

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL		1. WELL NAME and NUMBER FD 14-14-3-2
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 WILDCAT
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME
6. NAME OF OPERATOR ELK PRODUCTION UINTAH, LLC		7. OPERATOR PHONE 303 312-8128
8. ADDRESS OF OPERATOR 1099 18th Street Ste 2300, Denver, CO, 80202		9. OPERATOR E-MAIL dzavadil@billbarrettcorp.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) fee	11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Lever, Ltd		14. SURFACE OWNER PHONE (if box 12 = 'fee') 419-666-8442
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 29900 St. Andrews Rd., Perrysburg, , OH 43551		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 checked="" type="checkbox"/> (Submit Commingling Application) NO <input 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	660 FSL 1980 FWL	SESW	14	3.0 S	2.0 E	U
Top of Uppermost Producing Zone	660 FSL 1980 FWL	SESW	14	3.0 S	2.0 E	U
At Total Depth	660 FSL 1980 FWL	SESW	14	3.0 S	2.0 E	U

21. COUNTY UINTAH	22. DISTANCE TO NEAREST LEASE LINE (FEET) 660	23. NUMBER OF ACRES IN DRILLING UNIT 640
27. ELEVATION - GROUND LEVEL 4824	25. DISTANCE TO NEAREST WELL IN SAME BLOCK (Applied For Drilling or Completion) 56	26. PROPOSED DEPTH MD: 9165 TVD: 9165
	28. BOND NUMBER LPM4138148	29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-2336

Hole Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	26	16	0 - 80	63.0	Unknown	8.8	No Used	0	0.0	0.0
SURF	12.25	9.625	0 - 700	36.0	J-55 ST&C	8.8	Halliburton Light , Type Unknown	190	3.16	11.0
							Halliburton Premium , Type Unknown	210	1.36	14.8
PROD	8.75	5.0	0 - 9165	17.0	P-110 LT&C	9.6	Unknown	960	2.31	11.0
							Unknown	640	1.42	13.5

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 checked="" 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 Brady Riley	TITLE Permit Analyst	PHONE 303 312-8115
SIGNATURE	DATE 09/04/2012	EMAIL briley@billbarrettcorp.com
API NUMBER ASSIGNED 43047530670000		APPROVAL

DRILLING PLAN

BILL BARRETT CORPORATION

FD #14-14-3-2

SESW, 660' FSL and 1980' FWL, Section 14, T3S - R2E, USB&M
UINTAH COUNTY, UT

1 - 2. Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

<u>Formation</u>	<u>Depth</u>
Green River	3985'
Mahogany	5370'
Lower Green River*	6430'
Douglas Creek	6600'
Black Shale	7340'
Castle Peak	7560'
Wasatch*	8265'
TD	9165'

*PROSPECTIVE PAY

Members of the Wasatch and the Lower Green River are primary objectives for oil/gas.

3. BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
0 – 1,500'	No pressure control required
1,500' – TD	11" 5000# Ram Type BOP 11" 5000# Annular BOP
- Drilling spool to accommodate choke and kill lines;	
- Ancillary equipment and choke manifold rated at 5,000 psi. All BOP and BOPE tests will be in accordance with the requirements of onshore Order No. 2;	
- The BLM and the State of Utah Division of Oil, Gas and Mining will be notified 24 hours in advance of all BOP pressure tests.	
- BOP hand wheels may be underneath the sub-structure of the rig if the drilling rig used is set up To operate most efficiently in this manner.	

4. Casing Program

<u>Hole Size</u>	<u>SETTING DEPTH</u>		<u>Casing Size</u>	<u>Casing Weight</u>	<u>Casing Grade</u>	<u>Thread</u>	<u>Condition</u>
	<u>(FROM)</u>	<u>(TO)</u>					
26"	Surface	80'	16"	65#			
12 1/4"	Surface	1500'	9 5/8"	36#	J or K 55	ST&C	New
8 3/4"	Surface	TD	5 1/2"	17#	P-110	LT&C	New

5. **Cementing Program**

16" Conductor Casing	Grout
9 5/8" Surface Casing	Lead: 190 sx Halliburton Light Premium with additives mixed at 11.0 ppg (yield = 3.16 ft ³ /sx) circulated to surface with 75% excess. TOC @ Surface Tail: 210 sx Halliburton Premium Plus cement with additives mixed at 14.8 ppg (yield = 1.36 ft ³ /sx), calculated hole volume with 75% excess. TOC @ 1,000'
5 1/2" Production Casing	Lead: 960 sx Tuned Light cement with additives mixed at 11.0 ppg (yield = 2.31 ft ³ /sx). TOC @ 1,000' Tail: 640 sx Halliburton Econocem cement with additives mixed at 13.5 ppg (yield = 1.42 ft ³ /sx). Top of cement to be determined by log and sample evaluation; estimated TOC @ 6804'

6. **Mud Program**

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss (API Filter)</u>	<u>Remarks</u>
0' – 80'	8.3 – 8.8	26 – 36	NC	Freshwater Spud Mud Fluid System
80' – 1,500'	8.3 – 8.8	26 – 36	NC	Freshwater Spud Mud Fluid System
1,500' – TD	8.6 – 8.6	42-52	20 cc or less	DAP Polymer Fluid System
Note: Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kicks" will be available at wellsite. BBC may require minor amounts of diesel to be added to its fluid system in order to reduce torque and drag.				

Testing, Logging and Core Programs

Cores	None anticipated
Testing	None anticipated; drill stem tests may be run on shows of interest;
Sampling	30' to 50' samples; surface casing to TD. Preserve samples all show intervals;
Surveys	MWD as needed to land wellbore;
Logging	DIL-GR-SP, FDC-CNL-GR-CALIPER-Pe-Microlog, Sonic-GR (all TD to surface). FMI & Sonic Scanner to be run at geologist's discretion.
NOTE: If BBC pursues the "Alternate" program, a suite of the above logs will be run on both the intermediate and production hole sections.	

8. **Anticipated Abnormal Pressures or Temperatures**

No abnormal pressures or temperatures or other hazards are anticipated.

Maximum anticipated bottom hole pressure equals approximately 4528 psi* and maximum anticipated surface pressure equals approximately 2512 psi** (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

Bill Barrett Corporation
Drilling Program
FD #14-14-3-2
Uintah County, Utah

*Max Mud Wt x 0.052 x TD = A (bottom hole pressure)

**Maximum surface pressure = A - (0.22 x TD)

9. Auxiliary Equipment

- a) Upper kelly cock; lower Kelly cock will be installed while drilling
- b) Inside BOP or stab-in valve (available on rig floor)
- c) Safety valve(s) and subs to fit all string connections in use
- d) Mud monitoring will be visually observed

10. Location and Type of Water Supply

Water for the drilling and completion will be trucked from the Duchesne City Culinary Water Dock located in Sec. 1, T4S, R5W.

11. Drilling Schedule

Location Construction: January 2013
Spud: January 2013
Duration: 15 days drilling time
45 days completion time

Returned Unapproved



Bill Barrett Corporation

LAKE CANYON & BLACK TAIL RIDGE CEMENT VOLUMES

Well Name: FD 14-14-3-2

Surface Hole Data:

Total Depth:	1,500'
Top of Cement:	0'
OD of Hole:	12.250"
OD of Casing:	9.625"

Calculated Data:

Lead Volume:	548.1 ft ³
Lead Fill:	1,000'
Tail Volume:	774.0 ft ³
Tail Fill:	500'

Cement Data:

Lead Yield:	3.16	ft ³ /sk
% Excess:	75%	
Top of Lead:	0'	

Tail Yield:	1.36	ft ³ /sk
% Excess:	75%	
Top of Tail:	1,000'	

Calculated # of Sacks:

SK's Lead: **190**

SK's Tail: **210**

Production Hole Data:

Total Depth:	9,165'
Top of Cement:	1,000'
Top of Tail:	6,804'
OD of Hole:	8.750"
OD of Casing:	5.500"

Calculated Data:

Lead Volume:	2199.1 ft ³
Lead Fill:	5,804'
Tail Volume:	894.6 ft ³
Tail Fill:	2,361'

Cement Data:

Lead Yield:	2.31	ft ³ /sk
Tail Yield:	1.42	ft ³ /sk
% Excess:	50%	

Calculated # of Sacks:

