

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No.
UTU-73461

6. If Indian, Allottee or Tribe Name

1a. Type of work: DRILL REENTER
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

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

8. Lease Name and Well No.
T.P. Canyon 12-27-14-24

2. Name of Operator
Retamco Operating, INC

9. API Well No.
43-047-39728

3a. Address PO. BOX 790
Red Lodge, MT 59068

3b. Phone No. (include area code)
406-446-1568

10. Field and Pool, or Exploratory
Exploratory

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface 6526224, 2,176' FNL & 649' FWL SWNW
At proposed prod. zone Same as above 43815794 39.572224-109.223158

11. Sec., T. R. M. or Blk. and Survey or Area
Sec, 27 T.14S R.24E S.L.B.&M.

14. Distance in miles and direction from nearest town or post office*
Approximately 69.2 miles from Ouray UT.

12. County or Parish
Uintah

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
2,176'

16. No. of acres in lease
2,111.84

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.
NA

19. Proposed Depth
9,500'

20. BLM/BIA Bond No. on file
UTB-1008

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
7,100' GR

22. Approximate date work will start*
01/01/2008

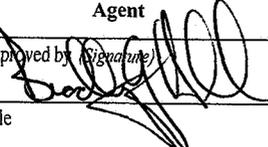
23. Estimated duration
30 days

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.
- 2. A Drilling Plan.
- 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).
- 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature: 
Name (Printed/Typed) Ginger Bowden
Date 10/15/2007

Title: Agent
Approved by: 
Name (Printed/Typed) BRADLEY G. HILL
Date 10-26-07
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)

CONFIDENTIAL

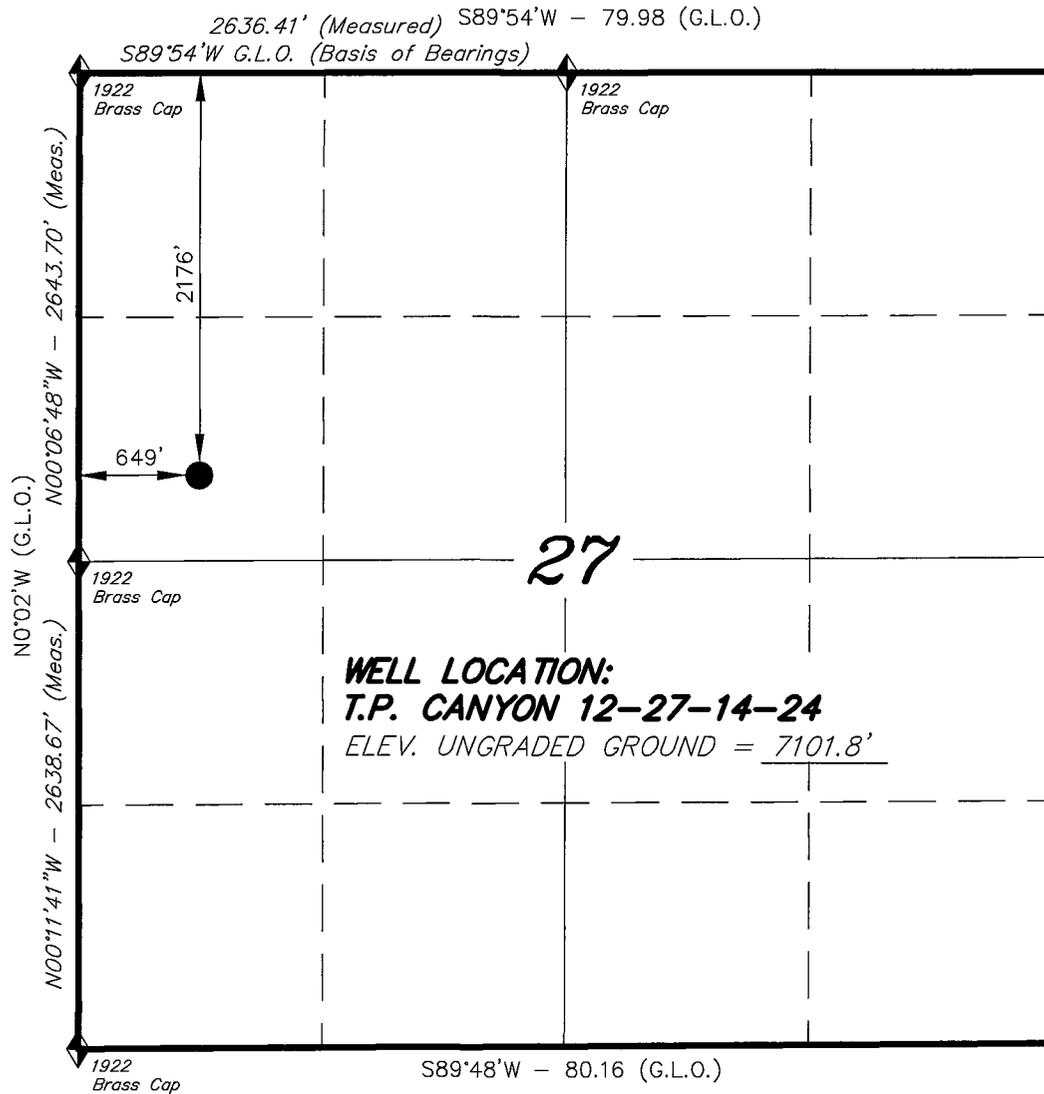
**Federal Approval of this
Action is Necessary**

**RECEIVED
OCT 24 2007
DIV. OF OIL, GAS & MINING**

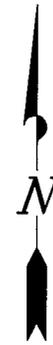
T14S, R24E, S.L.B.&M.

RETAMCO OPERATING, INC.

