

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING					FORM 3 AMENDED REPORT <input type="checkbox"/>		
APPLICATION FOR PERMIT TO DRILL					1. WELL NAME and NUMBER Rock house 11-23-32-2		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>					3. FIELD OR WILDCAT ROCK HOUSE		
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO					5. UNIT or COMMUNITIZATION AGREEMENT NAME		
6. NAME OF OPERATOR Enduring Resources, LLC					7. OPERATOR PHONE 303 350-5114		
8. ADDRESS OF OPERATOR 475 17th Street, Suite 1500, Denver, CO, 80202					9. OPERATOR E-MAIL aarlian@enduringresources.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-47078			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')					14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')					16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL		FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE		2604 FNL 2467 FEL	SWNE	2	11.0 S	23.0 E	S
Top of Uppermost Producing Zone		2604 FNL 2467 FEL	SWNE	2	11.0 S	23.0 E	S
At Total Depth		2604 FNL 2467 FEL	SWNE	2	11.0 S	23.0 E	S
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 2467		23. NUMBER OF ACRES IN DRILLING UNIT 40		
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1000		26. PROPOSED DEPTH MD: 7405 TVD: 7405		
27. ELEVATION - GROUND LEVEL 5553			28. BOND NUMBER RLB0008031		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-2317		
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"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)			<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER				
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)			<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP				
NAME Alvin Arlian		TITLE Landman-Regulatory			PHONE 303 350-5114		
SIGNATURE		DATE 09/23/2010			EMAIL aarlian@enduringresources.com		
API NUMBER ASSIGNED 43047512860000		APPROVAL  Permit Manager					

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Cond	20	14	0	40		
Pipe	Grade	Length	Weight			
	Unknown	40	24.0			

CONFIDENTIAL

Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	11	8.625	0	2000		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	2000	24.0			

CONFIDENTIAL

Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	4.5	0	7405		
Pipe	Grade	Length	Weight			
	Grade N-80 LT&C	7405	11.6			

CONFIDENTIAL

**Enduring Resources, LLC
 Rock House 11-23-32-2
 SWNE 2-T11S-R23E
 Uintah County, Utah
 State Lease: ML-47078**

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

Formation	Depth (K.B.)
Uinta	Surface
Green River	694
Wasatch	3234
Mesaverde	5074

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

Substance	Formation	Depth (K.B.)
	KB-Uinta Elevation: 5564'	
Oil / Gas	Green River	694
Oil /Gas	Wasatch	3234
Oil /Gas	Mesaverde	5074
	Estimated TD	7405

An 11" hole will be drilled to approximately 2016 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.
- D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
11"	8-5/8"	24#	J-55	ST&C	0 – 2,016' (KB) est.
7-7/8"	4-1/2"	11.6#	N-80	LT&C	0 – 7421' (KB)

The surface casing will have guide shoe. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring

centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	8-5/8", 24#/ft, J55, STC	1370/1.52(a)	2950/3.28(b)	244/5.81(c)
7421' (KB)	4-1/2", 11.6#/ft, N-80, LTC	6350/1.65 (d)	7780/2.20 (e)	223/3.02(f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	138	25%	11.1	3.50
8-5/8"	Tail	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂.+0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	138	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl ₂ + 0.25 pps celloflake	As Req.		15.8	1.15

Production Casing and Liner - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4-1/2"	Lead	1118	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	99	25	11.0	3.3
4-1/2"	Tail	4571	50/50 POZ Class G + 2% gel +1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	834	25	14.3	1.56

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' - 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-7421' (KB)	8.8-9.8	8 - 10 ml	32-42	Water/Gel

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. **Evaluation Program:**

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

Logging

- Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML
TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3851 psi (calculated at 0.52psi/foot of hole) and maximum anticipated surface pressure equals approximately 2222 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. **Anticipated Starting Dates:**

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 10 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

9. **Variances:**

None anticipated

10. **Other:**

A Cultural Resource Inventory and Paleontology reconnaissance have been conducted for the well location, access route and pipeline. The reports are being submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Single Shot directional surveys will be dropped every 2000 feet to monitor hole angle.

Sec. 34
WEST - 39.98 (G.L.O.)
S89°55'28"W - 2637.15' (Meas.)

Found 1994 Alum. Cap in pile of Stones

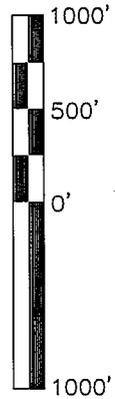
S89°59'W - 39.95 (G.L.O.)
S89°53'57"W - 2577.95' (Meas.)

Found 1994 Alum. Cap in pile of Stones

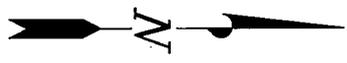
T11S, R23E, S.L.B.&M. Sec. 34

ENDURING RESOURCES

WELL LOCATION, ROCK HOUSE 11-23-32-2, LOCATED AS SHOWN IN SW 1/4 NE 1/4 OF SECTION 2, T11S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH.



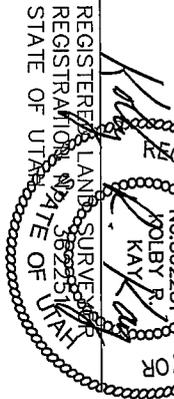
S C A L E



NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.
3. BASIS OF ELEVATION IS TRIANGULATION STATION JEK 19 ET 1966 WHICH IS LOCATED NEAR THE SOUTH 1/4 CORNER OF SECTION 8, T11S, R23E, S.L.B.&M. THE ELEVATION OF THIS TRIANGULATION STATION IS MARKED ON THE ARCHY BENCH SE 7.5 MIN. QUADRANGLE AS BEING 6054'.

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

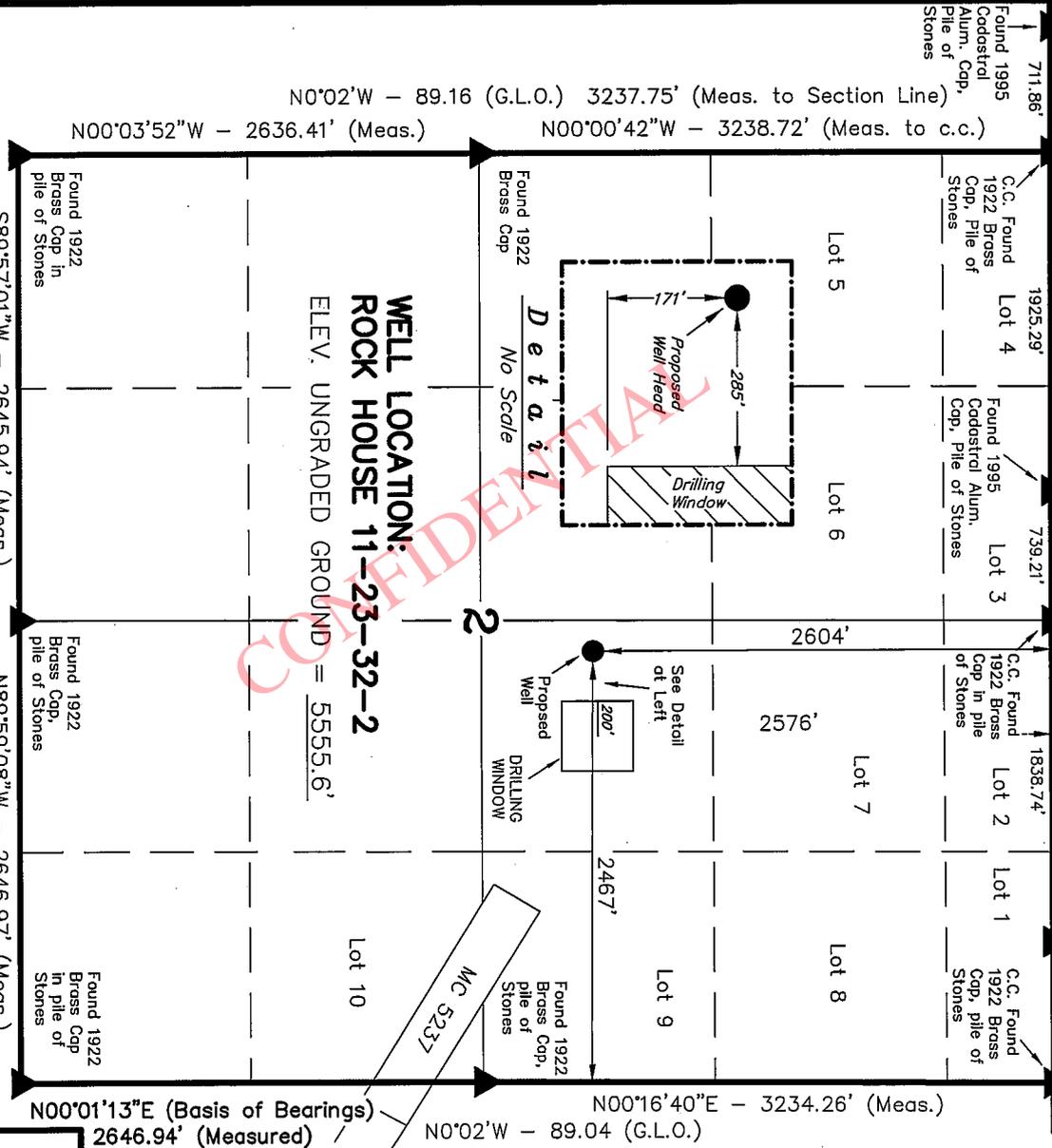


TIMBERLINE LAND SURVEYING, INC.
38 WEST 100 NORTH, - VERNAL, UTAH 84078
(435) 789-1365

DATE SURVEYED: 12-29-05	SURVEYED BY: D.J.S.	SHEET 2 OF 11
DATE DRAWN: 01-11-06	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised: 11-30-06	

SECTION CORNERS LOCATED

ROCK HOUSE 11-23-32-2
(Surface Position) NAD 83 Autonomous
LATITUDE = 39° 53' 27.76"
LONGITUDE = 109° 18' 35.41"



SECTION CORNERS LOCATED

ROCK HOUSE 11-23-32-2
(Surface Position) NAD 83 Autonomous
LATITUDE = 39° 53' 27.76"
LONGITUDE = 109° 18' 35.41"

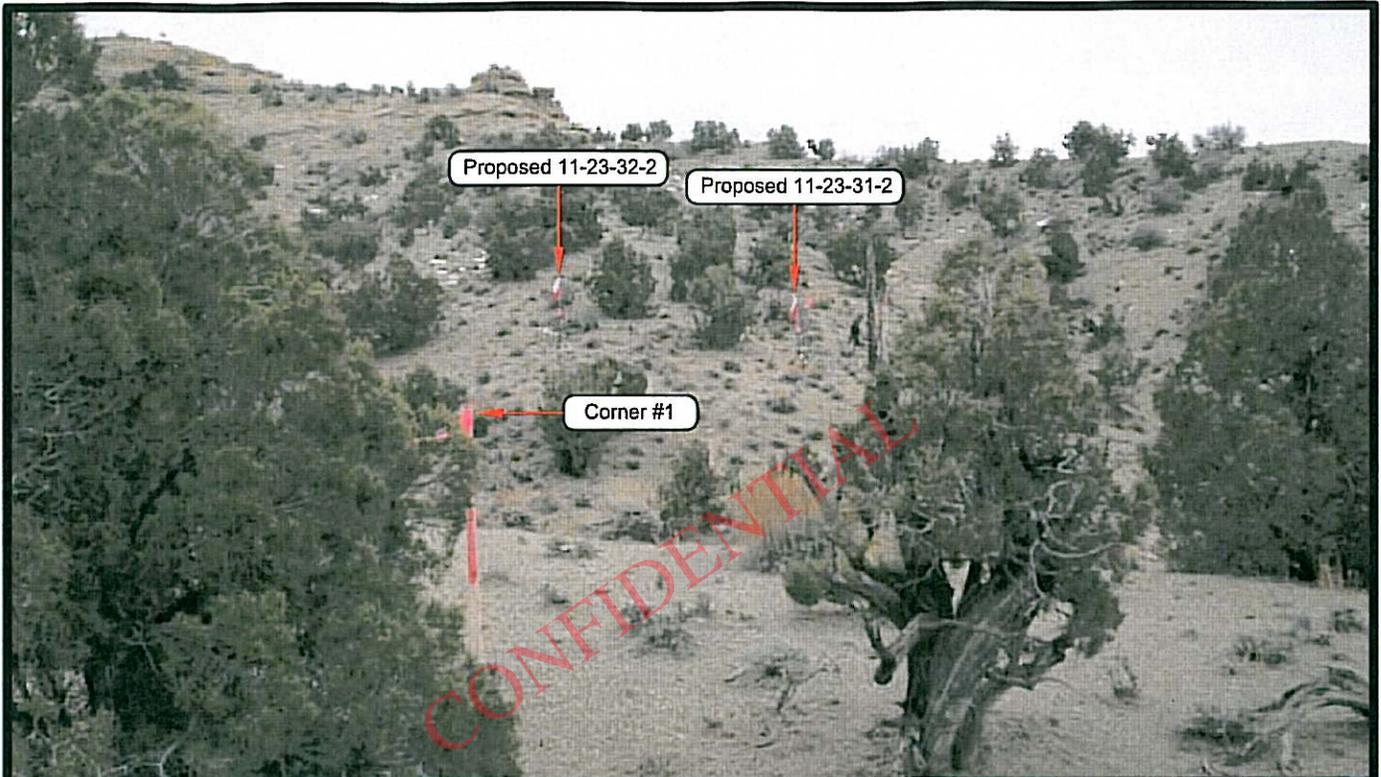


PHOTO VIEW: FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHERLY

ENDURING RESOURCES

Rock House 11-23-32-2

Other wells on this pad: Rock House 11-23-31-2
SECTION 2, T11S, R23E, S.L.B.&M.

