

May 21, 2007

Rocky Mountain Consulting, INC
290 S 800 E
Vernal, UT 84078

BLM, Vernal Field Office
170 S 500 E
Vernal, UT 84078

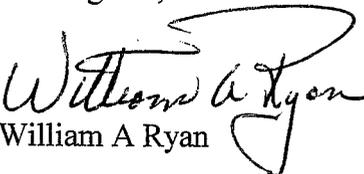
RE: The Houston Exploration Company
UTU-76734
Squaw Ridge 16-13-7-24

Dear Sir or Madam:

The Houston Exploration Company respectfully requests a lease suspension due to a large backlog at the BLM, Vernal Field Office and the availability of an approved permit.

If you have any further questions or concerns, please feel free to contact me at 435-789-0968.

Best regards,


William A Ryan

RECEIVED

MAY 31 2007

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU-76734

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
Squaw Ridge 16-13-7-24

9. API Well No.
43-047-39319

10. Field and Pool, or Exploratory
Undesignated

11. Sec., T. R. M. or Blk. and Survey or Area
Sec. 13, T7S.R24E. S.L.B.&M.

12. County or Parish
Uintah

13. State
UT

1a. Type of work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
The Houston Exploration Company

3a. Address **1100 Louisiana Suite 2000
Houston TX, 77002**

3b. Phone No. (include area code)
(713)-830-6973

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **786' FSL & 643' FEL SESE 657052X 40.264443**
At proposed prod. zone **Same as above 4451871Y-109.154697**

14. Distance in miles and direction from nearest town or post office*
21.6 miles south of Jensen, UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
643'

16. No. of acres in lease
960

17. Spacing Unit dedicated to this well
40 Acres

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
2,600'

19. Proposed Depth
8,800'

20. BLM/BIA Bond No. on file
104155044

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5,858' GR

22. Approximate date work will start*
04/01/2007

23. Estimated duration
30 Days

24. Attachments

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

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature
Name (Printed Typed) **William A Ryan** *William A Ryan* Date **03/15/2007**

Title **Agent**

Approved by (Signature) *[Signature]* Name (Printed Typed) **BRADLEY G. HILL** Date **06-04-07**

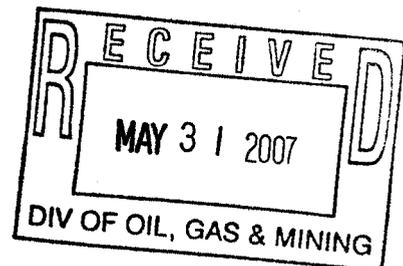
Title **ENVIRONMENTAL MANAGER**

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)

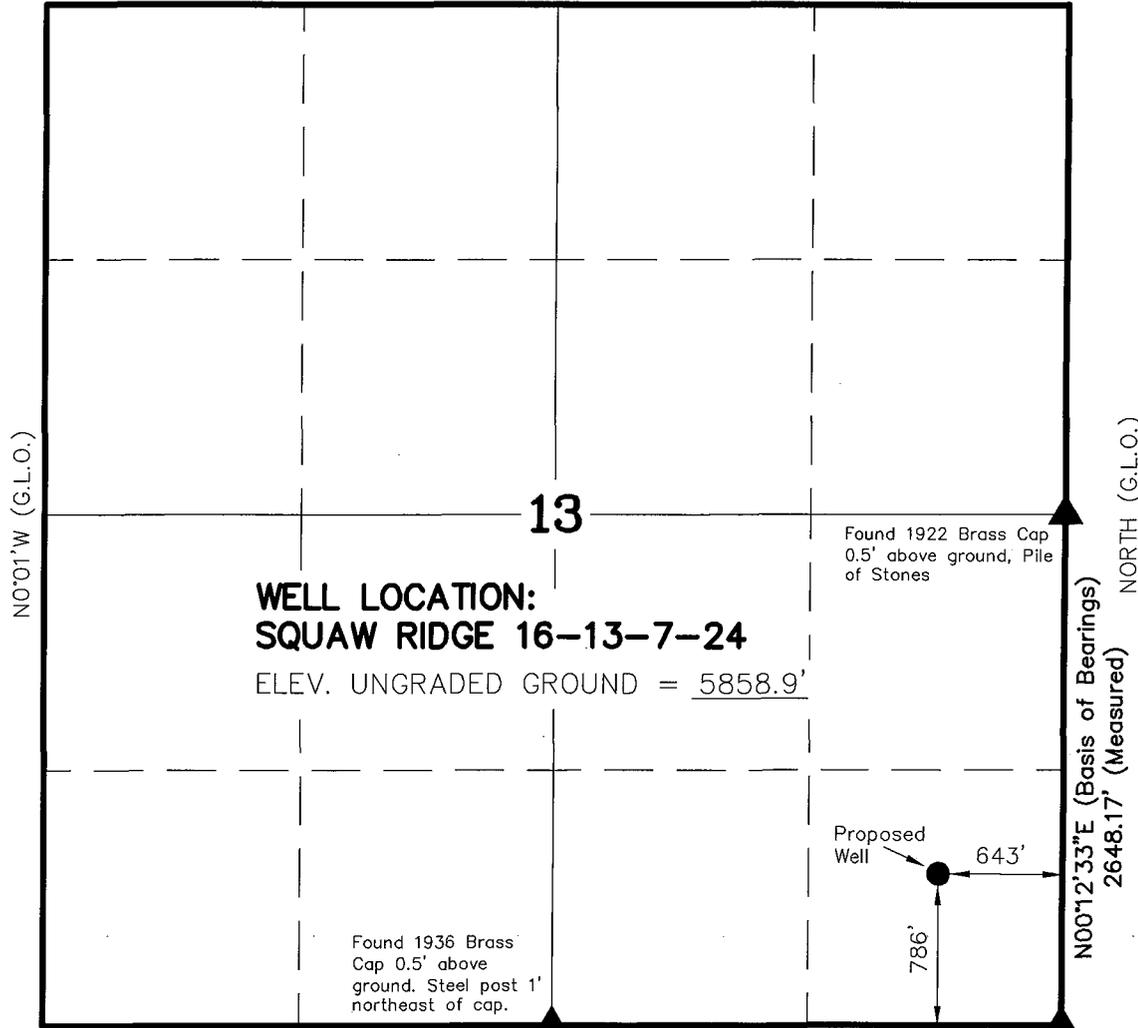
**Federal Approval of this
Action is Necessary**



T7S, R24E, S.L.B.&M.

THE HOUSTON EXPLORATION COMPANY

S89°48'W - 80.28 (G.L.O.)



**WELL LOCATION:
SQUAW RIDGE 16-13-7-24**

ELEV. UNGRADED GROUND = 5858.9'

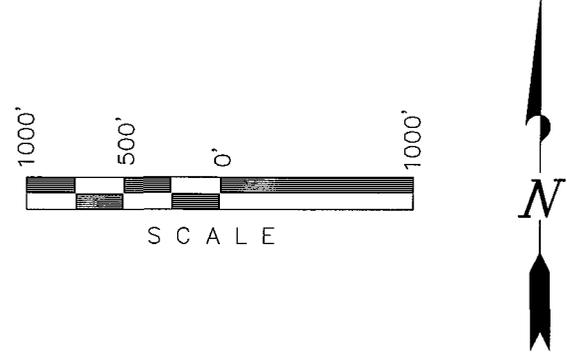
Found 1922 Brass Cap
0.5' above ground, Pile
of Stones

Found 1936 Brass
Cap 0.5' above
ground. Steel post 1'
northeast of cap.

Proposed
Well

N00°12'33"E (Basis of Bearings)
2648.17' (Measured)
NORTH (G.L.O.)

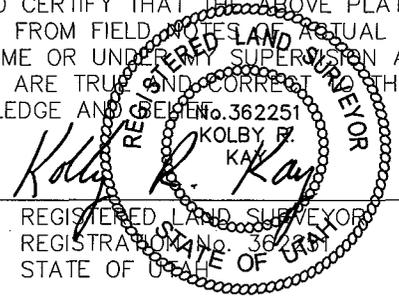
WELL LOCATION, SQUAW RIDGE
16-13-7-24, LOCATED AS SHOWN IN THE
SE 1/4 SE 1/4 OF SECTION 13, T7S,
R24E, S.L.B.&M. UTAH COUNTY, UTAH.



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 OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.



S89°54'21"W - 2650.67' (Meas.) Found 1922 Brass Cap 0.5' above ground
S89°50'W - 80.28 (G.L.O.)

▲ = SECTION CORNERS LOCATED
BASIS OF ELEVATION IS A SPOT ELEVATION
LOCATED AT THE SW CORNER OF SECTION 28, T7S,
R25E, S.L.B.&M. THE ELEVATION OF THIS SECTION
CORNER IS SHOWN ON THE DINOSAUR 7.5 MIN.
QUADRANGLE AS BEING 5758'.

SQUAW RIDGE 16-13-7-24
(Proposed Well Head)
NAD 83 Autonomous
LATITUDE = 40° 12' 15.9"
LONGITUDE = 109° 09' 19.3"

TIMBERLINE LAND SURVEYING, INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 09-18-06	SURVEYED BY: M.S.B.	SHEET 2 OF 10
DATE DRAWN: 09-19-06	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'		Date Last Revised:

Self Certification Statement

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that The Houston Exploration Company is considered to be the operator of the following well:

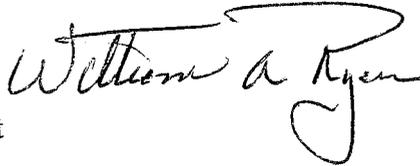
**Squaw Ridge 16-13-7-24
Section 13, T. 7S, R.24E
SE ¼ of the SE ¼
Lease UTU-76734
Uintah County, Utah**

The Houston Exploration Company is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTU-104155044 provides state-wide bond coverage on all Federal Lands.

Name: William A Ryan

Signature:

A handwritten signature in cursive script that reads "William A Ryan". The signature is written in black ink and is positioned to the right of the "Signature:" label.

Title: Agent

Date:

Ten Point Plan

The Houston Exploration Company

Squaw Ridge 16-13-7-24

Surface Location SE $\frac{1}{4}$ SE $\frac{1}{4}$,

Section 13, T. 7S., R. 24E.

1. **Surface Formation**
Uintah

2. **Estimated Formation Tops and Datum:**

Formation		Depth	Datum
Uintah		Surface	5,858' G.R.
Green River	Oil/Gas	2,100'	3,758'
Birds Nest	Water	2,300'	3,558'
Wasatch	Oil/Gas	6,000'	-142'
Measaverda	Oil/Gas	8,000'	-2,142'
TD		8,800'	-2,942'

A 11" hole will be drilled to 2,500' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 200' beyond the top of the Birds Nest. All fresh water and oil and gas bearing zones shall be protected by casing and cement program.

3. **Producing Formation Depth:**

Formation objective includes the Green River, Wasatch, Measaverda and their sub-members.

