

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-6616
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Summit Operating, LLC		7. If Unit or CA Agreement, Name and No. Seep Ridge Unit 63048X
3a. Address PO BOX 683909 Park City, UT 84060		8. Lease Name and Well No. SRU #14-23
3b. Phone No. (include area code) 435-9940-9001		9. API Well No. 43-047-39710
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 540' FSL 2179' FWL 635240X 39.666376 At proposed prod. zone Same as above. 43917084 -109.423373		10. Field and Pool, or Exploratory Seep Ridge
11. Sec., T. R. M. or Blk. and Survey or Area Sec. 23 T.13S., R22E. SLM SESW		12. County or Parish Uintah
14. Distance in miles and direction from nearest town or post office* Approximately 32.9 miles from Ouray, UT.		13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2,200'	16. No. of acres in lease 1920	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. 2,000'	19. Proposed Depth 11,900'	20. BLM/BIA Bond No. on file UTB-000014
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,605.5' GR	22. Approximate date work will start* 11/30/2007	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 <i>Ginger Bowden</i>	Name (Printed/Typed) Ginger Bowden	Date 09/20/2007
Title Agent		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 03-30-09
Title Office	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.

(Continued on page 2)

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

CONFIDENTIAL

RECEIVED
OCT 17 2007
DIV. OF OIL, GAS & MINING

SUMMIT OPERATING, LLC

T13S, R22E, S.L.B.&M.

Well location, SRU #14-23, located as shown in the SE 1/4 SW 1/4 of Section 23, T13S, R22E, S.L.B.&M., Uintah County, Utah.

1920 Brass Cap
1.6' High

S89°57'38"W - 2640.71' (Meas.)

N89°59'50"W - 2643.25' (Meas.)

1920 Brass Cap
1.3' High

1920 Brass Cap
1.2' High

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION IN THE NE 1/4 OF SECTION 26, T13S, R22E, S.L.B.&M. TAKEN FROM THE BATES KNOLLS QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6590 FEET.

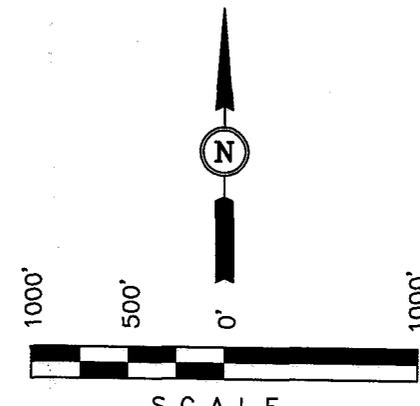
500°00'13"W - 2642.13' (Meas.)

1920 Brass Cap
1.9' High, Pile of
Stones

23

500°01'48"E - 2637.96' (Meas.)

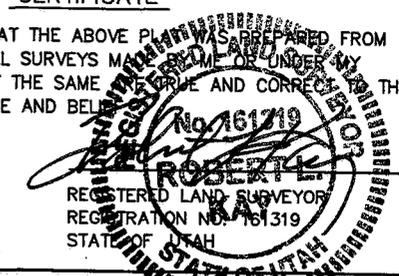
N00°00'06"W - 5278.54' (Meas.)



SCALE

CERTIFICATE

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



SRU #14-23

Elev. Ungraded Ground = 6606'

2179'

540'

1920 Brass Cap
0.6' High

1920 Brass Cap
1.1' High

1920 Brass Cap
1.0' High

N89°52'48"E - 2642.01' (Meas.)

S89°57'01"E - 2640.89' (Meas.)

(AUTONOMOUS NAD 83)
LATITUDE = 39°39'58.94" (39.666372)
LONGITUDE = 109°25'26.90" (109.424139)
(AUTONOMOUS NAD 27)
LATITUDE = 39°39'59.06" (39.666406)
LONGITUDE = 109°25'24.46" (109.423461)

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-21-06	DATE DRAWN: 11-28-06
PARTY J.W. B.D. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE SUMMIT OPERATING, LLC	

Ten Point Plan

Summit Operating LLC

Seep Ridge Unit #14-23

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

Section 23, T13S. R22E.

1. **Surface Formation**
Green River

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

KB: +22'

<u>Formation</u>	<u>Depth</u>		<u>Subsea</u>
Surface	0'		6606'
Wasatch	2130'	Gas and brine water	+4476'
Mesaverde Group	3930'	Brackish to brine water	+2676'
Castlegate	5950'	Oil and gas	+656'
Mancos Shale	6297'	Gas	+309'
Dakota Silt	10015'	Gas	-3409'
Dakota Marker	10060'	Gas in Dakota Ss	-3454'
Morrison	10359'	Gas and brine water	-3753'
Summerville/Curtis	10858'	Gas	-4252'
Entrada Sandstone	10932'	Gas and brine water	-4326'
Carmel	11089'	Gas	-4483'
Navajo Sandstone	11152'	Gas and brine water	-4546'
Kayenta	11274'	Gas and brine water	-4668'
Wingate Sandstone	11409'	Gas and brine water	-4803'
Chinle	11812'		-5206'
TD	11900'		-5294'

Estimated Oil, Gas, Water or Other Mineral Bearing Zones and Treatment

No significant potable groundwater zones are anticipated to be encountered. If such zones are encountered they will be tested and the results reported to BLM.

Casing and cementing will be performed to conserve potentially productive hydrocarbons and prospectively valuable mineral deposits and isolate lost circulation zones. All oil and gas shows will be tested to determine commercial potential.

3. **Producing Formation Depth:**

Objective Formations include the Dakota/Cedar Mtn, Curtis/Entrada, Navajo.