SK's Lead: **960**

SK's Tail: **640**

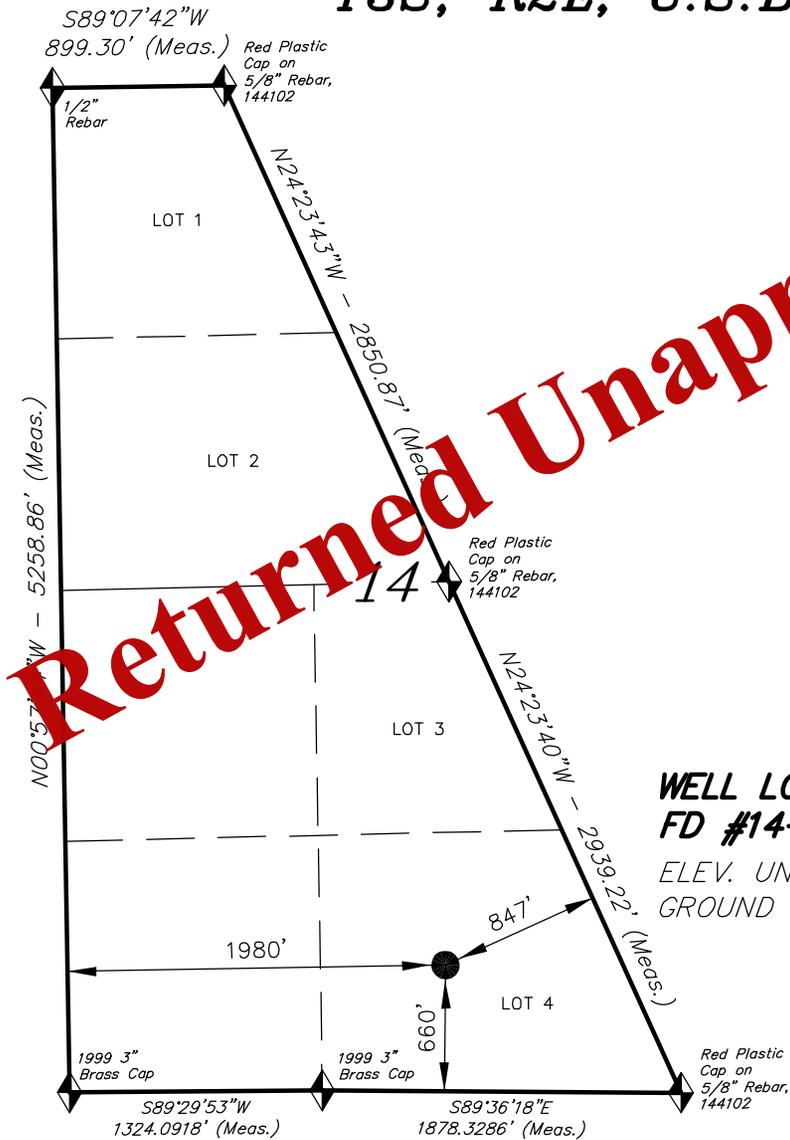
FD 14-14-3-2 Proposed Cementing Program

<u>Job Recommendation</u>	<u>Surface Casing</u>
Lead Cement - (1000' - 0')	
Halliburton Light Premium	Fluid Weight: 11.0 lbm/gal
5.0 lbm/sk Silicalite Compacted	Slurry Yield: 3.16 ft ³ /sk
0.25 lbm/sk Kwik Seal	Total Mixing Fluid: 19.48 Gal/sk
0.125 lbm/sk Poly-E-Flake	Top of Fluid: 0'
2.0% Bentonite	Calculated Fill: 1,000'
	Volume: 97.61 bbl
	Proposed Sacks: 190 sks
Tail Cement - (TD - 1000')	
Premium Cement	Fluid Weight: 14.9 lbm/gal
2.0% Calcium Chloride	Slurry Yield: 2.36 ft ³ /sk
	Total Mixing Fluid: 6.37 Gal/sk
	Top of Fluid: 1,000'
	Calculated Fill: 500'
	Volume: 48.80 bbl
	Proposed Sacks: 210 sks

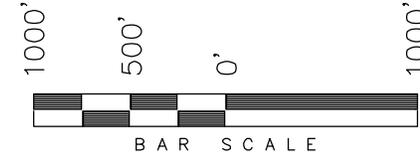
<u>Job Recommendation</u>	<u>Production Casing</u>
Lead Cement - (6804' - 1000')	
Tuned Light™ System	Fluid Weight: 11.0 lbm/gal
	Slurry Yield: 2.31 ft ³ /sk
	Total Mixing Fluid: 10.65 Gal/sk
	Top of Fluid: 1,000'
	Calculated Fill: 5,804'
	Volume: 391.64 bbl
	Proposed Sacks: 960 sks
Tail Cement - (9165' - 6804')	
Econocem™ System	Fluid Weight: 13.5 lbm/gal
0.125 lbm/sk Poly-E-Flake	Slurry Yield: 1.42 ft ³ /sk
1.0 lbm/sk Granulite TR 1/4	Total Mixing Fluid: 6.61 Gal/sk
	Top of Fluid: 6,804'
	Calculated Fill: 2,361'
	Volume: 159.33 bbl
	Proposed Sacks: 640 sks

T3S, R2E, U.S.B.&M.

BILL BARRETT CORPORATION



WELL LOCATION, FD #14-14-3-2,
 LOCATED AS SHOWN IN SE 1/4 SW
 1/4 (LOT 4) OF SECTION 14, T3S,
 R2E, U.S.B.&M. UINTAH COUNTY,
 UTAH.



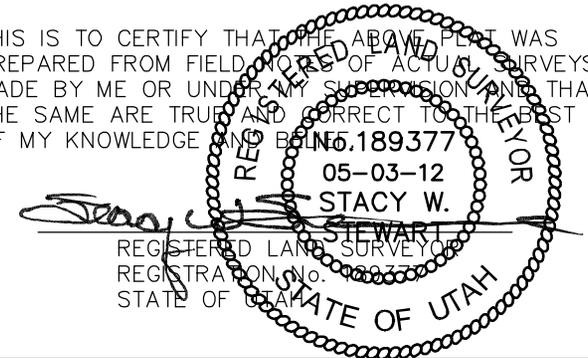
NOTES:

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



WELL LOCATION:
FD #14-14-3-2
 ELEV. UNGRADED
 GROUND = 4823.7'

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



NAD 83 (SURFACE LOCATION)	
LATITUDE	= 40°13'00.36" (40.216766)
LONGITUDE	= 109°44'18.92" (109.738589)
NAD 27 (SURFACE LOCATION)	
LATITUDE	= 40°13'00.50" (40.216805)
LONGITUDE	= 109°44'16.41" (109.737891)

BASIS OF ELEV; Elevations are base on LOCATION: an N.G.S. OPUS Correction. LAT. 40°16'17.95" LONG. 109°35'59.22" (Tristate Aluminum Cap) Elev. 4843.21'

TRI STATE LAND SURVEYING & CONSULTING
 180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
 (435) 781-2501

