



Enduring Resources

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

April 5, 2007

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

Attn.: Ms. Diana Whitney

RE: Enduring Resources, LLC
Coyote Basin 8-25-11-16
NWNW 16-8S-25E
State Lease: ML-48376
Uintah County, Utah

Dear Ms. Whitney:

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

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

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

Very truly yours,

Evette Bissett
Regulatory Affairs Assistant

Enclosures

cc: SITLA w/ attachments

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

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-48376	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Enduring Resources, LLC				9. WELL NAME and NUMBER: Coyote Basin 8-25-11-16	
3. ADDRESS OF OPERATOR: 475 17th St., Ste 1500 CITY Denver STATE CO ZIP 80220			PHONE NUMBER: (303) 350-5719	10. FIELD AND POOL, OR WILDCAT: Undesignated	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 806' FNL - 628' FWL AT PROPOSED PRODUCING ZONE: Same				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 8S 25E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 29 Southeast of Jensen, UT				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 628'	16. NUMBER OF ACRES IN LEASE: 640		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 acres		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1000' +	19. PROPOSED DEPTH: 7,610		20. BOND DESCRIPTION: RLB0008031		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5408' RT-KB	22. APPROXIMATE DATE WORK WILL START: 6/30/2007		23. ESTIMATED DURATION: 20 days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
20"	14" line pipe	40	3 yards	Ready Mix		
11"	8-5/8" J-55 24#	2,016	Premium Lead	138 sxs	3.50	11.1
			Premium Tail	138 sxs	1.15	15.8
7-7/8"	4-1/2" N-80 11.6#	7,610	Class G	156 sxs	3.3	11.0
			50/50 Poz Class G	751 sxs	1.56	14.3

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Evette Bissett TITLE Regulatory Affairs Assistant

SIGNATURE *Evette Bissett* DATE 4/5/2007

(This space for State use only)

API NUMBER ASSIGNED: 43047-39189

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

APPROVAL:

Date: 04-11-2007
(See instructions on Reverse side)

By: *[Signature]*

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APR 09 2007
DIV. OF OIL, GAS & MINING

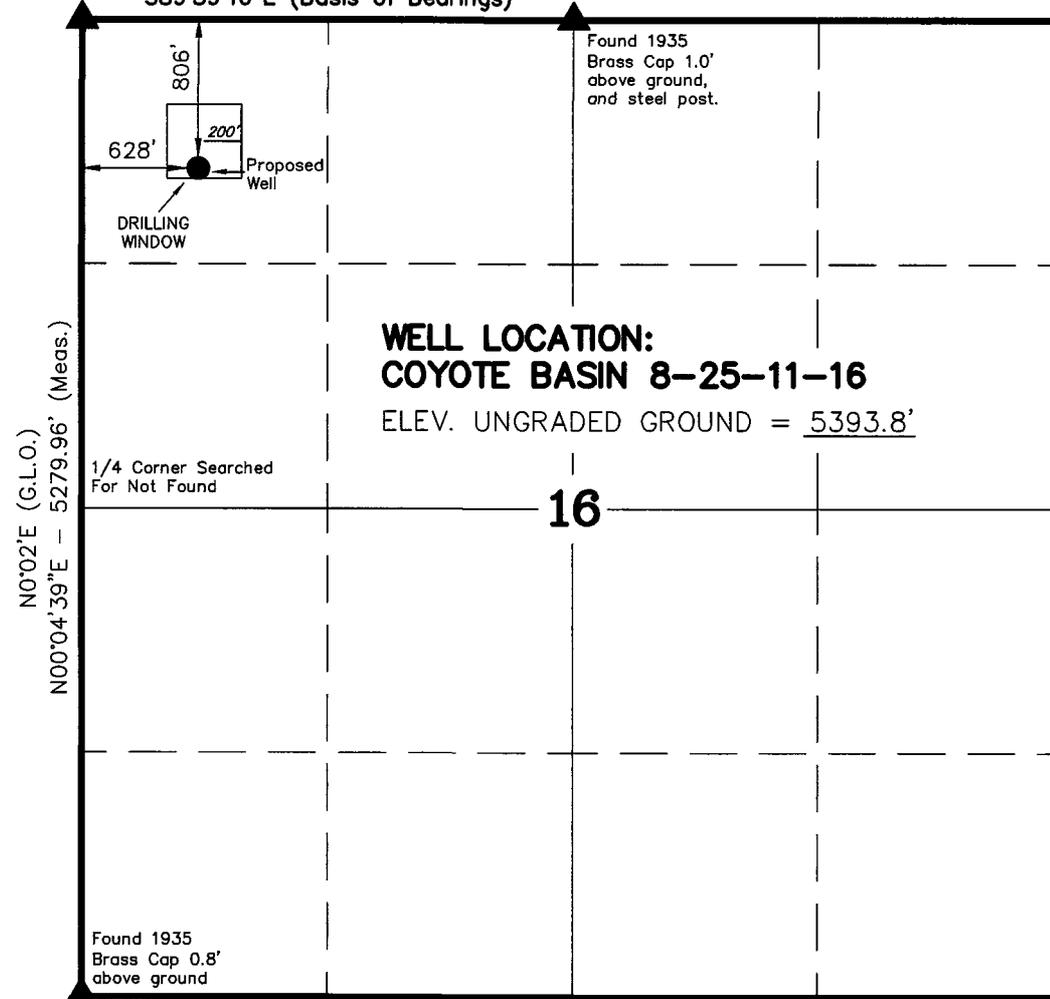
T8S, R25E, S.L.B.&M.

ENDURING RESOURCES

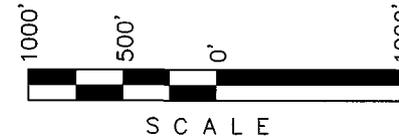
Found 1935
Brass Cap 1.0'
above ground

2640.11' (Measured) EAST - 80.04 (G.L.O.)
S89°59'16"E (Basis of Bearings)

Found 1935
Brass Cap 1.0'
above ground,
and steel post.



WELL LOCATION, COYOTE BASIN
8-25-11-16, LOCATED AS SHOWN IN
THE NW 1/4 NW 1/4 OF SECTION 16,
T8S, R25E, S.L.B.&M. UINTAH COUNTY,
UTAH.



NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.

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

REGISTERED LAND SURVEYOR
REGISTRATION No. 362251
STATE OF UTAH
KAY R. KAY

▲ = SECTION CORNERS LOCATED
BASIS OF ELEVATION IS A SPOT ELEVATION LOCATED AT THE NORTHWEST CORNER OF SECTION 16, T8S, R25E, S.L.B.&M. THE ELEVATION OF THIS SPOT ELEVATION IS SHOWN ON THE DINOSAUR 7.5 MIN. QUADRANGLE AS BEING 5393'.

COYOTE BASIN 8-25-11-16
(Proposed Well Head)
NAD 83 Autonomous
LATITUDE = 40° 07' 39.11"
LONGITUDE = 109° 06' 47.80"

TIMBERLINE LAND SURVEYING, INC.
38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 01-29-07	SURVEYED BY: B.J.S.	SHEET 2 OF 10
DATE DRAWN: 02-15-07	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

Enduring Resources, LLC
Coytoe Basin 8-25-11-16
NWNW 16-T11S-R25E
Uintah County, Utah
State Lease: ML-48376

ONSHORE ORDER 1 - DRILLING PLAN

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

Formation	Depth (K.B.)
Uinta	Surface
Green River	1193
Wasatch	3898
Mesaverde	5569

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

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5408'	
Oil / Gas	Green River	1193
Oil /Gas	Wasatch	3898
Oil /Gas	Mesaverde	5569
	Estimated TD	7610

An 11" hole will be drilled to approximately 2016 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

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

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

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

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

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

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

Blow-Out Preventer

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

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

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

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

E. Miscellaneous Information:

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

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
11"	8-5/8"	24#	J-55	ST&C	0 – 2,016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 7610' (KB)

The surface casing will have guide shoe. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring

centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

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

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	8-5/8", 24#/ft, J55, STC	1370/1.52(a)	2950/3.28(b)	244/5.81(c)
7610' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.61 (d)	7780/2.14 (e)	223/2.94(f)

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

PROPOSED CEMENTING PROGRAM

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

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

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

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

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

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

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4-1/2"	Lead	1782	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender.	156	25	11.0	3.3
4-1/2"	Tail	4112 4030	50/50 POZ Class G + 2% gel +1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	751	25	14.3	1.56

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

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

5. Drilling Fluids (mud) Program:

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' - 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-7610' (KB)	8.8-9.8	8 - 10 ml	32-42	Water/Gel

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

6. Evaluation Program:

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

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

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

7. **Abnormal Conditions:**

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

Maximum anticipated bottom hole pressure equals approximately 3957 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2283 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

None anticipated

10. **Other:**

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

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

ENDURING RESOURCES
Coyote Basin # 8-25-11-16
Section 16, T8S, R25E, S.L.B.& M.

FROM THE INTERSECTION OF U.S. HIGHWAY 40 AND STATE HIGHWAY 149 IN JENSEN, UTAH; PROCEED IN AN EASTERLY DIRECTION ALONG U.S. HIGHWAY 40 APPROXIMATELY 11.6 MILES TO THE JUNCTION OF THE OLD BONANZA HIGHWAY (COUNTY B ROAD 3150). EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG THE OLD BONANZA HIGHWAY APPROXIMATELY 13.8 MILES TO THE INTERSECTION OF A CLASS D COUNTY ROAD. EXIT LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG CLASS D COUNTY ROAD APPROXIMATELY 1.8 MILES TO THE INTERSECTION OF A CLASS D COUNTY ROAD TO THE NORTHEAST. EXIT LEFT AND FOLLOW CLASS D COUNTY ROAD IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 355 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM JENSEN, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 29.0 MILES IN A SOUTHEASTERLY DIRECTION.