LOCATION PHOTOS

DATE TAKEN: 12-29-05

DATE DRAWN: 01-12-06

TAKEN BY: D.J.S.

DRAWN BY: M.W.W.

REVISED: 11-30-06

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

SHEET
1
OF 11

ENDURING RESOURCES

WELL PAD INTERFERENCE PLAT ROCK HOUSE 11-23-32-2 & ROCK HOUSE 11-23-31-2



BASIS OF BEARINGS IS THE EAST LINE OF THE SE 1/4 OF SECTION 2, T11S, R23E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR N00°01'13"E.

SURFACE POSITION FOOTAGES:

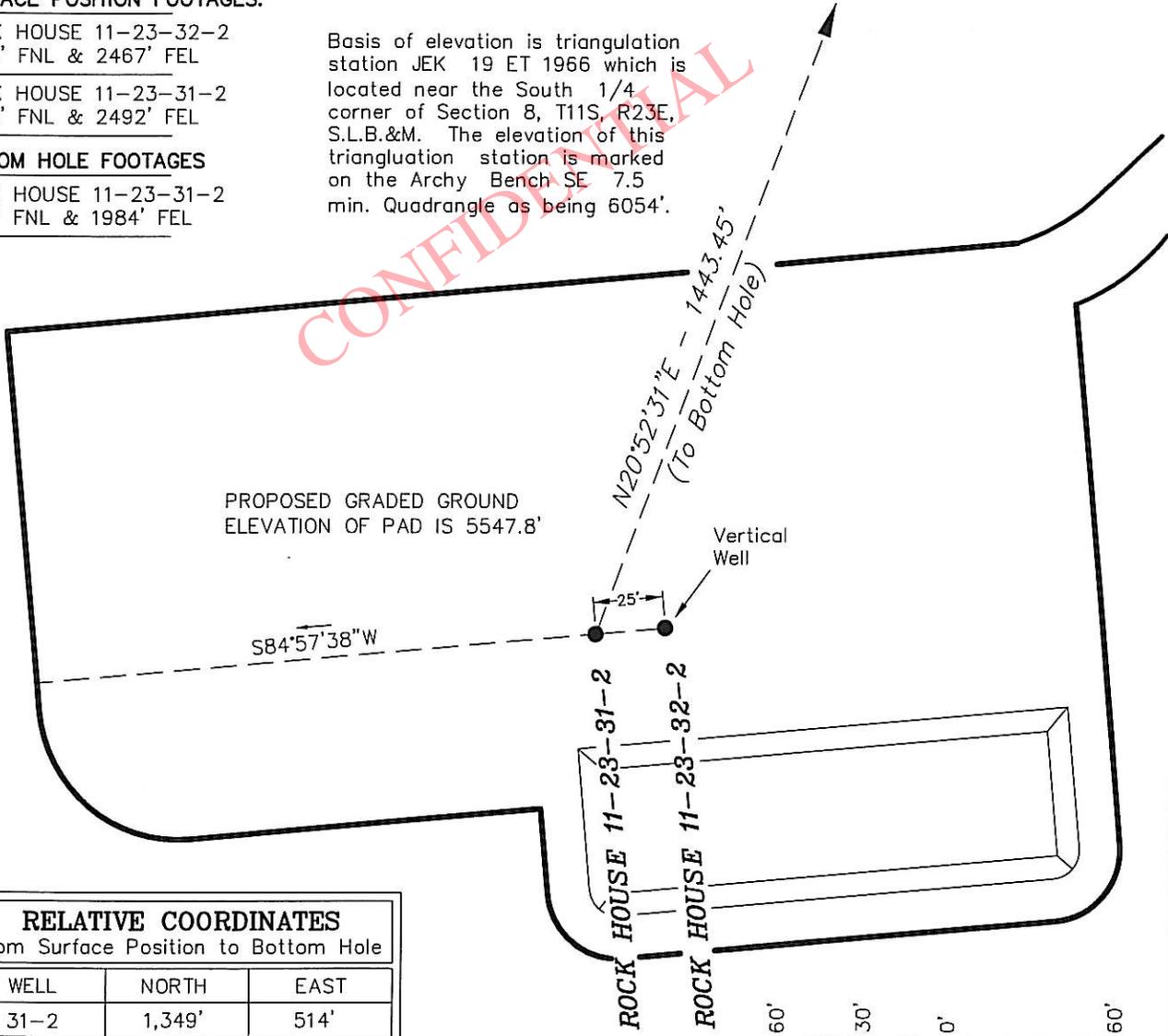
ROCK HOUSE 11-23-32-2
2604' FNL & 2467' FEL

ROCK HOUSE 11-23-31-2
2606' FNL & 2492' FEL

BOTTOM HOLE FOOTAGES

ROCK HOUSE 11-23-31-2
1258' FNL & 1984' FEL

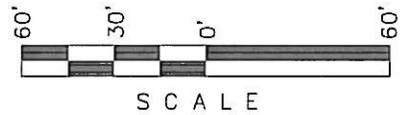
Basis of elevation is triangulation station JEK 19 ET 1966 which is located near the South 1/4 corner of Section 8, T11S, R23E, S.L.B.&M. The elevation of this triangulation station is marked on the Archy Bench SE 7.5 min. Quadrangle as being 6054'.



RELATIVE COORDINATES		
From Surface Position to Bottom Hole		
WELL	NORTH	EAST
31-2	1,349'	514'

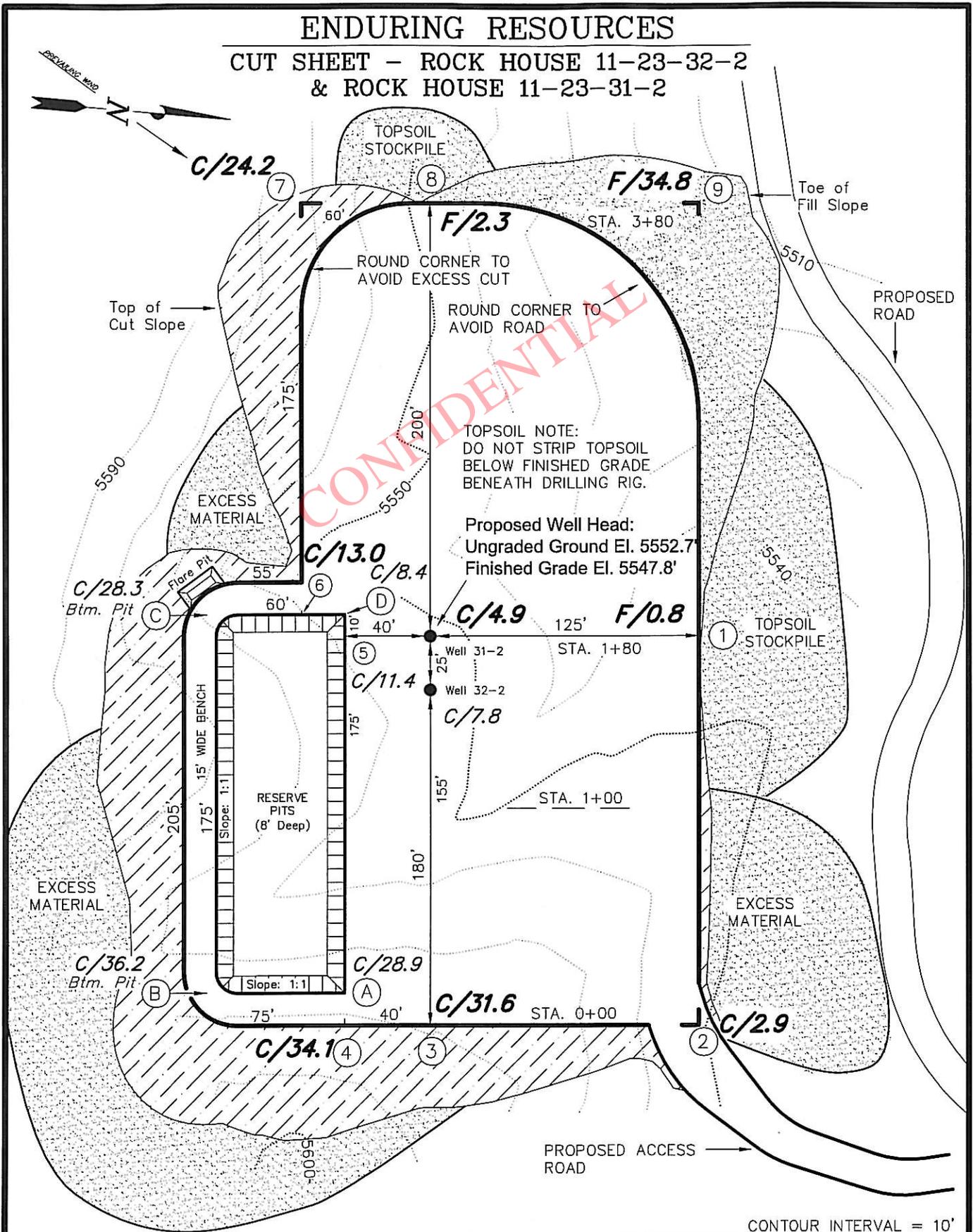
LATITUDE & LONGITUDE		
Surface Position - (NAD 83) Autonomous		
WELL	N. LATITUDE	W. LONGITUDE
32-2	39°53'27.76"	109°18'35.41"
31-2	39°53'27.74"	109°18'35.73"

LATITUDE & LONGITUDE		
Bottom Hole - (NAD 83) Autonomous		
WELL	N. LATITUDE	W. LONGITUDE
31-2	39°53'41.06"	109°18'29.12"



ENDURING RESOURCES

CUT SHEET - ROCK HOUSE 11-23-32-2 & ROCK HOUSE 11-23-31-2



TOPSOIL NOTE:
DO NOT STRIP TOPSOIL
BELOW FINISHED GRADE
BENEATH DRILLING RIG.