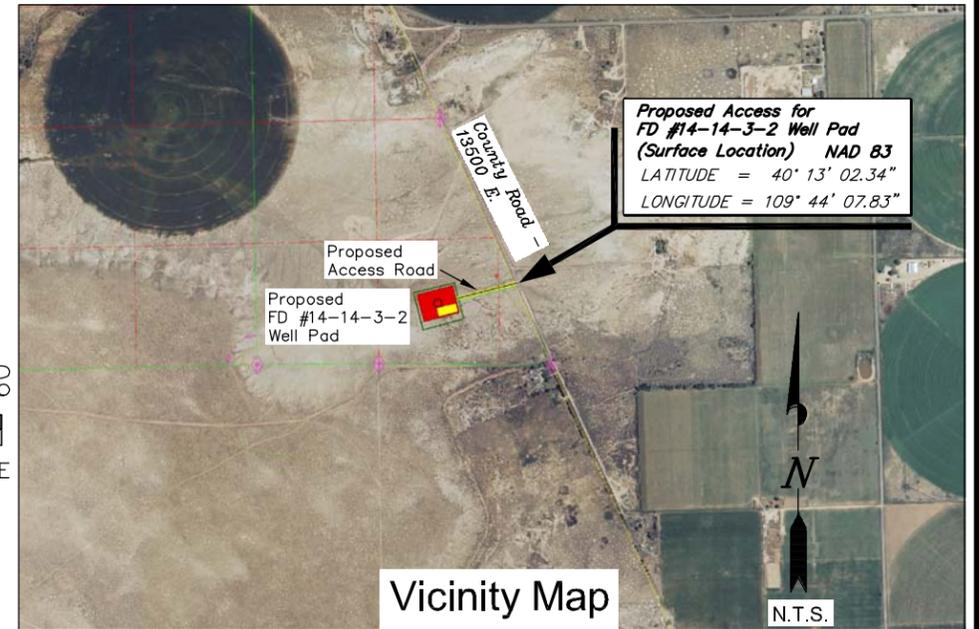
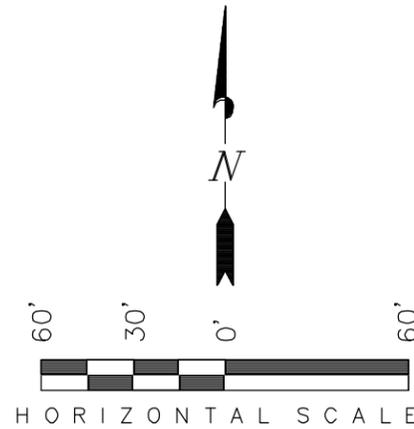
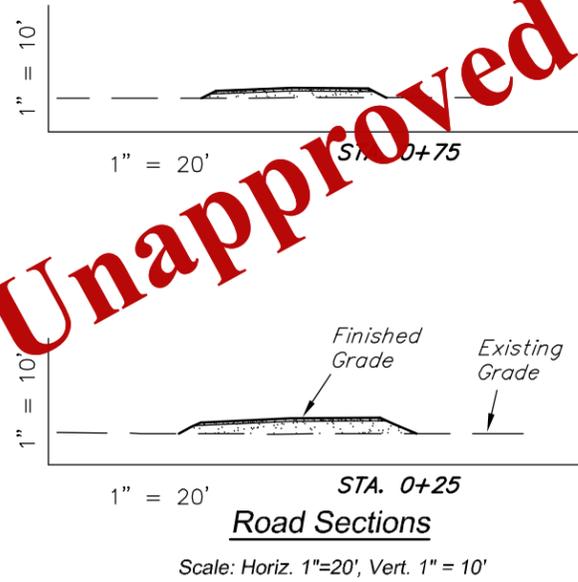
DATE SURVEYED: 03-04-12	SURVEYED BY: C.D.S.
DATE DRAWN: 05-03-12	DRAWN BY: L.C.S.
REVISED:	SCALE: 1" = 1000'

Received: September 04, 2012

BASIS OF ELEV; Elevations are base on LOCATION: an N.G.S. OPUS Correction. LAT. 40°16'17.95" LONG. 109°35'59.22" (Tristate Aluminum Cap) Elev. 4843.21'

Sec. 14
LEVER LTD.
SW 1/4 SE 1/4

Returned Unapproved



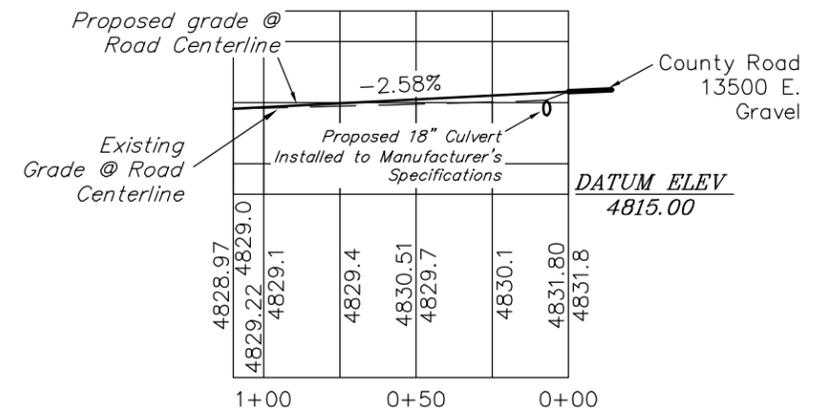
Proposed Access for FD #14-14-3-2 Well Pad (Surface Location) NAD 83
LATITUDE = 40° 13' 02.34"
LONGITUDE = 109° 44' 07.83"

SSD Calculations:
Reaction Time = 2.5 sec (AASHTO standard)
Driver eye Height = 5ft (Truck)
Object height = 3ft (AASHTO intersection standard)
Speed = 35 mph (Posted Speed Limit)
Coefficient of Friction = 0.32 (Taken from AASHTO)
Deceleration rate = 6.1fps (Truck)
Grade = 0.6% (Measured)

$$SSD = [1.47 * \text{mph} * \text{Reaction Time}] + [(\text{mph})^2 / (30 * (\text{friction} - \text{grade}))]$$

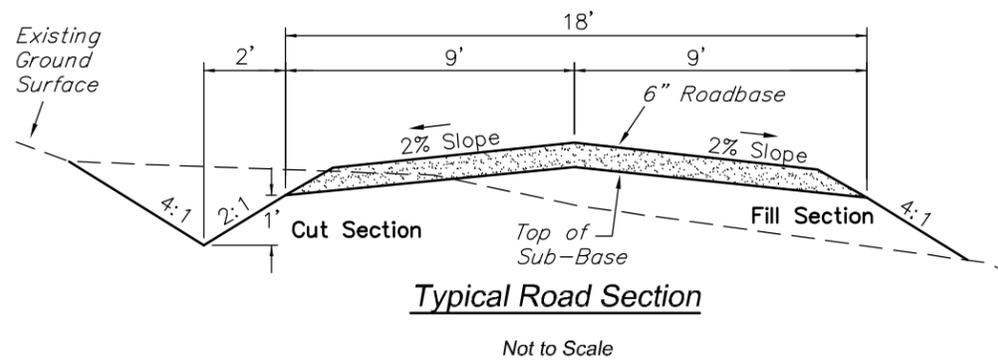
$$SSD = [1.47 * 35 * 2.5] + [(35)^2 / (30 * (0.32 - 0.006))]$$

$$SSD = 260\text{ft}$$



Road Profile

Scale: Horiz. 1"=60', Vert. 1" = 30'



NOTE: Provide Signage per UDOT Requirements



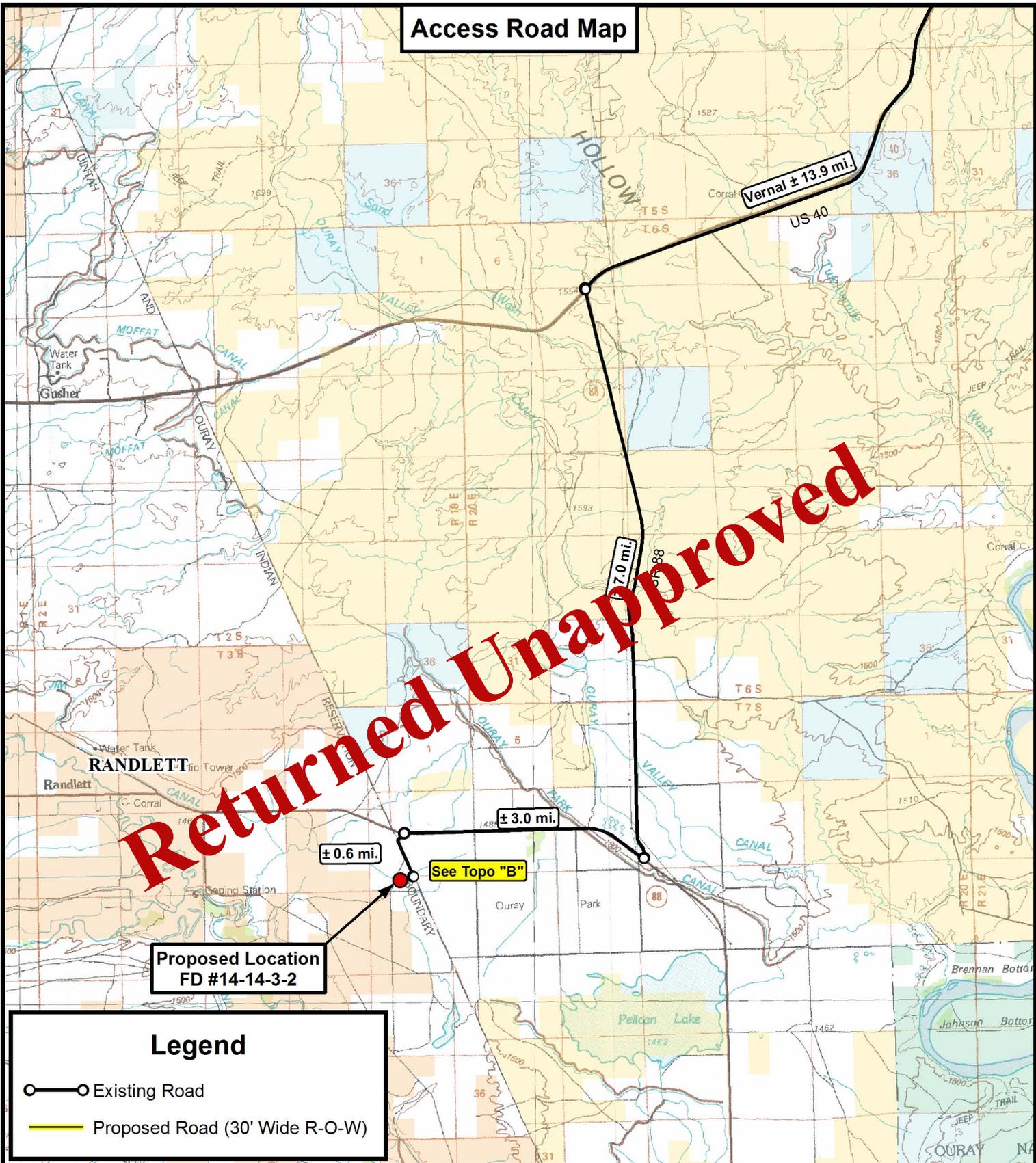
BILL BARRETT CORPORATION

PROPOSED ACCESS ROAD FOR THE FD #14-14-3-2 LOCATED IN SECTION 14, T3S, R2E, U.S.B.&M. UINTAH COUNTY, UTAH

SURVEYED BY: C.D.S. DATE SURVEYED: 03-04-12
DRAWN BY: L.C.S. DATE DRAWN: 05-04-12
SCALE: AS SHOWN FILE: DWG #12-0323

Tri State Land Surveying, Inc. (435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

Access Road Map



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**Proposed Location
FD #14-14-3-2**

Legend

- Existing Road
- Proposed Road (30' Wide R-O-W)



**Tri State
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180 NORTH VERNAL AVE. VERNAL, UTAH 84078

P: (435) 781-2501
F: (435) 781-2518



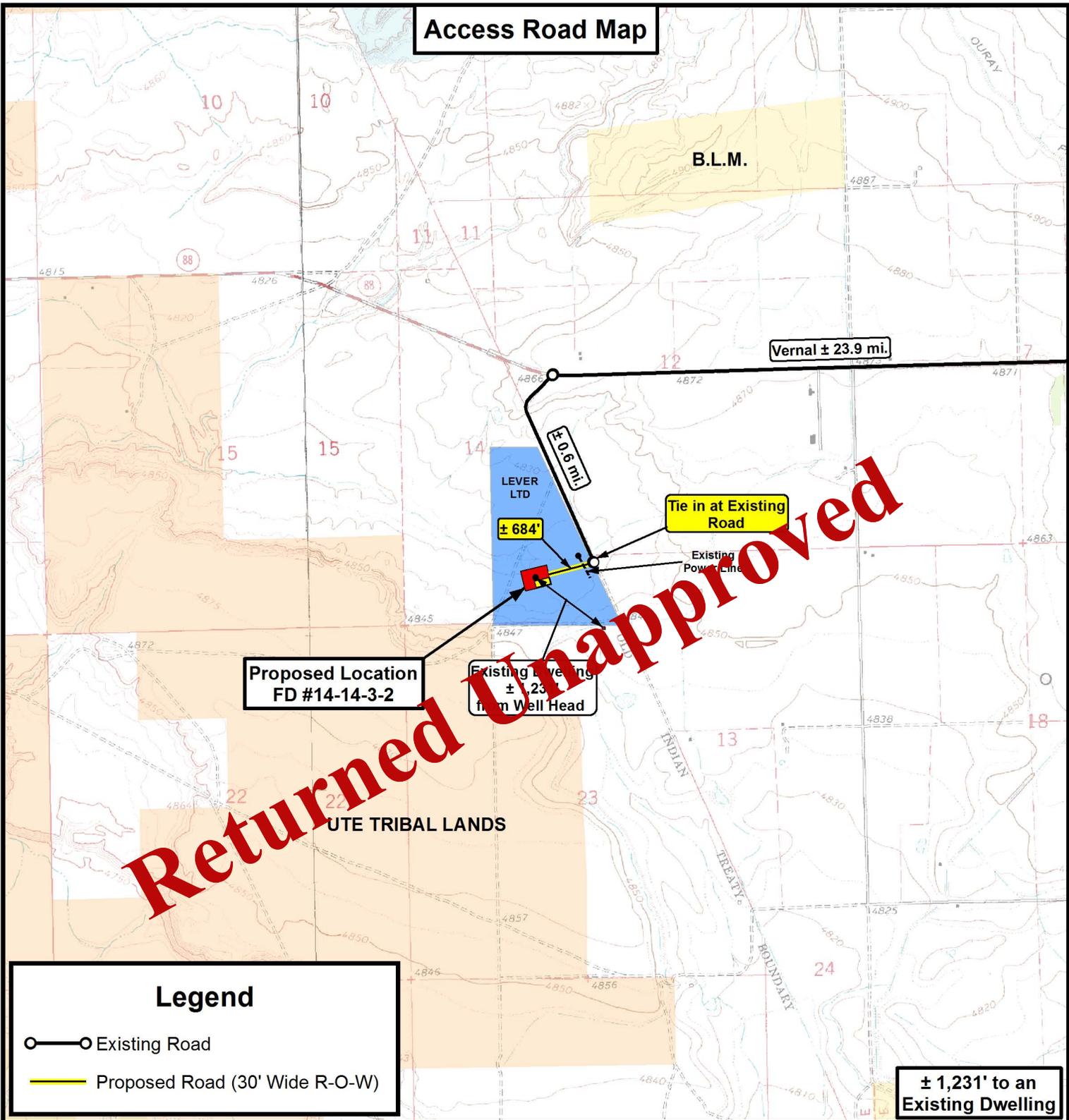
BILL BARRETT CORPORATION
FD #14-14-3-2
SEC. 14, T3S, R2E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	J.A.S.	REVISED:
DATE:	05-08-2012	
SCALE:	1:100,000	

TOPOGRAPHIC MAP

SHEET
A

Access Road Map



**Proposed Location
FD #14-14-3-2**

**Existing Well Head
± 231'
from Well Head**

**Tie in at Existing
Road**

Vernal ± 23.9 mi.

E 0.6 mi.

± 684'

**± 1,231' to an
Existing Dwelling**

Legend

- Existing Road
- Proposed Road (30' Wide R-O-W)

TOTAL PROPOSED ROAD DISTANCE: ± 684'

THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.

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**FD #14-14-3-2
SEC. 14, T3S, R2E, U.S.B.&M.
Uintah County, UT.**

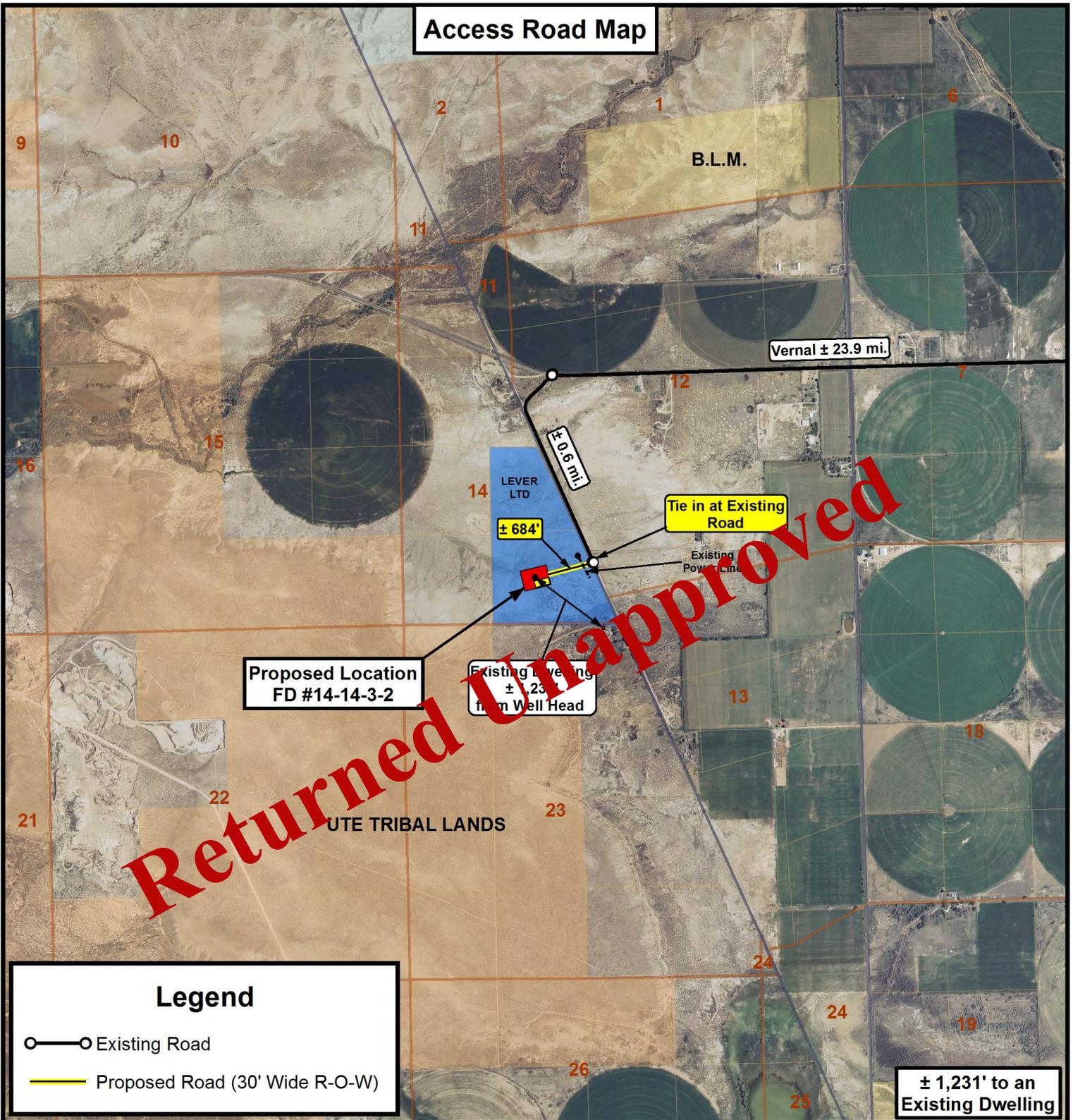
DRAWN BY:	J.A.S.	REVISED:	05-16-2012 J.A.S.
DATE:	05-08-2012		
SCALE:	1" = 2,000'		