Enduring Resources, LLC

Coyote Basin 8-25-11-16
NWNW 16-8S-25E
Uintah County, Utah
State Lease: ML-48376

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

From The Intersection Of U.S. Highway 40 And State Highway 149 In Jensen, Utah; Proceed In An Easterly Direction Along U.S. Highway 40 Approximately 11.6 Miles To The Junction Of The Old Bonanza Highway (County B Road 3150). Exit Right And Proceed In A Southeasterly Direction Along The Old Bonanza Highway Approximately 13.8 Miles To The Intersection Of A Class D County Road. Exit Left And Proceed In A Southeasterly Direction Along Class D County Road Approximately 1.8 Miles To The Intersection Of A Class D County Road To The Northeast. Exit Left And Follow Class D County Road In A Northeasterly Direction Approximately 1.7 Miles To The Proposed Access Road. Follow Road Flags In A Southeasterly Direction Approximately 355 Feet To The Proposed Location.

Total Distance From Jensen, Utah To The Proposed Well Location Is Approximately 29.0 Miles In A Southeasterly Direction.

2. Planned Access Roads:

The proposed access road will be approximately 355 feet of new construction all on-lease.

ALL NEW CONSTRUCTION IS ON SITLA LANDS.

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

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

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

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

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

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

- | | | |
|----|-------|------------------------------------------------------|
| a. | None: | Water Wells: |
| b. | None: | Injection Wells: |
| c. | None: | Producing Wells: |
| d. | None: | Drilling Wells: |
| e. | None: | Shut-in Wells: |
| f. | None: | Temporarily Abandoned Wells: |
| g. | None: | Disposal Wells: |
| h. | (1): | Abandoned Wells: |
| | | 1. East Coyote Federal 6-9-8-25 |
| i. | None: | Dry Holes: |
| j. | None: | Observation Wells: |
| k. | (2): | Pending (staked) Wells: |
| | | 1. There are two other wells staked in this section. |

4. Location of Existing and/or Proposed Facilities:

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

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

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be designated

by DOG&M and SITLA. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

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

Gas Gathering Pipeline for this well will be:

3,375'	Surface Pipeline	On-Lease	SITLA
30,275'	Surface Pipeline	Off-Lease	BLM

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed for year around usage. Approximately 33,650 feet of 6" or less surface gas gathering pipeline shall be laid to minimize surface disturbance.

The proposed pipeline will begin at the well site and be laid on the surface next to the new access road to tie-in to a steel surface pipeline that is located next to the county road.

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

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

5. Location and Type of Water Supply:

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

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

No water well is to be drilled on this lease.

6. Source of Construction Materials:

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

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

7. Methods of Handling Waste Materials:

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

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

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

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

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

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

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

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

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

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

8. Ancillary Facilities:

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

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

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

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

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

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

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- h. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. **Plans for Surface Reclamation:**

Producing Location:

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.

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

Dry Hole/Abandoned Location:

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

Seed Mixture for Windrowed Top Soil Will Included:

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

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

Wellsite: SITLA

Access: SITLA

Pipeline: SITLA and BLM

12. Other Information

On-site Inspection for Location, Access and Pipeline Route:

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

Special Conditions of Approval:

- Tanks and Production Equipment shall be painted pursuant of SITLA and DOG&M.
- Surface Gathering Pipeline shall be 6" or less

Archeology:

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

Paleontology:

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

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

13. Lessee's or Operator's Representatives:

Representatives:

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

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

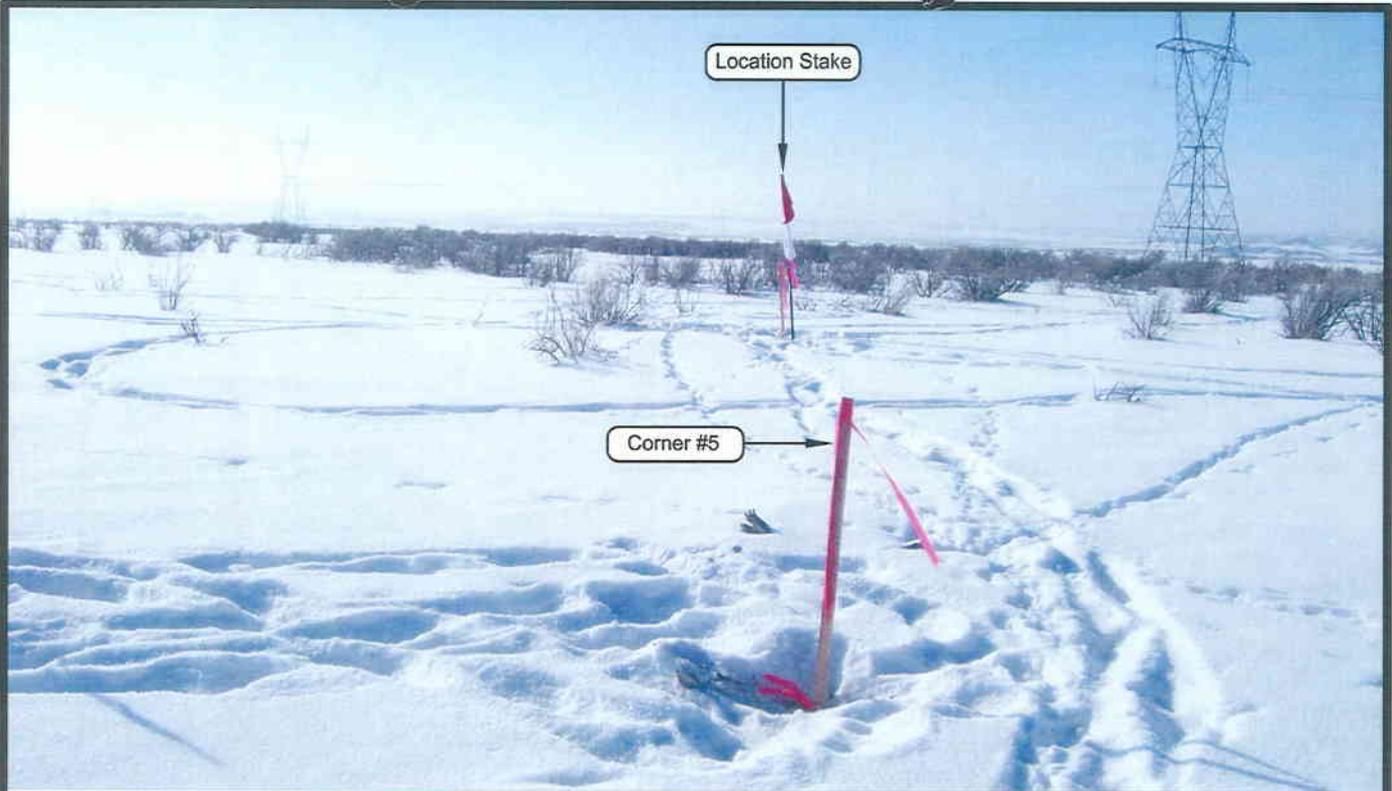


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHEASTERLY

ENDURING RESOURCES

**COYOTE BASIN 8-25-11-16
SECTION 16, T8S, R25E, S.L.B.&M.**

LOCATION PHOTOS

DATE TAKEN: 01-29-07

DATE DRAWN: 02-16-07

TAKEN BY: B.J.S.

DRAWN BY: M.W.W.

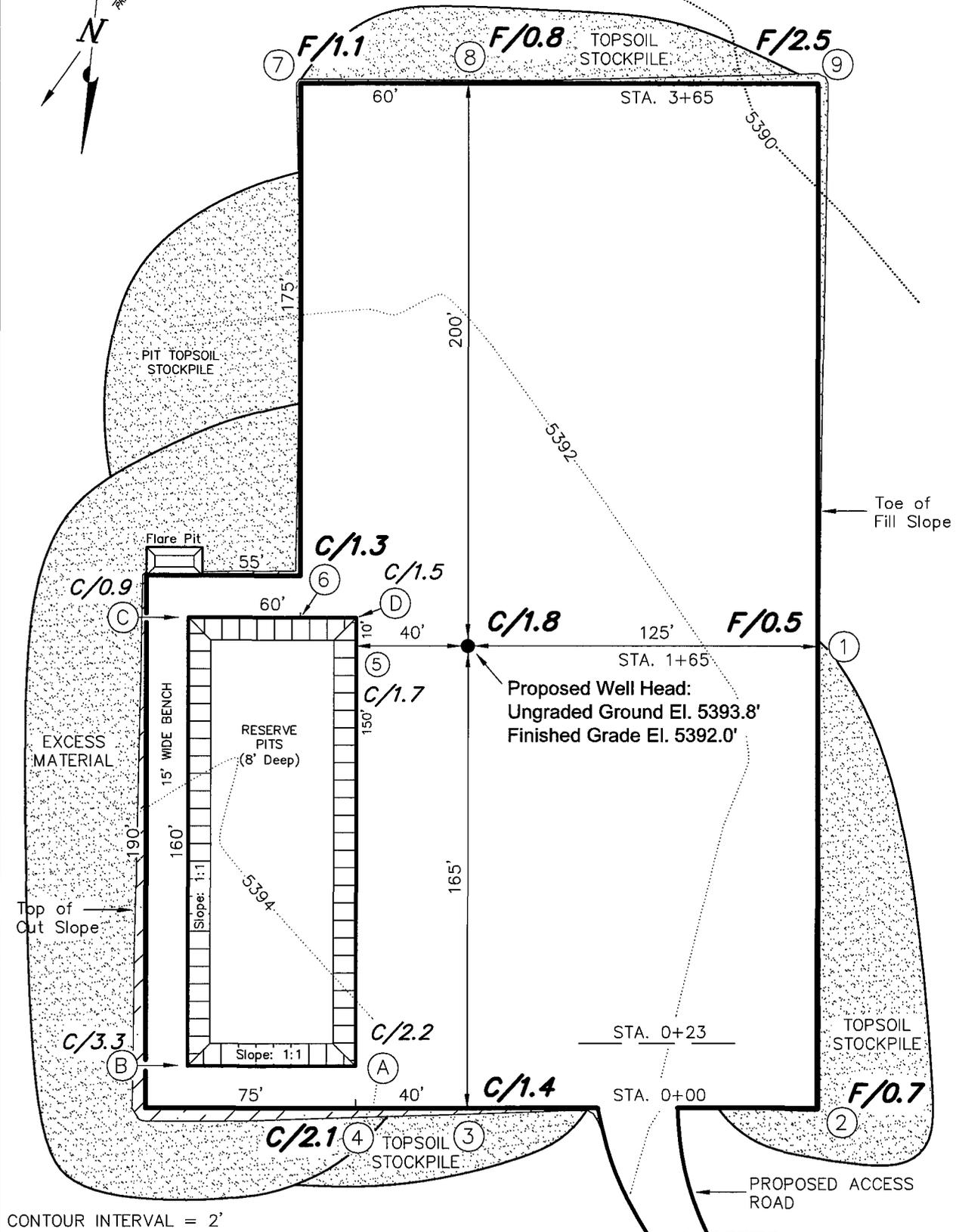
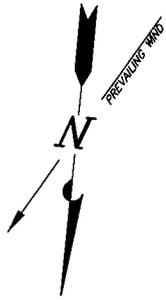
REVISED:

