

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

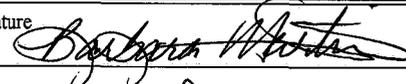
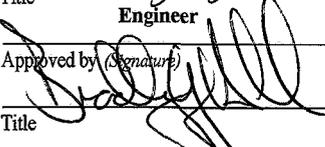
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

5. Lease Serial No. <b>UTU-70239</b>	
6. If Indian, Allottee or Tribe Name <b>N/A</b>	
7. If Unit or CA Agreement, Name and No. <b>N/A</b>	
8. Lease Name and Well No. <b>Tucker Federal # 8-10</b>	
9. API Well No. <b>43-047-39187</b>	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory <b>Oil Springs 1035</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area <b>Sec. 8, T12S-R24E</b>
2. Name of Operator <b>McElvain Oil &amp; Gas Properties, Inc.</b>	12. County or Parish <b>Uintah County</b>
3a. Address <b>1050 17th Street, Suite 1800, Denver, CO 80265</b>	13. State <b>UT</b>
3b. Phone No. (include area code) <b>(303) 893-0933</b>	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>649697 1841' FSL &amp; 2015' FEL (NWSE) Sec. 8, T12S-R24E S.L.B.&amp;M</b> At proposed prod. zone <b>same (vertical well) 44053984 39.787262 -109.251792</b>	
14. Distance in miles and direction from nearest town or post office* <b>Approx. 25 miles South of Bananza, Utah</b>	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1841' South Lease Line</b>	16. No. of acres in lease <b>640 acres</b>
17. Spacing Unit dedicated to this well <b>40 Acres</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>"C"Topo 1mile Radius</b>	19. Proposed Depth <b>6200 ft</b>
20. BLM/BIA Bond No. on file <b>LPM 4138223 (Nation-Wide Bond)</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>6135' GL</b>	22. Approximate date work will start* <b>08/01/2007</b>
23. Estimated duration <b>30 Days Constuction &amp; Drilling</b>	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) <b>Barbara Martin</b>	Date <b>04/03/2007</b>
Title <b>Engineer</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>04-11-07</b>
Title <b>ENVIRONMENTAL MANAGER</b>	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**Federal Approval of this Action is Necessary**

**RECEIVED**

**APR 09 2007**

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



# Ten Point Drilling Plan

McElvain Oil & Gas Properties, Inc.

Tucker Federal #8-10

Surface Location NW ¼, SE ¼, Section 8, T12S-R24E, SLB&M  
Uintah County, Utah

## 1. Surface Formation

Uintah

## 2. Estimated Formation Tops and Datum

(Datum Assumes 13' KB above ungraded GLE of 6,138' from sea level = 6,151' KB)

<u>Formation</u>	<u>Top @ Drill Depth</u>	<u>Datum</u>	<u>Anticipated Fluids</u>
Uintah	Surface	+6,151' KB	
Green River	251'	+5,900' KB	
Uteland Butte	2,251'	+3,900' KB	
Wasatch	2,351'	+3,800' KB	Gas, Water
Mesaverde	3,951'	+2,200' KB	Gas, Water
Neslen	4,986'	+1,165' KB	Gas, Water
Sego	5,686'	+465' KB	Oil, Gas, Water
Buck Tongue	5,841'	+310' KB	Oil, Gas, Water
Castlegate	6,026'	+125' KB	Oil, Gas, Water
Estimated TD	6,200'		

Potential formation objectives include the Uteland Butte, Wasatch and Mesaverde, including the Mesaverde sub-members. Primary objectives will be the Wasatch and Mesaverde.

## 3. BOP and Pressure Containment Data

Formation pressures are anticipated to be normally or slightly under-pressured with a maximum bottom hole pressure of slightly less than 2,700 psi (pressure gradient of less than 0.435 psi/ft).

A 3000-psi WP BOP system as described in 43 CFR 3160 "Onshore Oil and Gas Order #2" will be utilized. The system will consist of a 3,000 psi double ram preventer with one blind, one pipe ram and an annular preventer. The system may, depending on the drilling rig's substructure clearance, utilize a rotating head above the annular preventer. Please refer to the attached BOP diagram for this 3,000 psi BOP configuration. The kill line and choke manifold will have a 3,000 psi or higher pressure rating. The BOP system, including the surface casing, will be pressure tested following initial installation and prior to drill-out of the surface casing. Pressure tests will be conducted to the minimum standards set forth in "Onshore Oil and Gas Order #2". The BOP will be mechanically checked daily during the drilling operation.

**4. Proposed Hole, Casing and Cementing Data**

**Hole & Casing Configuration**

<u>Hole Size</u>	<u>Hole Interval</u>	<u>Casing Size</u>	<u>Setting Depth</u>	<u>Casing New/Used</u>
12 1/4"	0 - 620'	9 5/8"	600' - 620'	New
7 7/8"	620 - TD	4 1/2"	T.D.	New

**Casing Properties**

<u>Csg Size</u>	<u>Csg Wt./Ft</u>	<u>Csg Grade</u>	<u>Csg Thread</u>	<u>Csg Collapse</u>	<u>Csg Burst</u>	<u>Csg Tensile</u>
9 5/8	32.3	H-40	ST&C	1,400 psi	2,270 psi	254,000#
4 1/2	11.6	N-80	LT&C	6,350 psi	7,780 psi	267,000#

If used, conductor pipe will be set at approximately 40 feet and have a 14" minimum outside diameter.

**Cement Program**

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8"	Premium + 2% CaCL + 0.25 lb/sk. Cello Flake.	330 sacks	1.18 cf/sk	15.6 lbs/gal

*Above surface casing cement volume based upon 75-100% excess for cement to surface*

4 1/2"	<u>Lead</u> (2000'-surface) Premium + 16% Gel + 1% Econolite + 5#/sk Gilsonite +1.5#/sk Granulite + 0.25#/sk Flocele + 3% Salt	185 sacks	3.81 cf/sk	11.0 lbs/gal
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	<u>Tail</u> (TD to 2000') Premium-AG + 2% Gel + 0.5% Halad(R)-9 + 0.3% CFR-3 + 2% Microbond + 0.1% Super CBL	800 sacks	1.52 cf/sk	14.2 lbs/gal
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*Above cement volumes based upon 25% excess, or if accurate caliper log obtained, 15% excess for cement to surface.*

*A stage tool may be run if drilling conditions indicate a two stage job is warranted or if favorable mud log shows and elog responses indicate potential pay in the Uteland Butte or Green River Formation.*

**Float Equipment & Centralizers**

Surface casing will be single staged with guide shoe, 1 joint casing, baffle. A minimum of 3 bow spring centralizers will be run on bottom as follows: Center of shoe joint, top of 1st casing connection & top 2nd casing connection.

Production casing will be single staged with float shoe, 1 joint casing, float collar. A minimum of 3 centralizers will be run on bottom plus additional centralizers run through potential pay zones in the tail cement interval.

**5. Mud Program**

<u>Interval</u>	<u>Mud Type</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss Ml/30 Min.</u>
0 - 620'	Air & Mist			No Control
620 - 1,950'	Water	8.4 - 8.8	28 - 36	No Control
1,950 - 6,200' (TD)	Water/Gel	8.8 - 9.4	32 - 42	8 - 10

*Unless hole conditions dictate otherwise, mud-up is anticipated to start approximately 300' above the Uteland Butte formation.*

**6. Testing, Coring, Sampling and Logging Program**

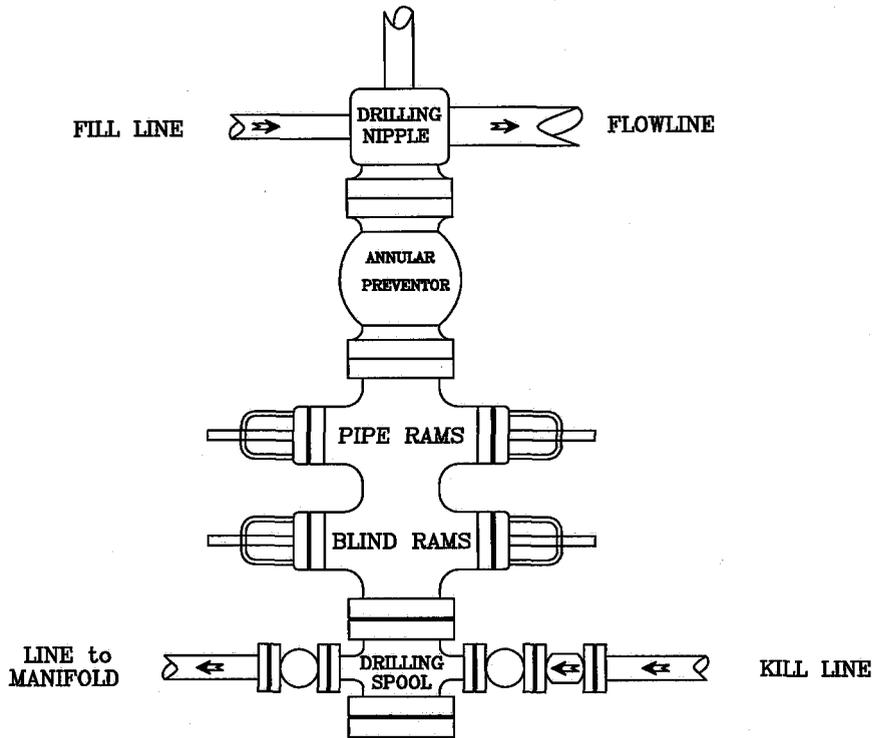
- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Mud loggers will be scheduled for call-out following drill-out of the surface casing. The rig-up of gas detection equipment and recovery of cuttings samples will start at the bottom of the Green River formation at approximately 2,250' drill depth. Initially, a 30 foot sampling frequency will be scheduled. Depending on drill rates and shows, and at geologist's discretion, sampling frequency may be increased to 10 foot intervals.

## d) Electric Logging:

<u>Type</u>	<u>Interval</u>
Array Induction-Gamma Ray-SP-Caliper	TD to Surface Casing
Density-Neutron-Gamma Ray-SP-Caliper	TD to Surface Casing
Cement Bond Log-Gamma Ray	PBTD to Top of Cement

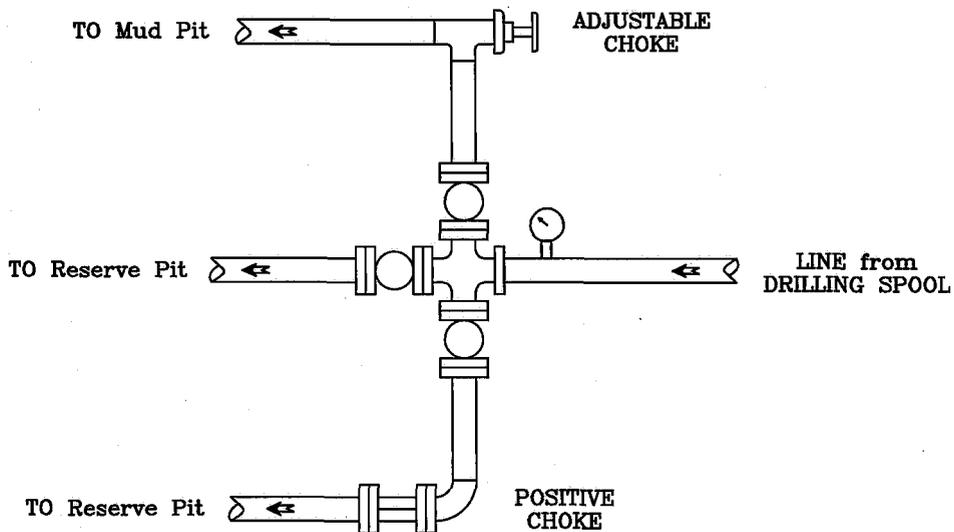
# PRESSURE CONTROL

## Wellhead Assembly



Preventer and Spools are to have a  
9" Bore or larger and a 3000 PSI  
or higher Pressure Rating

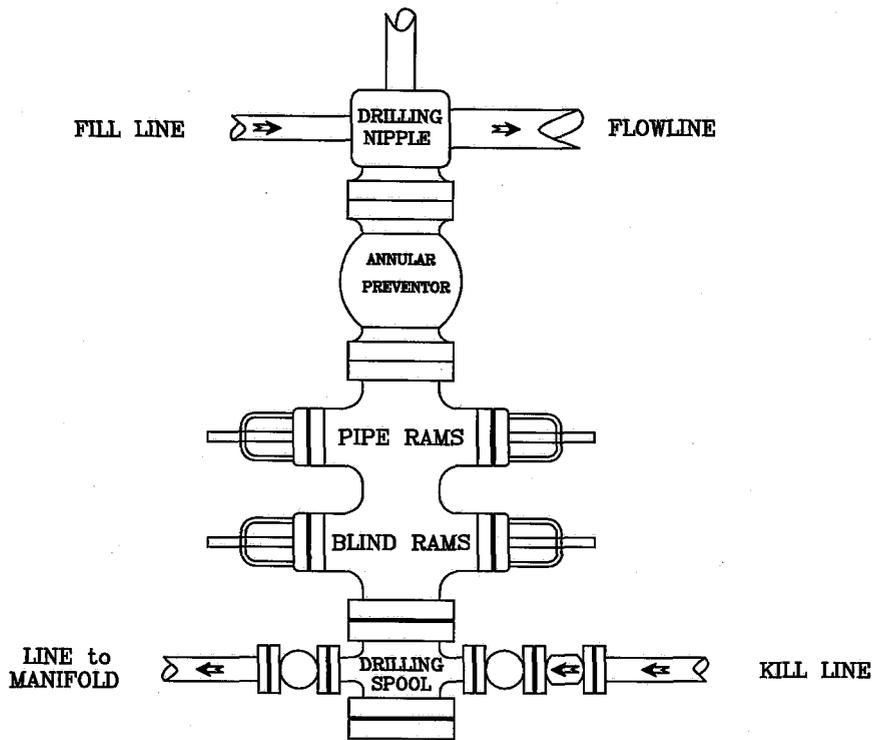
## Choke Manifold



*McElwain Oil & Gas Properties, Inc.*

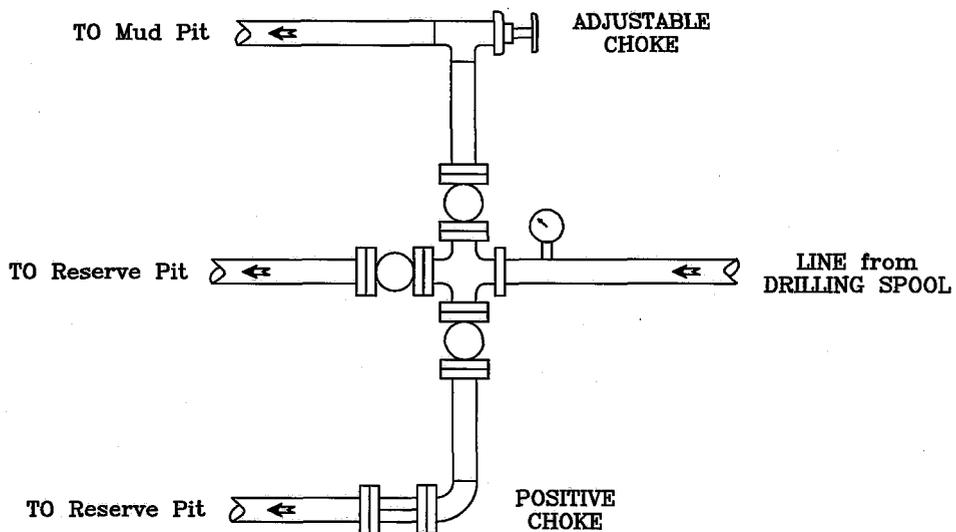
Tucker Federal # 8-10

# PRESSURE CONTROL Wellhead Assembly



Preventer and Spools are to have a  
9" Bore or larger and a 3000 PSI  
or higher Pressure Rating

## Choke Manifold



*McElvain Oil & Gas Properties, Inc.*

Tucker Federal # 8-10

**McELVAIN OIL AND GAS PROPERTIES, INC.**

**13 POINT SURFACE USE PLAN**

**Tucker Federal #8-10**

**NW ¼ SE ¼**

**SEC. 8, T12S-R24E, S.L.B. & M.**

**UINTAH COUNTY, UTAH**

**LEASE NUMBER: UTU-70239**

**SURFACE MANAGER/OWNER:**

**BUREAU OF LAND MANAGEMENT**

## 1. Existing Roads

Directions to the proposed well Tucker Federal #8-10 in Section 8, T12S-R24E:

Starting in Vernal, Utah

Proceed East and southeast from Vernal on Highway 40 to Highway 45 at Naples, Utah where a sign indicates the direction to Bonanza Power Plant.