TOPOGRAPHIC MAP

SHEET
B

Received: September 04, 2012

Access Road Map



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Legend

- Existing Road
- Proposed Road (30' Wide R-O-W)

TOTAL PROPOSED ROAD DISTANCE: ± 684'

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FD #14-14-3-2
SEC. 14, T3S, R2E, U.S.B.&M.
Uintah County, UT.

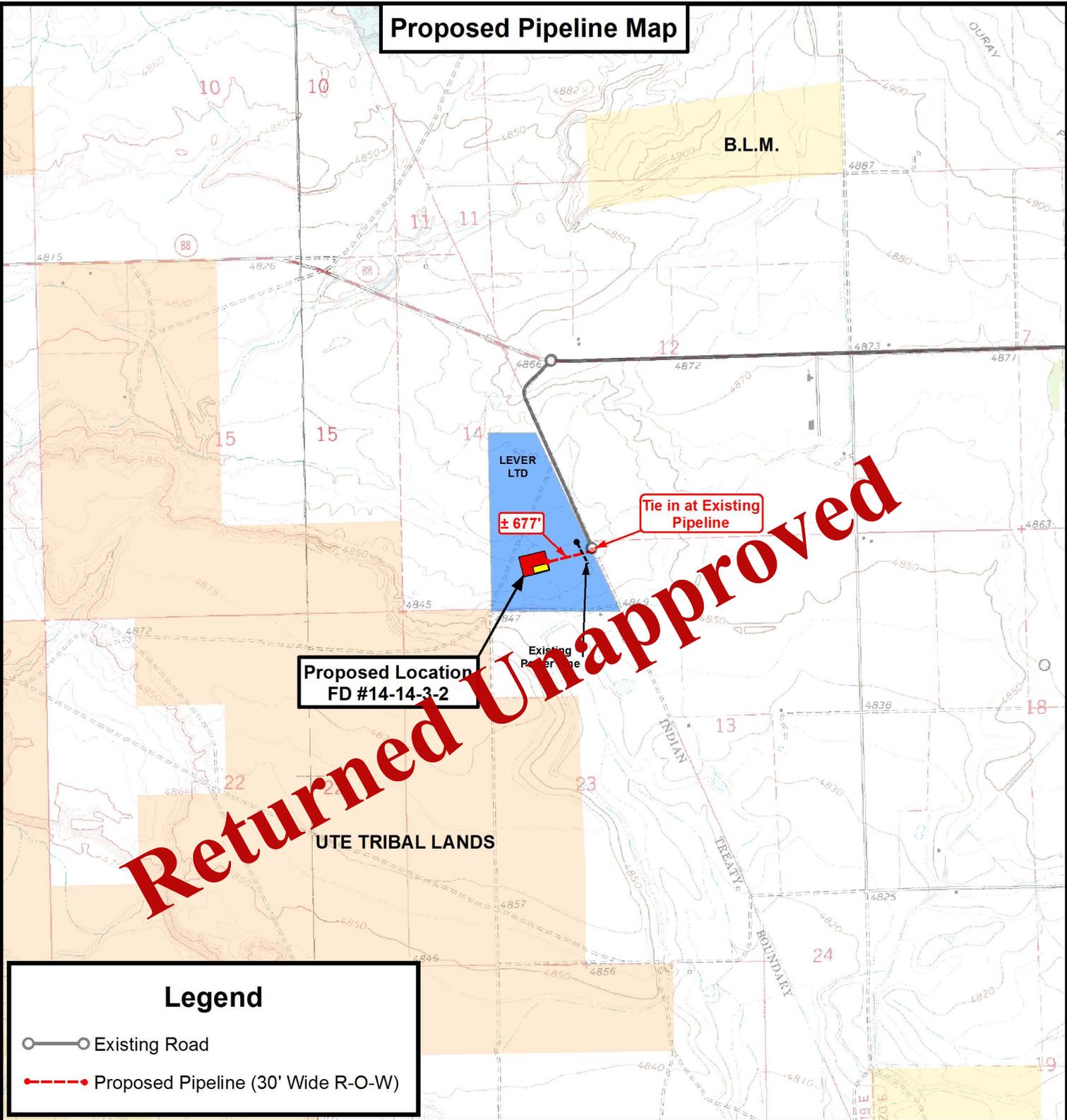
DRAWN BY:	J.A.S.	REVISED:	05-16-2012 J.A.S.
DATE:	05-08-2012		
SCALE:	1" = 2,000'		

AERIAL MAP

SHEET
B

Received: September 04, 2012

Proposed Pipeline Map



**Proposed Location
FD #14-14-3-2**

LEVER LTD

B.L.M.

UTE TRIBAL LANDS

± 677'

Tie in at Existing Pipeline

Existing Pipeline

Returned Unapproved

Legend

- Existing Road
- Proposed Pipeline (30' Wide R-O-W)

TOTAL PIPELINE DISTANCE: ± 677'

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SEC. 14, T3S, R2E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	J.A.S.	REVISED:
DATE:	05-08-2012	
SCALE:	1" = 2,000'	

TOPOGRAPHIC MAP

SHEET
C

Received: September 04, 2012

**Location
Photos**

**Center Stake
Looking Northerly**

Date Photographed:	03/04/2012
Photographed By :	D. Slauch



**Access
Looking Westerly**

Date Photographed:	03/04/2012
Photographed By :	D. Slauch



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BILL BARRETT CORPORATION

14-14-3-2
SEC. 14, T3S, R2E, U.S.B.&M.
Uintah County, UT.

DRAWN BY: J.A.S.
DATE: 05-08-2012

COLOR PHOTOGRAPHS

SHEET
P

Received: September 04, 2012

BILL BARRETT CORPORATION

FD #14-14-3-2

SECTION 14, T3S, R2E, U.S.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 13.9 MILES TO THE JUNCTION OF STATE HIGHWAY 88 TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 7.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY THENCE WESTERLY DIRECTION APPROXIMATELY 3.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION FOR APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE FD #14-14-3-2 TO THE NORTHWEST. FOLLOW THE ROAD FLAGS BY A WESTERLY DIRECTION APPROXIMATELY 684' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 24.6 MILES.

Returned Unapproved

SURFACE USE AGREEMENT

(FD 14-14-3-2)

THIS AGREEMENT Dated June 13, 2012 by and between _____

Lever, Ltd.

whose address is 29900 St. Andrews Road, Perrysburg, OH 43551
(419-666-8442 phone)

_____, hereinafter referred to as "Surface Owner", and
Bill Barrett Corporation, whose address is 1099 18th Street, #2300, Denver, CO 80202
hereinafter referred to as "Operator".