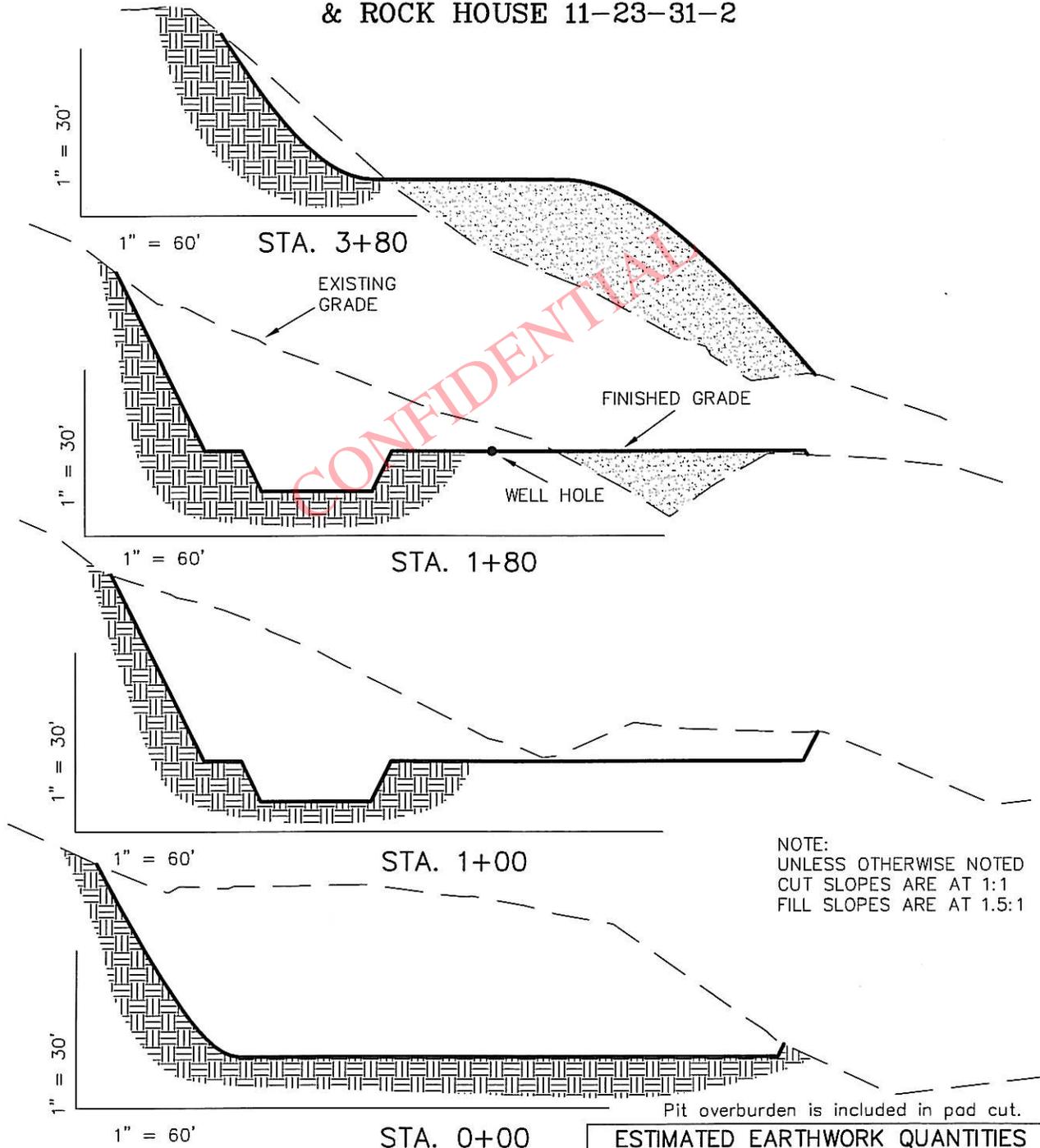
Proposed Well Head:
Ungraded Ground El. 5552.7'
Finished Grade El. 5547.8'

CONTOUR INTERVAL = 10'

Section 2, T11S, R23E, S.L.B.&M.		Qtr/Qtr Location: SW NE		Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 4 OF 11
Date Surveyed: 12-29-05	Date Drawn: 01-11-06	Date Last Revision: 11-30-06			
Surveyed By: D.J.S.	Drawn By: M.W.W.	Scale: 1" = 60'			

ENDURING RESOURCES

CROSS SECTIONS - ROCK HOUSE 11-23-32-2 & ROCK HOUSE 11-23-31-2



REFERENCE POINTS

- 185' NORTHERLY = 5544.6'
- 225' NORTHERLY = 5538.1'
- 250' WESTERLY = 5548.9'
- 300' WESTERLY = 5543.0'

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

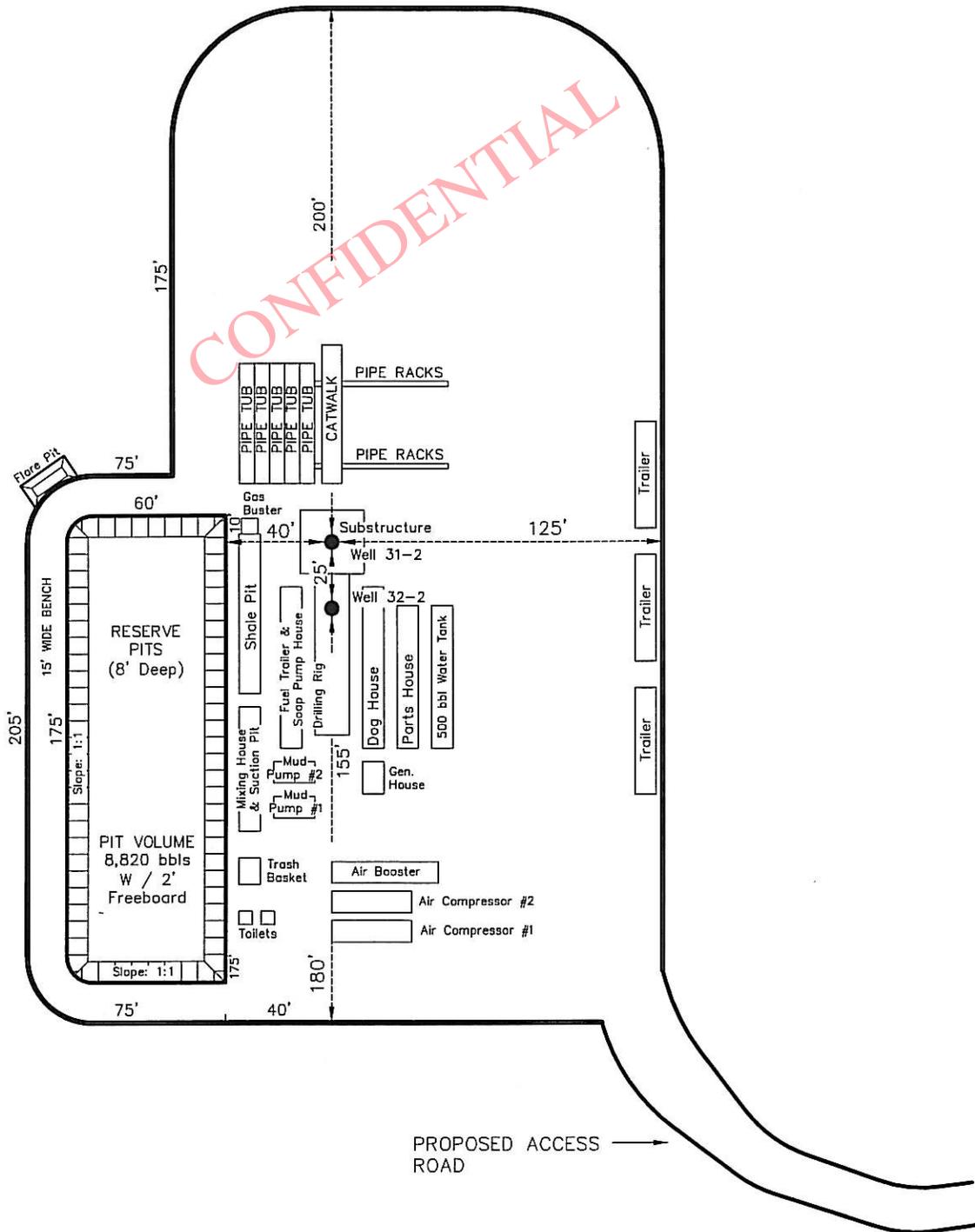
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	37,930	17,120	Topsoil is not included in Pad Cut	20,810
PIT	2,570	0		2,570
TOTALS	40,500	17,120	1,510	23,380

Excess Material after Pit Rehabilitation = 22,090 Cu. Yds.

Section 2, T11S, R23E, S.L.B.&M.		Qtr/Qtr Location: SW NE		Timberline (435) 789-1365 Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 5 OF 11
Date Surveyed: 12-29-05	Date Drawn: 01-11-06	Date Last Revision: 11-30-06			
Surveyed By: D.J.S.	Drawn By: M.W.W.	Scale: 1" = 60'			

ENDURING RESOURCES

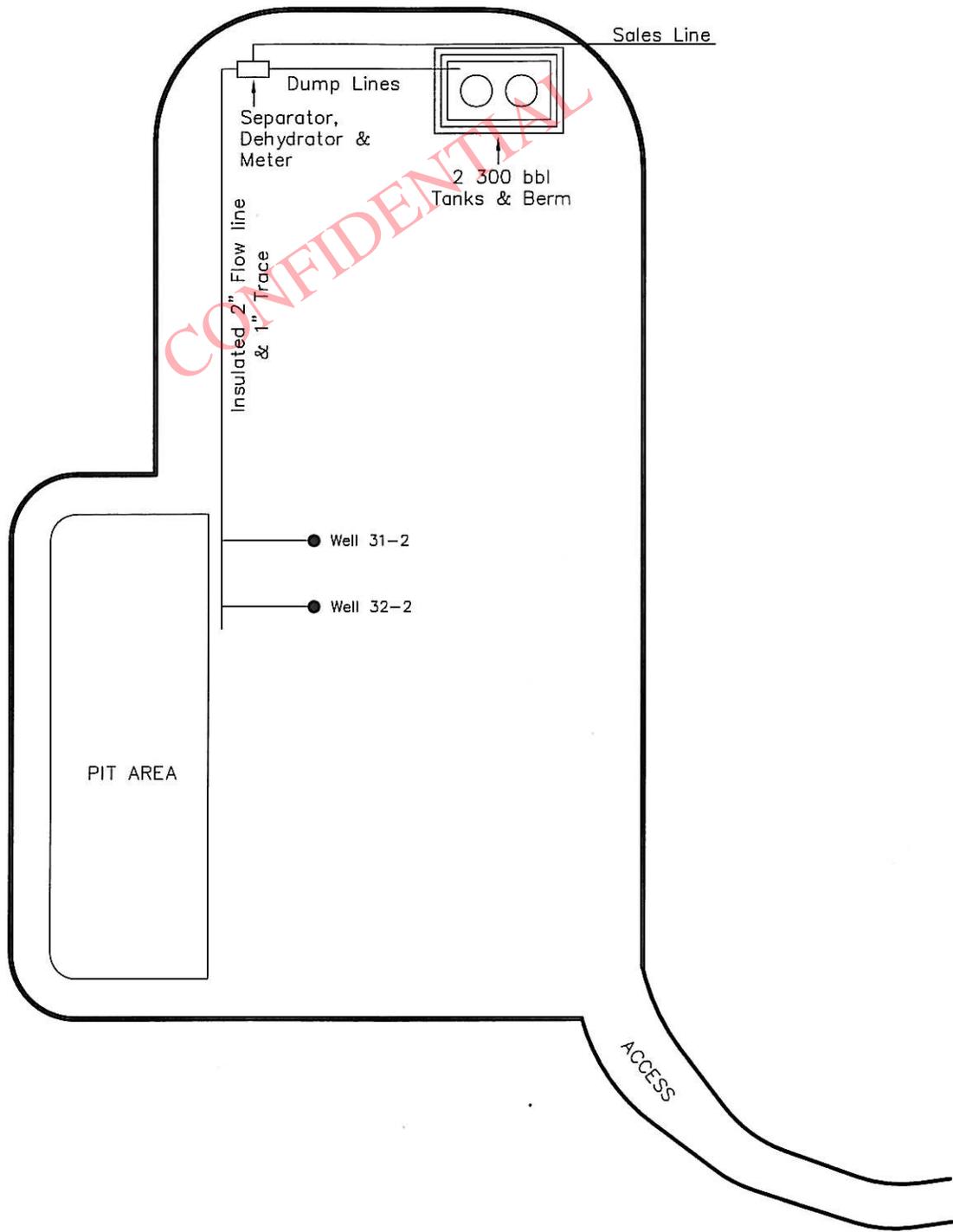
TYPICAL RIG LAYOUT – ROCK HOUSE 11-23-32-2 & ROCK HOUSE 11-23-31-2



