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:	6. SURFACE:
ML-28042	Federal

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME: N/A

2. NAME OF OPERATOR: Thurston Energy Operating Company

9. WELL NAME and NUMBER: Thurston 5-15-9-24

3. ADDRESS OF OPERATOR: 4925 Greenville # 900 CITY Dallas STATE TX ZIP 75206

PHONE NUMBER: (323) 251-8819

10. FIELD AND POOL, OR WILDCAT: ~~Undesignated~~ Devils Playground 575

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 1963' FNL & 463' FWL 652946X 40.037738

AT PROPOSED PRODUCING ZONE: Same as above 4433275Y -109.207329

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 15 9S 24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 38.1 miles south of Vernal, UT

12. COUNTY: Uintah

13. STATE: UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
463'	616.59	40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
3,100'	8,000	0269435277
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5313.1	6/1/2010	30 Days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12 1/4	8 5/8	J-55	36#	2,000	Premium Lite II	250 SX	3.38 CF	11.0 PPG
					Class "G"	329 SX	1.2 CF	15.6 PPG
					Calcium Chloride	200 SX	1.10 CF	15.6 PPG
7 7/8	4 1/2	N-80	11.6#	8,000	Premium Lite II	200 SX	3.3 CF	~~14.3~~ 14.0 PPG
					Class G	400 SX	1.56 CF	14.3 PPG

25. **ATTACHMENTS**

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

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER

☑ COMPLETE DRILLING PLAN

☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) William A Ryan (435) 789-0968 TITLE Agent

SIGNATURE William A Ryan DATE 2/24/2010

(This space for State use only)

API NUMBER ASSIGNED: 43-047-40627

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

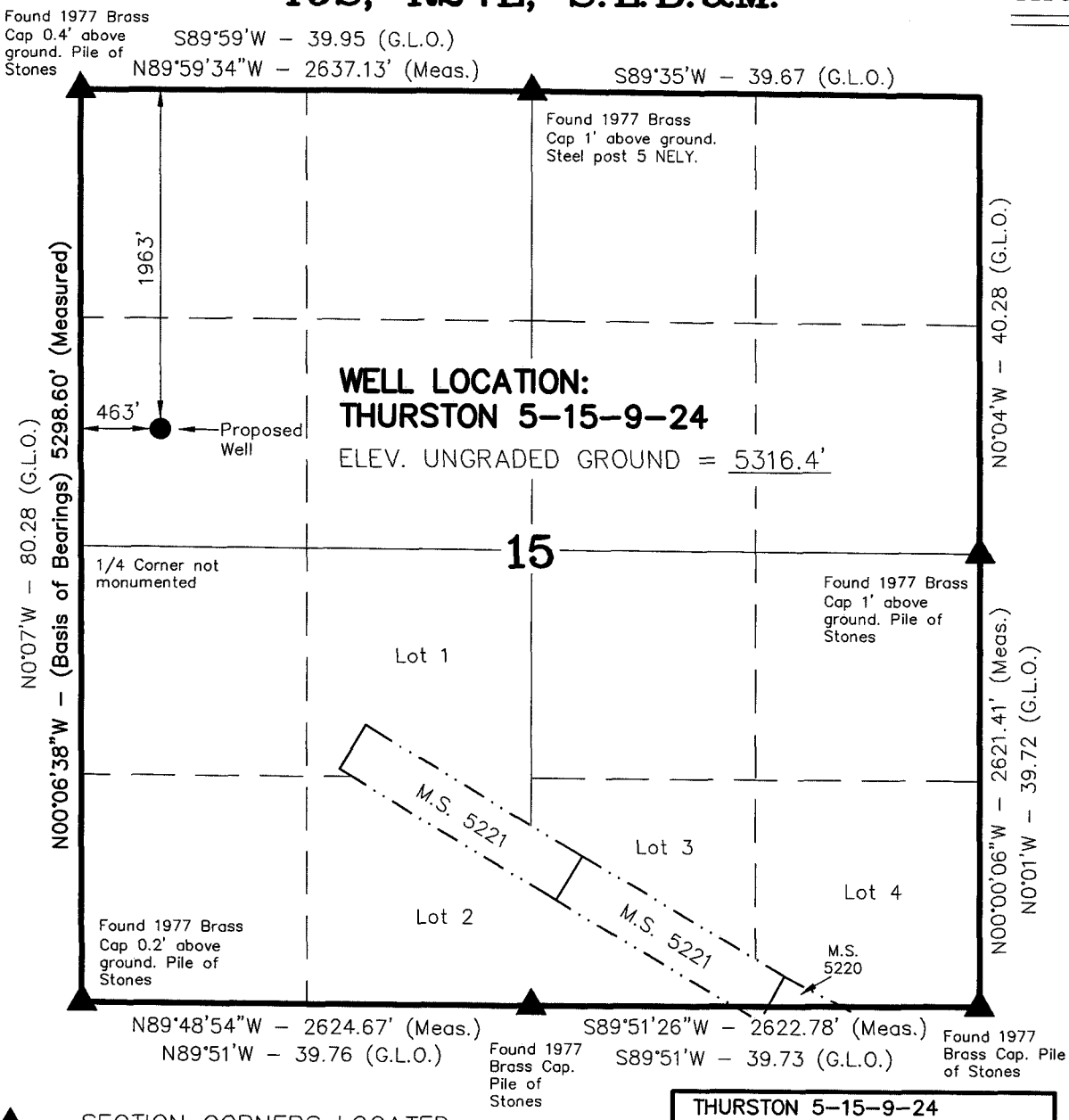
Date: 06-16-10
(See Instructions on Reverse Side)

By: _____

RECEIVED
MAR 15 2010
DIV. OF OIL, GAS & MINING

(11/2001)

T9S, R24E, S.L.B.&M.



THURSTON ENERGY OPERATING COMPANY

WELL LOCATION, THURSTON 5-15-9-24, LOCATED AS SHOWN IN THE SW 1/4 NW 1/4 OF SECTION 15, T9S, R24E, S.L.B.&M. UINTAH COUNTY, UTAH.

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

N

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

REGISTERED LAND SURVEYOR
KOLBY R. KAY
STATE OF UTAH
REGISTRATION NO. 362251

▲ = SECTION CORNERS LOCATED

BASIS OF ELEVATION IS BENCH MARK 46 EAM LOCATED IN THE SW 1/4 OF SECTION 23, T9S, R24E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE BONANZA 7.5 MIN. QUADRANGLE AS BEING 5550'.

THURSTON 5-15-9-24
(Proposed Well Head)
NAD 83 Autonomous
LATITUDE = 40° 02' 16.0"
LONGITUDE = 109° 12' 28.7"

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

DATE SURVEYED: 10-15-05	SURVEYED BY: K.R.K.	SHEET 2 OF 10
DATE DRAWN: 10-29-05	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised:	

Thurston Energy, LLC

4925 Greenville Avenue, Suite 900 • Dallas, Texas 75206 USA (323) 251-8819

February 24, 2010

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

To Whom It May Concern:

This APD filing for state well name **Thurston 5-15-9-24**, located in ML-28042, and all filing information is identical to a previously approved permit with the same well location, name, etc., that has since expired. The previously approved API Well number is 43-047-37405.

Thurston is essentially "re-filing" for a new permit and API #. Please let me know if there is anything else you may need from me in this regard.

Please hold all information associated with this Application for Permit to Drill and all associated logs confidential for a minimum of six (6) months.

Best Regards,

William A Ryan, Agent for Thurston
(435) 789-0968

Thurston Energy, LLC

4925 Greenville Avenue, Suite 900 • Dallas, Texas 75206 USA

10 Point Plan

Thurston Energy Operating Company

Thurston 5-15-9-24

Surface Location SW ¼ NW ¼, Section 15, T.9S, R.24E

1. **Surface Formation**

   Green River

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

Formation	Depth	Datum
Green River	Surface	+5,313' G.L.
Uteland Butte Limestone	3,545'	+1,768'
Wasatch	3,635'	+1,678'
Mesaverde	5,385'	-72'
Buck Tongue	6,810'	-1,497'
Castlegate	6,880'	-1,567'
TD	8,000'	-2,687'

   A 12 ¼" will be drilled to 2,000' +/-. The hole will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. **Producing Formation Depth:**

   Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

   Off Set Well information

   Permitted/Drilled: Thurston 10-15-9-24

   Producing Wells: Bonanza #4D-16

   Abandoned Wells: Bonanza 14-16, Bonanza 2B-16, Dirty Devil U 1-9, and State 14-16

   Shut in Wells: Dirty Devil 31-15A

   Water Well: Federal 14-10

4. Proposed Casing:

Hole Size	Casing Size	Weight/FT	Grade	Coupling & Tread	Casing Depth	New/Used
11	8 5/8	36#	J-55	STC	2000	New
7 7/8	4 ½	11.6#	N-80	LTC	TD	New

Cement Program:

The surface casing will be cemented to the surface as follows:

	Casing Size	Cement Type	Cement Amounts	Cement Yield	Cement Weight
Lead:	8 5/8	Premium Lite II, .05#/sk Static Free, .25#sk Cello Flake, 5#/sk KOL Seal, .002 gps FP-6L, 10% Bentonite, .5% Na2SiO3, 3% KCL	250 sks. +/-	3.38 ft^3/sk	11.0 ppg
Tail:	8 5/8	Class "G", 2% CaCl2, .25#/sk Cello Flake	329 sks. +/-	1.2 ft^3/sk	15.6 ppg
Top Job:	8 5/8	4% CaCL2, .25#/sk Cello Flake	200 sks. +/-	1.10 ft^3/sk	15.6 ppg

Production casing will be cemented to 2,500' or higher as follows:

	Casing Size	Cement Type	Cement Amounts	Cement Yield	Cement Weight
Lead:	4 ½	Premium Lite II, .25#/sk Cello Flake, .05#/sk Static Free, 5#/sk Kol Seal, 3% KCL, .055 gps FP-6L, 10% Bentonite, .5 Na2SiO3	200 sks +/-	3.3 ft^3/sk	11.0 ppg
Tail:	4 ½	Class "G", .05% Static Free, 2 NaCl, .1% R-3, 2% Bentonite	400 sks +/-	1.56 ft^3/sk	14.3 ppg

5. **BOP and Pressure Containment Data:**

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000 psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8 surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. **Mud Program:**

Interval	Mud Weight lbs/gal	Viscosity Sec/OT	Fluid Loss Ml/30 min	Mud Type
0-2000	Air/Clear Water	-----	No Control	Water/Gel
2000-TD	8.4-12.0	30	8-10	Water/Gel

7. **Auxiliary Equipment**

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. **Testing Coring, Sampling and Logging:**

a) Test: None are anticipated

b) Coring: There is the possibility of sidewall coring

c) Sampling: Every 10' from 2000' to TD

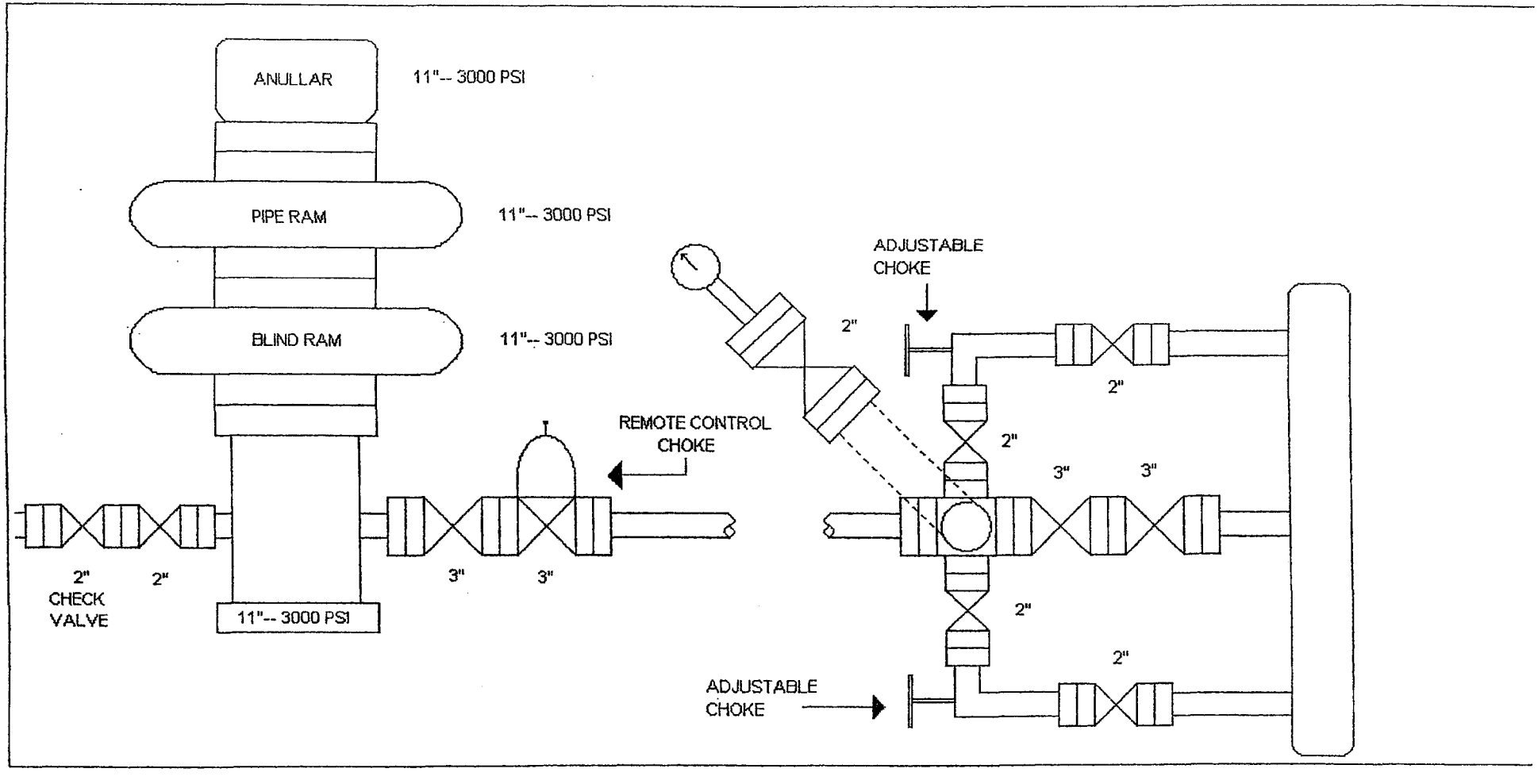
d) Logging: Type: DLL/SFL W/GR and SP @ Interval: TD to Surf Csg; Type: FDC/CNL W/GR and CAL @ Interval: TD to Surf Csg.

9. **Abnormalities (including sour gas):**

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

10. **Drilling Schedule:**

The anticipated starting date is 6/1/10. Duration of operations is expected to be 30 days.


ANULLAR
11"-- 3000 PSI
PIPE RAM
11"-- 3000 PSI
BLIND RAM
11"-- 3000 PSI
ADJUSTABLE CHOKE
2"
2"
REMOTE CONTROL CHOKE
2"
3"
3"
2" CHECK VALVE
2"
3"
3"
11"-- 3000 PSI
2"
2"
ADJUSTABLE CHOKE

Thurston Energy, LLC

4925 Greenville Avenue, Suite 900 • Dallas, Texas 75206 USA

13 POINT SURFACE USE PLAN FOR THURSTON 5-15-9-24

LOCATED IN SW ¼ NW ¼, SECTION 15, T.9S, R24E, S.L.B.&M

UINTAH COUNTY, UTAH

LEASE NUMBER: ML-28042

SURFACE OWNERSHIP: FEDERAL

1. **Existing Roads:**

Thurston Energy Operating Company, Thurston 5-15-9-24, Section 15, T9S, R24E, starting in Vernal, Utah: Proceed in an easterly, then southerly direction from Vernal, Utah along US Highway 40 approximately 3.3 miles to the junction of State Highway 45; exit right and proceed in a southerly direction along State Highway 45 approximately 33.4 miles to the junction of the Little Bonanza Road, County B Road 3430; exit right and proceed in a southwesterly direction along the Little Bonanza road approximately 1.3 miles to the proposed access road; follow road flags in a northwesterly direction approximately 460 feet to the proposed location.

Total Distance from Vernal, Utah to the proposed well location is approximately 38.1 miles.

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

2. **Planned access road:**

The proposed access road will be approximately 460' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate Length	460'
B) Right-of-Way width	30'
C) Running surface	18'
D) Surface material	Native Soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface ownership	Federal
L) All new construction on lease	Yes
M) Pipeline crossing	No

Please see the attached location plat for additional details.
An off lease Right-of-Way will not be required.
All surface disturbances for the road and location will be within the lease boundary.

3. **Location of existing wells:**

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

A) Producing well	Bonanza 4D-16
B) Water well	None
C) Abandoned well	State 14-16, Dirty Devil U 1-19, Bonanza 2B-16, Bonanza 14-16
D) Temp abandoned well	None
E) Disposal well	Federal 14-10
F) Drilling/Permitted well	Thurston 10-15-9-24
G) Shut In well	Dirty Devil 31-15A
H) Injection well	None
I) Monitoring or observation well	None

Please see attached map for additional details.

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

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

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

Al tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

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

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

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

Approximately 2,740' +/- of 3" surface pipeline would be constructed on Federal lands. The pipeline will tie into the existing pipeline in Sec 15, T9S, R24E. The pipeline will be strung and boomed to the east of the location and parallel to the access roads.

