

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: ML51713	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Cochrane Resources, Inc.				9. WELL NAME and NUMBER: Divide 33-35	
3. ADDRESS OF OPERATOR: PO Box 1656 CITY Roosevelt STATE UT ZIP 84066			PHONE NUMBER: (435) 722-5081	10. FIELD AND POOL, OR WILDCAT: Undesignated Black Horse Canyon	
4. LOCATION OF WELL (FOOTAGES) 1045603X 4369835Y 39.467669 -109.307399				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 550 NWSE 35 15S 23E	
AT SURFACE: 1979 FSL 1976 FEL					
AT PROPOSED PRODUCING ZONE: Sec 35, 15S,23E SLB&M					
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 54 Miles South of Ouray				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1976'		16. NUMBER OF ACRES IN LEASE: 640		17. NUMBER OF ACRES ASSIGNED TO THIS WELL:	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) None		19. PROPOSED DEPTH: 8,500		20. BOND DESCRIPTION: C.D.	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 8101 Grd.		22. APPROXIMATE DATE WORK WILL START: 8/15/2010		23. ESTIMATED DURATION: 20 Days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
17"	14"	Cond.		20	Class G to Surface		
12 1/2"	8 5/8"	J-55	24#	1,000	Cl. G to Sur. 460 Sks	1.26	14.6
7 7/8"	5 1/2"	N-80	17#	8,500	HY-Fill 400 Sks	3.84	11.6
					Class G 450 Sks	1.26	14.6

ATTACHMENTS

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

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

NAME (PLEASE PRINT) Ken Allen TITLE President

SIGNATURE *Ken Allen* DATE 6/22/2010

(This space for State use only)

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

**RECEIVED
JUN 23 2010**

API NUMBER ASSIGNED: 43-047-40630

APPROVAL:

Date: 09-20-10

By: *[Signature]*

DIV. OF OIL, GAS & MINING

T15S, R23E, S.L.B.&M.

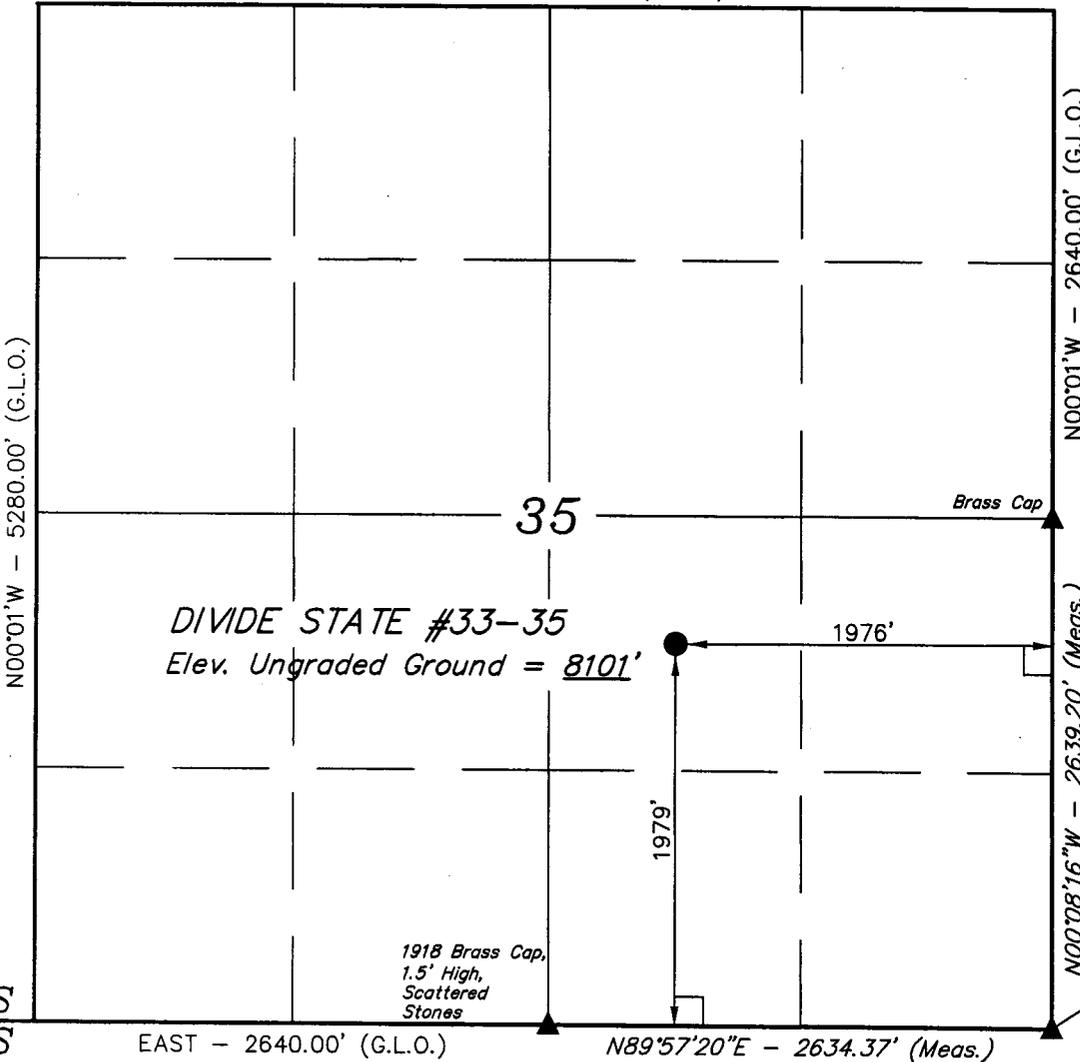
COCHRANE RESOURCES, INC.

Well location, DIVIDE STATE #33-35,
located as shown in the NW 1/4 SE 1/4
of Section 35, T15S, R23E, S.L.B.&M.
Uintah County, Utah.

N89°58'W - 5276.04' (G.L.O.)

BASIS OF ELEVATION

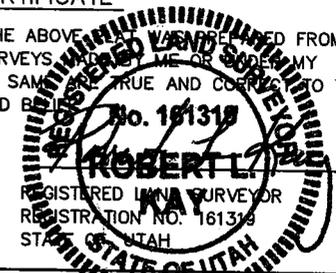
SPOT ELEVATION ALONG A JEEP TRAIL LOCATED IN THE NE 1/4 OF SECTION 25, T14S, R22E, S.L.B.&M. TAKEN FROM THE PINE SPRINGS CANYON QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7172 FEET.



SCALE

CERTIFICATE

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



1918 Brass Cap,
1.1' High, Pile
of Stones, Steel
Post

BASIS OF BEARINGS

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

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°28'03.85" (39.467736)
LONGITUDE = 109°18'29.00" (109.308056)
(NAD 27)
LATITUDE = 39°28'03.95" (39.467764)
LONGITUDE = 109°18'26.57" (109.307381)

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

SCALE 1" = 1000'	DATE SURVEYED: 05-20-10	DATE DRAWN: 06-03-10
PARTY B.B. T.A. Z.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE COCHRANE RESOURCES, INC.	

From: Jim Davis
To: Bonner, Ed; Mason, Diana
CC: Garrison, LaVonne; coch@ubtanet.com
Date: 9/13/2010 11:02 AM
Subject: APD approval Divide St 33-35

The following APD has been approved by SITLA including arch and paleo clearance.

Divide 33-35 (API 4304740630)

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

COCHRANE RESOURCES, INC.

Engineering
Wellsite Supervision
Lease Operating

PO Box 1656
Roosevelt, Utah 84066
Phone (435) 722-5081
Cell (435)722-9448

June 22, 2010

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

Re: Divide 33-35

Dear Sir:

Please find attached the Application to drill the subject well. The archaeological report will be coming from Montgomery in the next week.

Please advise if you have any questions.

Yours truly,



Ken Allen

RECEIVED
JUN 23 2010
DIV. OF OIL, GAS & MINING

Cochrane Resources, Inc.

Divide State 33-35
Section 35, T15S, R23E SLB&M
Grand County, Utah
Lease No. ML51713

Drilling Plan

1. Estimated Tops of Important Geologic Markers & Anticipated Water, Oil, Gas or Mineral Formations:

Formation	Depth	Hydrocarbon/Water Bearing Zones
Green River	Surface	Gas/Oil
Mancos	3990'	Gas
Dakota	7780'	Gas
TD	8600'	

2. Pressure Control Equipment

All well control equipment shall be in accordance with Onshore Order #2 for 3M Systems.

The minimum specifications for pressure control equipment that will be provided are included on the attached schematic diagram showing size, pressure ratings, testing procedures, and testing frequency.

3000# BOP With 4 ½" Pipe Rams
3000# BOP with Blind Rams
3000# Annular

Auxiliary equipment to be used:

- Upper Kelly cock with handle available.

The manifold includes appropriate valves and adjustable chokes. The kill line will have check valve. Ram type preventers will be pressure tested to full working pressure (utilizing a test plug) at:

- initial installation;
- whenever any seal subject to test pressure is broken;
- following related repairs;
- at 30 day intervals

The annular preventer will be pressure tested to 50 percent of the rated working pressure. All pressure tests shall be maintained at least ten minutes or until provisions of test are met, whichever is longer.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip.

A BPOE drill will be conducted weekly for each drilling crew.

All tests and drills will be recorded in the drilling log.

The accumulator will have sufficient capacity to open the HCR valve, close all rams plus the annular preventer, and retain 200 psi above pre-charge pressure without the use of closing unit pumps. The system will have two independent power sources to close the preventers in accordance with 3M system requirements.

Remote controls shall be readily accessible to the driller. Master controls shall be at the accumulator.

3. Casing & Cementing Program:

A. The proposed casing will be as follows:

<u>Depath</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Grade</u>	<u>Wt</u>	<u>Thread</u>	<u>Cond.</u>
0-1000'	12 ¼	5 5/8"	J-55	24	LT&C	New
0-8500'	7 7/8	5 ½"	L-80	17	LT&C	New

The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting will contain the maximum pressure to which it will be exposed during normal drilling including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressure, lost circulation zones, other minerals or other unusual characteristics.

All casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The 8 5/8" intermediate casing shall be cemented back to surface casing, either during the primary cement job or by remedial cementing.

The bottom three joints of the intermediate casing will have one centralizer per joint and one centralizer every fourth joint thereafter.

Casing design is subject to revision based on geologic conditions encounters.

B. The proposed cementing program will be as follows:

Production String: Estimated volume (gauge hole + 15%)
 Lead: 400sx Hifill @ 11.6 ppg, 3.84 cu.fl./sx.
 Tail: 450 sx 50/50 POZ @ 14.6 ppg, 1.26 cu. ft/sx.

Actual volumes will be calculated and adjusted with caliper log prior to cementing. Fifteen percent excess will be pumped.

For intermediate casing, waiting on cement time will be adequate to achieve 500 psi compressive strength at the casing shoe prior to drilling out.

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used.

After cementing the intermediate pipe and/or any other intermediate strings, but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the Driller's Log.

4. Drilling Fluids Program:

Interval	Type	Weight (ppg)	Viscosity	pH	Water Loss	Remarks
0 - 1825' 1000'	Spud	8.4 - 9.0	30 - 45+	8.0	NC	Gel & Lime as required
1000' - 5500'	Wtr/gel	8.4 - 8.8	27 - 35	8.5 - 9.0	NC	Min. Wt.
5500' - TD	KCL/Mud	8.5 - 8.8*	35 - 40	9.0 - 11.0	10-15 cc @ TD	*Min Wt. to control formation pressure.

Water will come from: Water Right No. 43-10447, located in Sec 9 T8S R20E.

Sufficient quantities of mud material will be maintained on site or be readily accessible for the purpose of assuring well control. SPR will be recorded on daily drilling report after mudding up. Visual monitoring will be conducted during operations.

5. Evaluation Program:

Logs: DLLT/GR: TD to base surface casing

FCC/CNL.GR.CAL
Bond Log

TD to 3000'
TD to 200' above cement top

6. Abnormal Conditions:

No anticipated abnormal pressures or temperatures are expected to be encountered. No hydrogen sulfide is expected.

Anticipated bottom-hole pressure is 1500 psi.

7. Other Information:

The anticipated starting date and duration of the operation will be as follows:

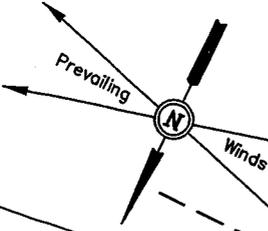
Starting Date:
Duration

Upon Approval
20 Drilling Days & Completion Days

COCHRANE RESOURCES, INC.