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

SHEET
1
OF 10

ENDURING RESOURCES

CUT SHEET - COYOTE BASIN 8-25-11-16

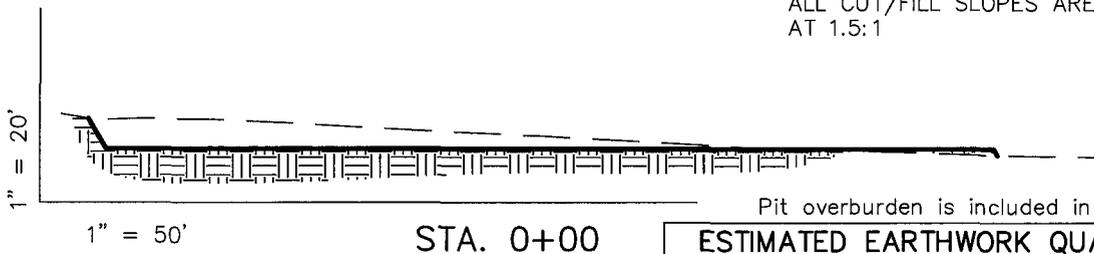
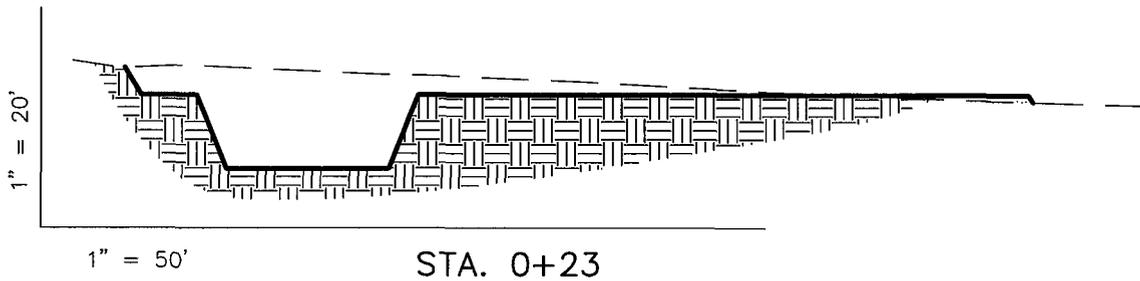
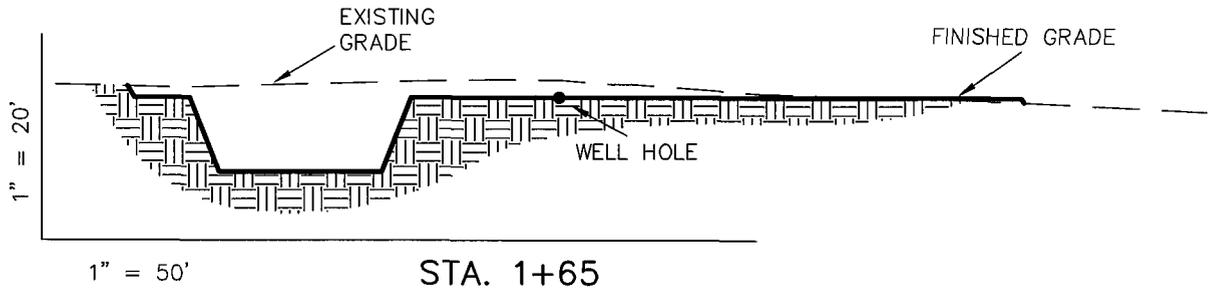
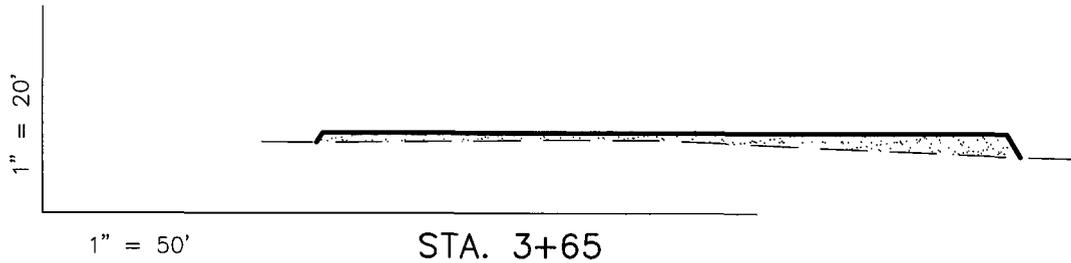


CONTOUR INTERVAL = 2'

Section 16, T8S, R25E, S.L.B.&M.		Qtr/Qtr Location: NW NW	Footage Location: 806' FNL & 628' FWL
Date Surveyed: 01-29-07	Date Drawn: 02-15-07	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: M.W.W.	Scale: 1" = 50'	
			SHEET 3 OF 10

ENDURING RESOURCES

CROSS SECTIONS - COYOTE BASIN 8-25-11-16



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

Pit overburden is included in pad cut.

REFERENCE POINTS

- 250' SOUTHERLY = 5390.7'
- 300' SOUTHERLY = 5390.2'
- 175' WESTERLY = 5390.5'
- 225' WESTERLY = 5390.4'

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

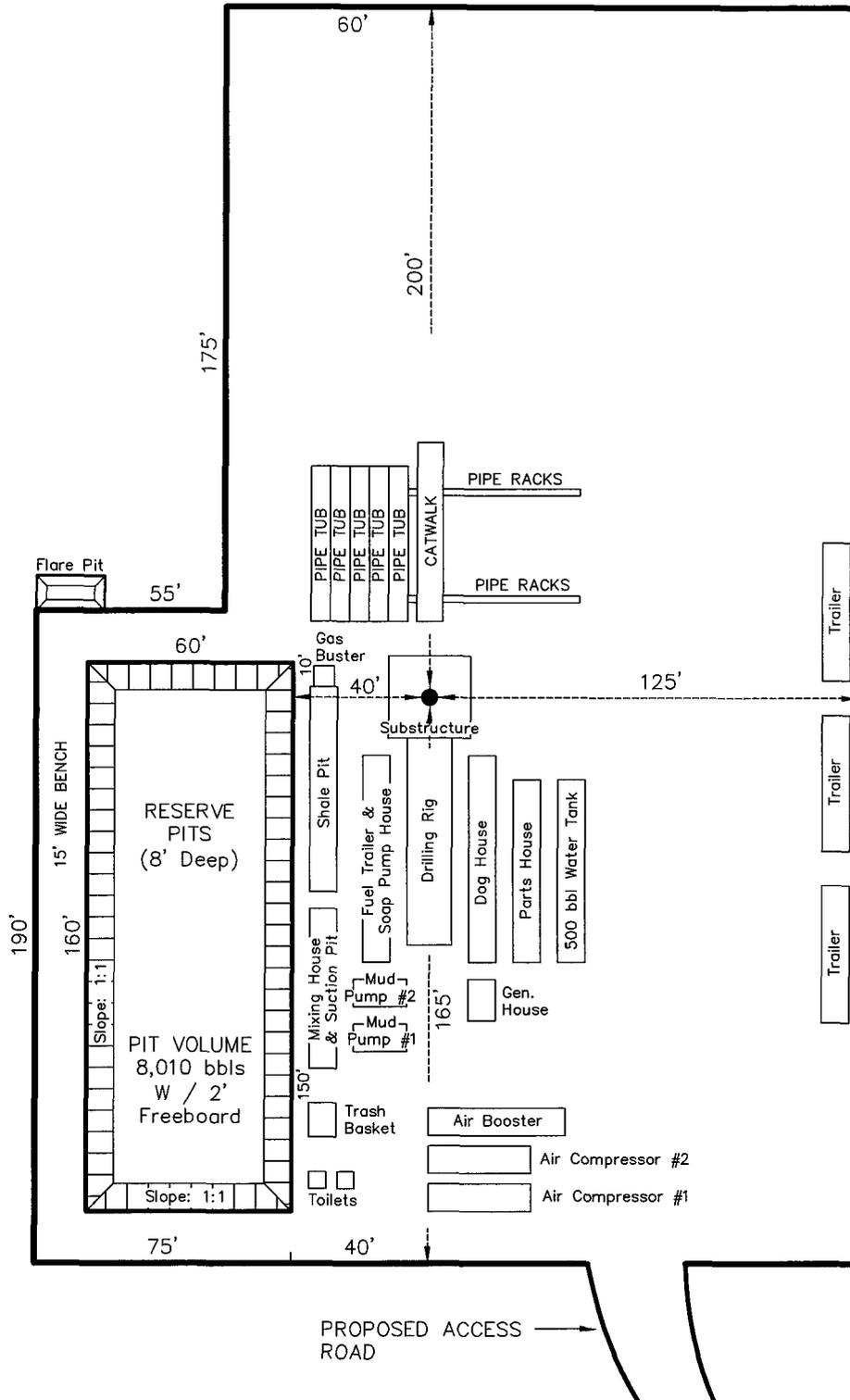
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	1,430	1,430	Topsoil is not included in Pad Cut	0
PIT	2,340	0		2,340
TOTALS	3,770	1,430	1,440	2,340

Excess Material after Pit Rehabilitation = 0 Cu. Yds.