An off lease Right-of-Way will not be required.

Please see the attached location diagrams for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

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

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. **Location and type of water supply:**

Water for drilling and cementing will come from the White River at the Bonanza Bridge, Permit # - T75376.

6. **Source of construction materials:**

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

7. Methods for handling waste disposal:

A) Pit construction and liners:

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

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

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

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

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

8. Ancillary facilities:

There are no ancillary facilities planned at this time nor foreseeable in the future.

9. Well-site layout:

Location dimensions are as follows:

A) Pad length	345 ft
B) Pad width	260 ft
C) Pit depth	12 ft
D) Pit Length	150 ft
E) Pit width	75 ft
F) Max cut	14.7 ft
G) Max fill	6.6 ft
H) Total cut yds	6,860 cu yds
I) Pit location	South end
J) Top soil location	West end
K) Access road location	East end
L) Flare Pit	Corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

A) Thirty-nine inch new wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

B) The net wire shall be no more than 2 inches above the net wire. Total height of the fence shall be at least 42 inches.

C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface:

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **1,500** cubic yards of material.

Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

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

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling, the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

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

A) Seeding dates:

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

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

B) Seed Mix:

To be determined by the Authorized Officer.

11. Surface ownership:

Access road, Location, Pipeline - All Federal

12. Other information:

A) Vegetation:

The vegetation coverage is "Slight". The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

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

C) Archeology:

The location has been surveyed. See copy of survey.

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

D) Water:

The nearest water is the White River located approximately 5 miles to the South.

E) Chemicals:

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

F) Notification:

a) Location Construction – at least forty-eight (48) hours prior to construction of location and access roads.
b) Location Completion – prior to moving on the drilling rig.
c) Spud Notice – at least twenty-four (24) hours prior to spudding the well.
d) Casing string and cementing – at least twenty-four (24) hours prior to running casing and cementing all casing strings.
e) BOP and Related Equipment Tests – at least twenty-four (24) hours prior to initial pressure tests.

f) First Production Notice – within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

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

13. Lessees or Operator's representative and certification:

A) Representative

William A Ryan
Rocky Mountain Consulting
730 East 300 South
Vernal, UT 84078

Office: (435) 789-0968
Fax: (435) 789-0970
Mobile: (435) 828-0969

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

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

B) Certification:

I herby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by Thurston Energy Operating Company and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date: March 10, 2010

William A Ryan

William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Dates:

Thurston Energy, LLC

4925 Greenville Avenue, Suite 900 • Dallas, Texas 75206 USA

Statement of Use of Hazardous Materials

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

If you require addition information please contact:

William A Ryan
Rocky Mountain Consulting
730 East 300 South
Vernal, UT 84078

Office: (435) 789-0968
Fax: (435) 789-0970
Mobile: (435) 828-0969

IPC# 06-124

Paleontological Reconnaissance Report

Thurston Energy's Proposed Well Pads, Access Roads, and Pipelines for "Thurston #9-7-9-24; #7-9-9-24; #5-15-9-24; #10-15-9-24; #13-19-9-24; #8-20-9-24; #13-20-9-24; #5-27-9-24; #15-27-9-24; & #12-29-9-24" (Sec. 7, 9-10, 15, 19-20, 27, & 29, T 9 S, R 24 E)

Bonanza & Red Wash SE
Topographic Quadrangles
Uintah County, Utah

May 19, 2006

Prepared by Stephen D. Sandau
Paleontologist
Intermountain Paleo-Consulting
P. O. Box 1125
Vernal, Utah 84078

WELL COPY

A CULTURAL RESOURCE INVENTORY FOR THE THURSTON ENERGY OPERATING COMPANY WELLS [redacted] #7-9-9-24, #5-15-9-24, #10-15-9-24, #13-19-9-24, #8-20-9-24, #13-20-9-24, #5-27-9-24, #15-27-9-24, #12-29-9-24 and #13-29-9-24, AND THEIR ASSOCIATED ACCESS ROADS AND PIPELINES, UINTAH COUNTY, UTAH

by

Sandy Chynoweth Pagano
Archaeologist

Prepared for:

Rocky Mountain Consulting, Inc.
290 South 800 East
Vernal, Utah 84078

Prepared by:

Sagebrush Consultants, L.L.C.
3670 Quincy Avenue, Suite 203
Ogden, Utah 84403

Under the Authority of:

Cultural Resource Use Permit No. 05UT54630

and

Utah State Antiquities Permit No. U-05-SJ-1411bps

Cultural Resource Report No. 1479

April 20, 2006

FORM 4B

Bond No. 0269435277

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

COLLATERAL BOND

KNOW ALL MEN BY THESE PRESENTS:

That we (operator name) Thurston Energy Operating Company as Principal, which is duly authorized and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

Thirty Thousand and NO/100---------- dollars ($ $30,000.00)
lawful money of the United States by virtue of the following financial instruments (cash account, negotiable bonds of the United States, a state or municipality, or negotiable certificate of deposit – see Rule R649-3-1):

Certificate of Deposit Bond # 0269435277

payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the drilling, redrilling, deepening, repairing, operating, and plugging and abandonment of a well or wells and restoring the well site or sites in the State of Utah for the purposes of oil or gas production and/or the injection and disposal of fluids in connection therewith for the following described land or well:

____ Blanket Bond: To cover all wells drilled in the State of Utah

_✓_ Individual Bond: Well No: Thurston 5-15-9-24
Section: 15 Township: 9S Range: 24E
County: Uintah, Utah

NOW, THEREFORE, if the above bounden Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and requirements of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper plugging and abandonment of wells and well site restoration, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal to be affixed this
1st day of March, 20 10.

(Corporate or Notary Seal here)
NOTARY PUBLIC STATE OF UTAH
LOUISE ROSS
MY COMMISSION EXPIRES
JULY 29, 2010

Attestee: Louise Ross Date: 3/1/10

Thurston Energy Operating Company
Principal (company name)

By Ralph Curton, Jr. President/CEO
Name (print) Title

Signature

(5/2002)

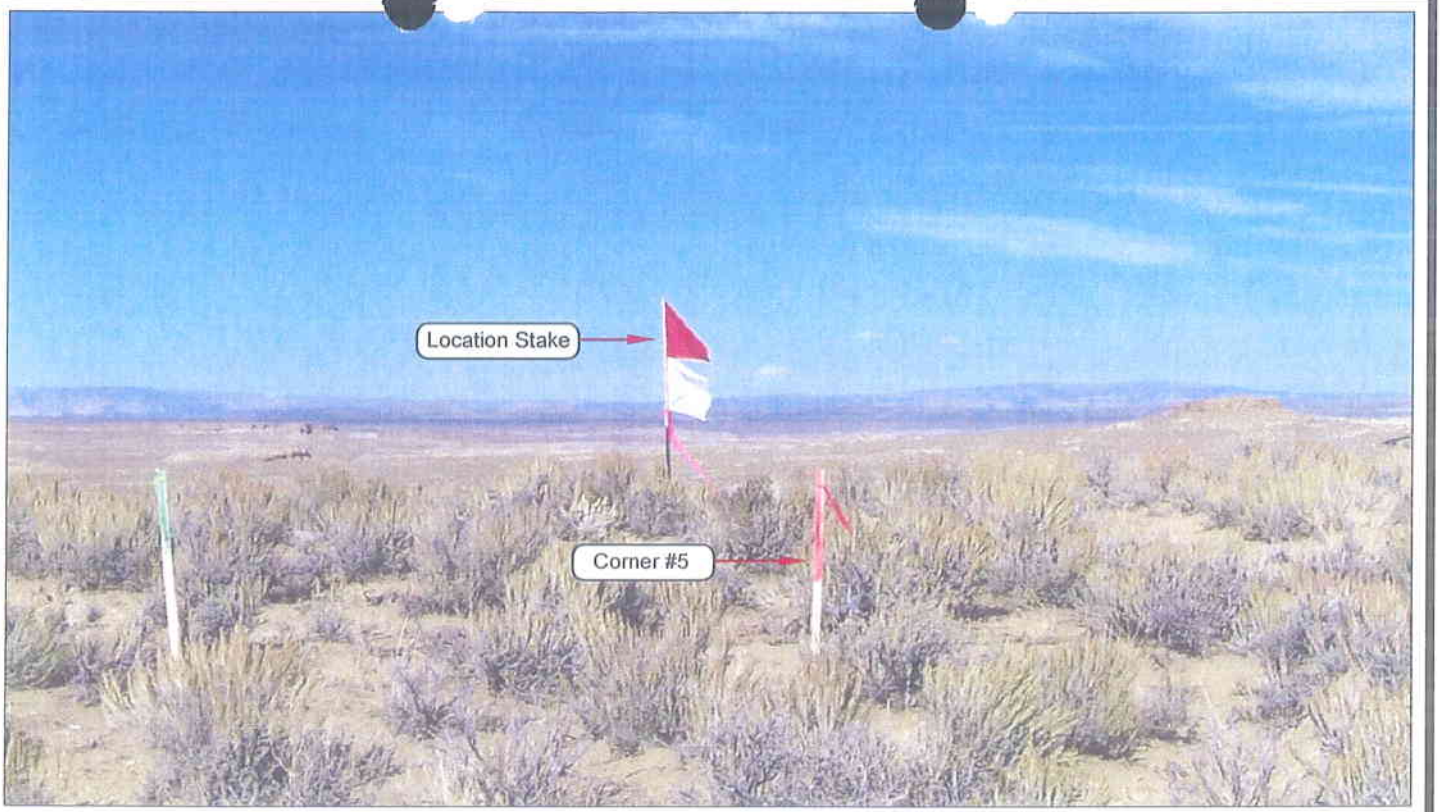


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE CAMERA ANGLE: NORTHEASTERLY

PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD CAMERA ANGLE: NORTHWESTERLY

THURSTON ENERGY OPERATING COMPANY

Thurston 5-15-9-24
SECTION 15 , T9S, R24E, S.L.B.&M.
1963' FNL & 463' FWL

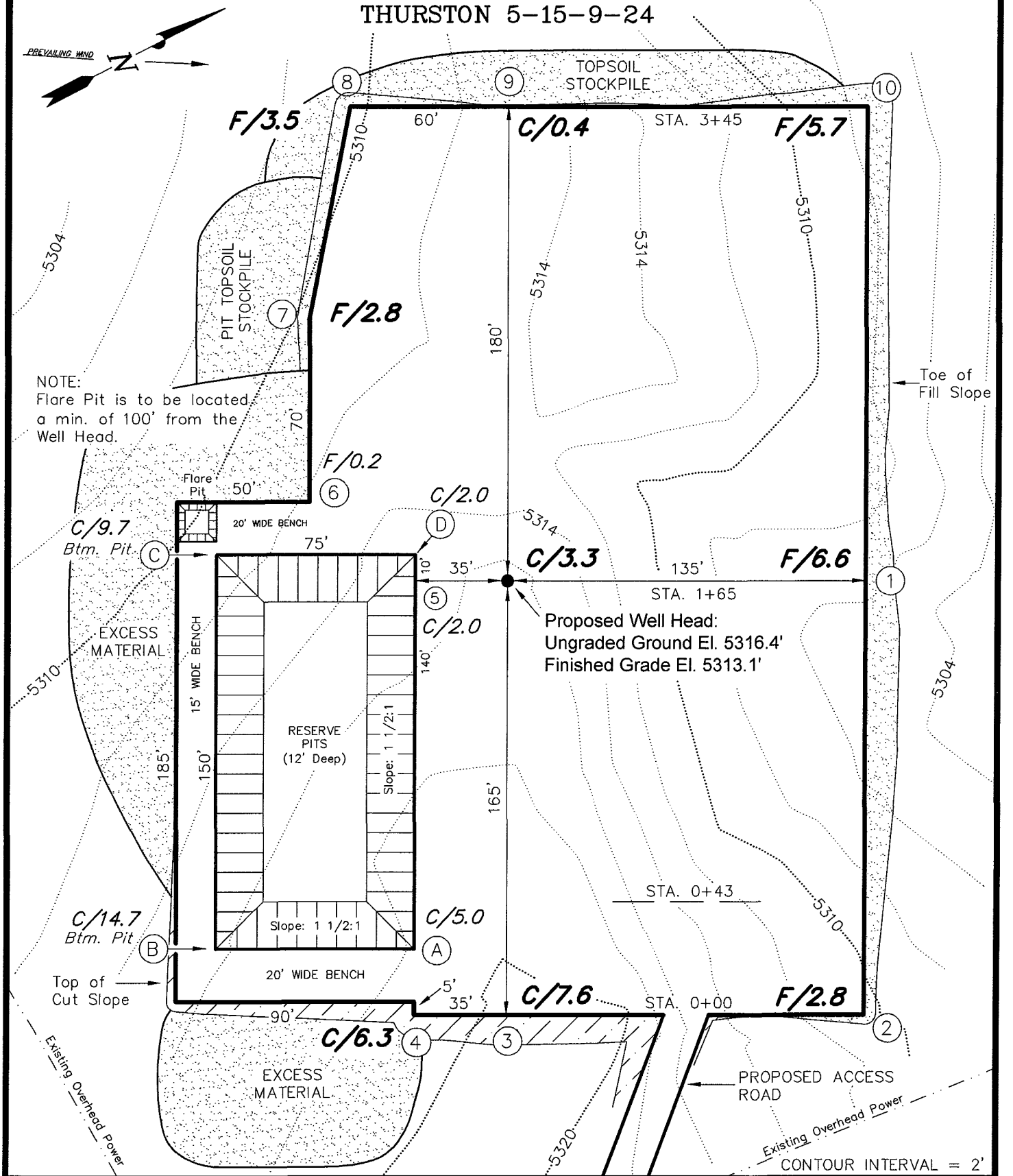
LOCATION PHOTOS		DATE TAKEN: 10-15-05
		DATE DRAWN: 11-01-05
TAKEN BY: K.R.K.	DRAWN BY: BJ.Z.	REVISED: 11-02-05 BJ.Z.

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

THURSTON ENERGY OPERATING COMPANY

CUT SHEET

THURSTON 5-15-9-24

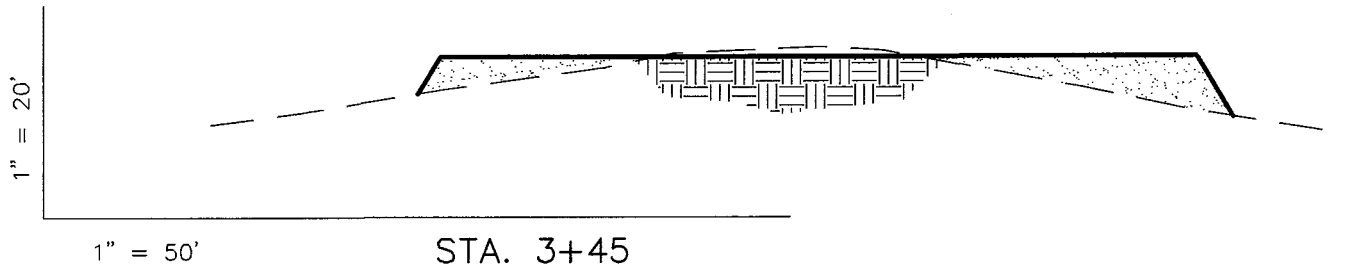


Section 15, T9S, R24E, S.L.B.&M.	Qtr/Qtr Location: SW NW	Footage Location: 1963' FNL & 463' FWL		
Date Surveyed: 10-15-05	Date Drawn: 11-1-05	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 3 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'		

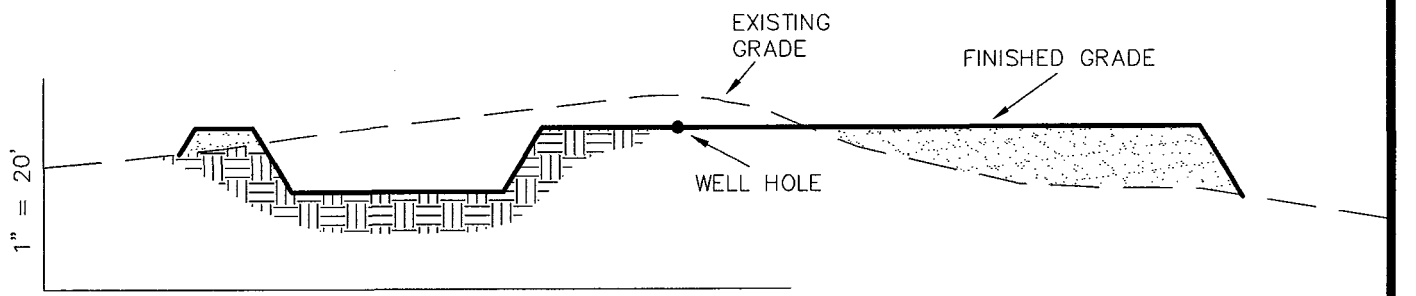
THURSTON ENERGY OPERATING COMPANY

CROSS SECTIONS

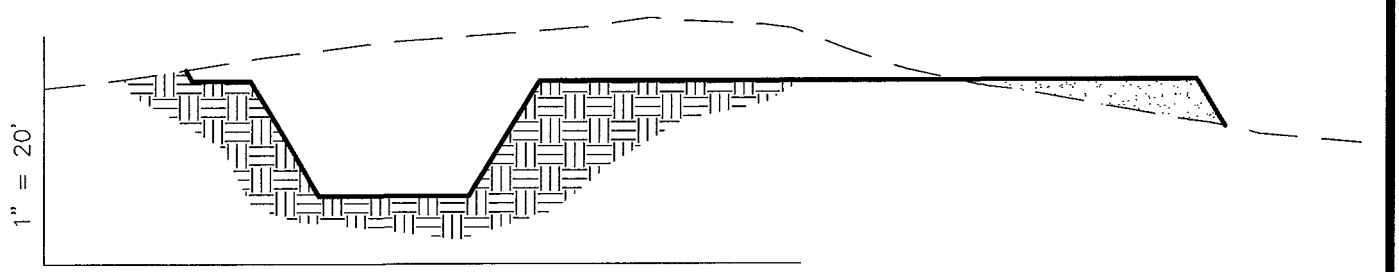
THURSTON 5-15-9-24



STA. 3+45

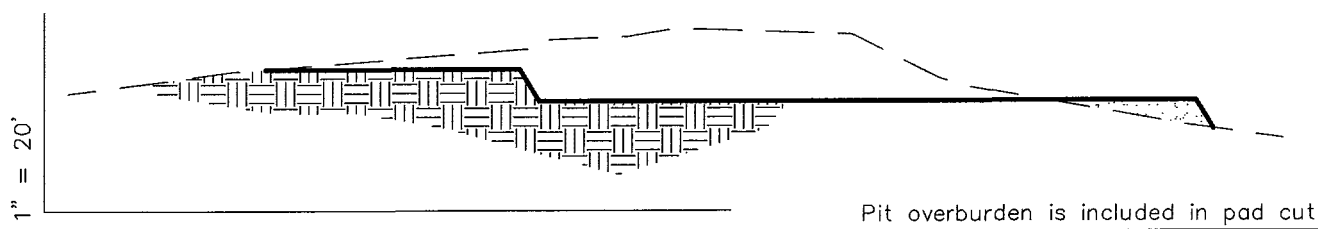


STA. 1+65



STA. 0+43

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



STA. 0+00

REFERENCE POINTS

185' NORTHEASTERLY = 5303.3'
235' NORTHEASTERLY = 5298.6'
230' NORTHWESTERLY = 5313.9'
280' NORTHWESTERLY = 5313.0'

Pit overburden is included in pad cut.