4. **Proposed Casing:**

Hole Size	Casing Size	Weight/FT	Grade	Coupling & Tread	Casing Depth	New/Used
17 1/2	14	36.75#	A252		40'	NEW
11	9 5/8	36#	J-55	LT&C	2,500'	NEW
7 7/8	4 1/2	11.6#	N-80	LT&C	7,700'	NEW
7 7/8	4 1/2	13.5#	P110	LT&C	8,800'	NEW

Cement Program:

Conductor casing will be cemented as follows from 0'-40':

Note: Cement Volume = Gauge hole + 50%

Casing Size	Cement Type	Cement Amounts	Cement Yield	Water Mix	Cement Weight
Lead: 14	Portland CMT Class IA 4 Integral Air-entraining Agent	31 sks +/-	1.15ft ³ /sk	5	15.8 ppg

The Surface Casing will be cemented as follows from 0'- 2,500'

Cement volume = Gauge hole + 50%

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
Lead: 9 5/8"	Premium "5" 16% Gel 10#/sk Gilsonite 3% Salt 3#/sk GB3 0.25#/sk flocele	157 sks. +/-	3.82ft ³ /sk	23	11.0 ppg
Top Job:	Class "G" 4% Calcium Chloride 0.25#sk Flocele	10-200 sks. +/-	1.15ft ³ /sk	5	15.8 ppg

Production casing will be cemented as follows from 2,300'- 8,800:

Cement volume = Gauge hole + 25%

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
Lead: 4 1/2	Premium "5" 16% Gel 10#/sk Gilsonite 3% Salt 0.25#/sk Flowcele 3#/sk GB3	267 sks +/-	3.82ft ³ /sk	23	11 ppg
Tail: 4 1/2	Class "G" 4% Calcium Chloride 0.25#sk Flocele	724 sks +/-	1.18 ft ³ /sk	5.2	15.6 ppg
Top Job:	Class "G" 4% Calcium Chloride 0.25#sk Flocele 3 #sk GB3	10-200 sks. +/-	1.15ft ³ /sk	5.2	15.8 ppg

5. BOP and Pressure Containment Data:

A 5000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2,500	Air/Clear Water	-----	No Control	Water/Gel
2,500-T.D.	8.4-12.0	30-45	8-10	LSND water based mud system

Note: Mud weights may exceed 12.0 due to solids increasing at or near T.D. Increased weights are not required to control formation pressure. Operator will have on location sufficient mud and weight material to increase mud weight to 12.0 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

7. Testing, Coring, Sampling and Logging:

- a) DST: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Mud Sampling: Every 10' from 2,000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

8. Abnormalities (including sour gas)

Anticipated bottom hole pressure will be less than 5000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H2S.

9. Other facets of the proposed operation:

Off set well information

Abandoned Wells:

Raven Ridge Unit 2

Raven Ridge U Core hole 12-18G

Utah Fed G-1

Utah Fed F-2

Utah Fed F-1

10. Drilling Schedule:

The anticipated starting date is 4/01/2007. Duration of operations is expected to be 30 days.

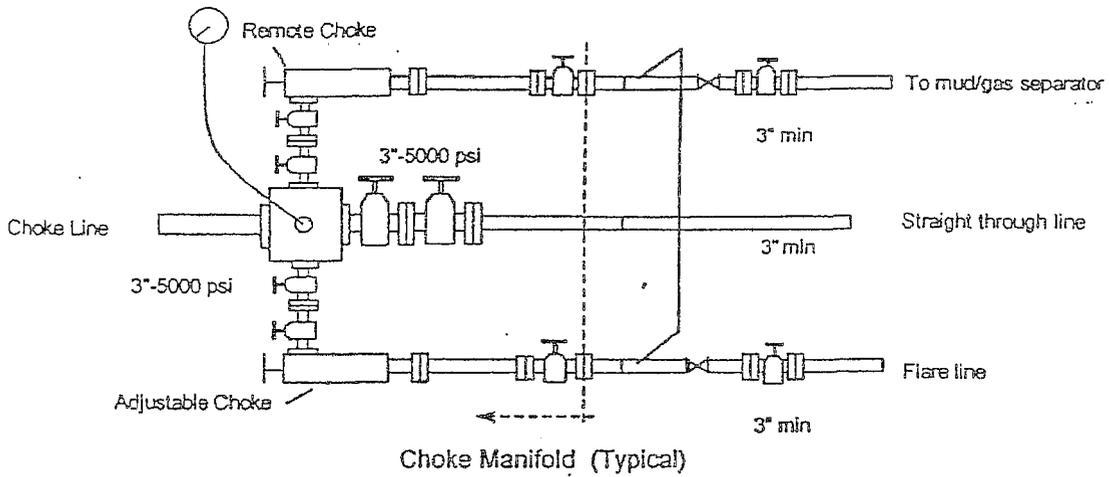
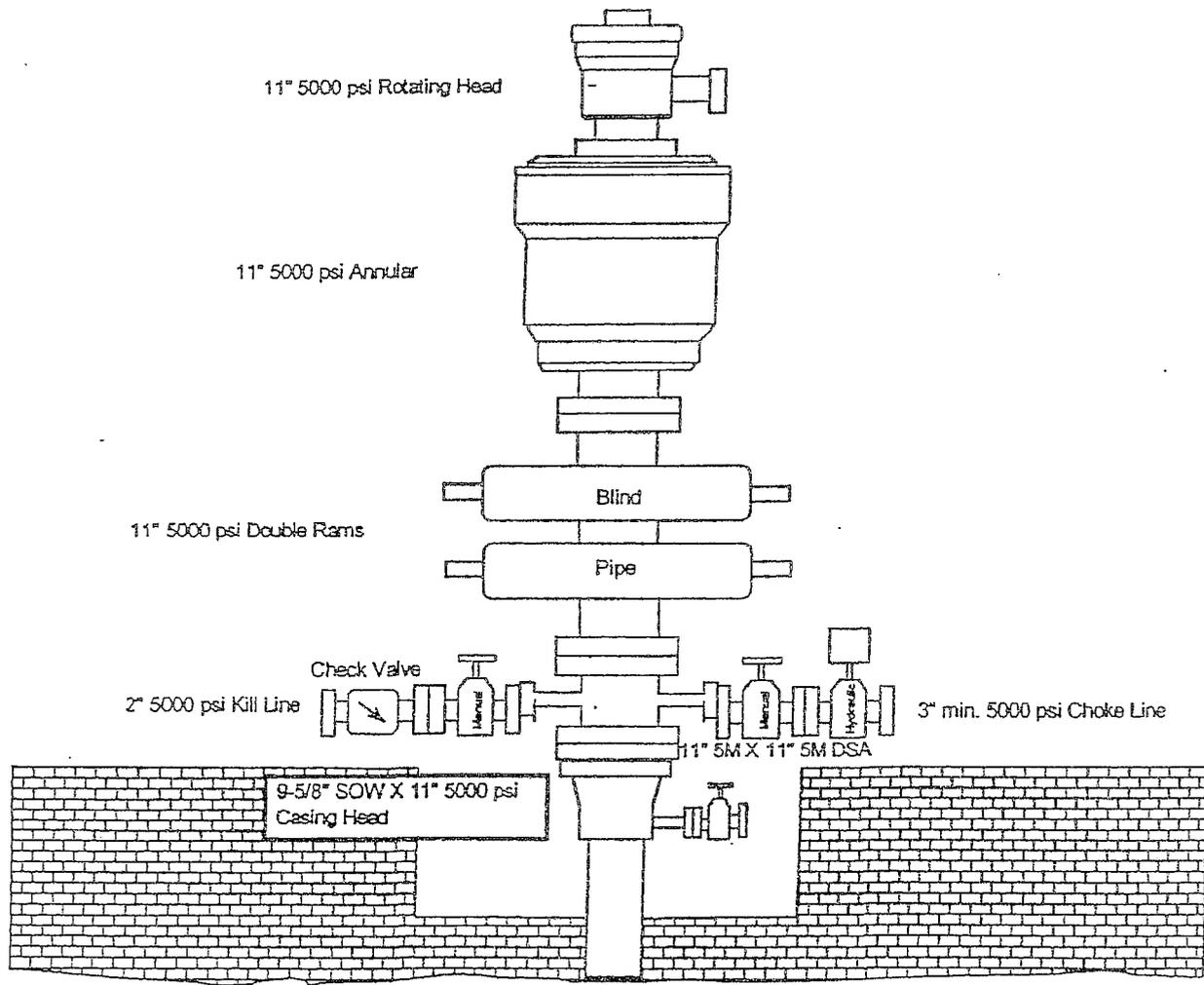
Surface Casing Cement Data					
	Csg Size In.	Hole Size In.	Ft Hole	Cuft/ft	Bbls/ft
Lead	9 5/8	13.5	40	0.4887	0.0870
Lead	9 5/8	11	2450	0.1547	0.0275
Tail	0	0	0	0.0000	0.0000

Production Casing						
	Casing Size	Cement Type	Cement Amount	Cement Yield	Mix Water	Cement Weight
			Sks	Cuft/sk	Gal/sk	Ppg
Lead	4 1/2	Premium 5	267	3.82	23	11
Top	2300	16% Gel				
Bottom	5800	10 #/sk gilsonite				
		3% Salt				
		.25 #/sk flocele				
		3 #/sk GB3				
Tail	4 1/2	Class "G"	724	1.18	5.2	15.6
Top	5800	2% Calcium Chloride				
Bottom	8800	.25 #/sk flocele				
Top Job		Class "G"	10-200 sks	1.15	5.2	15.8
		4% Calcium Chloride				
		.25 #/sk flocele				
		3 #/sk GB3				

Production Cement Volume Calculation								
	Top	Bottom	Ft/hole	Hole Volume Cuft	Hole Volume Bbls	Cement Amount sks	Cement Amount w/25% Excess	Factor
Lead	2300	2500	200	65	12	17	21	1.25
Lead	2500	5800	3300	752	134	197	246	
						Total	267	
Tail	5500	8800	3000	653	122	579	724	

Production Casing Cement Data					
	Csg Size In.	Hole Size In.	Ft Hole	Coeff Cuft/ft	Coeff Bbls/ft
Lead	4 1/2	8.921	200	0.3236	0.0576
Lead	4 1/2	7 7/8	3,300	0.2278	0.0406
Tail	4 1/2	7 7/8	3,000	0.2278	0.0406

BOPE Diagram 5000 psi WP



THE HOUSTON EXPLORATION COMPANY

13 POINT SURFACE USE PLAN

FOR WELL

SQUAW RIDGE 16-13-7-24

LOCATED IN SE $\frac{1}{4}$ SE $\frac{1}{4}$

SECTION 13, T.7S, R24E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-76734

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

**The Houston Exploration Co.
Squaw Ridge 16-13-7-24
Section 13, T7S, R 24E**

From the intersection of US Highway 40 and State Highway 149 in Jensen, UT; proceed in an easterly direction along US 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 7.6 miles to a class D county road to the southwest; exit right and proceed along the class D county road in a southwesterly direction then northwesterly direction approximately 2.4 miles to the proposed access road; follow road flags in a westerly direction approximately 95 feet to the proposed location.