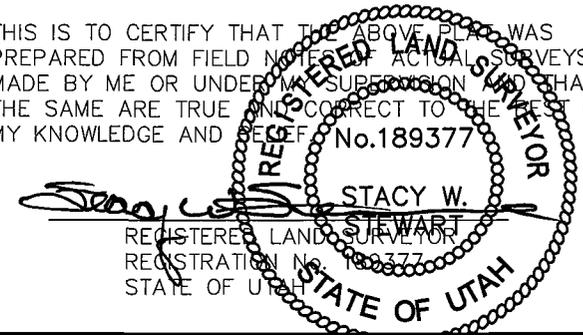
WELL LOCATION, T.P. CANYON 12-27-14-24,
 LOCATED AS SHOWN IN THE SW 1/4 NW 1/4
 OF SECTION 27, T14S, R24E, S.L.B.&M. UINTAH
 COUNTY, UTAH.



WELL LOCATION:
T.P. CANYON 12-27-14-24
 ELEV. UNGRADED GROUND = 7101.8'



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. No.189377



◆ = SECTION CORNERS LOCATED

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

T.P. CANYON 12-27-14-24
 (Surface Location) NAD 83
 LATITUDE = 39° 34' 19.88"
 LONGITUDE = 109° 13' 25.76"

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
 (435) 781-2501

DATE SURVEYED: 10-22-06	SURVEYED BY: C.M.
DATE DRAWN: 11-1-06	DRAWN BY: F.T.M.
REVISED:	SCALE: 1" = 1000'

Ten Point Plan

Retamco

T.P. Canyon 12-27-14-24

Surface Location SW ¼ of the NW ¼, Section 27, T. 14S., R. 24E.

1. Surface Formation

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	0'	+ 7,100' GR
Wasatch	99'	+ 7,001'
Mesaverde	1,960'	+ 5,140'
Castlegate	4,220'	+ 2,880'
Mancos	4,940'	+ 2,160'
Dakota Silt	7,935'	- 835'
Dakota Sand	7,960'	- 860'
Morrison	8,130'	- 1,030'
TD	9,500'	- 2,400'

A 11" hole will be drilled to 750' +/- . The hole depth will depend on the top of Wasatch. The hole will be drilled 200' beyond the top of the Wasatch.

3. Producing Formation Depth:

Formation objective includes the Mancos, Dakota Silt, Dakota Sand, and the Morrison.

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>
17-1/2"	14"	36.75#	A-252	BTC	40'	NEW
11"	9 5/8"	36#	J-55	LTC	750'	NEW
7 7/8"	5 1/2"	17#	N-80	LTC	7,700'	NEW
7 7/8"	5 1/2"	20#	N-80	LTC	T.D.	NEW

Cement Program:**Cement volume = Gauge hole + 50%**The Surface Casing will be cemented from 2,715' to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>	<u>Water Mix</u>
Lead:	14"	Premium 5 16% Gel 10#/sk Gilsonite 3% Salt .25#/sk Flocele 3#/sk GB3	51 sx	3.82ft ³ /sx	11 ppg	23gal
Tail:	14"	Class "G"	0 sx	1.15ft ³ /sx	15.8 ppg	5gal

Topouts with Class G + 4% Calcium Chloride + .25#/sk Flocele + 3#/sk GB3 as necessary to get cement to surface if lost returns encountered.

Cement volume = Gauge hole = 25%Production casing will be cemented to 200' inside surface casing or higher as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>	<u>Water Mix</u>
Lead:	5-1/2"	Premium 5 16% Gel 10 #/sk gilsonite 3% salt .25 #/sk flocele 3 #/sk GB3	224 sx	3.82ft ³ /sx	11 ppg	23gal
Tail:	5-1/2"	Class "G" 2% Calcium Chloride .25#/sk flocele	939 sx	1.18ft ³ /sx	15.6 ppg	5.2gal

Top job with Class G + 4% Calcium Chloride + .25#/sk Flocele + 3#/sk GB3 as necessary.

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 5000 psi. (0.4 gradient as measured by offset wells)

A 5000-psi WP BOP system as described in Diagram 1 (attached) will be installed and maintained from the 11" surface casing. 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.

BOP tests with 200 psi minimum and 5000 psi maximum except for the annular (2500 psi) will be conducted:

1. After initial installation.
2. After any component change.
3. Twenty-one days after previous test.
4. As required by well conditions.

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>Ml/30 Mins.</u>	<u>Mud Type</u>
0-750'	Air/Clear Water	-----	No Control	Air/Water
750'-T.D.	8.4-12.0	45-50	less than 10	Water/Gel

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. Auxiliary Equipment

Upper kelly cock, full opening stabbing valve, and 3" 5000 psi WP choke manifold to be tested with BOPs. A flow/show and pit level indicator will be installed.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 20' from surface to 750'.
Every 10' from 751' to T.D.

d)	Logging:	Type	Interval
		GR-CNL-LTD-AIT	T.D. to Surf. Csg
		GR-CNL	To Surf Csg
		Possible FMI (2,325')	within Mesa Verde