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

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,520	5,190	Topsoil is not included in Pad Cut	-1,670
PIT	3,340	0		3,340
TOTALS	6,860	5,190	1,500	1,670

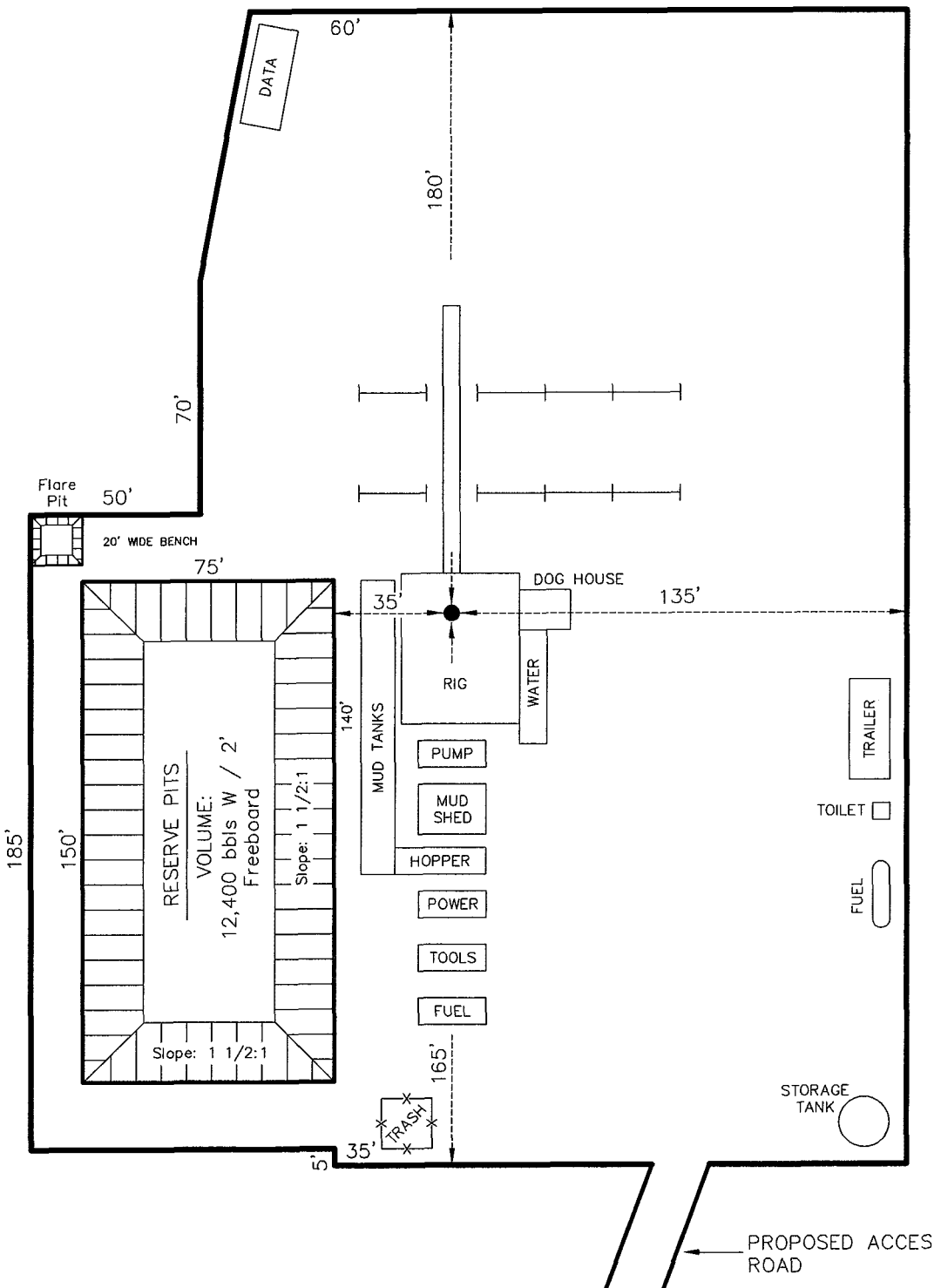
Excess Material after Pit Rehabilitation = 0 Cu. Yds.

Section 15, T9S, R24E, S.L.B.&M.	Qtr/Qtr Location: SW NW		Footage Location: 1963' FNL & 463' FWL	
Date Surveyed: 10-15-05	Date Drawn: 11-1-05	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 4 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'		

THURSTON ENERGY OPERATING COMPANY

TYPICAL RIG LAYOUT

THURSTON 5-15-9-24

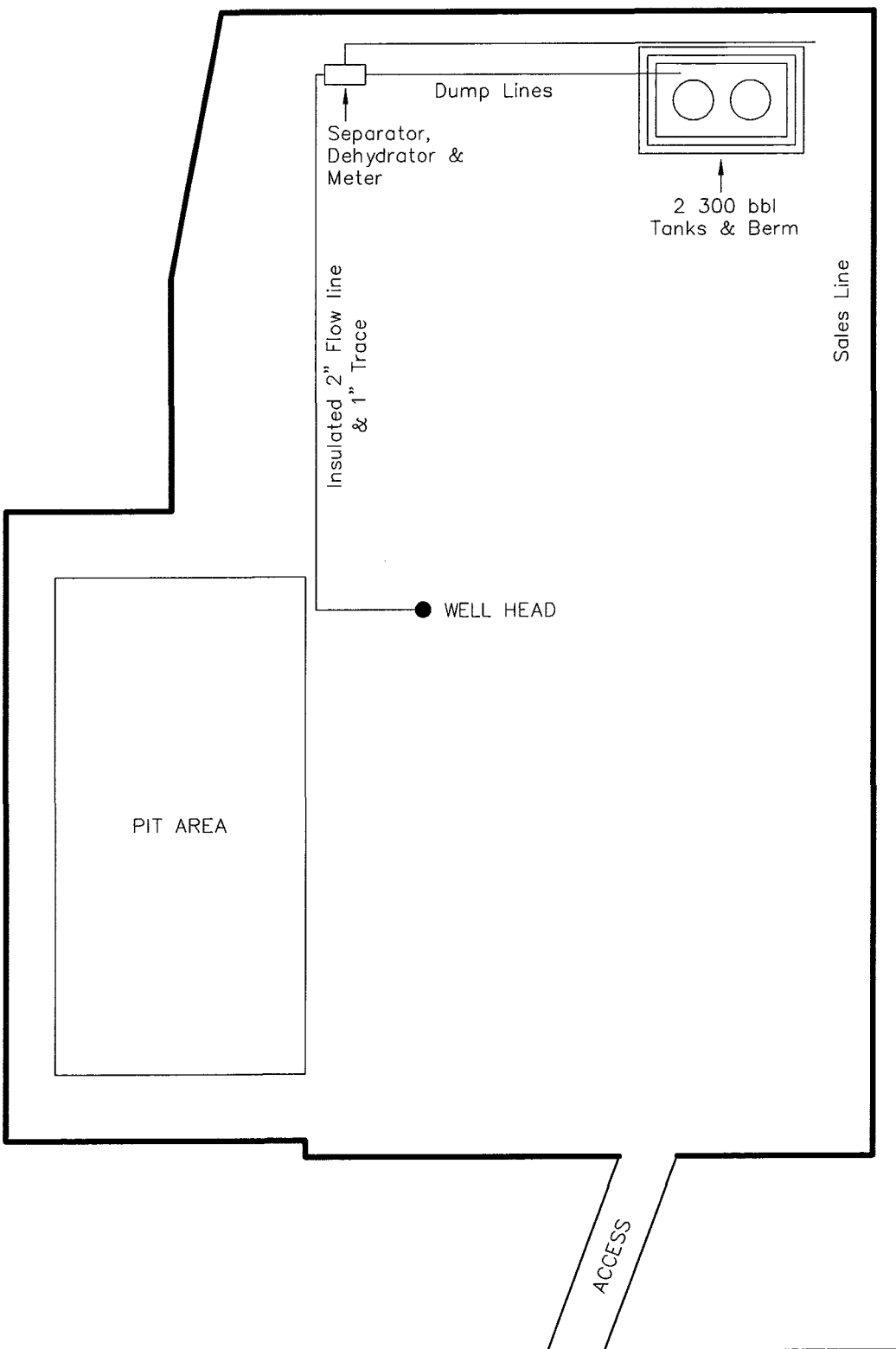


Section 15, T9S, R24E, S.L.B.&M.	Qtr/Qtr Location: SW NW	Footage Location: 1963' FNL & 463' FWL		
Date Surveyed: 10-15-05	Date Drawn: 11-1-05	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 5 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'		

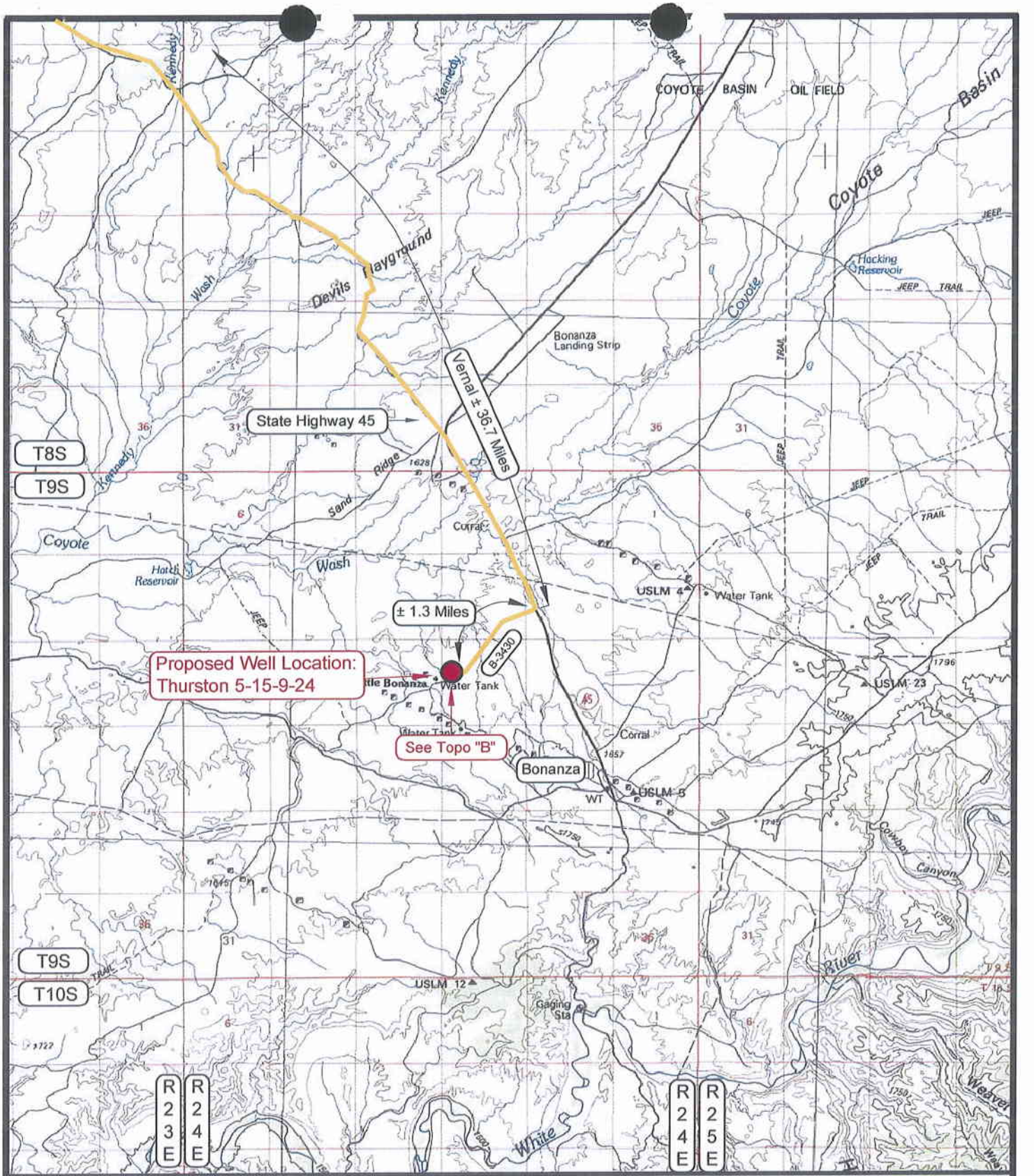
THURSTON ENERGY OPERATING COMPANY

TYPICAL PRODUCTION LAYOUT

THURSTON 5-15-9-24



Section 15, T9S, R24E, S.L.B.&M.	Qtr/Qtr Location: SW NW		Footage Location: 1963' FNL & 463' FWL	
Date Surveyed: 10-15-05	Date Drawn: 11-1-05	Date Last Revision:	Timberline Land Surveying, Inc. (435) 789-1365 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 6 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'		



LEGEND

= PROPOSED WELL LOCATION

= EXISTING ROAD

= EXISTING ROAD (TO BE IMPROVED)

= PROPOSED ACCESS ROAD

B-3430 = COUNTY ROAD CLASS & NUMBER

N

THURSTON ENERGY OPERATING COMPANY

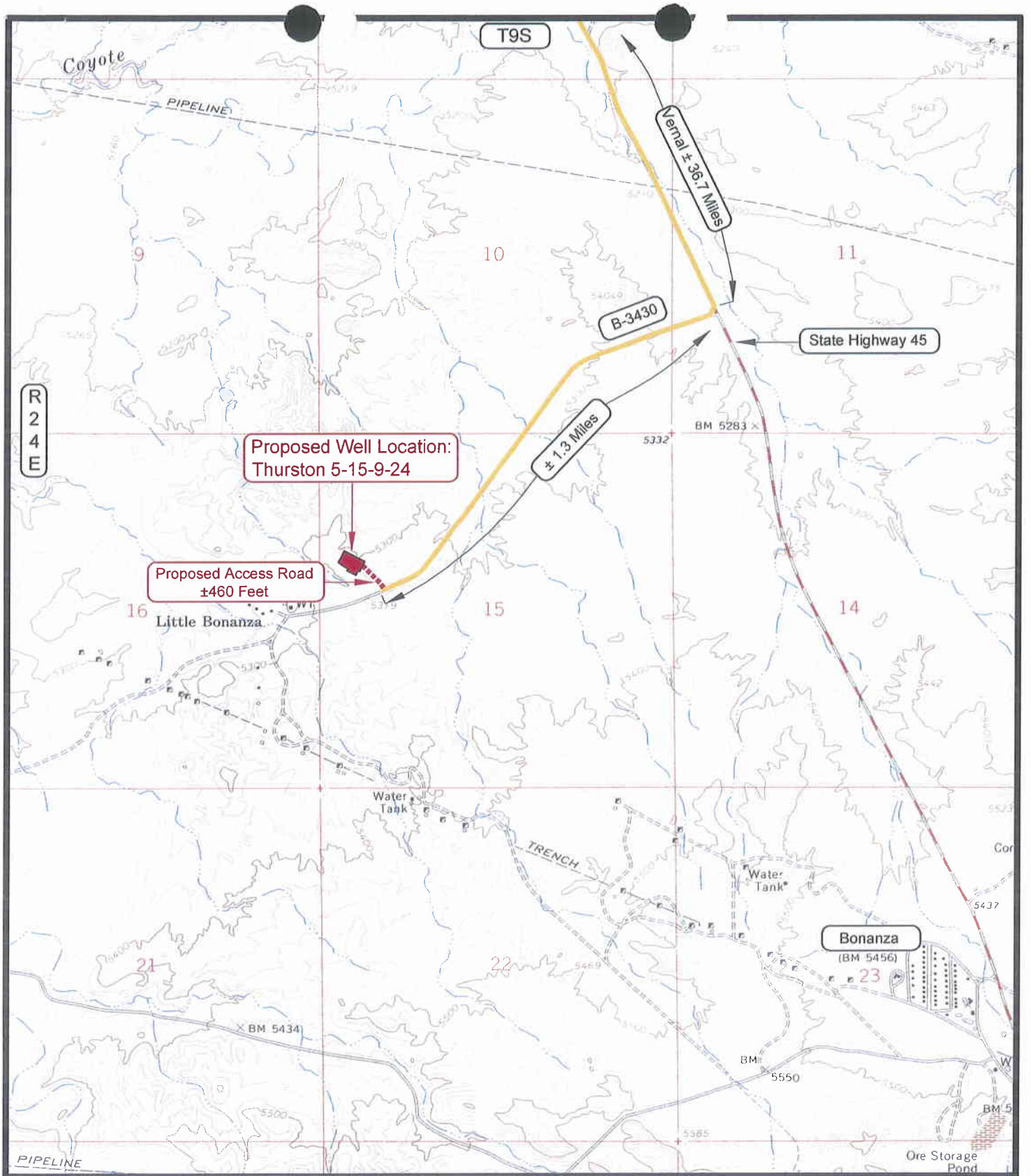
Thurston 5-15-9-24

SECTION 15, T9S, R24E, S.L.B.&M.

1963' FNL & 463' FWL

TOPOGRAPHIC MAP "A"		DATE SURVEYED: 10-15-05
		DATE DRAWN: 10-31-05
SCALE: 1:100,000	DRAWN BY: BJ.Z.	REVISED: 11-02-05 BJ.Z.

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



LEGEND

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

N

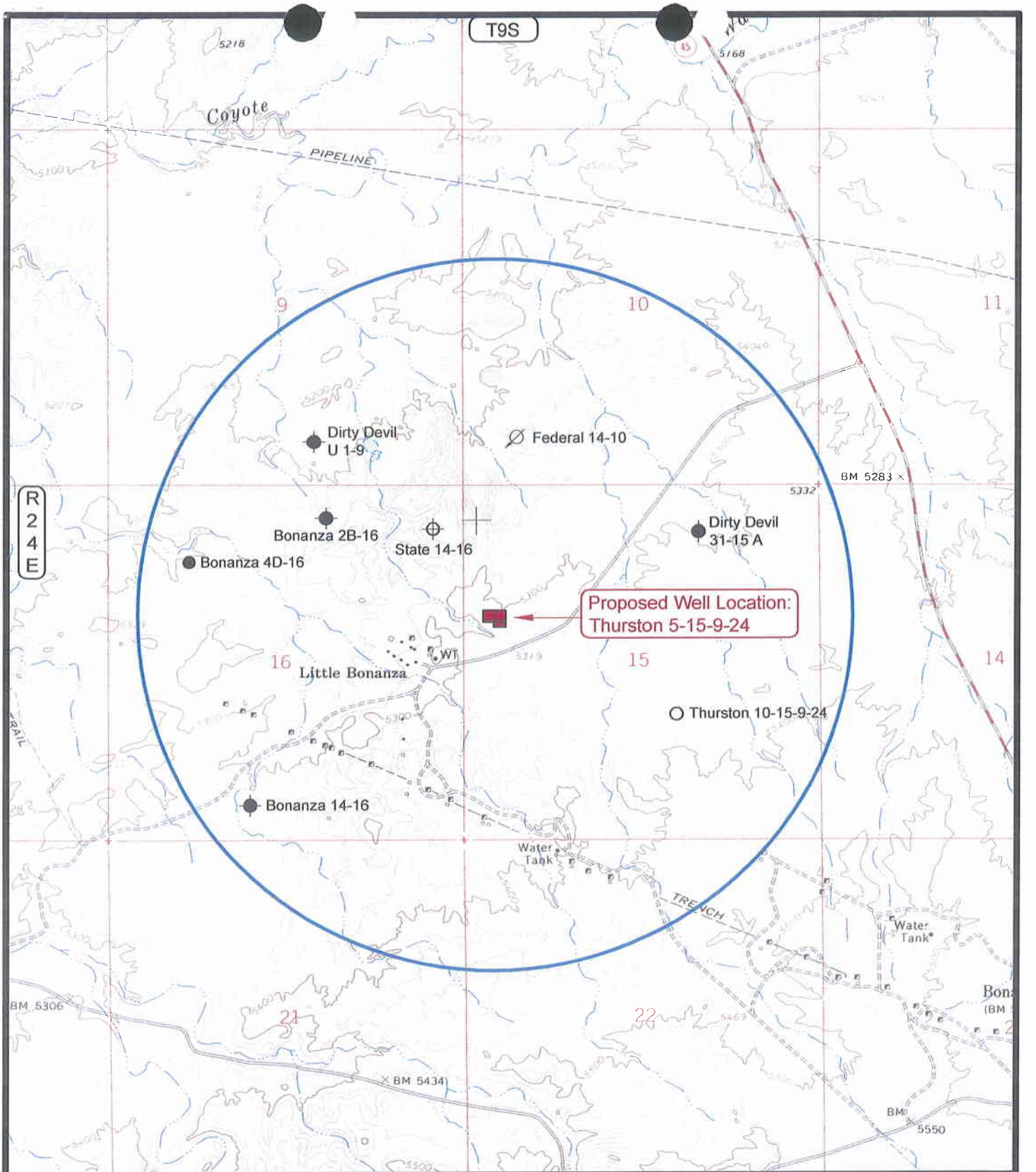
THURSTON ENERGY OPERATING COMPANY

Thurston 5-15-9-24
SECTION 15 , T9S, R24E, S.L.B.&M.
1963' FNL & 463' FWL

TOPOGRAPHIC MAP "B"	DATE SURVEYED: 10-15-05
	DATE DRAWN: 11-1-05
SCALE: 1" = 2000' | DRAWN BY: BJ.Z.	REVISED: 11-02-05 BJ.Z.

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

SHEET 8 OF 10



LEGEND

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

N

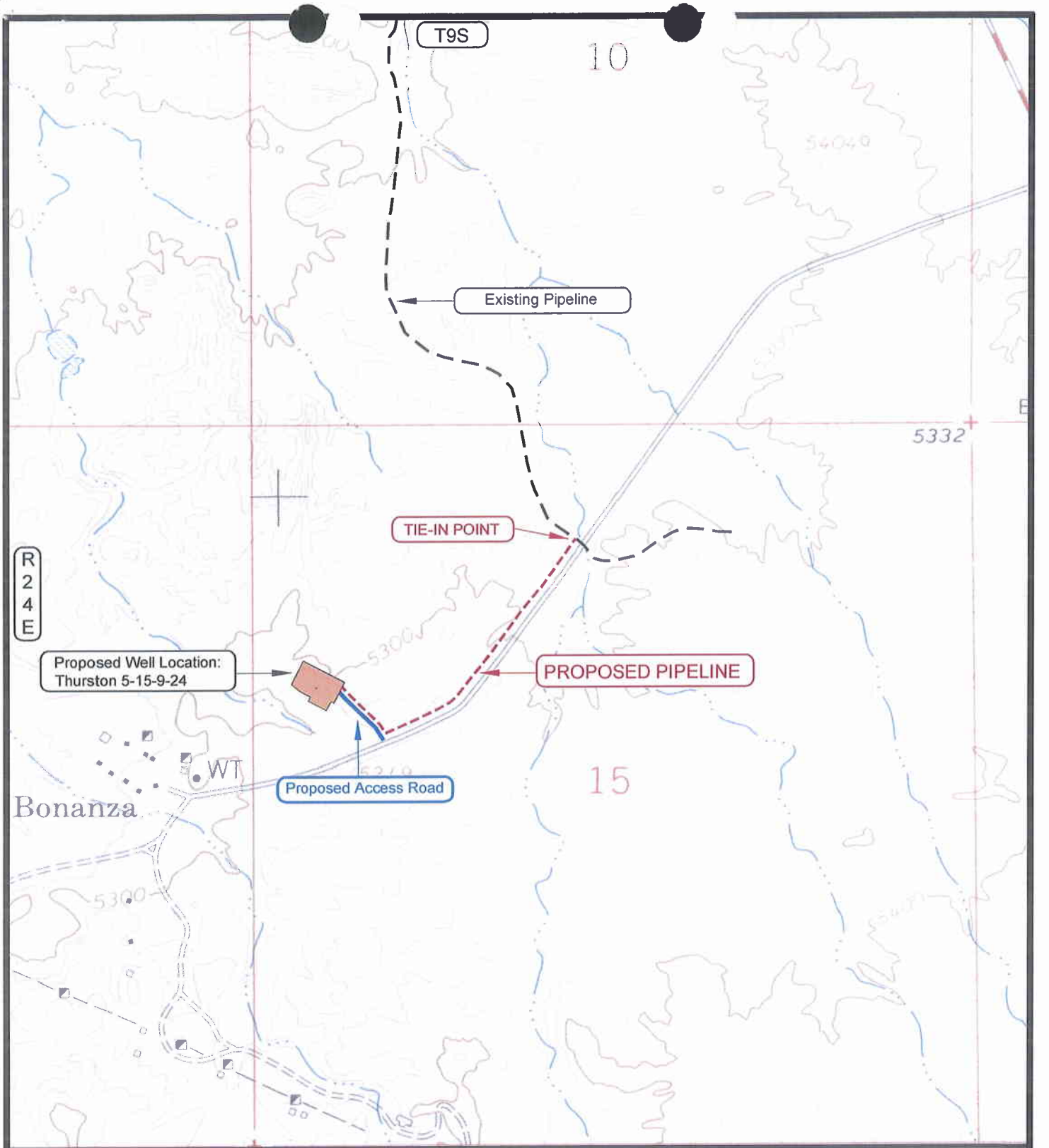
THURSTON ENERGY OPERATING COMPANY

Thurston 5-15-9-24
SECTION 15 , T9S, R24E, S.L.B.&M.
1963' FNL & 463' FWL

TOPOGRAPHIC MAP "C"		DATE SURVEYED: 10-15-05
		DATE DRAWN: 11-01-05
SCALE: 1" = 2000'	DRAWN BY: BJ.Z.	REVISED: 11-02-05 BJ.Z.

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

SHEET 9 OF 10



APPROXIMATE PIPELINE LENGTH = 2,500 FEET

LEGEND

= EXISTING PIPELINE
= PROPOSED PIPELINE
= PROPOSED ACCESS ROAD
= LEASE LINE AND / OR PROPERTY LINE

N

THURSTON ENERGY OPERATING COMPANY

Thurston 5-15-9-24
SECTION 15 , T9S, R24E, S.L.B.&M.
1963' FNL & 463' FWL

TOPOGRAPHIC MAP "D"		DATE SURVEYED: 10-15-05
		DATE DRAWN: 11-01-05
SCALE: 1" = 1000'	DRAWN BY: BJ.Z.	REVISED: 11-02-05 BJ.Z.

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

SHEET 10 OF 10

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/15/2010

API NO. ASSIGNED: 43-047-40627

WELL NAME: THURSTON 5-15-9-24

OPERATOR: THURSTON ENERGY (N2790)

PHONE NUMBER: 435-789-0968

CONTACT: BILL RYAN

PROPOSED LOCATION:

SWNW 15 090S 240E

SURFACE: 1963 FNL 0463 FWL

BOTTOM: 1963 FNL 0463 FWL

COUNTY: UINTAH

LATITUDE: 40.03774 LONGITUDE: -109.20733

UTM SURF EASTINGS: 652946 NORTHINGS: 4433275

FIELD NAME: DEVILS PLAYGROUND (575)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	5/6/10
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-28042

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: CSLGT

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 0269435277)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. T-75376)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: ___

___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

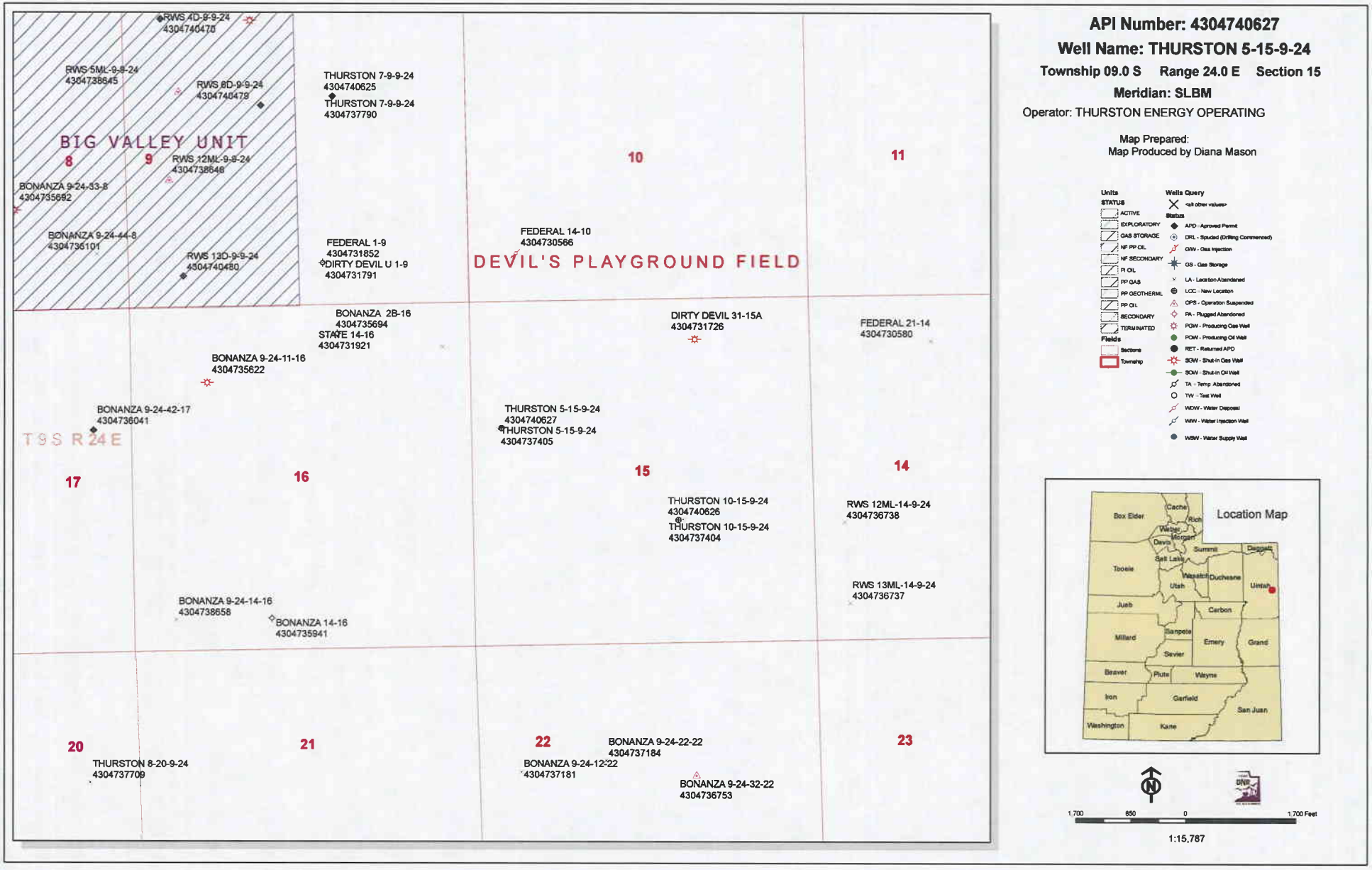
___ R649-3-3. Exception

✓ Drilling Unit
Board Cause No: 179-15
Eff Date: 7-17-2008
Siting: 460' fr ext. lease boundary

___ R649-3-11. Directional Drill

COMMENTS: ___

STIPULATIONS: 1- Federal Approval
2- Spacing Slip
3- STATEMENT OF BASIS
4 - Cmt Stip # 3 (4 1/2" production, 2500' MD)



API Number: 4304740627

Well Name: THURSTON 5-15-9-24

Township 09.0 S Range 24.0 E Section 15

Meridian: SLBM

Operator: THURSTON ENERGY OPERATING

Map Prepared:
Map Produced by Diana Mason

1,700 850 0 1,700 Feet

1:15,787

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
2510	43-047-40627-00-00		GW	F	No

Operator THURSTON ENERGY OPERATING **Surface Owner-APD**
Well Name THURSTON 5-15-9-24 **Unit**
Field DEVILS PLAYGROUND **Type of Work**
Location SWNW 15 9S 24E S 1963 FNL 463 FWL GPS Coord (UTM) 652946E 4433275N

Geologic Statement of Basis

Thurston proposes to set 2,000' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,800'. A search of Division of Water Rights records shows 2 water wells within a 10,000 foot radius of the center of Section 15. One well produces water from a depth of 500 feet and is listed as mining and oil field water. The othe well produces stock water from a depth of 290 feet. The surface formation at this site is the Green River Formation. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water is found in this formation and should be protected. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Brad Hill — **APD Evaluator**
3/23/2010 — **Date / Time**

Surface Statement of Basis

Surface rights at the proposed well site are owned by the Federal Government. The operator must obtain any surface permits or rights of way from the BLM.