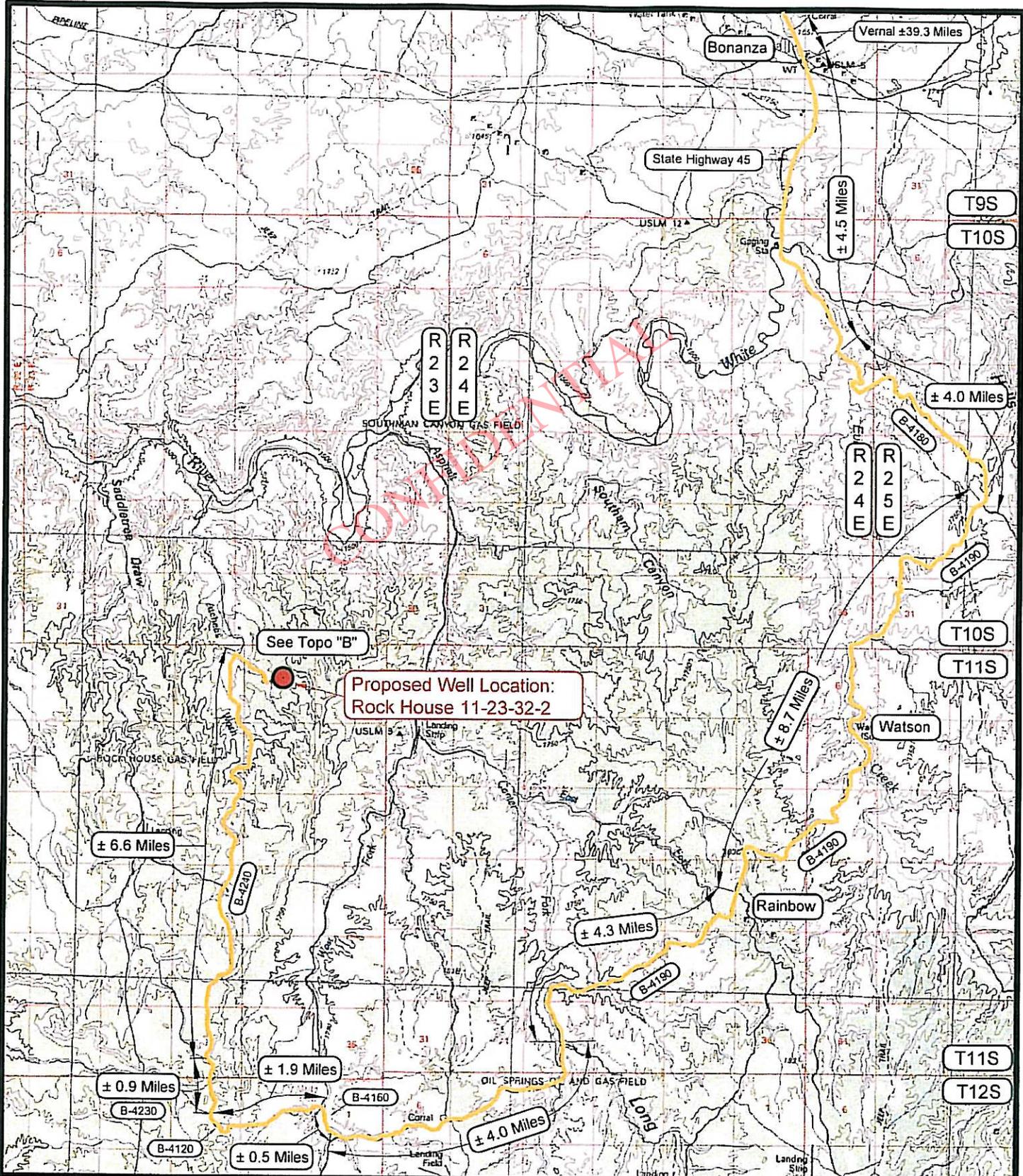
Section 2, T11S, R23E, S.L.B.&M.		Qtr/Qtr Location: SW NE		Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET 6 OF 11
Date Surveyed: 12-29-05	Date Drawn: 01-11-06	Date Last Revision: 11-30-06			
Surveyed By: D.J.S.	Drawn By: M.W.W.	Scale: 1" = 60'			

ENDURING RESOURCES

TYPICAL PRODUCTION LAYOUT – ROCK HOUSE 11-23-32-2 & ROCK HOUSE 11-23-31-2



Section 2, T11S, R23E, S.L.B.&M.		Qtr/Qtr Location: SW NE		Timberline (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078	SHEET
Date Surveyed: 12-29-05	Date Drawn: 01-11-06	Date Last Revision: 11-30-06			7
Surveyed By: D.J.S.	Drawn By: M.W.W.	Scale: 1" = 60'			OF 11



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER

ENDURING RESOURCES

Rock House 11-23-32-2

Other wells on this pad: Rock House 11-23-31-2
SECTION 2, T11S, R23E, S.L.B.&M.

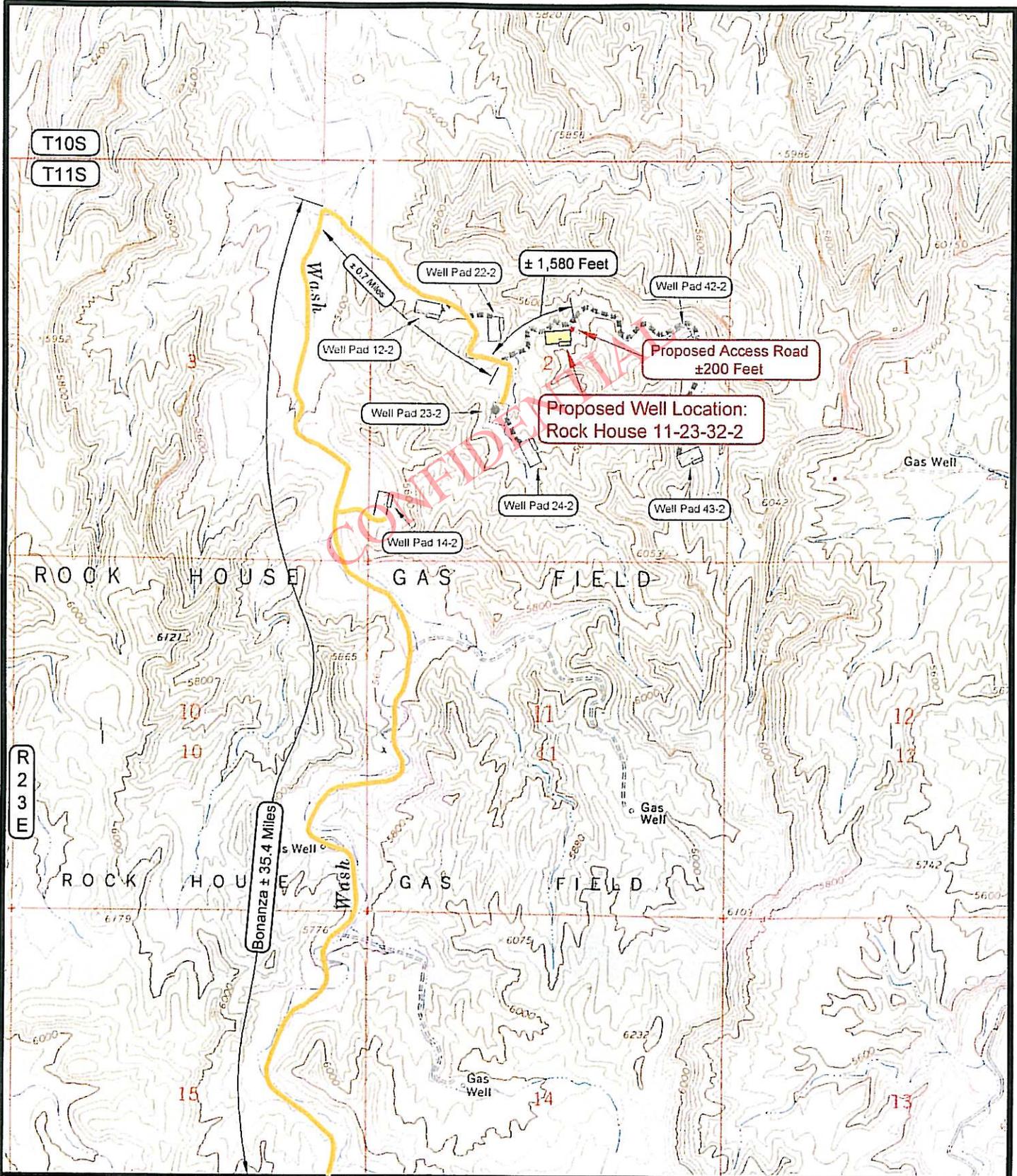
TOPOGRAPHIC MAP "A"

SCALE: 1"=10,000' DRAWN BY: M.W.W.

DATE SURVEYED: 12-29-05
 DATE DRAWN: 01-12-06
 REVISED: 11-30-06

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

SHEET
8
OF 11



LEGEND

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

ENDURING RESOURCES

Rock House 11-23-32-2

Other wells on this pad: Rock House 11-23-31-2
SECTION 2, T11S, R23E, S.L.B.&M.

TOPOGRAPHIC MAP "B"

DATE SURVEYED: 12-29-05

DATE DRAWN: 01-12-06

SCALE: 1" = 2000'

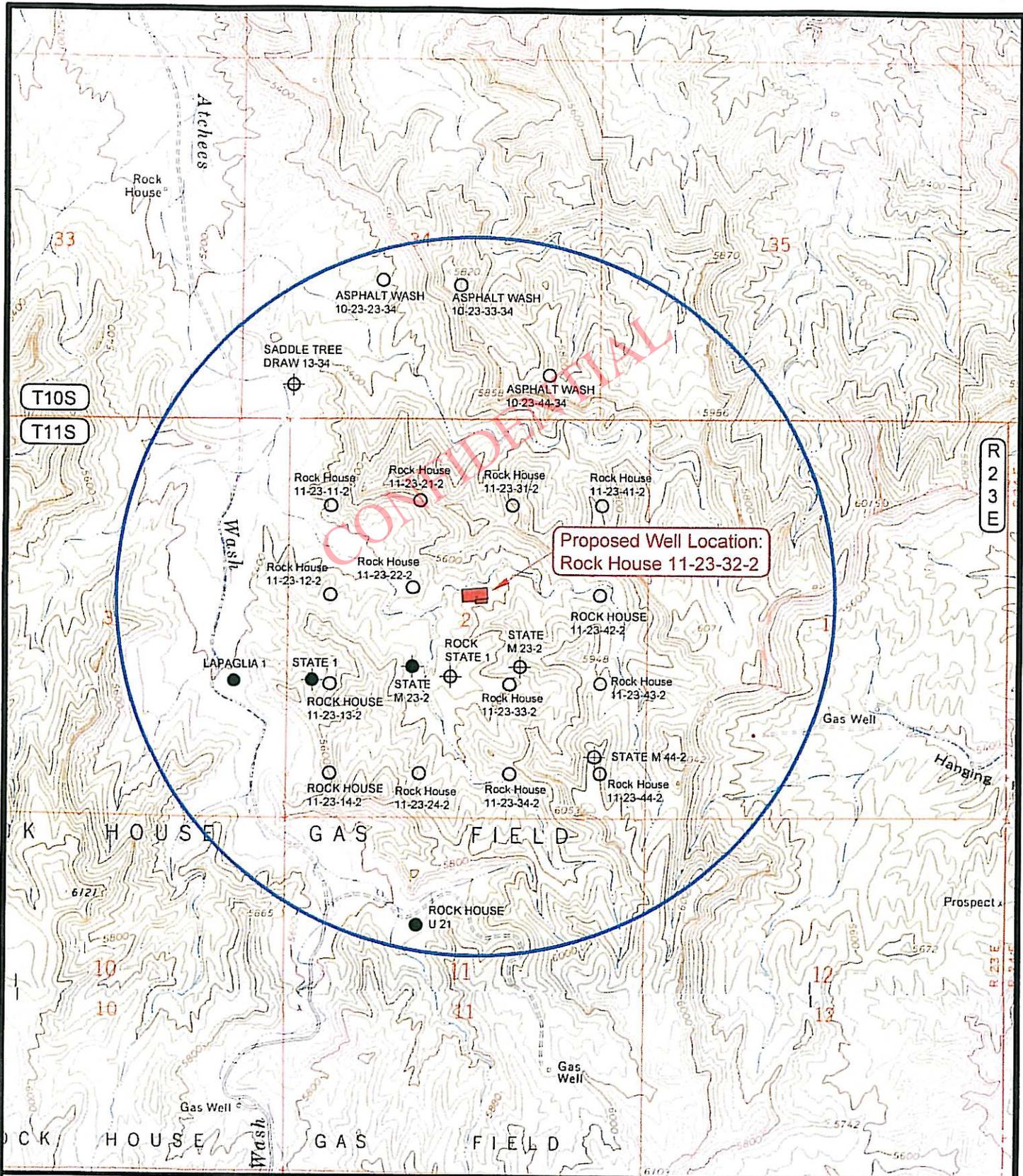
DRAWN BY: M.W.W.