WITNESSETH:

WHEREAS, Surface Owner represents that they are the owners in fee and in possession of the surface estate for the following described lands in **Uintah** County, **Utah** , hereinafter referred to as "Lands", to wit:

A Tract of land lying in **Lot 4 of Section 14, Township 3 South, Range 2 East, USM** as further described on Exhibit "A" attached hereto and made a part hereof.

WHEREAS, Operator has or will acquire certain leasehold interests in the oil and gas mineral estate in the Lands and proposes to conduct drilling and subsequent production operations on the Lands; and

WHEREAS, Surface Owner is generally aware of the nature of the operations which may be conducted under oil and gas leases covering the mineral estate of the Lands; and

WHEREAS, the parties believe that it is in their mutual best interest to agree to the operation of Operator on the premises in the exploration for, development and production of oil, gas and/or other leasehold substances under the terms of those certain oil and gas leases now owned or which may be acquired by Operator covering portions of the mineral estate of the Lands; and,

NOW, THEREFORE, in consideration of ten dollars and other valuable consideration, the parties agree as follows:

1. Operator has the right of ingress and egress and to the use of those portions of the Lands which it requires for oil and gas exploration, development and production operations, including tank batteries and other production facilities and the transportation of produced substances from the leasehold, and also the right to construct and use roads and pipelines across portions of the Lands. Operator shall pay Surface Owner the following sum as initial satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, completion, sidetracking, reworking, equipping and production operations, contemplated by the oil and gas leases covering the Lands, unless otherwise specifically provided herein:

a. Wellsites and Access. **Fourteen Thousand Dollars (\$14,000.00)** for the said **FD 14-14-3-2** wellsite and related access road to be constructed and located on the Lands, together with any lands used for production facilities or other necessary facilities in connection with the wellsites. If, by reasons directly resulting from the operations of Operator, there is damage to real or personal property upon the Lands which is not associated with usual and customary operations, such as (but not limited to) damage to livestock, structures, buildings, fences, culverts, cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by Operator, or Operator will pay reasonable compensation to Surface Owner for such additional damage.

b. Power Lines and Pipelines. For each new power line or new pipeline installed by Operator, Operator shall pay to Owner the sum of **Ten** dollars (**\$10.00**) per rod for each such line. Operator shall be responsible for back filling, re-packing, re-seeding, and re-contouring the surface so as not to interfere with Owner's operations. Operator shall provide Owner with a survey showing the location of all power lines, pipelines and gathering systems promptly after their installation. All pipelines and gathering systems located by Operator on the Lands shall be buried to a depth of at least three (3) feet below the surface, and surface marked in accordance with industry standards. All easements and rights-of-way for power lines and pipelines shall be fifty (50) feet in width during initial construction and reclamation activities, and after completion of initial construction and reclamation activities such easements and rights-of-way shall revert to thirty (30) feet in width being fifteen (15) feet on each side of the centerline of the line. Notwithstanding, Operator shall have the right to temporarily lay pipelines on the surface for a period not to exceed three years with the consent of the Owner, which consent shall not be unreasonably withheld. All power lines shall be installed underground to a depth of at least three (3) feet below the surface whenever reasonably practical to do so.

2. Operator agrees to consult with the surface owner and/or tenant as to all routes of ingress and egress. Prior to the construction of any roads, pipelines, tank battery installations, or installation of any other equipment on the leased premises, Operator shall consult with the surface owner and/or tenant as to the location and direction of same.

3. It is the intention of the parties hereto to cause as little interference with farming operations on the leased premises as reasonably possible, including but specifically not limited to the operation of any pivotal irrigation sprinkler system, or any other irrigation method. If any circular irrigation sprinkler system is in use at the time of initial drilling operations on the leased premises, then any subsequent production equipment, including but specifically not limited to pump jacks, hydraulic lifting equipment, or any other equipment necessary to produce any oil or gas from such well, shall be recessed to such depths, or ramps constructed, so as to allow the continued use of such circular irrigation system.

4. In the event any well hereunder is plugged and abandoned, Operator agrees that Operator will, within a reasonable time, restore Surface Owner's surface estate as near as practical to its original condition found prior to Operator's operations. It is understood and agreed that Surface Owner may elect in writing, prior to cessation of operations of Operator, to have any road constructed under the terms of this Agreement remain upon the property, in which event Operator agrees to leave such road or roads in reasonable condition.

Received: September 04, 2012

5. Operator is responsible for acquiring all necessary permits, licenses, fees, etc. incident to its operations on the Lands.

6. In the event Surface Owner considers that Operator has not complied with all its obligations hereunder, both express and implied, Surface Owner shall notify Operator in writing, setting out specifically in what respects Operator has breached this contract. Operator shall then have sixty (60) days to meet or commence to meet all or any part of the breaches alleged by Surface Owner. The service of said notice shall be precedent to the bringing of any action by Surface Owner for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Operator.

7. Operator shall be responsible and shall remain liable for any environmental problems on the subject lands which are caused by or through its operations. To the extent that any such claims are asserted, Operator will be responsible for any remediation required as provided by state regulations. This assumption of liability, however, does not include any third-party operations on the subject lands or any Surface Owner actions which could cause environmental problems but is limited solely to the actions of Operator. Operator hereby indemnifies and holds harmless Surface Owner from any and all environmental problems it causes on the Lands.

8. In the event Surface Owner owns less than the entire fee interest in the Lands, then any payment stated herein shall be proportionately reduced to the interest owned.

9. This Agreement shall remain in full force and effect from the date hereof and for so long thereafter as Operator's oil and gas operations affecting the Lands are in effect.

10. When the word "Operator" is used in this Agreement, it shall also mean the successors and assigns of Operator, including but not limited to its employees and officers, agents, affiliates, contractors, subcontractors and/or purchasers.

11. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties.

ADDITIONAL PROVISIONS:

12. Upon Surface Owner's execution of this Agreement, Operator shall pay Surface Owner a non-refundable One Thousand Dollar (\$1,000.00) advance toward the Fourteen Thousand Dollar (\$14,000.00) payment for damages for the wellsite and access provided in paragraph 1.a. above. Operator shall pay Surface Owner the balance owed for damages for the wellsite and access of Thirteen Thousand Dollars (\$13,000.00) prior to commencing any construction activities on the Lands.

**SURFACE OWNER:
Lever, Ltd.**

Jane Ann Spirn
By: Jane Ann Spirn, Co-Manager

John K. Lever, Jr.
By: John K. Lever, Jr., Co-Manager

Returned Unapproved

SS/Tax ID# 290-52-1545 SS 34-191267 Tx. ID

(Jane Spirn)
STATE of OHIO 2077-40-9634 (JOHN K LEVER)

COUNTY of Wood

ACKNOWLEDGEMENT

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27 day of June, 2012, personally appeared Jane Ann Spirn, Co-Manager of Lever, Ltd.

_____, to me known to be the identical person(s) _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed same as their free and voluntary act and deed for the uses and purposes therein set forth and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:



Monica Kernahan
Notary Public:

SS/Tax ID# 34-1912671 Tx. ID

STATE of Ohio
COUNTY of Wood

ACKNOWLEDGEMENT

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 27 day of July, 2012, personally appeared John K. Lever, Jr., Co-Manager of Lever, Ltd.

_____, to me known to be the identical person(s) _____, described in and who executed the within and foregoing instrument of writing and acknowledged to me that they duly executed same as their free and voluntary act and deed for the uses and purposes therein set forth and in the capacity stated therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires:



Monica Kernahan
Notary Public:

Returned Unapproved

MEMORANDUM OF SURFACE USE AGREEMENT

State of Utah)(
County of Uintah)(

For Ten Dollars (\$10.00) and other adequate consideration, Lever, Ltd. of 29900 St. Andrews Road, Perrysburg, OH 43551, hereafter referred to as "Surface Owners" have granted, a Surface Use Agreement, to Bill Barrett Corporation of 1099 18th Street, #2300, Denver, CO 80202, hereafter referred to as "Bill Barrett", dated June 13, 2012, for the purpose of drilling, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from FD 14-14-3-2 on the following lands (the "Lands") in Uintah County Utah: A tract of land lying in Lot 4 of Section 14, Township 3 South, Range 2 East, USM, Uintah County.

The Surface Use Agreement is effective as long thereafter as oil, gas, or other minerals are produced from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease(s) covering said Lands. This Memorandum is placed of record for the purpose of giving notice of the Surface Use Agreement.

This instrument may be executed in multiple counterparts with each counterpart being considered an original for all purposes herein and binding upon the party executing same whether or not this instrument is executed by all parties hereto, and the signature and acknowledgment pages of the various counterparts hereto may be combined into one instrument for the purposes of recording this instrument in the records of the County Recorder's office.