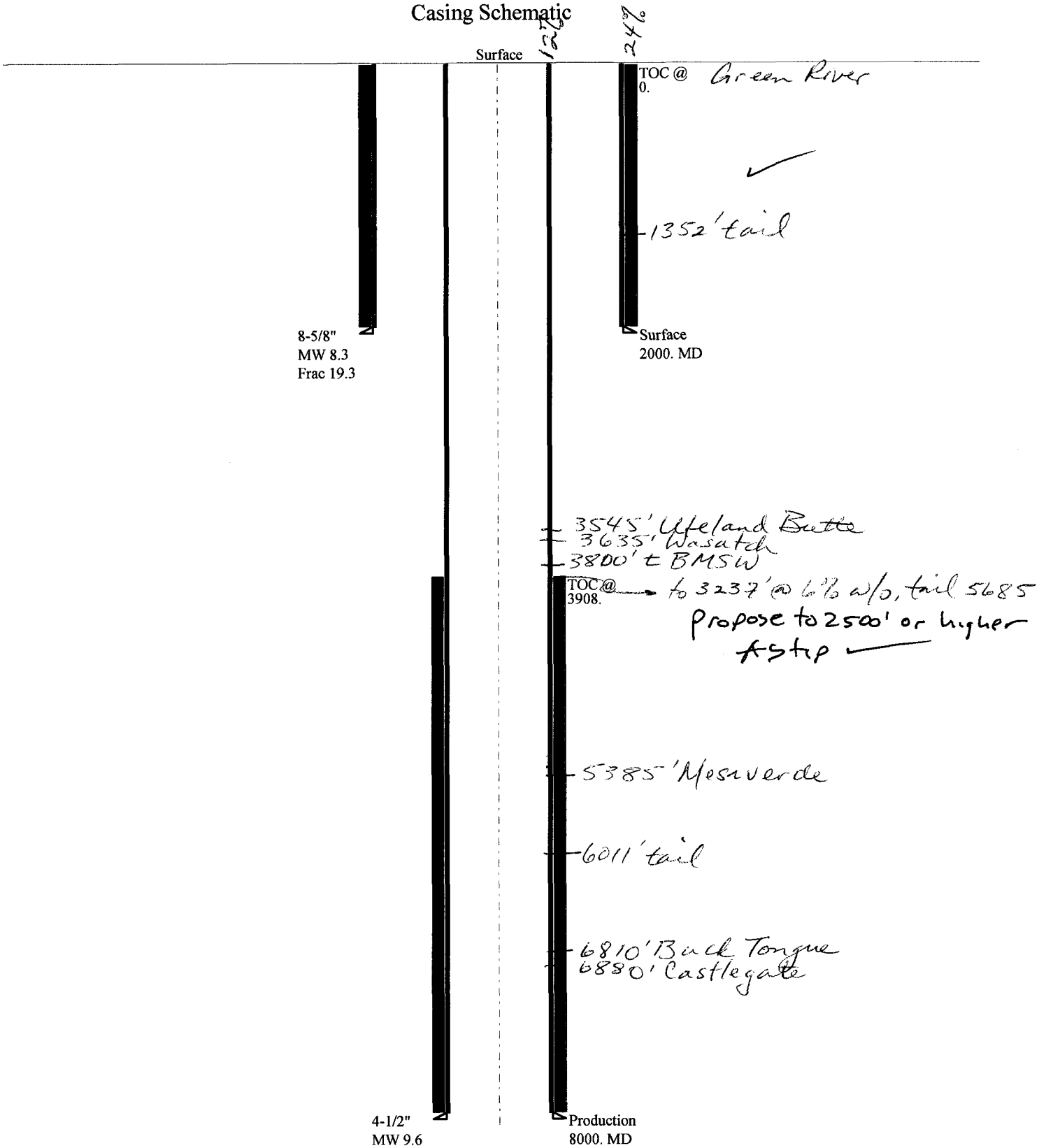
Brad Hill — **Onsite Evaluator**
3/23/2010 — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Surface	None.

43047406270000 Thurston 5-15-9-24

Casing Schematic



Well name:	**43047406270000 Thurston 5-15-9-24**
Operator:	**Thurston Energy Operating Company**
String type:	Surface
Project ID:	43-047-40627-0000
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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

Tension is based on buoyed weight.
Neutral point: 1,751 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: Surface

Completion type is subs
Non-directional string.

Re subsequent strings:
Next setting depth: 8,000 ft
Next mud weight: 9.600 ppg
Next setting BHP: 3,990 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure: 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2000	8.625	36.00	J-55	ST&C	2000	2000	7.7	667.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	865	3450	3.987	2000	4460	2.23	63	434	6.88 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: May 5,2010
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

Well name:	**43047406270000 Thurston 5-15-9-24**
Operator:	**Thurston Energy Operating Company**
String type:	Production
Project ID:	43-047-40627-0000
Location:	Uintah County, Utah

Design parameters:

Collapse

Mud weight:	9.600 ppg
Internal fluid density:	2.330 ppg

Burst

Max anticipated surface pressure:	2,229 psi
Internal gradient:	0.220 psi/ft
Calculated BHP	3,989 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor	1.125

Burst:

Design factor	1.00

Tension:

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

Tension is based on air weight.
Neutral point: 6,852 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	187 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	3,908 ft

Completion type is subs
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	8000	4.5	11.60	N-80	LT&C	8000	8000	3.875	698.1

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3021	6350	2.102	3989	7780	1.95	93	223	2.40 J

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Mining
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: May 5,2010
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 8000 ft, a mud weight of 9.6 ppg An internal gradient of .121 psi/ft was used for collapse from TD to Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

BOPE REVIEW — Thurston 5-15-9-24 API 43-047-40627-0000

INPUT

Well Name	Thurston 5-15-9-24	API 43-047-40627-0000		
	String 1	String 2		
Casing Size (")	8 5/8	4 1/2		
Setting Depth (TVD)	2000	8000		
Previous Shoe Setting Depth (TVD)	0	2000		
Max Mud Weight (ppg)	8.4	9.6	✓	
BOPE Proposed (psi)	500	3000		
Casing Internal Yield (psi)	4460	7780		
Operators Max Anticipated Pressure (psi)	3000	7.2 ppg	✓	

Calculations	String 1	8 5/8 "		
Max BHP [psi]	.052*Setting Depth*MW =	874		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	634	NO	Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	434	YES	O.K.
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	434	NO	O.K.
Required Casing/BOPE Test Pressure		2000	psi	
*Max Pressure Allowed @ Previous Casing Shoe =		0	psi	*Assumes 1psi/ft frac gradient

Calculations	String 2	4 1/2 "		
Max BHP [psi]	.052*Setting Depth*MW =	3994		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	3034	NO	
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	2234	YES	O.K.
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	2674	NO	O.K.
Required Casing/BOPE Test Pressure		3000	psi	
*Max Pressure Allowed @ Previous Casing Shoe =		2000	psi	*Assumes 1psi/ft frac gradient

API Well No: 43047406270000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

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: THURSTON 5-15-9-24

2. NAME OF OPERATOR:
THURSTON ENERGY OPERATING

9. API NUMBER: 43047406270000

3. ADDRESS OF OPERATOR:
1638 West 560 Sout , Vernal, UT, 84078

PHONE NUMBER:
214 704-3896 Ext

9. FIELD and POOL or WILDCAT: DEVILS PLAYGROUND

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1963 FNL 0463 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWNW Section: 15 Township: 09.0S Range: 24.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 4/23/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Change Mud Weight

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

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Thomas Salk	323 251-8819	COO
SIGNATURE N/A		**DATE** 4/23/2010

RECEIVED April 23, 2010

435-789-0968 Office

435-828-0968 Cell

300 South 730 East

Vernal, UT 84078

Utah Division of Oil Gas & Minerals

April 22, 2010

Re: e-fileing, Mud wt.

Thurston 5-15-9-24

Dear sirs

Please find attached new cover sheets filed electronically.

Your office requested additional information on the proposed mud weight used in the drilling program. The mud weight range of 8.4-12 ppg was a range that may occur. Depending on mud cleaning efficiency mud weight may increase above the desired weight for well control. The increase is not required for well control and in fact are not desirable.

The operator errored in reporting an 8.4-12 ppg mud. A mud weight of 8.4-9.6 (10 Point Plan,item 6, page 3)will be appropriate for well control on the subject well.

A BLM Sundry reporting the mud weight change is attached.

William (Bill) Ryan

Owner, Engineer

Thurston Energy Operating Agent

RECEIVED April 23, 2010

GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 16, 2010

Thurston Energy Operating Company
4925 Greenville #900
Dallas, TX 75206

Subject: Thurston 5-15-9-24 Well, 1963' FNL, 463' FWL, SWNW, Sec. 15, T. 9 South, R. 24 East, Uintah County, Utah

Ladies and 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 43-047-40627.

Sincerely,

Brad Hill
Acting Associate Director

BGH/js
Enclosures

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114 -5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR
OIL, GAS & MINING

Operator: Thurston Energy Operating Company

Well Name & Number Thurston 5-15-9-24

API Number: 43-047-40627

Lease: ML-28042

Location: SWNW **Sec.** 15 **T.** 9 South **R.** 24 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

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

   - Within 24 hours following the spudding of the well – contact Carol Daniels
     OR
     Submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at https://oilgas.ogm.utah.gov
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - Within 24 hours of making any emergency changes made to the approved drilling program – contact Dustin Doucet
   - 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

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

   - Any changes to the approved drilling plan – contact Dustin Doucet
   - Significant plug back of the well – contact Dustin Doucet
   - Plug and abandonment of the well – contact Dustin Doucet

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

   - Carol Daniels (801) 538-5284 office
   - Dustin Doucet (801) 538-5281 office
     (801) 733-0983 after office hours
   - Dan Jarvis at: (801) 538-5338 office
     (801) 942-0871 after office hours

3. **Reporting Requirements:**
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with Division of Oil, Gas and Mining, including but not limited to:
   - Entity Action Form (Form 6) – due within 5 days of spudding the well
   - Monthly Status Report (Form 9) – due by 5th day of the following calendar month
   - Requests to Change Plans (Form 9) – due prior to implementation
   - Written Notice of Emergency Changes (Form 9) – due within 5 days
   - Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
   - Report of Water Encountered (Form 7) - due within 30 days after completion
   - Well Completion Report (Form 8) - due within 30 days after completion or plugging

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

7. 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.

8. Cement volume for the 4 ½" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2500' MD as indicated in the submitted drilling plan.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **THURSTON ENERGY OPERATING**

Well Name: **THURSTON 5-15-9-24**

Api No: **43-047-40627** Lease Type **STATE**

Section **15** Township **09** Range **24E** County **UINTAH**

Drilling Contractor **CRAIGS ROUSTABOUT SERV** RIG # **BUCKET**

SPUDDED:

Date **08/29/2010**

Time

How **DRY**

Drilling will Commence:

Reported by **STACY WIMMER**

Telephone # **(435) 790-4325**

Date **08/30/2010** **Signed** **CHD**

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

FORM 6

ENTITY ACTION FORM

Operator: Thurston Energy Operating Company

Operator Account Number: N 2790

Address: 365 W. 50 N. Suite W-8

city Vernal

state Ut zip 84078

Phone Number: (435) 789-8580

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740625	Thurston 7-9-9-24		SWNE	9	9S	24E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	17771	8/28/2010			9/7/10	
Comments: MVRD						CONFIDENTIAL	

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740627	Thurston 5-15-9-24		SWNW	15	9S	24E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	17772	8/30/2010			9/7/10	
Comments: CSLGT = MVRD						CONFIDENTIAL	

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740626	Thurston 10-15-9-24		NWSE	15	9S	24E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	17773	8/16/2010			9/7/10	
Comments: CSLGT = MVRD						CONFIDENTIAL	

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)

Patti Cox
Name (Please Print)

Signature

Business Manager
Title

9/1/2010
Date

RECEIVED
SEP 01 2010
DIV. OF OIL, GAS & MINING

(5/2000)

CONFIDENTIAL

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Thurston 5-15-9-24

2. NAME OF OPERATOR: Thurston Energy Operating Company

9. API NUMBER: 4304740627

3. ADDRESS OF OPERATOR: 365 W. 50 N Suite W-8 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER: (435) 789-8580

10. FIELD AND POOL, OR WILDCAT: Devil's Playground

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1963 FNL 463 FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 15 T9S R24

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☑ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 8/30/2010	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Please be advised that construction of road and well pad is starting August 12th on the Thurston 5-15-9-24. On August 9th voice mail notification was left for Jamie Sparger. Also notification was sent to the state by email.

NAME (PLEASE PRINT) Patti A. Cox TITLE Business Manager

SIGNATURE Patti A Cox DATE 9/2/2010

(This space for State use only)

RECEIVED
SEP 09 2010
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

CONFIDENTIAL FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ~~UTU6217~~ ML-28042

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Thurston 5-15-9-24

2. NAME OF OPERATOR: Thurston Energy Operating Company

9. API NUMBER: 4304740627

3. ADDRESS OF OPERATOR: 365 W. 50 N Suite W-8 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER: (435) 789-8580

10. FIELD AND POOL, OR WILDCAT: Devil's Playground

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1963 FNL 463 FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 15 T9S R24

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 8/31/2010	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: spud well
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Please be advised that Thurston Energy Operating Company has spudded the Thurston 5-15-9-24 at 1500 hours on August 31, 2010. Proper advance notice was given by email to Jamie Sparger with BLM and by phone to Dave Hackford with the State of Utrah.

NAME (PLEASE PRINT) Patti A. Cox TITLE Business Manager

SIGNATURE Patti A Cox DATE 9/2/2010

(This space for State use only)

RECEIVED
SEP 09 2010
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

CONFIDENTIAL

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: Thurston 5-15-9-24

2. NAME OF OPERATOR: Thurston Energy Operating Company

9. API NUMBER: 4304740627

3. ADDRESS OF OPERATOR: 365 W. 50 N. Ste W-8 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER: (435) 789-8580

10. FIELD AND POOL, OR WILDCAT: undesignated

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1963 FNL 463 FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 15 T9S R24

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 8/23/2010	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☑ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

Thurston Energy received verbal approval and respectfully requests written approval of the following change in our approved casing program:

Change from 4 1/2" production casing to 5 1/2" production casing.
5 1/2", 17#, N-80, LTC: 0 tp 8,000'

Cemented as follows:
180 sks of Halliburton Light Premium + 4% Bentonite + 0.5% Econolite + 0.125% Poly-E-Flake + 5 lb/sx Gilsonite mixed @ 11.5 ppg; Yield 2.60 ft3/sx
900 sxs of 50/50 Poz Premium + 10% Salt + 0.1% HR-5 mixed @ 14.3 ppg; Yield 1.25 ft3/sx.

40% excess in open hole with a bit diameter of 7 7/8"

COPY SENT TO OPERATOR
Date: 9·20·2010
Initials: KS

NAME (PLEASE PRINT) Patti Cox TITLE Business Manager

SIGNATURE Patti Cox DATE 8-27-10

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 9/16/2010
BY:

RECEIVED
SEP 09 2010
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

Well name:	**43047406270000 Thurston 5-15-9-24rev.**
Operator:	**Thurston Energy Operating Company**
String type:	Production
Project ID:	43-047-40627-0000
Location:	Uintah County, Utah

Design parameters:

Collapse

Mud weight:	9.600 ppg
Internal fluid density:	2.330 ppg

Burst

Max anticipated surface pressure:	2,229 psi
Internal gradient:	0.220 psi/ft
Calculated BHP	3,990 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor	1.125

Burst:

Design factor	1.00

Tension:

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

Tension is based on air weight.
Neutral point: 6,835 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	187 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	1,857 ft (Surface @ 2000')

Completion type is subs
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	8000	5.5	17.00	N-80	LT&C	8000	8000	4.767	1044.2

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3021	6290	2.082 ✓	3990	7740	1.94 ✓	136	348	2.56 J ✓

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: September 16,2010
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 8000 ft, a mud weight of 9.6 ppg An internal gradient of .121 psi/ft was used for collapse from TD to
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

API Well No: 43047406270000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

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:
THURSTON 5-15-9-24

2. NAME OF OPERATOR:
THURSTON ENERGY OPERATING

9. API NUMBER:
43047406270000

3. ADDRESS OF OPERATOR:
365 W. 50 N. Ste W-8 , Vernal, UT, 84078

PHONE NUMBER:
214 704-3896 Ext

9. FIELD and POOL or WILDCAT:
DEVILS PLAYGROUND

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1963 FNL 0463 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWNW Section: 15 Township: 09.0S Range: 24.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 11/9/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	✓ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Please find attached the drilling and completion summary for the Thurston 5-15-9-24 well through 11-09-2010

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
November 09, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Russell H. Cox	435 789-8580	Operations Manager
SIGNATURE		**DATE**
N/A		11/9/2010

RECEIVED November 09, 2010

Tuesday, 11/9/2010
Reports to follow with flow test results
Made 2 swab runs, well started flowing, turned to flow testers

Forecast
Wait on flow test results to determine next action

Monday, 11/8/2010
10-15 / 5-15
We will have a swab rig on the 10-15 mid AM, if well kicks off will move it to the 5-15.
Reports will be sent with flow back reports when received this morning

Sunday, 11/7/2010
10-15 and 5-15 waiting on swab rig to come available, both have decent csg psi but wont push fluid up tbg, slight gas blow on both wells

The flow back report for the 5-15 was called in this morning. The tbg pressure is 0. The csg psi's were put in the tbg row, we are waiting on a swab rig to come available then make a few swab runs on both the 10-15 and the 5-15 to kick off the flow.

Friday, 11/5/2010
Current: Flow back well, RD / standby flow testers (flow tester report will be forthcoming)

24hr: Flow Well - MIRU rig from 10-15, run tubing (may need to set a plug if under pressure), RDMO to 7-9, possible RU flow testers (to sales)

Thursday, 11/4/2010
Current
Flowing well to well testers (flow tester report will be forthcoming)

24hr outlook
Send to production (sales line)

Wednesday, 11/3/2010
All,

Yesterday we continued flowing the well back on a 14 then 16 choke. We flowed back 396 BW, 0 BO, and ~70 Mcf gas and casing pressure is holding around 400 psi. Cumulative totals: 1799 BW (70% frac load) and 0 BO. Current gas rate is 125 Mcf/Day.

Today we continue flowing back the well, possibly try and divert gas to sales.

Tuesday, 11/2/2010

RECEIVED November 09, 2010

All,

Yesterday we continued flowing back the well through well testers.

Production numbers from 10.31 - 11.1 (8 hours)

Casing Pressure 1300 psi
Choke size 12/64”
620 BW (24%)
0 BO
0 Mcf Gas

Today we continue flowing back the well

Monday, 11/1/2010
All,

Saturday we waited on frac, which was pushed to Sunday due to a late arrival by e-line on the 10-15 well.

Sunday we began pumping the Sego frac at 130PM, which treated well just like the other two Sego fracs. All sand placed in formation (75,680#), well started on flowback on 12/64” choke, 1325 psi casing pressure, 562 bbls water recovered yesterday.

Today we continue flowing back the well.

Saturday, 10/30/2010
All,

Yesterday there was 1000 psi on the well in the AM. MIRU isolation tools, spot mountain mover and start filling with sand, and heat frac water.

Today we MIRU flow testers. MIRU frac eqpt after 10-15 frac and pump a 1 stage Sego frac then RDMO frac, turn flow over to well testers.

Friday, 10/29/2010
All,

Yesterday we had finished TOOH with tubing, fought hard gas and water kicks coming out with the RBP. Topped of frac tanks with 3% KCl. RDMO workover rig. RU flow testers.

Today we continue waiting on frac set for tomorrow afternoon. Again, all personnel on location required to wear proper PPE.

RECEIVED November 09, 2010

Thursday, 10/28/2010
All,

Yesterday the rig pump suction valves were damaged, had to wait on repair parts. Mobilized hot oiler to keep well dead during workover. Speared onto RBP overshot, release plug, and start TOOH. 133 joints left in.

Today we finish laying down tubing joints and RBP then RDMO workover rig.

Wednesday, 10/27/2010
All,

Yesterday MIRU workover rig, NU BOP and PT, pump kill fluid and start to RIH with tubing. Shut down with 104 joints in.

Today we will continue TIH with tubing, latch onto RBP, release, and TOOH with tubing and tools to LD. Frac design attached for October 30th.

Tuesday, 10/26/2010
DFIT results attached. Looks pretty good depending on the saturating fluids and relative perm.

All,

Yesterday we pulled the EMR gauges and received the DFIT analysis results, which are fairly promising. RD wellhead isolation tool. Finish filling frac tanks on location for 1-stage Sego frac (Capacity = 2760 bbls).

Today we MIRU workover rig, bleed off wellhead pressure and start in with tubing. Spear into RBP and release, TOOH with tubing and tools to Lay down.

Sunday, 10/24/2010
Good Evening,

On Friday we MIRU eqpt to pump a DFIT on the upper Sego perfs. We saw a break at 3650 psi at 4.3 bpm, increased rate to 6.5 bpm and pumped 2000 gallon volume at 2871 psi. ISIP was 2501 psi, 60-minute shut in was 1569 psi (see attached pumping charts).

On Saturday and Sunday we monitored pressure transient data. Sunday wellhead pressure at 1349 psi.

Tomorrow we pull gauges first thing in AM, send data to technical team in Denver and analyze results. Possibly MIRU workover unit if the decision is made to pull the plug and perform a 1-stage frac over both zones.

Friday, 10/22/2010

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All,

Yesterday we waited on DFIT date.

Today we pump DFIT into upper Sego if the eqpt becomes available – we may be delayed one day.

Thursday, 10/21/2010
All,

Yesterday MIRU e-line, roundtrip gauge ring / junk basket, set RBP at 7578 ft, and shoot additional perfs in the upper Sego. Wellhead pressure prior to shooting perfs was 1100 psi and after shooting dropped to 900 psi. RDMO e-line.

Today we wait on DFIT eqpt scheduled to move in on Friday to pump DFIT in Upper Sego perfs.

Wednesday, 10/20/2010
All,

Yesterday we continued waiting on e-line. Attached is the DFIT analysis for the lower Sego, which looks fairly good. The flow capacity is higher than both the 10-15 Sego DFIT, and the 7-9 Castle Gate DFIT. We saw closure and pseudo linear flow. There looks to be decent reservoir pressure, and the process zone stress is moderate – high, but I don't believe this condemns the zone in this well. See attached ppt file. Also attached are the DFIT treating charts and data.

Today we MIRU e-line, roundtrip GR/JB, set RBP and perforate the upper Sego perfs in preparation for another DFIT on Friday.

Tuesday, 10/19/2010
All,

Yesterday we pulled EMR gauges (1280 psi on well), downloaded data and sent to Denver where the data was analyzed and reported. I will send out that data very shortly. Also, RD wellhead isolation tools.

Today we wait on e-line work.

Monday, 10/18/2010
All,

Yesterday we continued monitoring pressure with EMR gauges.

Today we have pulled the gauges, are currently downloading the pressure transient data and we should have an analysis made this afternoon. Attached is the treating chard for the DFIT pumped on Friday. This morning there was 1280 psi on the well .

Sunday, 10/17/2010
All,

Yesterday we continued monitoring well pressure with EMR gauges.

Today we continued draw down monitoring. Gauges to be pulled first thing in AM.

Saturday, 10/16/2010
All,

Yesterday we pumped the DFIT on the lower Sego formation through a wellhead isolation tool. Opening wellhead pressure was 150 psi. We saw a break at 5560 psi while pumping at 5 bpm and we held that rate for ~2000 gallons at 4660 psi treating pressure. The transducers were left hooked up to monitor pressure for 1 hour and the EMR gauges left on the well to monitor pressure for 48 hours.

Today we continue to allow pressure transient test. Once I have the post job charts/data from the DFIT I will distribute.

Friday, 10/15/2010
All,

Yesterday there was 30 psi on the casing. Continued waiting on DFIT.

Today we install Wellhead isolation tool, MIRU pump eqpt and pump DFIT into lower Sego formation and set EMR gauges to monitor pressure for 48 hours.

Thursday, 10/14/2010
All,

Yesterday MIRU e-line, roundtrip gauge ring and junk basket and saw fluid level at 500 ft. Ran in with CBL tools, correlated and pressured up casing to 1500 psi to log coming up. We found TOC at 2550 ft. Rig in hot oiler to backside and pressure up annulus to 800 psi, bled down to 400 psi in 60 seconds. We attempted to establish a rate into the backside but it was too tight, pressured back up to 800 psi and bled down to 400 psi in 60 seconds. E-line ran in with perf guns and perforated the lower Sego with 3-1/8" guns, 3 spf, 20* phasing from 7586 – 7589 ft. Tripped out wire and RD e-line.

Today we wait on DFIT date scheduled tomorrow (Friday 10/15)

Wednesday, 10/13/2010
All,

Yesterday we circulated 250 Bbls of 3% KCl. TOOH with tubing laying down, ND BOP's, NU Frac Valve, RD workover rig.

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Today we finish moving the rig and eqpt off location and MIRU e-line to round trip a gauge ring and junk basket, run a radial cement bond log from PBTD to surface, and perforate the lower Sego formation from 7586 – 7589 ft. RDMO E-line.

Tuesday, 10/12/2010
All,

Yesterday we set anchors, MIRU workover rig, ND frac valve, NU BOP's, ran in with 4.75" tri-cone bit and tagged PBTD at 7681 ft (float collar at 7694 ft). Since we only lost 13 ft of rat hole and tentative bottom perf depths is 7586 – 7589 (leaving 92 ft of rat hole) we did not clean down. Rigged up to circulate 3% KCl and displace fresh water.

Today we will circulate 3% KCl (1.5 wellbore volumes) and TOOH with tubing laying down. Possibly RDMO and move to 7-9.

Monday, 10/11/2010
All,

Today we continued waiting on the workover rig.

Tomorrow we MIRU workover rig and TIH with mill bit to tag PBTD and possibly drill cement or fill if necessary. If the intervals are open and there is sufficient rat hole then we will circulate the fresh water out of the well and displace with 3% KCl to prepare for perforating.

I have attached a "living" completions schedule to this report. These are our target dates for upcoming workover ops which is subject to change frequently but I will continue to send out amended version as things change.

Sunday, 10/10/2010
Continue waiting on workover rig, costs captured on daily reports

Saturday, 10/9/2010
Continue waiting on workover rig, costs captured on daily reports

Thursday, 10/7/2010
All,

Yesterday nothing was done on location, but we have started capturing daily reports and costs. Earlier this week we installed the wellhead and frac valve.

Today we will wait on perf selections to be confirmed/changed from StimLog analysis and then line up to have e-line out on location Sunday.

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

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:
THURSTON 5-15-9-24

2. NAME OF OPERATOR:
THURSTON ENERGY OPERATING

9. API NUMBER:
43047406270000

3. ADDRESS OF OPERATOR:
365 W. 50 N. Ste W-8 , Vernal, UT, 84078

PHONE NUMBER:
214 704-3896 Ext

9. FIELD and POOL or WILDCAT:
DEVILS PLAYGROUND

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1963 FNL 0463 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWNW Section: 15 Township: 09.0S Range: 24.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 12/31/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	✓ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Please find attached the detailed information for the completion work on the Thurston 5-15-9-24 for the period of November 10, 2010 through December 31, 2010. Perforations were completed in the folloowing Mesa Verde footages: 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84. EOT 623-'

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Patti Cox	435 789-8580	Operations Manager
SIGNATURE		**DATE**
N/A		6/15/2011

RECEIVED Jun. 15, 2011

Thurston 5-15-9-24

Date	Daily Activity
12/31/2010	Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84-(EOT @ 6230') Well shut in wainting on orders
12/30/2010	Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84-(EOT @ 6230') Well shut in wainting on orders
12/29/2010	Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84-(EOT @ 6230') Flow Back Report Choke oper TBG PSI = 0 Csg PSI = 1750 psi Flow rate = 19 BPH average Total fluid pumped = 5551 BBLS total fluid recovered = 6803 bbls - 600 bbls from clean out Total left to recover = 1281 bbls over load Total bbls last 24 hours = 260 bbls Gas rate = 0 Mscf/d NOTE: Swab on well kicked off and flowed until 1700 hrs then died,Shut in and drain tank and lines
12/28/2010	Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84-(EOT @ 6230') Flow Back Report Choke oper TBG PSI = 0 Csg PSI = 1750 psi

Flow rate = 19 BPH average
Total fluid pumped = 5551 BBLS
total fluid recovered = 6607 bbls - 600 bbls from clean out
Total left to recover = 1056 bbls over load
Total bbls last 24 hours = 260 bbls
Gas rate = 0 Mscf/d
NOTE: Swab on well kicked off and flowed from 1400-1930 hrs
then died, will swab again in the AM

12/27/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14,
6616-19, 7105-08, 7153-56, 7170-73, 7181-84-(EOT @ 6230')
6:00 6:00 MIRU swab unit, Made 1 swab run, Well flowed until 00:30 then
died. Casing psi dropped to 1150 psi. Average gas flow rate @ 75
psi on tubing was 151 mcf/d but not sustainable.
Flow back Report
Choke =30/64
TBG psi = 75 psi to 300 psi to 0 psi
Csg psi = 2000 to 1150 psi
Flow rate = 19 BPH Average
Total fluid pumped = 5551 BBLS
Total fluid recovered = 6347 BBLS - 600 BBLS from clean out
Total left to recover - +794 BBLS Over load
Total BBLS last 24 hrs = 284 bbls
Gas rate = 151 Mscf/d @ 75 psi on tubing
NOTE: Casing psi continues to be 1150 psi w EOT @ 6230'

12/26/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14,
6616-19, 7105-08, 7153-56, 7170-73, 7181-84-(EOT @ 6230')
6:00 6:00 Flow back Report
Choke =None
TBG psi = 0
Csg psi = 1900
Flow rate = . BPM 0 BPH

Total fluid pumped = 5551 BBLS
Total fluid recovered = 6063 BBLS - 600 BBLS from clean out
Total left to recover - +512 BBLS Over load
Total BBLS last 24 hrs =
Gas rate = Mscf/d
NOTE: Dropped 3 soap sticks @ 10:30. 4 ea. @ 16:00. PSI built up to 180 psi by 19:00. Opened to flow back tank but received gas only for less than a minute with no more flow detected. Swab unit to swab today. Casing psi continues to be 1900 psi w EOT @ 6230'

12/25/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =None
TBG psi = 0
Csg psi = 1900
Flow rate = . BPM 0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 6063 BBLS - 600 BBLS from clean out
Total left to recover - +512 BBLS Over load
Total BBLS last 24 hrs = 189
Gas rate = Mscf/d

12/24/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =18/64
TBG psi = 25
Csg psi = 1900
Flow rate = . 0.07 BPM 4.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = -5874 BBLS - 600 BBLS from clean out

Total left to recover - +323 BBLS Over load
Total BBLS last 24 hrs = 258
Gas rate = 24 Mscf/d

12/23/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =18/64
TBG psi = 120
Csg psi = 1750
Flow rate = . 0.22 BPM 13.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = -63 BBLS - 600 BBLS from clean out
Total left to recover - +63 BBLS
Total BBLS last 24 hrs = 321
Gas rate = 80 Mscf/d

12/22/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =18/64
TBG psi = 140
Csg psi = 1650
Flow rate = . 0.231 BPM 16.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 5295 BBLS - 600 BBLS from clean out
Total left to recover - 258 BBLS
Total BBLS last 24 hrs = 358
Gas rate = 91 Mscf/d

12/21/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report

Choke =18/64
TBG psi = 180
Csg psi = 1450
Flow rate = . 0.231 BPM 16.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 4937 BBLS - 600 BBLS from clean out
Total left to recover - 616 BBLS
Total BBLS last 24 hrs = 399
Gas rate = 115 Mscf/d

12/20/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =18/64
TBG psi = 200
Csg psi = 1250
Flow rate = . 0.231 BPM 18.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 4538 BBLS - 600 BBLS from clean out
Total left to recover - 1015 BBLS
Total BBLS last 24 hrs = 452
Gas rate = 127 Mscf/d

12/19/2010 Mesa Verde Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19, 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =14/64
TBG psi = 220
Csg psi = 910
Flow rate = . 0.23 BPM 14.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 4086 BBLS - 600 BBLS from clean out
Total left to recover - 1467 BBLS

Total BBLS last 24 hrs = 317
Gas rate = 75 Mscf/d

12/18/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =14/64
TBG psi = 180
Csg psi = 740
Flow rate = . 0.23 BPM 14.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 3769 BBLS - 600 BBLS from clean out
Total left to recover - 1784 BBLS
Total BBLS last 24 hrs = 331
Gas rate = 68 Mscf/d

12/17/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =14/64
TBG psi = 180
Csg psi = 580
Flow rate = . 0.23 BPM 14.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 3438 BBLS - 600 BBLS from clean out
Total left to recover - 2111 BBLS
Total BBLS last 24 hrs = 373
Gas rate = 68 Mscf/d

12/16/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =14/64

TBG psi = 210
Csg psi = 350
Flow rate = . 0.30 BPM 18.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 3065 BBLS - 600 BBLS from clean out
Total left to recover - 2486 BBLS
Total BBLS last 24 hrs = 442
Gas rate = 74 MMscf/d

12/15/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =14/64
TBG psi = 600
Csg psi = 400
Flow rate = . 0.35 BPM 21.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 2117 BBLS - 600 BBLS from clean out
Total left to recover - 3434 BBLS
Total BBLS last 24 hrs = 594
Gas rate = 0 MMscf/d

12/14/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Flowback Report
Choke =14/64
TBG psi = 600
Csg psi = 400
Flow rate = . 0.35 BPM 21.0 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 2117 BBLS - 600 BBLS from clean out
Total left to recover - 3434 BBLS
Total BBLS last 24 hrs = 594

Gas rate = 0 MMscf/d

12/13/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 7:00 1.00 Crew travel, start equipment, safety meeting
7:00 12:00 RIH with tbg, tag bottom @ 7392', POOH to 191 jts in = EOT
6230'. Land tbg, nipple down BOP, flange up well head, Hook up
rig pump to tbg, drop ball, pump pressure to 2800, pump off bit,
turn well over to flow testers, rig down workover rig.Move to 10-15
12:00 6:00 Flowback Report
Choke =12/64
TBG psi = 750
Csg psi = 550
Flow rate = . 0.41 BPM 24.8 BPH
Total fluid pumped = 5551 BBLS
Total fluid recovered = 1523 BBLS - 600 BBLS from clean out
Total left to recover - 4028 BBLS
Total BBLS last 24 hrs = 596
Gas rate = 0 MMscf/d

12/12/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 7:00 1.00 Crew travel, start equipment, safety meeting
7:00 12:00 MIRU hot oil truck and heat oil in flowback tank and transfer to
production tank = 30 BBLS oil., Make up bit and pump off bit sub,
start in hole with tbg. Tag plug @ 6100', Rig up power swivel

5

12:00 17:00 Start to drill on plug, flow well to pit while drilling out plugs, tag
second plug @ 6450', drill out plug, continue in hole, tag third plug
@ 6800', drill out plug and continue to clean out to bottom. Tag
cement on top of CIBP @ 7394', circulate on bottom

5

17:00 18:00 Pull out of hole 40 jts, eot @ 6140', let tbg hang and shut in for

night, open csg to flow testers. Will trip back in hole and tag
cement in the AM.. Crew travel

18:00 6:00 Flowback Report
Choke =12/64
TBG psi = 0
Csg psi = 700
Flow rate = . BPM
Total fluid pumped = 5551 BBLS
Total fluid recovered = 927 BBLS - 600 BBLS from clean out
Total left to recover - 4624 BBLS
Gas rate = 0 MMscf/d

12/11/2010 Perfs 6252-55, 6280-83, 6305-08, 6350-53, 6611-14, 6616-19,
7105-08, 7153-56, 7170-73, 7181-84
6:00 8:00 Crew travel, Safety meeting, MIRU frac equipment, test lines too
9000 psi, open valve on isolation tool, start to pump
8:00 10:00 Zone #1 Perfs @ 7105-08, 7153-56, 7170-73, 7181-84
Start to pump, saw break @ 4668 PSI, pump 1600 gals acid,
followed by pad increase rate, pump job
Max rate = 45.17 BPM
Average rate = 44.04 BPM
Max PSI = 6256
Average PSI = 3857
Total prop = 99800 LBS
ISIP = 2413, 5 min = 1969, 10 min =1941, 15 min = 1926, FG =
Shut in isolation tool, bleed off tool, rig up Cutters E-line
equipment
10:00 12:30 Start in hole with composite bridge plug and perf guns, corrolate
to short joint, set plug @ 6800', 40 sec set time, pull up hole and
perforate second zone. Pull out of hole, rig down Cutters, rig up
frac equipment.
12:30 13:00 Zone #2 Perfs @ 6611-14, 6616-19

Start to pump, saw break @ 4528 PSI, pump 1500 gals acid,
followed by pad increase rate, pump job
Max rate = 49.13 BPM
Average rate = 45 BPM
Max PSI = 5181
Average PSI = 4617
Total prop = 24900 LBS
ISIP = 2139, 5 min = 1665, 10 min =1572, 15 min = 1507, FG =
Shut in isolation tool, bleed off tool, rig up Cutters E-line
equipment
13:00 14:30 Start in hole with composite bridge plug and perf guns, corrolate
to short joint, set plug @ 6450', 40 sec set time, pull up hole and
perforate third zone. Pull out of hole, rig down Cutters, rig up frac
equipment.
14:30 15:30 Zone #3 Perfs @ 6252-55, 6280-83, 6305-08, 6350-53
Start to pump, saw break @ 4202 PSI, pump , pad increase rate,
pump job
Max rate = 45.18 BPM
Average rate = 44.81 BPM
Max PSI = 6235
Average PSI = 3564
Total prop = 81120 LBS
ISIP = 2018, 5 min = 1472, 10 min =1407, 15 min = 1371, FG =
Shut in isolation tool, bleed off tool, rig up Cutters E-line
Start in hole with composite bridge plug, corrolate to short joint,
set plug @ 6098', 38 sec set time, pull out of hole and rig down,
Cutters, frac equipment, Stinger isolation tool
18:00 6:00 12.00 Crew travel, wait on daylight

12/10/2010 equipment

15:30 18:00 Start in hole with composite bridge plug, corrolate to short joint,
set plug @ 6098', 38 sec set time, pull out of hole and rig down,

Cutters, frac equipment, Stinger isolation tool

2.5

18:00 6:00 12.00 Crew travel, wait on daylight

12/9/2010 Perfs @ 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Move in and spot mountain mover for frac, move in 3% KCL for frac, move in 4 additional 500 BBL frac tanks, and start to fill with 3%. 9 - 500 BBL tanks, 6 - 400 BBL tanks on location = 6900 BBLS total, 6300 BBLS pumpable. will continue to move in fluid in the AM

12/8/2010 Perfs @ 7105-08, 7153-56, 7170-73, 7181-84
6:00 6:00 Move in 3% KCL for frac job, fill all tanks on location = 4900 BBLS total, 4350 BBLS pumpable for frac.Rig up flowback equipment. Wait on frac

12/7/2010 Crew travel, start equipment, safety meeting, bleed down well, Wait on perf intervals
10:00 11:30 1.50 Wait on Logging truck
11:30 14:00 Cutters on location, rig up logging truck, RIH with gauge ring junk basket, 4.5 OD, to 7450', Pull out of hole with gauge ring junk basket, Make up CIBP and setting kit to setting tool, RIH with CIBP, corrolate to short joint, set CIBP @ 7404', Pull out of hole, make up dump bailer, fill with cement, RIH and dump bail cement on top of CIBP, Pull out of hole
14:00 16:00 Make up 3 3/8 guns, loaded @ 3spf, 120 degrees phase, RIH and corrolate to short joint, Perforate @ 7181 - 84, 7170 - 73, 7153 - 56, 7105 - 08, pull out of hole, lay down spent guns, all shots fired. Rig down Cutters equipment, shut well in for night. Had slight blow on casing.
16:00 6:00 14.00 Crew travel, wait on daylight, will check pressure on csg in the AM

12/6/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in
6:00 8:00 2.00 Waiting on workover rig

8:00 11:00 MIRU workover unit, move in rig pump, flat tank, pipe racks, cat walk. Bleed down well to flowback tank
11:00 16:00 Rig up rig pump, pump 160 BBLS 3% KCL down tbg and up casing to clear out gas, nipple down well head, nipple up BOP,
Trip out of hole with tbg, standing back in derrick.. Shut in well for night
16:00 6:00 14.00 Crew travel, wait on daylight

12/5/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in
6:00 6:00 24.00 Well shut in Wait on orders

12/4/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in
6:00 6:00 24.00 Wait on orders

12/3/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in
6:00 6:00 24.00 Wait on orders

12/2/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in Wait on orders
6:00 6:00 24.00 Wait on orders

12/1/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in Wait on orders
6:00 6:00 24.00 Waiting on orders

11/30/2010 Sego Perfs @ , 7512 - 7567,7586'-7589, Well shut in Wait on orders

11/29/2010 Sego Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 0.00 Well shut in-Wait on orders

11/28/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 24.00 Well shut in-Wait on orders

11/27/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 24.00 Well shut in-Wait on orders

11/26/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 24.00 Well shut in-Wait on orders

11/25/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 24.00 Well shut in-Wait on orders

11/24/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Well shut in-Wait on orders-1800 pm Tub 800 psi-Casing-2075 psi

11/23/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Well shut in-Wait on orders-1800 pm Tub 800 psi-Casing-2075 psi

11/22/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 24.00 Well shut in-Wait on orders

11/21/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 0.00 Well shut in-Wait on orders

11/20/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 0.00 Well shut in-Wait on orders-Tubing psi-775 psi & BS 2000 psi

11/19/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 24.00 Well shut in-Wait on orders

11/18/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Well shut for psi build-up. 08:26 psi reading Tub- 725 psi-Casing psi 1950 psi.

11/17/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Well shut for psi build-up. 07:46 psi reading Tub- 700 psi-Casing psi 1925 psi.

11/16/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Well shut for psi build-up. 11:24 psi reading Tub- 675 psi-Casing psi 1900 psi.

11/15/2010 Well shut for psi build-up. 14:15 psi reading Tub- 650 psi-Casing psi 1875 psi. Well testing equipment & flowback tank moved to the Thurston-7-9

11/14/2010 Well shut until Monday AM for psi build-up. 18:35 psi reading Tub- 650 psi-Casing psi 1825 psi. Well testing equipment & flowback tank moved to the Thurston-7-9

11/13/2010 Well shut until Monday AM for psi build-up. 12:30 psi reading Tub- 550 psi-Casing psi 1750 psi

11/12/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Flowback Report
Choke =24/64
TBG psi = 0 Csg psi = 1650
Flow rate = . BPM
Total fluid pumped = 2589 BBLS
Total fluid recovered = 3212 BBLS
Gas rate = 0 MMscf/d
Made swab runs on tbg, well started to unload,kicked twice but could not be sustained. Recovered 130 BBLS fluid
As per orders, shut in for weekend for psi build-up.
Release testers until Monday.

11/11/2010 Flow rate = . BPM
Total fluid pumped = 2589 BBLS
Total fluid recovered = 3072 BBLS
Gas rate = 0 MMscf/d
Made swab runs on tbg, well started to unload,
Well flowed for 3 hrs then died off
Recovered 184 BBLS fluid
Will make more swab runs in the AM

11/10/2010 Perfs @ , 7512 - 7567,7586'-7589
6:00 6:00 Flowback Report
Choke =24/64
TBG psi = 0
Csg psi = 1600
Flow rate = . BPM
Total fluid pumped = 2589 BBLS
Total fluid recovered = 2888 BBLS
Gas rate = 0 MMscf/d
Made swab runs on tbg, well started to unload,
Well flowed for 3 hrs then died off
Recovered 222 BBLS fluid
Will make more swab runs in the AM

11/9/2010 Perf at 7512'-7567',7567',758'6-7589'
Flowback report
choke = 24/64
TBG psi = 0
Csg psi = 1550
Flow reate = BPM
Total fluid pumped = 2589 bbls
Total fluid recovered = 2666 bbls
gas rate = 0 MMscf/d
Made swab runs on tbg. Well started to unload, move swab rig to 10-15

Well flowed for 8 hrs and then died off
Recovered 228 bbls fluid
Will move in swab rig when 10-15 kicks off and make more swab runs

11/8/2010 Perfs at 7512' - 7567-7586'7589'
Flowback report
Choke 20/64
TBG psi 0
Csg psi = 0
Flow Rate = BPM
Total fluid pumped = 2589 BBLS
Total fluid recovered = 2448
Total left to recovered = 151 bbls
Gas rate = 0 MMscf/d
Well kicked off after swab run, open to flow testers, well died off
after 8.5 hours flow back, will make swab runs this AM

11/7/2010 Perfs @ , 7512 - 7567,7586'-7589'
Flowback Report
Choke =20/64
TBG psi = 10
Csg psi = 1360
Flow rate = . BPM
Total fluid pumped = 2589 BBLS
Total fluid recovered = 2373
Total left to recover = 226 BBLS
Gas rate = 10 MMscf/d
@ 2000 TBG psi increased to 260, had good gas kick, rate of 200
mcf, but psi and gas flow died down over 4 hrs to 10 psi
Will move swab rig on to location when done on the 10-15

11/3/2010 Perfs @ , 7512 - 7567,7586'-7589'
Flowback Report Day 4
Choke =16/64
Csg psi = 200
Flow rate = . 187 BPM
Total fluid pumped = 2589BBLS
Total fluid recovered = 2070
Total left to recover = 519 BBLS
Gas rate = 100 MMscf/d

11/2/2010 Perfs @ , 7512 - 7567,7586'-7589'
Flowback Report Day 3
Choke =16/64
Csg psi = 400
Flow rate = . 305 BPM
Total fluid pumped = 2589BBLS
Total fluid recovered =1799
Total left to recover = 790 BBLS
Gas rate = 125 MMscf/d

11/1/2010 Stage 1-Slick Water Frac Lowe Neslen perfs @ Perfs 6916-19,
6930-33,7001-04,7069-72,7090-93,7170-73', Avg. rate 48.9 bpm,
Avg psi-3317, Max psi 3892 psi, Break-2347 psi Total fluid 2874
bbls. 30/50 Prem white 84,800# in formation. 5min-1785,
10min-1736, 15min-1706psi. ISIP-1919 psi

1.63

8:30 11:45 3.25 RDMO Frac crew to next well, Turn over to Well Testers.
11:45 17:00 First Day flowback- Total load to recover 4007 bbls
Choke Cas Psi Cum bbls Cum Gas Fluid LTR bbls
BPD
11:45-(16 1200 20 3986

83.48

17:00-(22 1010 442 3565

		1824
10/31/2010		5.25
	17:00 6:00 Flowback Report Day 1 Choke =24 /64 Csg psi = 300 psi Flow rate = .43 BPM Total fluid pumped = 4006 BBLS Total fluid recovered =913 BBLS Total left to recover = 3093 BBLS Gas rate = 0.0 MMscf/d Sand 22 Cubic ft (No indication frac plug has opened up yet) Csg psi = 1325 Flow rate = .25 BPM Total fluid pumped = 2589BBLS Total fluid recovered =582 Total left to recover = 1997 BBLS Gas rate = 0.0 MMscf/d	
10/30/2010	Frac delayed due to E/line break down on the Thurston 10-15	

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: THURSTON 5-15-9-24

2. NAME OF OPERATOR: THURSTON ENERGY OPERATING

9. API NUMBER: 43047406270000

3. ADDRESS OF OPERATOR: 365 W. 50 N. Ste W-8 , Vernal, UT, 84078

PHONE NUMBER: 214 704-3896 Ext

9. FIELD and POOL or WILDCAT: DEVILS PLAYGROUND

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1963 FNL 0463 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 15 Township: 09.0S Range: 24.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
✓ SUBSEQUENT REPORT Date of Work Completion: 5/31/2011	✓ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
☐	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Please be advised theat the Thurston 5-15-9-24 well has resumed production effective 5/31/2011

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

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Patti Cox	435 789-8580	Operations Manager
SIGNATURE N/A		**DATE** 6/15/2011

RECEIVED Jun. 15, 2011

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: THURSTON 5-15-9-24

2. NAME OF OPERATOR: THURSTON ENERGY OPERATING

9. API NUMBER: 43047406270000

3. ADDRESS OF OPERATOR: 365 W. 50 N. Ste W-8 , Vernal, UT, 84078

PHONE NUMBER: 214 704-3896 Ext

9. FIELD and POOL or WILDCAT: DEVILS PLAYGROUND

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1963 FNL 0463 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNW Section: 15 Township: 09.0S Range: 24.0E 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		
✓ NOTICE OF INTENT Approximate date work will start: 7/19/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ SPUD REPORT Date of Spud:	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: perforate Wasatch form

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

See attached procedure for perforation of the Wasatch in the Thurston 5-15-9-24 well.

Approved by the Utah Division of Oil, Gas and Mining

Date: 07/18/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Patti Cox	435 789-8580	Business Manager
SIGNATURE N/A		**DATE** 7/14/2011

Please Review Attached Conditions of Approval

RECEIVED Jul. 14, 2011

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047406270000

Form 8 - Well Completion Report has not been submitted for the original completion interval. Please submit immediately.

RECEIVED Jul. 14, 2011

Thurston Energy Operating Company, LLC

365 West 50 North Suite W-8 • Vernal, UT 84078 USA

Phone 435-789-8580 fax 435-789-8585

5-15 Work Over Procedure

Day 1- move on rig, set equipment, blow down or kill well, NDWH, NUBOP, ROH w/ 2 3/8 TBG.

Day 2- rig up wire line, RIH w/ CIBP, SET @ 6225', dump 2 sacks cement, POOH RIH w/ perf. Gun shoot 4spf 5465-68', POOH, pick up plug & packer, RIH set plug @ 5480', set packer @ 5450', break down w/ rig pump, swab test, SDFN

Day 3- check psi from overnight, if gassy, kill well, release packer & plug, POOH, RU wire line, RIH w/ perf. Gun, shoot at 5439-5442' @ 4spf, POOH, RIH w/ plug & packer set plug @ 5450' and packer @ 5425', break down and swab test, SDFN

Day 4- check psi on well, if gassy kill well, release packer & plug, POOH RU wire line, RIH w/ perf. Gun & shoot 4spf @ 4840-43', POOH, RIH w/ packer & plug, set plug @ 4855' and packer @ 4830', break down and swab test, SDFN

Day 5- check psi on well, if gassy kill well, release packer & plug, POOH, RU wire line, RIH and shoot 4spf @ 4396'-12', POOH, RIH w/ plug & packer, set plug @ 4425' & packer @ 3885', break down and swab test, SDFN

Day 6- check psi on well, if gassy kill well, release packer & plug, POOH, lay down tools, RIH w/ seat nipple & notch collar to 5500', hang off and swab, SDFN

Day 7- check psi on well, swab if needed, run gas to atmosphere to clean up and run to sales line, RD and turn over to pumper.