Section 16, T8S, R25E, S.L.B.&M.		Qtr/Qtr Location: NW NW	Footage Location: 806' FNL & 628' FWL
Date Surveyed: 01-29-07	Date Drawn: 02-15-07	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: M.W.W.	Scale: 1" = 50'	

ENDURING RESOURCES

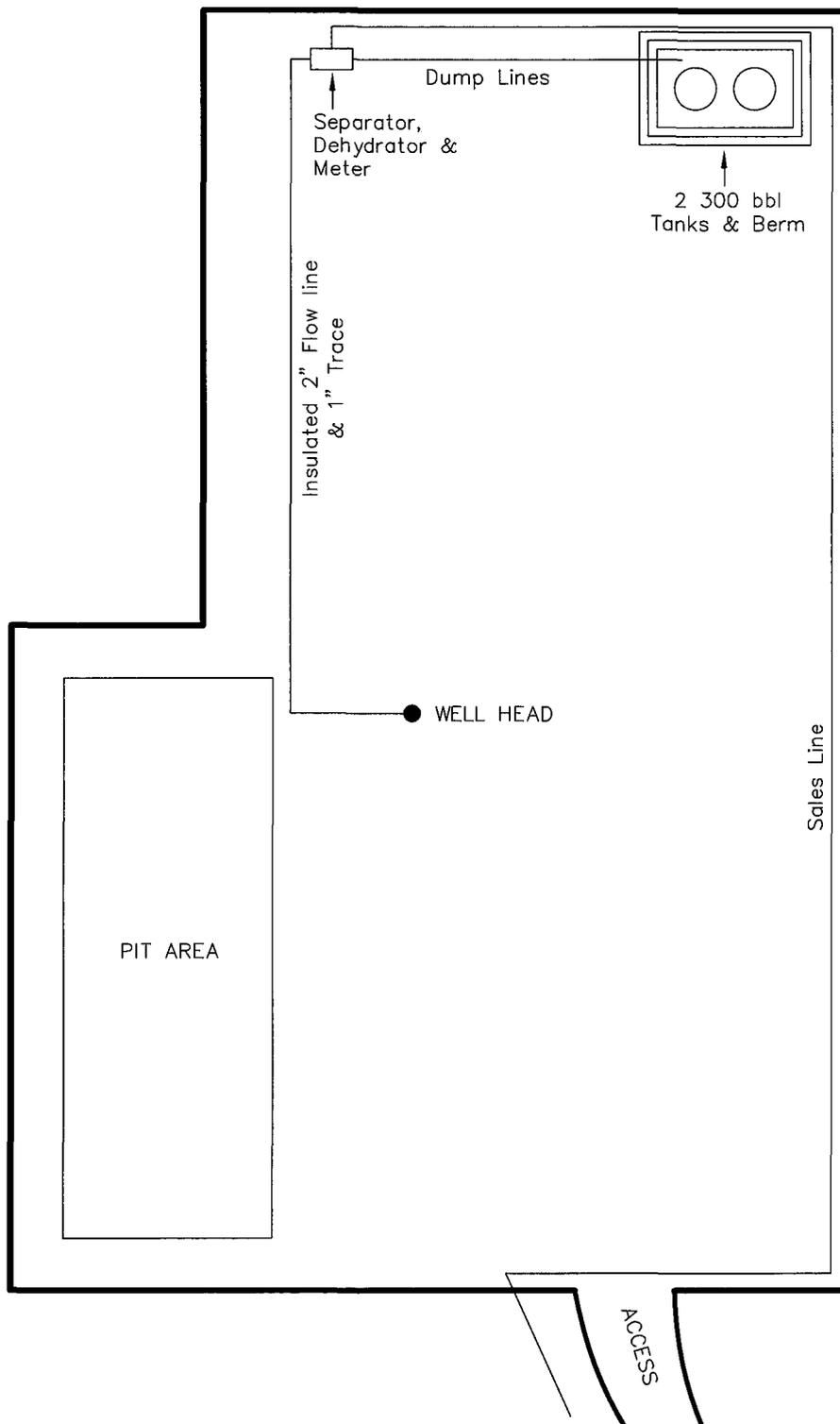
TYPICAL RIG LAYOUT - COYOTE BASIN 8-25-11-16



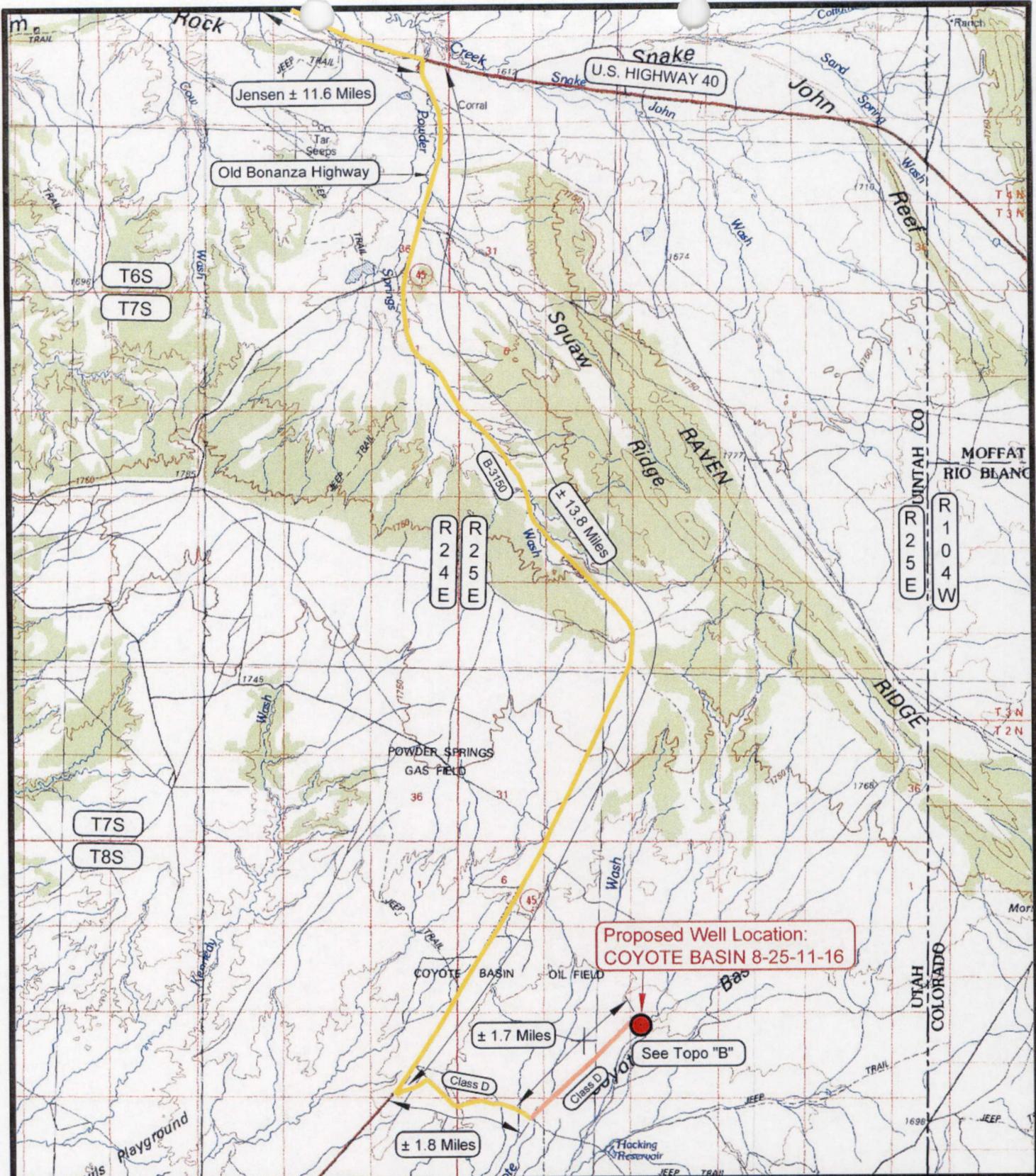
Section 16, T8S, R25E, S.L.B.&M.		Qtr/Qtr Location: NW NW	Footage Location: 806' FNL & 628' FWL
Date Surveyed: 01-29-07	Date Drawn: 02-15-07	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: M.W.W.	Scale: 1" = 50'	

ENDURING RESOURCES

TYPICAL PRODUCTION LAYOUT - COYOTE BASIN 8-25-11-16



Section 16, T8S, R25E, S.L.B.&M.		Qtr/Qtr Location: NW NW	Footage Location: 806' FNL & 628' FWL
Date Surveyed: 01-29-07	Date Drawn: 02-15-07	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: M.W.W.	Scale: 1" = 50'	
			SHEET 6 OF 10



Proposed Well Location:
COYOTE BASIN 8-25-11-16

See Topo "B"

LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- ==== = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER

ENDURING RESOURCES

COYOTE BASIN 8-25-11-16
SECTION 16, T8S, R25E, S.L.B.&M.

