

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

FORM 3

AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>						<b>1. WELL NAME and NUMBER</b> HSB FED 42-04X				
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						<b>3. FIELD OR WILDCAT</b> HORSESHOE BEND				
<b>4. TYPE OF WELL</b> Oil Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b> HORSESHOE BEND (GR)				
<b>6. NAME OF OPERATOR</b> ROSEWOOD RESOURCES INC						<b>7. OPERATOR PHONE</b> 435 789-0414				
<b>8. ADDRESS OF OPERATOR</b> PO Box 1668, Vernal, UT, 84078						<b>9. OPERATOR E-MAIL</b> jhenrie@rosewd.com				
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> UTU-42469			<b>11. MINERAL OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			<b>12. SURFACE OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>				
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>						<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>				
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>						<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>				
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>			<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
<b>20. LOCATION OF WELL</b>		<b>FOOTAGES</b>		<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>		
LOCATION AT SURFACE		2051 FNL 657 FEL		SENE	4	7.0 S	21.0 E	S		
Top of Uppermost Producing Zone		2051 FNL 657 FEL		SENE	4	7.0 S	21.0 E	S		
At Total Depth		2051 FNL 657 FEL		SENE	4	7.0 S	21.0 E	S		
<b>21. COUNTY</b> UINTAH			<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 657			<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 236				
<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 1490			<b>26. PROPOSED DEPTH</b> MD: 8400 TVD: 8400			<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 49-2343				
<b>27. ELEVATION - GROUND LEVEL</b> 4963			<b>28. BOND NUMBER</b> Nationwide MT-0627							
<b>Hole, Casing, and Cement Information</b>										
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Length</b>	<b>Weight</b>	<b>Grade &amp; Thread</b>	<b>Max Mud Wt.</b>	<b>Cement</b>	<b>Sacks</b>	<b>Yield</b>	<b>Weight</b>
Surf	12.25	8.625	0 - 1000	24.0	J-55 LT&C	16.0	Class G	573	1.18	15.8
Prod	7.875	5.5	0 - 8400	17.6	M-80 LT&C	17.0	Class G	215	3.8	11.0
							Class G	1025	1.49	13.4
<b>ATTACHMENTS</b>										
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>										
<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					
<b>NAME</b> Jill Henrie				<b>TITLE</b> Administravtive Assistant				<b>PHONE</b> 435 789-0414		
<b>SIGNATURE</b>				<b>DATE</b> 09/04/2012				<b>EMAIL</b> jhenrie@rosewd.com		
<b>API NUMBER ASSIGNED</b> 43047530680000				<b>APPROVAL</b>  Permit Manager						

**ONSHORE ORDER NO. 1**  
**Rosewood Resources, Inc.**  
**HSB FED #42-04X**  
**2051' FNL 657' FEL**  
**SE¼ NE¼ SEC 4 T7S R21E**  
**Uintah County, Utah**

**CONFIDENTIAL- TIGHT HOLE**

**Lease No. UTU-42469**

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**ONSHORE OIL & GAS ORDER NO. 1**  
**Approval of Operations on Onshore**  
**Federal and Indian Oil and Gas Leases**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Order No. 1 and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

**1. Estimated Tops of Important Geologic Markers**

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Duchesne River	Surface	+4965
Uintah	3,200'	+1,765
Green River	4,000'	+ 965
Wasatch	7,900'	-2935
T.D.	8,400'	-3,435

**2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Uinta "B"	3300'-4000'
Oil	Lower Green River	6700'-7900'
Gas/Oil	Wasatch	7900'-8400'
Water	Base of useable water	1965'

All fresh water or prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

**3. Pressure Control Equipment**

Rosewood's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000# psi W.P.

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Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure rating of casing. Pressure shall be maintained for at least 10 minutes or until test requirements are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, no more than a 10% decline in pressure in a 30 minute time period will be acceptable. Valve on casinghead below test plug must be open during test.

Annular type preventers shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until test requirements are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. When initially installed
- b. Whenever any seal subject to test pressure is broken
- c. Following related repairs
- d. 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all downstream valves open.

When testing kill line valve(s) the check shall be held open or ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOP safety drill shall be conducted weekly for drilling crews.

Pressure tests shall apply to all related well control equipment.

All prescribed tests and or drills shall be recorded in the daily drilling log.

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**BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in place until well operations are completed. Preventers will be inspected and operated at least daily to ensure good mechanical working order, this will be recorded on daily drilling report.**

**The BLM District Office shall be notified with sufficient lead time to have their representative on location during BOPE testing.**

- a. **The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment on rigs drilling in this area utilize a 10" 3000# W.P. blowout preventer.**
- b. **A choke line and a kill line will be properly installed. The kill line will not be used as a fill-up line.**
- c. **The accumulator system shall have a pressure capacity to provide repeated operation of hydraulic preventers.**
- d. **Drill string safety valve(s) to fit all tools in the drill string will be maintained on the rig floor while drilling operations are in progress.**

**4. Proposed Casing and Cementing Program:**

**\*\* Please see the attached plan for airdrilling of the surface casing. Rosewood requests a variance from 0.0.2 Section III from any required stipulations not adhered to in the surface casing drilling plan.**

- a. **The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones and any prospectively valuable mineral deposits. Any isolating**

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medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation sufficient to handle maximum pressure to which it may be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; Fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals or unusual characteristics. All indications of usable water shall be reported.

- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells.
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells.
- d. Casing collars shall have a minimum clearance of 0.422 inches on all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing shall be new or reconditioned tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the AO prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.

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- j. Top plugs shall be used to reduce the contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a preflush fluid, inner string cement method, etc. shall be utilized to help prevent cement contamination.
- k. All casing strings below the conductor shall be tested to 0.22 psi per foot of casing length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action will be taken.
- l. On all exploratory wells and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight anticipated to control the well to the next casing point. This test shall be performed before drilling more than 20' of new hole.
- m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface Or equivalent	0-1000'	12 ¼"	8 5/8"	24#	J-55	ST&C	New
Production Or equivalent	0-8400'	7 7/8"	5 ½"	17#	M-80	LT&C	New

- n. Casing design subject to revision based on geological conditions encountered.
- o. The cement program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-1000'	+/- 573 SXS Premium cement. 15.8 lb/gal 2% CaCl & cel flake. Slurry 15.6 PPG. Yield 1.18 ft sk.

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**Production**

**Type and Amount**

**0-8400'**

**Lead Cement 50% Excess**

Mix Weight: 11.0 lb/gal

Yield: 3.70 cu ft/sk

352 sks

**Tail Cement 50% Excess**

Mix weight: 13.5 lb/gal

Yield: 1.56 cu ft/sk

567 sks

- p. Anticipated cement tops will be reported as to depth; not the expected number of cement sacks to be used. The District Office will be notified, with sufficient lead to have an AO to witness running all casing strings and cementing.**
- q. After cementing but before commencing any test, the casing shall stand idle until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.**
- r. The following reports shall be filed with the District Office within 30 days of completing work.**
- 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:**

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- a. Setting of each string of casing, showing the size, weight, grade of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated to surface or top of cement behind casing, depth of cementing tools used, casing test method and results and the date performed. Show the Spud date on the first reports submitted.
- b. Temperature or bond logs must be submitted for each well where cement was not circulated to surface.
- s. Auxiliary equipment to be used is as follows:
  - 1. Kelly Cock Valve
  - 2. No bit float is deemed necessary.
  - 3. Sub with full opening valve.

**5. Mud Program**

- a. The proposed circulating mediums to be used during drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>
0-1000'	Air or water drill
1000'-2,000'	Fresh water CRYSTAL DRIL/Sweeps
2,000'-5,660'	2% KCl water/CRYSTAL DRIL/Sweeps
5,660-8,400'	2% KCL/IMPERMEX/SEAMUD

<u>Interval</u>	<u>Visc</u>	<u>PH</u>	<u>Mud Weight</u>
0-1000'	28-29	8.0- 8.5	8.3 – 8.5 ppg
1000'-2,000'	28-29	7.0 - 8.0	8.3 – 8.4 ppg
2,000'-5,660'	28-29	8.0- 9.5	8.6 – 8.9 ppg
5,660-8,400'	32-42	9.0 - 9.5	8.6 – 8.9 ppg

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**There will be sufficient mud on location to control a kick should one occur.**

**A mud test will be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss and PH.**

**Mud monitoring equipment to be used is as follows:**

- b. Periodic checks will be made each tour of the mud system. The mud level will be monitored visually.**
- c. No chromate additives will be used in the mud system on Federal and/or Indian Lands without prior BLM approval to ensure adequate protection of fresh water aquifers.**
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported or disposed of annually in association with the drilling 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 in association with the drilling of this well. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.**
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.**

**6. Evaluation Program**

**The anticipated type and amount of testing and coring are as follows:**

- a. No Drill Stem Tests are anticipated, however, if DST's are run, the following requirements will be adhered to:**

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Initial opening of DST tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the AO. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be reversed out of the test string under controlled surface conditions. This would involve some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to run during the test shall have spark arresters or water cooled exhausts.

- b. A Litho-density, Compensated Neutron, Induction, SP, Gamma Ray, & Caliper will be run from the surface casing to T.D.
- c. No cores will be run.
- d. Whether the well is completed as a dry hole or a producer, a "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description and all pertinent information compiled during the drilling, completion and/or workover operations.
- e. The anticipated completion program will be to test prospective zones in the Green River and Wasatch Formations by perforating and fracture stimulation.

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- f. **Daily drilling and completion progress reports shall be submitted to the Vernal Office on a weekly basis**

**7. Abnormal Temperatures or Pressures**

- a. **The expected bottom hole pressure is 3000 psi**
- b. **No hydrogen sulfide gas, no abnormal pressures or temperatures are anticipated.**

**8. Anticipated Starting Dates and Notification of Operations**

- a. **Drilling will commence upon approval.**
- b. **It is anticipated that the drilling of this well will take approximately 13 days.**
- c. **The BLM in Vernal, Utah will be notified of anticipated dates to begin road & location construction and spud date.**
- d. **No location will be constructed or moved without approval from the AO. If well is plugged or suspended, prior approval from the AO must be obtained and notification given before resuming operations.**
- e. **The spud date will be reported orally to the AO within 48 hours after spudding. If well is spud on a weekend or holiday, the report will be submitted the following regular work day. Follow oral report with Sundry Notice.**
- f. **In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This**

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report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078

- f. **Immediately Report:** Spills, blowouts, fires, leaks, accidents or any other unusual occurrences will be promptly reported in accordance with the requirements of NTL-3A or its revision.
- g. A Completion Rig will be moved in following drilling operations. All conditions of this approved plan are applicable during the completion operations.
- h. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent via a Sundry Notice, not later than 5 days following the date the well is put on line.
- i. Pursuant to Onshore Order no. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for a permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- j. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day period.
- k. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving

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hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.)

- a. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- b. No well abandonment operations will commence without prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed with the AO within 30 days following abandonment operations. This report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or the surface managing agency.
- c. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see their exploration, development, production and construction operations are conducted in a manner which conforms with applicable Federal, State and Local laws and regulations.

9. **Air Quality Mitigation**

- a. All internal combustion equipment would be kept in good working order
- b. No open burning of garbage or refuse at well sites or other facilities would be allowed.
- c. Drill rigs used would be equipped with Tier II or better diesel engines
- d. Vent emissions to be reduced by use of ANARDO valves, where applicable, on all future projects.
- e. To the extent feasible, Operator would install low or no bleed pneumatic valves on wells, separator dump valves, compressors and other controllers on all future projects.

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- f. Limit flaring on completion operations as required or recommended by applicable rules.**
- g. Well site telemetry would be utilized to eliminate unnecessary pumper travel to wells.**
- h. Operator will utilize zero emission dehydrators at future compressor stations if available and economically feasible.**
- i. To the extent it is practical and economically feasible; the operator will centralize the use of fracing operations, water storage, production facilities and gathering systems.**
- j. Solar powered chemical pumps will be used in place of pneumatic pumps on all future projects, if available and economically feasible.**



PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE      CAMERA ANGLE: SOUTHWESTERLY

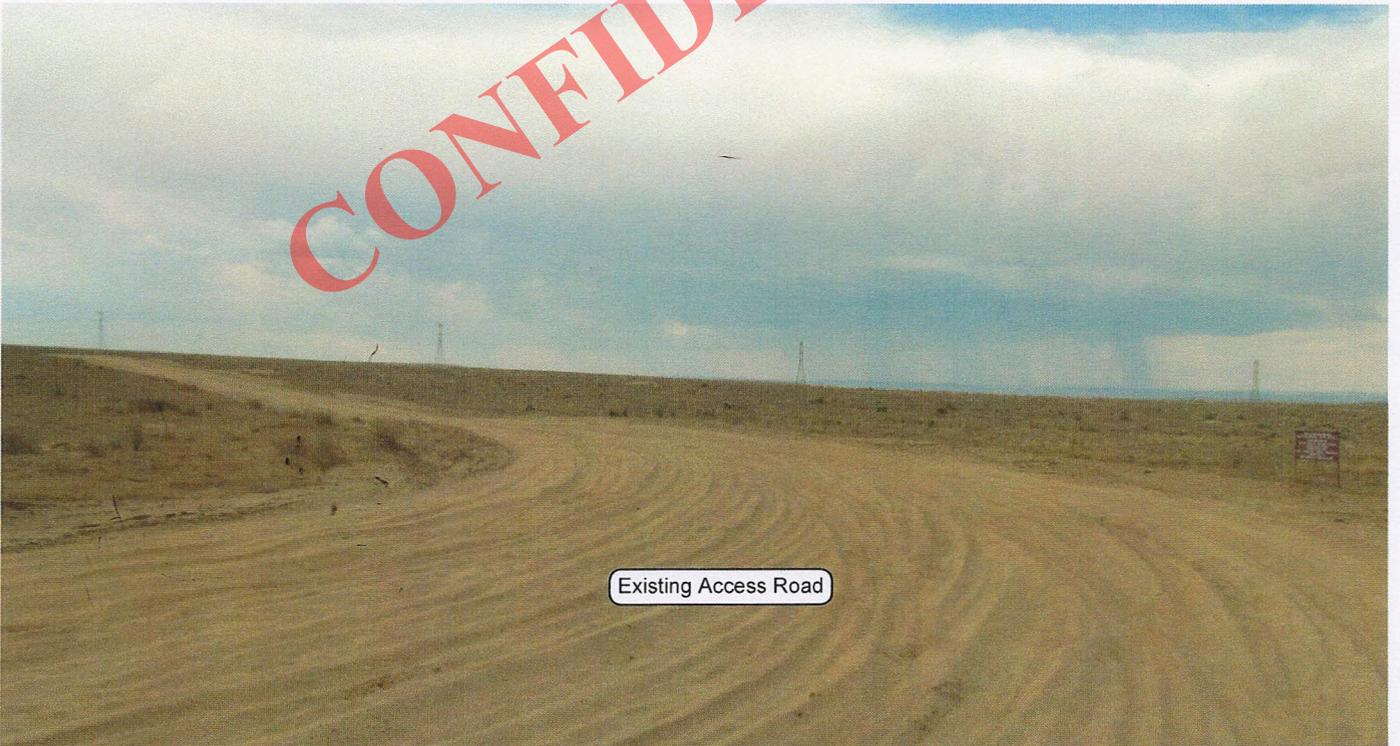


PHOTO VIEW: FROM EXISTING ACCESS ROAD      CAMERA ANGLE: SOUTHERLY

### ROSEWOOD RESOURCES

#### LOCATION PHOTOS

**HSB FED 42-04X**

**2051' FNL, 657' FEL**

**SE ¼ NE ¼ OF SECTION 4, T7S, R21E,  
S.L.B.&M., UINTAH COUNTY, UTAH.**

### TIMBERLINE

(435) 789-1365

**ENGINEERING & LAND SURVEYING, INC.**

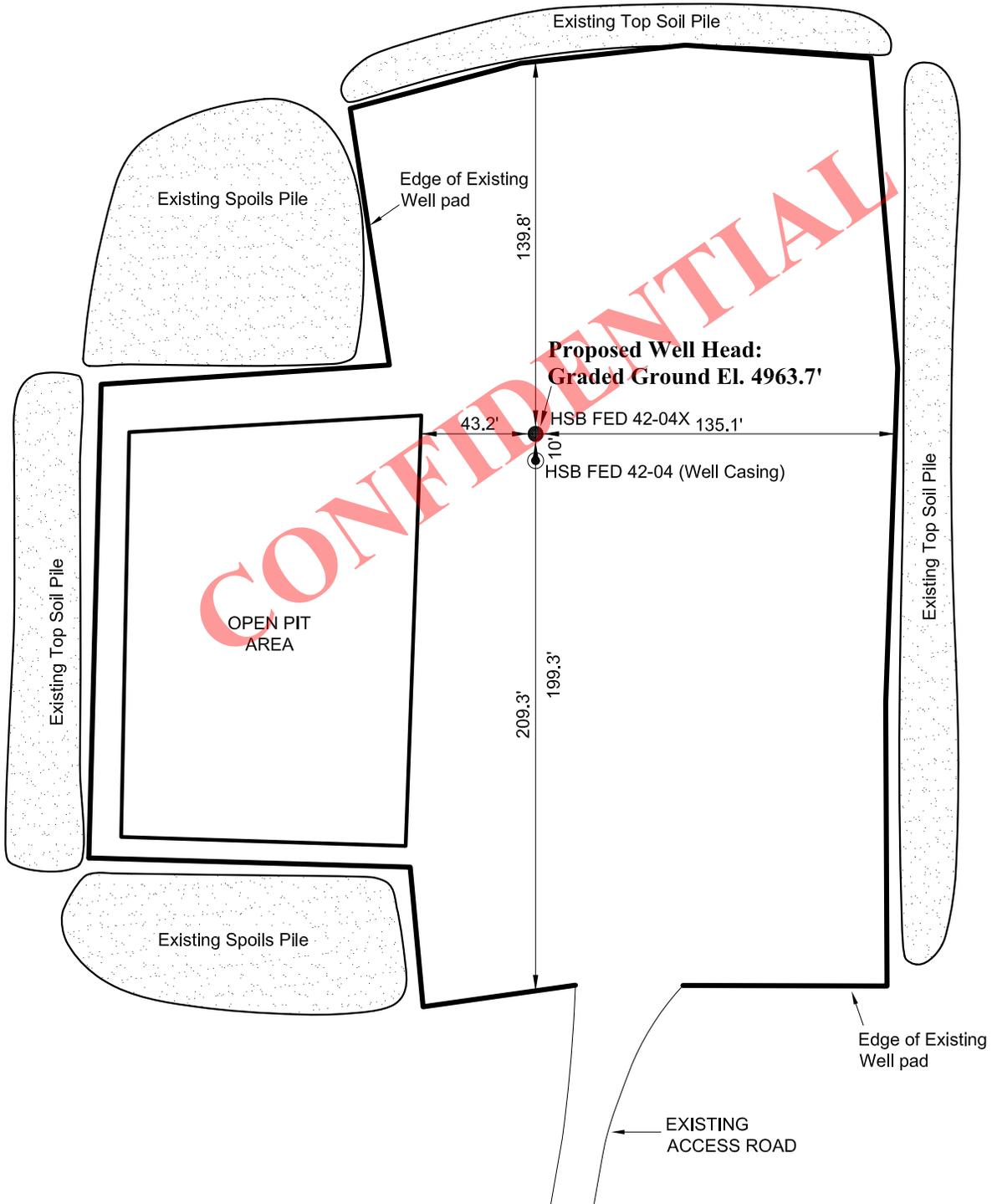
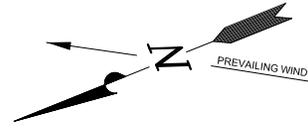
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE PHOTOS TAKEN: 8-10-12	PHOTOS TAKEN BY: M.S.B	SHEET <b>1</b> OF 9
DATE DRAWN: 8-20-12	DRAWN BY: M.W.W.	
Date Last Revised:		



# ROSEWOOD RESOURCES

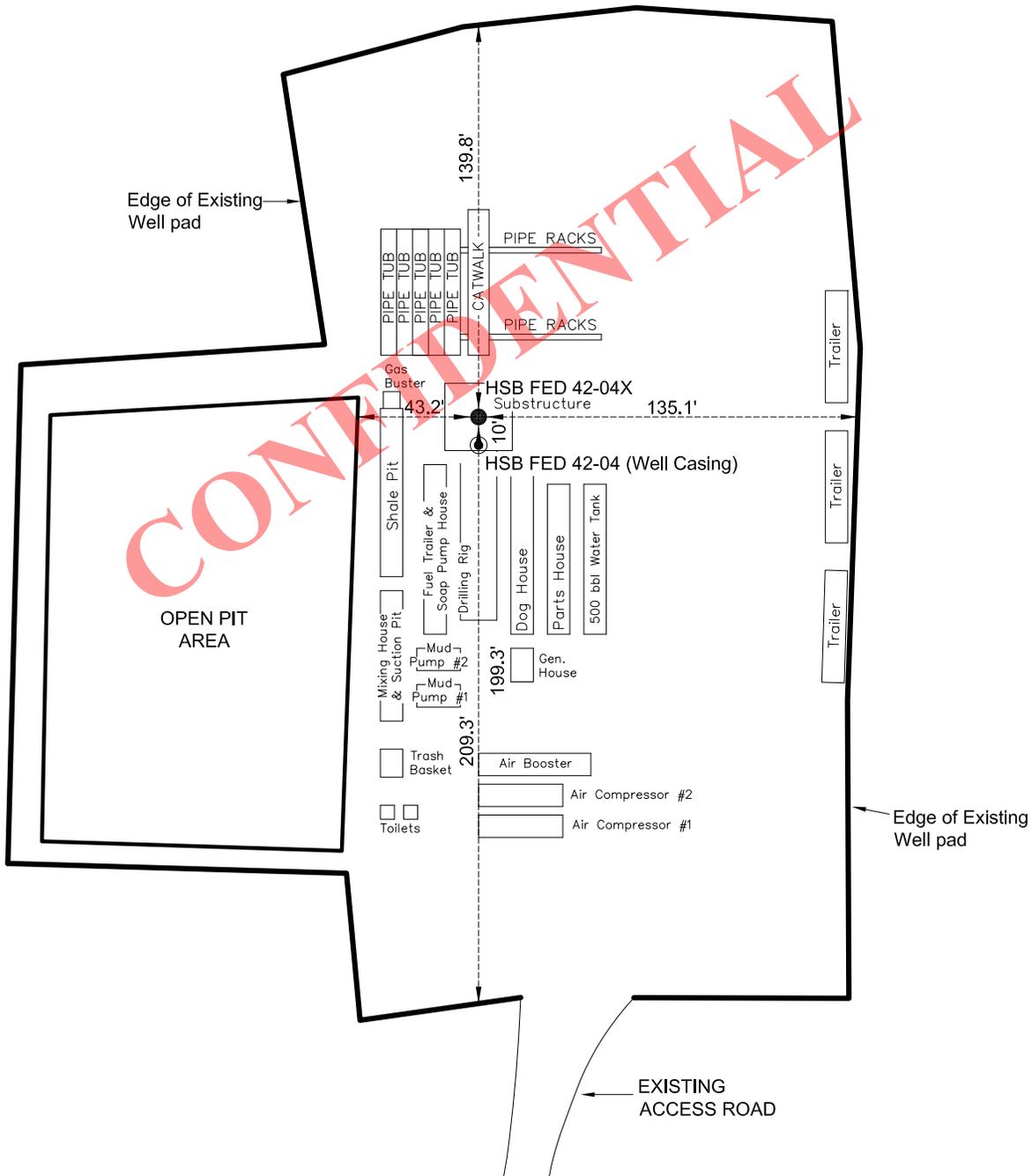
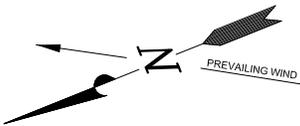
## SITE PLAN - HSB FED 42-04X