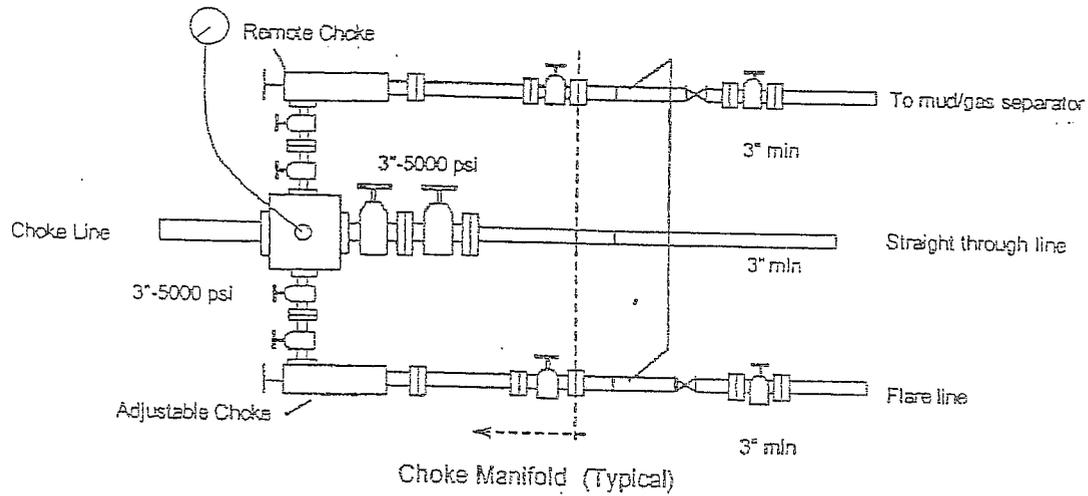
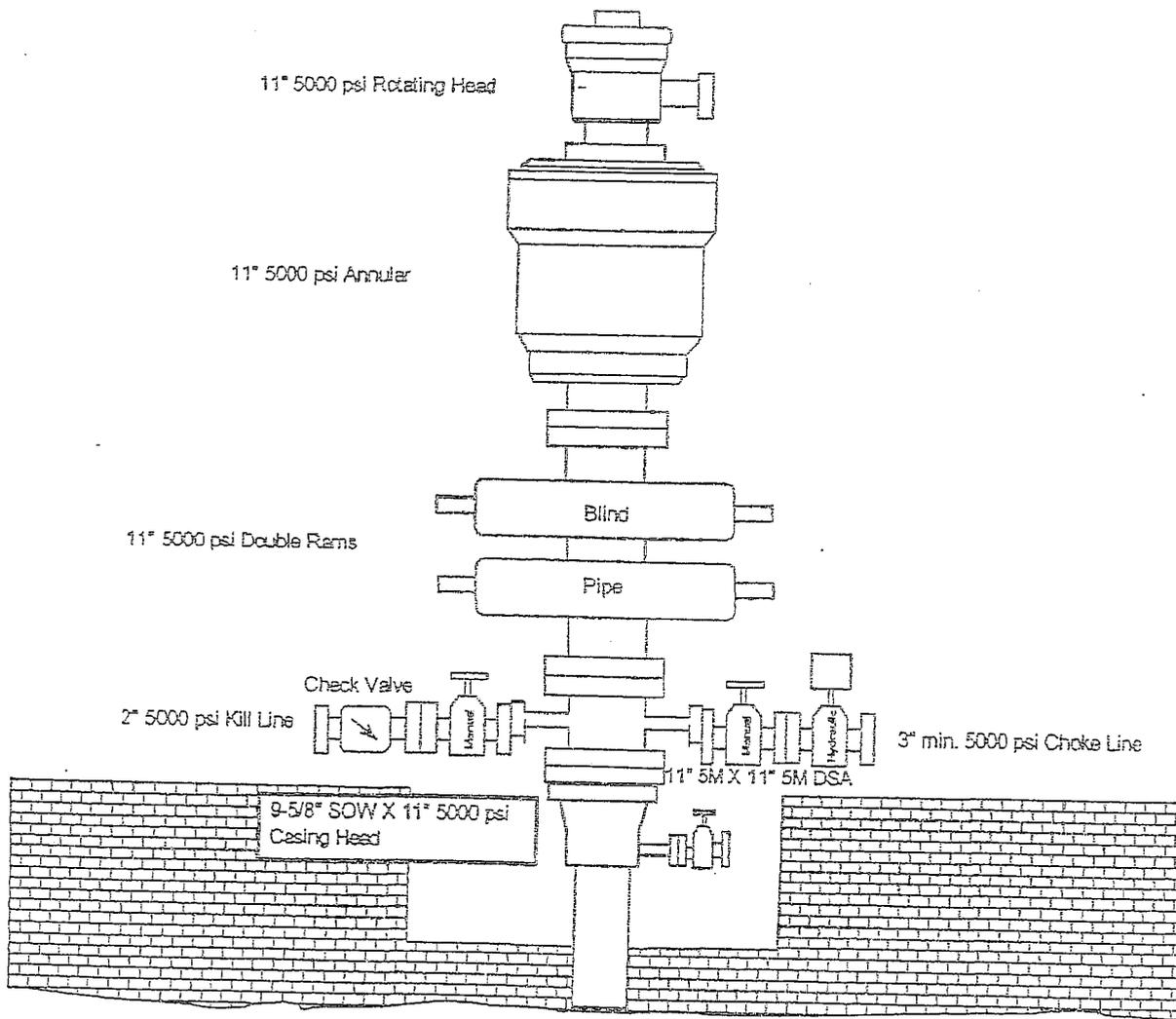
9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H2S.

10. Drilling Schedule:

The anticipated starting date is upon approval. Duration of operations is expected to be 30 days.

BOPE Diagram 5000 psi WP



RETAMCO

13 POINT SURFACE USE PLAN

FOR WELL

T.P. CANYON 12-27-14-24

LOCATED IN THE SW ¼ OF THE NW ¼

SECTION 27, T.14S, R24E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-73461

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

Retamco Operating, INC
 TP Canyon 12-27-14-24
 Section 27, T14S, R 24E

From Ouray, UT proceed in a southeasterly direction along the Seep Ridge Road approximately 53.0 miles to the junction of Seep Ridge road and PR Springs. Proceed in an southeasterly direction approximately 5.2 to the junction of an existing road to the north; exit left and proceed in a northerly direction approximately 6.1 miles, then proceed in a northeasterly direction approximately 4.7 miles to the proposed access road to the northeast. Follow road flags in a northeasterly direction approximately 2,760' to the proposed location.

Total distance from Ouray, Utah to the proposed well location is approximately 80.8 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 2,760' of new construction on lease. The road will be graded once per year minimum and maintained.

- A) Approximate length 2,760 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 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 steel gas gathering line will be required. The gas line will be analyzed in an EA prepared by Buys and Associates. At this time approximately 24,800' of four inch steel buried gas line is being proposed. The gas gathering line will tie into an existing gas line in Sec.

14, T15S,R24E. The line will be adjacent to the access road.

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 Willow Creek Permit # T-76043.

6. Source of construction materials

All construction material for this location site and access road shall be barrow 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 8 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. 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	325 ft.
B) Pad width	250 ft.
C) Pit depth	8 ft.
D) Pit length	140 ft.
E) Pit width	70 ft.
F) Max cut	13.9 ft.
G) Max fill	12.1 ft.
H) Total cut yds.	5,370 cu yds
I) Pit location	NE Corner
J) Top soil location	SW Corner
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 1,580 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:

To be determined by Authorized Officer.

11. Surface ownership:

Access road	Federal
Location	Federal
Pipeline	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 has been forwarded to your office. (Montgomery)

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 Tom Patterson Canyon 1 mile to the East.

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
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 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

Ginger Bowden
Paradigm Consulting, INC
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 one year 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 Retamco Operating, INC and its contractors and Subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for filing of a false statement.

Onsite Dates: 4/13/07

Self Certification Statement

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

Please be advised that Retamco Operating, INC is considered to be the operator of the following well:

TP Canyon 12-27-14-24
Section 27, T. 14S, R.24E
SW ¼ of the NW ¼
Lease UTU-73461
Uintah County, Utah

Retamco Operating, INC is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UT-1008 provides state-wide bond coverage on all Federal Lands.

Date 9/14/07

Name: Ginger Bowden

Signature: *Ginger Bowden*

Title: Agent

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 CFR355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

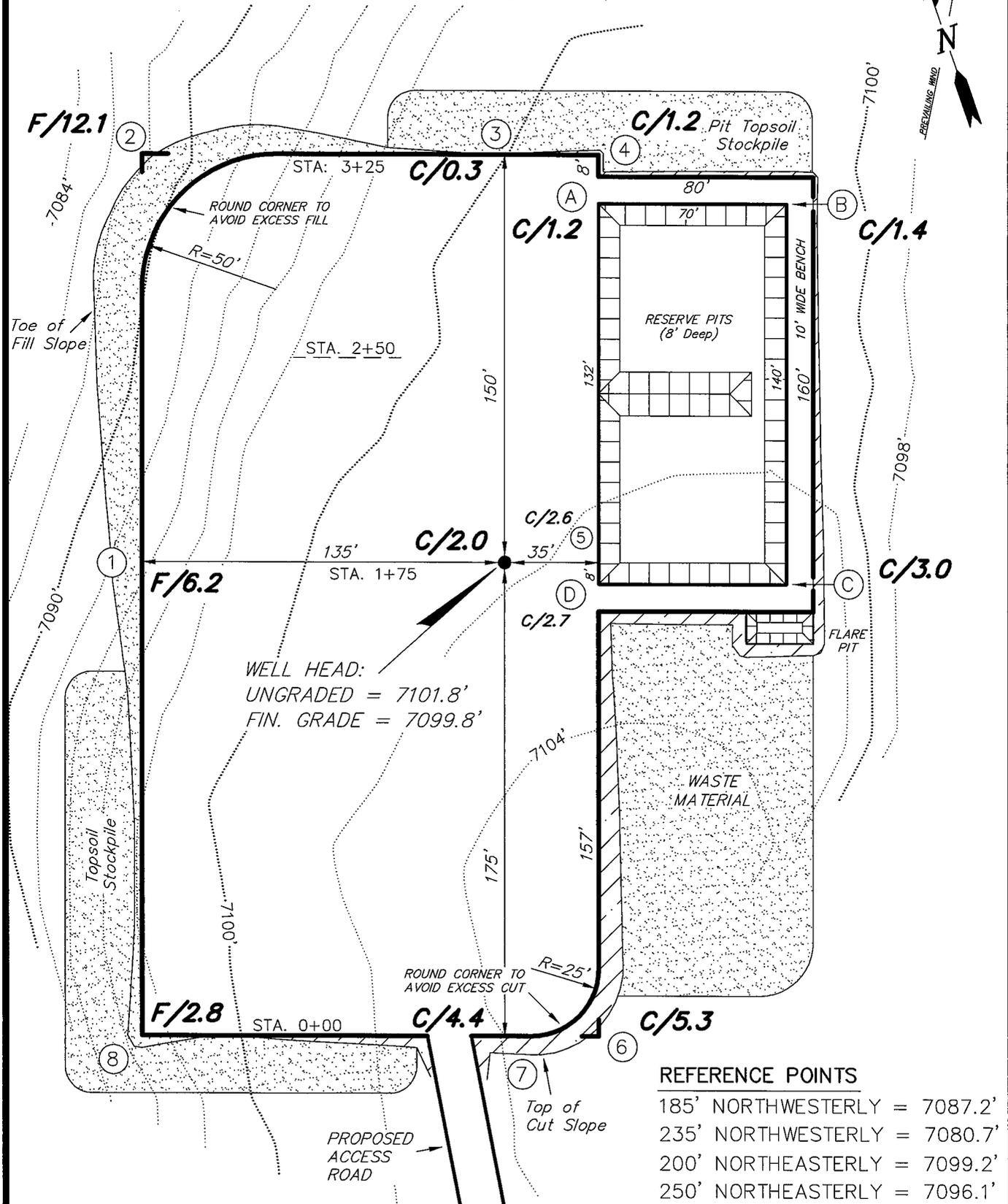
If you require additional information please contact:

Ginger Stringham
Agent for Retamco Operating, INC
Paradigm Consulting
PO BOX 790203
Vernal, UT 84079

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

RETAMCO OPERATING, INC.

CUT SHEET / T.P. CANYON 12-27-14-24
SECTION 27, T14S, R24E, S.L.B.&M.



WELL HEAD:
UNGRADED = 7101.8'
FIN. GRADE = 7099.8'

REFERENCE POINTS	
185' NORTHWESTERLY	= 7087.2'
235' NORTHWESTERLY	= 7080.7'
200' NORTHEASTERLY	= 7099.2'
250' NORTHEASTERLY	= 7096.1'

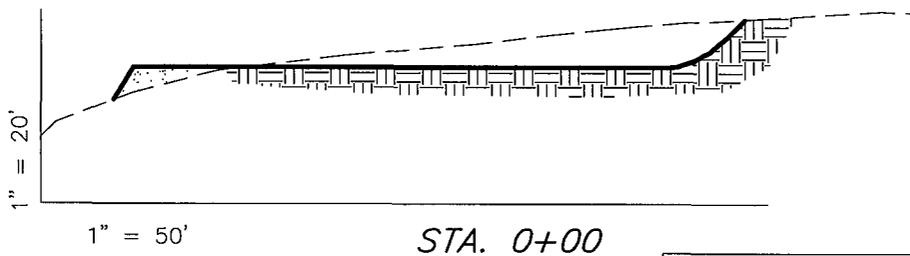
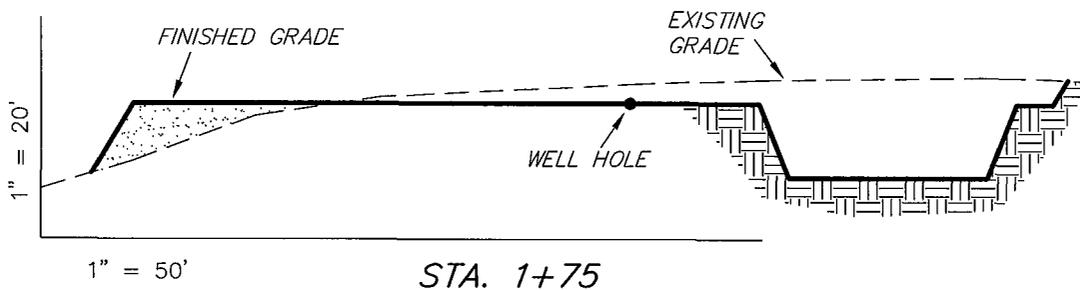
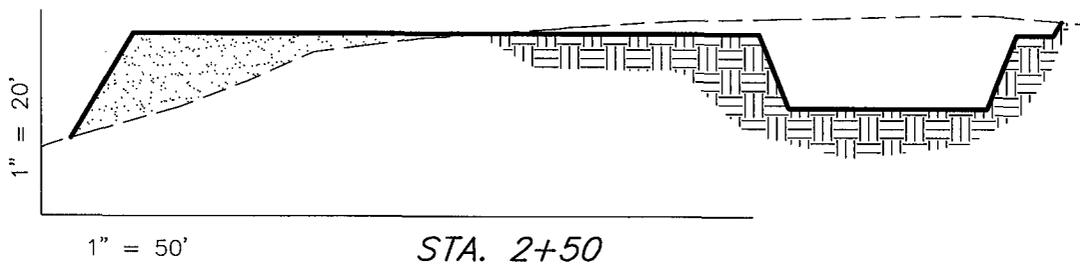
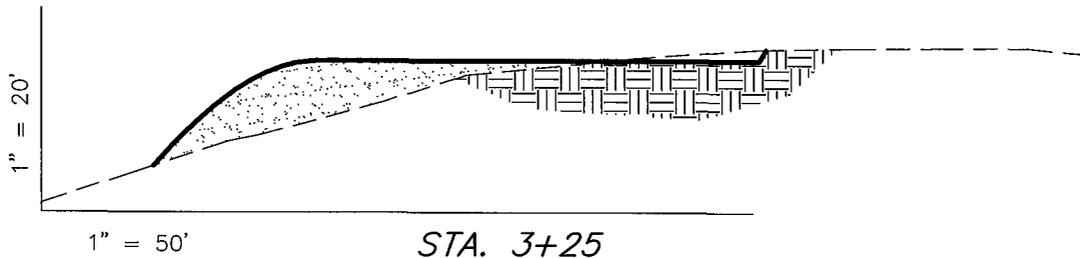
SURVEYED BY:	C.M.	SCALE:	1" = 50'
DRAWN BY:	F.T.M.	DATE:	11-01-06

Tri State
Land Surveying, Inc.
(435) 781-2501
38 WEST 100 NORTH VERNAL, UTAH 84078

RETAMCO OPERATING, INC.

CROSS SECTIONS

T.P. CANYON 12-27-14-24



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

ESTIMATED EARTHWORK QUANTITIES

(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,050	3,050	Topsail is not included in Pad Cut	0
PIT	2,320	0		2,320
TOTALS	5,370	3,050	1,380	2,320

SURVEYED BY: C.M.

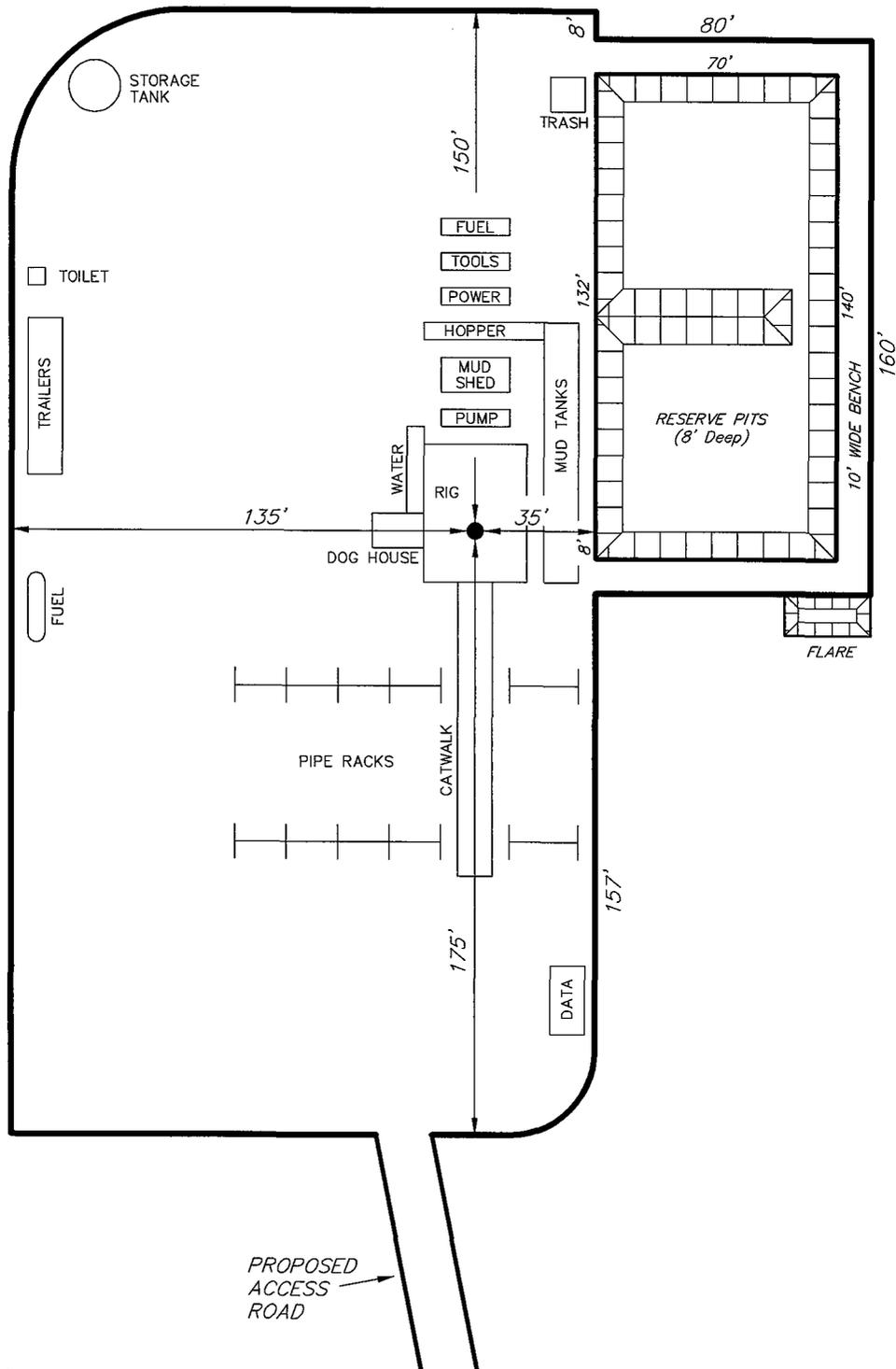
SCALE: 1" = 50'

DRAWN BY: F.T.M.

DATE: 11-01-06

Tri State (435) 781-2501
Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

RETAMCO OPERATING, INC.
TYPICAL RIG LAYOUT
T.P. CANYON 12-27-14-24



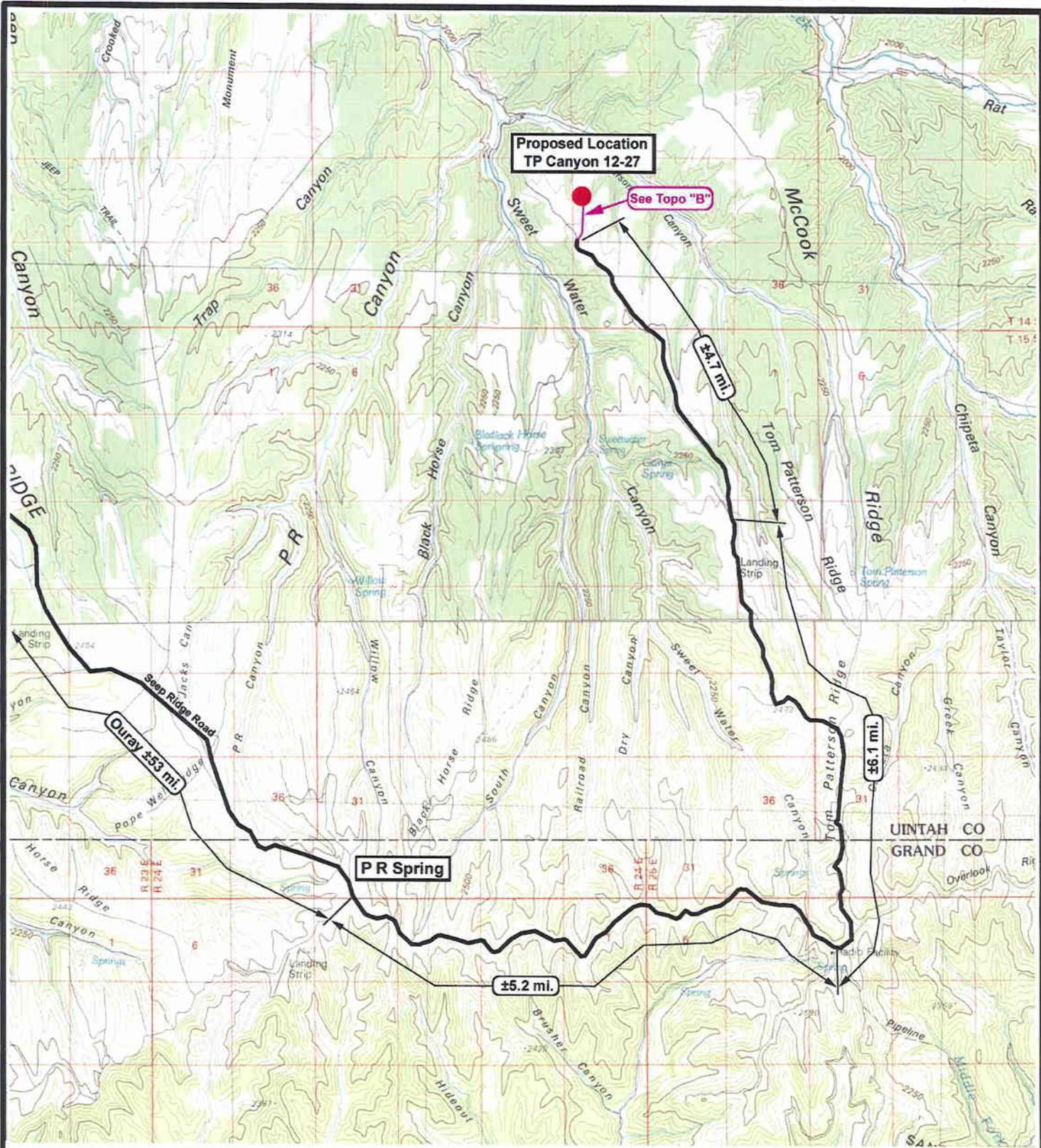
SURVEYED BY: C.M.

SCALE: 1" = 50'

DRAWN BY: F.T.M.

DATE: 11-01-06

Tri State (435) 781-2501
Land Surveying, Inc.
 38 WEST 100 NORTH VERNAL, UTAH 84078



RETAMCO
OPERATING INC.

**Well Pad T.P. Canyon 12-27-14-24
SEC. 27, T14S, R24E, S.L.B.&M.**

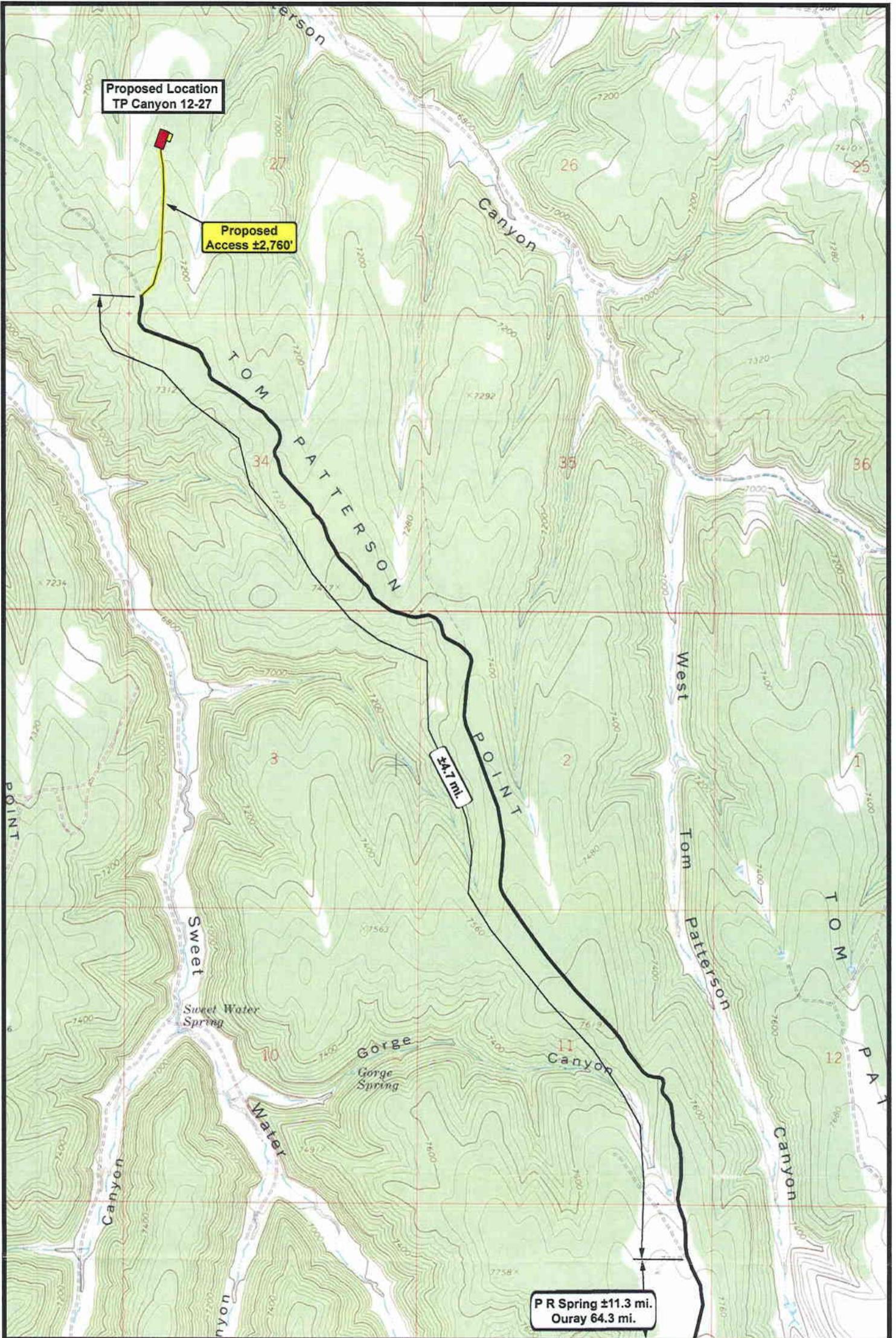


*Tri-State
Land Surveying Inc.*
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 100,000
DRAWN BY: mw
DATE: 12-12-2006

Legend
Existing Road
Proposed Access

**TOPOGRAPHIC MAP
"A"**



Proposed Location
TP Canyon 12-27

Proposed
Access ±2,760'

24.7 mi.

PR Spring ±11.3 mi.
Ouray 64.3 mi.

RETAMCO
OPERATING INC.