REVISED: 11-30-06



Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
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SHEET
9
OF 11



LEGEND

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

ENDURING RESOURCES

ROCK HOUSE 11-23-32-2
SECTION 2, T11S, R23E, S.L.B.&M.

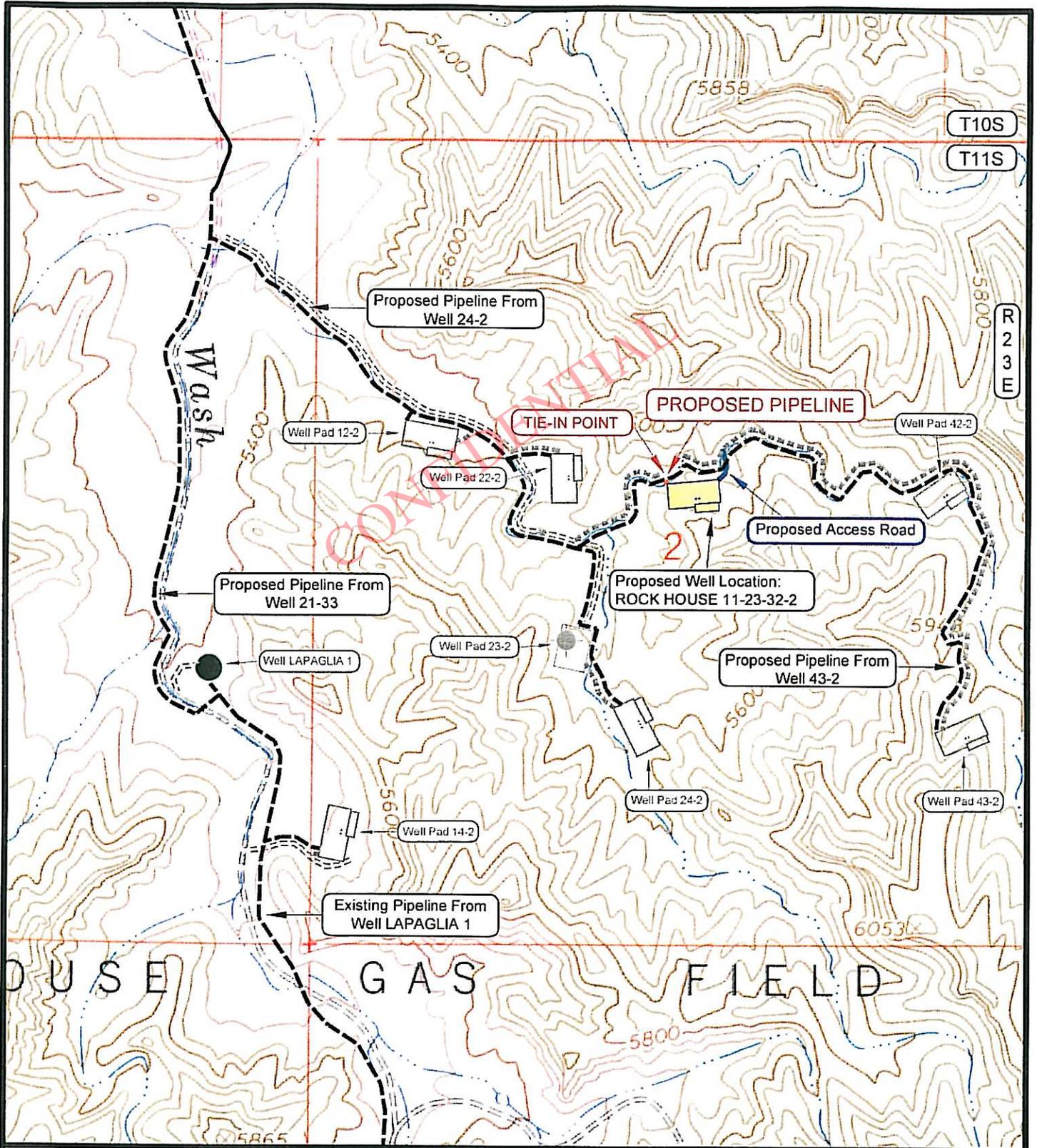
TOPOGRAPHIC MAP "C"

DATE SURVEYED: 12-29-05
 DATE DRAWN: 01-12-06
 REVISED: 11-30-06

SCALE: 1" = 2000' DRAWN BY: M.W.W.

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

SHEET
10
OF 11



APPROXIMATE PIPELINE LENGTH = 20 Feet

LEGEND

- - - - - = PROPOSED PIPELINE
- - - - - = OTHER PIPELINE
- - - - - = PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = LEASE LINE AND / OR PROPERTY LINE

ENDURING RESOURCES

Rock House 11-23-32-2

Other wells on this pad: Rock House 11-23-31-2
SECTION 2, T11S, R23E, S.L.B.&M.

TOPOGRAPHIC MAP "D"

DATE SURVEYED: 12-29-05

DATE DRAWN: 01-12-06

SCALE: 1" = 1000'

DRAWN BY: M.W.W.

REVISED: 11-30-06

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

SHEET
11
 OF 11

Enduring Resources, LLC
Rock House 11-23-32-2
SWNE 2-11S-23E
Uintah County, Utah
State Lease: ML-47078

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah proceed in an easterly then southerly direction along U.S. 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 40.5 miles to the junction of the Dragon Road (County B Road 4180). this road is located approximately 4.8 miles south of Bonanza, Utah. Exit left and proceed in a southeasterly direction along County B Road 4180 approximately 4.0 miles to the junction of the kings wells road (County B Road 4190). exit right and proceed in a southwesterly direction along County B Road 4190 approximately 8.7 miles to the junction of the Atchee Ridge Road (County B Road 4270). Continue along County B Road 4190 in a southwesterly direction approximately 4.3 miles to the junction of the Long Draw Road (County B Road 4260). Continue along County B Road 4190 in a southerly, then westerly direction approximately 4.0 miles to the junction of County B Road 4160. Exit right and proceed in a northerly direction along County B Road 4160 approximately 0.5 miles to the junction of the Bitter Creek Road (County B Road 4120). exit left and proceed in a westerly direction along County B Road 4120 approximately 1.9 miles to the junction of County B Road 4230. Exit right and proceed in a northerly direction along County B Road 4230 approximately 0.9 miles to the junction of the Atchee Wash Road (County B Road 4240). exit right and proceed in a northerly direction along County B Road 4240 approximately 6.6 miles to the intersection of a service road. Exit right and proceed in a southeasterly direction along the service road approximately 0.7 miles to the proposed access road for the Rock House 10-23-43-2 location. Follow road flags in an easterly direction approximately 1,580 feet to the proposed access road. Follow road flags in a southwesterly direction approximately 200 feet to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 75.7 miles in a southeasterly direction.

2. Planned Access Roads:

The proposed access road will be approximately 200 feet of new construction all on-lease.

ALL NEW CONSTRUCTION IS ON SITLA LANDS.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):

The following wells are wells located within a one (1) mile radius of the proposed location.

API	Operator	Well Name	Well Status	Qtr/Qtr	SEC	TWN-RGE
43-047-15807	ROSEWOOD RESOURCES INC	RAINBOW UNIT 4	Plugged and Abandoned	NWSE	1	11S-23E
43-047-38986	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-32-2	Location Abandoned	SWNE	2	11S-23E
43-047-38154	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-11-2	Location Abandoned	SWNW	2	11S-23E
43-047-38037	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-33-2	Producing	NESW	2	11S-23E
43-047-38036	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-34-2	Producing	NESW	2	11S-23E
43-047-38035	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-43-2	Returned APD (Unapproved)	NESE	2	11S-23E
43-047-38034	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-24-2	Producing	NESW	2	11S-23E

43-047-38033	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-41-2	Producing	SENE	2	11S-23E
43-047-38032	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-21-2	Drilling Operations Suspended	SENW	2	11S-23E
43-047-38031	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-31-2	Location Abandoned	SWNE	2	11S-23E
43-047-37867	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-22-2	Producing	SENW	2	11S-23E
43-047-37865	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-42-2	Producing	SENE	2	11S-23E
43-047-36153	FOREST OIL CORPORATION	ROCK HOUSE 11-2	Producing	NESW	2	11S-23E
43-047-36152	ENDURING RESOURCES, LLC	ROCK HOUSE 11-23-44-2	Producing	SESE	2	11S-23E
43-047-33174	XTO ENERGY INC	STATE M 44-2	Location Abandoned	SESE	2	11S-23E
43-047-33173	XTO ENERGY INC	STATE M 23-2	Location Abandoned	NESW	2	11S-23E
43-047-33169	XTO ENERGY INC	STATE M 42-2	Location Abandoned	SENE	2	11S-23E
43-047-31688	TXO PRODUCTION CORP	ROCK STATE 1	Location Abandoned	NESW	2	11S-23E
43-047-20512	STANOLIND OIL & GAS CO	STATE 1	Plugged and Abandoned	NWSW	2	11S-23E
43-047-32634	ROSEWOOD RESOURCES INC	LAPAGLIA 1	Producing	NESE	3	11S-23E
43-047-32584	ROSEWOOD RESOURCES INC	ACOSTA 1	Producing	SWSW	3	11S-23E
43-047-31602	CRESTONE ENERGY CORP	WELLS FED 3-1	Location Abandoned	SWSE	3	11S-23E
43-047-34373	ROSEWOOD RESOURCES INC	ROCK HOUSE U 36	Producing	NESE	10	11S-23E
43-047-34253	ROSEWOOD RESOURCES INC	ROCK HOUSE U 34	Producing	NESE	10	11S-23E
43-047-34252	ROSEWOOD RESOURCES INC	ROCK HOUSE U 32	Producing	NESE	10	11S-23E
43-047-33050	ROSEWOOD RESOURCES INC	ROCK HOUSE U 27	Shut-In	NENE	10	11S-23E
43-047-32890	ROSEWOOD RESOURCES INC	ROCK HOUSE U 19	Producing	NESW	10	11S-23E
43-047-32753	ROSEWOOD RESOURCES INC	ROCK HOUSE U 13-A	Plugged and Abandoned	SWNW	10	11S-23E
43-047-32522	ROSEWOOD RESOURCES INC	ROCK HOUSE U 13	Producing	SWNW	10	11S-23E
43-047-32521	ROSEWOOD RESOURCES INC	ROCK HOUSE U 14	Producing	SWSW	10	11S-23E
43-047-15809	ROSEWOOD RESOURCES INC	ROCK HOUSE U 1	Plugged and Abandoned	SESE	10	11S-23E
43-047-40015	ROSEWOOD RESOURCES INC	ROCKHOUSE 38	Producing	SENW	11	11S-23E
43-047-38410	ROSEWOOD RESOURCES INC	ROCKHOUSE 39	Producing	SWNW	11	11S-23E
43-047-34372	ROSEWOOD RESOURCES INC	ROCK HOUSE U 33	Producing	SENW	11	11S-23E
43-047-32891	ROSEWOOD RESOURCES INC	ROCK HOUSE U 21	Producing	SENW	11	11S-23E
43-047-15810	ROSEWOOD RESOURCES INC	ROCK HOUSE U 3	Producing	NWSE	11	11S-23E
43-047-37868	ENDURING RESOURCES, LLC	ASPHALT WASH FED 11-23-33-12	Approved permit (APD); not yet spudded	NWSE	12	11S-23E

43-047-32892	ROSEWOOD RESOURCES INC	RAINBOW UNIT 8	Plugged and Abandoned	NWNE	12	11S-23E
43-047-31603	LONE MTN PRODUCTION CO	WELLS FEDERAL A 1	Plugged and Abandoned	SWSE	12	11S-23E
43-047-31782	CNG PRODUCING	SADDLE TREE DRAW 13-34	Location Abandoned	SWSW	34	10S-23E

4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be designated by DOG&M and SITLA. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline for this well will be:

20'	Surface Pipeline	On-Lease	SITLA
-0-	Surface Pipeline	Off-Lease	n/a

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed for year around usage. Approximately 20 feet of 6" or less surface gas gathering pipeline shall be laid to minimize surface disturbance.

The proposed pipeline will begin at the well site and be laid on the surface next to the new access road to tie-in to a steel surface pipeline that is located next to the county road.