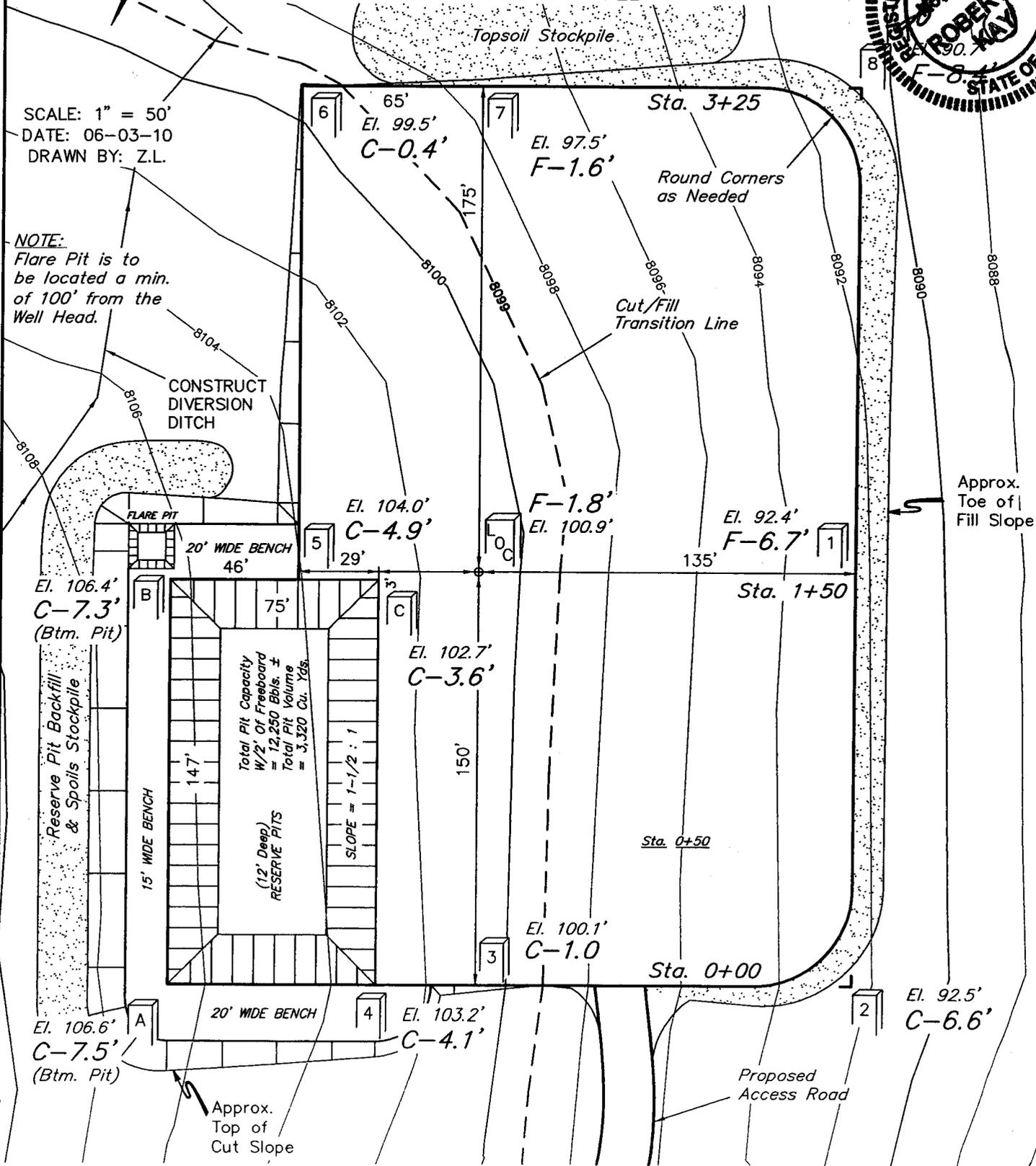
LOCATION LAYOUT FOR
 DIVIDE STATE #33-35
 SECTION 35, T15S, R23E, S.L.B.&M.
 1979' FSL 1976' FEL

FIGURE #1



SCALE: 1" = 50'
 DATE: 06-03-10
 DRAWN BY: Z.L.

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



Approx. Toe of Fill Slope

Elev. Ungraded Ground At Loc. Stake = 8100.9'
 FINISHED GRADE ELEV. AT LOC. STAKE = 8099.1'

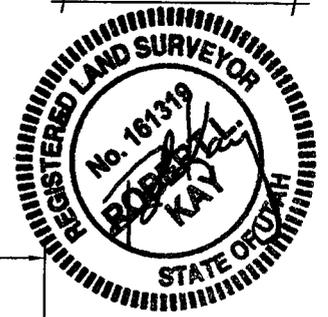
UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1077

COCHRANE RESOURCES, INC.

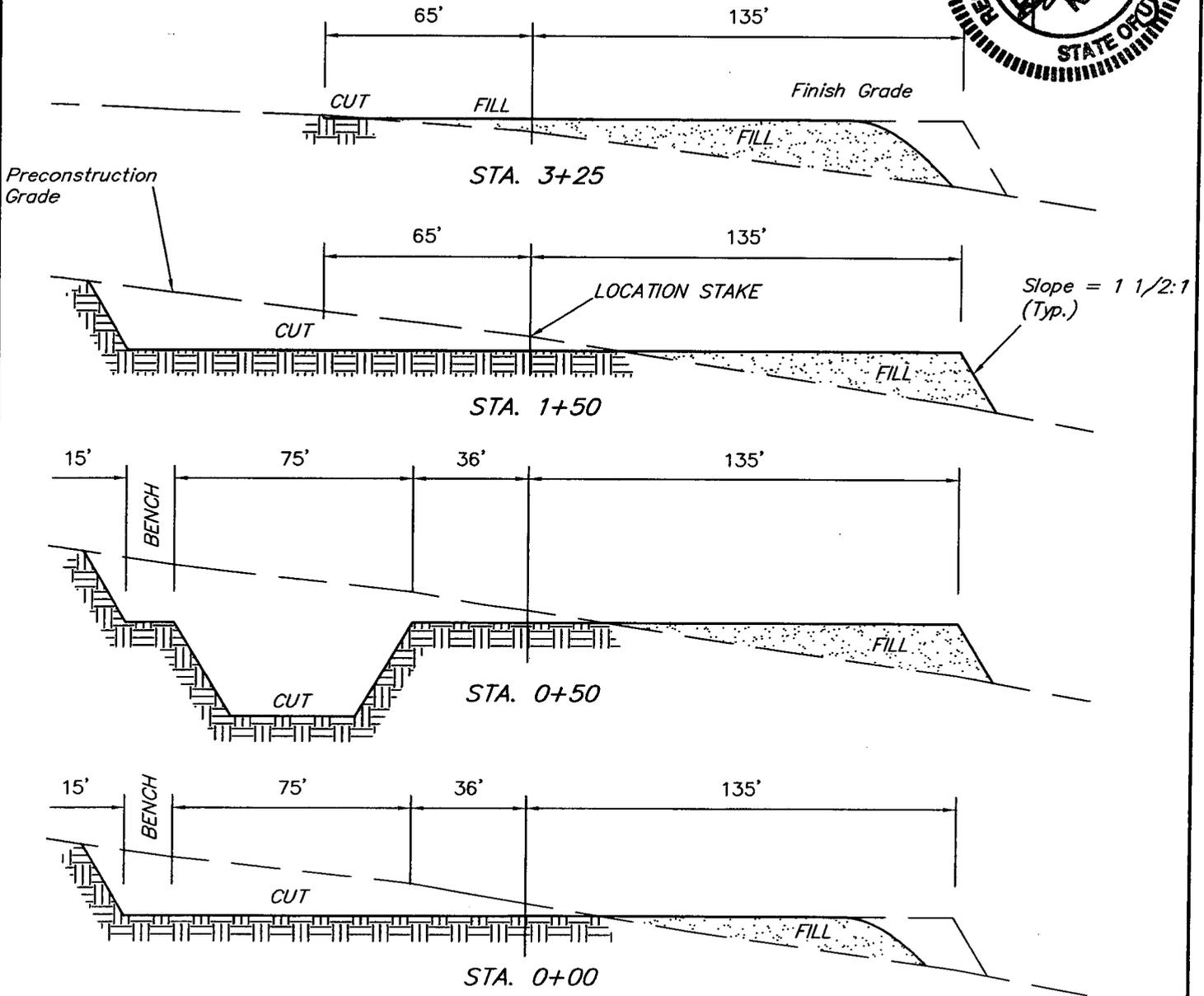
TYPICAL CROSS SECTION FOR

**DIVIDE STATE #33-35
SECTION 35, T15S, R23E, S.L.B.&M.
1979' FSL 1976' FEL**

FIGURE #2



1" = 20'
X-Section Scale
1" = 50'
DATE: 06-03-10
DRAWN BY: Z.L.



NOTE:

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 2.226 ACRES
ACCESS ROAD DISTURBANCE = ± 1.171 ACRES

TOTAL = ± 3.397 ACRES

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,680 Cu. Yds.
Remaining Location = 8,365 Cu. Yds.
TOTAL CUT = 10,045 CU.YDS.
FILL = 6,710 CU.YDS.

EXCESS MATERIAL = 3,335 Cu. Yds.
Topsoil & Pit Backfill = 3,335 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

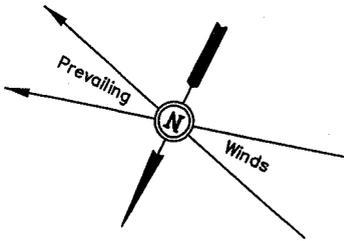
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

COCHRANE RESOURCES, INC.

TYPICAL RIG LAYOUT FOR

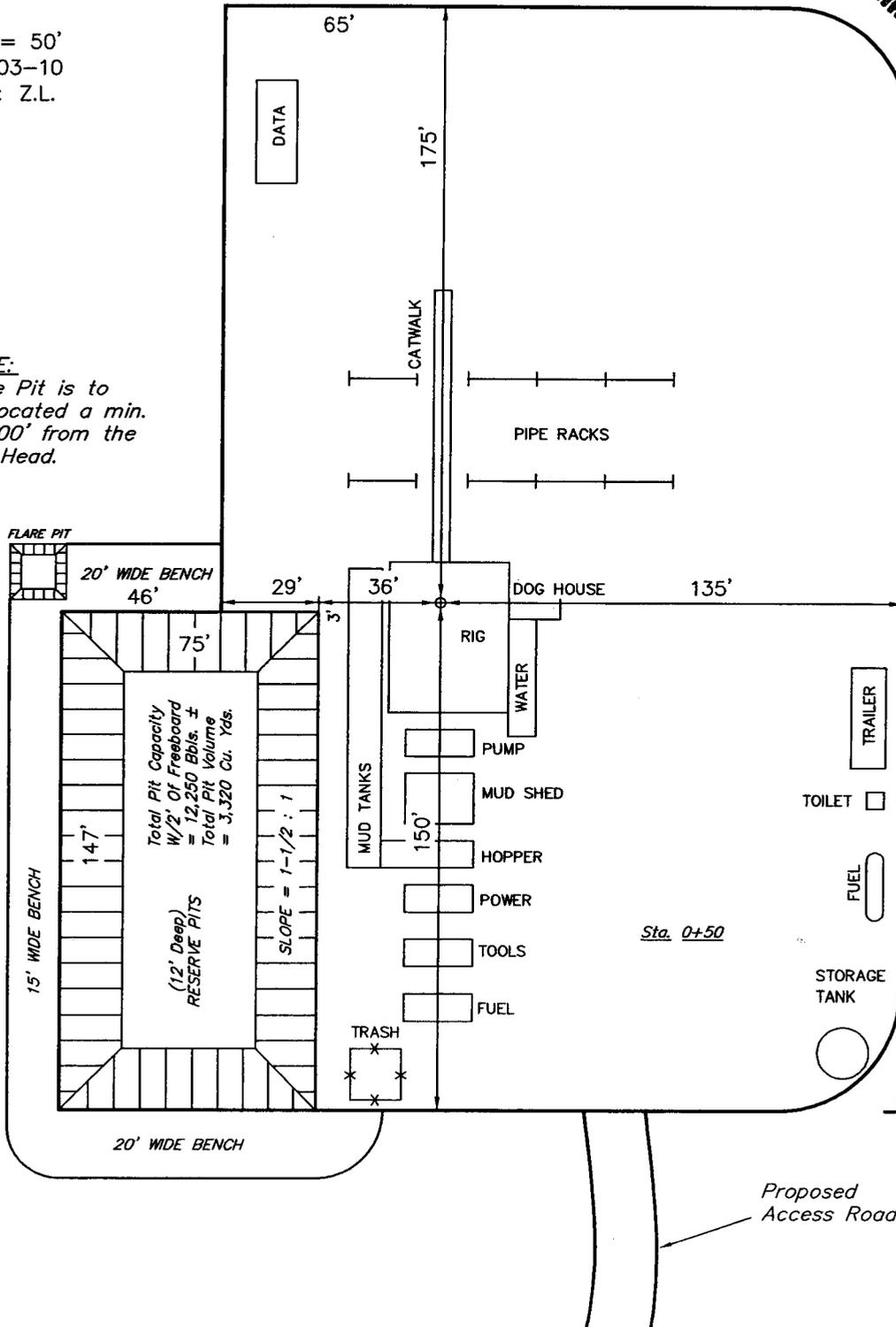
DIVIDE STATE #33-35
SECTION 35, T15S, R23E, S.L.B.&M.
1979' FSL 1976' FEL