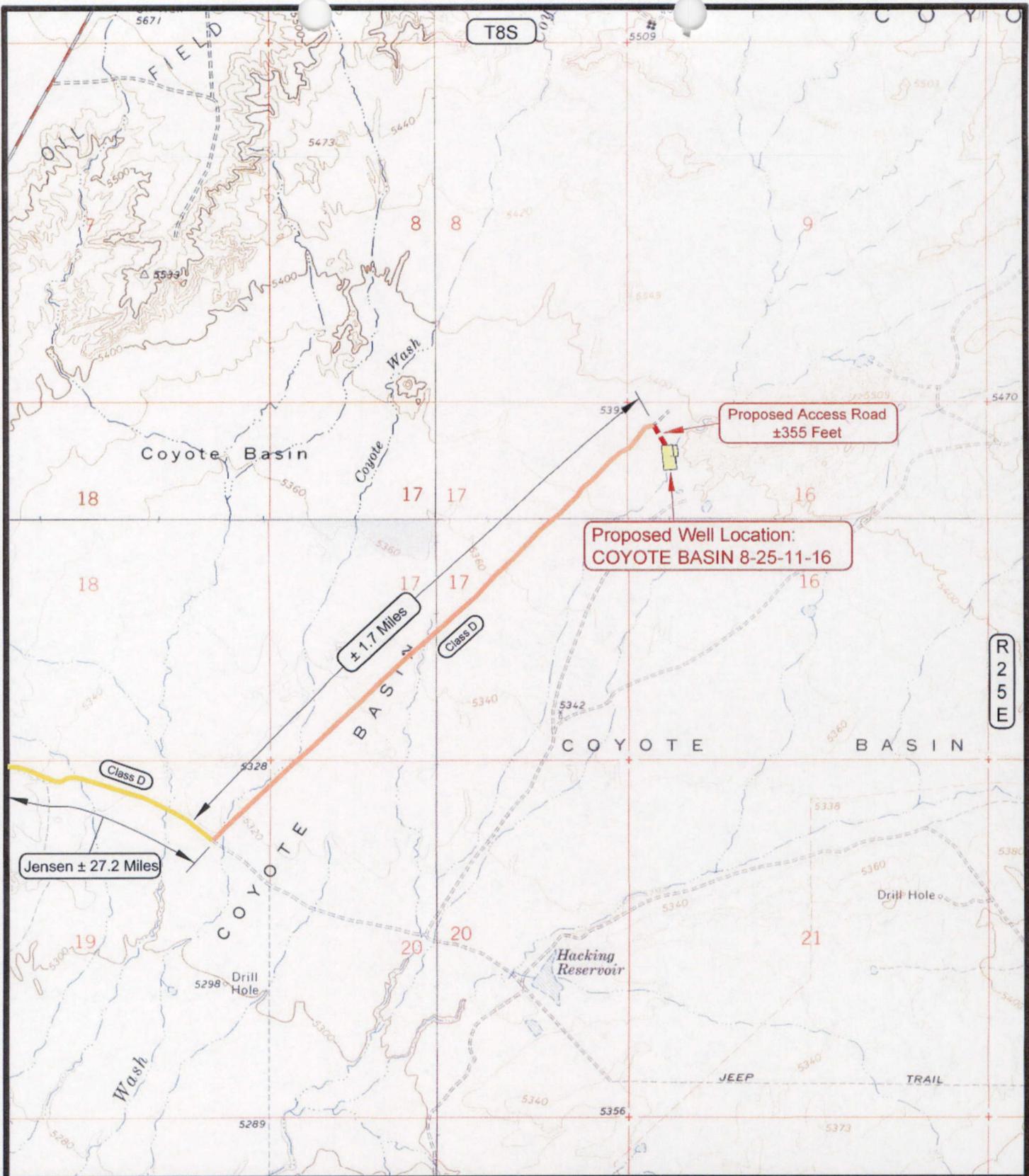
TOPOGRAPHIC MAP "A"

DATE SURVEYED: 01-29-07
DATE DRAWN: 02-15-07
REVISED:

SCALE: 1:100,000 DRAWN BY: M.W.W.

Timberline Land Surveying, Inc.
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(435) 789-1385

SHEET
7
OF 10



LEGEND

- PROPOSED ACCESS ROAD ——— = LEASE LINE AND / OR PROPERTY LINE
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER

ENDURING RESOURCES

**COYOTE BASIN 8-25-11-16
SECTION 16, T8S, R25E, S.L.B.&M.**

TOPOGRAPHIC MAP "B"

DATE SURVEYED: 01-29-07

DATE DRAWN: 02-15-07

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

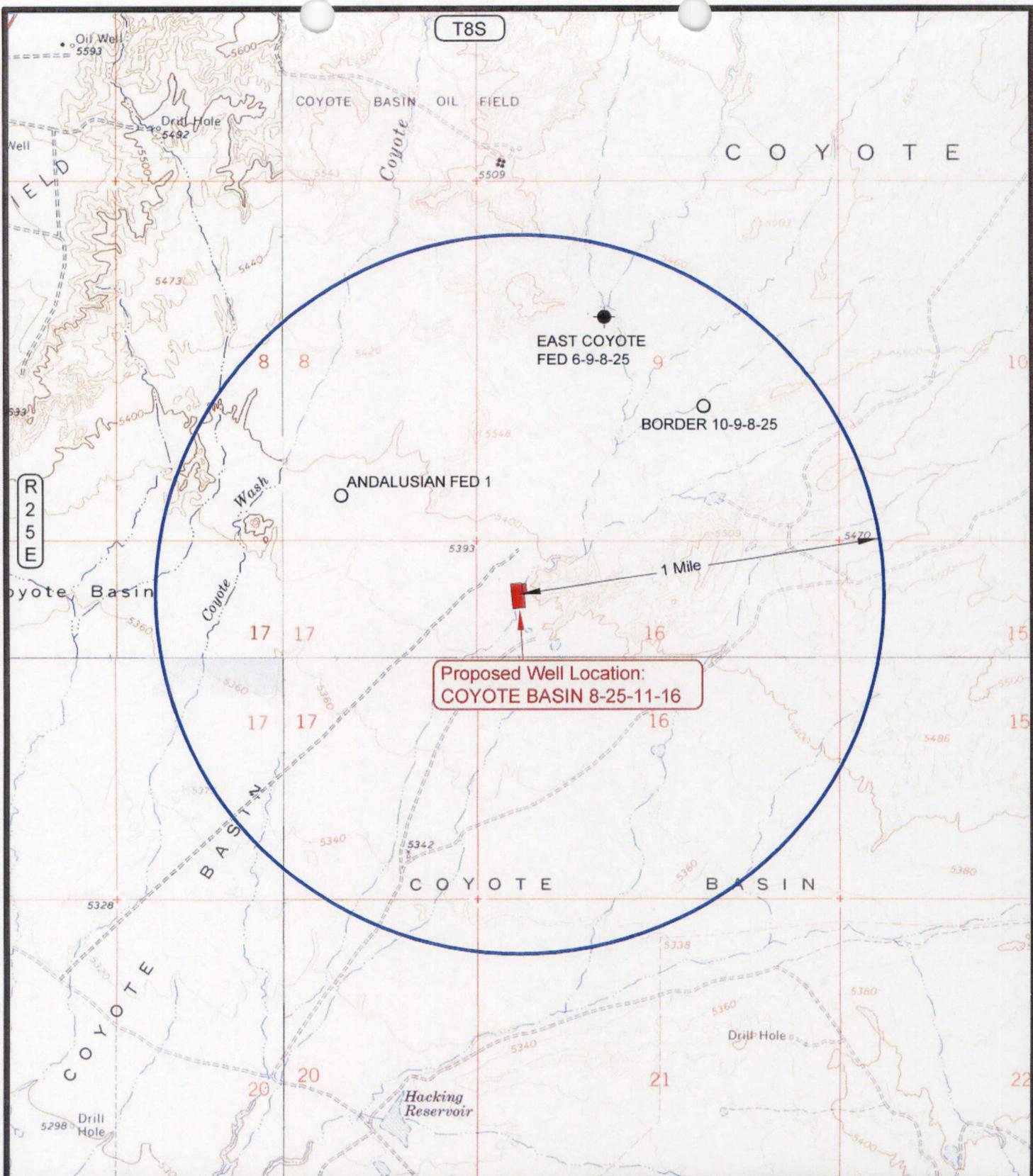
Timberline Land Surveying, Inc.