Section 4, T7S, R21E, S.L.B.&M.		Qtr/Qtr Location: SE NE		Footage Location: 2051' FNL & 657' FEL	
Date Surveyed: 8-10-12	Date Drawn: 8-20-12	Date Last Revision:	<b>TIMBERLINE</b> <b>ENGINEERING &amp; LAND SURVEYING, INC.</b> 209 NORTH 300 WEST - VERNAL, UTAH 84078	(435) 789-1365	SHEET
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'			<b>3</b>

# ROSEWOOD RESOURCES

## TYPICAL RIG LAYOUT - HSB FED 42-04X

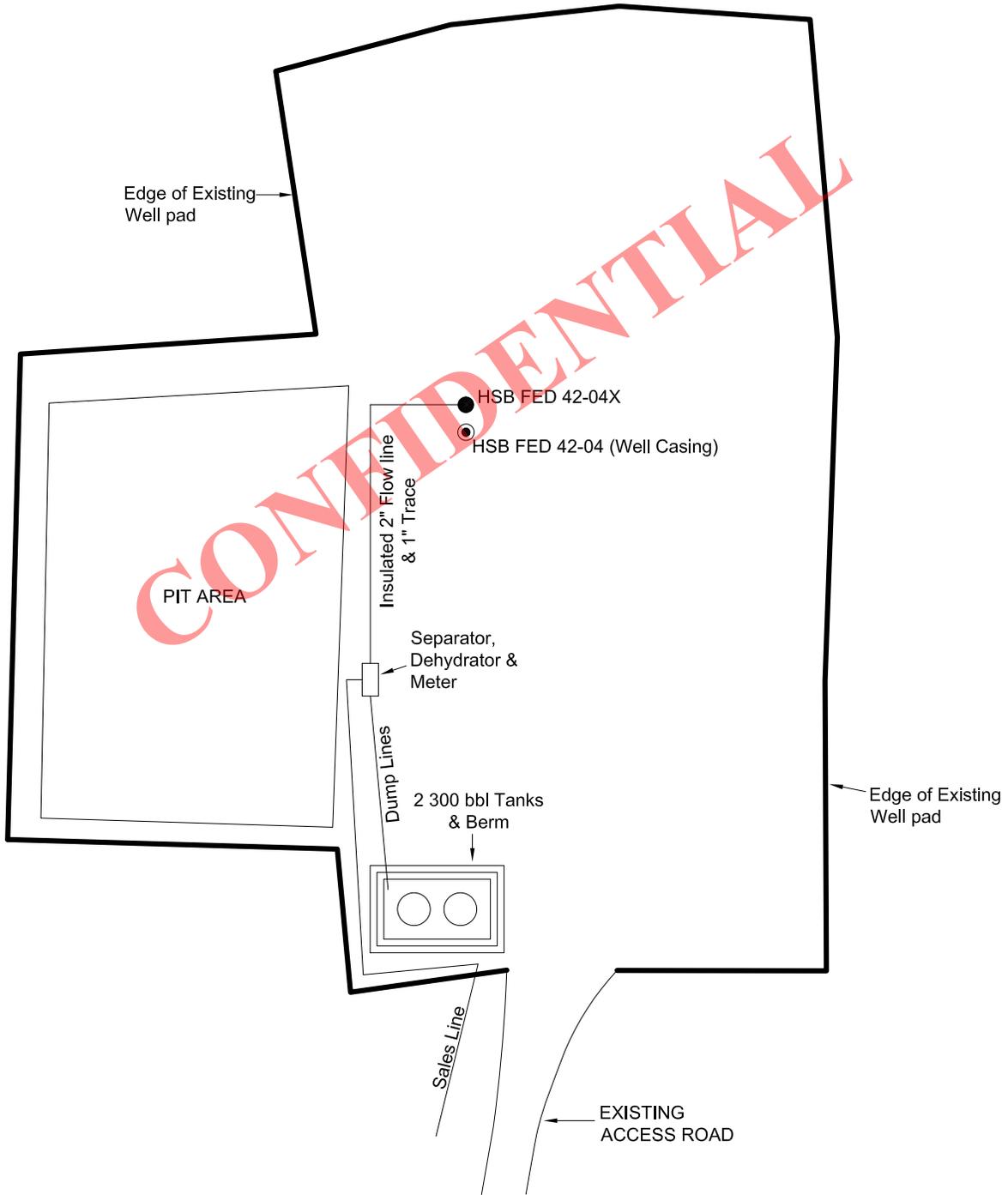
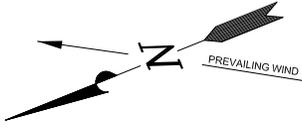


CONFIDENTIAL

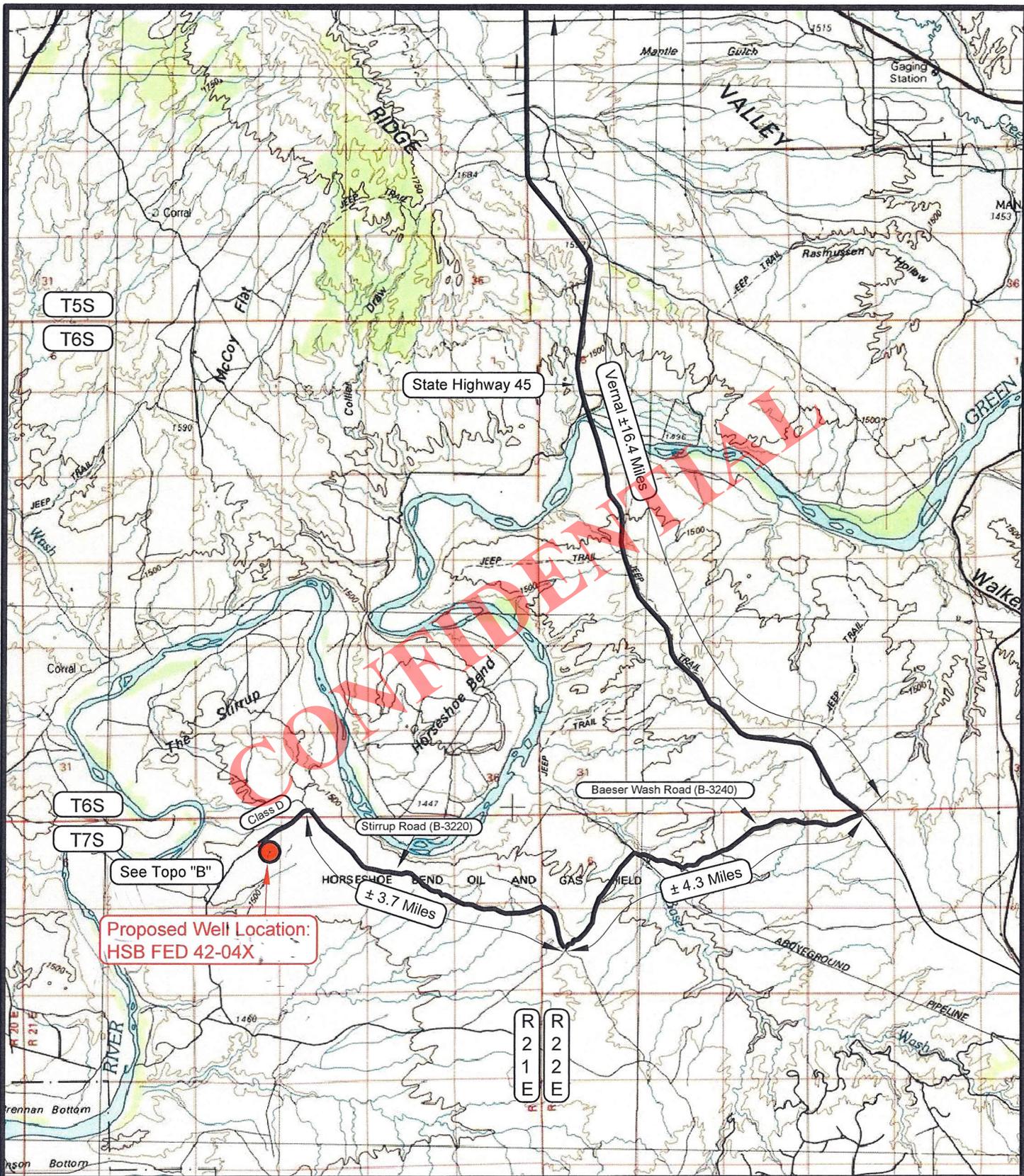
Section 4, T7S, R21E, S.L.B.&M.		Qtr/Qtr Location: SE NE		Footage Location: 2051' FNL & 657' FEL	
Date Surveyed: 8-10-12	Date Drawn: 8-20-12	Date Last Revision:	<b>TIMBERLINE</b> ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078	(435) 789-1365	SHEET <b>4</b> OF 9
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'			

# ROSEWOOD RESOURCES

## TYPICAL PRODUCTION LAYOUT - HSB FED 42-04X



Section 4, T7S, R21E, S.L.B.&M.		Qtr/Qtr Location: SE NE		Footage Location: 2051' FNL & 657' FEL	
Date Surveyed: 8-10-12	Date Drawn: 8-20-12	Date Last Revision:	<b>TIMBERLINE</b> ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078	(435) 789-1365	SHEET
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'			<b>5</b>



**LEGEND**

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



**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

**TOPOGRAPHIC MAP "A"**

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

SCALE: 1:100,000

DRAWN BY: M.W.W.

REVISED:

**TIMBERLINE**

(435) 789-1365

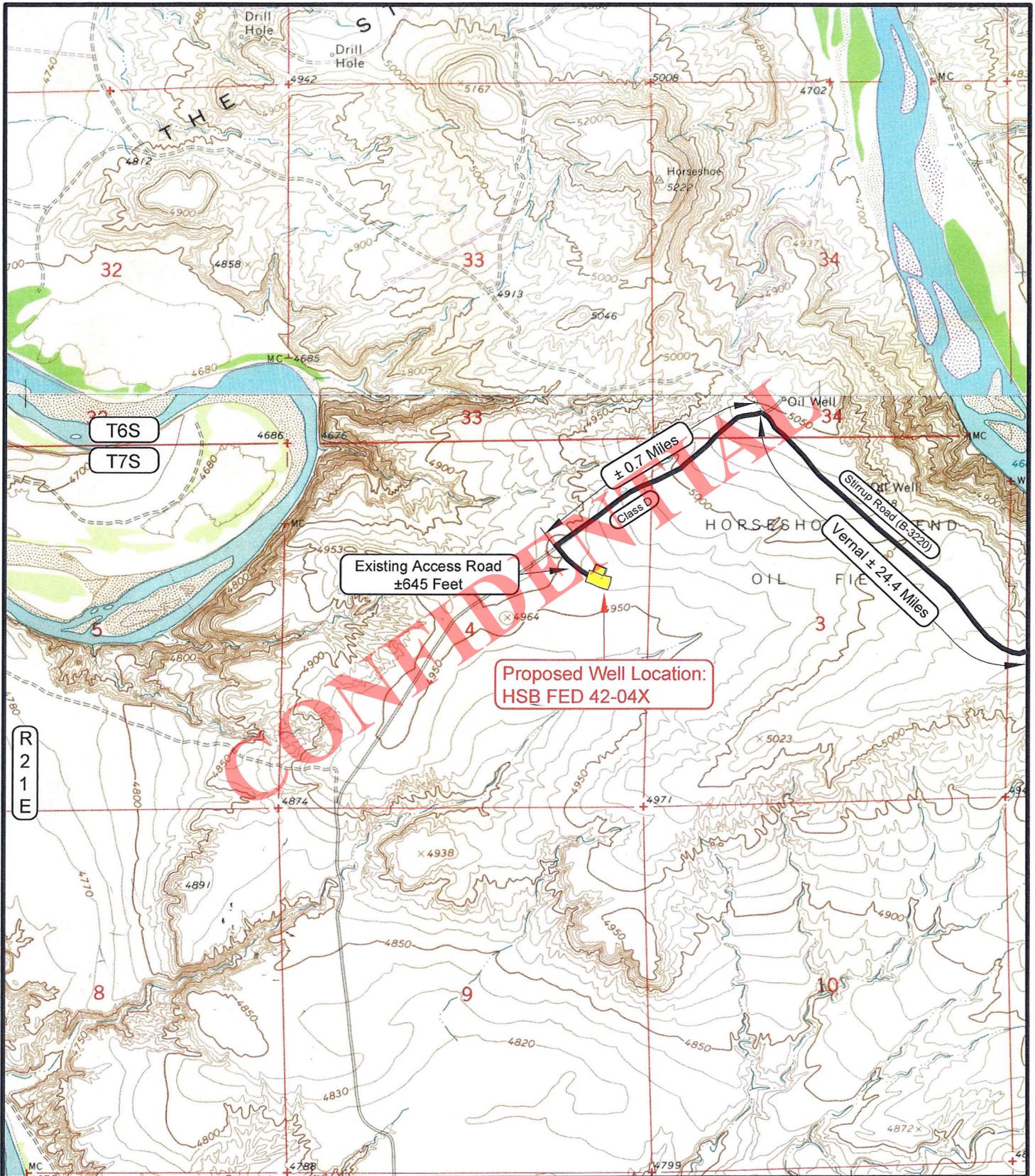
**ENGINEERING & LAND SURVEYING, INC.**

209 NORTH 300 WEST - VERNAL, UTAH 84078

SHEET

**6**

OF 9



**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



**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

**TOPOGRAPHIC MAP "B"**

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

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

REVISED:

**TIMBERLINE**

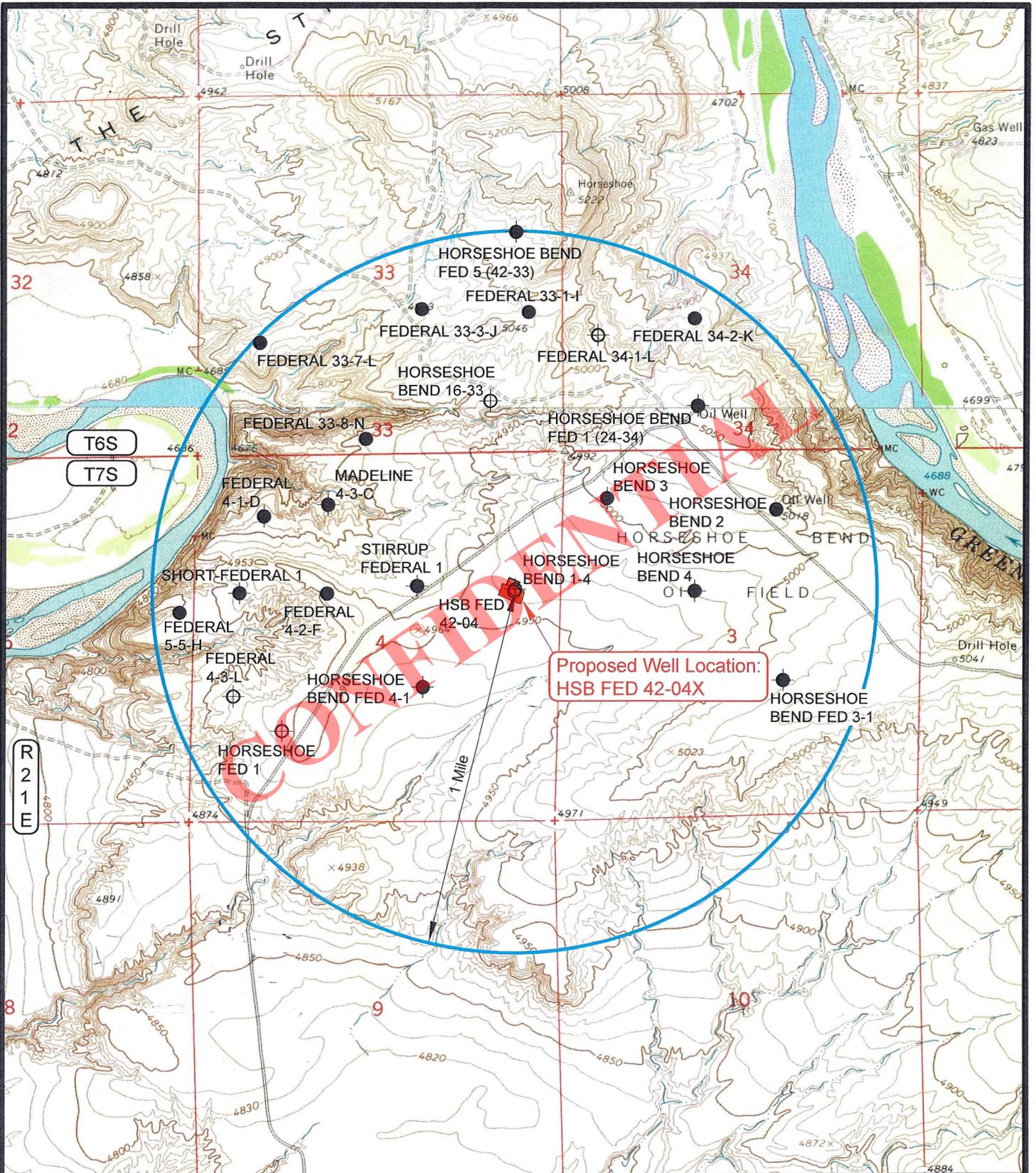
**ENGINEERING & LAND SURVEYING, INC.**  
 209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

SHEET

**7**

OF 9



**LEGEND**

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

**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

**TOPOGRAPHIC MAP "C"**

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

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

REVISED:

**TIMBERLINE**

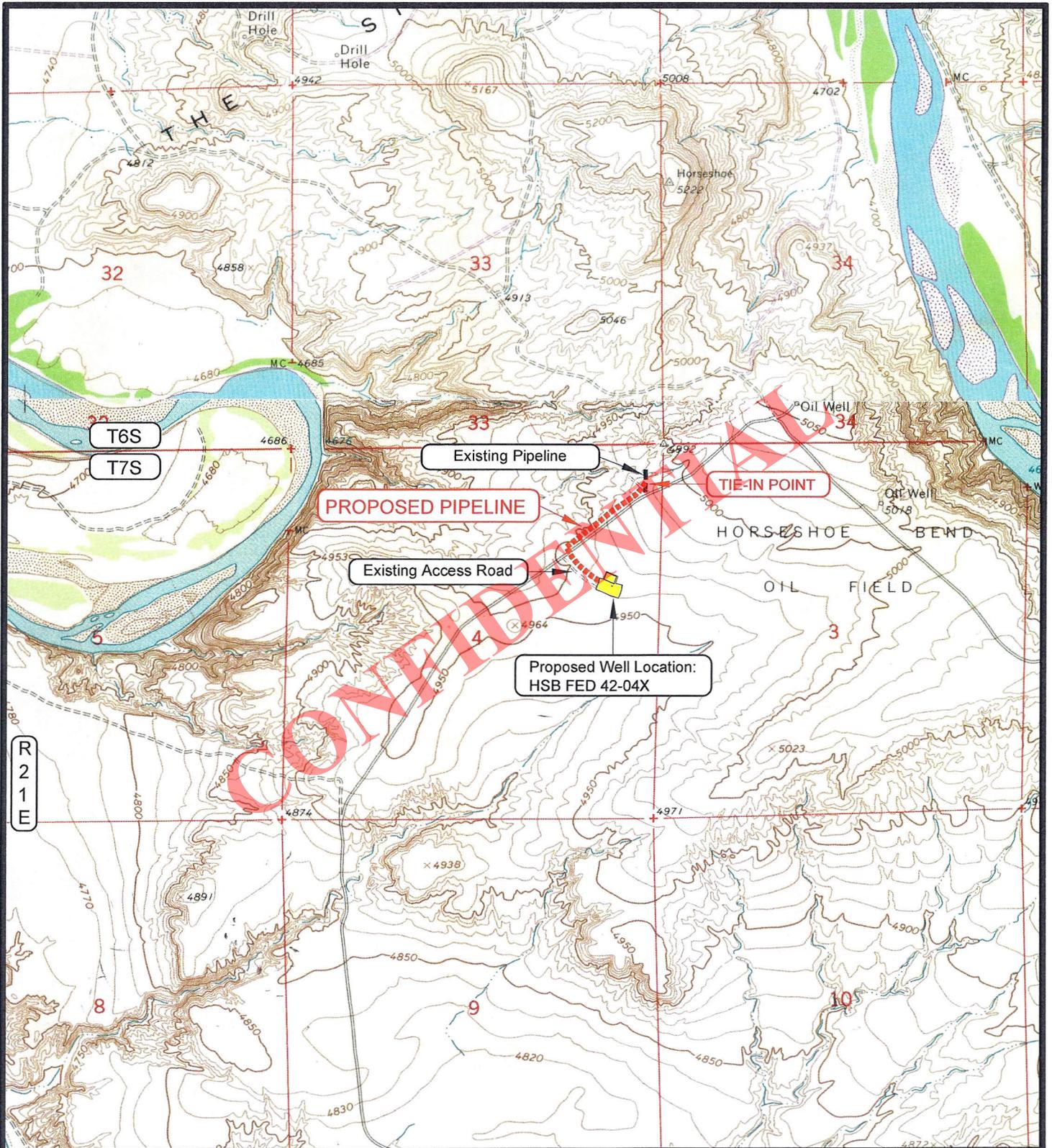
**ENGINEERING & LAND SURVEYING, INC.**  
 209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

SHEET

**8**

OF 9



**APPROXIMATE PIPELINE LENGTH = ±2,165 FEET**

**LEGEND**

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

**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

**TOPOGRAPHIC MAP "D"**

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

**TIMBERLINE**

**ENGINEERING & LAND SURVEYING, INC.**

209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

SHEET

**9**

OF 9

**ROSEWOOD RESOURCES  
WELL PAD – HSB FED 42-04X  
Section 4, T7S, R21E, S.L.B.&M.**

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 13.1 miles to the junction of the Baeser Wash Road (County B Road 3240). Exit right and proceed in a southwesterly direction along the Baeser Wash Road approximately 4.3 miles to the junction of the Stirrup Road (County B Road 3220). Exit right and proceed in a northwesterly direction along the Stirrup Road approximately 3.7 miles to the junction of a Class D County Road to the southwest. Exit left and proceed in a southwesterly direction along the Class D County Road approximately 0.7 miles to an existing service road to the southeast. Exit left and proceed in a southeasterly direction along the service road approximately 645 feet to the proposed well pad.