4. **Proposed Casing:**

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/FT</u>	<u>Grade</u>	<u>Coupling & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
20"	14.00"	Conductor Pipe			40'	NEW
12.25"	9.625"	32.30#	H-40	ST&C	2,100'	NEW
7.875"	4.500"	11.6#	P-110	LT&C	11,900'	NEW

Cement Program:

Conductor Pipe:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
14.00"	Class A	50 sks	1.8 ft ³ /sk	5.2	15.6 ppg

Surface casing will be cemented as follows from 0'-2100':

Note: Cement Volume = Gauge hole + 100%

8 centralizers will be used

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
9.625"					
Lead:	HHF Gel 16% Salt 3% CR-3 3 lb/sk Gilsonite 10 lb/sk Flocele 0.25 lb/sk	200 sks +/-	3.2 ft ³ /sk	23gal	11.6 ppg

Tail:	Premium Calcium Chloride 2% Folocelc 0.25 lb/sk	200 sks. +/-	1.15ft ³ /sk	5gal	15.8 ppg
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Squeeze through preset 1": 125 sacks Premium Additives 5gal Water, 4% Calcium Chloride, 0.25 lb/sk Flocele.

Top Out: 70 sacks Premium Additives 5gal Water, 2% Calcium Chloride, 0.25 lb/sk Flocele.

Production casing will be cemented as follows from 1865'- 11500':

Note: Lead should be 200' above the Wasatch.

Cement volume = Gauge hole + 25%

Halliburton two stages with multiple stage cementer placed at 9000'

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Water Mix</u>	<u>Cement Weight</u>
7.875"					

Stage 1:

Lead:

Water/Super flush/Water
8.33ppg/9.2ppg/8.33ppg

Tail:

50/50 Poz Premium AG 485 sks. +/- 1.49ft³/sk 7.16gal 13.5ppg
 Halad(R)-344 0.7%
 Poly-E-Flake 0.125 lb/sk
 Silicalite Compacted 5 lb/sk
 Super CBL 0.2%
 CFR-3 0.2%
 HR-5 0.5%

<u>Casing</u> <u>Size</u>	<u>Cement</u> <u>Type</u>	<u>Cement</u> <u>Amounts</u>	<u>Cement</u> <u>Yield</u>	<u>Water</u> <u>Mix</u>	<u>Cement</u> <u>Weight</u>
7.875"					

Stage 2:

Lead:

Water/Super flush/Water
 8.33ppg/9.2ppg/8.33ppg

Tail:

50/50 Poz Premium AG 1215 sks. +/- 1.49ft³/sk 7.16gal 13.5ppg
 Halad(R)-344 0.7%
 Poly-E-Flake 0.125 lb/sk
 Silicalite Compacted 5 lb/sk
 Super CBL 0.2%
 CFR-3 0.2%
 HR-5 0.5%

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 9.625 " 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</u> <u>lbs./gal.</u>	<u>Viscosity</u> <u>Sec./OT.</u>	<u>Fluid Loss</u> <u>MI/30 Mins.</u>	<u>Mud Type</u>
0-2,100'	Air/Water	-----	No Control	Water/mist
2,100'-T.D.	8.4-12.0	30-45	8-10	KCL/Gel/Polymer

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: None are anticipated.
- c) Mud Sampling: Every 10' from 2,100' to T.D.
- d) Logging:

Type	Interval
DIL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg
- e) Mud Logging: Manned Unit 500' to T.D.

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.