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(435) 789-1365

SHEET

8

OF 10



LEGEND

- ⊙ = DISPOSAL WELL
- = PRODUCING WELL
- = SHUT IN WELL
- = PROPOSED WELL
- ⊙ = WATER WELL
- = ABANDONED WELL
- = TEMPORARILY ABANDONED WELL
- ⊙ = ABANDONED LOCATION

ENDURING RESOURCES

**COYOTE BASIN 8-25-11-16
SECTION 16, T8S, R25E, S.L.B.&M.**

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 01-29-07

DATE DRAWN: 02-15-07

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

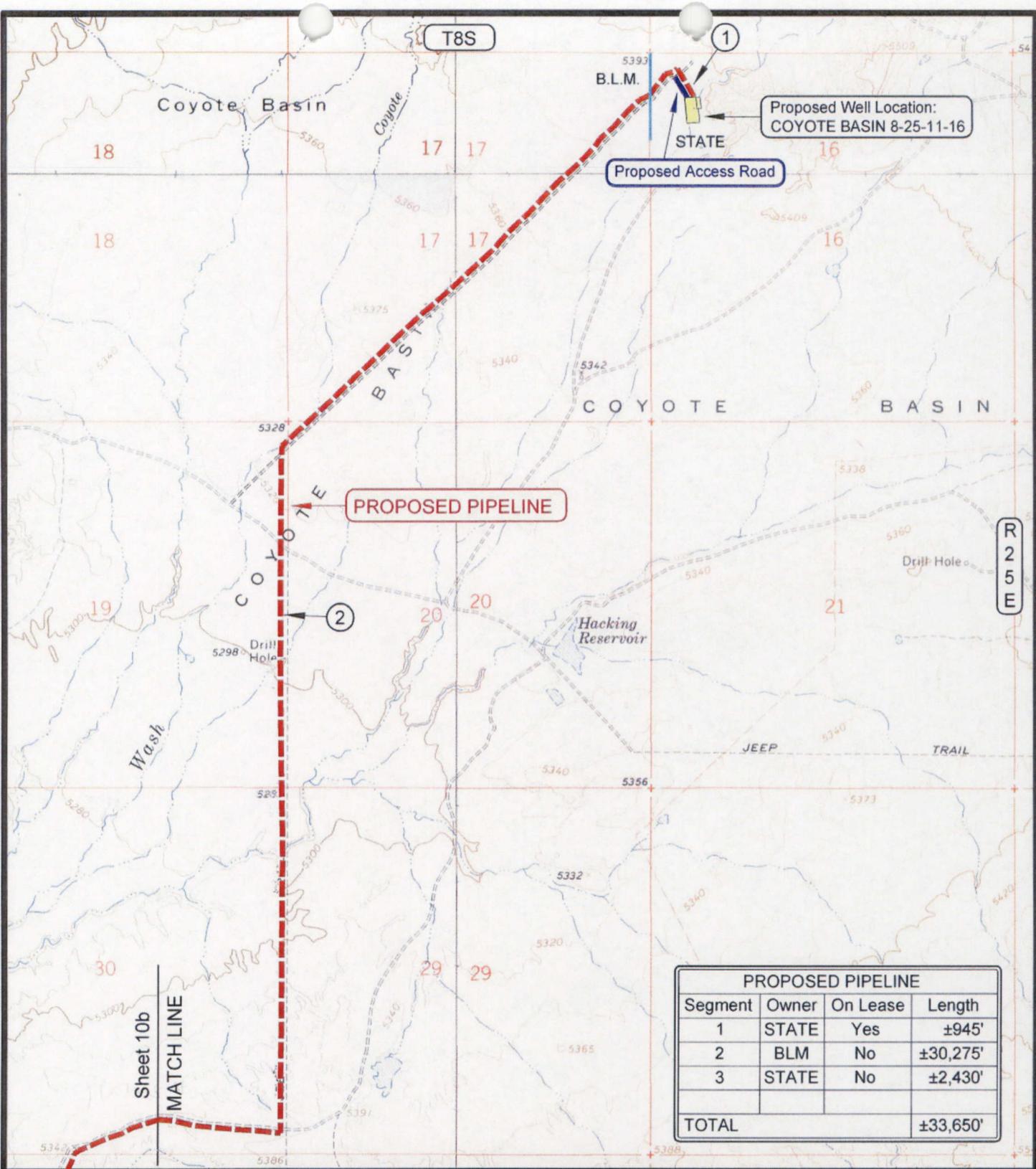
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(435) 789-1365

SHEET

9

OF 10



APPROXIMATE PIPELINE LENGTH = ±33,650 FEET

LEGEND

- - - - - = PROPOSED PIPELINE
- - - - - = OTHER PIPELINE
- - - - - = PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = LEASE LINE AND / OR PROPERTY LINE

TOPOGRAPHIC MAP "D"

DATE SURVEYED: 01-29-07
 DATE DRAWN: 03-19-07
 REVISED: 04-02-07

SCALE: 1" = 2000'

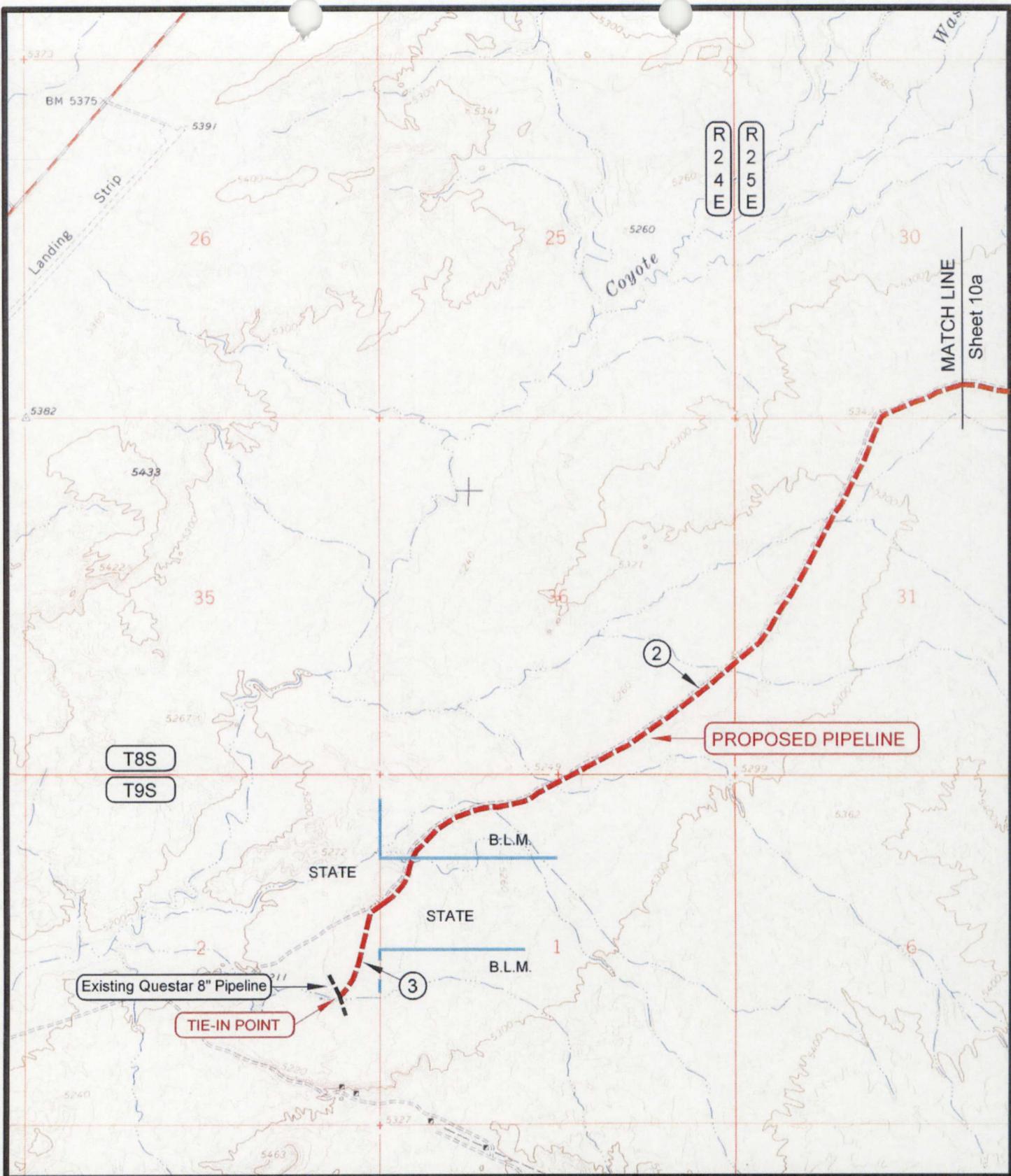
DRAWN BY: M.W.W.

ENDURING RESOURCES

**COYOTE BASIN 8-25-11-16
 SECTION 16, T8S, R25E, S.L.B.&M.**

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 (435) 789-1365

**SHEET
 10a
 OF 10**



T8S
T9S

R24E
R25E

MATCH LINE
Sheet 10a

PROPOSED PIPELINE

Existing Questar 8" Pipeline

TIE-IN POINT

STATE
STATE
B.L.M.
B.L.M.

LEGEND

- - - - - = PROPOSED PIPELINE
- - - - - = OTHER PIPELINE
- - - - - = PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = LEASE LINE AND / OR PROPERTY LINE

TOPOGRAPHIC MAP "D"

DATE SURVEYED: 01-29-07
DATE DRAWN: 03-19-07
REVISED: 04-02-07

SCALE: 1" = 2000' DRAWN BY: M.W.W.