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. Location and Type of Water Supply:

Whenever practical, water will be obtained from Enduring Resources LLC Water Right Number 49-2317 (*See Townships of permitted Use below). If those sources are not available, a new water source shall be submitted prior to commencing operations. (This has an one-year term and then must be renewed)

*Enduring Water Permits' Townships of Use:

T10S-R22E	T11S-R22E	T12S-R22E
T10S-R23E	<u>T11S-R23E</u>	T12S-R23E
T10S-R24E	T11S-R24E	T12S-R24E

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash well is burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

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

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8. Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new 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 fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- h. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. **Plans for Surface Reclamation:**

Producing Location:

- a. Immediately upon well completion the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.
- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.

- ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

To be provided by the DOG&M and/or SITLA.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: SITLA

Access: SITLA

Pipeline: SITLA

12. Other Information

On-site Inspection for Location, Access and Pipeline Route:

The on-site will be scheduled by SITLA and DOG&M.

Special Conditions of Approval:

- Tanks and Production Equipment shall be painted pursuant of SITLA and DOG&M.
- Surface Gathering Pipeline shall be 6" or less

Archeology:

- a. A Cultural Resource Inventory Report is attached.

Paleontology:

- a. A Paleontology Reconnaissance Report is attached.

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.

13. Lessee's or Operator's Representatives:

Representatives:

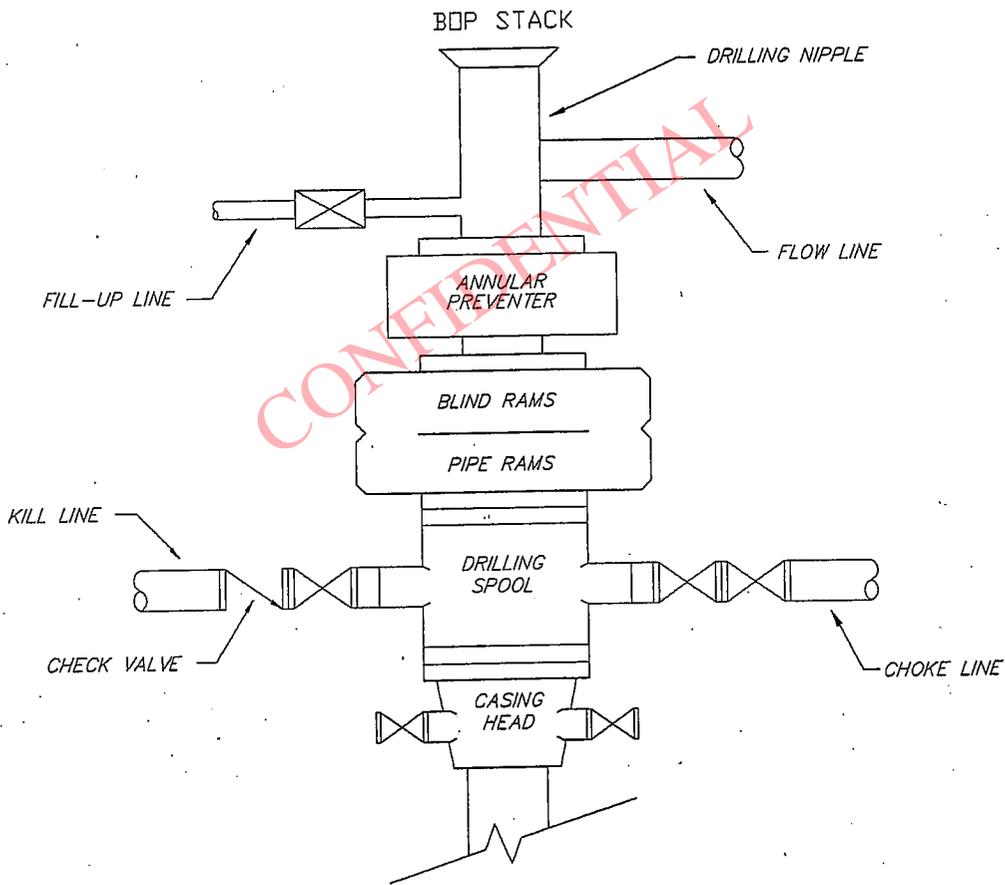
Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
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Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461
aarlian@enduringresources.com

Carroll Estes
Utah Superintendent
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759 E. 500 South
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Fax Tel: 435-828-7009
ceste@enduringresources.com

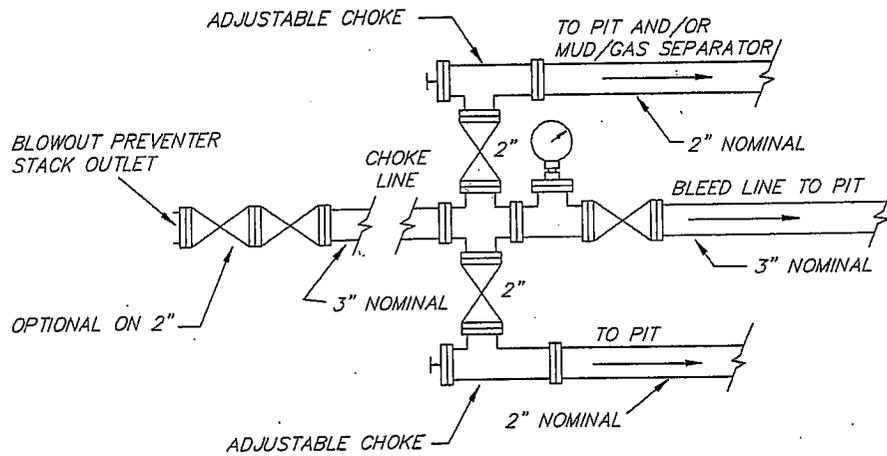
CONFIDENTIAL

ENDURING RESOURCES, LLC

*TYPICAL 3,000 p.s.i.
BLOWOUT PREVENTER SCHEMATIC*



*TYPICAL 3,000 p.s.i.
CHOKE MANIFOLD SCHEMATIC*



Paleontological Reconnaissance Report

Enduring Resources Proposed Well Pads, Pipelines, and Access Roads for “Rock House (#11-23-43-2D & #11-23-44-2D); (#11-23-42-2 & #11-23-41-2D); #11-23-32-2D; (#11-23-24-2D; #11-23-33-2D; & #1-23-34-2D); (#11-23-12-2D & #11-23-11-2D); #11-23-22-2D; & (#11-23-14-2D & #11-23-13-2D)” (Sec. 2-3, T 11 S, R 23 E)

Asphalt Wash
Topographic Quadrangle
Uintah County, Utah

April 26, 2006

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

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500

Denver, Colorado 80202

Telephone: 303-573-1222

Facsimile: 303-573-0461

September 23, 2010

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Ms. Diana Mason

RE: Exception Well Locations

Rock House 11-23-32-2

SHL: SWNE Sec 2-T11S-R23E

2604' FNL - 2467' FEL

BHL: SWNE Sec 2-T11S-R23E

2604' FNL - 2467' FEL

Lease Serial No.: ML-47078

Uintah County, Utah

Rock House 11-23-31-2

SHL: SWNE Sec 2-T11S-R23E

2604' FNL - 2492' FEL

BHL: Lot 7 Sec 2-T11S-R23E

1258' FNL - 1684' FEL

Lease Serial No.: ML-47078

Uintah County, Utah

Dear Ms. Mason:

Enduring Resources, LLC ("ERLLC") plans to drill the above-referenced wells from exception locations to limit surface impact and drilling on steep slopes.

1. The SHL and BHL of the Rock House 11-23-32-2 is not located in the center of the SWNE of Sec 2, and
2. The SHL of the Rock House 11-23-31-2 is located on the Rock House 11-23-32-2 well pad and will be directionally drilled to the Lot 7 of Sec 2.

ERLLC and its partners are the only leasehold interest owners within 460 feet of any part of the above-referenced proposed wells' proposed well bores, therefore,

- A. *ERLLC and partners also grants ERLLC permission for these exception well locations.*

Very truly yours

Alvin R. (Al) Arlian
Regulatory Specialist

Ara/

REC'D MAR 15 2006



MONTGOMERY
ARCHAEOLOGICAL
CONSULTANTS

Box 147, 322 East 100 South Moab, Utah 84532 (435) 259-5764 Fax (435) 259-5608

March 6, 2006

Mr. Al Arlian
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202

Dear Mr. Arlian:

OWC

Enclosed please find ~~two~~ copies of the report entitled "Cultural Resource Inventory of Enduring Resources' Proposed Rock House 11-23-11-2, 11-23-14-2, 11-23-22-2, 11-23-24-2, 11-23-32-2, 11-23-42-2 and 11-23-43-2 Well Locations (T11S R23E Section 2), Uintah County, Utah." The investigation resulted in the identification of no new or previously recorded archaeological sites. Based on these findings, a determination of "no historic properties affected" pursuant to Section 106, CFR 800 is proposed for this project.

Also enclosed is an invoice for costs associated with this project.

We appreciate this opportunity to provide archaeological consulting services. If you have any questions, please call me.

Sincerely,

Keith R. Montgomery
Principal Investigator

*MAKE
6 MORE COPIES
& FILE*

cc: Ms. Kristine Curry, SITLA
Mr. Blaine Phillips, Bureau of Land Management, Vernal Field Office

CULTURAL RESOURCE INVENTORY OF
ENDURING RESOURCES' PROPOSED
ROCK HOUSE 11-23-11-2, 11-23-14-2, 11-23-22-2,
11-23-24-2, 11-23-32-2, 11-23-42-2 AND 11-23-43-2
WELL LOCATIONS (T11S R23E SECTION 2)
UINTAH COUNTY, UTAH

Kylie Lower-Eskelson

CULTURAL RESOURCE INVENTORY OF
ENDURING RESOURCES' PROPOSED
ROCK HOUSE 11-23-11-2, 11-23-14-2, 11-23-22-2,
11-23-24-2, 11-23-32-2, 11-23-42-2 AND 11-23-43-2
WELL LOCATIONS (T11S R23E SECTION 2)
UINTAH COUNTY, UTAH

By:

Kylie Lower-Eskelson

Prepared For:

State of Utah Institutional
Trust Lands Administration
and
Bureau of Land Management
Vernal Field Office

Prepared Under Contract With:

Enduring Resources LLC
Denver, Colorado

Prepared By:

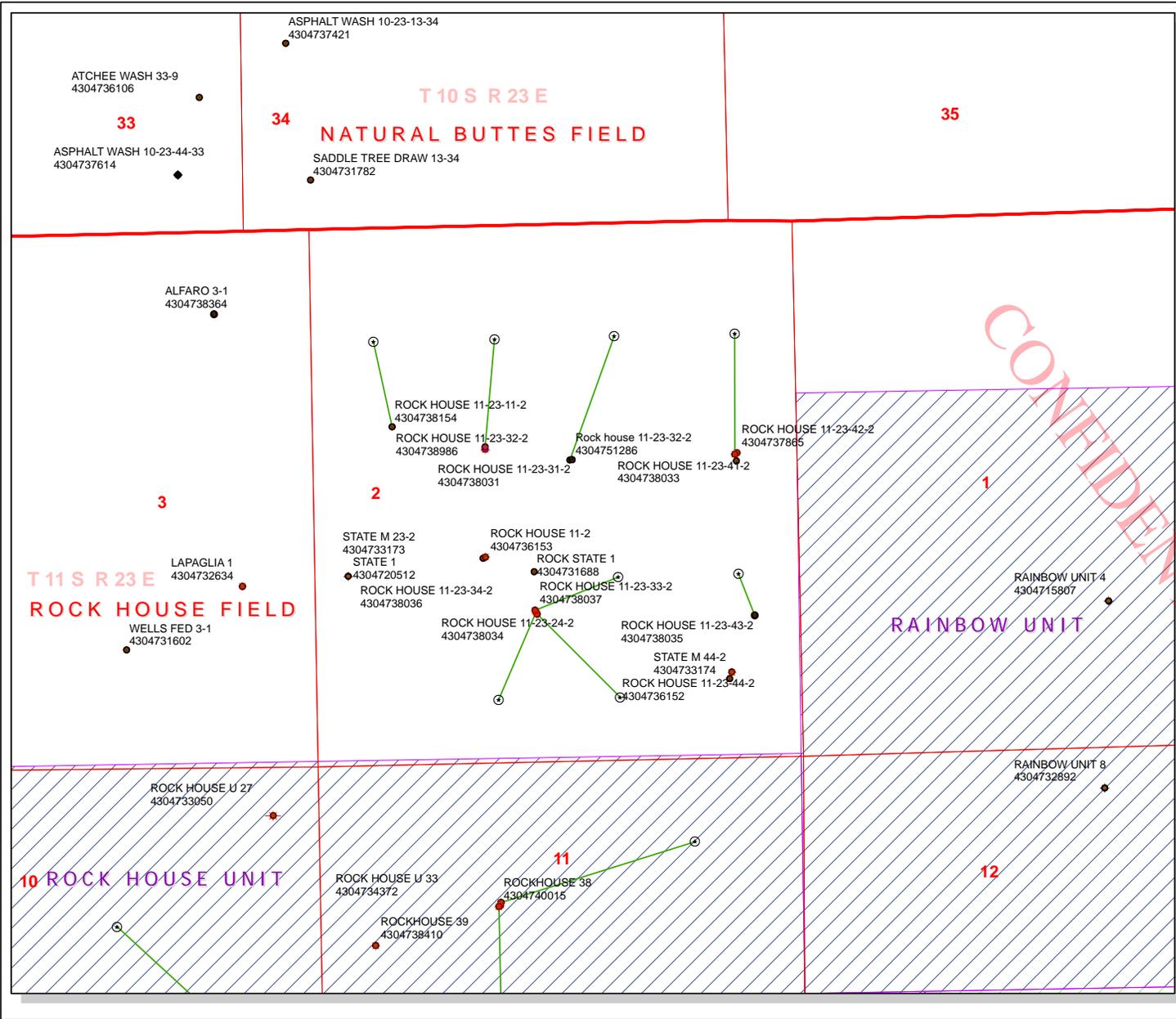
Montgomery Archaeological Consultants, Inc.
P.O. Box 147
Moab, Utah 84532