Right (south)  $\pm$  36 miles on Highway 45 to Bonanza, Utah.

Proceed south (past Bonanza and White River) on Highway 45 an additional  $\pm$  5 miles to mile marker "0".

Left (southeast) at mile marker "0" on gravel road. BLM sign indicates this is the access road leading to "Rainbow Junction" and "Baxter Pass" (Uintah Cnty Rd # 4180, Dragon Road).

Proceed south/southeast on gravel road approximately 3.7 miles to a "Y" in the road at sheep corrals known as the "Greek" corrals.

Right at the "Y" by the "Greek" corrals towards Atchee Ridge and Rainbow (Uintah Cnty Rd #4190, King,s Wells Road).

Proceed  $\pm$  8.5 miles to a junction.

Left at the junction towards "King's Well" and "Rainbow" (continue on Rd #4190)

Proceed only  $\pm$  0.6 miles to another junction.

Right at junction towards "Kings Well" and head southwest (continue on Rd #4190)

Proceed  $\pm$  7.0 miles on "Kings Well" road to an intersection just before the sheep corrals known as the "Cedar Corrals".

Left at intersection and head south past sheep camp known as "Seeley's Cabin" approximately 0.75 mile to the junction of this road and an oil and gas lease road (Oil Springs Gas Field Road) angling in from the east.

Left on lease road and head east approximately 1.1 miles to the beginning of the proposed access road.

Left at proposed access road and head South East approximately 0.7 miles into the proposed Tucker Federal #8-10 location.

Total distance from Vernal, Utah to the proposed well is approximately 65 miles.

All existing roads from Vernal, Utah to the "Seeley's Cabin" road are State or County Class D roads.

Anticipated road up-grading and new road construction will occur on approximately 3696 feet of ON-LEASE access road adjoining and lying immediately Southeast of the proposed location.

Please see the attached map B Topo for additional details.

## 2. Planned access road

The proposed location will require approximately 3696 feet of ON-LEASE new road construction.

The new road will be built to the following standards:

A) Approximate length	3696 Ft.
B) Right of Way width	30 Ft.
Running Surface	18 Ft.
C) Maximum grade	< 5%
D) Turnouts	None
E) Major cuts and fills	None
F) Culvert	None
G) Surfacing material	Native Soil
H) Fence crossing	None
I) Road flagged	Yes
J) Access road surface manager/owner	BLM
K) Pipe line crossing	None
L) Stream crossings	None
M) All new construction on lease	Yes

Please see the attached location Map B Topo for additional details.

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surfacing Operating Standards for Oil and Gas Exploration and Development, 1989. This is also referred to as the Gold Book.

The road will be constructed to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction shall include ditching, draining, graveling, crowning, and capping the road bed, as necessary, to provide for a well-constructed safe road. Prior to construction, the road shall be cleared of any snow cover and allowed to dry completely. Travel off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type (unless specified differently). Crossings will be constructed so they will not cause "silt-up" or accumulation of debris in the drainage crossing, nor shall the drainages be blocked by the roadbed. Erosion of the drainage ditches by runoff water shall be prevented by diverting water at frequent intervals by utilizing cutouts. Up grading will not be constructed during muddy conditions. Should mud or dust holes develop, they will be filled in and detours around them avoided.

### 3. Location of existing wells

The following wells are located within a one mile radius of the location site.

A) Water well	None
B) Abandoned well	None
C) Temp. abandoned well	One (OSU #7)
D) Disposal well	None
E) Drilling/Permitted well	One (Rainbow 12-24-12-16)
F) Producing well	Six (TF #8-2, TF #8-6, TF #8-4, TF #8-

G) Shut in well	12, OSU #11, HFF #7-8)
H) Injection well	Two (CFF #17-4, OS #13)
I) Monitoring or observation well	None
	None

Please see the attached map C Topo for additional details.

**4. Location of tank batteries, production facilities, and production gathering service lines.**

**A) Production Facility**

All production facilities will be contained within the proposed location site. Please see the attached plan for a typical gas well equipment and pipe lay-out.

All permanent structures (on site for six month or longer), constructed or installed, will be painted a flat, non-reflective, earth-tone color to match one of the standard environmental colors. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

If the well is capable of economic production, a gas gathering line will be required.

**B) Gas Gathering Line**

We propose to install approximately 3,840 feet ON-LEASE of steel gas gathering line if an economic well is drilled and completed. Construction of the gathering line will start at the Tucker Federal #8-10 well site location and head South West along the Northern edge of the new access road. The pipe line will then cross under Oil Springs Gas Field road and tie-in on the Southern side of the Tucker #8-12.

Please see map D for gathering line location.

The gathering line will not require an off lease right-of-way.

The line will be a 3-4" steel line, depending on the anticipated well deliverability.

Max operating pressure will be 500 psi.

The operating temperature of the gathering system will reflect the daily ambient temperature of the area.

At this time, there are no plans for on-site compression or pumping stations.

The gathering line will not be hydrostatically tested.

The pipeline will be laid and utilized above ground. The following are reasons for above ground installation:

- A) This area would require blasting to bury the pipeline.
- B) Buried pipeline are subject to corrosion over time which in return requires the pipeline to be dug up for repair and/or maintenance.

Both of these reasons would create additional surface disturbance to bury the pipeline. In addition, when the location is reclaimed the buried pipeline will be required to be dug up and removed. If pipeline is laid above ground it would allow for maintenance and removal with minimal surface disturbance.

There will be no additional surface disturbances required for the installation of a gathering line. The pipeline will be welded together and pulled from the well-site location and tie-in points when practical, although it will likely be necessary to utilize small segments of the access road for some of the pipe line welding. The line will then be boomed off to the side of the road.

A gas meter will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the production tank(s) strapped in place prior to any sales deliveries from the well. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

## **5. Location and type of water supply**

Water for drilling and cementing the subject well will fresh water and will be trucked by contractor Tu & Frum, Inc. Depending on road conditions, water will be trucked from: Rose Wood Resources flowing water well, Well #5A, in Section 24 T11S-R23E, water permit number 49-1547, and/or Willow Creek, 30 miles southwest of Vernal in Sec. 29, T12S-R21E, permit #T-75377, and/or the White River in Sec. 23, T10S-R23E, permit #T-75517. Completion water will come from the same supply or from the City of Vernal, Utah.

## **6. Source of construction materials**

All construction material for this location site and access road shall be borrowed material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

## 7. Methods for handling waste disposal

### A) Pit construction and liners:

The reserve pit will be approximately 8 to 10 feet deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The pit liner will be a nylon reinforced liner. It will be a minimum of 16 mil thickness with sufficient bedding (i.e. weed free straw or hay, felt, or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rock to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.

The pit will be used to hold non-flammable materials such as drilling make-up water, drill cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

### B) Produced fluids

Produced water will be confined to the reserve pit, or if deemed necessary, a steel storage tank will be utilized for water storage for a period not to exceed 90 days after initial production. Produced water accumulated after the initial production and testing period will be stored in steel tank(s) before truck removal to an authorized disposal pit or injection well.

### C) Garbage

A trash cage fabricated from expanded metal will be used to hold trash on location. All trash will be removed to an authorized landfill location.

### D) Sewage

A portable chemical toilet will be supplied for human waste during the drilling operation.

### E) Site clean up

After the drilling and the completion rig is moved off the location, the well site area will be cleaned and all refuse removed.

### F) Hazardous Material Statement

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

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

## 8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen in the future.

## 9. Well-site layout and location

The proposed location has been staked at 1,841' FSL & 2,015' FEL of Section 8, T12S-R24E.

### Well-site layout

Location dimensions are as follows:

A) Pad length	335 ft	G) Max fill	14.0 ft
B) Pad width	160 ft	H) Total cut yards	13,030 cu. yds.
C) Pit depth	8 – 10 ft	I) Pit location	Southwest
D) Pit length	150 ft	J) Top soil locations	Corner A, B, C, D & 7
E) Pit width	70 ft	K) Access road location	South West side
F) Max cut	24.1 ft	L) Flare pit	Corner C

Please see the attached location diagram for additional details.

The reserve pit will be fenced on three sides during drilling operations. The fourth side will be fenced when the drilling rig is removed from the location. The fence will be maintained until clean-up.

All pits will be fenced according to the following minimum standards:

- A) Thirty-nine inch net wire shall be used with at least one strand of barb 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 above the net 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 posts shall be no greater than 16 feet.

- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

## 10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. This stripped top soil will amount to approximately 1,770 cubic yards of material. Topsoil will be stockpiled in two adjoining piles. Placement of the topsoil is noted on the attached location plat. The stock piled topsoil will be seeded with the seed mix dictated by the BLM. When all drilling and completion activities have been completed and the pit back-filled, the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the topsoil has been spread. The unused portion of the location will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

### A) Producing location

Following the back-fill of the reserve pit, the natural drainage pattern shall be restored, as nearly as practical, to its original line of flow .

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit, the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow for proper back filling, the Operator will submit a request for an extension of time. Once initiated, reclamation activities will completed within 30 days, weather conditions permitting.

If a reserve pit utilizes a liner, the liner shall be turned down below ground level and perforated before the pit is backfilled.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and runoff from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert runoff as needed.

When restoration activities have been completed, the location site shall be reseeded. Prior to reseeded, all disturbed areas will be scarified and left with a rough surface.

#### a) Seeding dates

Seed will be spread when the topsoil is stock piled and when reclamation work is performed.

## b) Seed mix

The seed mix utilized in the soil reclamation will be in the amounts, and of the type specified by the BLM in their "Conditions of Approval".

## B) Dry hole/Abandoned location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

**11. Surface Manager/Owner**

Location	Bureau of Land Management
Access road	Bureau of Land Management
Pipeline	Bureau of Land Management

**12. Other information**

## A) Vegetation

The vegetation coverage is slight. The predominant existing vegetation consists of trees and sage brush.

## B) Dwellings

A "sheep camp" is located approximately 2 miles to the north of the proposed location and contains approximately 3 storage structures, and depending on the time of year 2 to 3 temporary trailer living quarters.

## C) Archeology &amp; Paleo

A cultural resource inventory survey was conducted on the proposed well-site location, access road and pipe line route. The archaeological survey was conducted by Montgomery Archaeological Consultants and their MOAC report # 7-27. The Arch report indicates "no cultural resources located during this inventory". Also, a Paleontological Report was conducted by Intermountain Paleo-Consulting, IPC # 07-20.

During any operations, if 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 or objects will be suspended and the BLM will be immediately notified.

## D) Water

The nearest live water is Evacuation Creek,  $\pm$  8.5 miles north-east of the proposed location.

## E) Chemicals

No pesticides, herbicides or other possible hazardous chemicals will be used without AO approval.

## F) Notifications

The Bureau of Land Management will be notified as follows

- a) Location construction  
At least 48 hours prior to construction of location and access roads
- b) Location completion  
24 hours prior to moving the drilling rig on location.
- c) Spud notice  
At least 24 hours prior to well spud.
- d) Casing string and cementing  
At least 24 hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests  
At least 24 hours prior to initial pressure tests.
- f) Abandonment – Newly Drilled Dry Holes and/or Hole Failures  
At least 24 hours prior to start of abandonment operations. In certain situations, Operator may be unable to provide 24 hour advance notice, but in all situations, Operator will receive abandonment orders from the BLM prior to the actual commencement of abandonment operations.
- g) First production notice  
Within 5 business days after the new well begins, or production resumes after well has been off production for more than 90 days.
- h) Completion and Re-completion Operations  
At least 24 hours prior to moving the rig on location.
- i) State of Utah Division of Oil, Gas, and Mining (DOGGM) Notifications  
Within 24 hours of well spud, Operator will notify DOGGM at 801.538.5284. Prior to commencement of operations to plug and abandon the well, Operator will notify DOGGM at 801.538.5338.

## G) Flare pit

The flare pit will be located in corner C of the reserve pit and outside the pit fence on the south side of the location. All fluids will be removed from the flare pit within 48 hours of occurrence.

## H) Wildlife Stipulations

Wildlife stipulations and possible activity restrictions will be detailed in the "Conditions of Approval" received with an approved Permit to Drill. Operator will comply with these wildlife "conditions of approval".

## I) Onsite

Onsite Date: Thursday, March 15, 2007

## Onsite attendants

Holly Villa	BLM
Brandon McDonald	BLM
Ivan Sadlier	McElvain Oil & Gas
Barbara Martin	McElvain Oil & Gas

**13. Lessees or Operator's representative(s) and certification**

## A) Representatives

Barbara Martin  
 Engineer  
 1050 – 17<sup>th</sup> Street, Ste. 1800  
 Denver, CO. 80265  
 Off. 303.893.0933 xtn 345  
 Fax. 303.893.0914  
 Cell. 303.718.0812  
 E-Mail. [barbaram@mcelvain.com](mailto:barbaram@mcelvain.com)

Ivan Sadlier  
 Production Foreman  
 P.O. Box 985  
 Vernal, UT. 84078  
 Cell #1: 435.828.0284  
 Cell #2: 435.828.0282  
 E-Mail. [sadlier@easilink.com](mailto:sadlier@easilink.com)

McElvain Oil & Gas Properties, Inc. is considered to be the operator of the subject well. McElvain Oil & Gas Properties, Inc. agrees to be responsible under the terms and conditions of the lease for operations conducted upon the leased premises.

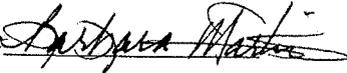
B) Certification

All lease operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, and approved "Plan of Operation", and any applicable "Notice to Lessees".

The operator will be fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representatives to ensure compliance.

Bond coverage for the lease activities is being provided by McElvain Oil & Gas Properties' BLM Nationwide Bond #LPM4138223.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by McElvain Oil and Gas Properties, Inc. and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date 

McElvain Oil & Gas Properties, Inc.

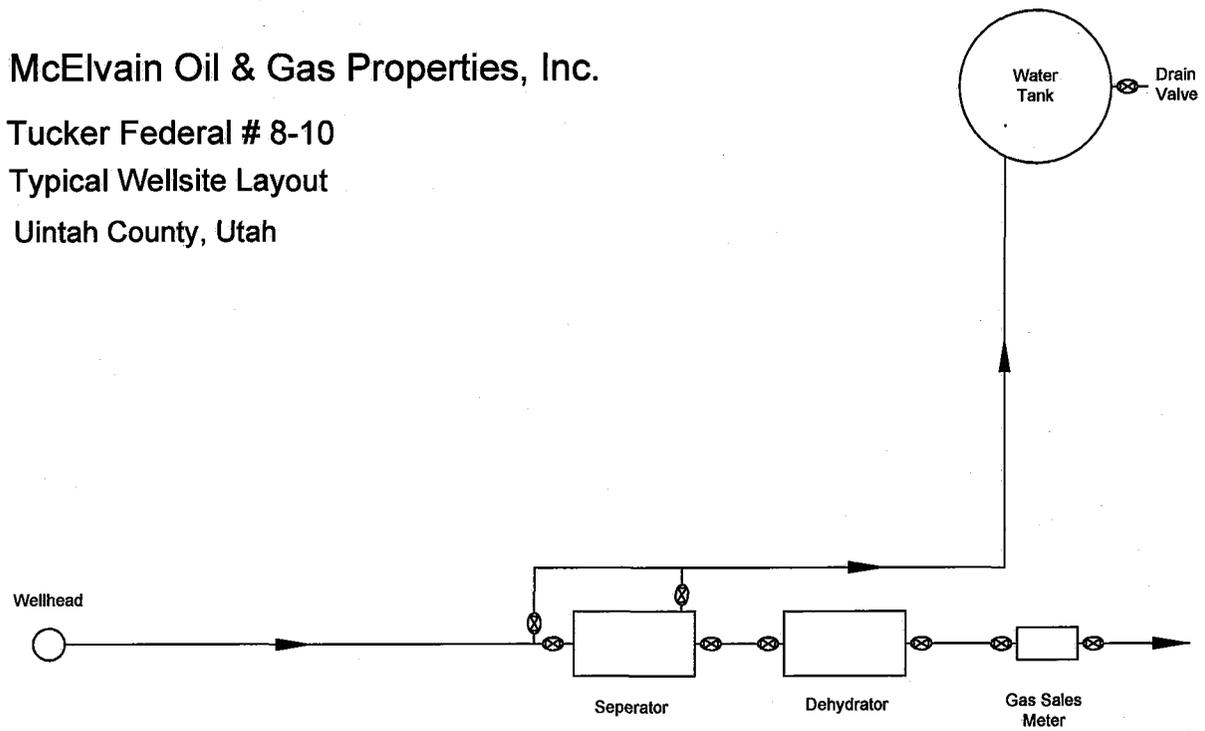
Barbara Martin  
Engineer

McElvain Oil & Gas Properties, Inc.