ENDURING RESOURCES

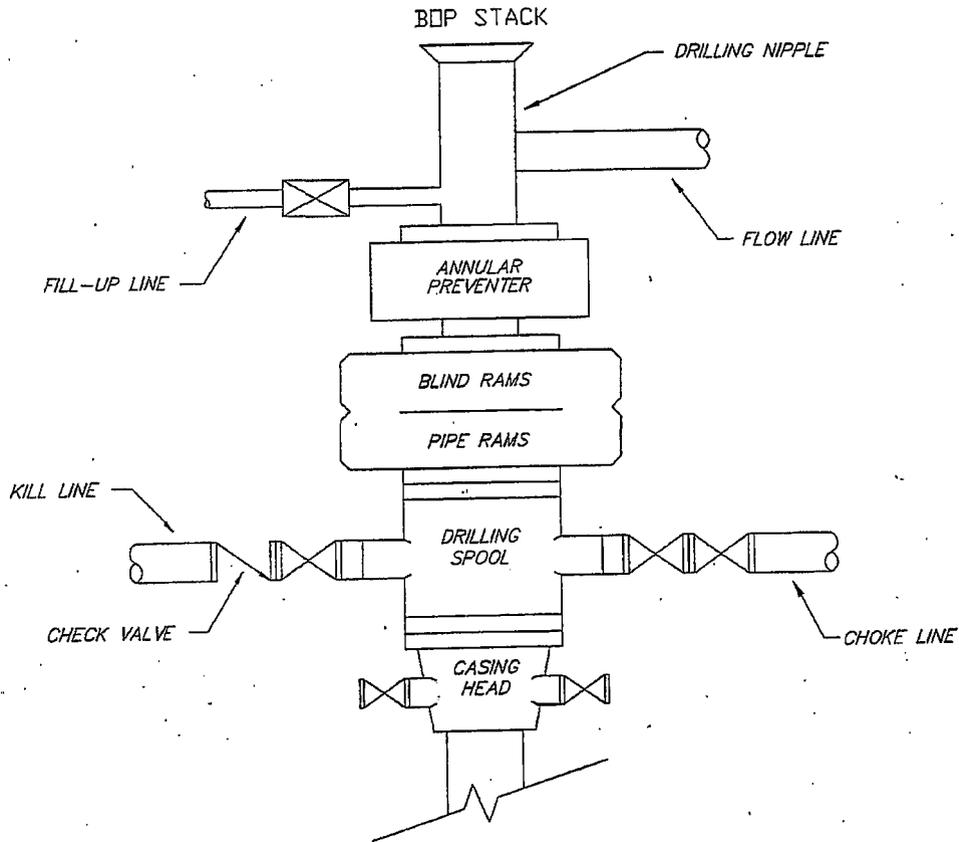
**COYOTE BASIN 8-25-11-16
SECTION 16, T8S, R25E, S.L.B.&M.**

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

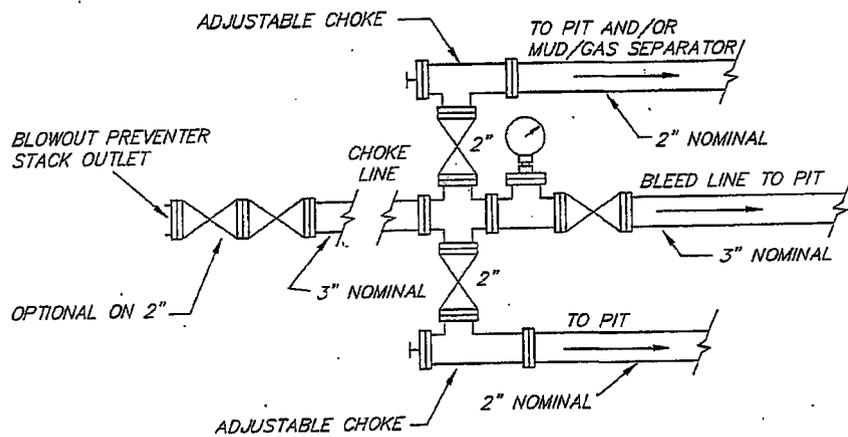
**SHEET
10b
OF 10**

ENDURING RESOURCES, LLC

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



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



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/09/2007

API NO. ASSIGNED: 43-047-39189

WELL NAME: COYOTE BASIN 8-25-11-16

OPERATOR: ENDURING RESOURCES, LLC (N2750)

PHONE NUMBER: 303-350-5719

CONTACT: EVETTE BISSETT

PROPOSED LOCATION:

NWNW 16 080S 250E
 SURFACE: 0806 FNL 0628 FWL
 BOTTOM: 0806 FNL 0628 FWL
 COUNTY: UINTAH
 LATITUDE: 40.12756 LONGITUDE: -109.1126
 UTM SURF EASTINGS: 660815 NORTHINGS: 4443413
 FIELD NAME: UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	9/7/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-48376

PROPOSED FORMATION: MVRD

SURFACE OWNER: 3 - State

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008031)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-222)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS:

Needs Permit (08-16-2007)

STIPULATIONS:

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

COYOTE BASIN FIELD

EAST COYOTE
FED 6-9-8-25

BORDER
10-9-8-25

CAUSE: 129-1

T8S R25E

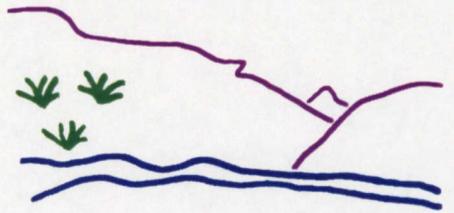
COYOTE BASIN
8-25-11-16

BONANZA
8-25-31-21

COYOTE
BASIN U 2

BONANZA
8-25-12-22

OPERATOR: ENDURING RES LLC (N2750)
SEC: 16 T.8S R. 25E
FIELD: UNDESIGNATED (002)
COUNTY: Uintah
SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining



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

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

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

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

Application for Permit to Drill

Statement of Basis

8/27/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
367	43-047-39189-00-00		GW	S	No
Operator	ENDURING RESOURCES, LLC	Surface Owner-APD			
Well Name	COYOTE BASIN 8-25-11-16	Unit			
Field	UNDESIGNATED	Type of Work			
Location	NWNW 16 8S 25E S 806 FNL 628 FWL GPS Coord (UTM) 660815E 4443413N				

Geologic Statement of Basis

Enduring proposes to set 2,016 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,400 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of section 16. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresh waters uphole.

Brad Hill
APD Evaluator

8/27/2007
Date / Time

Surface Statement of Basis

General area is the Coyote Basin area of eastern Uintah, County Utah. Coyote Basin is approximately 24 air miles south east of Vernal, Utah and begins on the western boundary of the State of Colorado. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Broad open flats with a few shallow swales characterize the topography of Coyote Basin, which drains into Coyote Wash. No perennial streams occur in drainage. Individual draws or swales are ephemeral with the only flow occurring during spring runoff or flows from sometimes-intense summer rainstorms. Coyote Wash drains southwesterly approximately 14 miles to the White River. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

The proposed Coyote Basin 8-25-11-16 site is immediately east of a major powerline. Except for some clay outcrops near the northeast corner of the proposed location the area is flat, having a very slight slope to the south. No drainages intersect the location and no stabilization problems are likely to occur. An existing low standard road parallels the powerline on the west. This road will be improved a distance of 1.7 miles to provide access. Approximately 355 feet of new road crossing under the powerline will be constructed to the location. The powerline is high enough that no interference should occur while accessing the site. The selected location appears to be the best site for constructing a pad and drilling and operating a well in the immediate area.

Floyd Bartlett
Onsite Evaluator

8/16/2007
Date / Time

Conditions of Approval / Application for Permit to Drill

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

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator ENDURING RESOURCES, LLC
Well Name COYOTE BASIN 8-25-11-16
API Number 43-047-39189-0 **APD No** 367 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWNW **Sec** 16 **Tw** 8S **Rng** 25E 806 FNL 628 FWL
GPS Coord (UTM) 660819 4443414 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Douglas Hammond (Enduring Resources) Mike Stewart (Ponderosa Construction), Ben Williams and Daniel Emmett (UDWR) Colby Kay (Timberline Land Surveying, Inc.)

Regional/Local Setting & Topography

General area is the Coyote Basin area of eastern Uintah, County Utah. Coyote Basin is approximately 24 air miles south east of Vernal, Utah and begins on the western boundary of the State of Colorado. Access is by State of Utah Highway, Uintah County and oilfield development roads.

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Surface Use Plan

Current Surface Use

Grazing
Recreational
Wildlife Habitat

New Road

Miles	Well Pad	Src Const	Material	Surface Formation
0.08	Width 240	Length 365	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Well vegetated with cheatgrass, sparse greasewood and Russian thistle.

Coyote, antelope, small mammals and birds. Winter sheep grazing.

Soil Type and Characteristics

Deep sandy clay loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

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

Reserve Pit

Site-Specific Factors

Site Ranking

- Distance to Groundwater (feet)**
- Distance to Surface Water (feet)**
- Dist. Nearest Municipal Well (ft)**
- Distance to Other Wells (feet)**
- Native Soil Type**
- Fluid Type**
- Drill Cuttings**
- Annual Precipitation (inches)**
- Affected Populations**
- Presence Nearby Utility Conduits**

Final Score

Sensitivity Level

Characteristics / Requirements

160' by 60' and 8' deep. The reserve pit is planned in an area of cut on the north west corner of the location. No stabilization problems are expected. A minimum of a 16 mil liner with sub-felt cushion is required.