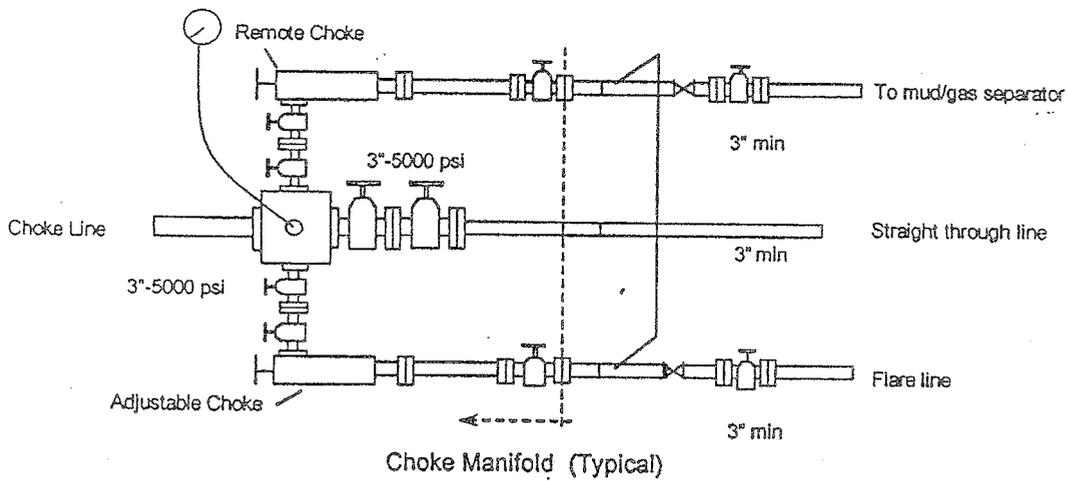
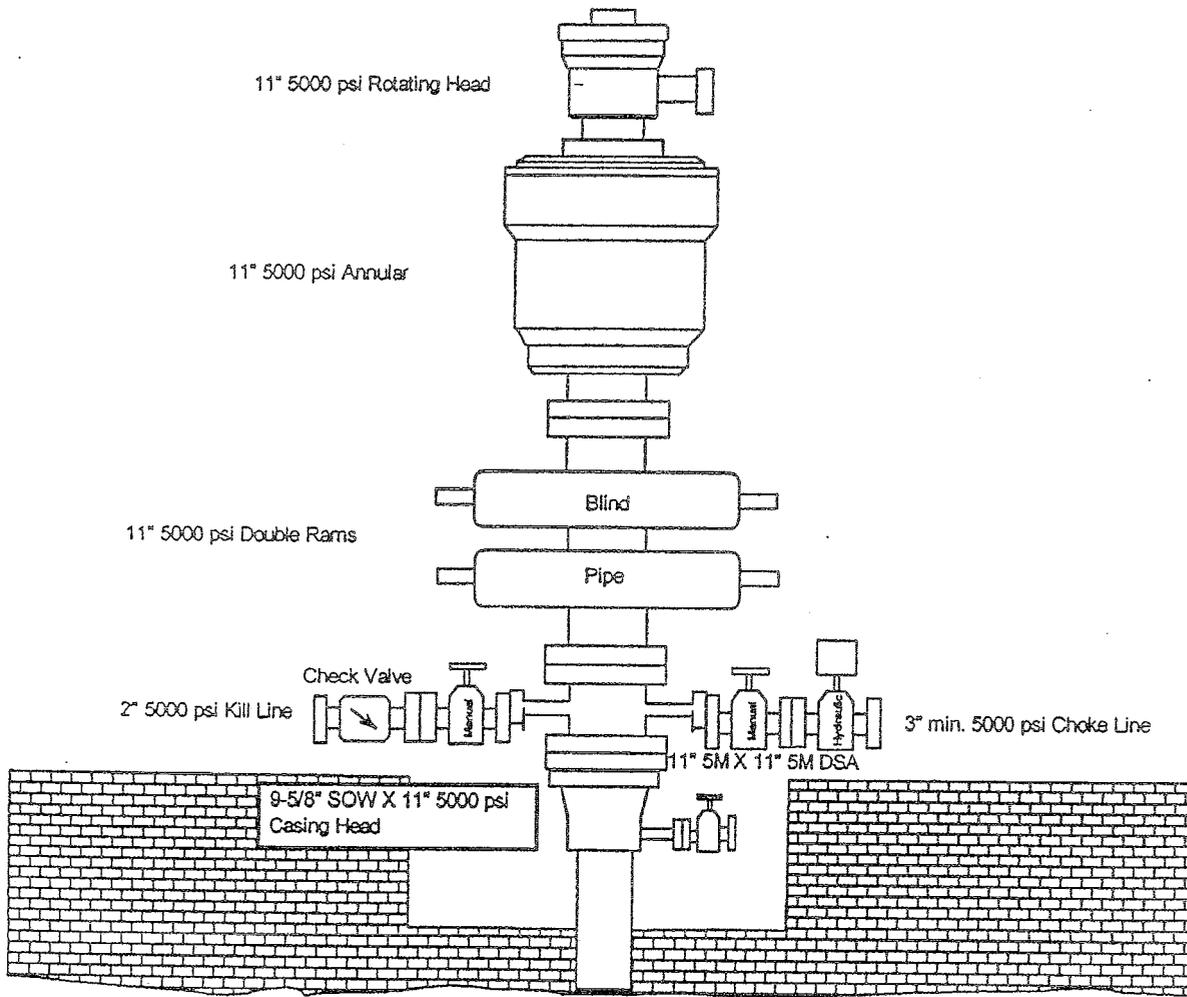
9. Other facets of the proposed operation:

NA

10. Drilling Schedule:

The anticipated starting date is 10-01-2007. Duration of operations is expected to be 60 days.

BOPE Diagram 5000 psi WP



SUMMIT OPERATING LLC

13 POINT SURFACE USE PLAN

FOR WELL

SEEP RIDGE UNIT #14-23

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

SECTION 23, T.13S, R22E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-6616

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

Summit Operating, LLC
Seep Ridge Unit 14-23
Section 22, T13S, R 22E

Starting in Ouray, Utah: Proceed in an easterly, then southerly direction from Ouray, Utah to the junction of the Seep Ridge Road. Proceed in a southerly direction along the Seep Ridge road approximately 29.8 miles to the junction of an existing road to the northeast. Continue along Seep Ridge Road approximately 3.0 miles to the proposed access road for the subject location. Exit right; follow road flags in a westerly direction approximately 430 feet to the proposed location.

Total distance from Ouray, UT is 32.9 miles in a southeasterly direction.

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 430 feet of new construction. The road will be graded once per year minimum and maintained.

- A) Approximate length 430 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 No

Please see the attached location plat for additional details.

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

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

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 None
- 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 a **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 regulations.

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 4 inch steel buried gas line will be required.

Approximately 600' of four inch steel buried gas gathering pipeline will be required. The pipeline will be buried adjacent to the access road and to the east of the location. The line will tie into an existing pipeline in Sec. 23, T13S, R22E on unit.

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

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 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 the White River. Permit # T-75872 .

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.

system would be used for evaporation.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **10 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

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	450 ft.
B) Pad width	285 ft.
C) Pit depth	10 ft.
D) Pit length	243 ft.
E) Pit width	75 ft.
F) Max cut	21.5 ft.
G) Max fill	8.8 ft.
H) Total cut yds.	20,010 cu yds
I) Pit location	North end
J) Top soil location	South end
K) Access road location	East end

L) Flare Pit

Corner B

(The reserve pit calculations reflect a 10' wide bench around the exterior of the pit.)

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 **2,490** 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 Crested Wheat Grass
4#/acre Big WYO Sage
4#/acre Western Wheat 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 is on file in the field 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.

D) Water:

The nearest water is the Sunday School Reservoir located 3,500' +/- to the southwest.

E) Chemicals:

No pesticides, herbicides or other possible hazardous

chemicals will be used without prior approval.

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

G) Flare pit:

The flare pit will be located in **corner B** 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

A) Representative

Ginger Bowden
Paradigm Consulting
PO BOX 790203
Vernal, UT 84079

Office 435-789-4162
Fax 435-789-8188
Cellular 435-790-4163

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.

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 Summit Operating, LLC 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:

8/2/2007

Self Certification Statement

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

Please be advised that Summit Operating, LLC is considered to be the operator of the following well:

**Seep Ridge Unit 14-23
Section 23, T. 13S, R. 22E
SE ¼ of the SW ¼
Lease UTU-6616
UTU-63048X (Unit)
Uintah County, Utah**

The Summit Operating, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTB-000014 provides state-wide bond coverage on all Federal Lands.