6 March, 2006

MOAC Report No. 06-16

United States Department of Interior (FLPMA)
Permit No. 05-UT-60122

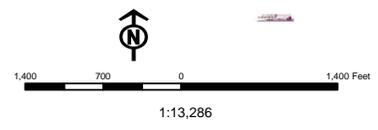
State of Utah Antiquities Project (Survey)
Permit No. U-06-MQ-0065b,s



API Number: 4304751286
Well Name: Rock house 11-23-32-2
Township 11.0 S Range 23.0 E Section 02
Meridian: SLBM
Operator: ENDURING RESOURCES, LLC

Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------------------------|--|
| Units | Wells Query |
| STATUS | ✕ - call other values- |
| ACTIVE | ◆ - APD - Approved Permit |
| EXPLORATORY | ○ - DRL - Spudded (Drilling Commenced) |
| GAS STORAGE | ⚡ - GIW - Gas Injection |
| NF PP OIL | ⚡ - GS - Gas Storage |
| NF SECONDARY | ⊗ - LA - Location Abandoned |
| PI OIL | ⊕ - LOC - New Location |
| PP GAS | ⊖ - OPS - Operation Suspended |
| PP GEOTHERML | ⊗ - PA - Plugged Abandoned |
| PP OIL | ⚡ - PGW - Producing Gas Well |
| SECONDARY | ⚡ - POW - Producing Oil Well |
| TERMINATED | ⊖ - RET - Returned APD |
| Fields | ⚡ - SGW - Shut-in Gas Well |
| Sections | ⚡ - SOW - Shut-in Oil Well |
| Township | ⊖ - TA - Temp. Abandoned |
| ○ - Bottom Hole Location - AGRC | ⊖ - TW - Test Well |
| | ⚡ - WDW - Water Disposal |
| | ⚡ - WW - Water Injection Well |
| | ● - WSW - Water Supply Well |



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Well Name	Enduring Resources, LLC Rock house 11-23-32-2 43047512860000			
String	Cond	Surf	Prod	
Casing Size(")	14.000	8.625	4.500	
Setting Depth (TVD)	40	2000	7405	
Previous Shoe Setting Depth (TVD)	0	40	2000	
Max Mud Weight (ppg)	8.6	8.6	9.8	
BOPE Proposed (psi)	500	500	3000	
Casing Internal Yield (psi)	1000	2950	7780	
Operators Max Anticipated Pressure (psi)	3851		10.0	

Calculations	Cond String	14.000	"
Max BHP (psi)	.052*Setting Depth*MW=	18	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	13	YES <input type="checkbox"/> air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	9	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	9	NO <input type="checkbox"/> OK
Required Casing/BOPE Test Pressure=		40	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

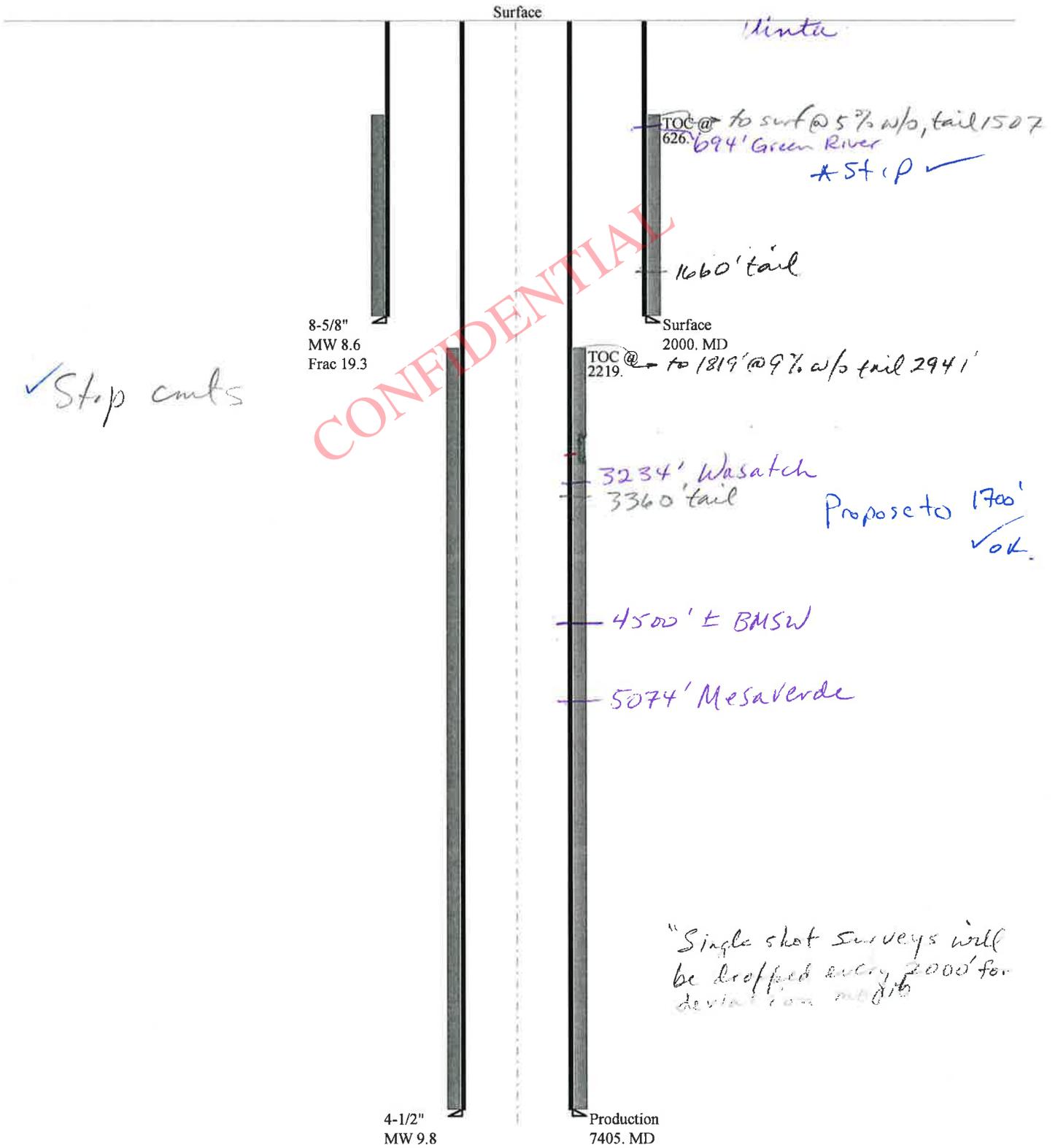
Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	894	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	654	NO <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	454	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	463	NO <input type="checkbox"/> Reasonable
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	3774	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2885	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	2145	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	2585	NO <input type="checkbox"/> Reasonable
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		2000	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="checkbox"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43047512860000 Rock house 11-23-32-2

Casing Schematic



CONFIDENTIAL

Well name:	43047512860000 Rock house 11-23-32-2		
Operator:	Enduring Resources, LLC		
String type:	Surface	Project ID:	43-047-51286
Location:	UINTAH COUNTY		

Design parameters:

Collapse

Mud weight: 8.600 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 102 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 626 ft

Burst

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

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.70 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on air weight.
 Neutral point: 1,742 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,405 ft
 Next mud weight: 9.800 ppg
 Next setting BHP: 3,770 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)	Est. Cost (\$)
1	2000	8.625	24.00	J-55	ST&C	2000	2000	7.972	10295
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	893	1370	1.533	2000	2950	1.48	48	244	5.08 J

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

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

Date: November 18, 2010
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.6 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.

Well name:	43047512860000 Rock house 11-23-32-2		
Operator:	Enduring Resources, LLC		
String type:	Production	Project ID:	43-047-51286
Location:	UINTAH COUNTY		

Design parameters:

Collapse

Mud weight: 9.800 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 178 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Burst:

Design factor 1.00

Cement top: 2,219 ft

Burst

Max anticipated surface pressure: 2,141 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,770 psi

Tension:

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

Non-directional string.

No backup mud specified.

Tension is based on air weight.
Neutral point: 6,320 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	7405	4.5	11.60	N-80	LT&C	7405	7405	3.875	30497
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	3770	6350	1.684	3770	7780	2.06	85.9	223	2.60 J

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

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

Date: November 18, 2010
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7405 ft, a mud weight of 9.8 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.

From: Jim Davis
To: Bonner, Ed; Mason, Diana
CC: Garrison, LaVonne
Date: 12/28/2010 2:13 PM
Subject: APD approvals Enduring (2)

The following APDs have been approved by SITLA.
4304751302 Rock house 11-23-31-2
4304751286 Rock house 11-23-32-2

-Jim Davis

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

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ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	ENDURING RESOURCES, LLC				
Well Name	Rock house 11-23-32-2				
API Number	43047512860000	APD No	3019	Field/Unit	ROCK HOUSE
Location: 1/4,1/4	SWNE	Sec 2	Tw 11.0S	Rng 23.0E	2604 FNL 2467 FEL
GPS Coord (UTM)	644561	4416827	Surface Owner		

Participants

Floyd Bartlett (DOGM), Carroll Estes (Enduring Resources) Jim Davis (SITLA), Ben Williams (UDWR)

Regional/Local Setting & Topography

The Rock House 11-23-31-2 and Rock House 11-23-32-2 are proposed directional wells on the same pad previously permitted in 2007. The location was partially constructed and then abandoned. The permits expired. Enduring Resources has applied for new permits for both wells. They were re-on-sited on November 3, 2010. The pad, especially in the reserve pit area, has been excavated into bedrock and has not reached planned grade. To complete the pad a considerable amount of blasting will be required. Mr. Carroll Estes representing Enduring Resources, desires to complete the location as originally surveyed and permitted. It appears impractical to push excess materials onto the steep slope above the reserve pit and Location Corner 6. These materials would help catch potential runoff from the steep side hill from reaching the pad. Without this, some materials or runoff may reach the pad and the pit area during drilling and operation of the wells. Replacing the reserve pit with a closed loop system was discussed. Mr. Estes stated that Enduring does not want to do this.

It was stressed that excavated fill not be allowed to reach the bottom of the draw to the northwest of the pad area. This small draw contains a pipeline and serves to distribute runoff from the adjacent area.

The following are notes from the original pre-site completed May 10, 2006:

The proposed pad for the Rock House 11-23-31-2D and 11-23-32-2D wells lie in a secondary drainage of Atchee Wash. It is on a small steep sloped lateral ridge that joins the main ridge divide to the east. The top of the main ridge is formed by exposed bedrock cliffs and is the divide between Atchee Wash and Asphalt Wash. Numerous side draws begin at the ridge top and drain into this secondary draw. The drainage is open to the west approximately ¾ mile to Atchee Wash.

Atchee Wash is an ephemeral wash only flowing during the spring runoff and intense summer rainstorms. The White River is approximately 3 miles downstream to the north. No springs or seeps are known in the area. The location is approximately 14 miles south west of Bonanza Ut, and approximately 67 miles southwest of Vernal, UT. Access from Bonanza is by State Highway then Uintah County roads 26.9 miles to Atchee Wash, then north down Atchee Wash 7.5 miles to where a new road has been constructed which will serve as the principal access to this location and other locations within this section. From this road 200 feet of additional new access road is planned. The primary access road follows the narrow bottom of a wash, and continues south to the divide. This road may require heavy maintenance to remove alluvial deposits from summer storms, but is expected to be less impact on the landscape than constructing a route on the sidehills out of the bottom of the wash.

Topography in the general area is broad canyon bottoms separated by steep and often ledgey side-slopes, which top out onto broad ridge tops. Frequent outwash plains and deposits occur along the sides of the major bottoms. The drainages of Atchee and Asphalt Washes are broad somewhat gentle alluvial washes, which are dry except for spring runoff and sometimes-intense summer rainstorms.

Surface Use Plan

Current Surface Use

Wildlife Habitat
Existing Well Pad

New Road Miles	Well Pad	Src Const Material	Surface Formation
0	Width 240 Length 380	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Poorly vegetated pinion juniper site. Greasewood, big sagebrush, penstemon, eriogonum, ephedra, service berry, loco weed, broom snakeweed, curly mesquite and prickly pear also occur.

Pronghorn, rodents, songbirds, raptors, elk, deer, bobcat, coyote.

Soil Type and Characteristics

Shallow gravely sandy loam surface. Surface sandstone and shale bedrock also to occur.

Erosion Issues Y

See other comments

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

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)	>200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
Final Score		40	1 Sensitivity Level

Characteristics / Requirements

175' by 60' and 8' deep. The reserve pit is planned in an area of cut on the south east corner of the location. The reserve pit is 15 feet longer than normal to serve the 2 wells that are planned. No stabilization problems are expected.

A minimum of a 16 mil liner will be required for reserve pit. Sensitivity score is 40.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 20 Pit Underlayment Required? Y

Other Observations / Comments

It appears impractical to push excess materials onto the steep slope above the reserve pit and Location Corner 6. These materials would help catch potential runoff from the steep side hill from reaching the pad. Without this, some materials or runoff may reach the pad and the pit area during drilling and operation of the wells.

Mr. Estes was ask if Enduring planned on completing the location and drilling the wells or if re-permitting them was a way to length the time that nothing had to be done. He said that to his knowledge the location would be completed and the wells drilled. The area has several high producing gas wells.

Floyd Bartlett
Evaluator

11/3/2010
Date / Time

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Application for Permit to Drill

Statement of Basis

12/30/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
3019	43047512860000	SITLA	GW	S	No
Operator	ENDURING RESOURCES, LLC		Surface Owner-APD		
Well Name	Rock house 11-23-32-2		Unit		
Field	ROCK HOUSE		Type of Work		DRILL
Location	SWNE 2 11S 23E S 2604 FNL 2467 FEL		GPS Coord (UTM)	644567E	4416826N

Geologic Statement of Basis

Enduring proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,500 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 2. The surface formation at this location is the Uinta/Green River Formation transition. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers. Production casing cement should be brought up above the base of the moderately saline ground water.

Brad Hill
APD Evaluator

11/17/2010
Date / Time

Surface Statement of Basis

The Rock House 11-23-31-2 and Rock House 11-23-32-2 are proposed directional wells on the same pad previously permitted in 2007. The location was partially constructed and then abandoned. The permit s expired. Enduring Resources has applied for new permits for both wells. They were re-on-sited on November 3, 2010. The pad, especially in the reserve pit area, has been excavated into bedrock and has not reached planned grade. To complete the pad a considerable amount of blasting will be required. Mr. Carroll Estes representing Enduring Resources, desires to complete the location as originally surveyed and permitted. It appears impractical to push excess materials onto the steep slope above the reserve pit and Location Corner 6. These materials would help catch potential runoff from the steep side hill from reaching the pad. Without this, some materials or runoff may reach the pad and the pit area during drilling and operation of the wells. Replacing the reserve pit with a closed loop system was discussed. Mr. Estes stated that Enduring does not want to do this.

It was stressed that excavated fill not be allow to reach the bottom of the draw to the northwest of the pad area. This small draw contains a pipeline and serves to distribute runoff from the adjacent area.

Following are notes from the original pre-site completed May 10, 2006:

The proposed pad for the Rock House 11-23-31-2D and 11-23-32-2D wells lie in a secondary drainage of Atchee Wash. It is on a small steep sloped lateral ridge that joins the main ridge divide to the east. The top of the main ridge is formed by exposed bedrock cliffs and is the divide between Atchee Wash and Asphalt Wash. Numerous side draws begin at the ridge top and drain into this secondary draw. The drainage is open to the west approximately ¾ mile to Atchee Wash. Atchee Wash is an ephemeral wash only flowing during the spring runoff and intense summer rainstorms. The White River is approximately 3 miles downstream to the north. No springs or seeps are known in the area. The location is approximately 14 miles south west of Bonanza Ut, and approximately 67 miles southwest of Vernal, UT. Access from Bonanza is by State Highway then Uintah County roads 26.9 miles to Atchee Wash, then north down Atchee Wash 7.5 miles to where a new road has been constructed which will serve as the principal access to this location and other locations within this section. From this road 200 feet of additional new access road is planned. The primary access road follows the narrow bottom of a wash, and continues south to the divide. This road may require heavy maintenance to remove

Application for Permit to Drill Statement of Basis

12/30/2010

Utah Division of Oil, Gas and Mining

Page 2

alluvial deposits from summer storms, but is expected to be less impact on the landscape than constructing a route on the sidehills out of the bottom of the wash.

Topography in the general area is broad canyon bottoms separated by steep and often ledgey side-slopes, which top out onto broad ridge tops. Frequent outwash plains and deposits occur along the sides of the major bottoms. The drainages of Atchee and Asphalt Washes are broad somewhat gentle alluvial washes, which are dry except for spring runoff and sometimes-intense summer rainstorms.

The Rock House 11-23-31-2 and Rock House 11-23-32-2, both directional wells will be drilled from this location. The location lies in a secondary drainage of Atchee Wash on a small lateral ridge that joins the main ridge divide to the east. The top of the main ridge is formed by exposed bedrock cliffs and is the divide between Atchee Wash and Asphalt Wash. Numerous side draws begin at the ridge top and drain into this secondary draw. The drainage is open to the west approximately $\frac{3}{4}$ mile to Atchee Wash.

Floyd Bartlett
Onsite Evaluator

11/3/2010
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with an appropriate thickness of felt subliner to cushion the rock shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 9/23/2010

API NO. ASSIGNED: 43047512860000

WELL NAME: Rock house 11-23-32-2

OPERATOR: Enduring Resources, LLC (N2750)

PHONE NUMBER: 303 350-5114

CONTACT: Alvin Arlian

PROPOSED LOCATION: SWNE 02 110S 230E

Permit Tech Review:

SURFACE: 2604 FNL 2467 FEL

Engineering Review:

BOTTOM: 2604 FNL 2467 FEL

Geology Review:

COUNTY: UINTAH

LATITUDE: 39.89107

LONGITUDE: -109.30915

UTM SURF EASTINGS: 644567.00

NORTHINGS: 4416826.00

FIELD NAME: ROCK HOUSE

LEASE TYPE: 3 - State

LEASE NUMBER: ML-47078

PROPOSED PRODUCING FORMATION(S): MESA VERDE

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: STATE/FEE - RLB0008031
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 49-2317
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

LOCATION AND SITING:

- R649-2-3.
 - Unit:**
 - R649-3-2. General
 - R649-3-3. Exception
 - Drilling Unit
 - Board Cause No:** R649-3-2
 - Effective Date:**
 - Siting:**
 - R649-3-11. Directional Drill
-

Comments: Presite Completed

Stipulations:
1 - Exception Location - bhill
5 - Statement of Basis - bhill
12 - Cement Volume (3) - ddoucet
15 - Directional - bhill
25 - Surface Casing - hmadonald



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

Permit To Drill

Well Name: Rock house 11-23-32-2
API Well Number: 43047512860000
Lease Number: ML-47078
Surface Owner: STATE
Approval Date: 12/30/2010

Issued to:

Enduring Resources, LLC, 475 17th Street, Suite 1500, Denver, CO 80202

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

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.

Conditions of Approval:

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Cement volume for the 4 1/2 production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 1700' MD as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain 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

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 to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail 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 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the 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

Approved By:



For John Rogers
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47078			
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:			
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:			
2. NAME OF OPERATOR: Enduring Resources, LLC		8. WELL NAME and NUMBER: ROCK HOUSE 11-23-32-2			
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202		9. API NUMBER: 43047512860000			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2604 FNL 2467 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 02 Township: 11.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: ROCK HOUSE			
		COUNTY: UINTAH			
		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/30/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 50px;" type="text"/> </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 50px;" type="text"/>
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Request an one-year extension to APD expiration date.					
		Approved by the Utah Division of Oil, Gas and Mining Date: <u>01/03/2012</u> By:			
NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory			
SIGNATURE N/A	DATE 12/27/2011				



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047512860000

API: 43047512860000

Well Name: ROCK HOUSE 11-23-32-2

Location: 2604 FNL 2467 FEL QTR SWNE SEC 02 TWP 110S RNG 230E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 12/30/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No

- Has the approved source of water for drilling changed? Yes No

- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

- Is bonding still in place, which covers this proposed well? Yes No

Signature: Alvin Arlian

Date: 12/27/2011

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47078	
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: ROCK HOUSE 11-23-32-2
2. NAME OF OPERATOR: Enduring Resources, LLC	9. API NUMBER: 43047512860000
3. ADDRESS OF OPERATOR: 511-16th Street, Suite 700 , Denver, CO, 80202	PHONE NUMBER: 303 350-5114 Ext
9. FIELD and POOL or WILDCAT: ROCK HOUSE	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2604 FNL 2467 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 02 Township: 11.0S Range: 23.0E Meridian: S	
COUNTY: UINTAH	
STATE: UTAH	

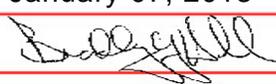
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/30/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Request an one-year extension to APD expiration date.

Approved by the Utah Division of Oil, Gas and Mining

Date: January 07, 2013

By: 

NAME (PLEASE PRINT) Alvin Arlian	PHONE NUMBER 303 350-5114	TITLE Landman-Regulatory
SIGNATURE N/A	DATE 1/3/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047512860000

API: 43047512860000

Well Name: ROCK HOUSE 11-23-32-2

Location: 2604 FNL 2467 FEL QTR SWNE SEC 02 TWNP 110S RNG 230E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 12/30/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

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- Is bonding still in place, which covers this proposed well? Yes No

Signature: Alvin Arlian

Date: 1/3/2013

Title: Landman-Regulatory Representing: ENDURING RESOURCES, LLC



Expired APD's

Al Arlian <AArlia@enduringresources.com>
To: Diana Mason <dianawhitney@utah.gov>

Thu, Dec 26, 2013 at 6:48 AM

These two permits will expire and no extension will be requested.

ENDURING RESOURCES, LLC	4304751302	ROCK HOUSE 11-23-31-2	DRILL	12/28/2010	12/28/2013
ENDURING RESOURCES, LLC	4304751286	ROCK HOUSE 11-23-32-2	DRILL	12/30/2010	12/30/2013

Thanks,

Alvin R. (Al) Arlian

Landman, CPL - Regulatory Specialist

Enduring Resources, LLC

511-16th Street, Suite 700

Denver, Colorado 80202

Direct: [303-350-5114](tel:303-350-5114)

Cell: [303-880-3841](tel:303-880-3841)

Fax: [303-573-0461](tel:303-573-0461)



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

December 27, 2013

Al Arlian
Enduring Resources, LLC
511-16TH Street, Suite 700
Denver, CO 80202

Re: APD Rescinded – Rock House 11-23-32-2, Sec. 2 T.11S, R.23E,
Uintah County, Utah API No. 43-047-51286

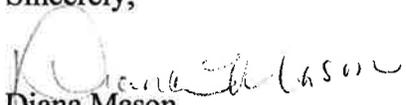
Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 30, 2010. On January 3, 2012 and January 7, 2013, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 27, 2013.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