Executed this 3 day of July, 2012.

SURFACE OWNERS:
Lever, Ltd.

Jane Ann Spirn, Co-Manager

John K. Lever, Jr., Co-Manager

Returned Unapproved

STATE OF OHIO }
COUNTY OF WOOD } :SS ACKNOWLEDGEMENT

BEFORE me, the undersigned, a Notary Public in and for said County and State, on this 3 day of July, 2012, personally appeared Jane Ann Spirn, Co-Manager of Lever, Ltd., known to be the identical person(s) who executed the within and foregoing instrument, and acknowledged to me that they executed the same as a free and voluntary act and deed, for the uses and purposes therein set forth. Given under my hand and seal the day and year last above written.

[Signature]
Notary Public

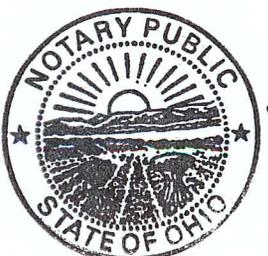


JOSHUA R. WAGNER
Notary Public, State of Ohio
My Commission Expires
December 21, 2015

STATE OF OHIO }
COUNTY OF WOOD } :SS ACKNOWLEDGEMENT

BEFORE me, the undersigned, a Notary Public in and for said County and State, on this 3 day of July, 2012, personally appeared John K. Lever, Jr., Co-Manager of Lever, Ltd., known to be the identical person(s) who executed the within and foregoing instrument, and acknowledged to me that they executed the same as a free and voluntary act and deed, for the uses and purposes therein set forth. Given under my hand and seal the day and year last above written.

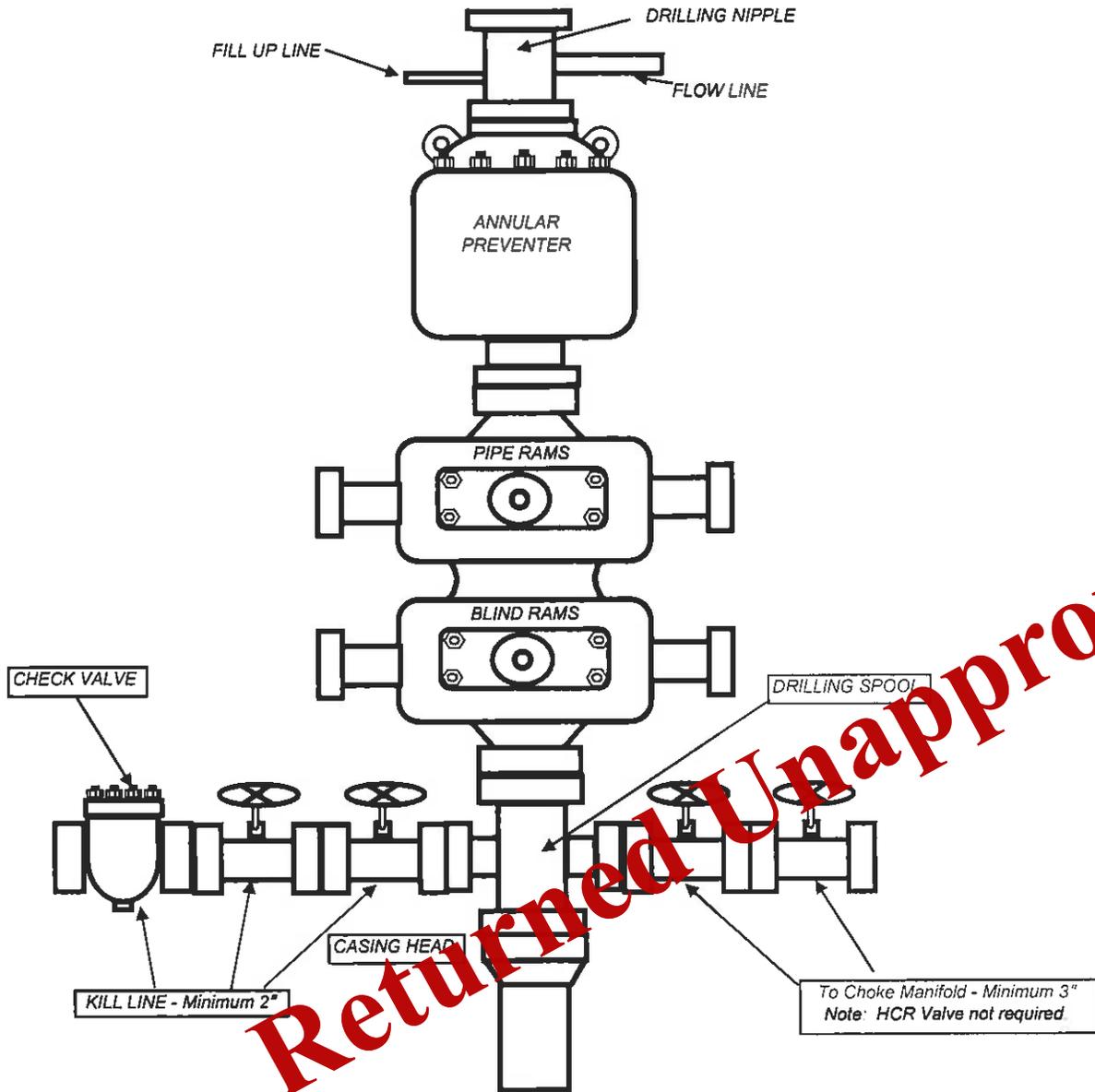
[Signature]
Notary Public



JOSHUA R. WAGNER
Notary Public, State of Ohio
My Commission Expires
December 21, 2015

BILL BARRETT CORPORATION

TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER



Returned Unapproved



Bill Barrett Corporation

September 4, 2012

Forest Oil Corporation
Attn: Ken McPhee
707 17th Street, Suite 3600
Denver, CO 80202

RE: Commingling Application
FD 14-14-3-2
Uintah County, UT

Dear Mr. McPhee,

Bill Barrett Corporation has submitted an application to commence production from the Wasatch and Green River formations in the subject well. We enclosed here with copies of the application together with a plat showing the leases and wells in the area and affidavit confirming notice pursuant to the Utah OGM regulations.

Should you require additional information in this regards, please feel free to contact me at 303-299-9935. Your earliest attention to this matter is appreciated.

BILL BARRETT CORPORATION

Thomas J. Abell
Thomas J. Abell
Lanman

Enclosures

1099 18TH STREET SUITE 2300 DENVER, CO 80202 USA
T 303.293.9100 F 303.291.0420 www.BILLBARRETTCORP.com

Received: September 04, 2012



Bill Barrett Corporation

September 4, 2012

EnCana Oil & Gas (USA), Inc.
Attn: Judy Tatham
370 17th Street, Suite 1700
Denver, CO 80202

RE: Commingling Application
FD 14-14-3-2
Uintah County, UT

Dear Ms. Tatham,

Bill Barrett Corporation has submitted an application to commingle production from the Wasatch and Green River formations in the subject well. We enclosed herewith copies of the application together with a plat showing the leases and wells in the area and a affidavit confirming notice pursuant to the Utah OGM regulations.

Should you require additional information in this regards, please feel free to contact me at 303-299-9935. Your earliest attention to this matter is appreciated.

BILL BARRETT CORPORATION

Thomas Cabell
Lackman

tar

Enclosures



Bill Barrett Corporation

September 4, 2012

Utah Division of Oil, Gas and Mining
Attention: Dustin Doucet
1594 West North Temple, Suite 1120
Salt Lake City, Utah

RE: Commingling Application
Fort Duchesne Area
FD 14-14-3-2
SESW Section 14, T3S-R2E
Uintah County, UT

Dear Mr. Doucet,

Bill Barrett Corporation has submitted an application to commingle production from the Wasatch and Green River formations in the subject well located in the Fort Duchesne Area. In compliance with Utah OGM regulation R649-42, BBC has enclosed copies of the completed application.

Should you require additional information in this regards, please feel free to contact me at 303-299-9935. Your explicit attention to this matter is appreciated.

BILL BARRETT CORPORATION

Thomas J. Abell
BJR

Thomas J. Abell
Landman

Enclosures



Bill Barrett Corporation

AFFIDAVIT OF NOTICE

My name is Thomas J. Abell. I am a Landman with Bill Barrett Corporation (BBC). BBC has submitted Sundry Notices to commingle production from the Wasatch and Green River formations in the following well within the Fort Duchesne Area:

FD 14-14-3-2 located in T3S-R2E: SESW of Section 14

In compliance with the Utah OGM regulation R649-3-22, I have provided a copy of the application, by certified mail, to the owners as listed below of all contiguous oil and gas Leases or drilling units overlying the pool.

