

QUINEX ENERGY CORPORATION

465 South 200 West • Suite 300 • Bountiful, Utah 84010 • (801) 292-3800 • FAX (801) 295-5858

March 20, 2008

**Utah Division of Oil Gas & Mining
1594 West South Temple
Salt Lake City, Utah 84146100
Attn: Diane Nelson**

Dear Diane:

I am resubmitting the APDs for both the DC Federal 1-11 and DC Federal 2-11; and a copy of the original APD cover sheet that indicates that the APD were received by the Division. It is my hope that this will move the APDs through the system as soon as possible. Thank you for the call of today. The Sundry Notice submitted this week can be attached to the APD.

Sincerely,

**DeForrest Smouse PhD
President**

RECEIVED

MAR 24 2008

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: UTU 80941	6. SURFACE: Federal
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: FEDERAL NA	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: FEDERAL NA	
2. NAME OF OPERATOR: QUINEX ENERGY CORPORATION				9. WELL NAME and NUMBER: D.C. FEDERAL 1-11	
3. ADDRESS OF OPERATOR: 465 South 200 West Bountiful UT 84010			PHONE NUMBER: (801) 292-3800	10. FIELD AND POOL, OR WILDCAT: TITLE TOWN <i>Hill Creek</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <i>616404x 4415106y 39.879 912</i> 839' FEL 650' FEL (NE,NE) Section 11, T 11 S, R 20 E AT PROPOSED PRODUCING ZONE: same as above <i>-109.638758</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 11 11S 20E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 11.9 miles south of Ouray,, Uintah Co. Utah				12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 650' FEL		16. NUMBER OF ACRES IN LEASE 40		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 20	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 20'		19. PROPOSED DEPTH: 9,500		20. BOND DESCRIPTION: Irrevocable Letter Credit Well Fargo	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): GR - 5095'		22. APPROXIMATE DATE WORK WILL START: 6/1/2008		23. ESTIMATED DURATION: 60 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
20"	14"	J55	36.7#	50	Premium	60 sks to sfs.	3.19	16.5#
12 3/4"	8 5/8"	J55	24#	2,300	Class G	920 sks	3.19	16.5#
7 5/8"	4 1/2"	P11o	15.5#	9,500	50/50POZ	1000 sks	1.29	14.1#
					Hi Lift	500 sks	1.28	14.1#

ATTACHMENTS

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

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

NAME (PLEASE PRINT) DeForrest Smouse TITLE President Quinex Energy Corp.
SIGNATURE *DeForrest Smouse* DATE 3/20/2008

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39983

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

APPROVAL:
Date: 03-31-08
By: *[Signature]*
(See Instructions on Reverse Side)

RECEIVED
MAR 24 2008
DIV. OF OIL, GAS & MINING

C.C.
Set Marked Stone,
Pile of Stones

NE Cor. Sec. 3,
True Position

T11S, R20E, S.L.B.&M.

QUINEX ENERGY CORP.

Well location, D.C. FEDERAL #1-11, located as shown in the NE 1/4 NE 1/4 of Section 11, T11S, R20E, S.L.B.&M. Uintah County Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.

Sec. 3

Sec. 2

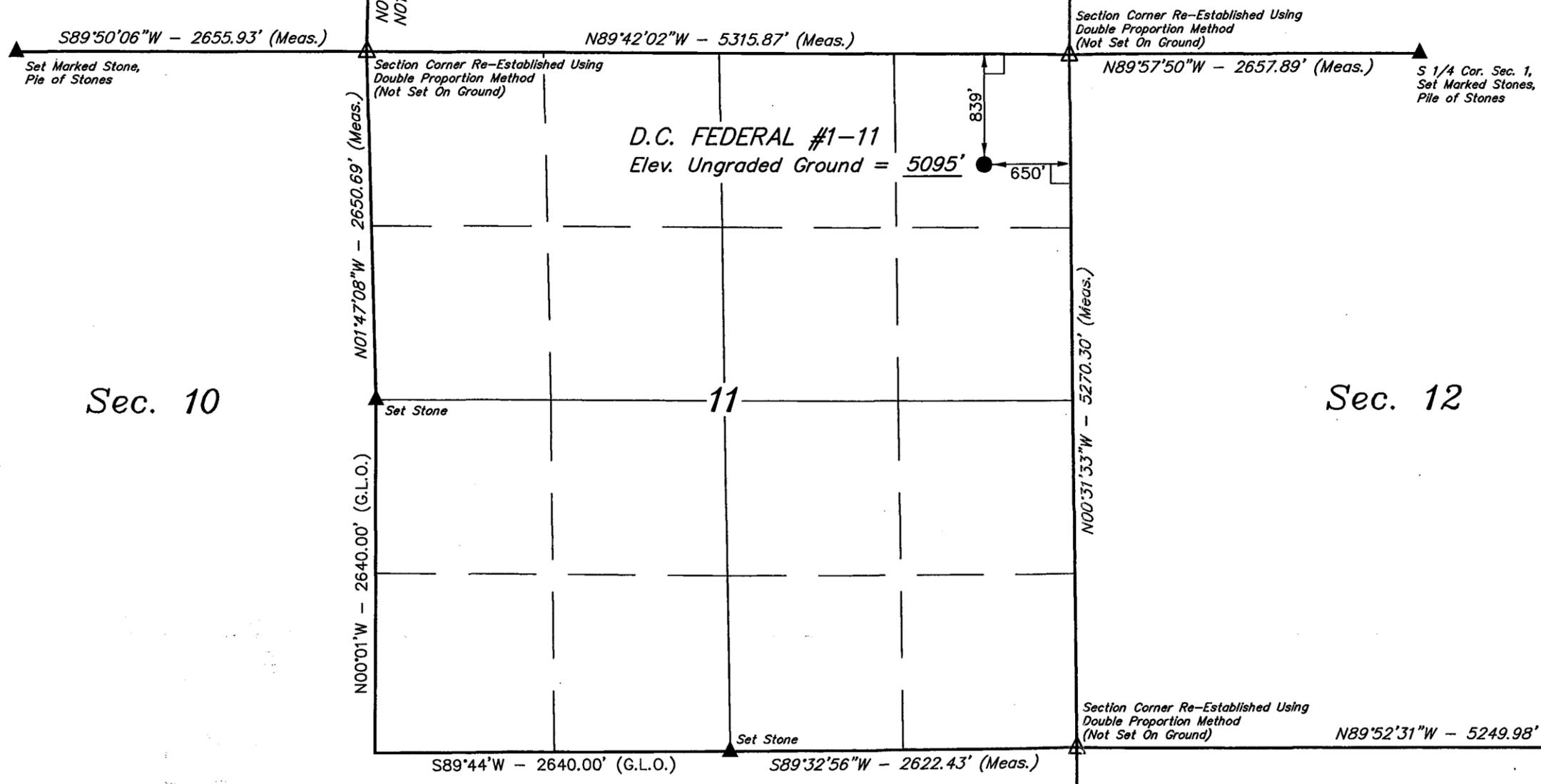
Sec. 1

Sec. 10

11

Sec. 12

Sec. 13



LEGEND:
 L = 90° SYMBOL
 ● = PROPOSED WELL HEAD.
 ▲ = SECTION CORNERS LOCATED.
 △ = SECTION CORNERS RE-ESTABLISHED BY DOUBLE PROPORTION METHOD. (Not Set On Ground)

BASIS OF BEARINGS
 BASIS OF BEARINGS IS A G.P.S. OBSERVATION.
 (NAD 83)
 LATITUDE = 39°52'47.46" (39.879850)
 LONGITUDE = 109°38'22.27" (109.639519)
 (NAD 27)
 LATITUDE = 39°52'47.58" (39.879883)
 LONGITUDE = 109°38'19.79" (109.638831)

CERTIFICATE
 THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND CORRECT COPY FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
 No. 161319
 ROBERT J. KAY
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 11-30-06	DATE DRAWN: 12-06-06
PARTY G.O. B.B. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUINEX ENERGY CORP.	

EIGHT POINT PLAN

QUINEX ENERGY CORPORATION
D. C. FEDERAL 1-11
NE1/4, NE1/4, SECTION 11 T 11 S, R 20 E
UINTAH COUNTY, UTAH

1 & 2 ESTIMATED TOPS ANTICIPATED OIL, GAS AND WATER ZONES

<u>FORMATION</u>	<u>DEPTH</u>	<u>ZONE TYPE</u>	<u>MAX. PRESSURE</u>
Wasatch Formation	1,450'	Gas & oil	2200 PSI
Mesa Verde	-1,300	Gas & Distillate	3500 psi
TD - 9,500'			

The well will be drilled to bottom located 825' FNL & 621' FNL

3. PRESSURE CONTROL EQUIPMENT BOP Schematic Diagram attached

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE</u>	<u>BURST</u>	<u>CEMENT</u>
20"	0-80'	80'	14"	36.7#		not applicable			100 sk G
12 1/4"	0-2,300'	2,300'	8 5/8"	24#	J 55	P & C	2890 #	4410 #	920 sks class G to Surface
8 5/8"	0-12500'	9,500'	5 1/2 "	13.5#	N 80	P & C			250 sks

Class G 14.2 #/gal 3.19 yield, 500 sks Hi-Lift, 11 #/gal, 3.91 yield & 1000 sks 50/50 POZ. 14.1#/gal 1.28 yield

5. MUD PROGRAM:

Water Gel mud is to be used for drilling of well below 2,300'. Fresh water will be used for hole from 0' to 2,300'

<u>INTERVAL</u>	<u>MUD TYPE</u>	<u>WEIGHT</u>
0-2,300'	Fresh Water	8.0#
0-9,500'	Watergel	8.5#

Lost circulation zones are not anticipated. Sufficient mud inventory will be maintained on location during drilling operations to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

The D.C. Federal 1-11 well is designated as a Wasatch & Mesas Verde Formations tests.

7. EVALUATION PROGRAM

LOGS: SCHLUMBERGER WIRELINE

DIL-SFL	Surface casing to 5,600'
CNL-FDC	Surface casing to 5,600'
Mud Log	3,000' to TD

Additional logs as needed to evaluate formation to TD

Cores None
DST's None

8. ABNORMAL CONDITIONS

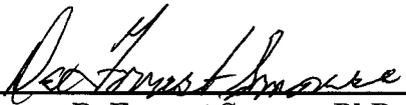
None anticipated

9. STANDARD REQUIRED EQUIPMENT

A. Choke Manifold

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

Attachment: BOP Diagram)



DeForrest Smouse PhD
President - Quinex Energy

THIRTEEN POINT PLAN
D. C. FEDERAL 1-11

GENERAL Requirements for working on BLM lands.

1. Cultural resources are not expected to be disrupted. Archeology report for well site & access road to location is was mailed to you by Sagebrush Archeology .
2. The area is grassland with minor sagebrush and other desert vegetations; and desert stream vegetation along Willow Creek. The mesa east & north of the location east of Willow Creek rises as steep slope and cliffs from 5100 to 5400'; see Topographic Map.

1. **EXISTING ROADS** - See Location Map.

- A. Wellsite 650' FEL, 839' FNL, (NE, NE) Section 11, T 11 S, R 20 E.
- B Travel 11.9 miles south of Ouray, Utah on road into Willow Creek Canyon then 0.2 miles east to well site.
- B. Roads: The route is over graded roads, many with fair gravel topping. All roads are paved or graded, most with gravel topping.
- C. Existing roads will be maintained by the county.
- D. The D. C. Fed 1-11 wellsite will be built to meet BLM specifications, and be maintained as required, for all weather use, by the operator. See Engineer Survey Plat).

2. **GENERAL:**

- (1) The Vernal BLM District will be notified 48 hours prior to commencing work on BLM lands.
- (2) The dirt contractor will be furnished a copy of this Surface Use Plan, along with any additional BLM stipulations, prior to the work.
- (3) The topsoil removed for reserve pits will be stockpiled on the North corner of the location.
- (4) The reserve pit will be lined with native clay and water-proofed.

B. Plant Section 11, T11 S, R 20 E (43-047-37200);

(1) Water wells - none

(2) Abandoned oil wells – none

(3) Temporarily Abandoned wells – None

(4) Disposal wells - None

(5) Producing wells- 9:

Dominion LCU 2-10H - NWNE 10, 11S 20E, Dominion LCU 11-10H – NESW 10 11S 20E; Dominion Hill. Federal 1-10, NESW 10, 11S, 20E; Dominion LCU 9-11H, NESE 11, 11S 20E; Dominion LCU 12-11H, NWSW 11, 11S, 20E; Dominion LCU 6-11H, SENW 11, 11S, 2 0E; Dominion LCU 14-11H, SESW 11, 11S, 20E; Dominion LCU 2- 12H, NWNE 12, 11S, 20E; Dominion LCU 8-12H- SENE 12, 11S, 20E.
Currently Dominion is drilling or has completed additional wells, see enclosed plat from the Utah Division of Oil Gas & Mining.

(6) Shut in wells – None

(7) Injection wells – None

(8) Monitoring wells - None

4. LOCATION OF EXISTING and/or PROPOSED FACILITIES: - See wellsite plat

A. Within a 1 mile radius location, existing facilities owned or operated by Quinex Energy Corporation.

- 1. Tank Batteries: None.**
- 2. Production Facilities: None. Creek gas line.**
- 4. Gas Gathering Lines Willow Creek gas line**
- 3. Oil Gathering Lines -- None**
- 5. Injection Lines – None**
- 6. Disposal Lines - None**

B. New Facilities Contemplated:

- (1) Gas well Pad: A gas line tie-into gas line will follow road into location. Power tie in to Moon Lake Electric power grid is expected prior to completion of the well.**

- (2) **Well Pad Dimensions.** A Rig Layout Plat will be provided when the drilling contract is signed.
- (3) **Construction methods:** All tanks are to be welded. The battery grade will be less than 3 feet above pad grade. All equipment will be painted with BLM approved shades.
- (4) **Protective Measures:** There will be no open vessels or permanent storage of fluids in open pits. The Storage Tanks will be diked to provide emergency containment of a potential tank failure.

C. Location ant type of water supply:

Water source: Approximately 15 acre feet of water will be required to drill and complete the well. Water is to be hauled from the Babcock Draw by Tu and Frum Trucking, Dave Murray. A proper water right will be obtained from a State Engineer prior to spudding.

A. **Transportation:** Water will be hauled.

B. **Water Well:** None Proposed.

6. Source of Construction Material:

- A. **Source:** Material will be from well site. No additional requirements are anticipated.
- B. **Ownership:** Access road & location are on BLM lands.
- C. **Outside Materials:** Road base will be from commercial gravel pits in the Roosevelt Area.
- D: **Access:** Only the access road to the location from the county road will require any construction material.

7. Methods of Handling Waste Disposal

Disposal will be handled as follows:

- 1. **Cuttings** will be buried in the reserve pit.
- 2. **Drilling Fluids** are to be removed to a commercial disposal site within 90 days of completion.

3. **Produced fluids:** Oil will be sold to an authorized oil buyer. Produced water will be hauled to an authorized disposal site.
4. **Sewage:** Chemical toilets will be provided for the drilling crew.
5. **Trash & Garbage:** Trash will be accumulated in a wire mesh receptacle and hauled to a sanitary road fill.
6. **Post Drilling Cleanup:** After drilling operations cease, the access road and location will be cleaned up and graded. The reserve pit will be covered and reseeded to BLM specifications within 90 days.

8. Ancillary Facilities

No camp facilities are planned or required. Plat of site will be provided when drilling contract is signed.

9. Wellsite Layout: see attached Well Site Plat.

1. **Cross Sections:** Provided with Engineer's Plat.
2. **Equipment Layout:** Provided with plat.
3. **Rig Orientation:** Provided with plat.
4. **All pits are to be sealed.** The location will be fenced on four sides – see survey plat

10. Plans for Restoration of Surface:

- (1) **Initial Cleanup:** Location and surrounding area will be cleaned of all debris resulting from the drilling operations. All trash will be hauled to a sanitary landfill.
- (2) **Vernal BLM** will be notified at least 48 hours before surface restoration requiring earth moving equipment, upon completion of operations.
- (3) **Topography:** Within 90 days of completion of the well, weather permitting the reserve pit is to be dried, filled and re-contoured.
- (4) **Stockpiled topsoil** will be evenly distributed over reclaimed areas.
- (5) **Re-vegetation:** Reclaimed areas will be scarified and seeded by broadcasting or drilling.
- (6) **Unused areas** will be blocked from vehicular access.
- (7) **Pits:** Pits will be fenced until cleanup, using wire mesh fence with 2 strands of barbed wire on top.

- (8) **Oil on Pits:** Any oil on pits will be removed to a commercial disposal site when rig is released.
- (9) **Timetable:** Reserve Pit is to be reclaimed within 90 days of completion date. Other areas will be reclaimed within six months of discontinued use.

11. **Other Information**

A **Ownership and Right-of-Ways:**

Both location and right-of ways are owned by the Federal Government . The right of way for gas transportation will be requested from the BLM. The gas line has been surveyed and archeology along proposed line has already been done.

B. **General Description of Area**

- (1) **Topography:** High angle slopes and cliffs and with low angle areas near Willow Creek Canyon bottom , semi-arid and desert vegetation. No irrigation.
- (2) **Surface use category-** the area is used for cattle grazing during winter months.
- (3) **Water, Dwellings, Archeology.** Water will be trucked to location on existing roads. There are no dwellings within ½ mile of location. An archeology is completed and will be submitted with APD. Paleontology report has been given to Sue Bilby, PhD of Vernal, Utah

12. **Production Operations**

- A. **Notification:** A first production report will be sent to the BLM within 5 days from first production to establish site security and APD compliance.
- B. **Site Security:** Site security plan will be submitted within 30 days after completion.
- C. **Water Production:** NTL-2B will be submitted within 60 days of completion. It is anticipated that any water produced will be hauled to the Evaporation pit located at La Point, Utah.
- A. **Weed Control:** The road and location will be professionally sprayed, using EPA approved chemicals to control weeds.

- B. The tank battery is to be built on the north side of the location. All permanent structures will be painted with a BLM approved color. OSHA required markings are expected.

13. Lessee's or Operator Representative:

Quinex Energy Corporation
DeForrest Smouse
465 South 200 West
Bountiful, Utah 84010
Phone (801) 292-3800 or (801) 292-2554

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, true and correct: and the work associated will be performed by Quinex Energy Corporation and its contractors in conformity with this plan and terms and conditions under which it is approved.

Date: 7/19/08


DeForrest Smouse, PhD

President, Quinex Energy Corporation

RECEIVED

SEP 22 2004

WATER RIGHTS
VERNAL

TEMPORARY APPLICATION TO APPROPRIATE WATER

Rec. by Bru

Fee Paid \$ 75.00 Cash

Receipt # 04-04079

STATE OF UTAH

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 2188

TEMPORARY APPLICATION NUMBER: T75549

(BWHITE)

1. OWNERSHIP INFORMATION:

LAND OWNED? Yes

A. NAME: Tu and Frum Trucking Inc David Murray
ADDRESS: P. O. Box 146
Lapoint. UT 84039

B. PRIORITY DATE: September 22, 2004

FILING DATE: September 22, 2004

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 8.0 acre-feet

B. SOURCE: Green River

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) N 1,190 feet W 200 feet from SE corner, Section 20, T 11S, R 18E, SLBM

D. COMMON DESCRIPTION: 40 miles southeast of Myton

3. WATER USE INFORMATION:

OIL EXPLORATION: from Oct 1 to Sep 30 drilling and completion of oil/gas wells
- Oct 1, 2004 to Sep. 30, 2005

Water will be loaded into tank trucks and hauled to place of use.

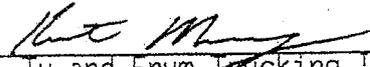
4. PLACE OF USE: (which includes all or part of the following legal subdivisions:)

BASE TOWN	RANG	SEC	NORTH-WEST 1/4		NORTH-EAST 1/4		SOUTH-WEST 1/4		SOUTH-EAST 1/4			
			NW	NE	SW	SE	NW	NE	SW	SE	NW	NE
SL	9S	17E	Entire TOWNSHIP									
SL	9S	18E	Entire TOWNSHIP									
SL	10S	17E	Entire TOWNSHIP									
SL	10S	18E	Entire TOWNSHIP									
SL	11S	17E	Entire TOWNSHIP									
SL	11S	18E	Entire TOWNSHIP									

MAY 1 2005

5. SIGNATURE OF APPLICANT(S):

The applicant(s) hereby acknowledge(s) that he/she/they are citizen(s) of the United States of America or intend(s) to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he, she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of information contained herein, at the time of filing, rests with the applicant(s).



Tu and Frum Trucking Inc David Murray



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 Division of Water Rights

OLENE S. WALKER
Governor
 GAYLE F. MCKEACHNIE
Lieutenant Governor

ROBERT L. MORGAN JERRY D. OLDS
Executive Director *State Engineer/Division Director*

>>>>>>OFFICIAL RECEIPT<<<<<<<<

RECEIPT No. 04-04079	DATE: September 22, 2004
RECEIVED FROM:	
TU AND FRUM TRUCKING INC DAVID MURRAY, P. O. BOX 146 LAPOINT, UT 84039	

NATURE OF SERVICE:	FEE:
Application to Appropriate 49-2188(T75549)	75.00
TOTAL:	\$75.00

METHOD OF PAYMENT: Cash

RECEIVED BY: BWHITE

QUINEX ENERGY CORP.

D.C. FEDERAL #1-11

LOCATED IN UINTAH COUNTY, UTAH
SECTION 11, T11S, R20E, S.L.B.&M.

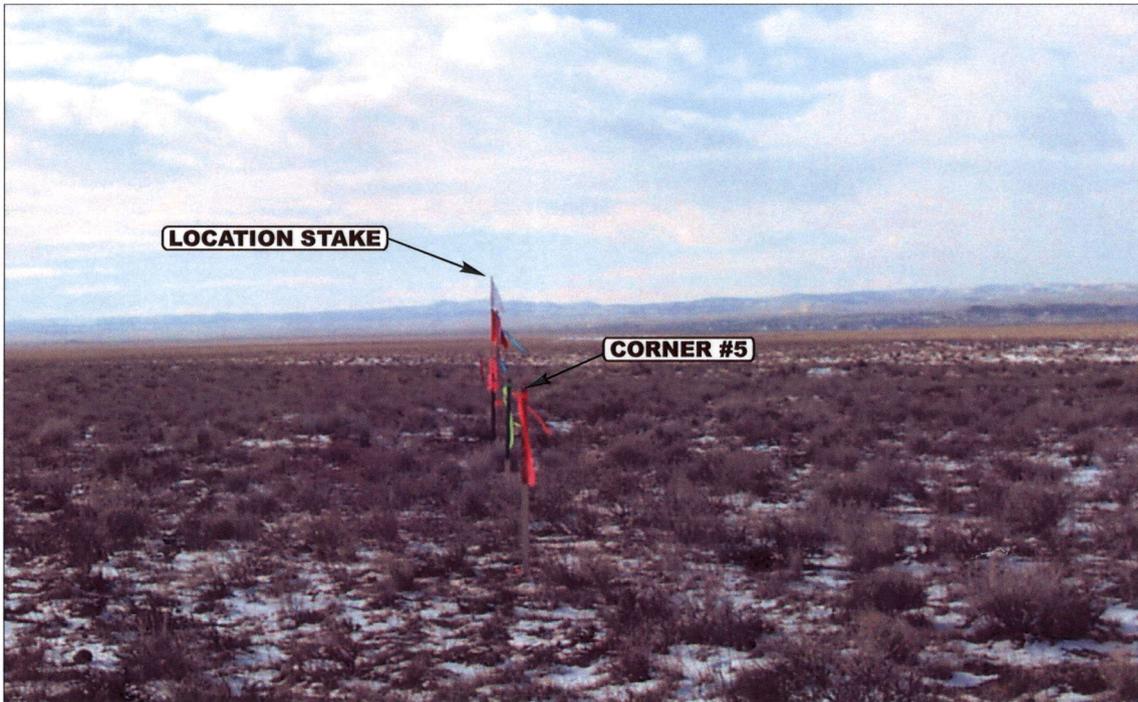


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS	12 MONTH	05 DAY	06 YEAR	PHOTO
TAKEN BY: G.O.	DRAWN BY: L.K.		REVISED: 00-00-00	

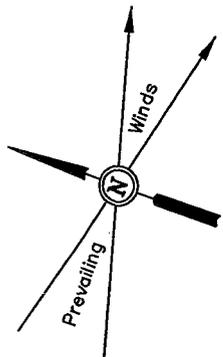
QUINEX ENERGY CORP.

LOCATION LAYOUT FOR

D.C. FEDERAL #1-11
SECTION 11, T11S, R20E, S.L.B.&M.

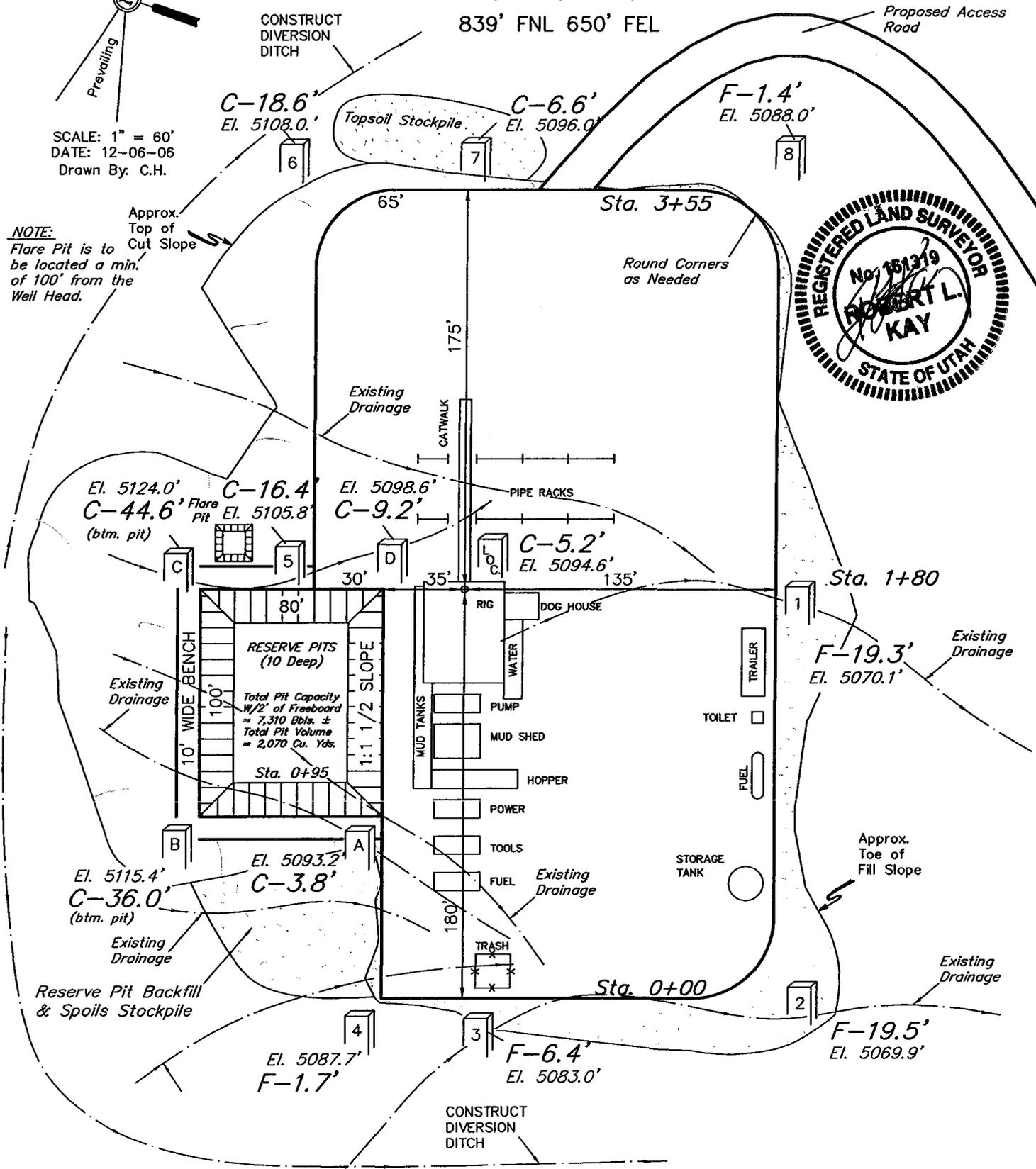
839' FNL 650' FEL

FIGURE #1



SCALE: 1" = 60'
DATE: 12-06-06
Drawn By: C.H.

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



Elev. Ungraded Ground at Location Stake = 5094.6'
Elev. Graded Ground at Location Stake = 5089.4'

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

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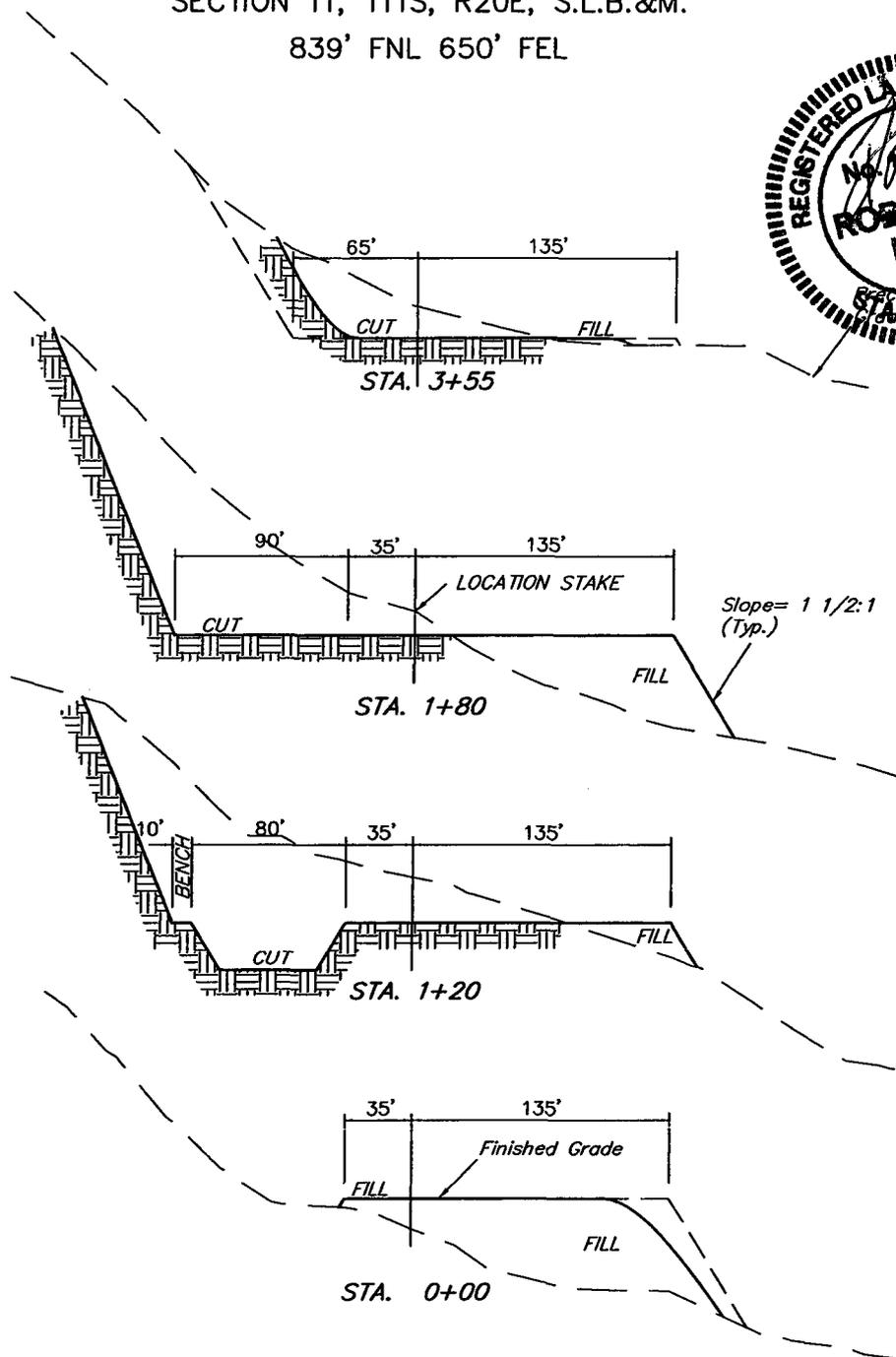
TYPICAL CROSS SECTIONS FOR

**D.C. FEDERAL #1-11
SECTION 11, T11S, R20E, S.L.B.&M.
839' FNL 650' FEL**

FIGURE #2

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

DATE: 12-06-06
Drawn By: C.H.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

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

APPROXIMATE YARDAGES

CUT			
(6") Topsoil Stripping	= 2,070 Cu. Yds.		= 21,460Cu. Yds.
Remaining Location	= 30,710Cu. Yds.	Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,110 Cu. Yds.
TOTAL CUT	= 32,780 CU.YDS.	EXCESS UNBALANCE (After Interim Rehabilitation)	= 18,350Cu. Yds.
FILL	= 11,320 CU.YDS.		

OURAY 9.1 MI. +/-

R
19
E

R
20
E

Wash

BENCH

Island Gas Field

2.8 MI. +/-

HORSE

PREVAILING

4.6 MI. +/-

T10S

T11S

SEE TOPO "B"

PROPOSED LOCATION:
D.C. FEDERAL #1-11

LEGEND:

⊙ PROPOSED LOCATION



QUINEX ENERGY CORP.

D.C. FEDERAL #1-11
SECTION 11, T11S, R20E, S.L.B.&M.
839' FNL 650' FEL



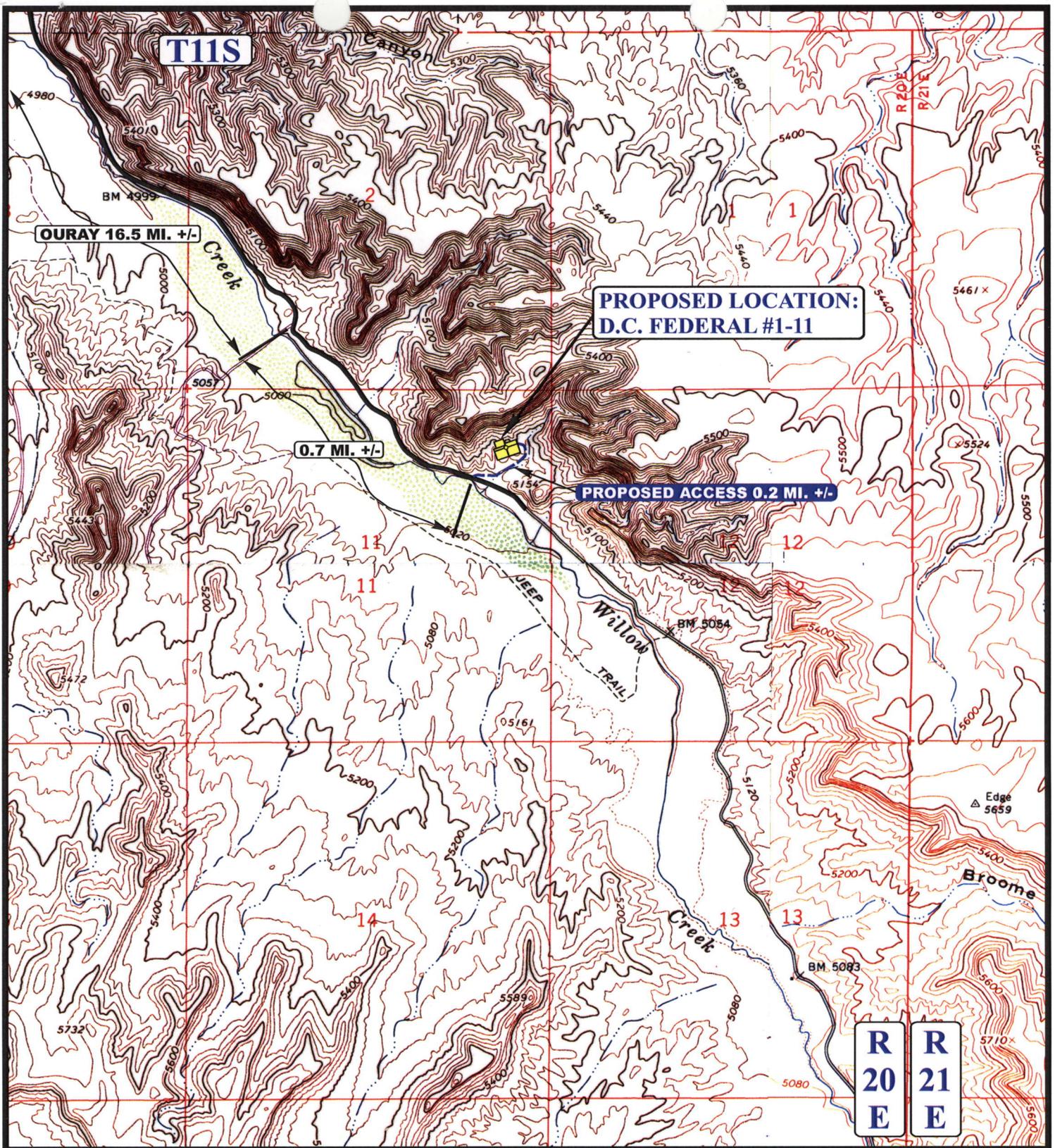
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 05 06
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



QUINEX ENERGY CORP.

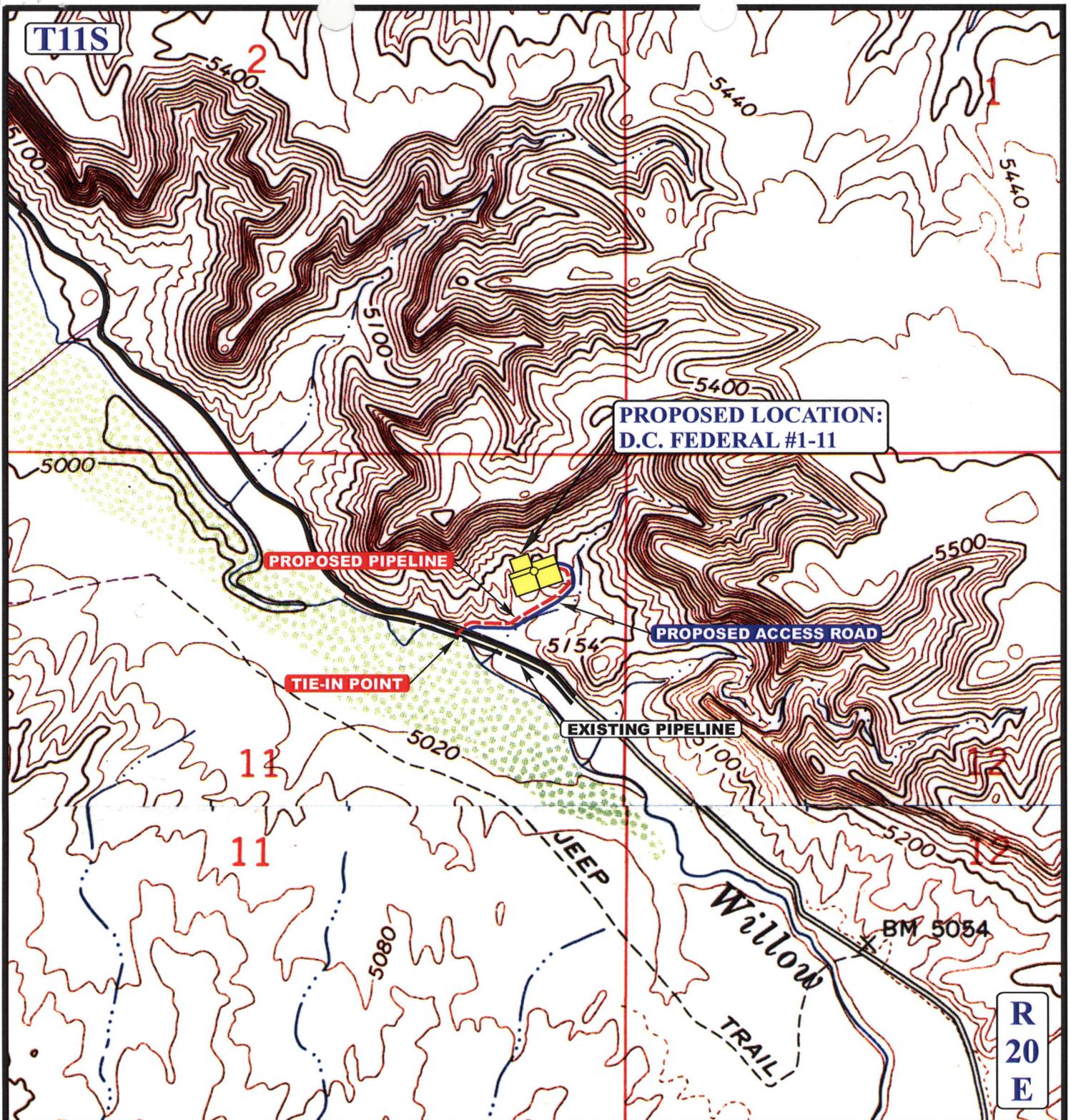
D.C. FEDERAL #1-11
SECTION 11, T11S, R20E, S.L.B.&M.
839' FNL 650' FEL



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

TOPOGRAPHIC MAP **12 05 06**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,092' +/-

LEGEND:

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

QUINEX ENERGY CORP.

D.C. FEDERAL #1-11
SECTION 11, T11S, R20E, S.L.B.&M.
839' FNL 650' FEL



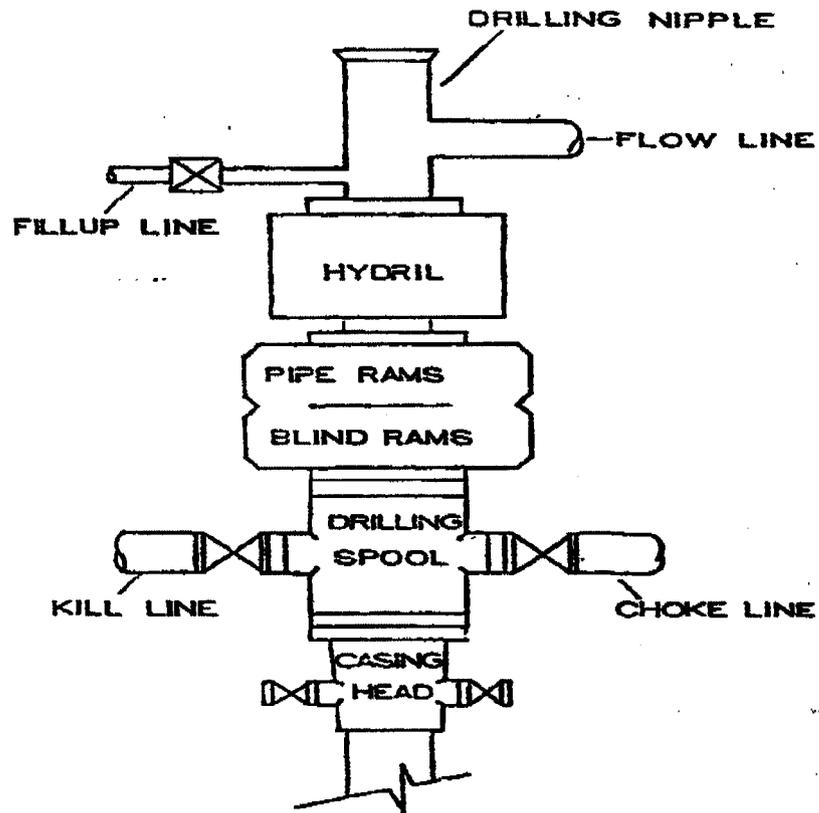
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



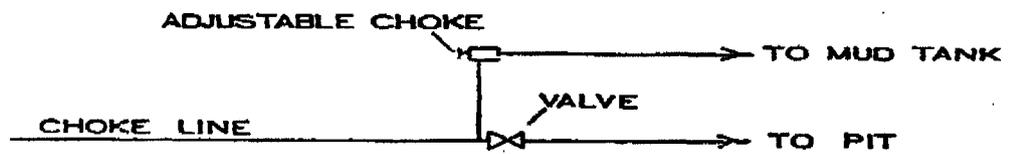
TOPOGRAPHIC **12 05 06**
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



BOP STACK



CHOKER MANIFOLD



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/24/2008

API NO. ASSIGNED: 43-047-39983

WELL NAME: D.C. FED 1-11
 OPERATOR: QUINEX ENERGY CORP (N9995)
 CONTACT: DEFORREST SMOUSE

PHONE NUMBER: 801-292-3800

PROPOSED LOCATION:

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

NENE 11 110S 200E
 SURFACE: 0839 FNL 0650 FEL
 BOTTOM: 0839 FNL 0650 FEL
 COUNTY: UINTAH
 LATITUDE: 39.87991 LONGITUDE: -109.6388
 UTM SURF EASTINGS: 616404 NORTHINGS: 4415106
 FIELD NAME: HILL CREEK (617)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU 80941
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed Ind[] Sta[] Fee[]
(No. N28499874)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-2188)
- 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

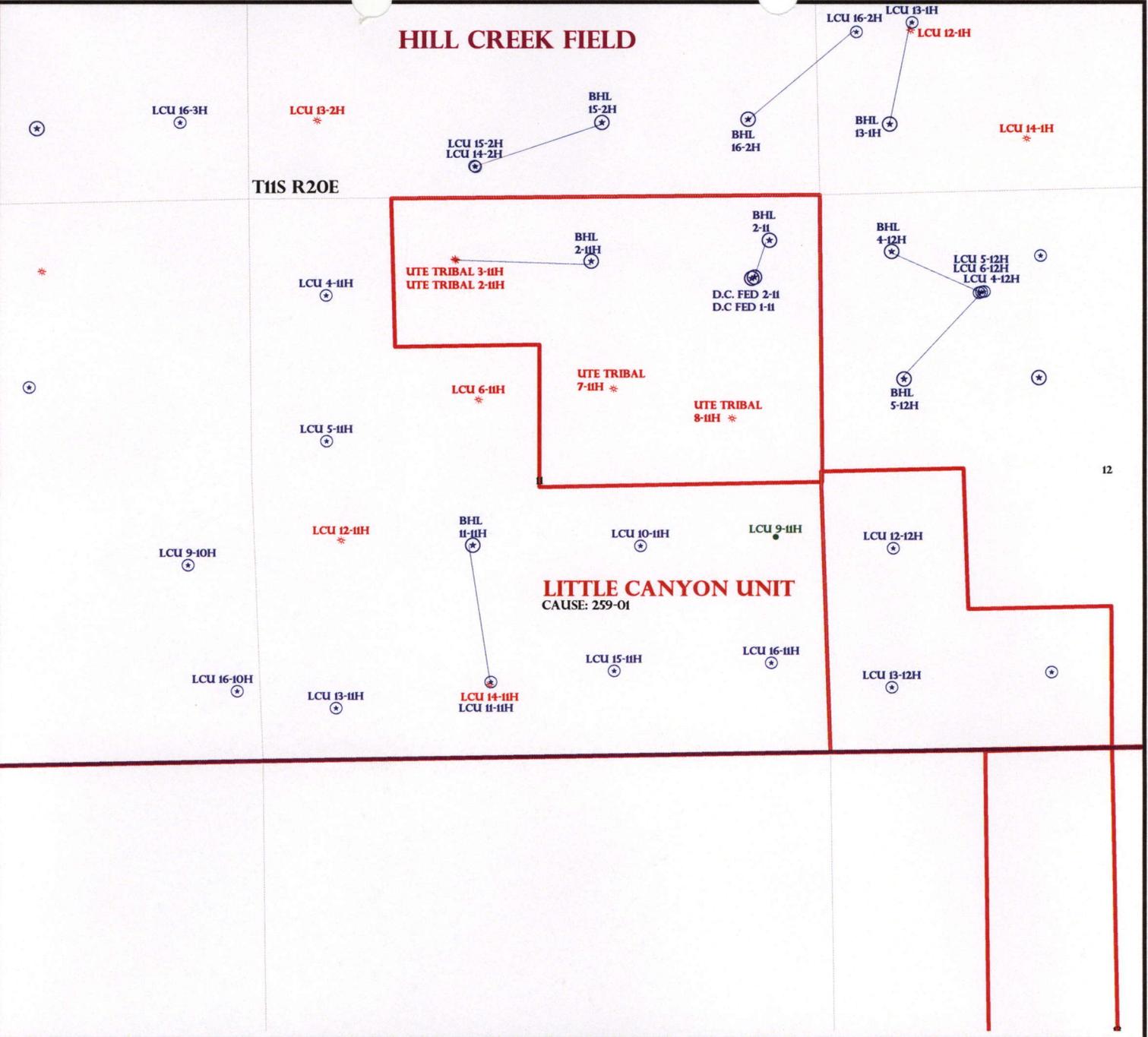
COMMENTS: _____

STIPULATIONS: _____

1. Federal Approval
2. Spacing Stip

HILL CREEK FIELD

T11S R20E



LITTLE CANYON UNIT CAUSE: 259-01

OPERATOR: QUINEX ENERGY CORP (N9995)

SEC: 11 T.11S R. 20E

FIELD: HILL CREEK (617)

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



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 25-MARCH-2008



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 31, 2008

Quinex Energy Corporation
465 S 200 W
Bountiful, UT 84010

Re: D C Federal 1-11 Well, 839' FNL, 650' FEL, NE NE, Sec. 11, T. 11 South, R. 20 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 43-047-39983.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Quinex Energy Corporation

Well Name & Number D C Federal 1-11

API Number: 43-047-39983

Lease: UTU 80941

Location: NE NE Sec. 11 T. 11 South R. 20 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 QUINEX ENERGY CORPORATION

3. ADDRESS AND TELEPHONE NO.
 465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 829' FNL, 621' FEL, SECTION 11, T 11 S, R 20 E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 12 MILES SOUTH OF OURAY, UINTAH COUNTY, UTAH

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 621'

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 9,500'

19. PROPOSED DEPTH 9,500'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) GR - 5089

22. APPROX. DATE WORK WILL START* 15 MAY 2008

5. LEASE DESIGNATION AND SERIAL NO.
 FED UTU 80941

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 FEDERAL

7. UNIT AGREEMENT NAME
 FEDERAL

8. FARM OR LEASE NAME, WELL NO.
 43 047 39983

9. API WELL NO.
 DC FEDERAL #1-11

10. FIELD AND POOL, OR WILDCAT
 WILLOW CREEK

11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA
 NENE SECTION 11
 T 11 S, R 20 E

12. COUNTY OR PARISH UINTAH 13. STATE UTAH

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	13 3/8"	48#	80'	100 SKS G - TO SURFACE
12 1/2"	8 5/8" J55	24#	2,600'	1120 SKS CLASS G - TO SURFACE
7 7/8"	5 1/2"	13.5#	9,500'	250 SKS CLASS G, 500 SKS HI-LIFT
				1000 SKS 50/50 POZ

QUINEX ENERGY PLANS ON DRILLING 2 WELLS IN THE NENE SECTION 11, T 11 S, R 20 E. BOTH WELLS WILL BE DRILLED THROUGH THE MESA VERDE FORMATION. A SURVEY HAS BEEN MADE FOR THE GAS DELIVERY LINE. WE EXPECT TO USE THE SAME DELIVERY LINE FOR BOTH WELLS. THE STEEL GAS LINE WILL BE BURIED.

RECEIVED
 OCT 06 2008
 DIV. OF OIL, GAS & MINING

U1006M

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE DEFORREST SMOUSE DATE 12/31/2007

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

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:
NOTICE OF APPROVAL **CONDITIONS OF APPROVAL ATTACHED**
 APPROVED BY [Signature] TITLE Assistant Field Manager DATE SEP 17 2008
07 JMO 7228 TITLE Land & Mineral Resources



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Quinex Energy Corporation	Location:	NENE, Sec. 11, T11S, R20E
Well No:	DC Federal 1-11	Lease No:	UTU-80941
API No:	43-047-39983	Agreement:	N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC CONDITIONS OF APPROVAL

- **Surface Disturbing Activities Notification:** Notify the Authorized Officer (AO) 48 hours prior to surface disturbing activities.
- **Time Limitations:** (Only during construction & drilling)
Lands in this lease have been identified as habitat for some wildlife. Therefore, modifications to the Surface Use Plan of Operations will be required in order to protect this wildlife habitat from surface disturbing activities (see below).

TIME RESTRICTION	REASON
January 1 – August 31.....	Golden eagle nesting season

- **Special Status Plants:** If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.
- **Paleontology:**
 - Construction and other well completion activities will be **monitored** by a permitted Paleontologist because this area contains correlative fossil-bearing units near the well site.
 - At any other time, if paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- **Access Road:**
 - Access roads should meet BLM standard, and if possible, limit construction to gentle slopes in order to avoid need for special construction designs.
 - The maximum disturbed width for access roads is 30 feet, and the roads shall be crowned, ditched, and constructed with a running surface of 18 feet.
 - Access roads should be winding, and kept off the ridges. Install culverts, low water crossings, water bars, turn outs, etc. as necessary, in order to provide good drainage, control soil erosion, and also for safety reasons.
- **Surface Pipelines:** Restrictions for placement of surface pipelines:-
 - a): Surface pipelines will be placed 5-10 feet outside of the borrow area.
 - b): Surface pipelines will be placed in such a way that they would not wander into the borrow area.
 - c): Pipelines shall not be installed (or wander) into unauthorized ROW.

d): Pipelines will be buried at all major road and drainage crossings.

- **Wet Soil - Caution:** No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of three inches deep in a straight line travel path, the soil shall be deemed too wet to adequately support construction equipment.
- **Specific Conditions Pertaining to Location Construction:**
 - Install a culvert at corner #2
 - Riprap around SW corner
 - Construct a diversion channel across the Northern part of the pad through to western side
 - Construct a diversion channel on the Eastern side also to provide better drainage for access road and pad
 - Save rock boulders for final reclamation; pile the boulders on the eastern side and other areas around the pad vulnerable to erosion.
- **Reserve Pit:** The reserve pit will be constructed in such a way that it will not leak, break or allow discharge of fluids in it. Line the pit with a 16 mil or greater liner and felt. When the drilling operations have been completed, the oily, dark colored surface layer mainly composed of hydrocarbons should be removed (43 CFR 3162.7-1). And weather permitting; the reserve pit should be backfilled, and reclaimed within 90 days.
- **Fencing:** Any pits, and open tanks should be fenced in order to exclude livestock and other wildlife from the area, obviously preventing them from getting hurt and drinking water or fluids which could be toxic. The reserve pit will initially be fenced on 3 sides during drilling operations, but once drilling has ceased, and the rig has been removed, the fourth side should be fenced too. The fences will be maintained until the pit has been reclaimed.
- **Drainages:**
 - Keep drainages clear.
 - Ditches, culverts and all installments will be properly constructed in order to avoid sedimentation of drainage ways and other water resources.
 - Prevent fill and stock piles from entering drainages.

Soil Erosion – Caution: Lands where the proposed oil wells are located have been identified as vulnerable to moderate erosion. If additional erosion occurs during the life of this project, more culverts, diversion channels, berms, wing ditches, low water crossings, etc. will need to be installed/constructed in order to control erosion.

- Paint all facilities, except OSHA, **Covert Green**
- **Use Low Profile Tanks**
- **General Maintenance:**
 - The operator will be responsible for treatment and control of invasive and noxious weeds.
Prior to any treatment on BLM administered lands, a Pesticide Use Proposal will be submitted to the Vernal Field Office for approval.
 - All boulders found on the surface will be stockpiled for use during final reclamation.
 - **The operator shall keep the site well maintained and up-to-date all the time.**

Interim Reclamation:

- **Maximize** interim reclamation. Within the pad, reseed all areas not needed for production; only leave room for vehicle access.
- Use the seed mixture below, PLS (**Pure Live Seed**).

Shadscale (<i>Atriplex confertifolia</i>).....	4 lbs/acre
Galleta Grass (<i>Hilaria jamesii</i>)	4 lbs/acre
Hycrest Crested Wheatgrass (<i>Agropyron desertorum</i>).....	4 lbs/acre

Rates are set for drill seeding; double the rate if broadcasting.

- Reseeding may be required if initial seeding is not successful.
- **If no germination, contact BLM Authorized Officer.**

Final Reclamation:

- See APD
- Once the location has been plugged and abandoned, it shall be re-contoured to natural topography, topsoil shall be re-spread, and the entire location shall be seeded with a seed mixture recommended by the A.O. **Seed application will follow all guidelines recommended for seedbed preparation, planting, watering, and seedling care after germination.**

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- A surface casing shoe integrity test shall be performed in accordance with Onshore Order #2 requirements.
- 5M BOPE shall installed and tested prior to drilling below the surface casing.
- Visual mud monitoring shall be required.
- 5-1/2" 17# N-80 casing or equivalent shall be required for the production casing.
- The production casing cement shall be a minimum of 200' above the surface casing shoe.
- The Gamma Ray Log shall be run from TD to surface

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

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

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

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: QUINEX ENERGY CORPORATION

Well Name: D.C. FED 1-11

Api No: 43-047-39983 Lease Type: FEDERAL

Section 11 Township 11S Range 20E County UINTAH

Drilling Contractor BILL JR'S RIG # RATHOLE

SPUDDED:

Date 10/09/08

Time NOON

How DRY

Drilling will Commence: _____

Reported by MIKE HEBERTSON

Telephone # (435) 823-5392

Date 10/09//08 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-80941

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator Quinex Energy Corporation		8. Well Name and No. D.C. FEDERAL 1-11
3a. Address 465 South 200 West Bountiful Utah, 84010	3b. Phone No. (include area code) 801-292-3800	9. API Well No. 43-047-39983
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NENE, SEC. 11, T11S, R20E, 839' FNL 650' FEL		10. Field and Pool or Exploratory Area HILL CREEK
		11. Country or Parish, State UINTAH

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

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

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

Quinex Energy Corporation will transport it produced water by Jim Nebecer Trucking and water will be injected into disposal well owned by Water Disposal Inc. located in Roosevelt, Utah.

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

RECEIVED
OCT 14 2008

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

Title President, Quinex Energy Corporation

Signature *DeForrest Smouse*

Date 10/07/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Office _____

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-80941

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Quinex Energy Corporation

3a. Address
465 South 200 West Bountiful Utah, 84010

3b. Phone No. (include area code)
801-292-3800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NENE, SEC. 11, T11S, R20E, 839' FNL 650' FEL

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

8. Well Name and No.
D.C. FEDERAL 1-11

9. API Well No.
43-047-39983

10. Field and Pool or Exploratory Area
HILL CREEK

11. Country or Parish, State
UINTAH

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

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

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

Quinex Energy Corporation plans to spud the D.C. Federal 1-11 tomorrow on October 9, 2008, drilling a 20" hole to 50'- 100'. A 13 3/8" conductor pipe will be set and cemented with 50-100 sacks of premium cement with returns to surface.

RECEIVED
OCT 14 2008

DIV. OF OIL, GAS & MINING

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

Title President, Quinex Energy Corporation

Signature *DeForrest Smouse*

Date 10/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Office

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

Title 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.

ENTITY ACTION FORM

Operator: Quinex Energy Corporation Operator Account Number: N 9995
 Address: 465 South 200 West
city Bountiful
state Ut zip 84010 Phone Number: (801) 292-3800

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
047-39195	JANS FEDERAL 1-25		NWNW	25	9S	17E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17160	10/13/2008			10/28/08	
Comments: NEW WELL WSTC							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
047-39983	D. C. FEDERAL 1-11		NENE	11	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17161	10/9/2008			10/28/08	
Comments: NEW WELL MVRD							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
047-39982	D.C. FEDERAL 2-11		NENE	11	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17162	10/9/2008			10/28/08	
Comments: NEW WELL MVRD BHL = NENE							

ACTION CODES:

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

K. Michael Hebertson

Name (Please Print)

Signature
Geologist

9/30/2008

Title

Date

RECEIVED

OCT 23 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-80941

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
D.C. FEDERAL 1-11

2. Name of Operator
Quinex Energy Corporation

9. API Well No.
43-047-39983

3a. Address
465 South 200 West Bountiful Utah, 84010

3b. Phone No. (include area code)
801-292-3800

10. Field and Pool or Exploratory Area
HILL CREEK

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NENE, SEC. 11, T11S, R20E, 839' FNL 650' FEL

11. Country or Parish, State
UINTAH

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

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

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

Quinex Energy Corporation is waiting on drill rig.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
DeForrest Smouse PhD
Title President Quinex Energy Corporation
Signature *DeForrest Smouse*
Date 12/01/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED
FEB 23 2009

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU-80941

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
D.C. FEDERAL 1-11

2. Name of Operator
Quinex Energy Corporation

9. API Well No.
43-047-39983

3a. Address
465 South 200 West Bountiful Utah, 84010

3b. Phone No. (include area code)
801-292-3800

10. Field and Pool or Exploratory Area
HILL CREEK

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
NENE, SEC. 11, T11S, R20E, 839' FNL 650' FEL

11. Country or Parish, State
UINTAH

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

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

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

10/11/2008 Drilled a 20" hole to 80' & set 80' of 13 3/8" Conductor pipe. Cemented conductor to surface W/ Class G cement.

Quinex Energy Corporation is waiting on drill rig.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
DeForrest Smouse PhD
Title President Quinex Energy Corporation
Signature *DeForrest Smouse*
Date 11/01/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____
Office _____

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

RECEIVED
MAR 09 2009

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80941
---	--

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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: D.C. FED 1-11
------------------------------------	--

2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43047399830000
---	---

3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext	9. FIELD and POOL or WILDCAT: HILL CREEK
---	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	COUNTY: UINTAH 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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/9/2008	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

Waiting on completion

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 13, 2009

NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A		DATE 7/13/2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80941
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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: D.C. FED 1-11
2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43047399830000
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: HILL CREEK COUNTY: UINTAH 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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/27/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

There has been no activity since this well was spud in October 2008.
 November 2008 No Activity December 2008 No Activity January 2009 No Activity
 February 2009 No Activity March 2009 No Activity April 2009 No Activity
 May 2009 No Activity June 2009 No Activity July 2009 No Activity
 August 2009 No Activity September 2009 No Activity October 2009 No Activity
 November 2009 No Activity December 2009 No Activity

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 October 28, 2009

NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A		DATE 10/27/2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80941
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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: D.C. FED 1-11
2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43047399830000
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: HILL CREEK COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/23/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input checked="" type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

In october of 2008 this location was built and the surface hole was spud with a rat and mousehole drill rig. 20 inch conductor casing was set to 200' and cemented back to surface with concrete mix. Since then there has been no activity at this wellsite and Quinex respectfully requests that the well be placed in OPS status until gas prices warrant drilling and completion of this well.

Accepted by the Utah Division of Oil, Gas and Mining

Date: October 29, 2009

By: *Derek Duff*

NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A	DATE 10/23/2009	

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: UTU 80941
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 Gas Well	8. WELL NAME and NUMBER: D.C. FED 1-11	
2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43047399830000	
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext	9. FIELD and POOL or WILDCAT: HILL CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	COUNTY: UINTAH	
	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 Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/21/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="See the attached"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>Quinex Energy respectfully submits the attached information regarding gas prices drilling economics and OPS Status reasons for this well. It may be necessary for some lessons on economics for members of the DOGM staff. Quinex suggests that it may help reduce your and our undue paper and regulatory work load.</p>		<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY</p> <p>July 30, 2012</p>
NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A	DATE 6/21/2012	

D.C. Federal 1-11
Sec. 11, T 11 S, R20 E
Uintah County Utah
43-047-39983

In October of 2008 when the surface casing for this well set gas prices were averaging about \$4.50 per MCF from wells in the Uintah Basin. The rotary drill rig that was scheduled to drill this well was unavoidably detained in Wyoming while drilling for another company. By the time the rig was available the gas price from the Basin had dropped to \$2.50 per MCF and drilling costs for the well had escalated to all time high prices. The cost for drilling and completing this well for the gas resource had become uneconomic and remains so to this day. 20 inch conductor casing was set to 200' and cemented back to surface with concrete mix.

On October 29 2009 Dustin Doucet granted and OPS Status for this well. No operations have taken place here nor will they until the price of gas improves.

The current price per MCFG from the basin is \$1.99, and the well is projected to cost about \$3.5 Million to drill and complete. At that price the well would have to produce 10 MMCF/D to be economic. Average production rates for this portion of the field are less than 1 MMCF/D.

We will notify the State of Utah when the prices improve until then this will be our last report concerning this well.

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 80941
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: QUINEX ENERGY CORP		8. WELL NAME and NUMBER: D.C. FED 1-11
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010		9. API NUMBER: 43047399830000
PHONE NUMBER: 801 292-3800 Ext		9. FIELD and POOL or WILDCAT: HILL CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S		COUNTY: UINTAH
		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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 9/30/2012	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

D.C. Federal 1-11 Sec. 11, T 11 S, R20 E Uintah County Utah
43-047-39983 In October of 2008 when the surface casing for this well set gas prices were averaging about \$4.50 per MCF from wells in the Uintah Basin. The rotary drill rig that was scheduled to drill this well was unavoidably detained in Wyoming while drilling for another company.

By the time the rig was available the gas price from the Basin had dropped to \$2.50 per MCF and drilling costs for the well had escalated to all time high prices. The cost for drilling and completing this well for the gas resource had become uneconomic and remains so to this day.

20 inch conductor casing was set to 200' and cemented back to surface with concrete mix. On October 29 2009 Dustin Doucet granted and OPS Status for this well. No operations have taken place here nor will they until the price of gas improves. The current price per MCFG from the basin is \$1.99, and the well is projected to cost about \$3.5 Million to drill and complete. At that price the well would have to produce 10 MMCF/D to be economic. Average production rates for this portion of the field are less than 1 MMCF/D. We will notify the State of Utah when the prices improve until then this will be our last report concerning this well.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
November 19, 2012**

NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A	DATE 11/19/2012	

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 80941	
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1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: QUINEX ENERGY CORP		8. WELL NAME and NUMBER: D.C. FED 1-11	
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010		9. API NUMBER: 43047399830000	
PHONE NUMBER: 801 292-3800 Ext		9. FIELD and POOL or WILDCAT: HILL CREEK	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S		COUNTY: UINTAH	
		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 Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/31/2012	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.			
<p>D.C. Federal 1-11 Sec. 11, T 11 S, R20 E Uintah County Utah 43-047-39983 In October of 2008 when the surface casing for this well set gas prices were averaging about \$4.50 per MCF from wells in the Uintah Basin. The rotary drill rig that was scheduled to drill this well was unavoidably detained in Wyoming while drilling for another company. By the time the rig was available the gas price from the Basin had dropped to \$2.50 per MCF and drilling costs for the well had escalated to all time high prices. The cost for drilling and completing this well for the gas resource had become uneconomic and remains so to this day.</p> <p>20 inch conductor casing was set to 200' and cemented back to surface with concrete mix. On October 29 2009 Dustin Doucet granted and OPS Status for this well. No operations have taken place here nor will they until the price of gas improves. The current price per MCFG from the basin is \$1.99, and the well is projected to cost about \$3.5 Million to drill and complete. At that price the well would have to produce 10 MMCF/D to be economic. Average production rates for this portion of the field are less than 1 MMCF/D. We will notify the State of Utah when the prices improve until then this will be our last report concerning this well.</p>			
NAME (PLEASE PRINT) K. Michael Hebertson		PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A		DATE 11/19/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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PHONE NUMBER: 801 292-3800 Ext		9. FIELD and POOL or WILDCAT: HILL CREEK
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S		COUNTY: UINTAH
		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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/31/2012	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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D.C. Federal 1-11 Sec. 11, T 11 S, R20 E Uintah County Utah
43-047-39983 In October of 2008 when the surface casing for this well set gas prices were averaging about \$4.50 per MCF from wells in the Uintah Basin. The rotary drill rig that was scheduled to drill this well was unavoidably detained in Wyoming while drilling for another company.

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**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
November 21, 2012**

NAME (PLEASE PRINT) K. Michael Hebertson	PHONE NUMBER 801 292-3800	TITLE Geologist
SIGNATURE N/A	DATE 11/19/2012	

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: UTU 80941																														
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TYPE OF SUBMISSION	TYPE OF ACTION																															
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/31/2013	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;"><input type="checkbox"/> ACIDIZE</td> <td style="width: 33%;"><input type="checkbox"/> ALTER CASING</td> <td style="width: 33%;"><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input type="checkbox"/> OTHER</td> <td>OTHER: <input style="width: 100px;" type="text"/></td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR																														
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.																																
Quinex Energy is waiting on funding to drill the DC Fed. 1-11. Anticipated start time for the well is July 2013.																																
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 09, 2013																																
NAME (PLEASE PRINT) Brad Wells	PHONE NUMBER 435 823-5323	TITLE Field Office Manager																														
SIGNATURE N/A	DATE 4/8/2013																															

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
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2. NAME OF OPERATOR: QUINEX ENERGY CORP	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	8. WELL NAME and NUMBER: D.C. FED 1-11
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	9. API NUMBER: 43047399830000
5. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	9. FIELD and POOL or WILDCAT: HILL CREEK
6. PHONE NUMBER: 801 292-3800 Ext	COUNTY: UINTAH
7. STATE: UTAH	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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/31/2013	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Quinex Energy is waiting on funding to drill the DC Fed. 1-11 well.
 Anticipated start date is July - August 2013.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 June 11, 2013**

NAME (PLEASE PRINT) Brad Wells	PHONE NUMBER 435 823-5323	TITLE Field Office Manager
SIGNATURE N/A	DATE 6/7/2013	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80941
---	--

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.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: D.C. FED 1-11
2. NAME OF OPERATOR: QUINEX ENERGY CORP	9. API NUMBER: 43047399830000
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	PHONE NUMBER: 801 292-3800 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: HILL CREEK COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/16/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Upon orders of the BLM, Quinex Energy is going to plug and abandon the DC Fed 1-11. Sundries have been submitted and approved to and from the BLM, they are attached to this document. The plugging will take place on 10/16/2014 at 14:30. The BLM has been given 24 hour notice of this as well. For your information there is 65' of 13 3/8' conductor pipe in place, and it will be cut off 3' below surface and filled with class 'g' cement and then topped with a well identification plate. Reclamation will be to BLM standards.

Approved by the
October 15, 2014
Oil, Gas and Mining

Date: _____
 By: David Quin

NAME (PLEASE PRINT) Brad Wells	PHONE NUMBER 435 823-5323	TITLE Field Office Manager
SIGNATURE N/A	DATE 10/15/2014	

Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
APR 14 2014

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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

5. Lease Serial No.
UTU 80941

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

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

8. Well Name and No.
DC Federal 1-11

2. Name of Operator
Quinex Energy Corp.

9. API Well No.
43-047-39983

3a. Address
465 South 200 West
Bountiful, Utah 84010

3b. Phone No. (include area code)
801-292-3800

10. Field and Pool or Exploratory Area
Hill Creek (617)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface 839' FNL, 650' FEL, Section 11, T11S, R20E, S.L.B.&M.

11. County or Parish, State
Uintah

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

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

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

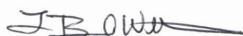
Quinex Energy is proposing to plug the 80' of 13 3/8" casing set to 80' with Class "G" cement back to surface, cutting off below surface level and welding an identification plate on top of casing. The location will then be reclaimed working with BLM, NRS, and Quinex to satisfy all parties. The well will be plugged by August 20, 2014.

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

Brad Wells

Title Field Office Manager

Signature



Date 04/15/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by



Assistant Field Manager
Lands & Mineral Resources

JUL 22 2014

Title

Office

VERNAL FIELD OFFICE

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

Title 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)

OPERATOR

Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
APR 14 2014

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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

5. Lease Serial No.
UTU 80941

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

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

8. Well Name and No.
DC Federal 1-11

2. Name of Operator
Quinex Energy Corp.

9. API Well No.
43-047-39983

3a. Address
465 South 200 West
Bountiful, Utah 84010

3b. Phone No. (include area code)
801-292-3800

10. Field and Pool or Exploratory Area
Hill Creek (617)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Surface 839' FNL, 650' FEL, Section 11, T11S, R20E, S.L.B.&M.

11. County or Parish, State
Uintah

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

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

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

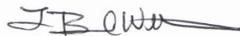
Quinex Energy is proposing to plug the 80' of 13 3/8" casing set to 80' with Class "G" cement back to surface, cutting off below surface level and welding an identification plate on top of casing. The location will then be reclaimed working with BLM, NRS, and Quinex to satisfy all parties. The well will be plugged by August 20, 2014.

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

Brad Wells

Title Field Office Manager

Signature



Date 04/15/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by



Title Assistant Field Manager
Lands & Mineral Resources

Date JUL 22 2014

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

Office

VERNAL FIELD OFFICE

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

(Instructions on page 2)

OPERATOR

Sundry Number: 56741 API Well Number: 43047399830000

RECEIVED: Oct. 15, 2014

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 80941
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: QUINEX ENERGY CORP	7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	8. WELL NAME and NUMBER: D.C. FED 1-11
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0839 FNL 0650 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 11 Township: 11.0S Range: 20.0E Meridian: S	9. API NUMBER: 43047399830000
5. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010	9. FIELD and POOL or WILDCAT: HILL CREEK
6. PHONE NUMBER: 801 292-3800 Ext	COUNTY: UINTAH
7. STATE: UTAH	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 Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/16/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

The DC Fed. 1-11 well was only supped to 80 ft. with 13 3/8' casing. Plugging operations consisted of cutting off the casing 3 ft. below surface, filling the casing with class "G" cement, welding an identification plate on top of the casing, and backfilling the hole made around the well bore. A specific schedule of the work performed is attached to this sundry notice.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY
 September 27, 2016**

NAME (PLEASE PRINT) Brad Wells	PHONE NUMBER 435 823-5323	TITLE Field Office Manager
SIGNATURE N/A	DATE 9/22/2016	



QUINEX ENERGY CORPORATION

DC 1-11 and 2-11 P&A Schedule

October 16, 2014

Persons on location:

Paul Wells – Quinex Energy

Jason Wells – Quinex Energy

Morgan Whiting – BLM

Tri County Concrete

The DC Fed. 1-11 and DC Fed. 2-11 wells were only spudded to 80 ft. with 13 3/8” casing. Plugging operations consisted of cutting off the casing 3 ft. below surface, filling the casing with class “g” cement, welding an identification plate on top of the casing, and backfilling the hole made around the well bore.

13:45-15:20	Cut off Casing on both wells
15:20-15:40	Pour about 2 yards of cement in each well bore
15:40-15:55	Watch cement level to make sure it didn't settle
15:55-16:15	Weld Well Identification plates onto well bore casing
16:15-16:25	Backfill dugout holes around well bore and smooth out location
16:25	Everyone left location

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG		5. LEASE DESIGNATION AND SERIAL NUMBER:
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME
2. NAME OF OPERATOR:		8. WELL NAME and NUMBER:
3. ADDRESS OF OPERATOR: CITY _____ STATE _____ ZIP _____		9. API NUMBER:
PHONE NUMBER: _____		10 FIELD AND POOL, OR WILDCAT
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
		12. COUNTY _____ 13. STATE UTAH

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED: _____	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL):
18. TOTAL DEPTH: MD _____ TVD _____	19. PLUG BACK T.D.: MD _____ TVD _____	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)			23. WAS WELL CORED? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

WAS WELL HYDRAULICALLY FRACTURED? YES NO IF YES -- DATE FRACTURED: _____

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:	30. WELL STATUS:
<input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> DST REPORT <input type="checkbox"/> DIRECTIONAL SURVEY <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> OTHER: _____	

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) _____ TITLE _____
 SIGNATURE Blw _____ DATE _____

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940



QUINEX ENERGY CORPORATION

DC 1-11 and 2-11 P&A Schedule

October 16, 2014

Persons on location:

Paul Wells – Quinex Energy

Jason Wells – Quinex Energy

Morgan Whiting – BLM

Tri County Concrete

The DC Fed. 1-11 and DC Fed. 2-11 wells were only spudded to 80 ft. with 13 3/8” casing. Plugging operations consisted of cutting off the casing 3 ft. below surface, filling the casing with class “g” cement, welding an identification plate on top of the casing, and backfilling the hole made around the well bore.

13:45-15:20	Cut off Casing on both wells
15:20-15:40	Pour about 2 yards of cement in each well bore
15:40-15:55	Watch cement level to make sure it didn't settle
15:55-16:15	Weld Well Identification plates onto well bore casing
16:15-16:25	Backfill dugout holes around well bore and smooth out location
16:25	Everyone left location