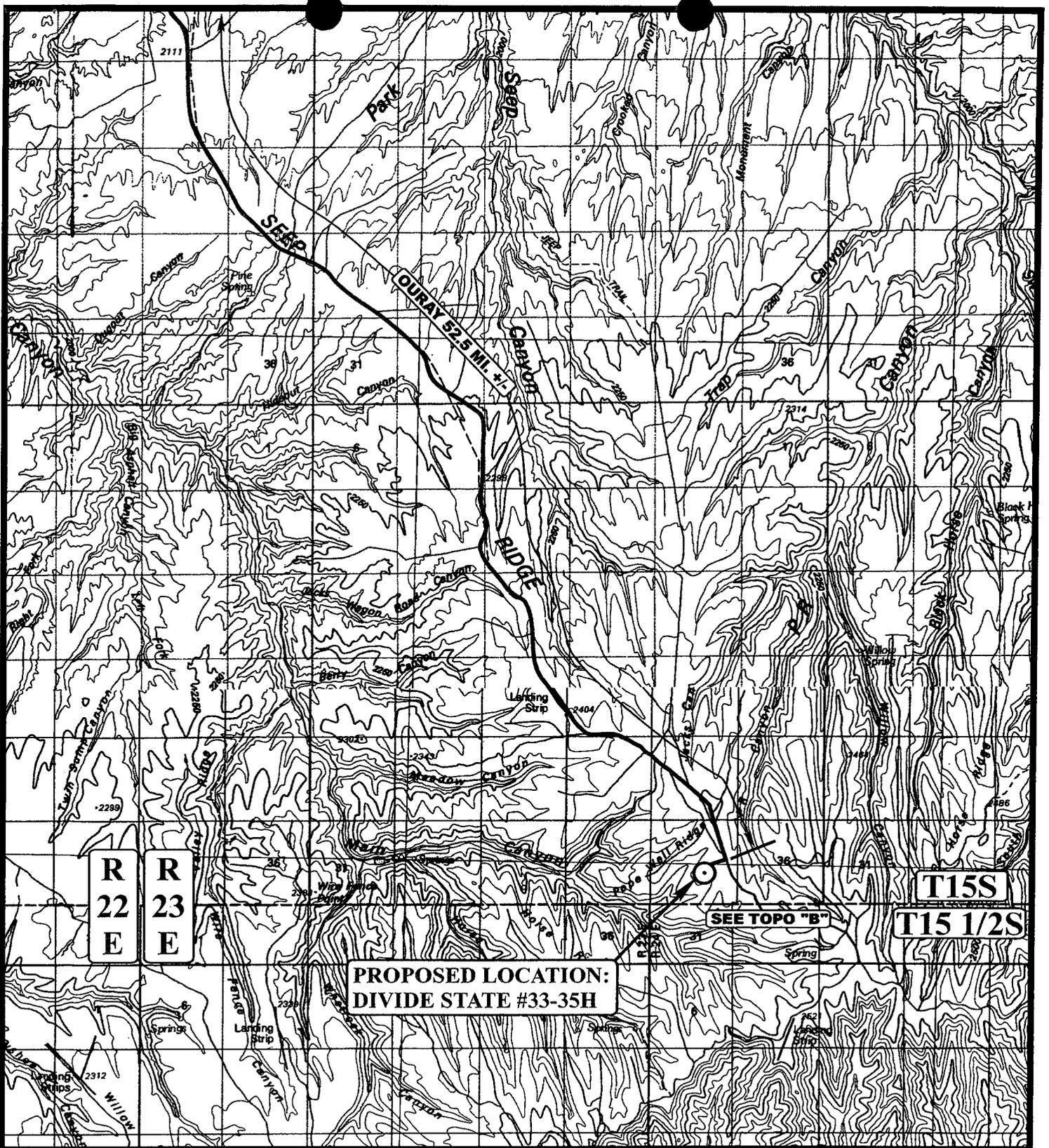
FIGURE #3



SCALE: 1" = 50'
DATE: 06-03-10
DRAWN BY: Z.L.

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





LEGEND:

⊙ PROPOSED LOCATION



COCHRANE RESOURCES, INC.

DIVIDE STATE #33-35
 SECTION 35, T15S, R23E, S.L.B.&M.
 1979' FSL 1976' FEL

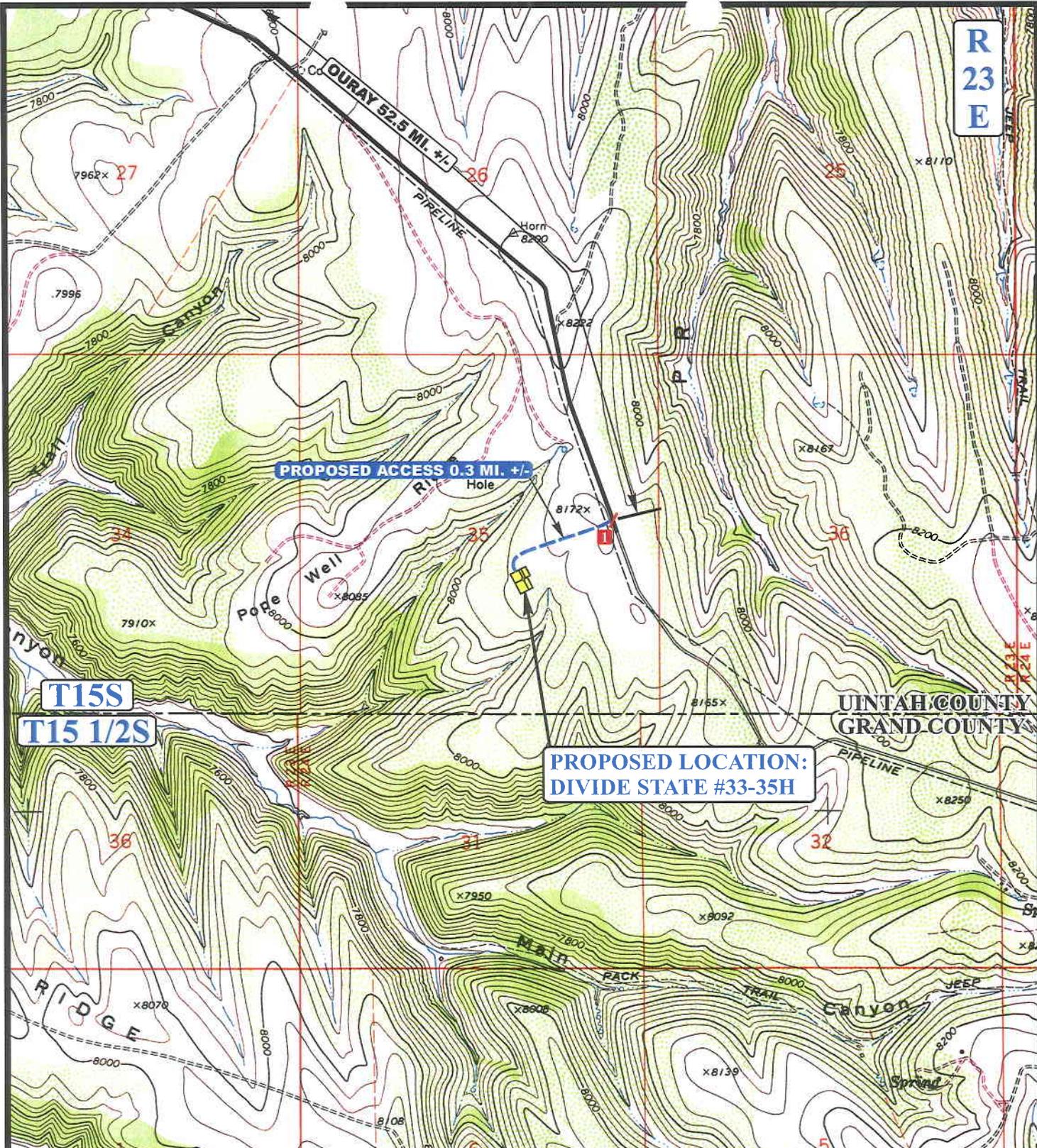


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 05 26 10
 MAP MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: J.H. REVISED: 00-00-00



R
23
E



T15S
T15 1/2S

UINTAH COUNTY
GRAND COUNTY

PROPOSED LOCATION:
DIVIDE STATE #33-35H

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- 18" CMP REQUIRED



COCHRANE RESOURCES, INC.

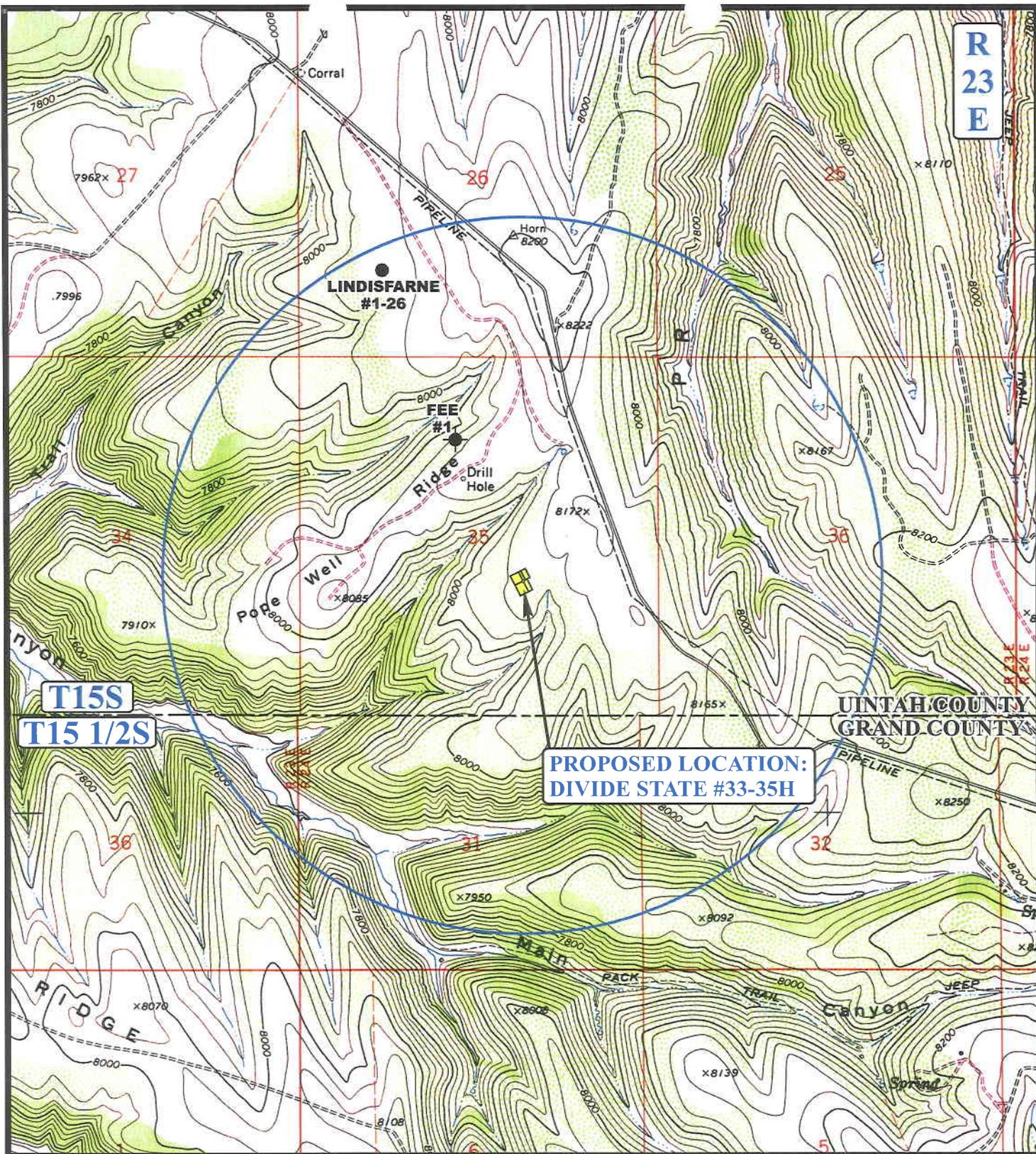
DIVIDE STATE #33-35
SECTION 35, T15S, R23E, S.L.B.&M.
1979' FSL 1976' FEL



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

TOPOGRAPHIC MAP
05 26 10
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00





**R
23
E**

**T15S
T15 1/2S**

**PROPOSED LOCATION:
DIVIDE STATE #33-35H**

**UINTAH COUNTY
GRAND COUNTY**

LEGEND:

- ⊘ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊘ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



COCHRANE RESOURCES, INC.