Tucker Federal # 8-10

Typical Wellsite Layout

Uintah County, Utah



CULTURAL RESOURCE INVENTORY OF  
MCELVAIN OIL & GAS PROPERTIES INC.'S PROPOSED  
TUCKER FEDERAL #8-10 WELL LOCATION  
(TOWNSHIP 12S, RANGE 24E, SECTION 8)  
UINTAH COUNTY, UTAH

By:

Keith R. Montgomery

Prepared For:

Bureau of Land Management  
Vernal Field Office

Prepared Under Contract With:

McElvain Oil & Gas Properties, Inc.  
1050 17<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80265

Prepared By:

Montgomery Archaeological Consultants, Inc.  
P.O. Box 219  
Moab, Utah 84532

March 27, 2007

MOAC Report No. 07-27

United States Department of Interior (FLPMA)  
Permit No. 06-UT-60122

State of Utah Antiquities Project (Survey)  
Permit No. U-07-MQ-0243b

## **Paleontological Reconnaissance Report**

---

**McElvain's Proposed Well Pads, Access Roads and Pipelines for  
"Hanging Rock Federal #26-8" (Sec. 26, T 11 S, R 23E) and  
"Tucker Federal #8-10" (Sec. 8, T 12 S, R 24 E)**

Archy Bench SE  
Topographic Quadrangles  
Uintah County, Utah

March 22, 2007

Prepared by Stephen D. Sandau  
Paleontologist for  
Intermountain Paleo-Consulting  
P. O. Box 1125  
Vernal, Utah 84078

# McELVAIN OIL & GAS PROP., INC.

## TUCKER FEDERAL #8-10

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 8, T12S, R24E, S.L.B.&M.

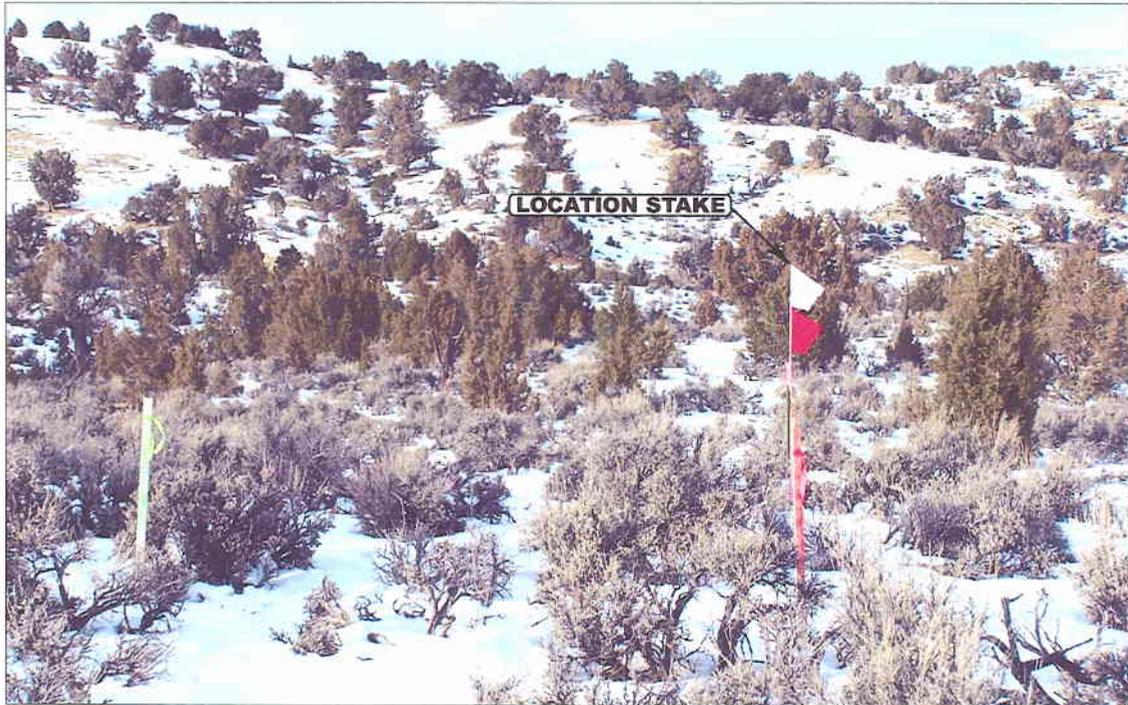


PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

**U** **E** **L** **S** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

01 09 07  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: L.K.

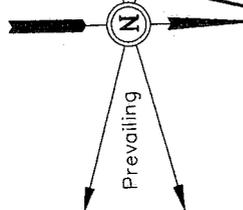
REVISED: 00-00-00

M. ELVAIN OIL & GAS PROP., INC.

LOCATION LAYOUT FOR

TUCKER FEDERAL #8-10  
SECTION 8, T12S, R24E, S.L.B.&M.

1841' FSL 2015' FEL

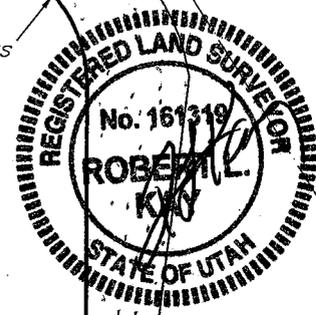


SCALE: 1" = 50'  
DATE: 1-10-07  
Drawn By: K.G.  
Revised: 3-20-07

Existing Drainage

Proposed Access Road

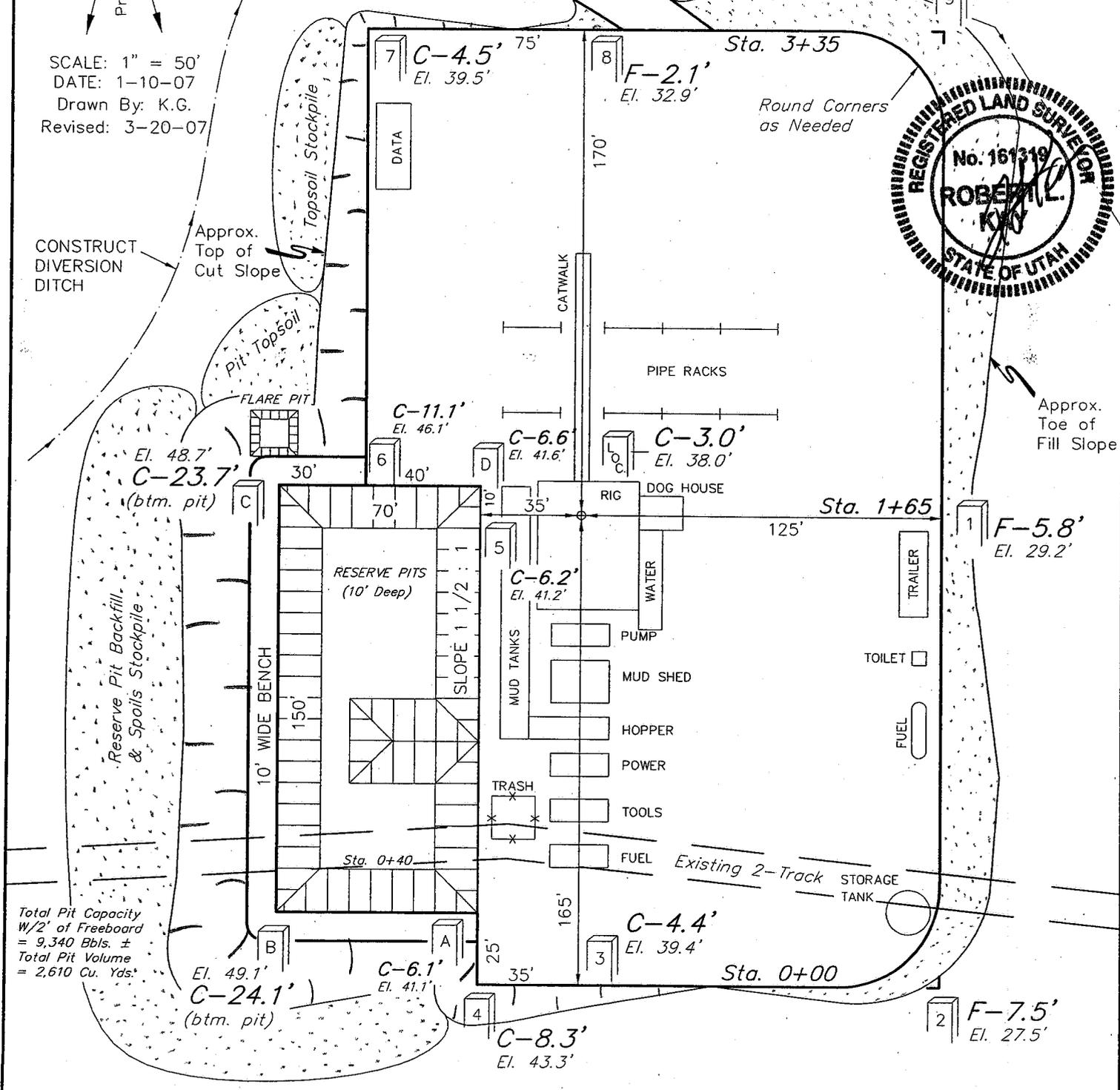
F-14.0'  
El. 21.0'



CONSTRUCT DIVERSION DITCH

Approx. Top of Cut Slope

Approx. Toe of Fill Slope



Total Pit Capacity  
W/2' of Freeboard  
= 9,340 Bbbs. ±  
Total Pit Volume  
= 2,610 Cu. Yds.\*

Elev. Ungraded Ground at Location Stake = 6138.0'  
Elev. Graded Ground at Location Stake = 6135.0'

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

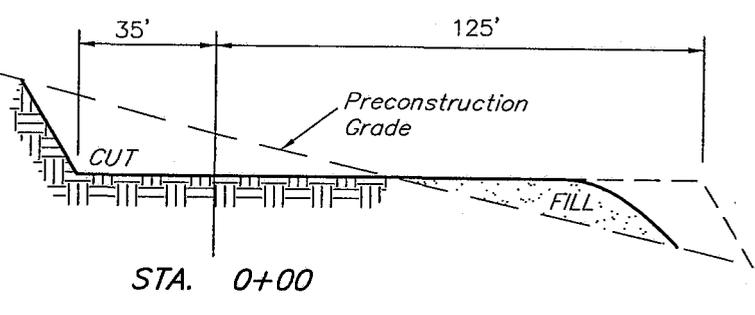
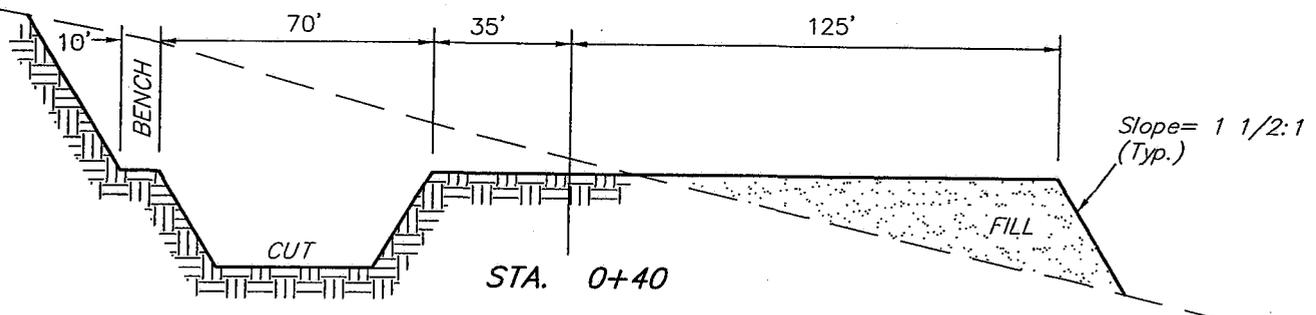
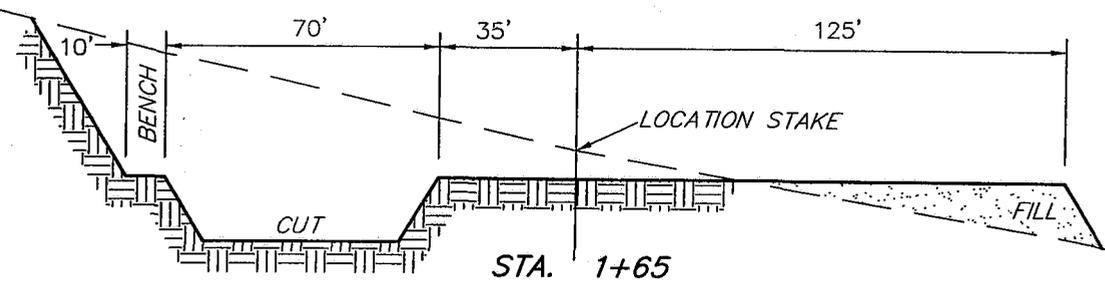
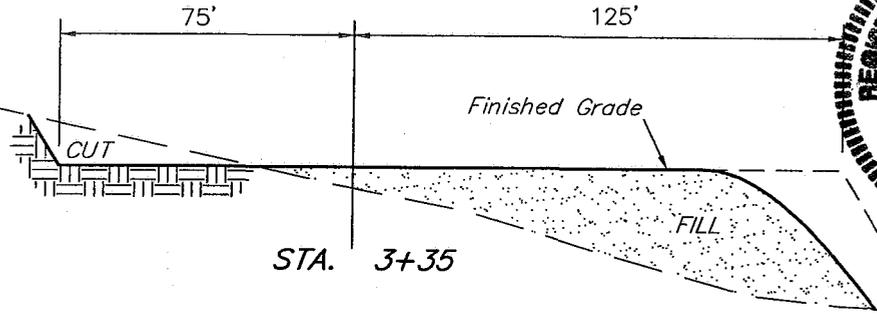
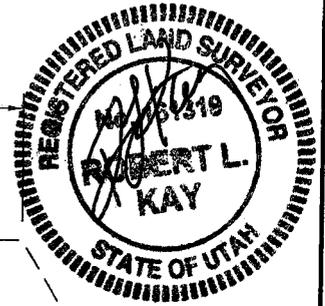
MELVAIN OIL & GAS PROP., INC.

TYPICAL CROSS SECTIONS FOR

TUCKER FEDERAL #8-10  
SECTION 8, T12S, R24E, S.L.B.&M.  
1841' FSL 2015' FEL

1" = 20'  
X-Section Scale  
1" = 50'

DATE: 1-10-07  
Drawn By: K.G.



NOTE:

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

\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

Excess Material = 3,080 Cu. Yds.

Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,080 Cu. Yds.

EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

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

APPROXIMATE YARDAGES

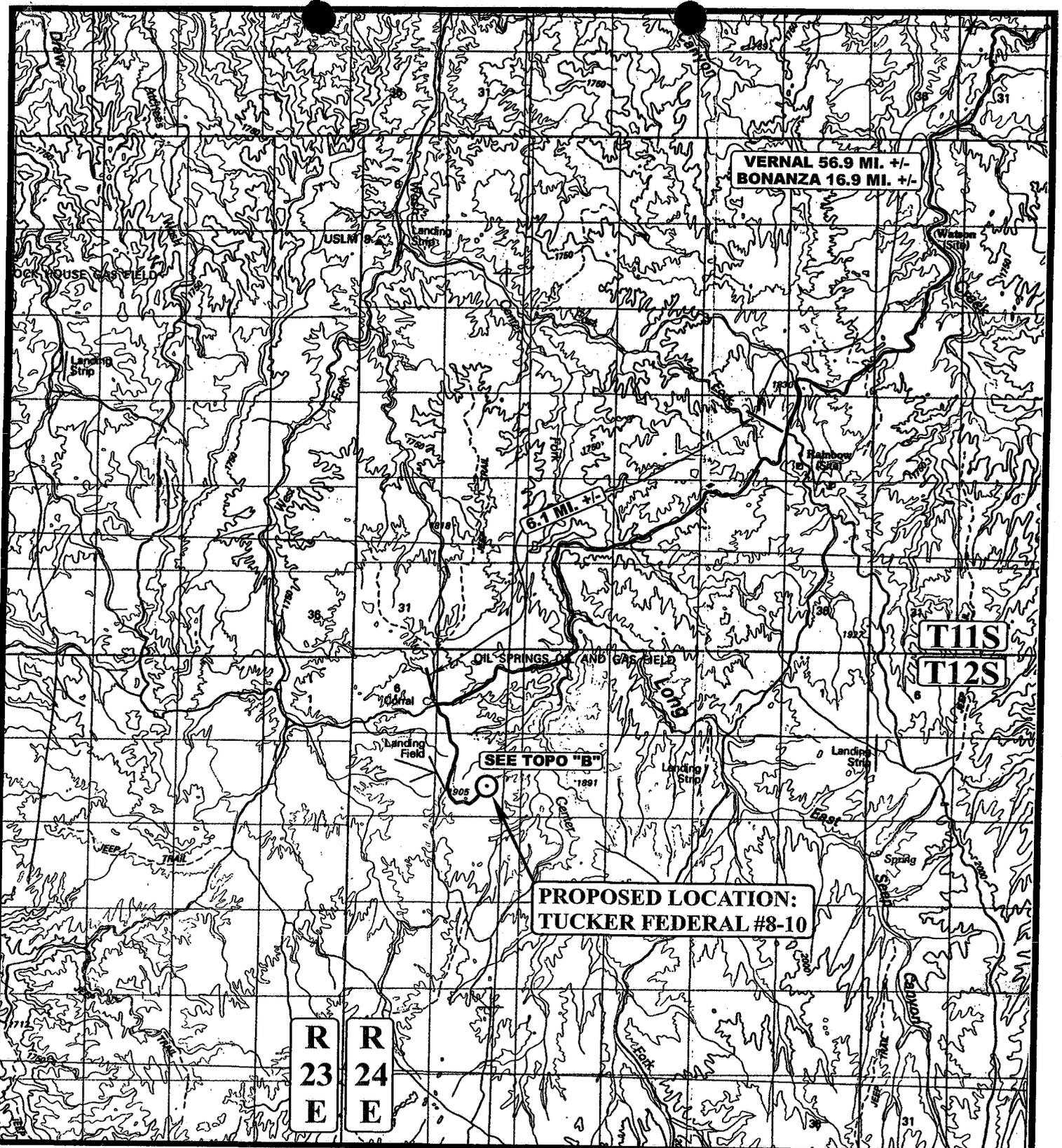
CUT

(6") Topsoil Stripping = 1,770 Cu. Yds.

Remaining Location = 11,260 Cu. Yds.

TOTAL CUT = 13,030 CU.YDS.

FILL = 9,950 CU.YDS.



**LEGEND:**

⊙ PROPOSED LOCATION



**McELVAIN OIL & GAS PROP., INC.**

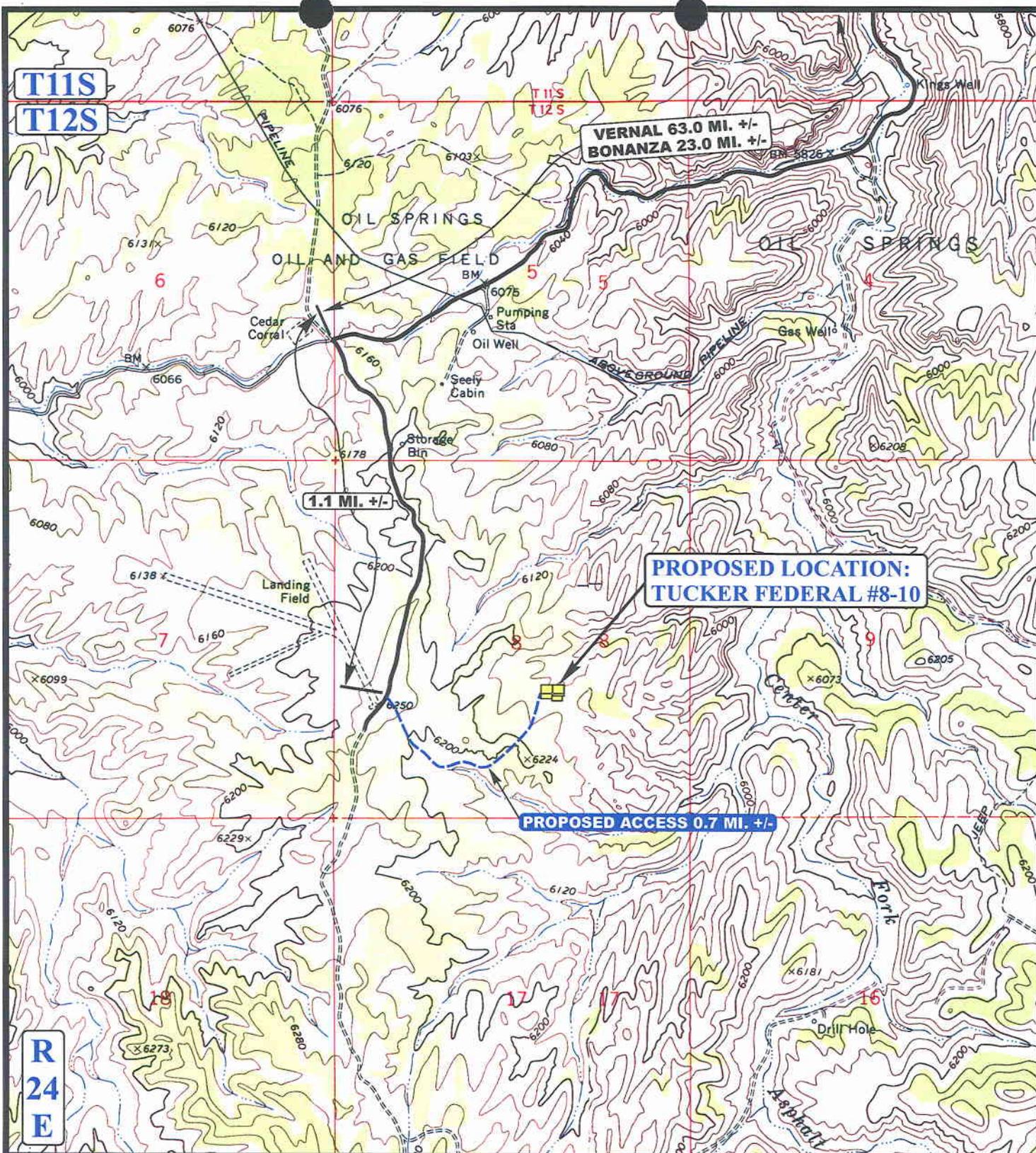
**TUCKER FEDERAL #8-10**  
**SECTION 8, T12S, R24E, S.L.B.&M.**  
**1841' FSL 2015' FEL**



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

**TOPOGRAPHIC** 01 09 07  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**McELVAIN OIL & GAS PROP., INC.**

**TUCKER FEDERAL #8-10**  
**SECTION 8, T12S, R24E, S.L.B.&M.**  
**1841' FSL 2015' FEL**



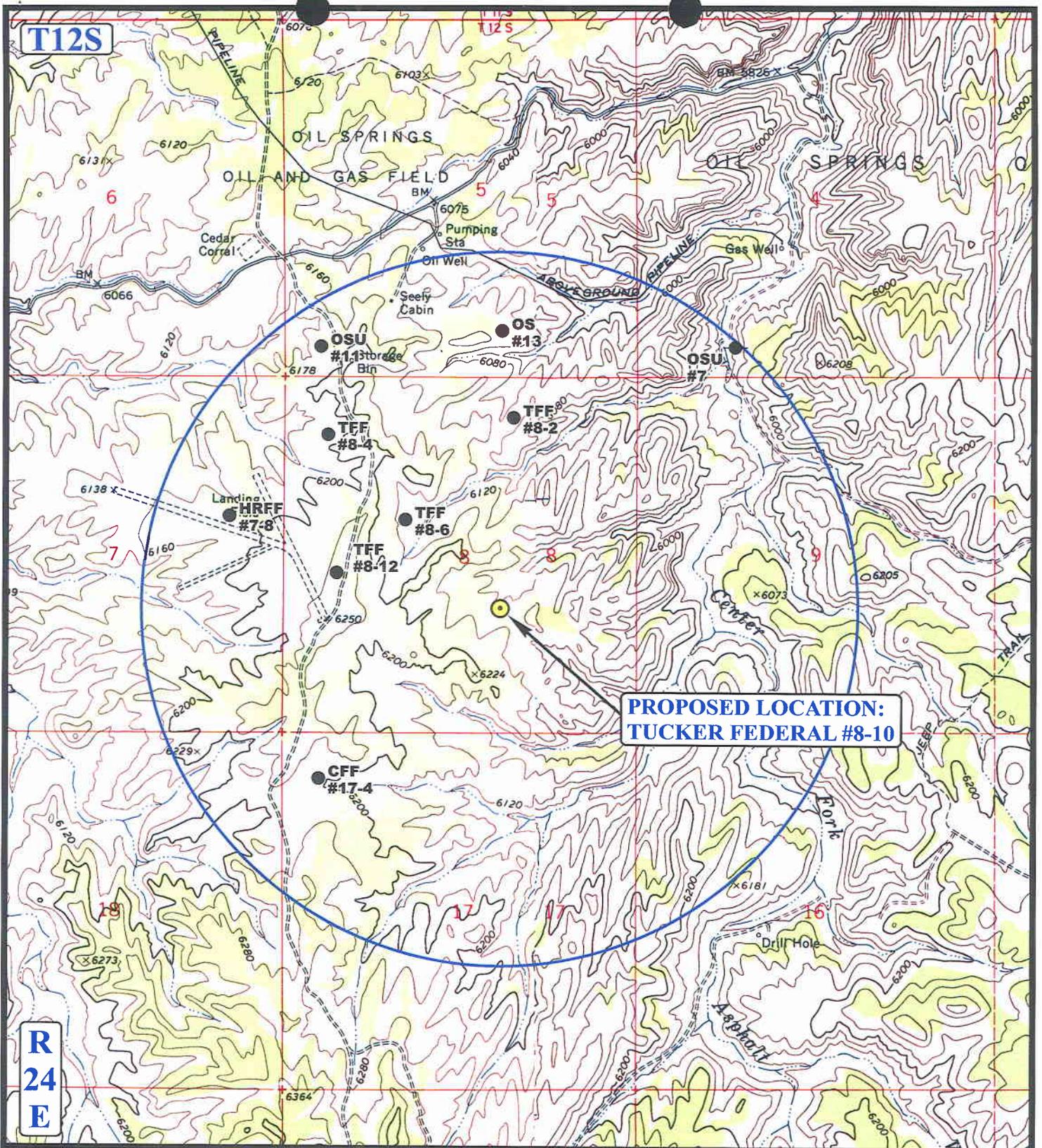
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**01 09 07**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





**T12S**

**R  
24  
E**

**LEGEND:**

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

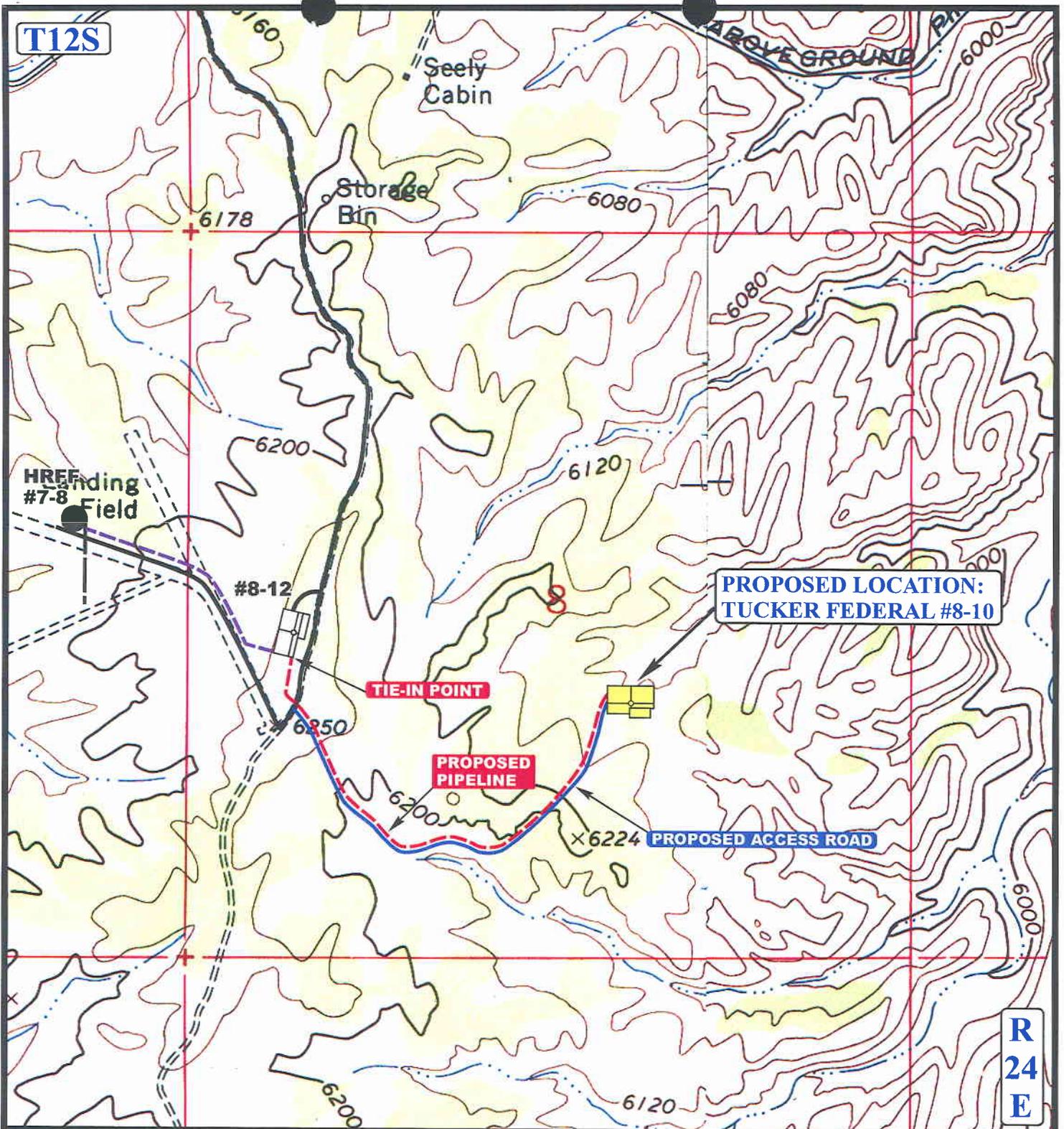


**McELVAIN OIL & GAS PROP., INC.**

**TUCKER FEDERAL #8-10**  
**SECTION 8, T12S, R24E, S.L.B.&M.**  
**1841' FSL 2015' FEL**

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

**TOPOGRAPHIC MAP** **01 09 07**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00 **C TOPO**



**APPROXIMATE TOTAL PIPELINE DISTANCE = 3,840' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- - - - EXISTING PIPELINE
- - - - PROPOSED PIPELINE

**McELVAIN OIL & GAS PROP., INC.**

**TUCKER FEDERAL #8-10**  
**SECTION 8, T12S, R24E, S.L.B.&M.**  
**1841' FSL 2015' FEL**



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



**TOPOGRAPHIC** 01 09 07  
**MAP** MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/09/2007

API NO. ASSIGNED: 43-047-39187
--------------------------------

WELL NAME: TUCKER FED 8-10  
 OPERATOR: MCELVAIN OIL & GAS ( N2100 )  
 CONTACT: BARBARA MARTIN

PHONE NUMBER: 303-893-0933

PROPOSED LOCATION:

NWSE 08 120S 240E  
 SURFACE: 1841 FSL 2015 FEL  
 BOTTOM: 1841 FSL 2015 FEL  
 COUNTY: UINTAH  
 LATITUDE: 39.78726 LONGITUDE: -109.2518  
 UTM SURF EASTINGS: 649697 NORTHINGS: 4405398  
 FIELD NAME: OIL SPRINGS ( 635 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-70239  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: CSLGT  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. LPM 4138223 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-1547 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