Date 9/20/07

Ginger Bowden
Ginger Bowden, Agent
Paradigm Consulting

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:

Paradigm Consulting, INC
Ginger Bowden, Agent for
Summit Operating, LLC
PO BOX 790203
Vernal, UT 84079

435-789-4162 Office
435-789-8188 Fax

SUMMIT OPERATING, LLC

SRU #14-23

LOCATED IN UINTAH COUNTY, UTAH
SECTION 23, T13S, R22E, S.L.B.&M.

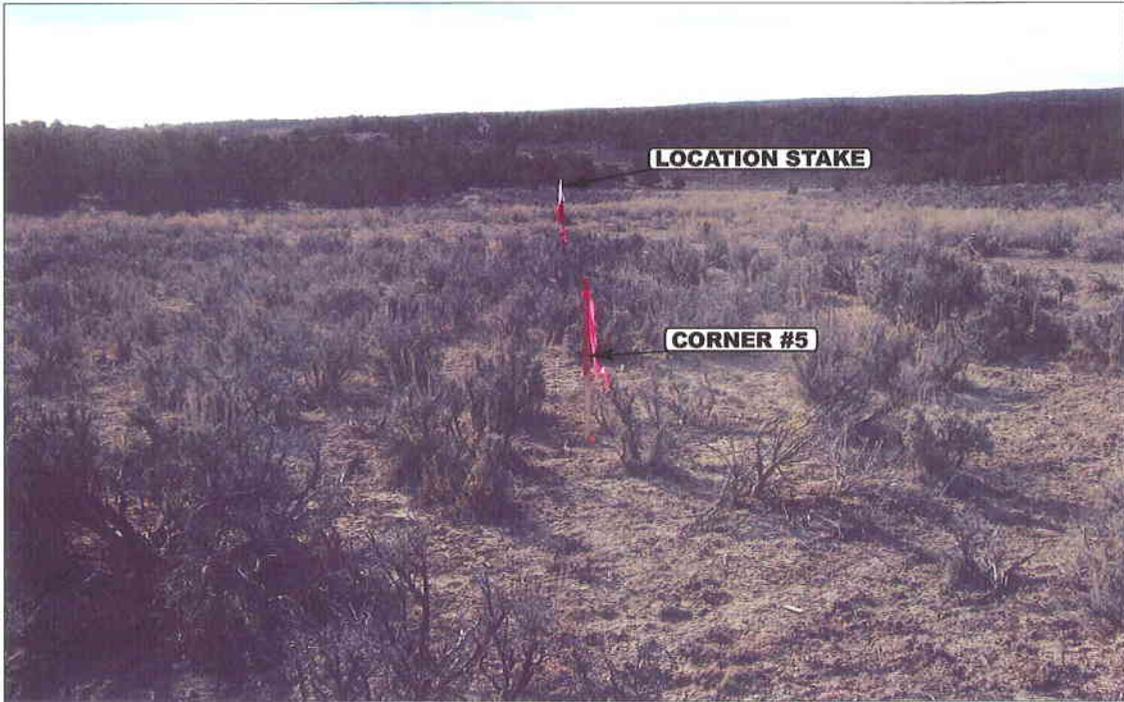


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	11	27	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.W.	DRAWN BY: C.P.		REVISED: 00-00-00	

SUMMIT OPERATING, LLC

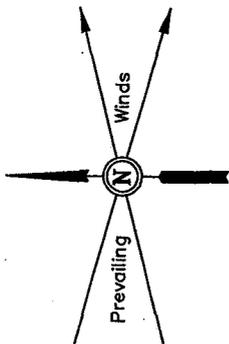
LOCATION LAYOUT FOR

FIGURE #1

SRU #14-23

SECTION 23, T13S, R22E, S.L.B.&M.

540' FSL 2179' FWL

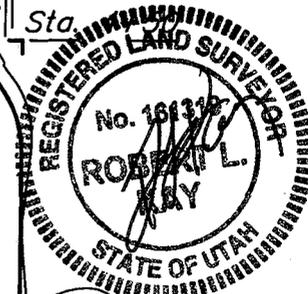


CONSTRUCT DIVERSION DITCH

SCALE: 1" = 60'
DATE: 11-28-06
Drawn By: C.H.

Approx. Top of Cut Slope

C-6.7'
El. 612.2'



C-11.2'
El. 616.7'

Install CMP as Needed

Proposed Access Road

150'

C-9.0'
El. 614.5'

Round Corners as Needed

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

Pit Topsoil



El. 609.6'
C-4.1'

El. 615.4'
C-19.9'
(btm. pit)

Total Pit Capacity
W/2' of Freeboard
= 18,340 Bbls.±
Total Pit Volume
= 5,090 Cu. Yds

Reserve Pit Backfill & Spoils Stockpile

10' WIDE BENCH

RESERVE PITS
10' DEEP

Sta. 0+50

1 1/2 : 1 SLOPE

CATWALK 225'

PIPE RACKS

C-0.9'
El. 606.4'

DOG HOUSE

150'

Sta. 2+25

C-4.1'
El. 609.6'

50'

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

F-8.8'
El. 596.7'

Topsail Stockpile

TRAILER

TOILET

FUEL

Approx. Toe of Fill Slope

C-4.7'
El. 610.2'

STORAGE TANK

Sta. 0+00

C-21.5'
El. 617.0'
(btm. pit)

C-7.5'
El. 613.0'

F-4.9'
El. 600.6'

Elev. Ungraded Ground at Location Stake = 6606.4'

Elev. Graded Ground at Location Stake = 6605.5'