**DIVIDE STATE #33-35
SECTION 35, T15S, R23E, S.L.B.&M.
1979' FSL 1976' FEL**



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

TOPOGRAPHIC MAP 05 26 10
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00



COCHRANE RESOURCES, INC.

DIVIDE STATE #33-35

**LOCATED IN UINTAH COUNTY, UTAH
SECTION 35, T15S, R23E, S.L.B.&M.**

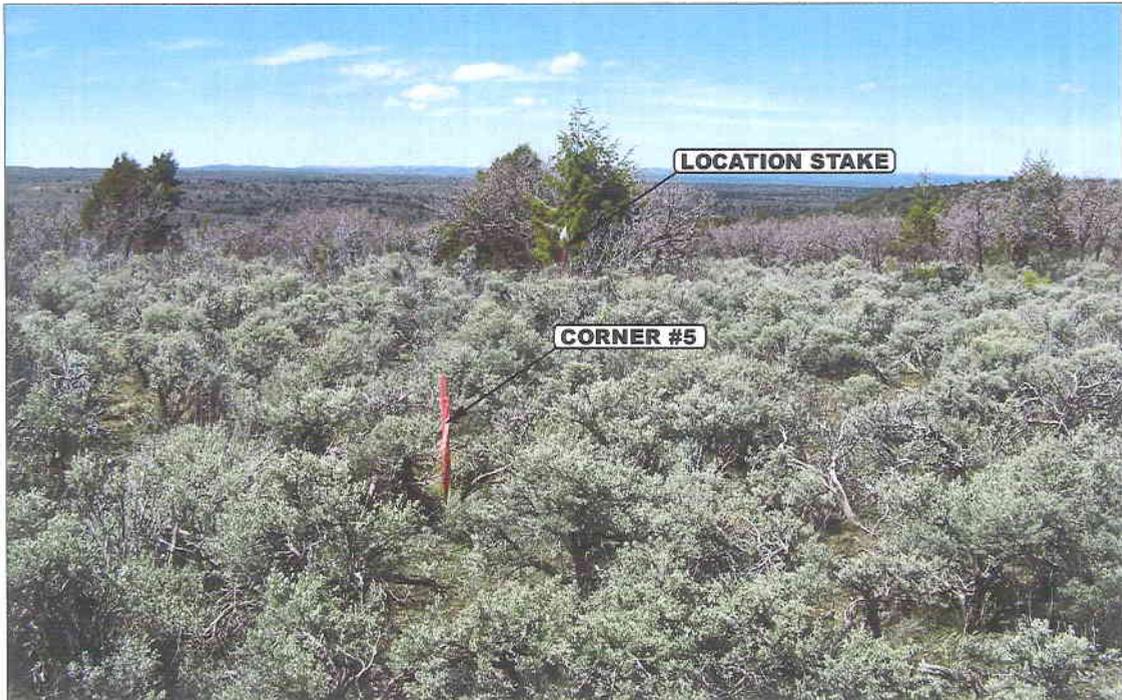


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

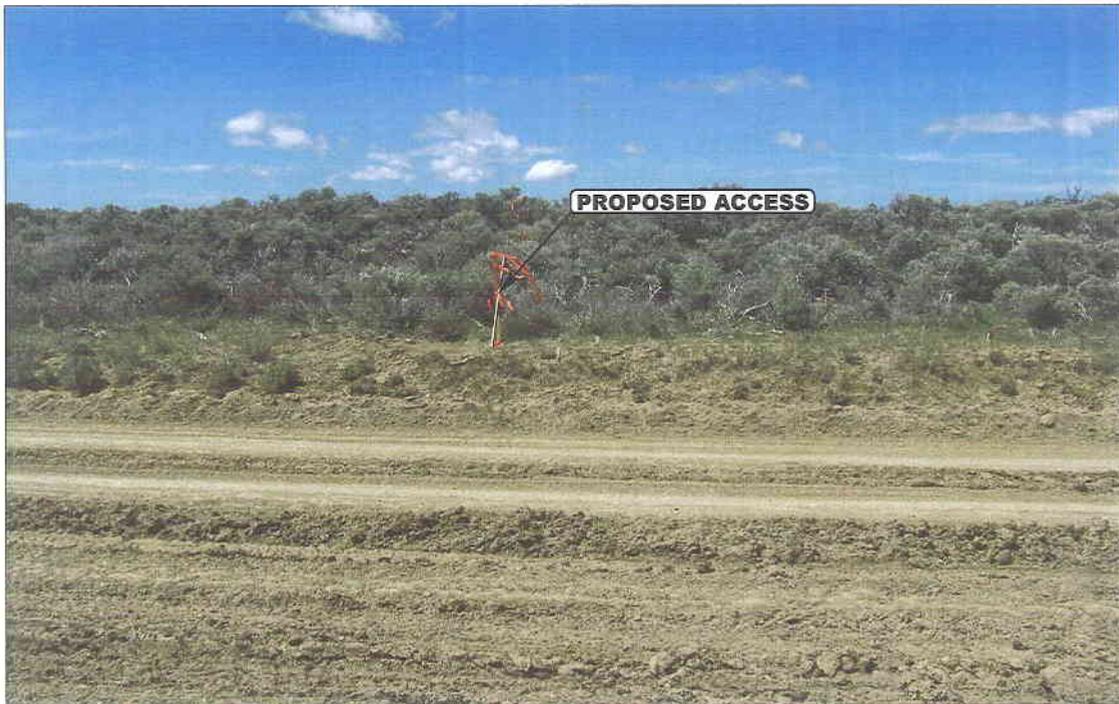


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

**U
E
L
S**

Uintah Engineering & Land Surveying

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

LOCATION PHOTOS

05 26 10
MONTH DAY YEAR

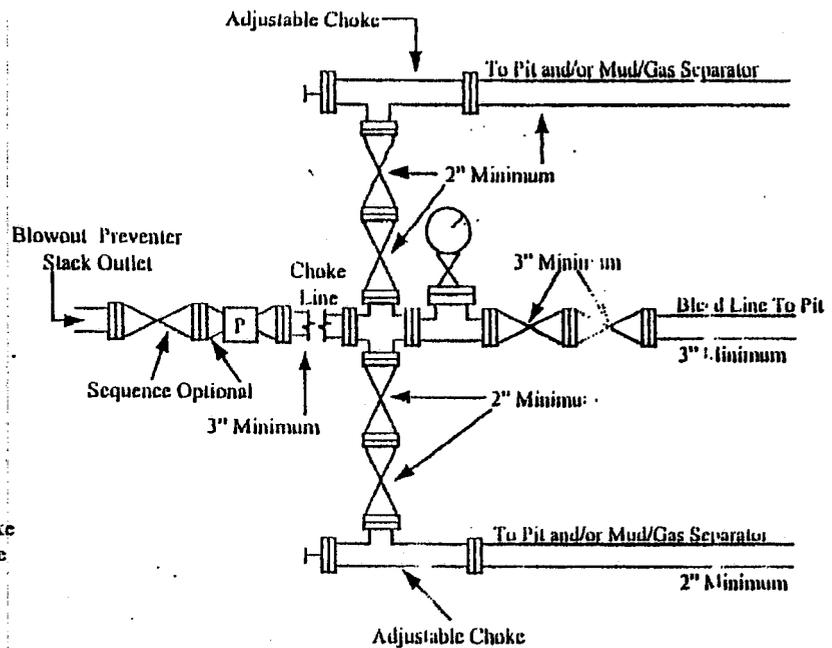
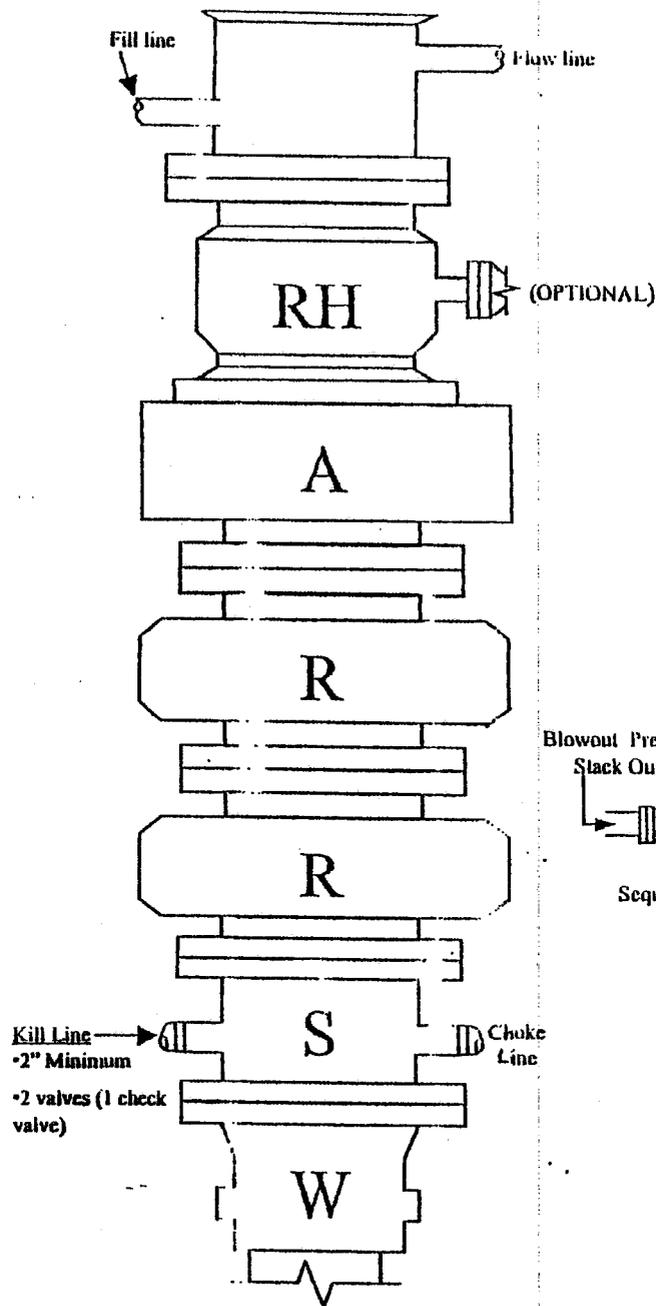
PHOTO

TAKEN BY: B.B.

DRAWN BY: J.H.

REVISED: 00-00-00

DOUBLE RAM TYPE PREVENTERS WITH AN OPTIONAL ROTATING HEAD



* Note: Kill line shall be 2" minimum diameter and have two valves, one of which shall be a check valve. Both valves 2" minimum.

Minimum BOP Stack

One Pipe Ram

One Blind Ram

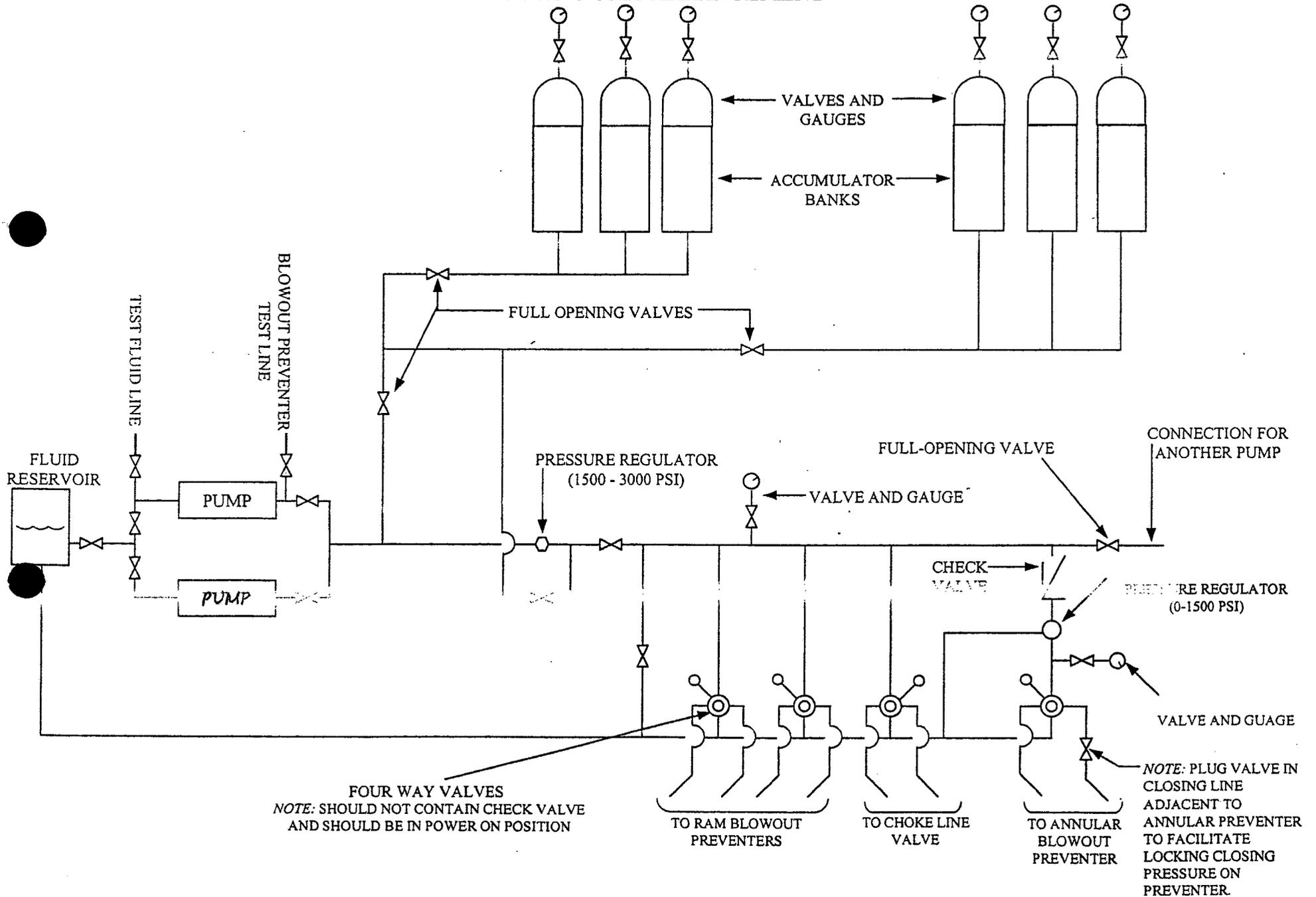
One Annular

Well Head

Manifold

3000 psi Working Pressure

TYPICAL BLOWOUT PREVENTER CLOSING UNIT ARRANGEMENT



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/23/2010

API NO. ASSIGNED: 43-047-40630

WELL NAME: DIVIDE 33-35

OPERATOR: COCHRANE RESOURCES INC (N7015)

PHONE NUMBER: 435-722-5081

CONTACT: KEN ALLEN

PROPOSED LOCATION:

NWSE 35 150S 230E

SURFACE: 1979 FSL 1976 FEL

BOTTOM: 1979 FSL 1976 FEL

COUNTY: UINTAH

LATITUDE: 39.46767 LONGITUDE: -109.30740

UTM SURF EASTINGS: 645603 NORTHINGS: 4369835

FIELD NAME: BLACK HORSE CYN (550)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKO	8/12/10
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML51713

SURFACE OWNER: 3 - State

PROPOSED FORMATION: DKTA

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[X] Fee[]
(No. 027-3114819)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-10447)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

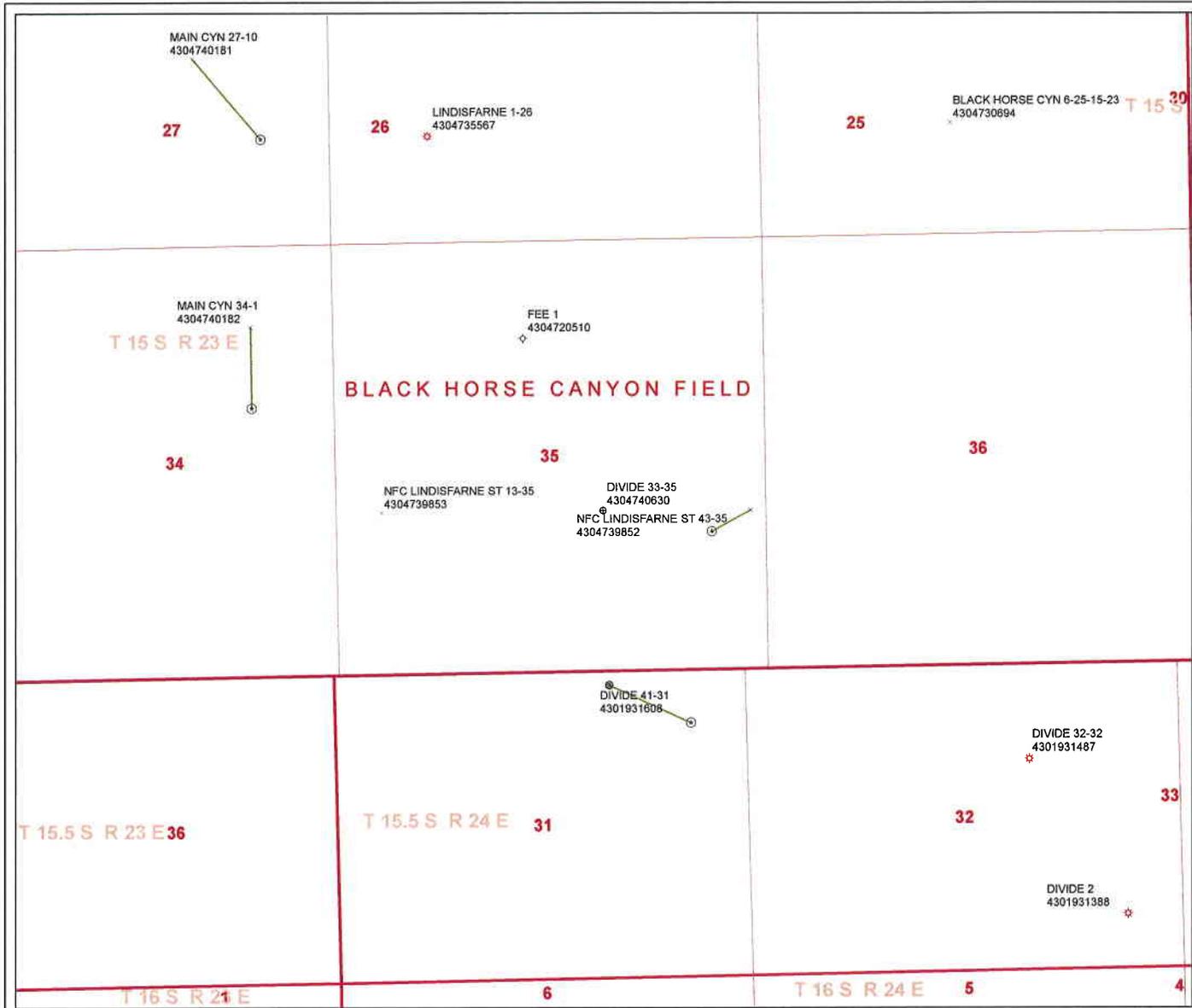
- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS:

Needs Presto (07-14-10)

STIPULATIONS:

- 1- Spacing Strip
- 2- STATEMENT OF BASIS
- 3- Surface Csg (cont strip)



API Number: 4304740630
Well Name: DIVIDE 33-35
 Township 15.0 S Range 23.0 E Section 35
 Meridian: SLBM
 Operator: COCHRANE RESOURCES INC

Map Prepared:
 Map Produced by Diana Mason

- | Units | Wells Query |
|---------------|---------------------------------------|
| STATUS | X - All other values |
| ACTIVE | Status |
| EXPLORATORY | ◆ APD - Approved Permit |
| GAS STORAGE | ⊙ DRIL - Spudded (Drilling Commenced) |
| NF PP OIL | ⊙ GW - Gas Injection |
| NF SECONDARY | ⊙ GS - Gas Storage |
| PI OIL | ⊙ LA - Location Abandoned |
| PP GAS | ⊙ LCC - New Location |
| PP GEOTHERMAL | ⊙ OPS - Operation Suspended |
| PP OIL | ⊙ PA - Plugged Abandoned |
| SECONDARY | ⊙ PGW - Producing Gas Well |
| TERMINATED | ⊙ POW - Producing Oil Well |
| Fields | ⊙ RET - Returned APD |
| Section | ⊙ SGW - Shut-in Gas Well |
| Township | ⊙ SGW - Shut-in Oil Well |
| | ⊙ TA - Temp. Abandoned |
| | ⊙ TW - Test Well |
| | ⊙ WDW - Water Disposal |
| | ⊙ WWI - Water Injection Well |
| | ⊙ WSW - Water Supply Well |



Application for Permit to Drill

Statement of Basis

7/27/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
2745	43-047-40630-00-00		GW	S	No
Operator	COCHRANE RESOURCES INC	Surface Owner-APD			
Well Name	DIVIDE 33-35	Unit			
Field	BLACK HORSE CYN	Type of Work			
Location	NWSE 35 15S 23E S 1979 FSL 1976 FEL GPS Coord (UTM) 645603E 4369835N				

Geologic Statement of Basis

Cochrane proposes to set 20' of conductor pipe and 1,000' of surface casing at this location, both cemented to surface. The base of the moderately saline water is at approximately 3,300 feet in this area. This location lies on the Green River Formation. The proposed location is in a recharge area for the aquifers of the upper Green River formation and fresh water can be expected to be found in the upper Green River. A search of Division of Water Rights records indicates no water wells within a 10,000 foot radius of the proposed location. The production string cement should be brought up above the base of the moderately saline water to prevent it from mixing with fresher waters up hole.

Brad Hill
APD Evaluator

7/27/2010
Date / Time

Surface Statement of Basis

On-site evaluation conducted July 14, 2010. Participants included: Bart Kettle (Division of Oil, Gas and Mining), Ben Williams (Division of Wildlife Resources), Alex Hansen (Division of Wildlife Resources), Ken Allen (Cochrane Resources, Inc, Vent Slough (Craigs Roustabout). Invited and choosing not to attend: Jim Davis (School and Institutional Trust Land Administration).

Due to resource damage resulting from drilling activities conducted during spring thaw on the Bookcliff divide in previous years, it is recommended that drilling be avoided during the months of February through April.

Reserve pit should be fenced on all four sides upon the removal of the drilling rig to prevent entrapment of wildlife, livestock and wild horses.

Re-route access road to enter county road at high point allowing rig traffic to observe traffic in both directions.

Top soil will be retained in stock piles located at the northern and southern portions of the well pad. Top soil from the northern portion of the well pad will be used to reclaim the reserve pit within a year following drilling. Disturbed areas along the access route and well pad shall be seeded within one year following disturbance. A seed mixture of the following shall be used: Crested wheatgrass 2 lbs/acre, Russian wildrye 2 lbs/acre, Intermediate wheatgrass 2 lbs/acre, Tall fescue 2 lbs/acre, small burnet 2 lbs/acre, yellow sweat clover 1 lb/acre and Blue flax 1 lb/acre.

Portions of the project site disturbed during access road and well pad construction shall be monitored for invasions of Black henbane and Musk thistle.

Bart Kettle
Onsite Evaluator

7/14/2010
Date / Time

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

7/27/2010

Page 2

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Disturbed portions of access route and well pad shall be seeded within one year following construction.
Surface	Disturbed areas shall be monitored for invasions of noxious weeds.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator COCHRANE RESOURCES INC
Well Name DIVIDE 33-35
API Number 43-047-40630-0 **APD No** 2745 **Field/Unit** BLACK HORSE CYN
Location: 1/4,1/4 NWSE **Sec** 35 **Tw** 15S **Rng** 23E 1979 FSL 1976 FEL
GPS Coord (UTM) **Surface Owner**

Participants

Bart Kettle-Division of Oil Gas and Mining (DOGM), Vent Slough-Craig's Roustabout, Ken Allen-Cochrane Resources Inc, Ben Williams-Division of Wildlife Resources, Alex Hansen-Division of Wildlife Resources.

Regional/Local Setting & Topography

Project site is 54~ miles southeast of Ouray in Uintah County Utah. The project site is located near the Bookcliffs divide on the south side PR Springs Canyon near the headwaters of Main Canyon in a 18-20" precept zone. Mountain browse and mountain big sage rangelands dominate the surroundings. Several deep rocky pinyon/juniper, Douglas fir and mountain browse canyons surround the well site. Topography to the south rises to the Bookcliff divide, and then drops off quickly into a narrow band of P/J woodlands, with extensive salt scrub clay flats in the Cisco Desert below. Slopes are more gradual to the north, with extensive P/J woodlands eventually giving way to the salt scrub communities bordering the White and Green Rivers. Project site is located mid slope over looking the headwaters of Main Canyon. No perennial water was observed during the on-site inspection, however several locally important springs are located in surrounding drainages. Drainages in the immediate area are ephemeral in nature. Access to the well site can be gained via the Seep Ridge Road.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.25	Width 225	Length 325	GRRV

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Flora:

Grass: Thickspike wheatgrass, poa spp, Indian ricegrass, Nevada blue grass, needle and thread grass, elk sedge.
Forbs: Apricot globe mallow, wavy leaf thistle, lupine spp, stone seed, American vetch, taper tip hawks beard, blue flax, scarlet gila
Shrubs: Mountain big sage, common snowberry, Douglas rabbit brush, birch leaf mountain mahogany, buckwheat, antelope bitterbrush, Utah serviceberry, Gamble oak.
Trees: Rocky mountain juniper, Douglas fir.

Fauna: Summer range for large ungulates Rocky mountain elk and mule deer. Black bear, mountain lion, bobcat, coyote present in good numbers. Greater sage grouse likely historically occupied site, small populations still possible. Seasonal use by migrating song birds, host of yearlong rodent activity.

Soil Type and Characteristics

Mixture of organic material, gray clays and decomposing shale's from the Green River formation.

Erosion Issues Y

Organic based soils prone to water erosion once disturbed

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? Y

Seeding of disturbed areas completed within one year following construction.

Paleo Survey Run?

Paleo Potential Observed? N

Cultural Survey Run? Y

Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	75 to 100	10
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	TDS>5000 and <10000	10
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	>20	10
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	40 1 Sensitivity Level

Characteristics / Requirements

16 mil reserve pit liner required, felt membrane or other means to protect liner from puncture may be required if rock in reserve pit cannot be properly bedded. TDS of reserve pit contents is not expected to exceed 10,000 mg/l.

Closed Loop Mud Required N

Liner Required? Y

Liner Thickness 16

Pit Underlayment Required? N

Other Observations / Comments

Division of Wildlife Resources (DWR) comments project site is classified as critical summer habitat for mule deer and elk. No recommendation for seasonal closures or mitigation requirements given. Inactive Greater sage grouse lek located northwest of the proposed project area. A determination of no negative affect given.

Division of Oil, Gas and Mining (DOGGM) concerned about impacts caused in the region when operators attempt to drill during spring break up period occurring from February to early May.

Re-route portion of the access road connecting to County deemed safety hazard. New alignment is covered by arch survey and will allow rig traffic to enter County road at high point where traffic in both directions can be observed.

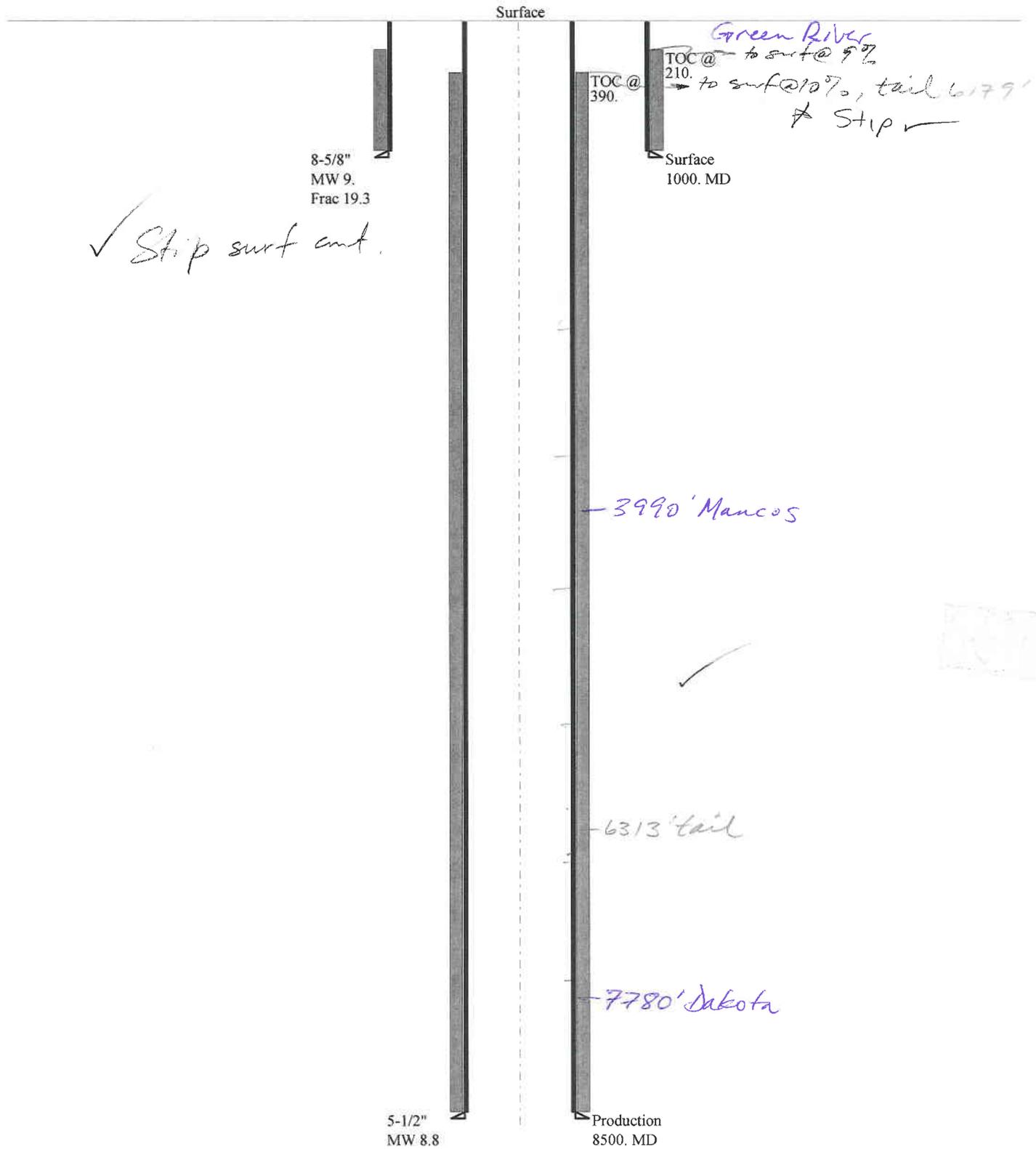
Access road crossing Energy Transfer pipeline.

Bart Kettle
Evaluator

7/14/2010
Date / Time

43047406300000 Divide 33-35

Casing Schematic



Well name:

4304740630000 Divide 33-35Operator: **Cochran Resources, Inc.**String type: **Surface**

Project ID:

43-047-40630-0000

Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 9.000 ppg
Design is based on evacuated pipe.**Burst**Max anticipated surface
pressure: 780 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 1,000 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: 865 ft**Environment:**H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 89 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 210 ft

Completion type is subs
Non-directional string.**Re subsequent strings:**Next setting depth: 8,500 ft
Next mud weight: 8.800 ppg
Next setting BHP: 3,886 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,000 ft
Injection pressure: 1,000 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	1000	8.625	24.00	J-55	ST&C	1000	1000	7.972	357.6
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	468	1370	2.930	1000	2950	2.95	21	244	11.75 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MiningPhone: (801) 538-5357
FAX: (801) 359-3940Date: July 29, 2010
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1000 ft, a mud weight of 9 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:

43047406300000 Divide 33-35

Operator: **Cochran Resources, Inc.**

String type: Production

Project ID:

43-047-40630-0000

Location: Uintah County, Utah

Design parameters:

Collapse

Mud weight: 8.800 ppg
Internal fluid density: 2.330 ppg

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 194 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 390 ft

Burst

Max anticipated surface pressure: 2,015 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,886 psi

No backup mud specified.

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: 7,366 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 (ft³)
1	8500	5.5	17.00	L-80	LT&C	8500	8500	4.767	1109.5
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	2857	6290	2.202	3886	7740	1.99	145	338	2.34 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: July 29, 2010
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 8500 ft, a mud weight of 8.8 ppg. An internal gradient of .121 psi/ft was used for collapse from TD to TD. 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

Cochran Resoucrs Divide 33-35 API 43-047-40630-0000

INPUT

Well Name

Cochran Resoucrs		Divide 33-35		API 43-047-40630-0000	
String 1		String 2			
Casing Size (")	8 5/8		5 1/2		
Setting Depth (TVD)	1000		8500		
Previous Shoe Setting Depth (TVD)	20		1000		
Max Mud Weight (ppg)	9		8.8		
BOPE Proposed (psi)	0		3000		
Casing Internal Yield (psi)	2950		7740		
Operators Max Anticipated Pressure (psi)	1500		3.4 ppg	?	

Calculations

String 1 8 5/8 "

Max BHP [psi]	$.052 \times \text{Setting Depth} \times \text{MW} =$	468	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 \times \text{Setting Depth}) =$	348	NO
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 \times \text{Setting Depth}) =$	248	NO <i>Reasonable depth</i>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 \times (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	252	NO
Required Casing/BOPE Test Pressure		1000	psi
*Max Pressure Allowed @ Previous Casing Shoe =		20	psi <i>*Assumes 1psi/ft frac gradient</i>

Calculations

String 2 5 1/2 "

Max BHP [psi]	$.052 \times \text{Setting Depth} \times \text{MW} =$	3890	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 \times \text{Setting Depth}) =$	2870	YES
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 \times \text{Setting Depth}) =$	2020	YES <i>OK</i>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 \times (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	2240	NO <i>Reasonable</i>
Required Casing/BOPE Test Pressure		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe =		1000	psi <i>*Assumes 1psi/ft frac gradient</i>



GARY R. HERBERT
Governor

GREG 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

September 20, 2010

Cochrane Resources, Inc.
PO Box 1656
Roosevelt, UT 84066

Subject: Divide 33-35 Well, 1979' FSL, 1976' FEL, NWSE, Sec. 35, T. 15 South, R. 23 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 43-047-40630.

Sincerely,

Brad Hill
Acting Associate Director

BGH/js
Enclosures

cc: Uintah County Assessor
SITLA



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. 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.
7. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: COCHRANE RESOURCES INC

Well Name: DIVIDE 33-35

Api No: 43-047-40630 Lease Type STATE

Section 35 Township 15S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

SPUDDED:

Date 10/03/2010

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by DEMPSEY DAY

Telephone # (435) 828-7623

Date 10/04/2010 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: Cochrane Resources, Inc. Operator Account Number: N 7015
 Address: PO Box 1656
city Roosevelt
state UT zip 84066 Phone Number: (435) 722-5081

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740630	Divide 33-35		NWSE	35	15S	23E	Utah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17835	10/7/2010		10/28/10		
Comments: <u>New Well</u> <u>DKTA</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: <u> </u>							

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: <u> </u>							

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OCT 20 2010

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)

DIV. OF OIL, GAS & MINING

Ken Allen
Name (Please Print)

[Signature]
Signature

President 10-20-2010
Title Date

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML51713
2. NAME OF OPERATOR: Cochrane Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 1656 CITY Roosevelt STATE UT ZIP 84066		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1979 FSL 1976 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 35 15S 23E		8. WELL NAME and NUMBER: Divide 33-35 9. API NUMBER: 4304740630
		10. FIELD AND POOL, OR WILDCAT: Black Horse Canyon
		COUNTY: Uintah STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>11/15/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

Cochrane Resources, Inc. requests permission to complete and produce the subject well from the Dakota and Cedar Mountain formations. The perforations will be from 7745' - 7876'.

Please advise if you have any questions.

COPY SENT TO OPERATOR

Date: 12.2.2010
Initials: KS

NAME (PLEASE PRINT) <u>Ken Alen</u>	TITLE <u>President</u>
SIGNATURE <u><i>Ken Alen</i></u>	DATE <u>11/19/2010</u>

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 11/24/10
BY: *[Signature]* (See Instructions on Reverse Side)

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DIV. OF OIL, GAS & MINING

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML51713

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
Divide 33-35

9. API NUMBER:
4304740630

10. FIELD AND POOL, OR WILDCAT
Black Horse Canyon

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWSE 35 15S 23E

12. COUNTY
Uintah

13. STATE
UTAH

14. DATE SPUDDED: **10/3/2010**

15. DATE T.D. REACHED: **10/16/2010**

16. DATE COMPLETED: **11/8/2010**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
8101 GL

18. TOTAL DEPTH: MD **8,240** TVD **8,240**

19. PLUG BACK T.D.: MD **8,191** TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *
1

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
FDC - CNL, Dual Induction, Gamma Ray, Cement Bond Log

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
12 1/4	8 5/8 J-55	24	0	1,026		G 533	73	Surface	None
7 7/8	5 1/2 N-80	17	0	8,075		Lite 375	205	Surface	None
						50-50 525	72		

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	7,751							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Dakota	7,640	7,804			7,746 7,788	.45	16	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Cedar Mtn	7,804	7,888			7,820 7,876	.45	34	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7746 - 7876	750 gals 7 1/2% Hcl with 50 balls

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

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

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DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 2/11/2011		TEST DATE: 2/17/2011		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL – BBL: 12	GAS – MCF: 327	WATER – BBL: 12	PROD. METHOD: Flow
CHOKE SIZE: 22/64	TBG. PRESS. 350	CSG. PRESS. 400	API GRAVITY 64.00	BTU – GAS 1,085	GAS/OIL RATIO 654,000	24 HR PRODUCTION RATES: →	OIL – BBL: 12	GAS – MCF: 327	WATER – BBL: 12	INTERVAL STATUS: 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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

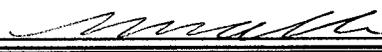
Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Wasatch	1,195
				Castle Gate	3,460
				Mancos Shale	3,738
				Dakota Silt	7,640
				Dakota Sand	7,755
				Cedar Mtn	7,806
				Morrison	7,880

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) Ken AllenTITLE PresidentSIGNATURE DATE 3/1/2011

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

CHRANE RESOURCES INC.

P.O. BOX 1656
ROOSEVELT UTAH
84066

OFF 435 722 5081
FAX 435 722 4473
CELL 435 722 9448

DAILY DRILLING REPORT

LEASE NAME & WELL NO. DIVIDE# 33-35				FIELD BLACK HORSE CNY		DATE 10/13/2010	
RIG NAME AND NUMBER TRUE # 27				COUNTY UINTAH	STATE UTAH	DAY NO. #FROM SPUD 6	
TOTAL DEPTH 2471	Rot. Hrs 13.5	Cum Rot. Hrs 1411	FOOTAGE DRILLED 1411	LAST CASING SIZE, WEIGHT, GRADE 8-5/8" 24# K-55		SET @ 1026-GL 1026 ft	REPORT # 10
ACTIVITY AT REPORT TIME DRILLING 7-7/8" HOLE					REPORTED BY D-DAY		
REMARKS 4 TO 5 CONNECTION PER HOOUR.						KB TO GL. 14 ft	

TIME LOG			Activity Detail	LEASE #--ML51713 A.P.I.# 43-047-40630	
TO	HOURS			UP	STRING WT
6:00	10:30	4:50	PICKUP B.H.A.		60,000
10:30	11:00	:50	SAFETY MEETING		
11:00	11:30	:50	RIG SER		
11:30	14:00	2:50	DRILL CEMENT, FLOAT COLLAR AND SHOE, DRLG FROMTION FROM 1060 TO 1089		
14:00	14:30	:50	DO, F.I.T TEST, WITH 8.3 WT, 50 PSI, AT 1089 ft= 9.183=E.M.W, CLEAR WATER.		
14:30	15:00	:05	SURVEY AT 1089--.5 DEG		
15:00	19:00	4:00	DRLG FROMATION FROM 1089 TO 1534		
19:00	19:30	0:50	SURVEY AT 1524--1/2 DEG		
			TOTAL FUEL--4189 GALS. USED-598 GALS, 24 HOURS		
			19:00-24:00 DRLG FROM 1534 TO 1850		
			24:00 TO 00:30 SURVEY AT 2032--1.0 DEG		
			00:30 TO 06:00 DRLG FROM 2032 TO 2471		
				DOWN	
				ROTATE	
			24.00		

MUD RECORD		MUD MATERIALS USED		BIT RECORD		
DEPTH	2471	NO. OF SACKS/LBS	PRODUCT NAME	BIT NO.	1	
TIME	06:00			SIZE	7-7/8"	
WEIGHT	8.5	70	GEL	MFG	SMITH	
VIS	35	25	SAW DUST	TYPE	MA-513	
WL	N/C	4	CAUSTIC	JET	5--15/32	
PV/YP				SERIAL NO.	JT-2282	
H2S				DEPTH OUT		
CA				DEPTH IN	1074	
GELS				TOTAL FEET	1397	
ALK				HRS	13.5	
pH	9			ROP(fph)		
CAKE				WT. ON BIT	10 TO 13	
CL		DAILY COST	\$2,860.00	RPM	55	
KCL %	1.000%	PREVIOUS COST	\$0.00	Cond.		
K Ion		CUMULATIVE COST	\$2,860.00	AN VEL	1.7	

DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
1	BIT	1.00	MAKE	NAT	NAT	1089	.5 DEG
1	MUD-MOTOR	35.53	MODEL	9-P-100	9-P-100	2063	.9 DEG
15	DRILL COLLARS	447.75	STROKE	9.25	9.25		
	4-1/2" DRILLPIPE		LINER SIZE	6.25	6.3		
			SPM	123			
			GPM	430			
			SURF PRESSURE	1148			
			ECD			DAILY WELL COST	\$31,856
			SLOW PUMP- SPM			PREVIOUS CUM COST	\$265,227
			SLOW PUMP- PRES			CUMULATIVE WELL COST	\$297,083

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DIV. OF OIL, GAS & MINING

CHRANE RESOURCES INC.

P.O. BOX 1656
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84066

OFF 435 722 5081
FAX 435 722 4473
CELL 435 722 9448

DAILY DRILLING REPORT

LEASE NAME & WELL NO. DIVIDE# 33-35				FIELD BLACK HORSE CNY		DATE 10/15/2010	
RIG NAME AND NUMBER TRUE # 27				COUNTY UINTAH	STATE UTAH	DAY NO. #FROM SPUD 8	
TOTAL DEPTH 6650	Rot. Hrs 18.5	Cum Rot. Hrs 1509	FOOTAGE DRILLED 1509	LAST CASING SIZE, WEIGHT, GRADE 8-5/8" 24# K-55		SET @ 1026-GL 1026 ft	REPORT # 12
ACTIVITY AT REPORT TIME DRILLING AHEAD 7-7/8" HOLE					REPORTED BY D-DAY		
REMARKS						KB TO GL 14 ft	

TIME LOG			Activity Detail	LEASE #--ML51713 A.P.I.# 43-047-40630	
	TO	HOURS			
6:00	6:30	:05	SURVEY AT 5066--10.5 DEG		
6:30	11:30	5:00	DRLG F/ 5141 TO 5362---5/6M ON BIT		
11:30	12:00	:05	SURVEY AT 5387--10.0 DEG		
12:00	14:00	2:00	DRLG F/ 5362 TO 5520		
14:00	14:30	0:50	SURVEY AT 5445--10.0 DEG		
14:30	18:00	3:50	DRLG F/5520 TO 5990		
18:00	18:30	0:50	SURVEY AT 5915--9-1/2 DEG		
18:30	21:30	3:00	DRLG F/ 5990 TO 6210--5/6M ON BIT,		
21:30	22:30	1:00	RIG REPAIR, PUMPS AIRED UP.		
22:30	2:00	3.50	DRLG F/ 6210 TO 6429		
2:00	2:30	:05	WIRE LINE SURVEY AT 6352--9-3/4 DEG		
2:30	6:00	0.16	DRLG FROM 6429 TO 6650'---95/55 RPM, BIT WT 5-6M,PSI-1350, VIS 38, MUD WT 9.3		
0:00	0:00	0.00	BGG-750-850 UNITS, CONNECTION GAS,900-1000 UNT,		
			SHOW AT 6425--PEAK-893 UNT.		
			NO TIGHT CONNECTIONS, NO LOSS OF DRILLING FLUID., RUNNING 30 GALS/MIN H2O TO HOLD WT DOWN		
					STRING WT
				UP	90,000
				DOWN	78,000
				ROTATE	82,000
		24.00	FUEL USED-- 1048 GALS, TOTAL-2393		

MUD RECORD		MUD MATERIALS USED		BIT RECORD		
DEPTH	5141	NO. OF SACKS/LBS	PRODUCT NAME	BIT NO.	1	
TIME	8:00			SIZE	7-7/8"	
WEIGHT	9.4	72	GEL	MFG	SMITH	
VIS	36	30	SAW DUST	TYPE	MA-513	
WL	10	2	CAUSTIC	JET	5--15/32	
PV/YP	8/2	2	CARBENOX	SERIAL NO.	JT-2282	
H2S	0%	5	PAC-R	DEPTH OUT		
CA	20	12	BAROTROL	DEPTH IN	1074	
GELS	0/1			TOTAL FEET	5136	
ALK	.2/6			HRS	55	
pH	10.7			ROP(fph)	93.38	
CAKE	1:/32			WT. ON BIT	5/6M	
CL	600	DAILY COST	\$4,573.00	RPM	55/94	
KCL %	0.000%	PREVIOUS COST	\$5,943.00	Cond.	DRLG	
K Ion		CUMULATIVE COST	\$10,516.00	AN VEL	188/314	

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DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
1	BIT	1.00	MAKE	NAT	NAT	5066	10.5 DEG
1	MUD-MOTOR	35.53	MODEL	9-P-100	9-P-100	5287	10.0
15	DRILL COLLARS	447.75	STROKE	9.25	9.25	5445	10.0
	4-1/2" DRILLPIPE		LINER SIZE	6.25	6.3	5694	9.3/4
			SPM	123		5915	9.50
			GPM	430			
			SURF PRESSURE	1500			
			ECD			DAILY WELL COST	\$36,375
			SLOW PUMP- SPM			PREVIOUS CUM COST	\$297,083
			SLOW PUMP- PRES			CUMULATIVE WELL COST	\$333,458

OCHRANE RESOURCES INC.

P.O. BOX 1656
ROOSEVELT UTAH
84066

OFF 435 722 5081
FAX 435 722 4473
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DAILY DRILLING REPORT

LEASE NAME & WELL NO. DIVIDE# 33-35				FIELD BLACK HORSE CNY		DATE 10/16/2010	
RIG NAME AND NUMBER TRUE # 27				COUNTY UINTAH	STATE UTAH	DAY NO. #FROM SPUD 9	
TOTAL DEPTH 8117	Rot. Hrs 21.5	Cum Rot. Hrs 1467	FOOTAGE DRILLED 1467	LAST CASING SIZE, WEIGHT, GRADE 8-5/8" 24# K-55		SET @ 1026--GL 1026 ft	REPORT # 13
ACTIVITY AT REPORT TIME DRILLING AHEAD 7-7/8" HOLE					REPORTED BY D-DAY		
REMARKS						KB TO GL 14 ft	

TIME LOG			Activity Detail	LEASE #--ML51713 A.P.I.# 43-047-40630	
TO	HOURS				
6:00	9:00	3:00	DRLG F/6650 TO 6867		
9:00	9:30	0:50	SURVEY AT 6787--10-1/2 DEG		
9:30	13:00	3:50	DRLG F/6867 TO 7180		
13:00	13:30	0:50	SER RIG		
13:30	14:30	1:00	DRLG F 7180 TO 7274		
14:30	15:00	0:50	SURVEY AT 7196--11.0 DEG		
15:00	19:30	4:50	DRLG F/ 7274 TO 7555		
19:30	20:00	0:50	SURVEY AT 7475--8.0 DEG		
20:00	1:00	5:00	DRLG F/ 7555 TO 7869, 5,000 ON BIT 94/55 RPMS, 38 VIS, 9.4 WT		
1:00	1:30	0:03	SURVEY AT 7789---10.0 DEG		
1:30	6:00	4:50	DRLG F/ 7869 TO 8117		
			BGG-176 TO 860, CONNECTION GAS-1000-1300, MUD WT-9.4 TO 9.5. 38 VIS.		
			SHOWS--7476--1150 UNITS, 7485--1200 UNTS-7575-1050 UNTS-7596-1025 UNTS.		
			TOPS--DAKOTA SILT-7560, DAKOTA--7610, CEDAR MOUNTAIN-7700, MORRISON--7750		
			ENTRADA--8040.		
			MADE CORRECTION ON TOTAL COST.		
					STRING WT
				UP	105,000
			FUEL USED-- 823 GALS	DOWN	96,000
		24.00		ROTATE	99,000

MUD RECORD		MUD MATERIALS USED		BIT RECORD		
DEPTH	6825	NO. OF SACKS/LBS	PRODUCT NAME	BIT NO.	1	
TIME	8:00			SIZE	7-7/8"	
WEIGHT	9.3	70	GEL	MFG	SMITH	
VIS	36	30	SAW DUST	TYPE	MA-513	
WL	7.6	4	CAUSTIC	JET	5--15/32	
PV/YP	9/3	4	CARBENOX	SERIAL NO.	JT-2282	
H2S	0%	5	PAC-R	DEPTH OUT		
CA	20	12	BAROTROL	DEPTH IN	1074	
GELS	0/1			TOTAL FEET	5136	
ALK	.2/6			HRS	76.5	
pH	10.7			ROP(fph)	93.38	
CAKE	1:/32			WT. ON BIT	5/6M	
CL	900	DAILY COST	\$5,395.00	RPM	55/94	
KCL %	0.000%	PREVIOUS COST	\$10,516.00	Cond.	DRLG	
K Ion		CUMULATIVE COST	\$15,911.00	AN VEL	188/314	

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DIV. OF OIL, GAS & MINING

DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
1	BIT	1.00	MAKE	NAT	NAT	5066	10.5 DEG
1	MUD-MOTOR	35.53	MODEL	9-P-100	9-P-100	5287	10.0
15	DRILL COLLARS	447.75	STROKE	9.25	9.25	5445	10.0
	4-1/2" DRILLPIPE		LINER SIZE	6.25	6.3	5694	9.3/4
			SPM	123		5915	9.50
			GPM	430			
			SURF PRESSURE	1738			
			ECD	9.42		DAILY WELL COST	\$38,773
			SLOW PUMP- SPM			PREVIOUS CUM COST	\$357,521
			SLOW PUMP- PRES			CUMULATIVE WELL COST	\$396,294

CHRANE RESOURCES INC.

P.O. BOX 1656
ROOSEVELT UTAH
84066

OFF 435 722 5081
FAX 435 722 4473
CELL 435 722 9448

DAILY DRILLING REPORT

LEASE NAME & WELL NO. DIVIDE# 33-35				FIELD BLACK HORSE CNY		DATE 10/18/2010	
RIG NAME AND NUMBER TRUE # 27				COUNTY UINTAH	STATE UTAH	DAY NO. #FROM SPUD 11	
TOTAL DEPTH 8240	Rot. Hrs 3	Cum Rot. Hrs 123	FOOTAGE DRILLED 8-5/8" 24#	LAST CASING SIZE, WEIGHT, GRADE K-55		SET @ 1026-GL	REPORT # 15
ACTIVITY AT REPORT TIME TRIPING IN WITH DRILL PIPE					REPORTED BY D-DAY		
REMARKS						KB TO GL 14 ft	

TIME LOG			Activity Detail	LEASE #--ML51713 A.P.I.# 43-047-40630	
TO	HOURS			UP	STRING WT
6:00	7:00	1:00	LAY ALL DRILL COLLARS DOWN		
7:00	13:00	6:00	TRIP IN HOLE WITH DRILL PIPE AND 7-7/8" BIT, WASH THROUGH TIGHT SPOT AT 2700.		
13:00	15:30	2:50	CIRC COND HOLE FOR RUNNING CYST AT 8240', BOTTOMS UP, 1813 UNITS, FOAMED OVER SHALE SHAKER. 9.8 MUD WT, 47 VIS.		
15:30	20:30	5:00	LAY ALL DRILL PIPE DOWN, BRAKE KELLY. MAKE PREPARATION FOR RUNNING 5-1/2" CYS.		
20:30	4:00	8:00	RIG UP WEATHERFORD CASING CREW, HOLD SAFETY MEETING, RUN 189 JTS OF 5-1/2' CASING 17# M-80 8080.49 ft, LANDED AT 8075' K.B., FLOAT COLLAR AT 8034.00, MARKER JT AT 5046.00 K.B. (JT 10.45) K.B. 13.00 ft. run 30 centerlizers, first one mid way on jt # 1, then one every third jt.		
4:00	6:00	2:00	circ 5-1/2" casing, rig up big-4 cementers, FOR CEMENTING 5-1/2', HELD SAFETY MEETING.		
				ROTATE	88,000
		24.00	TOTAL FUEL-- 3815		

MUD RECORD		MUD MATERIALS USED		BIT RECORD		
DEPTH	8240	NO. OF SACKS/LBS	PRODUCT NAME	BIT NO.	1	
TIME	8:00	80SX	BAR	SIZE	7-7/8"	
WEIGHT	9.6		GEL	MFG	SMITH	
VIS	39		SAW DUST	TYPE	MA-513	
WL	6.4		CAUSTIC	JET	5--15/32	
PV/YP	14/7		CARBENOX	SERIAL NO.	JT-2282	
H2S	0%		PAC-R	DEPTH OUT	8240	
CA	20		BAROTROL	DEPTH IN	1074	
GELS	1/3			TOTAL FEET	7166	
ALK	.2/.6			HRS	79.5	
pH	9.8			ROP(fph)	90.13	
CAKE	1:/32			WT. ON BIT	5/6M	
CL	900	DAILY COST	\$2,105.00	RPM	55/94	
KCL %	0.000%	PREVIOUS COST	\$20,669.00	Cond.	DULL	
K Ion		CUMULATIVE COST	\$22,774.00	AN VEL	188/314	

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DIV. OF OIL, GAS & MINING

DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
			MAKE	NAT	NAT	6787	10.25
			MODEL	9-P-100	9-P-100	7196	11.0
			STROKE	9.25	9.25	7475	8.0
			LINER SIZE	6.25	6.3	7788	10.0
			SPM	123		8240	10.0 DEG
			GPM	430			
			SURF PRESSURE	1738			
			ECD	9.42		DAILY WELL COST	\$62,136
			SLOW PUMP- SPM			PREVIOUS CUM COST	\$432,267
			SLOW PUMP- PRES			CUMULATIVE WELL COST	\$494,403

COCHRANE RESOURCES INC.

P.O. BOX 1656
ROOSEVELT UTAH
84066

OFF 435 722 5081
FAX 435 722 4473
CELL 435 722 9448

DAILY DRILLING REPORT

LEASE NAME & WELL NO. DIVIDE# 33-35				FIELD BLACK HORSE CNY		DATE 10/19/2010	
RIG NAME AND NUMBER TRUE # 27				COUNTY UINTAH	STATE UTAH	DAY NO. #FROM SPUD 12	
TOTAL DEPTH 8240	Rot. Hrs 79.5	Cum Rot. Hrs 7166	FOOTAGE DRILLED 5-1/2"	LAST CASING SIZE, WEIGHT, GRADE 17# M-80		SET @ 8075'	REPORT # 16
ACTIVITY AT REPORT TIME RIGGING DOWN ROTARY RIG					REPORTED BY D-DAY		
REMARKS						KB TO GL 13 FT	

TIME LOG			Activity Detail	LEASE #--ML51713 A.P.I.# 43-047-40630
	TO	HOURS		
6:00	6:30	0:50	FINISH CIRC CASING AND RIGGING UP BIG PRO,PETRO CEMENTERS.	
6:30	9:00	2:50	CEMENT 5-1/2" CASING WITH THE FOLLOWING, LEAD 375 SX 16% GEL,10#/SX GILSONITE,3#/SX GR-3	
0:00	0:00	0:00	3% SALT,1/4#/ SX FLOCELE,	
0:00	0:00	0:00	TAIL IN WITH 525 SX OF 50/50 POZ,2%GEL,10%SALT,.3%CDI-33 @.3%CFI-175,1/4#/SX FLOCELE.	
0:00	0:00	0:00	DISPLACED WITH 186 BBLs OF H2O, HAD GOOD CIRC ALL THROUGH THE JOB, CIRC 34 BBLs OF GOOD	
0:00	0:00	0:00	CEMENT TO PIT, PLUG DOWN AT 07:56--10/18/2010,	
9:00	10:00	1:00	SET SLIPS ON 5-1/2 CASING WITH STRING WT,	
10:00	14:00	4:00	NIPPLE DOWN B.O.P. STACK AND CHOKE LINES.	
14:00	20:00	6:00	CLEAN MUD TANKS AND REMOVE SHAKER SCREENS, MUD IN MUD TANKS CONTAMINATE FROM CEMENT.	
AT 20:00 10/18/ 2010 TRUE RIG # 27 RELEASED OF DIVIDE # 33-35				
20:00	6:00	16:00	RIG ROTARY RIG DOWN, WAIT ON TRUCKS TO MOVE RIG OFF LOCATION.	
FINAL REPORT				

		STRING WT	
	UP	88,000	
	DOWN	88,000	
	ROTATE	88,000	
TOTAL FUEL-- 3815			
	24.00		

MUD RECORD		MUD MATERIALS USED		BIT RECORD	
DEPTH	8240	NO. OF SACKS/LBS	PRODUCT NAME	BIT NO.	1
TIME	8:00	80SX	BAR	SIZE	7-7/8"
WEIGHT	9.6		GEL	MFG	SMITH
VIS	39		SAW DUST	TYPE	MA-513
WL	6.4		CAUSTIC	JET	5--15/32
PV/YP	14/7		CARBENOX	SERIAL NO.	JT-2282
H2S	0%		PAC-R	DEPTH OUT	8240
CA	20		BAROTROL	DEPTH IN	1074
GELS	1/3			TOTAL FEET	7166
ALK	.2/.6			HRS	79.5
pH	9.8			ROP(fph)	90.13
CAKE	1:/32			WT. ON BIT	5/6M
CL	900	DAILY COST	\$1,321.00	RPM	55/94
KCL %	0.000%	PREVIOUS COST	\$22,774.00	Cond.	DULL
K Ion		CUMULATIVE COST	\$24,095.00	AN VEL	188/314

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DRILLING ASSEMBLY			PUMP DATA			DEVIATION RECORD	
NO.	DESCRIPTION	LENGTH - FT	PUMP NO.	1	2	DEPTH	INCLINATION
			MAKE	NAT	NAT	6787	10.25
			MODEL	9-P-100	9-P-100	7196	11.0
			STROKE	9.25	9.25	7475	8.0
			LINER SIZE	6.25	6.3	7788	10.0
			SPM			8240	10.0 DEG
			GPM				
			SURF PRESSURE				
			ECD			DAILY WELL COST	\$203,891
			SLOW PUMP- SPM			PREVIOUS CUM COST	\$494,403
			SLOW PUMP- PRES			CUMULATIVE WELL COST	\$698,294

C

ENTITY ACTION FORM

Operator: Cochrane Resources, Inc. Operator Account Number: N 7015
 Address: PO Box 1656
city Roosevelt
state UT zip 84066 Phone Number: (435) 722-5081

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740630	Divide 33-35		NWSE	35	15S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
E	17835	17835	10/7/2010		11/8/2010		
Comments: <u>New Well - Producing Formation DK - CM</u> 3/23/11							

Well 2

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

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:							

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MAR 17 2011

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)

Ken Allen

Name (Please Print)

Signature

President

Title

3/14/2011

Date