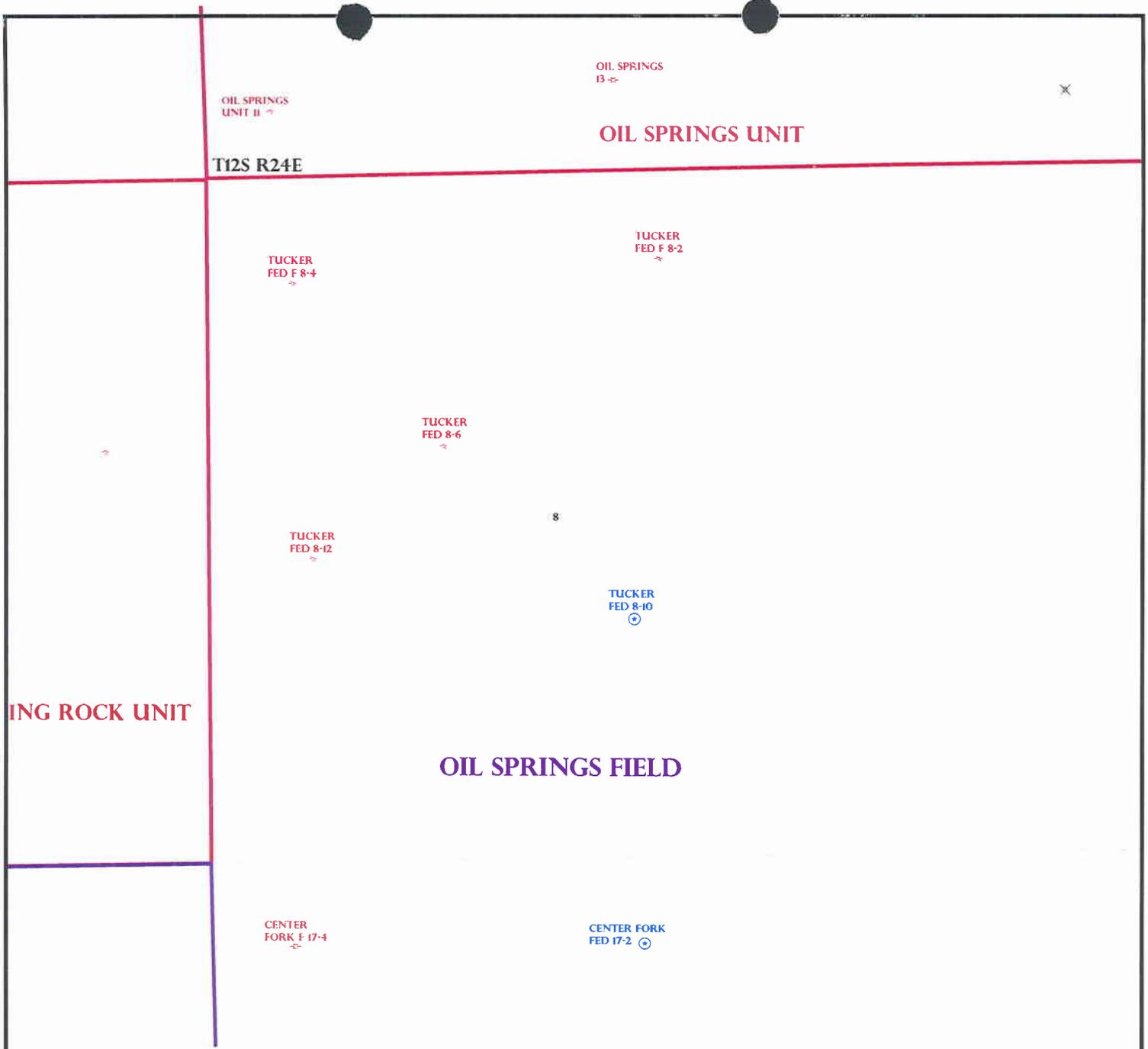
LOCATION AND SITING:

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

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1- Federal Approval*  
*2- Spacing Strip*



OPERATOR: MCELVAIN O&G PROP (N2100)

SEC: 8 T.12S R. 24E

FIELD: OIL SPRINGS (635)

COUNTY: UINTAH

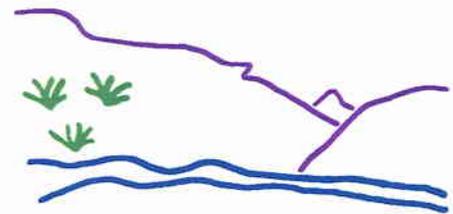
SPACING: R649-3-2 / GENERAL SITING

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

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

**Wells Status**

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



*Utah Oil Gas and Mining*



PREPARED BY: DIANA MASON  
DATE: 11-APRIL-2007



**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*

April 11, 2007

McElvain Oil & Gas Properties, Inc  
1050 17th Street, Suite 1800  
Denver, CO 80265

Re: Tucker Federal 8-10 Well, 1841' FSL, 2015' FEL, NW SE, Sec. 8, T. 12 South,  
R. 24 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39187.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

Operator: McElvain Oil & Gas Properties, Inc  
Well Name & Number Tucker Federal 8-10  
API Number: 43-047-39187  
Lease: UTU-70239

Location: NW SE                      Sec. 8                      T. 12 South                      R. 24 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office  
(801) 733-0983 home

#### 3. Reporting Requirements

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

#### 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

#### 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. N/A
2. Name of Operator McElvain Oil & Gas Properties, Inc.		8. Well Name and No. Tucker Federal # 8-10
3a. Address 1050 17th Street, Suite 1800, Denver, CO 80265	3b. Phone No. (include area code) (303) 893-0933	9. API Well No. 43-047-39187
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E SLM & B		10. Field and Pool or Exploratory Area Oil Springs
		11. Country or Parish, State Uintah County, Utah

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

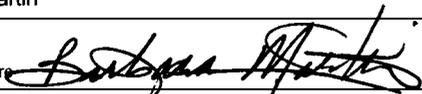
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>APD Change of Plans</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. would like to make a change of plans on the APD for the Tucker Federal # 8-10 (API# 43-047-39187) located in the NWSE of Sec. 8, T12S-R24E of Uintah County, Utah. The Drilling plan was changed to a 2000 psi BOP and mud will be monitored visually. We will be performing the work with BLM Bond #COB-000010 (Nationwide Bond). Attached is the revised Drilling Plant and BOP diagram.

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

**RECEIVED  
JUN 29 2007**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Barbara Martin	Title Engineer	DIV. OF OIL, GAS & MINING
Signature 	Date 06/26/2007	

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

# Ten Point Drilling Plan

McElvain Oil & Gas Properties, Inc.  
Revision 6-26-07

Tucker Federal #8-10

Surface Location NW ¼, SE ¼, Section 8, T12S-R24E, SLB&M  
Uintah County, Utah

## 1. Surface Formation

Uintah

## 2. Estimated Formation Tops and Datum

(Datum Assumes 13' KB above ungraded GLE of 6,138' from sea level = 6,151' KB)

<u>Formation</u>	<u>Top @ Drill Depth</u>	<u>Datum</u>	<u>Anticipated Fluids</u>
Uintah	Surface	+6,151' KB	
Green River	251'	+5,900' KB	
Uteland Butte	2,251'	+3,900' KB	
Wasatch	2,351'	+3,800' KB	Gas, Water
Mesaverde	3,951'	+2,200' KB	Gas, Water
Neslen	4,986'	+1,165' KB	Gas, Water
Sego	5,686'	+465' KB	Oil, Gas, Water
Buck Tongue	5,841'	+310' KB	Oil, Gas, Water
Castlegate	6,026'	+125' KB	Oil, Gas, Water
Estimated TD	6,200'		

Potential formation objectives include the Uteland Butte, Wasatch and Mesaverde, including the Mesaverde sub-members. Primary objectives will be the Wasatch and Mesaverde.

## 3. BOP and Pressure Containment Data

Formation pressures are anticipated to be normally or slightly under-pressured with a maximum bottom hole pressure of slightly less than 2,700 psi (pressure gradient of less than 0.435 psi/ft).

A 2000-psi WP BOP system as described in 43 CFR 3160 "Onshore Oil and Gas Order #2" will be utilized. The system will consist of a 2,000 psi double ram preventer with one blind, one pipe ram. The system may, depending on the drilling rig's substructure clearance, utilize a rotating head. Please refer to the attached BOP diagram for this 2,000 psi BOP configuration. The kill line and choke manifold will have a 2,000 psi or higher pressure rating. The BOP system, including the surface casing, will be pressure tested following initial installation and prior to drill-out of the surface casing. Pressure tests will be conducted to the minimum standards set forth in "Onshore Oil and Gas Order #2". The BOP will be mechanically checked daily during the drilling operation.

**4. Proposed Hole, Casing and Cementing Data****Hole & Casing Configuration**

<u>Hole Size</u>	<u>Hole Interval</u>	<u>Casing Size</u>	<u>Setting Depth</u>	<u>Casing New/Used</u>
12 ¼"	0 - 620'	9 5/8"	600' - 620'	New
7 7/8"	620 - TD	4 ½"	T.D.	New

**Casing Properties**

<u>Csg Size</u>	<u>Csg Wt./Ft</u>	<u>Csg Grade</u>	<u>Csg Thread</u>	<u>Csg Collapse</u>	<u>Csg Burst</u>	<u>Csg Tensile</u>
9 5/8	32.3	H-40	ST&C	1,400 psi	2,270 psi	254,000#
4 ½	11.6	N-80	LT&C	6,350 psi	7,780 psi	267,000#

If used, conductor pipe will be set at approximately 40 feet and have a 14" minimum outside diameter.

**Cement Program**

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8"	Premium + 2% CaCL + 0.25 lb/sk. Cello Flake.	330 sacks	1.18 cf/sk	15.6 lbs/gal

*Above surface casing cement volume based upon 75-100% excess for cement to surface*

4 ½"	<u>Lead</u> (2000'-surface) Premium + 16% Gel + 1% Econolite + 5#/sk Gilsonite + 1.5#/sk Granulite + 0.25#/sk Flocele + 3% Salt	185 sacks	3.81 cf/sk	11.0 lbs/gal
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	<u>Tail</u> (TD to 2000') Premium-AG + 2% Gel + 0.5% Halad(R)-9 + 0.3% CFR-3 + 2% Microbond + 0.1% Super CBL	800 sacks	1.52 cf/sk	14.2 lbs/gal
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*Above cement volumes based upon 25% excess, or if accurate caliper log obtained, 15% excess for cement to surface.*

*A stage tool may be run if drilling conditions indicate a two stage job is warranted or if favorable mud log shows and elog responses indicate potential pay in the Uteland Butte or Green River Formation.*

**Float Equipment & Centralizers**

Surface casing will be single staged with guide shoe, 1 joint casing, baffle. A minimum of 3 bow spring centralizers will be run on bottom as follows: Center of shoe joint, top of 1st casing connection & top 2nd casing connection.

Production casing will be single staged with float shoe, 1 joint casing, float collar. A minimum of 3 centralizers will be run on bottom plus additional centralizers run through potential pay zones in the tail cement interval.

**5. Mud Program**

<u>Interval</u>	<u>Mud Type</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss MI/30 Min.</u>
0 - 620'	Air & Mist			No Control
620 - 1,950'	Water	8.4 - 8.8	28 - 36	No Control
1,950 - 6,200' (TD)	Water/Gel	8.8 - 9.4	32 - 42	8 - 10

*Unless hole conditions dictate otherwise, mud-up is anticipated to start approximately 300' above the Uteland Butte formation. Visual mud monitoring will be used.*

**6. Testing, Coring, Sampling and Logging Program**

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Mud loggers will be scheduled for call-out following drill-out of the surface casing. The rig-up of gas detection equipment and recovery of cuttings samples will start at the bottom of the Green River formation at approximately 2,250' drill depth. Initially, a 30 foot sampling frequency will be scheduled. Depending on drill rates and shows, and at geologist's discretion, sampling frequency may be increased to 10 foot intervals.

d) Electric Logging:

<u>Type</u>	<u>Interval</u>
Array Induction-Gamma Ray-SP-Caliper	TD to Surface Casing
Density-Neutron-Gamma Ray-SP-Caliper	TD to Surface Casing
Cement Bond Log-Gamma Ray	PBTD to Top of Cement

**7. Abnormal Conditions**

Oil and gas shows are anticipated but no abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered H<sub>2</sub>S. Anticipated formation pressures are expected to be “normally pressured” (0.435 psi/ft) or slightly under-pressured with a maximum bottom hole pressure of slightly less than 2,700 psi. Maximum anticipated surface pressure equals approximately 1,350 psi (Normal pressure gradient less partially evacuated hole gradient times depth: 0.435 psi/ft – 0.22 psi/ft x 6,200’ TD = 1,350 psi).

**8. Anticipated Starting Date & Drilling Schedule**

Location building and well spud is anticipated within 120 days of McElvain’s receipt of an approved drilling permit and conditioned upon lease wildlife stipulations. Duration of location construction, drilling & completion operations is expected to be approximately 55 aggregate days comprised of 7 construction days, 3 days to pre-set surface casing, 2 move-in/rig-up days, 15 drilling days, 2 rig-down/move-out days, 1 location prep day, 20 completion & testing days & 5 battery construction days.

**9. Variances**

Operator requests a variance to regulations requiring a straight run blooie line (when possible, a straight run blooie line will be used).

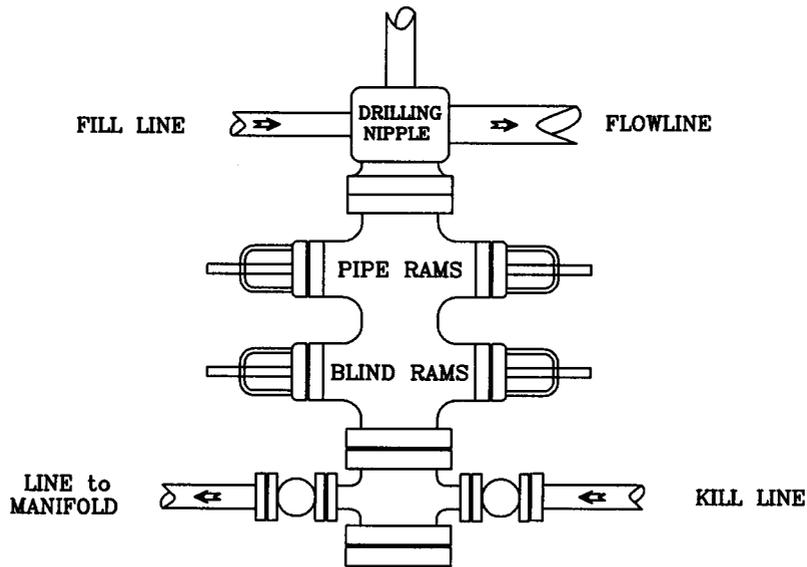
Operator requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line.

**10. Other**

Directional drilling for this location is dismissed in reference to Section 2.5.3 Directional Drilling of the RDG Final EIS. The RDG addresses directional drilling to be eliminated because of technical and economic limits. In brief, it addresses the Mesaverde and Wasatch formations consist of randomly stacked lenticular sand lenses. Most of the target formations are untested zones and directional drilling is expensive to drill. Therefore, drilling vertically through the target zone allows for more favorable economic results.