Total distance from Jensen, Utah to the proposed well location is approximately 21.6 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 95' of new construction on lease. The road will be graded once per year minimum and maintained.

- A) Approximate length 95 ft
- B) Right of Way width 30 ft
- C) Running surface 18 ft
- D) Surface material Native soil
- E) Maximum grade 8%
- F) Fence crossing None
- G) Culvert None
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership Federal
- L) All new construction on lease Yes
- M) Pipe line crossing None

Please see the attached location plat for additional details.

An off lease right-of-way will not be required.

All surface disturbances for the access road and location will be within the lease boundary.

A county road maintenance agreement will be in place for the portions of the existing class D county road.

3. Location of existing wells

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

- A) Producing well None
- B) Water well None
- C) Abandoned well
 - Utah Fed F-2
 - Raven Ridge Unit 2
 - Utah Fed G-1
 - Raven Ridge U Core Hole 12-18G
 - Utah Fed F 1
- D) Temp. abandoned well None

- E) Disposal well None
- F) Drilling /Permitted well None
- G) Shut in wells None
- H) Injection well None
- I) Monitoring or observation well None

Please see the attached map for additional details.

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

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted an **Olive Black** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Olive Black**.

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.

The operator will adhere to all site security guidelines and regulation identified in 43 CFR 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

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

Approximately 13,010' of 3" steel buried gas gathering line would be constructed on Federal Lands. The line will tie into the proposed pipeline for the Squaw Ridge 16-30-7-25 in Section 20, T7S, R24E. The pipeline would be buried to the east of the location and parallel to the access road. A temporary construction width of 60' will be required and a permanent width of 15' will be required.

An off lease right-of-way will be required for approximately 12,010'.

Please see the attached location diagrams for pipeline location.

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

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer 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 report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining.

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 will come from a Vernal City Tap at 355 S 1000 E (Dalbo/A-1 Tank.)

6. Source of construction materials

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

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from

the rig tank. The pit will be used to hold non-flammable materials such as 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 storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. **Onsite evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.**

C) Garbage:

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

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

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

8. Ancillary facilities

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

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 345 ft.
- B) Pad width 260 ft.
- C) Pit depth 12 ft.
- D) Pit length 150 ft.
- E) Pit width 75 ft.
- F) Max cut 15.9 ft.
- G) Max fill 4.4 ft.
- H) Total cut yds. 5,540 cu yds
- I) Pit location East end
- J) Top soil location
 North and South ends
- K) Access road location
 South end
- L) Flare Pit Corner C

Please see the attached location diagram for additional details.

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 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 ft.
- 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. The topsoil removed and piled will amount to approximately 1,500 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. 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 soil has been spread. **The unused portion of the location (the area outside the dead men) will be re-contoured.**

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

Changes to the drainage during the construction activities shall be restored to its original line of flow

or as near as possible when the pit is back-filled

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 back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

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 run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

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

A) Seeding dates:

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

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix

4#/acre Indian Rice Grass
4#/acre Crested Wheat Grass
4#/acre Needle & Thread Grass

11. Surface ownership:

Access road	Federal
Location	Federal
Pipe line	Federal

12. Other information:

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

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.

Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

D) Water:

**The nearest water is
The Green River 11 miles
to the Northwest.**

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of two years from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification:

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 The Houston Exploration Company 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. This statement is subject to the provisions of 18 U.S.C. 1001 for filing of a false statement.

Onsite Dates: 12/7/00

A handwritten signature in black ink, appearing to read "William A. Ryan". The signature is written in a cursive style with a large, sweeping initial "W" and a distinct "R".

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for The Houston Exploration Company
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax

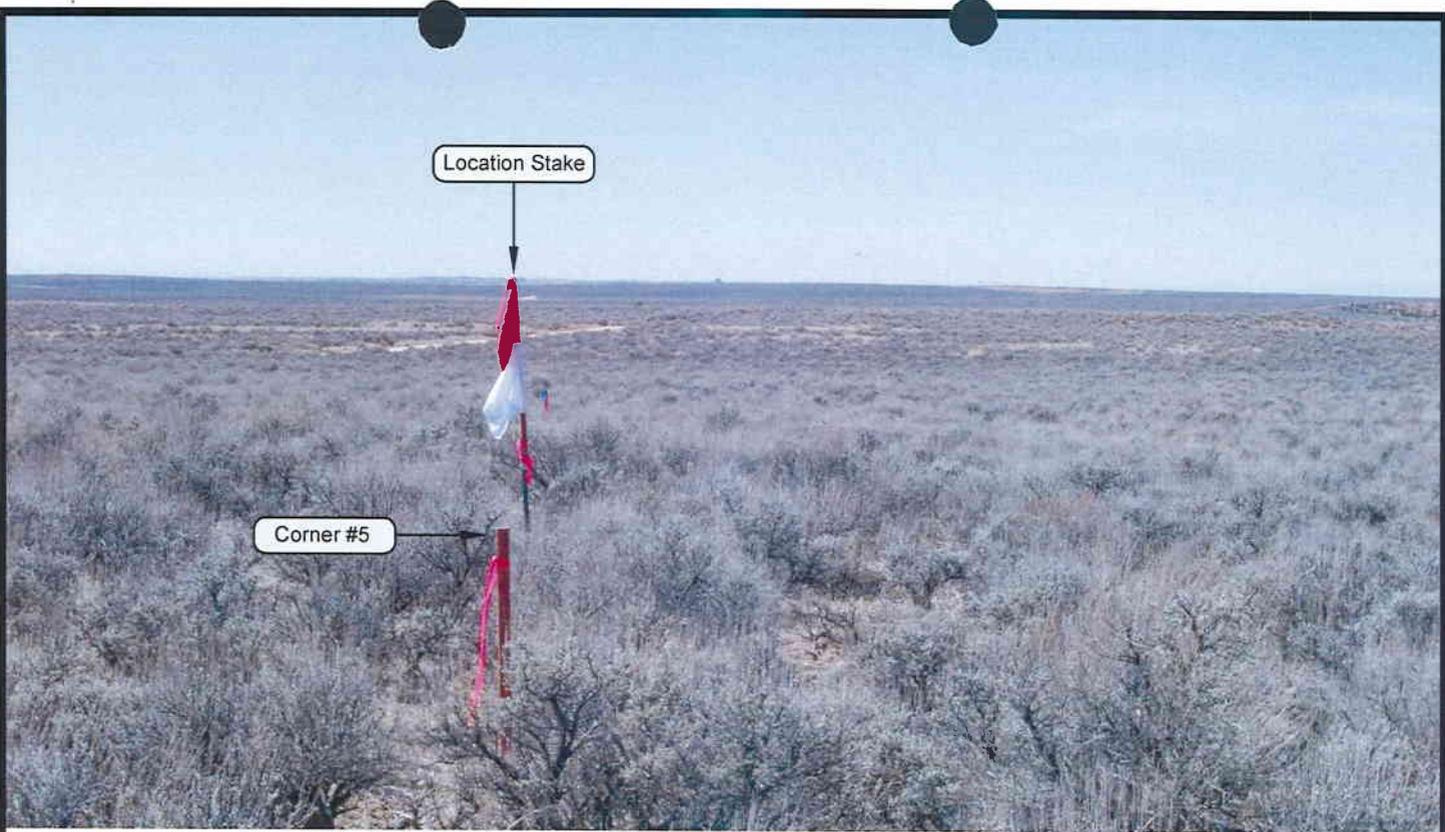


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

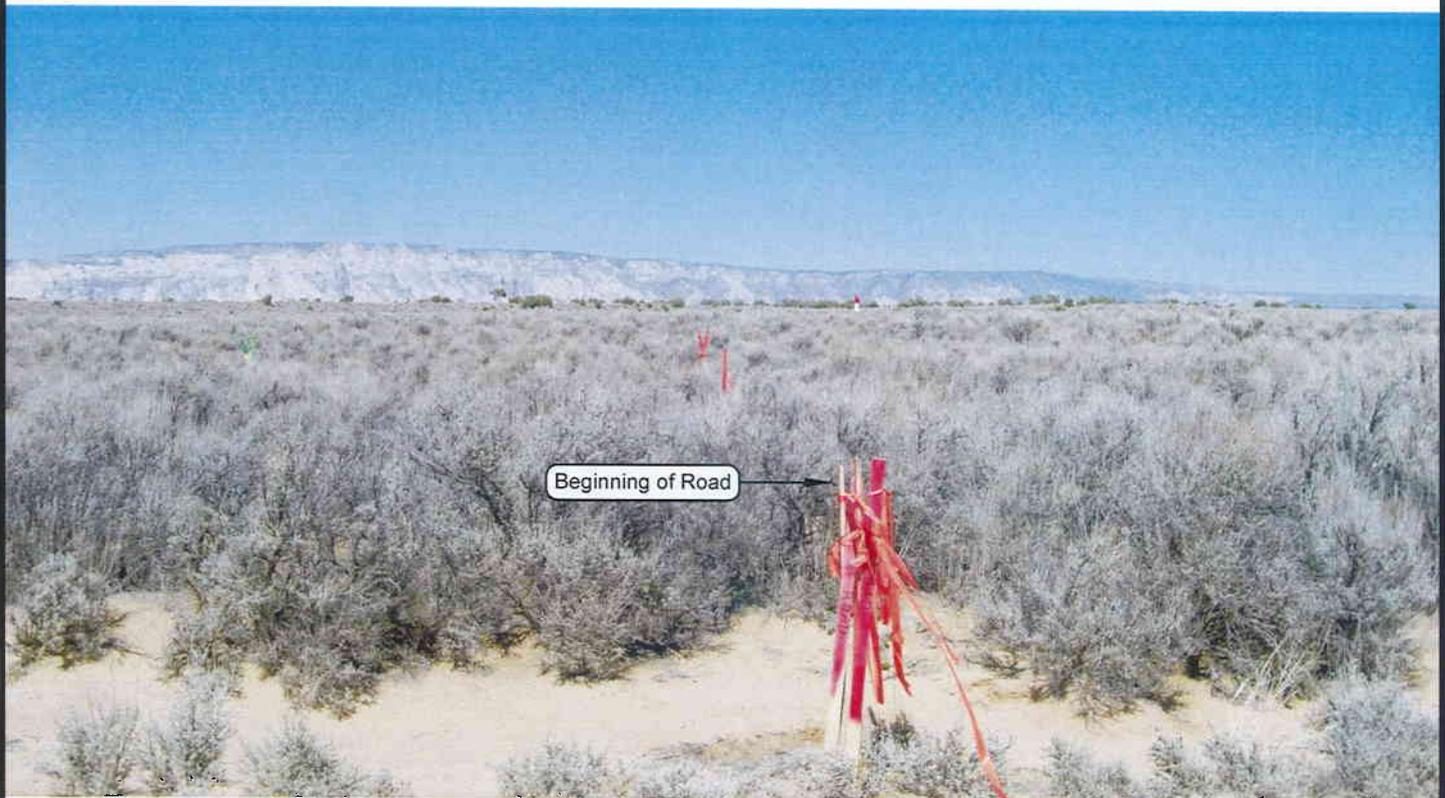


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHERLY

THE HOUSTON EXPLORATION COMPANY

Squaw Ridge 16-13-7-24
SECTION 13, T7S, R24E, S.L.B.&M.
786' FSL & 643' FEL

LOCATION PHOTOS

DATE TAKEN: 09-18-06

DATE DRAWN: 09-19-06

TAKEN BY: M.S.B.