Total distance from Vernal, Utah to the proposed well location is approximately 25.2 miles in a southerly direction.

CONFIDENTIAL



PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE      CAMERA ANGLE: SOUTHWESTERLY

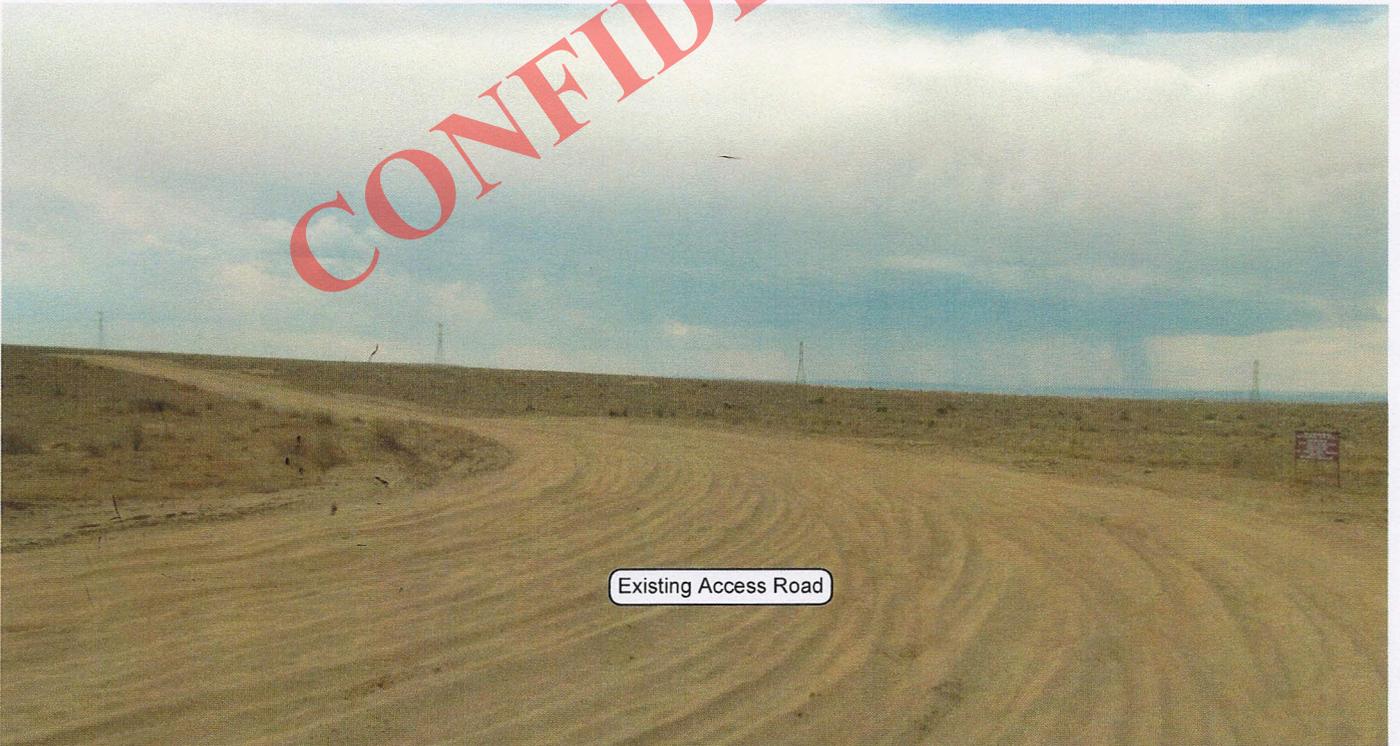


PHOTO VIEW: FROM EXISTING ACCESS ROAD      CAMERA ANGLE: SOUTHERLY

### ROSEWOOD RESOURCES

#### LOCATION PHOTOS

**HSB FED 42-04X**  
**2051' FNL, 657' FEL**  
**SE ¼ NE ¼ OF SECTION 4, T7S, R21E,**  
**S.L.B.&M., UINTAH COUNTY, UTAH.**

### TIMBERLINE

(435) 789-1365

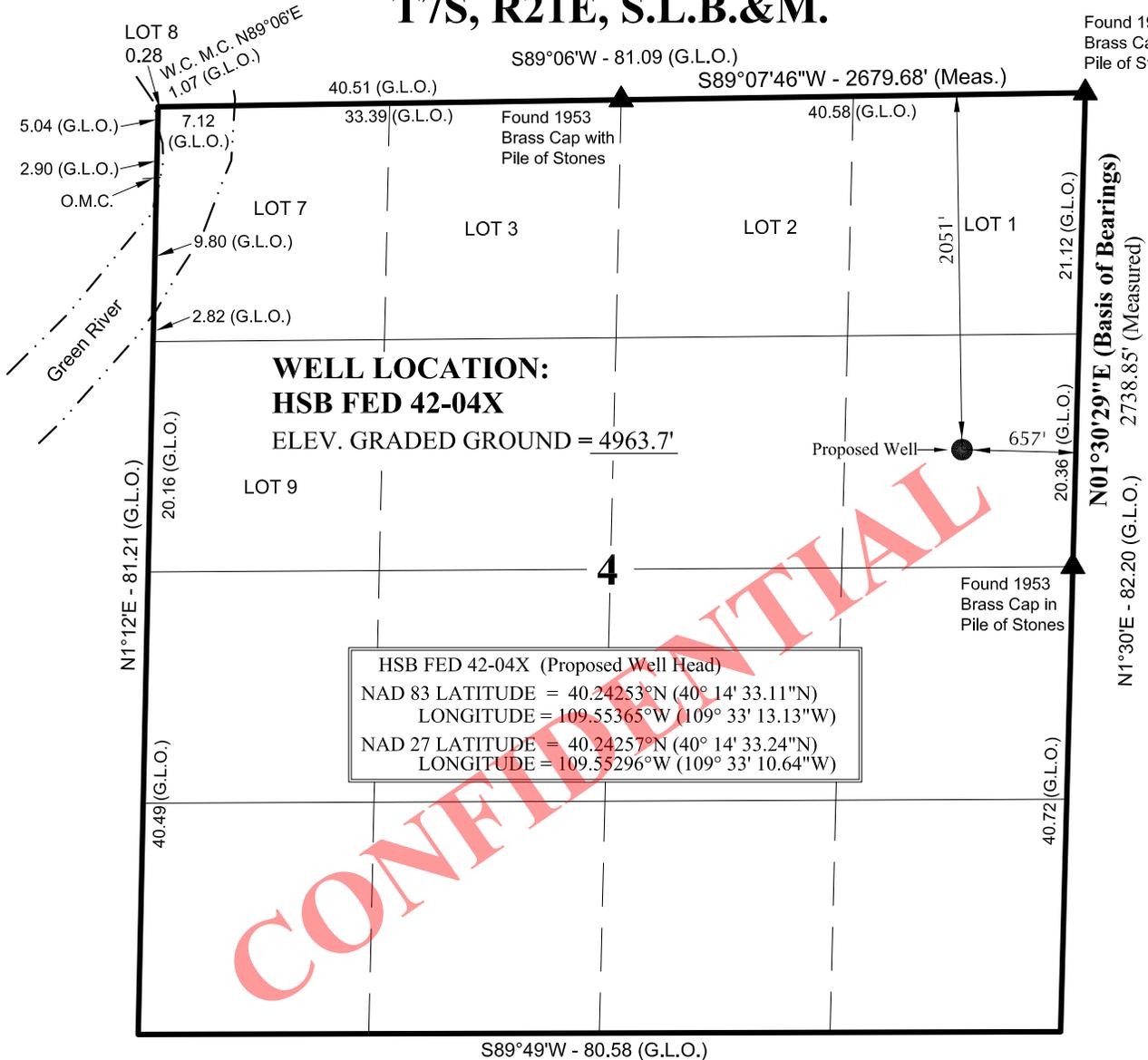
#### ENGINEERING & LAND SURVEYING, INC.

209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE PHOTOS TAKEN: 8-10-12	PHOTOS TAKEN BY: M.S.B	SHEET <b>1</b> OF 9
DATE DRAWN: 8-20-12	DRAWN BY: M.W.W.	
Date Last Revised:		

# T7S, R21E, S.L.B.&M.

Found 1953  
Brass Cap with  
Pile of Stones



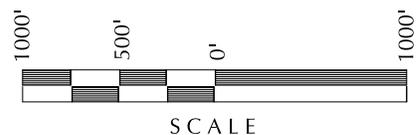
**WELL LOCATION:**  
**HSB FED 42-04X**  
ELEV. GRADED GROUND = 4963.7'

HSB FED 42-04X (Proposed Well Head)  
NAD 83 LATITUDE = 40.24253°N (40° 14' 33.11\"N)  
LONGITUDE = 109.55365°W (109° 33' 13.13\"W)  
NAD 27 LATITUDE = 40.24257°N (40° 14' 33.24\"N)  
LONGITUDE = 109.55296°W (109° 33' 10.64\"W)

CONFIDENTIAL

**NOTES:**

- ▲ = Section Corners Located
- 1. Well footages are measured at right angles to the Section Lines.
- 2. Government Land Office (G.L.O.) distances are shown in feet or chains. 1 chain = 66 feet.
- 3. Bearings are based on Global Positioning Satellite observations.
- 4. 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'.



**SURVEYOR'S CERTIFICATE**

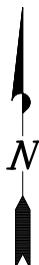
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. 8-24-2012

  
 JOHN R. SLUOCH  
 PROFESSIONAL LAND SURVEYOR  
 REGISTRATION No. 6028691  
 STATE OF UTAH

**ROSEWOOD RESOURCES**

**LEGAL PLAT**

**HSB FED 42-04X**  
**2051' FNL, 657' FEL,**  
**SE 1/4 NE 1/4 OF SECTION 4, T7S, R21E,**  
**S.L.B.&M., UTAH COUNTY, UTAH.**



**TIMBERLINE**

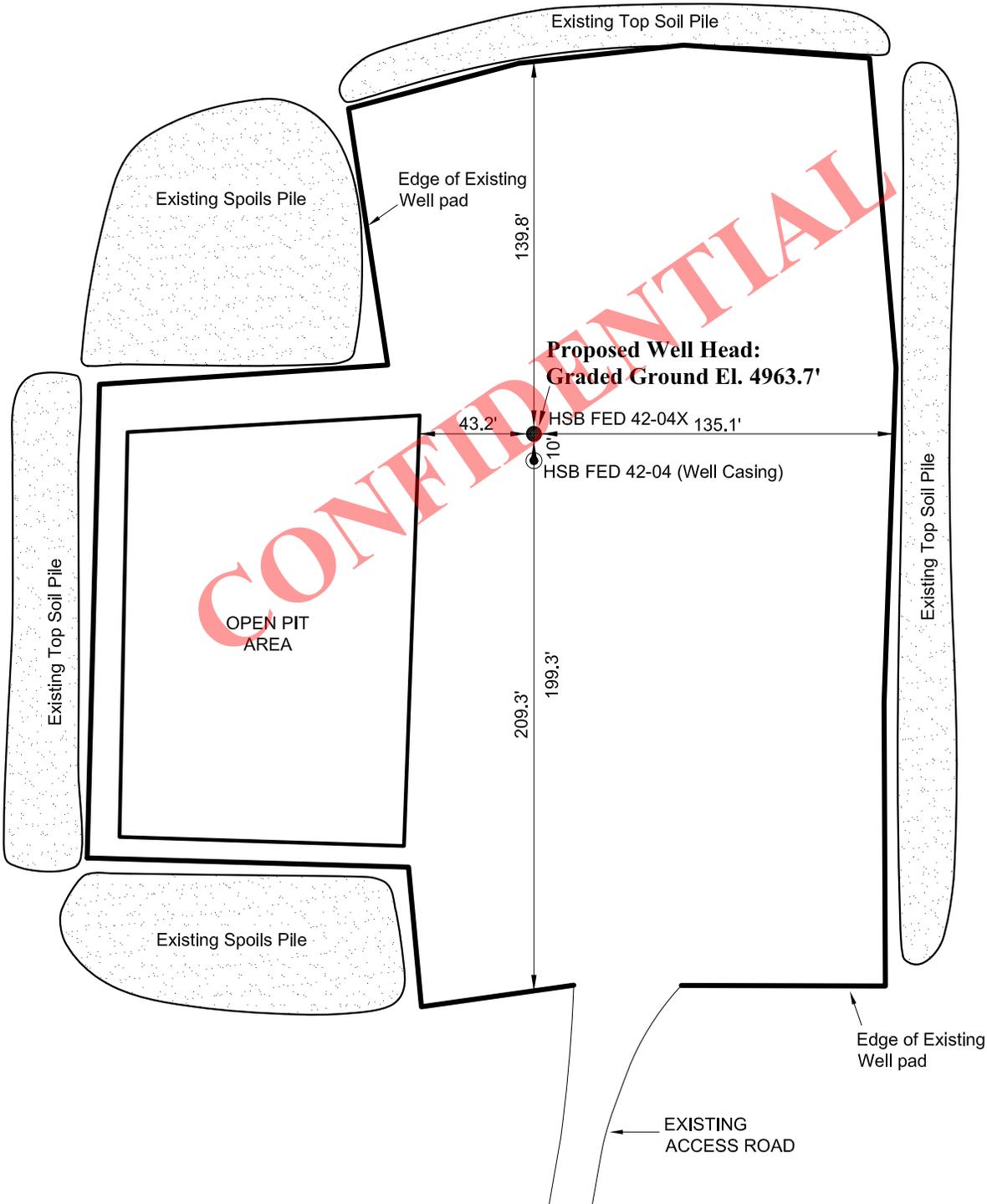
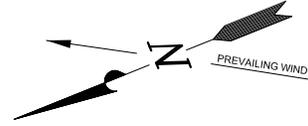
(435) 789-1365

**ENGINEERING & LAND SURVEYING, INC.**  
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED: 8-10-12	SURVEYED BY: M.S.B.	<b>SHEET</b> <b>2</b> <b>OF 9</b>
DATE DRAWN: 8-13-12	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

# ROSEWOOD RESOURCES

## SITE PLAN - HSB FED 42-04X

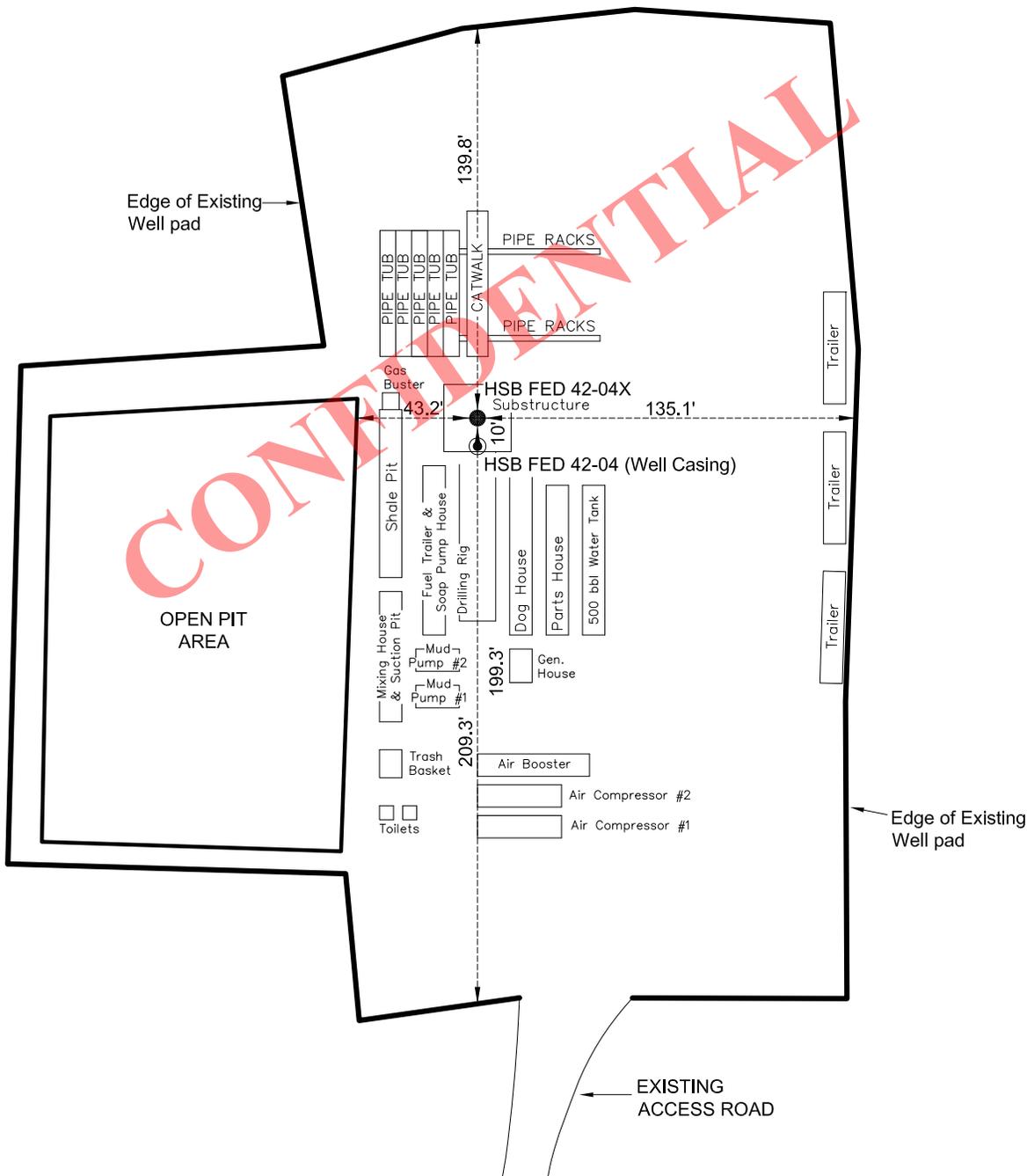
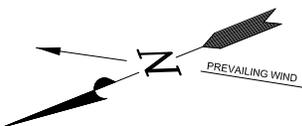


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Section 4, T7S, R21E, S.L.B.&M.		Qtr/Qtr Location: SE NE		Footage Location: 2051' FNL & 657' FEL	
Date Surveyed: 8-10-12	Date Drawn: 8-20-12	Date Last Revision:	<b>TIMBERLINE</b> <b>ENGINEERING &amp; LAND SURVEYING, INC.</b> 209 NORTH 300 WEST - VERNAL, UTAH 84078	(435) 789-1365	SHEET <b>3</b> OF 9
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'			

# ROSEWOOD RESOURCES

## TYPICAL RIG LAYOUT - HSB FED 42-04X

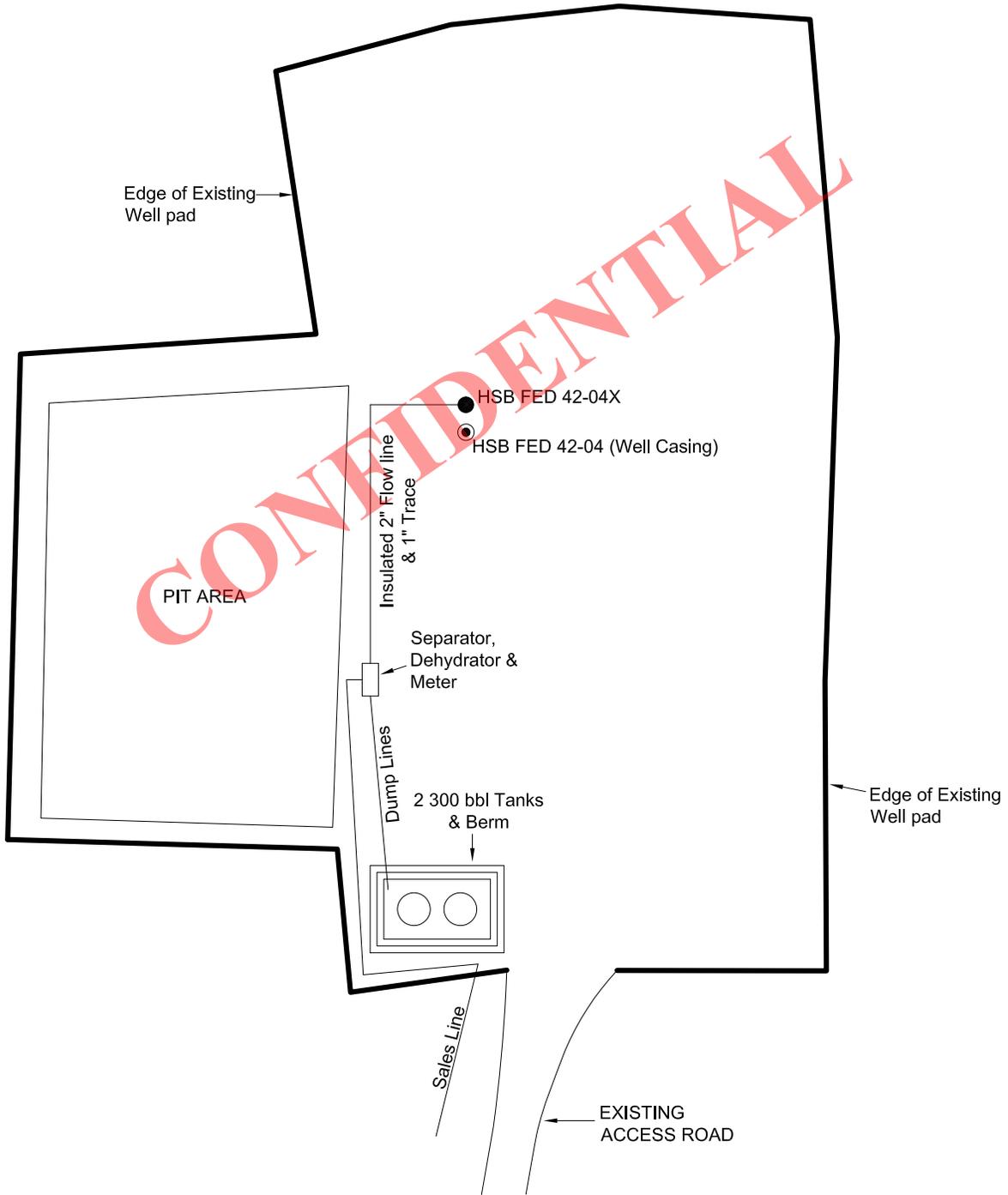
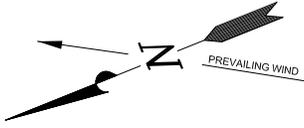


CONFIDENTIAL

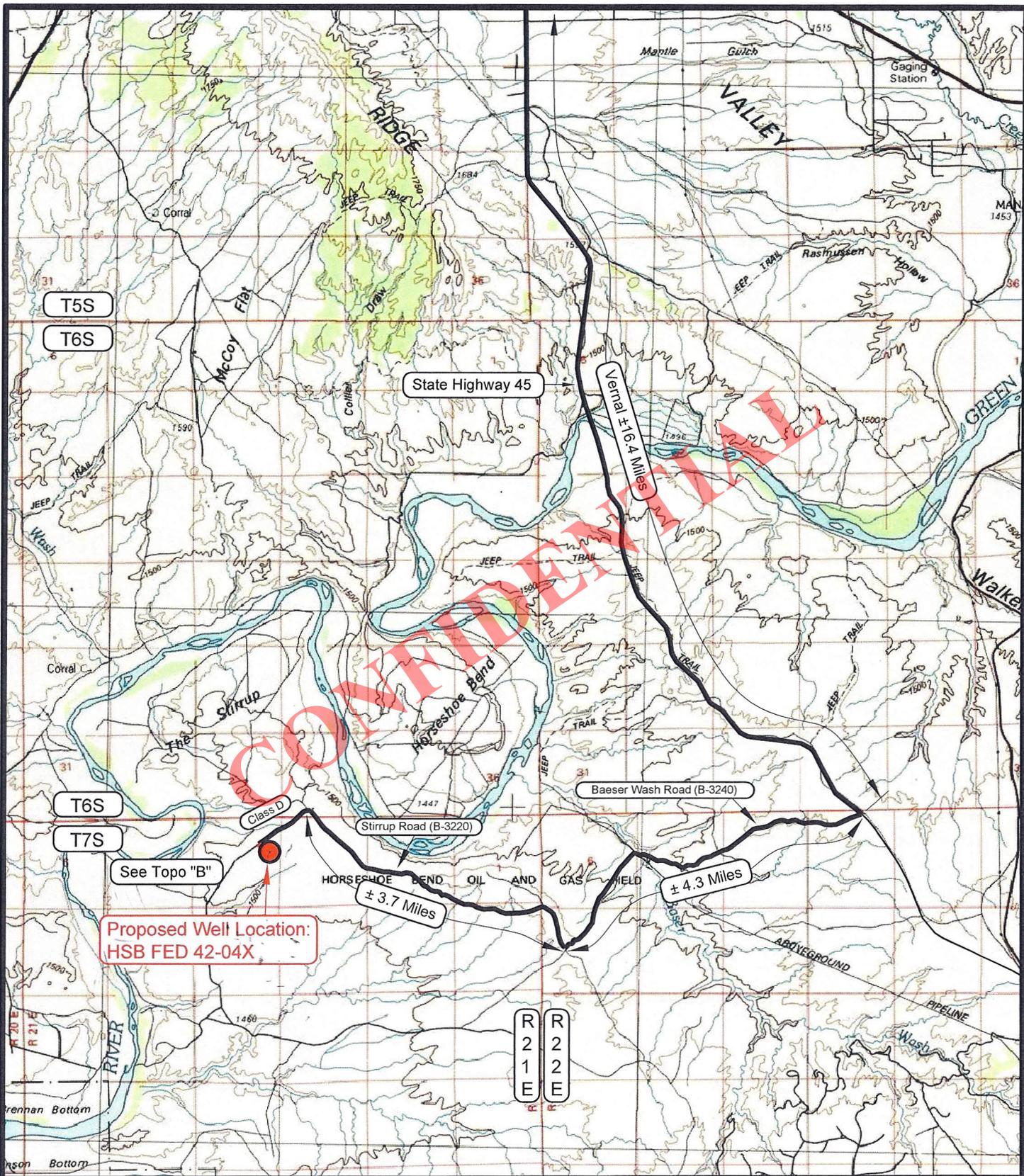
Section 4, T7S, R21E, S.L.B.&M.		Qtr/Qtr Location: SE NE		Footage Location: 2051' FNL & 657' FEL	
Date Surveyed: 8-10-12	Date Drawn: 8-20-12	Date Last Revision:	<b>TIMBERLINE</b> ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078	(435) 789-1365	SHEET <b>4</b> OF 9
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'			

# ROSEWOOD RESOURCES

## TYPICAL PRODUCTION LAYOUT - HSB FED 42-04X



Section 4, T7S, R21E, S.L.B.&M.		Qtr/Qtr Location: SE NE		Footage Location: 2051' FNL & 657' FEL	
Date Surveyed: 8-10-12	Date Drawn: 8-20-12	Date Last Revision:	<b>TIMBERLINE</b> ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078	(435) 789-1365	SHEET <b>5</b> OF 9
Surveyed By: M.S.B.	Drawn By: M.W.W.	Scale: 1" = 60'			



LEGEND

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



**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

TOPOGRAPHIC MAP "A"

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

SCALE: 1:100,000

DRAWN BY: M.W.W.

REVISED:

**TIMBERLINE**

(435) 789-1365

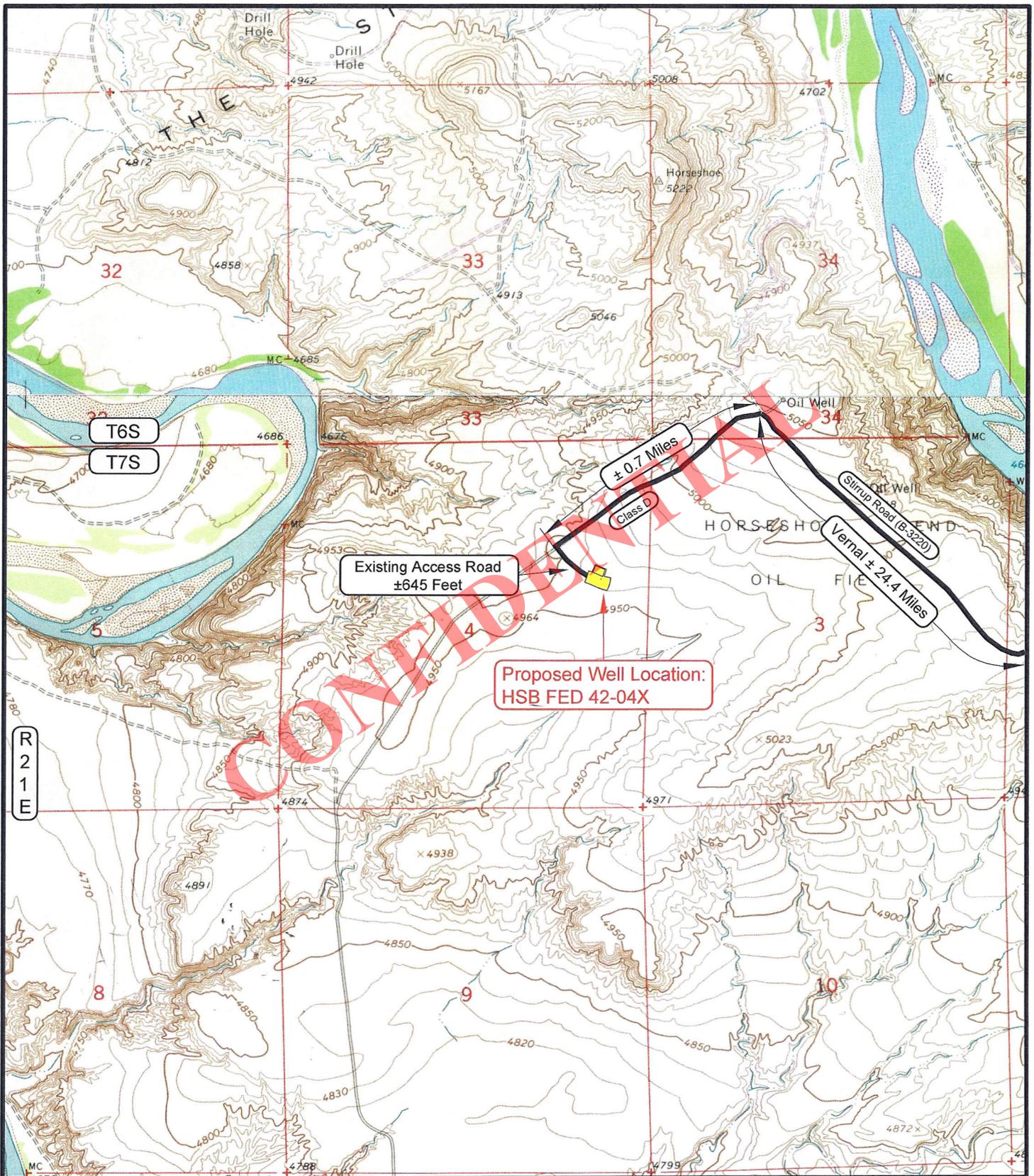
**ENGINEERING & LAND SURVEYING, INC.**

209 NORTH 300 WEST - VERNAL, UTAH 84078

SHEET

**6**

OF 9



**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



**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

**TOPOGRAPHIC MAP "B"**

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

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

REVISED:

**TIMBERLINE**

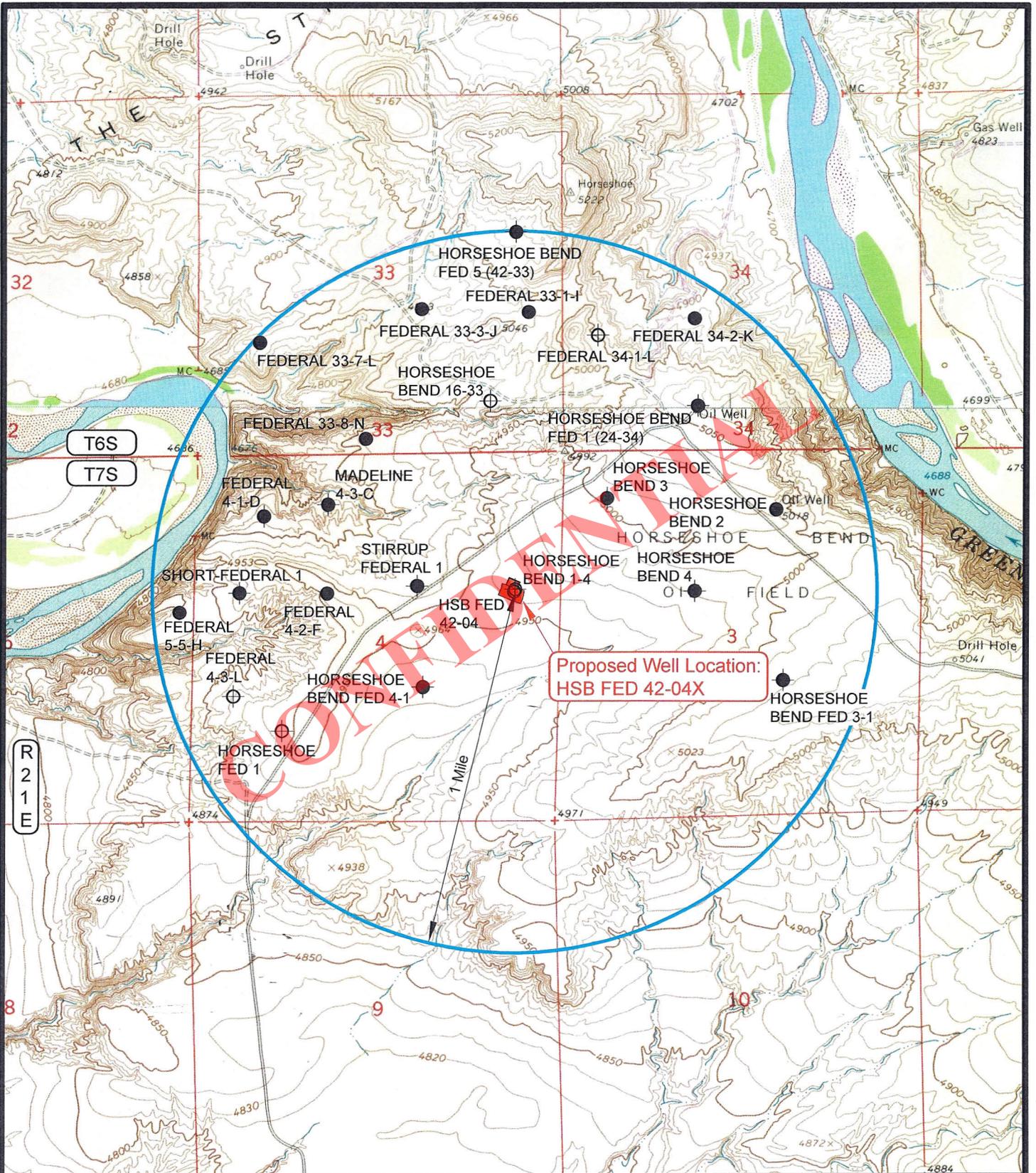
**ENGINEERING & LAND SURVEYING, INC.**  
 209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

SHEET

**7**

OF 9



**LEGEND**

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



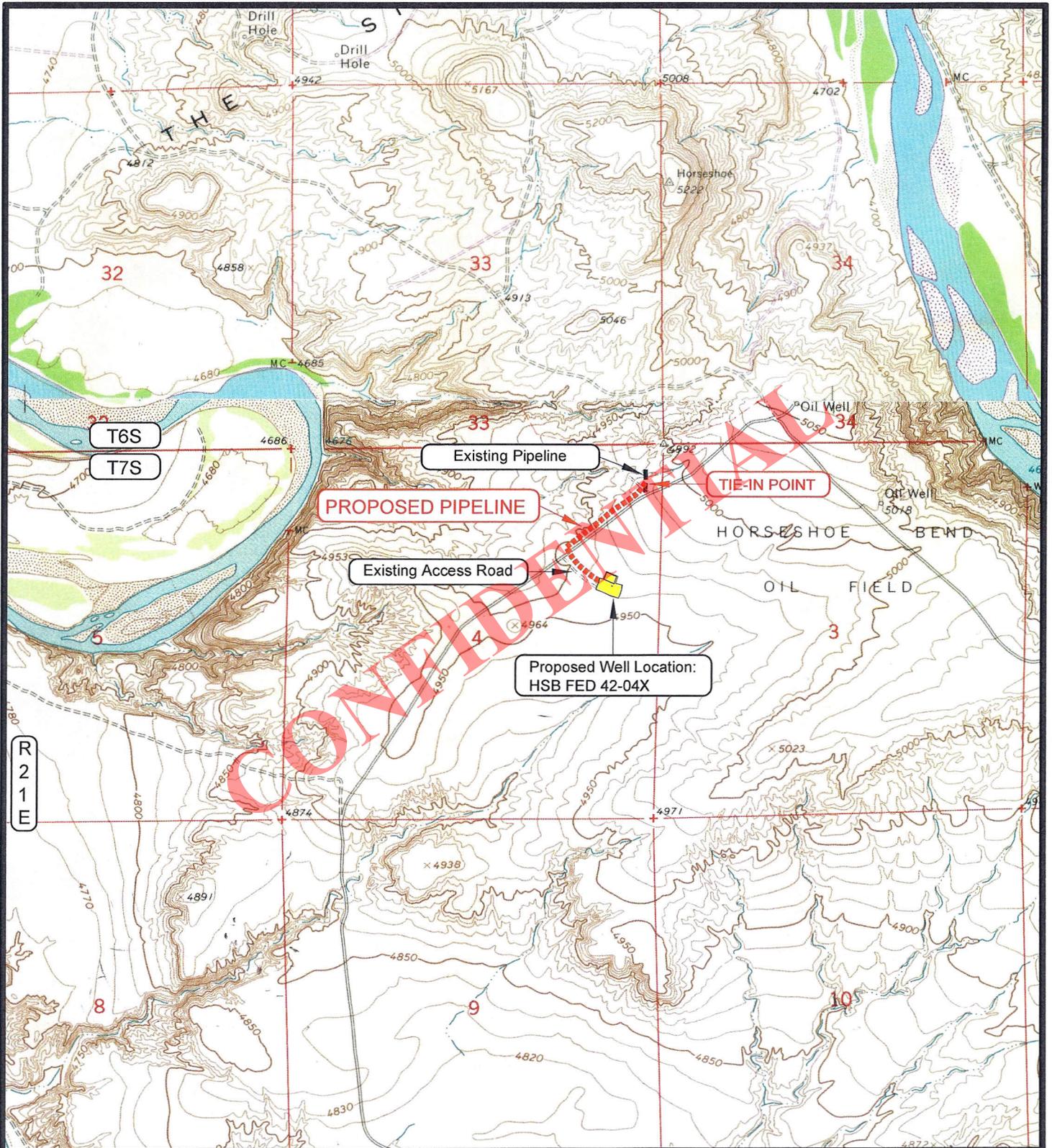
**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

<b>TOPOGRAPHIC MAP "C"</b>	DATE SURVEYED: 8-10-12
	DATE DRAWN: 8-20-12
	SCALE: 1" = 2000'      DRAWN BY: M.W.W.      REVISED:

**TIMBERLINE** (435) 789-1365  
**ENGINEERING & LAND SURVEYING, INC.**  
 209 NORTH 300 WEST - VERNAL, UTAH 84078

SHEET  
**8**  
 OF 9



**APPROXIMATE PIPELINE LENGTH = ±2,165 FEET**

**LEGEND**

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

**ROSEWOOD RESOURCES**

**HSB FED 42-04X**  
**SECTION 4, T7S, R21E, S.L.B.&M.**  
**2051' FNL & 657' FEL**

**TOPOGRAPHIC MAP "D"**

DATE SURVEYED: 8-10-12

DATE DRAWN: 8-20-12

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

**TIMBERLINE**

**ENGINEERING & LAND SURVEYING, INC.**

209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

SHEET

**9**

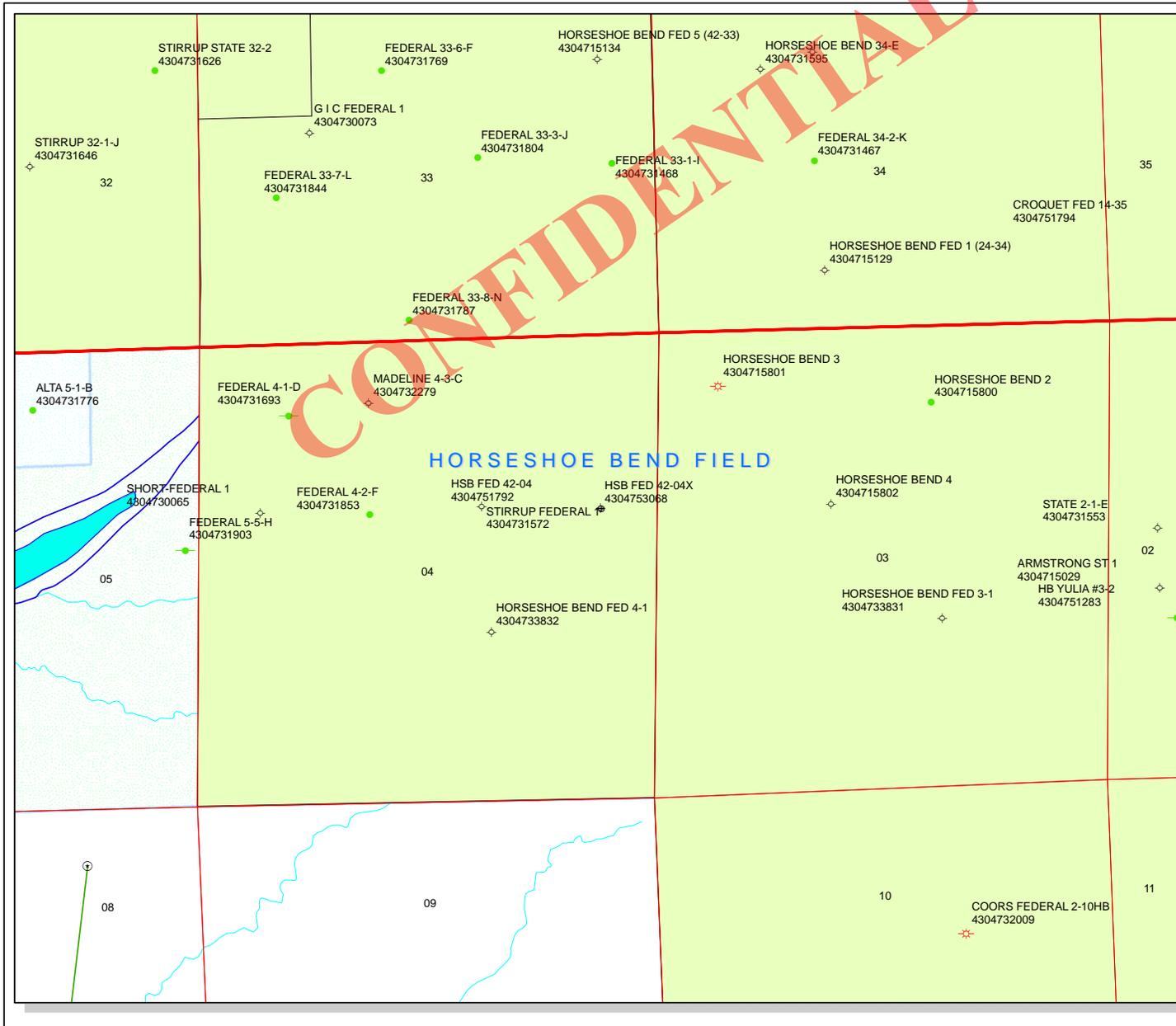
OF 9

**ROSEWOOD RESOURCES  
WELL PAD – HSB FED 42-04X  
Section 4, T7S, R21E, S.L.B.&M.**

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 13.1 miles to the junction of the Baeser Wash Road (County B Road 3240). Exit right and proceed in a southwesterly direction along the Baeser Wash Road approximately 4.3 miles to the junction of the Stirrup Road (County B Road 3220). Exit right and proceed in a northwesterly direction along the Stirrup Road approximately 3.7 miles to the junction of a Class D County Road to the southwest. Exit left and proceed in a southwesterly direction along the Class D County Road approximately 0.7 miles to an existing service road to the southeast. Exit left and proceed in a southeasterly direction along the service road approximately 645 feet to the proposed well pad.

Total distance from Vernal, Utah to the proposed well location is approximately 25.2 miles in a southerly direction.

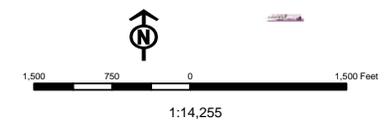
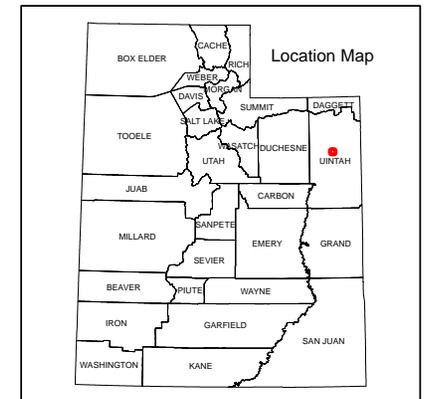
CONFIDENTIAL



**API Number: 4304753068**  
**Well Name: HSB FED 42-04X**  
**Township T07.0S Range R21.0E Section 04**  
**Meridian: SLBM**  
**Operator: ROSEWOOD RESOURCES INC**

Map Prepared:  
 Map Produced by Diana Mason

- |               |                                    |
|---------------|------------------------------------|
| <b>Units</b>  | <b>Wells Query</b>                 |
| <b>STATUS</b> | <b>STATUS</b>                      |
| ACTIVE        | APD - Approved Permit              |
| EXPLORATORY   | DRL - Spudded (Drilling Commenced) |
| GAS STORAGE   | GIW - Gas Injection                |
| NF PP OIL     | GS - Gas Storage                   |
| NF SECONDARY  | LOC - New Location                 |
| P1 OIL        | OPS - Operation Suspended          |
| PP GAS        | PA - Plugged Abandoned             |
| PP GEOTHERM   | PGW - Producing Gas Well           |
| PP OIL        | POW - Producing Oil Well           |
| SECONDARY     | SGW - Shut-in Gas Well             |
| TERMINATED    | SOW - Shut-in Oil Well             |
| <b>Fields</b> | TA - Temp. Abandoned               |
| Unknown       | TW - Test Well                     |
| ABANDONED     | WDW - Water Disposal               |
| ACTIVE        | WIW - Water Injection Well         |
| COMBINED      | WSW - Water Supply Well            |
| INACTIVE      | Bottom Hole Location - Oil/Gas/Dr  |
| STORAGE       |                                    |
| TERMINATED    |                                    |



## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/4/2012

API NO. ASSIGNED: 43047530680000

WELL NAME: HSB FED 42-04X

OPERATOR: ROSEWOOD RESOURCES INC (N7510)

PHONE NUMBER: 435 789-0414

CONTACT: Jill Henrie

PROPOSED LOCATION: SENE 04 070S 210E

Permit Tech Review: 

SURFACE: 2051 FNL 0657 FEL

Engineering Review: 

BOTTOM: 2051 FNL 0657 FEL

Geology Review: 

COUNTY: UINTAH

LATITUDE: 40.24259

LONGITUDE: -109.55363

UTM SURF EASTINGS: 623026.00

NORTHINGS: 4455686.00

FIELD NAME: HORSESHOE BEND

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-42469

PROPOSED PRODUCING FORMATION(S): WASATCH

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

## RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - Nationwide MT-0627
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 49-2343
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

Commingling Approved

## LOCATION AND SITING:

- R649-2-3.
- Unit: HORSESHOE BEND (GR)
- 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  
RIGSKID FR 4304751792:

Stipulations: 4 - Federal Approval - dmason  
5 - Statement of Basis - bhll  
22 - Rigskid - bhll  
23 - Spacing - dmason



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:** HSB FED 42-04X  
**API Well Number:** 43047530680000  
**Lease Number:** UTU-42469  
**Surface Owner:** FEDERAL  
**Approval Date:** 9/11/2012

### Issued to:

ROSEWOOD RESOURCES INC, PO Box 1668, Vernal , UT 84078

### 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 WASATCH 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

### 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:

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

All conditions of approval in the Statement of Basis and RDCC comments from the HSB Fed 42-04 permit apply to the HSB Fed 42-04X permit.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing

a Request for Agency Action with the Board.

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

**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 at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at <http://oilgas.ogm.utah.gov>

**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

**RECEIVED**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**AUG 28 2012**

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

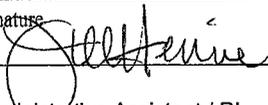
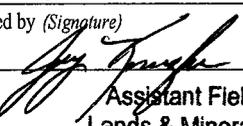
**BLM**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-42469
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Rosewood Resources, Inc.		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 1668 Vernal UT 84078	3b. Phone No. (include area code) 435-789-0414	8. Lease Name and Well No. HSB FED 42-04X
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2051' FNL 657' FEL SENE SEC 4 T7S R21E SLB&M At proposed prod. zone same		9. API Well No. <b>43 047 53068</b>
14. Distance in miles and direction from nearest town or post office* 25.2 south of Vernal		10. Field and Pool, or Exploratory Horseshoe Bend
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 657'	16. No. of acres in lease 236.53	11. Sec., T. R. M. or Blk. and Survey or Area SENE SEC 4 T7S R21E SLB&M
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 10' Rig skid from 42-04	19. Proposed Depth 8400'	12. County or Parish Uintah
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4963.7' Ungraded Ground	22. Approximate date work will start*	13. State UT
23. Estimated duration 13 days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) Jill Henrie /RL	<b>RECEIVED</b> Date 08/28/2012
Title Administrative Assistant / RL		<b>SEP 06 2012</b>
Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	<b>DIV. OF OIL, GAS &amp; MINING</b> Date AUG 28 2012
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

**CONDITIONS OF APPROVAL ATTACHED**

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

(Continued on page 2)

**12UBR0871A**

\*(Instructions on page 2)

NOTICE OF APPROVAL

**UDOGM**



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: Rosewood Resources, Inc.  
Well No: HSB FED 42-04X  
API No: 43-047- 53068

Location: SENE, Sec. 4, T7S, R21E  
Lease No: UTU-42469  
Agreement:

**OFFICE NUMBER: (435) 781-4400**

**OFFICE FAX NUMBER: (435) 781-3420**

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

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

**NOTIFICATION REQUIREMENTS**

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

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

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

#### **Wildlife**

- Construction and drilling is not allowed from March 1<sup>st</sup> – August 31<sup>st</sup> to minimize impacts during burrowing owl nesting.
- Construction and drilling is not allowed from March 1<sup>st</sup> – August 31<sup>st</sup> to minimize impacts during ferruginous hawk nesting.
- Construction and drilling is not allowed from November 1<sup>st</sup> – March 31<sup>st</sup> to minimize impacts during bald eagle nesting.
- If it is anticipated that construction or drilling will occur during the given timing restriction, a BLM or qualified biologist shall be notified so surveys can be conducted. Depending upon the results of the surveys, permission to proceed may or may not be recommended or granted by the BLM Authorized Officer.
- Hospital mufflers will be installed on new and existing pump jacks at the host well locations.
- Screening will be placed on stacks and on other openings of heater-treaters or fired vessels to prevent entry by migratory birds.

#### **Air Quality**

- All internal combustion equipment will be kept in good working order.
- Water or other approved dust suppressants will be used at construction sites and along roads, as determined appropriate by the Authorized Officer.
- Open burning of garbage or refuse will not occur at well sites or other facilities.
- Low bleed pneumatics will be installed on separator dump valves and other controllers.
- During completion, flaring will be limited as much as possible. Production equipment and gathering lines will be installed as soon as possible.
- Well site telemetry will be utilized as feasible for production operations.

**Reclamation**

- Reclamation will be completed in accordance with the Green River District Guidelines of the Vernal Field Office of the BLM.
- Appropriate erosion control and revegetation measures will be employed. In areas with unstable soils where seeding alone may not adequately control erosion, grading will be used to minimize slopes and water bars will be installed on disturbed slopes. Erosion control efforts will be monitored by Rosewood and, if necessary, modifications will be made to control erosion.

**Seed Mix (Interim and Final Reclamation)**

Common name	Latin name	lbs/acre	Recommended seed planting depth
Squirreltail grass	<i>Elymus elymoides</i>	3.0	¼ - ½"
Bluebunch wheatgrass	<i>Pseudoroegneria spicata</i>	3.0	½"
Shadscale saltbush	<i>Atriplex confertifolia</i>	3.0	½"
Four-wing saltbush	<i>Atriplex canescens</i>	3.0	½"
Gardner's saltbush	<i>Atriplex gardneri</i>	2.0	½"
Scarlet globemallow	<i>Sphaeralcea coccinea</i>	1.0	⅛ - ¼"

- All pounds are pure live seed.
- All seed and mulch will be certified weed free.
- Rates are set for drill seeding; double rate if broadcasting.

**Monitoring and Reporting**

- The operator shall submit a Sundry Notice (Form 3160-5) to the BLM Authorized Officer (AO) that designates the proposed site-specific monitoring and reference sites chosen for the location. A description of the proposed sites shall be included, as well as a map showing the locations of the proposed sites.
- The operator shall submit a Sundry Notice (Form 3160-5) to the BLM Authorized Officer (AO) 3 growing seasons after reclamation efforts have occurred evaluating the status of the reclaimed areas in order to determine whether the BLM standards set forth in the Green River District Reclamation Guidelines have been met (30% or greater basal cover).

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

**SITE SPECIFIC DOWNHOLE COAs:**

- Gamma-Ray log will be run from TD to Surface.
- CBL will be run from PBTD to TOC for the production casing.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB

or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to BLM\_UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at [www.ONRR.gov](http://www.ONRR.gov).
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid,

and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-42469
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> HORSESHOE BEND (GR)
<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> HSB FED 42-04X
<b>2. NAME OF OPERATOR:</b> ROSEWOOD RESOURCES INC	<b>9. API NUMBER:</b> 43047530680000
<b>3. ADDRESS OF OPERATOR:</b> PO Box 1668 , Vernal , UT, 84078	<b>PHONE NUMBER:</b> 435 789-0414 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2051 FNL 0657 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 04 Township: 07.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> HORSESHOE BEND  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>9/11/2012</b>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Rosewood Resources would like to apply to commingle the Green River and Wasatch formations in the above mentioned well. We will supply the Division with depths and additional information needed upon completion of the wellbore and will wait on commingling approval prior to combining production.

**REQUEST DENIED**  
**Utah Division of**  
**Oil, Gas and Mining**

**Date:** October 02, 2012

**By:** *Derek Quist*

<b>NAME (PLEASE PRINT)</b> Jill Henrie	<b>PHONE NUMBER</b> 435 789-0414	<b>TITLE</b> Administravtive Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/11/2012	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047530680000**

**Requirements of R649-3-22 have not been met.**

SEP 25 2012

ENTITY ACTION FORM

DIV. OF OIL, GAS & MINING

Operator: Rosewood Resources, Inc. Operator Account Number: N 75.10  
Address: 72 N Vernal Ave / P.O. Box 1608  
city Vernal  
state Utah zip 84078 Phone Number: 435-789-0414

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-51790	HSB FED 22-04	SWNW	4	7S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	new	10733	7/30/2012		9-27-2012	
Comments: WSTC						<b>CONFIDENTIAL</b>

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-51794	Croquet Fed 14-35	SWSW	35	6S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	new	10734	8/20/2012		9-27-2012	
Comments: WSTC						<b>CONFIDENTIAL</b>

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
C 43-047-53068	HSB Fed 42-04 X	SENE	4	7S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
		10735	8/14/2012		9-27-2012	
Comments: WSTC						<b>CONFIDENTIAL</b>

ACTION CODES:

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

Will Hennie  
Name (Please Print)  
[Signature]  
Signature  
Admin Asst  
Title  
9/20/12  
Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**CONFIDENTIAL**

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

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

5. Lease Serial No.  
UTU-42469

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well  
 Oil Well     Gas Well     Other

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

8. Well Name and No.  
HSB FED 42-04X

2. Name of Operator  
Rosewood Resources, Inc.

9. API Well No.  
43-047-53068

3a. Address  
P.O. Box 1668 Vernal UT 84078

3b. Phone No. (include area code)  
435-789-0414 x10

10. Field and Pool or Exploratory Area  
Horseshoe Bend

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2051 FNL 657 FEL SENE SEC4 T7S R21E SLB&M

11. Country or Parish, State  
Uintah County, Utah

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

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

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

Please see attached completion and frac reports for progress on this wellbore. All frac information has been reported on FracFocus registry website.  
Thank you,  
Jill Henrie

Rosewood Resources, Inc.  
Vernal Field Office  
435-789-0414 x10

CC: DOGM

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

Title Office Manager / RL

Signature 

Date 11/28/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

(Instructions on page 2)

**RECEIVED**  
**NOV 30 2012**  
DIV. OF OIL, GAS & MINING

# ROSEWOOD RESOURCES, INC.

WELL NAME: HSB Fed #42-04X

API # 43-047-53068

SENE SEC 4 T7S R21E SLB&M

2051' FNL & 657' FEL

LAT = 40°14'33.11" LONG = 109°33'13.13"

Lease Number #UTU-42469

County : Uintah

Gross AFE: \$2,151,200

9/14/2012

MIRU Halliburton Logging; Hold Safety Meeting; RIH w/ gauge ring and junk basket F/surface T/8196'; Could not get down to PBD @ 8346'; RIH w/ CBL & GR F/8180' T/surface'; TOC @ 450'; F/450' T/2900' 50% bond; F/2900' T/3500' 60% bond; F/3500' T/4800' 70% bond; F/4800' T/5500' 80% bond; F/5500' T/8180' 90% bond; We did not pressure up on csg; According to Halliburton their lead cement Halliburton ECONOCEM will not show good CBL.

Daily Cost: \$8,511      Cumulative Cost: \$1,379,322      Remaining AFE: \$771,878

10/17/2012

MIRU Duco Well Service. NU BOP. PU 2 7/8" L-80 TBG to 7568'. SDFN.

Daily Cost: \$14,300      Cumulative Cost: \$1,393,622      Remaining AFE: \$757,578

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PU & RIH. Tag cement @ 8276'. PU power swivel. Cleaned out to 8354'. Circ clean. PSI test to 2000#. POOH w/ 260 JTS, scraper, change over & bit. ND BOP. NU Frac valve.

Daily Cost: \$9,250      Cumulative Cost: \$1,402,872      Remaining AFE: \$748,328

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MIRU Lonewolf Wireline. RIH. Shot perfs @ 8078'-8079', 8083'-8084', 8086'-8089', 8193'-8194', 8197'-8198', 8201'-8202', 8204'-8205', 8211'-8214' POOH. RD Lonewolf. Shut down for weekend.

Daily Cost: \$11,500 Cumulative Cost: \$1,414,372 Remaining AFE: \$736,828

10/22/2012

MIRU Oil States Isolation Tools and Weatherford. Held safety meeting on high PSI lines and fracing responsibilities. Pumped 1st stage frac according to frac design. Well broke back at 2828#. Max PSI was 4688#. Avg PSI was 4277#. Max rate was 58 BBLS per min. Avg rate was 56 BBLS per min. ISIP 3233#. 5 min SI 3121#. 10 min SI 3057#. 15 min SI 3017#. RU Lonewolf. Set composite plug @ 7950'. Shot perfs @ 7933'-34', 7847'-49', 7822'-23', 7808'-7809', 7787'-88', 7780'-82', 7774'-76', 7769'-71'. Pumped 2nd stage according to frac design. Well broke back @ 4339#. Max PSI was 4975#. Avg PSI 3500#. Max rate and avg rate 61 BBLS per min. ISIP 2282#. 5 min SI 2280#. 10 min SI 2266#. 15 min SI 2245#. RU Lonewolf. Set plug @ 7760'. Shot perfs @ 7743'-44', 7736'-37', 7731'-7733', 7717'-20', 7709'-10', 7680'-83', 7675'-76', Pump 3rd stage frac according to frac design. Well broke @ 2334#. Max PSI 4363#. Avg PSI 3273#. Max BBLS per min 60. Avg BBLS per min 59. ISIP 2416#. 5 min SI 2304#. 10 min SI 2262#. 15 min SI 2229#. RU Lone wolf & set plug @ 7650'. Shot perfs @ 7613'-16', 7556'-57', 7524'-27', 7481'-84', 7474'-76', Pumped 4th stage according to frac design. Well broke @ 2777#. Max PSI 4913#. AVG PSI 3462#. Max and average rate 60 BBLS per min. Max and average ISIP 2389#. 5 min 2269'. 10 min 2196#. 15 min 2164#. RD Weatherford. RU Lonewolf . Set composite plug @ 6000'. RD Lonewolf. RD Oil States Isolations Tools. SDFN

Daily Cost: \$222,171 Cumulative Cost: \$1,636,543 Remaining AFE: \$514,657

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0# on well. ND frac valve. NU BOP. TIH w/ 186 JTS TBG. Tag bridge plug @ 6000' SDFN.

Daily Cost: \$5,500 Cumulative Cost: \$1,642,043 Remaining AFE: \$509,157

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0# on well. RIH to CBP @ 6000'. Drilled out. RIH & tag sand @ 7250'. Cleaned out sand down to CBP @ 7650'. Drilled out plug. Cleaned out to 7711'. Circulate hole clean. POOH to 7455' to get above top perf. SDFN.

Daily Cost: \$10,200    Cumulative Cost: \$1,652,243    Remaining AFE: \$498,957

10/25/2012

150# on well. Cleaned out down to plug @ 7750'. Drilled out plug. Cleaned out to plug @ 7950'. Drilled out plug. Cleaned out to 8354'. Pulled up above top perms. SDFN.

Daily Cost: \$14,500    Cumulative Cost: \$1,666,743    Remaining AFE: \$484,457

10/26/2012

RIH & cleaned back out to 8356'. LD TBG to 7436' to get above top perf. Landed TBG on TBG hangar. ND BOP. NU WH. RDMO. Plumbed in WH. Start flowing.

Daily Cost: \$7,500    Cumulative Cost: \$1,674,243    Remaining AFE: \$476,957

10/28/2012

Well started flowing back a small amount of oil @ 12:00 P.M. on 10/28/2012. Flowing back approximately 200 BBLS of water per day. 725 total BBLS H2O recovered .

Daily Cost: \$5,000    Cumulative Cost: \$1,679,243    Remaining AFE: \$471,957

10/29/2012

Flowed well until 3:30 P.M. Moved in C&S Swab Rig. Made 5 swab runs. Recovered 61 BBLS. Final fluid level at 150'. 786 Total BBLS recovered.

Daily Cost: \$2,500    Cumulative Cost: \$1,681,743    Remaining AFE: \$469,457

\*6,468 BBLS frac water used in frac. 5,682 BBLS left to recover.

10/30/2012

Well had 40# on TBG. 75# on CSG. Well flowed for 1 hour. Started swabbing. Made 26 swab runs. Recovered 304 BBLS water. Final fluid level @ 780'. 1,090 Total BBLS recovered. 5,378 BBLS left to Recover.

\*Trace of gas blowing when getting fluid back and extremely small trace of oil.

Daily Cost: \$3,500      Cumulative Cost: \$1,685,243      Remaining AFE: \$465,957

10/31/2012

40# on TBG 76# on CSG. Made 30 runs. Rec 340 BBLs. Had trace of oil & a trace of gas. 1430 Total BBLs Recovered. 5038 BBLs left to recover.

Daily Cost: \$3,500      Cumulative Cost: \$1,688,743      Remaining AFE: \$462,457

11/1/2012

Made 31 swab runs. Recovered 245 BBLs. Initial fluid level @300'. Final fluid level @ 600'. Trace of oil and gas. 1675 Total BBLs recovered. 4793 BBLs left to recover.

Daily Cost: \$4,000      Cumulative Cost: \$1,692,743      Remaining AFE: \$458,457

11/2/2012

Made 33 swab runs. Recovered 250 BBLs. Initial fluid level @400'. Final fluid level @ 950'. Trace of oil and gas. 1925 Total BBLs recovered. 4543 BBLs left to recover. Pulled chloride test. Test was 10,300 PPM.

Daily Cost: \$3,500      Cumulative Cost: \$1,696,243      Remaining AFE: \$454,957

11/3/2012

Made 33 swab runs. Recovered 235 BBLs. Initial fluid level @400'. Final fluid level @ 1450'. Trace of oil and gas. 2160 Total BBLs recovered. 4308 BBLs left to recover.

Daily Cost: \$3,500      Cumulative Cost: \$1,699,743      Remaining AFE: \$451,457

11/4/2012

Made 38 swab runs. Recovered 260 BBLs. Initial fluid level @500'. Final fluid level @ 1950'. Trace of oil and gas. 2420 Total BBLs recovered. 4048 BBLs left to recover.

Daily Cost: \$3,500      Cumulative Cost: \$1,703,243      Remaining AFE: \$447,957

11/5/2012

8# on CSG. Made 33 swab runs. Recovered 250 BBLs. Initial fluid level @500'. Final fluid level @ 1700'. Trace of oil and gas. 2670 Total BBLs recovered. 3798 BBLs left to recover. Pulled chlorides test. Test was 10,600 PPM.

Daily Cost: \$3,500      Cumulative Cost: \$1,706,743      Remaining AFE: \$444,457

11/6/2012

8# on CSG. Made 33 swab runs. Recovered 255 BBLs. Initial fluid level @687'. Final fluid level @ 1850'. Trace of oil and gas. 2925 Total BBLs recovered. 3543 BBLs left to recover. Pulled chlorides test. Test was 10,300 PPM.

Daily Cost: \$3,500      Cumulative Cost: \$1,710,243      Remaining AFE: \$440,957

11/7/2012

10# on CSG. Made 33 swab runs. Recovered 250 BBLs. Initial fluid level @700'. Final fluid level @ 1900'. Trace of oil and gas. 3175 Total BBLs recovered. 3293 BBLs left to recover. Pulled chlorides test. Test was 10,500 PPM. Normal chlorides for Wasatch and this area run 15,000 PPM to 20,000 PPM.

Daily Cost: \$3,500      Cumulative Cost: \$1,713,743      Remaining AFE: \$437,457

11/8/2012

22# on CSG. Made 9 swab runs. Recovered 63 BBLs. Initial fluid level @800'. Final fluid level @ 1235'. Trace of oil and gas. 3238 Total BBLs recovered. 3230 BBLs left to recover. Pulled chlorides test. Test was 11,800 PPM.

Daily Cost: \$2,500      Cumulative Cost: \$1,716,243      Remaining AFE: \$434,957

\*\*Waiting for a service rig to clean out sands and isolate individual zones and swab test.  
Should acquire rig the first of next week 11/19/12.

11/19/2012

MIRU Duco. ND WH NU BOP. Pick up 2 7/8" TBG. RIH & tagged up at 8354'. No fill.  
Circulated well clean. POOH with 36 JTS 2 7/8" TBG. TBG started swabbing thick oil out of casing.  
SDFN

\*We are going to circulate well with hot oiler to get a clean wellbore to run the plug in.

Daily Cost: \$7,750    Cumulative Cost: \$1,723,993    Remaining AFE: \$427,207

11/20/2012

7:00AM on well . Rigged up hot oiler. Circulated water down tubing up casing for 3 hours to clean oil out  
of wellbore .  
Pulled out of hole with 222 JTS TBG, shift open bit sub & bit. Run in hole with plug & 239 JTS TBG. Set  
plug @ 7660'.  
Pulled out of hole with 180 JTS TBG.  
5:00 PM SDFN

Daily Cost: \$11,800    Cumulative Cost: \$1,735,793    Remaining AFE: \$415,407

11/21/2012

7:00am 0# on well. Circulated well clean with hot oiler. Run in hole with packer, seat nipple & 239 JTS 2  
7/8" TBG. Set packer @ 7428'. Rigged up and started swabbing. Initial fluid level @ 100'. Made 16 runs.  
Recovered 96 bbls water with a trace of oil . Final fluid level @ 680'.

Daily Cost: \$11,000    Cumulative Cost: \$1,746,793    Remaining AFE: \$404,407

11/26/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 150'. Made 42 runs. Final fluid  
level at 800'. Recovered 241 BBLS water with a trace of oil, no gas. Chlorides on water @ 11,400 PPM.  
5:00 P.M. SDFN

Daily Cost: \$9,500    Cumulative Cost: \$1,756,293    Remaining AFE: \$394,907

11/27/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 600'. Made 37 runs. Final fluid  
level @ 800'. Recovered 240 BBLS water with a trace of oil & no gas. Chlorides on water @ 10,500 PPM.  
5:00 P.M. SDFN

Daily Cost: \$9,500    Cumulative Cost: \$1,765,793    Remaining AFE: \$385,407

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-42469	
<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>7. UNIT or CA AGREEMENT NAME:</b> HORSESHOE BEND (GR)	
<b>8. WELL NAME and NUMBER:</b> HSB FED 42-04X	
<b>9. API NUMBER:</b> 43047530680000	
<b>9. FIELD and POOL or WILDCAT:</b> HORSESHOE BEND	
<b>COUNTY:</b> UINTAH	
<b>STATE:</b> UTAH	

**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.

<b>1. TYPE OF WELL</b> Oil Well	<b>1. TYPE OF WELL</b> Oil Well
<b>2. NAME OF OPERATOR:</b> ROSEWOOD RESOURCES INC	<b>2. NAME OF OPERATOR:</b> ROSEWOOD RESOURCES INC
<b>3. ADDRESS OF OPERATOR:</b> PO Box 1668 , Vernal , UT, 84078	<b>PHONE NUMBER:</b> 435 789-0414 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2051 FNL 0657 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 04 Township: 07.0S Range: 21.0E Meridian: S	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/26/2013	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 March 26, 2013

<b>NAME (PLEASE PRINT)</b> Jill Henrie	<b>PHONE NUMBER</b> 435 789-0414	<b>TITLE</b> Administravtive Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/26/2013	

## ROSEWOOD RESOURCES, INC.

WELL NAME: HSB Fed #42-04X

API # 43-047-53068

SENE SEC 4 T7S R21E SLB&M

2051' FNL & 657' FEL

LAT = 40°14'33.11" LONG = 109°33'13.13"

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Drilled out plug. Cleaned out to 8354'. Pulled up above top perms. SDFN.

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hangar. ND BOP. NU WH. RDMO. Plumbed in WH. Start flowing.

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\*6,468 BBLs frac water used in frac. 5,682 BBLs left to recover.

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Well had 40# on TBG. 75# on CSG. Well flowed for 1 hour. Started swabbing. Made 26 swab runs.  
Recovered 304 BBLs water. Final fluid level @ 780'. 1,090 Total BBLs recovered. 5,378 BBLs left to  
Recover.

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11/5/2012

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Daily Cost: \$3,500      Cumulative Cost: \$1,706,743      Remaining AFE: \$444,457

11/6/2012

8# on CSG. Made 33 swab runs. Recovered 255 BBLS. Initial fluid level @687'. Final fluid level @ 1850'. Trace of oil and gas. 2925 Total BBLS recovered. 3543 BBLS left to recover. Pulled chlorides

Daily Cost: \$3,500 Cumulative Cost: \$1,710,243 Remaining AFE: \$440,957

11/7/2012

10# on CSG. Made 33 swab runs. Recovered 250 BBLS. Initial fluid level @700'. Final fluid level @ 1900'. Trace of oil and gas. 3175 Total BBLS recovered. 3293 BBLS left to recover. Pulled chlorides test. Test was 10,500 PPM. Normal chlorides for Wasatch and this area run 15,000 PPM to 20,000 PPM.

Daily Cost: \$3,500 Cumulative Cost: \$1,713,743 Remaining AFE: \$437,457

11/8/2012

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Daily Cost: \$2,500 Cumulative Cost: \$1,716,243 Remaining AFE: \$434,957

\*\*Waiting for a service rig to clean out sands and isolate individual zones and swab test. Should acquire rig the first of next week 11/19/12.

11/19/2012

MIRU Duco. ND WH NU BOP. Pick up 2 7/8" TBG. RIH & tagged up at 8354'. No fill. Circulated well clean. POOH with 36 JTS 2 7/8" TBG. TBG started swabbing thick oil out of casing. SDFN

\*We are going to circulate well with hot oiler to get a clean wellbore to run the plug in.

Daily Cost: \$7,750 Cumulative Cost: \$1,723,993 Remaining AFE: \$427,207

11/20/2012

7:00AM on well . Rigged up hot oiler. Circulated water down tubing up casing for 3 hours to clean oil out of wellbore . Pulled out of hole with 222 JTS TBG, shift open bit sub & bit. Run in hole with plug & 239 JTS TBG. Set plug @ 7660'. Pulled out of hole with 180 JTS TBG.  
5:00 PM SDFN

Daily Cost: \$11,800 Cumulative Cost: \$1,735,793 Remaining AFE: \$415,407

11/21/2012

7:00am 0# on well. Circulated well clean with hot oiler. Run in hole with packer, seat nipple & 239 JTS 2 7/8" TBG. Set packer @ 7428'. Rigged up and started swabbing. Initial fluid level @ 100'. Made 16 runs. Recovered 96 bbls water with a trace of oil . Final fluid level @ 680'.  
5:00 pm SDFN

Daily Cost: \$11,000 Cumulative Cost: \$1,746,793 Remaining AFE: \$404,407

11/26/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 150'. Made 42 runs. Final fluid level at 800'. Recovered 241 BBLS water with a trace of oil, no gas. Chlorides on water @ 11,400 PPM.  
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Daily Cost: \$9,500 Cumulative Cost: \$1,756,293 Remaining AFE: \$394,907

11/27/2012

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Daily Cost: \$9,500 Cumulative Cost: \$1,765,793 Remaining AFE: \$385,407

11/28/2012

7:00 A.M. 0# on well. Rigged up & started swabbing . Initial fluid level 600'. Made 30 runs. Final level at 800'. Recovered 200 BBLS water with a trace of oil, no gas. Chlorides on water @11,100 PPM.  
4:00 P.M. SDFN

Daily Cost: \$7,000 Cumulative Cost: \$1,772,793 Remaining AFE: \$378,407

11/29/2012

7:00 A.M. 0# on well. Unset packer. POOH w/ 230 JTS 2 7/8" TBG, SN & packer. RIH with retrieving head ,new packer, seat nipple and 238 JTS 2 7/8" TBG to top of plug at 7654'. RU swivel. Circulated down onto plug . Circulated clean. Unset plug. RIH w/ 10 JTS 2 7/8" TBG. Set plug at 8016'. POOH w/ 10 JTS 2 7/8" TBG. Set packer at 7654'. RU swab equipment . SDFN @ 4:00 P.M.

Daily Cost: \$7,000 Cumulative Cost: \$1,779,793 Remaining AFE: \$371,407

12/1/2012

7:00 A.M. 0# on well . Rigged up & started swabbing. Initial fluid level @ 500'. Made 36 runs. Final level at 1050'. Recovered 243 BBLS water with a trace of oil, no gas. Chlorides were @ 11,100 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,784,793 Remaining AFE: \$366,407

12/3/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 600'. Made 38 runs. Final fluid level @ 1100' Recovered 243 BBLS water with a trace of oil, no gas. Chlorides were @ 11,900 PPM.

Daily Cost: \$6,000 Cumulative Cost: \$1,790,793 Remaining AFE: \$360,407

12/4/2012

7:00 A.M. 0# on well. Rigged up & started swabbing . Initial fluid level @ 1100'. Made 38 runs. Final level at 1800'. Recovered 205 BBLS water with a trace of oil and gas. Chlorides were @ 11,900 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,795,793 Remaining AFE: \$355,407

12/5/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 800'. Made 29 runs. Final fluid level @ 1800'. Recovered 207 BBLs water with a trace of oil and gas. Chlorides were @ 11,900 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,800,793 Remaining AFE: \$350,407

12/6/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1800'. Made 30 runs. Final fluid level @ 1800'. Recovered 210 BBLs water with a trace of oil and gas. Chlorides were @ 11,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,805,793 Remaining AFE: \$345,407

12/7/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1800'. Made 30 runs. Final fluid level @ 1800'. Recovered 210 BBLs water with a trace of oil and gas. Chlorides were @ 11,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,810,793 Remaining AFE: \$340,407

12/9/2012

7:00 A.M. 0# on well. Unset packer RIH to top of plug. RU pump & circulated down onto plug. Circulated clean & unset plug. RIH to 8264' set plug. POOH to 8007' & set packer.  
1:00 P.M. SDFN

Daily Cost: \$5,000 Cumulative Cost: \$1,815,793 Remaining AFE: \$335,407

12/10/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 300'. Made 25 runs. Final fluid level @ 4000'. Recovered 115 BBLs water with a trace of oil and gas. Chlorides were @ 9,600 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,820,793 Remaining AFE: \$330,407

12/11/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 2500'. Made 19 runs. Final fluid level @ 4800'. Recovered 97 BBLs water with a trace of oil and gas. Chlorides were @ 9,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,825,793 Remaining AFE: \$325,407

12/12/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 2500'. Made 19 runs. Final fluid level @ 4800'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 9,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,830,793 Remaining AFE: \$320,407

12/13/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1600'. Made 17 runs. Final fluid level @ 4600'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 5,700 PPM.

Daily Cost: \$6,000 Cumulative Cost: \$1,836,793 Remaining AFE: \$314,407

12/14/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 2500'. Made 19 runs. Final fluid level @ 4800'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 9,800 PPM.

Daily Cost: \$7,000 Cumulative Cost: \$1,843,793 Remaining AFE: \$307,407

12/17/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1600'. Made 20 runs. Final fluid level @ 4800'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 5,900 PPM.

Daily Cost: \$7,000 Cumulative Cost: \$1,850,793 Remaining AFE: \$300,407

12/18/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1600'. Made 19 runs. Final fluid level @ 4800'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 6,000 PPM.

Daily Cost: \$7,000 Cumulative Cost: \$1,857,793 Remaining AFE: \$293,407

12/19/2012

7:00 A.M. 0# on well. Unset packer. RIH to top of plug. RU pump & circulated down onto plug. Circulated clean. Unset plug. Pulled out of with tbg and packer. Plug came off on the trip out. Run in hole with 60 jts to top of plug. Latched onto plug. Pulled out of hole with 60 jts tbg and plug. Run in hole with 100 jts 2 7/8" tbg. 5:00 P.M. SDFN

Daily Cost: \$10,500 Cumulative Cost: \$1,868,293 Remaining AFE: \$282,907

12/20/2012

7:00 A.M. 0# on well. Run in hole with 196 jts. Nipple down BOP. Nipple up wellhead. RDMO location.

Daily Cost: \$8,500 Cumulative Cost: \$1,876,793 Remaining AFE: \$274,407

1/21/2013

Cleaned up location to prep for pumping unit. Start tearing down PU off existing RRI location. (Lizard Creek #11-1) Reports will resume upon PU transfer & hook up.

Daily Cost: \$2,500 Cumulative Cost: \$1,879,293 Remaining AFE: \$271,907

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-42469
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> HORSESHOE BEND (GR)
<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> HSB FED 42-04X
<b>2. NAME OF OPERATOR:</b> ROSEWOOD RESOURCES INC	<b>9. API NUMBER:</b> 43047530680000
<b>3. ADDRESS OF OPERATOR:</b> PO Box 1668 , Vernal , UT, 84078	<b>PHONE NUMBER:</b> 435 789-0414 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2051 FNL 0657 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 04 Township: 07.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> HORSESHOE BEND  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <b>6/12/2013</b>	<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 checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text" value="Well status"/>

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

Rosewood would like to propose to commingle the Wasatch and Green River formations. All of our working interest owners are the same from surface to TD. Thank you, Jill

**REQUEST DENIED**  
**Utah Division of**  
**Oil, Gas and Mining**

**Date:** October 22, 2013

**By:** *Derek Quist*

<b>NAME (PLEASE PRINT)</b> Jill Henrie	<b>PHONE NUMBER</b> 435 789-0414	<b>TITLE</b> Administravtive Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/12/2013	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047530680000**

**Requirements of R649-3-22 not met.**

## ROSEWOOD RESOURCES, INC.

WELL NAME: HSB Fed #42-04X

API # 43-047-53068

SENE SEC 4 T7S R21E SLB&M

2051' FNL & 657' FEL

LAT = 40°14'33.11" LONG = 109°33'13.13"

Lease Number #UTU-42469

County : Uintah

Gross AFE: \$2,151,200

9/14/2012

MIRU Halliburton Logging; Hold Safety Meeting; RIH w/ gauge ring and junk basket F/surface T/8196'; Could not get down to PBD @ 8346'; RIH w/ CBL & GR F/8180' T/surface'; TOC @ 450'; F/450' T/2900' 50% bond; F/2900' T/3500' 60% bond; F/3500' T/4800' 70% bond; F/4800' T/5500' 80% bond; F/5500' T/8180' 90% bond; We did not pressure up on csg; According to Halliburton their lead cement Halliburton ECONOCEM will not show good CBL.

Daily Cost: \$8,511      Cumulative Cost: \$1,379,322      Remaining AFE: \$771,878

10/17/2012

MIRU Duco Well Service. NU BOP. PU 2 7/8" L-80 TBG to 7568'. SDFN.

Daily Cost: \$14,300      Cumulative Cost: \$1,393,622      Remaining AFE: \$757,578

10/18/2012

PU & RIH. Tag cement @ 8276'. PU power swivel. Cleaned out to 8354'. Circ clean. PSI test to 2000#. POOH w/ 260 JTS, scraper, change over & bit. ND BOP. NU Frac valve.

Daily Cost: \$9,250      Cumulative Cost: \$1,402,872      Remaining AFE: \$748,328

10/19/2012

MIRU Lonewolf Wireline. RIH. Shot perfs @ 8078'-8079', 8083'-8084', 8086'-8089', 8193'-8194', 8197'-8198', 8201'-8202', 8204'-8205', 8211'-8214' POOH. RD Lonewolf. Shut down for weekend.

Daily Cost: \$11,500 Cumulative Cost: \$1,414,372 Remaining AFE: \$736,828

10/22/2012

MIRU Oil States Isolation Tools and Weatherford. Held safety meeting on high PSI lines and fracing responsibilities. Pumped 1st stage frac according to frac design. Well broke back at 2828#. Max PSI was 4688#. Avg PSI was 4277#. Max rate was 58 BBLS per min. Avg rate was 56 BBLS per min. ISIP 3233#. 5 min SI 3121#. 10 min SI 3057#. 15 min SI 3017#. RU Lonewolf. Set composite plug @ 7950'. Shot perfs @ 7933-34', 7847'-49', 7822'-23', 7808'-7809', 7787'-88', 7780'-82', 7774'-76', 7769'-71'. Pumped 2nd stage according to frac design. Well broke back @ 4339#. Max PSI was 4975#. Avg PSI 3500#. Max rate and avg rate 61 BBLS per min. ISIP 2282#. 5 min SI 2280#. 10 min SI 2266#. 15 min SI 2245#. RU Lonewolf. Set plug @ 7760'. Shot perfs @ 7743'-44', 7736'-37', 7731'-7733', 7717'-20', 7709'-10', 7680'-83', 7675'-76', Pump 3rd stage frac according to frac design. Well broke @ 2334#. Max PSI 4363#. Avg PSI 3273#. Max BBLS per min 60. Avg BBLS per min 59. ISIP 2416#. 5 min SI 2304#. 10 min SI 2262#. 15 min SI 2229#. RU Lone wolf & set plug @ 7650'. Shot perfs @ 7613'-16', 7556'-57', 7524'-27', 7481'-84', 7474'-76', Pumped 4th stage according to frac design. Well broke @ 2777#. Max PSI 4913#. AVG PSI 3462#. Max and average rate 60 BBLS per min. Max and average ISIP 2389#. 5 min 2269'. 10 min 2196#. 15 min 2164#. RD Weatherford. RU Lonewolf . Set composite plug @ 6000'. RD Lonewolf. RD Oil States Isolations Tools. SDFN

Daily Cost: \$222,171 Cumulative Cost: \$1,636,543 Remaining AFE: \$514,657

10/23/2012

0# on well. ND frac valve. NU BOP. TIH w/ 186 JTS TBG. Tag bridge plug @ 6000' SDFN.

Daily Cost: \$5,500 Cumulative Cost: \$1,642,043 Remaining AFE: \$509,157

10/24/2012

0# on well. RIH to CBP @ 6000'. Drilled out. RIH & tag sand @ 7250'. Cleaned out sand down to CBP @ 7650'. Drilled out plug. Cleaned out to 7711'. Circulate hole clean. POOH to 7455" to get above top perf. SDFN.

Daily Cost: \$10,200 Cumulative Cost: \$1,652,243 Remaining AFE: \$498,957

10/25/2012

150# on well. Cleaned out down to plug @ 7750'. Drilled out plug. Cleaned out to plug @ 7950'.  
Drilled out plug. Cleaned out to 8354'. Pulled up above top perms. SDFN.

Daily Cost: \$14,500 Cumulative Cost: \$1,666,743 Remaining AFE: \$484,457

10/26/2012

RIH & cleaned back out to 8356'. LD TBG to 7436' to get above top perf. Landed TBG on TBG  
hangar. ND BOP. NU WH. RDMO. Plumbed in WH. Start flowing.

Daily Cost: \$7,500 Cumulative Cost: \$1,674,243 Remaining AFE: \$476,957

10/28/2012

Well started flowing back a small amount of oil @ 12:00 P.M. on 10/28/2012. Flowing back  
approximately 200 BBLs of water per day. 725 total BBLs H2O recovered .

Daily Cost: \$5,000 Cumulative Cost: \$1,679,243 Remaining AFE: \$471,957

10/29/2012

Flowed well until 3:30 P.M. Moved in C&S Swab Rig. Made 5 swab runs. Recovered 61 BBLs. Final  
fluid level at 150'. 786 Total BBLs recovered.

Daily Cost: \$2,500 Cumulative Cost: \$1,681,743 Remaining AFE: \$469,457

\*6,468 BBLs frac water used in frac. 5,682 BBLs left to recover.

10/30/2012

Well had 40# on TBG. 75# on CSG. Well flowed for 1 hour. Started swabbing. Made 26 swab runs.  
Recovered 304 BBLs water. Final fluid level @ 780'. 1,090 Total BBLs recovered. 5,378 BBLs left to  
Recover.

\*Trace of gas blowing when getting fluid back and extremely small trace of oil.

Daily Cost: \$3,500 Cumulative Cost: \$1,685,243 Remaining AFE: \$465,957

10/31/2012

40# on TBG 76# on CSG. Made 30 runs. Rec 340 BBLs. Had trace of oil & a trace of gas. 1430 Total BBLs Recovered. 5038 BBLs left to recover.

Daily Cost: \$3,500      Cumulative Cost: \$1,688,743      Remaining AFE: \$462,457

11/1/2012

Made 31 swab runs. Recovered 245 BBLs. Initial fluid level @300'. Final fluid level @ 600'. Trace of oil and gas. 1675 Total BBLs recovered. 4793 BBLs left to recover.

Daily Cost: \$4,000      Cumulative Cost: \$1,692,743      Remaining AFE: \$458,457

11/2/2012

Made 33 swab runs. Recovered 250 BBLs. Initial fluid level @400'. Final fluid level @ 950'. Trace of oil and gas. 1925 Total BBLs recovered. 4543 BBLs left to recover. Pulled chloride test. Test was 10,300 PPM.

Daily Cost: \$3,500      Cumulative Cost: \$1,696,243      Remaining AFE: \$454,957

11/3/2012

Made 33 swab runs. Recovered 235 BBLs. Initial fluid level @400'. Final fluid level @ 1450'. Trace of oil and gas. 2160 Total BBLs recovered. 4308 BBLs left to recover.

Daily Cost: \$3,500      Cumulative Cost: \$1,699,743      Remaining AFE: \$451,457

11/4/2012

Made 38 swab runs. Recovered 260 BBLs. Initial fluid level @500'. Final fluid level @ 1950'. Trace of oil and gas. 2420 Total BBLs recovered. 4048 BBLs left to recover.

Daily Cost: \$3,500      Cumulative Cost: \$1,703,243      Remaining AFE: \$447,957

11/5/2012

8# on CSG. Made 33 swab runs. Recovered 250 BBLs. Initial fluid level @500'. Final fluid level @ 1700'. Trace of oil and gas. 2670 Total BBLs recovered. 3798 BBLs left to recover. Pulled chlorides

Daily Cost: \$3,500      Cumulative Cost: \$1,706,743      Remaining AFE: \$444,457

11/6/2012

8# on CSG. Made 33 swab runs. Recovered 255 BBLs. Initial fluid level @687'. Final fluid level @ 1850'. Trace of oil and gas. 2925 Total BBLs recovered. 3543 BBLs left to recover. Pulled chlorides

Daily Cost: \$3,500      Cumulative Cost: \$1,710,243      Remaining AFE: \$440,957

11/7/2012

10# on CSG. Made 33 swab runs. Recovered 250 BBLs. Initial fluid level @700'. Final fluid level @ 1900'. Trace of oil and gas. 3175 Total BBLs recovered. 3293 BBLs left to recover. Pulled chlorides test. Test was 10,500 PPM. Normal chlorides for Wasatch and this area run 15,000 PPM to 20,000 PPM.

Daily Cost: \$3,500      Cumulative Cost: \$1,713,743      Remaining AFE: \$437,457

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22# on CSG. Made 9 swab runs. Recovered 63 BBLs. Initial fluid level @800'. Final fluid level @ 1235'. Trace of oil and gas. 3238 Total BBLs recovered. 3230 BBLs left to recover. Pulled chlorides test. Test was 11,800 PPM.

Daily Cost: \$2,500      Cumulative Cost: \$1,716,243      Remaining AFE: \$434,957

\*\*Waiting for a service rig to clean out sands and isolate individual zones and swab test. Should acquire rig the first of next week 11/19/12.

11/19/2012

MIRU Duco. ND WH NU BOP. Pick up 2 7/8" TBG. RIH & tagged up at 8354'. No fill. Circulated well clean. POOH with 36 JTS 2 7/8" TBG. TBG started swabbing thick oil out of casing. SDFN

\*We are going to circulate well with hot oiler to get a clean wellbore to run the plug in.

Daily Cost: \$7,750      Cumulative Cost: \$1,723,993      Remaining AFE: \$427,207

11/20/2012

7:00AM on well . Rigged up hot oiler. Circulated water down tubing up casing for 3 hours to clean oil out of wellbore . Pulled out of hole with 222 JTS TBG, shift open bit sub & bit. Run in hole with plug & 239 JTS TBG. Set plug @ 7660'. Pulled out of hole with 180 JTS TBG.  
5:00 PM SDFN

Daily Cost: \$11,800 Cumulative Cost: \$1,735,793 Remaining AFE: \$415,407

11/21/2012

7:00am 0# on well. Circulated well clean with hot oiler. Run in hole with packer, seat nipple & 239 JTS 2 7/8" TBG. Set packer @ 7428'. Rigged up and started swabbing. Initial fluid level @ 100'. Made 16 runs. Recovered 96 bbls water with a trace of oil . Final fluid level @ 680'.  
5:00 pm SDFN

Daily Cost: \$11,000 Cumulative Cost: \$1,746,793 Remaining AFE: \$404,407

11/26/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 150'. Made 42 runs. Final fluid level at 800'. Recovered 241 BBLS water with a trace of oil, no gas. Chlorides on water @ 11,400 PPM.  
5:00 P.M. SDFN

Daily Cost: \$9,500 Cumulative Cost: \$1,756,293 Remaining AFE: \$394,907

11/27/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 600'. Made 37 runs. Final fluid level @ 800'. Recovered 240 BBLS water with a trace of oil & no gas. Chlorides on water @ 10,500 PPM.  
5:00 P.M. SDFN

Daily Cost: \$9,500 Cumulative Cost: \$1,765,793 Remaining AFE: \$385,407

11/28/2012

7:00 A.M. 0# on well. Rigged up & started swabbing . Initial fluid level 600'. Made 30 runs. Final level at 800'. Recovered 200 BBLS water with a trace of oil, no gas. Chlorides on water @11,100 PPM.  
4:00 P.M. SDFN

Daily Cost: \$7,000 Cumulative Cost: \$1,772,793 Remaining AFE: \$378,407

11/29/2012

7:00 A.M. 0# on well. Unset packer. POOH w/ 230 JTS 2 7/8" TBG, SN & packer. RIH with retrieving head ,new packer, seat nipple and 238 JTS 2 7/8" TBG to top of plug at 7654'. RU swivel. Circulated down onto plug . Circulated clean. Unset plug. RIH w/ 10 JTS 2 7/8" TBG. Set plug at 8016'. POOH w/ 10 JTS 2 7/8" TBG. Set packer at 7654'. RU swab equipment . SDFN @ 4:00 P.M.

Daily Cost: \$7,000 Cumulative Cost: \$1,779,793 Remaining AFE: \$371,407

12/1/2012

7:00 A.M. 0# on well . Rigged up & started swabbing. Initial fluid level @ 500'. Made 36 runs. Final level at 1050'. Recovered 243 BBLs water with a trace of oil, no gas. Chlorides were @ 11,100 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,784,793 Remaining AFE: \$366,407

12/3/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 600'. Made 38 runs. Final fluid level @ 1100' Recovered 243 BBLs water with a trace of oil, no gas. Chlorides were @ 11,900 PPM.

Daily Cost: \$6,000 Cumulative Cost: \$1,790,793 Remaining AFE: \$360,407

12/4/2012

7:00 A.M. 0# on well. Rigged up & started swabbing . Initial fluid level @ 1100'. Made 38 runs. Final level at 1800'. Recovered 205 BBLs water with a trace of oil and gas. Chlorides were @ 11,900 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,795,793 Remaining AFE: \$355,407

12/5/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 800'. Made 29 runs. Final fluid level @ 1800'. Recovered 207 BBLs water with a trace of oil and gas. Chlorides were @ 11,900 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,800,793 Remaining AFE: \$350,407

12/6/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1800'. Made 30 runs. Final fluid level @ 1800'. Recovered 210 BBLs water with a trace of oil and gas. Chlorides were @ 11,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,805,793 Remaining AFE: \$345,407

12/7/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1800'. Made 30 runs. Final fluid level @ 1800'. Recovered 210 BBLs water with a trace of oil and gas. Chlorides were @ 11,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,810,793 Remaining AFE: \$340,407

12/9/2012

7:00 A.M. 0# on well. Unset packer RIH to top of plug. RU pump & circulated down onto plug. Circulated clean & unset plug. RIH to 8264' set plug. POOH to 8007' & set packer.  
1:00 P.M. SDFN

Daily Cost: \$5,000 Cumulative Cost: \$1,815,793 Remaining AFE: \$335,407

12/10/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 300'. Made 25 runs. Final fluid level @ 4000'. Recovered 115 BBLs water with a trace of oil and gas. Chlorides were @ 9,600 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,820,793 Remaining AFE: \$330,407

12/11/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 2500'. Made 19 runs. Final fluid level @ 4800'. Recovered 97 BBLS water with a trace of oil and gas. Chlorides were @ 9,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,825,793 Remaining AFE: \$325,407

12/12/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 2500'. Made 19 runs. Final fluid level @ 4800'. Recovered 96 BBLS water with a trace of oil and gas. Chlorides were @ 9,800 PPM.

Daily Cost: \$5,000 Cumulative Cost: \$1,830,793 Remaining AFE: \$320,407

12/13/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1600'. Made 17 runs. Final fluid level @ 4600'. Recovered 96 BBLS water with a trace of oil and gas. Chlorides were @ 5,700 PPM.

Daily Cost: \$6,000 Cumulative Cost: \$1,836,793 Remaining AFE: \$314,407

12/14/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 2500'. Made 19 runs. Final fluid level @ 4800'. Recovered 96 BBLS water with a trace of oil and gas. Chlorides were @ 9,800 PPM.

Daily Cost: \$7,000 Cumulative Cost: \$1,843,793 Remaining AFE: \$307,407

12/17/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1600'. Made 20 runs. Final fluid level @ 4800'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 5,900 PPM.

Daily Cost: \$7,000 Cumulative Cost: \$1,850,793 Remaining AFE: \$300,407

12/18/2012

7:00 A.M. 0# on well. Rigged up & started swabbing. Initial fluid level @ 1600'. Made 19 runs. Final fluid level @ 4800'. Recovered 96 BBLs water with a trace of oil and gas. Chlorides were @ 6,000 PPM.

Daily Cost: \$7,000 Cumulative Cost: \$1,857,793 Remaining AFE: \$293,407

12/19/2012

7:00 A.M. 0# on well. Unset packer. RIH to top of plug. RU pump & circulated down onto plug. Circulated clean. Unset plug. Pulled out of with tbg and packer. Plug came off on the trip out. Run in hole with 60 jts to top of plug. Latched onto plug. Pulled out of hole with 60 jts tbg and plug. Run in hole with 100 jts 2 7/8" tbg. 5:00 P.M. SDFN

Daily Cost: \$10,500 Cumulative Cost: \$1,868,293 Remaining AFE: \$282,907

12/20/2012

7:00 A.M. 0# on well. Run in hole with 196 jts. Nipple down BOP. Nipple up wellhead. RDMO location.

Daily Cost: \$8,500 Cumulative Cost: \$1,876,793 Remaining AFE: \$274,407

1/21/2013

Cleaned up location to prep for pumping unit. Start tearing down PU off existing RRI location. (Lizard Creek #11-1) Reports will resume upon PU transfer & hook up.

Daily Cost: \$2,500 Cumulative Cost: \$1,879,293 Remaining AFE: \$271,907

4/11/2013

10:00 A.M. MIRU. ND wellhead. NU BOP. POOH with 140 JTS 2 7/8" TBG 5:00 SDFN

Daily Cost: \$4,855 Cumulative Cost: \$1,884,148 Remaining AFE: \$267,052

4/12/2013

7:00 A.M. 0 PSI on well . Held safety meeting. POOH w/115 JTS, SN & notched collar. RIH w/ bull plug, tubing anchor, 1-JT, 4' perf sub, seat nipple and 255 JTS 2 7/8" TBG. Seat nipple @ 8225.90. End of tubing @ 8267.72 ND BOP. NU WH. Set anchor with 18,000# tension. Landed TBG on wellhead. 3:00 P.M. SDFN

Daily Cost: \$5,680 Cumulative Cost: \$1,889,828 Remaining AFE: \$261,372

4/15/2013

7:00 A.M. 0 PSI on well. Held safety meeting. Prepared rods to be run. Rigged up hot oiler. Pumped 75 BBLS water down TBG. PU & RIH w/ 2 1/2" X 1 1/2" X 20' RHAC, 11 - 1.5" weight bars, 102 - 3/4" guided rods, 100 - 7/8" guided rods & 26 - 1" guided rods. 5:00 P.M. SDFN

Daily Cost: \$5,550 Cumulative Cost: \$1,895,378 Remaining AFE: \$255,822

04/16/2013 \* Operations shut down due to high winds.

4/17/2013

7:00 A.M. 0 PSI on well. Held safety meeting. PU & RIH w/ 88 - 1" rods. Spaced out rods. Seat pump. Fill TBG with 3 BBLS water. Pressured up to 500 PSI. Bleed well down . Stroke pump pressured up to 500 PSI. TBG and pump tested good. RU pumping unit. Too windy to rig down safely. Moved all equipment except the rig. 5:00 P.M. SDFN

Daily Cost: \$70,050 Cumulative Cost: \$1,965,428 Remaining AFE: \$185,772

4/18/2013

7:00 A.M. 0 PSI on well. Held safety meeting . RDMO location.

05/14/13 Turned well on at 4:00 P.M. Well produced 111 BBLS water in 13 hours. 0# on TBG. 0# on CSG.

05/15/13 Well produced 157 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 0# on CSG.

05/16/13 Well produced 197 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 0# on CSG.

05/17/13 Well produced 157 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 20# on CSG.  
05/18/13 Well produced 175 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 55# on CSG.  
05/19/13 Well produced 158 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 80# on CSG.  
05/20/13 Well produced 211 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 100# on CSG.  
05/21/13 Well produced 173 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 120# on CSG.  
05/22/13 Well produced 160 BBLS water in 24 hrs. 0 gas or oil. 0# on TBG. 140# on CSG

05/23/13 0# on TBG. 160# on CSG. Well produced 8 BBLS water in 24 hrs. 0 gas or oil. PU down.  
Adjusted horsehead and rods.

05/24/13 0# on TBG. 180# on CSG. Well produced 130 BBLS water in 24 hrs. 0 gas or oil. Fluid  
level at 989'. Switched from propane to casing gas.

05/25/13 0# on TBG. 0# on CSG. Well produced 30 BBLS water in 24 hrs. 0 gas or oil. PU ran out  
of gas. Switched back to propane. Fluid level at 62'.

05/26/13 0# on TBG. 50# on CSG. Well produced 100 BBLS water in 24 hrs. 0 gas or oil.

05/27/13 0# on TBG. 50# on CSG. Well produced 82 BBLS water in 24 hrs. 0 gas or oil.  
PU DWN, Drive belt broke, called mechanic.

05/28/13 0# on TBG. 50# on CSG. Well produced 0 BBLS water in 24 hrs. 0 gas or oil.  
PU DWN, mechanic working on it.

05/28/13 0# on TBG. 50# on CSG. Well produced 0 BBLS water in 24 hrs. 0 gas or oil.  
PU DWN, mechanic working on it.

05/29/13 0# on TBG. 50# on CSG. Well produced 148 BBLS water in 24 hrs. 0 gas or oil.

05/30/13 0# on TBG. 75# on CSG. Well produced 158 BBLS water in 24 hrs. 0 gas or oil.

05/31/13 0# on TBG. 100# on CSG. Well produced 169 BBLS water in 24 hrs. 0 gas or oil.

06/01/13 0# on TBG. 140# on CSG. Well produced 177 BBLS water in 24 hrs. 0 gas or oil.

06/02/13 0# on TBG. 145# on CSG. Well produced 160 BBLS water in 24 hrs. 0 gas or oil.

06/03/13 0# on TBG. 150# on CSG. Well produced 150 BBLS water in 24 hrs. 0 gas or oil.  
\*Fluid Level @ 1457'.

06/04/13 0# on TBG. 180# on CSG. Well produced 135 BBLS water in 24 hrs. 0 gas or oil.  
\*Fluid Level @ 1209'.

06/05/13 0# on TBG. 180# on CSG. Well produced 267 BBLS water in 24 hrs. 0 gas or oil.  
\*Fluid Level @ 1209'. Shut well in due to high water production and 0 oil.

Morning reports will resume upon well activity.

Rosewood is planning on perforating and fracing Green River formation mid-June.

## ROSEWOOD RESOURCES, INC.

WELL NAME: HSB Fed #42-04

API # 43-047-51792

SENE SEC 4 T7S R21E SLB&M

Lease Number #UTU-42469

County : Uintah

Gross AFE: \$1,863,200

6/4/2012

Notified BLM with in 48 hours for notification requirements. Moved in heavy equipment operator and started b

Daily Cost: \$6,610 Cum Cost: \$6,610 Remaining AFE: \$1,856,590

6/5/2012

Shut down due to high winds

Daily Cost: \$0 Cum Cost: \$6,610 Remaining AFE: \$1,856,590

6/6/2012

Work on blading location to grade.

Daily Cost: \$640 Cum Cost: \$7,250 Remaining AFE: \$1,855,950

6/7/2012

Moved off location to HSB Fed 22-04. Waiting on rig decision to build pits.

Daily Cost: \$0 Cum Cost: \$7,250 Remaining AFE: \$1,855,950

7/23/2012

Finish recontouring location and pits. Line pits with felt and 10 Mil liner. Fence in pits. Ready for Leon Ross Drilli

setting surface casing on 7/26/12.

Daily Cost: \$16,000 Cum Cost: \$23,250 Remaining AFE: \$1,839,950

7/25/2012

MIRU Leon Ross Drilling. Drilled down to 600'. Motor quit. POOH. Wait on new motor.

Daily Cost: \$4,427 Cum Cost: \$27,677 Remaining AFE: \$1,835,523

7/26/2012

Still working on motor. Casing delivered.

Daily Cost: \$19,751 Cum Cost: \$47,428 Remaining AFE: \$1,815,772

7/27/2012

Drill down to 930'.

Daily Cost: \$38,133 Cum Cost: \$85,561 Remaining AFE: \$1,777,639

7/28/2012

Drill down to 1010'. Set 983' of surface casing. Float shoe at 945'. Pumped cement according to APD.

Daily Cost: \$32,702 Cum Cost: \$118,263 Remaining AFE: \$1,744,937

7/30/2012

Dig out and put in cellar ring. Move out Leon Ross Drilling to 22-04 location.

Daily Cost: \$1,500 Cum Cost: \$119,763 Remaining AFE: \$1,743,437

7/31/2012

Cut off casing and welded on casing head.

Daily Cost: \$1,651 Cum Cost: \$121,414 Remaining AFE: \$1,741,786

WO Ensign Rig

8/5/2012

MIRU Ensign #146

Daily Cost: \$54,275 Cum Cost: \$175,689 Remaining AFE: \$1,687,511

8/6/2012

MIRU Ensign #146

Daily Cost: \$59,525 Cum Cost: \$235,214 Remaining AFE: \$1,627,986

8/7/2012

MIRU Ensign Rig 146

Test BOP; Repair leaks on crossover & Kill Line; CASING DID NOT TEST

Rig Repair

BOP TEST; lower kelly valve 250low 3000high; upper kelly 250low 3000high; safety valve 250low 3000high;

dart valve 250low 3000high; pipe rams inside valves 250low 3000high; pipe rams HCR outside kill line valve

250low 3000high; pipe rams choke valve upright gauge valve & inside manifold valve 250low 3000high;

annular 250low 1500high; blind rams choke line manifold valves 250low 3000high;

SURFACE CASING DID NOT TEST

Daily Cost: \$43,898 Cum Cost: \$279,112 Remaining AFE: \$1,584,088

8/8/2012

Wait on 8 5/8" Packer; Picked up drill pipe.

Pick up Weatherford Packer; Set pkr @ 506' test down annuals would not hold pressure; Set pkr @ 279' test down

annuals would not hold; test below pkr @ 279' pressure held; Set pkr @ 98' test down annuals would not hold

pressure; Set pkr @ 45' test down annuals pressure held; Leak is @ approximately 53'.

Wait on cementing Company.

Daily Cost: \$37,019 Cum Cost: \$316,131 Remaining AFE: \$1,547,069

8/9/2012

Wait on Superior Cementing Company

Held S/M w/Superior; RU

1st Stage; Squeeze 8 5/8" surface casing @ 60' w/ 100 sks 15.8# 3% calc; pump pressure 170#  
WOC

2st Stage; Squeeze 8 5/8" surface casing @ 60' w/ 100 sks 15.8# 3% calc; pump pressure 130#  
WOC

3rd Squeeze 8 5/8" surface casing @ 60' w/ 100 sks 15.8# 3% calc 25# super flake 3# GR; pump pressure 1200#  
WOC

Drill out cement

Test surface casing DID NOT TEST

Wait on orders

Daily Cost: \$41,700 Cum Cost: \$357,831 Remaining AFE: \$1,505,369

8/10/2012

Wait on cement trucks

Held S/M w/Superior; RU

4th Squeeze 8 5/8" surface casing @ 70' w/ 100 sks 15.8# 3% calc; pump pressure 340#

Rig down. Move to HSB Fed 22-04

Daily Cost: \$31,489 Cum Cost: \$389,320 Remaining AFE: \$1,473,880

8/11/2012

CBL and Casing Inspection Log w/Halliburton

Daily Cost: \$10,428 Cum Cost: \$399,748 Remaining AFE: \$1,463,452

8/12/2012

RU Leon Ross Drilling. RIH to 900'. Rigged up Superior. Pumped 62 SXS cement. Flushed with 9 BBLs  
POOH laying down to 120'. Pumped 35 SXS cement. LD last 120' of pipe. RDMO location.

Plugging witnessed by BLM representative Brenden Huber.

Daily Cost: \$8,672 Cum Cost: \$408,420 Remaining AFE: \$1,454,780

**SKID RIG 10' AND RENAME WELL TO HSB FED 42-04X**

**WELL NAME: HSB Fed #42-04X**

**API # 43-047-53068**

**SENE SEC 4 T7S R21E SLB&M****2051' FNL & 657' FEL****LAT = 40°14'33.11" LONG = 109°33'13.13"****Lease Number #UTU-42469****County : Uintah****Gross AFE: \$2,151,200**

8/15/2012

Move hole and re-survey for rig skid. Rename well from HSB FED 40-04 to HSB 42-04X  
MIRU Leon Ross Drilling. Drill 12 1/4" surface hole w/air hammer. Drilled down 300'.

Daily Cost:	\$12,000	Cum Cost:	\$420,420	Remaining AFE:	\$1,442,780
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8/16/2012

Drilled from 300' to 840'. POOH with 500' DP. SDFN

Daily Cost:	\$20,400	Cum Cost:	\$440,820	Remaining AFE:	\$1,422,380
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8/17/2012

TD 12 1/4" surface section at 1038'; LD DP  
RIH 24 jnts 8 5/8", 24 lb/ft, J55 casing. Land CSG @ 1027.45'. Float @ 984.53'.  
Pump CMT in the AM.

Daily Cost:	\$29,700	Cum Cost:	\$470,520	Remaining AFE:	\$1,392,680
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8/18/2012

MIRU Superior Cementing Service, Hold Safety meeting  
Pump 100 bbl water to circ hole clean. Returns to surface.  
Pump 573 sks of 15.8 lb/gal 2% CaCl & cel flake cmt. Release wiper plug. Flush 63 bbls water.  
Bump plug. Returns to surface. 30 bbls cmt return to pit  
Hold 1500 psi on csg for 5 min. Test Good. Bleed off. Hold 500 psi. Bleed off. RDMO location

Daily Cost:	\$20,103	Cum Cost:	\$490,623	Remaining AFE:	\$1,372,577
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8/21/2012

Roustabout crew installed cellar around wellhead.  
MIRU Halliburton. Held safety meeting. Run CBL on 8 5/8" surface section. RDMO.

Daily Cost:	\$7,595	Cum Cost:	\$498,218	Remaining AFE:	\$1,364,982
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8/25/2012

Move Rig  
Rig Up

Daily Cost: \$51,379 Cum Cost: \$549,597 Remaining AFE: \$1,601,603

8/26/2012

Rig Up  
Nipple Up BOP  
Test BOP; 3000# On BOP Stack; 1500# On Surface Casing; All Test Were Good.  
Install Ware Bushing  
Pick Up Bit & Motor  
TIH Tag @ 974'  
Level Rig; Secure BOP Stack; Install Rotating Rubber  
Drill Out Cement & Float Equipment  
Drill F/1051' To 1771'  
Safety Meeting; Stabbing Pipe JSA; Rig Up JSA; Pick Up Collars JSA;

Daily Cost: \$31,555 Cum Cost: \$581,152 Remaining AFE: \$1,570,048

8/27/2012

Drill F/1771' To 2043'  
Survey @ 2043' 2.5 degrees  
Drill F/2043' To 2540'  
Survey @ 2540' 2.5 degrees  
Drill F/2540' To 2900'  
Rig Service  
Drill F/2900' To 3040'  
Survey @ 3040' 4 degrees  
Drill F/3040' To 3268'  
Survey @ 3268' 3.5 degrees  
Drill F/3268' To 3720'

Daily Cost: \$52,806 Cum Cost: \$633,958 Remaining AFE: \$1,517,242

8/28/2012

Survey @ 3720' 6+ Deg.  
Drill F/3720' To 3856'  
Survey @ 3856' 7+ Deg.  
Condition Mud & Circulate  
TOOH; Tight Spot F/2950' To 2890'; Ream

Safety Meeting W/ Halliburton Logging  
 Run Open Hole Logs To Check Wellbore Path; (Could Not Get Down Past 2550')  
 TIH W/DC; LD DC; Pick Up HWDP; TIH T/2850'  
 Circulate  
 Safety Meeting W/ Nabors Cementing  
 Whipstock Plug F/2850' To 2450' 150 sks Class G + 2% calc; 15.8 ppg  
 TOO H w/10 Stands  
 Circulate; WOC  
 Safety Meeting; Last Day JSA; LD Collars JSA;

Daily Cost: \$52,469 Cum Cost: \$686,427 Remaining AFE: \$1,464,773

8/29/2012

Wait on cement  
 Trip in f/1950'-2490' tagcement at 2490'  
 Tripout drill pipe and heavyweight  
 Pick up Directional tools  
 RIH to 2465'  
 Face off cement plug and start side track 2490'-2584'  
 Rotate and slide 2584'-3309'

MD	Inc	Azi
2444	3.06	56.00
2534	2.00	82.75
2625	0.94	166.25
2715	0.94	173.63
2806	1.00	163.00
2896	1.69	243.38
2987	1.94	242.63
3078	1.81	247.50
3168	1.75	241.25
3309	0.75	243.13

Daily Cost: \$59,994 Cum Cost: \$746,371 Remaining AFE: \$1,404,829

8/30/2012

Rotate 3,309'-4,125' Lost 135bbl f/3,309'-3,900' Pumped 10bbl LCM sweeps every connection  
 Rig Service  
 Rotate 4,125'-4,261'  
 Rotate 4,261'-4,880'

SM- Cleaning rig / Maintenance / Painting

MD	Inc	Azi
3400	0.75	249.63
3491	0.50	255.50
3581	0.56	230.63
3672	0.38	249.38
3763	0.26	200.75
3853	0.56	246.75
3944	0.81	248.88
4035	0.81	239.75
4125	0.56	189.25
4216	0.81	146.75
4307	1	146.13
4397	0.94	153.25
4488	0.94	124.88
4579	0.81	135.88
4669	1	147.63
4710	1.25	138.13
4801	1.31	133.50

Daily Cost: \$43,861 Cum Cost: \$790,232 Remaining AFE: \$1,360,968

8/31/2012

Rotate 4,880'-5,032'

Slide 5,032'-5,055'

Rotate 5,055'-5,803'

Mud losses @ 5,230-5,275 100bbl, @ 5,398 150bbl, @ 5,531 42bbl

SM-Mixing LCM, Carrying mud Material

MD	Inc	Azi
4891	1.31	127.13
4,982	1.69	114.25
5,073	0.19	36.88
5,213	0.50	53.38
5,254	0.19	140.38
5,345	0.38	160.63
5,435	0.81	108.75
5,526	1.13	134.25
5,617	1.13	139.13
5,707	1.06	141.88

Daily Cost: \$60,988 Cum Cost: \$851,220 Remaining AFE: \$1,299,980

9/1/2012

Drill actual 5,803'-5,893'  
 Slide 5,893'-5,925'  
 Rotate 5,925'-6,213'  
 Rig service  
 Rotate 6,213'-6,754'  
 Slide 6,754'-6,770'  
 Rotate 6,770'-6,799  
 SM-BOP drill, Operating winch, Walking on location, Pulling slips

MD	Inc	Azi
5,798	1.38	148.38
5,979	0.38	324.88
6,070	0.19	177.63
6,161	0.44	142.45
6,251	1.88	133.25
6,341	1.06	134.63
6,432	1.25	135.75
6,523	1.31	149.00
6,613	1.38	151.38
6,704	1.44	153.25

Daily Cost: \$45,669 Cum Cost: \$896,889 Remaining AFE: \$1,254,311

9/2/2012

Rotate 6,799'-7,026'  
 Rig Service  
 Rotate 7,026'-7,162'  
 Circ f/Bit trip  
 Trip out of hole 7,162'-4,904' Back ream 3460'  
 Directional work - Laydown motor and bit, change battery, pick up new motor  
 RIH  
 SM- tripping, stabbing pipe, working on pumps

MD	Inc	Azm
6,794	0.75	191.38
6,885	0.63	183.38
6,976	0.44	175.63

Daily Cost: \$43,552 Cum Cost: \$940,441 Remaining AFE: \$1,210,759

9/3/2012

Trip in to 7,162 tight @ 1,845, 1900, 3,380, 3,591  
 Rotate 7,162-7,434  
 Rig Service  
 Rotate 7,434-7,887

SM-Trip drill pipe, mix LCM/Mud, Forklift operation, Scrubbing, Pressure Washer

MD	Inc	Azm
7,157	0.50	156.75
7,248	0.69	171.68
7,338	1.06	178.50
7,429	0.88	176.13
7,520	1.06	170.88
7,610	1.13	173.50
7,701	1.13	168.88
7,792	0.75	188.25

Daily Cost: \$45,863 Cum Cost: \$986,301 Remaining AFE: \$1,164,896

9/4/2012

Rotate 7,887-8,200  
 Rig service  
 Rotate 8,200-8,400  
 Condition mud and circulate  
 Short trip to 3,500' f/logs

MD	Inc	Azm
7,882	0.69	177.63
7,972	0.94	159.38
8,063	1.06	165.13
8,154	1.50	164.50
8,244	1.44	165.13
8,335	1.88	167.13
8,350	1.63	166.63

Daily Cost: \$56,366 Cum Cost: \$1,042,671 Remaining AFE: \$1,108,529

9/5/2012

TIH F/4114' T 8385' Washed to 8400' (15' Fill)  
 Condition mud and circulate  
 TOOH  
 LD Directional Tools  
 SM W/Halliburton Logging  
 Run open hole logs to 8400'  
 TIH T/5800'

Rig services  
TIH F/5800' T/6620'

SM; Trip In Hole; Pre Trip Inspection; Logging;

Daily Cost: \$78,707 Cum Cost: \$1,121,378 Remaining AFE: \$1,029,822

9/6/2012

TIH F/6620' T 8400'  
Condition mud and circulate  
TOOH T/7500'  
Rig Repair  
LDDP & BHA  
Pull Wear Bushing  
SM W/Halliburton Loggers  
RIH W/Sidewall Coring Tool (BRIDGE OUT @ 3434')  
LDDP that was in derrick  
Wait On Casing

SM; Trip In Hole; BOP Duties; Lay Down BHA

Daily Cost: \$43,275 Cum Cost: \$1,164,653 Remaining AFE: \$986,547

9/7/2012

Take delivery of 5 1/2" csg; Inspection; Clean Threads; Tally  
Held SM W/Kimsey Casing Service  
Run 194 jts 5 1/2" 17# N-80 Csg Set @ 8390.22' PBTD 8346.45'  
Circulate; MIRU Halliburton  
SM W/Halliburton  
Cement Production Casing;  
Set Slips 140,000#  
Nipple Down BOP; Ruff Cut Casing  
Release Rig @ 0600

Lead Cement 11 lb/sk 2.85 ft3/sk (690 sks); Tail Cement 13.5 lb/gal 1.46 ft3/sk 725 sks; Final Rate 6 bpm;  
Bump Plug 1700 psig; Shut Down 2400 psig; Mudflush to Surface 29 bbls back; Floats Held.

SM; Unload Casing; Run Casing; 3rd Party;

Daily Cost: \$206,158 Cum Cost: \$1,370,811 Remaining AFE: \$780,389

9/14/2012

MIRU Halliburton Logging; Hold Safety Meeting; RIH w/ gauge ring and junk basket F/surface T/8196';  
Could not get down to PBTD @ 8346'; RIH w/ CBL & GR F/8180' T/surface'; TOC @ 450'; F/450' T/2900' 50% bon  
bond; F/3500' T/4800' 70% bond; F/4800' T/5500' 80% bond; F/5500' T/8180' 90% bond; We did not pressure u  
Halliburton their lead cement Halliburton ECONOCEM will not show good CBL.

Daily Cost: \$8,511      Cumulative Cost: \$1,379,322      Remaining AFE: \$771,878

Resume operations and costs on completions tab.

building location.

ng to move in and start

Sundry Number: 39030 API Well Number: 43047530680000

~

RECEIVED: Jun. 12, 2013

Sundry Number: 39030 API Well Number: 43047530680000

RECEIVED: Jun. 12, 2013

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Sundry Number: 39030 API Well Number: 43047530680000

RECEIVED: Jun. 12, 2013

Sundry Number: 39030 API Well Number: 43047530680000

d; F/2900' T/3500' 60%  
ip on csg; According to

RECEIVED: Jun. 12, 2013

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

AMENDED REPORT  FORM 8  
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**UTU-42469**

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
b. TYPE OF WORK: NEW WELL  HORIZ. LATS.  DEEP-EN  RE-ENTRY  DIFF. RESVR.  OTHER \_\_\_\_\_

6. IF INDIAN, ALLOTTEE OR TRIBE NAME \_\_\_\_\_  
7. UNIT or CA AGREEMENT NAME \_\_\_\_\_  
8. WELL NAME and NUMBER:  
**HSB Fed 42-04X**

2. NAME OF OPERATOR:  
**ROSEWOOD RESOURCES, INC.**  
3. ADDRESS OF OPERATOR:  
**P.O. BOX 1668** CITY **VERNAL** STATE **UT** ZIP **84078** PHONE NUMBER:  
**(435) 789-0414**

9. API NUMBER:  
**4304753068**  
10. FIELD AND POOL, OR WILDCAT  
**Horseshoe Bend**

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: **2051' FNL 657' FEL**  
AT TOP PRODUCING INTERVAL REPORTED BELOW: **Same**  
AT TOTAL DEPTH: **Same**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
**SENE 4 7S 21E**  
12. COUNTY  
**UINTAH** 13. STATE  
**UTAH**

14. DATE SPURRED: **8/15/2012** 15. DATE T.D. REACHED: **9/4/2012** 16. DATE COMPLETED: **5/14/2013** ABANDONED  READY TO PRODUCE  17. ELEVATIONS (DF, RKB, RT, GL):  
**GL 4965'**

18. TOTAL DEPTH: MD **8,400** TVD **8,398** 19. PLUG BACK T.D.: MD **8,354** TVD **8,352** 20. IF MULTIPLE COMPLETIONS, HOW MANY? \*  
**1** 21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
**Triple Combo - Spectral Density, Dual spaced Neutron, Array compensated Resistivity, Mud Log, CBL**  
23. WAS WELL CORED? NO  YES  (Submit analysis)  
WAS DST RUN? NO  YES  (Submit report)  
DIRECTIONAL SURVEY? NO  YES  (Submit copy)

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	8 5/8 K-55	24#	0	1,040		Premi 573	118	0' (CIR)	
7 7/8	5 1/2 N-80	17#	0	8,390		Premi 1,415	539	450' (CBL)	

**25. TUBING RECORD**

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	8,267							

**26. PRODUCING INTERVALS**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) <b>Wasatch</b>	7,298	8,400	7,296	8,398
(B)				
(C)				
(D)				

**27. PERFORATION RECORD**

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
7,474 - 8,214	.42	144	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

WAS WELL HYDRAULICALLY FRACTURED? YES  NO  IF YES -- DATE FRACTURED: **10/17/2012**

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8,078'-8,214'/7769'-7934'	98600/98220 lbs 20/40, 2500/2500 lbs 100mesh, 1000/2000 gal 15%HCl, 1606/1680 bbls 30# XL
7,675-7,744'	96800 lbs 20/40, 1600 lbs 100mesh, 2000 gal 15%HCl, 1590 bbls 30# XL
7,474-7,616'	95240 lbs 20/40, 4120 lbs 100mesh, 2000 gal 15%HCl, 1592 bbls 30# XL

**29. ENCLOSED ATTACHMENTS:**

- ELECTRICAL/MECHANICAL LOGS  GEOLOGIC REPORT  DST REPORT  DIRECTIONAL SURVEY  
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION  CORE ANALYSIS  OTHER: **Well Diagram**

**30. WELL STATUS:**

**Shut-in**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 5/14/2013		TEST DATE: 5/15/2013		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 157	PROD. METHOD: Pump
CHOKE SIZE:	TBG. PRESS. 0	CSG. PRESS. 0	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 157	INTERVAL STATUS: Shut-in	

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold & used for fuel

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

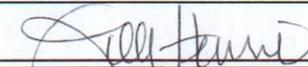
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Uintah	2,030
				Green River	3,754
				Wasatch	7,298
				TD Wasatch	8,400

35. ADDITIONAL REMARKS (Include plugging procedure)

Working on plans to move up to complete the Green River Formation

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

NAME (PLEASE PRINT) Jill Henrie TITLE Administrative Assistant  
 SIGNATURE  DATE 3/28/2014

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining Phone: 801-538-5340  
 1594 West North Temple, Suite 1210  
 Box 145801 Fax: 801-359-3940  
 Salt Lake City, Utah 84114-5801

## \*WELL 43047517920000

*MD	*TVD	*EW	*NS	*INC	*AZM
0	0	0	0	0	0
2444	2442.84	54.09	36.49	3.06	56
2534	2532.75	57.64	38.03	2	82.75
2625	2623.73	59.4	37.5	0.94	166.25
2715	2713.72	59.65	36.05	0.94	173.63
2806	2804.7	59.97	34.55	1	163
2896	2894.68	59.01	33.21	1.69	243.38
2987	2985.64	56.44	31.9	1.94	242.63
3078	3076.59	53.76	30.64	1.8	247.5
3168	3166.55	51.24	29.44	1.75	241.25
3309	3307.51	48.53	27.99	0.75	243.13
3400	3398.5	47.44	27.51	0.75	249.63
3491	3489.5	46.5	27.2	0.5	255.5
3581	3579.5	45.78	26.83	0.56	230.63
3672	3670.49	45.15	26.44	0.38	249.38
3763	3761.49	44.8	26.14	0.26	200.75
3853	3851.49	44.32	25.77	0.56	246.75
3944	3942.48	43.31	25.37	0.81	248.88
4035	4033.47	42.16	24.81	0.81	239.75
4125	4123.47	41.54	24.06	0.56	189.25
4216	4214.46	41.82	23.08	0.81	146.75
4307	4305.45	42.61	21.88	1	146.13
4397	4395.42	43.74	19.87	1.94	153.25
4488	4486.39	45.04	18.07	0.94	124.88
4579	4577.38	46.1	17.18	0.81	135.88
4669	4667.37	46.97	16.06	1	147.63
4710	4708.36	47.46	15.42	1.25	138.13
4801	4799.34	48.87	13.97	1.31	133.5
4891	4889.31	50.44	12.64	1.31	127.13
4982	4980.28	52.49	11.46	1.69	114.25
5073	5071.27	53.81	11.03	0.19	36.88
5213	5211.27	54.44	11.58	0.5	53.38
5254	5252.27	54.62	11.63	0.19	140.38
5345	5343.27	54.82	11.23	0.38	160.63
5435	5433.26	55.52	10.75	0.81	108.75
5526	5524.25	56.77	9.91	1.13	134.25
5617	5615.23	58	8.61	1.13	139.13
5707	5705.21	59.1	7.28	1.06	141.88
5798	5796.19	60.19	5.69	1.38	148.38
5979	5977.18	60.99	4.32	0.38	324.88
6070	6068.18	60.82	4.42	0.19	177.63
6161	6159.18	61.04	3.99	0.44	142.45
6251	6249.16	62.33	2.71	1.88	133.25
6341	6339.13	64	1.11	1.06	134.63
6432	6430.11	65.29	-0.19	1.25	135.75

6523	6521.09	66.52	-1.8	1.31	149
6613	6611.06	67.56	-3.63	1.38	151.38
6704	6702.03	68.6	-5.61	1.44	153.25
6794	6792.02	69	-7.2	0.75	191.38
6885	6883.01	68.85	-8.28	0.63	183.38
6976	6974.01	68.85	-9.13	0.44	175.63
7157	7155	69.21	-10.55	0.5	156.75
7248	7246	69.45	-11.46	0.69	171.68
7338	7335.98	69.55	-12.82	1.06	178.5
7429	7426.97	69.62	-14.36	0.88	176.13
7520	7517.96	69.8	-15.89	1.06	170.88
7610	7607.94	70.03	-17.6	1.13	173.5
7701	7698.92	70.3	-19.37	1.13	168.88
7792	7789.91	70.39	-20.84	0.75	188.25
7882	7879.91	70.33	-21.96	0.69	177.63
7972	7969.9	70.61	-23.19	0.94	159.38
8063	8060.88	71.09	-24.71	1.06	165.13
8154	8151.86	71.63	-26.67	1.5	164.5
8244	8241.83	72.23	-28.9	1.44	165.13
8335	8332.79	72.86	-31.46	1.88	167.13
8350	8347.78	72.96	-31.9	1.63	166.63

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-42469
---	--

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> HORSESHOE BEND (GR)
--	---

<b>1. TYPE OF WELL</b> Oil Well	<b>8. WELL NAME and NUMBER:</b> HSB FED 42-04X
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<b>2. NAME OF OPERATOR:</b> ROSEWOOD RESOURCES INC	<b>9. API NUMBER:</b> 43047530680000
---	---

<b>3. ADDRESS OF OPERATOR:</b> PO Box 1668 , Vernal , UT, 84078	<b>PHONE NUMBER:</b> 435 789-0414 Ext	<b>9. FIELD and POOL or WILDCAT:</b> HORSESHOE BEND
--	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2051 FNL 0657 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 04 Township: 07.0S Range: 21.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>3/27/2014</b>  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input 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 checked="" type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

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

**Date:** March 27, 2014

**By:** *Derek Quist*

<b>NAME (PLEASE PRINT)</b> Jill Henrie	<b>PHONE NUMBER</b> 435 789-0414	<b>TITLE</b> Administravtive Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/27/2014	

Sundry Number: 49237 API Well Number: 43047530680000



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047530680000**

**Well Completion Report covering original completion attempt should be submitted immediately.**

**WELL NAME: HSB Fed #42-04X**

**API # 43-047-53068**

**SENE SEC 4 T7S R21E SLB&M**

**2051' FNL & 657' FEL**

**LAT = 40°14'33.11" LONG = 109°33'13.13"**

**Lease Number #UTU-42469**

**County : Uintah**

1. MIRU hot oiler, circulate hot water to clean paraffin
2. Use 2% KCl or Brine water to control pressure if necessary. NOTE: document and report.
3. MIRU WO rig, POOH & lay down rods & pump. Nipple up 3K BOP, POOH & lay d
4. Nipple up two 5K 7-1/8" frac valves.
5. MIRU wireline. RIH & set CIPB @ ~7,450' (above current open perfs @ 7,474'-8
6. RIH w/ 3-1/8" HSC guns and selectively perforate 10 zones @ 6,984'-7,240' per c WL.
7. Contact HSE team with stimulation date so they can inform proper authorities
8. MIRU 30 frac tanks and fill with ~15,000 bbls fresh water.
9. MIRU hot oiler and heat water as per frac vendor's recommendation.
10. MIRU wellhead isolation tool (tree-saver), and flowback equipment.
11. MIRU Frac crew, stimulate stage 5 as per the frac vendors proposal. Note: max
12. RIH w/ 3-1/8" HSC guns, setting tool, and CBP. Set CBP @ ~6,970' and selective per detailed perforation proposal.
13. Stimulate stage 6 as per the frac vendors proposal.
14. RIH w/ 3-1/8" HSC guns, setting tool, and CBP. Set CBP @ ~6,700' and selective per detailed perforation proposal.
15. Stimulate stage 7 as per the frac vendors proposal. RDMO frac crew, WL, isolati
16. Flowback well until dead or WO rig ready to MIRU. If well flows, flow gas to sale
17. MIRU WO rig, Nipple up BOP. RIH motor & mill on tbg and drill out 2 CBP @ 6,7
18. Circulate hole clean. POOH.
18. RIH with tbg, rods, & pump. RU pumping unit and wellhead. RDMO.
19. Start pumping unit & pump test Green River completion.
20. Submit completion results to state & BLM
21. Submit frac data to FracFocus website.

γy vented gas volumes for GHG

down tubing. RDMO WO rig.

3,211')

detailed perforation proposal. RDMO

imum frac pressure of 6000 psi.

ly perforate 11 zones @ 6,717'- 6,962'

ly perforate 12 zones @ 6,098'- 6,280'

ion tool.

es.

700' & 6,970' to new PBTD of ~7,450'.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECOMPLETION**

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No.  
UTU-42469

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.  
HSB Fed 42-04X

9. API Well No.  
4304753068

10. Field and Pool or Exploratory  
Horseshoe Bend

11. Sec., T., R., M., on Block and Survey or Area  
SENE 4 7S 21E

12. County or Parish  
Uintah County

13. State  
UT

17. Elevations (DF, RKB, RT, GL)\*  
GL 4965'

14. Date Spudded  
08/15/2012

15. Date T.D. Reached  
09/04/2012

16. Date Completed  
 D & A  Ready to Prod.

18. Total Depth: MD 8350'  
TVD 8347'

19. Plug Back T.D.: MD 7450'  
TVD 7448'

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
see original completion report (logs already submitted)

22. Was well cored?  No  Yes (Submit analysis)  
Was DST run?  No  Yes (Submit report)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4	8 5/8 K55	24	0	1040		573 sx Premium	118	0' (CIR)	
7 7/8	5 1/2 N-80	17	0	8390		1415 Premium	539	450' (CBL)	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8	7237							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Green River	3754	7298	6984'-7240'	0.42"	33	Open
B)			6717'-6962'	0.42"		Open
C)			6131'-6280'	0.42"		Open
D)						

26. Perforation Record

Depth Interval	Amount and Type of Material
6984'-7240'	156900 lbs 20/40, 45 bioballs, 1000 gal 15%HCl, 3799 bbls SW + 955 bbls 18# XL
6717'-6962'	131100 lbs 20/40, 54 bioballs, 1000 gal 15%HCl, 2863 bbls SW + 1495 bbls 18# XL
6131'-6280'	137180 lbs 20/40, 54 bioballs, 1000 gal 15%HCl, 2200 bbls SW + 789 bbls 18# XL

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
4/5/2014	5/4/2014	24	→	77	77	127	42		Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
18	110	110	→	77	77	127	1000		Pumping

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)  
 Sold & used for fuel

30. Summary of Porous Zones (Include Aquifers):  
 Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Uintah	2030
				Green River	3754
				Wasatch	7298
				TD Wasatch	8400

32. Additional remarks (include plugging procedure):

P&A original perms in Wasatch Formation from 7,474'-8214' with CIPB & cement set @ 7450'. Currently pumping Green River formation completed in 3 stages as described above from perforations @ 6,131'-7,240'.. Logs below attached with original Completion Sundry.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)     
  Geologic Report     
  DST Report     
  Directional Survey  
 Sundry Notice for plugging and cement verification     
  Core Analysis     
  Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Jill Henrie Title Admin Asst / RL  
 Signature [Signature] Date 6/24/14

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