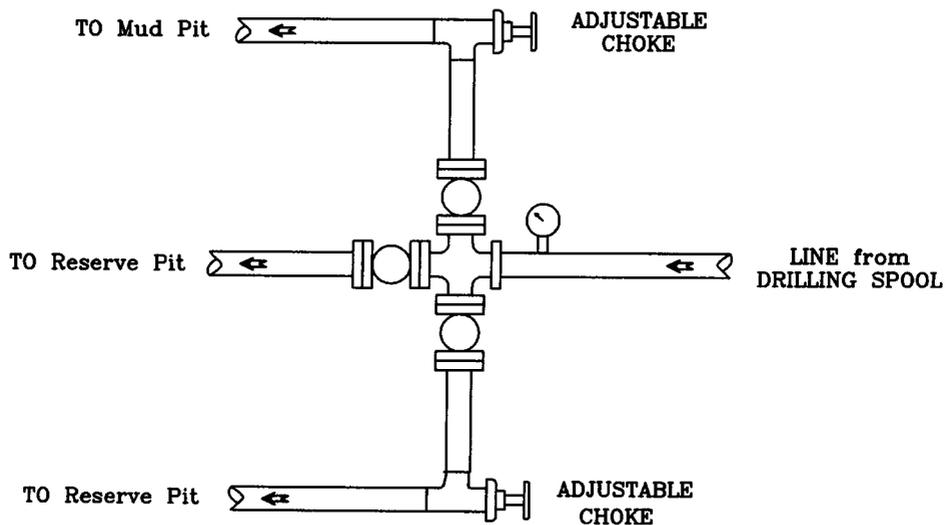
# PRESSURE CONTROL

## Wellhead Assembly



2000 PSI or higher Pressure Rating

## Choke Manifold



*McElvain Oil & Gas Properties, Inc.*

Tucker Federal # 8-10

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

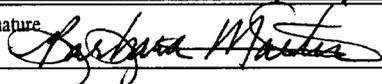
APPLICATION FOR PERMIT TO DRILL OR REENTER

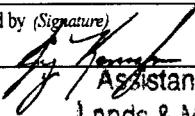
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-70239</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator <b>McElvain Oil &amp; Gas Properties, Inc.</b>		7. If Unit or CA Agreement, Name and No. N/A
3a. Address <b>1050 17th Street, Suite 1800, Denver, CO 80265</b>	3b. Phone No. (include area code) <b>(303) 893-0933</b>	8. Lease Name and Well No. <b>Tucker Federal # 8-10</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface <b>1841' FSL &amp; 2015' FEL (NWSE) Sec. 8, T12S-R24E S.L.B.&amp;M</b> At proposed prod. zone <b>same (vertical well)</b>		9. API Well No. <b>431047139187</b>
10. Field and Pool, or Exploratory <b>Oil Springs</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>Sec. 8, T12S-R24E</b>
12. Distance in miles and direction from nearest town or post office* <b>Approx. 25 miles South of Bananza, Utah</b>		12. County or Parish <b>Uintah County</b>
13. State <b>UT</b>		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1841' South Lease Line</b>	16. No. of acres in lease <b>640 acres</b>	17. Spacing Unit dedicated to this well <b>40 Acres</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>"C"Topo 1mile Radius</b>	19. Proposed Depth <b>6200 ft</b>	20. BLM/BIA Bond No. on file <b>LPM 4138223 (Nation-Wide Bond)</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>6135' GL</b>	22. Approximate date work will start* <b>08/01/2007</b>	23. Estimated duration <b>30 Days Constuction &amp; Drilling</b>

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) <b>Barbara Martin</b>	Date <b>04/03/2007</b>
Title <b>Engineer</b>		

Approved by (Signature) 	Name (Printed/Typed) <b>Jerry Kewicka</b>	Date <b>7-30-2007</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>		
Office <b>VERNAL FIELD OFFICE</b>		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**CONDITIONS OF APPROVAL ATTACHED**

**NOTICE OF APPROVAL**

RECEIVED  
AUG 03 2007

RECEIVED

DIV. OF OIL, GAS & MINING

BLM VERNAL, UTAH

NOS 1/27/07  
07PP1357A

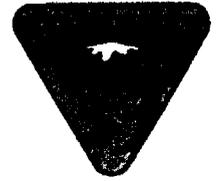


**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

<b>Company:</b>	<b>McElvain Oi &amp; Gas Properties, Inc.</b>	<b>Location:</b>	<b>NWSE, Sec. 8, T12S, R24E</b>
<b>Well No:</b>	<b>Tucker Federal 8-10</b>	<b>Lease No:</b>	<b>UTU-70239</b>
<b>API No:</b>	<b>43-047-39187</b>	<b>Agreement:</b>	<b>N/A</b>

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Scott Ackerman	435-781-4437	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**General Surface COAs**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

**Specific Surface COAs**

The interim seed mix for this location shall be:

Crested wheatgrass	<i>Agropyron cristatum</i>	4 lbs. /acre
Needle and Threadgrass	<i>Stipa comata</i>	4 lbs. /acre
Indian Ricegrass	<i>Stipa hymenoides</i>	4 lbs. /acre

- All pounds are in pure live seed.
- Reseeding may be required if first seeding is not successful.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- The well will be spudded within five years of the existing or supplemented NEPA documentation.
- The requested color for all permanent structures is Olive Black.
- All pits will be lined with felt.
- As discussed on the onsite conducted on March 15,2007 corner 9 of the location will be rounded as much as possible.
- As discussed on the onsite conducted on March 15,2007 juniper stands will be lopped and scattered outside the project area and kept in piles no taller than 4 ft.
- Keep excess material out of drainages.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and

pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

- The best method to avoid entrainment is to pump from an off-channel location-one that does not connect to the river during high spring flows. An infiltration gallery constructed in a BLM and Service approved location is best.
- If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
  - a. do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
  - b. limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (see above); and
  - c. limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.
- Screen all pump intakes with 1,4" mesh material.
- Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

**Northeastern Region**  
152 East 100 North,  
Vernal, UT 84078  
Phone: (435) 781-9453

## **DOWNHOLE CONDITIONS OF APPROVAL**

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- Production casing cement top shall be brought up and into the surface casing.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

#### OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

Oil Well  Gas Well  Other

7. If Unit of CA/Agreement, Name and/or No.  
N/A

8. Well Name and No.  
Tucker Federal # 8-10

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

9. API Well No.  
43-047-39187

3a. Address  
1050 17th Street, Suite 1800, Denver, CO 80265

3b. Phone No. (include area code)  
(303) 893-0933

10. Field and Pool or Exploratory Area  
Oil Springs

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E SLM & B

11. Country or Parish, State  
Utah County, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Surface Reclamation</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Plan</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Interim Reclamation: Upon well completion, the reserve pit will be back filled and brought back to a contour that will not infringe on the well head. The South West portion of the drill pad is required for production facilities and truck turnarounds. East side of the drill pad will be brought to contour and reseeded.

RECEIVED

AUG 08 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)  
Barbara Martin

Title Engineer

Signature



Date 08/06/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

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

FORM 6

**ENTITY ACTION FORM**

Operator: McElvain Oil & Gas Properties, Inc.  
Address: 1050 17th Street, Suite 1800  
city Denver  
state CO zip 80265

Operator Account Number: N 2100  
Phone Number: (303) 893-0933

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739187	Tucker Federal #8-10		NWSE	8	12S	24E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16399	10/10/2007		10/17/07		
Comments: <u>MVED</u>							

**Well 2**

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

**Well 3**

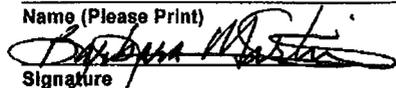
API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							

**ACTION CODES:**

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

Barbara Martin

Name (Please Print)



Signature

Engineer

10/11/2007

Title

Date

(5/2000)

**RECEIVED**

**OCT 11 2007**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well

Oil Well     Gas Well     Other

7. If Unit of CA/Agreement, Name and/or No.  
N/A

8. Well Name and No.  
Tucker Federal # 8-10

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

9. API Well No.  
43-047-39187

3a. Address  
1050 17th Street, Suite 1800, Denver, CO 80265

3b. Phone No. (include area code)  
(303) 893-0933

10. Field and Pool or Exploratory Area  
Oil Springs

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E SLM & B

11. Country or Parish, State  
Uintah County, Utah

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>APD Change of Plans</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. would like to make a change of plans on the APD for the Tucker Federal # 8-10 (API# 43-047-39187) located in the NWSE of Sec. 8, T12S-R24E of Uintah County, Utah. The APD was approved to drill to the depth of 6,200'. We would like to change our plans on the APD with a new TD of 4,400'. Attached is the revised Ten Point Drilling Plan to reflect our changes.

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

**Federal Approval of this  
Action is Necessary**

Date: 09-27-07  
By: [Signature]

**RECEIVED  
SEP 27 2007**

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)  
Barbara Martin

Title Engineer

Signature [Signature]

Date 09/25/2007

**COPY SENT TO OPERATOR**  
Date: 9-28-07  
Initials: pm

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

## Ten Point Drilling Plan

McElvain Oil & Gas Properties, Inc.  
Revision 9-25-07

Tucker Federal #8-10

Surface Location NW ¼, SE ¼, Section 8, T12S-R24E, SLB&M  
Uintah County, Utah

### 1. Surface Formation

Uintah

### 2. Estimated Formation Tops and Datum

(Datum Assumes 16' KB above ungraded GLE of 6,138' from sea level = 6,154' KB)

<u>Formation</u>	<u>Top @ Drill Depth</u>	<u>Datum</u>	<u>Anticipated Fluids</u>
Uintah	Surface	+6,154' KB	
Green River	254'	+5,900' KB	
Uteland Butte	2,254'	+3,900' KB	
Wasatch	2,354'	+3,800' KB	Gas, Water
Mesaverde	3,954'	+2,200' KB	Gas, Water
Estimated TD	4,400'		

Potential formation objectives include the Uteland Butte, Wasatch and Mesaverde, including the Mesaverde sub-members. Primary objectives will be the Wasatch and Mesaverde.

### 3. BOP and Pressure Containment Data

Formation pressures are anticipated to be normally or slightly under-pressured with a maximum bottom hole pressure of slightly less than 1,925 psi (pressure gradient of less than 0.435 psi/ft).

A 2000-psi WP BOP system as described in 43 CFR 3160 "Onshore Oil and Gas Order #2" will be utilized. The system will consist of a 2,000 psi double ram preventer with one blind, one pipe ram. The system may, depending on the drilling rig's substructure clearance, utilize a rotating head. Please refer to the attached BOP diagram for this 2,000 psi BOP configuration. The kill line and choke manifold will have a 2,000 psi or higher pressure rating. The BOP system, including the surface casing, will be pressure tested following initial installation and prior to drill-out of the surface casing. Pressure tests will be conducted to the minimum standards set forth in "Onshore Oil and Gas Order #2". The BOP will be mechanically checked daily during the drilling operation.

**4. Proposed Hole, Casing and Cementing Data**

**Hole & Casing Configuration**

<u>Hole Size</u>	<u>Hole Interval</u>	<u>Casing Size</u>	<u>Setting Depth</u>	<u>Casing New/Used</u>
12 1/4"	0 - 620'	9 5/8"	600' - 620'	New
7 7/8"	600' - TD	4 1/2"	T.D.	New

**Casing Properties**

<u>Csg Size</u>	<u>Csg Wt./Ft</u>	<u>Csg Grade</u>	<u>Csg Thread</u>	<u>Csg Collapse</u>	<u>Csg Burst</u>	<u>Csg Tensile</u>
9 5/8	32.3	H-40	ST&C	1,400 psi	2,270 psi	254,000#
4 1/2	11.6	K or J-55	LT&C	4,960 psi	5,350 psi	184,000#

If used, conductor pipe will be set at approximately 40 feet and have a 14" minimum outside diameter.

**Cement Program**

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
9 5/8"	Premium + 2% CaCL + 0.25 lb/sk. Cello Flake.	330 sacks	1.18 cf/sk	15.6 lbs/gal

*Above surface casing cement volume based upon 75-100% excess for cement to surface*

4 1/2"	<u>Lead</u> (2000'-surface) Premium + 16% Gel + 1% Econolite + 5#/sk Gilsonite +1.5#/sk Granulite + 0.25#/sk Flocele + 3% Salt	185 sacks	3.81 cf/sk	11.0 lbs/gal
--------	--	-----------	------------	--------------

	<u>Tail</u> (TD to 2000') Premium-AG + 2% Gel + 0.5% Halad(R)-9 + 0.3% CFR-3 + 2% Microbond + 0.1% Super CBL	450 sacks	1.52 cf/sk	14.2 lbs/gal
--	--	-----------	------------	--------------

*Above cement volumes based upon 25% excess, or if accurate caliper log obtained, 15% excess for cement to surface.*

*A stage tool may be run if drilling conditions indicate a two stage job is warranted or if favorable mud log shows and elog responses indicate potential pay in the Uteland Butte or Green River Formation.*

**Float Equipment & Centralizers**

Surface casing will be single staged with guide shoe, 1 joint casing, baffle. A minimum of 3 bow spring centralizers will be run on bottom as follows: Center of shoe joint, top of 1st casing connection & top 2nd casing connection.

Production casing will be single staged with float shoe, 1 joint casing, float collar. A minimum of 3 centralizers will be run on bottom plus additional centralizers run through potential pay zones in the tail cement interval.

**5. Mud Program**

<u>Interval</u>	<u>Mud Type</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss Ml/30 Min.</u>
0 - 620'	Air & Mist			No Control
620 - 1,950'	Water	8.4 - 8.8	28 - 36	No Control
1,950 - 4,400' (TD)	Water/Gel	8.8 - 9.4	32 - 42	8 - 10

*Unless hole conditions dictate otherwise, mud-up is anticipated to start approximately 300' above the Uteland Butte formation. Visual mud monitoring will be used.*

**6. Testing, Coring, Sampling and Logging Program**

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Mud loggers will be scheduled for call-out following drill-out of the surface casing. The rig-up of gas detection equipment and recovery of cuttings samples will start at the bottom of the Green River formation at approximately 2,250' drill depth. Initially, a 30 foot sampling frequency will be scheduled. Depending on drill rates and shows, and at geologist's discretion, sampling frequency may be increased to 10 foot intervals.

d) Electric Logging:

<u>Type</u>	<u>Interval</u>
Induction-Gamma Ray-Caliper	TD to Surface Casing
Density-Neutron	
Cement Bond Log-Gamma Ray	PBTD to Top of Cement

**7. Abnormal Conditions**

Oil and gas shows are anticipated but no abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered H<sub>2</sub>S. Anticipated formation pressures are expected to be “normally pressured” (0.435 psi/ft) or slightly under-pressured with a maximum bottom hole pressure of slightly less than 1,950 psi. Maximum anticipated surface pressure equals approximately 950 psi (Normal pressure gradient less partially evacuated hole gradient times depth: 0.435 psi/ft – 0.22 psi/ft x 4,400’ TD = 950 psi).

**8. Anticipated Starting Date & Drilling Schedule**

Location building and well spud is anticipated within 120 days of McElvain’s receipt of an approved drilling permit and conditioned upon lease wildlife stipulations. Duration of location construction, drilling & completion operations is expected to be approximately 55 aggregate days comprised of 7 construction days, 3 days to pre-set surface casing, 2 move-in/rig-up days, 15 drilling days, 2 rig-down/move-out days, 1 location prep day, 20 completion & testing days & 5 battery construction days.

**9. Variances**

Operator requests a variance to regulations requiring a straight run blooie line (when possible, a straight run blooie line will be used).

Operator requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line.

**10. Other**

Directional drilling for this location is dismissed in reference to Section 2.5.3 Directional Drilling of the RDG Final EIS. The RDG addresses directional drilling to be eliminated because of technical and economic limits. In brief, it addresses the Mesaverde and Wasatch formations consist of randomly stacked lenticular sand lenses. Most of the target formations are untested zones and directional drilling is expensive to drill. Therefore, drilling vertically through the target zone allows for more favorable economic results.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

7. If Unit of CA/Agreement, Name and/or No.  
N/A

1. Type of Well

Oil Well     Gas Well     Other

8. Well Name and No.  
Tucker Federal # 8-10

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

9. API Well No.  
43-047-39187

3a. Address  
1050 17th Street, Suite 1800, Denver, CO 80265

3b. Phone No. (include area code)  
(303) 893-0933

10. Field and Pool or Exploratory Area  
Oil Springs

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)  
1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E SLM & B

11. Country or Parish, State  
Utah County, Utah

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud Notice
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Tucker Federal #8-10 was spud October 10, 2007 at 1:00 AM by Pro Petro Services.

MIRU Pro Petro Services Drilled 12 1/4" Hole to 630". Ran 15jts of 9 5/8" H-40, 32.3 #/ft, ST&C, New Csg set at 606' (G.L). Ran 3 Centralizers, Guide Shoe, Insert Float, and Stop Ring

RU Pro Petro Cementing to cement Surface Casing, pumped 350 sks Premium Cement with 2% CaCl2 & 0.25#/sk Flocele. Cmt wt: 15.8 ppg, Yield: 1.15 cuf/sk. 3.5 bbl of cement to Surface.

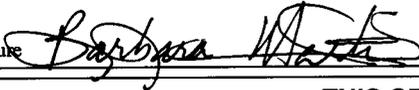
14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Barbara Martin

Title Engineer

Signature



Date 10/12/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

OCT 15 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
na

7. Unit or CA Agreement Name and No.  
na

8. Lease Name and Well No.  
Tucker Federal # 8 - 10

9. AFI Well No.  
43-047-39187

10. Field and Pool or Exploratory  
Oil Springs

11. Sec., T., R., M., on Block and Survey or Area  
Sec. 8, T12S-R24E SLB&M

12. County or Parish  
Uintah

13. State  
Ut

14. Date Spudded  
10/10/2007

15. Date T.D. Reached  
10/27/2007

16. Date Completed  
12/01/2007  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
6135' GL, 6151' KB

18. Total Depth: MD 4042' KB  
TVD 4042' KB

19. Plug Back T.D.: MD 3587' KB  
TVD 3587' KB

20. Depth Bridge Plug Set: MD 3640' KB  
TVD 3640' KB

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
Density/Neutron/AIT/GR/SP/CBL CC

22. Was well cored?  No  Yes (Submit analysis)  
Was DST run?  No  Yes (Submit report)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14" Conduct		Surface	40'	na	2.5 yds Redimix		Surface	none
12.25"	9.625"/H40	32.3 #/ft	Surface	620' KB	na	350 sx Premium	71 bbls	Surface	none
7.875"	4.5"/J55	11.6 #/ft	Surface	4023' KB	na	335sx 35:65Poz	128bbls LEAD	Surface	none
						530sx 50:50Poz	122bbls TAIL		

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375"	3486' KB							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wasatch	2,374' KB	3,836' KB	3656 to 3660' KB	0.34"	12	Abandoned w/CIBP + 4 sx Cmt
B) Wasatch	2,374' KB	2,836' KB	3485 to 3493' KB	0.34"	24	Open - SI WOPL
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
3656 - 3660' KB	3% KCL breakdown (5 bbls total) - Zone tested tight. Subsequently Abandoned via CIBP @ 3640' + 4 sx (53') dumbail cmt
3485 - 3493' KB	No breakdown or stimulation was performed on the existing perforations.