**Well Pad T.P. Canyon 12-27-14-24
SEC. 27, T14S, R24E, S.L.B.&M.**



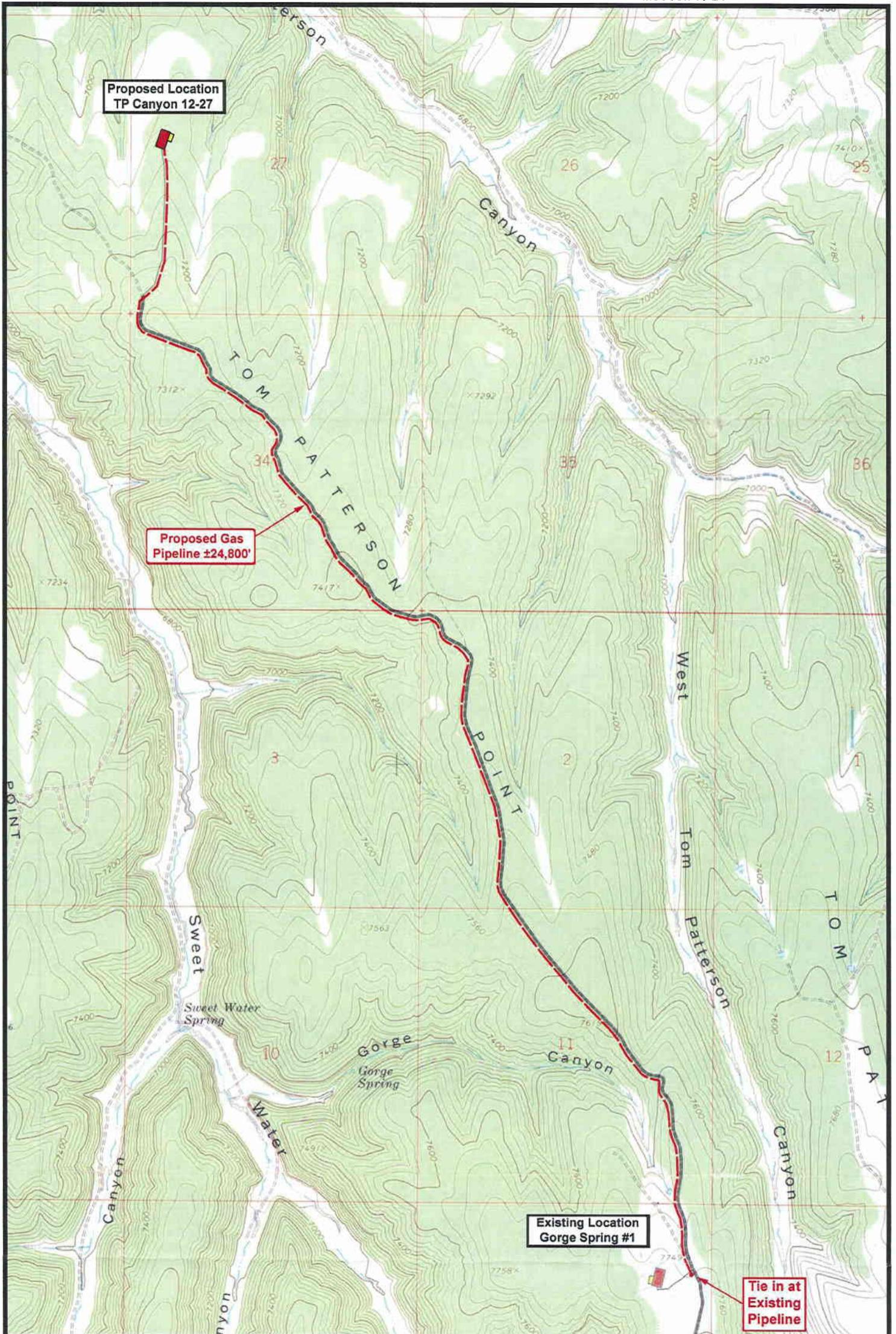
*Tri-State
Land Surveying Inc.*
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 12-12-2006

Legend
Existing Road
Proposed Access

TOPOGRAPHIC MAP

"B"



RETAMCO
OPERATING INC.

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

Legend

- Roads
- - - Proposed Gas Line

**Well Pad T.P. Canyon 12-27-14-24
SEC. 27, T14S, R24E, S.L.B.&M.**



SCALE: 1" = 2,000'
DRAWN BY: mw
DATE: 12-12-2006

TOPOGRAPHIC MAP
"C"

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/24/2007

API NO. ASSIGNED: 43-047-39728

WELL NAME: T.P. CANYON 12-27-14-24
 OPERATOR: RETAMCO OPERATING INC (N6020)
 CONTACT: GINGER STRINGHAM

PHONE NUMBER: 406-446-1568

PROPOSED LOCATION:

SWNW 27 140S 240E
 SURFACE: 2176 FNL 0649 FWL
 BOTTOM: 2176 FNL 0649 FWL
 COUNTY: UINTAH
 LATITUDE: 39.57222 LONGITUDE: -109.2232
 UTM SURF EASTINGS: 652622 NORTHINGS: 4381579
 FIELD NAME: WILDCAT (1)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-73461
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MRSN
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB-1008)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. T-76043)
- 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 8HP

T14S R24E

SWEETWATER *
FED 10-23-14S-24E(1-L-23)

SWEETWATER CANYON UNIT

SWEETWATER CANYON
FIELD (INACTIVE)

21

22

23

T.P. CYN
42-27-14-24

T.P. CANYON
12-27-14-24

28

27

26

SWEETWATER
7-33

33

34

35

OPERATOR: RETAMCO OPER INC (N6020)

SEC: 27 T.14S R. 24E

FIELD: WILDCAT (001)

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: 26-OCTOBER-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

October 26, 2007

Retamco Operating, Inc.
P O Box 790
Red Lodge, MT 59068

Re: T P Canyon 12-27-14-24 Well, 2176' FNL, 649' FWL, SW NW, Sec. 27, T. 14 South,
R. 24 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39728.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Retamco Operating, Inc.
Well Name & Number T P Canyon 12-27-14-24
API Number: 43-047-39728
Lease: UTU-73461

Location: SW NW Sec. 27 T. 14 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 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 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.



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

December 17, 2008

Retamco Operating, Inc.
P O Box 790
Red Lodge, MT 59068

Re: APD Rescinded – T P Canyon 12-27-14-24, Sec. 27, T. 14S, R. 24E –
Uintah County, Utah, API No. 43-047-39728

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 October 26, 2007. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 17, 2008.

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>

43-047-39728

IN REPLY REFER TO:
3160
UTG011

September 14, 2009

Joe Glennon
Retamco Operating, Inc.
PO Box 790
Red Lodge, MT 59068

Re: Request to Return APD
Well No. T.P. Canyon 12-27-14-24
SWNW, Sec. 27, T14S, R24E
Uintah County, Utah
Lease No. UTU-73461

Dear Mr. Glennon:

The Application for Permit to Drill (APD) for the above referenced well received in this office on October 23, 2007 is being returned unapproved per your request in an email message received on September 14, 2009 to Administrative Assistant Marta Call. Your message stated that Retamco Operating, Inc., did not intend to complete permitting or any other efforts to drill in this area at this time. This APD is holding Lease UTU-73461 in suspension. The lease suspension will be terminated once this APD is returned.

Retamco Operating, Inc., 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) 781-4469.

Sincerely,

Stephanie J. Howard
Acting Assistant Field Manager
Lands & Minerals Resources

cc: UDOGM
Ginger Bowden, Paradigm Consulting, Inc.

RECEIVED
OCT 08 2009
DIV. OF OIL, GAS & MINING