RECEIVED Jul. 14, 2011

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

CONFIDENTIAL

7. UNIT or CA AGREEMENT NAME:

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: THURSTON 5-15-9-24

2. NAME OF OPERATOR: Thurston Energy Operating Company

9. API NUMBER: 4304740627

3. ADDRESS OF OPERATOR: 365 West 50 North CITY Vernal STATE UT ZIP 84078

PHONE NUMBER: 435-789-8580

10 FIELD AND POOL, OR WILDCAT: DEVILS PLAYGROUND

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1963 FNL 463 FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

RECEIVED
OCT 0 3 2011
DIV. OF OIL, GAS & MINING

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 15 T9S 24E S

12. COUNTY: Uintah

13. STATE: UTAH

14. DATE SPUDDED: 9/20/2010

15. DATE T.D. REACHED: 9/26/2010

16. DATE COMPLETED: 8/6/2011 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL):

18. TOTAL DEPTH: MD 7748 TVD 7748

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? * 6

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
SPECTRAL DENSITY/DUAL SPACED NEUTRON
ARRAY COMPENSATED/TRUE RESISTIVITY

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (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
17 3/4	14		0	40		50		SURFACE	
12 1/4	8 5/8 J55	24	0	2016		G 202		SURFACE	
7 7/8	5 1/2 L80	17	0	7739		LP 220		SURFACE	
						POZ 239		SURFACE	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	4411							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	4396	4420	4396	4420
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
4396 4420	14	56	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☑ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: _____

30. WELL STATUS:

producing

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	O. ...L:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
6/1/11	6/1/11	24			33		FLOWING

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:
	1700	2500						33		producing

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.)

sold- Anadarko

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)
WASATCH	4840	4843	NO WATER, NO GAS		
WASATCH	5439	5446	LITTLE GAS	Green River	1572
WASATCH	5465	5472	LITTLE GAS	Wasatch	4032
MESA VERDE	6252	6353	WATER AND LITTLE GAS (FRAC)	Mesa Verde	5538
	6611	6619	WATER AND GAS (FRAC)	SEGO	7350
	7105	7184	WATER AND GAS (FRAC)		
SEGO	7512	7589	WATER		

35. ADDITIONAL REMARKS (Include plugging procedure)

CIBP SET @ 6225 W/ 2 SKS CEMENT, RBP SET @ 4439

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

NAME (PLEASE PRINT) Chris Curton TITLE V.P. of Business development

SIGNATURE _____ DATE 9/29/11

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

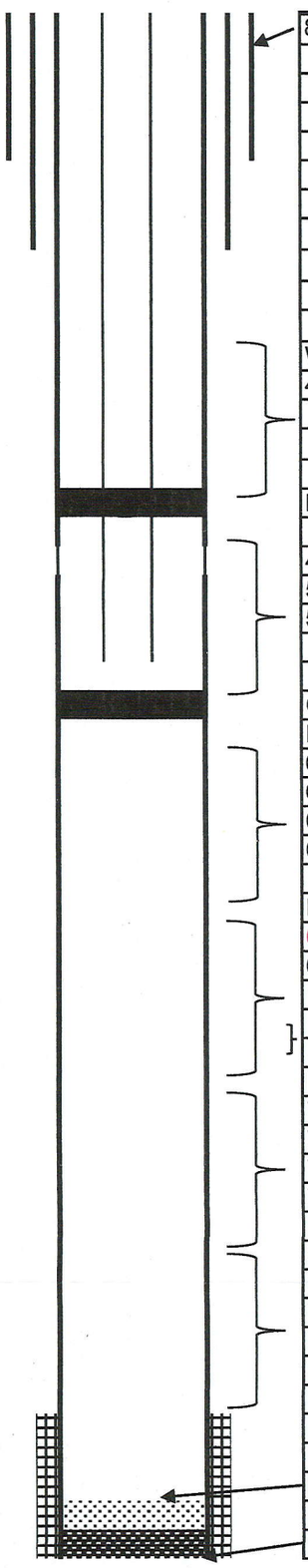
Fax: 801-359-3940

(5/2000)

Rocky Mountain Consulting

Office 435-789-0968
Cell 435-828-0968
Fax 435-789-0970
E-mail rmcwar@hotmail

		Date	9/15/11		
Operator	Thurston Operating	GL			
Well Number	Thurston 5-15	KB			
Location			Size	Wt	Gr
Wellhead Manufacture		Tbg	2 3/8		N80
Working Pressure		Csg	8 5/8		
API number	43-047-40627		Burst	Ten	Collapse
Lease #	82752	Tbg			
		Csg	5 1/2		



8 5/8 SURFACE CASING, ID-8.097, DRIFT-7.9

WEIGHT-24, GRADE-J55, DEPTH-2016, BURST,2950,COLLAPSE,1370

5 1/2- PRODUCTION CASING, ID,4.892 DRIFT,4.767,WEIGHT17,GRADE-L80, DEPTH-7739, BURST-7740,COLLAPSE-6290

Tbg detail		
2 3/8		
		4411

WASATCH PERFS.
4396-4420-24 BBLS. LITTLE GAS

Green River	1572	2109
Wasatch	4032	
Mesaverde	5538	6590
TD	7748	7681 pbtd

PLUG IN HOLE @ 4439'

4840-4897- NO WATER, NO GAS
5439-5446-33 BBLS. LITTLE GAS
5465-5472-8 RUNS-38.4 BBLS. LITTLE GAS

CIBP @ 6225- 2 SACKS CEMENT

MESA VERDE PERFS.
6252-6255
6280-6283
6305-6308
6350-6353
FRAC

MESA VERDE PERFS.
6611-6614
6616-6619
FRAC

MESA VERDE PERFS.
7105-7108
7153-7156
7170-7173
7181-7184
FRAC

SEGO PERFS.
7512-7515
7532-7535
7564-7567
7586-7589
FRAC

PBTD

TD

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-28042

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: THURSTON 5-15-9-24

2. NAME OF OPERATOR: THURSTON ENERGY OPERATING COMPANY LLC

9. API NUMBER: 4304740627

3. ADDRESS OF OPERATOR: 4925 Greenville ave. #840 CITY Dallas STATE TX ZIP 75206

PHONE NUMBER: 469-726-2222

10. FIELD AND POOL, OR WILDCAT: DEVILS PLAYGROUND

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1963 FNL 463 FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 15 T9S 24E S

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 12/1/2012	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: CLOSE PIT
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

OPERATOR WISHES TO CLOSE PIT, RECEIVED VERBAL CONFERMATION NOVEMBER 26TH FROM RICHARD POWELL, WORK SHOULD START ASAP, HOPING TO HAVE WORK STARTED BY DEC. 1ST

COPY SENT TO OPERATOR

Date: 12-13-2012

Initials: KS

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 12/11/12

By:

NAME (PLEASE PRINT) CHRIS CURTON TITLE C.O.O.

SIGNATURE DATE 11/27/2012

(This space for State use only)

RECEIVED
DEC 04 2012
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

C

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

FORM 6

ENTITY ACTION FORM

Operator: Thurston Energy Operating Company
Operator Account Number: N 2790
Address: 365 W. 50 N Ste W-8
city Vernal
state Ut zip 84078
Phone Number: (435) 789-8580

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740627	Thurston 5-15-9-24		SWNW	15	9S	24E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	17772	17772	9/20/2010			8/6/2011	

Comments: WSTC 10/19/11 CONFIDENTIAL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740628	Thurston 12-29-9-024		NWSW	29	9S	24E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	18119	18119	7/5/2011			9/26/2011	

Comments: WSTC 10/19/11 CONFIDENTIAL

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	

Comments:

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)

Patti Cox
Name (Please Print)
Signature
Business Mgr
Title
10-17-11
Date

RECEIVED
OCT 17 2011
DIV. OF OIL, GAS & MINING

(5/2000)

Division of Oil, Gas and Mining
Operator Change/Name Change Worksheet-for State use only

Effective Date: 9/10/2014

FORMER OPERATOR:	NEW OPERATOR:
Thurston Energy Operating Company P.O. Box 1667 Vernal, UT 84078	Shiny One Operating Company, LLC P.O. Box 1667 Vernal, UT 84078
CA Number(s):	Unit(s):

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See attached list									

OPERATOR CHANGES DOCUMENTATION:

1. Sundry or legal documentation was received from the **FORMER** operator on: 12/10/2014
2. Sundry or legal documentation was received from the **NEW** operator on: 12/10/2015
3. New operator Division of Corporations Business Number: 5917957-0161

REVIEW:

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD on: N/A
3. Reports current for Production/Disposition & Sundries: 1/4/2015
4. OPS/SI/TA well(s) reviewed for full cost bonding: 1/4/2015
5. UIC5 on all disposal/injection/storage well(s) approved on: N/A
6. Surface Facility(s) included in operator change: N/A
7. Inspections of PA state/fee well sites complete on (only upon operators request): N/A

NEW OPERATOR BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000181
2. Indian well(s) covered by Bond Number:
3. State/fee well(s) covered by Bond Number(s): 579-146262-4, 579-146263-2, 579-146264-0, 579-146265-7

DATA ENTRY:

1. Well(s) update in the **OGIS** on: 1/4/2015
2. Entity Number(s) updated in **OGIS** on: 1/4/2015
3. Unit(s) operator number update in **OGIS** on: N/A
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: 1/4/2015
6. Surface Facilities update in **RBDMS** on: N/A

LEASE INTEREST OWNER NOTIFICATION:

1. The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 1/4/2015

COMMENTS:

From: Thurston Energy Operating N2790
To: Shiny One Operating Company, LLC N4185

Effective 10 September 2014

Well Name	Section	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
RED WASH FED 1-18	18	090S	240E	4304730124	6200	Federal	Federal	GW	P
DEVILS PLAYGROUND 41-9	9	090S	240E	4304730339	6195	Federal	Federal	OW	P
DIRTY DEVIL FEDERAL 23-20	20	090S	240E	4304731009	10698	Federal	Federal	GW	P
DIRTY DEVIL 22X-27	27	090S	240E	4304734825	15109	Federal	Federal	GW	P
THURSTON 7-9-9-24 GR	9	090S	240E	4304740625	17771	Federal	Federal	OW	P
THURSTON 10-15-9-24	15	090S	240E	4304740626	17773	State	Federal	GW	P
THURSTON 12-29-9-24	29	090S	240E	4304740628	18119	State	Federal	GW	P
THURSTON 8-9-9-24	9	090S	240E	4304751428	18135	Federal	Federal	OW	P
DEVILS PLAYGROUND 23-17	17	090S	240E	4304730568	6136	Federal	Federal	GW	S
DIRTY DEVIL UNIT 11-29	29	090S	240E	4304731617	9586	State	Fee	GW	S
THURSTON 5-15-9-24	15	090S	240E	4304740627	17772	State	Federal	GW	S

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "THURSTON ENERGY OPERATING COMPANY, LLC", CHANGING ITS NAME FROM "THURSTON ENERGY OPERATING COMPANY, LLC" TO "SHINY ONE OPERATING COMPANY, LLC", FILED IN THIS OFFICE ON THE TWENTY-FIRST DAY OF AUGUST, A.D. 2014, AT 3:24 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF AMENDMENT IS THE TENTH DAY OF SEPTEMBER, A.D. 2014.

Jeffrey W. Bullock, Secretary of State

3972888 8100

AUTHENTICATION: 1824738

141350778

DATE: 10-30-14

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 03:24 PM 08/21/2014
FILED 03:24 PM 08/21/2014
SRV 141097114 - 3972888 FILE

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: Thurston Energy Operating Company, LLC

2. The Certificate of Formation of the limited liability company is hereby amended as follows:

The name of Thurston Energy Operating Company, LLC shall be changed to Shiny One Operating Company, LLC, to be effective September 10, 2014.

IN WITNESS WHEREOF, the undersigned have executed this Certificate on the 20 day of August, A.D. 2014.

By: Crystal Meeks
Authorized Person(s)

Name: Crystal Meeks - Manager
Print or Type

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:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ OTHER

8. WELL NAME and NUMBER: Thurston 5-15-9-24

2. NAME OF OPERATOR: Shiny One Operating Company, LLC

9. API NUMBER: 4-305E+09

3. ADDRESS OF OPERATOR: CITY Vernal STATE UT ZIP 84078 PHONE NUMBER: 435-789-8580

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 15-090S-24 0 E-17772-State

STATE: UTAH

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

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

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

effective 9-10-14

RECEIVED
[illegible] 2015
Div. of Oil, Gas & Mining

Thurston Energy Operating Company shall be known as Shiny One Operating Company, LLC.

NAME (PLEASE PRINT) Crystal Meeks TITLE Assistant Manager

SIGNATURE Crystal Meeks DATE 12-8-14

APPROVED

JAN 04 2016

DIV. OF OIL, GAS & MINING

BY: Rachel Medina

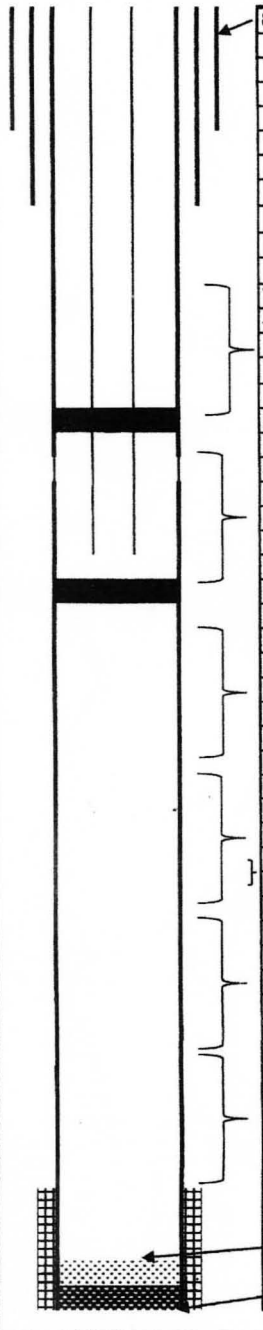
(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

Rocky Mountain Consulting

Office 435-789-0968
Cell 435-828-0968
Fax 435-789-0970
E-mail rmcwar@hotmail

		Date	9/15/11		
Operator	Thurston Operating	GL			
Well Number	Thurston 5-15	KB			
Location			Size	Wt	Gr
Wellhead Manufacture		Tbg	2 3/8		N80
Working Pressure		Csg	8 5/8		
API number	43-047-40627		Burst	Ten	Collapse
Lease #	82752	Tbg			
		Csg	5 1/2		



8 5/8 SURFACE CASING, ID-8.097, DRIFT-7.9

WEIGHT-24, GRADE-J55, DEPTH-2016, BURST,2950,COLLAPSE,1370

5 1/2- PRODUCTION CASING, ID,4.892 DRIFT,4.767,WEIGHT17,GRADE-L80, DEPTH-7739, BURST-7740,COLLAPSE-6290

Tbg detail		
2 3/8		

4411

WASATCH PERFS.
4396-4420-24 BBLS. LITTLE GAS

Green River	1572	2109
Wasatch	4032	
Mesaverde	5538	6590
TD	7748	7681 pbtd

PLUG IN HOLE @ 4439' RBP

4840-4897- NO WATER, NO GAS
5439-5446-33 BBLS. LITTLE GAS
5465-5472-8 RUNS-38.4 BBLS. LITTLE GAS

CIBP @ 6225- 2 SACKS CEMENT

MESA VERDE PERFS.
6252-6255
6280-6283
6305-6308
6350-6353
FRAC

MESA VERDE PERFS.
6611-6614
6616-6619
FRAC

MESA VERDE PERFS.
7105-7108
7153-7156
7170-7173
7181-7184
FRAC

CIBP 7394 Cmt on Top

SEGO PERFS.
7512-7515
7532-7535
7564-7567
7586-7589
FRAC

PBTD

TD

Thurston Operating

Thurston 5-15-9-24

Proposed Plugging Procedure.

(1) Rig up on well. Bleed pr off and circulate well with inhibited water. Install bop.
(2) Circulate well down tbg and retrieve RBP at 4439'. Pull out of the hole and lay down plug and retrieving tool.
(3) Set cement retainer at 4800'. Mix and pump 50 sks cement down tbg and into perfs 4840-5472. unsting from retainer and leave 5 sacks on top. Pull tbg out of the hole.
(4) Set cement retainer at 4350' and sting into with tbg. Mix and pump 50 sacks of cement down tbg and into perfs 4396-4420. Unsting from retainer and leave 5 sacks on top. Pull tbg out of the hole.
(5) Fill hole and pressure test csg to 1000 psi. Perforate 4 holes at 2200' and attempt to circulate well down 5 ½" csg and up annulas. Spot 400' of cement from 2200' to 1800' in and outside of 5 ½" csg., across end of surface pipe.
(6) Shoot holes at 100' and circulate cement down 5 ½" csg and up surface csg. Fill both sides with Cement. Cut off wellhead and install dry hole marker. Fill pipe with cement if necessary
(7) Reclaim location.

Cement will be 15.8 #/gal class G neat. Yield 1.15, mix water, 5 gal/sack.
Dry hole marker and location restoration will be determined by state regulations.

GARY R. HERBERT
Governor
SPENCER J. COX
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

February 2, 2016

CERTIFIED MAIL NO. 7014 2870 0001 4232 4900

43 047 40627
Thurston 5-15-9-24
15 9S 24E

Mr. Zhang Kai
Shiny One Operating Company, LLC
PO Box 1667
Vernal, UT 84078

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Kai:

As of January 2016, Shiny One Operating Company, LLC has one (1) State Lease Well (see attachment A) that is currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT.

1594 West North Temple, Suite 1210, Salt Lake City, UT 84116
PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR
OIL, GAS & MINING

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

All Submittals should be sent via ePermit

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/DD/js

cc: LaVonne Garrison, SITLA
Compliance File
Well File

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	Thurston 5-15-9-24	43-047-40627	ML-28042	1 year 4 months