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JAN 10 2008

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/17/07	11/19/07	2.5 hrs	→	0	TSTM	0	na		Swab Testing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
na	0	0	→	0.34"	TSTM	0	na	Zone was abandoned by wireline setting a CIBP @ 3640' KB followed by 2 dumpball runs (4 sx cmt total). TOC @ 3587' KB	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/19/07	12/01/07	48	→	0	220	0	na	0.605	Flow Test through a choke
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
42/64"	20	50	→	0	220	0	na	SI Waiting on results of a reservoir study prior to building a production battery.	

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

If the decision is made to build a production battery, the gas will be produced into the Energy Transfer pipeline system and sold.

30. 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Wasatch	3485' KB	3493' KB	Gas but zone may be of limited extent.	Uteland Butte	2,312' KB
Wasatch	3,129' KB	3,134' KB	Possibly Gas - Currently untested	Wasatch	2,374' KB
Wasatch	3,075' KB	3,082' KB	Possibly Gas - Currently untested	Bentonite Marker	3,807' KB
				Mesaverde	3,836' KB

32. Additional remarks (include plugging procedure):

After setting 40' of 14" conductor casing, a Pro-Petro rig was moved to location to spud a 12.25" surface hole on 10/10/07. The hole was drilled to 630' before setting & cementing 620' of new 9.625", 32.3 #/ft, H40 surface casing w/350 sx of premium cement (15.8 ppg & 1.15 Yield). Pro-Petro's rig was moved off and Ensign Rig # 79 was moved onto location on 10/23/07. The 7.875" production hole reached a 4042' TD on 10/27/07. New 4.5", 11.6 #/ft, J55 production casing was run & cemented to surface in a single stage by Superior Well Services w/335 sx 35:65 POZ LEAD cement (12.1 ppg & 2.16 Yield) followed by 530 sx 50:50 POZ TAIL cement (14.3 ppg & 1.29 Yield). A CBL was run on 11/13/07 & verified good cement bond with cement to surface. Completion operations began 11/16/07. The lower Wasatch from 3656-60' was perforated on 11/17/07 but swab tested tight after a 5 bbl KCL breakdown & it was abandoned via a CIBP @ 3640 + 4 sx of dumpballed cement (New PBTD=3587). The Wasatch was again perforated from 3485 to 3493' on 11/19/09 and this zone came in natural initially flowing 750 MCFGD before being SI on 11/20/07. A static BHP survey was run on 11/26/07 and indicated a static reservoir pressure of 1,501 psi. On 11/29/07 the well was flow tested through various choke sizes for 48 continuous hours before stabilizing at a calculated 220 MCFGD thru a 42/64" choke after flowing an aggregate estimated 725 MCFG with no oil or water. The well was again SI on 12/1/07 & a 2nd static BHP survey run on 12/11/07 indicating a BHP of 1,221 psi. The well remains SI pending a reservoir evaluation prior to a battery hook-up.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)     
  Geologic Report     
  DST Report     
  Directional Survey  
 Sundry Notice for plugging and cement verification     
  Core Analysis     
 Other: Cement Bond Log

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) E. Reed Fischer Title Senior Operations Engineer  
 Signature [Signature] Date 01/08/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well  
 Oil Well  Gas Well  Other

7. If Unit of CA/Agreement, Name and/or No.  
N/A

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

8. Well Name and No.  
Tucker Federal # 8-10

3a. Address  
1050 17th Street, Suite 1800, Denver, CO 80265

3b. Phone No. (include area code)  
(303) 893-0933

9. API Well No.  
43-047-39187

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E SLM & B

10. Field and Pool or Exploratory Area  
Oil Springs

11. Country or Parish, State  
Uintah County, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Temp. Abandon</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>lower Wasatch perms &amp;</u>
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>Rcmplt Upper Wasatch</u>

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. would like temporarily abandon the current Wasatch perforations from 3,485-3,493' in order to move uphole to test additional Wasatch zones from 3,129 - 3,134' and potentially, a final Wasatch zone from 3,075 - 3,082'. Temporary abandonment of the existing, open Wasatch perforations would be via a tubing set retrievable bridge plug @ approximately 3,200' or a wire-line set CIBP @ approximately 3,450'. After testing the upper Wasatch a request will be made to (1) keep the lower Wasatch perms from 3,129-34 temporarily abandoned for some period of time while the upper zones are drawn down or (2) commingle the upper Wasatch perms with the lower Wasatch perms by removing either the RBP or CIBP.

Please see the attached proposed "Wasatch Re-complete Proposal - October 16, 2009" for more details.

PLEASE KEEP ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME.

COPY SENT TO OPERATOR

Date: 11/16/2009

Initials: KS

14. I hereby certify that the foregoing is true and correct.  
Name (Printed/Typed)  
E. Reed Fischer

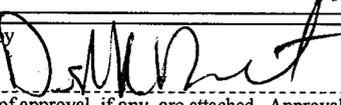
Title Senior Operations Engineer

Signature



Date 10/20/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by   
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title Pet Eng.

Date 11/3/09

Office DOGm

Federal Approval of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

(Instructions on page 2)

**OCT 22 2009**

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

**McELVAIN OIL & GAS PROPERTIES, INC.**

**Tucker Federal # 8-10  
NWSE Sec. 8, T12S-R24E  
Uintah County, Utah  
API # 43-047-39187**

**Wasatch Re-complete Proposal – October 16, 2009**

Drill TD: 4,042' (Logger)      PBTD: 3,587' TOC above CIBP      KB: 16'

**CASING:**

9 5/8", 32.30#, H-40 @ 615' KB in 12 1/4" hole.

Cemented with 350 sacks Class 'G' by Pro Petro. 15.8 ppg and 1.15 ft<sup>3</sup>/sk.  
Full Returns. Circulated 3.5 bbls cement to surface.

4 1/2", 11.6#, J55, LT&C @ 4,023' in 7 7/8" hole.

Cemented in 1 stage by Superior w/335 sx 65:35 (Class A:Poz) LEAD cement mixed at 12.1 ppg & 2.16 Yield, followed by 530 sx 50:50 (Class A:Poz) TAIL cement mixed at 14.3 ppg & 1.29 Yield. (Cement volume based upon 20% excess over caliper volume).  
Full returns throughout job w/27 bbls cement to surface.

No Marker Joints, Shortest Joint (42.65') @ ± 2733'.

**TUBING (run 11/19/07):**

1 Jt 2.375" 4.7# J55 EUE Tbg, 1-10' Tbg pup, 1-6' Tbg pup, 109 Jts Tbg (3,420.11'),  
SN w/NC @ 3,485', EOT @ 3,486'

**FORMATION TOPS:**

Uteland Butte:	2,312'
Wasatch:	2,374'
Bentonite Marker:	3,607'
Mesaverde:	3,836'

**EXISTING PERFORATIONS & PLUGS:**

3,656 – 3,660'	Perf # 1 on 11/17/07	Good Press but tight following KCL BD
3,640'	CIBP #1 on 11/19/07	Dump-bail 4 sx, TOC above Plug @ 3,587'
3,485 – 3,493'	Perf # 2 on 11/19/07	Natural Completion but limited reservoir

**PROPOSED PERFORATIONS:**

3,129 – 3,134'	(5')	Wasatch	Proposed Perf & Test, Zone # 3
3,075 – 3,082'	(7')	Wasatch	Proposed Perf & Test, Zone # 4

### PROPOSED PROCEDURE:

1. Check condition of dead men.
2. Provide BLM and State of Utah a minimum of 24 hour notice prior to initiation of re-completion operations. See contact numbers below.
3. MIRU Service Unit, pump & tank.
4. Pump 3% KCL as needed to ND wellhead & NU BOPE with stripping head on 7-1/16"x3M tubing-head.
5. POOH w/tubing. If necessary, pump 3% KCl to get out of hole. Minimize kill volume.
6. MIRU WL unit. NU full riser. MU & RIH with deep penetrating perforating guns to perforate 3,129' to 3,134' w/3 spf, 120 degree phasing. Correlate with Schlumberger's Density/Neutron Log of 10/28/07, Run #1.
7. Depending on well response either:
  - RD wireline. MU & TIW with RBP & full bore lok-set packer combination, seating nipple and tubing. Set RBP @  $\pm 3,200$ . Set packer & pressure test RBP to  $\pm 1,000$  psi. PU & set packer  $\pm 100$  feet above top perf. Swab &/or flow test new perforations and if necessary, break down w/clean 3% KCL or 250 gals 15 % HCL. Use balls for any breakdown. Swab back load & test.
- OR
- Wireline-set CIBP @  $\pm 3,450'$ . RD Wireline. Flow-test well up casing. When well allows, MU SN on tubing & TIH to hang-off tubing. Swab &/or flow test. If well appears to be productive land tubing in top perf. ND BOPE and NU tree. Set up well for production.
8. If zone appears productive, run Bottom Hole Pressure & gradient survey ASAP following establishment of production.
9. Continue perforating and testing according to above perf order and procedure until production established.
10. **Pickup & haul off all trash on location and access roads.** Release & return rentals. Inventory any remaining equipment on location. RDMO pulling unit.

### REMARKS:

- Provide at least 24 hours notice before moving a rig to location **and** prior to abandonment of any zone to 1) BLM's Mr. Ryan Angus at 435.781.4430 (office) or 435.828.7368 (cell) and to 2) Utah Division of Oil, Gas and Mining's Mr. Don Jarvis @ 801.538.5338. Note contact information on morning reports.
- Call Denver prior to ordering wire line services and setting any CIBPs to discuss when to cap CIBPs with cement.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
UTU-70239

6. If Indian, Allottee or Tribe Name  
N/A

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

1. Type of Well  
 Oil Well  Gas Well  Other

7. If Unit of CA/Agreement, Name and/or No.  
N/A

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

8. Well Name and No.  
Tucker Federal # 8-10

3a. Address  
1050 17th Street, Suite 1800, Denver, CO 80265

3b. Phone No. (include area code)  
(303) 893-0933

9. API Well No.  
43-047-39187

10. Field and Pool or Exploratory Area  
Oil Springs

4. Location of Well (Footage, Sec., T, R, M., or Survey Description)  
1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E SLM & B

11. Country or Parish, State  
Uintah County, Utah

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other TA Lower Wasatch
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	perms, Recomplete Uppr
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Wasatch. SI for Eval

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. performed the following work: On 10/22/09 a BHP Survey was run & indicated a static BHP of 1,575 psi at the existing midperf of 3,489' KB. There was no liquids in the wellbore at the time of this BHP survey. The well was flow tested for approximately 94 hours with a final, unstabilized flowrate of approximately 200 MCFGD. No liquids were recovered during this flow test. The well was then SI with pressure bombs in the hole for 451 hours (until 11/14/09) at which time the bombs were retrieved and the data analyzed. Following analysis of the well test data the decision was made to TA the existing perms and recomplete the well in the upper Wasatch. On 12/3/09 recompletion operations began when a service rig was moved in & rigged up after notifying the BLM's Ryan Angus and the State's Dan Jarvis. Tbg was pulled from the well & a 10K Baker CIBP was WL set @ 3,450'. An upper Wasatch zone from 3,129 to 3,134' was perforated @ 3 spf, swab tested under packer and eventually broke down w/rig pumps using 3% KCL. The load was swabbed back with the zone testing dry & less than 25 MCFGD before the pkr was pulled & an additional upper Wasatch zone from 3,075' to 3,082' was perforated @ 3 spf. A RBP & Pkr was run on tbg, the RBP was set @ 3,100' & pkr set @ 3,026' before the new perms were swab tested under pkr, broken down w/rig pumps using 3% KCl & swab tested. The load was recovered via swab with the well testing dry and gas TSTM. The pkr was pulled, then the RBP removed before re-running a SN & tbg, landing same @ 3,331' & swab testing both upper sets of Wasatch perms. Testing indicated both zones dry w/small amounts of gas. The well was buttoned up, the service unit rigged down and moved off on 12/10/09. The well is currently SI w/an uncapped CIBP @ 3,450', both sets of upper Wasatch perms from 3,129-3,334' and 3,075-3,082 open and EOT @ 3,331'. The well will remain SI pending determination of further tests.

PLEASE KEEP ALL INFORMATION CONFIDENTIAL FOR THE MAXIMUM ALLOWABLE PERIOD OF TIME.

RECEIVED

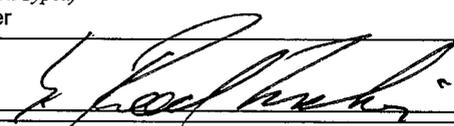
DEC 26 2009

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
Name (Printed/Typed)

E. Reed Fischer

Title Senior Operations Engineer

Signature 

Date 12/24/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

DEC 28 2009

FORM APPROVED  
OMB NO. 1004-0137  
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

a. Type of Well  Oil Well  Gas Well  Dry  Other  
 b. Type of Completion:  New Well  Work Over  Deepen  Plug Back  Diff. Resrv.,  
 Other: Updated Compl Rpt following Recmplt

2. Name of Operator  
McElvain Oil & Gas Properties, Inc.

3. Address 1050 - 17th Street, Suite 1800 Denver, Colorado 80265

3a. Phone No. (include area code)  
(303) 893-0933 xtn 330

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

1841' FSL & 2015' FEL (NWSE) Sec. 8, T12S-R24E S.L.B.&M.

At surface

same

At top prod. interval reported below

At total depth same

14. Date Spudded  
10/10/2007

15. Date T.D. Reached  
10/27/2007

16. Date Completed 12/10/2009  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
6135' GL, 6151' KB

18. Total Depth: MD 4042' KB  
TVD 4042' KB

19. Plug Back T.D.: MD 3587' KB  
TVD 3587' KB

20. Depth Bridge Plug Set: MD 3640' KB & 3,450' KB  
TVD 3640' KB & 3,450' KB

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
Density/Neutron/AIT/GR/SP/CBL

22. Was well cored?  No  Yes (Submit analysis)  
Was DST run?  No  Yes (Submit report)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14" Conduct		Surface	40'	na	2.5 yds Redimix		Surface	none
12.25"	9.625"/H40	32.3 #/ft	Surface	620' KB	na	350 sx Premium	71 bbls	Surface	none
7.875"	4.5"/J55	11.6 #/ft	Surface	4023' KB	na	335sx 35:65Poz	128bbls LEAD	Surface	none
						530sx 50:50Poz	122bbls TAIL		

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375"	3,331' KB							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wasatch	2,374' KB	3,836' KB	3656 to 3660' KB	0.34"	12	Abd w/CIBP @ 3640 + 4 sx Cmt
B) Wasatch	2,374' KB	3,836' KB	3485 to 3493' KB	0.34"	24	TA w/CIBP @ 3450, no cmt cap
C) Wasatch	2,374' KB	3,836' KB	3129 to 3134' KB	0.41"	15	Open but SI
D) Wasatch	2,374' KB	3,836' KB	3075 to 3082' KB	0.41"	21	Open but SI

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
3656 - 3660' KB	3% KCL breakdown (5 bbls total) - Zone tested tight. Subsequently Abandoned via CIBP @ 3640' + 4 sx (53') dumbail cmt
3485 - 3493' KB	No breakdown or stimulation was performed. Tested dry but possibly limited. Uncapped CIBP set @ 3,450'. Zone TA'd.
3129 - 3134' KB	Broke Down w/8 bbls 3% KCl using rig pumps. Tested dry & tight w/gas < 25 MCFGD. Zone Open & SI pending eval.
3075 - 3082' KB	Broke Down w/4 bbls 3% KCl using rig pumps. Tested dry & tight w/gas TSTM. Zone Open w/3129-34' & SI pending eval.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/17/07	11/19/07	2.5 hrs	→	0	TSTM	0	na		Swab Testing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
na	0	0	→	0.34"	TSTM	0	na	Zone was abandoned by wireline setting a CIBP @ 3640' KB followed by 2 dumpbail runs (4 sx cmt total). TOC @ 3587' KB	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/19/07	12/01/07	48	→	0	220	0	na	0.605	Flow Test through a choke
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
42/64"	20	50	→	0	220	0	na	TA'd via uncapped Baker 10K CIBP @ 3450' set on 12/4/09 via WL prior to recompleat attempt of Interval C & D (below)	

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/6/09	12/6/09	3.5	→	0	< 25	0	na	Est. 0.61	Swab back load then flow test thru choke
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
24/64	5	< 75 psi	→	0	25	0	na	Zone commingled with Interval D from 3075-82' but SI pending evaluation.	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/8/09	12/8/09	3.5	→	0	< 10	0	na	Est. 0.61	Swabbing w/light flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
na	< 5 psi	< 40 psi	→	0	< 10	0	na	Zone commingled with Interval C from 3129-34' but SI pending evaluation	

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

If the decision is made to fracture stimulate the Upper Wasatch and build a production battery, the gas will be produced into the Energy Transfer pipeline system and sold.