DRAWN BY: M.W.W.

REVISED:

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

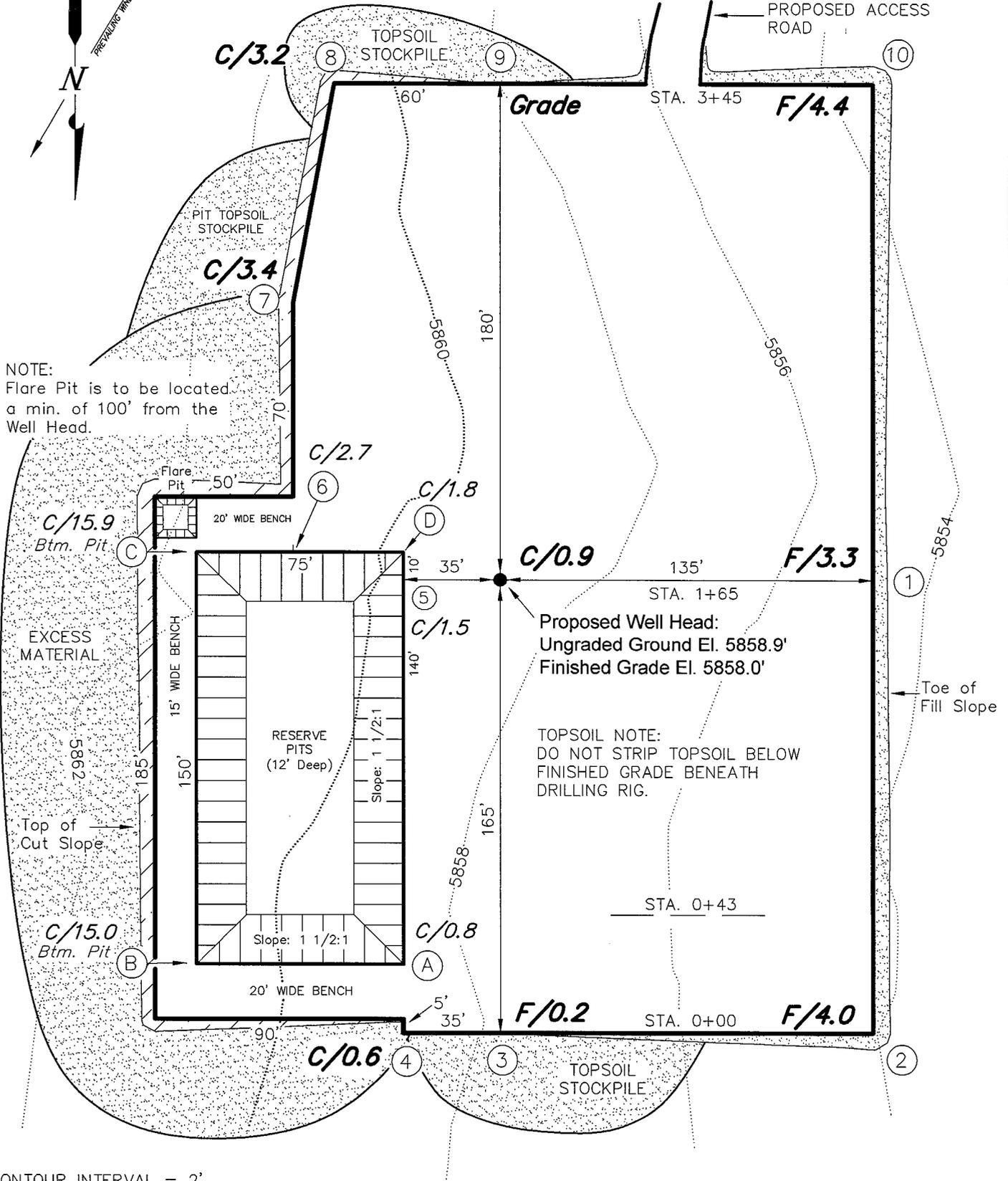
SHEET
1
OF 10

THE HOUSTON EXPLORATION COMPANY

CUT SHEET SQUAW RIDGE 16-13-7-24



NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.

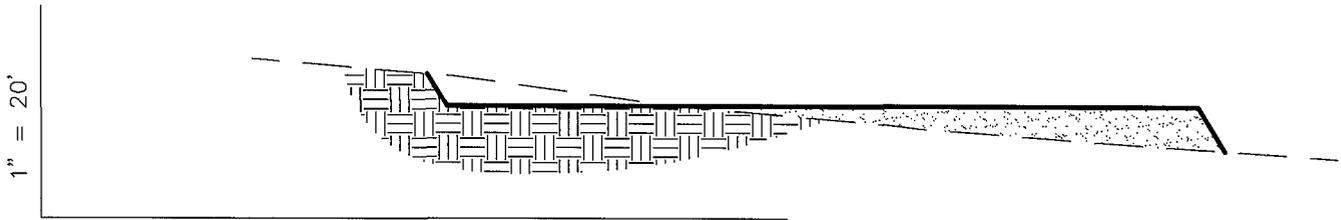


CONTOUR INTERVAL = 2'

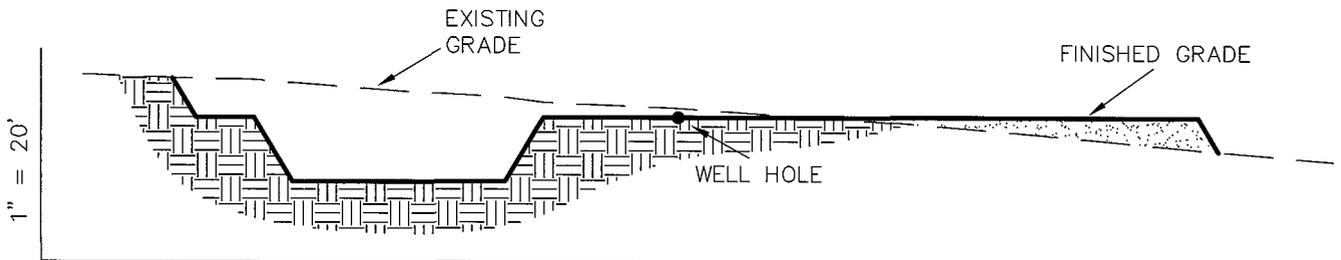
Section 13, T7S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE		Footage Location: 786' FSL & 643' FEL	
Date Surveyed: 09-18-06	Date Drawn: 09-19-06	Date Last Revision:		Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078	
Surveyed By: M.S.B.		Drawn By: M.W.W.			
		Scale: 1" = 50'			

THE HOUSTON EXPLORATION COMPANY

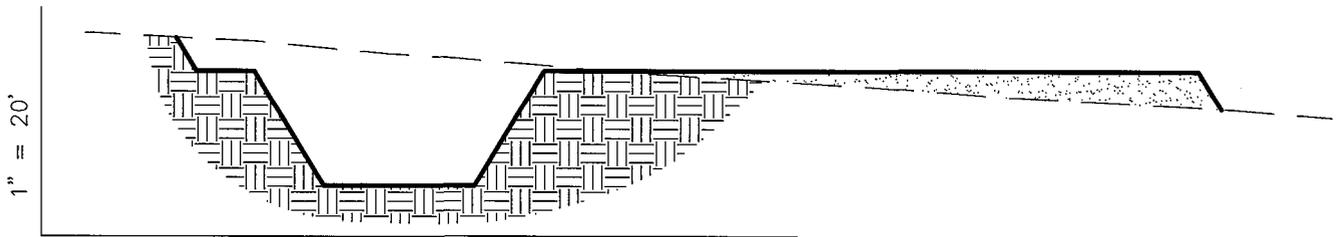
CROSS SECTIONS SQUAW RIDGE 16-13-7-24



1" = 50' STA. 3+45

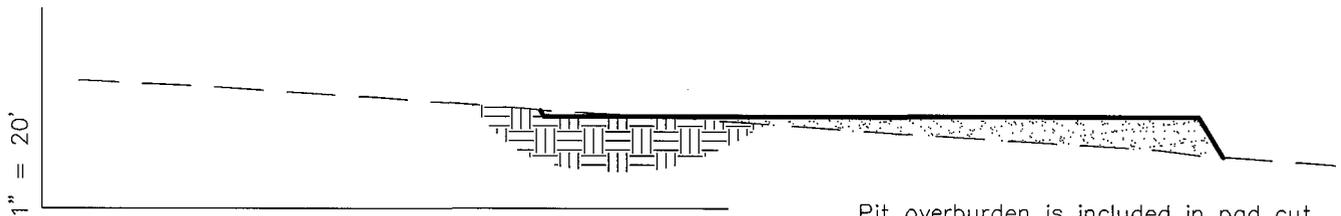


1" = 50' STA. 1+65



1" = 50' STA. 0+43

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



1" = 50' STA. 0+00

Pit overburden is included in pad cut.

REFERENCE POINTS

- 215' NORTHERLY = 5857.5'
- 265' NORTHERLY = 5857.3'
- 185' WESTERLY = 5853.0'
- 235' WESTERLY = 5851.5'

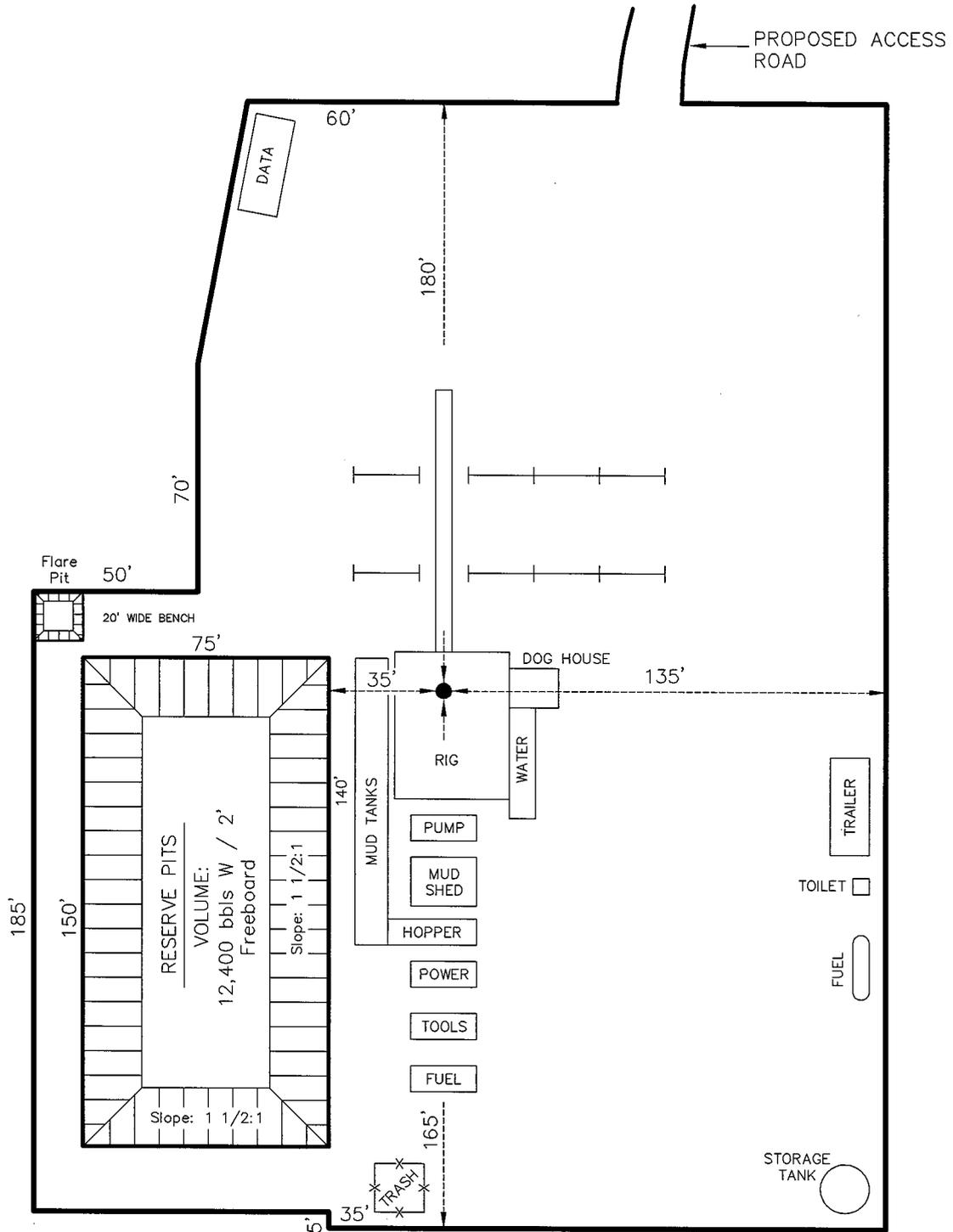
ESTIMATED EARTHWORK QUANTITIES (No shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	2,200	3,870	Topsoil is not included in Pad Cut	-1,670
PIT	3,340	0		3,340
TOTALS	5,540	3,870	1,500	1,670

Excess Material after Pit Rehabilitation = 0 Cu. Yds.

Section 13, T7S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 786' FSL & 643' FEL
Date Surveyed: 09-18-06	Date Drawn: 09-19-06	Date Last Revision:	Timberline (435) 789-1365 Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 50'	
			SHEET 4 OF 10

THE HOUSTON EXPLORATION COMPANY

TYPICAL RIG LAYOUT SQUAW RIDGE 16-13-7-24

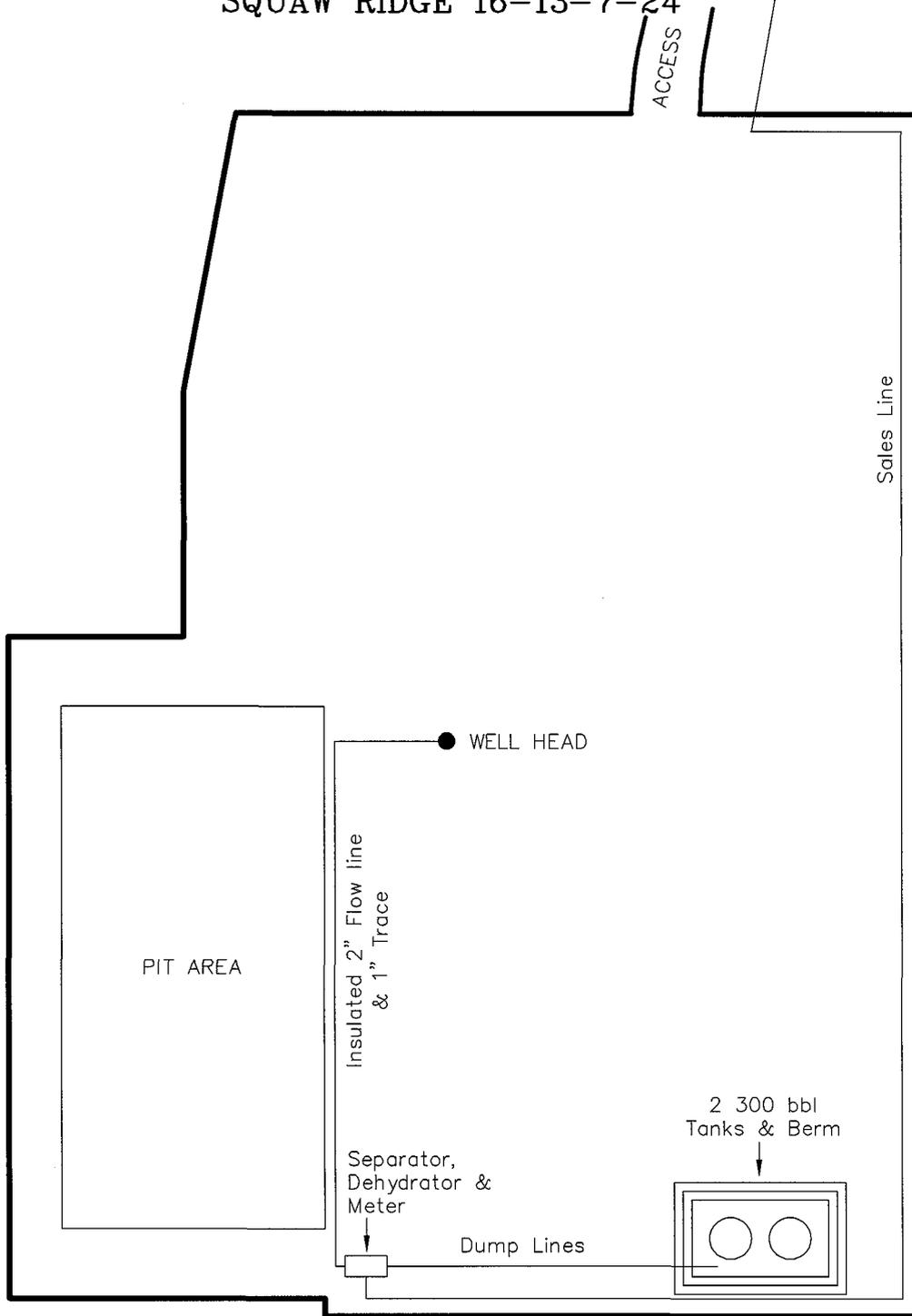


Section 13, T7S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 786' FSL & 643' FEL
Date Surveyed: 09-18-06	Date Drawn: 09-19-06	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 50'	
			SHEET 5 OF 10

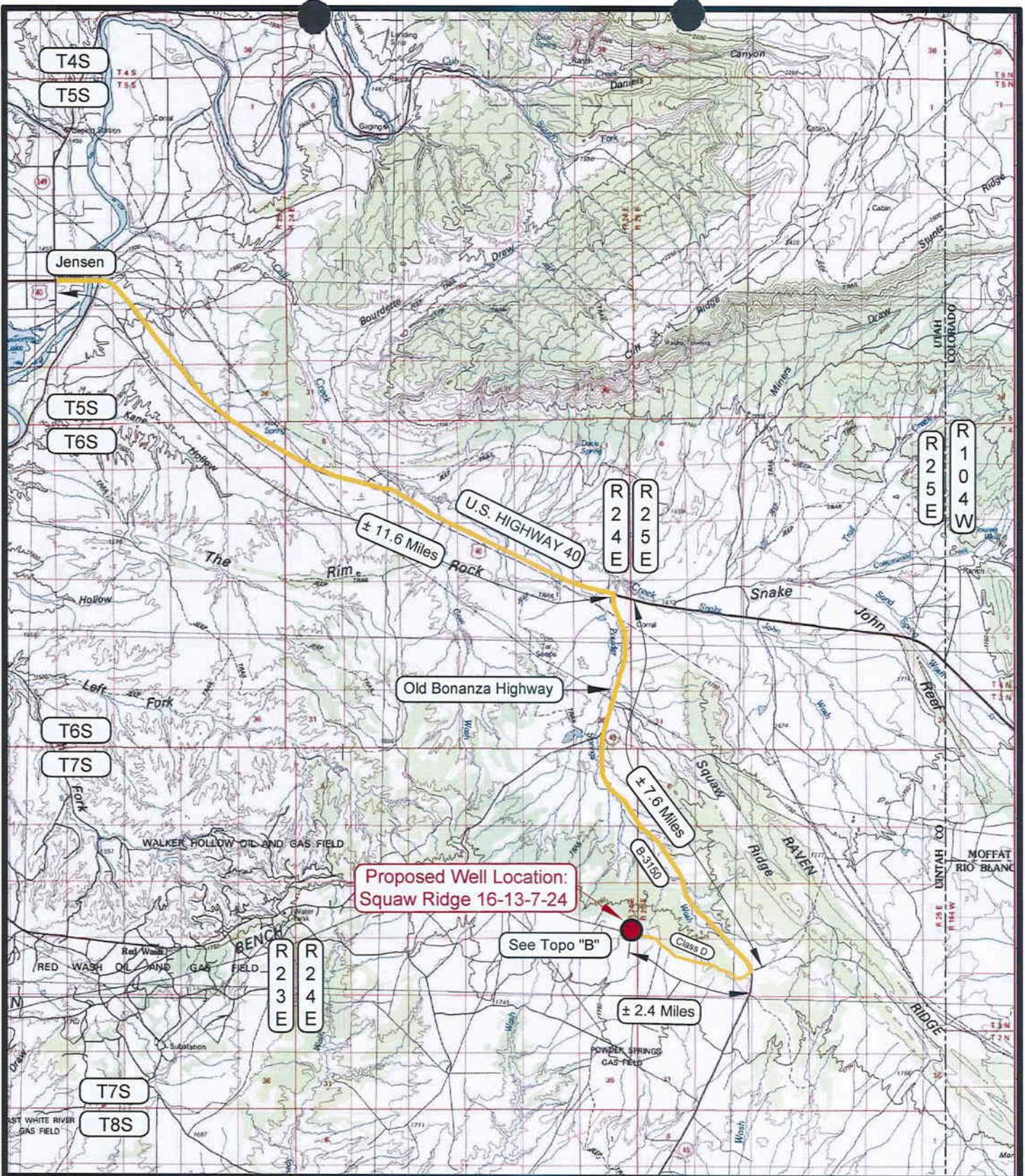
THE HOUSTON EXPLORATION COMPANY

TYPICAL PRODUCTION LAYOUT

SQUAW RIDGE 16-13-7-24



Section 13, T7S, R24E, S.L.B.&M.		Qtr/Qtr Location: SE SE	Footage Location: 786' FSL & 643' FEL
Date Surveyed: 09-18-06	Date Drawn: 09-19-06	Date Last Revision:	Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 50'	
			SHEET 6 OF 10



LEGEND

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

TOPOGRAPHIC MAP "A"

DATE SURVEYED: 09-18-06

DATE DRAWN: 09-19-06

SCALE: 1:150,000

DRAWN BY: M.W.W.

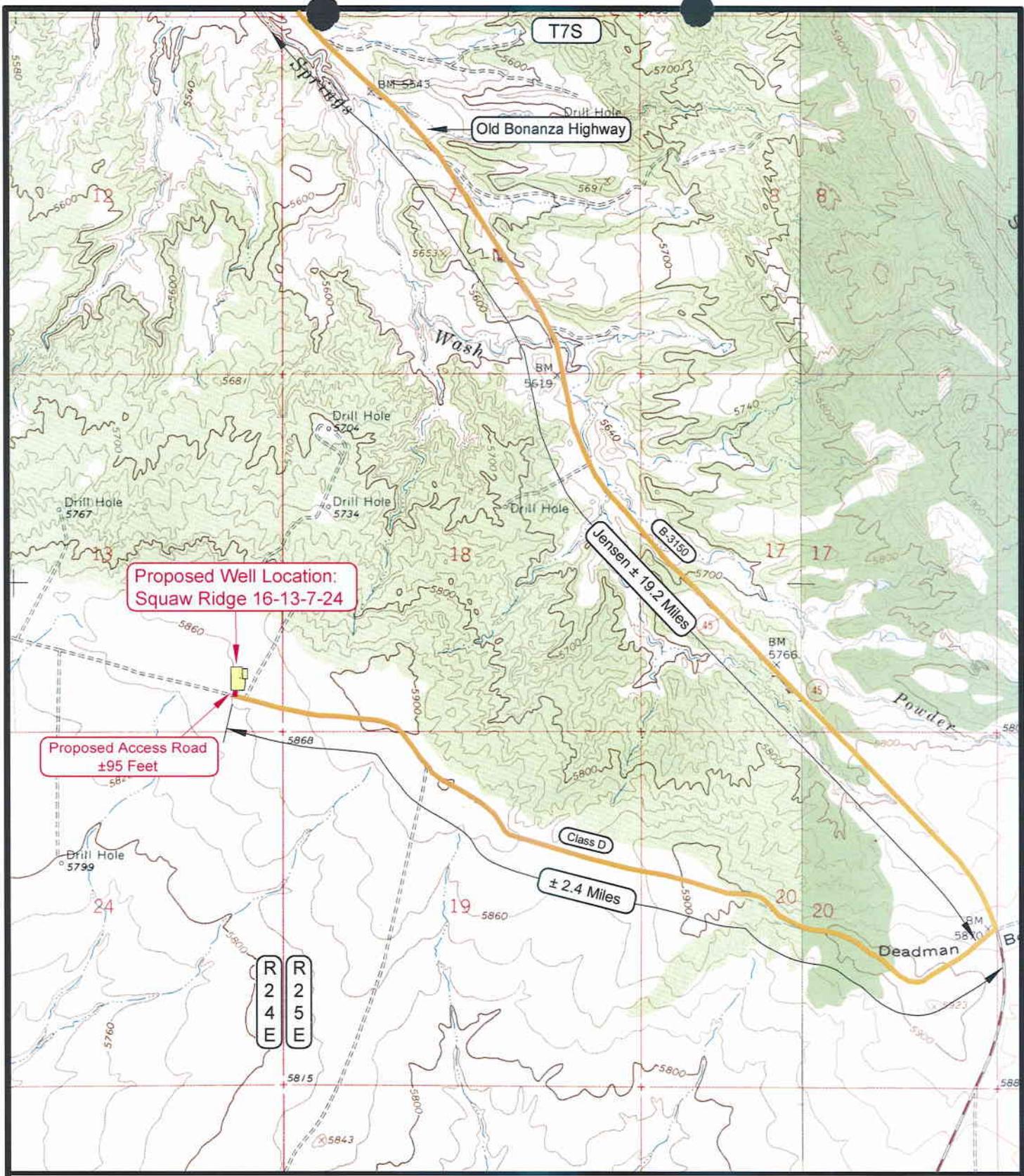
REVISED:

THE HOUSTON EXPLORATION COMPANY

Squaw Ridge 16-13-7-24
SECTION 13, T7S, R24E, S.L.B.&M.
786' FSL & 643' FEL

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

SHEET
7
OF 10



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5480) = COUNTY ROAD CLASS & NUMBER
- = LEASE LINE AND / OR PROPERTY LINE

THE HOUSTON EXPLORATION COMPANY

Squaw Ridge 16-13-7-24
SECTION 13, T7S, R24E, S.L.B.&M.
786' FSL & 643' FEL

TOPOGRAPHIC MAP "B"

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

DATE SURVEYED: 09-18-06

DATE DRAWN: 09-19-06

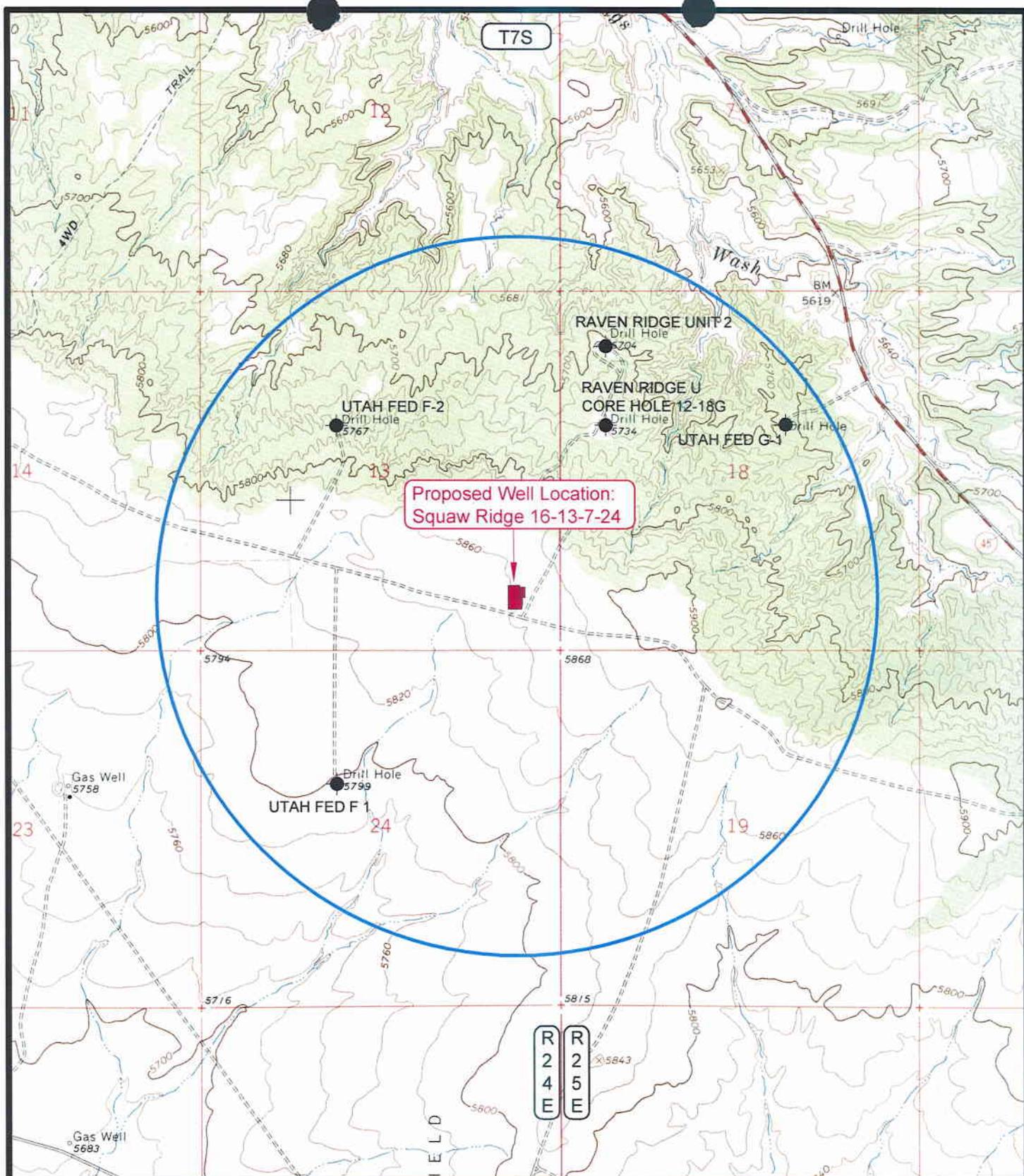
REVISED:

Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET

8
OF 10



Proposed Well Location:
Squaw Ridge 16-13-7-24

LEGEND

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

THE HOUSTON EXPLORATION COMPANY

Squaw Ridge 16-13-7-24
SECTION 13, T7S, R24E, S.L.B.&M.
786' FSL & 643' FEL

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 09-18-06

DATE DRAWN: 09-19-06

SCALE: 1" = 2000'

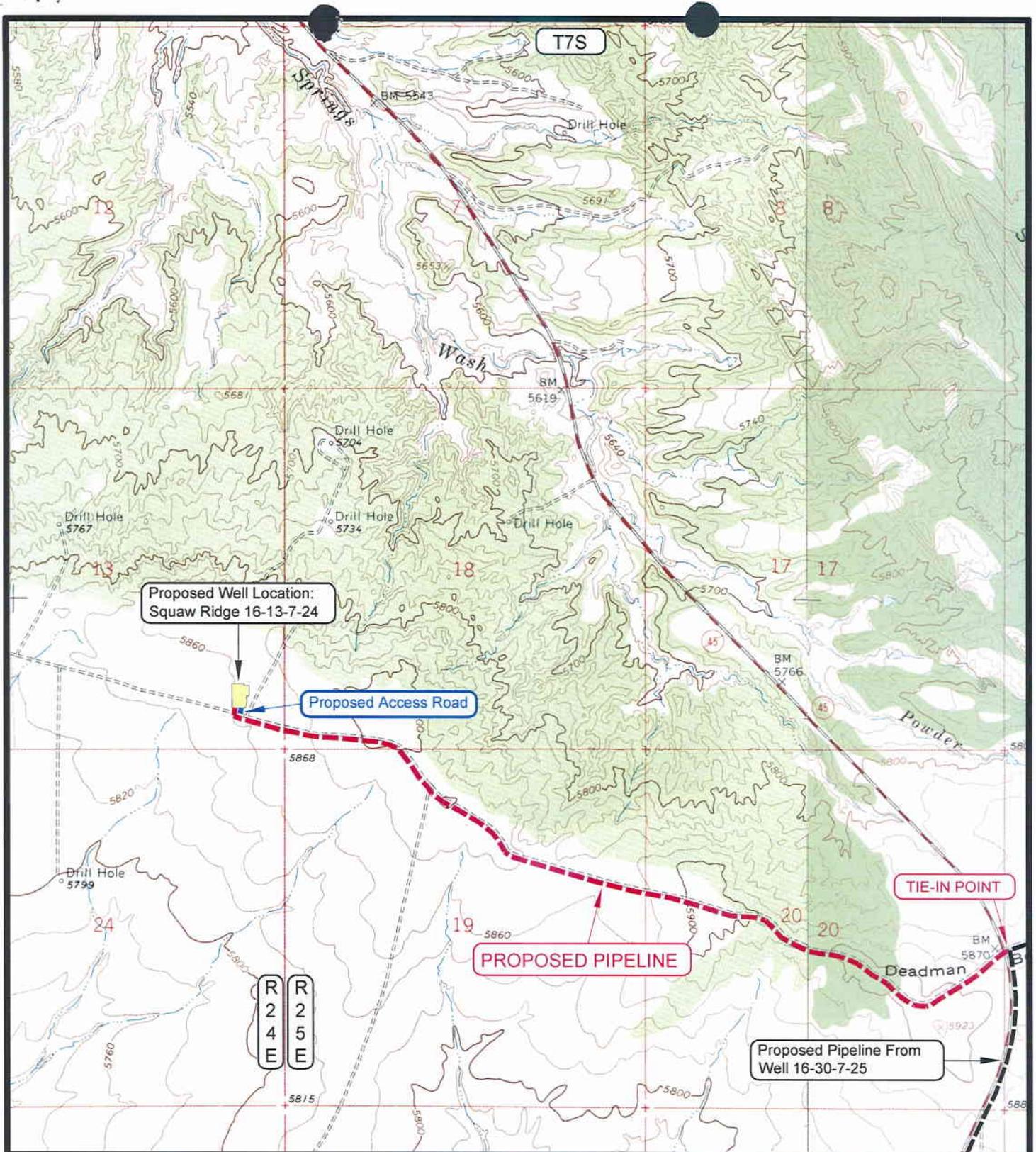
DRAWN BY: M.W.W.

REVISED:

Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
9
OF 10



APPROXIMATE PIPELINE LENGTH = ±13,010 FEET

LEGEND

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

TOPOGRAPHIC MAP "D"

DATE SURVEYED: 09-18-06

DATE DRAWN: 09-19-06

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

THE HOUSTON EXPLORATION COMPANY

**Squaw Ridge 16-13-7-24
SECTION 13, T7S, R24E, S.L.B.&M.
786' FSL & 643' FEL**

Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
(435) 789-1365

**SHEET
10
OF 10**

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/31/2007

API NO. ASSIGNED: 43-047-39319

WELL NAME: SQUAW RIDGE 16-13-7-24
 OPERATOR: HOUSTON EXPLORATION CO, (N2525)
 CONTACT: BILL RYAN

PHONE NUMBER: 713-830-6973

PROPOSED LOCATION:
 SESE 13 070S 240E
 SURFACE: 0786 FSL 0643 FEL
 BOTTOM: 0786 FSL 0643 FEL
 COUNTY: UINTAH
 LATITUDE: 40.20444 LONGITUDE: -109.1547
 UTM SURF EASTINGS: 657052 NORTHINGS: 4451871
 FIELD NAME: UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-76734
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. 104155044)
 Potash (Y/N)
 Oil Shale 190-5 (B) or 190-3 or 190-13
 Water Permit
 (No. MUNICIPAL)
 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: THE HOUSTON EXPL CO (N2525)

SEC: 13 T.7S R. 24E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status

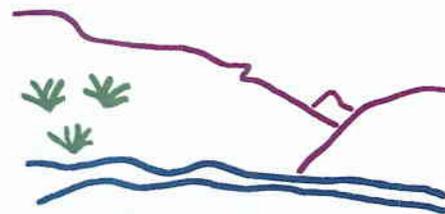
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

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: 1-JUNE-2007



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

June 4, 2007

The Houston Exploration Company
1100 Louisiana, Suite 2000
Houston, TX 77002

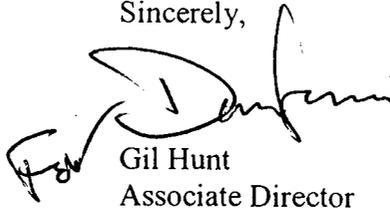
Re: Squaw Ridge 16-13-7-24 Well, 786' FSL, 643' FEL, SE SE, Sec. 13, T. 7 South,
R. 24 East, Uintah County, Utah

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 430-47-39319.

Sincerely,


Gil Hunt
Associate Director

er
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

Operator: The Houston Exploration Company
Well Name & Number Squaw Ridge 16-13-7-24
API Number: 430-47-39319
Lease: UTU 76734

Location: SE SE **Sec.** 13 **T.** 7 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.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

- | |
|--------|
| 1. DJJ |
| 2. CDW |

Change of Operator (Well Sold)

X - Operator Merger

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

6/1/2007

FROM: (Old Operator): N2525 - The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002 Phone: 1-(713) 830-6800	TO: (New Operator): N6965-Forest Oil Corporation 707 17th St, Suite 3600 Denver, CO 80202 Phone: 1 (303) 812-1755
---	--

WELL NAME		SEC	TWN	RNG	API NO	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: 7/30/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/30/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/31/2007
- 4a. Is the new operator registered in the State of Utah: Business Number: 571171-0143
- 4b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: _____
- 5c. Reports current for Production/Disposition & Sundries on: YES
- 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 7/31/2007 BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- 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: 8/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 8/27/2007
- Bond information entered in RBDMS on: 8/27/2007
- Fee/State wells attached to bond in RBDMS on: 8/27/2007
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: 7/30/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: 6236351
- Indian well(s) covered by Bond Number: n/a
- 3a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 6218963
- 3b. The **FORMER** operator has requested a release of liability from their bond on: not yet

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: 8/1/2007

COMMENTS:

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: See Attached List	
2. NAME OF OPERATOR: Forest Oil Corporation <i>N6965</i>	9. API NUMBER: various	
3. ADDRESS OF OPERATOR: 707 17th Street, #3600 CITY <u>Denver,</u> STATE <u>CO</u> ZIP <u>80202</u>	PHONE NUMBER: (303) 812-1755	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached list		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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Change of Operator</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. *N2525*

Effective 6/1/2007 please change the operator for the attached list of Utah wells from The Houston Exploration Company N-2525) to Forest Oil Corporation (N-6965). Forest merged with The Houston Exploration Company, a copy of the merger document is attached.. The contract operated wells will continue to be contract operated by Enduring.

Forest Oil Corporation as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning approved operations conducted on the lease or portion of the lease described.

Forest Oil Corporation meets the State of Utah bonding requirements under Safeco bond #6218963.

Please send all future correspondence to Forest Oil Corporation at the above listed address.

Forest Oil Corporation, 707 17th Street, Suite #3600, Denver, CO 80202

J.C. Ridens
J. C. Ridens, Senior Vice President - Western Region

7-5-07
Date

NAME (PLEASE PRINT) <u>Joanne C. Hresko</u>	TITLE <u>Vice President & General Mgr. - Northern Division</u>
SIGNATURE <u><i>Joanne C. Hresko</i></u>	DATE <u>7-5-07</u>

(This space for State use only)

APPROVED 8127107

Earlene Russell
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
JUL 30 2007

DIV OF OIL, GAS & MINING *WMP*

All wells with APD or New status

well_name	sec	twp	rng	api	entity	lease	well	stat	flag
HORSESHOE BEND 16-33	33	060S	210E	4304736214		Federal	OW	APD	
HORSESHOE BEND 3-33	33	060S	210E	4304736215		Federal	OW	APD	
N HORSESHOE 7-16-6-21	16	060S	210E	4304737438		State	GW	APD	C
N HORSESHOE 9-16-6-21	16	060S	210E	4304737439		State	GW	APD	C
N HORSESHOE 15-16-6-21	16	060S	210E	4304737440		State	GW	APD	C
N HORSESHOE 11-16-6-21	16	060S	210E	4304737441		State	GW	APD	C
N HORSESHOE 1-16-6-21	16	060S	210E	4304737442		State	GW	APD	C
N HORSESHOE 13-2-6-21	02	060S	210E	4304737476		State	GW	APD	C
N HORSESHOE 15-2-6-21	02	060S	210E	4304737477		State	GW	APD	C
GUSHER 2-2-6-19	02	060S	190E	4304737561		State	OW	APD	C
GUSHER 16-2-6-19	02	060S	190E	4304737562		State	OW	APD	C
GUSHER 1-2-6-19	02	060S	190E	4304737563		State	OW	APD	C
GUSHER 3-2-6-19	02	060S	190E	4304737568		State	OW	APD	C
E COYOTE 6-2-8-25	02	080S	250E	4304737572		State	GW	APD	C
E COYOTE 3-2-8-25	02	080S	250E	4304737573		State	GW	APD	C
E COYOTE 8-2-8-25	02	080S	250E	4304737574		State	GW	APD	C
N HORSESHOE 13-16-6-21	16	060S	210E	4304737575		State	GW	APD	C
E COYOTE 4-2-8-25	02	080S	250E	4304737882		State	GW	APD	C
E COYOTE 14-2-8-25	02	080S	250E	4304737883		State	GW	APD	C
E COYOTE 10-2-8-25	02	080S	250E	4304737884		State	GW	APD	C
E COYOTE 16-2-8-25	02	080S	250E	4304737885		State	GW	APD	C
E COYOTE 12-2-8-25	02	080S	250E	4304737886		State	GW	APD	C
N HORSESHOE 16-18-6-22	18	060S	220E	4304737887		Federal	GW	APD	C
N HORSESHOE 14-18-6-22	18	060S	220E	4304737888		Federal	GW	APD	C
N HORSESHOE 2-18-6-22	18	060S	220E	4304737889		Federal	GW	APD	C
N HORSESHOE 10-18-6-22	18	060S	220E	4304737890		Federal	GW	APD	C
N HORSESHOE 8-18-6-22	18	060S	220E	4304737891		Federal	GW	APD	C
N HORSESHOE 13-15-6-21	15	060S	210E	4304738013		Federal	GW	APD	C
N HORSESHOE 15-15-6-21	15	060S	210E	4304738014		Federal	GW	APD	C
N HORSESHOE 11-15-6-21	15	060S	210E	4304738015		Federal	GW	APD	C
N HORSESHOE 9-15-6-21	15	060S	210E	4304738016		Federal	GW	APD	C
N HORSESHOE 5-15-6-21	15	060S	210E	4304738017		Federal	GW	APD	C
N HORSESHOE 3-15-6-21	15	060S	210E	4304738018		Federal	GW	APD	C
N HORSESHOE 5-20-6-22	20	060S	220E	4304738019		Federal	GW	APD	C
N HORSESHOE 13-20-6-22	20	060S	220E	4304738020		Federal	GW	APD	C
N HORSESHOE 3-20-6-22	20	060S	220E	4304738021		Federal	GW	APD	C
N HORSESHOE 7-20-6-22	20	060S	220E	4304738022		Federal	GW	APD	C
N HORSESHOE 11-20-6-22	20	060S	220E	4304738023		Federal	GW	APD	C
N HORSESHOE 2-12-6-21	12	060S	210E	4304738198		Federal	GW	APD	C
N HORSESHOE 14-12-6-21	12	060S	210E	4304738199		Federal	GW	APD	C
N HORSESHOE 10-12-6-21	12	060S	210E	4304738200		Federal	GW	APD	C
N HORSESHOE 8-12-6-21	12	060S	210E	4304738201		Federal	GW	APD	C
N HORSESHOE 16-13-6-21	13	060S	210E	4304738202		Federal	GW	APD	C
N HORSESHOE 15-17-6-22	17	060S	220E	4304738203		Federal	GW	APD	C
N HORSESHOE 5-19-6-22	19	060S	220E	4304738204		Federal	GW	APD	C
N HORSESHOE 15-19-6-22	19	060S	220E	4304738205		Federal	GW	APD	C
N HORSESHOE 3-21-6-22	21	060S	220E	4304738206		Federal	GW	APD	C
N HORSESHOE 11-21-6-22	21	060S	220E	4304738207		Federal	GW	APD	C
N HORSESHOE 15-21-6-22	21	060S	220E	4304738208		Federal	GW	APD	C
N HORSESHOE 13-21-6-22	21	060S	220E	4304738209		Federal	GW	APD	C
N HORSESHOE 5-21-6-22	21	060S	220E	4304738210		Federal	GW	APD	C
N HORSESHOE 7-19-6-22	19	060S	220E	4304738271		Federal	GW	APD	C
N HORSESHOE 5-16-6-22	16	060S	220E	4304738406		State	GW	APD	

well name	sec	twp	rng	api	entity	lease	well	stat	flag
TWELVEMILE WASH 11-13-5-20	13	050S	200E	4304738437		Federal	GW	APD	C
TWELVEMILE WASH 1-15-5-20	15	050S	200E	4304738438		Federal	GW	APD	C
N HORSESHOE 4-33-5-21	33	050S	210E	4304738439		Federal	GW	APD	C
GUSHER 6-15-6-19	15	060S	190E	4304738440		Federal	GW	APD	C
HORSESHOE BEND W 9-34-6-20	34	060S	200E	4304738441		Federal	GW	APD	C
N HORSESHOE 16-12-6-21	12	060S	210E	4304738442		Federal	GW	APD	C
N WALKER HOLLOW 12-29-6-23	29	060S	230E	4304738443		Federal	GW	APD	C
N WALKER HOLLOW 10-30-6-23	30	060S	230E	4304738444		Federal	GW	APD	C
PELICAN LAKE 11-3-8-20	03	080S	200E	4304738445		Federal	GW	APD	C
PELICAN LAKE 8-4-8-20	04	080S	200E	4304738446		Federal	GW	APD	C
E COYOTE 10-3-8-25	03	080S	250E	4304738447		Federal	GW	APD	C
BORDER 10-9-8-25	09	080S	250E	4304738448		Federal	GW	APD	C
N WALKER HOLLOW 14-33-6-23	33	060S	230E	4304738455		Federal	GW	APD	C
SNAKE JOHN WASH 14-11-7-25	11	070S	250E	4304738456		Federal	GW	APD	C
SNAKE JOHN WASH 4-24-7-25	24	070S	250E	4304738457		Federal	GW	APD	C
SQUAW RIDGE 1-26-7-25	26	070S	250E	4304738458		Federal	GW	APD	C
SQUAW RIDGE 13-28-7-25	28	070S	250E	4304738459		Federal	GW	APD	C
SQUAW RIDGE 16-30-7-25	30	070S	250E	4304738460		Federal	GW	APD	C
SQUAW RIDGE 14-16-7-25	16	070S	250E	4304738461		State	GW	APD	C
GUSHER 13-11-5-19	11	050S	190E	4304738462		State	GW	APD	C
N HORSESHOE 1-15-6-21	15	060S	210E	4304738831		Federal	GW	APD	C
N HORSESHOE 16-9-6-22	09	060S	220E	4304739083		State	GW	APD	
N HORSESHOE 12-7-6-22	07	060S	220E	4304739084		State	GW	APD	
N HORSESHOE 14-10-6-22	10	060S	220E	4304739085		State	GW	APD	
N HORSESHOE 2-15-6-22	15	060S	220E	4304739086		State	GW	APD	
N WALKER HOLLOW 12-32-6-23	32	060S	230E	4304739087		State	GW	APD	
N WALKER HOLLOW 10-32-6-23	32	060S	230E	4304739088		State	GW	APD	
N WALKER HOLLOW 16-32-6-23	32	060S	230E	4304739089		State	GW	APD	
N WALKER HOLLOW 8-32-6-23	32	060S	230E	4304739090		State	GW	APD	
N WALKER HOLLOW 11-36-6-23	36	060S	230E	4304739091		State	GW	APD	
N WALKER HOLLOW 13-36-6-23	36	060S	230E	4304739092		State	GW	APD	
N WALKER HOLLOW 14-32-6-23	32	060S	230E	4304739093		State	GW	APD	
N WALKER HOLLOW 15-36-6-23	36	060S	230E	4304739094		State	GW	APD	
N HORSESHOE 4-15-6-22	15	060S	220E	4304739095		State	GW	APD	
N HORSESHOE 9-10-6-21	10	060S	210E	4304739284		Federal	GW	APD	C
N HORSESHOE 12-13-6-21	13	060S	210E	4304739285		Federal	GW	APD	
N HORSESHOE 7-15-6-21	15	060S	210E	4304739286		Federal	GW	APD	
N HORSESHOE 9-19-6-22	19	060S	220E	4304739287		Federal	GW	APD	
N HORSESHOE 13-19-6-22	19	060S	220E	4304739288		Federal	GW	APD	
N HORSESHOE 11-19-6-22	19	060S	220E	4304739289		Federal	GW	APD	
SQUAW RIDGE 16-13-7-24	13	070S	240E	4304739319		Federal	GW	APD	C
N HORSESHOE 16-7-6-22	07	060S	220E	4304739320		Federal	GW	APD	C
SQUAW RIDGE 8-16-7-25	16	070S	250E	4304738024		State	GW	NEW	C

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

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Squaw Ridge 16-13-7-24
API number:	4304739319
Location:	Qtr-Qtr: SESE Section: 13 Township: 7S Range: 24E
Company that filed original application:	The Houston Exploration Company
Date original permit was issued:	08/17/2006
Company that permit was issued to:	The Houston Exploration Company

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, 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.	Yes	No
If located on private land, has the ownership changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If so, has the surface agreement been updated?	<input type="checkbox"/>	<input type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>6218963</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Tami Hofmann Title Regulatory Specialist
 Signature *Tami Hofmann* Date 08/06/2007
 Representing (company name) Forest Oil Corporation

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

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: UTU-76734
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
			7. UNIT or CA AGREEMENT NAME: NA
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: Squaw Ridge 16-13-7-24
2. NAME OF OPERATOR: Forest Oil Corporation			9. API NUMBER: 4304739319
3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 812-1700	10. FIELD AND POOL, OR WILDCAT: Exploratory
4. LOCATION OF WELL FOOTAGES AT SURFACE: 786' FSL & 643' FEL			COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 13 7S 24E			STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<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>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.

The Operator respectfully requests a one year approval extension for the subject location.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-29-08
By: [Signature]

COPY SENT TO OPERATOR

Date: 5-1-2008

Initials: KS

NAME (PLEASE PRINT) <u>Ginger Bowden</u>	TITLE <u>Agent</u>
SIGNATURE <u><i>Ginger Bowden</i></u>	DATE <u>4/16/2008</u>

(This space for State use only)

RECEIVED
APR 28 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: 4304739319
Well Name: Squaw Ridge 16-13-7-24
Location: Section 13, Township 7 South Range 24 East SESE
Company Permit Issued to: Forest Oil Corporation (Houston Exploration Co)
Date Original Permit Issued: 6/4/2007

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

Angie Borden
Signature

4/16/2008
Date

Title: Agent

Representing: Forest Oil Corporation

RECEIVED
APR 28 2008
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 30, 2009

Forest Oil Corporation
707 17th Street, Suite 3600
Denver, CO 80202

Re: APD Rescinded – Squaw Ridge 16-13-7-24, Sec.13 T.7S, R.24E
Uintah County, Utah API No. 43-047-39319

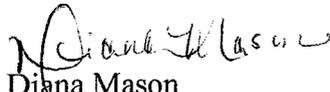
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on June 4, 2007. On April 29, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 30, 2009.

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
Bureau of Land Management, Vernal



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal.html>



IN REPLY REFER TO:

3160

UTG011

February 11, 2010

Charles A. Rasey
Forest Oil Corporation
707 17th Street, Suite 3600
Denver, CO 80202

43047-39319

Re: Request to Return APD
Well No. Squaw Ridge 16-13-7-24
SESE, Sec. 13, T7S, R24E
Uintah County, Utah
Lease No. UTU-76734

Dear Mr. Rasey:

The Application for Permit to Drill (APD) for the above referenced well received May 29, 2007, is being returned unapproved per a request from Kelly Harris in an email message to Natural Resource Specialist Lori Ford received on February 10, 2010. The message stated that this is Forest Oil Corporation's official request to have the wells on the list in the email returned unapproved, as they are not going to pursue any work with them. This APD is holding Lease UTU-76734 in suspension. The lease suspension will be terminated once this APD is returned.

Forest Oil Corporation has the right to a State Director review of this decision as per the procedures outlined in 43 CFR 3165.3. If you have any questions regarding this matter or APD processing, please contact me at (435) 781-4502.

Sincerely,

James H. Sparger
Acting Assistant Field Manager
Lands & Minerals Resources

Enclosure

cc: UDOGM

RECEIVED

FEB 17 2010

DIV. OF OIL, GAS & MINING