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

Other Observations / Comments

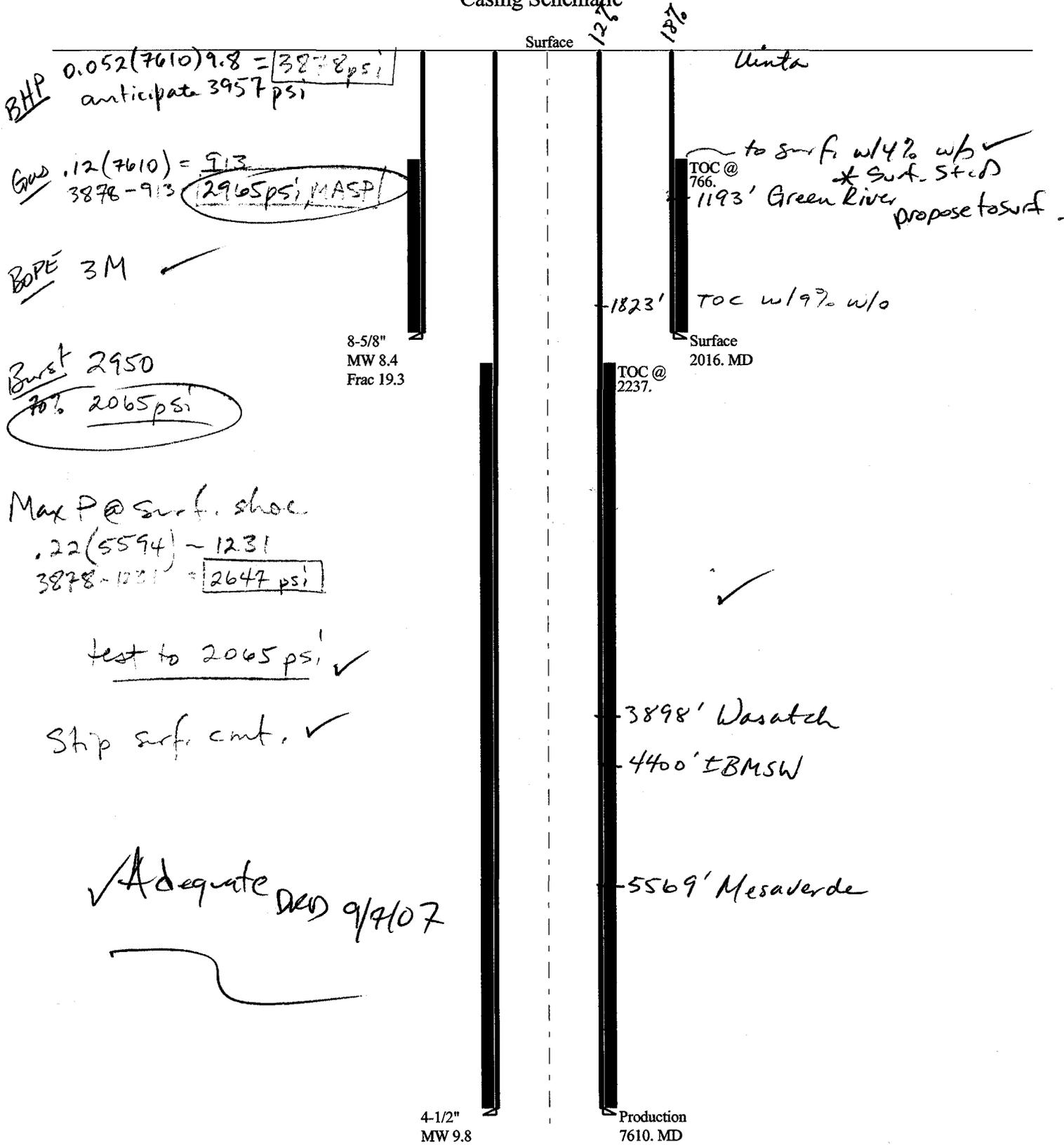
Ben Williams representing the Utah Division of Wildlife Resources stated the area is classified as high value yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. This SITLA section is within the area where black-footed ferrets were introduced about 10 years ago. The population is classified as experimental non-essential. Black footed ferrets are associated with prairie dog holes and colonies. No colonies or individual holes occur near-by No other wildlife species are expected to be affected. He furnished both Mr. Hammond and Mr. Davis copies of his wildlife evaluation and a recommended seed mix to be used when re-vegetation occurs on the location.

Floyd Bartlett
Evaluator

8/16/2007
Date / Time

2007-09 Enduring Coyote Basin 8-25-11-16

Casing Schematic



Well name:	2007-09 Enduring Coyote Basin 8-25-11-16	
Operator:	Enduring Resource, LLC	Project ID:
String type:	Surface	43-047-39189
Location:	Uintah County	

Design parameters:

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

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

Minimum design factors:

Collapse:
 Design factor: 1.125

Burst:
 Design factor: 1.00

Tension:
 8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)
 Tension is based on buoyed weight.
 Neutral point: 1,762 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 103 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 266 ft

Cement top: 766 ft

Non-directional string.

Re subsequent strings:
 Next setting depth: 7,610 ft
 Next mud weight: 9.800 ppg
 Next setting BHP: 3,874 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,016 ft
 Injection pressure: 2,016 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2016	8.625	24.00	J-55	ST&C	2016	2016	7.972	720.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	880	1370	1.557	2016	2950	1.46	42	244	5.77 J

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

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

Date: September 5, 2007
 Salt Lake City, Utah

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

Burst strength is not adjusted for tension.

Well name:

2007-09 Enduring Coyote Basin 8-25-11-16Operator: **Enduring Resource, LLC**String type: **Production**

Project ID:

43-047-39189Location: **Uintah County****Design parameters:****Collapse**Mud weight: 9.800 ppg
Design is based on evacuated pipe.**Burst**Max anticipated surface
pressure: 2,200 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,874 psi

No backup mud specified.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

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

Tension is based on buoyed weight.

Neutral point: 6,495 ft

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 182 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 2,237 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	7610	4.5	11.60	N-80	LT&C	7610	7610	3.875	664.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3874	6350	1.639	3874	7780	2.01	75	223	2.96 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: September 5, 2007
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 7610 ft, a mud weight of 9.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

From: Ed Bonner
To: Mason, Diana
Date: 6/7/2007 4:43 PM
Subject: Well Clearance

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

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

Enduring Resources, LLC
Coyote Basin 8-25-11-16 (API 43 047 39189)

EOG Resources, Inc
NBU 635-12E (API 43 047 39190)
NBU 636-12E (API 43 047 39191)
NBU 632-12E (API 43 047 39192)
NBU 633-12E (API 43 047 39193)
NBU 634-12E (API 43 047 39194)

Kerr McGee Oil & Gas Onshore LP
NBU 1022-25B (API 43 047 39032)
NBU 1022-25G (API 43 047 39142)
NBU 1021-31A (API 43 047 39111)
State 1021-31M (API 43 047 39112)
State 1021-31E (API 43 047 39113)
State 1021-31D (API 43 047 39114)
State 1021-31C (API 43 047 39115)
NBU 1021-31B (API 43 047 39116)
State 1021-31P (API 43 047 39117)
State 1021-31L (API 43 047 39118)
State 1021-31N (API 43 047 39119)
State 1021-31O (API 43 047 39120)
State 1021-31I (API 43 047 39121)
State 1021-31J (API 43 047 39122)
State 1021-31K (API 43 047 39123)
State 1021-31F (API 43 047 39124)
State 1021-31G (API 43 047 39125)
State 1021-31H (API 43 047 39126)

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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 11, 2007

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

Re: Coyote Basin 8-25-11-16 Well, 806' FNL, 628' FWL, NW NW, Sec. 16, T. 8 South,
R. 25 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39189.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Enduring Resources, LLC

Well Name & Number Coyote Basin 8-25-11-16

API Number: 43-047-39189

Lease: ML-48376

Location: NW NW **Sec.** 16 **T.** 8 South **R.** 25 East

Conditions of Approval

1. General

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

2. Notification Requirements

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

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

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

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- 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. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. 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.
7. Surface casing shall be cemented to the surface.

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48376
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 806' FNL - 628' FWL COUNTY: Uintah		8. WELL NAME and NUMBER: Coyote Basin 8-25-11-16
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 16 8S 25E S STATE: UTAH		9. API NUMBER: 4304739189
		10. FIELD AND POOL, OR WILDCAT: Undesignated

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

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

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

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

FROM: 9/11/2008
TO: 9/11/2009

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-16-08
By: [Signature]

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>9/5/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR

Date: 9.17.2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

SEP 11 2008

DIV. OF OIL, GAS & MINING



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

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

API: 4304739189
Well Name: Coyote Basin 8-25-11-16
Location: 806' FNL - 628' FWL, NWNW, Sec 16, T8S-R25E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: 9/11/2007

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

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

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


Signature

9/5/2008
Date

Title: Administrative Assistant

Representing: Enduring Resources, LLC

**RECEIVED
SEP 11 2008**

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48376
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: COYOTE BASIN 8-25-11-16
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 43047391890000
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0806 FNL 0628 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 16 Township: 08.0S Range: 25.0E Meridian: S	9. FIELD and POOL or WILDCAT: UNDESIGNATED COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/16/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

Request one-year extension to APD term.

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

Date: September 22, 2009

By: 

NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory
SIGNATURE N/A	DATE 9/15/2009	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047391890000

API: 43047391890000

Well Name: COYOTE BASIN 8-25-11-16

Location: 0806 FNL 0628 FWL QTR NWNW SEC 16 TWNP 080S RNG 250E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 9/11/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

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

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

Signature: Alvin Arlian

Date: 9/15/2009

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: September 22, 2009

By: 



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 14, 2010

Al Arlian
Enduring Resources, LLC
475-17th Street, Ste. 1500
Denver, CO 80202

Re: APD Rescinded – Coyote Basin 8-25-11-16, Sec.16 T.8S, R.25E
Uintah County, Utah API No. 43-047-39189

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 11, 2007. On September 16, 2008 and September 22, 2009, the Division granted a one-year APD extension. On September 9, 2010, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 9, 2010.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

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

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner