/or gas wells including any variances granted by the county by 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.
- X. Upon completion of the Well(s) as a well capable of oil and/or gas production, this Agreement shall continue in full force and effect and Grantee shall pay in advance to Grantor an annual access rental of \$1,000 per roadway 30-foot width, roadway for each well, on or before June 1<sup>st</sup> 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 it 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 Grantee or its agents.
- XII. This Agreement does not cover pipeline easements and Grantee acknowledges that it must secure a separate agreement prior to laying pipeline related to production of gas or oil on Grantor's lands.
- XIII. This Agreement shall not be assigned, nor the rights of Grantee hereunder transferred in any manner without the prior written consent of Grantor, which consent shall not be unreasonably withheld.
- XIV. Grantee 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. Grantee, 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 or property damage. At Grantor's request, Grantee 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 Grantee, or its agents, contractors, or employees, or (2) as a result of Grantee 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 Grantee 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. Grantee shall provide Grantor with not less than forty-eight (48) hours advance notice, either by phone or in person, of Grantee's intent to enter upon the Land for the purpose of commencing operations thereon. Grantee 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 any grazing permittees. All drilling fluid pits shall be fenced within ten days of end of drilling each 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 a dry hole. Surface structures shall be fenced, if they represent a potential hazard to livestock, by mutual agreement between Grantor and Grantee. The type of fencing to be mutually agreed upon by Grantor and Grantee. Grantee will have ten days to effect repairs or problems with fences when notified by e-mail or in writing by Grantor. Grantor can request an extension of the closure of pits beyond the 180 days from the completion of each 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. An extension will not be unreasonably withheld.
- XVII. Grantee shall have the right at any time, and from time to time, to remove any or all property, fixtures, equipment and materials, placed by Grantee on the Land, including the right to draw and remove casing. Within 90 days after plugging of a Well this agreement will expire and Grantee shall remove all remaining property, fixtures, equipment and materials that were placed by Grantee on the Land. Such removal shall be accomplished at Grantee'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 Grantee.

- XVIII. This agreement restricts the Grantee'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 Grantee, its contractors, or its agents the right to use the Grantor's property for any other purpose.
- XIX. All operations of Grantee 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 Grantee and its operations hereunder. Grantee shall further adhere to and abide by all federal, state and local environment 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 1986, 42 U.S.C. & 9601, et seq. (CERCLA). Grantee shall provide Grantor with copies of all applications for environmental laws, governmental requests for any information pertaining to environmental issues relating to the Land or products produced therefrom or Grantee's use thereof, copies of any responses from Grantee's to said requests, and any environmental investigations, reports, or studies involving the Land or products produced therefrom or the use thereof by Grantee which from time to time, may be obtained from Grantee.
- XX. Grantee also agrees to abide by the laws of regulations of the State of Utah designed to protect gilsonite deposits, including but not limited to those specific rules set forth in the General Rules and Regulations of the Utah Board of Oil, Gas and Mining, as amended, pertaining to such matters.
- 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 shall not be terminated in whole or in part, nor Grantee held liable for damages, because of a temporary cessation of production of drilling operations due to breakdown of equipment or due to the repairing of a well or wells or because of failure to comply with any of the express provisions or implied covenants of this Agreement if such failure is the result of the exercise of governmental authority, war, armed hostilities, act of God, strike, civil disturbance, fire, explosion, flood or any other cause, including lack of market, beyond the control of Grantee.
- XXIII. Any controversy or claim, whether based in contract, tort or otherwise arising in any way out of, relating to on in connection with this Agreement (a "Dispute") shall be finally settled by arbitration conducted expeditiously in accordance with the Commercial Arbitration Rules (the "Rules") of the American Arbitration Association (the "AAA"). In the event of a conflict between this Article and the Rules, this Article shall govern. The attorney/client and work product privileges will be honored in the arbitration as though the case were being determined in a Utah state court. The arbitration shall be conducted before one independent and

impartial arbitrator selected by the AAA pursuant to the Rules. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. 1-16, to the exclusion of any provision of Utah law inconsistent therewith and which would produce a different result, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The place of arbitration shall be Salt Lake City, Utah, and the cost of the arbitration proceeding shall be borne equally by the parties to this agreement and each party shall bear its own attorney's fees, and other expenses, provided that the arbitrator may award attorney fees, filing fees, and costs to the prevailing party as the arbitrator deems reasonable and fair. The arbitrators shall determine the claims of the parties and render their final award in accordance with the substantive law of the State of Utah exclusive of its conflict of law rules. The limitations of any actions will be determined under Utah law. The arbitrator shall permit and facilitate such discovery as the arbitrator determines is appropriate in the circumstances, taking into account the needs of the parties and the desirability of making discovery expeditious and cost-effective. The arbitrator shall actively manage the proceedings as the arbitrator deems best so as to make the proceedings fair, expeditious, economical, and less burdensome than litigation. The procedures specified in this section shall be the exclusive means of resolution of Disputes between the parties, provided that either party may seek injunctive action before a court of competent jurisdiction to prevent the occurrence of irreparable harm pending resolution of a Dispute pursuant to the provisions of this section.

XXIV. 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. 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.

AMERICAN GILSONITE COMPANY, Grantor

By:   
Ted Stevens, General Counsel

ENDURING RESOURCES, LLC, Grantee

By:   
Alex Campbell, Vice President

**Enduring Resources, LLC  
Southam Canyon 9-24-13-36  
NWSW 36-T9S-R24E  
Uintah County, Utah  
State Lease: Fee**

**ONSHORE ORDER 1 - DRILLING PLAN**

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

Formation	Depth (K.B.)
Uinta	Surface
Green River	646
Wasatch	2852
Mesaverde	4145

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

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5376'	
Oil / Gas	Green River	646
Oil /Gas	Wasatch	2852
Oil /Gas	Mesaverde	4145
	Estimated TD	6340

An 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 – 6340' (KB)

The surface casing will have guide shoe. 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 outer 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)
6340' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.93 (d)	7780/2.57 (e)	223/3.53(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 <sup>3</sup> /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 <sub>2</sub> + 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 ft<sup>3</sup>/sx) cement will be premium cement w/ 3% CaCl<sub>2</sub>.+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 <sup>3</sup> /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl <sub>2</sub> + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl <sub>2</sub> + 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 <sup>3</sup> /sx)
4-1/2"	Lead	736	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	66	25	11.0	3.3
4-1/2"	Tail	3888	50/50 POZ Class G + 2% gel + 1% CaCl <sub>2</sub> + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	710	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'-6340' (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 H<sub>2</sub>S 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 3,297 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 1,902 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 Well Pad for:  
Southam Canyon 9-24-13-36**

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza traveling south on a paved road for a distance of approximately 1.8 miles where is a turn to the right. Turn right and proceed southerly for approximately 1.3 miles to a turn to the right. Turn right and proceed westerly for approximately 0.3 miles to a turn to the left. Turn left and proceed southwesterly approximately 0.6 miles to the beginning of the proposed access for the Southam Canyon 9-24-13-36 well pad. Turn left onto the proposed access and proceed westerly for approximately 1,620' to the proposed Southam Canyon 9-24-13-36 well pad.

# Enduring Resources, LLC

Southam Canyon 9-24-13-36

NWSW 36-9S-24E

Uintah County, Utah

State Lease: Fee

## MULTI-POINT SURFACE USE & OPERATIONS PLAN

### 1. Existing Roads:

Beginning at the city of Bonanza, Utah, travel south on a paved road for a distance of approximately 1.8 miles where is a turn to the right. Turn right and proceed southerly for approximately 1.3 miles to a turn to the right. Turn right and proceed westerly for approximately 0.3 miles to a turn to the left. Turn left and proceed southwesterly approximately 0.6 miles to the beginning of the proposed access for the Southam Canyon 9-24-13-36 well pad. Turn left onto the proposed access and proceed westerly for approximately 1,620' to the proposed Southam Canyon 9-24-13-36 well pad.

### 2. Planned Access Roads:

The proposed access road will be approximately 1620 feet of new construction all on-lease. All on SITLA and Fee (American Gilsontite) Land.

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 radius of the proposed location.

- a. (7): Water Wells: There are seven water wells in this radius
- b. None: Injection Wells:
- c. (4): Producing Wells:
  - 1. Middle East Mesa State 36-14-29-24, NENE 36
  - 2. Southam Canyon 9-24-23-36, NESW 36
  - 3. Big Indian 35-24, SENE 35
  - 4. Bonanza 9-24-11-36, NWNW36
- d. None: Drilling Wells:
- e. (1): Shut-in Wells:
  - 1. Bonanza 9-24-22-36, SENW 36
- f. None: Temporarily Abandoned Wells:
- g. None: Disposal Wells:
- h. (9): Abandoned Wells:
  - 1. Henroid Federal 1, SWSE 35
  - 2. Henroid Federal 2, SESW 35
  - 3. Husky State 1, NENW 36
  - 4. La Sal Federal 1, SENW 35
  - 5. Lisbon Federal 7-35, SWNE 35
  - 6. Ute Federal 3, SWSE 35
  - 7. State 36-1, SESE 36
  - 8. Prom Fed UTI Seiber Nose 3-35, NWSE 35
  - 9. Big Indian 36-42, SESW 36
- i. None: Dry Holes:
- j. None: Observation Wells:
- k. (3): Pending (staked) Wells:
  - 1. There are three other wells staked in this section.

**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:

1390'	Surface Pipeline	On-Lease	SITLA & Fee/American Gilsonite
-0-	Surface Pipeline	Off-Lease	n/a

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed for year around usage. Approximately 1390 feet of 6" or less surface gas gathering pipeline shall be laid 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, break 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 fee owner: Fee/American Gilsonite.

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

Wellsite: SITLA & Fee/American Gilsonite

Access: SITLA & Fee/American Gilsonite

Pipeline: SITLA & Fee/American Gilsonite

**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 6" 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:**

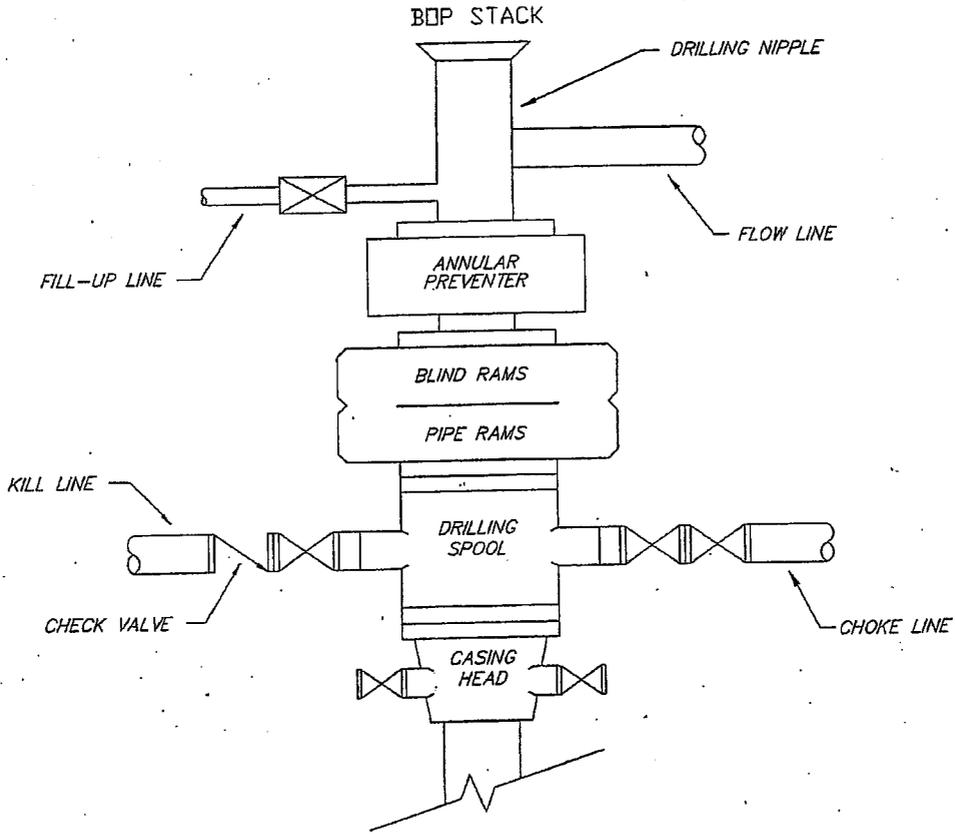
**Representatives:**

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

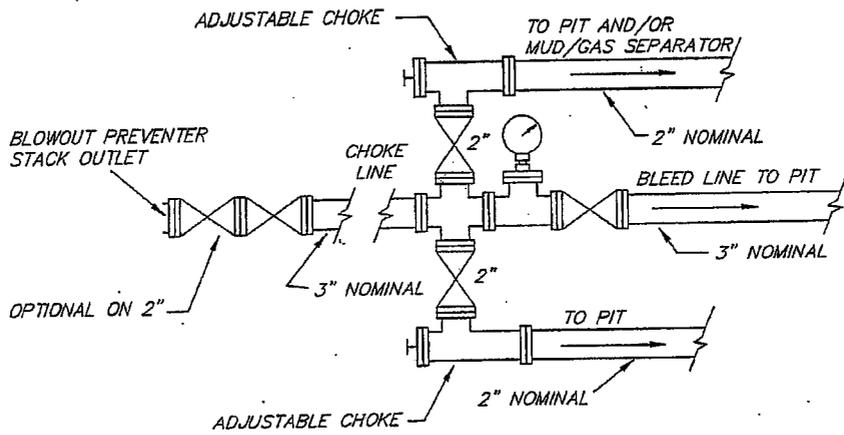
Teme Singleton  
Drilling Engineer  
Enduring Resources, LLC  
475 17<sup>th</sup> Street, Suite 1500  
Denver, Colorado 80202  
Office Tel: 303-573-5711  
Fax Tel: 303-573-0461  
[tsingleton@enduringresources.com](mailto:tsingleton@enduringresources.com)

**ENDURING RESOURCES, LLC**

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

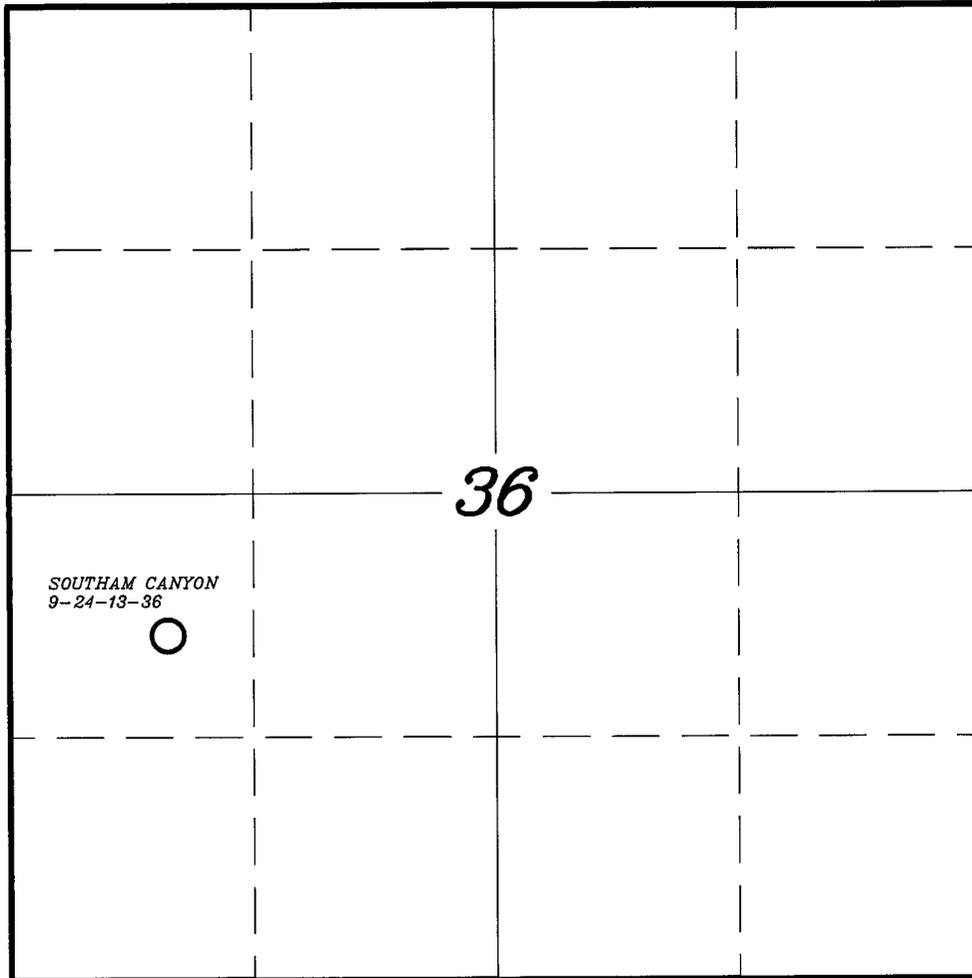


*TYPICAL 3,000 p.s.i.  
CHOKER MANIFOLD SCHEMATIC*



*T9S, R24E, S.L.B.&M.*

*ENDURING RESOURCES*  
*SECTION DRILLING MAP*  
*SOUTHAM CANYON 9-24-13-36*



LEGEND

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

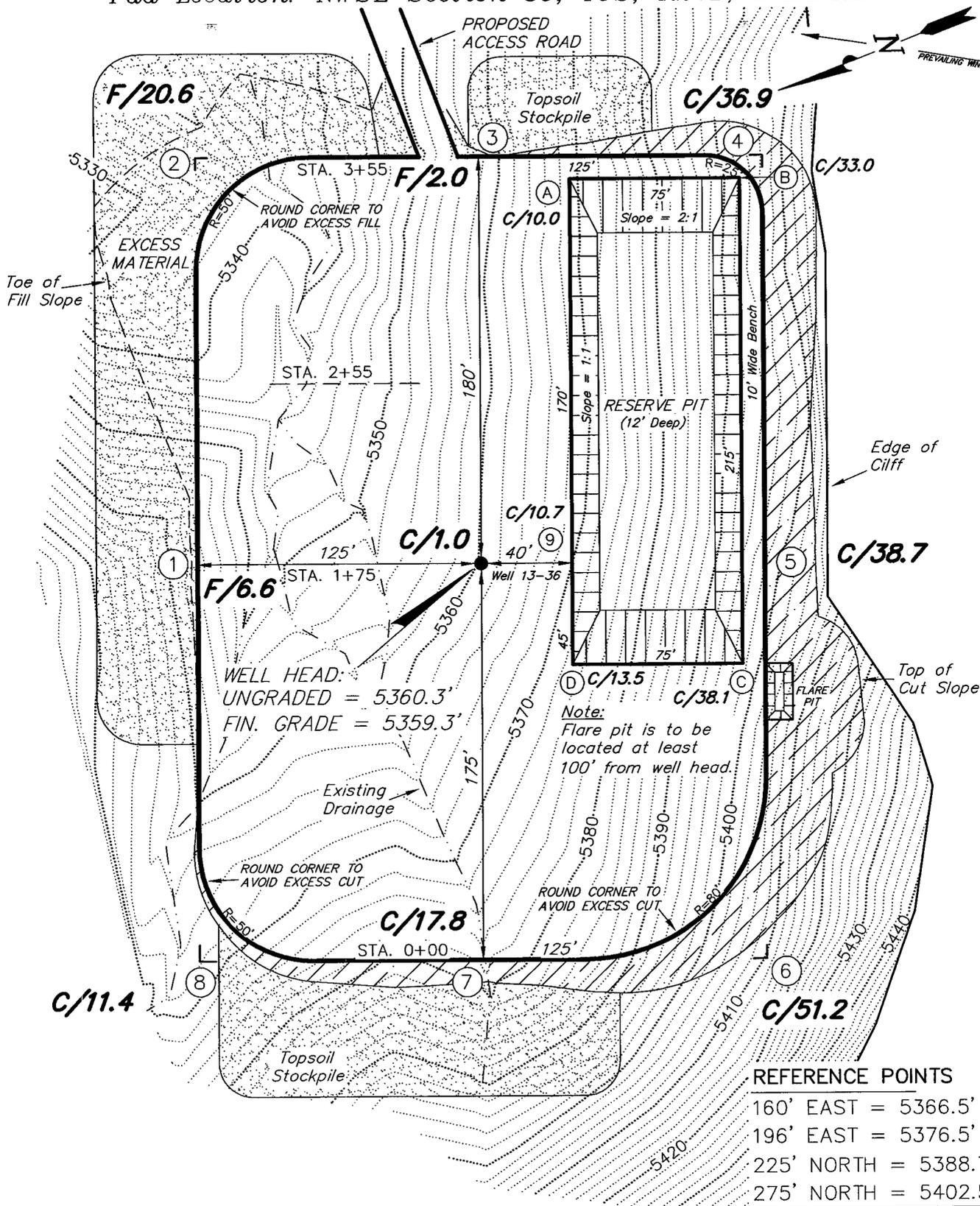
**TRI STATE LAND SURVEYING & CONSULTING**  
180 NORTH VERNAL AVE. - VERNAL, UTAH 84078  
(435) 781-2501

DATE DRAWN: 11-21-06	SURVEYED BY: K.G.S.	SHEET <b>1</b> OF 10
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	

# ENDURING RESOURCES

**SOUTHAM CANYON 9-24-13-36**

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



SURVEYED BY: K.G.S.	DATE DRAWN: 11-21-06
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

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

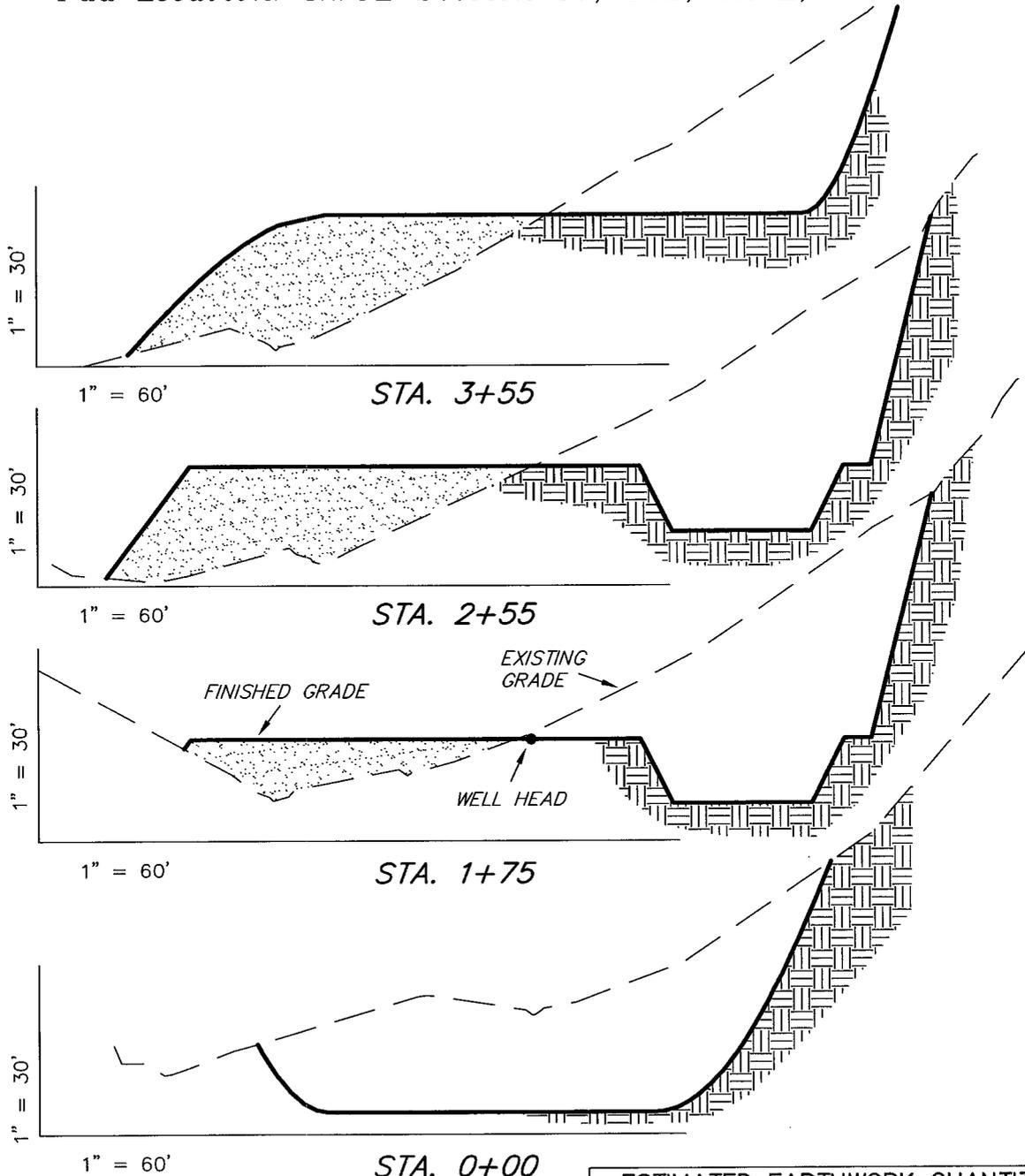
**SHEET**  
**3**  
**OF 10**

# ENDURING RESOURCES

## CROSS SECTIONS

### SOUTHAM CANYON 9-24-13-36

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



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

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	43,400	13,610	Topsoil is not included in Pad Cut	29,790
PIT	5,390	0		5,390
<b>TOTALS</b>	<b>48,790</b>	<b>13,610</b>	<b>2,000</b>	<b>35,180</b>

NOTE:  
UNLESS OTHERWISE NOTED  
CUT SLOPES ARE AT 0.5:1  
FILL SLOPES ARE AT 1.5:1

SURVEYED BY: K.G.S.    DATE DRAWN: 11-21-06  
DRAWN BY: F.T.M.    SCALE: 1" = 60'  
NOTES:

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Land Surveying, Inc.  
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

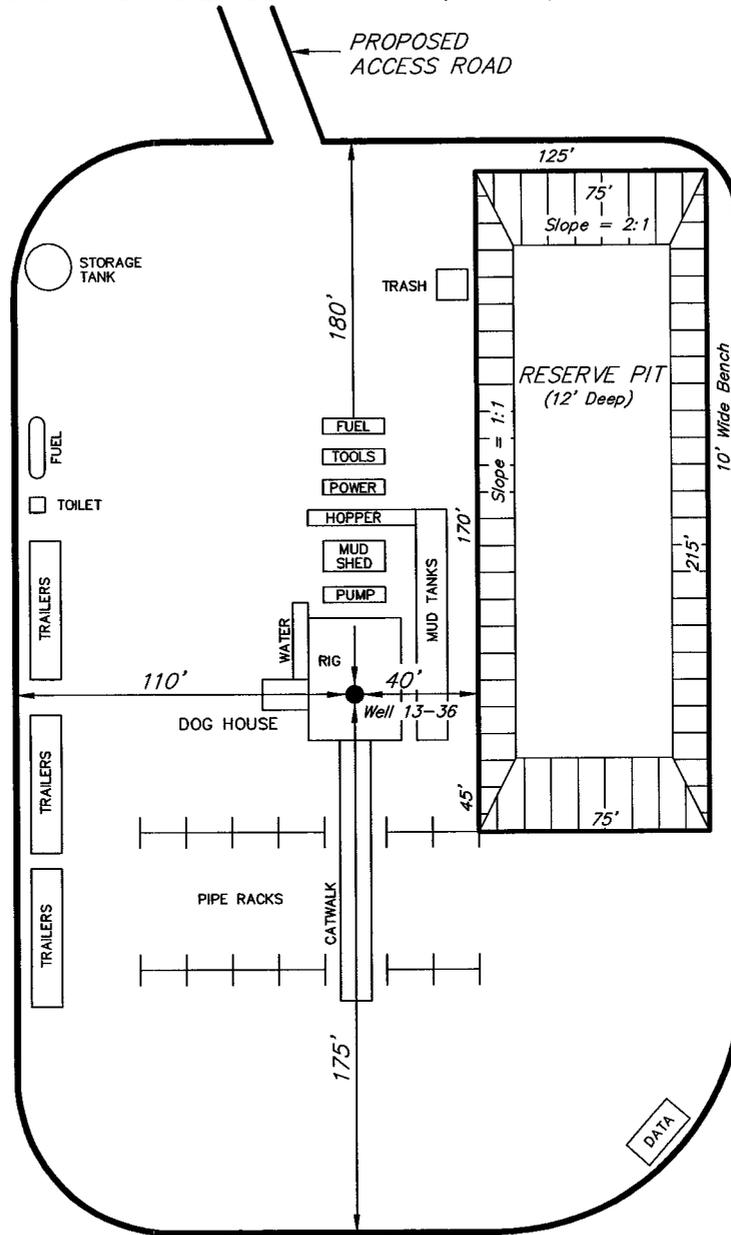
SHEET  
4  
OF 10

# ENDURING RESOURCES

## TYPICAL RIG LAYOUT

### SOUTHAM CANYON 9-24-13-36

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



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

SURVEYED BY: K.G.S.	DATE DRAWN: 11-21-06
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

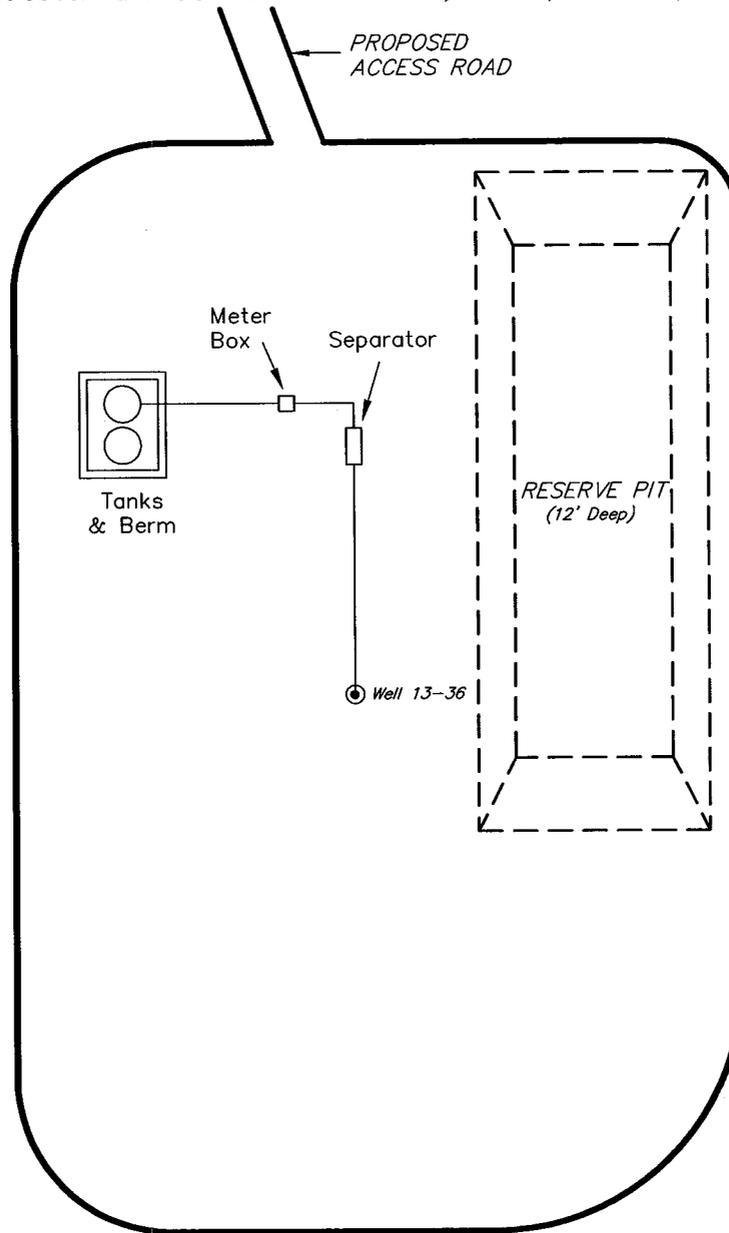
**Tri State**  
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(435) 781-2501

# ENDURING RESOURCES

## PRODUCTION SCHEMATIC

### SOUTHAM CANYON 9-24-13-36

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.

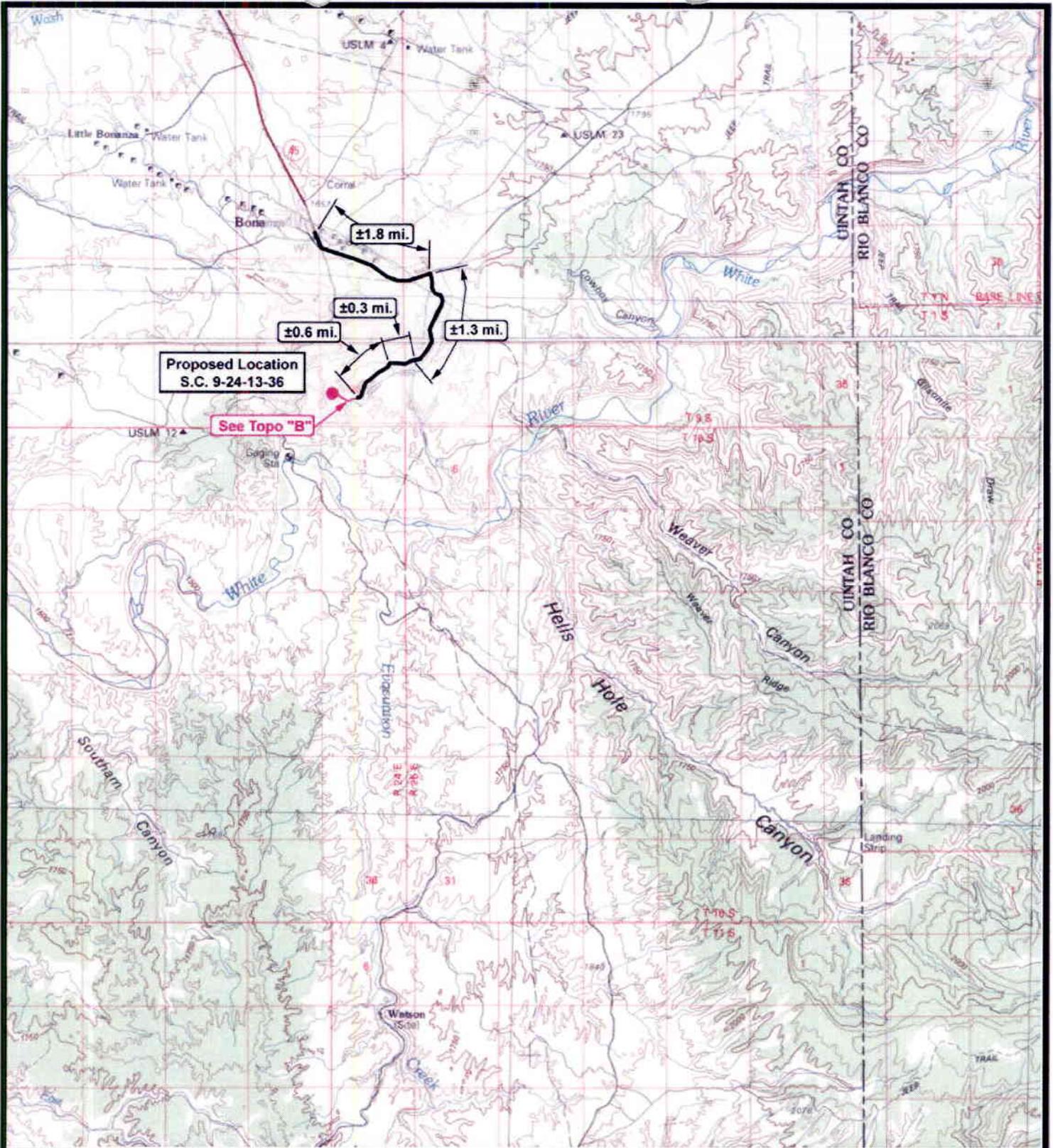


Note:  
Flare pit is to be located at least 100' from well head.

SURVEYED BY: K.G.S.	DATE DRAWN: 11-21-06
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

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SHEET  
**6**  
OF 10



Proposed Location  
S.C. 9-24-13-36

See Topo "B"

±1.8 mi.

±0.3 mi.

±0.6 mi.

±1.3 mi.



ENDURING RESOURCES

Southam Canyon 9-24-13-36  
Sec. 36, T9S, R24E, S.L.B.&M.

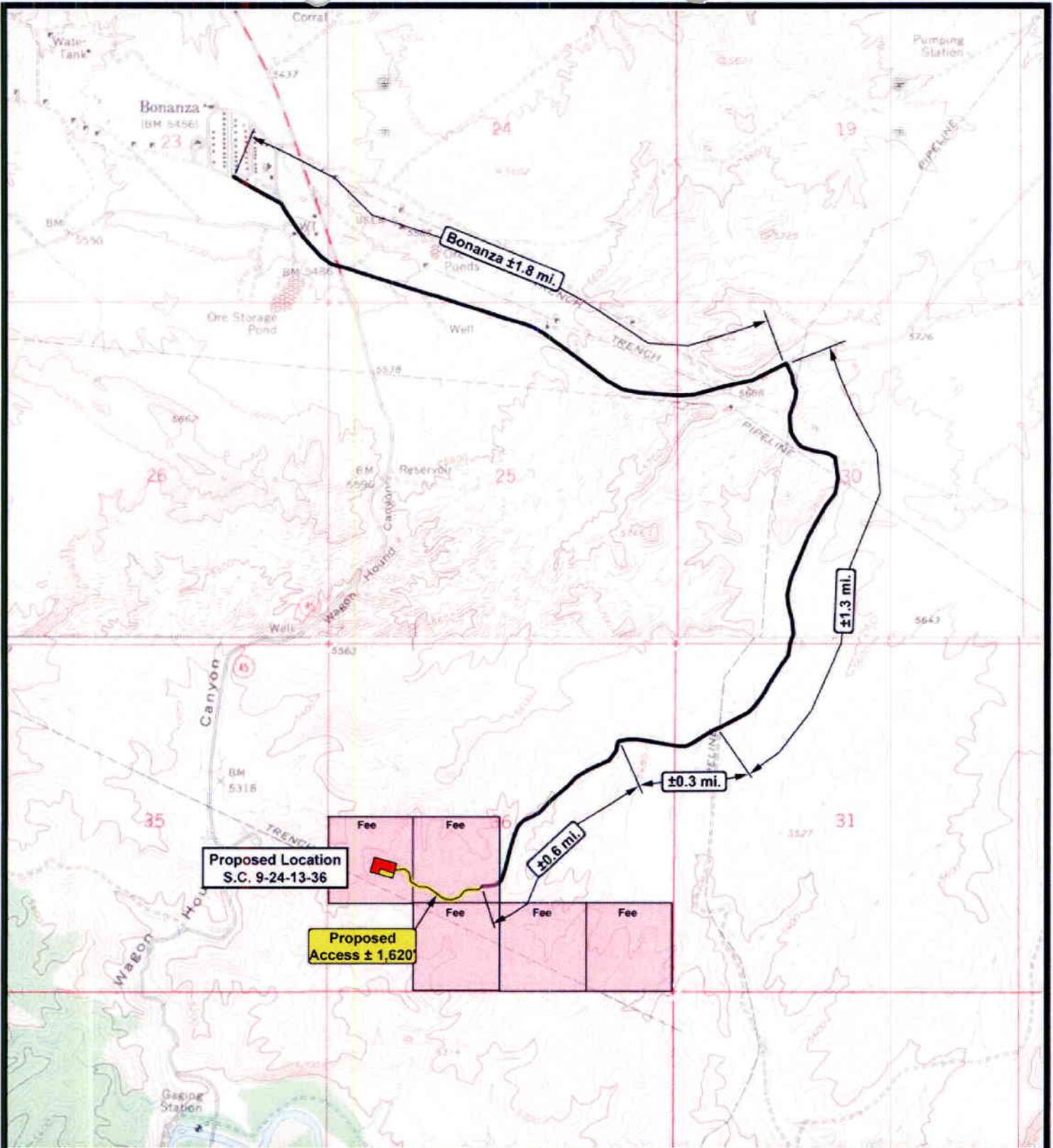


**Tri-State**  
Land Surveying Inc.  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 : 100,000  
DRAWN BY: mw  
DATE: 11-22-2006

**Legend**  
Existing Road  
Proposed Access

TOPOGRAPHIC MAP SHEET  
"A" 7 OF 10



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36**  
**Sec. 36, T9S, R24E, S.L.B.&M.**



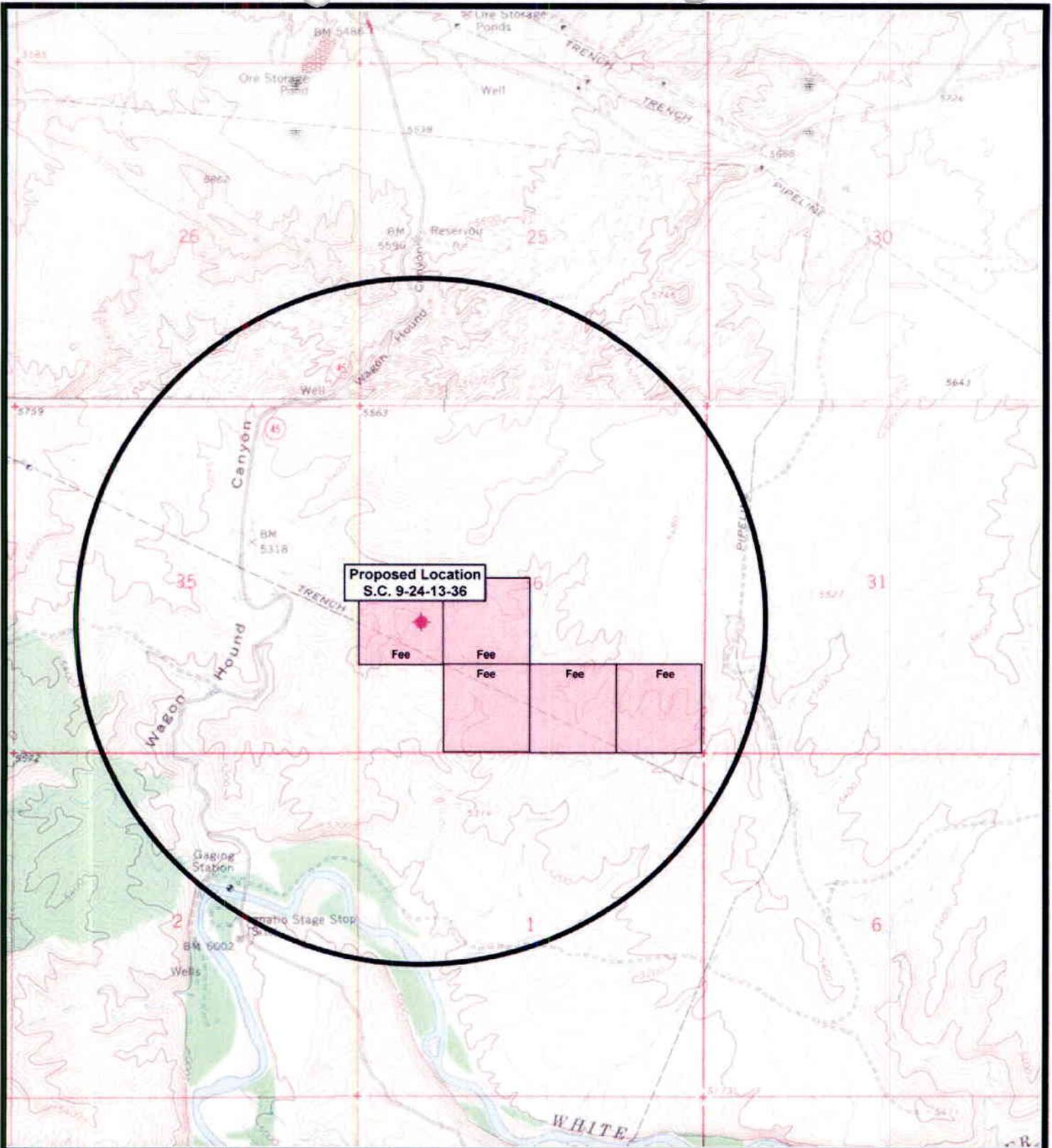
**Tri-State**  
*Land Surveying Inc.*  
 (435) 781-2501  
 180 North Vernal Ave. Vernal, Utah 84078

**SCALE: 1" = 2,000'**  
**DRAWN BY: mw**  
**DATE: 07-17-2006**

**Legend**

- Existing Road
- Proposed Access

**TOPOGRAPHIC MAP** **SHEET**  
**"B"** **8**  
 OF 10



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36  
SEC. 36, T9S, R24E, S.L.B.&M.**



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180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 11-22-2006

**Legend**

- Location
- One-Mile Radius

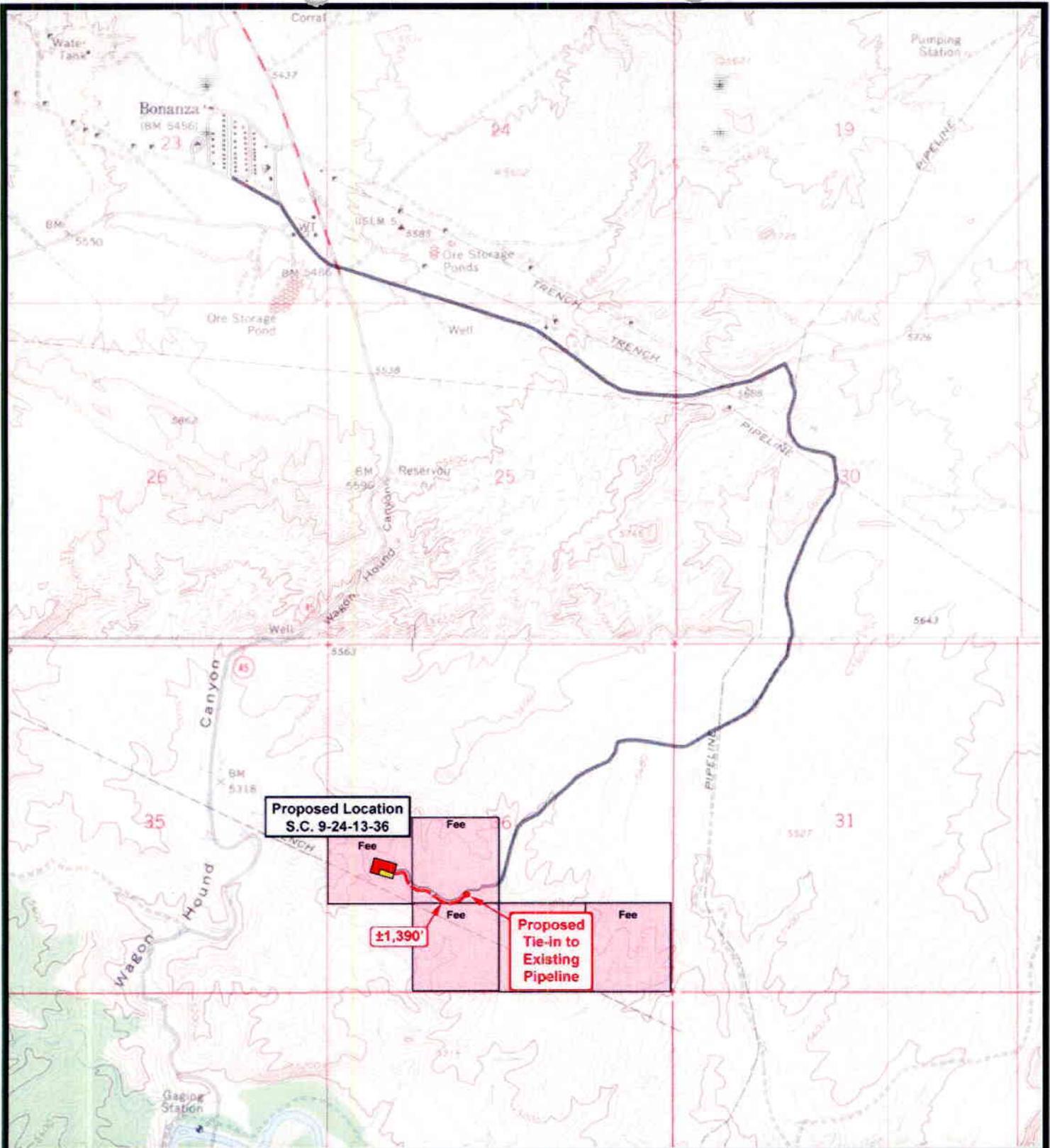
**TOPOGRAPHIC MAP**

**"C"**

**SHEET**

**9**

OF 10



**Proposed Location  
S.C. 9-24-13-36**

**±1,390'**

**Proposed  
Tie-in to  
Existing  
Pipeline**



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36  
Sec. 36, T9S, R24E, S.L.B.&M.**



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

**SCALE: 1" = 2,000'**  
**DRAWN BY: mw**  
**DATE: 11-22-2006**

**Legend**  
— Roads  
- - - Proposed Gas Line

**TOPOGRAPHIC MAP** **SHEET**  
**"D"** **10**  
**OF 10**



**CENTER STAKE**

  
**ENDURING RESOURCES**  
**S.C. 9-24-13-36**

Date Photographed: 11/20/2006  
Date Drawn: 11/22/2006  
Drawn By: mw

  
**Tri-State**  
*Land Surveying Inc.*  
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180 North Vernal Ave. Vernal, Utah 84078



NORTH

  
ENDURING RESOURCES

S.C. 9-24-13-36

Date Photographed: 11/20/2006

Date Drawn: 11/22/2006

Drawn By: mw

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

EAST





SOUTH

  
ENDURING RESOURCES

S.C. 9-24-13-36

Date Photographed: 11/20/2006

Date Drawn: 11/22/2006

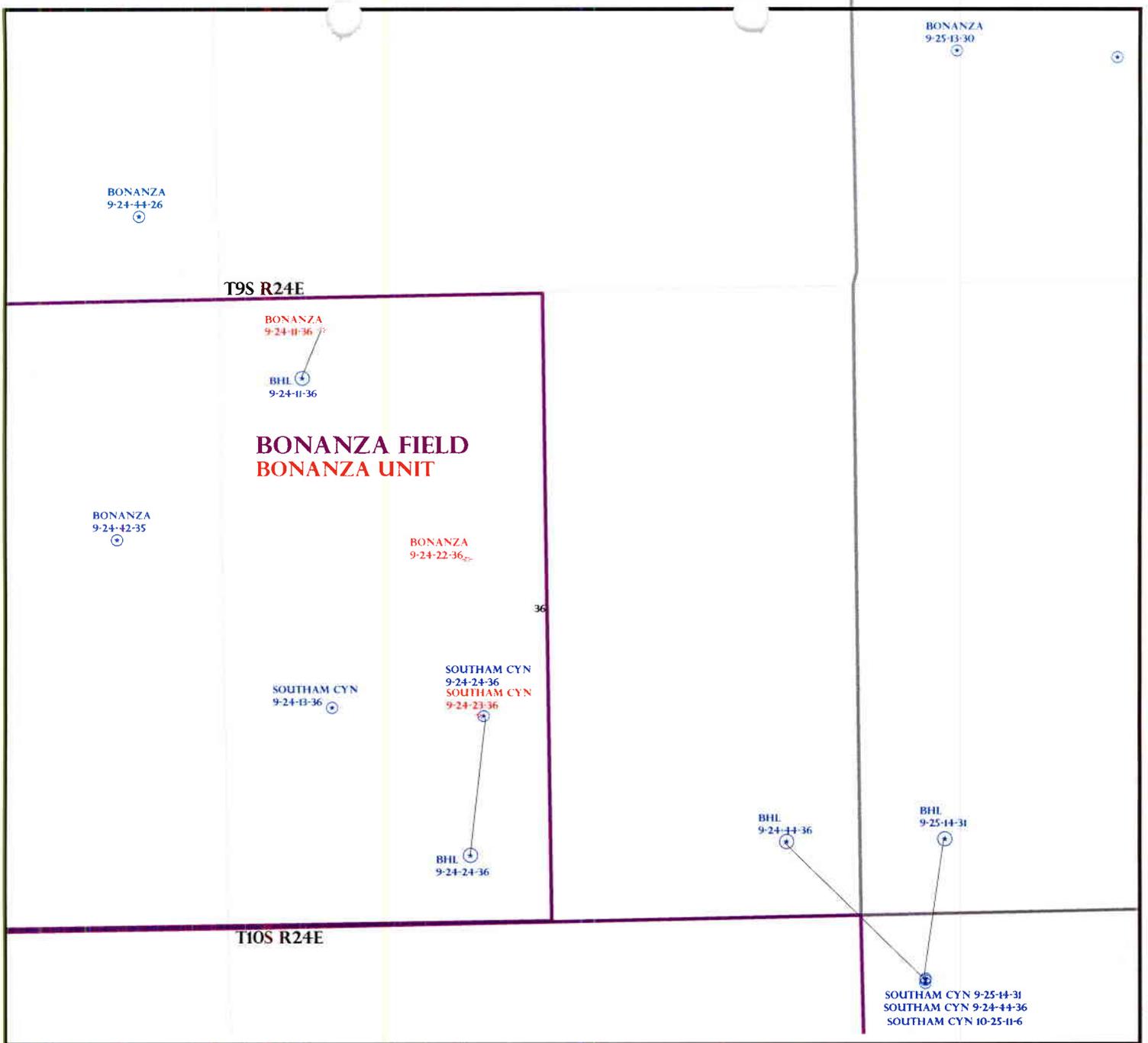
Drawn By: mw

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

WEST







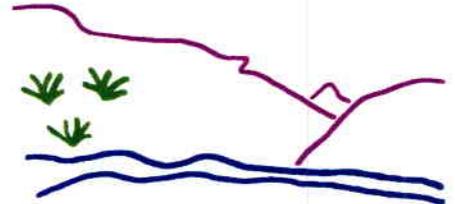
OPERATOR: ENDURING RES LLC (N2750)

SEC: 36 T.9S R. 24E

FIELD: BONANZA (555)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
DATE: 14-DECEMBER-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

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160  
(UT-922)

December 14, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Bonanza Unit, Uintah County,  
Utah.

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

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ MesaVerde)

43-047-38910 Southam Cyn 9-24-13-36 Sec 36 T09S R24E 1868 FSL 0855 FWL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:12-14-06

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>FEE</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Southam Canyon 9-24-13-36</b>
2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>		9. API NUMBER: <b>4304738910</b>
3. ADDRESS OF OPERATOR: <b>475 17th Street, Suite 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>		PHONE NUMBER: <b>(303) 350-5719</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1868' FSL - 855' FWL</b>		10. FIELD AND POOL, OR WILDCAT: <b>Undesignated</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 36 9S 24E S</b>		COUNTY: <b>Uintah</b>
		STATE: <b>UTAH</b>

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

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

APD showed Fee Minerals and State Surface, it should have shown Fee minerals and Fee surface. American Gilsonite owns surface and minerals.

Utah State Bond #RLB0008031  
Operator No. N2750

*New status*

NAME (PLEASE PRINT) <u>Evette Bissett</u>	TITLE <u>Regulatory Affairs Assistant</u>
SIGNATURE <u><i>Evette Bissett</i></u>	DATE <u>9/27/2006</u>

(This space for State use only)

RECEIVED  
**JAN 16 2007**

DIV. OF OIL, GAS & MINING

# Application for Permit to Drill

## Statement of Basis

1/18/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
186	43-047-38910-00-00		GW	S	No
<b>Operator</b>	ENDURING RESOURCES, LLC	<b>Surface Owner-APD</b>			
<b>Well Name</b>	SOUTHAM CYN 9-24-13-36	<b>Unit</b>	BONANZA		
<b>Field</b>	BONANZA	<b>Type of Work</b>			
<b>Location</b>	NWSW 36 9S 24E S 0 FL 0 FL	GPS Coord (UTM)	656388E 4428070N		

### Geologic Statement of Basis

Enduring proposes to set 2,016' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 5,400'. A search of Division of Water Rights records shows 21 water wells within a 10,000 foot radius of the center of Section 36. These wells range in depth from 30-500 feet. The wells are located in a cluster approximately .3 miles from the proposed location. They are mainly for mining and oil field use but one is listed for domestic use also. The surface formation at this site is the Uinta-Green River Formation transition. The Uinta Formation is made up of lenticular sandstones interbedded with shales and is expected to have limited value as an aquifer. The Green river Formation should be found near the surface. The Green River Formation may contain useable aquifers but they should be adequately protected by the proposed casing and cementing program.

Brad Hill  
APD Evaluator

1/18/2007  
Date / Time

### Surface Statement of Basis

The Southam Canyon 9-24-13-36 gas well is proposed in a short drainage which drains southerly into the White River. The White River is approximately one mile to the south. Bonanza, Utah is about 3 miles to the northwest. Acces from an existing road will be on a road to be constructed 1,620 feet over somewhat difficult terrain. Topography in the area is characterized by steep sided canyons or draws with narrow bottoms. Finding suitable sites for well locations is difficult. No springs, seeps or springs are known to exist in the area. Erosion is moderate occuring primarily from runoff from intense summer storms.

The specific location is proposed near the head of a rough draw which drains to the east and then south to the White River. High ledgerrock cliffs exist to the north with hills with exposed rimrock to the south. Three small draws begin within or near the location. One draw to the north will be covered with fill from the location with no opportunity for re-routing this drainage. Some flow from the bedrock sideslope to the north may occur. Water with accompanying sediment may flow onto the location. Such an occurance would be infrequent and probably of minor consequences.

During the presite it was determined that surface ownership was incorrect on FORM 3 of the APD. The surface is FEE not State as submitted. The maps in the APD are corect. Enduring was requested to submit a sundry making this correction. Surface owner is probably American Gilsonite. Because of this error the surface owner was not invited to the presite. The selected location is the only possible location for constructing a well pad within the immediate area.

Floyd Bartlett  
Onsite Evaluator

1/9/2007  
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.

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**Application for Permit to Drill**  
**Statement of Basis**  
**Utah Division of Oil, Gas and Mining**

1/18/2007

Page 2

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

**Operator** ENDURING RESOURCES, LLC  
**Well Name** SOUTHAM CYN 9-24-13-36  
**API Number** 43-047-38910-0      **APD No** 186      **Field/Unit** BONANZA  
**Location:** 1/4,1/4 NWSW      **Sec** 36      **Tw** 9S      **Rng** 24E      0 FL 0 FL  
**GPS Coord (UTM)** 656393      4428072      **Surface Owner**

**Participants**

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

**Regional/Local Setting & Topography**

The Southam Canyon 9-24-13-36 gas well is proposed in a short drainage which drains southerly into the White River. The White River is approximately one mile to the south. Bonanza, Utah is about 3 miles to the northwest. Access from an existing road will be on a road to be constructed 1,620 feet over somewhat difficult terrain. Topography in the area is characterized by steep sided canyons or draws with narrow bottoms. Finding suitable sites for well locations are difficult. No springs, seeps or springs are known to exist in the area. Erosion is moderate occurring primarily from runoff from intense summer storms.

The specific location is proposed near the head of a rough draw which drains to the east and then south to the White River. High ledgerock cliffs exist to the north with hills with exposed rimrock to the south. Three small draws begin within or near the location. One draw to the north will be covered with fill from the location with no opportunity for re-routing this drainage. Some flow from the bedrock sideslope to the north may occur. Water with accompanying sediment may be deposited on the location. Such an occurrence would be infrequent and minor.

**Surface Use Plan**

**Current Surface Use**

Wildlife Habitat

**New Road**

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

**Ancillary Facilities** N

**Waste Management Plan Adequate?** Y

**Environmental Parameters**

**Affected Floodplains and/or Wetland** N

**Flora / Fauna**

Sparse cover of shrubs consisting of sagebrush, rabbit brush and greasewood.  
Deer, coyotes and small mammals and birds. Some raptors may be in the cliffs in the general area.

**Soil Type and Characteristics**

Shallow rocky loam.

**Erosion Issues** N

**Sedimentation Issues Y**

Some flow from the bedrock sideslope to the north may occur. Water with accompanying sediment may be deposited on the location. Such an occurrence would be infrequent and minor.

**Site Stability Issues N**

**Drainage Diversion Required N**

**Berm Required? N**

**Erosion Sedimentation Control Required? N**

Not possible to divert the flow around the location.

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

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

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

**Final Score    20    1    Sensitivity Level**

**Characteristics / Requirements**

The reserve pit is located in an area of cut on the southeast side of the location. It is 170' x 75' x 12' deep. A 16 mil liner with appropriate sub-felt is required.

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

**Other Observations / Comments**

During the presite it was determined that surface ownership was incorrect on FORM 3 of the APD. The surface is FEE not State as submitted. The maps in the APD are correct. Enduring was requested to submit a sundry making this correction. Surface owner is probably American Gilsonite. Because of this error the surface owner was not invited to the presite.

Floyd Bartlett  
Evaluator

1/9/2007  
Date / Time

07-1 Enduring Southam Canyon 9-24-13-36

Casing Schematic

BHP

$0.052(6340)9.8 = 3231 \text{ psi}$   
 anticipate ~ 3297 psi

Gas  
 $.12(6340) = 761$   
 $3231 - 761 = 2470 \text{ psi, MASP}$

BOPE = 3M ✓

Burst 2950  
 $70\% = 2065 \text{ psi}$

Max P@ surf. shoe  
 $.22(4324) = 951$   
 $3231 - 951 = 2280 \text{ psi}$

test to 2065 psi ✓

Strip cmts ✓

✓ Adequate DWD  
 1/31/07

Surface

127'

187'

22' TOC w/5% w/o Uinta  
 \* Surf stop ✓

646' Green River

TOC @ 766.

1552' TOC w/7% w/o

Surface

TOC @ 2016. MD  
 2117.

2852' Wasatch

4145' Mesaverde

5400' ± BMSW

8-5/8"  
 MW 8.4  
 Frac 19.3

4-1/2"  
 MW 9.8

Production  
 6340. MD

Well name:	<b>2007-1 Enduring Southam Canyon 9-24-13-36</b>		
Operator:	<b>Enduring Resource, LLC</b>		
String type:	Surface	Project ID:	43-047-38910
Location:	Uintah County		

**Design parameters:**

**Collapse**

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

**Burst**

Max anticipated surface pressure: 1,774 psi  
 Internal gradient: 0.120 psi/ft  
 Calculated BHP: 2,016 psi  
  
 No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Tension:**

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

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

**Environment:**

H2S considered? No  
 Surface temperature: 75 °F  
 Bottom hole temperature: 103 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 500 ft

Cement top: 766 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 6,340 ft  
 Next mud weight: 9.800 ppg  
 Next setting BHP: 3,228 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)	Internal Capacity (ft³)
1	2016	8.625	24.00	J-55	ST&C	2016	2016	7.972	720.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	880	1370	1.557	2016	2950	1.46	42	244	5.77 J

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

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

Date: January 30, 2007  
 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:	<b>2007-1 Enduring Southam Canyon 9-24-13-36</b>		
Operator:	<b>Enduring Resource, LLC</b>		
String type:	Production	Project ID:	43-047-38910
Location:	Uintah County		

**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: 164 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 1,500 ft

Cement top: 2,117 ft

**Burst**

Max anticipated surface pressure: 1,833 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 3,228 psi

No backup mud specified.

**Tension:**

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

**Non-directional string.**

Tension is based on buoyed weight.  
 Neutral point: 5,411 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft <sup>3</sup> )
1	6340	4.5	11.60	N-80	LT&C	6340	6340	3.875	553.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3228	6350	1.967	3228	7780	2.41	63	223	3.55 J

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

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

Date: January 30, 2007  
 Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 6340 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.*



**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: Southam Canyon 9-24-13-36 Well, 1868' FSL, 855' FWL, NW SW, Sec. 36,  
T. 9 South, R. 24 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38910.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor (via e-mail)



Page 2

43-047-38910

February 7, 2007

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. 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**

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

n/a

7. UNIT or CA AGREEMENT NAME:

n/a

8. WELL NAME and NUMBER:

Southam Canyon 9-24-13-36

9. API NUMBER:

4304738910

10. FIELD AND POOL, OR WILDCAT:

Undesignated

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER \_\_\_\_\_

2. NAME OF OPERATOR:

Enduring Resources, LLC

3. ADDRESS OF OPERATOR:

475 17th Street, Suite 1500 CITY Denver

STATE CO

ZIP 80202

PHONE NUMBER:

(303) 350-5114

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1868' FSL - 855' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN NWSW 36 9S 24E S

STATE:

UTAH

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

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

Date: 02-07-08  
By: 

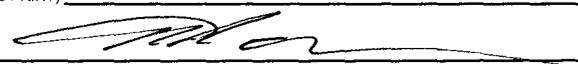
COPY SENT TO OPERATOR

Date: 2-7-2008

Initials: KS

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

TITLE Landman - Regulatory Specialist

SIGNATURE 

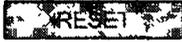
DATE 2/4/2008

(This space for State use only)

RECEIVED

FEB 06 2008

DEPT 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:** 4304738910  
**Well Name:** Southam Canyon 9-24-13-36  
**Location:** 1868' FSL - 855' FWL, NWSW, Sec 36, T9S-R24E  
**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

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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
FEE ✓

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
N/A

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

7. UNIT OR CA AGREEMENT NAME:  
N/A

1. TYPE OF WELL  
OIL WELL  GAS WELL  OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
Southam Canyon 9-24-13-36

2. NAME OF OPERATOR:  
Enduring Resources, LLC

9. API NUMBER:  
4304738910

3. ADDRESS OF OPERATOR:  
475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:  
(303) 350-5719

10. FIELD AND POOL, OR WILDCAT:  
Undesignated

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 1868' FSL - 855' FWL COUNTY: Uintah  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E S STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>7/8/2008</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
	<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>Smaller Well Pad</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.

- Had surveyors reduced size of well pad,
- Stake remained in same spot, and
- Building smaller location.

No other changes.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Date: 07-14-08

By: [Signature]

COPY SENT TO OPERATOR

Date: 7-14-2008

Initials: KS

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

TITLE Landman - Regulatory Specialist

SIGNATURE [Signature]

DATE 7/8/2008

(This space for State use only)

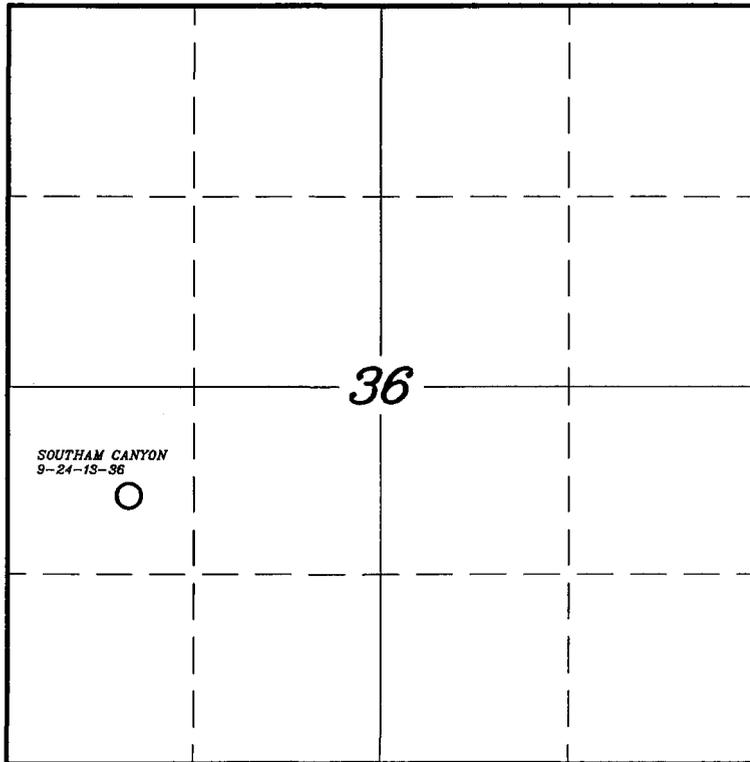
RECEIVED

JUL 11 2008

DIV. OF OIL, GAS & MINING

**T9S, R24E, S.L.B.&M.**

**ENDURING RESOURCES**  
**SECTION DRILLING MAP**  
**SOUTHAM CANYON 9-24-13-36**



**LEGEND**

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

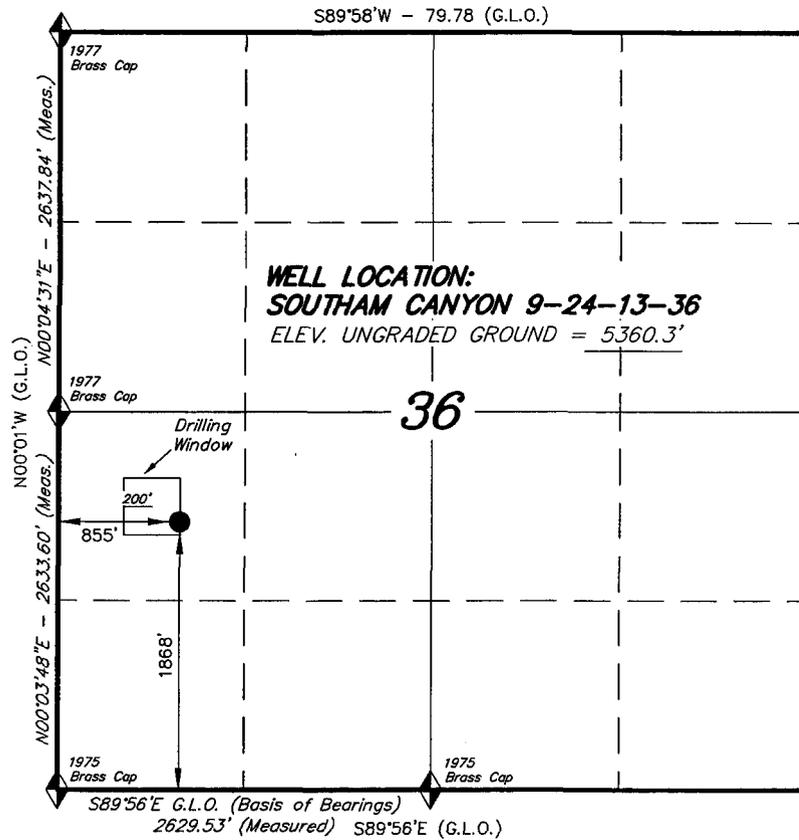
**TRI STATE LAND SURVEYING & CONSULTING**  
180 NORTH VERNAL AVE. - VERNAL, UTAH 84078  
(435) 781-2501

DATE DRAWN: 11-21-06	SURVEYED BY: K.G.S.	SHEET <b>1</b>
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	OF 10

**T9S, R24E, S.L.B.&M.**

**ENDURING RESOURCES**

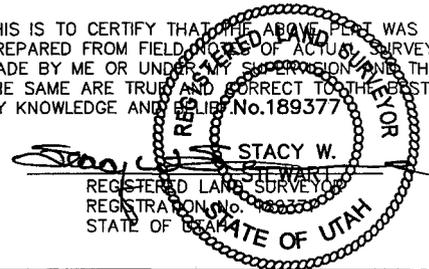
WELL LOCATION, SOUTHAM CANYON  
 9-24-13-36, LOCATED AS SHOWN IN THE  
 NW 1/4 SW 1/4 OF SECTION 36, T9S,  
 R24E, S.L.B.&M. UTAH COUNTY, UTAH.



NORTH (G.L.O.)



THIS IS TO CERTIFY THAT THE ABOVE PLAN 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



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

**SOUTHAM CANYON 9-24-13-36**  
 (Surface Location) NAD 83  
 LATITUDE = 39° 59' 24.83"  
 LONGITUDE = 109° 10' 08.25"

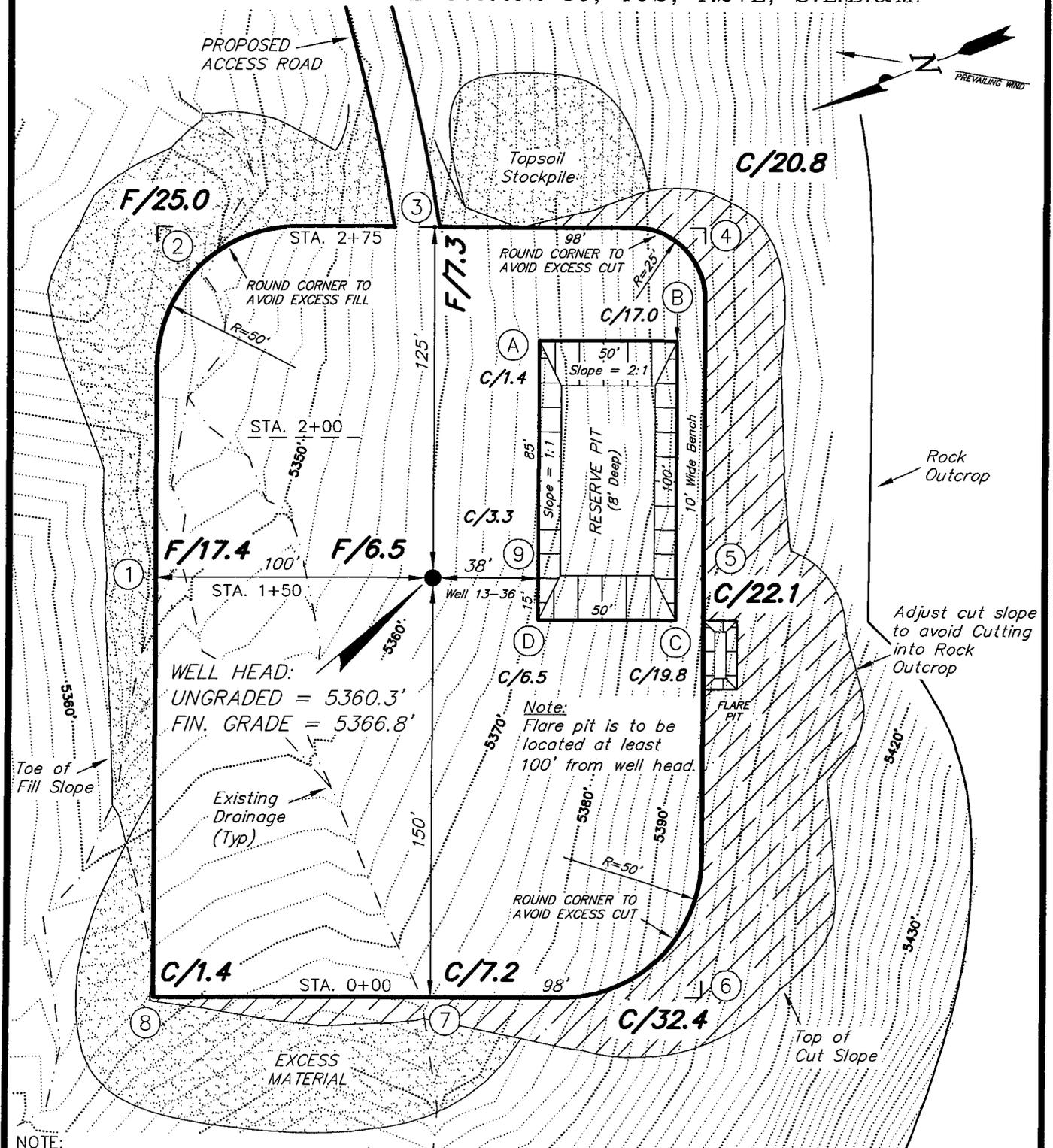
**TRI STATE LAND SURVEYING & CONSULTING**  
 180 NORTH VERNAL AVE. - VERNAL, UTAH 84078  
 (435) 781-2501

DATE DRAWN: 11-21-06	SURVEYED BY: K.G.S.	<b>SHEET</b> <b>2</b>
REVISED:	DRAWN BY: F.T.M.	
NOTES:	SCALE: 1" = 1000'	<b>OF 10</b>

# ENDURING RESOURCES

## SOUTHAM CANYON 9-24-13-36

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



NOTE:  
 FILL MATERIAL IS REQUIRED WITHIN THE RIG SUB-STRUCTURE AREAS. COMPACT ALL FILL AREAS TO A MINIMUM OF 95% OF THE MAXIMUM DRY DENSITY WHICH IS OBTAINED BY AASHTO METHOD T-99.

Note:  
 Contractors to clean loose rock and unstable material from top to toe of bedrock face, areas not in bedrock outcroppings are to be field designed to Gold Book Standards.

SURVEYED BY: D.G.	DATE SURVEYED: 06-19-08
DRAWN BY: F.T.M.	DATE DRAWN: 06-20-08
SCALE: 1" = 50'	REVISED:

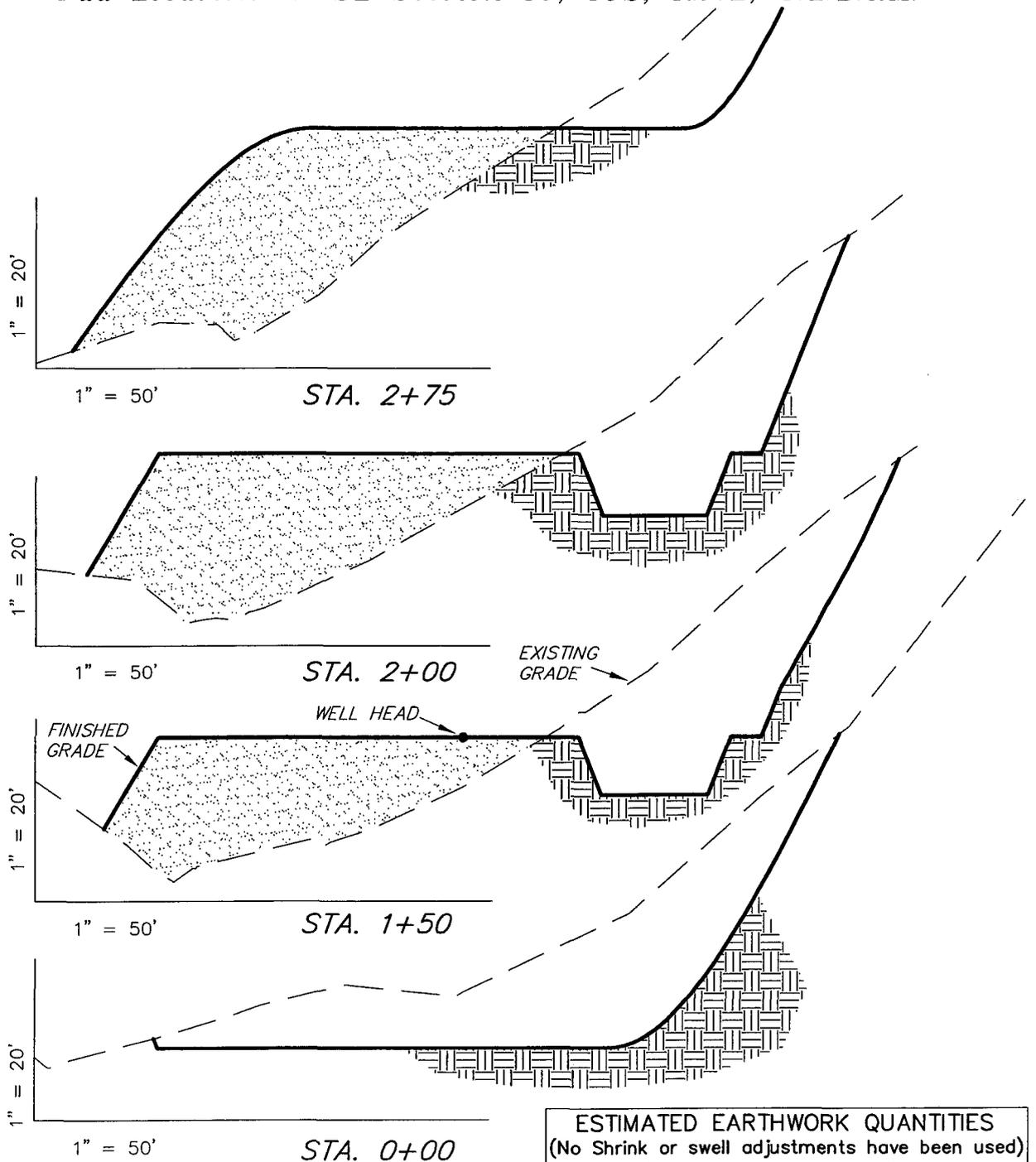
**Tri State**  
 Land Surveying, Inc.  
 180 NORTH VERNAL AVE. VERNAL, UTAH 84078  
 (435) 781-2501

# ENDURING RESOURCES

## CROSS SECTIONS

### SOUTHAM CANYON 9-24-13-36

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



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

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

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	14,690	14,690	Topsoil is not included in Pad Cut	0
PIT	1,060	0		1,060
TOTALS	15,750	14,690	1,440	1,060

SURVEYED BY: D.G.	DATE SURVEYED: 06-19-08
DRAWN BY: F.T.M.	DATE DRAWN: 06-20-08
SCALE: 1" = 50'	REVISED:

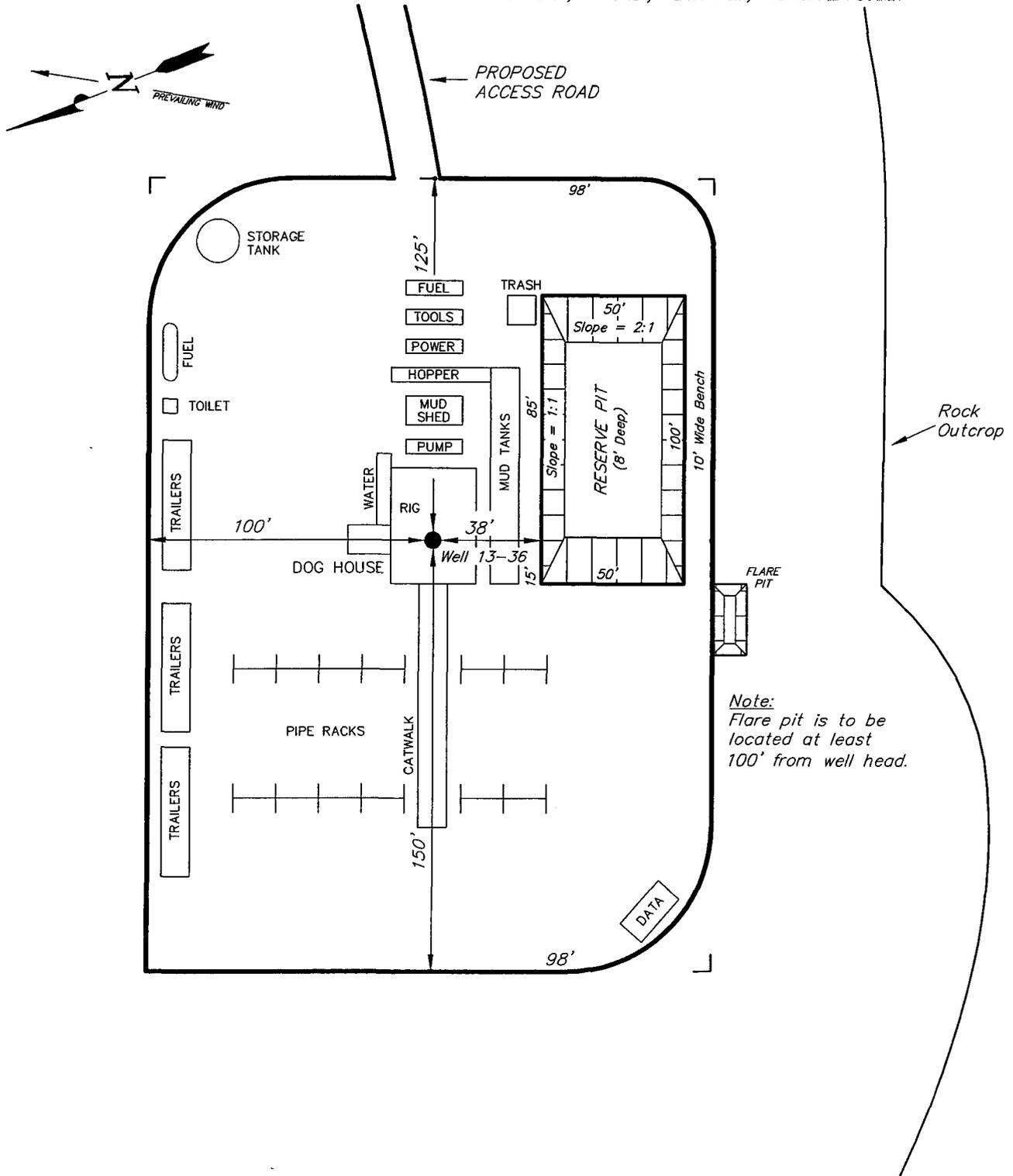
**Tri State** (435) 781-2501  
Land Surveying, Inc.  
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

# ENDURING RESOURCES

## TYPICAL RIG LAYOUT

### SOUTHAM CANYON 9-24-13-36

Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



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

SURVEYED BY: D.G.	DATE SURVEYED: 06-19-08
DRAWN BY: F.T.M.	DATE DRAWN: 06-20-08
SCALE: 1" = 50'	REVISED:

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

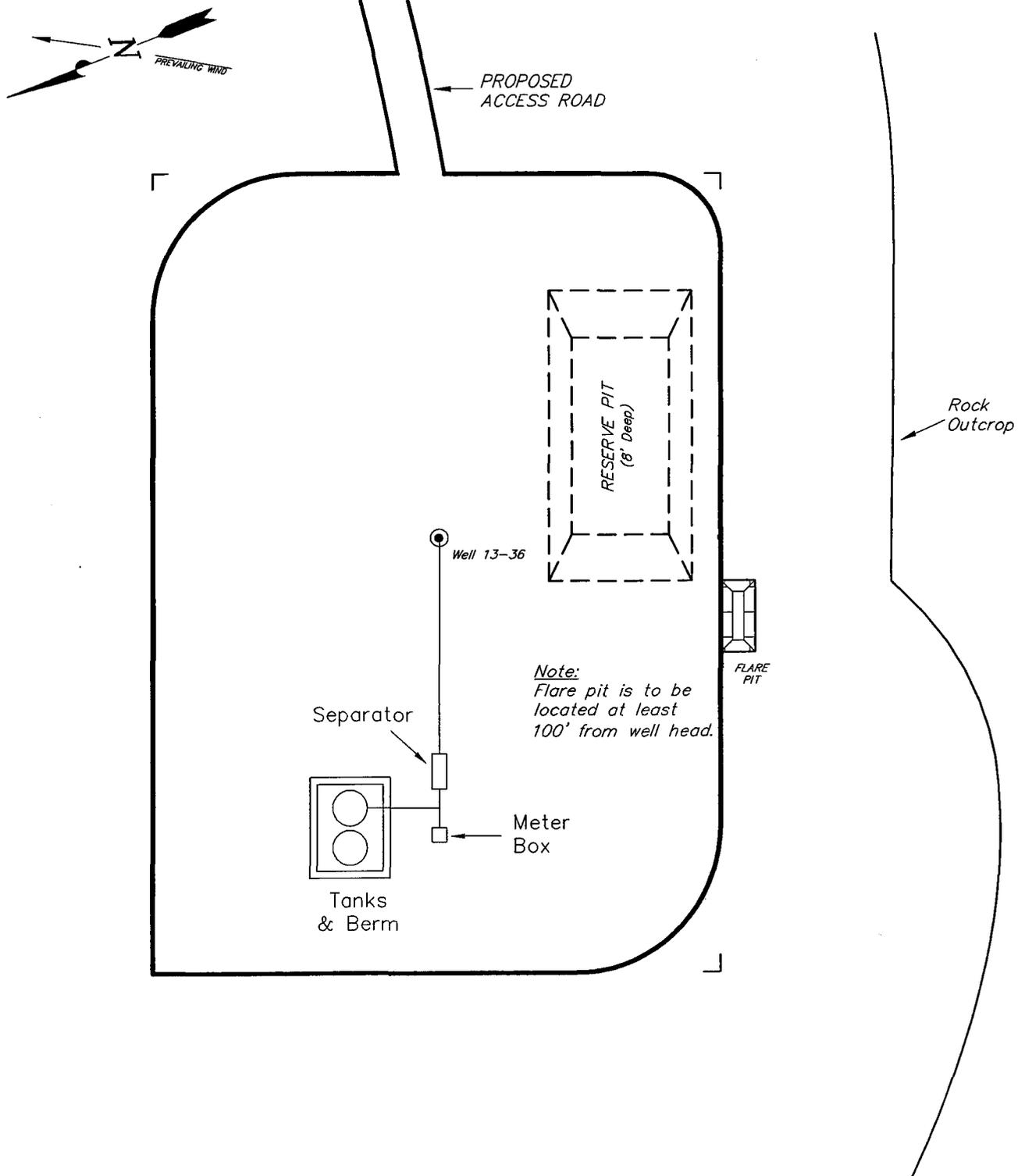
SHEET  
5  
OF 10

# ENDURING RESOURCES

## PRODUCTION SCHEMATIC

### SOUTHAM CANYON 9-24-13-36

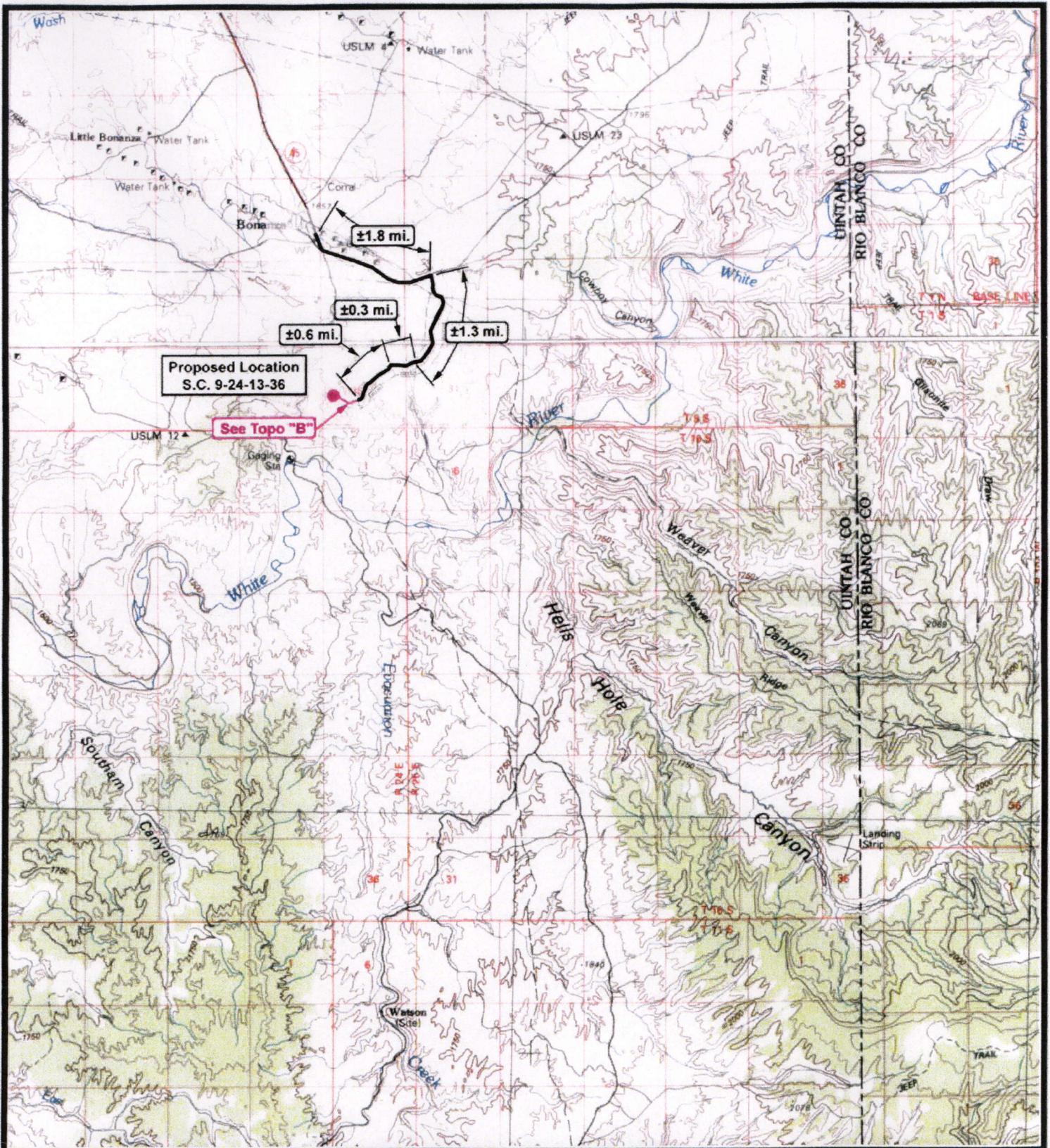
Pad Location: NWSE Section 36, T9S, R24E, S.L.B.&M.



SURVEYED BY: D.G.	DATE SURVEYED: 06-19-08
DRAWN BY: F.T.M.	DATE DRAWN: 06-20-08
SCALE: 1" = 50'	REVISED:

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

SHEET  
**6**  
OF 10



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36**  
**Sec. 36, T9S, R24E, S.L.B.&M.**



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

**SCALE: 1 : 100,000**  
**DRAWN BY: mw**  
**DATE: 11-22-2006**

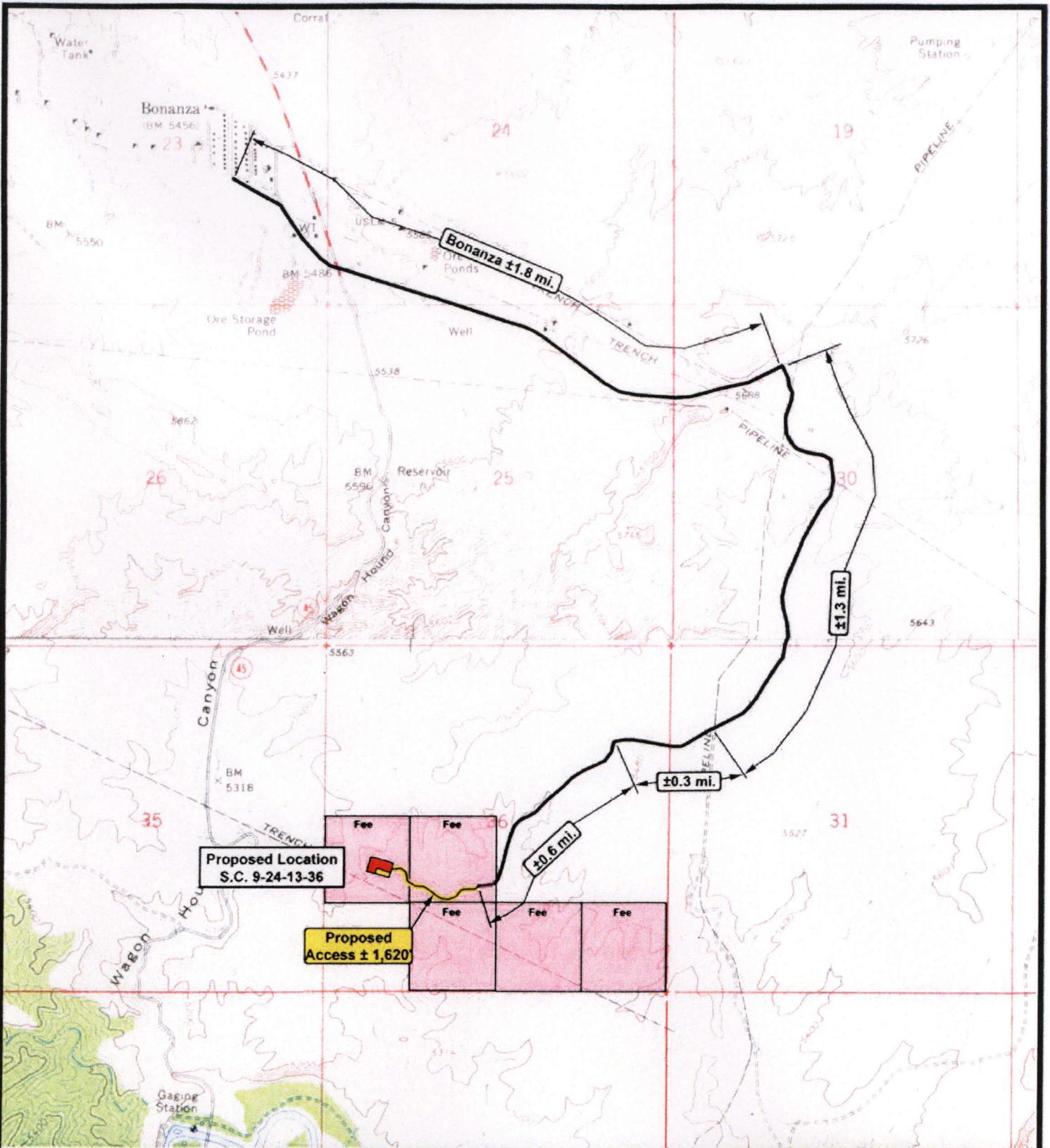
**Legend**

- Existing Road
- Proposed Access

**TOPOGRAPHIC MAP**

**"A"**

**SHEET**  
**7**  
**OF 10**



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36**  
**Sec. 36, T9S, R24E, S.L.B.&M.**



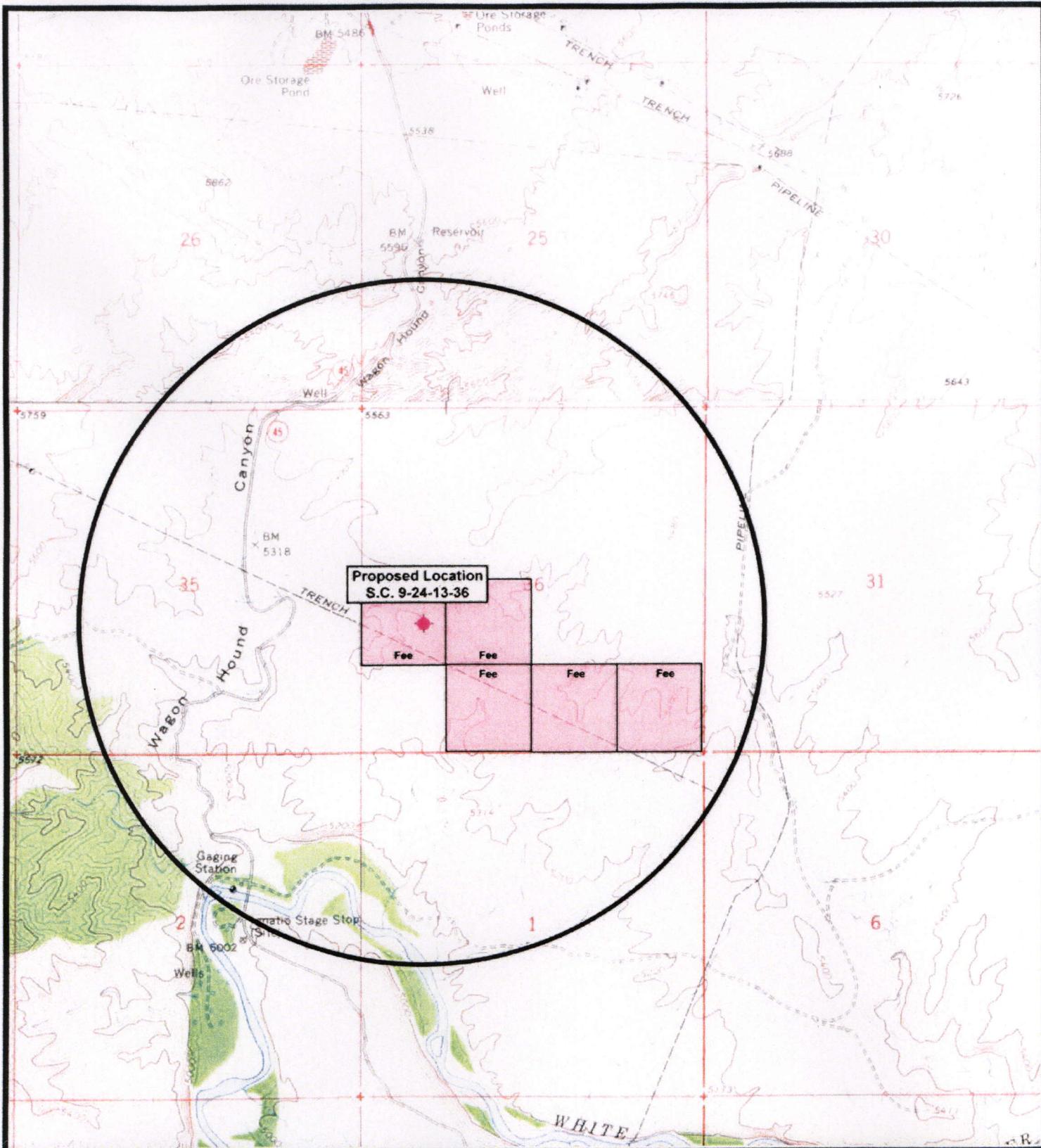
**Tri-State**  
*Land Surveying Inc.*  
 (435) 781-2501  
 180 North Vernal Ave. Vernal, Utah 84078

**SCALE: 1" = 2,000'**  
**DRAWN BY: mw**  
**DATE: 07-17-2006**

**Legend**

- Existing Road
- Proposed Access

**TOPOGRAPHIC MAP** **SHEET**  
**"B"** **8**  
 OF 10



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36  
SEC. 36, T9S, R24E, S.L.B.&M.**



**Tri-State  
Land Surveying Inc.**  
(435) 781-2501

180 North Vernal Ave. Vernal, Utah 84078

**SCALE: 1" = 2,000'**

**DRAWN BY: mw**

**DATE: 11-22-2006**

**Legend**

- Location
- One-Mile Radius

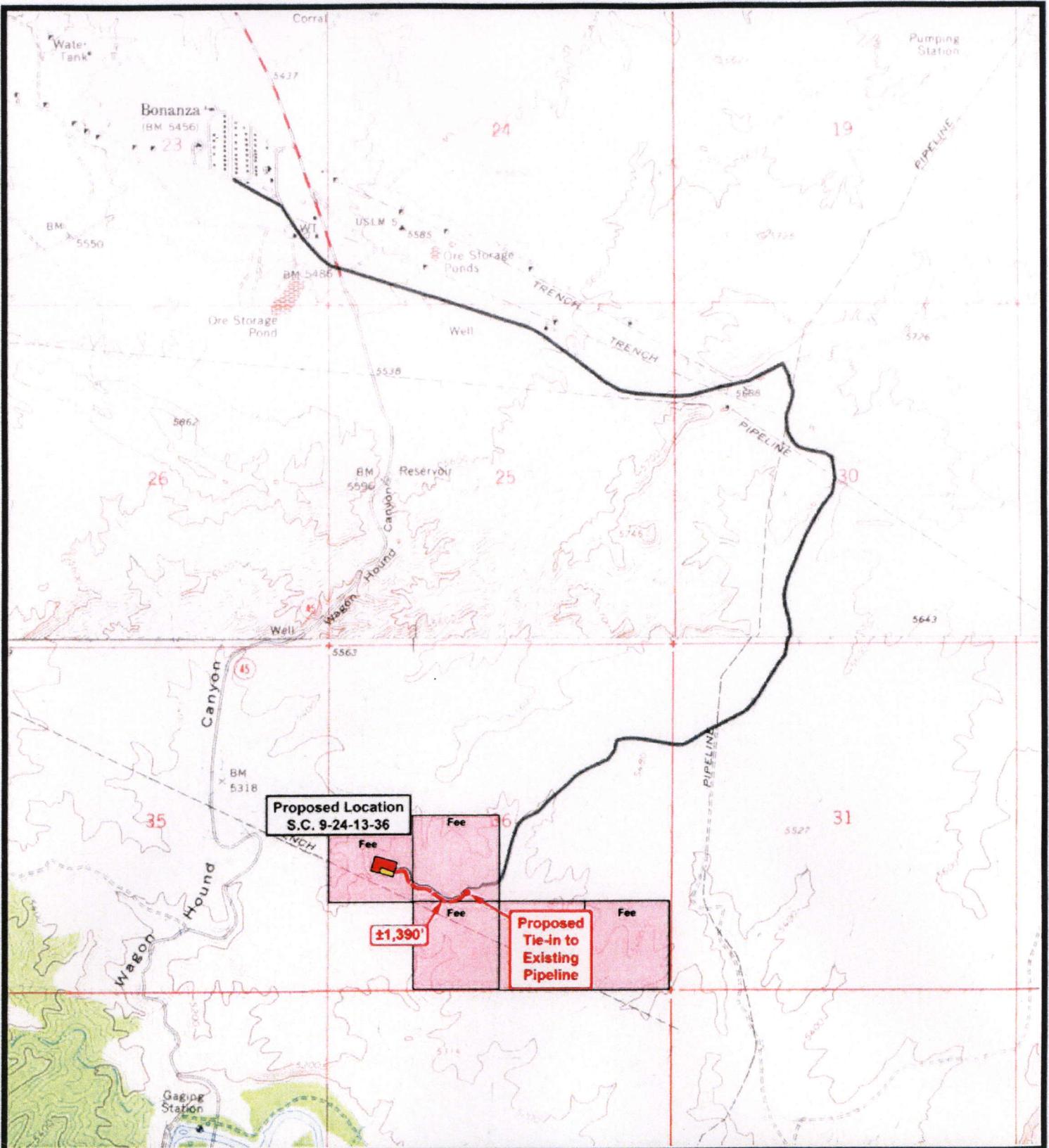
**TOPOGRAPHIC MAP**

**"C"**

**SHEET**

**9**

**OF 10**



**ENDURING RESOURCES**

**Southam Canyon 9-24-13-36  
Sec. 36, T9S, R24E, S.L.B.&M.**



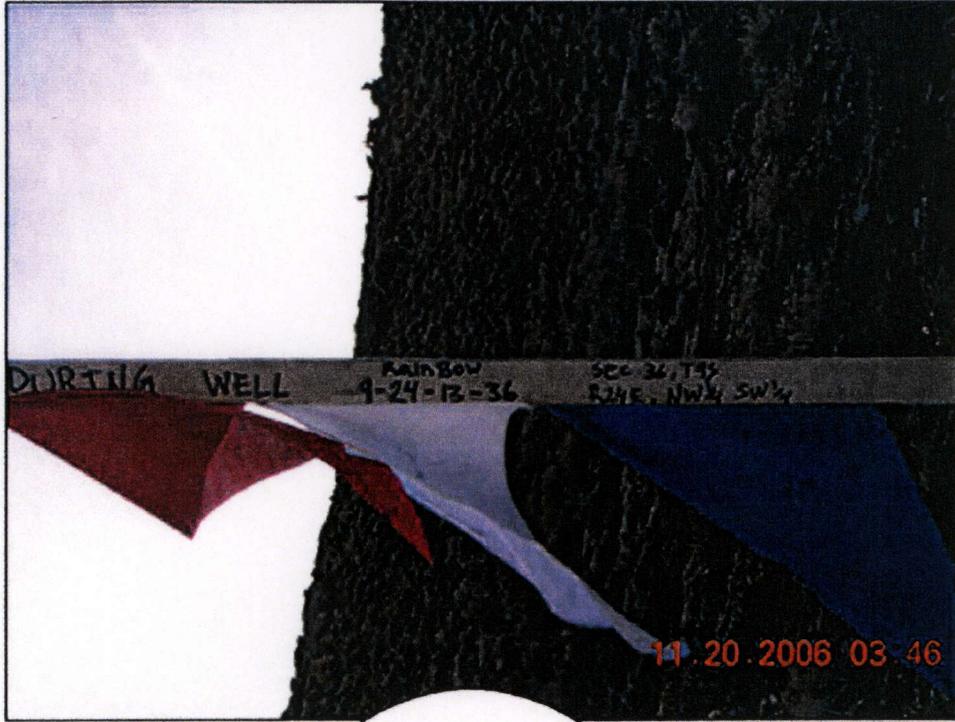
**Tri-State**  
*Land Surveying Inc.*  
(435) 781-2501  
180 North Vernal Ave. Vernal, Utah 84078

**SCALE: 1" = 2,000'**  
**DRAWN BY: mw**  
**DATE: 11-22-2006**

**Legend**

- Roads
- Proposed Gas Line

**TOPOGRAPHIC MAP** **SHEET**  
**"D"** **10**  
OF 10



CENTER STAKE

  
ENDURING RESOURCES  
S.C. 9-24-13-36

Date Photographed: 11/20/2006  
Date Drawn: 11/22/2006  
Drawn By: mw

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



NORTH

  
ENDURING RESOURCES

S.C. 9-24-13-36

Date Photographed: 11/20/2006

Date Drawn: 11/22/2006

Drawn By: mw

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

EAST





SOUTH

  
ENDURING RESOURCES

S.C. 9-24-13-36

Date Photographed: 11/20/2006

Date Drawn: 11/22/2006

Drawn By: mw

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

WEST



**Directions to the Well Pad for:  
Southam Canyon 9-24-13-36**

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza traveling south on a paved road for a distance of approximately 1.8 miles where is a turn to the right. Turn right and proceed southerly for approximately 1.3 miles to a turn to the right. Turn right and proceed westerly for approximately 0.3 miles to a turn to the left. Turn left and proceed southwesterly approximately 0.6 miles to the beginning of the proposed access for the Southam Canyon 9-24-13-36 well pad. Turn left onto the proposed access and proceed westerly for approximately 1,620' to the proposed Southam Canyon 9-24-13-36 well pad.

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

FORM 6

ENTITY ACTION FORM

Operator: Enduring Resources, LLC Operator Account Number: N 2750  
Address: 475 17th Street, Suite 1500  
city Denver  
state CO zip 80202 Phone Number: (303) 350-5114

Well 1

*NWSW*

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738910	Southam Canyon 9-24-13-36		NWNE	36	9S	24E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	<i>16975</i>	7/27/2008		<i>7/30/08</i>		
Comments: <i>mVRD</i>							<b>CONFIDENTIAL</b>

Well 2

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

Well 3

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

ACTION CODES:

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

Alvin R. (Al) Arlian

Name (Please Print)



Signature

Landman-Regulatory

Title

7/29/2008

Date

RECEIVED

JUL 29 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

*CONFIDENTIAL*

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		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
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Southam Canyon 9-24-13-36
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304738910
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1868' FSL - 855' FWL		10. FIELD AND POOL, OR WILDCAT: Undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E S		COUNTY: Uintah
		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/28/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Conductor and Surface Pipe Report</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.

7-24-2008 MI ProPetro Drilling. Drill 40' of 20" hole and set 40' of 14" conductor w/ 3 yards of Ready Mix Cement. Waiting to set surface pipe.

7-28-2008 Drill 12 1/4" surface hole to 2,060'. Hit Trona water at 600'. POOH laying down drill pipe. RIH w/cement shoe, 1 joint casing, float collar, 8 centralizers, 2 cement baskets at 200' and 200' from surface, and 52 joints of 8-5/8", 24#, J55 casing to 1,960'.

Cement as follows:

555 SXS cement, Premium Cement w/ 2% CACL2, 1/4#/SX flocele, 1.15 CU/FT Yield, 15.8.

Completion Report to Follow.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>9/24/2008</u>

(This space for State use only)

**RECEIVED**  
**SEP 29 2008**

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		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
1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Southam Canyon 9-24-13-36
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304738910
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1868' FSL - 855' FWL		10. FIELD AND POOL, OR WILDCAT: Undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E S		COUNTY: Uintah
		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>9/24/2008</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

In order to prevent waste of gas, as defined by law; to protect the correlative rights of all parties concerned; to prevent the drilling of un-necessary wells; and to insure proper and efficient development and promote conservation of the gas resources of the State of Utah, Enduring Resources, LLC respectfully request approval to perforate and commingle the Wasatch and Mesaverde formations "pools" in the same well bore.

- Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs.
- These formations shall be commingled in the well bore and produced concurrently in a single string of 2-3/8" production tubing.
- Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units.
- Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas lease or production units overlying the "pool."

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>9/24/2008</u>

(This space for State use only)

**APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**

DATE: 10/16/08

BY: [Signature] (See instructions on Reverse Side)

**COPY SENT TO OPERATOR**

Date: 10-20-2008

Initials: KS

**RECEIVED**

SEP 29 2008

DIV. OF OIL, GAS & MINING

(5/2000)

**ENDURING RESOURCES, LLC**

425 Seventeenth Street, Suite 1500

Denver, Colorado 80202

Telephone: 303-573-1222

Facsimile: 303-573-0461

May 16, 2008

Forest Oil Corporation  
707-17<sup>th</sup> Street, Suite 3600  
Denver, Colorado 80202-4966

**CERTIFIED MAIL**  
**ARTICLE NO: 70063450000142724173**

Attention: Land Department

**RE: Commingling Application**  
**Southam Canyon 9-24-13-36**  
**NW/4SW/4 Sec. 36, T9S-R24E**  
**Uintah County, Utah**

Dear Leasehold Interest Owner:

Enduring Resources, LLC ("Enduring") has filed an application with the State of Utah Division of Oil, Gas, and Mining requesting approval of the Wasatch and Mesaverde formations (pools) in the above-referenced well to be commingled.

Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs. These formations (pools) shall be commingled in the well's well bore.

Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units. Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas leases or production units overlying the commingled pools (commingled formations).

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

**ENDURING RESOURCES, LLC**



Alvin R. (Al) Arlian  
Landman – Regulatory Specialist

ara/

Attachments as stated:

**RECEIVED**

**SEP 29 2008**

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

# AFFIDAVIT OF MAILING

Statue of Colorado )  
City and )ss.  
County of Denver )

Alvin R. Arlian (hereinafter sometimes referred to as "Affiant"), of lawful age, being first duly sworn upon oath, deposes and says:

1. Affiant is a Landman-Regulatory Specialist for Enduring Resources, LLC (hereinafter sometimes referred to as "Enduring") whose address is 475-17<sup>th</sup> Street, Denver, Colorado 80202,
2. Enduring is the operator of the following described oil and gas well:

**Southam Canyon 9-24-13-36  
NW/4SW/4 Sec. 36, T9S-R24E  
Uintah County, Utah**

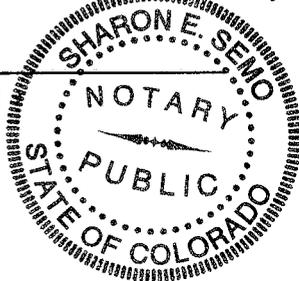
3. A cursory search of applicable records confirmed that the following parties are the only leasehold interest owners in the contiguous oil and gas wells, contiguous oil and gas leases, or contiguous oil and gas well production units overlying the "pool."
  1. Forest Oil Corporation
  - 2.
  - 3.
  - 4.
4. On Wednesday, September 24, 2008 Affiant mailed (or caused to be mailed) in U.S. Mail, with postage prepaid, a copy of the attached Application for Commingling two or more pools (formations) in one well bore of the well described in Paragraph No. 2 above which said Application for Commingling (Form 9) has/had concurrently been filed with the State of Utah Division of Oil, Gas, and Mining (and if applicable, copies sent to SITLA, and the Bureau of Land Management), and
5. Attached is a map showing the location of wells' located on contiguous oil and gas leases and/or production units.

Affiant saith no more.

  
Alvin R. Arlian, Affiant

Scribed and sworn to before me this 24<sup>th</sup> day of September, 2008 by Alvin R. Arlian.

9/23/2009  
My Commission Expires:



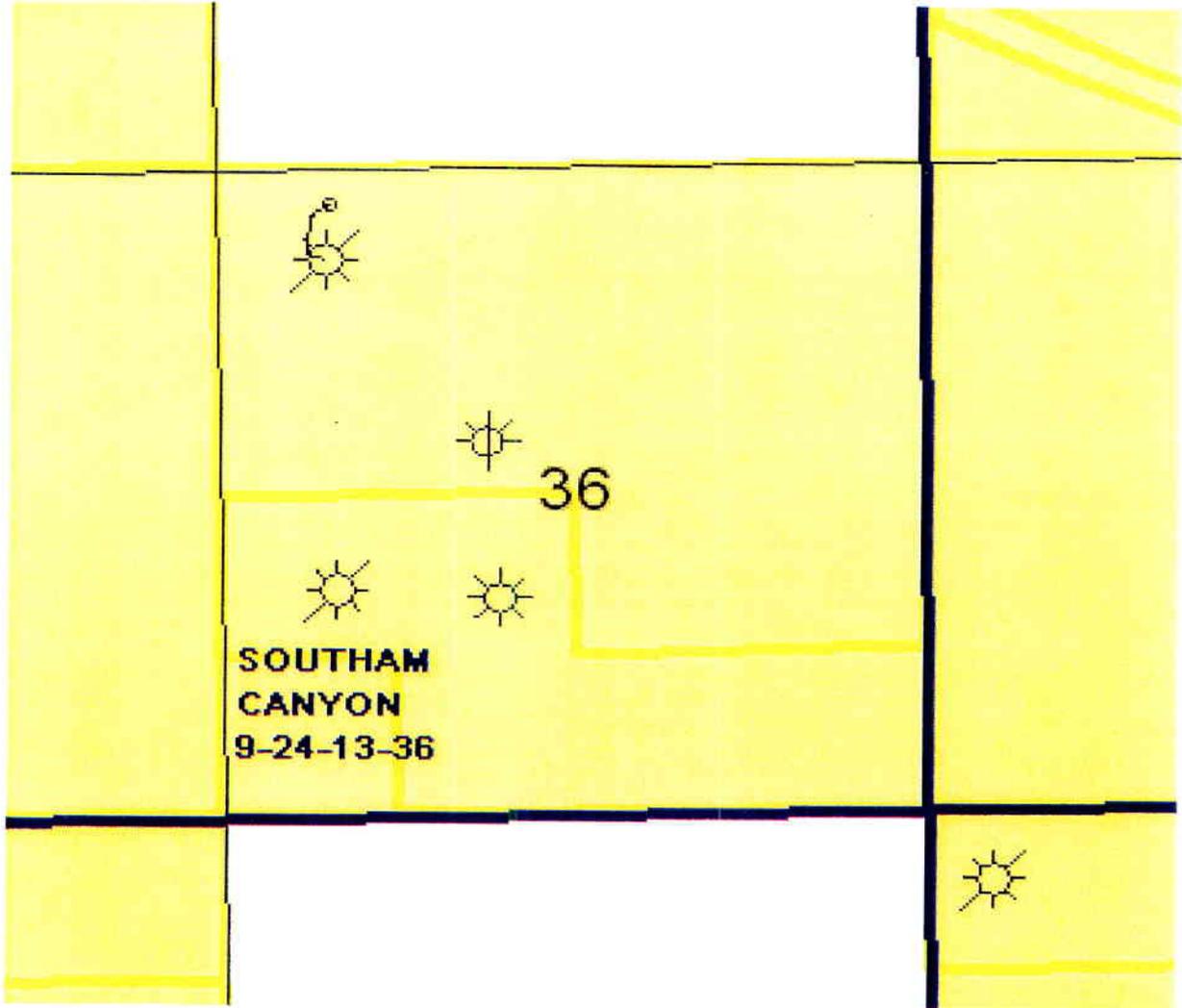
  
Notary Public.

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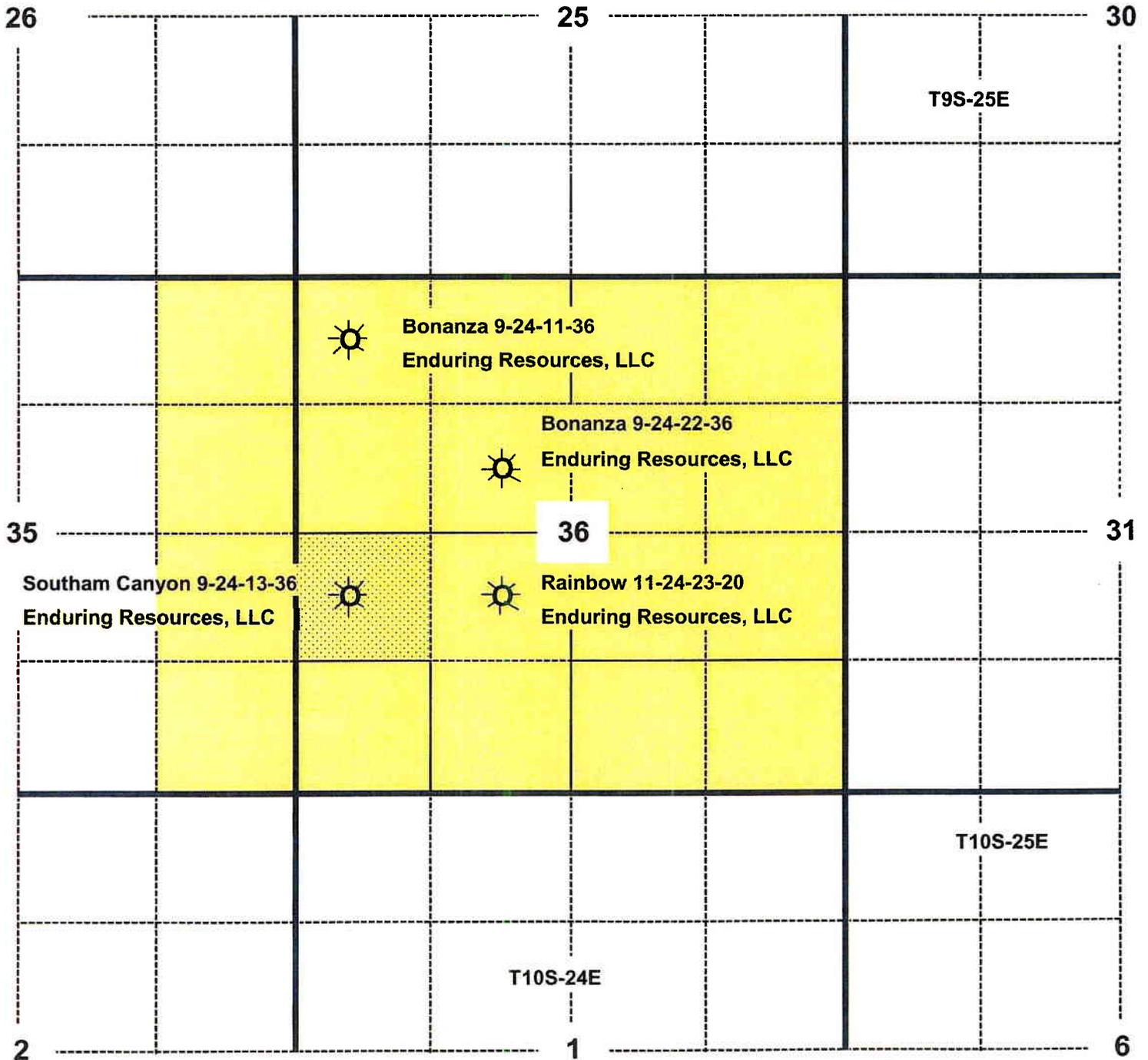
MAP ATTACHED TO ENDURING RESOURCES LLC COMMINGLING  
APPLICATION FOR SOUTHAM CANYON 9-24-13-36 LOCATED IN THE  
NW-SW SEC. 36, T9S-R24E



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Map attached to Enduring Resources LLC Commingling application for the Southam Canyon 9-24-13-36 Well located in the NWSW of Sec. 36, T9S-R24E

TOWNSHIP 9 SOUTH - RANGE 24 EAST  
UNITAH COUNTY, UTAH



50% Working Interest Enduring Resources, LLC  
50% Working Interest Forest Oil Corporation

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>FEE</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
1. TYPE OF WELL    OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>N/A</b>
2. NAME OF OPERATOR: <b>Enduring Resources, LLC</b>		8. WELL NAME and NUMBER: <b>Southam Canyon 9-24-13-36</b>
3. ADDRESS OF OPERATOR: <b>475 17th Street, Suite 1500</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>		9. API NUMBER: <b>4304738910</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1868' FSL - 855' FWL</b>		10. FIELD AND POOL, OR WILDCAT: <b>Undesignated</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 36 9S 24E S</b>		COUNTY: <b>Uintah</b>
		STATE: <b>UTAH</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: <b>11/8/2008</b>	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>First Gas Sales</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

11-8-2008 First Gas Sales.  
Completion Report to Follow.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>11/8/2008</u>

(This space for State use only)

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43-047-38910


**Enduring Resources, LLC**

475 17th St. - Suite 1500  
 Denver, CO 80202  
 (303) 573-1222

**Drilling Chronological**  
**Regulatory**

Well Name: SOUTHAM CANYON 09-24-13-36							
Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT		
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern		
Project AFE:	DV00873	AFEs Associated:			/ / /		
Daily Summary							
Activity Date :	6/26/2008	Days From Spud :	0	Current Depth :	0 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :				Rig Name:			
Formation :				Weather:			
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	2.00	23	Move Niles Chapman Construction	0	0	NIH	
8:00	11.00	21	Start construction-location and roads	0	0	NIH	
19:00	11.00	24	SDFN	0	0	NIH	
Total:	24.00						
Daily Summary							
Activity Date :	7/17/2008	Days From Spud :	0	Current Depth :	0 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :				Rig Name:			
Formation :				Weather:			
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	12.00	21	Finish Location and Road, Install Culverts	0	0	NIH	
18:00	12.00	24	SDFN	0	0	NIH	
Total:	24.00						
Daily Summary							
Activity Date :	7/25/2008	Days From Spud :	0	Current Depth :	200 Ft	24 Hr. Footage Made :	200 Ft
Rig Company :				Rig Name:			
Formation :	Surface			Weather:			
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	24.00	02	ProPetro Drilling 12.25" hole to 200 ft	0	200	NIH	
Total:	24.00						
Daily Summary							
Activity Date :	7/26/2008	Days From Spud :	0	Current Depth :	1230 Ft	24 Hr. Footage Made :	1030 Ft
Rig Company :				Rig Name:			
Formation :	Surface			Weather:			
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	24.00	02	Drilling surface hole from 200 ft to 1230 ft (Hit Trona water at 600 ft)	200	1230	NIH	
Total:	24.00						
Daily Summary							
Activity Date :	7/27/2008	Days From Spud :	0	Current Depth :	1960 Ft	24 Hr. Footage Made :	730 Ft
Rig Company :				Rig Name:			
Formation :	Surface			Weather:			
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	24.00	02	Drill 12-1/4" hole from 1230 ft to 1960 ft (Bit trip)	1230	1960	NIH	
Total:	24.00						

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12/2/2008

**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	7/28/2008	Days From Spud :	0	Current Depth :	2060 Ft	24 Hr. Footage Made :	100 Ft
Rig Company :		Rig Name:		Formation :	Surface	Weather:	

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	7.00	02	Drilled surface hole to 2060 ft MD	1960	2060	NIH
13:00	3.50	06	POOH to run casing	2060	2060	NIH
16:30	11.50	12	Ran 52 jts 8-5/8" 24#/ft J-55 STC and landed at 2,006 ft and PBD @1965 ft. Cement with Pro Petro Pumped 90 bbl water, 40 bbl Gel, 156 bbl High Fill Lead at 11.00 ppg 40.9 bbl 2% 1/4# cement at 15.8 ppg. Displaced with 119 bbl's water and plug bumped and floats held.	2060	2060	NIH
4:00	2.00	13	WOC	2060	2060	NIH
Total:	24.00					

**Daily Summary**

Activity Date :	7/29/2008	Days From Spud :	0	Current Depth :	2060 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :		Rig Name:		Formation :		Weather:	

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	3.00	13	WOC	0	0	NIH
9:00	8.50	01	Install cellar rig and level location. Hauling Frontier Rig 4 modules to locations. Installed derick on carrier Insellhead Inc QDF starting head and PT weld to 1200 psi for 5 min OK.	0	0	NIH
17:30	12.50	22	Wait till daylight to start RU Frontier Rig #4	0	0	NIH
Total:	24.00					

**Daily Summary**

Activity Date :	7/30/2008	Days From Spud :	0	Current Depth :	2060 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :		Rig Name:		Formation :	CEMENT	Weather:	

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	18.00	01	MIRU Frontier Rig # 4. RU 9" BOP with 11" mud cross. Unable to run 11" wear bushing and unable to pressure test the pipe ram to 3000 psi. Recievered wavered from Dave Hackford with State of Utah Dept of Natural Resources tp pressure test the pipe rams and 8-5/8" 24#/ft casing to 1500 psi . Frontier Rig 4 has no HCR valve or hydraulic choke.	0	0	NIH
0:00	6.00	01	Hauling fresh water. Fill pits, prime pumps 2-PZ8's and circulate surface lines. PU kelly and rig up	0	0	NIH
Total:	24.00					

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**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	7/31/2008	Days From Spud :	0	Current Depth :	2060 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :				Rig Name:			
Formation :	CEMENT			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.50	01	RU and waiting on test tp PT the BOP's	0	0	NIH
6:30	0.50	01	RU to PT BOP and surface equipment	0	0	NIH
7:00	5.00	15	PT BOPs RIH and set cup test packer and PT the pipe rams to 1500 psi. Packer leaked, POOH and changed packer element. RIH and packer won't hold. LD same and RIH 10 ft, close pipe rams and chain DP and PT to 250 / 1500 psi. Tested See remarks	0	0	NIH
12:00	2.50	15	ND Rotating Head and PU on BOP stack. Install QDF 11" test plug and NU BOP's QDF flange	0	0	NIH
14:30	1.00	15	Wait on Test plug from Wellhead In in Vernal	0	0	NIH
15:30	0.75	15	Install 11" QDF Test Plug and NU BOP's	0	0	NIH
16:15	1.75	15	Test BOP and surface equipment to 250 / 3000 psi	0	0	NIH
18:00	2.00	14	Removed test joint, ND BOP's and removed Test plug. NU BOP's and choke and kill line	0	0	NIH
20:00	0.50	15	PT the surface casing to 1500 psi below the blind shears Ref to 24 hr Summary	0	0	NIH
20:30	6.00	06	PU Drilling BHA # 1 with motor, IBS's and PDC bit. Tagged at 1925 ft	0	0	NIH
2:30	0.50	05	Install rotating head and PU kelly and break circulation	0	0	NIH
3:00	2.00	02	Drilled cement stringers from 1925 ft to 1938 ft	1925	1938	NIH
5:00	1.00	22	Stand kelly back and LD 1 jts 4" DP and tighten kelly connections	0	0	NIH
Total:	24.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
2060	17:00	8.40	8.40	27	1	0	0/0/0	0.0	0.0	0	0.00	0.0%	0.0%	0.0%	0.0%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	0.00	0.00	0.00	0.00	1000	120	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	0.0	60												

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12/2/2008

**Well Name:SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County,State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	<b>8/1/2008</b>	Days From Spud :	0	Current Depth :	3175 Ft	24 Hr. Footage Made :	1115 Ft
Rig Company :	Frontier	Rig Name:	Frontier Rig 4				
Formation :	SD. & SH.	Weather:					

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	3.25	02	Drilled cement shoe Drilled out of shoe track at 2002 ft Circulated well clean and fluid packed surface lines. PU 30 ft off bottom and closed annular and conducted Formation Integrity Test (FIT) Spudded at 07:00 hrs	1938	2033	NIH
9:15	0.75	02	Conducted Formation Integrity Test (FIT). Increased WHP to 200 psi which equates to a EMW of 10.2#/ft at 2006 ft TVD. 4 minutes, WHP fell to 0 psi in 5 minutes tried Test twice and both time same results Confirmed surface integrity	2033	2033	1
10:00	1.25	02	Drilling RPM = 54 / 71 RPM at Qp = 120 gpm at 1274 psi off bottom ROP at 120 fph	2033	2127	1
11:15	0.25	10	Survey 0 deg at 2048 ft	2127	2127	1
11:30	7.00	02	Drilling pumping sweeps every 100 ft Qp = 400 gpm WOB = 5-10k RPM = 60/ 71 rpm	2127	2660	1
18:30	0.50	10	Survey 4 deg at 2580 ft	2660	2660	1
19:00	11.00	02	Drilling pumping sweep every 100 ft Qp 450 gpm WOB 5-8k and ROP at 60/72 rpm Ream all connections twice. At 2580 ft	2660	3175	1

Total: 24.00

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
2731	17:00	8.40	8.40	27	1	0	0/0/0	0.0	0.0	0	0.00	0.0%	0.0%	0.0%	0.0%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	0.00	0.00	0.00	0.00	120	900	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	0.0	87												

**Daily Summary**

Activity Date :	<b>8/2/2008</b>	Days From Spud :	0	Current Depth :	3640 Ft	24 Hr. Footage Made :	465 Ft
Rig Company :	Frontier	Rig Name:	Frontier Rig 4				
Formation :	SD. & SH.	Weather:					

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.50	10	Survey at 3175 ft MD 5 deg	3175	3175	1
6:30	1.50	02	Drilled to 3236 ft, drilling break Put well through gas buster and all of the 6" unions leaked. Had to shut well in with gas to surface	3175	3236	1
8:00	7.00	05	SWI; SICP at 650 psi and SIDPP = 250 psi. Mixed up gel and added barite to inc the density to 10ppg. SICP rose from 600 psi to 900 psi Worked DP constantly through the annular while mixing chemicals. No personnel on location had any well control training except company man. Tried to circulate down DP while taking returns up the annulus while maintaining constant bottomhole pressure. Too much raw gas at surface, SWI. Unable to maintain schedule. SD and closed well in. Lined up and bull headed 96 bbl 10ppg mud down annulus ( DP x surface pipe annulus) SD and circulated well down DP and holding 900 psi on manual choke ( maintaining constant bottomhole pressure. Circulated 180 bbls around. Circulated wellbore volume twice and density was gas cut at 10.ppg in and 9.9 ppg out. Open choke and well not flowing LD 1 jt of drill pipe and wash/reamed back to bottom	3236	3236	1
15:00	15.00	02	Drilling and mixing mud to balance density out to 9.9 to 1 0ppg in and out Qp = 390gpm RPM = 68 / 62 rpm Pump sweeps	3236	3640	1

Total: 24.00

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
3400	23:30	10.00	10.00	40	10	15	15/28/32	17.0	0.0	0	0.00	7.0%	0.0%	0.0%	0.2%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	8.50	0.20	0.10	0.40	100	400	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	10.0	108												

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**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	<b>8/3/2008</b>	Days From Spud :	3	Current Depth :	4300 Ft	24 Hr. Footage Made :	660 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :	Mesaverde			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	2.00	02	Drilling ahead. Some torque issues. Reduced WOB and lower density to 9.0 ppg instead of 10.3ppg. Drilling	3640	3679	1
8:00	0.50	10	Directional Survey 5 deg	3679	3679	1
8:30	6.00	02	Drilling from 3,679 ft. Increase MW to 10.3ppg, Shale seen at shaker , blocky and splinter	3679	3838	1
14:30	0.75	07	Rig Service	3838	3838	1
15:15	10.00	02	Drilling from 3,838 ft to 4,173 ft and drilling into Mesaverda Seen some torque and a few splinter shale Den at 10.3ppg Vis at 40 sec/qt	3838	4173	1
1:15	4.75	02	Drilling from 4173 ft to 4300 ft Torque i.e stalled table offen	4173	4300	1
Total:	24.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
3948	15:00	10.30	10.30	38	10	10	11/21/27	16.0	0.0	0	0.00	7.0%	0.0%	0.0%	0.2%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.0	8.60	0.30	0.10	0.40	100	350	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	10.0	123												

**Daily Summary**

Activity Date :	<b>8/4/2008</b>	Days From Spud :	4	Current Depth :	4895 Ft	24 Hr. Footage Made :	595 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :	Mesaverde			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.83	02	Drilling Pump 30 bbl sweep to reduce torque	4300	4314	1
6:50	0.67	10	Circulated sweep up (no extra solids. Survey	4314	4314	1
7:30	7.50	02	Drilled from 4,314 ft to 4,536 ft	4314	4536	1
15:00	0.50	07	Rig Service	4536	4572	1
15:30	12.25	02	Drilling Well control drill with Frontier crew	4572	4847	1
3:45	0.68	10	Drirection Survey 5 deg	4847	4847	1
4:26	1.57	10	Drilling ahead at 4,895 ft	4847	4895	1
Total:	24.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
4667	19:00	10.40	10.40	48	20	10	11/21/30	9.7	0.0	0	0.00	13.0%	0.0%	0.0%	0.5%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
10.0	9.00	0.35	0.15	0.40	150	300	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	10.6	124												

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**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	<b>8/5/2008</b>	Days From Spud :	5	Current Depth :	5350 Ft	24 Hr. Footage Made :	455 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :	Mesaverde			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	7.50	02	Drilling ahead	4895	5073	1
13:30	0.50	07	Rig Service	5073	5073	1
14:00	4.00	02	Drilling MP2 Rotating Hrs at 91.5 hrs 3,211 ft drilled. 35 fph averaged	5073	5136	1
18:00	2.88	02	Drilling ahead	5136	5164	1
20:53	0.33	05	Suction hose parted, SD, PU and circulate build mud	5164	5164	1
21:13	8.78	02	Drilling and build 10.5ppg mud volume	5164	5350	1
Total:	23.99					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
5166	18:00	10.50	10.50	50	10	10	11/22/29	6.9	0.0	2	0.00	12.0%	0.0%	0.0%	0.5%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
11.3	9.00	0.40	0.20	0.40	150	400	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	10.6	131												

**Daily Summary**

Activity Date :	<b>8/6/2008</b>	Days From Spud :	6	Current Depth :	5519 Ft	24 Hr. Footage Made :	9 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :	Mesaverde			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.50	02	Drilling ahead	5350	5359	1
6:30	0.75	10	Direction Survey 3.50 deg TVD 5,348ft, TVD 5,359 ft MD	5359	5453	1
7:15	5.25	02	Drilling ahead Seen splinter shale and some blocky shale at 5,456 ft. Received 150 jts 4-1/2" 11.6#/ft LT&C and 1 marker joint	5453	5359	1
12:30	3.00	02	Drilling ahead and inc density to 10.6+ppg	5359	5359	1
15:30	0.50	07	Rig Service	5359	5359	1
16:00	0.50	05	Made connection, tagged up at 5,453 ft, LD 2 jts and washed and reamed 5,453 ft to 5,485 ft without much effort	5359	5359	1
16:30	1.25	02	Drilling from 5,485 ft to 5,486 ft	5359	5359	1
17:45	0.25	05	ROP slowed down. Mix and pump slug	5359	5359	1
18:00	4.00	06	POOH LD Motor and bit Rubber plugged in 3 nozzles. Corrected TD from 5,485 ft to 5,517 ft	5359	5359	1
22:00	3.00	06	RIH with BHA #2 and tagged at 2,848 ft Top of Wasatch	5359	5359	2
1:00	1.50	21	Working tight hole at 2,845 ft between 40 klb down and 200 k up and after 1 hr it pulled free	5359	5359	2
2:30	1.00	03	Washing & reaming from 2,753 ft to 2,886 ft	5359	5359	2
3:30	0.42	06	RIH and tagged again at 2,943 ft.	5359	5359	2
3:55	1.33	03	Reamed 2943 ft 3076 ft, Well packing off and lots splinter and blocky shale coming across the shaker. MW at 10.6PPG out	5359	5359	2
5:15	0.75	05	Circulate and condition mud to bring up to 10.8ppg	5519	5519	2
Total:	24.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
5486	17:30	10.70	10.60	50	19	20	11/21/32	9.0	0.0	2	0.00	13.0%	0.0%	0.0%	0.6%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
10.0	9.00	0.60	0.15	0.45	150	500	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	11.2	132												