SUMMIT OPERATING, LLC

FIGURE #2

TYPICAL CROSS SECTIONS FOR

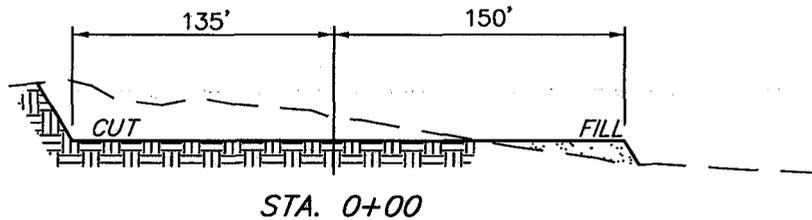
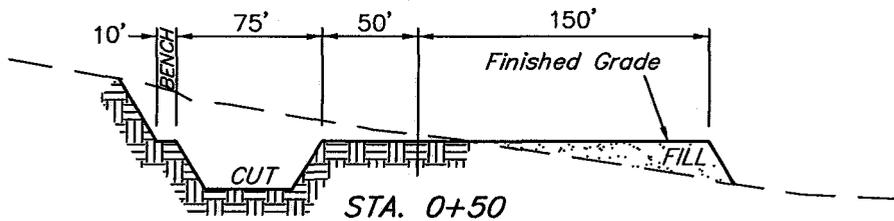
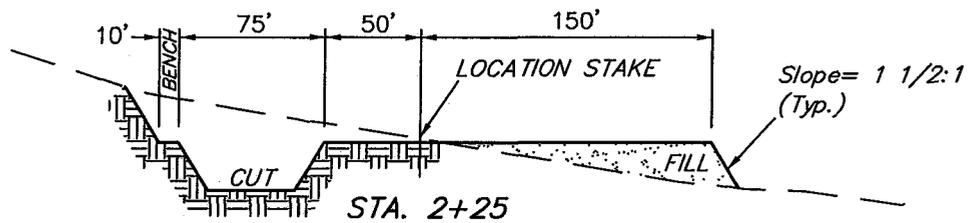
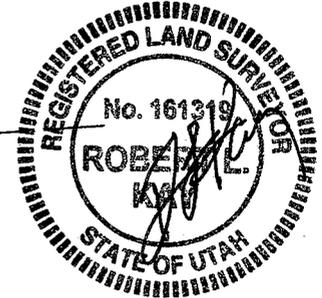
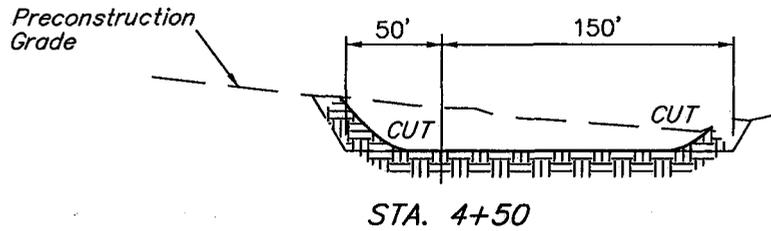
SRU #14-23

SECTION 23, T13S, R22E, S.L.B.&M.

540' FSL 2179' FWL

1" = 40'
X-Section
Scale
1" = 100'

DATE: 11-28-06
Drawn By: C.H.



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

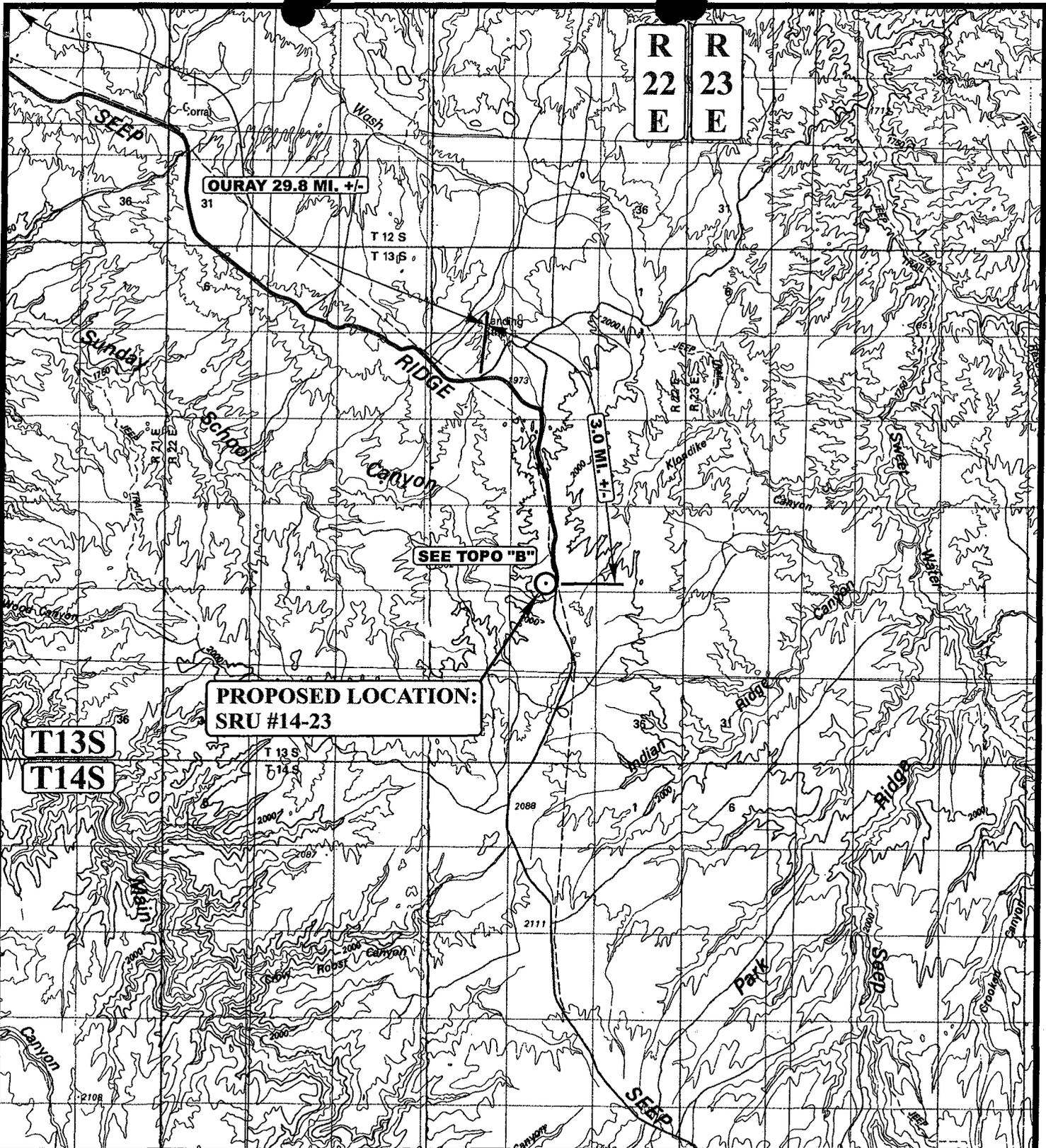
* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 2,490 Cu. Yds.
Remaining Location	= 17,520 Cu. Yds.
TOTAL CUT	= 20,010 CU.YDS.
FILL	= 8,080 CU.YDS.

EXCESS MATERIAL	= 11,930 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 5,040 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 6,890 Cu. Yds.

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



LEGEND:

⊙ PROPOSED LOCATION

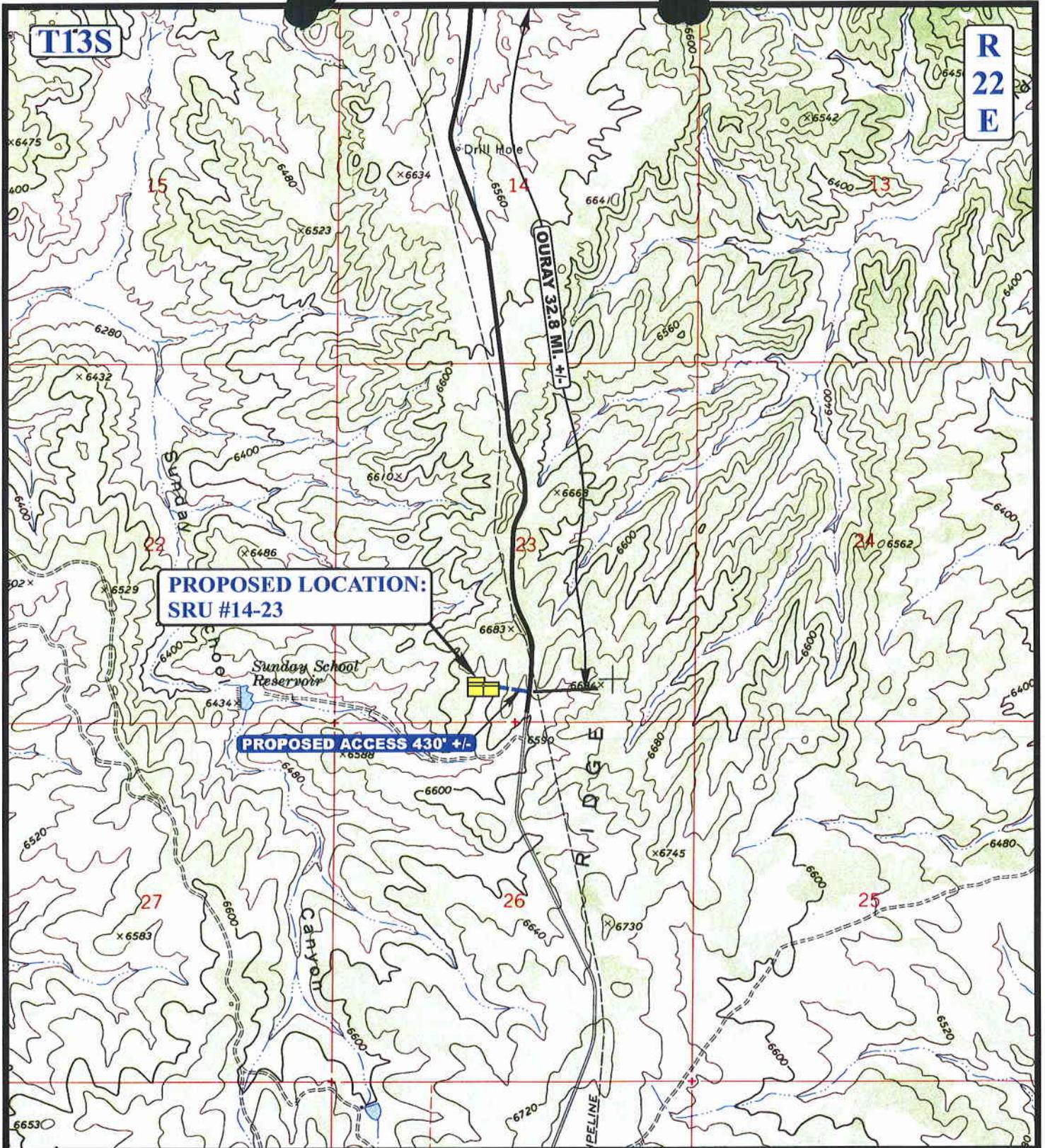


SUMMIT OPERATING, LLC

SRU #14-23
 SECTION 23, T13S, R22E, S.L.B.&M.
 540' FSL 2179' FWL

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

TOPOGRAPHIC			11	27	06	A TOPO
MAP			MONTH	DAY	YEAR	
SCALE: 1:100,000		DRAWN BY: C.P.		REVISED: 00-00-00		



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

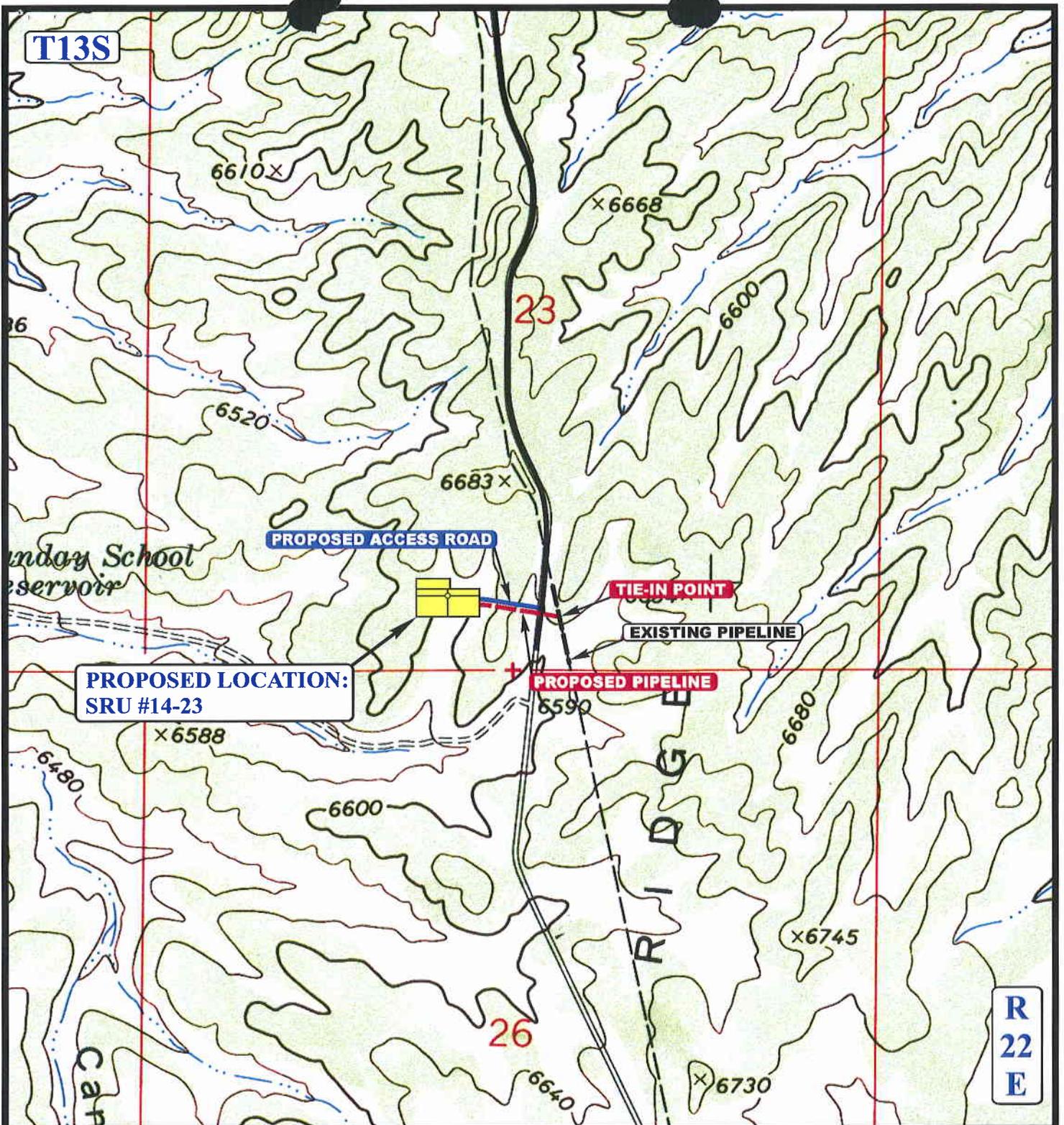


SUMMIT OPERATING, LLC

SRU #14-23
SECTION 23, T13S, R22E, S.L.B.&M.
540' FSL 2179' FWL

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

TOPOGRAPHIC MAP	11	27	06	B TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'	DRAWN BY: C.P.		REVISED: 00-00-00	



APPROXIMATE TOTAL PIPELINE DISTANCE = 600' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED PIPELINE (SERVICING OTHER WELLS)

SUMMIT OPERATING, LLC

SRU #14-23
SECTION 23, T13S, R22E, S.L.B.&M.
540' FSL 2179' FWL



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



TOPOGRAPHIC 08 21 07
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/17/2007

API NO. ASSIGNED: 43-047-39710

WELL NAME: SRU 14-23

OPERATOR: SUMMIT OPERATING, LLC (N2315)

PHONE NUMBER: 435-940-9001

CONTACT: GINGER BOWDEN

PROPOSED LOCATION:

SESW 23 130S 220E

SURFACE: 0540 FSL 2179 FWL

BOTTOM: 0540 FSL 2179 FWL

COUNTY: UINTAH

LATITUDE: 39.66638 LONGITUDE: -109.4234

UTM SURF EASTINGS: 635240 NORTHINGS: 4391708

FIELD NAME: SEEP RIDGE (680)

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-6616

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WINGT

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB-000014)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T-75872)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

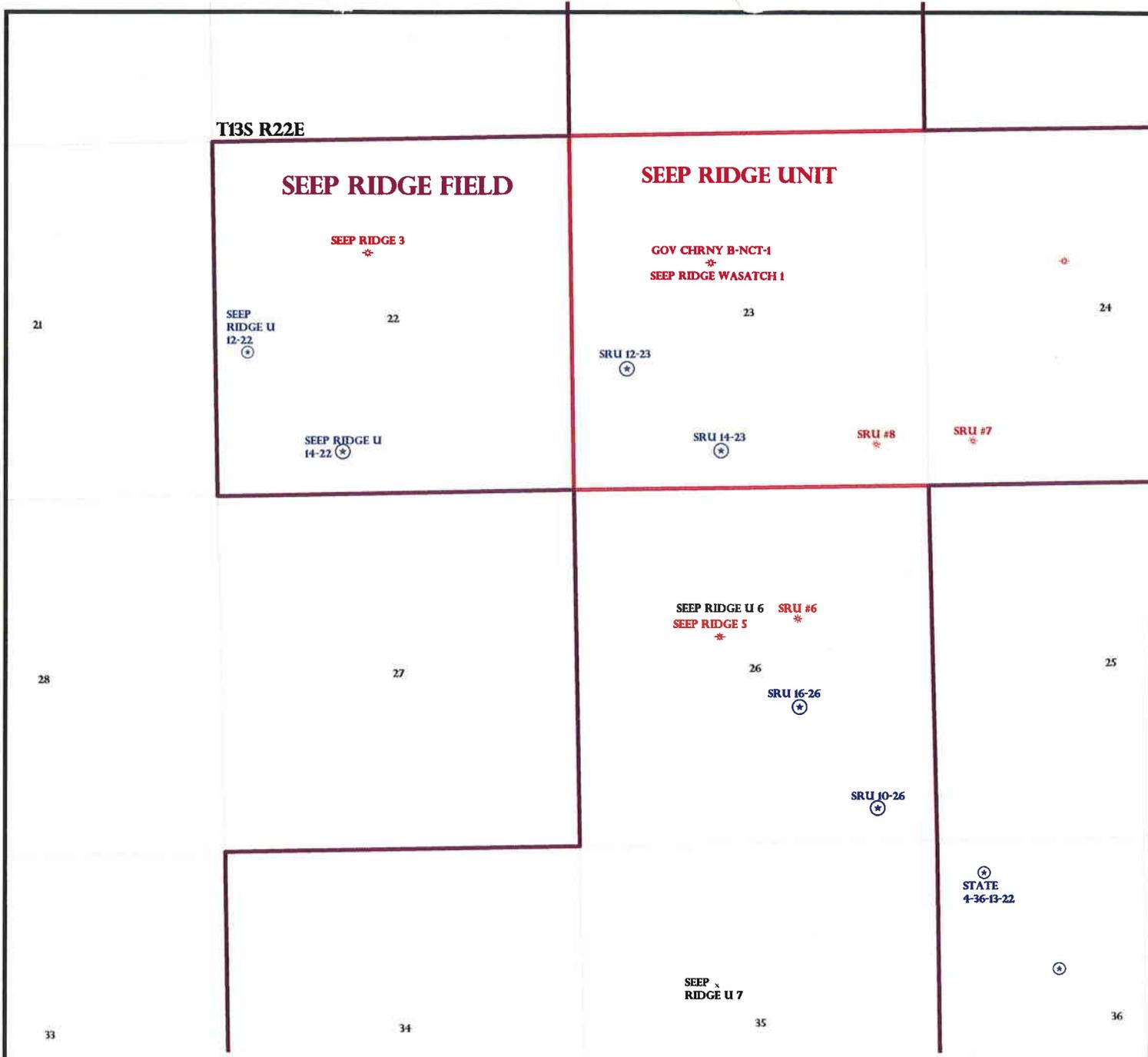
LOCATION AND SITING:

- R649-2-3.
- Unit: SEEP RIDGE
- 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. Seep Ridge
2. Seep Ridge



OPERATOR: SUMMIT OPER LLC (N2315)

SEC: 22,23,26 T.13S R. 22E

FIELD: SEEP RIDGE (680)

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



PREPARED BY: DIANA MASON
DATE: 17-OCTOBER-2007

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

November 21, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2008 Plan of Development Seep Ridge Unit,
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management the following wells are planned for calendar year 2008 within the Seep Ridge Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Wingate)		
43-047-39710	SRU 14-23 Sec 23 T13S R22E 0540 FSL 2179 FWL	
43-047-39711	SRU 12-23 Sec 23 T13S R22E 1787 FSL 0801 FWL	

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

/s/ Michael L. Coulthard

bcc: File - Seep Ridge Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:11-21-08



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

March 30, 2009

Summit Operating, LLC
P O Box 683909
Park City, UT 84060

Re: SRU 14-23 Well, 540' FSL, 2179' FWL, SE SW, Sec. 23, T. 13 South, R. 22 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 43-047-39710.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: Summit Operating, LLC

Well Name & Number SRU 14-23

API Number: 43-047-39710

Lease: UTU-6616

Location: SE SW Sec. 23 T. 13 South R. 22 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 within 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 (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.



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

June 8, 2010

JOHN R. BAZA
Division Director

Summit Operating, LLC
PO Box 683909
Park City, UT 84060

Re: APD Rescinded – SRU 14-23, Sec. 23, T. 13S, R. 22E
Uintah County, Utah API No. 43-047-39710

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 March 30, 2009. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 8, 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
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

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

NOV 04 2015

RECEIVED

NOV 10 2015

IN REPLY REFER TO:
3160 (UTG011)

DIV. OF OIL, GAS & MINING

Ellis Peterson
Summit Operating, LLC
10447 South Jordan Gateway
South Jordan, UT 84095

Dear Ellis:

The following Applications for Permit to Drill (APD) are being returned unapproved per your request to this office in an email message to Natural Resource Specialist Nicholas Day received on October 9, 2015. If you intend to drill at any of these locations at a future date, a new APD must be submitted.

43 047

Lease	Well	Aliquot	Sec., T., R.	Date Rec'd	
UTU-65371	Marie 666	39154	SESW	Sec. 19, T10S-R24E	3/15/2007
UTU-10178A	SRU #12-22	39693	NWSW	Sec. 22-T13S-R22E	10/16/2007
UTU-10178A	SRU #14-22	39709	SESW	Sec. 22-T13S-R22E	10/16/2007
UTU-6616	SRU #12-23	39711	NWSW	Sec. 23-T13S-R22E	10/16/2007
UTU-6616	SRU #14-23	39710	SESW	Sec. 23-T13S-R22E	10/16/2007
UTU-6616	SRU #10-26	39713	NWSE	Sec. 26-T13S-R22E	10/16/2007

If you have any questions regarding APD processing, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Resource Minerals

Enclosures

cc: UDOGM
bcc: Well File