Lessees

EnCana Oil & Gas (USA) Inc.
Forest Oil Corp.

Date: August 30, 2012

Affiant:

Thomas J. Abell
Landman

Returned Unapproved

Returned Unapproved

Bill Barrett Corporation
East Bluebell Project
Aurora, Utah

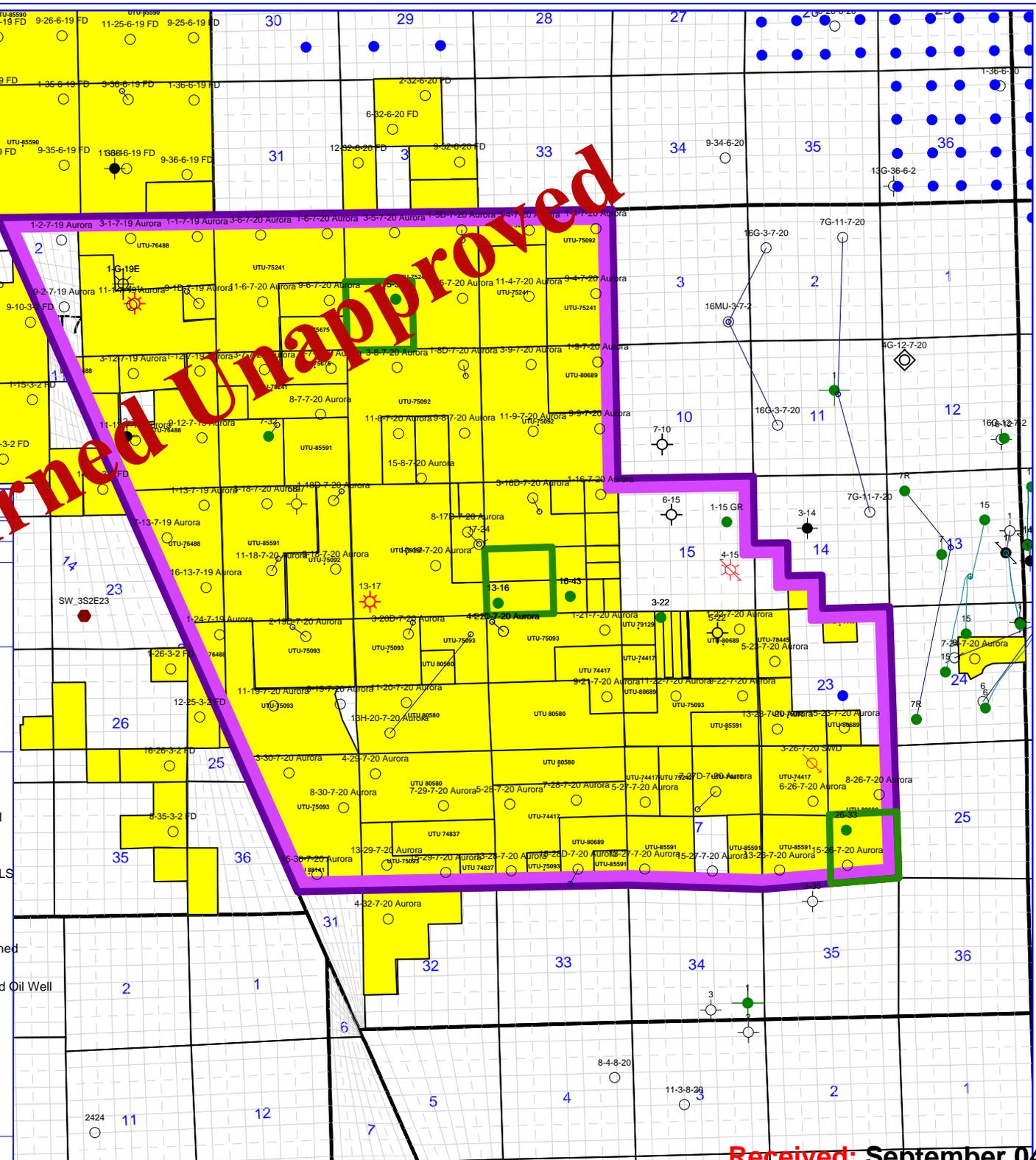


POSTED WELL DATA

Well Number


- WELL SYMBOLS**
- Abandoned Loc
 - Abandon Loc
 - Abandoned GAS Well
 - Abandoned Oil Well
 - Dry hole
 - ENGINEERING WELLS
 - Gas Well
 - Location
 - Oil Well
 - Plugged and Abandoned
 - Proposed SWD
 - Plugged & Abandoned Oil Well
 - Shut In Gas Well
 - Shut In Oil Well
 - Active Well
 - Suspended Oil Well
 - EIPasoFlower Loc
 - New Symbol
 - ORRI

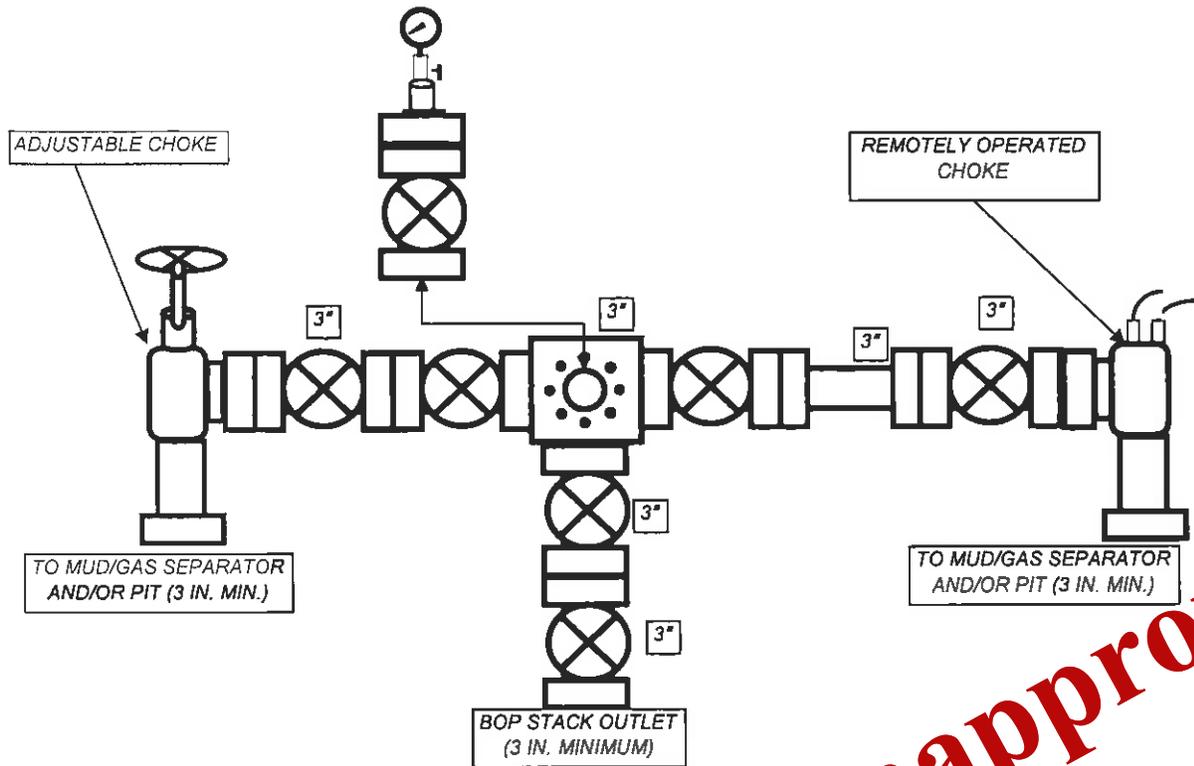
September 13, 2011



Received: September 04, 2012

BILL BARRETT CORPORATION

TYPICAL 5,000 p.s.i. CHOKE MANIFOLD



Returned Unapproved



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

September 11, 2012

ELK PRODUCTION UINTAH, LLC
1099 18th Street Ste 2300
Denver, CO 80202

Re: Application for Permit to Drill - UINTAH County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the FD 14-14-302 well, API 43047530670000 that was submitted September 04, 2012 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason
Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah



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

September 11, 2012

ELK PRODUCTION UINTAH, LLC
1099 18th Street Ste 2300
Denver, CO 80202

Re: Application for Permit to Drill - UINTAH County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the FD 14-14-3-2 well, API 43047530670000 that was submitted September 04, 2012 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason
Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah