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**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	<b>8/7/2008</b>	Days From Spud :	7	Current Depth :	5519 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :	Mesaverde			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	8.75	03	Wash/Reamed Wasatch formation from 2,912 ft to 3,600 ft	5519	5519	2
14:45	0.58	06	RIH with stands out of the derrick and tagged the top of the Mesaverda at 4280 ft.	5519	5519	2
15:20	14.67	03	Washing / reaming Mesaverde Formation. Having to ream every connection without much effort. Will not go in the hole otherwise Presently at 06:00 hrs 271 ft to wash / ream to bottom	5519	5519	2

Total: 24.00

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
5486	15:00	11.00	10.90	48	21	21	11/25/32	10.0	0.0	2	0.00	14.0%	0.0%	0.0%	0.5%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
12.5	9.30	0.60	0.25	0.65	150	300	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	11.2	132												

**Daily Summary**

Activity Date :	<b>8/8/2008</b>	Days From Spud :	8	Current Depth :	6075 Ft	24 Hr. Footage Made :	556 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :	Mesaverde			Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	4.50	03	W/R from 5,248 ft to 5,514 ft Tagged bottom	5248	5519	2
10:30	3.00	02	Drilling Mesaverde to 5,570 ft	5519	5570	2
13:30	0.50	07	Rig Service	5519	5519	2
14:00	4.50	02	Drilling from 5,570 ft to 5,799 ft	5519	5799	2
18:30	0.50	10	Survey at 5,730 ft 3.25 deg	5799	5799	2
19:00	4.17	02	Drilling 5,730 ft 6,075 ft	5799	6075	2
23:10	1.00	05	Circulate and condition mud prior to wiper trip for logs	0		2
0:10	5.83	06	Wiper trip for logs Pulled tight on some stands while POOH to 2700 ft, RIH	0	0	2

Total: 24.00

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
5901	20:00	11.50	11.50	50	18	27	11/31/46	10.0	0.0	2	0.00	15.0%	0.0%	0.0%	0.5%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
0.5	9.10	0.65	0.18	0.60	150	500	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	12.0	136												

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**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	<b>8/9/2008</b>	Days From Spud :	9	Current Depth :	6075 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :				Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	1.50	06	RIH for wiper trip to log	6075	6075	2
7:30	2.00	05	Circulate and condition mud for logs Pump 40 bbl sweep Drop survey	6075	6075	2
9:30	5.00	06	POOH for logs, SLM	6075	6075	2
14:30	1.00	21	LD BHA.	6075	6075	2
15:30	0.33	01	RU Halliburton's Eline surface equipment	6075	6075	2
15:50	0.42	21	Safety meeting	6075	6075	2
16:15	0.08	01	PU tools and RIH with Triple combo Tool.	6075	6075	2
16:20	2.50	11	RIH with logging tools. Tied in casing shoe at 2,016 ft KB ELMD Tagged bottom at 6,070 ft corrected. PUH logging as per procedure	6075	6075	2
18:50	0.92	01	RD logger	6075	6075	2
19:45	0.75	06	PU insert bit and bit sub RIH to clean out and LD	6075	6075	3
20:30	1.50	09	CDL	6075	6075	3
22:00	2.50	06	RIH and tagged bottom at 6,070 ft	6075	6075	3
0:30	1.50	05	Circulate and condition mud for running pipe. RU lay down machine	6075	6075	3
2:00	4.00	06	POOH laying down drill pipe	6075	6075	3
Total:	24.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
6070	18:00	11.60	11.60	42	19	22	11/30/36	10.0	0.0	2	0.00	15.0%	0.0%	0.0%	1.0%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
12.5	8.70	0.40	0.10	0.40	100	400	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	12.0	0												

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DIV. OF OIL, GAS & MINING

**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Daily Summary**

Activity Date :	<b>8/10/2008</b>	Days From Spud :	10	Current Depth :	6075 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :				Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
	0.00		Set casing on slips using 75k Cut casing off and remove landing joint	6075	6075	3
6:00	1.75	06	Drill Pipe layed down, PU kelly and break	6075	6075	3
7:45	1.25	06	LD drill collars	6075	6075	3
9:00	1.00	01	Rig up casing crew	6075	6075	3
10:00	6.00	12	Run casing. Tagged bottom at 6075 ft with 139 jt. LD1 JT and PU Landing jt and RIH and set casing at 6070 ft OU wt is 620 and slack off 55k down	6075	6075	3
16:00	3.00	05	Circulate and condition mud for cement RD Casers and clean up in front of rig for cementers	6075	6075	3
19:00	1.75	12	Cement well 7 bl water ahead, 75 bbls 110 sxs HiFill Density 11.2ppg, followed by 186 bbl (830 sxs) 50/50 Poz (14.5 ppg) Displaced with 91.5 bbl water and plug bumped and floats held. See remarks	6075	6075	3
20:45	0.75	12	Wash up, RD ProPetro	6075	6075	3
21:30	1.50	01	ND BOPs and set Wellhead Slips	6075	6075	3
23:00	0.00	01	RDRT	6075	6075	3
Total:	17.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
6075	18:00	11.60	11.60	42	19	22	11/30/36	10.0	0.0	2	0.00	15.0%	0.0%	0.0%	1.0%
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
12.5	8.70	0.40	0.10	0.40	100	400	0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	12.0	0												

**Daily Summary**

Activity Date :	<b>8/11/2008</b>	Days From Spud :	11	Current Depth :	6075 Ft	24 Hr. Footage Made :	0 Ft
Rig Company :	Frontier			Rig Name:	Frontier Rig 4		
Formation :				Weather:			

**Operations**

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	6.00	01	RD and cleaning out mud tanks	6075	6075	3
12:00	0.02	01	Rig Released at 12:00 hrs 8-10-2008	6075	6075	3
12:01	17.98	01	Hauled out rental equipment and shipped excess casing to Yard	6075	6075	3
Total:	24.00					

**Mud Properties**

Depth	Time	Wt In	Wt Out	Vis	PV	YP	Gels	FL	HTFL	FC	HTFC	Solid	Water	Oil	Sand
							//		0.0	2	0.00		0.0%	0.0%	
MBT	pH	Pm	Pf	Mf	Cl	Ca	ES	Pom	Lime	Total Sal.	CaCl2	EDTA	O/W Ratio	Mud Loss	
			0.10				0	0.00	0.00	0	0	0.00		0	
Water Loss	LCM	ECD	FL Temp	UFT	Remarks										
0	0.0	12.0													

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DIV. OF OIL, GAS & MINING

**Well Name: SOUTHAM CANYON 09-24-13-36**

Field Name:	Natural Buttes	S/T/R:	36/9S/24E	County, State:	UINTAH, UT
Operator:	Enduring Resources, LLC	Location Desc:		District:	Northern

**Formation**

Formation Name	Current Well Top	Subsea Datum	Ref Well Top	Elec Top	Comments

**Casing**

DateIn	Setting Depth	Jts Run	Type	Size	Weight	Grade	MINID	HoleDiam	TD
7/27/2008	2006	52	3. Surface	8.625	24	J-55		12.25	2060

Stage: 1, Lead, 0, 555, , premium, 1.15, 15.8

8/9/2008	6070.69	2	5. Production	4.5	11.6	N-80	4	7.785	6075
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Stage: 1, Lead, 0, 75, , , 0, 11.2

Stage: 1, Tail, 0, 830, , Pozmix, 0, 14.5

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

AMENDED REPORT  FORM 8  
(highlight changes)

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. LEASE DESIGNATION AND SERIAL NUMBER:  
Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
N/A

7. UNIT or CA AGREEMENT NAME  
N/A

8. WELL NAME and NUMBER:  
Southam Canyon 09-24-13-36

9. API NUMBER:  
4304738910

10. FIELD AND POOL, OR WILDCAT  
Undesignated

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
NWSW 36 9S 24E S

12. COUNTY  
Uintah

13. STATE  
UTAH

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

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

2. NAME OF OPERATOR:  
Enduring Resources, LLC

3. ADDRESS OF OPERATOR:  
475 17th St, Suite 1500 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 573-1222

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 1868' FSL - 855' FWL  
AT TOP PRODUCING INTERVAL REPORTED BELOW: same as above  
AT TOTAL DEPTH: same as above

14. DATE SPUNDED: 7/24/2008 15. DATE T.D. REACHED: 8/7/2008 16. DATE COMPLETED: 11/8/2008 ABANDONED  READY TO PRODUCE  17. ELEVATIONS (DF, RKB, RT, GL): 5376 RKB

18. TOTAL DEPTH: MD 6,075 TVD \_\_\_\_\_ 19. PLUG BACK T.D.: MD 6,026 TVD \_\_\_\_\_ 20. IF MULTIPLE COMPLETIONS, HOW MANY? \* 4 21. DEPTH BRIDGE MD 4,100 PLUG SET: TVD \_\_\_\_\_

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
Previously submitted.  
SD, DSN, ACTR

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14"	line pipe	0	40		3 yards		0 (CIR)	0
12-1/4"	8 5/8 J55	24#	16	2,006		Prem 555	114	16 (CIR)	0
7-7/8"	4 1/2 N80	11.60#	16	6,071		pozmix 905	169	1960 (CBL)	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	3,255							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch	3,241	3,743			3,241 3,743	.38"	75	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Mesaverde	4,114	4,138			4,114 4,138	.38"	51	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3241 - 3743	Placed 60,144 lbs 30/50 proppant in Wasatch formation
4114 - 4138	Placed 110,000 lbs 30/50 proppant in Mesaverde formation

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

30. WELL STATUS:  
Producing

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31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 11/8/2008		TEST DATE: 11/22/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,187	WATER - BBL: 0	PROD. METHOD: flowing
CHOKE SIZE: 14/64	TBG. PRESS. 0	CSG. PRESS. 1,020	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,187	WATER - BBL: 0	INTERVAL STATUS: Producing

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

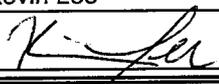
Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Green River Wasatch Mesaverde	620 2,839 4,090

35. ADDITIONAL REMARKS (include plugging procedure)

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

NAME (PLEASE PRINT) Kevin Lee TITLE Engineering Tech  
 SIGNATURE  DATE 12/2/2008

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340  
 1594 West North Temple, Suite 1210  
 Box 145801 Fax: 801-359-3940  
 Salt Lake City, Utah 84114-5801

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			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
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Enduring Resources, LLC			8. WELL NAME and NUMBER: Southam Canyon 9-24-13-36
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 350-5719	9. API NUMBER: 4304738910
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1868' FSL - 855' FWL COUNTY: Uintah  QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E S STATE: UTAH			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 type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start:  <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: <u>2/2/2009</u>	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____

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

Confirming well has been commingled.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>2/2/2009</u>

(This space for State use only)

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<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE SIGNATION AND SERIAL NUMBER: FE#
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: N/A
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: Southam Canyon 9-24-13-36
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		9. API NUMBER: 4304738910
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1868' FSL - 855' FWL		10. FIELD AND POOL, OR WILDCAT: Undesignated
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E S		COUNTY: Uintah STATE: UTAH

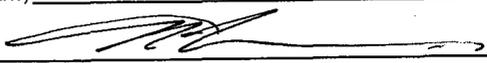
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 2/26/2009	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

This well is not commingled as reported (see attachment). The perforations are correct on the Form 8 submitted. However, before first sales on 10-16-2008, a CIBP topped with 10' of cement was set at 4100' and the Mesaverde was never produced.

This well has only produced out of the Wasatch formation since the date of first sales.

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>2/26/2009</u>

(This space for State use only)

**RECEIVED**  
**MAR 03 2009**

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input 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: 1868' FSL - 855' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 36 9S 24E S		8. WELL NAME and NUMBER: Southam Canyon 9-24-13-36
PHONE NUMBER: (303) 350-5719		9. API NUMBER: 4304738910
COUNTY: Uintah STATE: UTAH		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 type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 2/2/2009	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Confirming well has been commingled.  
*WROWG, BOTH PERFD  
BOT ONLY WASATCH PROD.*

**COPY**

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE 	DATE <u>2/2/2009</u>

(This space for State use only)

RECEIVED  
MAR 03 2009  
DIV. OF OIL, GAS & MINING

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

FORM 6

ENTITY ACTION FORM

Operator: Enduring Resources, LLC Operator Account Number: N 2750  
Address: 475 17th Street, Suite 1500  
city Denver  
state CO zip 80202 Phone Number: (303) 350-5114

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738910	Southam Canyon 9-24-13-36	NWNE	36	9S	24E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
E	16975	16975	7/27/2008		10/16/08	

Comments: Well produces from the WSTC only. The perforations are correct on the Form 8 filed. But, on 10-16-2008, a CIBP topped with 10' of cement was set at 4100' & the Mesaverde was never produced.

NWSW

**CONFIDENTIAL** 3/5/09

Well 2

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

Comments:

Well 3

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

Comments:

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

Alvin R. (Al) Arlian  
Name (Please Print)  
  
Signature  
Landman-Regulatory 3/5/2009  
Title Date

**RECEIVED**  
MAR 05 2009

(5/2000)

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> FEE
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> BONANZA
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> SOUTHAM CYN 9-24-13-36
<b>2. NAME OF OPERATOR:</b> Enduring Resources, LLC	<b>9. API NUMBER:</b> 43047389100000
<b>3. ADDRESS OF OPERATOR:</b> 475 17th Street, Suite 1500 , Denver, CO, 80202	<b>PHONE NUMBER:</b> 303 350-5114 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1868 FSL 0855 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 36 Township: 09.0S Range: 24.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> BONANZA  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 6/9/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Pit Closed

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 The drilling pits have been dried and backfilled. Will re-seed well pad this fall.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 June 11, 2009

<b>NAME (PLEASE PRINT)</b> Alvin Arlian	<b>PHONE NUMBER</b> 303 350-5114	<b>TITLE</b> Landman-Regulatory
<b>SIGNATURE</b> N/A		<b>DATE</b> 6/9/2009



GARY R. HERBERT  
Governor

SPENCER J. COX  
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

September 4, 2014

CERTIFIED MAIL NO.: 7011 2970 0001 8828 1610

Mr. John Conley  
Enduring Resources, LLC  
511 16<sup>TH</sup> Street STE 700  
Denver, CO 80202

43 DA7 38910  
Southam Cyn 9-24-13-36  
36 9S 24E

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Conley:

As of April 2014, Enduring Resources, LLC (Enduring) has twenty (20) State Lease Wells and six (6) Fee Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Four (4) wells in 2013 and seven (7) wells in 2014 were added to Enduring's SI/TA list.

Several of these wells (attachment A) have previously been issued notices of non-compliance and have remained in non-compliance. The Division has worked with Enduring to reduce the immense amount of wells that were in non-compliance. In 2010 Enduring provided the Division with a list of wells to be plugged (attachment A), and the Division recognizes that Enduring most recently plugged a number of wells in 2012. However in 2013 only two wells were plugged while four (4) additional wells were added, while nothing has been done in 2014 on any of the wells. Enduring never submitted plugging procedures for the remaining wells listed to be plugged and therefore has not followed through with these plans to bring these wells or any other wells into compliance.

Enduring shall immediately submit plans and timeframes for each well stating which wells will be plugged, placed back on production, or requesting SI/TA extension with proof of wellbore integrity and good cause for such request. All wells need an individual sundry filed and are required to meet the SI/TA rules as listed below.



Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

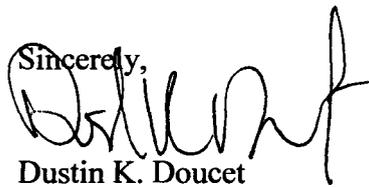
1. Reasons for SI/TA of the well (R649-3-36-1.1)
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,  
  
Dustin K. Doucet  
Petroleum Engineer

DKD/JP/js

cc: Compliance File  
Well File  
LaVonne Garrison, SITLA  
N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

# ATTACHMENT A

	Well Name	API	LEASE	Years Inactive	Prior Notice	Proposed PA
1	AGENCY DRAW 12-21-31-36	43-047-36424	ML 47086	7 years 10 months	1 <sup>ST</sup> NOTICE	12/31/2014
2	ASPHALT WASH 11-24-42-16	43-047-36875	ML 47080	7 years 11 months	1 <sup>ST</sup> NOTICE	12/31/2014
3	ARCHY BENCH 11-24-24-32	43-047-36819	ML 49762	7 years 1 month	1 <sup>ST</sup> NOTICE	12/31/2012
4	SOUTHAM CYN 10-25-11-6	43-047-36933	FEE	7 years	1 <sup>ST</sup> NOTICE	12/31/2012
5	N HORSESHOE 3-13-6-21	43-047-37391	ML 49317	5 years 6 months	2 <sup>ND</sup> NOTICE	Extension valid to 9/1/2014
6	BUCK CAMP 12-22-21-2	43-047-37656	ML 47087	6 years 8 months	1 <sup>ST</sup> NOTICE	12/31/2014
7	DWR 12-23-13-21	43-047-33344	FEE	6 years		12/31/2014
8	DWR 12-23-31-21	43-047-33484	FEE	5 years 4 months	1 <sup>ST</sup> NOTICE	12/31/2013
9	ARCHY BENCH 12-23-42-16	43-047-36802	ML 48957	6 years 1 month		12/31/2014
10	ARCHY BENCH 11-24-12-32	43-047-36822	ML 49762	5 years 5 months		12/31/2013
11	ROCK HOUSE 10-22-33-36	43-047-37789	ML 49959	5 years 5 months		12/31/2014
12	HANGING ROCK 11-23-24-36	43-047-38278	ML 50085	5 years 3 months		5/18/2012
13	N WALKER HOLLOW 2-32-6-23	43-047-37399	ML 47777	4 years 7 months	1 <sup>ST</sup> NOTICE	
14	BUCK CAMP 12-22-31-2	43-047-36273	ML-47087	3 years 6 months		
15	SOUTHAM CYN 9-24-13-36	43-047-38910	FEE	3 years 9 months		
16	DWR 12-23-12-28	43-047-33343	FEE	2 years 6 months		
17	BONANZA 9-24-11-16	43-047-35622	ML-46526	2 years 6 months		
18	ROCK HOUSE 10-22-32-36	43-047-36409	ML-47061	2 years 5 months		
19	BUCK CYN 12-21-43-16	43-047-37091	ML-47085	2 years 6 months		
20	BUCK CAMP 11-22-11-36	43-047-36277	ML-47077	2 years 1 month		
21	HANGING ROCK 11-23-42-36	43-047-38280	ML-50085	2 years 2 months		
22	HANGING ROCK 11-23-43-36	43-047-38282	ML-50085	1 years 5 months		
23	ROCK HOUSE 10-22-21-36	43-047-36407	ML-47061	2 years 2 months		
24	ROCK HOUSE 10-23-21-30	43-047-37832	FEE	2 years 3 months		
25	SOUTHMAN CYN 9-23-21-36	43-047-36530	ML-47782	2 years		
26	SOUTHMAN CYN 9-23-33-36	43-047-35363	ML-47782	1 year 9 months		