30. 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Wasatch	3485' KB	3493' KB	Gas but zone may be of limited extent.	Uteland Butte	2,312' KB
Wasatch	3,129' KB	3,134' KB	Gas < 25 MCFGD. Zone appears dry w/no condensate	Wasatch	2,374' KB
Wasatch	3,075' KB	3,082' KB	Gas < 10 MCFGD. Zone appears dry w/no condensate.	Bentonite Marker	3,607' KB
				Mesaverde	3,836' KB

32. Additional remarks (include plugging procedure):

Without stimulation zones B, C & D are not capable of producing individually at commercial rates. Zone B is currently TA'd via CIBP and zones C & D are currently SI. An evaluation of the current well test data coupled with individual zone and commingled zone economic modeling will dictate if and when any or all of the zones can be treated and placed on line with a reasonable expectation of commercial production.

RECEIVED

DEC 28 2009

DIV. OF OIL, GAS & MINING

33. Indicate which items have been attached by placing a check in the appropriate boxes:

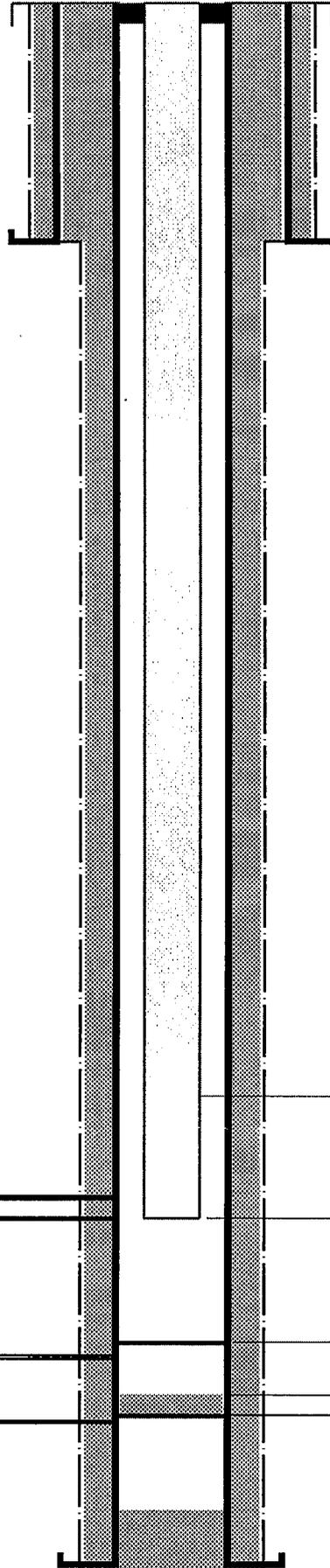
- Electrical/Mechanical Logs (1 full set req'd.)     
  Geologic Report     
  DST Report     
  Directional Survey  
 Sundry Notice for plugging and cement verification     
  Core Analysis     
  Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) E. Reed Fischer      Title Senior Operations Engineer  
 Signature [Signature]      Date 12/24/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Tucker Federal # 8-10  
 NWSE Sec 8 T12S-R24E  
 Uintah County Utah  
 API # 43-047-39187  
 Wellbore asof 12/10/09



SURFACE CASING in 12 1/4" hole  
 9 5/8" 32.3# H40 @ 615'  
 Cemented w/350 sx Return 27 bbls  
 Cement to surface

Wasatch Top @ 2374'  
 Mesaverde Top @ 3836' KB

2 3/8" 4.7# J55 @ 3130'  
 SN w/NC..98 jts..6' sub..1 jt  
 ECT @ 3131 SN @ 3130

Wasatch Formation Perfs 3075-3082  
 Wasatch Formation Perfs 3129-3134

SN @ 3130

Wasatch Formation Perfs 3485-3493

CIBP @ 3450

Wasatch Formation Perfs 3656-3660

Top of Cement Cap @ 3587

CIBP @ 3640

PBTD: 3886'

TD: 4042'

Diagram: 0' to 4042'  
 VERT Scale: 1"=431'

PRODUCTION CASING in 7 7/8" hole  
 4 1/2" 11.6# J55 @ 4023'  
 Single Stage Cement to Surface w/  
 335 sx 65:35 POZ LEAD & 530 sx  
 50:50 Poz TAIL. 27 Bbls cmt to surf

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DEC 28 2009

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

**ROUTING**  
 1. CDW

Change of Operator (Well Sold)

**X - Operator Name Change**

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

**8/11/2011**

<b>FROM:</b> (Old Operator): N2100-McElvain Oil & Gas Properties, Inc. 1050 17th Street, Suite 2500 Denver, CO 80265 Phone: 1 (303) 893-0933	<b>TO:</b> ( New Operator): N3795-McElvain Energy, Inc. 1050 17th Street, Suite 2500 Denver, CO 80265 Phone: 1 (303) 893-0933
--	---

CA No.			Unit:					
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
<b>SEE ATTACHED LIST - 13 Wells</b>								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/30/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/30/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/30/2011
- Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 8078926-0143
- (R649-9-2)Waste Management Plan has been received on: \_\_\_\_\_
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 8/31/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 8/31/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: 8/30/2011

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: COB000010
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number n/a
- The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:**

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

2. NAME OF OPERATOR:  
McElvain Oil & Gas Properties, Inc.      *N2100*

3. ADDRESS OF OPERATOR:      PHONE NUMBER:  
1050 17th St, Suite 2500      CITY Denver      STATE CO      ZIP 80265      (303) 893-0933

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: **UTAH**

5. LEASE DESIGNATION AND SERIAL NUMBER: \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: \_\_\_\_\_

7. UNIT or CA AGREEMENT NAME: \_\_\_\_\_

8. WELL NAME and NUMBER:  
**SEE ATTACHED LIST**

9. API NUMBER: \_\_\_\_\_

10. FIELD AND POOL, OR WILDCAT: \_\_\_\_\_

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

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

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

McElvain Oil & Gas Properties, Inc. has changed it's name to McElvain Energy, Inc. Effective August 11, 2011. This is ONLY a name change.      *N3795*

Our BLM Bond # is COB - 000010

Attached is a well list.

NAME (PLEASE PRINT) Deborah Powell      TITLE Eng Tech Manager

SIGNATURE *Deborah Powell*      DATE 8/29/2011

(This space for State use only)

**APPROVED** 8/31/2011

*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

**RECEIVED**  
**AUG 30 2011**  
DIV. OF OIL, GAS & MINING

well_name	sec	twp	rng	api	entity	lease	well	stat	l_num
CENTER FORK F 17-4	17	120S	240E	4304732750	12038	Federal	GW	S	UTU-75206
TOBY FEDERAL F 6-15	06	120S	240E	4304732757	12037	Federal	GW	P	UTU-08424A
ROSEWOOD FED 28-8	28	110S	220E	4304732840	12442	Federal	GW	S	UTU-65355
HANGING ROCK FED I 1-4	01	120S	230E	4304732855	12389	Federal	GW	S	UTU-57455
TUCKER FEDERAL F 8-4	08	120S	240E	4304732872	12125	Federal	GW	P	UTU-70239
TUCKER FEDERAL F 8-2	08	120S	240E	4304732993	12386	Federal	GW	P	UTU-70239
TUCKER FED 8-12	08	120S	240E	4304734729	13740	Federal	GW	S	UTU-70239
HANGING ROCK FED 11-9	11	120S	230E	4304734730	14017	Federal	GW	P	UTU-57455
HANGING ROCK 1-8	01	120S	230E	4304736042	15514	Federal	GW	P	UTU-57455
TUCKER FED 8-6	08	120S	240E	4304736837	15513	Federal	GW	P	UTU-70239
TUCKER FED 8-10	08	120S	240E	4304739187	16399	Federal	GW	S	UTU-70239
HANGING ROCK FED 1-2	01	120S	230E	4304739430	16400	Federal	GW	S	UTU-57455
ATCHEE WASH 33-9	33	100S	230E	4304740631		Federal	OW	APD	UTU-73451

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

ROUTING  
 CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **8/1/2014**

<b>FROM:</b> (Old Operator): McElvain Energy, Inc. N3795 1050 17th Street, Suite 2500 Denver, CO 80265 303-893-0933	<b>TO:</b> ( New Operator): Onshore Royalties, LLC N4140 P.O. Box 2326 Victoria, TX 77902 361-570-1600
---	--

WELL NAME	CA No.	SEC	TWN	RNG	API NO	Unit:	Haning Rock	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List											

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/14/2014
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/14/2014
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/15/2014
- Is the new operator registered in the State of Utah: \_\_\_\_\_ Business Number: 9116573-0161
- (R649-9-2)Waste Management Plan has been received on: N/A
- Inspections of LA PA state/fee well sites complete on: N/A
- Reports current for Production/Disposition & Sundries on: 8/15/2014
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA N/A
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: Not Yet
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 9/15/2014
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/15/2014
- Bond information entered in RBDMS on: N/A
- Fee/State wells attached to bond in RBDMS on: N/A
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: UTB000644
- Indian well(s) covered by Bond Number: N/A
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- The **FORMER** operator has requested a release of liability from their bond on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

McElvain Energy, Inc N3795 to Onshore Royalties, LLC. N4140  
 Effective 8/1/2014

Well Name	Section	TWN	RNG	API Number	Entity	Mineral Lease	Well Type	Well Status	Unit
HANGING ROCK FEDERAL 24-13	24	110S	230E	4304732603	11723	Federal	GW	P	HANGING ROCK
HANGING ROCK FEDERAL I 1-16	1	120S	230E	4304732679	11889	Federal	GW	P	HANGING ROCK
HANGING ROCK FEDERAL I 12-4	12	120S	230E	4304732748	11889	Federal	GW	P	HANGING ROCK
HANGING ROCK FEDERAL F 7-6	7	120S	240E	4304732751	11889	Federal	GW	P	HANGING ROCK
TOBY FEDERAL F 6-15	6	120S	240E	4304732757	12037	Federal	GW	P	
HANGING ROCK FEDERAL I 1-14	1	120S	230E	4304732871	11889	Federal	GW	P	HANGING ROCK
TUCKER FEDERAL F 8-4	8	120S	240E	4304732872	12125	Federal	GW	P	
HANGING ROCK I 11-8	11	120S	230E	4304732935	12306	Federal	GW	P	HANGING ROCK
HANGING ROCK F 7-10	7	120S	240E	4304733100	12400	Federal	GW	P	HANGING ROCK
HANGING ROCK FED 11-9	11	120S	230E	4304734730	14017	Federal	GW	P	
HANGING ROCK I-8	1	120S	230E	4304736042	15514	Federal	GW	P	
TUCKER FED 8-6	8	120S	240E	4304736837	15513	Federal	GW	P	
CENTER FORK F 17-4	17	120S	240E	4304732750	12038	Federal	GW	S	
ROSEWOOD FED 28-8	28	110S	220E	4304732840	12442	Federal	GW	S	
HANGING ROCK FED I 1-4	1	120S	230E	4304732855	12389	Federal	GW	S	
HANGING ROCK FED F 7-8	7	120S	240E	4304732937	12305	Federal	GW	S	HANGING ROCK
TUCKER FEDERAL F 8-2	8	120S	240E	4304732993	12386	Federal	GW	S	
TUCKER FED 8-12	8	120S	240E	4304734729	13740	Federal	GW	S	
HANGING ROCK FED 7-2	7	120S	240E	4304735084	14019	Federal	GW	S	HANGING ROCK
TUCKER FED 8-10	8	120S	240E	4304739187	16399	Federal	GW	S	
HANGING ROCK FED 1-2	1	120S	230E	4304739430	16400	Federal	GW	S	

RECEIVED

AUG 14 2014

FORM 9

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  GAS WELL  OTHER \_\_\_\_\_

2. NAME OF OPERATOR: McElvain Energy, Inc. N3795

3. ADDRESS OF OPERATOR: 1050 17th St, Suite 2500 CITY Denver STATE CO ZIP 80265 PHONE NUMBER: \_\_\_\_\_

5. LEASE DESIGNATION AND SERIAL NUMBER: \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: \_\_\_\_\_

7. UNIT or CA AGREEMENT NAME: \_\_\_\_\_

8. WELL NAME and NUMBER: Attached

9. API NUMBER: \_\_\_\_\_

10. FIELD AND POOL, OR WILDCAT: \_\_\_\_\_

4. LOCATION OF WELL

FOOTAGES AT SURFACE: \_\_\_\_\_ COUNTY: \_\_\_\_\_

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: \_\_\_\_\_ STATE: UTAH

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

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

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

McElvain Energy, Inc. current operator of the attached wells, has sold all wells on the attached list to:

Onshore Royalties, LLC  
P.O. Box 2326  
Victoria, TX 77902  
N4140  
Utah Operator # N4140  
Effective 8/1/2014

McElvain Energy, Inc.

*Steven W. Shefte*

Steven W. Shefte  
Vice President -COO

Onshore Royalties, LLC.

*Michael Hahn*

Michael Hahn  
Operations Manager

BLM Bond: UTB000644

NAME (PLEASE PRINT) Deborah Powell TITLE Eng Tech Manager

SIGNATURE *Deborah Powell* DATE 8/13/2014

(This space for State use only)

APPROVED

SEP 15 2014

DIV. OIL GAS & MINING  
BY: *Rachel Medina*

State of Utah  
 Department of Natural Resources  
 Division of Oil, Gas & Mining

Change of Operator From McElvain Energy, LLC (N3795)  
 To: Onshore Royalties, LLC (N4140)

Well Name	API	Legal	Status	Well Type	Utah ID	BLM ID
Center Fork F 17-4	43-047-32750	T12S R24E Sec 17 NWNW	S	GW	12038	UTU75206
Hanging Rock Fed 11-9	43-047-34730	T12S R23E Sec 11 NESE	P	GW	14017	UTU57455
Hanging Rock Fed 1-2	43-047-39430	T12S R23E Sec 1 NWNE	S	GW	16400	UTU57455
Hanging Rock Fed 1-8	43-047-36042	T12S R23E Sec 1 SENE	P	GW	15514	UTU57455
Hanging Rock Fed 7-2	43-047-35084	T12S R24E Sec 7 NWNE	S	GW	14019	UTU73518B
Hanging Rock Fed I 1-14	43-047-32871	T12S R23E Sec 1 SESW	P	GW	11889	UTU73518B
Hanging Rock Fed 24-13	43-047-32603	T11S R23E Sec 24 SWSW	P	GW	11723	UTU73518A
Hanging Rock Fed 7-6	43-047-32751	T12S R24E Sec 7 SENW	P	GW	11889	UTU73518B
Hanging Rock Fed 7-8	43-047-32937	T12S R24E Sec 7 SENE	S	GW	12305	UTU73518B
Hanging Rock Fed F 7-10	43-047-33100	T12S R24E Sec 7 NWSE	P	GW	12400	UTU73518B
Hanging Rock Fed I 1-16	43-047-32679	T12S R23E Sec 1 SESE	P	GW	11889	UTU73518B
Hanging Rock Fed I 11-8	43-047-32935	T12S R23E Sec 11 SENE	P	GW	12306	UTU73518B
Hanging Rock Fed I 1-4	43-047-32855	T12S R23E Sec 1 NWNW	S	GW	12389	UTU57455
Hanging Rock Fed I-12-4	43-047-32748	T12S R23E Sec 12 NWNW	P	GW	11889	UTU73518B
Rosewood Fed 28-8	43-047-32840	T11S R22E Sec 28 SENE	S	GW	12442	UTU65355
Toby Federal F 6-15	43-047-32757	T12S R24E Sec 6 SWSE	P	GW	12037	UTU08424A
Tucker Fed 8-10	43-047-39187	T12S R24E Sec 8 NWSE	S	GW	16399	UTU70239
Tucker Fed 8-12	43-047-34729	T12S R24E Sec 8 NWSW	S	GW	13740	UTU70239
Tucker Fed 8-6	43-047-36837	T12S R24E Sec 8 SENW	P	GW	15513	UTU70239
Tucker Fed F 8-2	43-047-32993	T12S R24E Sec 8 NWNE	P	GW	12386	UTU70239
Tucker Fed F 8-4	43-047-32872	T12S R24E Sec 8 NWNW	P	GW	12125	UTU70239